

# Feeling Norway

1st Quarterly Report 2013



# SpareBank 1 Boligkreditt AS

## Financial statements 1st quarter 2013

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## SpareBank 1 Boligkreditt AS

### Income statement 1st quarter 2013

NOK 1 000	Note	31.03.2013	31.03.2012	2012
Total interest income	2	1 163 267	1 325 079	5 031 867
Total interest expenses	2	-1 089 274	-1 277 795	-4 846 847
<b>Net interest income</b>		<b>73 993</b>	<b>47 284</b>	<b>185 020</b>
Net gains/losses from financial instruments	3	<b>25 768</b>	<b>70 168</b>	<b>193 931</b>
<b>Net other operating income</b>		<b>25 768</b>	<b>70 168</b>	<b>193 931</b>
<b>Total operating income</b>		<b>99 762</b>	<b>117 453</b>	<b>378 951</b>
Salaries and other ordinary personnel expenses	4	-2 613	-2 571	-9 458
Administration expenses	5	-1 375	-1 427	-7 009
Other operating expenses	6	-3 416	-2 053	-11 216
Depreciation/Amortisation		-438	-715	-1 713
<b>Total operating expenses</b>		<b>-7 842</b>	<b>-6 767</b>	<b>-29 396</b>
<b>Operating result before losses</b>		<b>91 920</b>	<b>110 686</b>	<b>349 555</b>
Write-downs on loans and guarantees	8	0	0	-2 023
<b>Pre-tax operating result</b>		<b>91 920</b>	<b>110 686</b>	<b>347 532</b>
Taxes		25 737	30 992	-97 305
<b>Profit/loss for the period</b>		<b>66 182</b>	<b>79 694</b>	<b>250 227</b>

## SpareBank 1 Boligkreditt AS

### Statement of total profit/loss for the 1st quarter 2013

NOK 1 000	31.03.2013	31.03.2012	2012
Profit/loss for the period	66 182	79 694	250 227
Pension estimates deviation			7 096
Tax effect pension estimates deviation			-1 987
<b>Total profit/loss accounted for in equity</b>	<b>0</b>	<b>0</b>	<b>5 109</b>
<b>Total profit/loss</b>	<b>66 182</b>	<b>79 694</b>	<b>255 336</b>
Allocations:			
Declared dividends			145 886
Other Equity	66 182	79 694	109 450
<b>Total allocations</b>	<b>66 182</b>	<b>79 694</b>	<b>255 336</b>

# SpareBank 1 Boligkreditt AS

## Balance sheet as of 31 March 2013

NOK 1 000	Note	31.03.2013	31.03.2012	2012
<b>Assets</b>				
Other intangible assets		2 179	1 519	2 035
Other assets	7	1 336	1 340	1 552
Treasury Bills		1 612 305	1 463 697	1 801 802
Bonds	11	12 612 044	10 297 337	12 472 275
Lending to and deposits with credit institutions		4 677 406	2 843 534	6 036 499
Lending to customers	8	164 866 968	140 392 200	160 233 984
Financial derivatives	10	6 651 730	4 062 753	6 104 499
<b>Total assets</b>		<b>190 423 968</b>	<b>159 062 379</b>	<b>186 652 647</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Deferred taxes		100 712	0	100 712
Debt incurred by issuing securities	9	174 827 620	147 350 864	170 644 817
Debt to credit institutions		3 361 575	1 266 972	3 213 665
Financial derivatives	10	2 514 262	2 724 973	3 531 313
Tax payable		0	23 942	0
Other liabilities	14	1 761 209	696 770	1 369 734
<b>Total liabilities</b>		<b>182 565 378</b>	<b>152 063 520</b>	<b>178 860 241</b>
<b>Equity</b>				
Contributed equity		7 548 470	5 658 470	7 548 470
Contributed equity (not yet registered)		0	1 260 000	
Retained Earnings		98 050	695	98 050
Result		66 182	79 694	0
Declared dividends		145 886	0	145 886
<b>Total equity</b>		<b>7 858 589</b>	<b>6 998 859</b>	<b>7 792 406</b>
<b>Total liabilities and equity</b>		<b>190 423 968</b>	<b>159 062 379</b>	<b>186 652 647</b>

# SpareBank 1 Boligkreditt AS

## Statement of changes in equity

NOK 1 000	Share capital	Premium reserve	Declared dividend	Fund for unrealised profits	Other equity	Total equity
<b>Balance as of 31 December 2011</b>	<b>3 770 548</b>	<b>1 887 922</b>	<b>82 952</b>		<b>695</b>	<b>5 742 118</b>
Share increase 05 January 2012	280 000	140 000				420 000
Share increase 27 January 2012	280 000	140 000				420 000
Share increase 16 March 2012	280 000	140 000				420 000
Share increase 20 August 2012	280 000	140 000				420 000
Share increase 24 October 2012	140 000	70 000				210 000
Dividend 2011			-82 952			-82 952
Result for the period			145 886	97 072	7 269	250 227
Pension estimates deviation net of tax effect					5 109	5 109
Pension obligation accounted for in equity					-12 095	-12 095
<b>Balance as of 31 December 2012</b>	<b>5 030 548</b>	<b>2 517 922</b>	<b>145 886</b>	<b>97 072</b>	<b>978</b>	<b>7 792 406</b>
Result for the period					66 182	66 182
Balance as of March 31, 2013	<b>5 030 548</b>	<b>2 517 922</b>	<b>145 886</b>	<b>97 072</b>	<b>67 160</b>	<b>7 858 588</b>

