

feeling NORWAY

3RD QUARTERLY REPORT 2012 SPAREBANK 1 BOLIGKREDITT AS



feeling
NORWAY

FIG 1

NATURAL GAS POWER

Even though Norway has several natural gas based power stations they produce relatively small amounts of electricity considering the total national production thereof, only around 1 per cent. Most of Norwegian produced natural gas is exported, through pipelines, to the United Kingdom and European mainland.

FIG 2

WIND POWER

Norwegian energy production from wind resources is increasing, but is small compared to Europe where wind power represents more than 21 per cent of the total capacity to produce electricity.

FIG 3

WATER POWER

Norway produces approximately 25 per cent of all energy produced from falling water in Europe, which makes the country the largest European producer.

Norway – a large vendor of energy for Europe

Looking at Norway from an energy perspective there is much to behold today, but also in previous times. Long before oil was discovered on the Norwegian continental shelf at the end of the 1960ies, the country with its numerous and significant waterfalls appealed as an investment opportunity. Electricity demand grew in Europe from the late 1800s, and water power was one key source for satisfying that demand. In modern times Europe's energy demand are met from a variety of sources, amongst them Norwegian produced natural gas. The giant Troll field, 70 km west of the city of Bergen transformed Norway into a reliable and long-term vendor of natural gas to Europe. A series of larger recent discoveries, in the North Sea and the Barents Sea, positions Norway as a significant energy vendor for the future. There are neither coal nor nuclear power stations in Norway. A stronger focus on renewables and environmentally friendly energy suggests that for example wave power is an alternative whose time may come, although no full scale wave power production facility is planned as of yet.

FACT SHEET

norway.

KEY MACROECONOMIC FIGURES

Economic Indicators (%)	2008	2009	2010	2011	2012E	2013P
GDP growth (mainland)	1,5	-1,6	1,7	2,5	3,3	2,9
Inflation rate, CPI	3,8	2,1	2,5	1,2	0,8	1,4
Household Consumption growth	1,8	0	3,8	2,5	3,3	4,2
Interest rate (3 months money market)	6,2	2,5	2,5	2,9	2,2	1,9
Household savings ratio	3,8	7,1	5,8	7,3	8,3	8,9
Unemployment rate	2,6	3,2	3,6	3,3	3,1	3,2
Current Account Surplus / GDP	16	11,7	11,9	13,6	13,7	11,4
Gov Budget Surplus / GDP	20	11	10	14	13	13
Sovereign Wealth Fund / GDP	89	111	121	122	133	144

Sources: Statistics Norway, NBIM, Norwegian Ministry of Finance as of December 2012

FACT SHEET

boligkreditt.

Cover Pool details*

30.09.12

Total mortgage portfolio (in NOK 1000)	141 409 753 489
Number of loans	118 558
Average loan size (in NOK 1000)	1 192 747
% of non-performing loans	0,000 %
% of first lien mortgages in the pool	100 %

Weighted average time since mortgage origination	31 months
Weighted average remaining term mortgages	264 months
Weighted average remaining term Covered Bonds	53 months

Total Cover Pool (per the financial statements in NOK 1000)	157 771 848 896
Covered Bonds outstanding (per the financial statements in NOK 1000)	144 054 924 771

Per cent substitute assets (per the financial statements)	10,2 %
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Overcollateralisation (as per the financial statements)	109,5 %
Overcollateralisation if house prices drop by 15%	106,9 %

Ratio of floating rate loans	100 %
Weighted average interest rate mortgages	3,90 %

Weighted average current LTV	50,5 %
Weighted average original LTV	58,8 %
Maximum original LTV permitted by law	75 %

*Cover Pool 1 and 2

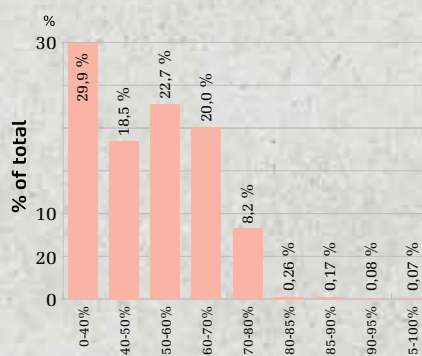
All data above is with reference to our Cover Pool 1. We also operate a Cover Pool 2 which is tailor made for the Norges Bank swap facility (2008-09). The second cover pool consists of mortgages totalling NOK 15 bn. The assets in Cover Pool 2 are exclusively backing the bonds deposited with the Norwegian Central Bank while Cover Pool 1 is backing bonds issued in the market.

Substitute Collateral

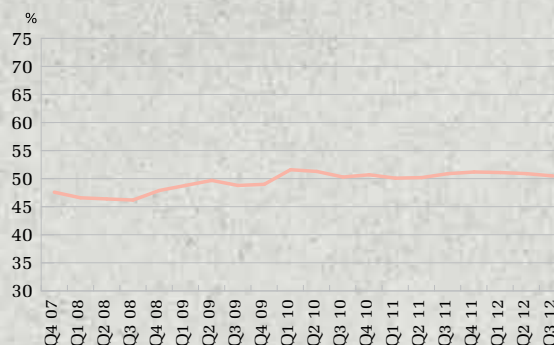
In addition to prime mortgages, the cover pool consists of Norwegian Treasury Bills, high grade bonds and some deposits that serve as liquidity reserve and substitute collateral. The company has strict rules for what types of bonds that can be included in this reserve.

