



Næringskreditt 2nd Quarterly Report 2015

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SpareBank 1 Næringskreditt AS

Statement of the Board of Directors as of June 30, 2015

Key figures¹

	2Q 2015	1Q 2015	4Q 2014	3Q 2014	2Q 2014
Number of mortgages	484	504	532	457	455
Average balance per mortgage (NOK mill)	30.7	30,389092	30,1	34,3	34,4
Number of borrowers	356	356	382	321	317
Average weighted LTV	46,0 %	47,0 %	46,3 %	45,2 %	45,9 %
Cover Pool Overcollateralisation	129,9 %	128,0 %	128,2 %	129,5 %	131,2 %

Key events during the period

SpareBank 1 Næringskreditt's covered bonds were upgraded to Aaa by Moody's from Aa1 in May 2015.

In addition to senior bond issuance in NOK (refinancing existing issuances at maturity) the Company has issued a NOK 150 million covered bond in the first quarter 2015. The Company's inaugural covered bond, which was issued in June 2011, matured and was repaid in June 2015.

Mainly due to the reduction in lending to 15.4 billion (from 16.1 billion at the end of 2014) the capital coverage increased moderately at the end of the quarter to 14.71 per cent as of June 30, 2015. The requirement for capital coverage inclusive of additional buffer capital as of June 30, 2015 is 13.5 per cent and increased to 14.5 per cent from July 1, 2015. It is SpareBank 1 Næringskreditt's target to maintain its capital coverage above the legal minimum requirement.

Nature and development of the Company's business

SpareBank 1 Næringskreditt AS is a credit institution licensed by the Norwegian Financial Services Authority (Finanstilsynet) and is operated according to the legislation for covered bond issuers in Norway which is enshrined in the law regarding financial enterprises ("Finansieringsvirksomhetsloven") chapter 2, section IV and the detailed regulations thereof. The Norwegian Parliament has passed a new law regarding financial companies ('lov om finansforetak') which takes effect from January 1, 2016. We expect that the Norwegian Treasury Department will set a minimum overcollateralization level of 2 per cent for covered bond pools in the law's associated regulations. The law does not have any material impact on the operations of SpareBank 1 Boligkreditt

The purpose of the Company is to provide funding for the owners by buying residential mortgage loans with a loan-to-value ("LTV") of up to 60 per cent and financing these primarily through the issuance of covered bonds. The Company which is based in Stavanger, is owned by banks which are members of the SpareBank 1 Alliance. An agreement is signed with each parent bank regarding the purchase and transfer of commercial mortgages and the services which the parent banks owe to the Company and the Company's customers in this regard.

The period's financial accounts

The quarterly accounts have been prepared in accordance with the International Reporting Standards (IFRS) as adopted by the EU and published by the International Reporting Standards Board (IASB).

The Board views the accounts as presented to be a true representation of SpareBank 1 Næringskreditt's operations and financial position at the end of the second quarter 2015.

The total balance sheet amounts to NOK 17.2 billion at the end of the 2nd quarter and NOK 18.2 billion at the end of the previous year. The Company had during the first six months net interest income of NOK 75 million, including commissions earned by the ownership banks and accrued as an expense to SpareBank 1 Næringskreditt, compared to 82 million kroner for the first quarter of 2014. The costs of operations were NOK 7.1 million including amortisation and depreciation compared to 6.1 million for the same period last year. No additional amounts have been charged as loan provisions (write offs) during the period, in addition to the NOK 6.4 million in cumulative group loan loss provisions as of 31 December, 2014. No actual loan losses have occurred. Valuation changes on financial assets and debt contributed negatively with 8,5 million for the first six months of 2015 and positively by 1,8 million for the same period last year. In total the period's pre-tax result was NOK 59 million, compared to 78 million last year.

Lending to customers amounted to NOK 15.4 billion at the end of the second quarter 2015 and 15.8 billion at June 30, 2015. The cash and cash equivalents at 31 March 2015 amounted to NOK 1.2 billion.

Risk Assessment

SpareBank 1 Næringskreditt as an issuer of covered bonds is subject to strict rules regarding its exposure to credit, market, and liquidity risks. This fact and the aim of the maintenance of a satisfactory rating means that the Company is subject to low levels of risk and places strong emphasis on risk control.

Credit risk is defined as the risk that losses can occur as a consequence of that customers and others do not have the ability or willingness to meet their obligations to SpareBank 1 Næringskreditt. The portfolio which consists of mortgages up to 60 per cent LTV is the reason for why the Board of Directors assess the credit risk to be lower compared to other banks in general.

Market risk is defined as the risk of losses due to changes in market rates, i.e. interest rates, exchange rates and the prices of financial instruments. At the end of the quarter SpareBank 1 Næringskreditt AS had issued bonds for approximately NOK 11.9 billion and SEK 1.8 billion as well as EUR 102 million. All borrowing and investments with a fixed coupon and all borrowings and investments denominated in a foreign currency are hedged by financial currency and/or interest rate swaps or through other natural hedges, in order to convert the effective cash flow on this debt to a NOK floating rate (3 months NIBOR). The Company had as of quarter-end only moderate interest rate risk and immaterial amounts of currency risk.