# SpareBank 1 Boligkreditt AS

## Cash Flow Statement

NOK 1 000	31.03.2013	31.03.2012	2012
<b>Cash flows from operations</b>			
Interest received	1 186 416	1 123 807	4 691 621
Payments to operations	-7 374	-1 507	-22 007
Paid tax	0	-14 703	-32 259
<b>Net cash flow relating to operations</b>	<b>1 179 042</b>	<b>1 107 597</b>	<b>4 637 355</b>
<b>Cash flows from investments</b>			
Net purchase of loan portfolio	-4 599 717	-13 378 460	-33 205 024
Net payments on the acquisition of government bills	198 360	2 676 587	2 332 616
Net payments on the acquisition of bonds	-21 523	-1 492 855	-3 720 224
Net investments in intangible assets	0	-102	-1 616
<b>Net cash flows relating to investments</b>	<b>-4 422 880</b>	<b>-12 194 830</b>	<b>-34 594 249</b>
<b>Cash flows from funding activities</b>			
Net receipt/payment from the issuance of certificates	465 317	-50 321	-480 627
Net receipt/payment from the issuance of bonds	2 079 471	10 775 736	33 482 836
Net receipt/payment from the issuance of loans to credit institutions	513 841	33 980	2 615 429
Equity capital subscription	0	1 260 000	1 890 000
Paid dividend	0	-82 952	-82 952
Net interest payments on funding activity	-1 170 758	-1 047 183	-4 485 657
<b>Net cash flow relating to funding activities</b>	<b>1 887 872</b>	<b>10 889 260</b>	<b>32 939 030</b>
<b>Net cash flow in the period</b>	<b>-1 355 966</b>	<b>-197 973</b>	<b>2 982 136</b>
<b>Balance of cash and cash equivalents Jan 1, 2012</b>	<b>6 036 499</b>	<b>3 046 116</b>	<b>3 046 116</b>
Net receipt/payments on cash	-1 355 966	-197 973	2 982 136
Exchange rate difference	-3 127	-4 609	8 248
<b>Balance of cash and cash equivalents Dec 31, 2012</b>	<b>4 677 406</b>	<b>2 843 534</b>	<b>6 036 499</b>

# SpareBank 1 Boligkreditt AS

## Quarterly profits and loss and balance sheet overview, 1q 2013

### Profit and Loss

	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
NOK 1 000	2013	2012	2012	2012	2012
Interest income	1 163 267	1 205 275	1 222 996	1 278 517	1 325 079
Interest expense	-1 089 274	-1 167 297	-1 176 848	-1 224 908	-1 277 795
<b>Net interest income</b>	<b>73 993</b>	<b>37 978</b>	<b>46 148</b>	<b>53 610</b>	<b>47 284</b>
Net gains/losses on financial instruments	25 768	36 392	45 869	41 502	70 168
<b>Net other operating income</b>	<b>25 768</b>	<b>36 392</b>	<b>45 869</b>	<b>41 502</b>	<b>70 168</b>
<b>Total operating income</b>	<b>99 762</b>	<b>74 370</b>	<b>92 016</b>	<b>95 112</b>	<b>117 453</b>
Salaries and other ordinary personnel expenses	-2 613	-2 539	-2 707	-1 641	-2 571
Administration expenses	-1 375	-2 406	-1 562	-1 614	-1 427
Other operating expenses	-3 416	-3 110	-2 301	-3 752	-2 053
Depreciation/Amortisation	-438	-574	-478	54	-715
<b>Total operating expenses</b>	<b>-7 842</b>	<b>-8 629</b>	<b>-7 048</b>	<b>-6 952</b>	<b>-6 767</b>
<b>Operating result before losses</b>	<b>91 920</b>	<b>65 741</b>	<b>84 968</b>	<b>88 159</b>	<b>110 686</b>
Write-downs on loans and guarantees	0	-2 023	0	0	0
<b>Operating result before taxes</b>	<b>91 920</b>	<b>63 718</b>	<b>84 968</b>	<b>88 159</b>	<b>110 686</b>
Taxes	-25 737	-17 837	-23 791	-24 685	-30 992
<b>Profit/loss for the period</b>	<b>66 182</b>	<b>45 881</b>	<b>61 177</b>	<b>63 475</b>	<b>79 694</b>
Other income and costs	0	0	0	0	0
<b>Total profit/loss for the period</b>	<b>66 182</b>	<b>45 881</b>	<b>61 177</b>	<b>63 475</b>	<b>79 694</b>