Over 99 % of the bond portfolio are Nordic Covered Bonds, Norwegian government and SSA paper, and the remainder are high grade financial bonds with a minimum rating of A. The deposits are with the rated owner banks for operational purposes. Details of the bond composition may be found in our investor report which is available on www.sparebank1.no/boligkreditt.

Number of loans by current LTV range



Current Weighted Average LTV history



Covered Bonds issued in EUR	Amount	Expected Final Maturity	Rating	Interest Basis	Frequency	ISIN
Series 5/2012	1 bn EUR	02/ 2018	AAA / Aaa	1.25% Fixed Rate	Annually	XS0820929437
Series 1/2012	1.25 bn EUR	02/ 2019	AAA / Aaa	2.75% Fixed Rate	Annually	XS0738895373
series 9/2011	1 bn EUR	11/ 2016	AAA / Aaa	2.375% Fixed Rate	Annually	XS0707700919
Series 6/2011	1bn EUR	09/ 2021	AAA / Aaa	3.375% Fixed Rate	Annually	XS0674396782
Series 1/2011	1 bn EUR	02 / 2021	AAA / Aaa	4% Fixed Rate	Annually	XS0587952085
Series 14	1 bn EUR	06 / 2015	AAA / Aaa	2.5% Fixed Rate	Annually	XS0519708613
Series 12	1.25 bn EUR	03 / 2017	AAA / Aaa	3.25% Fixed Rate	Annually	XS0495145657
Series 11	1 bn EUR	12 / 2012	AAA / Aaa	2.375% Fixed Rate	Annually	XS0470740969
Series 3	1 bn EUR	09 / 2013	AAA / Aaa	5% Fixed Rate	Annually	XS0386753031

Covered Bonds issued in USD	Amount	Expected Final Maturity	Rating	Interest Basis	Frequency	ISIN
Series 2/2012	1.25 bn USD	06 / 2017	AAA / Aaa	2.30% Fixed Rate	Semi-annually	XS0766475858
Series 2/2011	1.25 bn USD	05 / 2016	AAA / Aaa	2.625% Fixed Rate	Semi-annually	XS0632246426
Series 16	1.5 bn USD	10 / 2013	AAA / Aaa	1.25% Fixed Rate	Semi-annually	XS0552808940

Covered Bonds issued in NOK	Amount	Expected Final Maturity	Rating	Interest Basis	Frequency	ISIN
Series 6/2012	1.0 bn NOK	10 / 2019	AAA / Aaa	Floating Rate	Quarterly	NO0010657596
Series 4/2012	1.05 bn NOK	07 / 2019	AAA / Aaa	3.40% Fixed Rate	Annually	NO0010655368
Series 12/2011	620 m NOK	06 / 2016	AAA / Aaa	3.65 % Fixed Rate	Annually	NO0010633068
Series 10/2011	3 bn NOK	11 / 2016	AAA / Aaa	Floating Rate	Quarterly	NO0010630833
Series 8/2011	3,5 bn NOK	11 / 2014	AAA / Aaa	Floating Rate	Quarterly	NO0010628290
Series 7/2011	1,65 bn NOK	10 / 2026	AAA / Aaa	4.75% Fixed Rate	Annually	NO0010625460
Series 5/2011	1.5 bn NOK	08 / 2018	AAA / Aaa	Floating Rate	Quarterly	NO0010623234
Series 4/2011	2,77 bn NOK	07 / 2022	AAA / Aaa	5% Fixed Rate	Annually	NO0010622137
Series 3/2011	1 bn NOK	07 / 2017	AAA / Aaa	Floating Rate	Quarterly	NO0010621782
Series 15	3 bn NOK	08 / 2015	AAA / Aaa	Floating Rate	Quarterly	NO0010583222
Series 13	5.6 bn NOK	04 / 2016	AAA / Aaa	Floating Rate	Quarterly	NO0010572142
Series 10	7.35 bn NOK	06 / 2015	AAA / Aaa	Floating Rate	Quarterly	NO0010520356
Series 9	6 bn NOK	08 / 2014	AAA / Aaa	Floating Rate	Quarterly	NO0010492333
Series 8	1.61 bn NOK	02 / 2013	AAA / Aaa	Floating Rate	Quarterly	NO0010480452
Series 7	300 m NOK	10 / 2013	AAA / Aaa	5.75% Fixed Rate	Annually	NO0010467491
Series 6	2,8 bn NOK	10 / 2017	AAA / Aaa	5.95% Fixed Rate	Annually	NO0010464944
Series 4	200 m NOK	06 / 2018	AAA / Aaa	6.015% Fixed Rate	Annually	NO0010441678
Series 3	1 bn NOK	06 / 2018	AAA / Aaa	5.95% Fixed Rate	Annually	NO0010441454

Covered Bonds issued in SEK	Amount	Expected Final Maturity	Rating	Interest Basis	Frequency	ISIN
Series 3/2012	250 m SEK	05 / 2022	AAA / Aaa	3.25% Fixed Rate	Annually	NO0010646904

* There is no bond with the serial number 11/2011

FACT SHEET

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INCOME STATEMENT FIRST NINE MONTHS 2012

