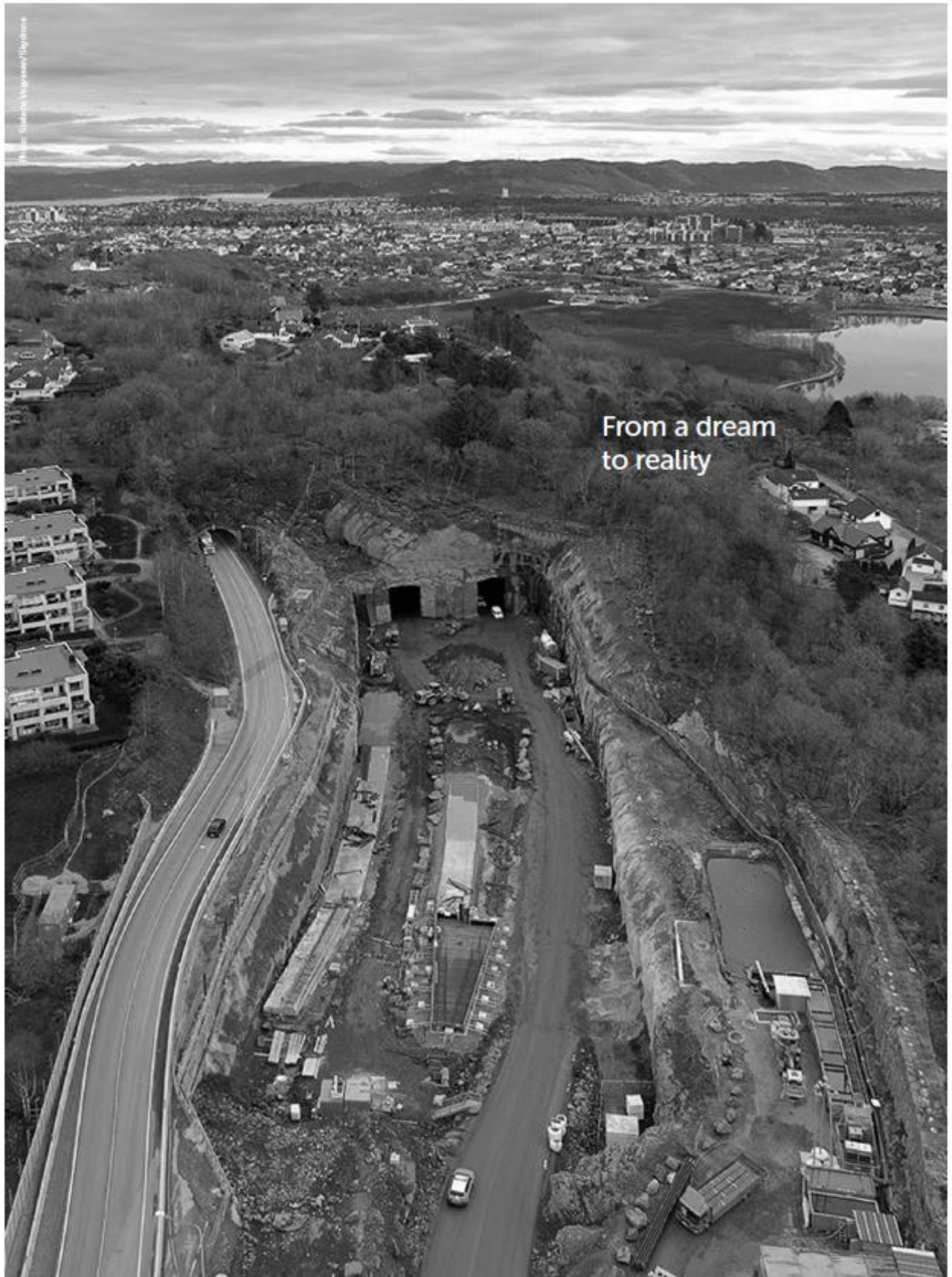


Photo: SpareBank 1 Nyseweger Regionen



From a dream
to reality

FOURTH QUARTER 2015



Chief Executive, CEO

Arne Austreid

For further information, please contact

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SpareBank 1 SR-Bank Switchboard: +47 915 02002

Information on the Internet

SpareBank 1 SR-Bank's homepage www.sr-bank.no

Financial Calendar

Preliminary annual results for 2015	04 February
Annual general meeting 2015	27 April
Ex-dividend date	28 April
First quarter 2016	27 April
Second quarter 2016	10 August
Third quarter 2016	26 October

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1. SpareBank 1 SR-Bank ASA

1.1 Financial highlights

Q4 2015

- Pre-tax profit: NOK 477 million (NOK 553 million)
- Profit after tax: NOK 442 million (NOK 448 million)
- Return on equity after tax: 10.6% (11.7%)
- Earnings per share: NOK 1.73 (NOK 1.75)
- Net interest income: NOK 678 million (NOK 655 million)
- Net commission and other income: NOK 372 million (NOK 405 million)
- Net income on investment securities: NOK -13 million (NOK 116 million)
- Operating expenses: NOK 368 million (NOK 530 million)
- Impairment losses on loans and guarantees: NOK 192 million (NOK 93 million)
(Q4 2014 in parentheses)

As at 31 December 2015

- Pre-tax profit: NOK 2,146 million (NOK 2,601 million)
- Profit after tax: NOK 1,746 million (NOK 2,095 million)
- Return on equity after tax: 10.8% (14.2%)
- Earnings per share: NOK 6.83 (NOK 8.20)
- Net interest income: NOK 2,593 million (NOK 2,404 million)
- Net commission and other income: NOK 1,532 million (NOK 1,732 million)
- Net income from financial investments: NOK 304 million (NOK 778 million)
- Operating expenses: NOK 1,863 million (NOK 2,056 million)
- Impairment losses on loans and guarantees: NOK 420 million (NOK 257 million)
- Total lending growth over past 12 months: 5.4% (4.7%)
- Growth in deposits over past 12 months: 9.8% (13.7%)
- Tier 1 capital ratio: 14.2% (12.3%)
- CET 1 capital ratio: 13.3% (11.5%)
(As at 31 December 2014 in parentheses)

Income statement

Financial results

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Net interest income	678	649	639	627	655	2.593	2.404
Net commission and other income	372	353	399	408	405	1.532	1.732
Net return on investment securities	-13	12	94	211	116	304	778
Total income	1.037	1.014	1.132	1.246	1.176	4.429	4.914
Total operating expenses	368	429	536	530	530	1.863	2.056
Operating profit before losses	669	585	596	716	646	2.566	2.858
Losses on loans and guarantees	192	96	44	88	93	420	257
Operating profit before tax	477	489	552	628	553	2.146	2.601
Tax expense	35	112	121	132	105	400	506
Profit after tax	442	377	431	496	448	1.746	2.095

Key figures

Key figures

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Return on equity ¹⁾	10,6 %	9,3 %	10,8 %	12,7 %	11,7 %	10,8 %	14,2 %
Cost ratio ²⁾	35,5 %	42,3 %	47,3 %	42,5 %	45,1 %	42,1 %	41,8 %
Deposit-to-loan ratio	57,6 %	58,6 %	60,4 %	59,4 %	57,5 %	57,6 %	57,5 %
Growth in loans	9,6 %	10,6 %	11,0 %	18,9 %	17,7 %	9,6 %	17,7 %
Growth in loans incl. covered bond companies	5,4 %	7,4 %	7,6 %	7,3 %	4,7 %	5,4 %	4,7 %
Growth in deposits	9,8 %	9,5 %	11,1 %	15,5 %	13,7 %	9,8 %	13,7 %
Average total assets, MNOK	192.315	185.459	177.861	175.938	172.179	182.768	166.017
Total assets, MNOK	192.049	191.500	181.889	176.913	174.926	192.049	174.926
Impairment losses ratio ³⁾	0,50	0,25	0,12	0,25	0,27	0,28	0,20
Capital ratio	16,7	15,2	15,3	15,2	14,5	16,7	14,5
Common Equity Tier 1 capital ratio	13,3	12,2	12,3	12,1	11,5	13,3	11,5
Share price	39,30	42,40	52,25	56,25	52,50	39,30	52,50
EPS (group)	1,73	1,47	1,69	1,94	1,75	6,83	8,20




¹⁾ Net profit as a percentage of average equity.

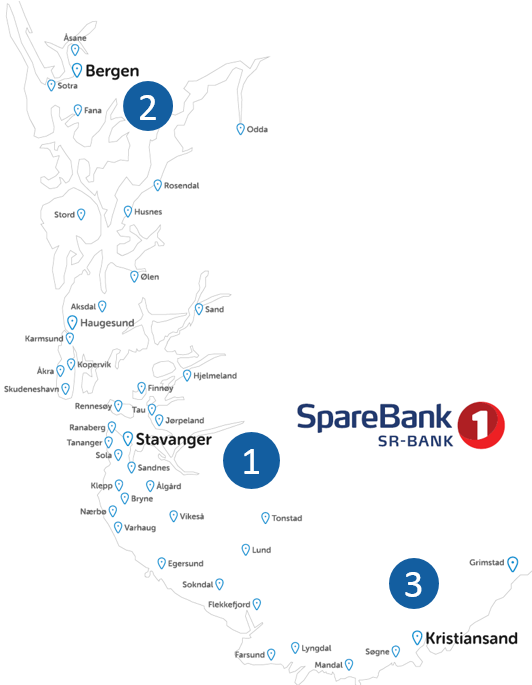
²⁾ Total operating expenses as a percentage of total operating income

³⁾ Net losses expressed as a percentage of average gross lending year to date, annualized

1.2 Business description: leading financial institution in Rogaland, Hordaland and Agder

The leading financial group in the southwest of Norway

1	Rogaland	
Population	467.000	
Market share	37%	
Year of establishment	1839	
Market strategy	Market leader	
Unemployment rate	4.9%*	
2	Hordaland	
Population	512.000	
Market share	6%	
Year of establishment	2006	
Market strategy	Entry/growth	
Unemployment rate	3.5%*	
3	Agder	
Population	296.000	
Market share	9%	
Year of establishment	2002	
Market strategy	Growth	
Unemployment rate	4.5%*	



Source: Nav, SSB og SpareBank 1 SR-Bank
* Figures as of 31.01.2016

Figure 1.2.1: Operating areas

SpareBank 1 SR-Bank is Norway’s largest regional bank and the second largest Norwegian-owned bank (after DNB) with gross lending including covered bond companies of NOK 183.9 billion and market cap of NOK 10 billion as at 31 December 2015. Head office is in Stavanger. The market areas are the counties of Rogaland, Agder and Hordaland. SpareBank 1 SR-Bank ASA has 1 161 employees and provides a full range of products and services within financing, investments, money transfers, pensions as well as life and non-life insurance.

The customer-oriented activity is organized in three divisions: Retail Market, Corporate Market and Capital Market.

Retail Market

SpareBank 1 SR-Bank ASA is the leading retail customer bank in Rogaland, with about 262,000 retail customers and a market share in Rogaland of about 40 per cent. The division also serves agricultural clients, sole proprietorships and associations.

Corporate Market

SpareBank 1 SR-Bank ASA service about 12,000 customers in the business sector and public sector. These also include small businesses, agricultural customers, societies and associations. About 40 per cent of all businesses in the bank’s traditional market list SpareBank 1 SR-Bank ASA as their main bank.

Capital Market

The Capital Market division comprises securities activities, SR-Markets and the subsidiary SR-Forvaltning that manage customers’ and the bank’s own assets in the form of securities, mutual funds and properties. SR-Markets primarily serve the group’s customers and other selected customers in defined market areas in the country as a whole.

Divisions of SpareBank 1 SR-Bank ASA
Capital Markets
 Number of man-years : 33

Retail Market
 Number of man-years : 460

Corporate Market
 Number of man-years : 168

Administration & Support
 Number of man-years : 208

Fully owned companies

EiendomsMegler 1	SpareBank 1 SR-FORVALTNING	SpareBank 1 SR-FINANS	SpareBank 1 REGNSKAPSHUSET	SpareBank 1 SR-BOLIGKREDITT
Number of man-years : 200	Number of man-years : 14	Number of man-years : 33	Number of man-years : 44	Number of man-years : 1
Key areas: • Leading real estate broker	Key areas: • Asset management	Key areas: • Leasing	Key areas: • Accounting • Advisory	Key areas: • Covered Bond Funding

Partly owned companies

SpareBank 1 Gruppen AS (19,5%)	BN Bank ASA (23,5%)	SpareBank 1 Boligkreditt AS (16,7%)	SpareBank 1 Næringskreditt AS (26,8%)	SpareBank 1 Kredittkort (18,1%)
Holding company for the SpareBank 1 - Alliance	Commercial bank located in Oslo and Trondheim	Covered bond company (mortgages)	Covered bond company (commercial real estate)	Credit card company located in Trondheim

Figure 1.2.2: SpareBank 1 SR-Bank's activities

Segment operating profit*

MNOK	Retail market		Corporate market		Capital market	
	2015	2014	2015	2014	2015	2014
Operating profit before tax 4th quarter only	287	308	66	195	10	(36)
Operating profit before tax as at 31 December	1.206	1.349	713	855	2	19
Gross loans to customers excl. SB1 Boligkreditt and SB1 Næringskreditt as at 31 December	89.133	79.727	55.852	52.019	698	671
Deposits from customers as at 31 December	46.910	44.681	38.359	32.837	3699	1700

* not including subsidiaries

Vision and strategy

Our vision: the customer's first choice in Southern and Western Norway

Objectives	Financial goals
<ul style="list-style-type: none">• SpareBank 1 SR-Bank's objectives are to stimulate growth and development in the region• To provide a sustainable contribution to the wealth creation process in the region through:<ul style="list-style-type: none">• A sustainable and profitable business model• An owner-friendly, stable dividend policy	<ul style="list-style-type: none">• Return on equity of 11% after tax in 2016. The longer term target is a minimum of 11%.• Top 50% return on equity and cost/income in a Nordic benchmark
Strategic goals	Strategic focus
<ul style="list-style-type: none">• Nearer to people and companies• We want to be nearer to people and companies than our competitors by understanding the people, companies and markets in the region better than our competitors.• We want to learn what is important for our customers through a combination of close, personal relationships and the proper utilisation of customer data. We want to be an accessible, long-term partner whom the customers trust.	<ul style="list-style-type: none">• Portfolio quality• Managed and selective growth, greater product mix• Risk pricing• Portfolio management• Innovation, digitalisation and continuous streamlining - cost effectiveness• Strengthening capital• Diversified funding platform

Figure 1.2.3: Vision and strategy

Legal and organizational structure

SpareBank 1 SR-Banks's various management and control bodies have all been established with respect to Norwegian legislation. The figure below shows an overview of current management and control bodies:

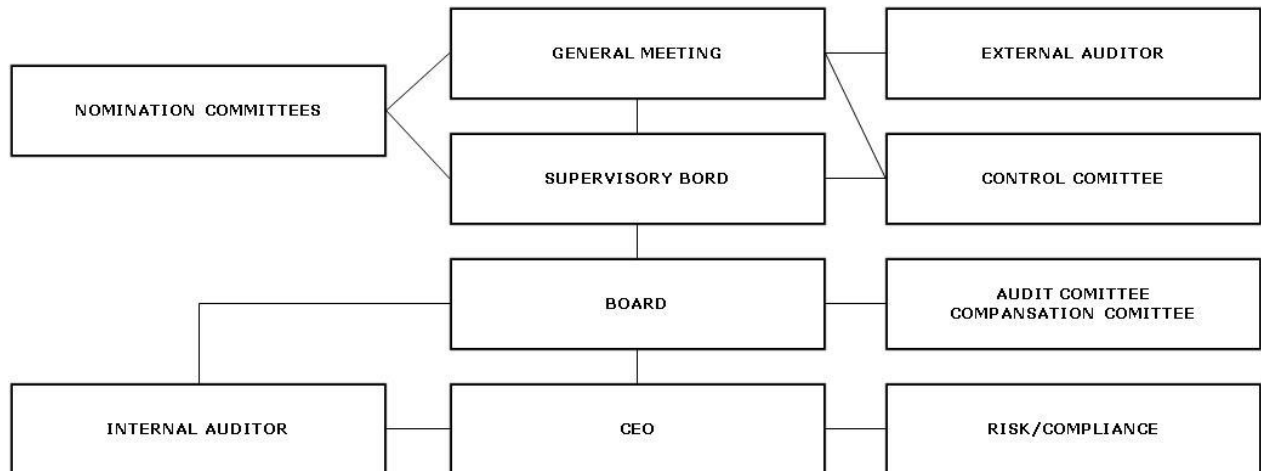


Figure 1.2.4: Overview of management and control bodies

General Meeting

Through the General Meeting, the shareholders exercise the highest level of authority at SpareBank 1 SR-Bank ASA. The Ordinary General Meeting elects the members of the Supervisory Board, the Control Committee and the Nomination Committee, as well as approving the annual financial statements, including the allocation of a surplus or coverage of a deficit for a year.