### Balance Sheet

	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
NOK 1 000	2013	2012	2012	2012	2012
<b>Assets</b>					
Other intangible assets	2 179	2 035	2 279	1 573	1 519
Other assets	1 336	1 552	1 176	1 071	1 340
Treasury Bills	1 612 305	1 801 802	5 266 663	1 507 532	1 463 697
Bonds	12 612 044	12 472 275	11 740 867	9 853 743	10 297 337
Lending to and deposits with credit institutions	4 677 406	6 036 499	5 030 819	4 014 483	2 843 534
Lending to customers	164 866 968	160 233 984	157 261 220	148 328 247	140 392 200
Financial derivatives	6 651 730	6 104 499	6 107 841	5 972 318	4 062 753
<b>Sum eiendeler</b>	<b>190 423 968</b>	<b>186 652 647</b>	<b>185 410 866</b>	<b>169 678 967</b>	<b>159 062 379</b>

### Liabilities and Equity

#### Liabilities

Deferred taxes	100 712	100 712	0	0	
Debt incurred by issuing securities	174 827 620	170 644 817	169 296 209	156 010 915	147 350 864
Debt to credit institutions	3 361 575	3 213 665	3 495 568	2 973 916	1 266 972
Financial derivatives	2 514 262	3 531 313	3 983 467	2 751 198	2 724 973
Tax payable	0	0	0	0	23 942
Other liabilities	1 761 209	1 369 734	1 092 111	880 925	696 770
<b>Total Liabilities</b>	<b>182 565 378</b>	<b>178 860 241</b>	<b>177 867 355</b>	<b>162 616 954</b>	<b>152 063 520</b>

#### Equity

Contributed equity	7 548 470	7 548 470	6 918 470	6 918 470	5 658 470
Contributed equity (not yet registered)	0	0	420 000	0	1 260 000
Retained Earnings	98 050	98 050	695	695	695
Result	66 182	0	204 346	142 848	79 694
Declared dividends	145 886	145 886	0	0	0
<b>Total Equity</b>	<b>7 858 588</b>	<b>7 792 406</b>	<b>7 543 511</b>	<b>7 062 013</b>	<b>6 998 859</b>
<b>Total Liabilities and Equity</b>	<b>190 423 967</b>	<b>186 652 647</b>	<b>185 410 866</b>	<b>169 678 967</b>	<b>159 062 379</b>

### Key Figures

Number of shares	50 305 482	50 305 482	48 905 482	46 105 482	46 105 482
<b>Result per share</b>	<b>1,32</b>	<b>2,90</b>	<b>4,18</b>	<b>3,10</b>	<b>1,73</b>

# SpareBank 1 Boligkreditt AS

## Notes to the Financial Statements 1st quarter 2013

### Note 1 Accounting Principles

#### 1.1 Basis for preparation

SpareBank 1 Boligkreditt AS is the SpareBank 1 Alliance's separate legal vehicle established according to the specialist banking principle within the Norwegian legislation for covered bonds. The Company's purpose is to acquire residential mortgages from its ownership banks organised in the SpareBank 1 Alliance and finance these by issuing covered bonds.

SpareBank1 Boligkreditt main office is located in Stavanger, visiting address Bjergsted Terrasse 1.

These quarterly accounts for SpareBank 1 Boligkreditt refers to the period 01.01.2013 - 31.03.2013. The accounts have been produced in accordance with IAS 34 reporting for a partial year. The accounts are prepared in accordance with IFRS and IFRIC interpretations thereof. The Company's accounting principles and calculation methods have not materially changed since the annual accounts for 2012. The principles addressed below should be seen in connection with the accounting principles as they were presented in the annual accounts for 2012.

These financial accounts for the first quarter of 2013 have been approved by the Board of Directors of SpareBank 1 Boligkreditt on 06.05.2013

#### 1.2 Segment

Business segments are the Company's primary reporting segment. The Company has only one segment, which is the retail customer segment. The segment consists of lending to private individuals and all loans have been acquired from the member banks of the SpareBank 1 alliance. The Company's total results for the first quarter of 2013 is therefore equal to the retail segment total results.

#### 1.3 Currency

The presentation currency is Norwegian Kroner (NOK), which is also the Company's functional currency. All amounts are given in NOK thousand unless otherwise stated.

#### 1.4 Risk Management

SpareBank 1 Boligkreditt AS' financial assets and liabilities fluctuates in value as a result of the variability of prices of such assets and liabilities in the financial markets. In the annual accounts for 2012 Note 3 this risk and its management is more closely discussed.

#### 1.5 Estimates

The preparation of the financial information is in accordance with IFRS and involves management's estimates which affect the implementation of accounting principles and thereby accounting values for assets, liabilities, revenue and costs. These estimates have been described in the notes to the annual accounts for 2012.