NOK 1 000	Note	30-09-12	30-09-11	2011
Total interest income	2	3 826 592	2 809 755	4 056 168
Total interest expenses	2	-3 679 550	-2 644 656	-3 822 123
Net interest income		147 042	165 098	234 046
Net gains/losses from financial instruments	3	157 539	-42 330	-86 195
Net other operating income		157 539	-42 330	-86 195
Total operating income		304 581	122 769	147 851
Salaries and other ordinary personnel expenses	4	-6 919	-4 461	-7 356
Administration expenses	5	-4 603	-4 762	-7 066
Other operating expenses	6	-8 106	-8 692	-13 083
Depreciation on fixed assets and other intangible assets		-1 139	-2 301	-3 086
Total operating expenses		-20 767	-20 217	-30 590
Operating result before write-downs and losses		283 814	102 552	117 261
Write-downs on loans and guarantees		0	0	-2 318
Pre-tax operating result		283 814	102 552	114 943
Taxes		-79 468	-28 719	-32 281
Profit/loss		204 346	73 833	82 662
Other income and expenses		0	0	0
Total profit/loss		204 346	73 833	82 662

STATEMENT OF TOTAL PROFIT/LOSS FIRST NINE MONTHS 2012

NOK 1 000	30-09-12	30-09-11	2011
Profit/loss	204 346	73 833	82 662
Total profit/loss	204 346	73 833	82 662
Allocations:			
Declared dividends			82 952
Other Equity	204 346	73 833	-291
Total allocations	204 346	73 833	82 662

BALANCE SHEET AS OF SEPTEMBER 30, 2012

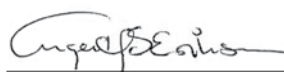
NOK 1 000	Note	30-09-12	30-09-11	2011
Assets				
Other intangible assets		2 279	2 916	2 132
Other assets	7	1 176	2 486	1 876
Treasury Bills		5 266 663	2 233 218	4 144 419
Bonds		11 740 867	5 005 836	8 861 103
Lending to and deposits with credit institutions		5 030 819	3 945 414	3 046 116
Lending to customers	8	157 261 220	113 341 354	126 997 078
Financial derivatives	10	6 107 841	3 729 190	4 607 603
Total assets		185 410 866	128 260 416	147 660 328
Liabilities and Equity				
Liabilities				
Deferred taxes		0	6 363	0
Debt incurred by issuing securities	9	169 296 209	120 268 780	138 564 942
Debt to credit institutions		3 495 568	1 059 901	1 236 293
Financial derivatives	10	3 983 467	917 476	1 396 600
Tax payable		0	0	38 645
Other liabilities	12	1 092 111	784 608	681 732
Total liabilities		177 867 355	123 037 129	141 918 211
Equity				
Contributed equity		6 918 470	5 148 470	5 658 470
Contributed equity (not registered)		420 000	0	0
Accrued equity		695	985	695
Result		204 346	73 832	0
Declared dividends		0	0	82 952
Total equity		7 543 511	5 223 287	5 742 117
Total liabilities and equity		185 410 866	128 260 416	147 660 328

Stavanger, 17.10.2012


Kjell Fordal
Chair of the Board


Inge Reinertsen


Tore Arnstein Dobloug


Inger M. S. Eriksen


Merete Nygaard Kristiansen


Arve Austestad
Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

NOK 1 000	Share capital	Premium reserve	Other contributed	Declared dividend	Other equity	Total equity
Balance sheet as of 31 December 2010	3 150 548	1 577 922	0	75 613	985	4 805 069
Share increase 27 May 2011	280 000	140 000				420 000
Balance sheet as of 30 September 2011	3 430 548	1 717 922		0	985	5 225 069
Share Increase 14 October 2011	340 000	170 000				510 000
Dividend 2010				-75 613		-75 613
Result for the period				82 952	-291	82 662
Balance sheet as of 31 December 2011	3 770 548	1 887 922	0	82 952	695	5 742 118
Share increas 05 January 2012	280 000	140 000				420 000
Share increae 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			420 000			420 000
Dividend 2011				-82 952		-82 952
Result for the period					204 346	204 346
Balance sheet as of 30 September 2012	4 610 548	2 307 922	420 000	0	205 041	7 543 511

CASH FLOW STATEMENT

NOK 1 000	30-09-12	30-09-11	2011
Cash flows from operations			
Interest received	3 323 879	2 529 270	3 754 412
Payments to operations	-20 286	-19 368	-24 871
Paid tax	-38 644	-29 405	-29 405
Net cash flow relating to operations	3 264 949	2 480 497	3 700 136
Cash flows from investments			
Net purchase of loan portfolio	-30 226 498	-22 238 206	-35 864 583
Net payments on the acquisition of government bills	-1 121 401	4 444 386	2 533 183
Net payments on the acquisition of bonds	-2 996 810	-2 702 885	-6 537 042
Net investments in intangible assets	-1 286	-45	-438
Net cash flows relating to investments	-34 345 995	-20 496 750	-39 868 879
Cash flows from funding activities			
Net receipt/payment from the issuance of certificates	-519 220	4 443 600	4 499 235
Net receipt/payment from the issuance of bonds	32 570 291	15 274 403	32 939 167
Net receipt/payment from the issuance of loans to credit institutions	2 557 963	669 433	845 825
Equity capital subscription	1 680 000	420 000	930 000
Paid dividend	-82 952	-75 613	-75 613
Net interest payments on funding activity	-3 142 319	-2 422 438	-3 574 364
Net cash flow relating to funding activities	33 063 763	18 309 385	35 564 250
Net cash flow in the period	1 982 717	293 132	-604 493
Balance of cash and cash equivalents Jan 1, 2012	3 046 116	3 658 257	3 658 257
Net receipt/payments on cash	1 982 717	293 132	-604 493
Exchange rate difference	1 986	-5 975	-7 648
Balance of cash and cash equivalents September 30, 2012	5 030 819	3 945 414	3 046 116