Supervisory Board

The Supervisory Board consists of 30 members and 15 deputy members. A total of 22 members and 11 deputy members are elected among the shareholders and eight members and four deputy members are elected by and among the employees.

The Supervisory Board conducts supervision of the administration by the Board of Directors and the CEO, elects the members and deputy members of the Board of Directors, elects the Nominating Committee, elects the auditor or auditing company, receives information on the operation and reviews extracts of SpareBank 1 SR-Bank's accounts and reports from the Control Committee, reviews the annual financial statements, annual report and auditor's report, and makes a statement to the General Meeting concerning the Board's proposal for the annual financial statements, and the Board's proposal for allocation of a surplus or coverage of a deficit as well as adopting decisions on remuneration for officers and auditors as well as compensation for the CEO.

Control Committee

The Control Committee consists of three members and one deputy member who are elected for terms of two years at a time.

The Control Committee must see to it that the activities of SpareBank 1 SR-Bank are conducted in an appropriate manner, including co-operation and having on-going contact with other possible control committees of group companies, and conducting supervision that the Board and CEO have adequate supervision and control of the subsidiaries.

Board of Directors

The Board of Directors consists of nine members and two deputy members, of which two members and one deputy member are elected by the employees.

The Board of Directors is responsible for the administration of the Bank's business. This includes making decisions on individual credit cases. The Board must ensure a satisfactory organisation of the Bank's operations, including ensuring that accounting and asset management are subjected to proper scrutiny.

Board committees

The Board of Directors has established a Compensation Committee and an Audit Committee. The committees shall assist the Board of Directors in preparing cases, but the decision shall be made jointly by the Board of Directors. Both committees, on their own initiative, are able to conduct meetings and processes cases without participation by the administration.

Instructions for the committees are established by the Board of Directors.

Organisation of SpareBank 1 SR-Bank ASA

The Bank's operational structure is illustrated in the figure below.

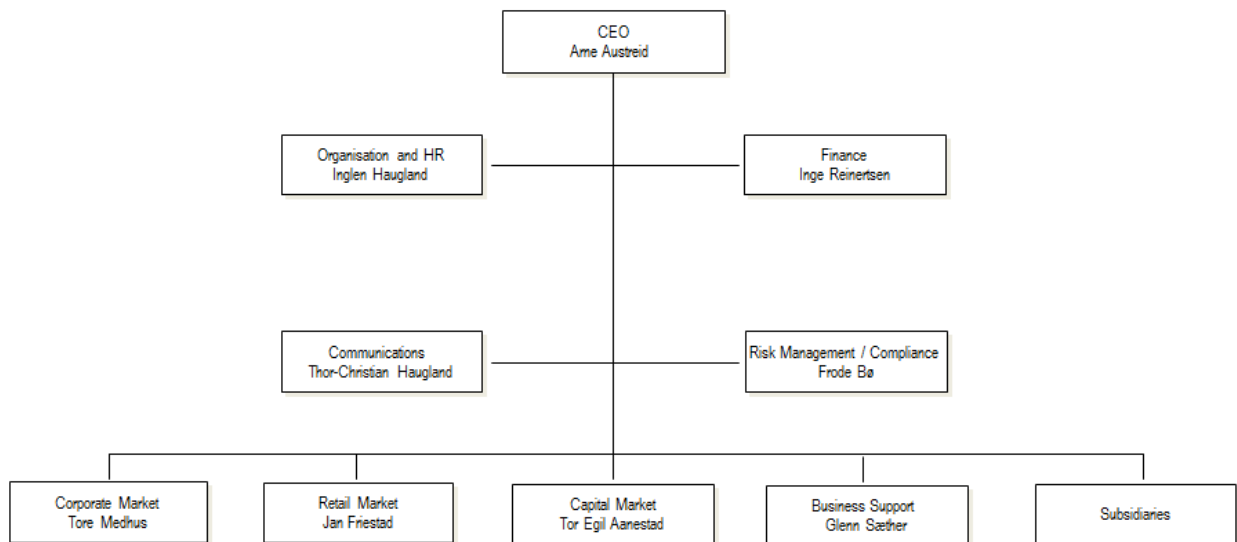


Figure 1.2.5: Organizational structure of SpareBank 1 SR-Bank

The SpareBank 1 Alliance

SpareBank 1 SR-Bank is one of the founding partners of the SpareBank 1 Gruppen (“the Alliance”) in 1996. Through participation in the Alliance, SpareBank 1 SR-Bank is linked together in an alliance of independent and locally anchored banks. The purpose of the Alliance is for members to develop, procure and supply competitive financial services and products and to exploit economies of scale in the form of lower costs and higher quality, so that customers get the best advice and the best services on competitive terms. As shown in the figure below the Alliance has a wide distribution all over Norway.

The SpareBank 1 Alliance - 2nd largest mortgage lender in Norway

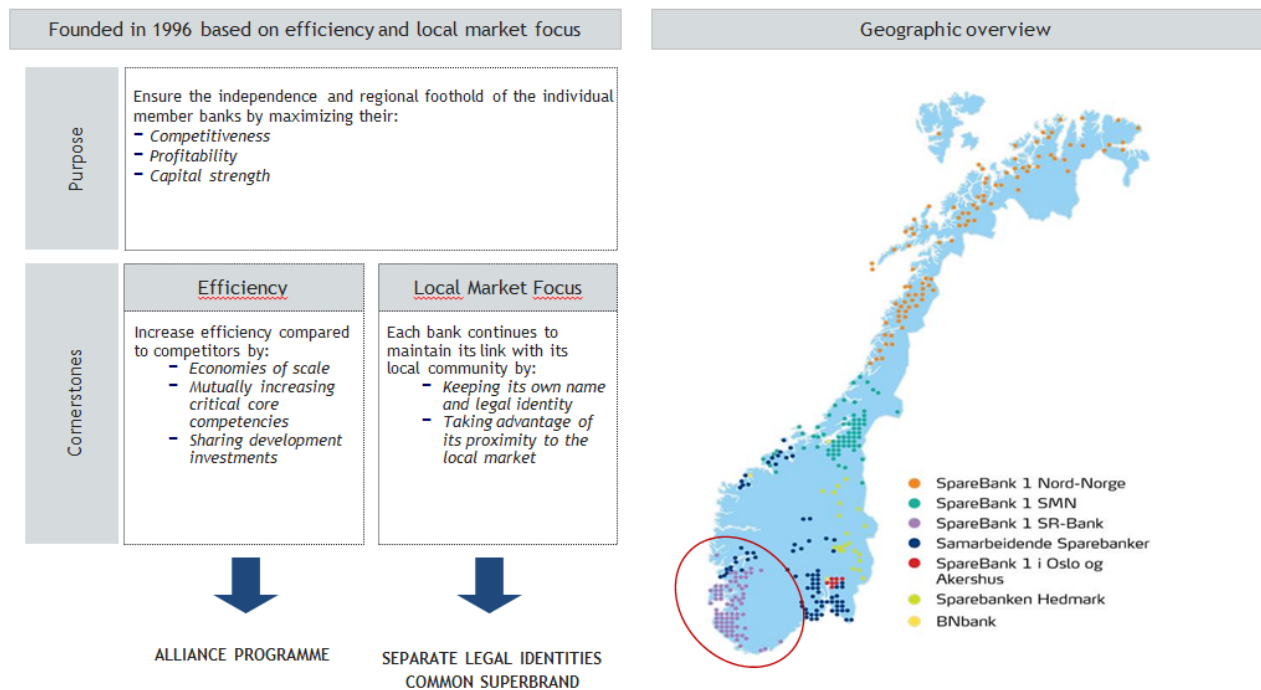


Figure 1.2.6: Geographic overview of the SpareBank 1 Alliance

The member banks in the Alliance work in part through common projects and in part through the jointly owned holding company; SpareBank 1 Gruppen AS. In addition to SpareBank 1 SR-Bank, SpareBank 1 Gruppen AS is owned by Sparebanken Nord-Norge, Sparebanken 1 SMN, Sparebanken Hedmark, Bank 1 Oslo/Akershus, Samarbeidende Sparebanker (14 local savings banks in southern Norway) and the Norwegian Confederation of Trade Unions (LO).

SpareBank 1 Gruppen AS owns all of the shares in SpareBank 1 Livsforsikring AS (life insurance), SpareBank 1 Skadeforsikring AS (non-life insurance), ODIN Forvaltning AS (asset management), SpareBank 1 Medlemskort (membership cards) and SpareBank 1 Gruppen Finans Holding AS (collection of bad debts).

The banks that are part of the Alliance also jointly own the two covered bond companies SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS, EiendomsMegler 1 (chain of real estate brokers), Alliansesamarbeidet SpareBank 1 Utvikling DA, SpareBank 1 Kredittkort and the two banks; Bank 1 Oslo/Akershus AS and BN Bank ASA.

The SpareBank 1 Alliance structure is illustrated below in figure 1.2.7.

SRBANK's activities



Divisions of SpareBank 1 SR-Bank ASA

Capital Markets
Number of man-years : 33

Retail Market
Number of man-years : 460

Corporate Market
Number of man-years : 168

Administration & Support
Number of man-years : 208

Fully owned companies



Number of man-years : 200
Key areas:
• Leading real estate broker



Number of man-years : 14
Key areas:
• Asset management



Number of man-years : 33
Key areas:
• Leasing



Number of man-years : 44
Key areas:
• Accounting
• Advisory



Number of man-years : 1
Key areas:
• Covered Bond Funding

Partly owned companies

SpareBank 1 Gruppen AS
(19,5%)

Holding company for the SpareBank 1 - Alliance

BN Bank ASA
(23,5%)

Commercial bank located in Oslo and Trondheim

SpareBank 1 Boligkreditt AS
(16,7%)

Covered bond company (mortgages)

SpareBank 1 Næringskreditt AS
(26,8%)

Covered bond company (commercial real estate)

SpareBank 1 Kredittkort
(18,1%)

Credit card company located in Trondheim

Figure 1.2.7: Structure of SpareBank 1 Alliance as at 31 December 2015

More information on the SpareBank 1 Alliance can be found on www.sparebank1.no.

1.3 Shareholder information - SRBANK

SpareBank 1 SR-Bank's former Equity Certificates (EC) was listed on the Oslo stock exchange from 1994 until end 2011 under the ticker of ROGG. From 1 January 2012 the EC's were converted to ordinary shares. The share capital in SpareBank 1 SR-Bank is NOK 6,393,777,050 divided between 255,751,082, each with a nominal value of NOK 25.



Figure 1.3.1: Relative performance; SRBANK vs OSEBX January 2015 – January 2016

The former ticker code ROGG was replaced by SRBANK and from 3 January 2012, SRBANK was included in the OSEAX All-Share index and sector index OSE40 Financials/OSE4010 Banks. Figure 1.3.1 shows the relative performance of SRBANK compared to OSEBX.

SpareBank 1 SR-Bank aims to ensure good liquidity in its shares and achieve a good diversity of shareholders who represent customers, regional interests, as well as Norwegian and international investors. Figure 1.3.2 shows how daily liquidity has developed in the period from September 2010 to 31 December 2015. A general observation is that liquidity has increased after the conversion and issue of new shares.

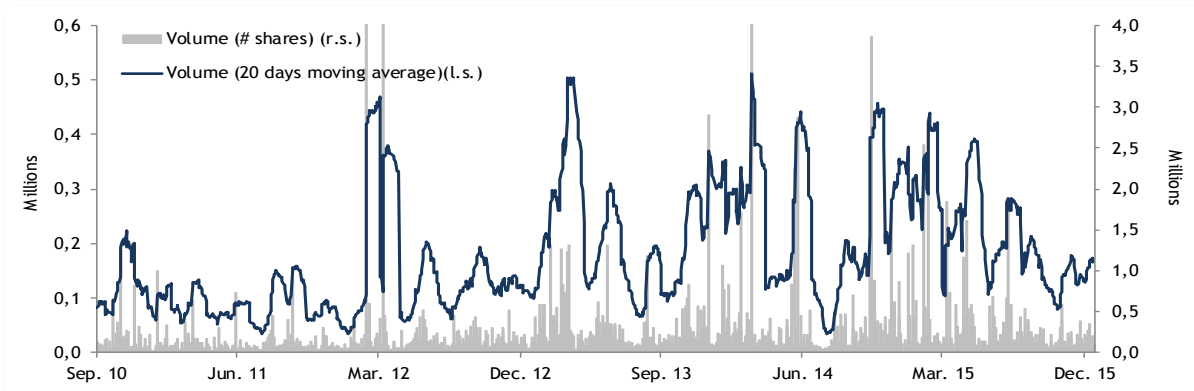


Figure 1.3.2 Development in liquidity; SRBANK September 2010 – December 2015

Figure 1.3.3 shows the share price movements and Price/Book development from January 2015 to January 2016.



Figure 1.3.3: Share price and development in P/B; January 2015 – January 2016

Investor relations policy

It is crucial to SpareBank 1 SR-Bank that accurate, relevant and timely information about the group's development and result inspires confidence in the investor market. Information is conveyed to the market mainly through quarterly investor presentations, websites, press releases and accounting reports. Regular presentations are also held for international partners, lenders and investors, mainly in the domestic and European market.

It is in SpareBank 1 SR-Bank's own interest that financial analyses are published with the highest possible quality. All analysts, irrespective of their recommendations and viewpoints regarding the stock are treated equally. As of today the following financial analysts have official coverage of SRBANK:

Arctic Securities, Karl Storvik: + 47 21 01 32 36, karl.storvik@articsec.no
SpareBank 1 Markets, Nils Kristian Øyen: + 47 24 14 74 00 nils.oyen@sb1.markets.no
First Securities, Bengt Kirkøen +47 23 23 82 65 bk@first.no
Nordea Markets, Thomas Svendsen +47 22 48 79 21 thomas.svendsen@nordea.com
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Shareholder and dividend policy

Shareholder policy

SpareBank 1 SR-Bank's objective is to manage the bank's resources in such a manner that shareholders receive a yield in the form of dividends and a value increase which is competitive in relation to comparable investments.

Dividend policy

The financial objective of SpareBank 1 SR-Bank's operations is to achieve earnings that yield adequate, stable returns on the bank's equity, thereby creating value for owners through competitive returns in the form of dividends and share appreciation.

In determining the size of the annual dividend, considerations will be made toward the group's capital, including capital adequacy requirements and the group's goals and strategic plans. Unless capital requirements otherwise dictate, the goal of the board is that approximately half of the annual profit after tax is distributed.