Liquidity risk is defined as the risk that the Company is not able to meet its obligations at maturity or to be able to finance the purchase of loans at normal terms and conditions. Liquidity risk is managed based upon a liquidity strategy approved by the Board. The Company shall maintain a material liquidity reserve with a minimum size of covering all maturities within 6 months and 50 per cent of all maturities between 6 and 12 months. Additionally the Company shall at any point in time be able to meet its interest payments, including derivatives, which come due in the next three months under a scenario where no interest payments are received from the loan portfolio. SpareBank 1 Næringskreditt AS's liquidity situation is good.

Operational risk is defined as risk of loss due to error or neglect in transaction execution, weakness in the internal control or information technology systems breakdowns. Reputational, legal, ethical and competency risks are also elements of operational risk. The risk is assessed to be moderate.

It is important to the Company to identify measure and manage central areas of risk in such a way so that the Company can meet its strategic goals. A reference is made to annual report for 2014 for further information.

Future Prospects of the Company

With an increased uncertainty in the Norwegian economy and a moderate increase in unemployment, commercial property is more exposed to an economic downturn than lending for residential real estate, but despite of this the Board of Directors characterise the outlook for the Company as good and stable. Unemployment in Norway is low in an international context, even after an increase to 4.2 per cent (april 2015). SpareBank 1 Næringskreditt has a portfolio of commercial real estate with a weighted average loan to value of approximately 46 per cent, located in the largest towns in Norway. Slightly more than 10 per cent of the lending volume (36 per cent of the number of loans) are related to residential real estate and over 48 per cent of the volume is related to central office buildings. Vacant space in commercial property has been increasing some, but this has so far not impacted the Company's portfolio materially. There have been no losses or defaults in the portfolio since the Company's commencement of operations.

Macroeconomic development:

Norwegian mainland GDP increased by 0.5 per cent during the first quarter of 2015 measured against the preceding quarter, while for the year 2014 as a whole, growth was 2.2 per cent. Household consumption growth together with moderate growth in public consumption impact the growth positively during the first quarter 2015, while investments and the value of exports overall are declining against the backdrop of relatively low oil prices. Export of traditional goods however are increasing (by 0.8 per cent in the first quarter 2015) and this indicates improved competitiveness after the depreciation of the Norwegian krone.

Economic outlook:

A clear fall in oil investments has been a strong contributor to the slowing activity growth in the Norwegian economy since last summer. Demand from the mainland, excluding general government, has also consistently seen a weak development, and export growth has been modest. From early 2016, however, expectations are of increased momentum in exports, slightly higher growth in household demand and somewhat higher growth in business investments on the mainland. This, together with strong growth in public demand (expansive fiscal policy), will have a clear positive impact on economic growth despite the fact that investment in the petroleum industry is expected to continue falling somewhat throughout 2016. The growth in mainland Norway's GDP is expected to pick up further in 2017, reaching 3.2 per cent.

Projections (%)	2015	2016	2017	2018
GDP growth, mainland	1.2	2.4	3.2	3.2
Unemployment rate	4.2	4.3	4	3.8
CPI growth	2	2.1	1.6	1.4
Annual wage increase	2.8	3	3	3.3

¹ Macroeconomic prospects and projections have been sourced from Statistics Norway as of per June 4, 2015.

The Board of Directors affirms that the financial accounts present a correct and complete picture of the Company's operations and financial position. No material events have occurred after the end of the second quarter which is expected to affect these quarterly accounts for the first six months of 2015.

Stavanger June 30, 2015 / August 7, 2015
The Board of Directors of SpareBank 1 Næringskreditt AS



Kjell Fordal
Chairman of the Board



Rolf Eigit Bygdnes



Heidi Larsen



Knut Oscar Fleten



Merete Eik



Arve Austestad
Chief Executive Officer

SpareBank 1 Næringskreditt AS

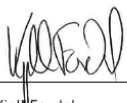
Statement of the members of the board and the chief executive officer

The Board and the chief executive officer have today reviewed and approved the financial accounts for the first six months of 2015 for SpareBank 1 Næringskreditt AS. The financial accounts have been prepared in accordance with the International Reporting Standards (IFRS), as adopted by the EU.

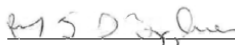
To the best knowledge of the board and the chief executive officer the accounts have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company taken as a whole as of June 30, 2015

The board of directors and the chief executive officer declare to the best of their knowledge that the annual report gives a true and fair view of the development and performance of the business of the Company, as well as a description of the principal risks and uncertainties facing the Company.