INCOME- AND BALANCE SHEET DEVELOPMENT FIRST NINE MONTHS 2012

Income statement NOK 1 000	3. quarter 2012	2. quarter 2012	1. quarter 2012	4. quarter 2011	3. quarter 2011
Interest income	1 222 996	1 278 517	1 325 079	1 246 414	1 586 759
Interest expenses	-1 176 848	-1 224 908	-1 277 795	-1 177 466	-1 467 809
Net interest income	46 148	53 610	47 284	68 948	118 950
Profit/loss on securities	45 869	41 502	70 168	-43 866	-88 198
Net other operating income	45 869	41 502	70 168	-43 866	-88 198
Total operating income	92 016	95 112	117 453	25 082	30 752
Salaries and other personnel expenses	-2 707	-1 641	-2 571	-2 895	-1 754
Administrative expenses	-1 562	-1 614	-1 427	-2 303	-3 200
Other operating expenses	-2 301	-3 752	-2 053	-4 391	-6 391
Depreciation of fixed and other intangible assets	-478	54	-715	-784	-1 823
Total operating expenses	-7 048	-6 952	-6 767	-10 373	-13 169
Operating result before losses	84 968	88 159	110 686	14 709	17 583
Write-downs on loans and guarantees	0	0	0	-2 318	0
Pre-tax operating result	84 968	88 159	110 686	12 392	17 583
Taxes	-23 791	-24 685	-30 992	-3 562	-4 928
Profit/loss for the period	61 177	63 475	79 694	8 830	12 655
Other income and expenses	0	0	0	0	0
Total profit/loss for the period	61 177	63 475	79 694	8 830	12 655
Balance sheet NOK 1 000	3. quarter 2012	2. quarter 2012	1. quarter 2012	4. quarter 2011	3. quarter 2011
Assets					
Other intangible assets	2 279	1 573	1 519	2 132	2 916
Other assets	1 176	1 071	1 340	1 876	2 486
Treasury bills	5 266 663	1 507 532	1 463 697	4 144 419	2 233 218
Bonds	11 740 867	9 853 743	10 297 337	8 861 103	5 005 836
Lending to and deposits with credit institutions	5 030 819	4 014 483	2 843 534	3 046 116	3 945 414
Lending to customers	157 261 220	148 328 247	140 392 200	126 997 078	113 341 354
Financial derivatives	6 107 841	5 972 318	4 062 753	4 607 603	3 729 190
Total assets	185 410 866	169 678 967	159 062 379	147 660 328	128 260 416
Liabilities					
Deferred taxes	0	0	0	0	6 363
Securities issued	169 296 209	156 010 915	147 350 864	138 564 942	120 268 780
Debt to credit institutions	3 495 568	2 973 916	1 266 972	1 236 293	1 059 901
Financial derivatives	3 983 467	2 751 198	2 724 973	1 396 600	917 476
Taxes payable	0	0	23 942	38 645	0
Other liabilities	1 092 111	880 925	696 770	681 732	784 608
Total liabilities	177 867 355	162 616 954	152 063 520	141 918 211	123 037 129
Equity					
Contributed equity	6 918 470	6 918 470	5 658 470	5 658 470	5 148 470
Other deposited equity (not registered)	420 000	0	1 260 000	0	0
Accrued equity	695	695	695	695	985
Profit/loss for the period	204 346	142 848	79 694	82 952	73 832
Purposed dividend	0	0	0	0	0
Total liabilities and equity	7 543 511	7 062 013	6 998 859	5 742 117	5 223 287
Total equity	185 410 866	169 678 967	159 062 379	147 660 328	128 260 416
Earnings per share					
Number of shares	46 105 482	46 105 482	46 105 482	37 705 482	34 305 482
Earnings per share	4,43	3,10	1,73	2,20	2,15

NOTE 1 GENERAL INFORMATION**1.1 General Accounting Principles**

These accounts are presented in accordance with the International Accounting Standard 34 (IAS 34), as adopted by the EU.

A description of the accounting policies that the company has used in preparation of the financial statement can be found in the annual report as of year end 2011.

The Company's accounting principles and methods of calculation and presentation are unchanged from the annual report for 2011.

No new nor changes to accounting standards or interpretations thereof became effective in the first nine months of 2012.

These financial statements for the first nine months of 2012 have been approved by the Board of Directors on 17.10.2012.

1.2 Segment Reporting

The Company has only one reporting segment which is the retail business customer segment (residential mortgages). This segment consists of mortgage loans made to private individuals and all mortgage loans have been acquired from banks in the SpareBank 1 Alliance

1.3 Foreign Currencies

Transactions based in foreign currencies (other than NOK) have been restated in the functional currency (NOK) according to the exchange rate valid at the time of the transaction. Foreign exchange gains- and losses which may occur as a result, as well as the presentation of balances in a foreign currency at the end of the period, have been recorded in the P&L, except for where hedge accounting is utilised.