Ownership structure

Investor		Number	Stake
Sparebankstiftelsen SR-Bank		72.419.305	28,3%
Gjensidige Forsikring ASA		26.808.416	10,5%
State Street Bank and Trust Co, U.S.A.	Nominee	9.670.715	3,8%
Vpf Nordea Norge Verdi		8.268.105	3,2%
SpareBank 1-stiftinga Kvinnherad		6.226.583	2,4%
Wimoh Invest AS		5.761.169	2,3%
Odin Norge		5.381.793	2,1%
Pareto Aksje Norge		3.944.244	1,5%
Danske Invest Norske Instit. II		3.028.258	1,2%
State Street Bank and Trust Co, U.S.A.	Nominee	2.990.287	1,2%
Clipper AS		2.565.000	1,0%
The Bank of New York Mellon, U.S.A.	Nominee	2.542.184	1,0%
State Street Bank and Trust Co, U.S.A.	Nominee	2.182.161	0,9%
State Street Bank and Trust Co, U.S.A.	Nominee	1.890.186	0,7%
Danske Invest Norske Aksjer Inst.		1.674.894	0,7%
Vpf Nordea Kapital		1.653.050	0,6%
Pareto AS		1.640.867	0,6%
Vpf Nordea Avkastning		1.630.410	0,6%
Westco		1.577.534	0,6%
The Northern Trust Co, U.K.	Nominee	1.512.297	0,6%
<hr/>			
Top 5		123.393.124	48,2%
Top 10		144.498.875	56,5%
Top 20		163.367.458	63,9%

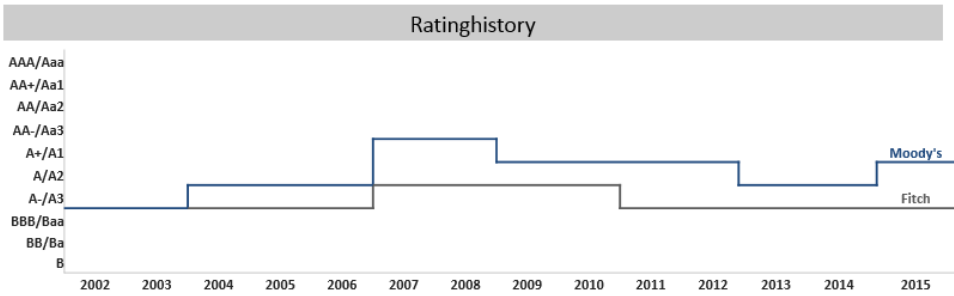
Table 1.3.2: 20 largest shareholders as at 31 December 2015

1.4 Credit ratings

Current credit rating status as at 31 December 2015 was as follows:

Rating

Moody's		Fitch	
Long-term debt	A1	Long-term IDR	A-
Outlook	Stable	Outlook	Stable
Updated	6 November 2015	Updated	19 November 2014



2. Financial results and balance sheet

Income statement

Financial results

<i>MNOK</i>	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Interest income	1.408	1.431	1.436	1.477	1.588	5.752	6.137
Interest expense	730	782	797	850	933	3.159	3.733
Net interest income	678	649	639	627	655	2.593	2.404
Commission income	388	372	418	427	423	1.605	1.804
Commission expenses	17	21	20	20	19	78	78
Other operating income	1	2	1	1	1	5	6
Net commission and other income	372	353	399	408	405	1.532	1.732
Dividend income	1	1	8	7	1	17	36
Income from investment in associates	110	78	101	133	138	422	506
Net gains/losses on financial instruments	-124	-67	-15	71	-23	-135	236
Net return on investment securities	-13	12	94	211	116	304	778
Total income	1.037	1.014	1.132	1.246	1.176	4.429	4.914
Personnel expenses	114	221	300	310	308	945	1.202
Administrative expenses	125	114	122	119	128	480	468
Other operating expenses	129	94	114	101	94	438	386
Total operating expenses	368	429	536	530	530	1.863	2.056
Operating profit before losses	669	585	596	716	646	2.566	2.858
Losses on loans and guarantees	192	96	44	88	93	420	257
Operating profit before tax	477	489	552	628	553	2.146	2.601
Tax expense	35	112	121	132	105	400	506
Profit after tax from continuing operations	442	377	431	496	448	1.746	2.095

Key figures

Key figures

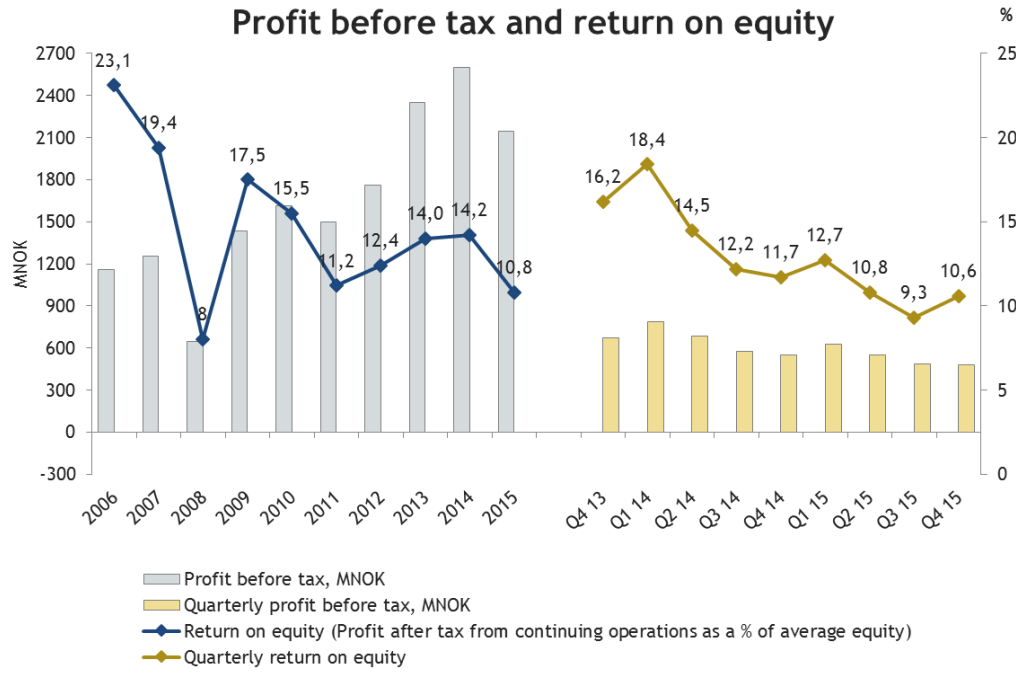
	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Return on equity ¹⁾	10,6 %	9,3 %	10,8 %	12,7 %	11,7 %	10,8 %	14,2 %
Cost ratio ²⁾	35,5 %	42,3 %	47,3 %	42,5 %	45,1 %	42,1 %	41,8 %
Net interest margin	1,40 %	1,39 %	1,44 %	1,45 %	1,51 %	1,42 %	1,45 %
Gross loans to customers	155.190	151.911	150.245	144.686	141.620	155.190	141.620
Gross loans to customers incl. covered bond companies	183.896	182.940	181.440	178.750	174.492	183.896	174.492
Deposits from customers	89.444	88.980	90.788	85.984	81.489	89.444	81.489
Deposit-to-loan ratio	57,6 %	58,6 %	60,4 %	59,4 %	57,5 %	57,6 %	57,5 %
Growth in loans	9,6 %	10,6 %	11,0 %	18,9 %	17,7 %	9,6 %	17,7 %
Growth in loans incl. covered bond companies	5,4 %	7,4 %	7,6 %	7,3 %	4,7 %	5,4 %	4,7 %
Growth in deposits	9,8 %	9,5 %	11,1 %	15,5 %	13,7 %	9,8 %	13,7 %
Average total assets	192.315	185.459	177.861	175.938	172.179	182.768	166.017
Total assets	192.049	191.500	181.889	176.913	174.926	192.049	174.926
Impairment losses ratio ³⁾	0,50	0,25	0,12	0,25	0,27	0,28	0,20
Non-performing commitments as a percentage of gross loans	0,55	0,23	0,27	0,31	0,30	0,55	0,30
Other doubtful commitments as a percentage of gross loans	0,35	0,45	0,51	0,5	0,36	0,35	0,36
Capital ratio	16,7	15,2	15,3	15,2	14,5	16,7	14,5
Tier 1 capital ratio	14,2	13,1	13,1	12,9	12,3	14,2	12,3
Common Equity Tier 1 capital ratio	13,3	12,2	12,3	12,1	11,5	13,3	11,5
Tier 1 capital	16.882	16.063	15.771	15.206	14.828	16.882	14.828
Net primary capital	19.933	18.635	18.403	17.838	17.465	19.933	17.465
RWA	119.124	122.380	120.363	117.589	120.189	119.124	120.189
Number of branches	49	50	50	50	50	49	50
Man-years (permanent)	1.161	1.150	1.133	1.135	1.106	1.161	1.106
Share price	39,30	42,40	52,25	56,25	52,50	39,30	52,50
Market capitalisation	10.051	10.844	13.363	14.386	13.427	10.051	13.427
Book equity per share (including dividends) (group)	66,14	64,02	62,56	62,40	60,28	66,14	60,28
Earnings per share (group)	1,73	1,47	1,69	1,94	1,75	6,83	8,20
Dividends per share	1,50	n.a.	n.a.	n.a.	2,00	1,50	2,00
Price / Earnings per share	5,68	7,21	7,73	7,25	7,50	5,75	6,40
Price / Book equity (group)	0,59	0,66	0,84	0,90	0,87	0,59	0,87

¹⁾ Net profit as a percentage of average equity.

²⁾ Total operating expenses as a percentage of total operating income

³⁾ Net losses expressed as a percentage of average gross lending year to date, annualized

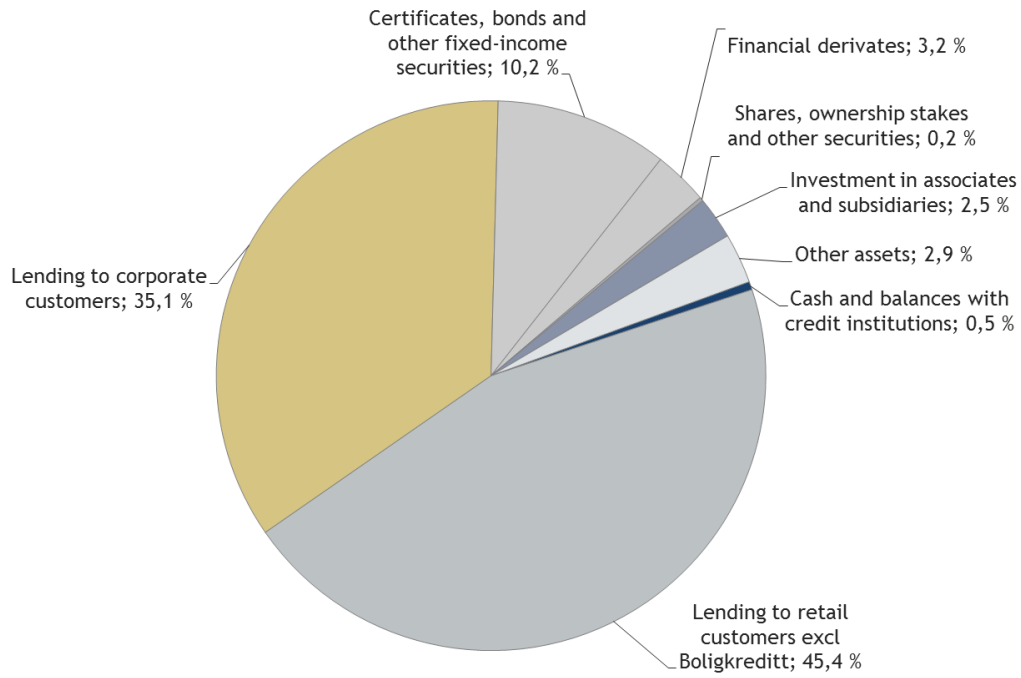
Profit before tax and return on equity



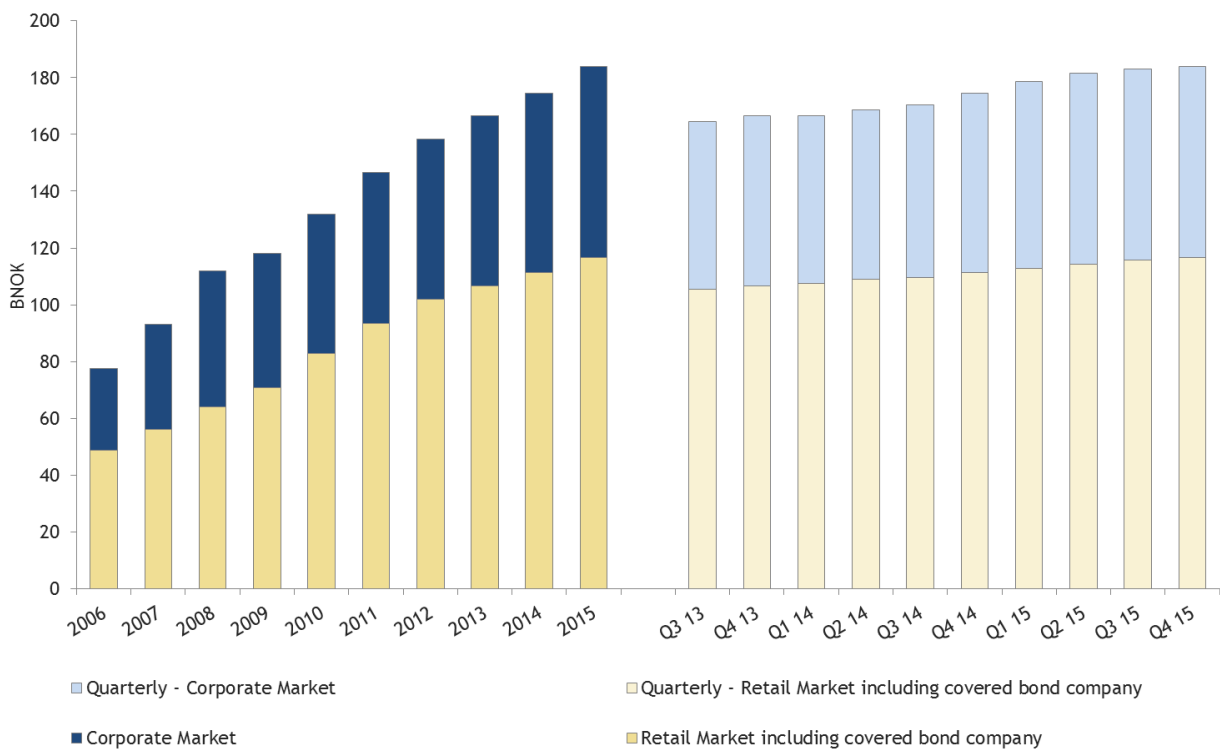
Balance sheet

<i>MNOK</i>	31.12 2015	30.09 2015	30.06 2015	31.03 2015	31.12 2014
Cash and balances with central banks	931	2.923	2.841	2.400	1.847
Balances with credit institutions	2.984	2.843	2.224	2.533	2.222
Net loans to customers	154.357	151.078	149.472	143.937	140.920
Certificates, bonds and other fixed-income sec.	19.533	20.484	16.116	14.789	15.261
Financial derivatives	6.135	7.099	4.878	5.760	7.340
Shares, ownership stakes and other securities	441	516	523	631	626
Business available for sale	168	136	129	22	22
Investment in associates	4.792	4.839	4.677	4.886	4.727
Other assets	2.708	1.582	1.029	1.955	1.961
Total assets	192.049	191.500	181.889	176.913	174.926
Balances with credit institutions	5.296	6.129	3.874	4.803	6.139
Public deposits related to covered bond swap scheme	0	0	0	0	0
Deposits from customers	89.444	88.980	90.788	85.984	81.489
Listed debt securities	71.979	70.444	62.992	60.198	63.253
Financial derivatives	2.786	3.224	2.766	3.916	3.317
Other liabilities	2.171	3.346	2.491	3.093	2.361
Additional Tier 1 and Tier 2 capital instruments	3.459	3.006	2.980	2.975	2.964
Total liabilities	175.135	175.129	165.891	160.969	159.523
Share capital	6.394	6.394	6.394	6.394	6.394
Premium reserve	1.587	1.587	1.587	1.587	1.587
Proposed dividend	384	0	0	512	512
Fund for unrealised gains	163	59	59	59	59
Other equity	8.386	7.027	7.031	6.896	6.851
Profit/loss at period end	0	1.304	927	496	0
Total equity	16.914	16.371	15.998	15.944	15.403
Total liabilities and equity	192.049	191.500	181.889	176.913	174.926

