

The logo consists of a stylized 'Q' and the number '3'. The 'Q' is white with a blue outline, and the '3' is solid blue.

Quarterly presentation 2020

Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 SR-Bank believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 SR-Bank include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 SR-Bank has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



- **Introduction to SpareBank 1 SR-Bank ASA**
- Financials
- Solvency and liquidity position
- Appendix

SR-Bank at a glance

- Second largest Norwegian bank
- Market cap: NOK 19.8 Billion
- Total assets: NOK 280.3 Billion
- Total lending: NOK 220.2 Billion
- Total deposits: NOK 113.2 Billion
- No. of branches: 35
- Employees: 1.326

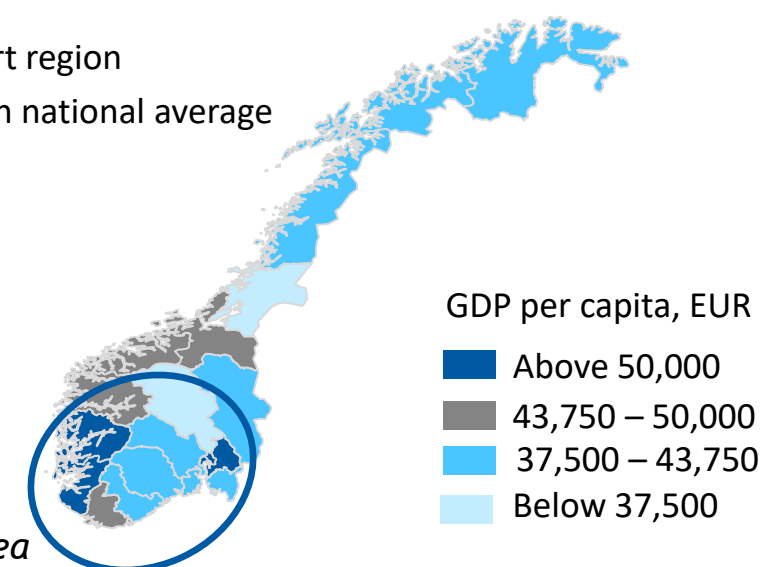


- **1839:** The first bank that today forms part of SpareBank 1 SR-Bank was established.
- **1976:** 24 savings banks merge to form Sparebanken Rogaland.
- **1994:** SR-Bank (Sparebanken Rogaland) lists its primary capital certificates on the Oslo Stock Exchange.
- **1996:** SR-Bank is one of the founders of SpareBank 1, an alliance.
- **2012:** SpareBank 1 SR-Bank converted from a savings bank to a public limited company (“limited liability savings bank”).

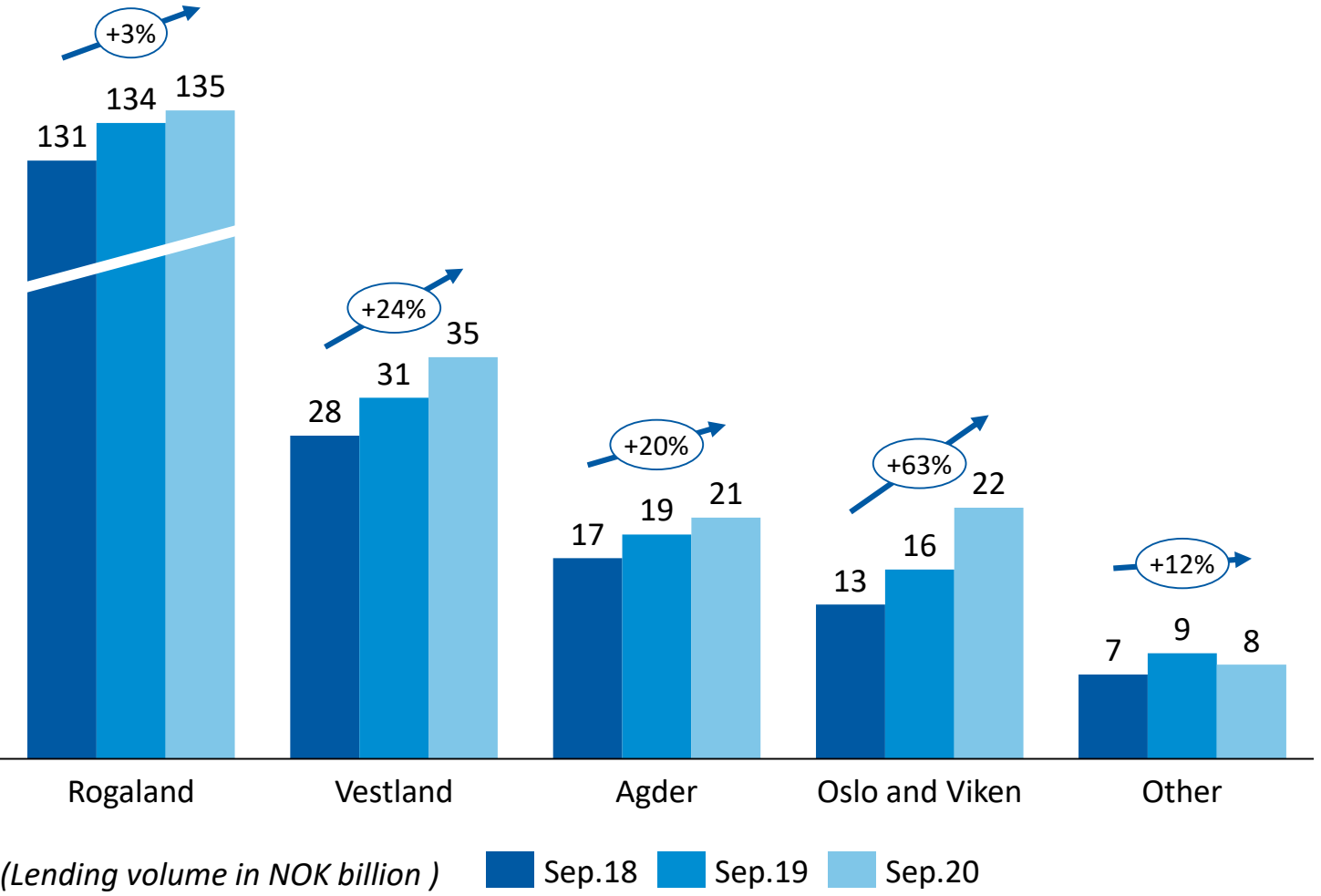
Source: Finans Norge (2018), Statistics Norway, Norges Bank.

	Banks	Market share
1	DnB Bank	27.2
2	Nordea Bank Norge (Swedish)	12.6
3	Danske Bank (Danish)	6.4
4	Handelsbanken (Swedish)	5.4
5	SpareBank 1 SR-Bank	4.3

- Norway’s largest export region
- Unemployment rate on national average



Digitalization and growth makes SR-Bank a finance group for the South of Norway



* Included in Stavanger is office; Domkirkeplassen, Hundvåg, Madla and Mariero

SpareBank 1 SR-Bank ASA

Business divisions	Fully owned companies		Partly owned companies	
Capital Market Number of man-years: 24	EiendomsMegler 1 Leading real estate broker Number of man-years: 197	SR-Boligkreditt Covered Bond Funding Number of man-years: 1	BN Bank (35.0%) Commercial bank located in Oslo and Trondheim	SpareBank 1 Gruppen (19.5%) Holding company for the SpareBank 1 - Alliance
Retail Market Number of man-years: 458	SR-Forvaltning Asset management Number of man-years: 13	FinStart Nordic** Investmentportfolio FinTec Number of man-years: 16	SpareBank 1 Boligkreditt (2.2%) Covered bond company (mortgages)	SpareBank 1 Næringskreditt (15.6%) Covered bond company (commercial real estate)
Corporate Market Number of man-years: 153	SpareBank 1 SR-Bank Forretningspartner* Accounting and advisory Number of man-years: 159	Monner Digital loan-platform for small businesses Number of man-years: 15	SpareBank 1 Kreditt (17.7%) Credit card company located in Trondheim	SpareBank 1 Betaling*** (19.8%) The company behind mobile payment solution
Administration & Support Number of man-years: 290				

*SpareBank 1 SR-Bank Forretningspartner has taken over Fast Solutions with effect from 1 September 2020.

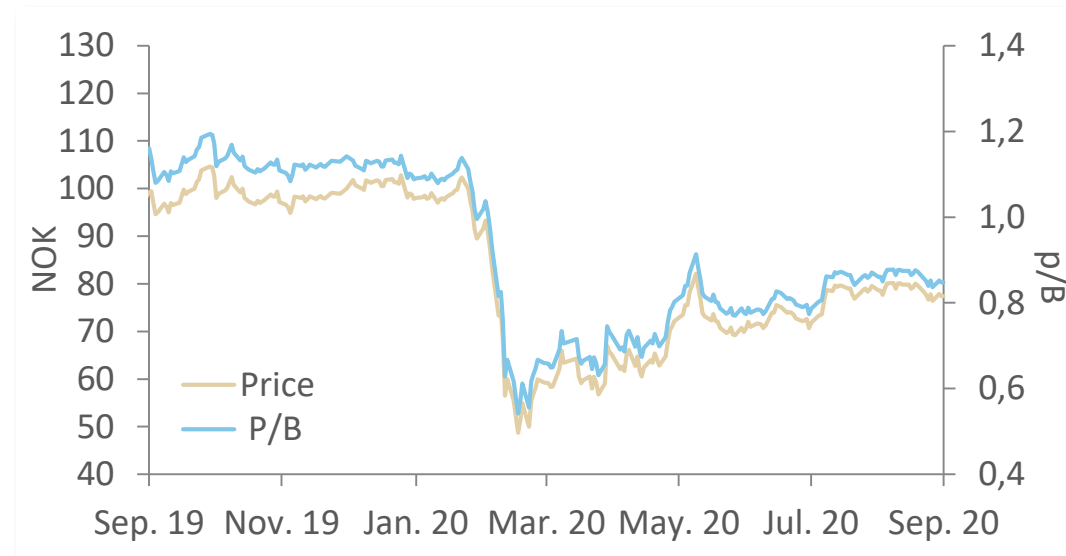
** Number of man-years in FinStart Nordic includes man-years in subsidiaries.

***Owns 22% in VBB AS.

SRBANK share

- International ownership is 22.3% per 3. quarter 2020.
- Total market value at 3. quarter 2020 is NOK 19.8 billion.