### Note 2 Net Interest Income

NOK 1 000	31.03.2013	31.03.2012	2012
<b>Interest income</b>			
Interest income and similar income from loans to and balances with credit institutions	69 463	91 903	270 499
Interest income and similar income from loans to and balances with customers	1 548 670	1 381 692	5 859 367
Interest income treasury bills	1 170	2 634	54 644
Commission expense (payable to shareholder banks) *	-456 036	-151 150	-1 152 643
<b>Total interest income</b>	<b>1 163 267</b>	<b>1 325 079</b>	<b>5 031 867</b>
<b>Interest expense</b>			
Interest expense and similar expenses to credit institutions	3 635	2 857	15 031
Interest expense and similar expenses on issued bonds	1 057 919	1 236 247	4 690 224
Interest expense and similar expenses on issued certificates	27 717	38 683	141 560
Other interest expenses	3	8	32
<b>Total interest expense</b>	<b>1 089 274</b>	<b>1 277 795</b>	<b>4 846 847</b>
<b>Total net interest income</b>	<b>73 993</b>	<b>47 284</b>	<b>185 020</b>

\* Commissions are calculated daily and individually for the loans which Boligkreditt has purchased from its ownership banks. Commissions are calculated by deducting the the Company's all-in cost (average funding costs and an estimate for running operating costs as determined by the Company's Board from time to time) from the mortgage interest rate charged on a particular loan.



### Note 3 Net Gains from Financial Instruments

NOK 1 000	31.03.2013	31.03.2012	2012
Net gains (losses) from financial liabilities	520 182	2 039 918	-1 499 100
Net gains (losses) from financial assets	72 554	-72 713	-148 503
Net gains (losses) from financial derivatives, hedging, at fair value	-566 967	-1 897 037	1 841 534
<b>Net gains (losses) from financial instruments</b>	<b>25 768</b>	<b>70 168</b>	<b>193 931</b>

### Note 4 Salaries and Remuneration

NOK 1 000	31.03.2013	31.03.2012	2012
Salary	2 182	2 699	10 198
Salaries reinvoyced to SpareBank1 Næringskreditt*	-853	-1 085	-4 523
Pension expenses	556	525	1 839
Social insurance fees	544	427	1 389
Other personnel expenses	184	5	555
<b>Total salary expenses</b>	<b>2 613</b>	<b>2 571</b>	<b>9 458</b>
Average number of man-years	8	8	8

\*The company's employees have shared employment between SpareBank 1 Næringskreditt and SpareBank 1 Boligkreditt. All remuneration is effectuated through SpareBank 1 Boligkreditt and a portion is reinvoyced to SpareBank 1 Næringskreditt. The company also buys administrative services from SpareBank 1 SR-Bank ASA and SpareBank 1 Gruppen. Pension benefit obligations are safeguarded in SpareBank 1 Boligkreditt through participation in the pension fund of SpareBank 1 SR-Bank ASA. This pension scheme meets the legal demands on mandatory occupational pension.

### Note 5 Administration Expenses

NOK 1 000	31.03.2013	31.03.2012	2012
IT operation and maintenance	1 102	1 116	5 627
Travel	235	277	1 183
Telephone and postage	20	33	150
Misc other adm expenses	18	1	49
<b>Total</b>	<b>1 375</b>	<b>1 427</b>	<b>7 009</b>

### Note 6 Other Operating Expenses

NOK 1 000	31.03.2013	31.03.2012	2012
Auditing, hired personnel from SpareBank 1 Group, other services	3 483	2 224	11 399
Operating expenses rented offices	142	41	528
Operating expenses reinvoyced to SpareBank 1 Næringskreditt	-248	-224	-1 025
Misc other operating expenses	39	13	314
<b>Total</b>	<b>3 416</b>	<b>2 053</b>	<b>11 216</b>

### Note 7 Other Assets

NOK 1 000	31.03.2013	31.03.2012	2012
Receivables from SpareBank 1 Næringskreditt AS	1336	1 340	1 552
<b>Total</b>	<b>1336</b>	<b>1 340</b>	<b>1 552</b>

Note 8 Lending to Customers

Lending to customers consists of loans secured on residential real estate. The mortgage loans generally have a low loan-to-value ratio and historical loan provisions have been very low. Total lending to customers at the end of the first quarter 2013 was NOK 164.9 billion. All loans to customers carry a variable interest rate.