Stavanger June 30, 2015 / August 7, 2015
The Board of Directors in SpareBank 1 Næringskreditt AS



Kjell Fordal
Chairman of the Board



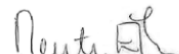
Rolf Eigil Bygdnes



Heidi Larsen



Knut Oscar Fleten



Merete Eik



Arve Austestad
Chief Executive Officer

Income Statement as of June 30, 2015

NOK 1 000	Note	30.06.2015	30.06.2014	2014
Interest income	2	232 957	274 872	554 399
Interest expense	2	158 205	193 065	381 495
Net interest income		74 752	81 807	172 904
Net gains/losses on financial instruments	3	-8 512	1 816	853
Total other operating income		-8 512	1 816	853
Total operating income		66 240	83 623	173 757
Salaries and other personnel expenses		2 364	2 468	5 377
Administration expenses		2 272	2 459	4 285
Other operating expenses	4	1 626	1 012	2 058
Amortization/Depreciation		818	148	764
Total operating expenses		7 079	6 087	12 484
Operating profit before losses		59 161	77 536	161 273
Impairment losses on loans			-	0
Operating profit before tax		59 161	41 054	161 273
Tax expense		13 472	20 935	43 543
Net profit		45 688	56 601	117 730

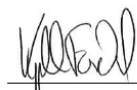
Comprehensive Income Statement as of June 30, 2015

NOK 1 000	30.06.2015	30.06.2014	2014
Net profit	45 688	56 601	117 730
Total profit	45 688	56 601	117 730
Allocations of total profit:			
Dividends			118 236
Other equity	45 688	56 601	-506
Total	45 688	56 601	117 730

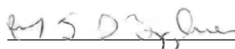
Balance Sheet as of June 30, 2015

NOK 1 000	Note	30.06.2015	30.06.2014	2014
Assets				
Deposits with credit institutions	10	19 180	163 526	459 908
Norwegian Government bills	10, 11	-	-	183 932
Bonds	10, 11	1 143 933	146 986	702 915
Lending to customers	5	15 423 368	15 760 696	16 111 887
Financial derivatives	9, 10, 11	609 682	202 038	698 574
Other intangible assets		3 779	1 506	3 899
Total Assets		17 199 941	16 274 752	18 161 115
Liabilities and Equity				
Liabilities				
Debt incurred by issuing securities	7, 10, 11	14 745 711	13 667 387	15 621 116
Collateral received in derivatives transactions		-	-	-
Subordinated debt	8	522 169	522 316	522 265
Financial derivatives	9, 10, 11	-	24 752	-
Deferred taxes		38 489	19 912	38 489
Taxes payable		13 473	20 935	24 966
Other liabilities	12	9 023	236 955	10 655
Total Liabilities		15 328 865	14 492 257	16 217 491
Equity				
Paid in equity	6	1 825 000	1 725 000	1 825 000
Other paid in equity (not yet registered)		-	-	-
Accrued equity		388	894	388
Provision for dividends		-	-	118 236
Net profit		45 688	56 601	-
Total Equity		1 871 076	1 782 495	1 943 624
Total Debt and Liabilities		17 199 941	16 274 752	18 161 115

Stavanger, August 7th 2015



Kjell Fordal
Chairman of the Board



Rolf Eigil Bygdnes



Heidi Larsen



Knut Oscar Fleten



Merete Eik



Arve Austestad
Chief Executive Officer

Statement of changes in equity

NOK 1 000	Share capital	Premium reserve	Not yet registered paid in equity	Declared dividends	Other Equity	Total Equity
Balance sheet as of 31 December 2010	584 000	146 000		8 877	34	738 911
Share increase 05.01.2011	120 000	30 000	-	-	-	150 000
Share increase 05.01.2011	240 000	60 000	-	-	-	300 000
Paid out dividend 15.07.2010	-	-	-	-8 877	-	-8 877
Net profit	-	-	-	23 128	900	24 028
Balance sheet as of 31 December 2011	944 000	236 000		23 128	934	1 204 062
Paid out dividend 23.03.2012	-	-	-	-23 128	-	-23 128
Share increase 20.09. 2012	100 000	25 000	-	-	-	125 000
Net profit	-	-	-	21 924	-71	21 853
Balance sheet as of 31 December 2012	1 044 000	261 000		21 924	863	1 327 787
Share Increase 27.02.2013	60 000	15 000	-	-	-	75 000
Share Increase 25.04.2013	20 000	5 000	-	-	-	25 000
Share Increase 28.05.2013	80 000	20 000	-	-	-	100 000
Paid out dividend 29.05.2013	-	-	-	-21 924	-	-21 924
Share Increase 15.10.2013	160 000	40 000	-	-	-	200 000
Net profit	-	-	-	32 736	31	32 767
Balance sheet as of 31 December 2013	1 364 000	341 000		32 736	894	1 738 630
Share increase 31.01.2014	16 000	4 000	-	-	-	20 000
Paid out dividend 06.06.2014	-	-	-	-32 736	-	-32 736
Share increase 16.09.2014	80 000	20 000	-	-	-	100 000
Net profit	-	-	-	118 236	-506	117 730
Balance sheet as of 30 June 2014	1 460 000	365 000	-	118 236	388	1 943 624
Net profit	-	-	-	-	45 688	45 688
Paid out dividend 06.06.2014	-	-	-	-118 236	-	-118 236
Balance sheet as of 31 March 2015	1 460 000	365 000	-	-	46 076	1 871 076