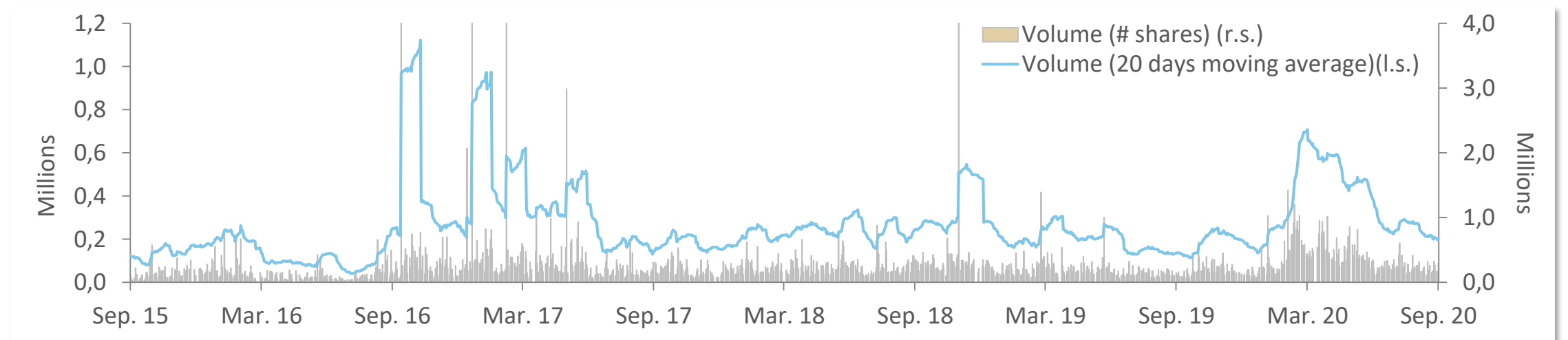
Development in Price/Book



Relativ share price development



Trading volume development



20 largest shareholders as at 30 September 2020

	Investor	Number	Stake	
<ul style="list-style-type: none"> Ownership interests as at 30 September 2020: <ul style="list-style-type: none"> From Rogaland, Agder and Vestland: 44.1% (43.0%) International: 22.3% (28.3%) 10 largest: 51.3% (50.9%) 20 largest: 58.8% (58.2%) Number of shareholders 30 September 2020: 13.286 (11.318) Employees owning 1.7% (1.5%) as at 30 September 2020 	Sparebankstiftelsen SR-Bank	72.419.305	28,3 %	
	Folketrygdfondet	21.179.990	8,3 %	
	Brown Brothers Harriman & Co, U.S.A.	Nominee	6.612.187	2,6 %
	SpareBank 1-stiftinga Kvinnherad		6.226.583	2,4 %
	State Street Bank and Trust Co, U.S.A.	Nominee	6.152.799	2,4 %
	Vpf Nordea Norge Verdi		5.232.389	2,0 %
	Danske Invest Norske Instit. II		3.695.680	1,4 %
	Odin Norge		3.423.133	1,3 %
	Pareto Aksje Norge		3.272.790	1,3 %
	JPMorgan Chase Bank N.A., U.S.A.	Nominee	2.898.345	1,1 %
	Verdipapirfondet Alfred Berg Gambak		2.731.707	1,1 %
	Clipper AS		2.211.000	0,9 %
	KLP Aksjenorge Indeks		2.081.291	0,8 %
	Verdipapirfondet Alfred Berg Norge		1.921.511	0,8 %
	State Street Bank and Trust Co, U.S.A.	Nominee	1.837.045	0,7 %
	Westco AS		1.799.187	0,7 %
	Forsvarets Personellservice		1.752.356	0,7 %
	Arctic Funds plc, Irland		1.749.038	0,7 %
	Pareto Invest AS		1.694.108	0,7 %
	Danske Invest Norske Aksjer Inst.		1.557.703	0,6 %
	Top 5	112.590.864	44,0 %	
	Top 10	131.113.201	51,3 %	
	Top 20	150.448.147	58,8 %	

Figures in parentheses as at 30.09.2019.

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A stronger result with growth and good underlying operations

8.2%

Return on equity after tax for the quarter

Pre-tax profit is NOK 603 million

NOK 369 million

Impairments on gross lending and financial commitments for the quarter

Equivalent 0.67% of gross lending and financial commitments
(annualized)

5.2%

Return on equity after tax year-to-date 2020

Pre-tax profit is NOK 1.116 million

- 2.4%

12 months costs growth

Cost to income ratio year-to-date 2020 is 37.9%

4.9%

12 months lending growth

Of which retail market 6.6% and corporate market 2.7%

10.8%

12 months deposit growth

Of which retail market 9.4% and corporate
market (including capital market) 12.3%

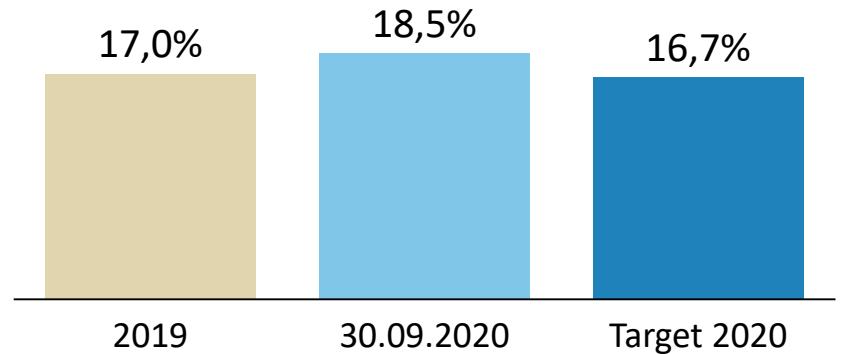
18.5%*

Common equity tier 1 capital ratio

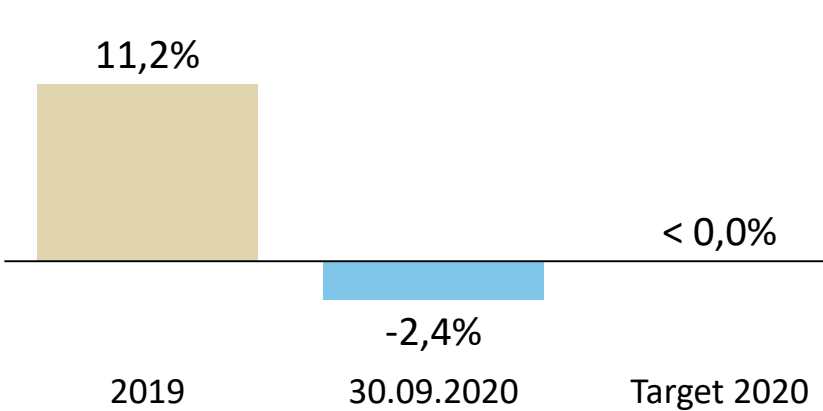
**On 23 April 2020, the annual general meeting approved the board's proposal that no dividend be paid out for 2019. At the same meeting, the board was authorised to make a decision about the distribution of a dividend, at some later point in time, of up to NOK 5.50 per share based on the bank's approved annual financial statements for 2019. The authorisation remains valid until the next ordinary general meeting in 2021.*

Key figures and financial targets for 2020

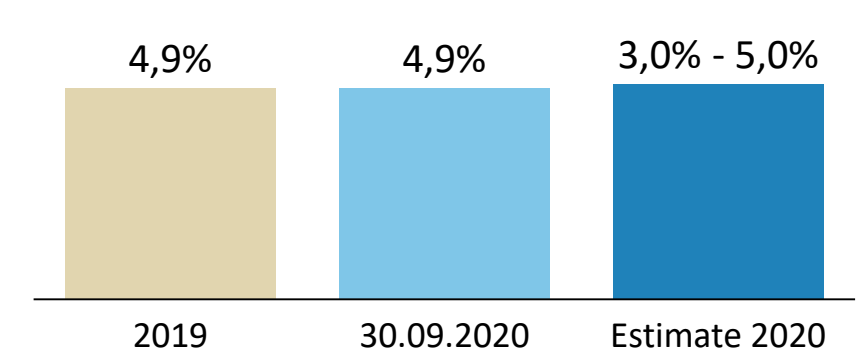
CET 1



Growth in costs (12 months)

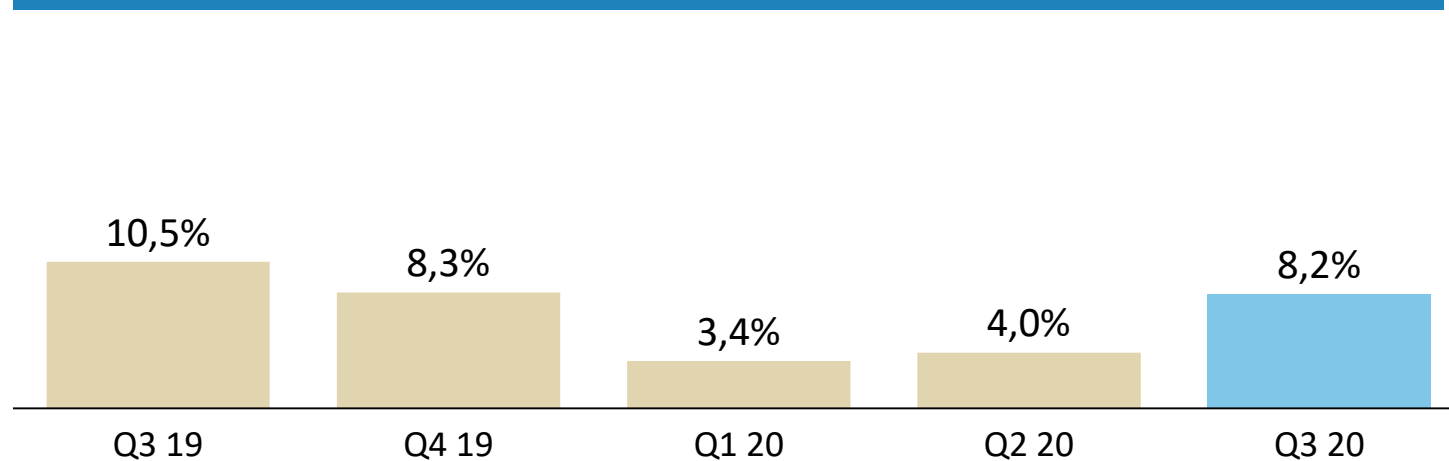


Growth in loans (12 months)

