Investor Relations

Supplementary information
1st half of 2011

SpareBank 1
NORD-NORGE

SpareBank 1 NORD-NORGE

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Information on the Internet

SpareBank 1 Nord-Norge's home page	www.snn.no
Hugin-Online	www.huginonline.no
ECC information in general	www.egenkapitalbevis.no

Financial Calendar

2nd Quarter 2011	10. August 2011
3rd Quarter 2011	26. October 2011
4th Quarter 2011	Medio February 2012

Contents

1. SpareBank 1 Nord-Norge overview

1.1. Financial highlights

January - June 2011

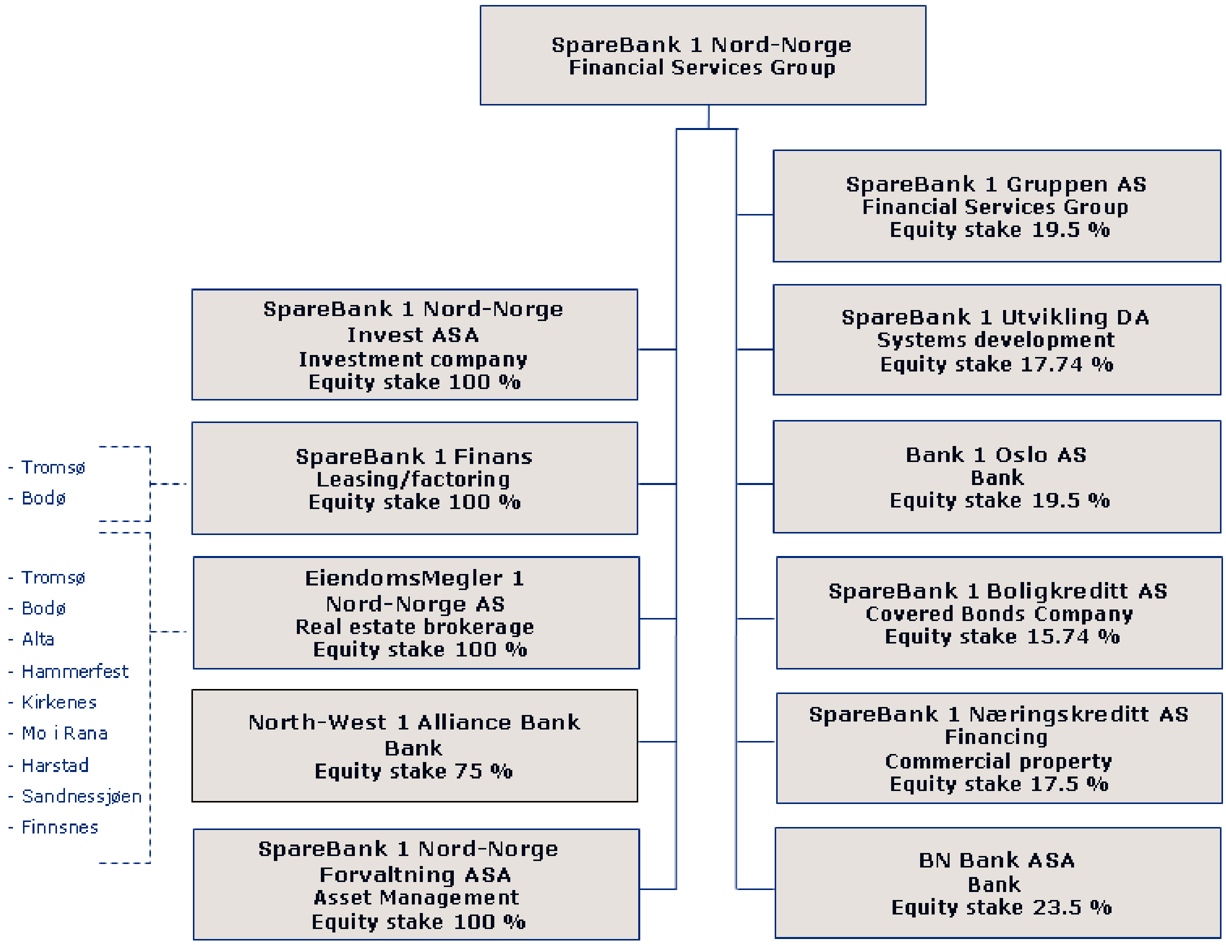
(Figures and percentages in brackets refer to the same interim period in 2010)

- Profit before tax: NOK 573 million (NOK 500 million)
- Profit: NOK 487 million (NOK 406 million)
- Return on equity: 16.3 % (15.7 %)
- Growth in lending (including loans transferred to SpareBank 1 Boligkreditt): 6.3 % (6.2 %) and in deposits: 9.1 % (4.8%) over last 12 months
- Loan losses: NOK 25 million (NOK 43 million)
- Tier 1 capital adequacy ratio: 11.3 % (9.9%)
- Earnings per equity capital certificate (ECC): NOK 2.85 (NOK 2.94)
- The Bank's equity was strengthened by NOK 583 million in the 2nd quarter through new equity issues. In addition, a bonus issue and split of the Bank's equity certificates was carried out in the 1st quarter of 2011

1.2. Business description

SpareBank 1 Nord-Norge aims to be a full-range supplier of financial products and services in North Norway. This comprises, apart from loans, deposits and payment transfers, also most savings products, life- and non-life insurance. Products and services are supplied either by the bank and its subsidiaries, or by the product companies within the SpareBank 1 Gruppen AS.
The bank applies a multi-channel approach for the distribution of its products and services through 75 branches in North Norway, one customer centre accessible by telephone on all working days, and through SpareBank 1 Nord-Norge's Internet-linked bank. The bank employed 743 man-years in Norway and 43 in Russia at the end of second quarter 2011.

SpareBank 1 Nord-Norge: Overview of the Bank's activities



SpareBank 1 Group

The SpareBank 1 banks operate an alliance and develop product companies through the jointly owned holding company SpareBank 1 Gruppen. The paramount objective of the SpareBank 1 Alliance is to assure the individual bank's independence and regional identity through strong competitiveness, profitability and financial soundness. The Alliance is among the largest providers of financial services in Norway and is a full-fledged alternative to traditional financial groups.

1.3. Credit ratings

Moody's	**Todays rating**	**2010**	**2009**	**2008**
Outlook	Stabel	Stabel	Negative	Negative
Issuer Rating	A1	A1	A1	A1
Bank Deposits	A1/P-1	A1/P-1	A1/P-1	Aa3/P-1
Bank Financial Strenght	C	C	C	C+
Senior Unsecured	A1	A1	A1	Aa3
Subordinate	A2	A2	A2	A1

Fitch	**Todays rating**	**2010**	**2009**	**2008**
Outlook	Stable	Stable	Stable	A
Long-term IDR	A	A	A	F1
Short-term IDR	F1	F1	F1	F1
Support rating	3	3	3	3
Individual rating	B/C	B/C	B/C	B/C

1.4. Equity capital certificate (NONG)

*Key figures *)*

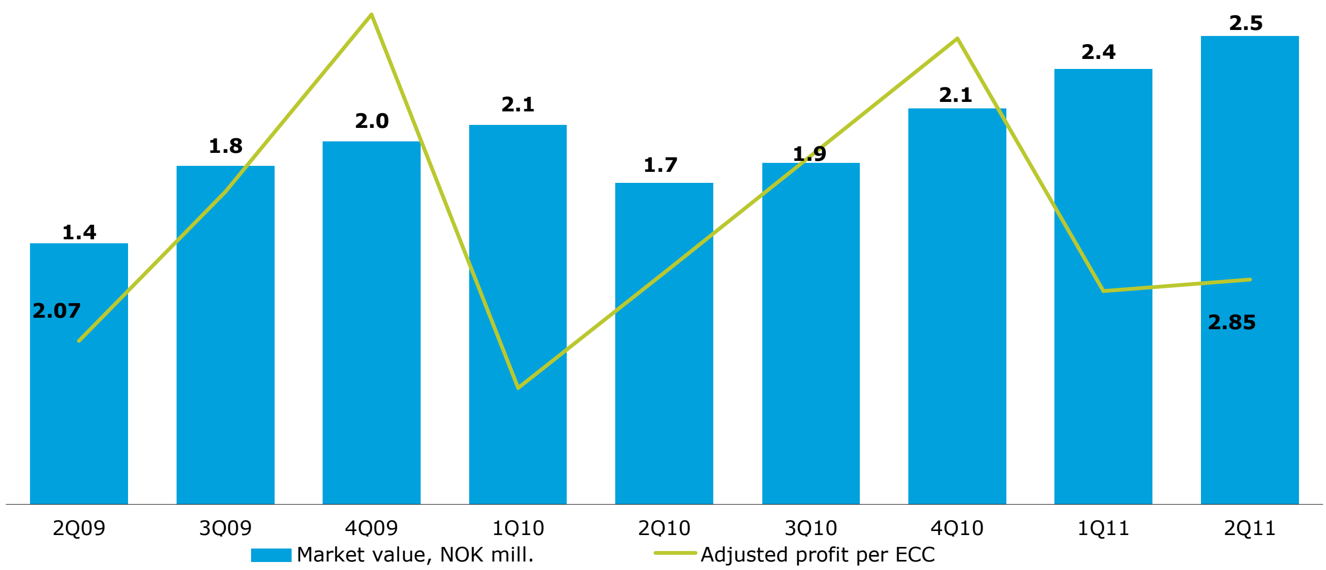
						Per 2Q			
(in NOK million)	**2Q11**	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**2011**	**2010**	**2010**	**2009**
Quoted/market price NONG as at	38.40	49.50	45.00	38.81	36.56	38.40	36.56	45.00	41.25
Number of certificates issued, millions	66.21	47.77	47.77	47.77	47.77	66.21	47.77	47.77	47.77
Equity capital per Equity Certificate (NOK)	33.64	32.55	31.03	32.32	31.38	33.64	31.38	31.03	31.19
Result per Equity Certificate	2.85	2.70	5.90	4.42	2.94	2.85	2.94	5.90	6.20
P/E (Price/Earnings)	0.95	1.16	1.09	0.97	0.95	0.95	0.95	1.09	1.09
P/V (Price/Book Value)	6.74	4.58	7.63	6.59	6.23	6.74	6.23	7.63	6.65

*) All key figures are recalculated due to new total of EC's in 1Q11.

The 10 largest Equity Certificate holders

Equity Certificate holders	**Number of Equity Certificates**	**Share of total Equity Certificate capital**
Pareto Aksjer Norge	3 278 879	4.95 %
MP Pensjon	1 622 879	2.45 %
Pareto Aktiv	1 498 112	2.26 %
Protector Eiendom AS	1 482 414	2.24 %
Frank Mohn AS	1 355 745	2.05 %
Morgan Stanley & Co. Inc- New York	1 315 774	1.99 %
Tonsenhagen Forretningssentrum AS	1 134 493	1.71 %
SPBstiftelsen Sparebank 1 Nord-Norge	916 561	1.38 %
Framo Development AS	848 925	1.28 %
Pareto VPF	790 111	1.19 %

Market value and profit per ECC (Group)



The originally calculated Equity Certificate ratio overall 01.01 has been changed as a result of issue in June 2011.

Equity certificates ratio (parent bank)	Original calculation	Original calculation	Revised calculation	Estimated calculation
(in NOK million)	31.12.10	31.12.09	31.12.10	31.12.11
			(01.01.11)	(01.01.12)
Equity Certificate capital	896	896	1126	1358
Equity Certificate premium reserve	123	123	185	246
Dividend Equalisation Fund	566	471	566	566
Allocation for dividend	-103	-121	-103	-103
Share Fund Fair Value Options	-3	-30	-3	-3
A. Equity attributable to Equity Certificate holders of the Bank	**1 479**	**1 339**	**1 771**	**2 064**
The Savings Bank's Fund	2 829	2 624	2 829	2 828
Allocated dividends to ownerless capital	-154	-161	-154	-154
Donations	133	133	133	133
Share Fund Fair Value Options	-5	-57	-5	-5
B. Total ownerless capital	**2 803**	**2 539**	**2 803**	**2 802**
Equity Certificate Ratio overall (A/(A+B))	34.5 %	34.5 %	38.7 %	42.4 %

The originally calculated Equity Certificate ratio overall 01.01 has been changed as a result of issue in June 2011.

ECC capital history

Year	Change	Change in ECC capital	Total ECC capital	No. of ECC's
1991	Placing	525	525	5 250 000
1992	Placing	75	644	6 443 446
1999	Employee placing	5	649	6 492 486
2000	Employee placing	11	660	6 597 018
2005	Placing	132	792	7 916 422
2005	Split	24	792	15 832 844
2007	Dividend Issue	48	841	16 813 952
2008	Dividend Issue	55	896	17 912 073
2009		0	896	17 912 073
2010		0	896	17 912 073
2011	Bonus issue and split	298	1 194	47 765 528
2011	Placing	461	1 655	66 208 987

2. Financial results

Accounting principles
SpareBank 1 Nord-Norge prepares and presents its quarterly accounts in compliance with the Stock Exchange Regulations, Stock Exchange Rules and International Financial Reporting Standards (IFRS), including IAS 34, Interim Financial Reporting. As from 2007 the company accounts are also prepared and presented under IFRS. This entails that investments in associates and subsidiaries are recognised using the cost method. For this reason results recorded by associates and subsidiaries are not included in the parent bank's accounts.

Further, the Group has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts. The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2011.