Cash flow statement

NOK 1 000	30.06.2015	30.06.2014	31.12.2014
Cash flows from operations			
Interest received	213 138	269 073	548 122
Payments for operations	-6 573	-6 591	-10 522
Paid tax	-24 966	-	-
Net cash flow from operations	181 599	262 482	537 600
Cash flows from investments			
Net purchase of loan portfolio	668 701	-521 781	-874 089
Net payments on the acquisition of government bills	183 381	36 729	-146 651
Net payments on the acquisition of bonds	-442 240	-145 216	-702 044
Net investments in intangible assets	-698	(1 499)	(4 508)
Net cash flows relating to investments	409 144	-631 768	-1 727 292
Cash flows from funding activities			
Net receipt/payment from the issuance of bonds	-743 375	412 241	1 842 869
Net receipt/payment from the issuance of subordinated debt	-	-	-
Net receipt/payment from the issuance of loans to credit institutions	-1 145	-16 243	-244 393
Equity capital subscription	0	20 000	120 000
Paid dividend	-118 260	-32 736	-32 736
Net interest payments on funding activity	-168 691	-208 338	-394 028
Net cash flow relating to funding activities	-1 031 470	174 924	1 291 712
Net cash flow in the period	-440 728	-194 362	102 020
Balance of cash and cash equivalents start of period	459 908	357 888	357 888
Net receipt/payments on cash	-440 728	-194 362	102 020
Exchange rate difference			
Balance of cash and cash equivalents end of period	19 180	163 526	459 908

Income statement and balance sheet

Income statement

NOK 1 000	2nd quarter 2015	1st quarter 2015	4th quarter 2014	3rd quarter 2014	4th quarter 2014
Interest income	113 272	119 684	139 594	139 934	141 903
Interest expense	78 178	80 027	93 903	94 527	105 413
Net interest income	35 094	39 657	45 691	45 407	36 490
Net gains/losses on financial instruments	-5 396	-3 116	-1 262	298	2 556
Total operating income	29 698	36 541	44 429	45 705	39 046
Salaries and other personnel expenses	916	1 447	1 187	1 722	1 009
Administration expenses	933	1 339	1 109	717	1 033
Other operating expenses	1 141	485	509	537	447
Amortization/Depreciation	426	392	358	258	74
Total operating expenses	3 416	3 663	3 163	3 234	2 564
Operating profit before losses	26 282	32 878	41 266	42 471	36 482
Impairment losses on loans	-	-	-	-	-
Operating profit before tax	26 282	32 878	41 266	42 471	36 482
Tax expense	4 595	8 877	11 142	11 467	9 850
Net profit	21 687	24 001	30 125	31 004	26 632

Balance Sheet

NOK 1 000	2nd quarter 2015	1st quarter 2015	4th quarter 2014	3rd quarter 2014	4th quarter 2014
Assets					
Deposits with credit institutions	19 180	539 178	459 908	923 151	163 526
Norwegian Government bills	-	64 597	183 932	99 450	-
Bonds	1 143 933	1 283 976	702 915	777 653	146 986
Lending to customers	15 423 368	15 410 282	16 111 887	15 774 540	15 760 696
Financial derivatives	609 682	695 147	698 574	285 939	202 038
Other intangible assets	3 779	3 851	3 899	3 606	1 507
Sum of assets	17 199 941	17 997 031	18 161 115	17 864 339	16 274 753
Liabilities					
Debt incurred by issuing securities	14 745 711	15 281 395	15 621 116	15 079 913	13 667 387
Collateral received in derivatives transactions	-	139 332	-	-	-
Subordinated debt	522 169	521 960	522 265	522 309	522 316
Financial derivatives	-	-	-	71 807	24 752
Deferred taxes	38 489	38 489	38 489	19 912	19 912
Taxes payable	13 473	33 843	24 966	32 402	20 935
Other liabilities	9 023	14 387	10 655	224 497	236 955
Total Liabilities	15 328 865	16 029 406	16 217 491	15 950 840	14 492 257

Equity

Paid in equity	1 825 000	1 825 000	1 825 000	1 725 000	1 725 000
Other paid in equity (not yet registered)	-	-	-	100 000	-
Accrued equity	388	364	388	894	894
Provision for dividends	-	118 260	118 236	-	-
Net profit	45 688	24 001	-	87 605	56 602
Total Equity	1 871 076	1 967 625	1 943 624	1 913 499	1 782 496
Total Liabilities and Equity	17 199 941	17 997 031	18 161 115	17 864 339	16 274 753

Key figures

Number of shares	14 600 000	14 600 000	14 600 000	14 600 000	13 800 000
Net profit per share	0,3129 %	0,1644 %	0,2063 %	0,2124 %	0,1930 %

Notes to the Accounts as of June 30, 2015

Note 1 General Information

1.1 General Information

SpareBank 1 Næringskreditt AS quarterly accounts for the period 01.01.-30.06.15 have been prepared in accordance with "International Financial Reporting Standards (IFRS), as determined by the EU and published by International Accounting Standards Board" (IASB). The accounting principles listed below should be read in conjunction with the accounting principles as detailed in the annual accounts for 2014.