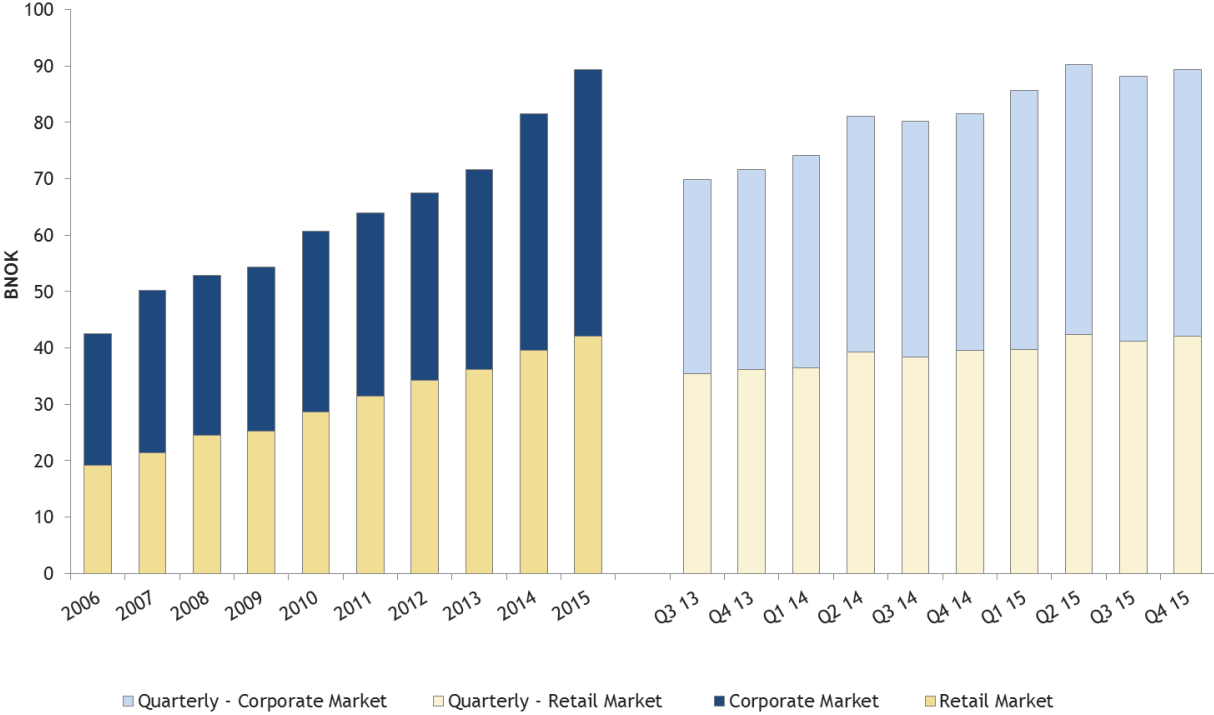
Total assets as at 31 December 2015:



Development in lending volume

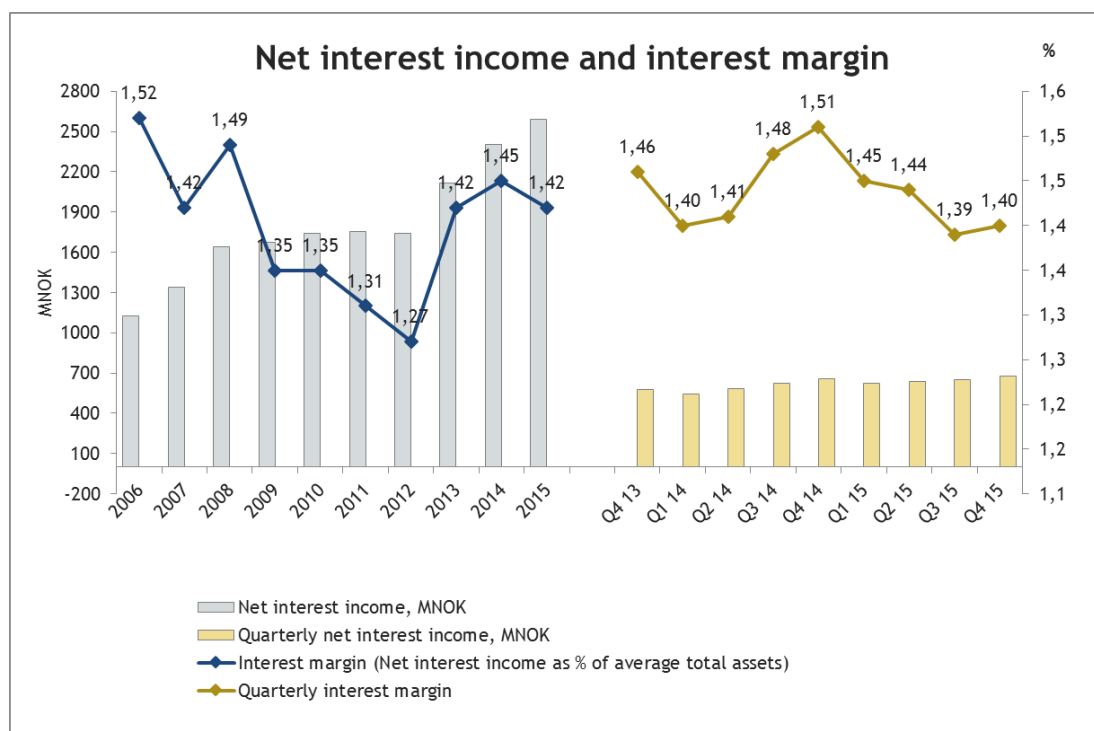


Development in deposit volume

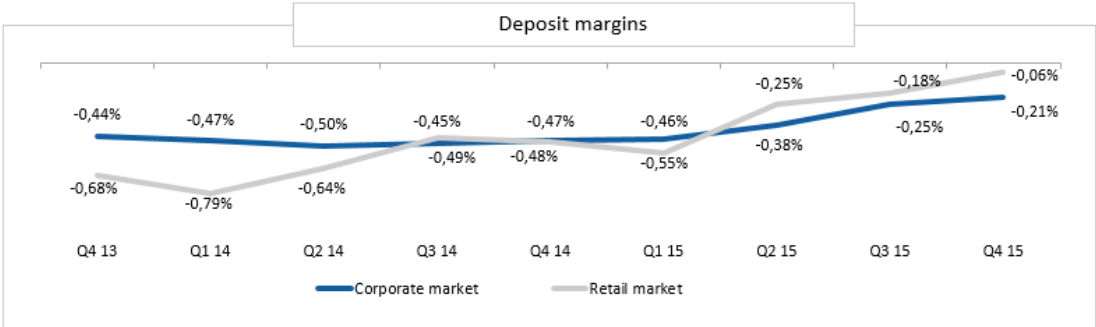
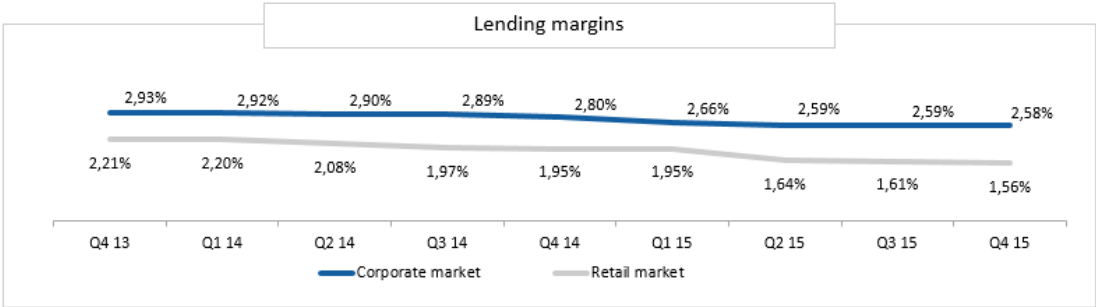


2.1 Net interest income

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
MNOK							
Interest income	1.408	1.431	1.436	1.477	1.588	5.752	6.137
Interest expense	730	782	797	850	933	3.159	3.733
Net interest income	678	649	639	627	655	2.593	2.404
As % of average total assets	1,40 %	1,39 %	1,44 %	1,45 %	1,51 %	1,42 %	1,45 %



Lending and deposit margins¹



¹ Definition margin: Average customer interest rate measured against 3-month moving average for 3-month NIBOR. Lending margins include loan portfolio in covered bond companies.

2.2 Net other operating income

	Q4	Q3	Q2	Q1	Q4	31.12	31.12
MNOK	2015	2015	2015	2015	2014	2015	2014
Net commission and other income	372	353	399	408	405	1.532	1.732
Net return on investment securities	-13	12	94	211	116	304	778
Net other operating income	359	365	493	619	521	1.836	2.510
As % of total income	35 %	36 %	44 %	50 %	44 %	41 %	51 %

Net commission and other income

	Q4	Q3	Q2	Q1	Q4	31.12	31.12
MNOK	2015	2015	2015	2015	2014	2015	2014
Payment facilities	56	66	56	58	57	236	236
Savings/placements	48	45	48	49	42	190	172
Insurance products	48	48	47	47	46	190	177
Commission income from real estate broking	82	84	113	104	101	383	434
Guarantee commission	34	28	33	34	26	129	103
Arrangement fees	27	16	26	16	40	85	115
Accounting Services SpareBank 1 Regnskapshuset SR*	10	7	8	10	-	35	
Other	14	4	2	6	3	26	27
Net commission and other income excl. covered bond companies	319	298	333	324	315	1.274	1.264
Commission income SB1 Boligkreditt and SB1 Næringskreditt	53	55	66	84	90	258	468
Net commission and other income incl. covered bond companies	372	353	399	408	405	1.532	1.732
As % of total income	36 %	35 %	35 %	33 %	34 %	35 %	35 %

*SpareBank 1 SR-Bank acquired the Rogaland branch of SpareBank 1 Regnskapshuset Østlandet in the first quarter of 2015.

Change in net commission and other income

	Q4		Q4
MNOK	2015	Change	2014
Net commission and other income	372	-33	405
Payment facilities		-1	
Savings/placements		6	
Insurance products		2	
Commission income from real estate broking		-19	
Guarantee commission		8	
Arrangement fees		-13	
Accounting Services SpareBank 1 Regnskapshuset SR*		10	
Other		11	
Commission income SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt		-37	

*SpareBank 1 SR-Bank acquired the Rogaland branch of SpareBank 1 Regnskapshuset Østlandet in the first quarter of 2015.

Net return on investment securities

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Dividend	1	1	8	7	1	17	36
Investment income, associates	110	78	101	133	138	422	506
Securities gains/losses	-87	-100	-14	-23	-41	-224	181
- of which capital change in shares and certificates	-34	-6	-4	4	24	-40	232
- of which capital change in certificates and bonds	-80	-100	-46	-49	-61	-275	-92
- of which derivatives; bonds and certificates	27	6	36	22	-4	91	41
Currency/interest gains/losses	-37	33	-1	94	18	89	55
- of which currency customer- and own-account trading	25	31	17	31	6	104	108
- of which value change basis swap spread*	6	13	2	67	9	88	12
- of which counterparty risk derivatives including CVA	-66	0	0	0	0	-66	0
- of which other IFRS-effects	-2	-11	-20	-4	3	-37	-65
Net return on investment securities	-13	12	94	211	116	304	778
As % of total income	-1 %	1 %	8 %	17 %	10 %	7 %	16 %

*Value change of basis swap spread amounted NOK 88 million per 31.12.2015 of which NOK 37 million was realised in 2015.

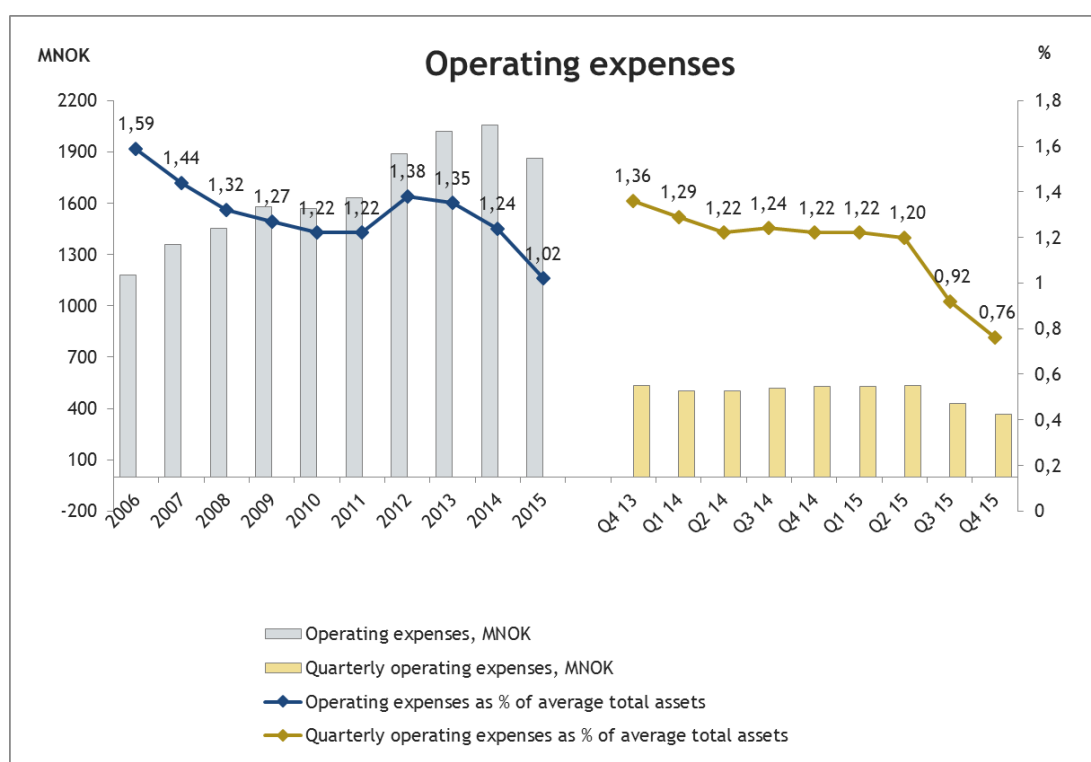
Change in net return on investment securities

MNOK	Q4 2015	Change	Q4 2014
Net return on investment securities	-13	-129	116
Dividend		0	
Investment income, associates		-28	
Securities gains/losses		-46	
- of which capital change in shares and certificates		-58	
- of which capital change in certificates and bonds		-19	
- of which derivatives; bonds and certificates		31	
Currency/interest gains/losses		-55	
- of which currency customer- and own-account trading		19	
- of which value change basis swap spread		-3	
- of which counterparty risk derivatives including CVA		-66	
- of which other IFRS-effects		-5	
Net return on investment securities		-129	

2.3 Operating expenses

	Q4	Q3	Q2	Q1	Q4	31.12	31.12
MNOK	2015	2015	2015	2015	2014	2015	2014
Wages	200	208	217	226	230	851	888
Of which restructuring costs	22	0	0	6	10	28	13
Pension expenses	-133	-31	36	34	28	-94	124
Other personnel expenses	47	44	47	50	50	188	190
Total personnel expenses	114	221	300	310	308	945	1.202
IT expenses	86	70	73	72	75	301	277
Marketing expenses	19	24	26	21	29	90	96
Other administrative expenses	20	20	23	26	24	89	95
Write-down	23	20	22	20	22	85	88
Of which write-down of goodwill*	0	0	0	0	0	0	15
Expenses real property	12	9	10	10	10	41	37
Other operating expenses	94	65	82	71	62	312	261
Other expenses	254	208	236	220	222	918	854
Total operating expenses	368	429	536	530	530	1.863	2.056