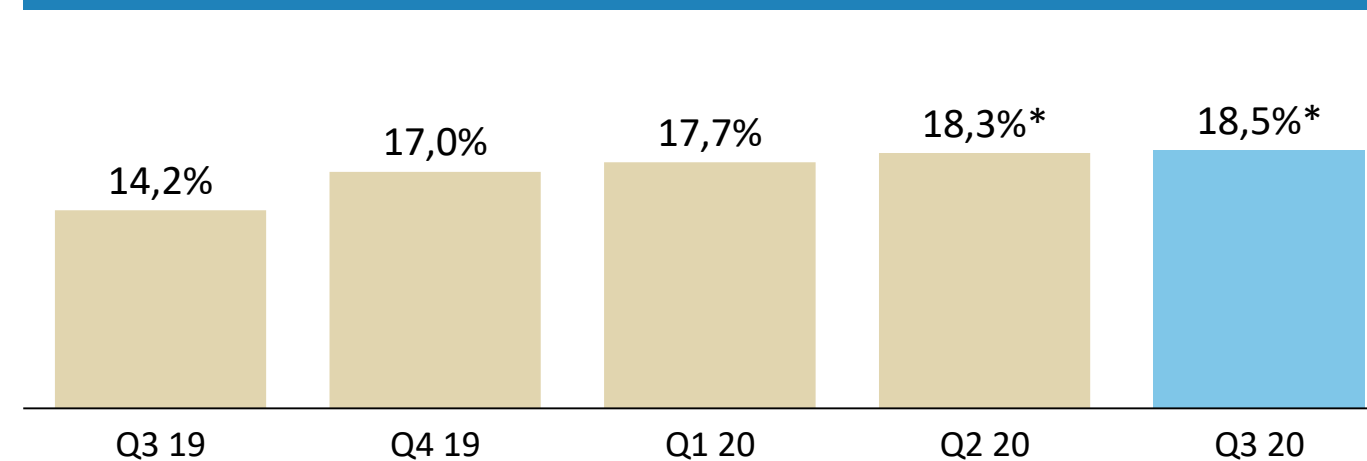


Key figures – quarterly development

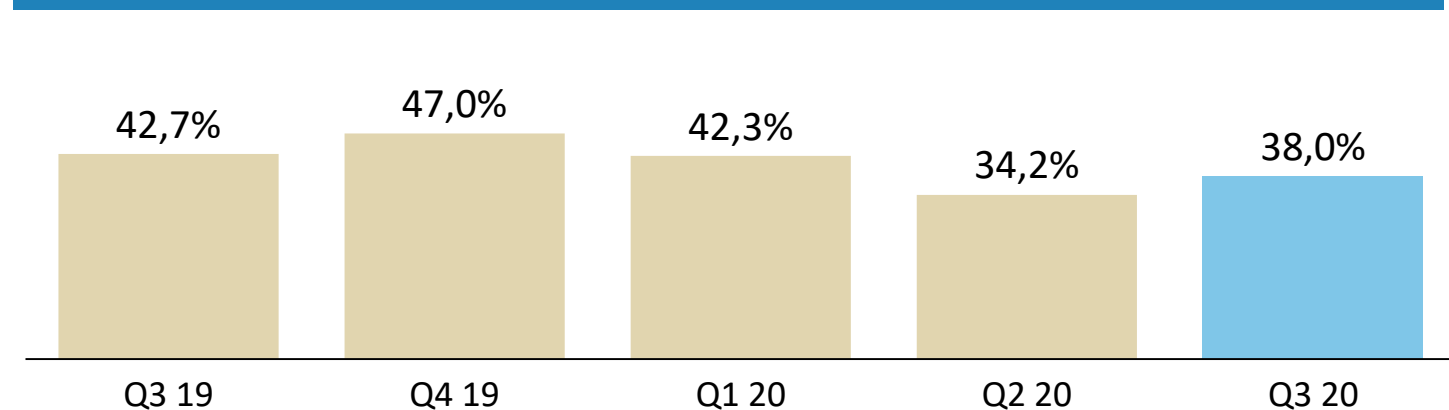
Return on equity



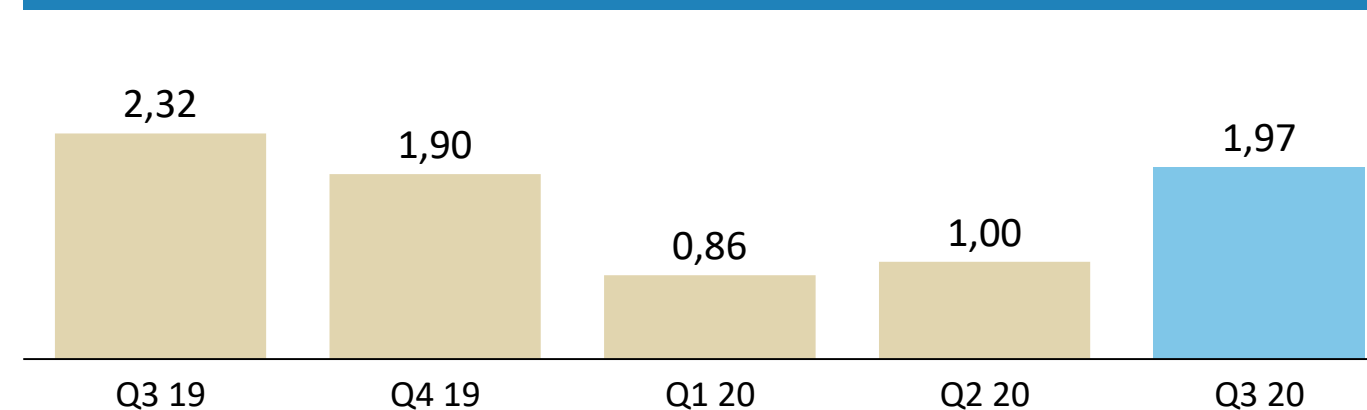
CET 1



Cost to income ratio



Earnings per share



* On 23 April 2020, the annual general meeting approved the board's proposal that no dividend be paid out for 2019. At the same meeting, the board was authorised to make a decision about the distribution of a dividend, at some later point in time, of up to NOK 5.50 per share based on the bank's approved annual financial statements for 2019. The authorisation remains valid until the next ordinary general meeting in 2021.

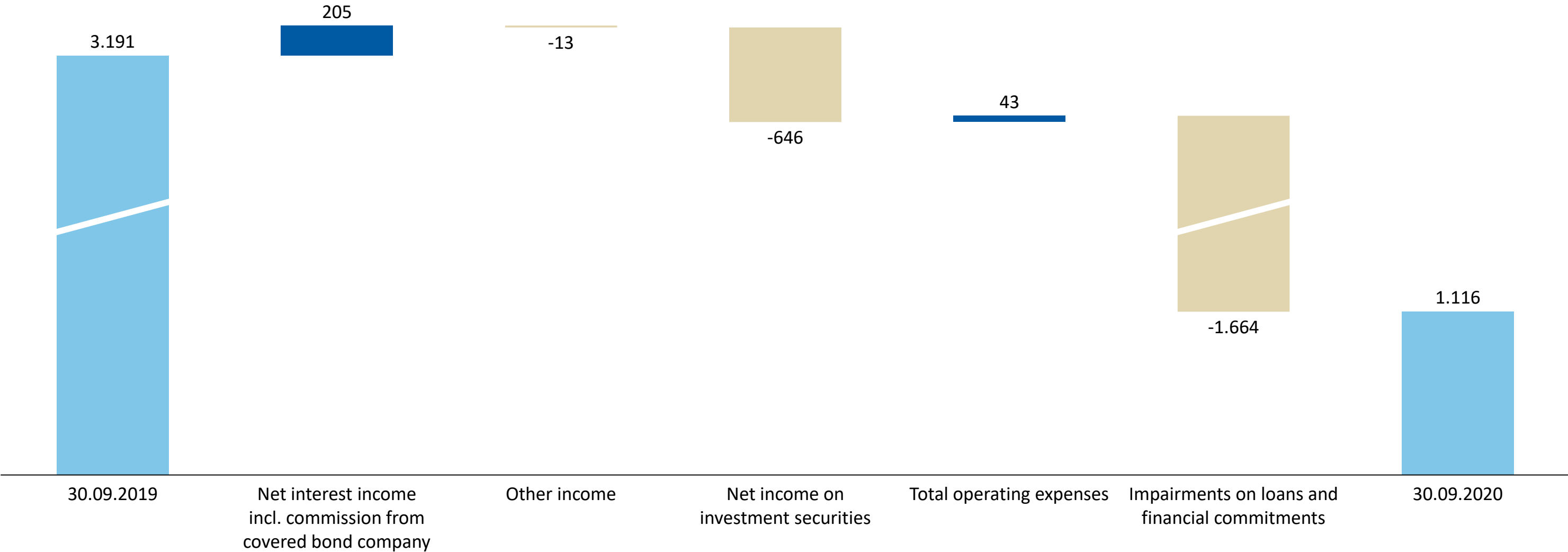
Key figures

	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Return on equity after tax (%)	5,2	16,0	8,2	4,0	3,4	8,3	10,5
Net interest margin (%)	1,54	1,60	1,48	1,50	1,64	1,64	1,61
Impairments on loans in % of gross loans incl. covered bond company	1,08	0,06	0,67	1,53	1,05	0,26	0,13
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments incl. covered bond company	1,57	1,30	1,57	1,84	1,40	1,30	1,30
Cost to income ratio	37,9	35,4	38,0	34,2	42,3	47,0	42,7
Annual growth in loans to customers, gross incl. covered bond company (%)	4,9	6,8	4,9	5,4	5,3	4,9	6,8
Annual growth in deposit from customers (%)	10,8	1,9	10,8	8,3	6,6	4,3	1,9
Total assets (BNOK)	280,3	251,6	280,3	278,7	278,6	255,9	251,6
Portfolio of loans in covered bond company (BNOK)	3,4	6,3	3,4	4,2	4,2	4,2	6,3
Risk weighted assets (BNOK)	121,5	141,7	121,5	121,9	125,8	121,7	141,7
Liquidity Coverage Ratio (LCR) (%)	154	153	154	159	135	155	153
Earnings per share (NOK)	3,84	10,32	1,97	1,00	0,86	1,90	2,32
Book value per share (NOK)	93,51	87,60	93,51	91,32	90,55	89,90	87,60

Income statement

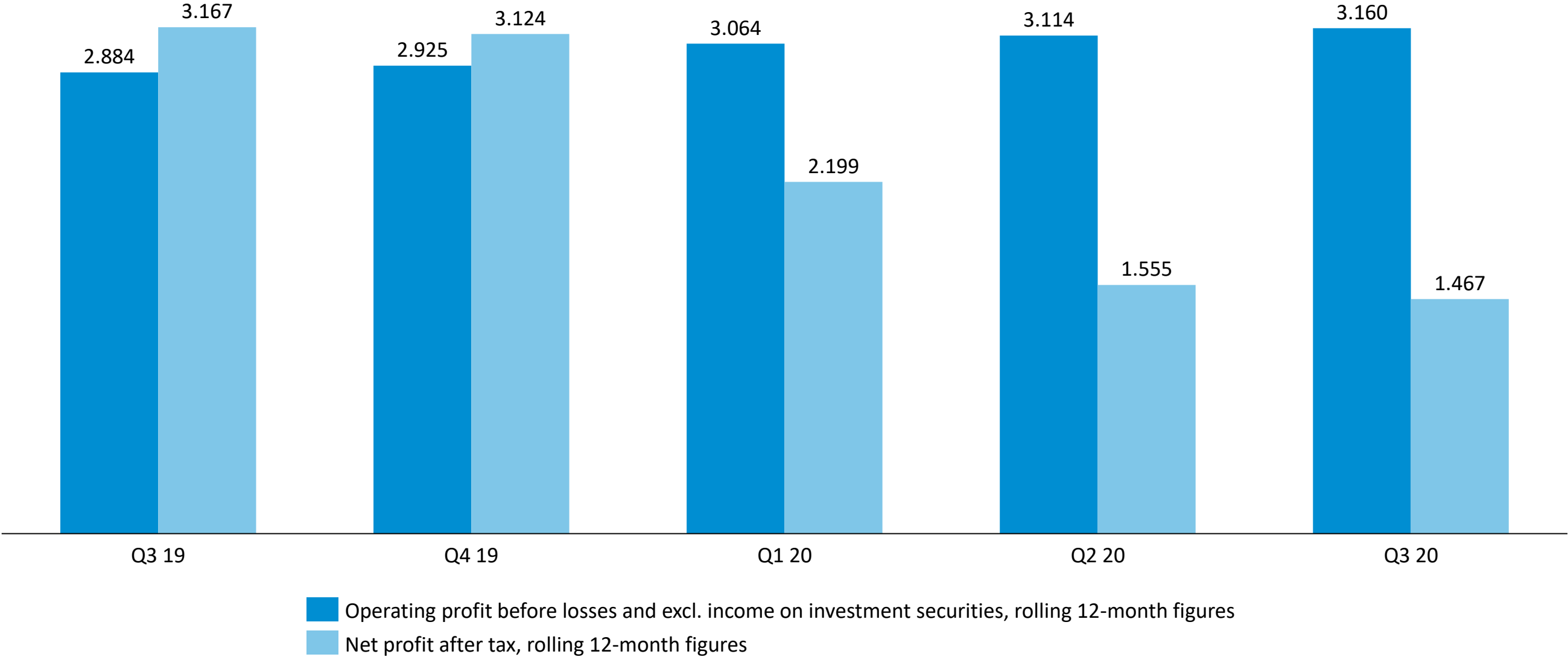
Group Income Statement (MNOK)	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Net interest income	3.148	2.925	1.041	1.026	1.081	1.062	1.019
Net commission and other income	1.026	1.057	336	344	346	359	332
Net income on investment securities	459	1.105	190	297	-28	22	89
Total income	4.633	5.087	1.567	1.667	1.399	1.443	1.440
Total operating expenses	1.757	1.800	595	570	592	678	615
Operating profit before impairments	2.876	3.287	972	1.097	807	765	825
Impairments on loans and financial commitments	1.760	96	369	831	560	139	66
Operating profit before tax	1.116	3.191	603	266	247	626	759
Tax expense	134	552	98	10	26	141	166
Net profit after tax	982	2.639	505	256	221	485	593