2.1. Main figures

						Per 2Q			
(in NOK million)	**2Q11**	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**2011**	**2010**	**2010**	**2009**
Net interest income	276	275	285	291	281	551	553	1.129	1.173
Net fee-, commision and other operating income	134	120	128	131	133	254	254	513	462
Net income from financial investments	58	242	148	76	104	300	180	404	524
Total net income	**468**	**637**	**561**	**498**	**518**	**1.105**	**987**	**2.046**	**2.159**
Total costs	**261**	**246**	**276**	**237**	**256**	**507**	**444**	**957**	**972**
Result before losses and write-downs	**207**	**391**	**285**	**261**	**262**	**598**	**543**	**1.089**	**1.187**
Net losses and write-downs	15	10	43	1	22	25	43	87	185
Result before tax	**192**	**381**	**242**	**260**	**240**	**573**	**500**	**1.002**	**1.002**
Tax	38	48	37	55	38	86	94	186	143
Minority interests	0	0	0	0	0	0	0	0	1
Result for the period	**154**	**333**	**205**	**205**	**202**	**487**	**406**	**816**	**858**

Balance sheet - condensed

						Per 2Q			
Balance (in NOK million)	**2Q11**	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**2011**	**2010**	**2010**	**2009**
Loans and advances to customers including agency loans *	64 876	63 512	63 334	62 707	61 022	64 876	61 022	63 334	59 061
Deposits from customers	41 284	39 402	39 389	37 303	37 851	41 284	37 851	39 389	34 877
Growth in loans and advances to customers including agency loans *	6.3 %	6.1 %	7.2 %	7.3 %	6.2 %	6.3 %	6.2 %	7.2 %	4.0 %
Growth in deposits from customers past 12 months	9.1 %	11.0 %	12.9 %	8.9 %	4.8 %	9.1 %	4.8 %	12.9 %	0.9 %
Deposits as a percentage of gross lending including agency loans *	63.6 %	62.0 %	62.2 %	59.5 %	62.0 %	63.6 %	62.0 %	62.2 %	59.1 %
Deposits as a percentage of gross lending	80.3 %	79.4 %	80.3 %	73.9 %	78.3 %	80.3 %	78.3 %	80.3 %	72.4 %
Total assets	71 033	68 202	68 780	68 261	65 859	71 033	65 859	68 780	64 239
Average assets	69 338	68 491	66 245	65 611	64 728	69 338	64 728	66 245	65 169

** Loans to customers includes SpareBank 1 Boligkreditt*

Key figures

						Per 2Q			
	2Q11	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**2011**	**2010**	**2010**	**2009**
Return on equity capital (Group)	10.1 %	23.3 %	14.7 %	15.2 %	15.5 %	16.3 %	15.7 %	15.3 %	18.2 %
Result per Equity Certificate (Group)	0.90	2.70	1.48	1.48	1.46	2.85	2.94	5.90	6.20
Net other operating income of total income*	32.7 %	30.4 %	31.0 %	31.0 %	32.1 %	31.6 %	31.5 %	31.2 %	28.3 %
Cost/income	55.8 %	38.6 %	49.2 %	47.6 %	49.4 %	45.9 %	45.0 %	46.8 %	45.0 %
Core capital adequacy ratio	11.3 %	10.7 %	10.9 %	9.8 %	9.9 %	11.3 %	9.9 %	10.9 %	10.7 %
Manyear	786	791	788	792	766	786	766	788	778
Branches	75	75	75	75	75	75	75	75	76

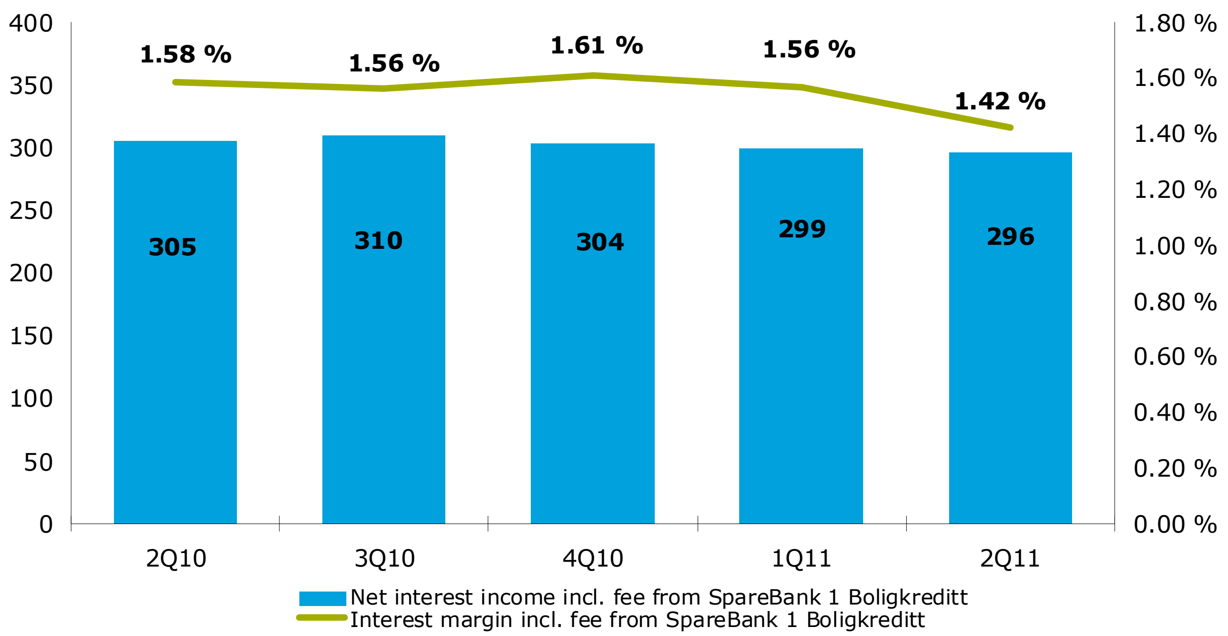
** Income from financial investments not included*

2.2. Net interest income

Net interest income

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Interest income	676	659	683	669	616	1 335	1 197	2 549	2 763
SpareBank 1 Boligkreditt	20	24	19	19	24	44	51	89	66
Interest income incl. fee from SpareBank 1 Boligkreditt	696	683	702	688	640	1 379	1 248	2 638	2 829
Interest costs	400	384	398	378	335	784	644	1 420	1 590
Net interest income incl. fee from SpareBank 1 Boligkreditt	**296**	**299**	**304**	**310**	**305**	**595**	**604**	**1 218**	**1 239**

Development in net interest income

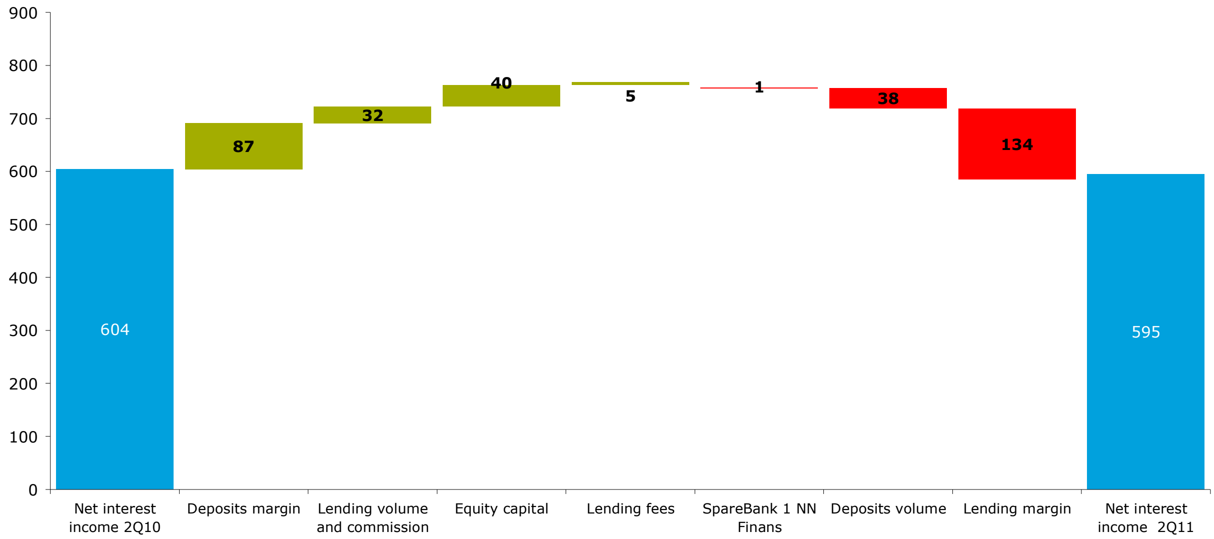


Changes in interest income from lending and deposits, last 12 months

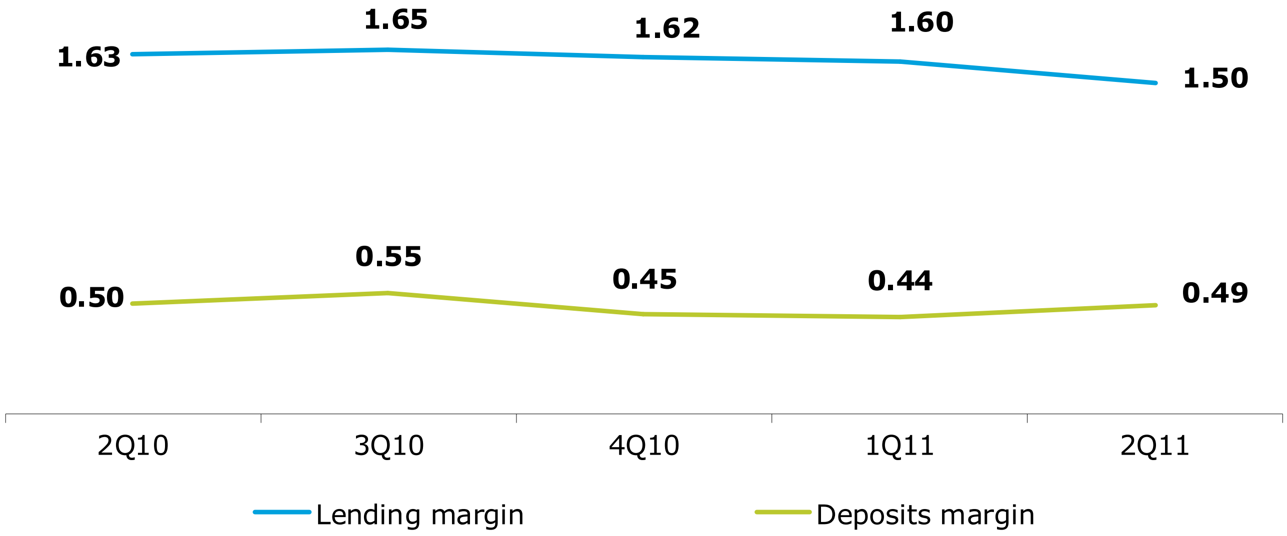
(in NOK million)	Volume	Margin	Total
Lending	32	-134	-102
Deposits	-38	87	49
Total	**-6**	**-47**	**-53**

Changes in net interest income

(in NOK million)	Per 2Q 2011	Change	2010
Net interest income incl. fee from SpareBank 1 Boligkreditt	**595**	**-9**	**604**
Lending margin		-134	
Lending fees		5	
Deposits volume		-38	
Lending volume and commission		32	
Deposits margin		87	
SpareBank 1 NN Finans		-1	
Equity capital		40	
Change		**-9**	



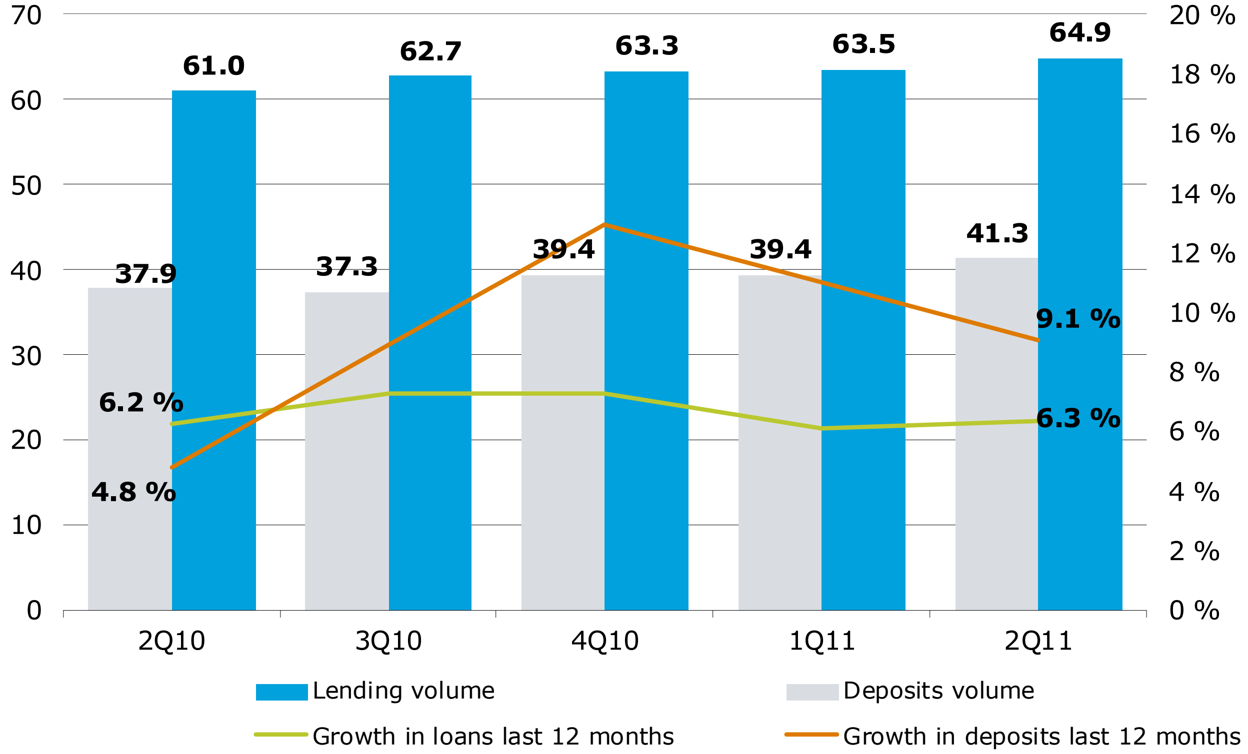
Margin development



Definition margin: Average customer interest minus 3 months average Nibor

Volume development

NOK bn.

