Investor Relations

Supplementary information
First Quarter for 2011

SpareBank 1 NORD-NORGE

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Chief Executive Officer, CEO

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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

1st Quarter 2011	28. April 2011
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 - March 2011

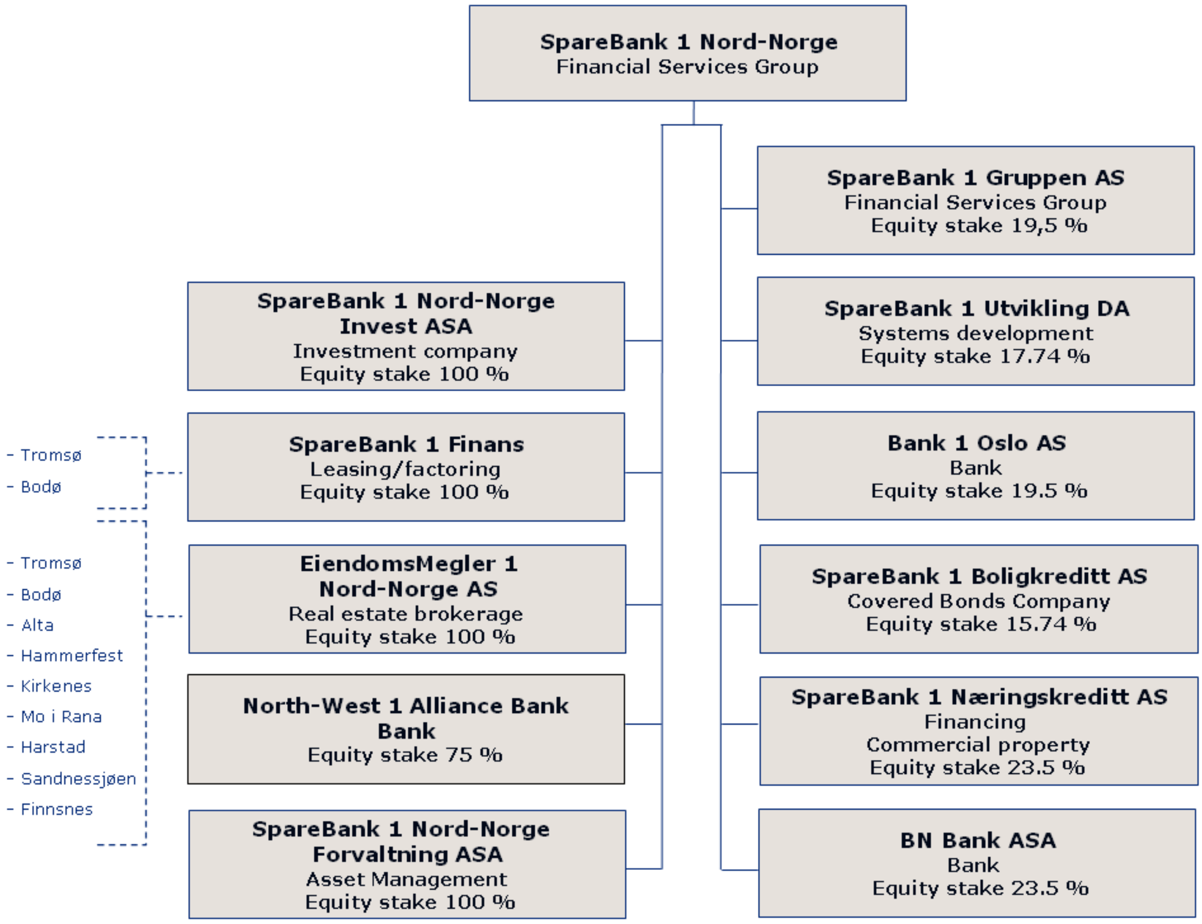
(Figures and percentages in brackets refer to the same interim period in 2010)

- Profit before tax: NOK 381 million (NOK 260 million)
- Profit: NOK 333 million (NOK 204 million)
- Return on equity: 23.3 % (15.9 %)
- Growth in lending (including loans transferred to SpareBank 1 Boligkreditt): 6.1 % (5.2 %) and in deposits: 11.0 % (4.2%) over last 12 months
- Loan losses: NOK 10 million (NOK 21 million)
- Tier 1 capital adequacy ratio: 10.7 % (10.4%)
- Earnings per equity capital certificate (ECC): NOK 2.41 (NOK 1.48)

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 748 man-years in Norway and 43 in Russia at the end of first quarter 2011.

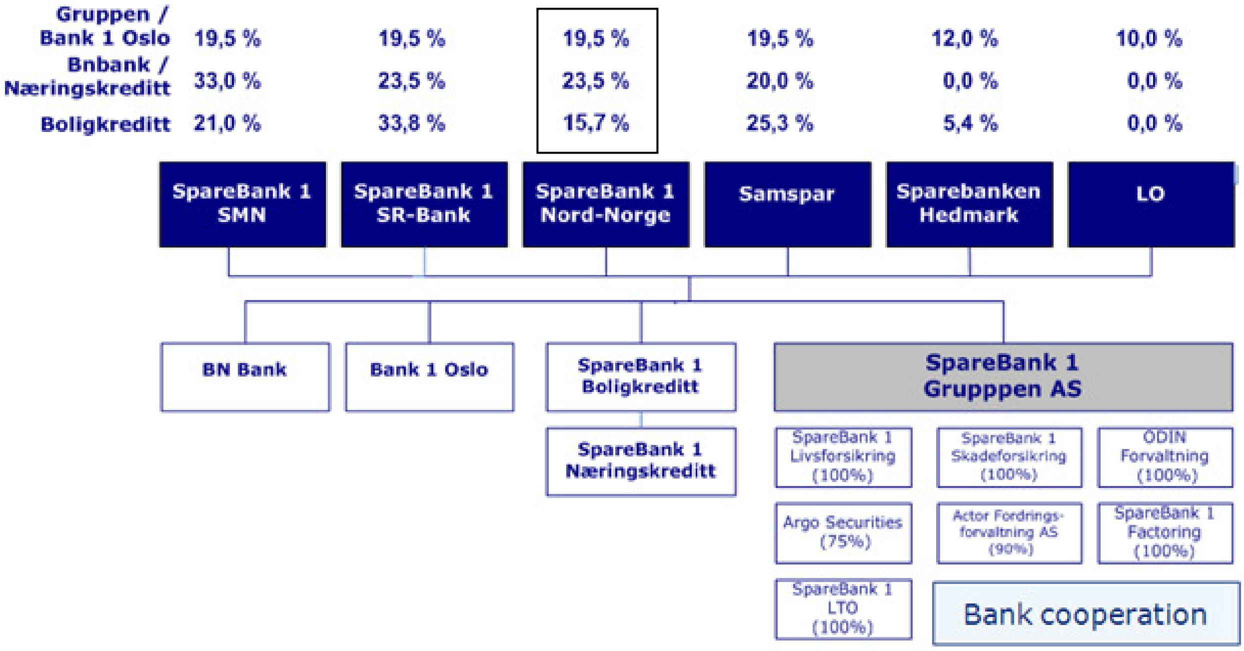
SpareBank 1 Nord-Norge: Overview of the Bank's activities



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.

SpareBank 1 Oslo AS was demerged from SpareBank 1 Gruppen AS AS from 1 January 2010 and is now owned directly by the same owners and with the same stakes as SpareBank 1 Gruppen. SpareBank 1 SNN accordingly has a 19.5 % stake in Bank 1 Oslo.



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)

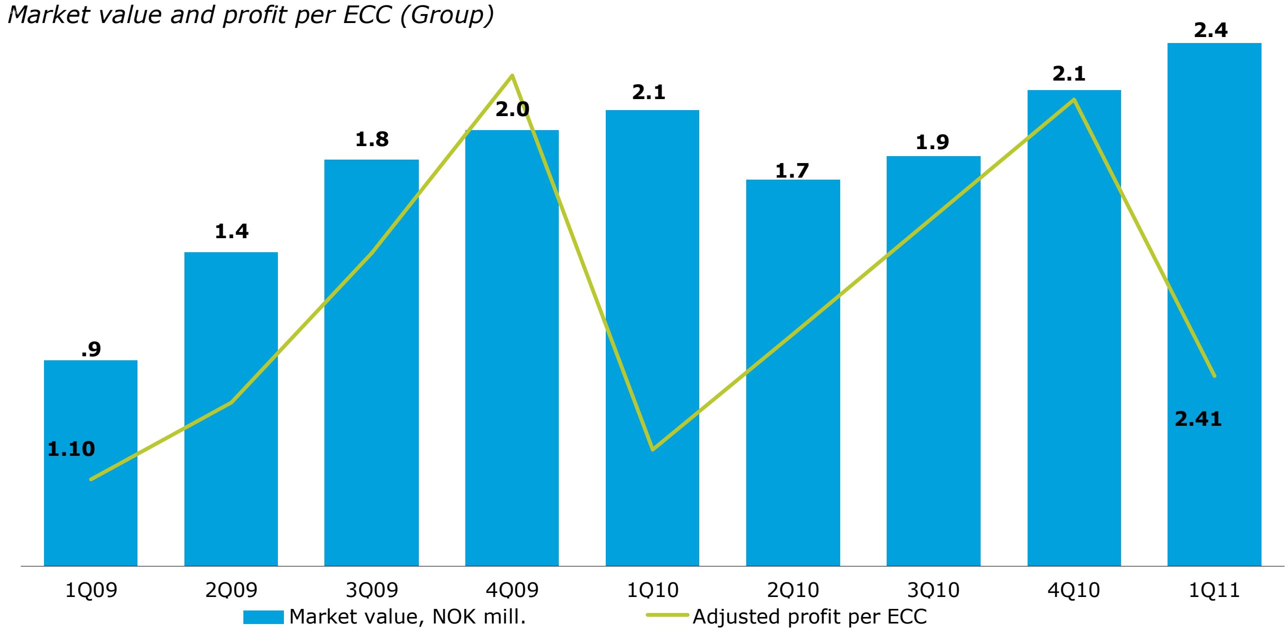
*Key figures *)*						**Per 1Q**			
(in NOK million)	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**1Q10**	**2011**	**2010**	**2010**	**2009**
Quoted/market price NONG as at	49.50	45.00	38.81	36.56	43.13	49.50	43.13	45.00	41.25
Number of certificates issued, millions	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77
Equity capital per Equity Certificate (NOK)	32.39	31.03	32.32	31.38	30.24	32.39	30.24	31.03	31.19
Result per Equity Certificate	2.41	1.48	1.48	1.46	1.48	2.41	1.48	5.90	6.20
P/E (Price/Earnings)	1.19	1.09	0.97	0.95	1.17	1.19	1.17	1.09	1.09
P/V (Price/Book Value)	5.14	7.63	6.59	6.23	7.31	5.14	7.31	7.63	6.65

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

The 10 largest Equity Certificate holders

Equity Certificate holders	**Number of Equity Certificates**	**Share of total Equity Certificate capital**
Pareto Aksjer Norge	2 711 884	5.68 %
Protector Eiendom AS	1 491 664	3.12 %
Pareto Aktiv	1 258 560	2.63 %
MP Pensjon	1 115 410	2.34 %
Frank Mohn AS	1 016 964	2.13 %
Tonsenhagen Forretningssentrum AS	851 002	1.78 %
Citibank N.A.	742 804	1.56 %
Pareto VPF	645 112	1.35 %
Framo Development AS	636 794	1.33 %
Sparebanken Rogalands Pensjonskasse	586 882	1.23 %

Market value and profit per ECC (Group)



Equity certificates ratio (parent bank)

(in NOK million)	31.12.10	31.12.09
Equity Certificate capital	896	896
Equity Certificate premium reserve	123	123
Dividend Equalisation Fund	566	471
Allocation for dividend	-103	-121
Share Fund Fair Value Options	-3	-30
A. Equity attributable to Equity Certificate holders of the Bank	**1 479**	**1 339**
The Savings Bank's Fund	2 829	2 624
Allocated dividends to ownerless capital	-154	-161
Donations	133	133
Share Fund Fair Value Options	-5	-57
B. Total ownerless capital	**2 803**	**2 539**
Equity Certificate Ratio overall (A/(A+B))	34.5 %	34.5 %

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

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 1Q			
(in NOK million)	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**1Q10**	**2011**	**2010**	**2010**	**2009**
Net interest income	275	285	291	281	272	275	272	1 129	1 173
Net fee-, commision and other operating income	120	128	131	133	121	120	121	513	462
Net income from financial investments	242	148	76	104	76	242	76	404	524
Total net income	**637**	**561**	**498**	**518**	**469**	**637**	**469**	**2 046**	**2 159**
Total costs	**246**	**276**	**237**	**256**	**188**	**246**	**188**	**957**	**972**
Result before losses and write-downs	**391**	**285**	**261**	**262**	**281**	**391**	**281**	**1 089**	**1 187**
Net losses and write-downs	10	43	1	22	21	10	21	87	185
Result before tax	**381**	**242**	**260**	**240**	**260**	**381**	**260**	**1 002**	**1 002**
Tax	48	37	55	38	56	48	56	186	143
Minority interests	0	0	0	0	0	0	0	0	1
Result for the period	**333**	**205**	**205**	**202**	**204**	**333**	**204**	**816**	**858**