Change in profit 30.06.2019 – 30.06.2020



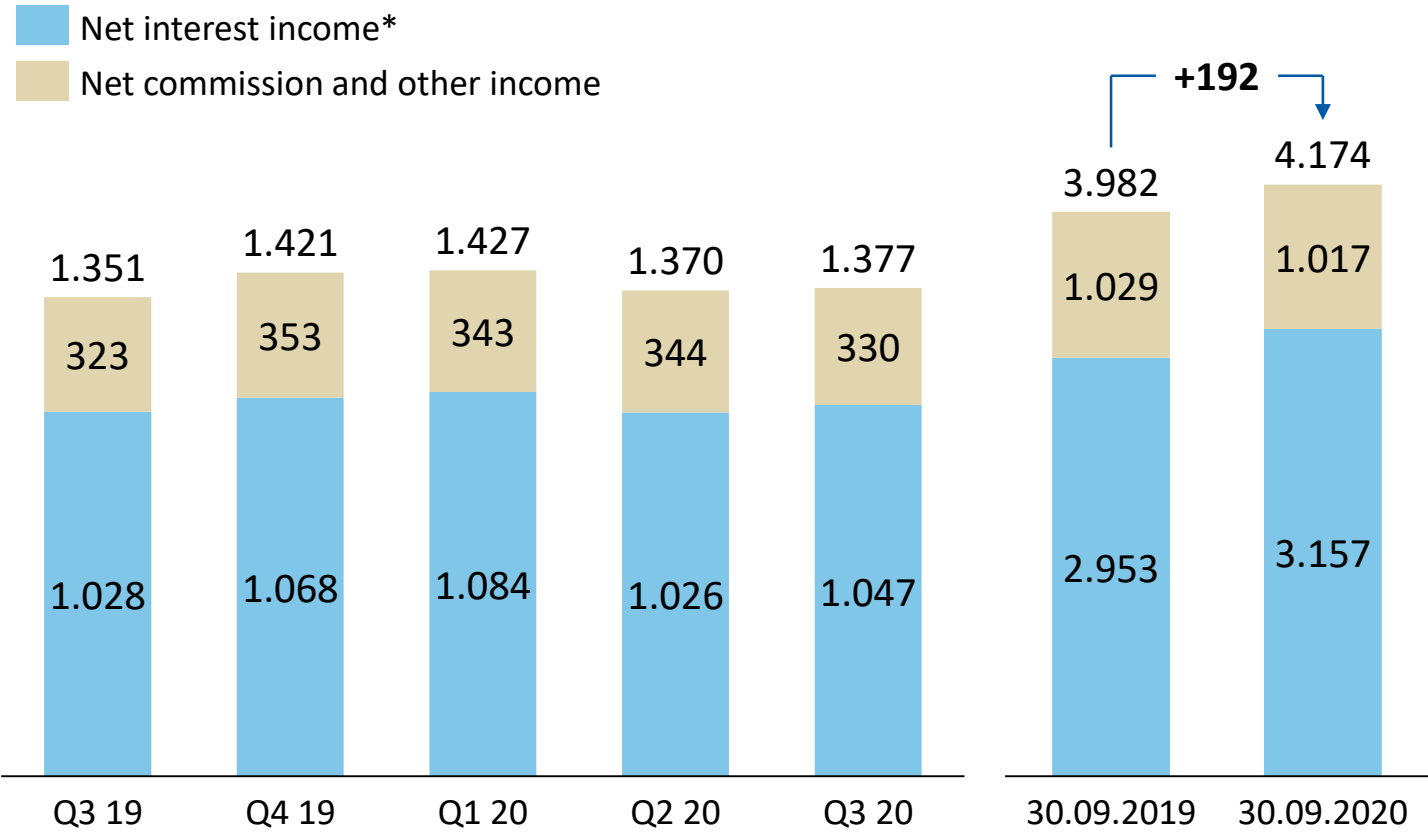
Operating profit before losses and excl. income on investment securities

(Rolling 12-month figures)

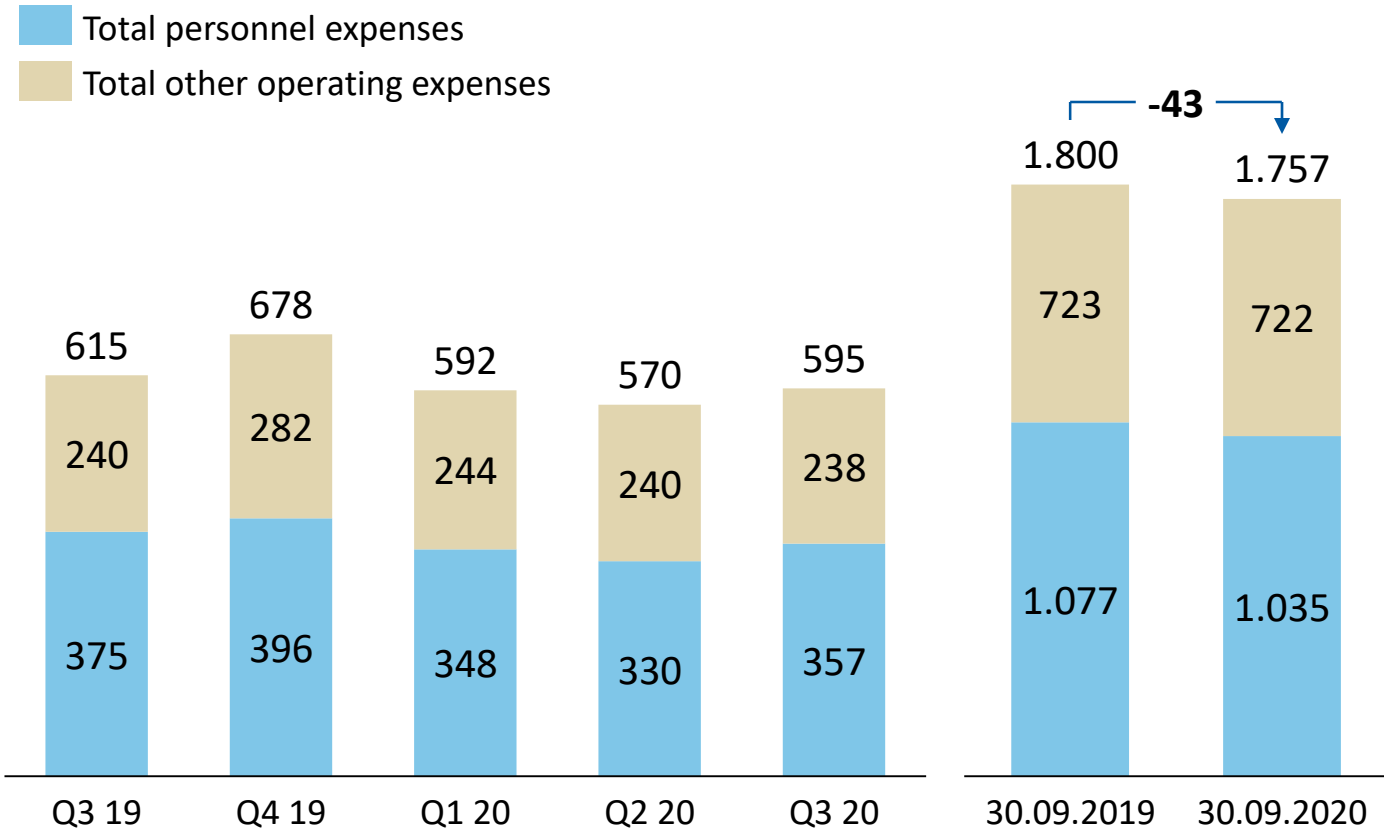


Consolidated income and cost profile

Income profile



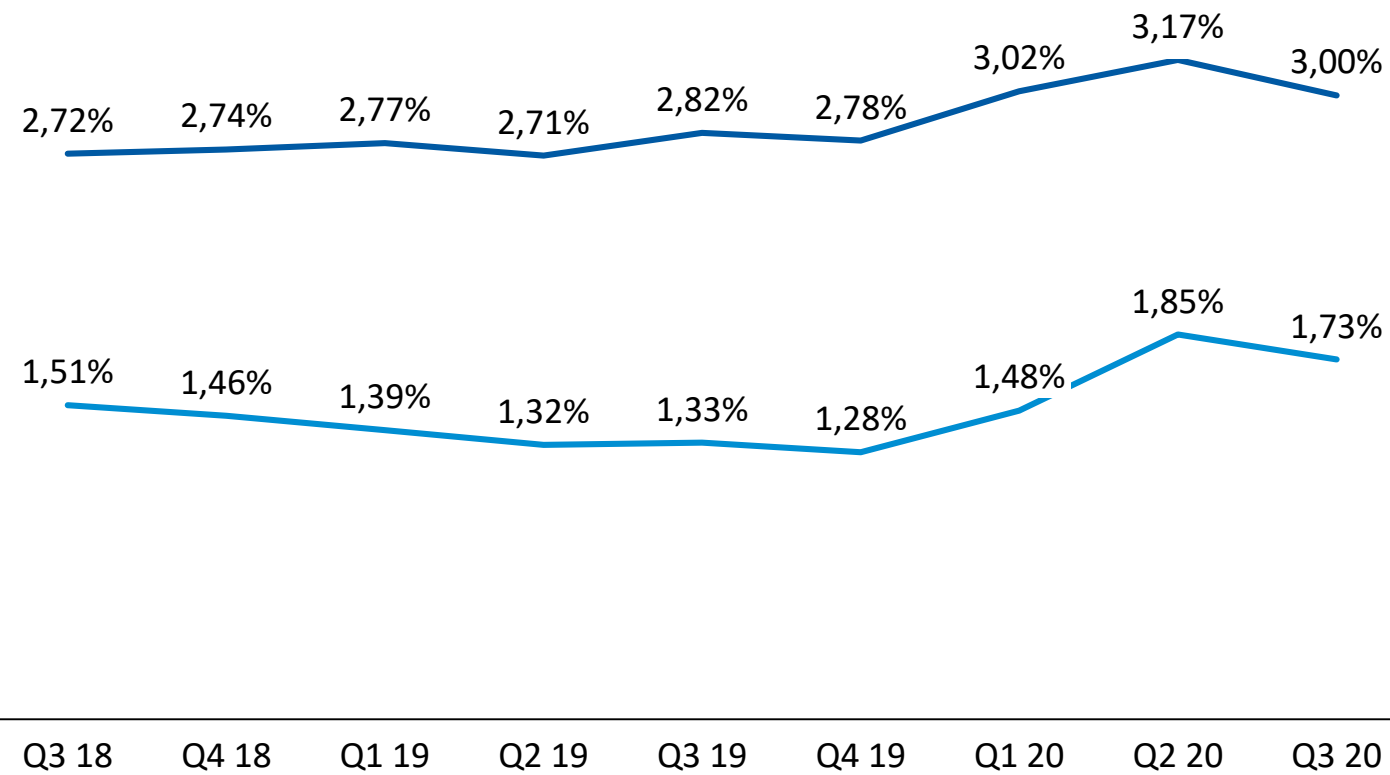
Cost profile



*Income profile consists of net interest income, incl. commission income from covered bond companies, and net commission and other income excl. financial income.