NOK 1 000	31.03.2013	31.03.2012	2012
Revolving loans - retail market	65 037 277	58 107 703	64 373 537
Amortising loans - retail market	99 613 799	82 117 092	95 677 823
Accrued interest	223 600	173 089	190 333
Total loans before specified and unspecified loss provisions	164 874 676	140 397 884	160 241 692
Specified loan loss provisions			
Unspecified loan loss provisions	7 708	5 685	7 708
Total net loans and claims with customers	164 866 968	140 392 200	160 233 984
Liability			
Unused balances under revolving credit lines	20 255 240	16 748 120	19 604 652
Total	20 255 240	16 748 120	19 604 652
Defaulted loans			
Defaults*	0 %	0 %	0 %
Specified loan loss provisions	0 %	0 %	0 %
Net defaulted loans	0 %	0 %	0 %
Loans at risk of loss			
Loans not defaulted but at risk of loss	0 %	0 %	0 %
- Write downs on loans at risk of loss	0 %	0 %	0 %
Net other loans at risk of loss	0 %	0 %	0 %

\*The entire customer loan balance is considered to be in default and will be included in overviews of defaulted loans when overdue instalments and interest payments are not received within 90 days or if credit limits on revolving loans are exceeded for 90 days or more

Changes to loan loss provisions			
NOK 1 000	31.03.2013	31.03.2012	2012
Loan loss provisions as of 01.01.2012	7 708	5 685	5 685
Change in group loan loss provisions	0	0	2 023
Loan loss provisions as of 31.12.2012	7 708	5 685	7 708

Note 9 Liabilities incurred by issuing Securities

	Nominelle beløp*	Nominelle beløp*	Nominelle beløp*
NOK 1 000	31.03.2013	31.03.2012	2012
Short term notes, unsecured	4 950 000	4 450 000	4 425 000
Repurchased/retained short term notes, unsecured	-465 000	0	-405 000
Senior unsecured Bonds	5 172 000	3 050 000	5 558 000
Repurchased/retained senior unsecured bonds	-1 077 000	0	0
Covered bonds	169 398 575	144 705 966	165 892 696
Repurchased/retained covered bonds	-4 749 374	-3 654 306	-4 876 034
Withdrawn from the Norwegian Central Bank Swap Facility	14 864 778	14 864 778	14 864 778
Bonds deposited in the Norwegian Central Bank Swap Facility	-18 100 000	-18 100 000	-18 100 000
Total liabilities incurred by issuing securities	169 993 979	145 316 438	167 359 440

\* Nominal value is incurred debt at exchange rates (EUR/NOK and USD/NOK) at the time of issuance

	Bokført verdi 31.03.2013	Bokført verdi 31.03.2012	Bokført verdi 2012
<b>NOK 1 000</b>			
Short term notes, unsecured	4 948 867	4 448 915	4 424 021
Repurchased/retained short term notes, unsecured	-464 941	0	-405 412
Senior unsecured Bonds	5 171 638	3 049 185	5 557 427
Repurchased/retained senior unsecured bonds	-1 077 738	0	0
Covered bonds	173 111 403	145 612 101	168 001 496
Repurchased/retained covered bonds	-4 933 022	-3 811 709	-5 060 049
Withdrawn from the Norwegian Central Bank Swap Facility	14 864 778	14 874 758	14 885 672
Bonds deposited in the Norwegian Central Bank Swap Facility	-18 100 000	-18 100 000	-18 100 000
Activated costs incurred by issuing debt	-161 844	-142 072	-174 032
Accrued interest	1 468 479	1 419 686	1 515 695
<b>Total liabilities incurred by issuing securities</b>	<b>174 827 620</b>	<b>147 350 864</b>	<b>170 644 817</b>

Liabilities incurred by issuing securities according to maturity (nominal value\*NOK 1000)

#### Senior unsecured Bonds

Maturity Year	31.03.2013	31.03.2012	2012
2012	3 935 000	4 450 000	
2013	3 541 000	2 000 000	5 320 000
2014	1 104 000	1 050 000	3 197 500
<b>Total</b>	<b>8 580 000</b>	<b>7 500 000</b>	<b>8 517 500</b>

#### Central Bank Swap Facility

Maturity Year	31.03.2013	31.03.2012	2012
2012			
2013	8 294 936	8 294 936	8 294 936
2014	6 569 843	6 569 843	6 569 843
<b>Total</b>	<b>14 864 778</b>	<b>14 864 778</b>	<b>14 864 778</b>

#### Covered Bonds

Maturity Year	31.03.2013	31.03.2012	2012
2012		9 066 273	
2013	12 952 973	16 275 354	13 986 773
2014	9 050 000	9 500 000	9 820 000
2015	18 376 000	18 240 000	18 376 000
2016	25 807 195	23 961 825	25 775 425
2017	21 013 000	13 837 500	21 013 000
2018	14 327 000	2 450 000	12 777 000
2019	23 021 317	10 069 990	20 882 210
2020	600 000		-
2021	15 382 237	15 430 718	15 343 372
2022	3 233 750	2 470 000	3 233 750
2023			
2024	1 135 729		1 119 632
2025			
2026	1 650 000	1 650 000	1 650 000
<b>Total</b>	<b>146 549 201</b>	<b>122 951 660</b>	<b>143 977 162</b>
<b>Total</b>	<b>169 993 979</b>	<b>145 316 438</b>	<b>167 359 440</b>

Liabilities sorted by currency (book value)

	31.03.2013	31.03.2012	2012
<b>NOK 1 000</b>			
NOK	76 233 017	62 801 224	73 303 519
EUR	68 821 797	68 906 074	68 898 016
USD	29 539 629	15 643 566	28 218 402
SEK	233 176	0	224 880
<b>Total</b>	<b>174 827 620</b>	<b>147 350 864</b>	<b>170 644 817</b>