*Write-down of goodwill is linked to EiendomsMegler 1 Forvaltning AS



Change in operating expenses

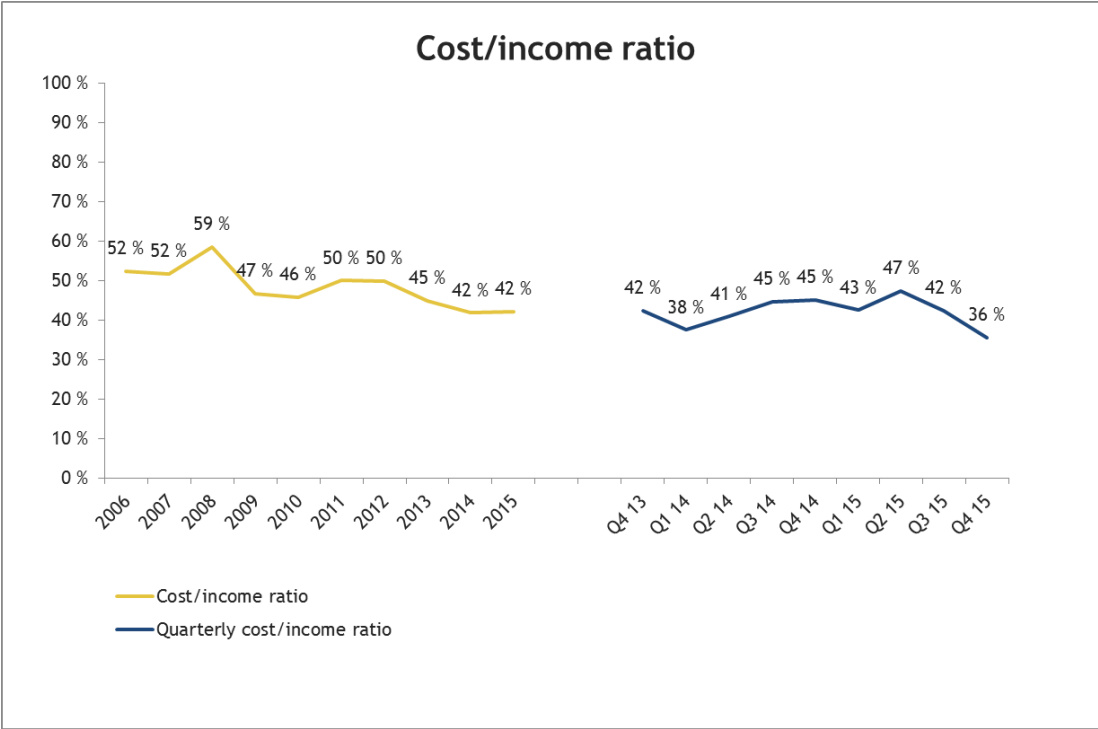
<i>MNOK</i>	Q4 2015	Change	Q4 2014
Total	368	-162	530
Personnel expenses		-194	
IT expenses		11	
Marketing expenses		-10	
Other administrative expenses		-4	
Write-down		1	
Expenses real property		2	
Other operating expenses		32	

Cost/income ratio

<i>MNOK</i>	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Operating expenses	368	429	536	530	530	1.863	2.056
Cost/income ratio	35,5 %	42,3 %	47,3 %	42,5 %	45,1 %	42,1 %	41,8 %
Growth in expenses last 12 months*	-30,6 %	-17,5 %	7,0 %	5,0 %	-0,7 %	-9,4 %	1,8 %

**Low cost per Q4 2015 is affected by changes in the pension plan and lower bonus provisions*

Development in cost/income ratio



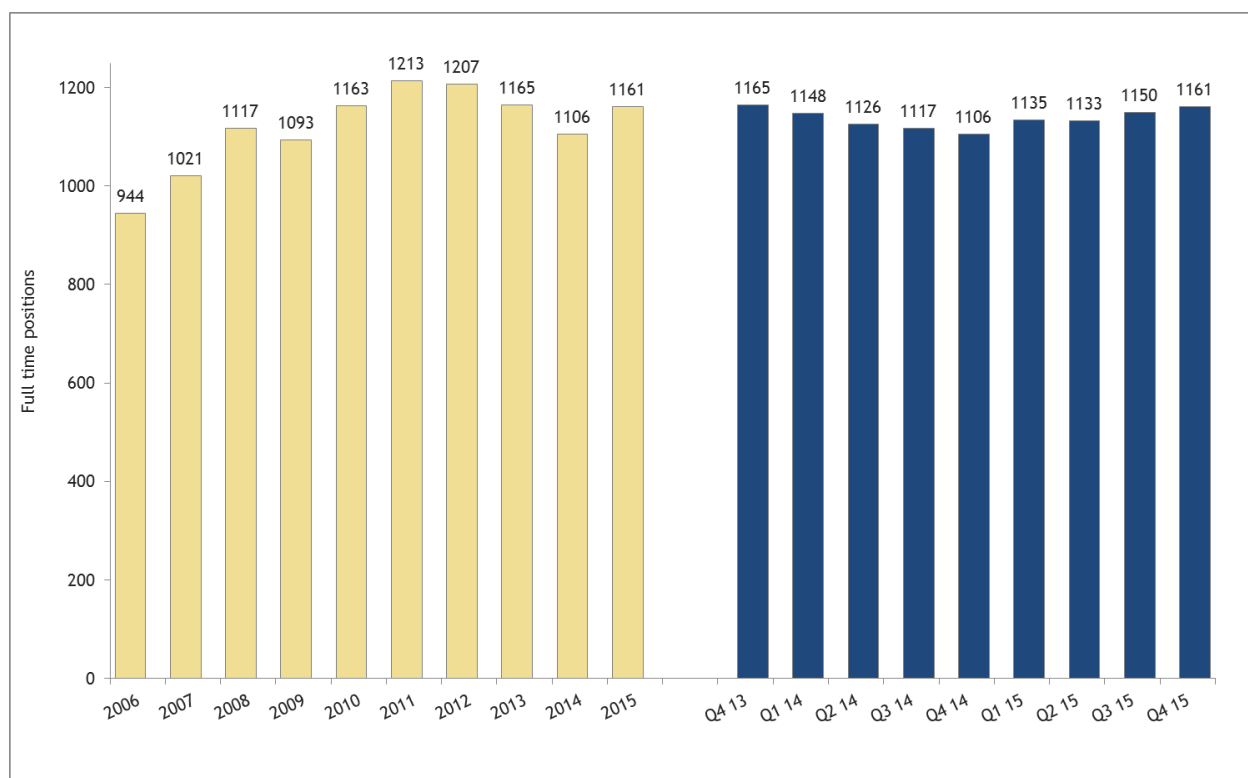
* In accordance with the Generally Accepted Accounting Principles in Norway – IFRS from 2004

Number of full time positions (permanent employees, contracted staff not included)

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
<i>Full time positions</i>					
SpareBank 1 SR-Bank	870	871	859	861	866
EiendomsMegler 1 SR-Eiendom AS	200	204	200	202	194
SR-Forvaltning AS	14	14	13	13	13
SR-Finans AS	33	33	33	31	33
SpareBank 1 Regnskapshuset SR AS*	44	28	28	28	-
Total	1.161	1.150	1.133	1.135	1.106

*SpareBank 1 SR-Bank acquired the Rogaland branch of SpareBank 1 Regnskapshuset Østlandet in the first quarter of 2015.

Full time positions 2004 – Q4 2015 (permanent employees, contracted staff not included)



2.4 Losses on loans and loss provisions

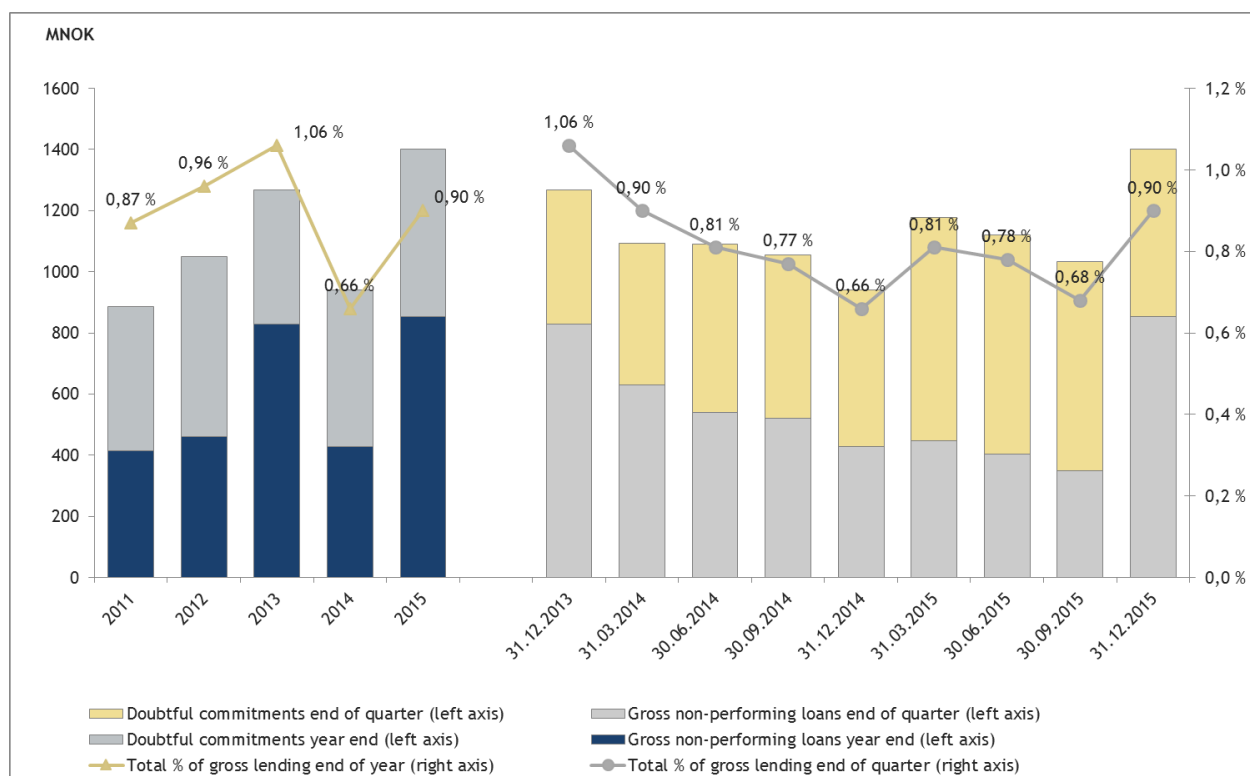
Losses on loans and guarantees

MNOK	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Change in individual individual impairment losses provisions for the	-4	46	36	30	-124
Change in collective impairment loss provisions for the period	140	89	39	20	75
Amortised cost	7	8	5	2	11
Actual loan losses on commitments for which provisions have been made	78	66	38	28	228
Actual loan losses on commitments for which no provision has been	223	26	19	11	74
Change in assets take-over for the period	1	0	0	0	0
Recoveries on commitments previously written-off	-25	-7	-5	-3	-7
The period's net losses/(reversals) on loans and advances	420	228	132	88	257

Provisions for impairment losses on loans and guarantees

MNOK	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Provisions for individual impairment losses at start of period	322	322	322	322	446
Increases in previous provisions for individual impairment losses	65	26	22	8	42
Reversal of provisions from previous periods	-107	-61	-37	-17	-54
New provisions for individual impairment losses	118	152	93	67	118
Amortised cost	-2	-5	-4	0	-2
Actual loan losses during the period for which provisions for individual impairment losses have been made previously	-78	-66	-38	-28	-228
Provisions for individual impairment losses at the end of period	318	368	358	352	322
Net losses	301	92	57	39	302

Non-performing loans and doubtful commitments

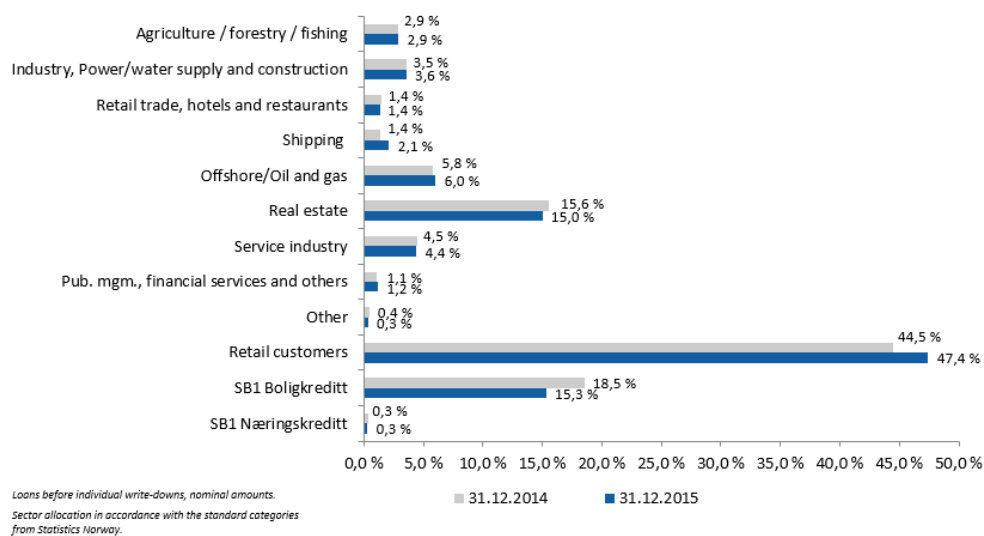


* Loans defaulted in the range of 30-90 days are not including as problem loans as at Q2 2014. Historical figures have been restated.

2.5 Loans

MNOK	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Agriculture/forestry	4.443	4.327	4.326	4.349	4.458
Fishing/Fish farming	903	848	744	573	596
Mining/extraction	5.330	5.061	4.565	4.635	4.341
Industry	3.093	3.117	2.825	2.940	2.650
Power and water supply/building and construction	3.437	3.540	3.686	3.611	3.520
Retail trade, hotel and restaurant business	2.578	2.587	2.606	2.540	2.529
Foreign trade shipping, pipeline transport and other transport activities	9.666	9.806	9.557	9.015	8.239
Real estate business	27.568	27.673	28.342	27.704	27.163
Service industry	8.113	8.256	8.318	8.298	7.860
Public sector and financial services	2.209	2.105	2.134	2.291	1.877
Retail customers	87.229	83.937	82.576	78.055	77.651
Unallocated (excess value fixed interest loans and amort. lending fees)	323	346	238	358	411
Accrued interests corporate sector and retail customers	296	309	328	317	325
Gross loans	155.190	151.911	150.245	144.686	141.620
SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt	28.706	31.029	31.195	34.064	32.872
Gross loans incl SpareBank 1 Boligkreditt and Næringskreditt	183.896	182.940	181.440	178.750	174.492

Loan portfolio as at 31.12.2015



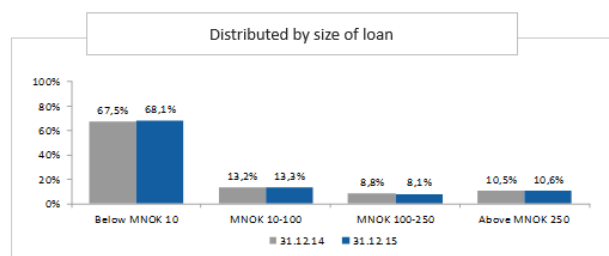
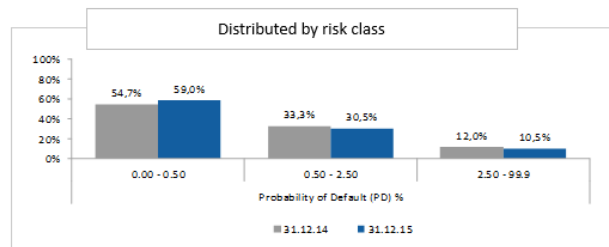
2.6 Risk profile

Risk profile of the loan portfolio

- SpareBank 1 SR-Bank has a solid loan portfolio with positive development in risk profile.
- 59% of the bank's loan exposure has a PD* below 0.5%.
- Single loan exposures less than NOK 10 million aggregates 68% of total loan portfolio.
- Single loan exposures above NOK 250 million is stable and aggregates 10.6% of total loan portfolio.

*Probability of default (PD) through a full cycle of loss.

The figure includes lending portfolios from covered bond companies

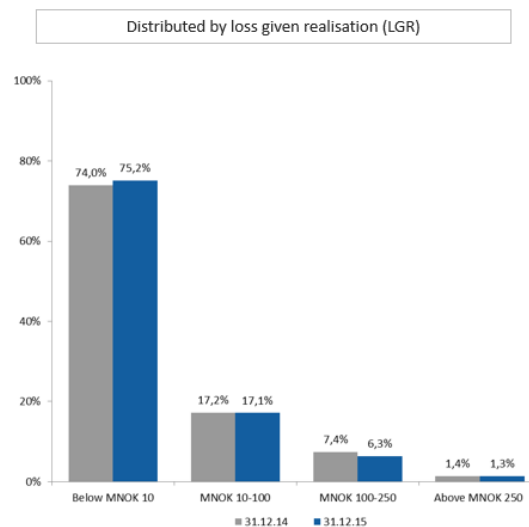


Low concentration of individual LGRs in the lending portfolio

- At the end of Q4 2015, SpareBank 1 SR-Bank had a total of 36 commitments with a loss potential exceeding NOK 100 million.
- These commitments represent 7.6 % of the loan exposure.
- The proportion of loans with loss potential below NOK 10 million has increased through 2015 and is now 75.2 %.
- There is a clearly defined strategy behind this portfolio composition. The growth and risk profile are managed, for example, through special credit strategy limits for concentration risk.