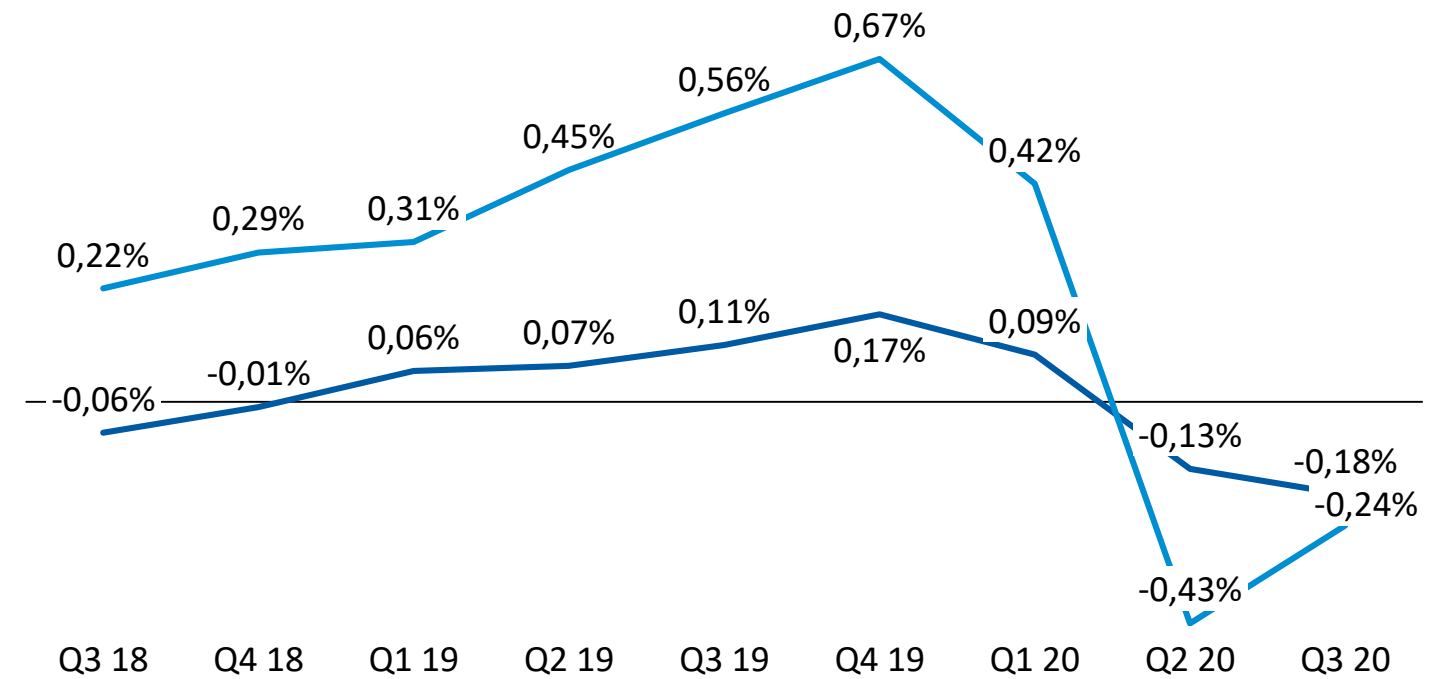
Lending and deposit margins

Lending margins*



— Corporate market — Retail market

Deposit margins



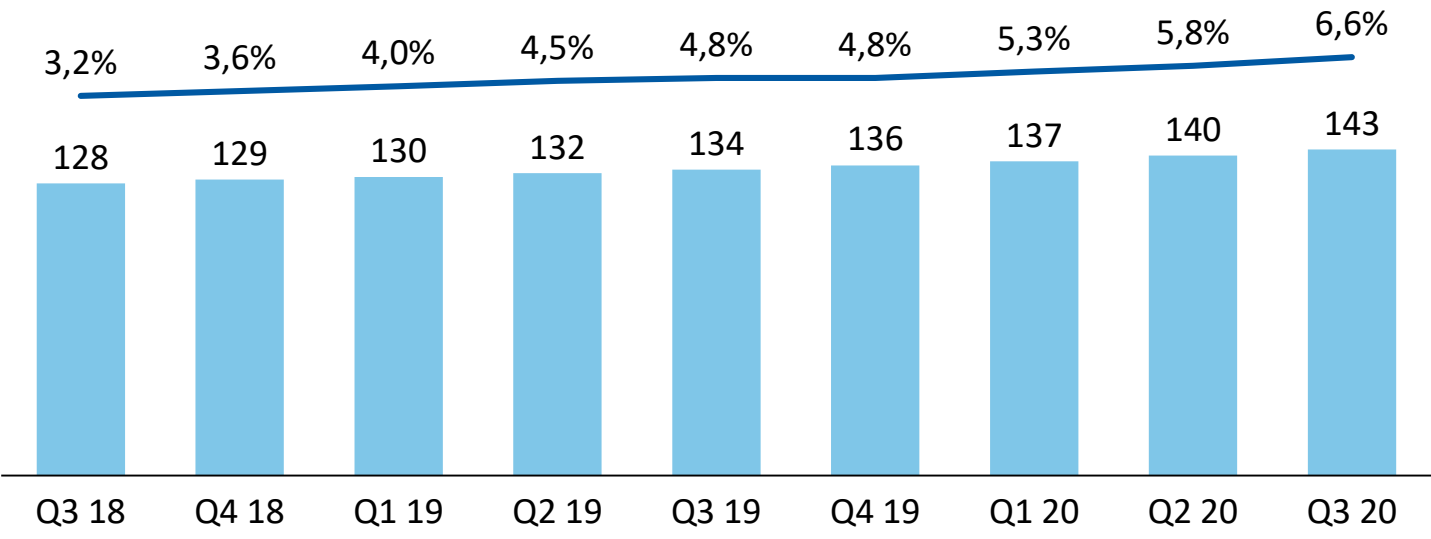
— Corporate market — Retail market

Definition: Average customer rate measured against 3-months NIBOR.

*Lending margins include loan portfolio in covered bond companies.

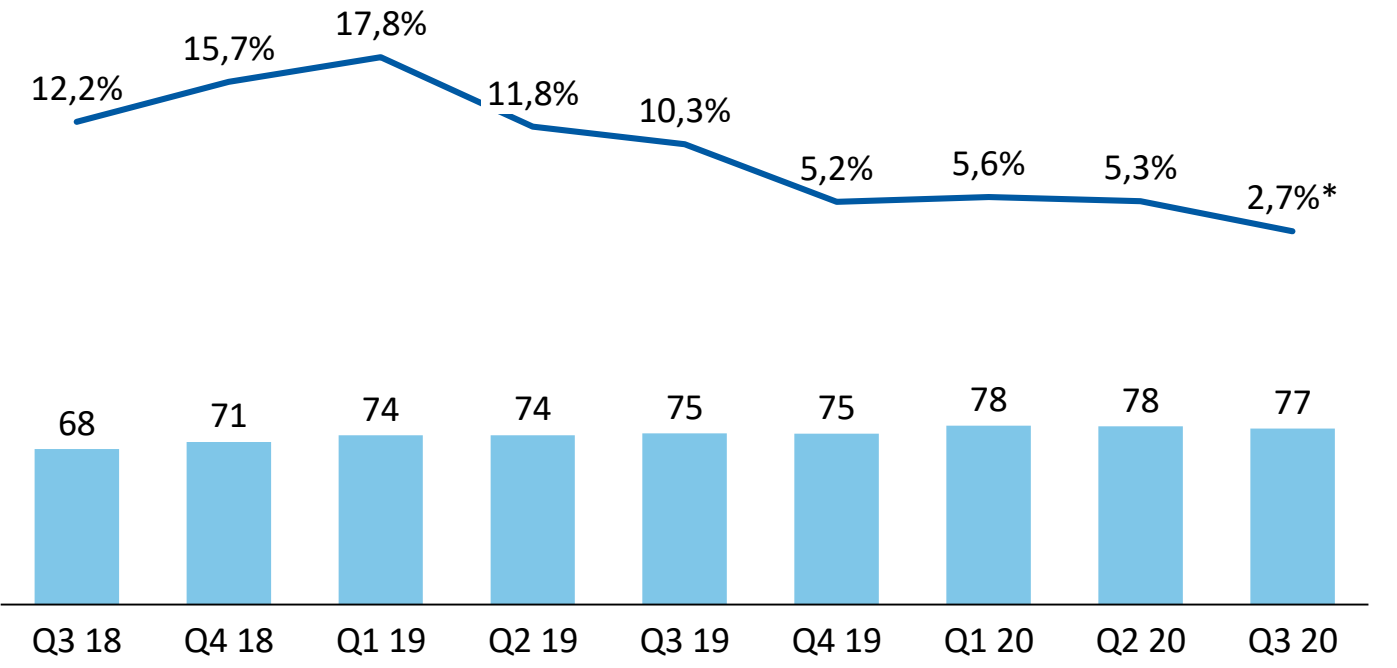
Lending volume and 12 months growth

Retail Market



■ Volume in NOK billion — Growth %

Corporate Market (incl. Capital Market)