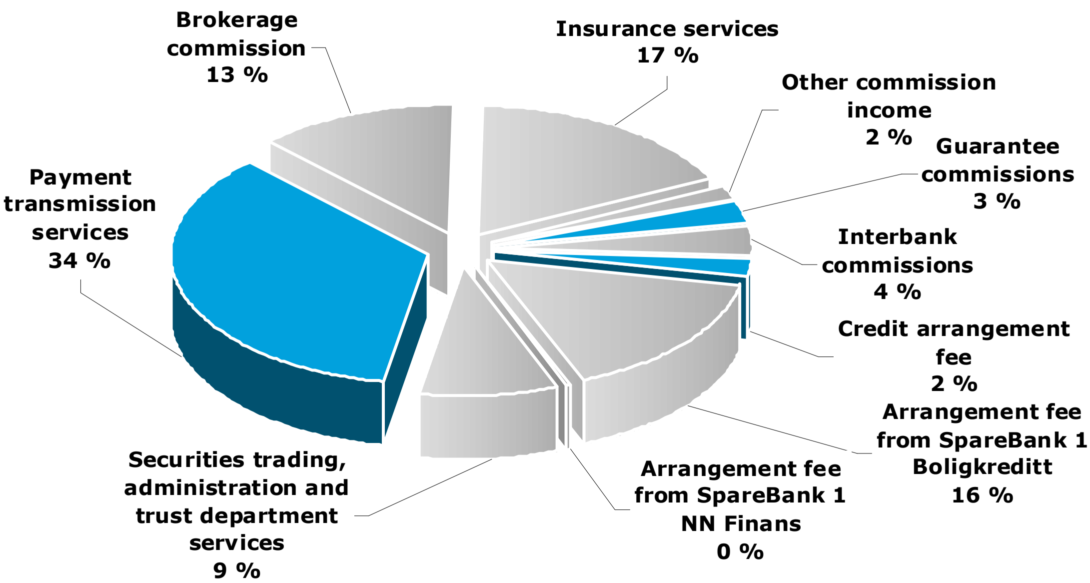


2.3. Commission income

Total commission and other income

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Guarantee commissions	4	4	4	4	4	8	7	15	16
Interbank commissions	5	5	7	9	9	10	17	33	32
Credit arrangement fee	3	3	4	4	4	6	7	15	17
Arrangement fee from SpareBank 1 Boligkreditt	20	24	19	19	24	44	51	89	66
Arrangement fee from SpareBank 1 NN Finans	1	0	0	1	0	1	1	2	2
Securities trading, administration and trust department	13	11	14	7	14	24	26	47	46
Payment transmission services	49	48	51	56	50	97	96	203	190
Brokerage commission	20	15	16	23	20	35	34	73	58
Insurance services	24	24	27	25	24	48	48	100	92
Other commission income	1	4	5	1	3	5	7	13	7
Total commissions income	**140**	**138**	**147**	**149**	**152**	**278**	**294**	**590**	**526**
Operating- and sales income real estate	9	1	2	2	1	10	2	6	5
Other operating income	3	0	1	1	0	3	0	2	19
Total other operating income	**12**	**1**	**3**	**3**	**1**	**13**	**2**	**8**	**24**
Commission expenses	18	19	22	21	20	37	42	85	88
Total commissions and other income	**134**	**120**	**128**	**131**	**133**	**254**	**254**	**513**	**462**
As per cent of average total assets	**0.77**	**0.70**	**0.75**	**0.78**	**0.82**	**0.73**	**0.78**	**0.77**	**0.71**

Distribution of commission income



Change in commission income

(in NOK million)	2011	Per 2Q Change	2010
Total	**254**	**0**	**254**
Guarantee commissions		1	
Interbank commissions		-7	
Credit arrangement fee		-1	
Arrangement fee from SpareBank 1 Boligkreditt		-7	
Arrangement fee from SpareBank 1 NN Finans		0	
Securities trading, administration and trust department services		-2	
Payment transmission services		1	
Brokerage commission		1	
Insurance services		0	
Other commission income		-2	
Operating- and sales income real estate		8	
Other operating income		3	
Commission expenses		5	

Net return on financial investments

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Dividends	9	1	0	1	33	10	42	43	23
Income from joint ventures	53	49	87	64	59	102	100	251	281
Gains/losses and net value changes on certificates and bonds	-25	-27	-24	5	11	-52	22	3	21
Gains/losses and net value changes on shares	-14	176	58	-1	12	162	33	90	118
Gains/losses and net value changes on foreign exchange	12	8	8	7	9	20	17	32	49
Gains/losses and net value changes on other financial derivatives	23	35	19	0	-20	58	-34	-15	32
Income from financial investments	**58**	**242**	**148**	**76**	**104**	**300**	**180**	**404**	**524**
As per cent of average total assets	**0.33**	**1.41**	**0.86**	**0.45**	**0.64**	**0.87**	**0.56**	**0.61**	**0.80**

Change in net return on financial investments

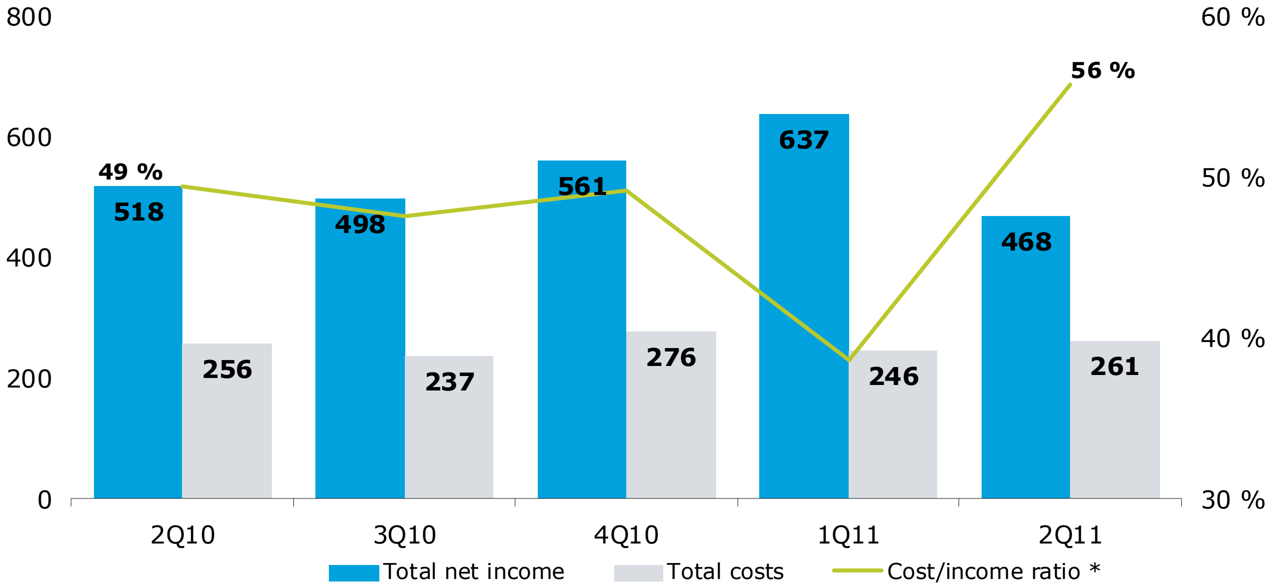
(in NOK million)	2011	Per 2Q Change	2010
Total	**300**	**120**	**180**
Dividends		-32	
Income from joint ventures		2	
Gains/losses and net value changes on certificates and bonds		-74	
Gains/losses and net value changes on shares		129	
Gains/losses and net value changes on foreign exchange		3	
Gains/losses and net value changes on other financial derivatives		92	

2.4. Operating expenses

Operating expenses

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Wages and salaries	106	99	140	108	104	205	202	450	422
Pension costs	6	9	3	14	15	15	-33	-16	42
Social costs	11	11	9	9	14	22	25	43	44
Total personnel expenses	**123**	**119**	**152**	**131**	**133**	**242**	**194**	**477**	**508**
Development costs	23	20	23	19	19	43	38	80	88
Electronic data processing costs	13	12	11	11	14	25	26	48	50
Marketing costs	21	13	18	10	16	34	28	56	49
Travel - and training costs	8	10	8	7	9	18	17	32	31
Communications	3	0	2	4	3	3	7	13	14
Postage	2	4	3	2	3	6	7	12	14
Consultancy services	7	3	5	2	4	10	7	14	9
Cost involving the handling of cash	4	3	3	4	2	7	6	13	13
Office-related costs	3	2	3	2	4	5	6	11	13
Collection costs	1	1	0	1	0	2	1	2	3
Ordinary depreciation	12	11	12	11	10	23	22	45	49
Operating costs buildings	3	6	8	3	4	9	6	17	8
Rent paid - premises and bank buildings	12	8	12	8	9	20	18	38	30
Operating costs - premises	5	9	-3	6	9	14	20	23	25
Other operating costs	21	25	19	16	17	46	41	76	68
Other expenses	**138**	**127**	**124**	**106**	**123**	**265**	**250**	**480**	**464**
Total operating expenses	**261**	**246**	**276**	**237**	**256**	**507**	**444**	**957**	**972**
As per cent of average total assets	**1.50**	**1.44**	**1.61**	**1.41**	**1.58**	**1.46**	**1.37**	**1.44**	**1.49**
Cost/income (Group)	**0.56**	**0.39**	**0.49**	**0.48**	**0.49**	**0.46**	**0.45**	**0.47**	**0.45**
Cost/income, ex. financial inv. (Group)	**0.64**	**0.62**	**0.67**	**0.56**	**0.62**	**0.63**	**0.55**	**0.58**	**0.59**
12-month cost growth	**14.2 %**	**30.9 %**	**-1.5 %**	**-2.2 %**	**-5.3 %**	**14.2 %**	**-5.3 %**	**-1.5 %**	**0.1 %**

Cost/income ratio
NOK mill.



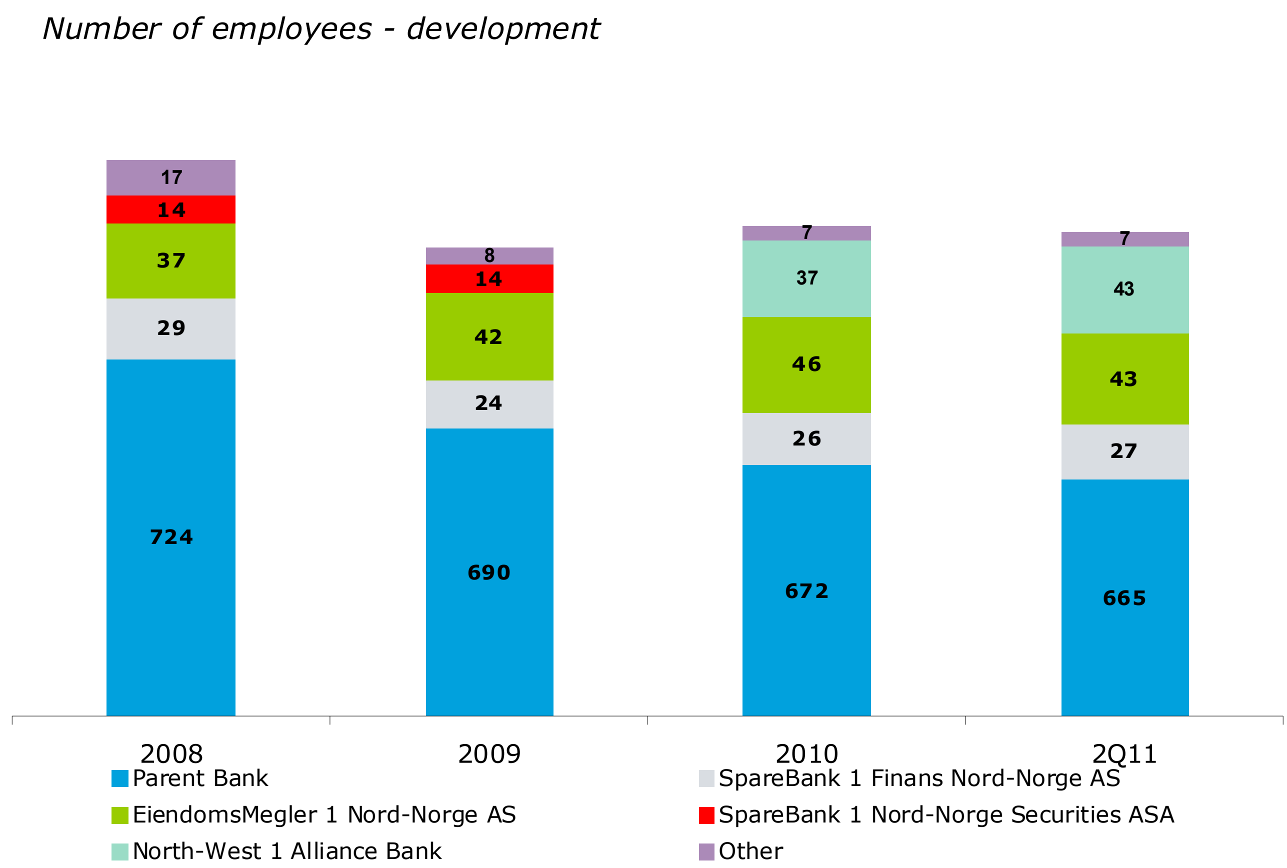
* Total operating expences as a percentage of total operating income

Change in operating expenses

(in NOK million)	2011	Per 2Q Change	2010
Total	**507**	**63**	**444**
Wages and salaries		3	
Pension costs		48	
Social costs		-3	
Development costs		5	
Electronic data processing costs		-1	
Marketing costs		6	
Travel - and training costs		1	
Communications		-4	
Postage		-1	
Consultancy services		3	
Cost involving the handling of cash		1	
Office-related costs		-1	
Collection costs		1	
Ordinary depreciation		1	
Operating costs buildings		3	
Rent paid - premises and bank buildings		2	
Operating costs - premises		-6	
Other operating costs		5	

Number of employees - developement

Employees in employment	**2Q11**	**2010**	**2009**	**2008**
Parent Bank	665	672	690	724
SpareBank 1 Finans Nord-Norge AS	27	26	24	29
EiendomsMegler 1 Nord-Norge AS	43	46	42	37
SpareBank 1 Nord-Norge Securities ASA			14	14
North-West 1 Alliance Bank	43	37		
Other	7	7	8	17
Totalt	**786**	**788**	**778**	**821**