1.4 Pension Commitments

SpareBank 1 Boligkreditt AS maintains two categories of pension commitments for its employees:

Defined Benefit Plan

The plan is fully funded through annual payments to the pension scheme, and are determined by periodic calculations by an actuary. A defined benefit plan is one which grants a specified future benefit upon reaching the specified pension age. Factors which determine the benefit are age, the number of years in employment/membership in the plan and remuneration. The liability which is recorded in the balance sheet is the net present value of the defined benefit reduced by the fair value of the pension plan assets. The liability is calculated annually by independent actuaries. The net present value of the future benefits are found by using the yields on Norwegian government bonds adjusted for differences in maturity dates.

Defined Contribution Plan

In a defined contribution plan the company pays a defined contribution into the pension scheme. The Company has no further obligations beyond the defined contributions. The contributions are recorded as salary expense in the accounts. Any prepaid contributions are recorded as assets in the balance sheet (pension assets) to the extent that the asset will reduce future payments when due.

SpareBank 1 Boligkreditt had 9 employees at 30.09.2012. The employees are members of SpareBank 1 SR-Bank ASA's pension scheme and earn pension rights equivalent to those of other employees in the scheme. SpareBank 1 Boligkreditt AS pays the pension premiums for its employees as billed by the scheme. When the premiums have been paid no further obligations exists on the part of SpareBank 1 Boligkreditt AS, except a defined benefit for that part of the CEO's remuneration which is above an amount equal to 12G (G is the basic amount in the Norwegian public benefits system). One employee works for the Company but is formally employed by the SpareBank 1 Gruppen (the internal or coordinating company in the SpareBank 1 Alliance), which covers all the pension obligations for this employee.

NOTE 2 NET INTEREST INCOME

NOK 1 000	30-09-12	30-09-11	2011
Interest income			
Interest income and similar income from loans to and balances with credit institutions	229 804	129 548	288 525
Interest income and similar income from loans to and balances with customers	4 316 998	2 877 387	4 091 674
Interest income treasury bills	13 489	105 926	40 666
Commission expense (payable to shareholder banks)	-733 699	-303 106	-364 697
Total interest income	3 826 593	2 809 755	4 056 168
Interest expense			
Interest expense and similar expenses to credit institutions	11 487	3 769	6 035
Interest expense and similar expenses on issued bonds	3 557 258	2 613 715	3 752 924
Interest expense and similar expenses on issued certificates	110 780	27 109	63 099
Other interest expenses	26	63	65
Total interest expense	3 679 550	2 644 656	3 822 123
Total net interest income	147 042	165 098	234 045

NOTE 3 NET GAINS FROM FINANCIAL INSTRUMENTS

NOK 1 000	30-09-12	30-09-11	2011
Net gains (losses) from financial liabilities	-2 256 983	-2 413 991	-2 880 403
Net gains (losses) from financial assets	-140 423	-3 647	-45 506
Net gains (losses) from financial derivatives, hedging, at fair value	2 554 945	2 375 308	2 839 714
Net gains from financial instruments	157 539	-42 330	-86 195

NOTE 4 SALARIES AND REMUNERATION

NOK 1 000	30-09-12	30-09-11	2011
Salary	6 981	5 314	8 216
Salaries reinvoyed to SpareBank 1 Næringskreditt*	-3 251	-2 668	-4 435
Pension expenses	1 639	900	1 948
Social insurance fees	1 086	860	1 300
Other personnel expenses	464	55	328
Total salary expenses	6 919	4 461	7 356
Average full time equivalent employees	9	7	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 reinvoyed to SpareBank 1 Næringskreditt. The company also buys administrative services from SpareBank1 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 ADMINISTRATIVE EXPENSES

NOK 1 000	30-09-12	30-09-11	2011
IT operation and maintenance	3 606	4 001	5 653
Travel	879	621	1 144
Telephone and postage	100	122	200
Misc other adm expenses	18	17	70
Total	4 603	4 762	7 066

NOTE 6 OTHER OPERATING EXPENSES

NOK 1 000	30-09-12	30-09-11	2011
Auditing, hired personnel from SpareBank 1 Group, other services	8 279	8 886	13 313
Operating expenses rented offices	385	123	164
Operating expenses reinvoyed to SpareBank 1 Næringskreditt	-745	-597	-706
Misc other operating expenses	187	280	312
Total	8 106	8 692	13 083

NOTE 7 OTHER ASSETS

NOK 1 000	30-09-12	30-09-11	2011
Claims against SpareBank 1 Næringskreditt AS	1 176	2 486	1 876
Other	0	0	0
Total	1 176	2 486	1 876

NOTE 8 LENDING TO CUSTOMERS

NOK 1 000	30-09-12	30-09-11	2011
Revolving loans - retail market	63 778 079	46 841 283	53 247 134
Amortising loans - retail market	93 294 755	66 378 676	73 599 202
Accrued interest	194 071	124 762	156 428
Total loans before specified and unspecified loss provisions	157 266 905	113 344 720	127 002 763
Specified loan loss provisions			
Unspecified loan loss provisions	5 685	3 366	5 685
Total net loans and claims with customers	157 261 220	113 341 354	126 997 078
Liability			
Unused balances under revolving credit lines	19 066 065	13 450 337	15 051 298
Total	19 066 065	13 450 337	15 051 298
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 %

*As a percentage of net loans and claims with customers. 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