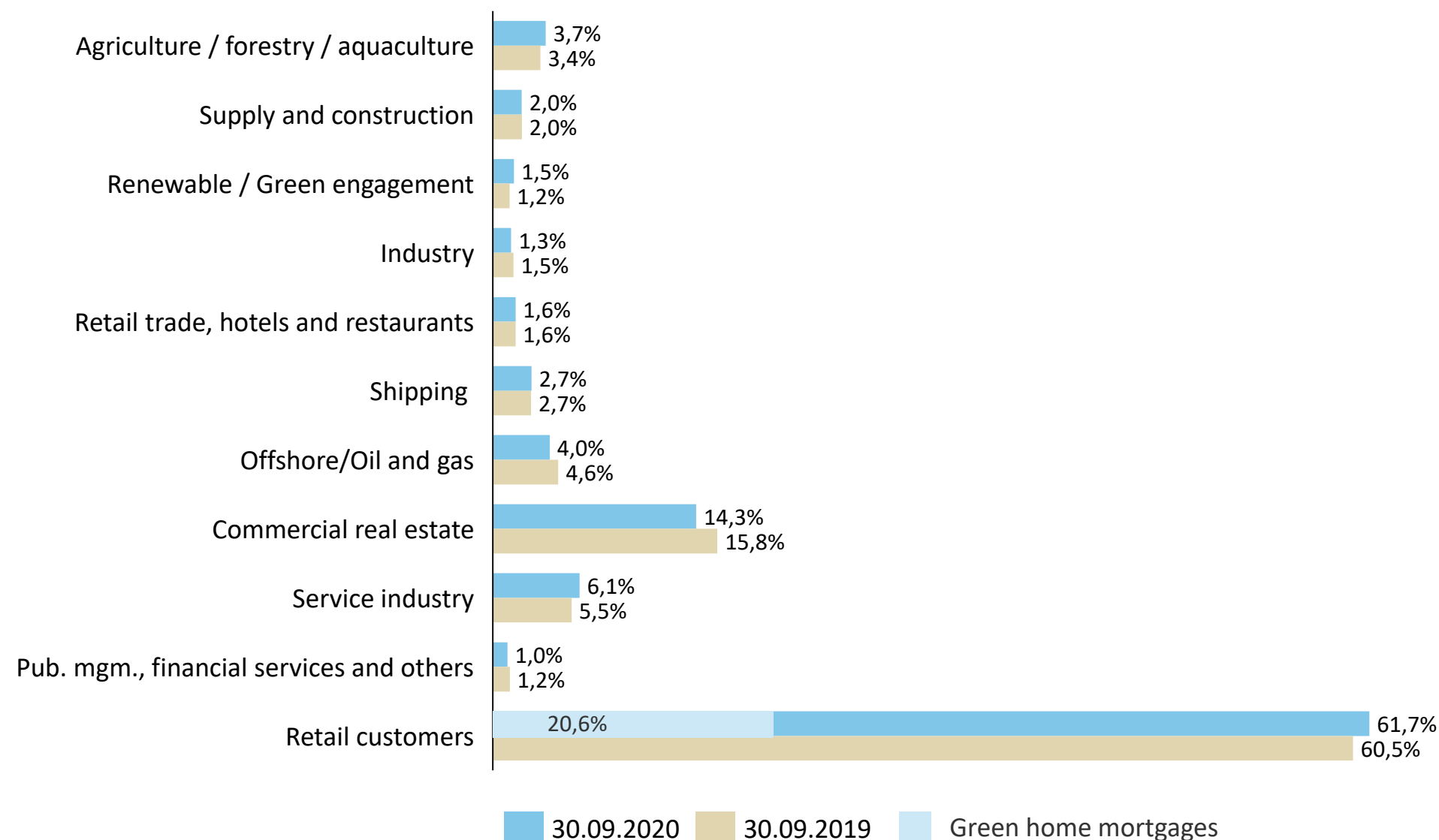


■ Volume in NOK billion — Growth %

Figures incl. loan portfolio in covered bond companies.
 *12 months lending growth in Corporate Market excluding currency effect is 2.4 %

Loan portfolio as at 30.09.2020

- Gross loans (incl. covered bond company) as at 30 September 2020 is increased to NOK 220.2 billion from NOK 209.9 billion at the same time the year before.
- 12-month growth in loans of 4.9%.
- Loans to retail customers (incl. covered bond company) account for 61.7% of total loans. Of this SB1 Boligkreditt accounts for 1.5% and green home mortgages 20.6%.

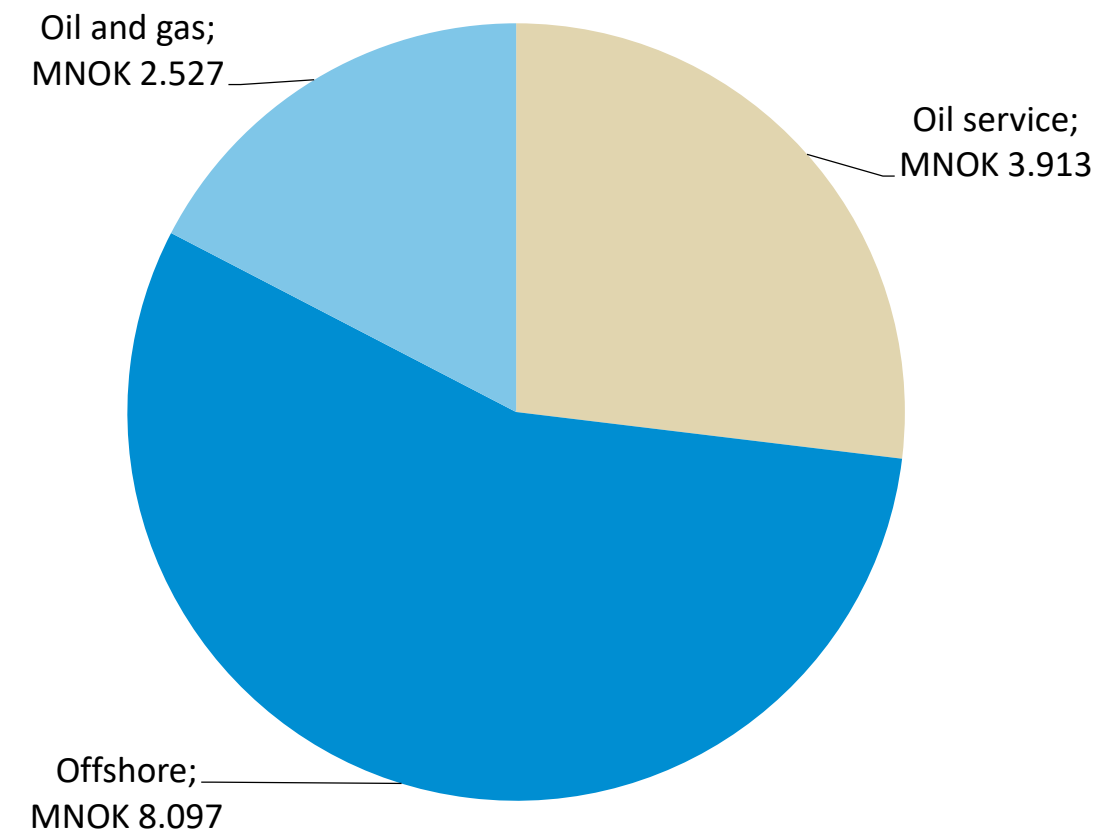


Loans before impairments, nominal amounts. Sector allocation in accordance with the standard categories from Statistics Norway.

Lending to oil and offshore

6.0% (BNOK 14.5) of total EAD* is related to oil operations

- Oil services
 - EAD NOK 3.9 billion, 1.6% of the bank's total EAD
 - Funding of operating capital through current and fixed assets, as well as guarantees
- Exploration and production companies
 - EAD NOK 2.5 billion, 1.0% of the bank's total EAD
 - Exposure primarily to companies with activities on the Norwegian continental shelf
- Offshore
 - EAD NOK 8.1 billion, 3.3% of the bank's total EAD
 - Exposure primarily to industrial-oriented shipping companies with integrated organization (Offshore service vessels, Rig and Seismic vessels)