3. Loans to customers

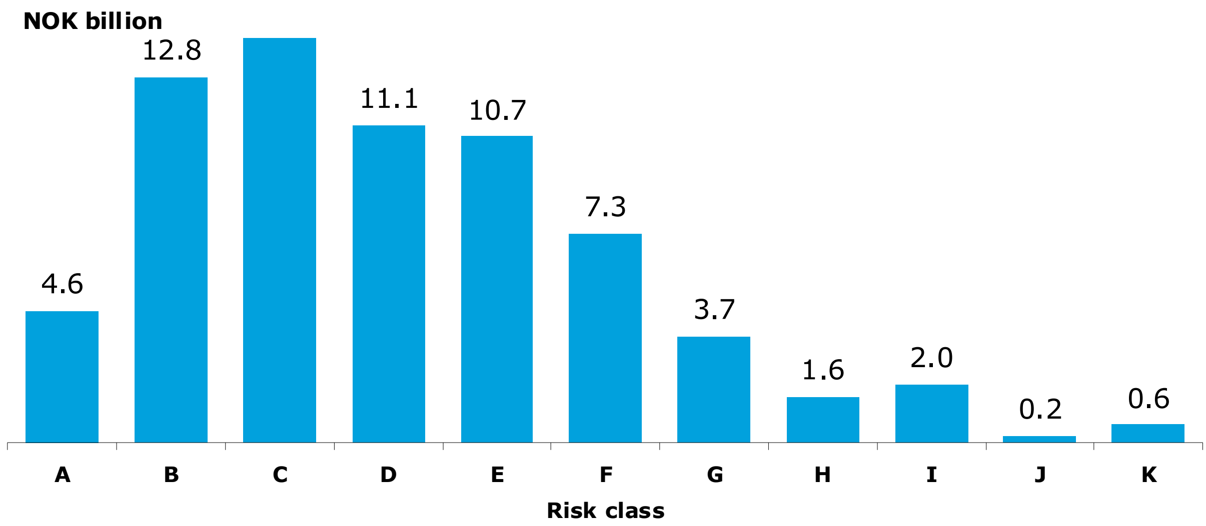
3.1. Distribution of loans by industry

Distribution of loans by industry

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	4Q09
Mining and quarrying	78	83	78	80	79	21
Construction	844	788	759	710	697	739
Building of ships and boats	30	23	26	23	22	21
Electricity, gas, steam an air conditioning supply	822	987	1 223	1 232	1 026	920
Professional, scientific and technical activities	780	785	676	685	642	479
Finanicial and insurance activities	0	0	45	24	25	45
Fishing	1 418	1 027	1 024	1 428	1 367	1 521
Marine aquaculture	356	305	302	296	223	259
Other business support activities	591	397	412	393	385	374
Activities auxiliary to financial services and insurance activities	277	194	40	95	98	112
County muncipalities and muncipalities	164	169	156	171	181	196
Manufacturing	1 073	1 437	1 316	1 246	1 267	1 199
Information and communication	163	168	216	230	227	227
Crop and animal production	859	860	857	850	803	771
Foreign industrial	0	0	43	45	47	46
Real estate activities	6 855	6 619	6 512	6 398	6 238	6 650
Accomodation and food service activities	404	395	395	405	383	354
Forestry and logging	11	8	8	8	7	3
Central government and social security funds	1	1	1	2	0	1
Support activities for petroleum and natural gas extraction	1	1	1	1	0	0
Other service industries	732	760	814	776	801	693
Transportation and storage	1 680	1 487	1 407	1 215	1 299	1 131
International shipping and pipeline transport	570	576	668	607	646	419
Development of building projects	652	596	594	582	575	654
Extraction of crude oil and natural gas	42	42	42	155	143	125
Unspecified	0	0	1	0	0	1
Water supply; sewerage, waste management and remediation activities	145	142	138	126	119	98
Wholesale and retail trade; repair of motor vehicles and motorcycles	1 676	1 606	1 413	1 473	1 394	1 241
Retail banking market - domestic	31 178	30 138	29 834	31 130	29 589	29 827
Retail banking market - international	40	44	46	103	46	53
Gross loans corporate market	**20 224**	**19 456**	**19 166**	**19 256**	**18 694**	**18 300**
Retail market	**31 218**	**30 182**	**29 880**	**31 233**	**29 635**	**29 880**
- Loans transferred to SpareBank 1 Boligkreditt	13 434	13 874	14 288	12 218	12 693	10 881
Gross loans incl. SpareBank 1 Boligkreditt	**64 876**	**63 512**	**63 334**	**62 707**	**61 022**	**59 061**
Gross loans in balance sheet	**51 442**	**49 638**	**49 046**	**50 489**	**48 329**	**48 180**
Share of loans, corporate market	**31.2 %**	**30.6 %**	**30.3 %**	**30.7 %**	**30.6 %**	**31.0 %**
Share of loans, retail market	**68.8 %**	**69.4 %**	**69.7 %**	**69.3 %**	**69.4 %**	**69.0 %**

3.2. Risk profile and write-downs

Actual risk profile, Exposure At Default- Parent Bank



Risk classification in SpareBank 1 Nord-Norge

	PD* in percent		
Risk class	**Low**	**High**	**Corresponding rating class at Moody's**
A	0.00	0.10	Aaa - A3
B	0.10	0.25	Baa1 - Baa3
C	0.25	0.50	Ba1
D	0.50	0.75	Ba2-Ba3
E	0.75	1.25	
F	1.25	2.50	B1
G	2.50	5.00	B2
H	5.00	10.00	B3
I	10.00	100.00	Caa/C
J	Default		
K	Written down		

Risk class A represents the lowest risk and class K the highest risk.

** Probability of default*

Loans and guarantees by industry

	Total	Very low risk	Low risk	Medium risk	High risk	Very high risk	Default and written down
Mining and quarrying	68	1	0	62	0	4	0
Construction	990	288	135	462	36	47	21
Building of ships and boats	34	0	0	33	0	0	0
Electricity, gas, steam an air conditioning supply	1 787	820	90	871	1	5	0
Professional, scientific and technical activities	812	87	68	537	24	85	12
Finanicial and insurance activities	200	0	0	0	0	200	0
Fishing	1 809	387	44	1 293	59	18	8
Marine aquaculture	269	111	2	50	0	8	98
Other business support activities	425	35	9	226	138	16	0
Activities auxiliary to financial services and insurance activities	227	7	220	0	0	0	0
County muncipalities and muncipalities	836	12	824	0	0	0	0
Manufacturing	1 186	228	192	652	40	59	15
Information and communication	170	8	49	94	0	20	0
Crop and animal production	916	380	129	289	48	47	24
Financial corporations	2 605	0	2 605	0	0	0	0
Foreign owned financial corporations	5	0	0	0	0	5	0
Foreign industrial	42	0	0	0	0	41	0
Real estate activities	7 202	900	978	4 069	488	484	284
Accomodation and food service activities	420	93	89	136	18	63	21
Retail banking market - domestic	45 522	28 600	7 776	7 333	674	929	209
Retail banking market - international	50	17	4	20	2	1	4
Forestry and logging	10	5	0	2	0	2	0
Central government and social security funds	0	0	0	0	0	0	0
Support activities for petroleum and natural gas extraction	1	1	0	0	0	0	0
Other service industries	725	177	161	277	19	66	24
Transportation and storage	1 533	498	455	494	40	44	2
International shipping and pipeline transport	657	67	72	402	116	0	0
Development of building projects	777	99	64	331	120	111	52
Extraction of crude oil and natural gas	86	0	0	0	86	0	0
Unspecified	0	0	0	0	0	0	0
Water supply; sewerage, waste management and remediation activities	128	15	23	43	0	0	46
Wholesale and retail trade; repair of motor vehicles and motorcycles	1 944	938	175	568	61	195	5
Total 2Q11	71 434	33 775	14 164	18 245	1 974	2 449	827
Total 2010	70 469	28 329	15 164	21 427	2 084	2 624	841

Write-downs on loans and guarantees

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Individual write-downs for impaired value	17	15	45	40	24	32	48	133	163
Collective write-downs imp. value	1	-3	0	-37	-1	-2	-2	-39	36
Recoveries, previously confirmed losses	3	2	2	2	1	5	3	7	14
Net losses	**15**	**10**	**43**	**1**	**22**	**25**	**43**	**87**	**185**
Net losses in % of gross lending incl.agency loans	**0.45 %**	**0.06 %**	**0.27 %**	**0.01 %**	**0.14 %**	**0.37 %**	**0.14 %**	**0.14 %**	**0.31 %**

Loss on loans by segment

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Corporate	10	7	38	34	14	17	29	101	120
Retail	2	6	2	1	8	8	12	15	17
SNN Finans and other	2	0	3	3	1	2	4	10	12
Collective write-downs imp. value	1	-3	0	-37	-1	-2	-2	-39	36
Total loss on loans	15	10	43	1	22	25	43	87	185

Individual and collective write-downs

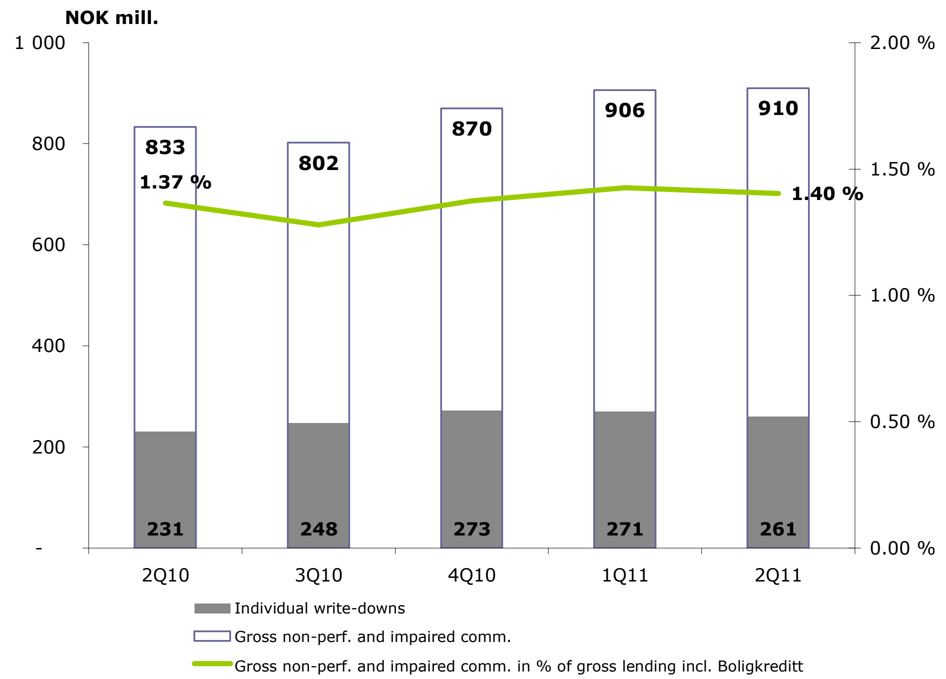
(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Individual write-downs for impaired value on loans and guarantees as at 01.01.	273	273	232	232	232	273	232	232	203
Confirmed losses during the period on loans and guarantees, against which individual write-downs for impaired value has prev. been made	42	17	88	68	48	42	48	88	127
Reversal of previous years' individual write-downs for impaired value	15	8	52	46	36	15	36	52	49
Increase in write-downs for impaired value for commitments against which individual write-downs for impaired value were previously made	6	3	21	14	7	6	7	21	28
Write-downs for impaired value for commitments against which no individual write-downs for impaired value was previously raised	39	20	160	118	76	39	76	160	177
Individual write-downs for impaired value on loans and guarantees *	261	271	273	250	231	261	231	273	232
Collective write-downs for impaired value against losses on loans and guarantees as at 01.01.	200	200	238	238	238	200	238	238	204
Period's collective write-downs for impaired value against losses on loans and guarantees	1	-5	-38	-36	0	1	0	-38	34
Collective write-downs for impaired value against losses on loans, and guarantees	201	195	200	202	238	201	238	200	238

*Individual write-downs for impaired value on guarantees are included in the Balance Sheet as liabilities under 'Other liabilities'.

Write-down ratio

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Year-end 2009
Non-performing commitments	254	250	219	216	313	386
Impaired commitments (gross)	656	656	651	586	520	417
Gross non-performing and impaired commitments	910	906	870	802	833	803
Individual write-downs	261	271	273	248	231	228
Collective write-downs	201	195	200	202	238	238
Write-down ratio (%)	39.8 %	41.3 %	41.9 %	42.3 %	44.4 %	54.7 %

Non-performing and impaired commitments



4. Capital Adequacy

New capital adequacy rules and regulations (Basel II – EU's new directives for capital adequacy) were implemented in Norway with effect from 1 January 2007. SpareBank 1 Nord-Norge has received permission from The Financial Supervisory Authorityof Norway (FSAN) to apply internal calculation methods (Internal Rating-Based Approach) for credit risk from 1 January 2007. With effect from 2007, therefore, the statutory minimum capital adequacy requirement for credit risk will be based on the Bank's internal assessment of risk. This will make the statutory minimum capital adequacy requirement more risk-sensitive, which means that the capital requirement will to a larger extent correspond to the risk contained in the underlying portfolios in question. The use of internal calculation methods will involve comprehensive demands on the Bank's organisation, competence, risk models and risk management systems. As a result of transitional rules relating to the new directive mentioned above, IRB-banks would not experience the full impact of the reduced regulatory capital requirements until 2010. Until 2010, banks had to report on a parallel basis, both according to the old capital adequacy calculations and Basel II.

During the period 2007-2010, an annual adjustment of the risk-adjusted calculation basis in relation to the old method (socalled correction of 'floor') was permitted. A resolution has now been reached to postpone this issue, and the transition rules for 2009 will continue to apply in 2011. The calculation basis in 2011 therefore amounts to 80 per cent of the calculated basis according to the Basel I rules and regulations

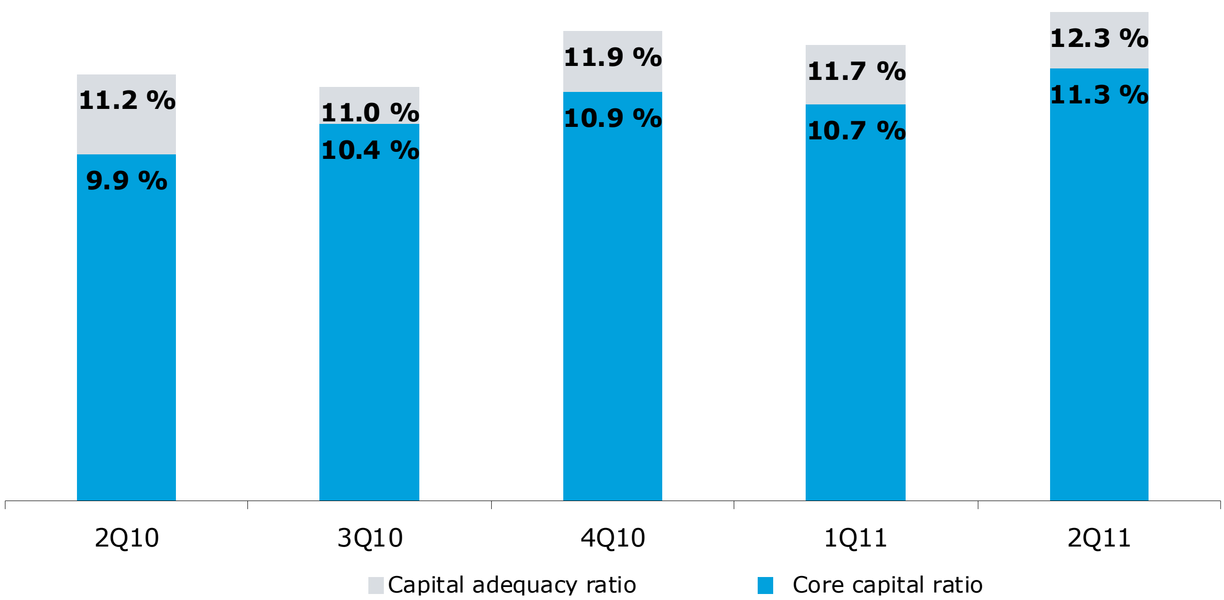
Capital Adequacy

(in NOK million)	**2Q11**	**1Q11**	**4Q10**	**3Q10**	**2Q10**
Equity and related capital resources					
Equity certificates	1 655	1 194	896	896	896
- Own equity certificates	0	0	0	0	0
Premium reserve	245	123	123	123	123
Equalisation reserve	165	166	566	351	351
Savings bank's reserve	2 676	2 680	2 829	2 463	2 463
Allocated to dividend	0	0	0	0	0
Endowment fund	133	133	133	133	133
Other equity	899	1 041	1 041	790	790
Reserve for unrealised gains	0	0	0	0	0
Minority interests	12	13	4	4	0
Period result	487	333	0	611	406
Total equity	6 491	5 760	5 670	5 509	5 302
Minority interests	-12	-13	-4	-4	0
Period result	-487	-333	0	-611	-406
Core capital					
Adjusted subordinated capital from consolidated financial institutions	62	57	-18	13	-10
Intangible assets	-28	-19	-20	-55	-29
Fund for unrealised gains	46	46	46	37	37
Deduction for allocated dividends	0	0	-103	0	0
50 % deduction for subordinated capital in other financial institutions	0	0	0	0	0
50 % deduction for expected losses on IRB, net of writedowns	-67	-85	-86	-94	-78
50 % capital adequacy reserve	-650	-641	-624	-612	-583
Fund bonds	477	488	473	412	449
Total core capital	5 832	5 259	5 334	4 595	4 682
Supplementary capital					
Nonperpetual subordinated capital	1 216	1 216	1 225	1 278	1 301
50% deduction for subordinated capital in other financial institutions	0	0	0	0	0
50% deduction for expected losses on IRB, net of writedowns	-67	-85	-86	-94	-78
50% capital adequacy reserve	-650	-641	-624	-612	-583
Total supplementary capital	499	490	515	572	640
Equity and related capital resources	6 331	5 749	5 849	5 167	5 322