Balance sheet - condensed

						Per 1Q			
Balance (in NOK million)	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**1Q10**	**2011**	**2010**	**2010**	**2009**
Loans and advances to customers including agency loans *	63 512	63 334	62 707	61 022	59 872	63 512	59 872	63 334	59 061
Deposits from customers	39 402	39 389	37 303	37 851	35 497	39 402	35 497	39 389	34 877
Growth in loans and advances to customers including agency loans *	6.1 %	7.2 %	7.3 %	6.2 %	5.2 %	6.1 %	5.2 %	7.2 %	4.0 %
Growth in deposits from customers past 12 months	11.0 %	12.9 %	8.9 %	4.8 %	4.2 %	11.0 %	4.2 %	12.9 %	0.9 %
Deposits as a percentage of gross lending including agency loans *	62.0 %	62.2 %	59.5 %	62.0 %	59.3 %	62.0 %	59.3 %	62.2 %	59.1 %
Deposits as a percentage of gross lending	79.4 %	80.3 %	73.9 %	78.3 %	73.3 %	79.4 %	73.3 %	80.3 %	72.4 %
Total assets	68 202	68 780	68 261	65 859	64 086	68 202	64 086	68 780	64 239
Average assets	68 491	66 245	65 611	64 728	64 163	68 491	64 163	66 245	65 169

** Loans to customers includes SpareBank 1 Boligkreditt*

Key figures

						Per 1Q			
	1Q11	**4Q10**	**3Q10**	**2Q10**	**1Q10**	**2011**	**2010**	**2010**	**2009**
Return on equity capital (Group)	23.3 %	15.3 %	15.6 %	15.6 %	15.9 %	23.3 %	15.9 %	15.3 %	18.2 %
Result per Equity Certificate (Group)	2.41	1.48	3.95	1.46	1.48	2.41	1.48	5.90	6.20
Net other operating income of total income*	30.4 %	31.0 %	31.0 %	32.1 %	30.8 %	30.4 %	30.8 %	31.2 %	28.3 %
Cost/income	38.6 %	49.2 %	47.6 %	49.4 %	40.1 %	38.6 %	40.1 %	46.8 %	45.0 %
Core capital adequacy ratio	10.7 %	10.9 %	9.8 %	9.9 %	10.4 %	10.7 %	10.4 %	10.9 %	10.7 %
Manyear	791	788	792	766	774	791	774	788	778
Branches	75	75	75	75	76	75	76	75	76

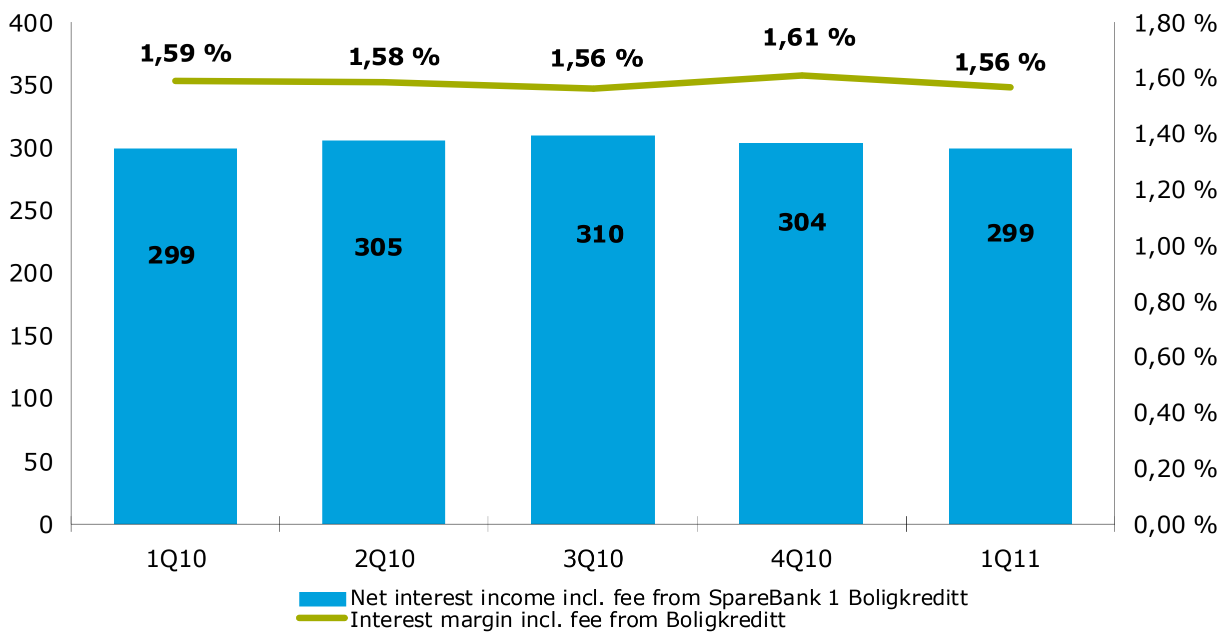
** Income from financial investments not included*

2.2. Net interest income

Net interest income

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Interest income	659	683	669	616	581	659	581	2 549	2 763
Boligkreditt	24	19	19	24	27	24	27	89	66
Interest income incl. fee from Boligkreditt	683	702	688	640	608	683	608	2 638	2 829
Interest costs	384	398	378	335	309	384	309	1 420	1 590
Net interest income incl. fee from Boligkreditt	**299**	**304**	**310**	**305**	**299**	**299**	**299**	**1 218**	**1 239**

Development in net interest income

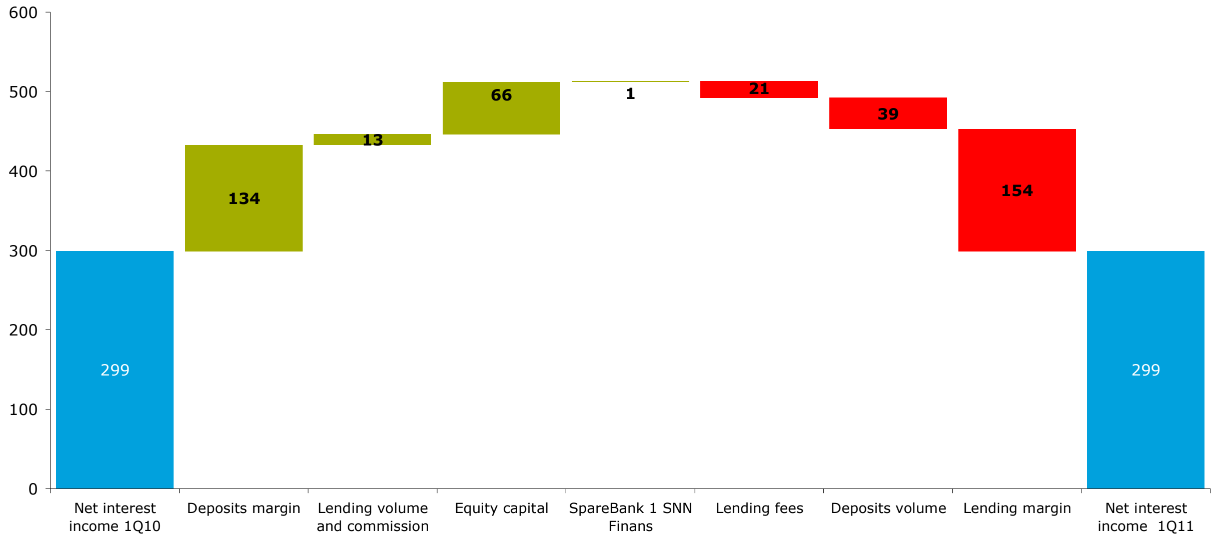


Changes in interest income from lending and deposits, last 12 months

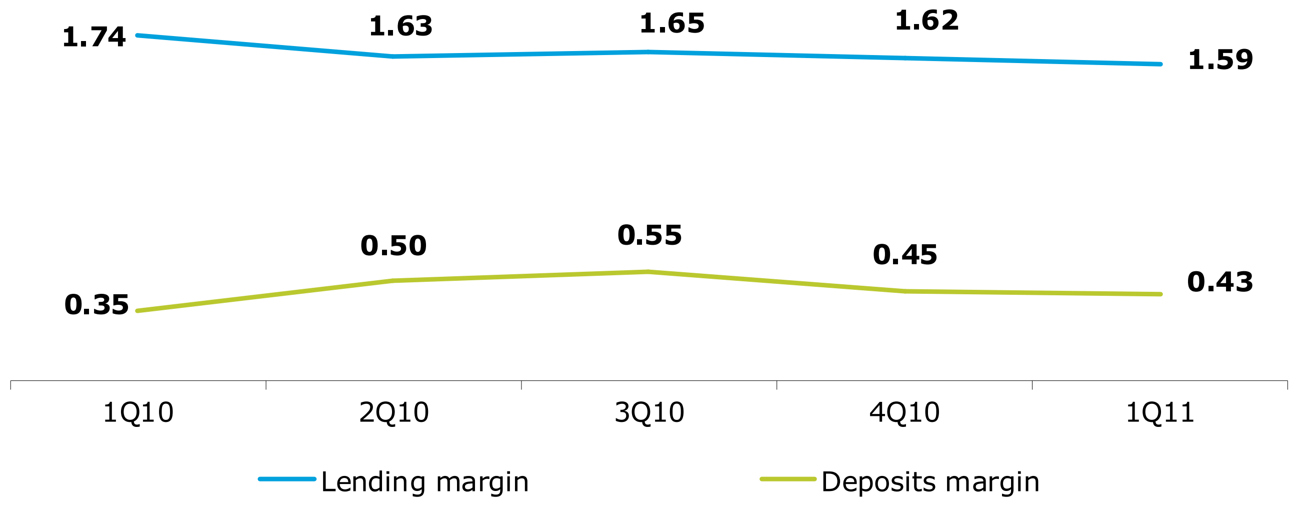
(in NOK million)	Volume	Margin	Total
Lending	13	-154	-141
Deposits	-39	134	95
Total	**-26**	**-20**	**-46**

Changes in net interest income

(in NOK million)	Per 1Q 2011	Change	2010
Net interest income incl. fee from SpareBank 1 Boligkreditt	**299**	**0**	**299**
Lending margin		-154	
Lending fees		-21	
Deposits volume		-39	
Lending volume and commission		13	
Deposits margin		134	
SpareBank 1 SNN Finans		1	
Equity capital		66	
Change		**0**	