Note 10 Financial derivatives

NOK 1 000	31.03.2013	31.03.2012	2012
Interest rate derivatives			
Interest rate swaps			
Nominal amount	94 647 562	102 166 836	93 521 163
Asset	5 173 459	3 810 673	5 229 881
Liability	-620 956	-358 243	-609 517
Currency derivatives			
Currency swaps			
Nominal amount	91 839 940	76 362 436	91 838 341
Asset	1 478 271	252 080	874 618
Liability	-1 893 306	-2 366 730	-2 921 796
Total for financial derivatives			
Nominal amount	186 487 503	178 529 272	185 359 505
Asset	6 651 730	4 062 753	6 104 499
Liability	-2 514 262	-2 724 973	-3 531 313

All derivative contracts are for the purpose of hedging interest rates and currency.

Note 11 Classification of Financial Instruments

NOK 1 000	Financial instruments accounted for at fair value *	Financial assets and debt accounted for at amortised cost	Financial assets held to maturity	Non-financial assets and liabilities	31.03.2013
Assets					
Other intangible assets				2 179	2 179
Other assets				1 336	1 336
Treasury Bills	1 612 305				1 612 305
Bonds	11 005 002		1 607 041		12 612 044
Lending to and deposits with credit institutions		4 677 406			4 677 406
Lending to customers		164 866 968			164 866 968
Financial derivatives	6 651 730				6 651 730
Total Assets	19 269 037	169 544 374	1 607 041	3 515	190 423 968
Liabilities					
Deferred taxes				100 712	100 712
Debt incurred by issuing securities	127 500 755	47 326 865			174 827 620
Debt to credit institutions		3 361 575			3 361 575
Financial derivatives	2 514 262				2 514 262
Other liabilities				1 761 209	1 761 209
Total liabilities	130 015 017	50 688 440	0	1 861 922	182 565 379
Total equity				7 858 588	7 858 588
Total liabilities and equity	130 015 017	50 688 440		9 720 510	190 423 968

\*Fair value calculation according to market interest rates and currencies

	Financial instruments accounted for at fair value *	Financial assets and debt accounted for at amortised cost	Financial assets held to maturity	Non-financial assets and liabilities	
<b>NOK 1 000</b>					<b>31.12.2012</b>
<b>Assets</b>					
Other intangible assets				2 035	2 035
Other assets				1 552	1 552
Treasury Bills	1 801 802				1 801 802
Bonds	10 664 881		1 807 394		12 472 275
Lending to and deposits with credit institutions		6 036 499			6 036 499
Lending to customers		160 233 984			160 233 984
Financial derivatives	6 104 499				6 104 499
<b>Total Assets</b>	<b>18 571 182</b>	<b>166 270 483</b>	<b>1 807 394</b>	<b>3 587</b>	<b>186 652 646</b>
<b>Liabilities</b>					
Deferred taxes				100 712	100 712
Debt incurred by issuing securities	125 109 912	45 534 905			170 644 817
Debt to credit institutions		3 213 665			3 213 665
Financial derivatives	3 531 313				3 531 313
Tax payable				0	0
Other liabilities				1 369 734	1 369 734
<b>Total liabilities</b>	<b>128 641 225</b>	<b>48 748 570</b>	<b>0</b>	<b>1 470 446</b>	<b>178 860 241</b>
<b>Total equity</b>				<b>7 792 406</b>	<b>7 792 406</b>
<b>Total liabilities and equity</b>	<b>128 641 225</b>	<b>48 748 570</b>		<b>9 262 852</b>	<b>186 652 646</b>

\*Fair value calculation according to market interest rates and currencies

Note 12 Financial Instruments at Fair Value

Procedures to determine fair value

General

The interest rate curve that is used as input for fair value valuations of hedging instruments and hedging objects consists of the NIBOR-curve for maturities less than one year. The swap-curve is used for maturities exceeding one year.

Interest rate and currency swaps

Valuation of interest rate swaps at fair value is done through discounting future cash flows to their present values. Valuation of currency swaps will also include the element of foreign exchange rates

Bonds

Valuation of bonds at fair value is done through discounting future cash flows to present value.