LGR (Loss Given Realisation). Estimated loss on realising a single loan. Corresponds to LGD without statistical correction for certain non-performing loans being reclassified as recoverable prior to collection. The calculation is based on the realisation value of assets pledged as security in an economic downturn.

The figure includes lending portfolios from covered bond companies.

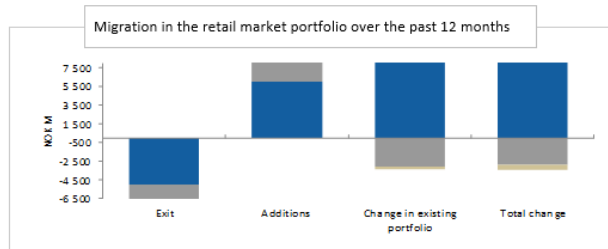
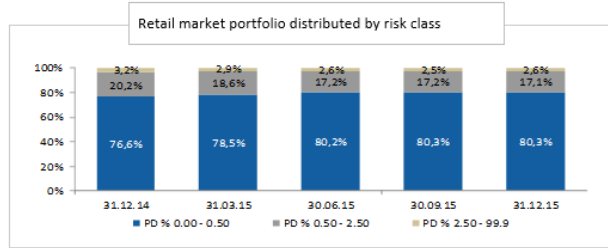


Risk profile – Lending to the retail market

- The quality of the retail market portfolio is considered to be good and has low potential losses.
- The proportion of loans with a PD* below 0.5% has increased to 80.3% of the total retail portfolio.
- The low risk profile is achieved through prudent customer selection and requirements for moderate LTV.
- Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.

*Probability of default (PD) through a full cycle of loss.

Figures include portfolio in covered bond companies (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

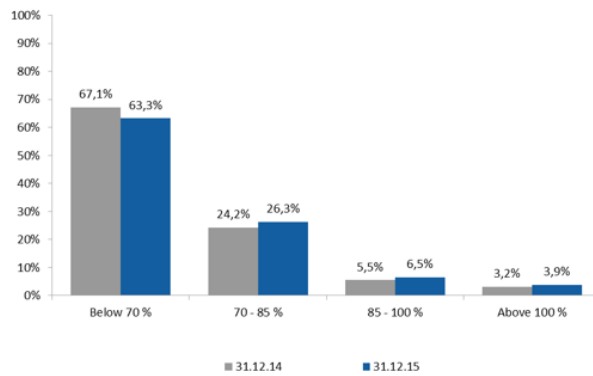


Loan to value ratio on home mortgage loans

- The proportion of loans with a loan-to-value ratio of less than 85% is high.
- 89.6% of the exposure is within 85% of the assessed value of collateral.
- Lending exposure increased through 2015 whereas market value on real estate is slightly declining. This has led to a decrease in the proportion of loans within 70% LTV.

In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.

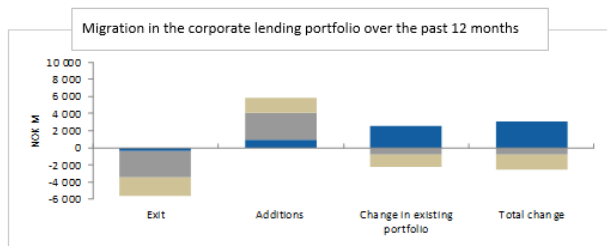
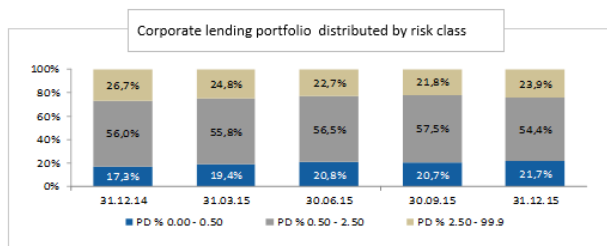
The figures include the loan portfolio in the covered bond companies (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).



Lending to the corporate market – risk profile

- The quality of the corporate market portfolio is good.
- The share of customers with PD* below 2.5% has increased, mainly due to a strengthened risk profile in existing portfolio.
- SpareBank 1 SR-Bank monitors PD above 2.5% continuously, and there has been a positive development in this segment through 2015. The share has however increased in Q4, mainly due to weaker financial results for some customers.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

*Probability of default (PD) through a full cycle of loss.



A strengthened framework to meet increased economic uncertainty

Uncertainty regarding the outlook for the Norwegian economy has increased due to lower oil prices.

SpareBank 1 SR-Bank faces this uncertainty with a solid portfolio, a solid framework for lending and continuous focus on managing and controlling risk:

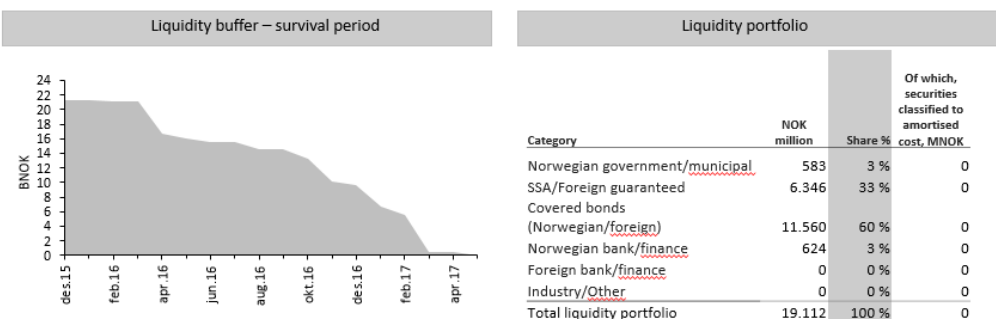
- Concentration risk in the corporate portfolio has been significantly reduced in recent years as a result of strict underwriting guidelines and active portfolio management.
- Guidelines for home equity loans have been further tightened.
- Enhanced risk models for estimating EAD and LGD were developed as part of utilizing for corporate AIRB.
- The bank has also developed and adopted a new model for stress testing credit risk that enables instant simulation of the vulnerability of the credit portfolio.
- More accurate PD models for commercial real estate for lease and development projects were adopted in 2013. The models provide detailed information on the commercial real estate portfolio and thereby increases the understanding of its related risks.

In total, the effect in terms of good management and control of both new customers and existing portfolio.

Further information regarding risk capital management can be found in Pillar III reports, see www.sr-bank.no under "Investor Relations".

2.7 Risk profile in bond and equity portfolios

Liquidity portfolio



- Liquidity buffer at the end of the quarter: NOK 21.3 billion
- Other liquid assets:
 - Home mortgages prepared for transfer to mortgage company: NOK 24.3 billion
 - Commercial paper and bonds in the trading portfolio: NOK 0.4 billion

Liquidity buffer: cash, highly liquid bonds.

Providing deposits and lending remain unchanged, with no new borrowing during the period.

Investments in bonds and certificates

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA og AA-	18.489	94,7 %
Low risk	A+, A og A-	111	0,6 %
Moderate risk	BBB+, BBB og BBB-	592	3,0 %
High risk	BB+, BB og BB-	87	0,4 %
Very high risk	B+ and lower	244	1,2 %
Total portfolio		19.522	100,0 %

Of which liquidity purposes:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA og AA-	18.489	96,7 %
Low risk	A+, A og A-	111	0,6 %
Moderate risk	BBB+, BBB og BBB-	513	2,7 %
High risk	BB+, BB og BB-	0	0,0 %
Very high risk	B+ and lower	0	0,0 %
Total liquidity purposes		19.112	100,0 %

Of which trading purposes:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA og AA-	0	0,0 %
Low risk	A+, A og A-	0	0,0 %
Moderate risk	BBB+, BBB og BBB-	79	19,4 %
High risk	BB+, BB og BB-	87	21,2 %
Very high risk	B+ and lower	244	59,4 %
Total trading portfolio		410	100,0 %

All amounts in MNOK.

2.8 Funding

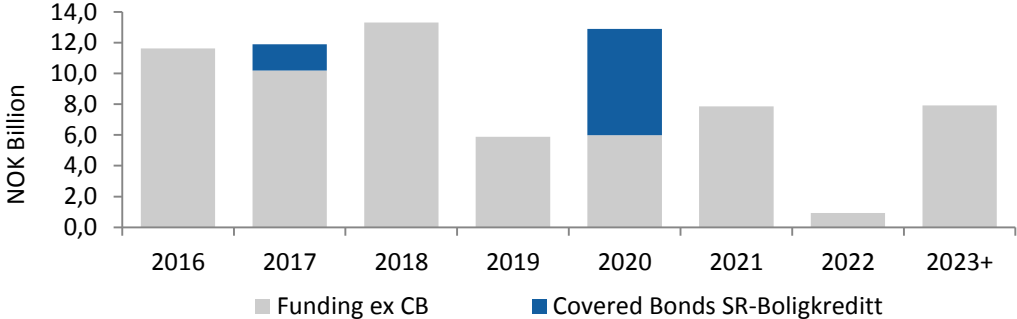
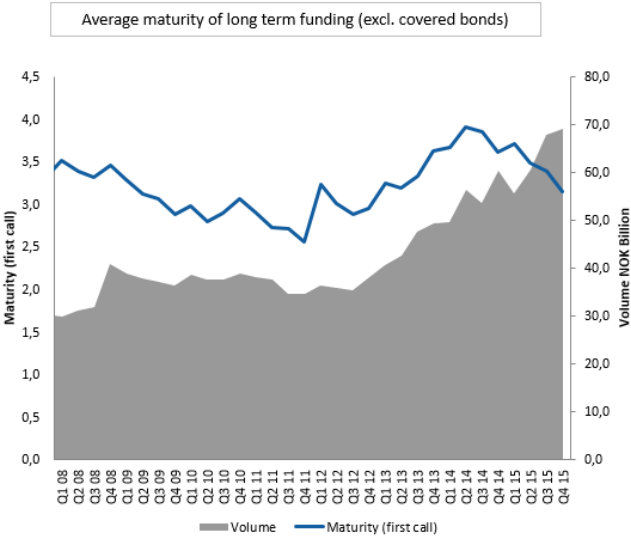


Figure 2.8.1: Funding - annual

Funding structure

- LCR of 128% at the end of December 2015. Average LCR during Q4 2015 was 140%.



NOK 12.6 billion (net) of new funding has been issued during the year. Average remaining maturity of the outstanding senior bonds is 3.2 years.

2.9 Capital adequacy

Basel II was introduced in Norway from 1 January 2007. Figure 2.8 shows the methods currently used by SpareBank 1 SR-Bank for calculating capital requirements for different types of risks. Using Internal Rating Based (IRB) methods for calculating capital requirements requires a formal approval from the FSAN (Finanstilsynet) on standards regarding organisation, competence, risk-modelling and risk-management systems.

In the autumn of 2009, the authorities resolved to postpone the final transition to the IRB rules from 1 January 2010 to 1 January 2012. It has later been decided to continue the transitional rule stating that the capital requirement using IRB cannot be less than 80% of the capital requirement under Basel I ("Basel I floor") until year-end 2017.

Type of risk	Portfolio	Regulatory method
Credit risk	States – parent bank	Standard method
	Institutions – parent bank	Standard method
	Housing cooperatives, clubs and associations – parent bank	Standard method
	Enterprises – parent bank	Advanced IRB Approach
	Mass market – parent bank	IRB – mass market (advanced)
	SpareBank 1 SR-Finans AS – subsidiary	Standard method
	SpareBank 1 SR-Investering AS – subsidiary	Standard method
	SpareBank 1 SR-Forvaltning AS – subsidiary	Standard method
	Mass market – SpareBank 1 Boligkreditt AS	IRB – mass market (advanced)
	Enterprises – SpareBank 1 Næringskreditt AS	Standard method
	Enterprises – BN Bank AS	Advanced IRB Approach
	Mass market – BN Bank AS	Standard method
	Market risk	Equity risk – parent bank
Debt risk – parent bank		Standard method
Currency risk – parent bank		Standard method
Subsidiaries and part-owned companies		Standard method
Operational risk	SpareBank 1 SR-Bank including subsidiaries	Standardised approach
	Other part-owned companies	Standard method

Figure 2.9.1: SpareBank 1 SR-Bank's methods for calculating the minimum regulatory capital requirements

SpareBank 1 SR-Bank has received in first quarter 2015 from the FSAN approval to use IRB Advanced method also for its exposures to the corporate market ("Enterprise").

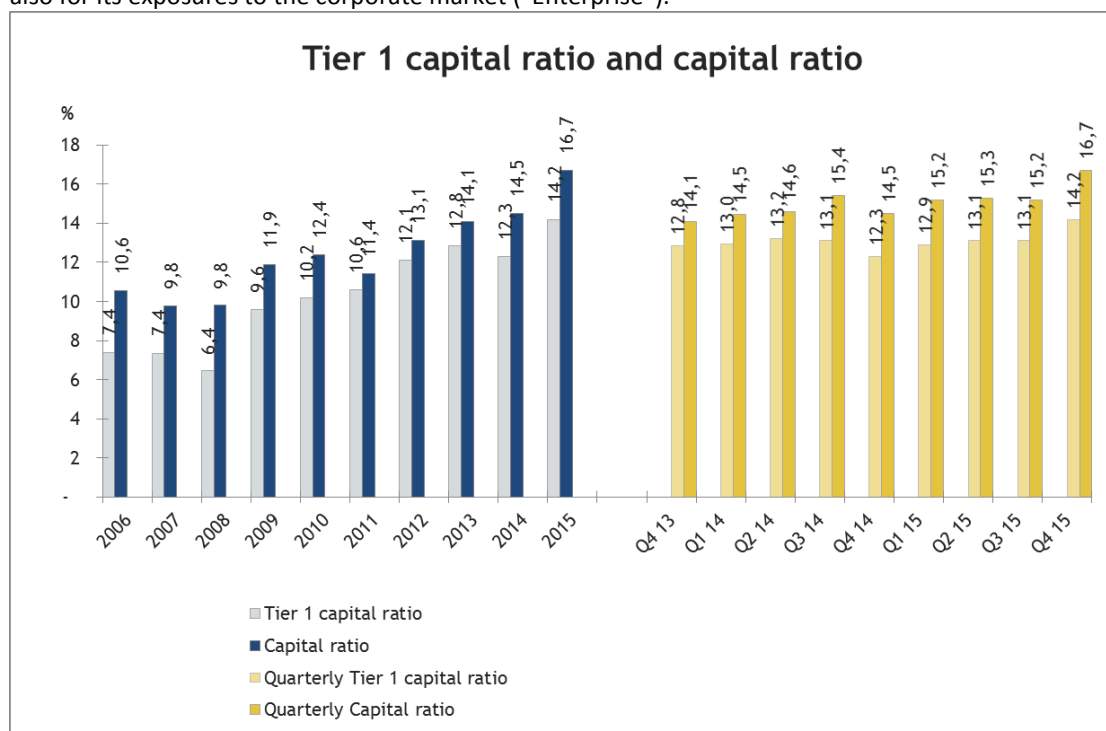


Figure 2.9.2: Development in capital ratios

Up until 30 June 2014, SpareBank 1 SR-Bank followed the Basel II regulations for capital adequacy calculations. On 22 August 2014, the Norwegian Ministry of Finance approved changes in a number of capital adequacy regulations. Parallel to this, Finanstilsynet changed the Consolidation Regulations to adapt to the EU's new capital adequacy regulations for banks and investment firms (CRD IV/CRR). As of 30 September 2014, capital adequacy is reported in accordance with the new reporting requirements. Valuation rules used in the statutory accounts form the basis for the consolidation, which is subject to special consolidation rules governed by the Consolidation Regulations.