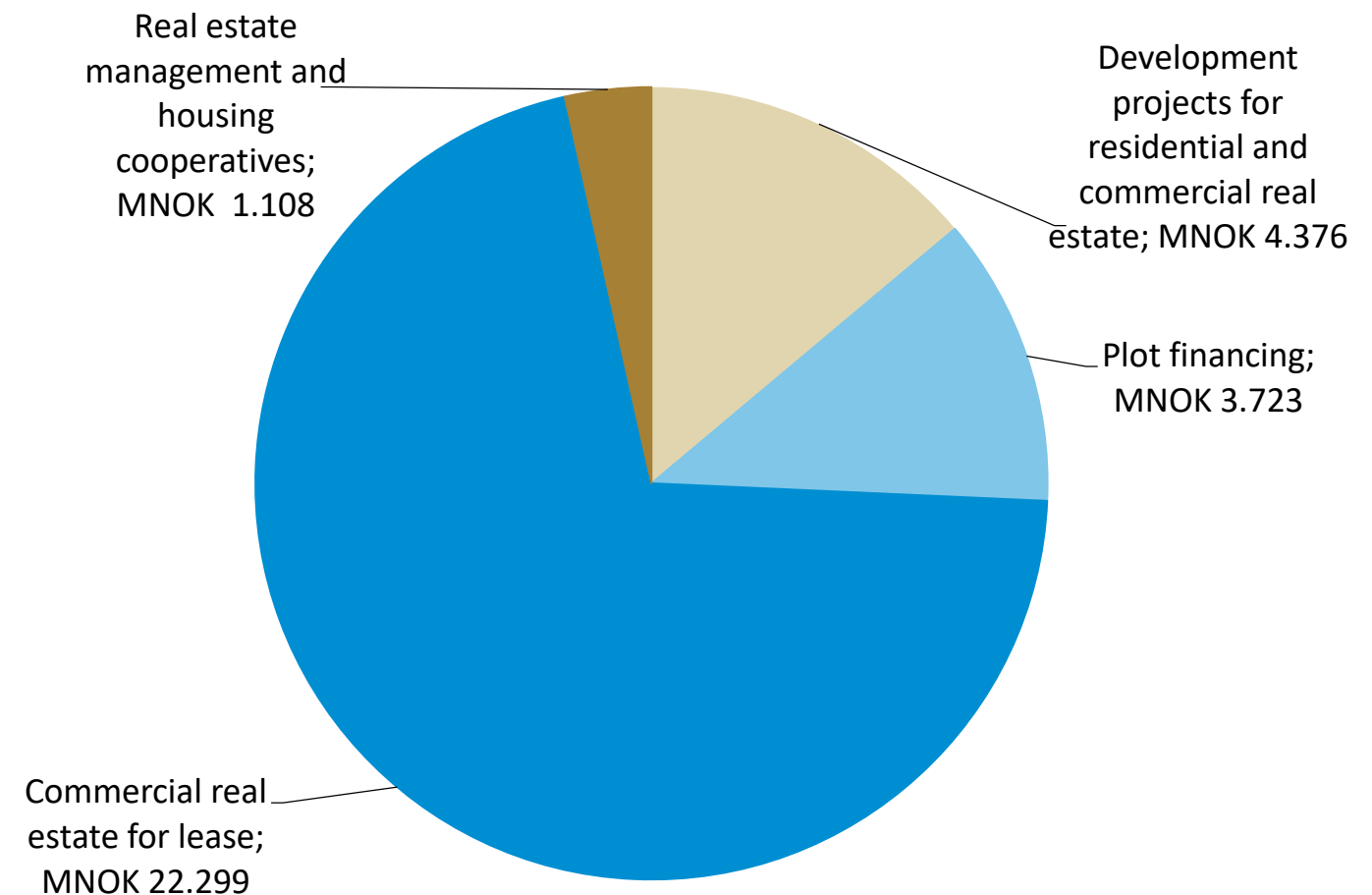


EAD: Exposure at default

Lending to commercial real estate

13.0% (BNOK 31.5) of total EAD* is related to commercial real estate

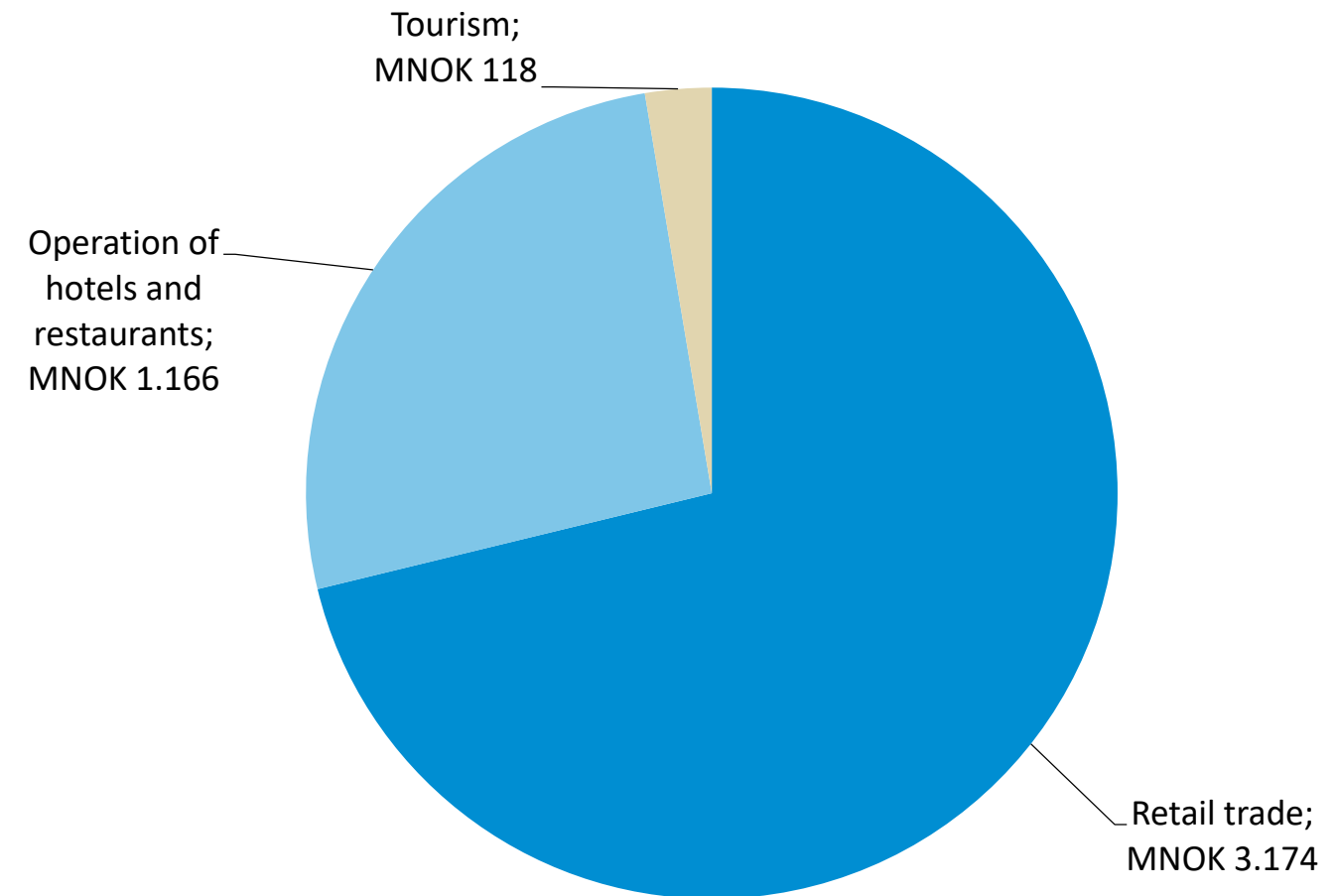
- Commercial real estate for lease
 - EAD NOK 22.3 billion, 9.2% of the bank's total EAD
 - The portfolio is characterised by lending to commercial properties for leasing with long-term contracts and financially solid tenants. The vacancy rate is limited.
 - Financing by type of premises:
 - 42% Office buildings, 26% Industrial buildings, 20% Retail stores and shopping malls, 10% Hotels, 2% Other
- Plot financing
 - EAD NOK 3.7 billion, 1.5% of the bank's total EAD
 - Average funding ratio is below 50%
- Development projects for residential and commercial real estate
 - EAD NOK 4.4 billion, 1.8% of the bank's total EAD
 - Minimum pre-sale requirement is 70%.
- Real estate management and housing cooperatives
 - EAD NOK 1.1 billion, 0.5% of the bank's total EAD



Lending to retail trade, hotels and restaurants

1.8% (BNOK 4.5) of total EAD* is related to retail trade, hotels and restaurants

- Retail trade
 - EAD NOK 3.2 billion, 1.3% of the bank's total EAD
- Operation of hotels and restaurants
 - EAD NOK 1.2 billion, 0.5% of the bank's total EAD
- Tourism
 - EAD NOK 0.1 billion, 0.05% of the bank's total EAD

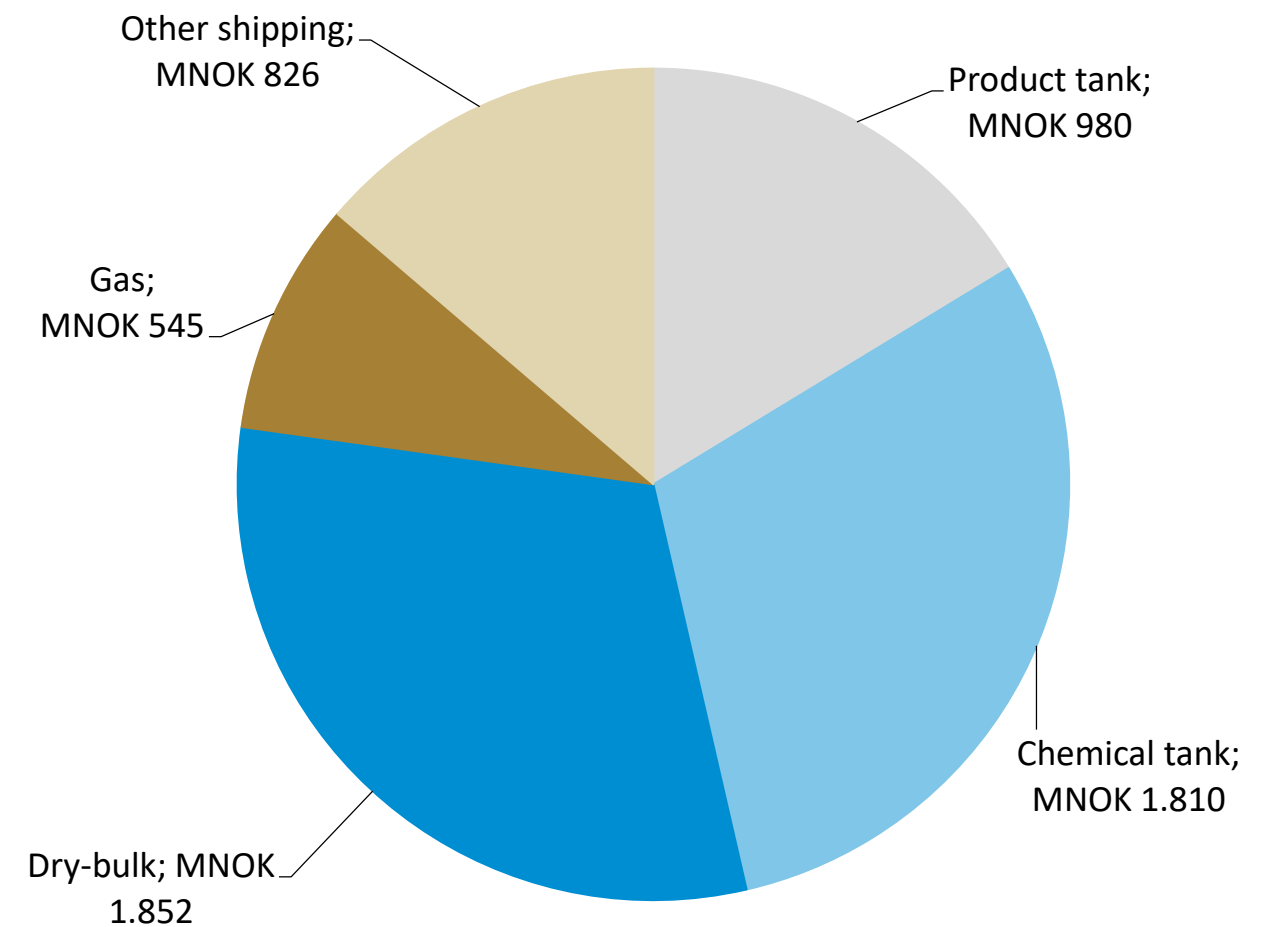


EAD: Exposure at default

Lending to shipping

2.5% (BNOK 6.0) of total EAD* is related to shipping

- Product tank
 - EAD NOK 1.0 billion, 0.4% of the bank's total EAD
- Chemical tank
 - EAD NOK 1.8 billion, 0.8% of the bank's total EAD
- Dry-bulk
 - EAD NOK 1.9 billion, 0.8% of the bank's total EAD
- Gas
 - EAD NOK 0.5 billion, 0.2% of the bank's total EAD
- Other shipping
 - EAD NOK 0.8 billion, 0.3% of the bank's total EAD