Minimum requirements subordinated capital, Basel I I

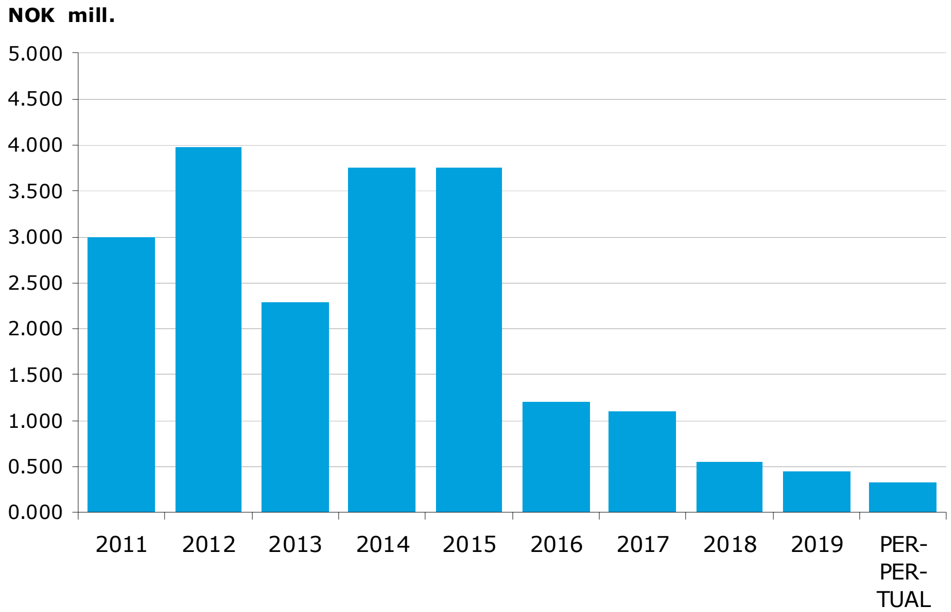
(in NOK million)	**2Q11**	**1Q11**	**4Q10**	**3Q10**	**2Q10**
Specialised lending exposure	764	755	801	848	511
Other corporations exposure	582	569	596	543	869
SME exposure	17	17	17	17	19
Property retail mortage exposure	416	407	393	391	380
Other retail exposure	36	31	33	34	35
Equity investments	0	0	0	0	0
Total credit risk IRB	1 815	1 779	1 840	1 833	1 814
Credit risk standardised approach	1 786	1 647	1 492	1 485	1 456
Debt risk	106	178	126	157	128
Equity risk	65	65	46	41	40
Currency risk	29	16	17	12	0
Operational risk	273	273	284	284	284
Transitional arrangements	171	91	226	58	182
Deductions	-115	-117	-114	-113	-108
Minimum requirements subordinated capital	4 130	3 932	3 917	3 757	3 796
Capital adequacy ratio	12.26 %	11.70 %	11.95 %	11.00 %	11.22 %
Core capital ratio	11.30 %	10.70 %	10.90 %	10.38 %	9.86 %
Supplementary capital ratio	0.97 %	1.00 %	1.05 %	1.22 %	1.35 %

Capital Adequacy - Group



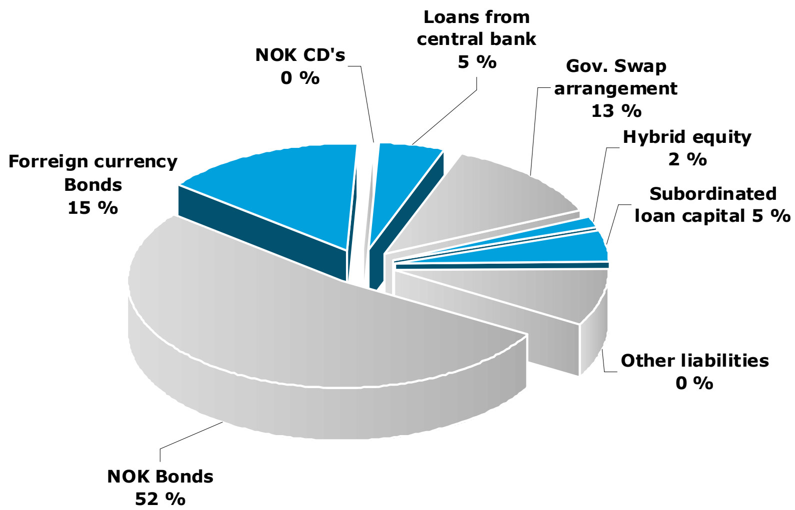
5. Funding

Funding maturity



Capital markets funding

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Year-end 2009
NOK Bonds	10 665	12 102	11 191	11 285	9 010	8 688
Forreign currency Bonds	3 109	2 331	3 071	4 851	4 848	5 235
NOK CD's	0	0	0	0	0	0
Loans from central bank	1 000	1 000	1 000	1 000	1 000	1 000
Gov. Swap arrangement	2 562	2 561	2 561	2 561	2 561	2 561
Hybrid equity	323	336	349	352	360	348
Subordinated loan capital	1 000	1 000	1 000	1 000	1 000	1 266
Other liabilities	1 732	0	1 737	1 742	1 742	948
Total	20 391	19 330	20 909	22 791	20 521	20 046



6. Financial results

Financial results

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Interest income	676	659	683	669	616	1.335	1.197	2.549	2.763
Interest costs	400	384	398	378	335	784	644	1.420	1.590
Net interest income	**276**	**275**	**285**	**291**	**281**	**551**	**553**	**1.129**	**1.173**
Fee- and commission income	140	138	147	149	152	278	294	590	526
Fee- and commission costs	18	19	22	21	20	37	42	85	88
Other operating income	12	1	3	3	1	13	2	8	24
Net fee-, commision and other operating income	**134**	**120**	**128**	**131**	**133**	**254**	**254**	**513**	**462**
Dividend	9	1	0	1	33	10	42	43	23
Income from investments	53	49	87	64	59	102	100	251	281
Net gain from investments in securities	- 4	192	61	11	12	188	38	110	220
Net income from financial investments	**58**	**242**	**148**	**76**	**104**	**300**	**180**	**404**	**524**
Total income	**468**	**637**	**561**	**498**	**518**	**1.105**	**987**	**2.046**	**2.159**
Personnel costs	123	119	152	131	133	242	194	477	508
Administration costs	85	68	77	62	73	153	142	281	284
Ordinary depreciation	12	11	12	11	10	23	22	45	49
Other operating costs	41	48	35	33	40	89	86	154	131
Total costs	**261**	**246**	**276**	**237**	**256**	**507**	**444**	**957**	**972**
Result before losses	**207**	**391**	**285**	**261**	**262**	**598**	**543**	**1.089**	**1.187**
Losses	15	10	43	1	22	25	43	87	185
Result before tax	**192**	**381**	**242**	**260**	**240**	**573**	**500**	**1.002**	**1.002**
Tax	38	48	37	55	38	86	94	186	143
Result for the period	**154**	**333**	**205**	**205**	**202**	**487**	**406**	**816**	**859**
Majority interest	154	333	205	205	202	487	406	816	858
Minority interests	0	0	0	0	0	0	0	0	1

Balance sheet

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	4Q09
Assets						
Cash and balances with central banks	274	887	2 501	411	675	2 159
Loans and advances to credit institutions	1 508	551	793	437	1 025	908
Loans and advances to customers	51 442	49 638	49 046	50 489	48 329	48 180
- Individual write-downs for impaired value	259	269	271	248	226	228
- Collective write-downs for impaired value	201	195	200	202	238	238
Net loans and advances to customers	50 982	49 174	48 575	50 039	47 865	47 714
Shares	781	788	611	550	556	560
Certificates and bonds	12 214	12 028	11 567	12 175	10 926	8 893
Financial derivatives	581	495	692	785	781	561
Investments in Group Companies	0	0	0	0	0	0
Investments in assosiated companies and joint ventures	3 044	2 945	2 861	2 695	2 631	2 396
Property, plant and equipment	484	463	460	459	459	469
Intangible assets	22	22	22	24	3	1
Other assets	1 143	849	698	686	938	578
Total assets	**71 033**	**68 202**	**68 780**	**68 261**	**65 859**	**64 239**
Liabilities						
Deposits from credit institutions	5 694	6 715	6 123	5 334	5 420	6 868
Deposits from customers	41 284	39 402	39 389	37 303	37 851	34 877
Debt securities in issue	13 975	13 065	14 477	16 436	13 651	14 162
Financial derivatives	315	284	483	538	543	319
Other liabilities	1 882	1 567	1 224	1 793	1 708	1 242
Deferred tax liabilities	62	68	67	0	0	3
Subordinated loan capital	1 330	1 341	1 347	1 348	1 384	1 608
Total liabilities	**64 542**	**62 442**	**63 110**	**62 752**	**60 557**	**59 079**
Equity						
Equity Certificate capital	1 655	1 194	896	896	896	896
Equity Certificate premium reserve	245	123	123	123	123	123
Dividend Equalisation Fund	165	166	566	351	351	471
The Savings Bank's Fund	2 676	2 680	2 829	2 463	2 463	2 624
Donations	133	133	133	133	133	133
Fund for unrealised gains	-2	-1	-2	-2	0	0
Other equity capital	1 120	1 119	1 121	930	930	910
Result for the period	487	333	0	611	406	0
Minority interests	12	13	4	4	0	3
Total equity	**6 491**	**5 760**	**5 670**	**5 509**	**5 302**	**5 160**
Total liabilities and equity	**71 033**	**68 202**	**68 780**	**68 261**	**65 859**	**64 239**

Key figures

	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Return on equity capital	10.1 %	23.3 %	14.7 %	15.2 %	15.5 %	16.3 %	15.7 %	15.3 %	18.2 %
Cost/income group	55.8 %	38.6 %	49.2 %	47.6 %	49.4 %	45.9 %	45.0 %	46.8 %	45.0 %
Cost/income group, ex. financial inv.	63.7 %	62.3 %	66.8 %	56.2 %	61.8 %	63.0 %	55.0 %	58.3 %	59.4 %
Cost/income parent bank	46.1 %	47.8 %	58.8 %	54.8 %	51.6 %	46.9 %	44.2 %	50.1 %	46.8 %
Cost/income parent bank, ex. financial inv.	45.8 %	48.9 %	65.8 %	56.8 %	53.7 %	47.3 %	46.5 %	53.3 %	54.8 %
12-month cost growth	14.2 %	30.9 %	-1.5 %	-2.2 %	-5.3 %	14.2 %	-5.3 %	-1.5 %	0.1 %
Loans and advances to customers including agency loans	64 876	63 512	63 334	62 707	61 022	64 876	61 022	63 334	59 061
Growth in loans and advances to customers including agency loans	6.3 %	6.1 %	7.2 %	7.3 %	6.2 %	6.3 %	6.2 %	7.2 %	4.0 %
Growth in loans and advances to customers including agency loans this period	2.1 %	0.3 %	1.0 %	2.8 %	1.9 %	2.4 %	3.3 %	7.2 %	4.0 %
Deposits from customers	41 284	39 402	39 389	37 303	37 851	41 284	37 851	39 389	34 877
Growth in deposits from customers past 12 months	9.1 %	11.0 %	12.9 %	8.9 %	4.8 %	9.1 %	4.8 %	12.9 %	0.9 %
Growth in deposits from customers this period	4.8 %	0.0 %	5.6 %	-1.4 %	6.6 %	4.8 %	8.5 %	12.9 %	0.9 %
Deposits as a percentage of gross lending including agency loans	63.6 %	62.0 %	62.2 %	59.5 %	62.0 %	63.6 %	62.0 %	62.2 %	59.1 %
Total assets	71 033	68 202	68 780	68 261	65 859	71 033	65 859	68 780	64 239
Average assets	69 338	68 491	66 245	65 611	64 728	69 338	64 728	66 245	65 169
Employees in employment group	786	791	788	792	766	786	766	788	778
Employees in employment parent bank	665	672	675	677	674	665	674	675	690
Employees in employment subsidiares	121	119	113	115	92	121	92	113	88
Lending margin	1.50	1.60	1.62	1.65	1.63	1.55	1.69	1.66	2.06
Deposit margin	0.49	0.44	0.45	0.55	0.50	0.46	0.43	0.46	0.17
Net other operating income of total income	28.6 %	18.8 %	22.8 %	26.3 %	25.7 %	23.0 %	25.7 %	25.1 %	21.4 %
Capital adequacy ratio	12.3 %	11.7 %	11.9 %	11.0 %	11.2 %	12.3 %	11.2 %	11.9 %	12.8 %
Core capital adequacy ratio	11.3 %	10.7 %	10.9 %	9.8 %	9.9 %	11.3 %	9.9 %	10.9 %	10.7 %
Core capital	5 832	5 259	5 334	4 595	4 682	5 832	4 682	5 334	4 846
Equity and related capital resources	6 331	5 749	5 849	5 167	5 322	6 331	5 322	5 849	5 776
Losses on loans to customers as a percentage of gross loans incl.agency loans	0.09 %	0.06 %	0.27 %	0.01 %	0.15 %	0.08 %	0.14 %	0.14 %	0.31 %
Commitments in default as a percentage of gross loans incl.agency loans	0.39 %	0.39 %	0.35 %	0.34 %	0.51 %	0.39 %	0.51 %	0.35 %	0.65 %
Commitments at risk of loss as a percentage of gross loans incl.agency loans	1.01 %	1.03 %	1.03 %	0.93 %	0.85 %	1.01 %	0.85 %	1.03 %	0.71 %
Quoted/market price NONG as at *)	38.40	49.50	45.00	38.81	36.56	38.40	36.56	45.00	41.25
Number of certificates issued, millions *)	66.21	47.77	47.77	47.77	47.77	66.21	47.77	47.77	47.77
Equity capital per Equity Certificate (NOK) *)	33.64	32.55	31.03	32.32	31.38	33.64	31.38	31.03	31.19
Result per Equity Certificate *)	0.90	2.70	1.48	1.48	1.46	2.85	2.94	5.90	6.20
P/E (Price/Earnings) (Parent Bank) *)	7.83	8.25	10.42	8.00	6.78	7.83	6.78	10.42	7.94
P/V (Price/Book Value) (Parent Bank) *)	1.14	1.52	1.45	1.20	1.17	1.14	1.17	1.45	1.32