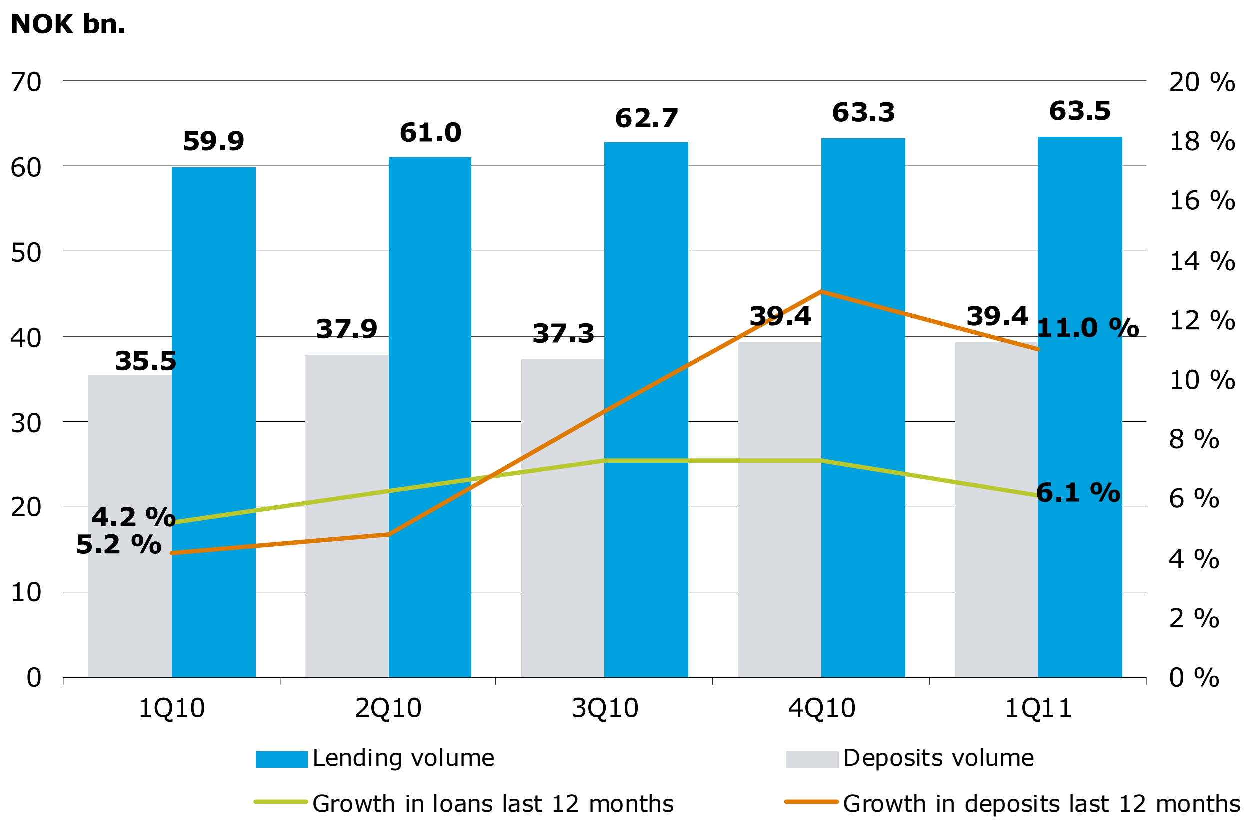


Margin development



Definition margin: Average customer interest minus 3 months average nibor

Volume development

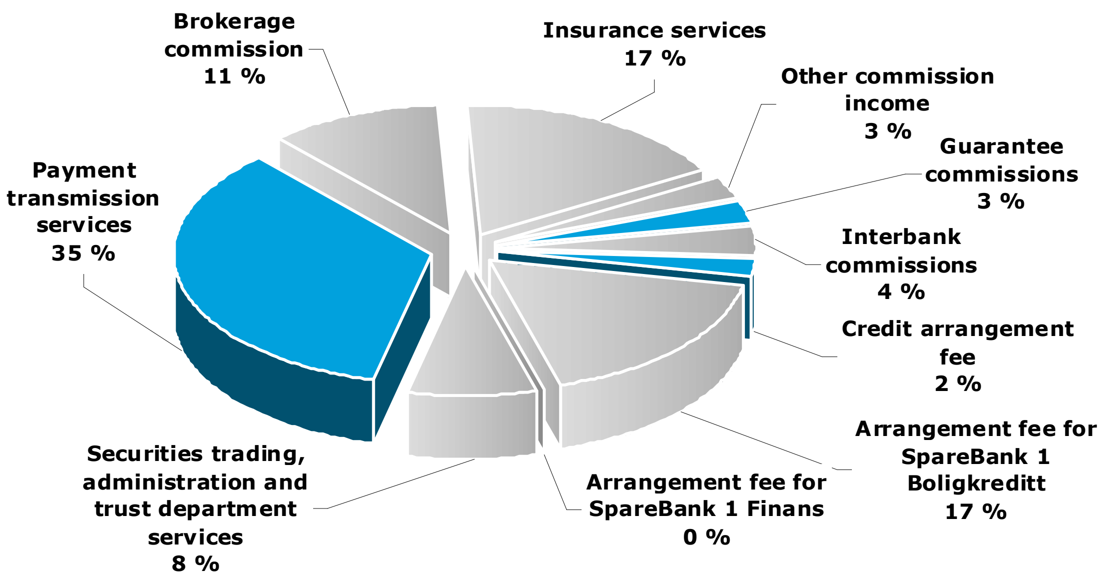


2.3. Commission income

Total commission and other income

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Guarantee commissions	4	4	4	4	3	4	3	15	16
Interbank commissions	5	7	9	9	8	5	8	33	32
Credit arrangement fee	3	4	4	4	3	3	3	15	17
Arrangement fee from SpareBank 1 Boligkreditt	24	19	19	24	27	24	27	89	66
Arrangement fee from SpareBank 1 Finans	0	0	1	0	1	0	1	2	2
Securities trading, administration and trust department	11	14	7	14	12	11	12	47	46
Payment transmission services	48	51	56	50	46	48	46	203	190
Brokerage commission	15	16	23	20	14	15	14	73	58
Insurance services	24	27	25	24	24	24	24	100	92
Other commission income	4	5	1	3	4	4	4	13	7
Total commissions income	**138**	**147**	**149**	**152**	**142**	**138**	**142**	**590**	**526**
Operating- and sales income real estate	1	2	2	1	1	1	1	6	5
Other operating income	0	1	1	0	0	0	0	2	19
Total other operating income	**1**	**3**	**3**	**1**	**1**	**1**	**1**	**8**	**24**
Commission expenses	19	22	21	20	22	19	22	85	88
Total commissions and other income	**120**	**128**	**131**	**133**	**121**	**120**	**121**	**513**	**462**
As per cent of average total assets	**0,70**	**0,75**	**0,78**	**0,82**	**0,75**	**0,70**	**0,75**	**0,77**	**0,71**

Distribution of commission income



Change in commission income

(in NOK million)	2011	Per 1Q Change	2010
Total	**120**	**-1**	**121**
Guarantee commissions		1	
Interbank commissions		-3	
Credit arrangement fee		0	
Arrangement fee for SpareBank 1 Boligkreditt		-3	
Arrangement fee for SpareBank 1 Finans		-1	
Securities trading, administration and trust department services		-1	
Payment transmission services		2	
Brokerage commission		1	
Insurance services		0	
Other commission income		0	
Operating- and sales income real estate		0	
Other operating income		0	
Commission expenses		3	

Net return on financial investments

						Per 1Q			
(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	2011	2010	2010	2009
Dividends	1	0	1	33	9	1	9	43	23
Income from joint ventures	49	87	64	59	41	49	41	251	281
Gains/losses and net value changes on certificates and bonds	-27	-24	5	11	11	-27	11	3	21
Gains/losses and net value changes on shares	176	58	-1	12	21	176	21	90	118
Gains/losses and net value changes on foreign exchange	8	8	7	9	8	8	8	32	49
Gains/losses and net value changes on other financial derivatives	35	19	0	-20	-14	35	-14	-15	32
Income from financial investments	**242**	**148**	**76**	**104**	**76**	**242**	**76**	**404**	**524**
As per cent of average total assets	**1.41**	**0.86**	**0.45**	**0.64**	**0.47**	**1.41**	**0.47**	**0.61**	**0.80**

Change in net return on financial investments

(in NOK million)	2011	Per 1Q Change	2010
Total	**242**	**166**	**76**
Dividends		-8	
Income from joint ventures		8	
Gains/losses and net value changes on certificates and bonds		-38	
Gains/losses and net value changes on shares		155	
Gains/losses and net value changes on foreign exchange		0	
Gains/losses and net value changes on other financial derivatives		49	

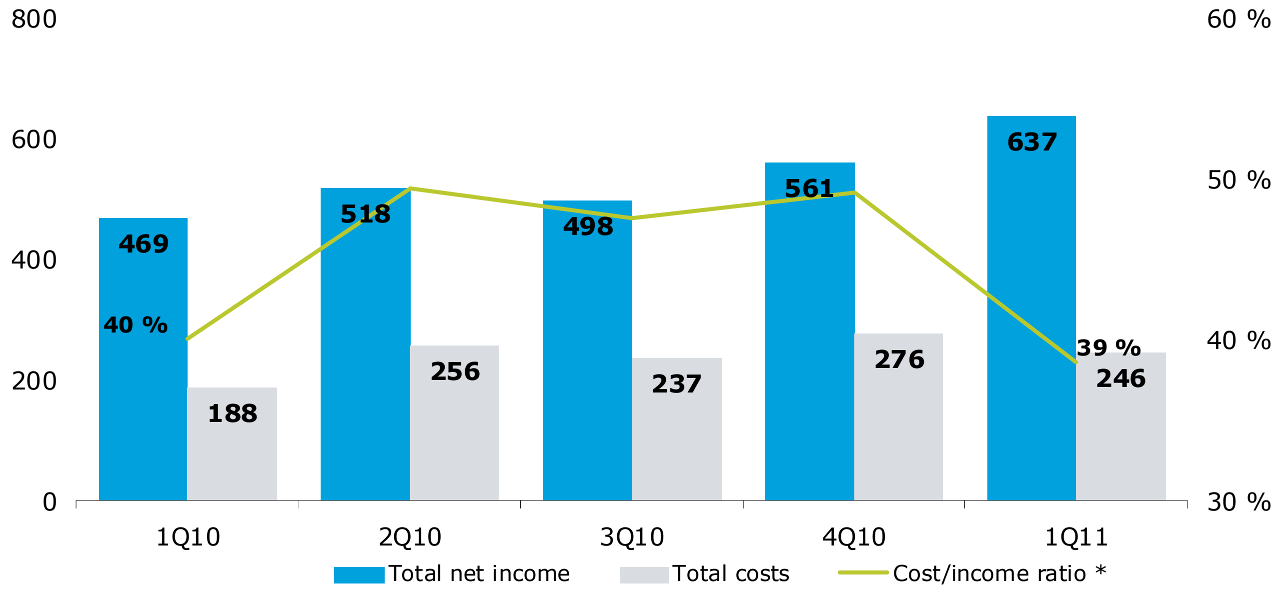
2.4. Operating expenses

Operating expenses

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Wages and salaries	99	140	108	104	98	99	98	450	422
Pension costs	9	3	14	15	-48	9	-48	-16	42
Social costs	11	9	9	14	11	11	11	43	44
Total personnel expenses	**119**	**152**	**131**	**133**	**61**	**119**	**61**	**477**	**508**
Development costs	20	23	19	19	19	20	19	80	88
Electronic data processing costs	12	11	11	14	12	12	12	48	50
Marketing costs	13	18	10	16	12	13	12	56	49
Travel - and training costs	10	8	7	9	8	10	8	32	31
Communications	0	2	4	3	4	0	4	13	14
Postage	4	3	2	3	4	4	4	12	14
Consultancy services	3	5	2	4	3	3	3	14	9
Cost involving the handling of cash	3	3	4	2	4	3	4	13	13
Office-related costs	2	3	2	4	2	2	2	11	13
Collection costs	1	0	1	0	1	1	1	2	3
Ordinary depreciation	11	12	11	10	12	11	12	45	49
Operating costs buildings	6	8	3	4	2	6	2	17	8
Rent paid - premises and bank buildings	8	12	8	9	9	8	9	38	30
Operating costs - premises	9	-3	6	9	11	9	11	23	25
Other operating costs	25	19	16	17	24	25	24	76	68
Other expenses	**127**	**124**	**106**	**123**	**127**	**127**	**127**	**480**	**464**
Total operating expenses	**246**	**276**	**237**	**256**	**188**	**246**	**188**	**957**	**972**
As per cent of average total assets	**1.44**	**1.61**	**1.41**	**1.58**	**1.17**	**1.44**	**1.17**	**1.44**	**1.49**
Cost/income (Group)	**0.39**	**0.49**	**0.48**	**0.49**	**0.40**	**0.39**	**0.40**	**0.47**	**0.45**
Cost/income, ex. financial inv. (Group)	**0.62**	**0.67**	**0.56**	**0.62**	**0.48**	**0.62**	**0.48**	**0.58**	**0.59**
12-month cost growth	**30.9 %**	**-1.5 %**	**-2.2 %**	**-5.3 %**	**-22.6 %**	**30.9 %**	**-22.6 %**	**-1.5 %**	**0.1 %**

Cost/income ratio

NOK mill.



* Total operating expences as a percentage of total operating income

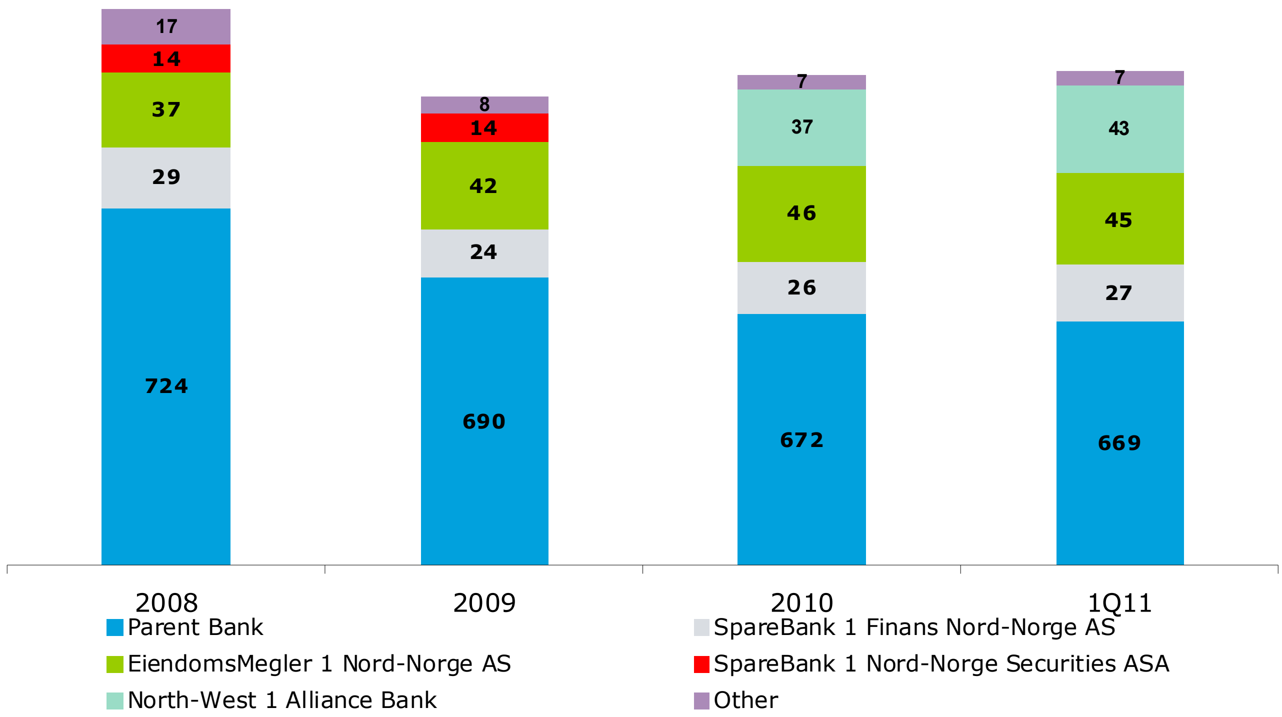
Change in operating expenses

(in NOK million)	2011	Per 1Q Change	2010
Total	**246**	**58**	**188**
Wages and salaries		1	
Pension costs		57	
Social costs		0	
Development costs		1	
Electronic data processing costs		0	
Marketing costs		1	
Travel - and training costs		2	
Communications		-4	
Postage		0	
Consultancy services		0	
Cost involving the handling of cash		-1	
Office-related costs		0	
Collection costs		0	
Ordinary depreciation		-1	
Operating costs buildings		4	
Rent paid - premises and bank buildings		-1	
Operating costs - premises		-2	
Other operating costs		1	

Number of employees - developement

Employees in employment	**1Q11**	**2010**	**2009**	**2008**
Parent Bank	669	672	690	724
SpareBank 1 Finans Nord-Norge AS	27	26	24	29
EiendomsMegler 1 Nord-Norge AS	45	46	42	37
SpareBank 1 Nord-Norge Securities ASA			14	14
North-West 1 Alliance Bank	43	37		
Other	7	7	8	17
Totalt	**791**	**788**	**778**	**821**