1.2 Accounting Principles

The Company's accounting principles and methods of computation/estimation are in all material aspects unchanged compared to the annual accounts for 2014. The principles below should be read together with the accounting principles in the annual accounts for 2013.

1.3 Segment

A business segment is a grouping of assets or business activity which produces products or services, and which is subject to risk and return which is different to that of other business segments. The Company has one segment, which is the commercial property segment. This segment consists of lending for commercial properties and all loans have been acquired from banks in the SpareBank 1 Alliance.

1.4 Pension

SpareBank 1 Næringskreditt AS has no directly employed staff. The pension obligation is covered by SpareBank 1 Boligkreditt AS under the pension Scheme of SpareBank 1 Boligkreditt AS currently has two types of pension schemes.

1.5 Financial risk management

For a discussion of financial risk management, please refer to notes 3, 22 and 23 in the annual accounts for 2014.

1.6 Estimates

The presentation of financial information results in that management uses estimates and makes assumptions which affect the outcome of certain accounting principles, including the amounts accounted for assets, liabilities, income and cost. In the annual accounts for 2013 a discussion of these estimates and assumptions have been included in note 4.

Note 2 Net Interest Income

NOK 1 000	30.06.2015	30.06.2014	2014
Interest income			
Interest income and similar income from loans to and balances with credit institutions	12 944	14 174	26 542
Interest income and similar income from loans to and balances with customers	263 405	312 574	622 716
Commission expense (payable to shareholder banks) *	-43 392	-51 876	-94 859
Total interest income	232 957	274 872	554 399

* Commissions to our parent banks are calculated daily for each mortgage loan transferred, whereby the commission equals the customer loan rate less a rate which incorporates the Company's average cost of funding and operational costs. The operational add-on element is expressed through an average rate which is from time to time decided by the Company's Board of Directors.

Interest expense			
Interest expense and similar expenses on issued bonds	146 259	180 479	356 176
Interest expense on subordinated debt	11 946	12 586	25 355
Other interest expense	-	-	-36
Total interest expense	158 205	193 065	381 495
Net interest income	74 752	81 807	172 904

Note 3 Net Gains from Financial Instruments

NOK 1 000	30.06.2015	30.06.2014	2014
Net gains (losses) from financial liabilities	-27 597	-107	-410 436
Net gains (losses) from financial assets	22 200	-141 157	-580
Net gains (losses) from financial derivatives, hedging, at fair value	-3 116	143 081	411 868
Netto gains (losses)	-8 512	1 817	852

Note 4 Other Operating Expenses

NOK 1 000	30.06.2015	30.06.2014	2014
IT services	1 514	858	1 779
Other operating expenses	112	154	279
Total	1 626	1 012	2 058

Note 5 Lending to Customers

NOK 1 000	30.06.2015	30.06.2014	2014
Repayment loans	15 334 545	15 645 140	16 003 246
Accrued interest on loans	95 219	121 952	115 037
Total lending before provisions for loan losses	15 429 764	15 767 092	16 118 283
Individual loan loss provisions			-
Group loan loss provisions	6 396	6 396	6 396
Net lending to customers	15 423 368	15 760 696	16 111 887
Defaulted loans			
Defaults*	0,00 %	0,00 %	0,00 %
Specified loan loss provisions	0,00 %	0,00 %	0,00 %
Net defaulted loans	0,00 %	0,00 %	0,00 %
Loans at risk of loss			
Loans not defaulted but at risk of loss	0,00 %	0,00 %	0,00 %
- Write downs on loans at risk of loss	0,00 %	0,00 %	0,00 %
Net other loans at risk of loss	0,00 %	0,00 %	0,00 %

*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 6 Equity and shareholders information

Overview of shareholders as of 30.06.2015

	Number of shares	A-shares	B-shares	Ownership stake	Vote
SpareBank 1 SMN	4 909 200	1 200 000	3 709 200	33,62 %	33,62 %
SpareBank 1 SR-Bank ASA	3 913 034	1 200 000	2 713 034	26,80 %	26,80 %
SpareBank 1 Nord-Norge	3 041 400	400 000	2 641 400	20,83 %	20,83 %
Sparebanken Hedmark	560 000	560 000	-	3,84 %	3,84 %
SpareBank 1 Ringerike Hadeland	455 646	-	455 646	3,12 %	3,12 %
SpareBank 1 BV	321 589	-	321 589	2,20 %	2,20 %
SpareBank 1 Østfold Akershus	277 072	-	277 072	1,90 %	1,90 %
Sparebanken Telemark	270 165	-	270 165	1,85 %	1,85 %
SpareBank 1 Hallingdal Valdres	171 156	-	171 156	1,17 %	1,17 %
SpareBank 1 Nordvest	140 200	-	140 200	0,96 %	0,96 %
Modum Sparebank	115 127	-	115 127	0,79 %	0,79 %
SpareBank 1 Nøtterøy Tønsberg	102 592	-	102 592	0,70 %	0,70 %
SpareBank 1 Søre Sunnmøre	101 568	-	101 568	0,70 %	0,70 %
SpareBank 1 Gudbrandsdal	86 473	-	86 473	0,59 %	0,59 %
Lom og Skjåk Sparebank	81 869	-	81 869	0,56 %	0,56 %
Sparebanken Vest	52 909	-	52 909	0,36 %	0,36 %
Sum	14 600 000	3 360 000	11 240 000	100 %	100 %