*) All key figures are recalculated due to new total of EC's

7. Segment information

7.1. Extract from income statement

2Q11	Retail Banking	Corporate Banking	Leasing	Unallocated	**Total**
Net interest income	266	230	50	5	**551**
Net fee- and commission income	118	102	- 1	35	**254**
Other operating income	0	0	0	300	**300**
Operating costs	241	207	14	45	**507**
Result before losses	143	125	35	295	**598**
Losses	10	11	1	3	**25**
Result before tax	133	114	34	292	**573**
Loans and advances to customers	30 247	18 477	2 693	25	**51 442**
Individual write-downs for impaired value on loans and advances to customers	- 32	- 214	- 11	- 2	**- 259**
Collective write-downs for impaired value on loans and advances to customers	- 54	- 130	- 8	- 9	**- 201**
Other assets	0	0	23	20 028	**20 051**
Total assets per business area	30 161	18 133	2 697	20 042	**71 033**
Deposits from customers	21 488	19 770	0	26	**41 284**
Other liabilities and equity capital	0	0	2 697	27 052	**29 749**
Total equity and liabilities per business area	21 488	19 770	2 697	27 078	**71 033**

Interest income, Retail and Corporate

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	132	134	120	148	149	266	278	546	599
Corporate	116	114	123	128	124	230	234	485	539
Net interest income	**248**	**248**	**243**	**276**	**273**	**496**	**512**	**1 031**	**1 138**

Developement in margin, Retail and Corporate*

Lending (in percentage)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	1.40	1.55	1.64	1.53	1.56	1.48	1.63	1.60	2.15
Corporate	1.67	1.70	1.79	1.81	1.73	1.69	1.77	1.79	1.85
Total	**1.50**	**1.60**	**1.62**	**1.65**	**1.63**	**1.55**	**1.69**	**1.66**	**2.06**

Deposits (in percentage)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	0.79	0.66	0.67	0.78	0.68	0.72	0.57	0.64	0.27
Corporate	0.04	0.08	0.08	0.15	0.19	0.06	0.16	0.12	0.01
Total	**0.49**	**0.44**	**0.45**	**0.55**	**0.50**	**0.46**	**0.43**	**0.46**	**0.17**

**Definition margin: Average customer interest minus 3 months average nibor*

Development in volume, Retail and Corporate

Lending (in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	30 247	29 272	28 780	30 277	28 754	30 247	28 754	28 780	29 021
Corporate	18 477	17 899	17 945	18 218	17 663	18 477	17 663	17 945	17 410
Total	**48 724**	**47 171**	**46 725**	**48 495**	**46 417**	**48 724**	**46 417**	**46 725**	**46 431**

Deposits (in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	21 488	19 904	20 135	19 752	20 364	21 488	20 364	20 135	18 909
Corporate	19 770	19 468	19 217	17 512	17 486	19 770	17 486	19 217	15 983
Total	**41 258**	**39 372**	**39 352**	**37 264**	**37 850**	**41 258**	**37 850**	**39 352**	**34 892**

Developement in commision income, Retail and Corporate

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Retail	61	57	53	57	57	118	111	221	191
Corporate	54	48	53	49	48	102	94	196	171
Total	**115**	**105**	**106**	**106**	**105**	**220**	**205**	**417**	**362**

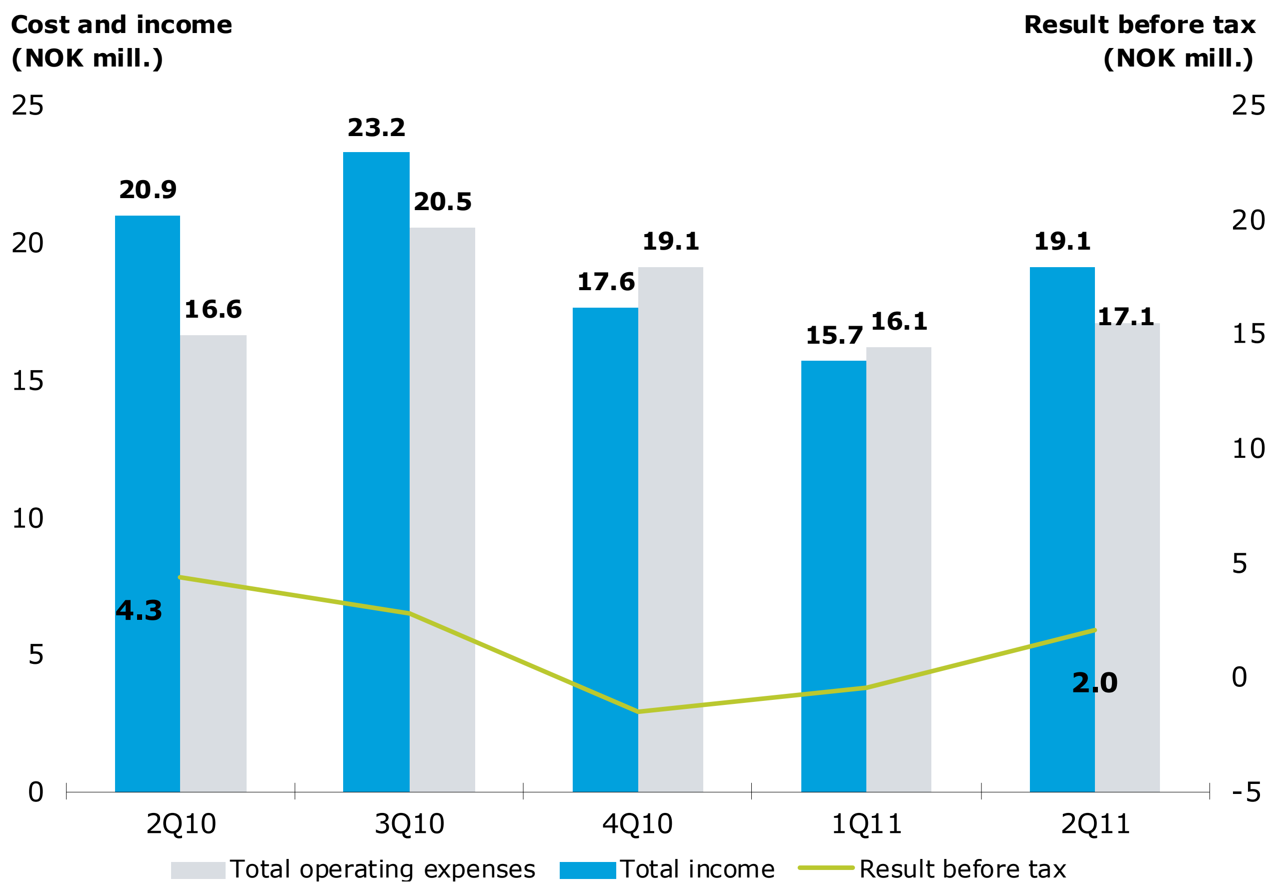
7.2. Subsidiaries

EiendomsMegler 1 Nord-Norge AS

The company is engaged in real estate brokerage in North Norway, and it is a member of a nationwide alliance with other companies owned by SpareBank 1-banks.

Financial performance

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Total interest income	-0.5	0.1	0.1	0.1	0.2	-0.4	0.3	0.6	0.1
Commission income and other income	19.6	15.6	17.4	23.1	20.7	35.2	35.8	76.3	62.0
Total income	**19.1**	**15.7**	**17.6**	**23.2**	**20.9**	**34.8**	**36.2**	**77.0**	**62.1**
Staff and adm. costs	9.1	9.2	9.9	13.1	9.7	18.3	18.3	41.3	32.6
Administration costs	3.9	4.1	4.6	3.4	4.1	8.0	7.9	15.9	12.6
Other operating expenses	4.1	2.9	4.6	4.0	2.9	6.9	5.9	14.5	11.6
Total operating expenses	**17.1**	**16.1**	**19.1**	**20.5**	**16.6**	**33.2**	**32.1**	**71.7**	**56.8**
Result before tax	**2.0**	**-0.4**	**-1.5**	**2.7**	**4.3**	**1.6**	**4.0**	**5.3**	**5.3**

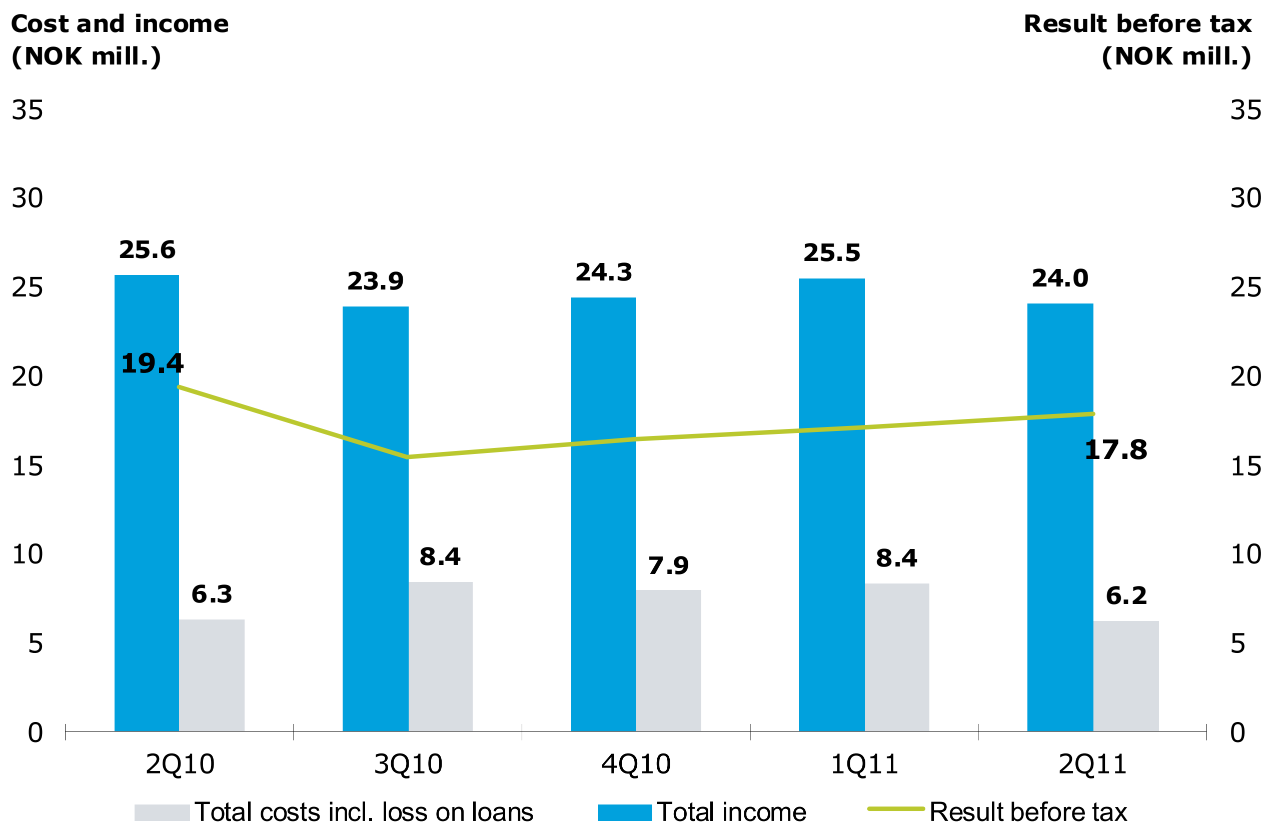


SpareBank 1 Finans Nord-Norge AS

The company has commercial responsibility for the product areas leasing and vendor's fixed charge financing. Cooperation with the Parent Bank and capital goods suppliers are important distribution channels.
SpareBank 1 Factoring AS was established in 2008 by spinning off the company's factoring business into a subsidiary. The shares were sold to SpareBank 1 Gruppen AS in 2009.

Financial performance

						Per 2Q			
(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	2011	2010	2010	2009
Total interest income	**24.4**	**25.9**	**24.6**	**24.2**	**26.1**	**50.3**	**51.3**	**100.2**	**98.1**
Commission income and other income	-0.4	-0.4	-0.3	-0.3	-0.4	-0.8	-0.7	-1.3	-2.3
Net profit on financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.4
Total income	**24.0**	**25.5**	**24.3**	**23.9**	**25.6**	**49.5**	**50.7**	**98.9**	**121.2**
Staff and adm. costs	2.9	4.4	4.2	4.2	1.8	7.3	5.8	14.1	15.7
Administration costs	1.6	1.6	1.7	1.3	1.4	3.2	2.9	5.9	5.9
Other operating expenses	1.7	1.8	1.3	1.5	1.4	3.5	2.8	5.6	5.3
Total operating expenses	**6.2**	**7.7**	**7.2**	**7.0**	**4.6**	**14.0**	**11.4**	**25.6**	**26.8**
Ordinary operating profit	**17.8**	**17.7**	**17.1**	**16.9**	**21.1**	**35.5**	**39.2**	**73.3**	**94.4**
Loss on loans, guarantees etc.	0.0	0.6	0.7	1.5	1.7	0.6	4.2	6.4	14.2
Total costs incl. loss on loans	6.2	8.4	7.9	8.4	6.3	14.5	15.7	32.0	41.0
Result before tax	**17.8**	**17.1**	**16.4**	**15.5**	**19.4**	**34.9**	**35.0**	**66.9**	**80.2**