Number of employees - development



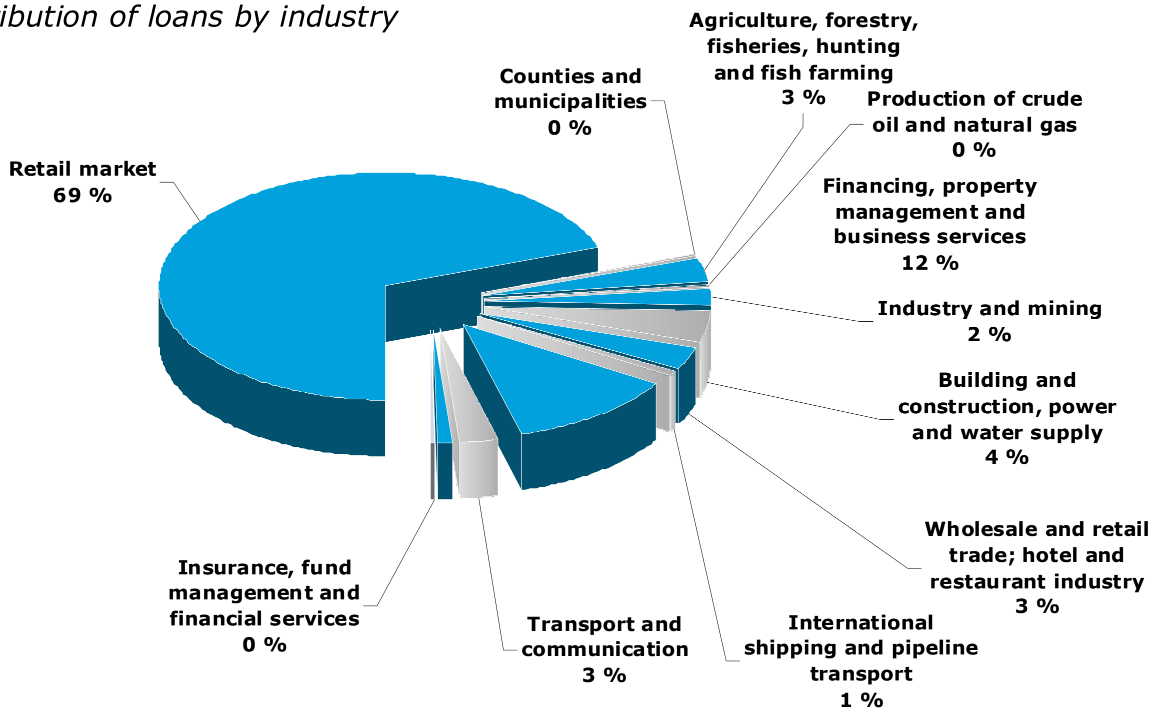
3. Loans to customers

3.1. Distribution of loans by industry

Distribution of loans by industry

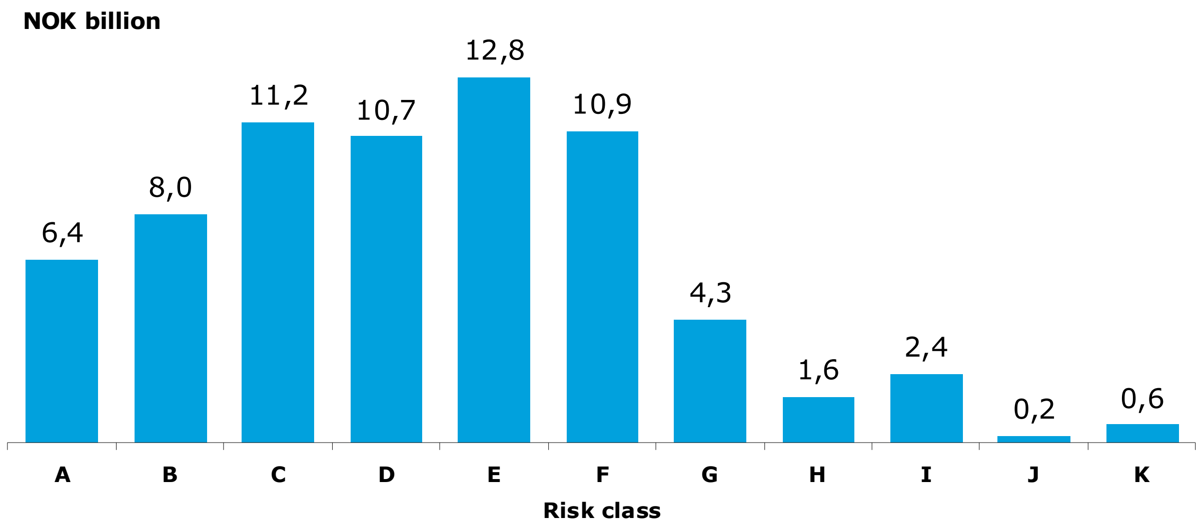
(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Year-end 2009
Central government administration and social security administration	1	0	0	0	0	1
Counties and municipalities	169	157	173	181	204	170
Agriculture, forestry, fisheries, hunting and fish farming	2 200	2 182	2 582	2 450	2 480	2 545
Production of crude oil and natural gas	43	43	155	143	128	125
Industry and mining	1 543	1 417	1 326	1 346	1 483	1 240
Building and construction, power and water supply	2 702	2 713	2 582	2 389	2 495	2 408
Wholesale and retail trade; hotel and restaurant industry	2 001	1 894	1 878	1 777	1 374	1 355
International shipping and pipeline transport	576	599	607	646	638	419
Financing, property management and business services	7 612	7 637	7 373	7 265	7 108	7 296
Transport and communication	1 655	1 615	1 640	1 526	1 852	1 795
Other service industries	760	824	821	848	842	789
Insurance, fund management and financial services	194	85	119	123	94	157
Other sectors						
Gross loans corporate market	**19 456**	**19 166**	**19 256**	**18 694**	**18 698**	**18 300**
Retail market	**44 056**	**44 168**	**43 451**	**42 328**	**41 174**	**40 761**
Gross loans incl. SpareBank 1 Boligkreditt	**63 512**	**63 334**	**62 707**	**61 022**	**59 872**	**59 061**
- Loans transferred to SpareBank 1 Boligkreditt	13 874	14 288	12 218	12 693	11 443	10 881
Gross loans in balance sheet	**49 638**	**49 046**	**50 489**	**48 329**	**48 429**	**48 180**
Share of loans, corporate market	**30.6 %**	**30.3 %**	**30.7 %**	**30.6 %**	**31.2 %**	**31.0 %**
Share of loans, retail market	**69.4 %**	**69.7 %**	**69.3 %**	**69.4 %**	**68.8 %**	**69.0 %**

Distribution of loans by industry



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	76	1	7	63	0	5	1
Construction	970	257	106	450	74	58	24
Building of ships and boats	29	0	15	13	0	0	0
Electricity, gas, steam an air conditioning supply	2.045	391	541	1.106	2	6	0
Professional, scientific and technical activities	826	64	92	504	66	71	29
Finanicial and insurance activities	200	0	0	0	0	200	0
Fishing	1.435	145	362	813	30	77	8
Marine aquaculture	252	23	78	42	1	7	100
Other business support activities	296	29	4	231	16	15	0
Activities auxiliary to financial services and insurance activities	222	2	220	0	0	0	0
County muncipalities and muncipalities	826	12	814	0	0	0	0
Manufacturing	1.653	187	88	1.139	98	87	54
Information and communication	175	2	2	142	7	21	1
Crop and animal production	922	410	166	245	25	49	26
Financial corporations	2.497	0	2.497	0	0	0	0
Foreign owned financial corporations	5	0	0	0	0	5	0
Foreign industrial	44	0	0	0	0	43	0
Real estate activities	6.894	440	779	4.087	569	738	282
Accomodation and food service activities	415	81	24	193	23	72	22
Retail banking market - domestic	44.796	24.247	8.882	10.308	388	779	193
Retail banking market - international	54	37	7	4	1	3	2
Forestry and logging	9	5	1	0	1	2	0
Central government and social security funds	0	0	0	0	0	0	0
Support activities for petroleum and natural gas extraction	1	0	1	0	0	0	0
Other service industries	761	132	74	385	18	125	26
Transportation and storage	1.406	354	216	748	34	52	2
International shipping and pipeline transport	663	0	70	387	206	0	0
Development of building projects	721	92	12	374	76	126	41
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	124	15	24	39	0	0	46
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.939	819	193	622	86	212	6
Total 1Q11	70.340	27.747	15.275	21.896	1.808	2.753	862
Total 2010	70.469	28.329	15.164	21.427	2.084	2.624	841

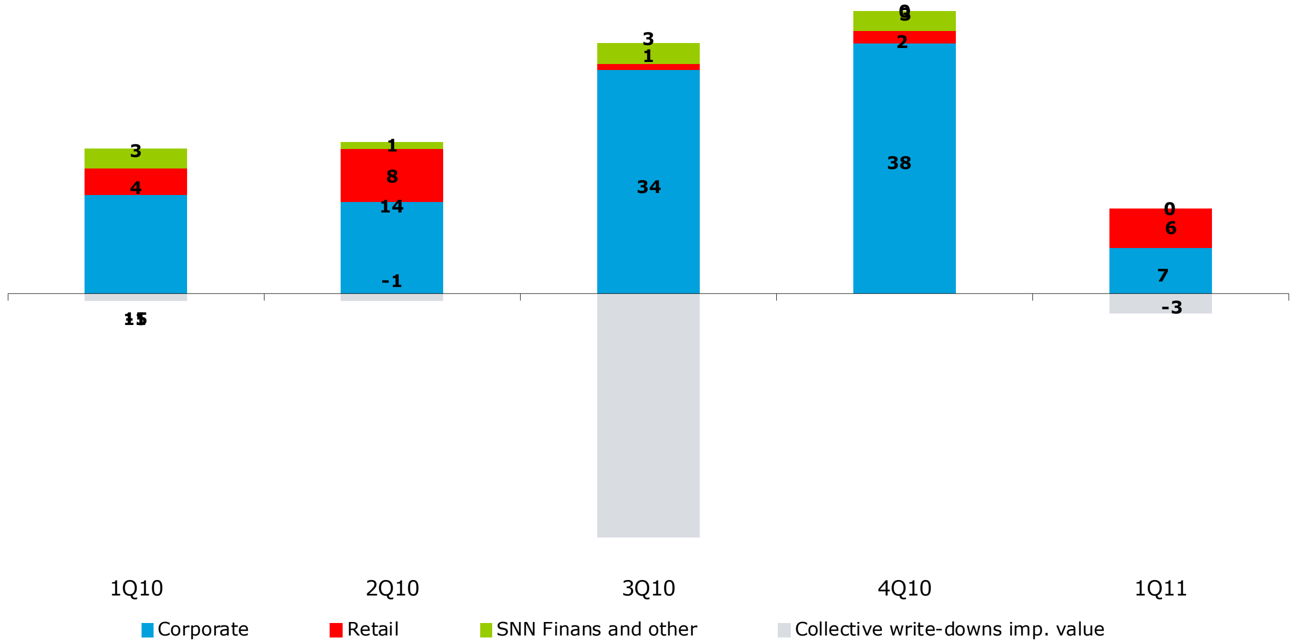
SpareBank 1 NORD-NORGE

Write-downs on loans and guarantees

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Individual write-downs for impaired value	15	45	40	24	24	15	24	133	163
Collective write-downs imp. value	-3	0	-37	-1	-1	-3	-1	-39	36
Recoveries, previously confirmed losses	2	2	2	1	2	2	2	7	14
Net losses	**10**	**43**	**1**	**22**	**21**	**10**	**21**	**87**	**185**
Net losses in % of gross lending incl.agency loans	**0,06 %**	**0,27 %**	**0,01 %**	**0,14 %**	**0,14 %**	**0,06 %**	**0,14 %**	**0,14 %**	**0,31 %**

Loss on loans by segment

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Corporate	7	38	34	14	15	7	15	101	120
Retail	6	2	1	8	4	6	4	15	17
SNN Finans and other	0	3	3	1	3	0	3	10	12
Collective write-downs imp. value	-3	0	-37	-1	-1	-3	-1	-39	36
Total loss on loans	10	43	1	22	21	10	21	87	185



Individual and collective write-downs

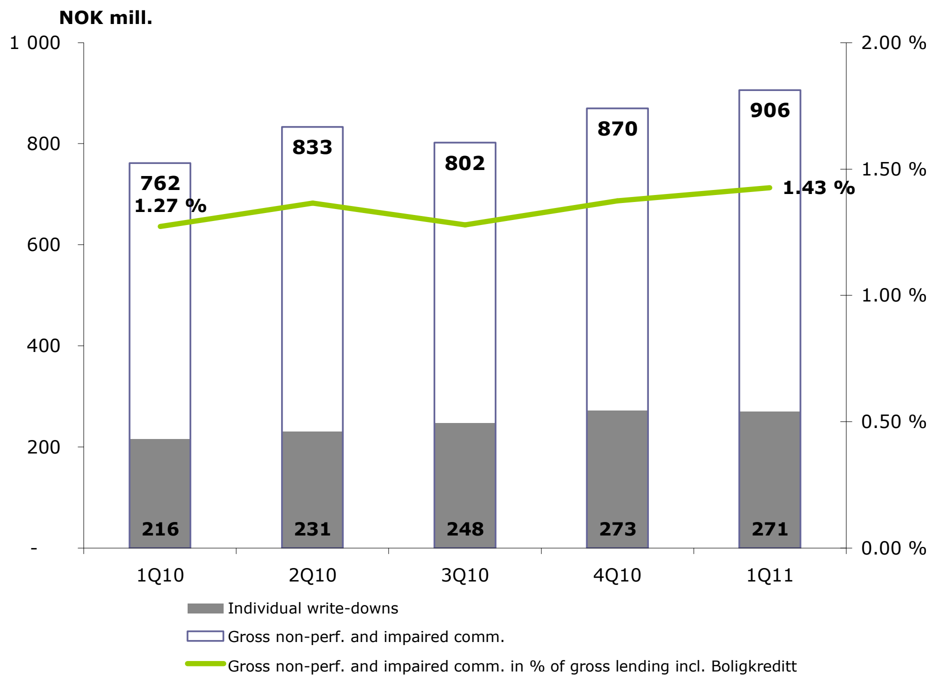
(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Individual write-downs for impaired value on loans and guarantees as at 01.01.	273	232	232	232	232	273	232	232	203
Confirmed losses during the period on loans and guarantees, against which individual write-downs for impaired value has prev. been made	17	88	68	48	35	17	35	88	127
Reversal of previous years' individual write-downs for impaired value	8	52	46	36	35	8	35	52	49
Increase in write-downs for impaired value for commitments against which individual write-downs for impaired value were previously made	3	21	14	7	6	3	6	21	28
Write-downs for impaired value for commitments against which no individual write-downs for impaired value was previously raised	20	160	118	76	53	20	53	160	177
Individual write-downs for impaired value on loans and guarantees *	271	273	250	231	221	271	221	273	232
Collective write-downs for impaired value against losses on loans and guarantees as at 01.01.	200	238	238	238	238	200	238	238	204
Period's collective write-downs for impaired value against losses on loans and guarantees	-5	-38	-36	0	0	-5	0	-38	34
Collective write-downs for impaired value against losses on loans, and guarantees	195	200	202	238	238	195	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)	1Q11	4Q10	3Q10	2Q10	1Q10	Year-end 2009
Non-performing commitments	250	219	216	313	334	386
Impaired commitments (gross)	656	651	586	520	428	417
Gross non-performing and impaired commitments	906	870	802	833	762	803
Individual write-downs	271	273	248	231	216	228
Collective write-downs	195	200	202	238	238	238
Write-down ratio (%)	41.3 %	41.9 %	42.3 %	44.4 %	50.5 %	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