With effect from 2009 SpareBank 1 Boligkreditt AS has implemented the changes in IFRS 7 in relation to the valuation of financial instruments as of the date of the financial accounts. The changes require a presentation of the fair value measurement for each Level. We have the following three Levels for the fair value measurement:

- Quoted price in an active market for an identical asset or liability (level 1)
- Valuation based on observable factors either direct (prices) or indirected (deduced from prices used in level 1) other than quoted price for the asset or liability (level 2)
- The valuation is based on factors that are not found in observable markets (non-observable assumptions) (level 3)

The following numbers present the company's assets and liabilities at fair value as of 31.03.2013

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Bonds and bills		12 617 307		12 617 307
Financial Derivatives	0	6 651 730	0	6 651 730
<b>Total Assets</b>	<b>0</b>	<b>19 269 037</b>	<b>0</b>	<b>19 269 037</b>
Bonds	0	127 500 755	0	127 500 755
Financial Derivatives		3 531 313		3 531 313
<b>Total Liabilities</b>	<b>0</b>	<b>131 032 068</b>	<b>0</b>	<b>131 032 068</b>

The following numbers present the company's assets and liabilities at fair value as of 31.12.2012

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Bonds and bills		12 466 683		12 466 683
Financial Derivatives	0	6 104 499	0	6 104 499
<b>Total Assets</b>	<b>0</b>	<b>18 571 182</b>	<b>0</b>	<b>18 571 182</b>
Bonds	0	125 109 912	0	125 109 912
Financial Derivatives		3 531 313		3 531 313
<b>Total Liabilities</b>	<b>0</b>	<b>128 641 225</b>	<b>0</b>	<b>128 641 225</b>

Note 13 Bonds classified as Hold to Maturity

As of 31.03.2013

	Book value				Exchange rate	Amortised cost
Bonds classified as	31.12.2012	Investering	Avgang	Amortisering	Valutaeffekter	31.03.2013
Hold to maturity	1 803 199	0	-200 000	3 842	0	1 607 041
<b>Total certificates and bonds</b>	<b>1 803 199</b>	<b>0</b>	<b>-200 000</b>	<b>3 842</b>	<b>0</b>	<b>1 607 041</b>

Market value of bonds in hold to maturity portfolio

	Book value	Market value incl exchange rate effects	Effect on result if at fair value
Bonds classified as			
Hold to maturity	1 607 041	1 612 011	4 970
<b>Total certificates and bonds</b>	<b>1 607 041</b>	<b>1 612 011</b>	<b>4 970</b>



## Note 14 Other Liabilities

NOK 1 000	31.03.2013	31.03.2012	2012
Employees tax deductions and other deductions	292	262	526
Employers national insurance contribution	255	214	368
Accrued holiday allowance	1 142	923	914
Commission payable to shareholder banks	1 700 220	644 893	1 332 547
Deposits*	8 608	10 964	10 348
Pension liabilities	11 046	674	11 046
Other accrued costs	39 646	38 840	13 985
<b>Total</b>	<b>1 761 209</b>	<b>696 770</b>	<b>1 369 734</b>

The Company does not have an overdraft facility or a revolving credit facility as of 31.12.2012

\* Deposits represents temporary balances paid in by customers in excess of the original loan amount

## Note 15 Asset Coverage Requirement

The asset coverage is calculated according to the Financial Services Act § 2-31 (Covered Bond Legislation). There is a discrepancy between the asset coverage test and the amounts in the balance sheet because for the purposes of the test mortgage loans which may have migrated above the 75% loan to value level are reduced to reflect the decrease in the value of the underlying collateral so that only a maximum loan corresponding to a value of 75% of the collateral is considered. Furthermore, the fact that market values are recorded for all bonds and certificates in the cover pool could have an impact. In addition any defaulted loans, i.e. loans in arrears at or beyond 90 days, are excluded from the test (there have been no occurrences of any defaults starting with the commencement of operations through 31.03.2013). The company separates Cover Pool 1 and Cover Pool 2. Cover Pool 1 is utilised for market issuances of covered bonds whilst Cover Pool 2 is a separate mortgage portfolio established solely for use in the swap facility with Norway's Central Bank in 2009.

### Pool 1

NOK 1 000	31.03.2013	31.03.2012	2012
Covered Bonds	156 399 327	128 776 796	151 398 813
Repurchased Bonds	-5 023 904	-3 891 658	-4 045 963
Derivatives	-4 440 161	-1 406 784	-2 977 540
<b>Total Covered Bonds</b>	<b>146 935 262</b>	<b>123 478 355</b>	<b>144 375 311</b>
Lending to customers	149 909 470	124 975 011	145 006 745
Treasury Bills	0	49 820	198 218
Substitute collateral	12 730 842	10 949 796	14 432 542
<b>Total Cover Pool</b>	<b>162 640 312</b>	<b>135 974 627</b>	<b>159 637 505</b>
Asset-coverage	110,7 %	110,1 %	110,6 %

### Pool 2

NOK 1 000	31.03.2013	31.03.2012	2012
Covered Bonds	18 202 534	18 249 702	18 113 843
Repurchased Bonds	-1 013 932	-1 014 072	-1 014 019
Derivatives	-104 909	-177 686	-18 975
<b>Total Covered Bonds</b>	<b>17 083 694</b>	<b>17 057 944</b>	<b>17 080 849</b>
Lending to customers	14 913 063	15 378 743	15 180 144
Treasury Bills	1 612 305	1 413 877	1 603 584
Substitute collateral	645 817	401 885	433 229
<b>Total Cover Pool</b>	<b>17 171 184</b>	<b>17 195 721</b>	<b>17 216 957</b>
Asset-coverage	100,5 %	100,8 %	100,8 %

Note 16 Capital Adequacy

The primary goal for the Company's management of capital reserves is to ensure compliance with laws and regulatory requirements and maintain solid financial ratios and a high quality credit assessment in order to best support its business. The Board of Directors have approved a target for the Company's risk weighted equity coverage of assets of 10%.