The equity capital consists of 3,360,000 A-shares and 11,240,000 B-shares, each with a face value of NOK 125. The A-shares reflect loans transferred (or reserved for future transfers) from the banks. B-shares reflect loans transferred to the Company by banks mutually owned by the other banks (as of today this pertains only to BN Bank ASA). The B-shares are allocated amongst the banks according to their ownership share in the mutually owned banks. A-shares and B-shares carry the same rights, with the one exemption that dividends may be differentiated between the share classes.

Note 7 Liabilities incurred by issuing Securities

	Nominal amounts*	Nominal amounts	Nominal amounts
NOK 1 000	30.06.2015	30.06.2014	2014
Senior unsecured Bonds	1 342 000	2 455 000	1 355 000
Repurchased senior unsecured bonds	0	-1 100 000	-16 000
Covered bonds	12 843 505	12 192 380	13 758 330
Withdrawn from the Norwegian Central Bank Swap Facility		-	-
Bonds deposited in the Norwegian Central Bank Swap Facility		-	-
Repurchased covered bonds	-80 000	-75 000	-50 000
Total liabilities incurred by issuing securities	14 105 505	13 472 380	15 047 330

* Nominal value is incurred debt at exchange rates (SEK/NOK) at the time of issuance

	Book value	Book value	Book value
NOK 1 000	30.06.2015	30.06.2014	2014
Senior unsecured Bonds	1 342 000	2 454 837	1 354 882
Repurchased senior unsecured bonds	0	-1 099 891	-15 997
Covered bonds	13 331 908	12 381 906	14 219 182
Withdrawn from the Norwegian Central Bank Swap Facility	0	-	-
Bonds deposited in the Norwegian Central Bank Swap Facility		-	-
Repurchased covered bonds	-83 131	-91 932	-54 963
Activated costs incurred by issuing debt	-296	-705	-500
Accrued interest	20 437	23 172	118 512
Total liabilities incurred by issuing securities	14 610 918	13 667 387	15 621 116

Liabilities categorized by debt instrument and year of maturity (nominal value*) NOK 1,000:

Senior unsecured	Nominal amounts*	Nominal amounts	Nominal amounts
Due in year	30.06.2015	30.06.2014	2014
2014		520 000	
2015	520 000		85 000
2016	-	835 000	1 254 000
2017	822 000		-
Total	1 342 000	1 355 000	1 339 000

Covered Bonds in Central Bank Swap Facility	Nominal amounts*	Nominal amounts	Nominal amounts
Due in year	30.06.2015	30.06.2014	2014
2014	-	-	-
Total	-	0	-

Covered Bonds	Due in year	Nominal amounts*	Nominal amounts	Nominal amounts
		30.06.2015	30.06.2014	2014
	2015	-	875 000	820 000
	2016	928 600	928 600	959 400
	2017	573 000	600 000	600 000
	2018	2 125 425	1 904 300	2 189 700
	2019	3 564 000	4 150 000	3 650 000
	2020	2 200 000	600 000	2 200 000
	2021	1 113 000	800 000	980 300
	2022		-	-
	2023	550 000	550 000	550 000
	2024	99 480	99 480	108 180
	2025	200 000	200 000	200 000
	2026		-	-
	2027		-	-
	2028	1 000 000	1 000 000	1 000 000
	2029	410 000	410 000	450 750
Total		12 763 505	12 117 380	13 708 330
Grand Total		14 105 505	13 472 380	15 047 330

* Nominal value is incurred debt at exchange rates at the time of issuance

Liabilities incurred by currency (book values at the end of the period)

NOK 1 000	30.06.2015	30.06.2014	2014
NOK	11 927 671	11 366 863	12 760 938
SEK	1 910 965	1 605 746	1 922 201
EUR	906 972	694 778	937 977
Total	14 745 608	13 667 387	15 621 116

Note 8 Subordinated debt

NOK 1000	Year of issuance	Nominal value	Maturity	Callable	Book value	Book value	Book value
					30.06.2015	30.06.2014	2014
Subordinated debt Tier 2	2013	NOK 346 000	2023	2018	347 770	347 874	346 719
Additional Tier 1 capital	2013	NOK 173 000	Evigvarende	2018	174 399	174 442	173 561
Total		NOK 519 000			522 169	522 316	520 280

Out of the total of NOK 519 mill in subordinated debt, NOK 173 mill is additional Tier 1 capital and NOK 346 mill is subordinated debt classified as Tier 2 capital. Issuance expenses are activated and are reflected in the amortized costs valuation. Additional Tier 1 capital may be a maximum of 35% of total Tier 1 capital for bonds with no maturity.