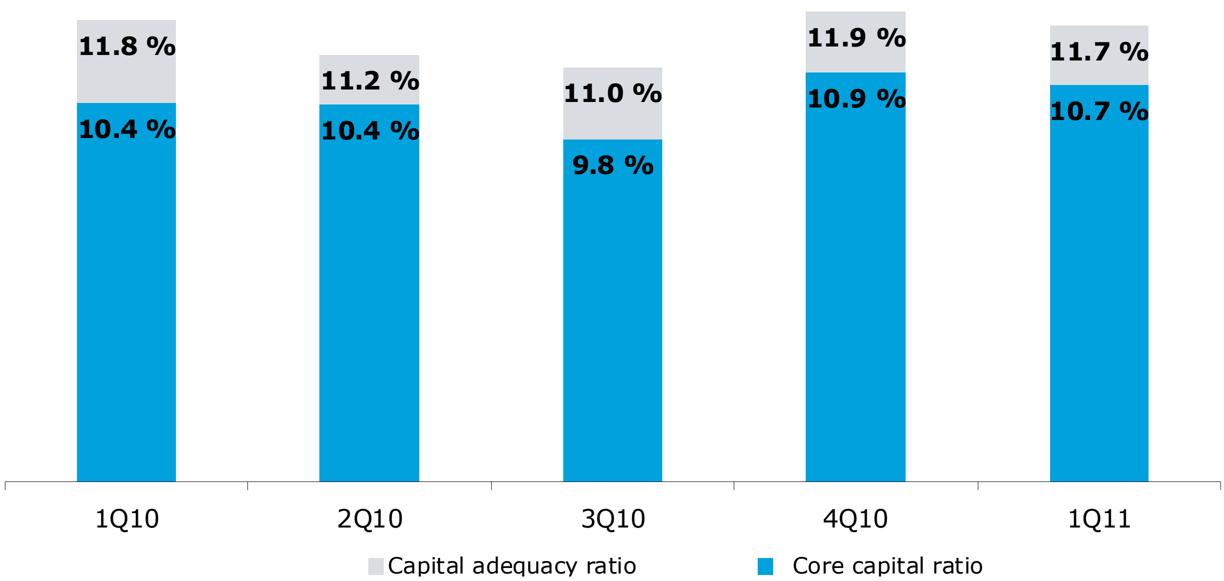
Capital Adequacy

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10
Equity and related capital resources					
Equity certificates	1.194	896	896	896	896
- Own equity certificates	0	0	0	0	0
Premium reserve	123	123	123	123	123
Equalisation reserve	166	566	351	351	351
Savings bank's reserve	2.680	2.829	2.463	2.463	2.463
Allocated to dividend	0	0	0	0	0
Endowment fund	133	133	133	133	133
Other equity	1.041	1.041	790	790	813
Reserve for unrealised gains	0	0	0	0	0
Minority interests	13	4	4	0	2
Period result	333	0	611	406	204
Total equity	5.760	5.670	5.509	5.302	5.102
Minority interests	-13	-4	-4	0	-2
Period result	-333	0	-611	-406	-204
Core capital					
Adjusted subordinated capital from consolidated financial institutions	57	-18	13	-10	4
Intangible assets	-19	-20	-55	-29	-28
Fund for unrealised gains	46	46	37	37	37
Deduction for allocated dividends	0	-103	0	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	-85	-86	-94	-78	-70
50 % capital adequacy reserve	-641	-624	-612	-583	-571
Fund bonds	488	473	412	449	419
Total core capital	5.259	5.334	4.595	4.682	4.687
Supplementary capital					
Nonperpetual subordinated capital	1.216	1.225	1.278	1.301	1.277
50% deduction for subordinated capital in other financial institutions	0	0	0	0	0
50% deduction for expected losses on IRB, net of writedowns	-85	-86	-94	-78	-70
50% capital adequacy reserve	-641	-624	-612	-583	-571
Total supplementary capital	490	515	572	640	636
Equity and related capital resources	5.749	5.849	5.167	5.322	5.323

Minimum requirements subordinated capital, Basel I I

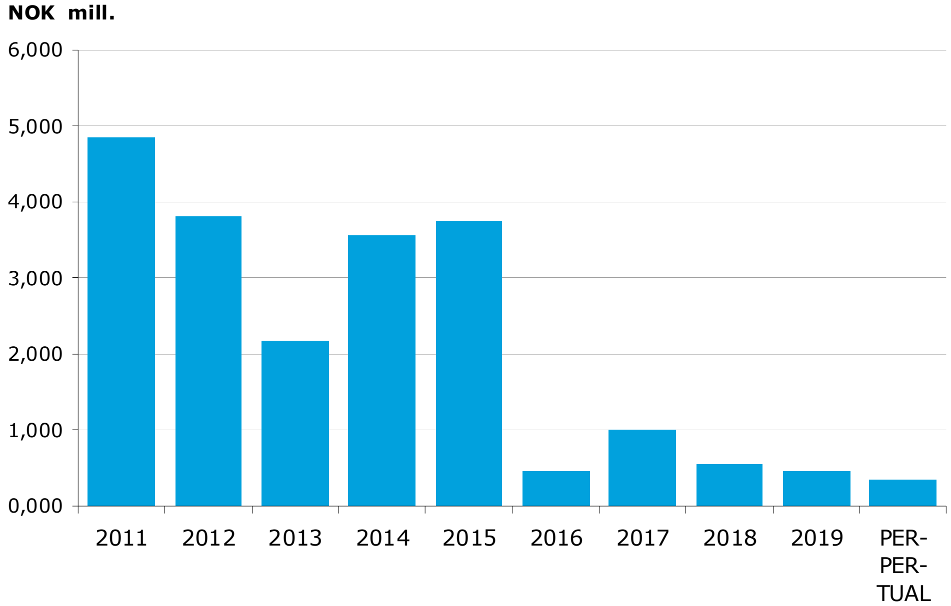
(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10
Specialised lending exposure	755	801	848	511	334
Other corporations exposure	569	596	543	869	1 002
SME exposure	17	17	17	19	19
Property retail mortage exposure	407	393	391	380	372
Other retail exposure	31	33	34	35	35
Equity investments	0	0	0	0	0
Total credit risk IRB	1 779	1 840	1 833	1 814	1 762
Credit risk standardised approach	1 647	1 492	1 485	1 456	1 362
Debt risk	216	126	157	128	73
Equity risk	65	46	41	40	36
Currency risk	16	17	12	0	0
Operational risk	273	284	284	284	284
Transitional arrangements	52	226	58	182	173
Deductions	-117	-114	-113	-108	-78
Minimum requirements subordinated capital	3 931	3 917	3 757	3 796	3 612
Capital adequacy ratio	11.70 %	11.95 %	11.00 %	11.22 %	11.79 %
Core capital ratio	10.70 %	10.90 %	9.78 %	10.38 %	10.38 %
Supplementary capital ratio	1.00 %	1.05 %	1.22 %	1.35 %	1.41 %

Capital Adequacy - Group



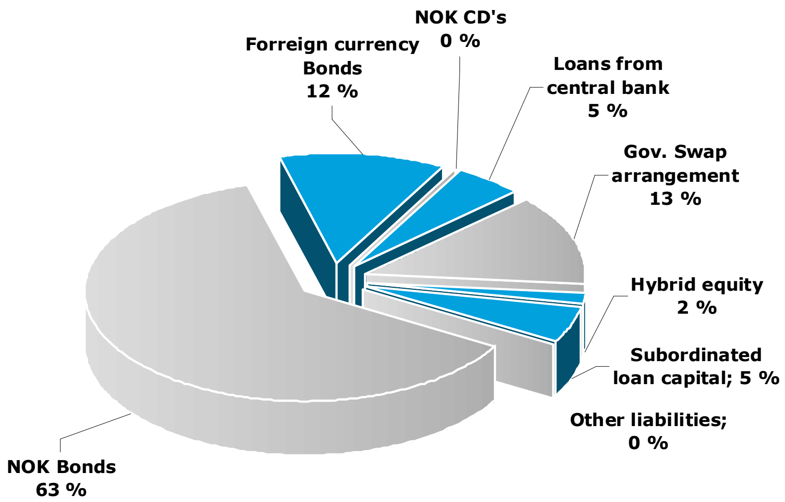
5. Funding

Funding maturity



Capital markets funding

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Year-end 2009
NOK Bonds	12 102	11 191	11 285	9 010	8 154	8 688
Forreign currency Bonds	2 331	3 071	4 851	4 848	4 884	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	2 561	2 561	2 561	2 561	2 561	2 561
Hybrid equity	336	349	352	360	356	348
Subordinated loan capital	1 000	1 000	1 000	1 000	1 000	1 266
Other liabilities	0	1 737	1 742	1 742	945	948
Total	19 330	20 909	22 791	20 521	18 900	20 046



6. Financial results

Financial results

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Interest income	659	683	669	616	581	659	581	2 549	2 763
Interest costs	384	398	378	335	309	384	309	1 420	1 590
Net interest income	**275**	**285**	**291**	**281**	**272**	**275**	**272**	**1 129**	**1 173**
Fee- and commission income	138	147	149	152	142	138	142	590	526
Fee- and commission costs	19	22	21	20	22	19	22	85	88
Other operating income	1	3	3	1	1	1	1	8	24
Net fee-, commision and other operating income	**120**	**128**	**131**	**133**	**121**	**120**	**121**	**513**	**462**
Dividend	1	0	1	33	9	1	9	43	23
Income from investments	49	87	64	59	41	49	41	251	281
Net gain from investments in securities	192	61	11	12	26	192	26	110	220
Net income from financial investments	**242**	**148**	**76**	**104**	**76**	**242**	**76**	**404**	**524**
Total income	**637**	**561**	**498**	**518**	**469**	**637**	**469**	**2 046**	**2 159**
Personnel costs	119	152	131	133	61	119	61	477	508
Administration costs	68	77	62	73	69	68	69	281	284
Ordinary depreciation	11	12	11	10	12	11	12	45	49
Other operating costs	48	35	33	40	46	48	46	154	131
Total costs	**246**	**276**	**237**	**256**	**188**	**246**	**188**	**957**	**972**
Result before losses	**391**	**285**	**261**	**262**	**281**	**391**	**281**	**1 089**	**1 187**
Losses	10	43	1	22	21	10	21	87	185
Result before tax	**381**	**242**	**260**	**240**	**260**	**381**	**260**	**1 002**	**1 002**
Tax	48	37	55	38	56	48	56	186	143
Result for the period	**333**	**205**	**205**	**202**	**204**	**333**	**204**	**816**	**859**
Majority interest	333	205	205	202	204	333	204	816	858
Minority interests	0	0	0	0	0	0	0	0	1

Balance sheet

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Year-end 2009
Assets						
Cash and balances with central banks	887	2 501	411	675	1 787	2 159
Loans and advances to credit institutions	551	793	437	1 025	627	908
Loans and advances to customers	49 638	49 046	50 489	48 329	48 429	48 180
- Individual write-downs for impaired value	269	271	248	226	216	228
- Collective write-downs for impaired value	195	200	202	238	238	238
Net loans and advances to customers	49 174	48 575	50 039	47 865	47 975	47 714
Shares	788	611	550	556	519	560
Certificates and bonds	12 028	11 567	12 175	10 926	8 953	8 893
Financial derivatives	495	692	785	781	645	561
Investments in Group Companies	0	0	0	0	0	0
Investments in assosiated companies and joint ventures	2 945	2 861	2 695	2 631	2 560	2 396
Property, plant and equipment	463	460	459	459	463	469
Intangible assets	22	22	24	3	1	1
Other assets	849	698	686	938	556	578
Total assets	**68 202**	**68 780**	**68 261**	**65 859**	**64 086**	**64 239**
Liabilities						
Deposits from credit institutions	6 715	6 123	5 334	5 420	7 311	6 868
Deposits from customers	39 402	39 389	37 303	37 851	35 497	34 877
Debt securities in issue	13 065	14 477	16 436	13 651	12 783	14 162
Financial derivatives	284	483	538	543	428	319
Other liabilities	1 567	1 224	1 793	1 708	1 610	1 242
Deferred tax liabilities	68	67	0	0	0	3
Subordinated loan capital	1 341	1 347	1 348	1 384	1 355	1 608
Total liabilities	**62 442**	**63 110**	**62 752**	**60 557**	**58 984**	**59 079**
Equity						
Equity Certificate capital	1 194	896	896	896	896	896
Equity Certificate premium reserve	123	123	123	123	123	123
Dividend Equalisation Fund	166	566	351	351	351	471
The Savings Bank's Fund	2 680	2 829	2 463	2 463	2 463	2 624
Donations	133	133	133	133	133	133
Fund for unrealised gains	-1	-2	-2	0	0	0
Other equity capital	1 119	1 121	930	930	930	910
Result for the period	333	0	611	406	204	0
Minority interests	13	4	4	0	2	3
Total equity	**5 760**	**5 670**	**5 509**	**5 302**	**5 102**	**5 160**
Total liabilities and equity	**68 202**	**68 780**	**68 261**	**65 859**	**64 086**	**64 239**