Capital Adequacy

<i>MNOK</i>	31 Dec. 2015	31 Dec. 2014
Share capital	6.394	6.394
Premium reserve	1.587	1.587
Allocated to dividend	384	512
Reserve for unrealised gains	163	59
Other equity	8.386	6.851
Total book equity	16.914	15.403
<i>Tier 1 capital</i>		
Deferred taxes, goodwill and other intangible assets	-67	-24
Fund for unrealized gains, available for sale	0	0
Deduction for allocated dividends	-384	-512
Deduction for expected losses on IRB, net of write-downs	-421	-676
Year-to-date profit not included in common equity Tier 1 capital		
Deduction for common equity Tier 1 capital in significant investments in financial institutions	-191	-326
The institution's own credit risk related to derivative liabilities	-57	-48
Tier 1 capital instruments	1.088	1.011
Total Tier 1 capital	16.882	14.828
<i>Tier 2 capital</i>		
Tier 2 capital - Tier 1 capital instruments in excess of 15%	0	0
Term subordinated loan capital	3.111	2.697
Deduction for significant investments in financial institutions	-60	-60
Total Tier 2 capital	3.051	2.637
Net primary capital	19.933	17.465

Table 2.9.1: *Specification of consolidated primary capital*

Due to transitional rules, the minimum capital adequacy requirements cannot be reduced below 80 per cent of the corresponding figure calculated according to the Basel I regulations.

Credit risk Basel II

<i>MNOK</i>	31 Dec. 2015	31 Dec. 2014
SME	14.822	21.789
Specialised lending	22.148	32.685
Other corporations	6.830	8.789
SME retail	1.236	1.144
Retail mortgage (properties)	27.170	20.661
Other retail	950	845
Equity investments	0	0
Total credit and counterparty risk IRB	73.156	85.913
States and central banks	70	72
Local and regional authorities, state-owned enterprises	191	150
Institutions	5.985	5.872
Enterprises	6.886	6.642
Mass market	1.386	1.258
Mass market - mortgage on real estate	4.114	5.612
Covered bonds	1.205	1.101
Equity positions	4.661	3.642
Other assets	1.840	1.981
Total credit and counterparty risk standard method	26.338	26.330
Position risk for equity instruments	0	598
Credit value adjustment risk (CVA)	1.050	1.127
Operational risk	6.794	6.220
Transitional scheme	11.786	0
Risk weighted balance	119.124	120.189
Minimum requirement for common equity Tier 1 capital ratio 4,5 %	5.361	5.409
Buffer requirement		
Capital conservation buffer 2,5 %	2.978	3.005
Systemic risk buffer 3 %	3.574	3.606
Countercyclical capital buffer 1 %	1.191	
Total buffer requirement to common equity Tier 1 capital ratio	7.743	6.610
Available common equity Tier 1 capital ratio after buffer requirement	2.690	1.798
Common Equity Tier 1 capital ratio ¹⁾	13,26 %	11,50 %
Tier 1 capital ratio	14,17 %	12,34 %
Tier 2 capital ratio	16,73 %	14,53 %
Common Equity Tier 1 capital ratio, IRB	14,71 %	11,50 %
Tier 1 capital ratio, IRB	15,73 %	12,34 %
Tier 2 capital ratio, IRB	18,57 %	14,53 %

¹⁾ Due to transitional rules, the minimum capital adequacy requirements cannot be reduced below 80 per cent of the corresponding figure calculated according to the Basel I regulations.

Table 2.9.2: *Specification of minimum capital requirement*

3. Business areas

3.1 Business segments - Financial performance

	SpareBank 1 SR-Bank Group													
	Retail Market		Corporate Market		Capital Market		Eiendoms-Megler 1		SR-Finans		Other*		Total	
	Q4 15	Q4 14	Q4 15	Q4 14	Q4 15	Q4 14	Q4 15	Q4 14	Q4 15	Q4 14	Q4 15	Q4 14	Q4 15	Q4 14
MNOK														
Net interest income	281	283	301	251	20	19	0	1	65	61	11	40	678	655
Net commission and other income	165	196	75	88	10	4	82	101	-3	-4	43	20	372	405
Net return on investment securities	2	2	-63	8	-5	-40	0	6	0	0	53	140	-13	116
Operating expenses	167	168	74	71	15	19	80	99	6	14	26	159	368	530
Operating profit before losses	281	313	239	276	10	-36	2	9	56	43	81	41	669	646
Change in individual write-downs in the period	-7	4	128	24	0	0	0	0	20	3	0	0	141	31
Change in group write-downs in the period	1	1	45	57	0	0	0	0	5	4	0	0	51	62
Operating profit before tax	287	308	66	195	10	-36	2	9	31	36	81	41	477	553
Gross loans to customers excl. covered bond companies	89.133	79.727	55.852	52.019	698	671	0	0	7.000	6.853	2.507	2.350	155.190	141.620
Deposits from customers	46.910	44.681	38.359	32.837	3.699	1.700	0	0	0	0	476	2.271	89.444	81.489

	SpareBank 1 SR-Bank Group pr 31.12															
	Retail Market		Corporate Market		Capital Market		Eiendoms-Megler 1		SR-Finans		Other*		Total			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014		
MNOK																
Net interest income	1.080	1.045	1.072	965	72	54	3	4	254	226	112	110	2.593	2.404		
Net commission and other income	706	897	308	318	31	27	383	434	-19	-17	123	73	1.532	1.732		
Net return on investment securities	15	9	-51	25	-21	11	0	7	0	0	361	726	304	778		
Operating expenses	587	581	243	225	80	73	356	389	45	54	552	734	1.863	2.056		
Operating profit before losses	1.214	1.370	1.086	1.083	2	19	30	56	190	155	44	175	2.566	2.858		
Change in individual write-downs in the period	3	15	242	164	0	0	0	0	35	3	0	0	280	182		
Change in group write-downs in the period	5	6	130	63	0	0	0	0	5	6	0	0	140	75		
Operating profit before tax	1.206	1.349	713	856	2	19	30	56	150	146	45	175	2.146	2.601		
Gross loans to customers excl. covered bond companies	89.133	79.727	55.852	52.019	698	671	0	0	7.000	6.853	2.507	2.350	155.190	141.620		
Deposits from customers	46.910	44.681	38.359	32.837	3.699	1.700	0	0	0	0	476	2.271	89.444	81.489		

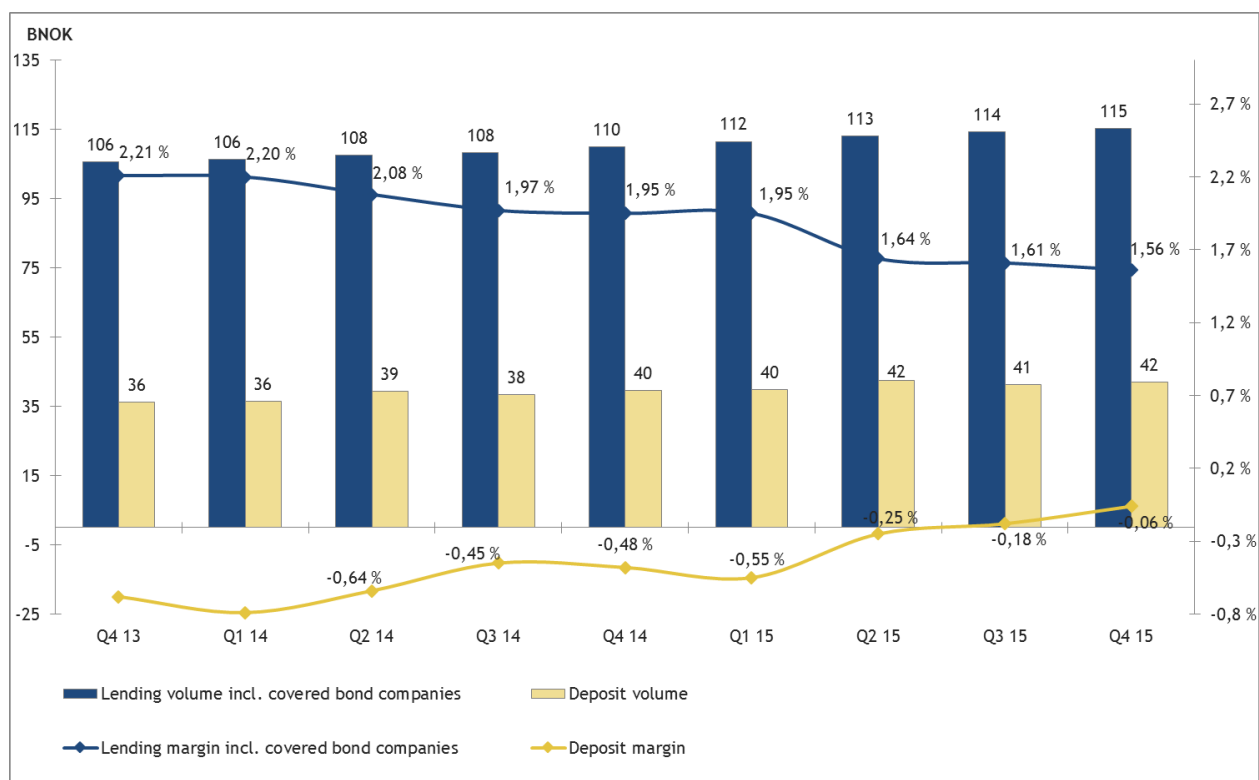
* Includes SR-Forvaltning, SR-Investering and SR-Regnskapshuset

3.2 Retail Market²

Financial performance in the retail market segment

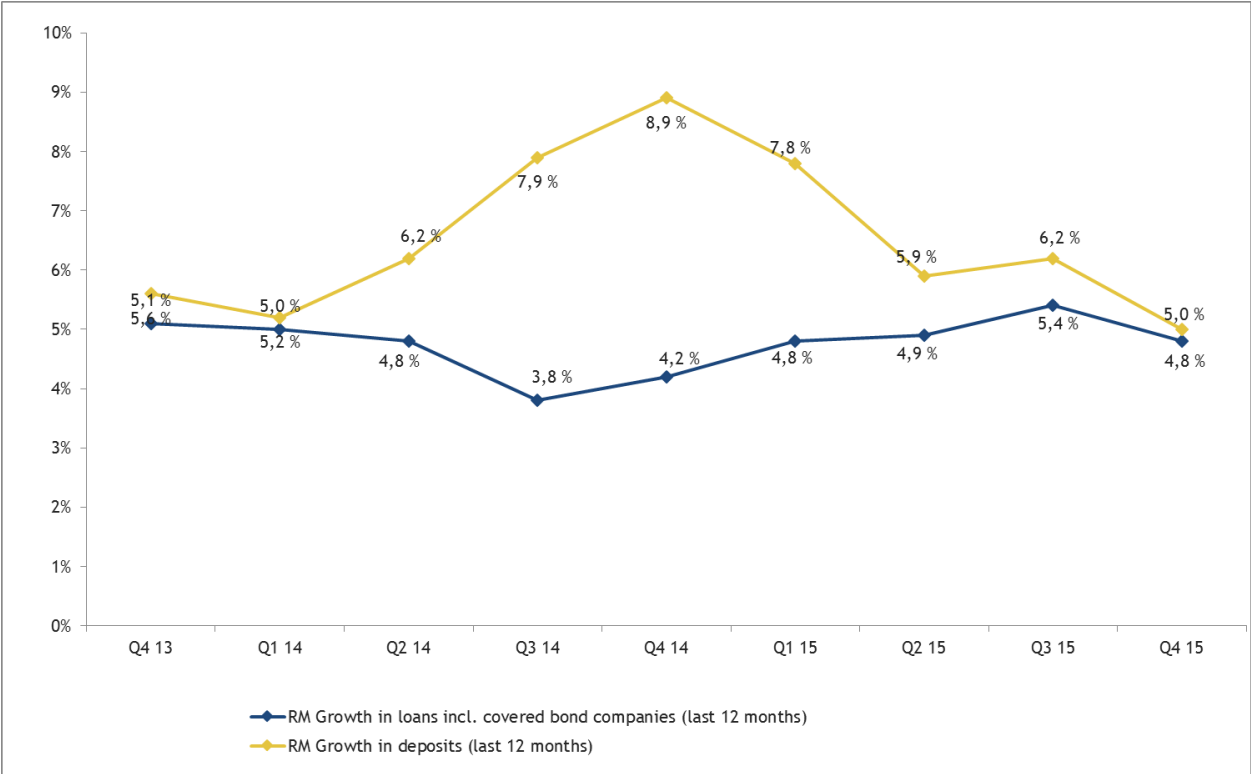
MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Net interest income	281	267	260	272	284	1.080	1.045
Net other income	167	180	176	198	198	721	906
Total income	448	447	436	470	482	1.801	1.951
Total operating expenses	167	151	117	152	169	587	581
Operating profit before losses	281	296	319	318	313	1.214	1.370
Change in individual write-downs in the period	-7	5	6	-1	4	3	15
Change in group write-downs in the period	1	2	2	0	1	5	6
Operating profit before tax	287	289	311	319	308	1.206	1.349

Development in average volume and interest margin



² The interest on intercompany receivables for the retail market division and the corporate market division is determined on the basis of expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long-term funding (credit premium). Differences between the group's actual funding costs and the interest applied on intercompany receivables are eliminated at the group level.