Note 9 Financial Derivatives

NOK 1 000	30.06.2015	30.06.2014	2014
Interest rate derivatives			
Interest rate swaps			
Nominal amount	4 700 000	4 550 000	4 550 000
Asset	479 773	177 243	527 121
Liability	-	-	-
Currency derivatives			
Currency swaps			
Nominal amount	2 804 964	2 291 622	2 838 330
Asset	129 908	24 795	171 453
Liability	-	-24 752	-
Total financial derivatives			
Nominal amount	7 504 964	6 841 622	7 388 330
Asset	609 682	202 038	698 574
Liability	-	-24 752	-

All derivative contracts exist for the purpose of hedging changes in interest rates and currency exchange rates.

Note 10 Classification of Financial Instruments

NOK 1 000	Financial instruments accounted for at fair value *	Financial assets and debt accounted for at amortised cost	Non-financial assets and liabilities	30.06.2015
Assets				
Deposits in banks	-	19 180	-	19 180
Government certificates	-	-	-	-
Bonds	1 143 933	-	-	1 143 933
Lending	-	15 423 368	-	15 423 368
Financial derivatives	609 682	-	-	609 682
Other intangible assets	-	-	3 779	3 779
Total Assets	1 753 614	15 442 548	3 779	17 199 941
Liabilities				
Debt incurred by issuing securities	8 003 378	6 742 333	-	14 745 711
Collateral received in derivatives transactions	-	-	-	-175
Subordinated debt	-	522 169	-	522 169
Financial derivatives	-	-	-	-
Deferred taxes	-	-	38 489	38 489
Taxes payable	-	-	13 473	13 473
Other liabilities	-	5 398	3 626	9 199
Total Liabilities	8 003 378	7 269 900	55 588	15 328 865
Total Equity	-	-	1 871 076	1 871 076
Total Liabilities and Equity	8 003 378	7 269 900	1 926 664	17 199 941

NOK 1 000	Financial instruments accounted for at fair value *	Financial assets and debt accounted for at amortised cost	Non-financial assets and liabilities	30.06.2014
Assets				
Deposits in banks	-	459 908	-	459 908
Government certificates	183 932	-	-	183 932
Bonds	702 915	-	-	702 915
Lending	-	16 111 887	-	16 111 887
Financial derivatives	698 574	-	-	698 574
Other intangible assets	-	-	3 899	3 899
Total Assets	1 585 421	16 571 795	3 899	18 161 115
Liabilities				
Debt incurred by issuing securities	7 942 977	7 678 139	-	15 621 116
Subordinated debt	-	522 265	-	522 265
Financial derivatives	-	-	-	-
Deferred taxes	-	-	38 489	38 489
Taxes payable	-	-	24 966	24 966
Other liabilities	-	6 718	3 937	10 655
Total Liabilities	7 942 977	8 207 122	67 392	16 217 491
Total Equity	-	-	1 943 624	1 943 624
Total Liabilities and Equity	7 942 977	8 207 122	2 011 016	18 161 115

* Fair value calculation according to changes in market interest rates and currencies exchange rates.

Note 11 Financial Instruments at Fair Value

Methods in order 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

Issued bonds are valued at present value using a discount rate. The discount rate is the swap rate curve. The presentation of fair value is according to three levels:

- Quoted price in an active market for an identical asset or liability (level 1)
- Valuation based on observable factors either direct (prices) or indirect (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), but no such assets are held

The following table present the company's assets and liabilities at fair value as of 30.06.2015:

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Bonds and bills	130 260	1 013 672	-	1 143 932
Financial Derivatives	-	609 682	-	609 682
Total Assets	130 260	1 623 354	-	1 753 614
Bonds	-	8 003 378	-	8 003 378
Financial Derivatives	-	-	-	-
Total Liabilities	-	8 003 378	-	8 003 378

The following table present the company's assets and liabilities at fair value as of 30.06.2014:

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Bonds and bills	183 932	702 915	-	886 847
Financial Derivatives	-	698 574	-	698 574
Total Assets	183 932	1 401 489	-	1 585 421
Bonds	-	7 942 977	-	7 942 977
Financial Derivatives	-	-	-	-
Total Liabilities	-	7 942 977	-	7 942 977

Note 12 Other Liabilities

NOK 1 000	30.06.2015	30.06.2014	2014
Commissions payable to shareholder banks	5 574	234 868	6 718
Due to SpareBank 1 Boligkreditt AS	-	-	1 042
Other liabilities	3 449	2 087	2 895
Total other liabilities	9 023	236 955	10 655

The Company maintains no line of credit / overdraft facility.

Note 13 Asset Coverage Requirement

The asset coverage requirement is according to the covered bond law § 2-31.