Key figures

	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Return on equity capital	23.3 %	15.3 %	15.6 %	15.6 %	15.9 %	23.3 %	15.9 %	15.3 %	18.2 %
Cost/income group	38.6 %	49.2 %	47.6 %	49.4 %	40.1 %	38.6 %	40.1 %	46.8 %	45.0 %
Cost/income group, ex. financial inv.	62.3 %	66.8 %	56.2 %	61.8 %	47.8 %	62.3 %	47.8 %	58.3 %	59.4 %
Cost/income parent bank	47.8 %	58.8 %	54.8 %	51.6 %	37.1 %	47.8 %	37.1 %	50.1 %	46.8 %
Cost/income parent bank, ex. financial inv.	48.9 %	65.8 %	56.8 %	53.7 %	39.3 %	48.9 %	39.3 %	53.3 %	54.8 %
12-month cost growth	30.9 %	-1.5 %	-2.2 %	-5.3 %	-22.6 %	30.9 %	-22.6 %	-1.5 %	0.1 %
Loans and advances to customers including agency loans	63 512	63 334	62 707	61 022	59 872	63 512	59 872	63 334	59 061
Growth in loans and advances to customers including agency loans	6.1 %	7.2 %	7.3 %	6.2 %	5.2 %	6.1 %	5.2 %	7.2 %	4.0 %
Growth in loans and advances to customers including agency loans this period	0.3 %	1.0 %	2.8 %	1.9 %	1.4 %	0.3 %	1.4 %	7.2 %	4.0 %
Deposits from customers	39 402	39 389	37 303	37 851	35 497	39 402	35 497	39 389	34 877
Growth in deposits from customers past 12 months	11.0 %	12.9 %	8.9 %	4.8 %	4.2 %	11.0 %	4.2 %	12.9 %	0.9 %
Growth in deposits from customers this period	0.0 %	5.6 %	-1.4 %	6.6 %	1.8 %	0.0 %	1.8 %	12.9 %	0.9 %
Deposits as a percentage of gross lending including agency loans	62.0 %	62.2 %	59.5 %	62.0 %	59.3 %	62.0 %	59.3 %	62.2 %	59.1 %
Total assets	68 202	68 780	68 261	65 859	64 086	68 202	64 086	68 780	64 239
Average assets	68 491	66 245	65 611	64 728	64 163	68 491	64 163	66 245	65 169
Employees in employment group	791	788	792	766	774	791	774	788	778
Employees in employment parent bank	672	675	677	674	684	672	684	675	690
Employees in employment subsidiares	119	113	115	92	90	119	90	113	88
Lending margin	1.60	1.62	1.65	1.63	1.74	1.60	1.74	1.66	2.06
Deposit margin	0.44	0.45	0.55	0.50	0.35	0.44	0.35	0.46	0.17
Net other operating income of total income	18.8 %	22.8 %	26.3 %	25.7 %	25.8 %	18.8 %	25.8 %	25.1 %	21.4 %
Capital adequacy ratio	11.7 %	11.9 %	11.0 %	11.2 %	11.8 %	11.7 %	11.8 %	11.9 %	12.8 %
Core capital adequacy ratio	10.7 %	10.9 %	9.8 %	9.9 %	10.4 %	10.7 %	10.4 %	10.9 %	10.7 %
Core capital	5 259	5 334	4 595	4 682	4 687	5 259	4 687	5 334	4 846
Equity and related capital resources	5 749	5 849	5 167	5 322	5 323	5 749	5 323	5 849	5 776
Losses on loans to customers as a percentage of gross loans incl.agency loans	0.06 %	0.27 %	0.01 %	0.15 %	0.14 %	0.06 %	0.14 %	0.14 %	0.31 %
Commitments in default as a percentage of gross loans incl.agency loans	0.39 %	0.35 %	0.34 %	0.51 %	0.56 %	0.39 %	0.56 %	0.35 %	0.65 %
Commitments at risk of loss as a percentage of gross loans incl.agency loans	1.03 %	1.03 %	0.93 %	0.85 %	0.71 %	1.03 %	0.71 %	1.03 %	0.71 %
Quoted/market price NONG as at *)	49.50	45.00	38.81	36.56	43.13	49.50	43.13	45.00	41.25
Number of certificates issued, millions *)	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77
Equity capital per Equity Certificate (NOK) *)	32.39	31.03	32.32	31.38	30.24	32.39	30.24	31.03	31.19
Result per Equity Certificate *)	2.41	1.48	1.48	1.46	1.48	2.41	1.48	5.90	6.20
P/E (Price/Earnings) (Parent Bank) *)	9.25	10.42	8.00	6.78	6.90	9.25	6.90	10.42	7.94
P/V (Price/Book Value) (Parent Bank) *)	1.53	1.45	1.20	1.17	1.43	1.53	1.43	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

1Q11	Retail Banking	Corporate Banking	Leasing	Unallocated	**Total**
Net interest income	134	114	26	1	**275**
Net fee- and commission income	57	48	0	15	**120**
Other operating income	0	0	0	242	**242**
Operating costs	117	100	9	20	**246**
Result before losses	74	62	17	238	**391**
Losses	7	3	0	0	**10**
Result before tax	67	59	17	238	**381**
Loans and advances to customers	29 272	17 899	2 481	0	**49 652**
Individual write-downs for impaired value on loans and advances to customers	- 38	- 219	- 12	0	**- 269**
Collective write-downs for impaired value on loans and advances to customers	- 54	- 130	- 8	- 3	**- 195**
Other assets	0	0	19	18 995	**19 014**
Total assets per business area	29 180	17 550	2 480	18 992	**68 202**
Deposits from customers	19 904	19 468	0	30	**39 402**
Other liabilities and equity capital	0	0	2 480	26 320	**28 800**
Total equity and liabilities per business area	19 904	19 468	2 480	26 350	**68 202**

Interest income, Retail and Corporate

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	134	120	148	149	129	134	129	546	599
Corporate	114	123	128	124	110	114	110	485	539
Net interest income	**248**	**243**	**276**	**273**	**239**	**248**	**239**	**1 031**	**1 138**

*Developement in margin, Retail and Corporate**

Lending (in percentage)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	1.55	1.64	1.53	1.56	1.69	1.55	1.69	1.60	2.15
Corporate	1.70	1.79	1.81	1.73	1.81	1.70	1.81	1.79	1.85
Total	**1.60**	**1.62**	**1.65**	**1.63**	**1.74**	**1.60**	**1.74**	**1.66**	**2.06**

Deposits (in percentage)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	0.66	0.67	0.78	0.68	0.45	0.66	0.45	0.64	0.27
Corporate	0.08	0.08	0.15	0.19	0.12	0.08	0.12	0.12	0.01
Total	**0.44**	**0.45**	**0.55**	**0.50**	**0.35**	**0.44**	**0.35**	**0.46**	**0.17**

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

Development in volume, Retail and Corporate

Lending (in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	29 272	28 780	30 277	28 754	28 876	29 272	28 876	28 780	29 021
Corporate	17 899	17 945	18 218	17 663	17 787	17 899	17 787	17 945	17 410
Total	**47 171**	**46 725**	**48 495**	**46 417**	**46 663**	**47 171**	**46 663**	**46 725**	**46 431**

Deposits (in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	19 904	20 135	19 752	20 364	18 907	19 904	18 907	20 135	18 909
Corporate	19 468	19 217	17 512	17 486	16 602	19 468	16 602	19 217	15 983
Total	**39 372**	**39 352**	**37 264**	**37 850**	**35 509**	**39 372**	**35 509**	**39 352**	**34 892**

Developement in commision income, Retail and Corporate

(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Retail	57	53	57	57	54	57	54	221	191
Corporate	48	53	49	48	46	48	46	196	171
Total	**105**	**106**	**106**	**105**	**100**	**105**	**100**	**417**	**362**

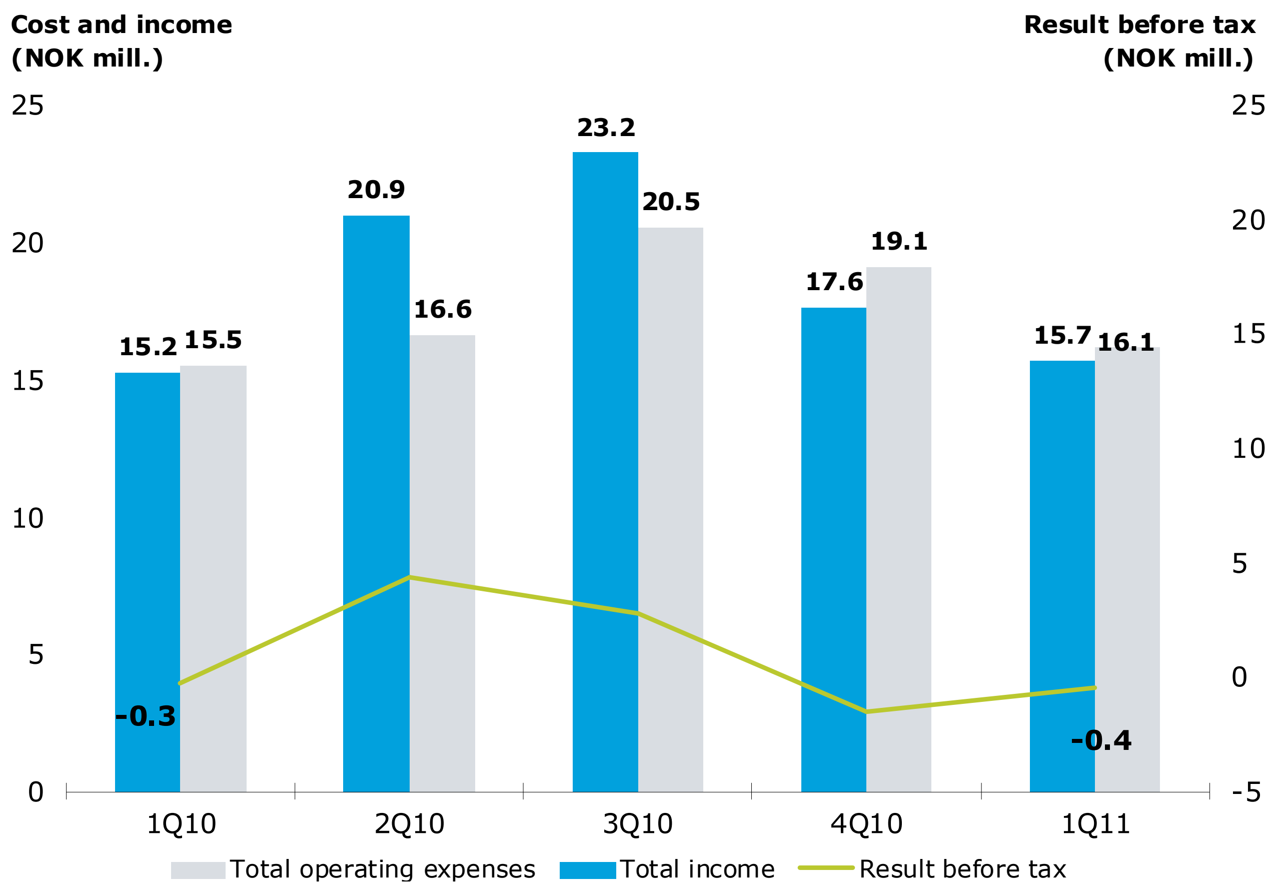
7.2. Subsidiaries

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)	1Q11	4Q10	3Q10	2Q10	1Q10	Per 1Q 2011	Per 1Q 2010	2010	2009
Total interest income	0,1	0,1	0,1	0,2	0,2	0,1	0,2	0,6	0,1
Commission income and other income	15,6	17,4	23,1	20,7	15,1	15,6	15,1	76,3	62,0
Total income	**15,7**	**17,6**	**23,2**	**20,9**	**15,2**	**15,7**	**15,2**	**77,0**	**62,1**
Staff and adm. costs	9,2	9,9	13,1	9,7	8,6	9,2	8,6	41,3	32,6
Administration costs	4,1	4,6	3,4	4,1	3,8	4,1	3,8	15,9	12,6
Other operating expenses	2,9	4,6	4,0	2,9	3,0	2,9	3,0	14,5	11,6
Total operating expenses	**16,1**	**19,1**	**20,5**	**16,6**	**15,5**	**16,1**	**15,5**	**71,7**	**56,8**
Result before tax	**-0,4**	**-1,5**	**2,7**	**4,3**	**-0,3**	**-0,4**	**-0,3**	**5,3**	**5,3**