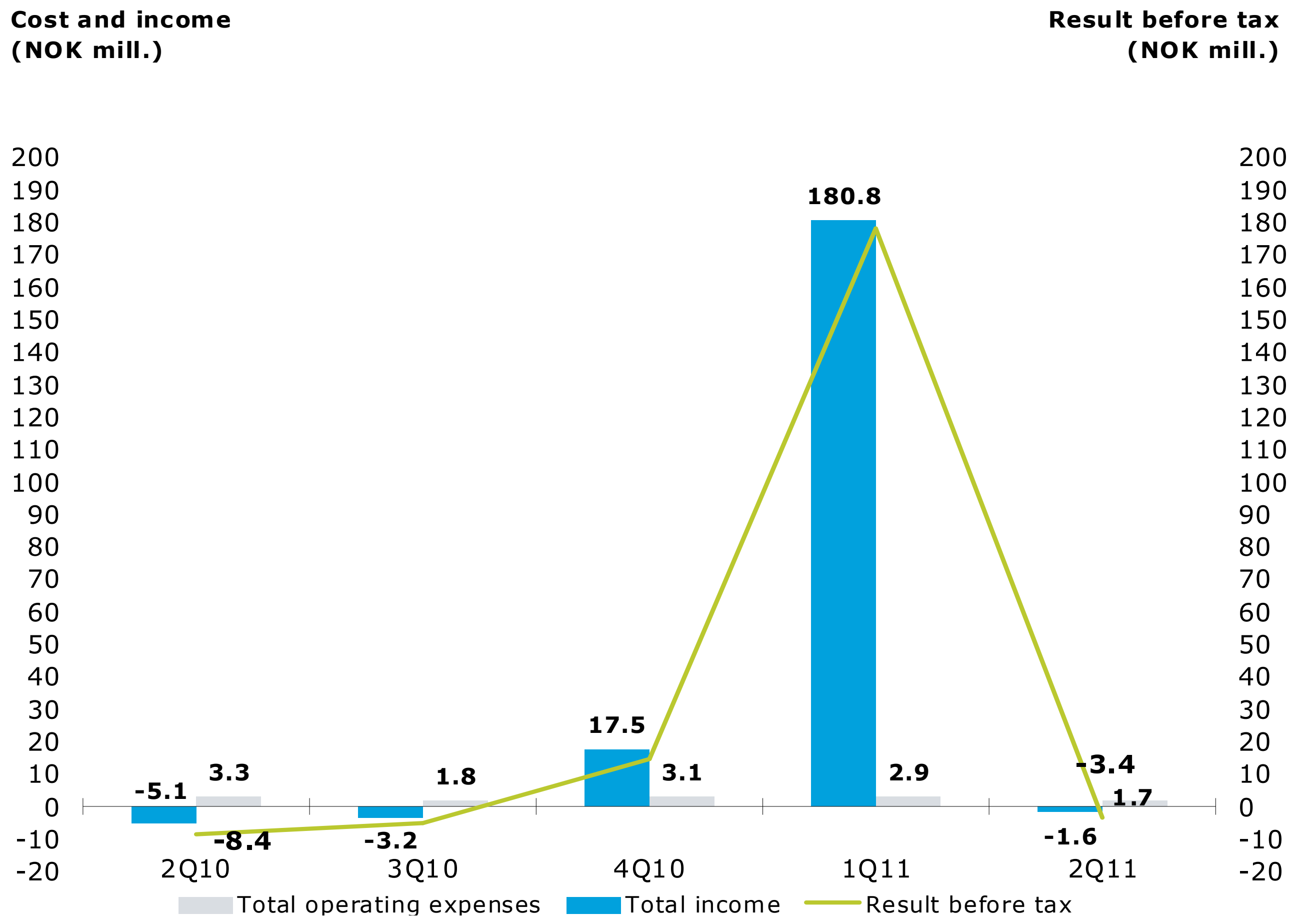


Sparebank 1 Nord-Norge Invest AS

SpareBank 1 Nord-Norge Invest AS is wholly-owned by SpareBank 1 Nord-Norge. The company's purpose is to participate, on a commercial basis, with equity capital, networks and competence in companies that conduct business primarily within the Bank's market area. The company is to invest in businesses with significant development potential in the Group's market area. The targeted return on the invested equity capital is 20 per cent per annum.

Financial performance

(in NOK million)	2Q11	1Q11	4Q10	3Q10	2Q10	Per 2Q 2011	Per 2Q 2010	2010	2009
Total interest income	-1.0	-1.1	-0.8	-0.7	-1.2	-2.1	-2.0	-3.4	-3.7
Commission income and other income	-0.6	181.9	18.2	-2.5	-4.0	181.3	4.6	20.3	-57.3
Total income	**-1.6**	**180.8**	**17.5**	**-3.2**	**-5.1**	**179.2**	**2.6**	**17.0**	**-61.1**
Staff and adm. costs	0.5	1.0	1.7	0.9	1.7	1.5	2.7	5.3	3.8
Other operating expenses	1.3	1.9	1.3	0.8	1.6	3.2	2.5	4.7	2.6
Total operating expenses	**1.7**	**2.9**	**3.1**	**1.8**	**3.3**	**4.7**	**5.2**	**10.0**	**6.4**
Result before tax	**-3.4**	**177.9**	**14.4**	**-4.9**	**-8.4**	**174.5**	**-2.5**	**7.0**	**-67.5**



8. Development last ten years (Group)

Financial results

(in NOK million)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net interest income	932	1 021	1 038	1 103	1 075	1 097	1 206	1 320	1 173	1 129
Commission income and other income	282	294	325	366	416	442	465	411	462	513
Net return on financial investments	-20	-119	42	73	175	301	201	-84	524	404
Total income	**1 194**	**1 196**	**1 405**	**1 542**	**1 666**	**1 840**	**1 872**	**1 647**	**2 159**	**2 046**
Personnel costs	584	619	647	621	457	469	473	463	508	477
Other operating expenses	163	174	167	175	415	442	489	508	464	480
Total operating expenses	**747**	**793**	**814**	**796**	**872**	**911**	**962**	**971**	**972**	**957**
Result before losses	**447**	**403**	**591**	**746**	**794**	**929**	**910**	**676**	**1 187**	**1 089**
Loss on loans, guarantees etc.	138	245	318	169	65	-43	17	183	185	87
Result before tax	**309**	**158**	**273**	**577**	**729**	**972**	**893**	**493**	**1 002**	**1 002**
Tax charge	104	94	62	174	172	205	186	143	143	186
Net profit	**205**	**64**	**211**	**403**	**557**	**767**	**707**	**350**	**859**	**816**

Balance sheet

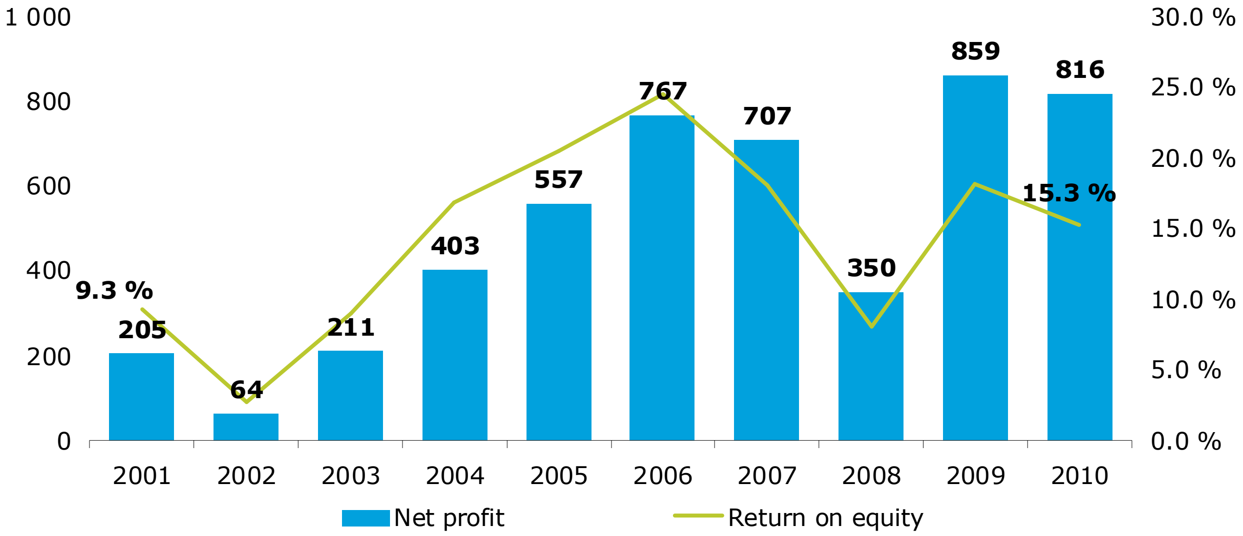
(in NOK million)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Cash and loans to and claims on credit institutions	529	725	649	426	980	1 346	2 814	3 433	3 067	3 294
CDs, bonds and other interest-bearing securities	2 735	2 782	2 807	3 124	4 511	5 353	5 403	7 228	9 453	12 178
Loans and advances to customers	30 973	33 574	36 869	37 931	41 638	46 226	50 213	51 268	48 180	49 046
- Individual write-downs for impaired value	245	357	503	320	264	195	134	201	228	271
- Collective write-downs for impaired value	281	322	322	321	217	178	170	204	238	200
Other assets	1 029	798	567	779	1 501	2 037	2 539	3 578	3 539	4 262
Total assets	**35 266**	**37 879**	**40 892**	**42 260**	**48 630**	**54 962**	**60 969**	**65 507**	**64 239**	**68 780**
Deposits from credit institutions	3 142	4 452	3 366	2 790	1 773	1 965	2 414	3 708	6 868	6 123
Deposits from customers	18 429	20 182	21 666	22 999	25 350	27 784	32 034	34 572	34 877	39 389
Debt securities in issue	9 772	9 298	11 171	11 738	15 668	18 741	19 665	19 746	14 162	14 477
Other liabilities	794	835	828	1 026	1 603	1 574	1 348	1 562	1 564	1 774
Subordinated loan capital	885	871	1 502	1 194	1 289	1 374	1 254	1 461	1 608	1 347

Key figures

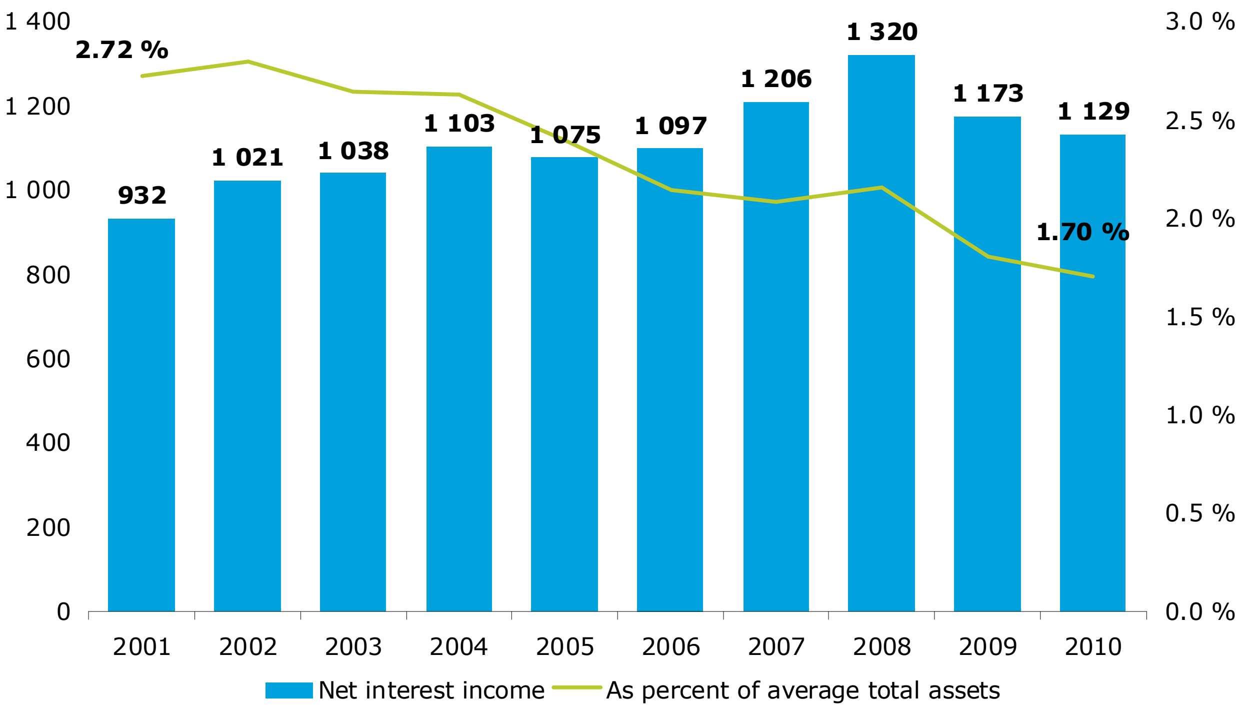
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return on equity capital	9.3 %	2.8 %	9.0 %	16.8 %	20.5 %	24.5 %	18.1 %	8.1 %	18.2 %	15.3 %
Cost/income group	62.6 %	66.3 %	57.9 %	51.6 %	52.3 %	49.5 %	51.4 %	59.0 %	45.0 %	46.8 %
Cost/income group, ex. financial inv.	61.5 %	60.3 %	59.7 %	54.2 %	58.5 %	59.2 %	57.6 %	56.1 %	59.4 %	58.3 %
Cost/income parent bank	62.0 %	65.5 %	56.9 %	51.6 %	51.6 %	53.9 %	55.7 %	62.6 %	46.8 %	50.1 %
Cost/income parent bank, ex. financial inv.	62.0 %	66.9 %	59.0 %	52.8 %	54.4 %	57.5 %	53.4 %	50.0 %	54.8 %	53.3 %
12-month cost growth	-8.1 %	6.2 %	2.6 %	-2.2 %	9.5 %	4.5 %	5.6 %	0.9 %	0.1 %	-1.5 %
Gross loans to customers*	30 973	33 574	36 869	37 931	41 638	46 245	52 582	56 806	59 061	63 334
Growth in loans last 12 months*	5.9 %	8.4 %	9.8 %	2.9 %	9.8 %	11.1 %	13.7 %	8.0 %	4.0 %	7.2 %
Deposits from customers	18 429	20 182	21 666	22 999	25 350	27 784	32 034	34 572	34 877	39 389
Growth in deposits last 12 months	6.4 %	9.5 %	7.4 %	6.2 %	10.2 %	9.6 %	15.3 %	7.9 %	0.9 %	12.9 %
Deposits as a percentage of gross lending including agency loans	59.5 %	60.1 %	58.8 %	60.6 %	60.9 %	60.1 %	60.9 %	60.9 %	59.1 %	62.2 %
Deposits as a percentage of gross lending	59.5 %	60.1 %	58.8 %	60.6 %	60.9 %	60.1 %	63.8 %	67.4 %	72.4 %	80.3 %
Total assets	35 266	37 879	40 892	42 260	48 630	54 962	60 969	65 507	64 239	68 780
Average assets	34 250	36 572	39 347	41 992	44 911	51 230	58 023	61 267	65 169	66 245
Employees in employment (Group)	879	868	770	758	778	767	813	821	778	788
Employees in employment (parent bank)	820	806	708	699	714	698	722	724	690	675
Employees in employment (subsidiares)	59	62	63	60	64	69	91	97	88	113
Net other operating income of total income	23.6 %	24.6 %	23.1 %	23.7 %	25.0 %	24.0 %	24.8 %	25.0 %	21.4 %	25.1 %
Capital adequacy ratio	10.6 %	10.0 %	11.8 %	10.9 %	10.9 %	10.4 %	10.0 %	10.8 %	12.8 %	11.9 %
Core capital ratio	8.4 %	7.9 %	9.0 %	9.2 %	9.6 %	9.8 %	8.9 %	9.5 %	10.7 %	10.9 %
Total core capital	2 109	2 094	2 619	2 706	3 037	3 478	3 342	4 229	4 846	5 334
Equity and related capital resources	2 643	2 659	3 430	3 180	3 464	3 688	3 746	4 789	5 776	5 849
Losses on loans to customers as a percentage of gross loans incl.agency loans	0.45 %	0.73 %	0.86 %	0.45 %	0.16 %	-0.09 %	0.03 %	0.32 %	0.31 %	0.14 %
Non-perf. commitm. as % of gross loans	1.54 %	1.56 %	1.96 %	0.61 %	0.60 %	0.52 %	0.41 %	0.54 %	0.65 %	0.35 %
Other doubtfull commitm. as % of gross loans	0.57 %	1.64 %	1.15 %	2.04 %	1.71 %	1.12 %	0.66 %	0.79 %	0.71 %	1.03 %