A new capital requirements directive was introduced in Norway as of January 1, 2007 (Basel II). SpareBank1 Boligkreditt AS obtained permission from the Financial Services Authority in Norway (Finanstilsynet) for the implementation of its own Internal Ratings Based (IRB) model for credit risks from the second quarter of 2009.

Transitional rules have been implemented by the FSA whereby regulated financial institutions with approved IRB models will not be able to fully benefit from the results of such models until the year 2015. In 2012 regulated entities are allowed to reduce by 20% the total sum of risk weighted assets which would otherwise have been in place under the previous Basel I framework. In the following years until the end of 2015, the transitional rules will lead to significantly higher capital requirements than what would otherwise have been applicable under Basel II.

The European Union is expected to introduce new regulatory requirements, CRD IV, in 2013. The new regulations will introduce robust demands for capital adequacy, capital structure, liquidity buffers and funding. SpareBank 1 Boligkreditt AS is well placed, given its current capital structure to meet these new requirements in CRD IV. The Board of Directors are evaluating the capitalisation of the Company on a continuous basis in accordance with the international development.

Eierbankene har forpliktet seg til å støtte et minimumsnivå for selskapets kjernekapitaldekning (tier 1) på 9%, primært pro rata i henhold til eierskapsandel, subsidiært solidarisk, men begrenset oppad til det dobbelte av den enkelte banks initielle ansvar.

Subordinated capital in NOK 1 000	31.03.2013	31.03.2012	2012
Share capital	5 030 548	3 770 548	5 030 548
Premium share fund	2 517 922	1 887 922	2 517 922
Other equity capital	243 936	1 260 695	243 936
Total equity capital entered into the balance sheet	7 792 406	6 919 165	7 792 406
Intangible assets	-2 179	-1 519	-2 035
Declared share dividend	-140 855	0	-140 855
50% deduction of expected losses exceeding loss provisions IRB	-80 257	-62 911	-74 746
Core capital (Tier 1)	7 569 115	6 854 735	7 574 771
Supplementary capital	0	0	0
50% deduction of expected losses exceeding loss provisions IRB	-80 257	-62 911	-74 746
Total capital	7 488 858	6 791 824	7 500 025

Minimum requirements for capital according to Basel II i NOK 1 000	31.03.2013	31.03.2012	2012
Credit risk	1 783 718	1 501 481	1 721 475
Market risk	0	0	0
Operational risk	27 797	23 942	23 942
Depreciation on groups of loans	0	0	0
Difference in capital requirement resulting from transitional period 2007-2009	4 071 986	3 460 295	3 986 810
Minimum requirement for capital	5 883 501	4 985 718	5 732 227

Capital adequacy	31.03.2013	31.03.2012	2012
Core capital ratio (%) (Tier 1)	10,29 %	11,00 %	10,57 %
Total capital ratio (%)	10,18 %	10,90 %	10,47 %

Note 17 Related parties

Transactions with related parties

The Company has 164 867 MNOK loans to customers. These are acquired from shareholder banks at market value (i.e. nominal value).

SpareBank 1 SR-Bank ASA

The Company purchases a substantial amount of their support functions from SpareBank 1 SR-Bank ASA.

A complete SLA are established between the Company and SpareBank 1 SR-Bank ASA.

SpareBank 1 - alliansen

In addition the Company has a Transfer and Servicing agreement in place with each individual shareholder bank regulating amongst other things the servicing of mortgage loans.

SpareBank 1 Næringskreditt AS

All employees within SpareBank 1 Boligkreditt AS are also to various degrees working for SpareBank 1 Næringskreditt AS. In accordance with a Board decision in SpareBank 1 Næringskreditt dated 17.09.09 one third of the administrative expenses in SpareBank 1 Boligkreditt AS are to be charged to SpareBank 1 Næringskreditt AS. This division of administrative expenses between the two companies reflect the actual resources utilisation in SpareBank 1 Boligkredit AS.

Note 18 Contingencies

SpareBank 1 Boligkreditt AS is not a party to any ongoing legal proceedings.

Note 19 Restricted Cash

SpareBank 1 Boligkreditt has signed ISDA-agreements including CSAs (Credit Support Annexes) with a number of financial institutions that are counterparties in interest rate and currency swaps. These institutions post collateral in the form of cash deposits to SpareBank 1 Boligkreditt. At the year-end 31.12.2012 this collateral amounted to NOK 3 227 983 622. This amount is included in the balance sheet as a deposit, but represents restricted cash.

Note 20 Events after Balance Sheet Date

No events have taken place subsequently to the date of these financial statements, 31.03.2013, which would affect these accounts in any material way.