Growth in loans and deposits

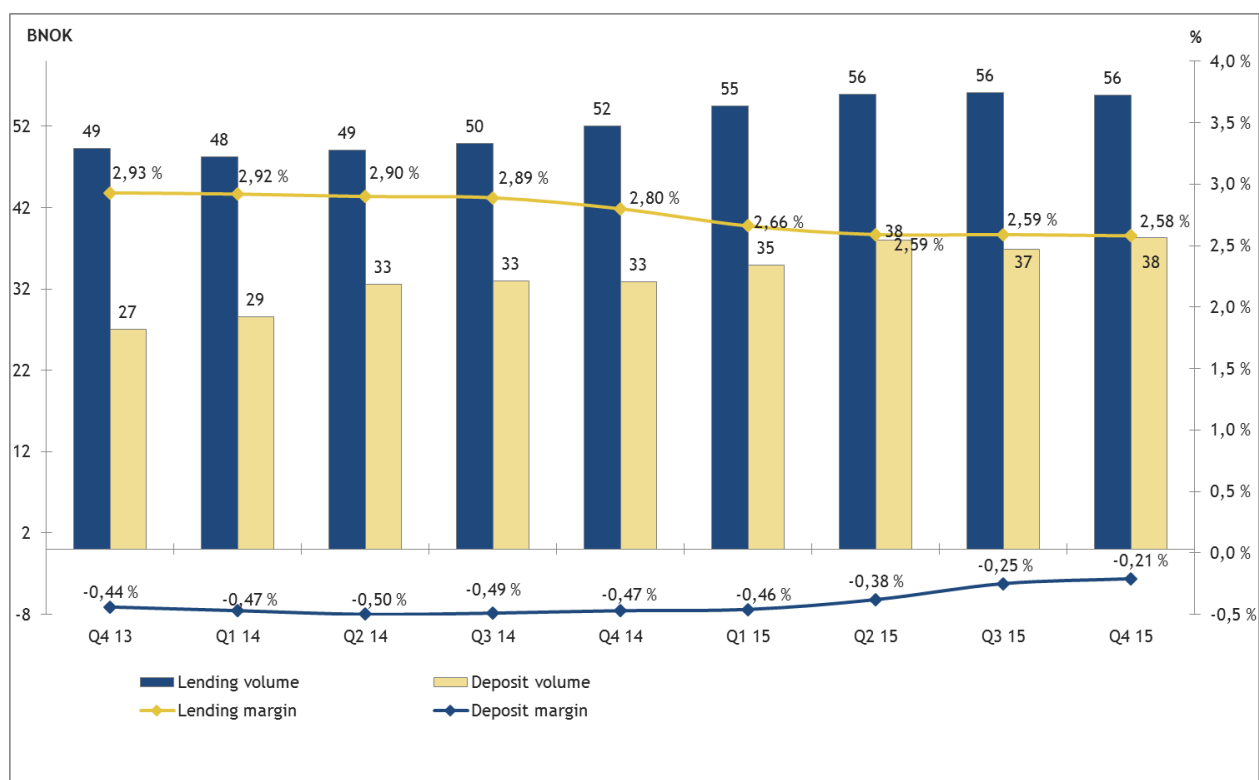


3.3 Corporate Market

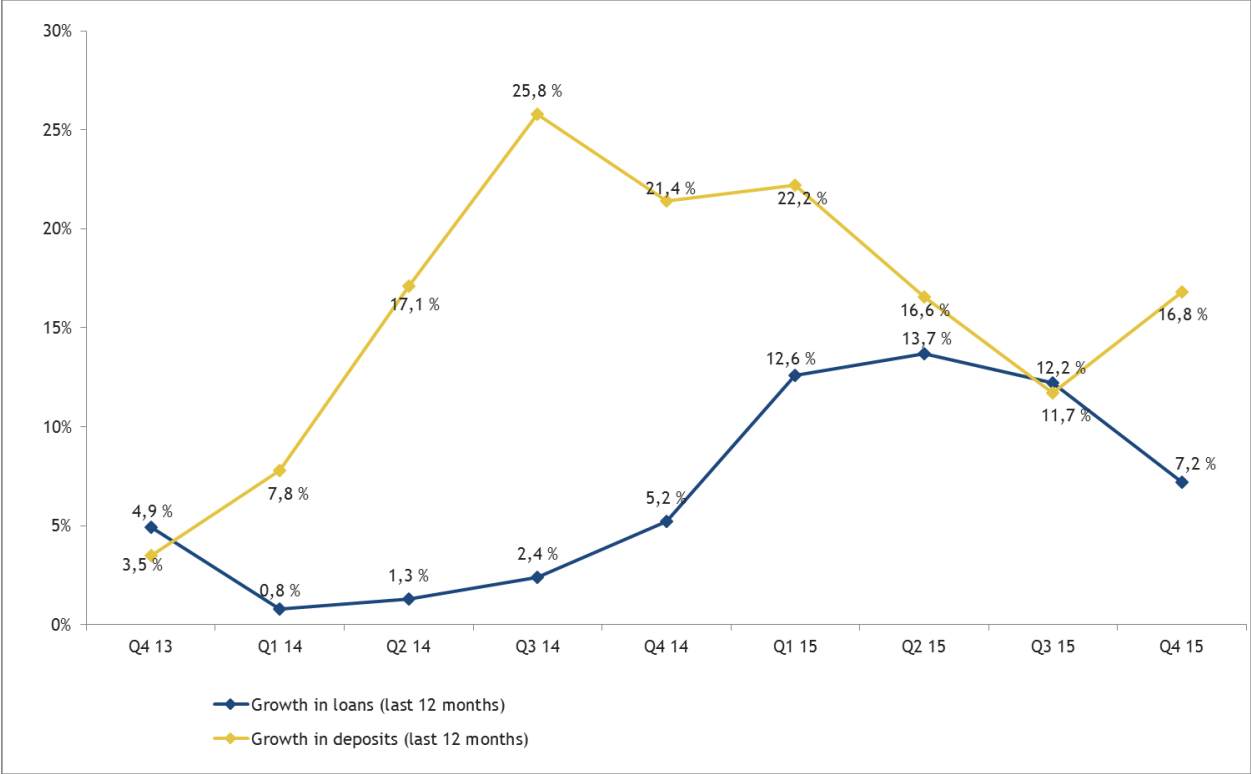
Financial performance in the corporate market segment

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Net interest income	301	288	246	237	251	1.072	965
Net other income	12	65	89	91	96	257	343
Total income	313	353	335	328	347	1.329	1.308
Total operating expenses	74	60	44	65	71	243	226
Operating profit before losses	239	293	291	263	276	1.086	1.082
Change in individual write-downs in the period	128	37	16	61	24	242	164
Change in group write-downs in the period	45	48	17	20	57	130	63
Operating profit before tax	66	208	258	182	195	713	855

Development in average volume and interest margin



Growth in loans and deposits



3.4 Capital Market

The securities activities are organised under the SR-Markets brand and include own account and customer trading in interest rate instruments, foreign exchange and equities, and corporate finance services, as well as settlement and administrative securities services. Management is organised in a separate subsidiary, SR-Forvaltning AS.

Financial performance in the capital market segment

<i>MNOK</i>	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Net interest income	20	15	16	21	19	72	54
Net other operating income	5	-33	21	17	-36	10	38
Total income	25	-18	37	38	-17	82	92
Total operating expenses	15	19	24	22	19	80	73
Operating profit before losses	10	-37	13	16	-36	2	19
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	10	-37	13	16	-36	2	19

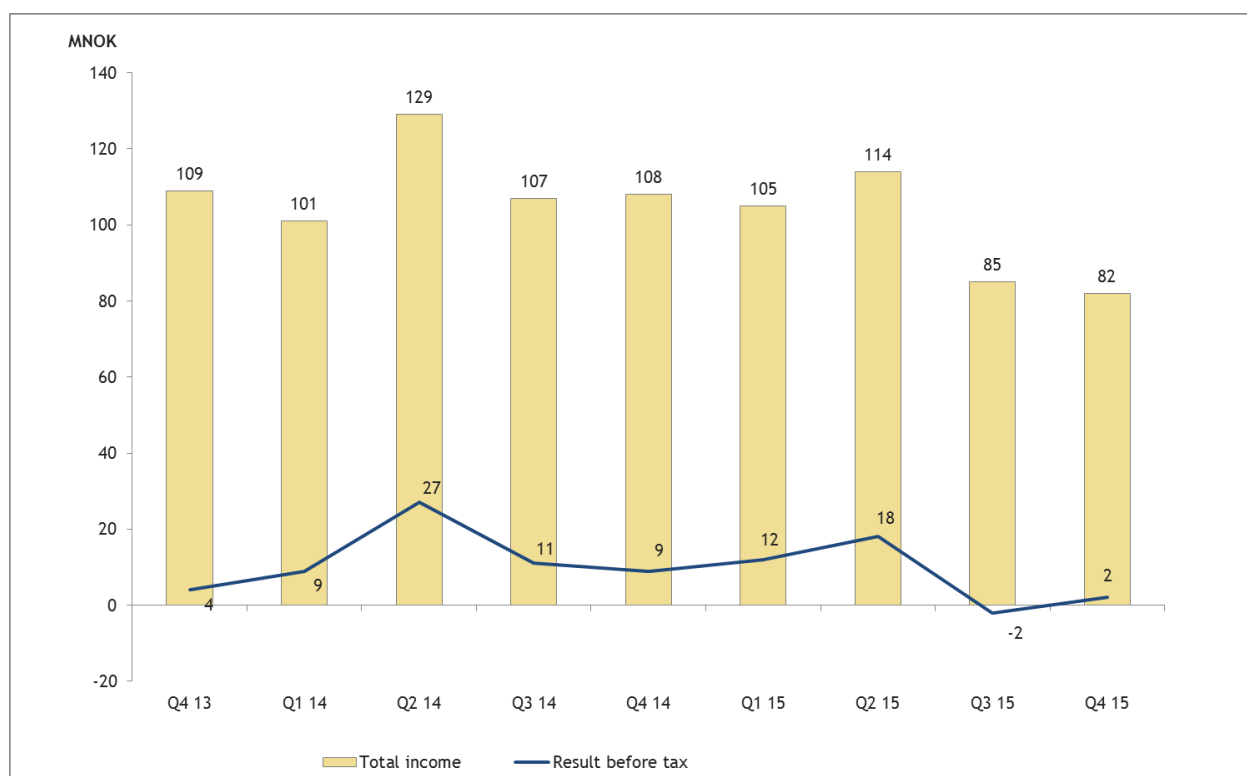
3.5 Subsidiaries

EiendomsMegler 1 SR-Eiendom AS

EiendomsMegler 1 SR-Eiendom AS, which is fully owned by SpareBank 1 SR-Bank, is our region's market leader and the largest company in the nationwide EiendomsMegler 1 chain. This chain is the largest chain of real estate agents in Norway. As at 31 December 2015, the company sold 6551 properties from its 30 real estate offices in Rogaland, Agder and Hordaland. The activities cover commercial real estate, holiday homes, housing rental and new-builds and used homes.

Financial performance

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Interest income	0	1	1	1	1	3	5
Other income	82	84	113	104	107	383	440
Total income	82	85	114	105	108	386	445
Total operating expenses	80	87	96	93	99	356	389
Operating profit before losses	2	-2	18	12	9	30	56
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	2	-2	18	12	9	30	56

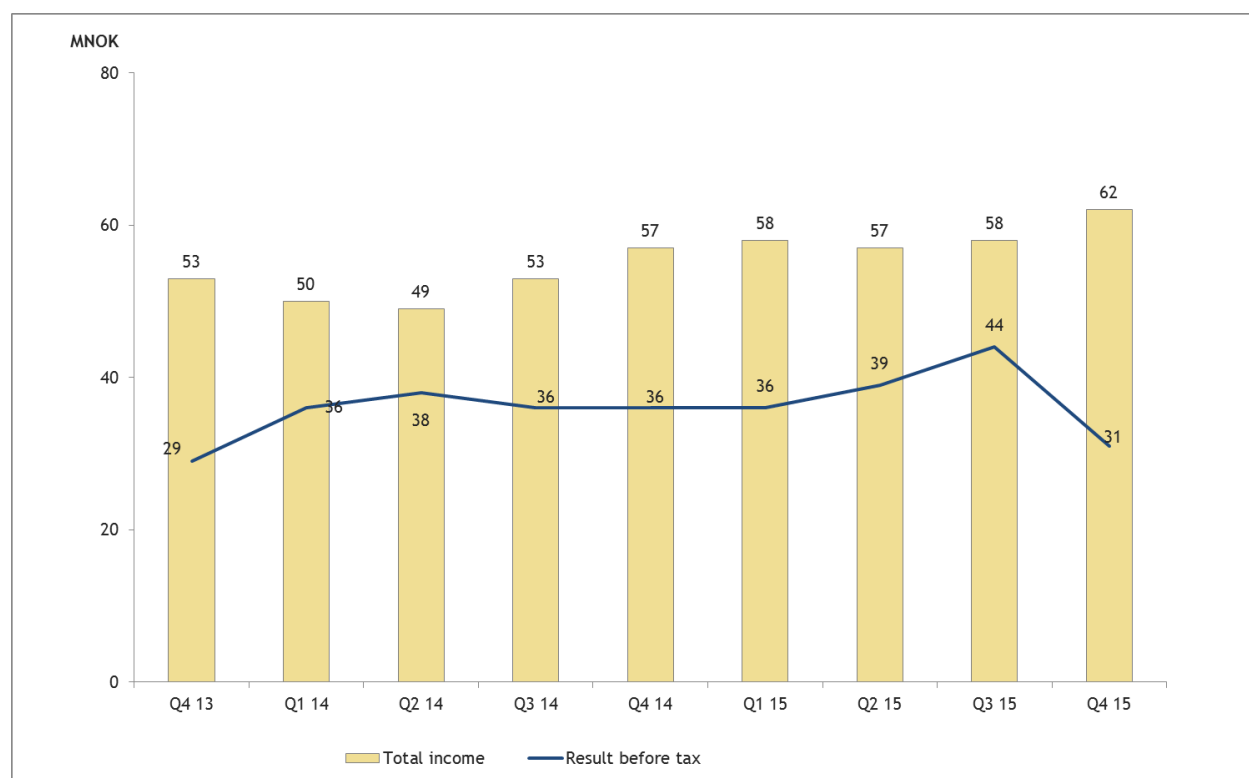


SpareBank 1 SR-Finans AS

SpareBank 1 SR-Finans AS is the leading leasing company in Rogaland with approximately NOK 7.0 billion in total assets. The company's principal activities are lease financing for corporate customers and secured car loans for retail customers.

Financial performance

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Interest income	65	63	62	64	61	254	226
Other income	-3	-5	-5	-6	-4	-19	-17
Total income	62	58	57	58	57	235	209
Total operating expenses	6	10	15	14	14	45	54
Operating profit before losses	56	48	42	44	43	190	155
Change in individual write-downs in the period	20	4	3	8	3	35	3
Change in group write-downs in the period	5	0	0	0	4	5	6
Operating profit before tax	31	44	39	36	36	150	146

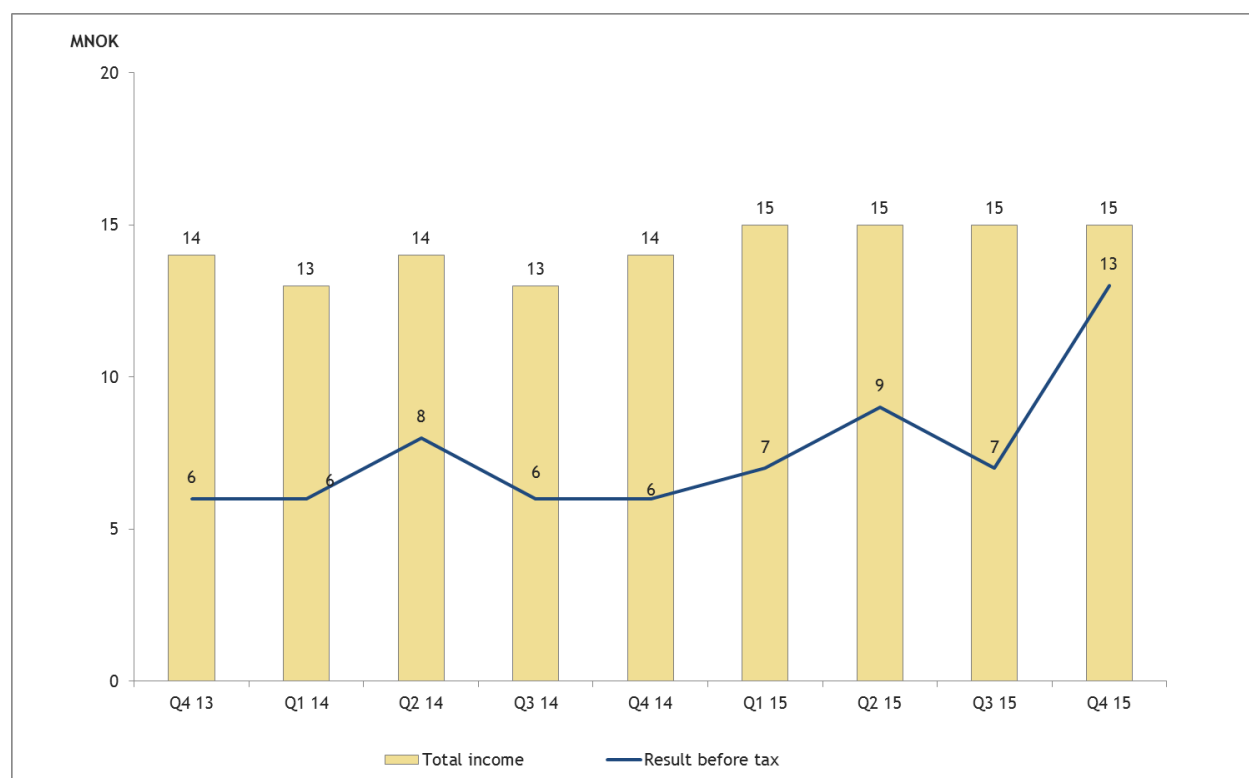


SR-Forvaltning AS

SR-Forvaltning AS is a securities firm with a licence to provide asset management services. The company's objective is to be a local alternative with a high level of expertise in financial management. The company manages portfolios for SpareBank 1 SR-Bank and SpareBank 1 SR-Bank's pension fund, in addition to portfolios for about 2,500 external customers. The external customer base is made up of pension funds, public and private enterprises and affluent private individuals. Total assets amount to approximately NOK 9 billion as at 31.12.2015. The company is fully owned by SpareBank 1 SR-Bank.

Financial performance

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Interest income	1	0	0	0	0	1	1
Other income	14	15	15	15	14	59	54
Total income	15	15	15	15	14	60	55
Total operating expenses	2	8	6	8	8	24	28
Operating profit before losses	13	7	9	7	6	36	27
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	13	7	9	7	6	36	27



SR-Investering AS

The company's objective is to contribute to long-term value creation, through investment in business in the group's market segment. The company invests primarily in private equity funds and small and medium-sized companies that need capital to develop and grow further. The company is fully owned by SpareBank 1 SR-Bank.

Financial performance

MNOK	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	31.12 2015	31.12 2014
Interest income	1	0	0	0	1	1	1
Other income	-13	0	-11	0	-11	-24	1
Total income	-12	0	-11	0	-10	-23	2
Total operating expenses	1	0	0	0	1	1	1
Operating profit before losses	-13	0	-11	0	-11	-24	1
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	-13	0	-11	0	-11	-24	1