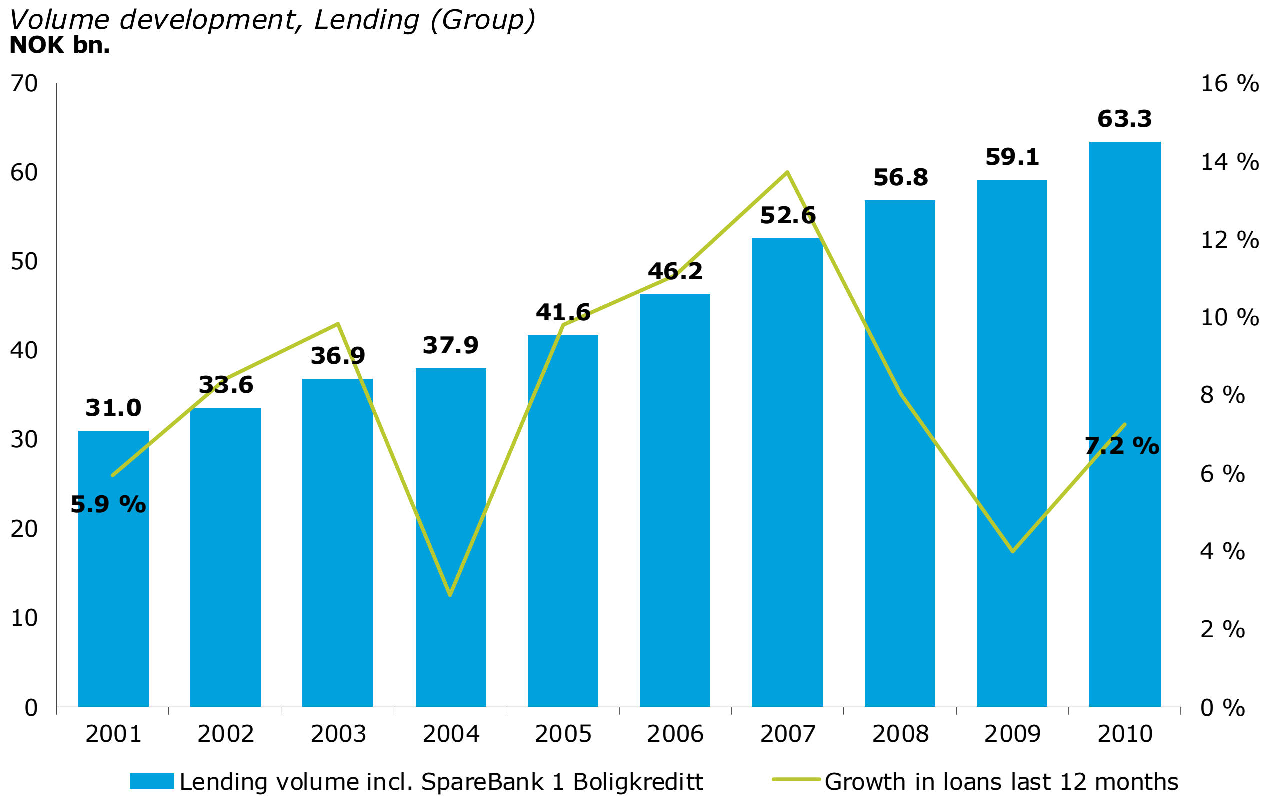
** Gross loans to customers includes SpareBank 1 Boligkreditt*

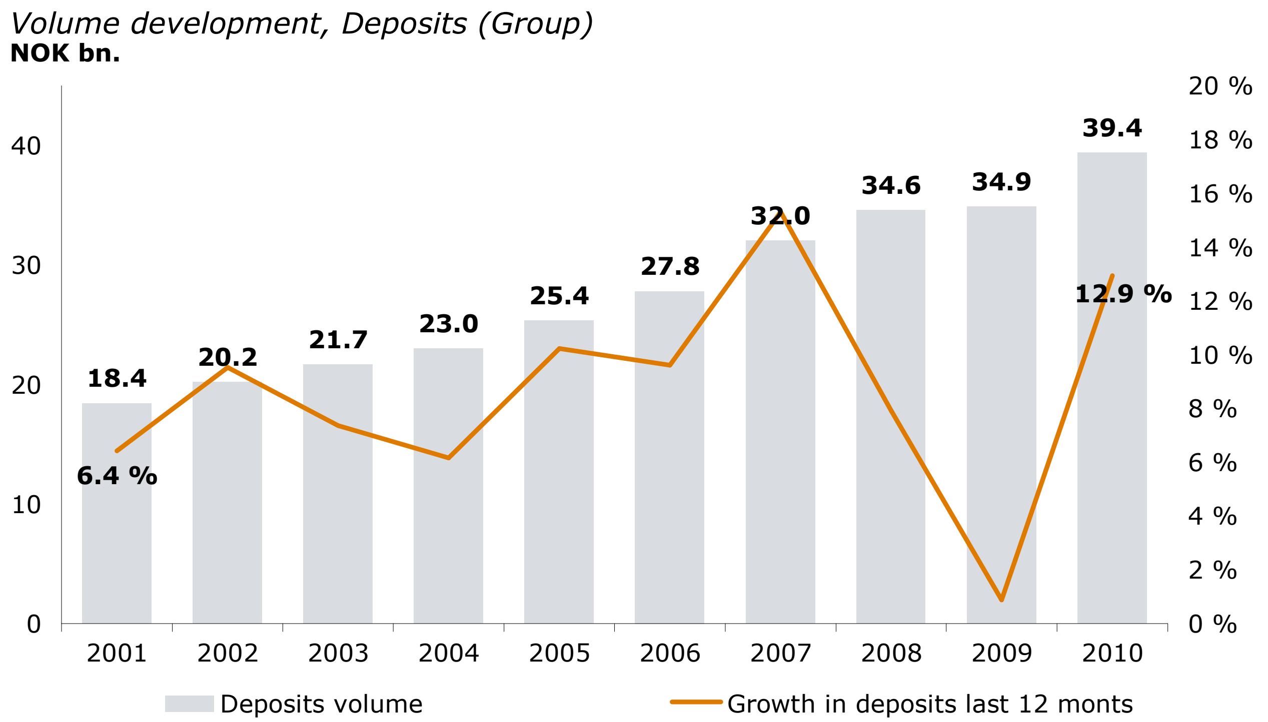
Net profit and return on equity (Group)
NOK mill.



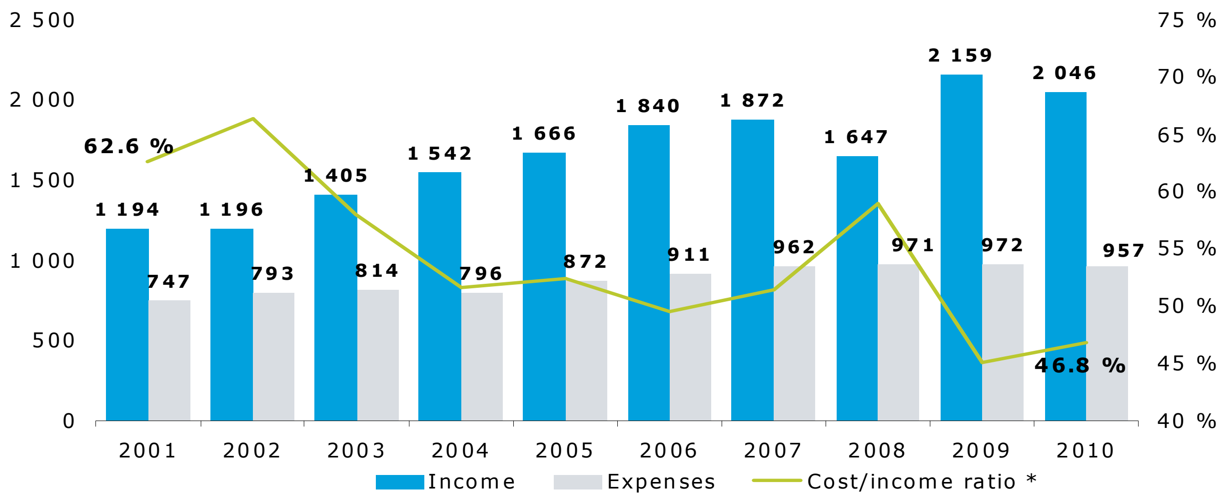
Development in net interest income (Group)
NOK mill.



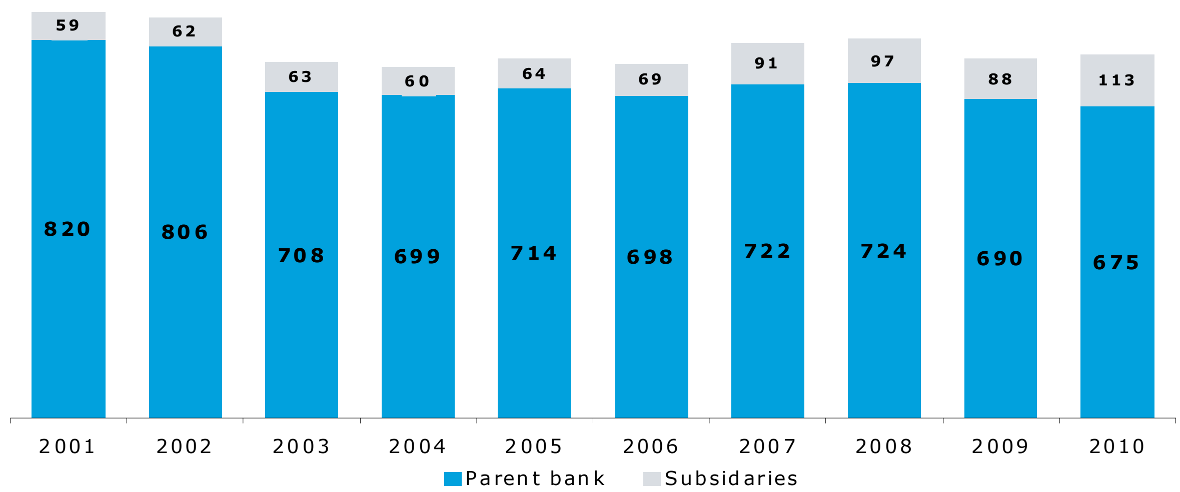

Volume development, Lending (Group)
NOK bn.
70
60
50
40
30
20
10
0
16 %
14 %
12 %
10 %
8 %
6 %
4 %
2 %
0 %
31.0
33.6
36.9
37.9
41.6
46.2
52.6
56.8
59.1
63.3
5.9 %
7.2 %
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Lending volume incl. SpareBank 1 Boligkreditt
Growth in loans last 12 months


Volume development, Deposits (Group)
NOK bn.
40
30
20
10
0
20 %
18 %
16 %
14 %
12 %
10 %
8 %
6 %
4 %
2 %
0 %
18.4
20.2
21.7
23.0
25.4
27.8
32.0
34.6
34.9
39.4
6.4 %
12.9 %
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Deposits volume
Growth in deposits last 12 monts

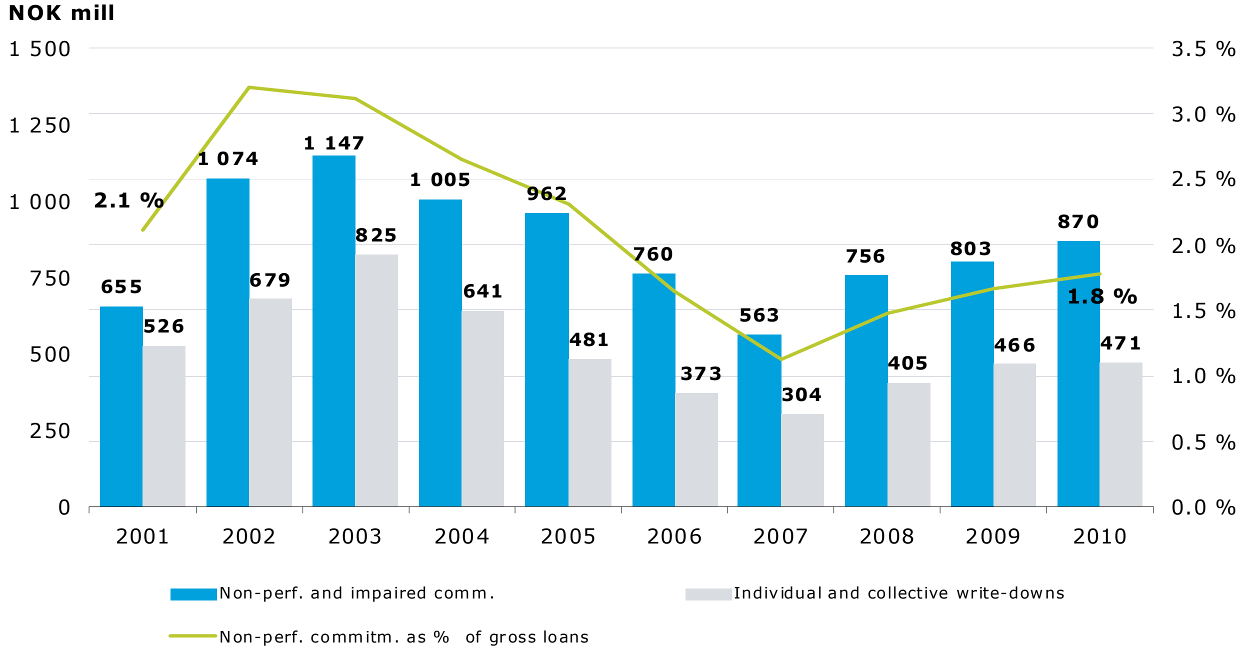
Cost/income ratio (Group)



Employees in employment



Net non-performing and impaired commitments (Group)



Capital Adequacy (Group)