NOTE 9 LIABILITIES INCURRED BY ISSUING SECURITIES

NOK 1 000	Nominal amounts* 30-09-12	Nominal amounts* 30-09-11	Nominal amounts* 2011
Short term notes, unsecured	4 275 000	4 444 000	4 500 000
Repurchased Short term notes, unsecured	-294 000	0	0
Sr. Unsecured Bonds	4 025 000	1 250 000	1 900 000
Covered bonds	166 926 115	117 557 453	134 597 453
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
Repurchased Bonds	-4 969 420	-3 024 198	-3 024 198
Total liabilities incurred by issuing securities	166 727 473	116 992 033	134 738 033

* Nominal amounts are incurred debt at exchange rates (EUR/NOK and USD/NOK) at the time of issuance

NOK 1 000	Book value 30-06-12	Book value 30-06-11	Book value 2011
Short term notes, unsecured	4 274 090	4 443 600	4 499 236
Repurchased Short term notes, unsecured	-294 074	0	0
Sr. Unsecured Bonds	4 024 822	1 249 968	1 899 899
Covered bonds	168 138 950	119 876 294	137 480 924
Withdrawn from the Norwegian Central Bank Swap Facility	14 898 603	14 864 778	14 864 778
Bonds deposited in the Norwegian Central Bank Swap Facility	-18 100 000	-18 100 000	-18 100 000
Repurchased Bonds	-5 168 544	-3 167 938	-3 221 071
Activated costs incurred by issuing debt	-159 149	-111 671	-126 323
Accrued interest	1 681 511	1 213 749	1 267 499
Total liabilities incurred by issuing securities	169 296 209	120 268 780	138 564 942

Liabilities incurred by issuing securities according to maturity (nominal amounts)

Year	ISIN nr	Issuance	Maturity	Interest rate type	30-09-12	30-09-11	2011
	Repurchased Bonds				-4 969 420	-3 024 198	-3 024 198
	Repurchased Short term notes, unsecured				-294 000	0	0
2010	Gov Bills from Swap Facility	26.08.09	18.12.13	Floating	5 132 380	5 132 380	5 132 380
2010	Gov Bills from Swap Facility	09.09.09	18.12.13	Floating	3 162 555	3 162 555	3 162 555
2010	Gov Bills from Swap Facility	21.09.09	18.06.14	Floating	6 569 843	6 569 843	6 569 843
2011	NO0010626146	30.09.11	31.10.11	Fixed	0	1 944 000	0
2011	NO0010604994	16.03.11	16.12.11	Fixed	0	750 000	0
2012	NO0010624745	01.09.11	29.02.12	Fixed	0	750 000	750 000
2012	NO0010625395	16.09.11	16.03.12	Fixed	0	500 000	500 000
2012	NO0010571086	23.03.10	23.03.12	Floating	0	1 250 000	1 250 000
2012	NO0010630510	30.11.11	30.05.12	Fixed	0	0	1 000 000
2012	NO0010441652	25.06.08	25.06.12	Fixed	0	800 000	800 000
2012	NO0010626120	30.09.11	29.06.12	Fixed	0	500 000	500 000
2012	NO0010630528	30.11.11	30.08.12	Fixed	0	0	1 000 000
2012	NO0010633324	16.12.12	17.09.12	Fixed	0	0	750 000
2012	NO0010634025	06.01.12	08.10.12	Fixed	300 000	0	0
2012	NO0010637622	29.02.12	29.11.12	Fixed	500 000	0	0
2012	XS0470740969	03.12.09	03.12.12	Fixed	8 384 500	8 384 500	8 384 500
2012	NO0010640980	16.03.12	12.12.12	Fixed	400 000	0	0
2013	NO0010643125	17.04.12	17.01.13	Fixed	175 000	0	0
2013	NO0010646359	09.05.12	08.02.13	Fixed	710 000	0	0
2013	NO0010480452	16.12.08	15.02.13	Floating	1 308 000	3 000 000	2 678 000
2013	NO0010638083	12.03.12	05.04.13	Floating	550 000	0	0
2013	NO0010656341	09.08.12	10.05.13	Fixed	1 400 000	0	0
2013	NO0010649601	11.06.12	11.06.13	Fixed	250 000	0	0
2013	NO0010638109	08.03.12	26.06.13	Floating	900 000	0	0
2013	NO0010657414	28.08.12	28.08.13	Fixed	540 000	0	0
2013	XS0386753031	10.09.08	10.09.13	Fixed	8 015 000	8 015 000	8 015 000
2013	XS0552808940	19.10.10	25.10.13	Fixed	8 842 500	8 842 500	8 842 500
2013	NO0010467491	10.10.08	31.10.13	Fixed	222 000	300 000	300 000
2014	NO0010633555	23.12.11	23.01.14	Floating	650 000	0	650 000
2014	NO0010635709	30.01.12	30.01.14	Floating	425 000	0	0
2014	NO0010641343	23.03.12	24.03.14	Floating	500 000	0	0
2014	NO0010641350	23.03.12	24.03.14	Floating	500 000	0	0
2014	NO0010534340	20.08.09	22.05.14	Floating	15 000	15 000	15 000
2014	NO0010654643	06.07.12	07.07.14	Floating	500 000	0	0
2014	NO0010492333	17.02.09	25.08.14	Floating	6 000 000	7 000 000	6 000 000
2014	NO0010540578	17.09.09	17.09.14	Floating	998 000	998 000	998 000
2014	NO0010534340	20.08.09	22.05.14	Floating	9 535 000	9 535 000	9 535 000
2014	NO0010540578	17.09.09	17.09.14	Floating	7 552 000	7 552 000	7 552 000
2014	NO0010534340	20.08.09	22.05.14	Floating	-9 550 000	-9 550 000	-9 550 000
2014	NO0010540578	17.09.09	17.09.14	Floating	-8 550 000	-8 550 000	-8 550 000
2014	NO0010628290	04.11.11	04.11.14	Floating	3 500 000	0	3 500 000
2014	NO0010510985	22.05.09	24.11.14	Floating	328 000	0	0
2015	NO0010520356	11.06.09	11.06.15	Floating	7 350 000	7 350 000	7 350 000
2015	XS0519708613	23.06.10	23.06.15	Fixed	7 890 000	7 890 000	7 890 000
2015	NO0010583222	13.08.10	13.08.15	Floating	3 000 000	3 000 000	3 000 000
2016	NO0010572142	29.04.10	29.04.16	Floating	5 600 000	5 065 000	5 600 000
2016	XS0632246426	27.05.11	27.05.16	Fixed	6 986 625	6 986 625	6 986 625
2016	NO0010633068	22.12.11	22.06.16	Fixed	620 000	0	620 000
2016	NO0010630833	02.12.11	03.11.16	Floating	3 000 000	0	1 750 000
2016	XS0707700919	22.11.11	22.11.16	Fixed	7 686 740	0	7 807 000
2016	XS0801662494	06.07.12	22.11.16	Fixed	1 885 000	0	0
2017	XS0495145657	17.03.10	17.03.17	Fixed	10 037 500	10 037 500	10 037 500
2017	XS0766475858	03.04.12	30.06.17	Fixed	7 175 500	0	0
2017	NO0010621782	14.07.11	14.07.17	Floating	1 000 000	1 000 000	1 000 000
2017	NO0010464944	07.10.08	16.10.17	Fixed	2 800 000	2 000 000	2 800 000
2018	XS0820929437	28.08.12	28.02.18	Fixed	7 327 000	0	0
2018	NO0010441454	18.06.08	18.06.18	Fixed	1 000 000	1 000 000	1 000 000
2018	NO0010441678	25.06.08	25.06.18	Fixed	200 000	200 000	200 000