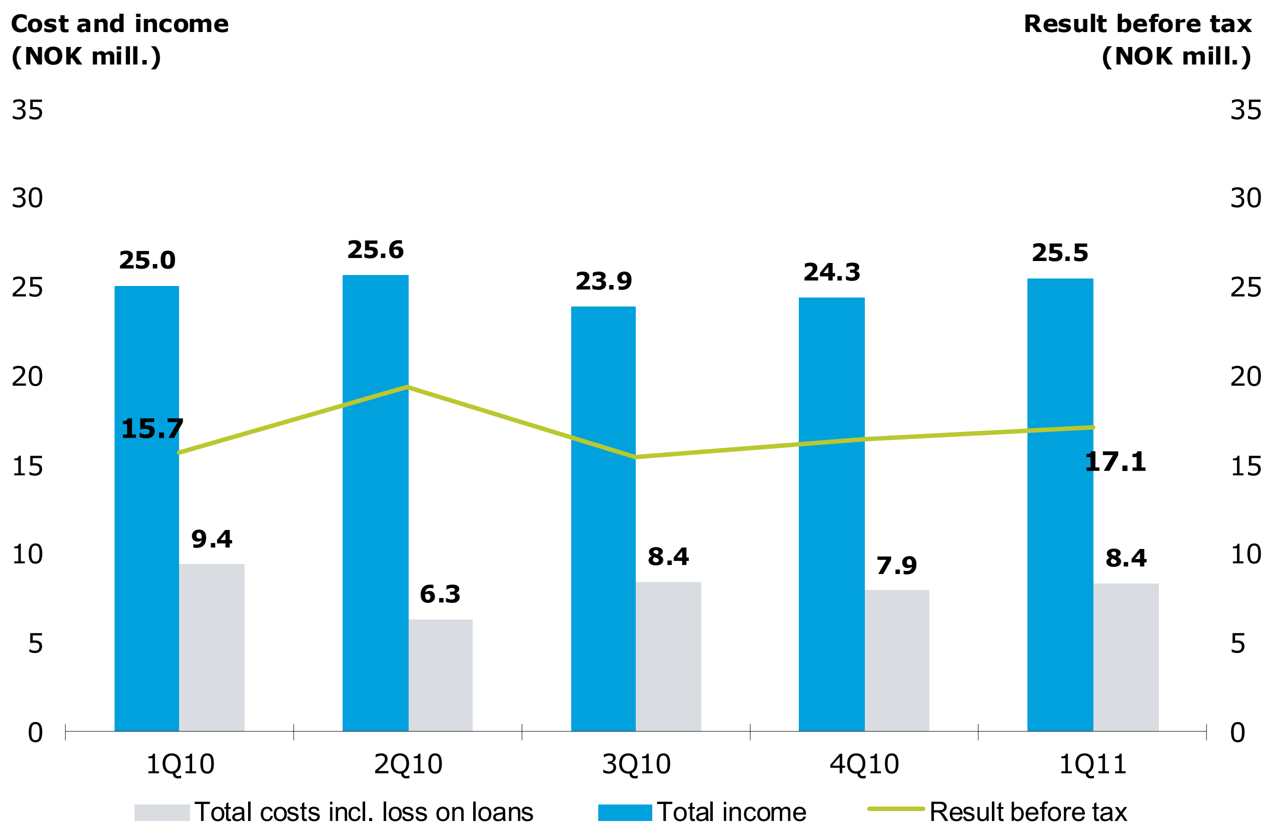


SpareBank 1 Finans Nord-Norge AS

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 1Q			
(in NOK million)	1Q11	4Q10	3Q10	2Q10	1Q10	2011	2010	2010	2009
Total interest income	**25.9**	**24.6**	**24.2**	**26.1**	**25.3**	**25.9**	**25.3**	**100.2**	**98.1**
Commission income and other income	-0.4	-0.3	-0.3	-0.4	-0.2	-0.4	-0.2	-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	**25.5**	**24.3**	**23.9**	**25.6**	**25.0**	**25.5**	**25.0**	**98.9**	**121.2**
Staff and adm. costs	4.4	4.2	4.2	1.8	4.0	4.4	4.0	14.1	15.7
Administration costs	1.6	1.7	1.3	1.4	1.5	1.6	1.5	5.9	5.9
Other operating expenses	1.8	1.3	1.5	1.4	1.4	1.8	1.4	5.6	5.3
Total operating expenses	**7.7**	**7.2**	**7.0**	**4.6**	**6.9**	**7.7**	**6.9**	**25.6**	**26.8**
Ordinary operating profit	**17.7**	**17.1**	**16.9**	**21.1**	**18.2**	**17.7**	**18.2**	**73.3**	**94.4**
Loss on loans, guarantees etc.	0.6	0.7	1.5	1.7	2.5	0.6	2.5	6.4	14.2
Total costs incl. loss on loans	8.4	7.9	8.4	6.3	9.4	8.4	9.4	32.0	41.0
Result before tax	**17.1**	**16.4**	**15.5**	**19.4**	**15.7**	**17.1**	**15.7**	**66.9**	**80.2**

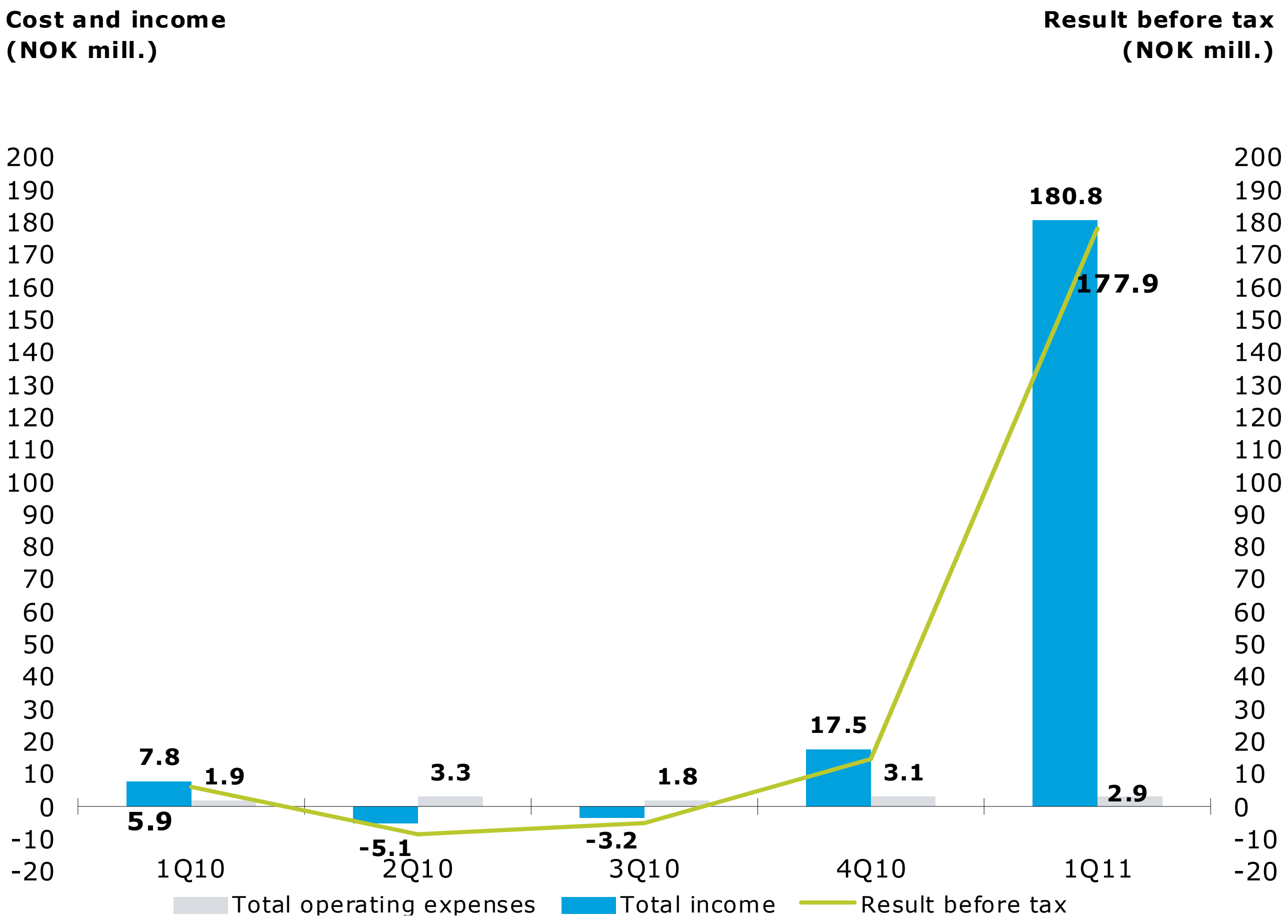


Sparebank 1 Nord-Norge Invest AS

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

						Per 1Q			
(in NOK million)	**1Q11**	**4Q10**	**3Q10**	**2Q10**	**1Q10**	**2011**	**2010**	**2010**	**2009**
Total interest income	-1,1	-0,8	-0,7	-1,2	-0,8	-1,1	-0,8	-3,4	-3,7
Commission income and other income	181,9	18,2	-2,5	-4,0	8,6	181,9	8,6	20,3	-57,3
Total income	**180,8**	**17,5**	**-3,2**	**-5,1**	**7,8**	**180,8**	**7,8**	**17,0**	**-61,1**
Staff and adm. costs	1,0	1,7	0,9	1,7	1,0	1,0	1,0	5,3	3,8
Other operating expenses	1,9	1,3	0,8	1,6	0,9	1,9	0,9	4,7	2,6
Total operating expenses	**2,9**	**3,1**	**1,8**	**3,3**	**1,9**	**2,9**	**1,9**	**10,0**	**6,4**
Result before tax	**177,9**	**14,4**	**-4,9**	**-8,4**	**5,9**	**177,9**	**5,9**	**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

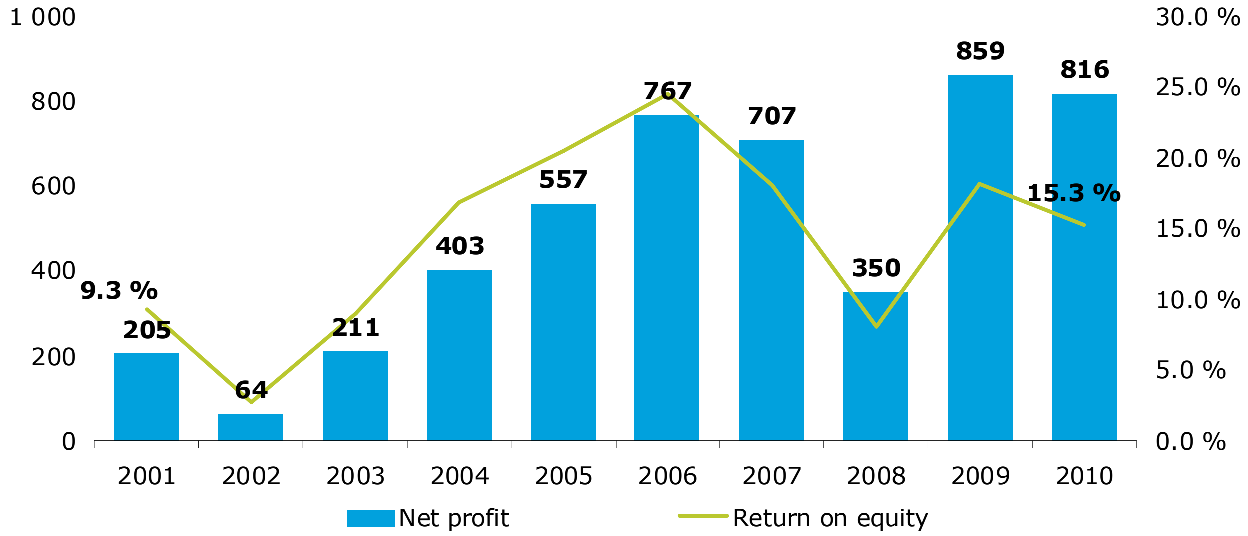
(in NOK million)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Cash and loans to and claims on credit institutions	529	725	649	426	980	1 346	2 814	3 433	3 067	3 294
CDs, bonds and other interest-bearing securities	2 735	2 782	2 807	3 124	4 511	5 353	5 403	7 228	9 453	12 178
Loans and advances to 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

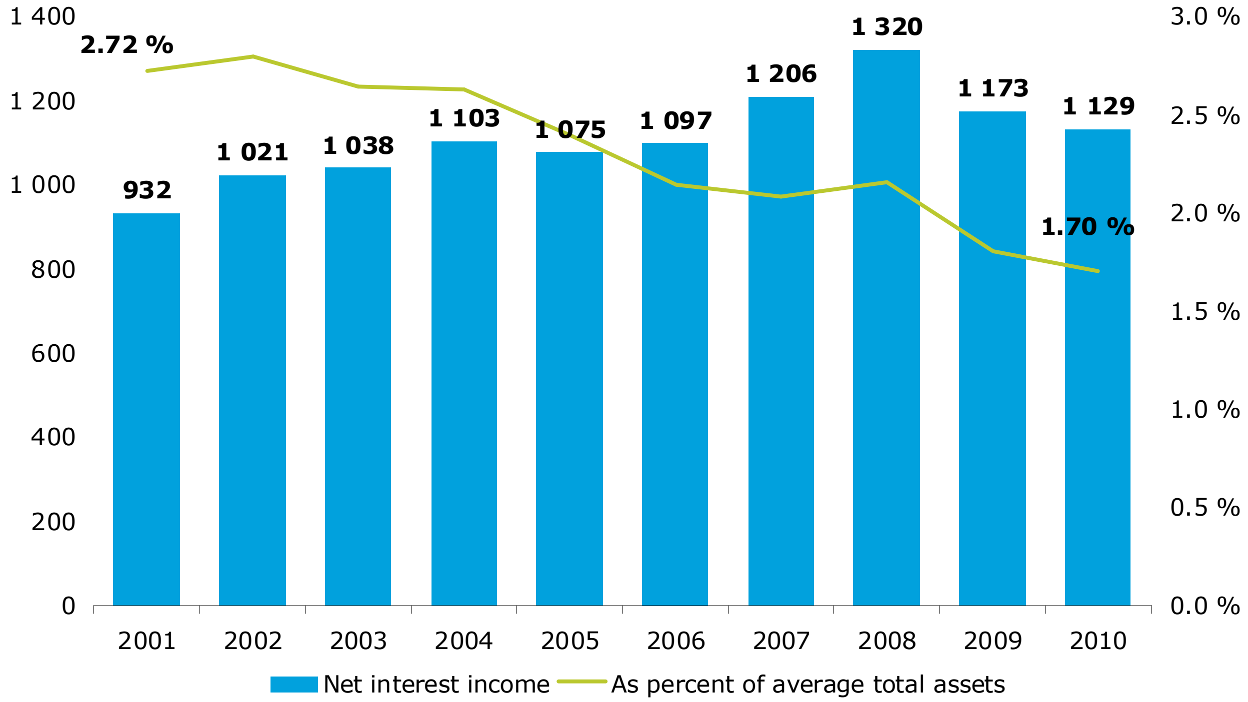
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return on equity capital	9.3 %	2.8 %	9.0 %	16.8 %	20.5 %	24.5 %	18.1 %	8.1 %	18.2 %	15.3 %
Cost/income group	62.6 %	66.3 %	57.9 %	51.6 %	52.3 %	49.5 %	51.4 %	59.0 %	45.0 %	46.8 %
Cost/income group, ex. financial inv.	61.5 %	60.3 %	59.7 %	54.2 %	58.5 %	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*