NOK 1 000	30.06.2015	30.06.2014	2014
Covered Bonds	13 482 503	12 399 011	14 333 327
Repurchased Bonds	-83 216	-76 008	-56 016
Derivatives	-609 682	-177 286	-698 574
Total Covered Bonds	12 789 605	12 145 717	13 578 737
Lending to customers	15 377 069	15 620 248	16 057 724
Derivatives	-	-	183 932
Substitute collateral	1 162 676	310 534	1 162 824
Total Cover Pool	16 539 745	15 930 783	17 404 480
Asset-coverage	129 %	131 %	128 %

Note 14 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.

A new capital requirements directive was introduced in Norway as of January 1, 2007 (Basel II). SpareBank1 Næringskreditt AS employs the standardised approach to calculate the Pillar 1 capital requirements.

The European Union has approved new regulatory requirements, CRD IV. The new regulations place more robust requirements on capital adequacy, capital structure, liquidity buffers and funding. CRD IV is gradually introduced in Norway up until the end of 2016. The requirement of 12.5% total capital includes a 9% Core Tier 1 capital and 3.5% additional capital. SpareBank 1 Næringskreditt introduces the capital coverage as per the CRD IV requirements as of 30.09.2014.

The Company's parent banks have committed themselves to keep the Equity Core Tier 1 capital at a minimum 9%. Primarily this commitment is pro rata according to the ownership stakes in the Company, but it is a joint and several undertaking if one or more ownership banks are unable to comply, up to the maximum of twice the initial pro rata amount.

Equity capital i NOK 1 000	30.06.2015	30.06.2014	2014
Share capital	1 460 000	1 380 000	1 460 000
Premium share fund	365 000	345 000	365 000
Other paid in equity (not yet registered)		0	-
Other equity	388	894	894
Declared dividends	0	0	-118 236
Net profit		-	117 730
Prudent valuation adjustment (AVA)	-1 754	-	(1 585)
Intangible assets	-3 779	-	(3 899)
Total core equity	1 819 855	1 725 894	1 819 904
Intangible assets	0	-1 507	-
Deferred tax asset	-	-	-
Declared dividend	-	-	-
Perpetual capital (hybrid) securities	173 000	173 000	173 000
Total Tier 1 Equity	1 992 855	1 897 387	1 992 904
Supplementary capital			
Additional tier 1 (exceeding 15% and 35 %)		-	-
Additional tier 2 capital	346 000	346 000	346 000
Total supplementary capital	346 000	346 000	346 000
Total capital	2 338 855	2 243 387	2 338 904

Minimum requirements for capital according to Basel II i NOK 1 000	30.06.2015	30.06.2014	2014
Credit risk	1 219 990	1 234 889	1 286 988
Market risk		-	-
Operational risk	13 768	7 465	7 465
CVA Risk	38 620	-	45 261
Depreciation on groups of loans	-512	(512)	(512)
Minimum capital requirement	1 271 867	1 241 842	1 339 201

Capital coverage

	30.06.2015	30.06.2014	2014
<i>Risk weighted assets, incl. transitional rule</i>	15 898 334	15 523 025	16 740 014
Capital Ratio (%)	14,71 %	14,45 %	13,97 %
Tier 1 Capital Ratio (%)	12,53 %	12,22 %	11,91 %
Core Tier 1 Capital Ratio (%)	11,45 %	11,11 %	10,87 %

Note 15 Information regarding Related Parties

A number of transactions are entered into between SpareBank 1 Næringskreditt AS and its shareholder banks such as the acquisition of mortgages secured in commercial property, deposits and unsecured debt issued by the Company. The Company has acquired loans from BN Bank ASA, SpareBank1 SR Bank ASA, SpareBank 1 SMN AS, Sparebanken Hedmark and SpareBank 1 Nord-Norge. A transfer and servicing agreement exists between the Company and each of the vendors of mortgages.

The Company acquires operational services from SpareBank 1 SR-Bank ASA. A Service Level Agreement has been entered into between SpareBank 1 Næringskreditt AS and SpareBank 1 SR-Bank ASA. In addition SpareBank 1 Næringskreditt AS purchases IT services from BN Bank ASA.

SpareBank1 Næringskreditt AS hires personell from SpareBank1 Boligkreditt. According to a decision by the Board of Directors in SpareBank1 Næringskreditt AS as of 17.09.09, 1/3 of av personell expense in SpareBank1 Boligkreditt AS shall be carried by SpareBank1 Næringskreditt AS. The share reflects the actual use of resources in SpareBank1 Boligkreditt AS.

SpareBank 1 Næringskreditt AS has in 2015 calculated a commission in the amount of 22.1 million kroner and payable commissions as of 30.06.2015 are 5.5 million kroner. The commission is calculated based on the difference in rates of lending to customers and borrowings with a deduction for administrative costs.

Contact information

SpareBank 1 Næringskreditt AS

Postal address:

SpareBank 1 Næringskreditt
PO Box 250
4066 Stavanger
Norway

Visiting address:

Bjergsted Terrasse 1
4007 Stavanger
Norway



Chief Executive Officer

Arve Austestad
Tlf: +47 51 50 94 11



Investor Relations

Eivind Hegelstad
Tlf: +47 51 50 93 67



Head of Finance and Risk

Henning Nilsen
Tlf: +47 51 50 94 12