2018	NO0010623234	16.08.11	16.08.18	Floating	4 000 000	500 000	1 000 000
2019	XS0738895373	01.02.12	01.02.19	Fixed	9 613 750	0	0
2019	NO0010655368	07.08.12	07.08.19	Floating	1 050 000	0	0
2019	NO0010657596	10.09.12	10.09.19	Floating	1 000 000	0	0
2019	N-note	18.09.08	18.09.19	Fixed	485 670	485 670	485 670
2021	N-note	26.01.11	26.01.21	Fixed	828 576	828 576	828 576
2021	N-note	28.01.11	28.01.21	Fixed	94 512	94 512	94 512
2021	XS0587952085	03.02.11	03.02.21	Fixed	7 930 050	7 930 050	7 930 050
2021	XS0674396782	07.09.11	07.09.21	Fixed	7 660 320	7 747 520	7 747 520
2022	NO0010646904	23.05.12	23.05.22	Fixed	213 750	0	0
2022	NO0010622137	15.07.11	15.07.22	Fixed	3 020 000	1 000 000	2 200 000
2024	N-note	20.08.12	20.08.24	Fixed	1 121 122	0	0
2026	NO0010625460	05.10.11	05.10.26	Fixed	1 650 000	0	1 650 000
Total					166 727 473	116 992 033	134 738 033

Liabilities sorted by currency (book value)

NOK 1 000					30-09-12	30-09-11	2011
NOK					71 181 465	53 667 334	61 525 635
EUR					74 827 149	50 126 324	60 198 923
USD					23 061 986	16 475 122	16 840 385
SEK					225 609	0	0
SUM					169 296 209	120 268 780	138 564 942

NOTE 10 FINANCIAL DERIVATIVES

NOK 1 000	Contract amount	Fair value		Allocated to	
		Assets	Liabilities	Cash-flow hedging	Fair value hedging

Hedging first nine months 2012

Swaps

Interest rate and cross currency swaps	191 100 951	6 107 841	-3 983 467		191 100 951
Total interest derivatives	191 100 951	6 107 841	-3 983 467		191 100 951

Hedging first nine months 2011

Swaps

Interest rate and cross currency swaps	135 184 940	3 729 190	-917 476		135 184 940
Total interest derivatives	135 184 940	3 729 190	-917 476		135 184 940

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

NOTE 11 BONDS CLASSIFIED AS HOLD TO MATURITY

As of 30-09-12	Book value				Exchange	Amortised cost
Bonds classified as	31-12-11	Investments	Matured	Amortising	rate effects	30-09-12
Hold to maturity	2 205 514	0	-402 197	-88	0	1 803 229
Total certificates and bonds	2 205 514	0	-402 197	-88	0	1 803 229

Market value of bonds in hold to maturity portfolio

Bonds classified as	Book value	Market value incl exchange rate effects	Effect on result if at fair value
Hold to maturity	1 803 229	1 813 902	10 673
Total certificates and bonds	1 803 229	1 813 902	10 673

NOTE 12 OTHER LIABILITIES

NOK 1 000	30-09-12	30-09-11	2011
Employees tax deductions and other deductions	290	248	496
Employers national insurance contribution	181	191	314
Accrued holiday allowance	643	692	723
Commission payable to shareholder banks	991 870	743 694	663 177
Deposits*	11 657	6 283	7 663
Pension liabilities	674	222	674
Other accrued costs	86 796	33 278	8 685
Total	1 092 111	784 608	681 732

The Company does not have an overdraft facility or a revolving credit facility as of 30.09.12

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

NOTE 13 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. Bonds and certificates in the cover pool are stated at market values and this could also contribute to a discrepancy between the asset coverage test and the financial statements. 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 30.09.2012). 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.