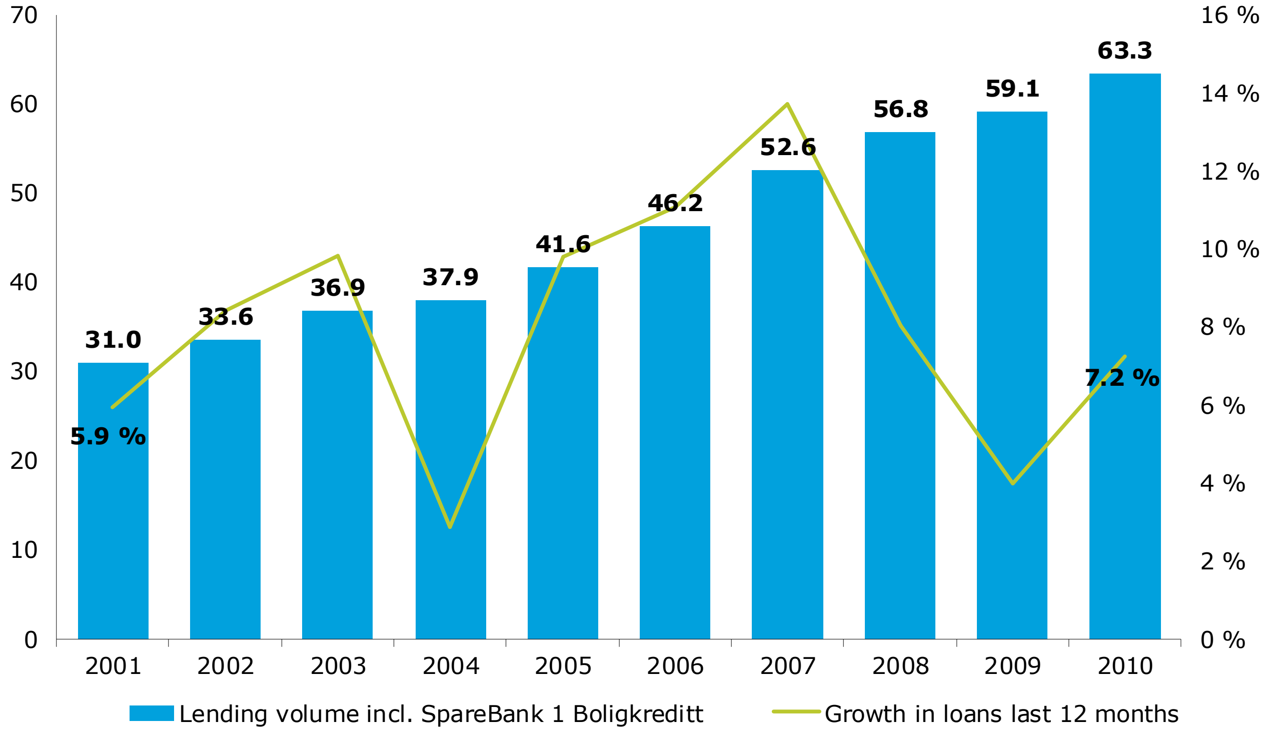
Net profit and return on equity (Group)
NOK mill.



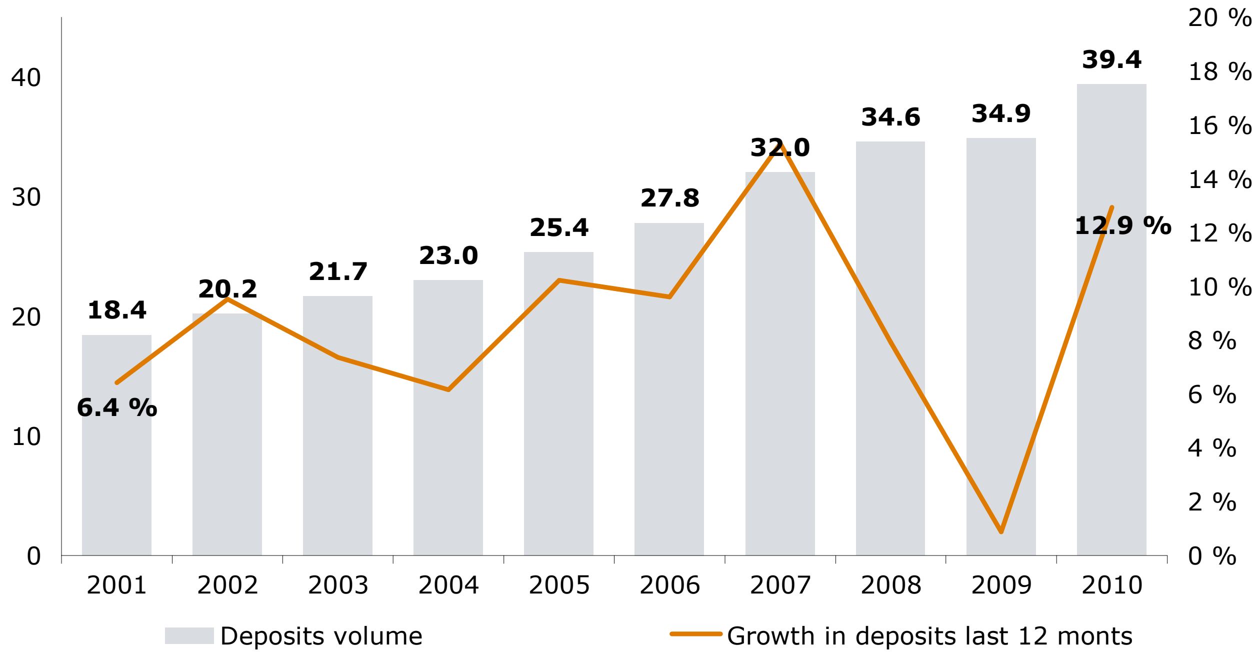
Development in net interest income (Group)
NOK mill.



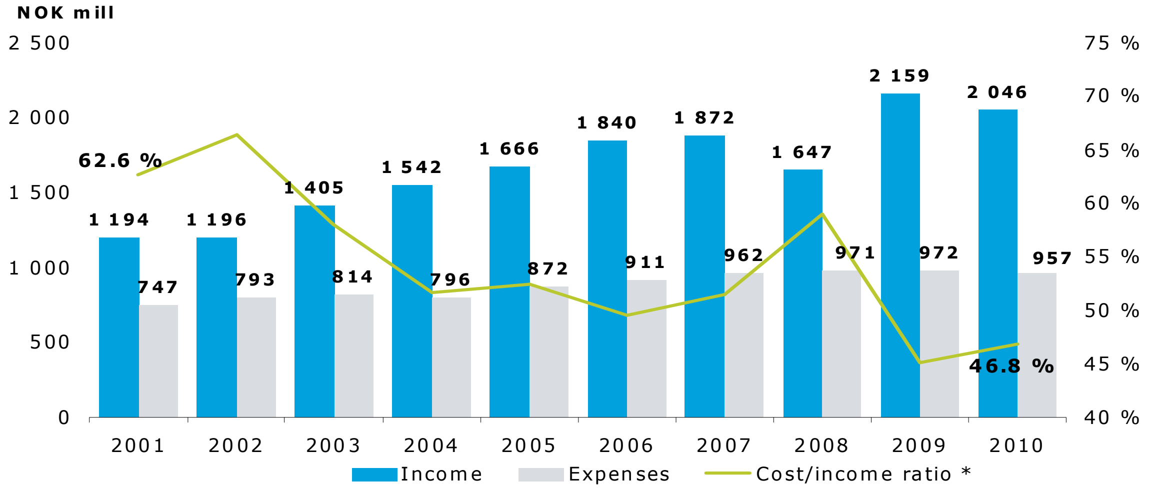
Volume development, Lending (Group)
NOK bn.



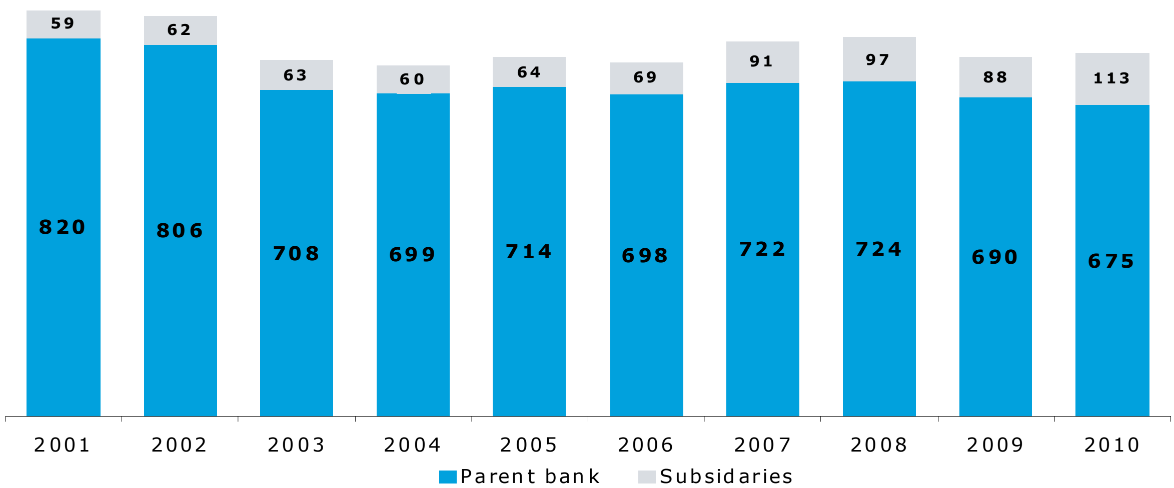
Volume development, Deposits (Group)
NOK bn.



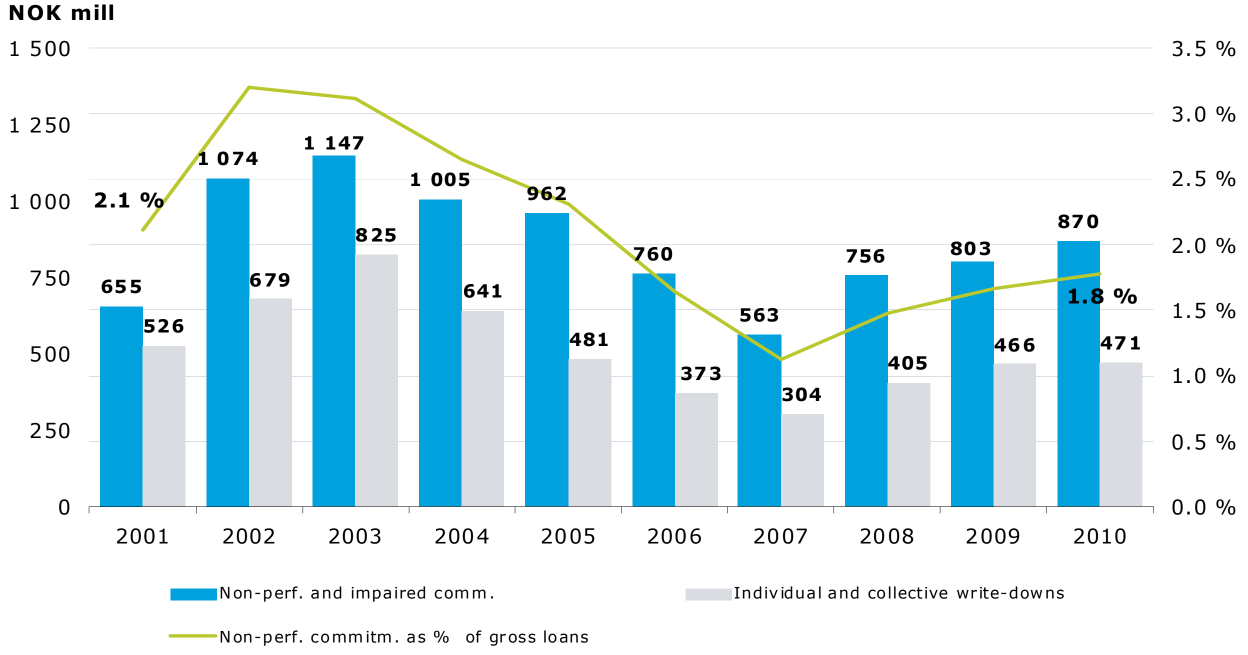
Cost/income ratio (Group)



Employees in employment



Net non-performing and impaired commitments (Group)



Capital Adequacy (Group)