COVER POOL 1 NOK 1 000	30-09-12	30-09-11	2011
Covered Bonds	151 578 154	102 812 563	120 595 374
Repurchased Bonds	-5 204 271	-3 175 909	-3 262
Derivatives	-2 318 959	-2 752 920	-3 204
Total Covered Bonds	144 054 925	96 883 734	114 129 700
Lending to customers	141 742 125	98 064 439	111 014 879
Treasury Bills	3 530 832	1 294 330	3 117 720
Substitute collateral	12 498 892	6 827 227	10 303
Total Cover Pool	157 771 849	106 185 996	124 435 399
Asset-coverage	109,5 %	109,6 %	109,0 %

COVER POOL 2 NOK 1 000	30-09-12	30-09-11	2011
Covered Bonds	18 229 817	18 253 883	18 166 609
Repurchased Bonds	-1 013 995	-1 014 268	-1 014 310
Derivatives	-151 517	-154 803	-47 908
Total Covered Bonds	17 064 305	17 084 811	17 104 391
Lending to customers	15 469 721	15 254 566	15 954 617
Substitute collateral	1 830 314	1 871 801	1 218 060
Total Cover Pool	17 300 035	17 126 367	17 172 677
Asset-coverage	101,4 %	100,2 %	100,4 %

NOTE 14 CAPITAL ADEQUACY

New capital adequacy regulations were introduced in Norway as of 1 January 2007 (Basel II - the new EU directive for capital adequacy) SpareBank 1 Boligkreditt AS has been granted permission from the Norwegian Financial Supervisory Authority to use the Internal Rating Based Approach (IRB) for credit risk from the 2nd quarter of 2009. Transitional rules are given by regulation from the Norwegian Financial Supervisory Authority whereby the use of the IRB-approach will not have full effect of reduced regulatory capital requirements. Permission is given for a reduction in risk-weighted basis of calculation of 20% of the old capital adequacy regulation (Basel I). For Boligkreditt these transitional rules mean that the company's assets as of June 30, 2012 have a higher risk-weighting than that under the standard method (in Basel II).

Equity Capital i NOK 1 000	30-09-12	30-09-11	2011
Share capital	4 610 548	3 430 548	3 770 548
Premium share fund	2 307 922	1 717 922	1 887 922
Other equity capital	420 695	985	695
Profit/loss	0	0	82 662
Total equity capital	7 339 165	5 149 455	5 741 827
Intangible assets	-2 279	-2 916	-2 132
Declared share dividend	0	0	-82 952
50% deduction of expected losses exceeding loss provisions IRB	-68 151	-51 886	-54 693
Core capital (Tier 1)	7 268 735	5 094 653	5 602 051
Supplementary capital		0	0
50% deduction of expected losses exceeding loss provisions IRB	-68 151	-51 886	-54 693
Total capital	7 200 584	5 042 767	5 547 358

Minimum requirements for capital according to Basel II i NOK 1 000	30-09-12	30-09-11	2011
Credit risk	1 610 743	1 192 926	1 344 887
Market risk	0	0	0
Operational risk	23 942	17 435	17 435
Depreciation on groups of loans	0	0	
Difference in capital requirement resulting from transitional rules	3 943 726	2 794 655	3 152 127
Minimum requirement for capital	5 578 411	4 005 016	4 514 449

Capital adequacy	30-09-12	30-09-11	2011
Core capital ratio (%) (Tier 1)	10,42 %	10,18 %	9,93 %
Total capital ratio (%)	10,33 %	10,07 %	9,83 %

NOTE 15 RISK MANAGEMENT

In the Annual Report for 2011, Notes 21 to 25, various risks and the management thereof have been disclosed.

NOTE 16 CONTINGENCIES

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

NOTE 17 RELATED PARTIES

SpareBank 1 SR-Bank ASA

SpareBank 1 Boligkreditt AS procures a material part of its back office and support operations from SpareBank 1 SR-Bank ASA. A support level agreement has been signed with SpareBank 1 SR-Bank ASA.

SpareBank1 Alliance

SpareBank 1 Boligkreditt AS maintains Transfer- and Servicing Agreements with alliance banks which manage the retail mortgage loan customers.

SpareBank 1 Næringskreditt AS

All employees in SpareBank 1 Boligkreditt AS are also employed in SpareBank 1 Næringskreditt AS. According to a Board decision in SpareBank 1 Næringskreditt on 17.09.09, 1/3 of the administrative costs in SpareBank 1 Boligkreditt AS are allocated and paid by SpareBank 1 Næringskreditt AS. The 1/3 share represents the expenses in SpareBank 1 Boligkredit AS occurred on behalf of SpareBank 1 Næringskreditt AS.

NOTE 18 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. As of 30.09.2012 this collateral amounted to NOK 3 495 568 157 This amount is included in the balance sheet as a deposit, but represents restricted cash.

SpareBank 1 Boligkreditt AS
Bjergsted Terrasse 1
PO Box 250
4066 Stavanger
Norway

E-mail: boligkreditt@sparebank1.no
Central switchboard: +47 915 02002
www.sparebank1.no/boligkreditt