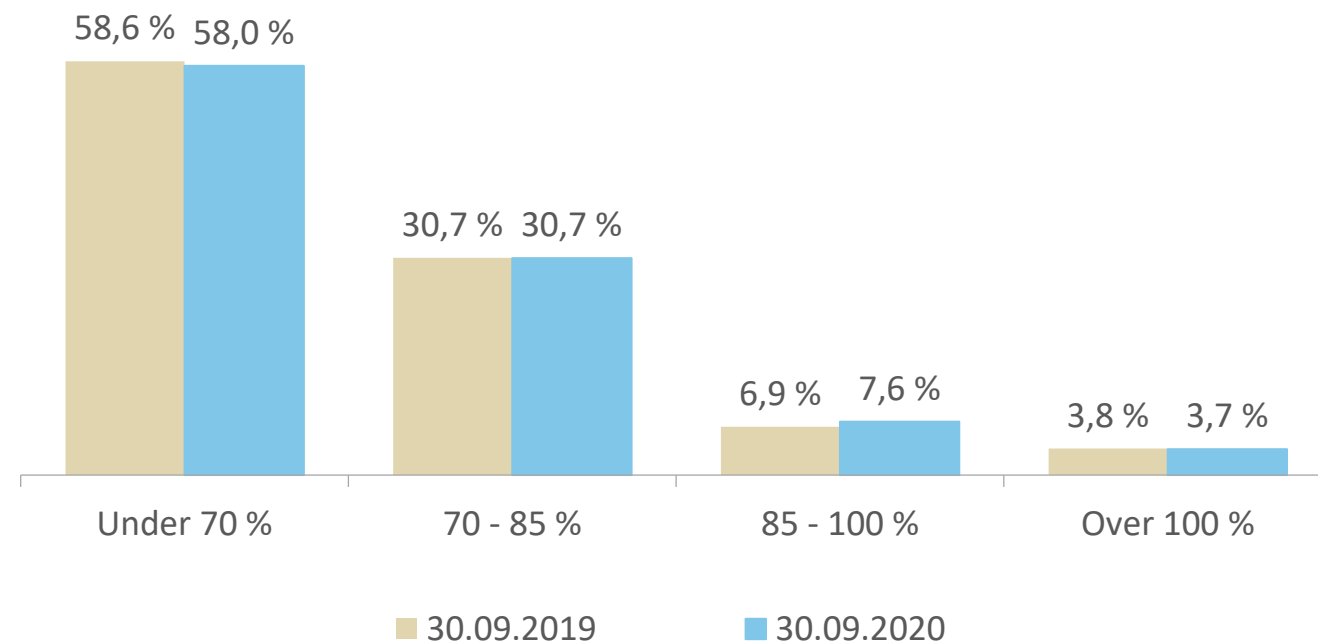


EAD: Exposure at default

Loan to value ratio and RWA on home mortgage loans

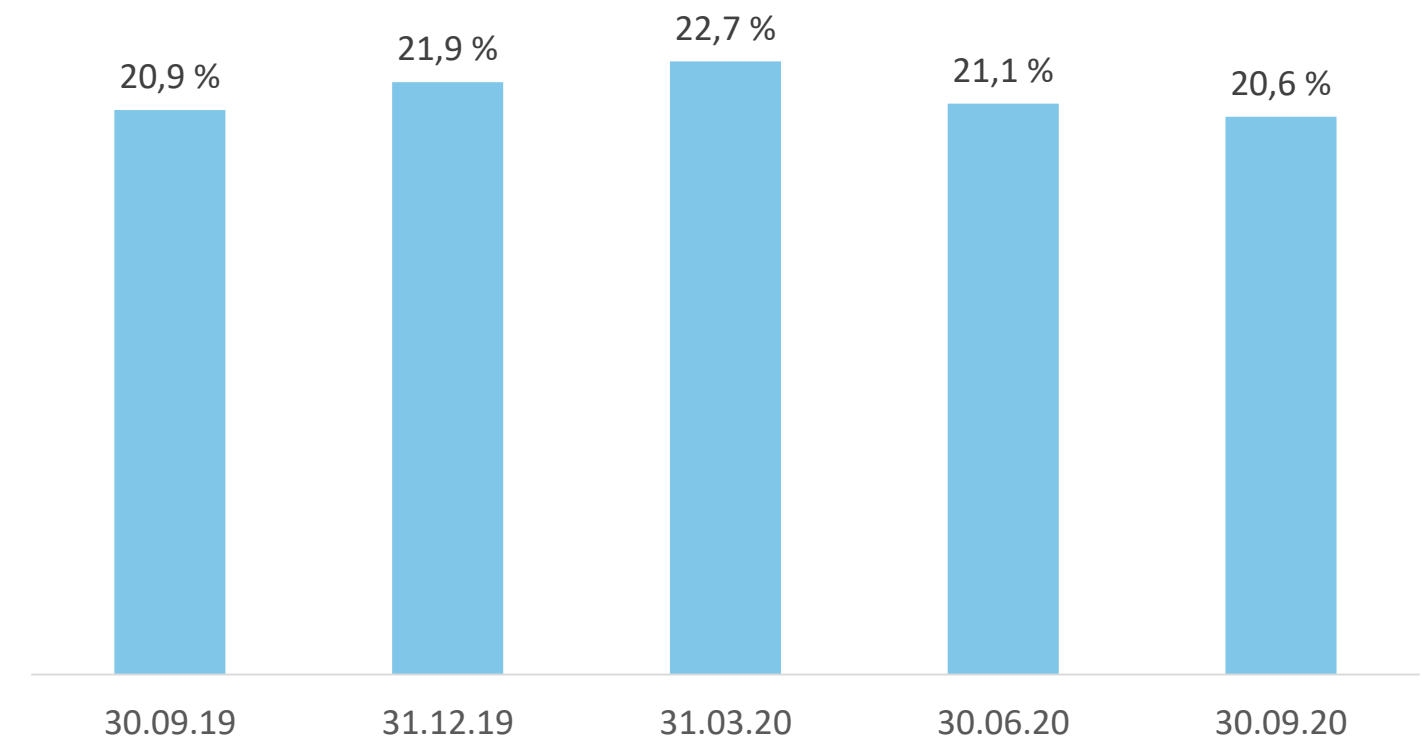
Loan to value ratio on home mortgage loans

- The proportion of loans with a loan-to-value ratio of less than 85% is high.
 - 88,7 % of the exposure is within 85% of the assessed value of collateral.



RWA home mortgages

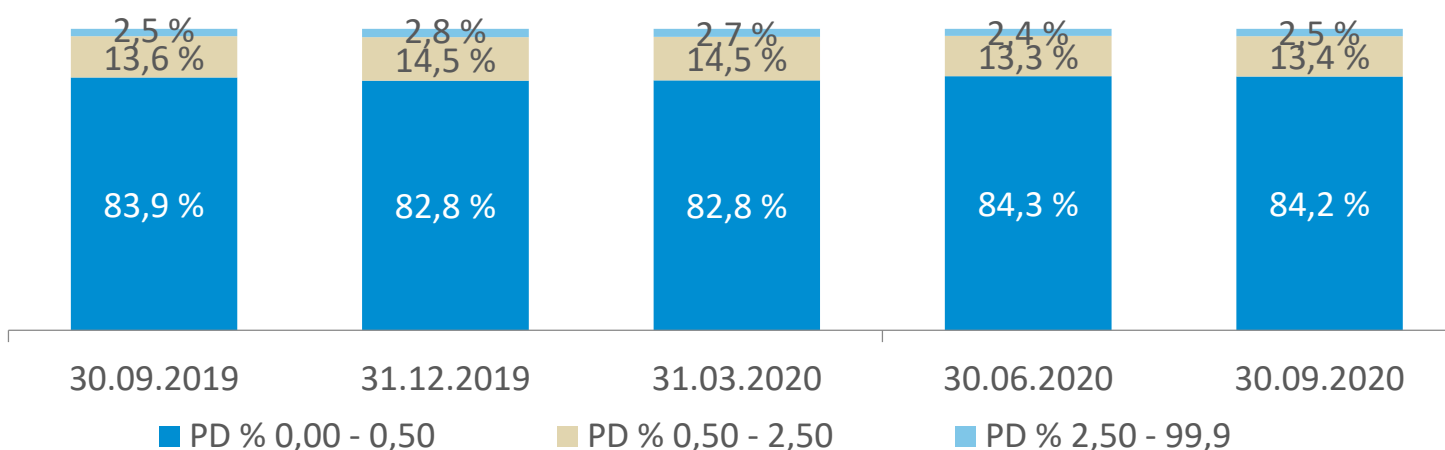
- RWA on home mortgages reflects a solid portfolio with a moderate loan-to-value ratio and low potential loss.



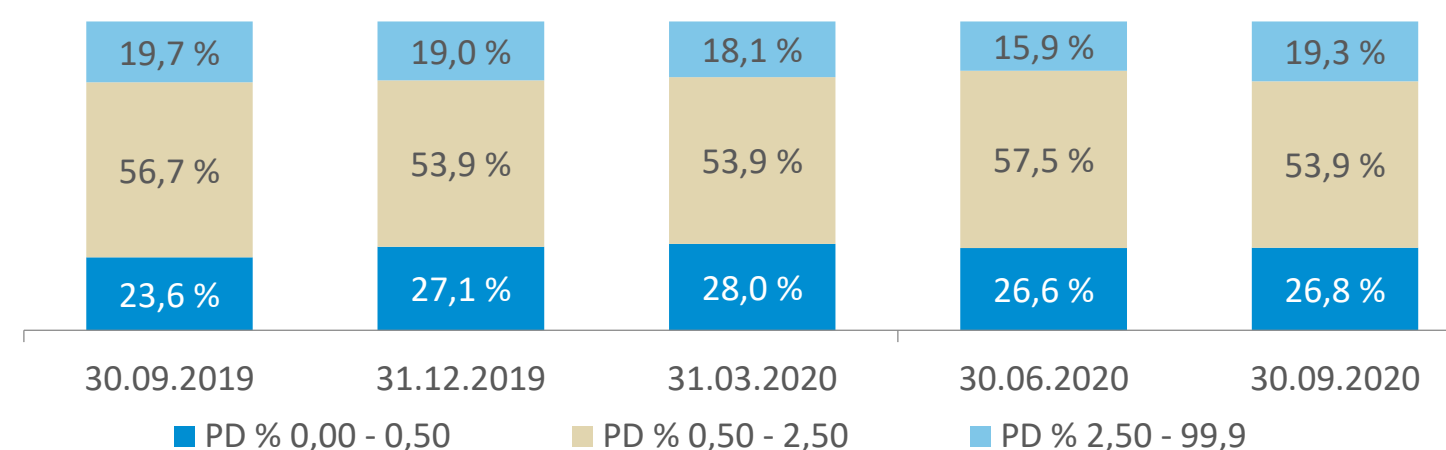
*In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; residential property must be at least 30% of a loan's security.
The figures include the loan portfolio in the covered bond companies (SB1 Boligkreditt AS and SR-Boligkreditt AS).*

Risk profile – Lending to the retail and corporate market

Retail market portfolio distributed by risk class



Corporate lending portfolio distributed by risk class



- The quality of the retail market portfolio is considered to be good and has low potential losses.
- 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.

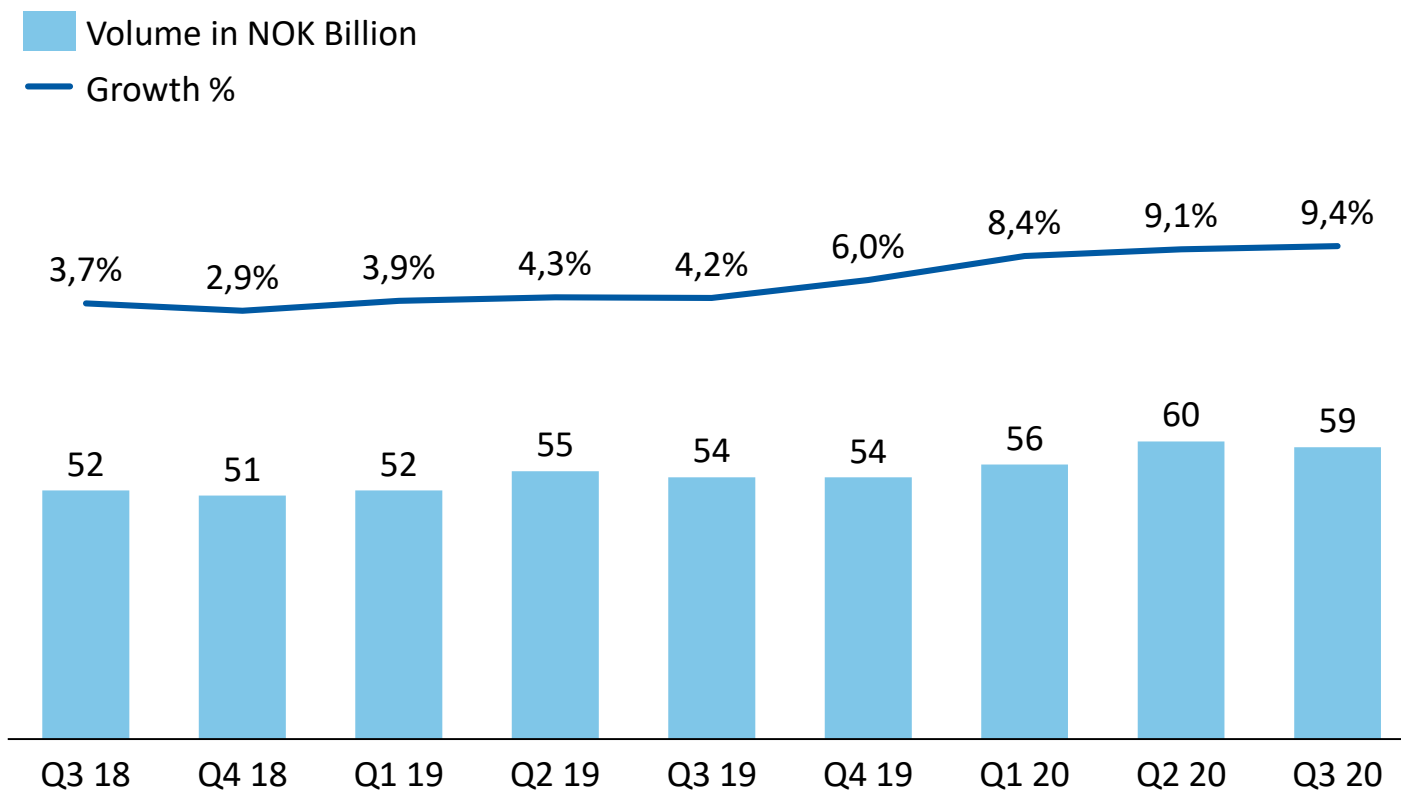
- The quality of the corporate market portfolio is good. Portfolio quality improved last year.
- There is a clearly defined framework that sets limit on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

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

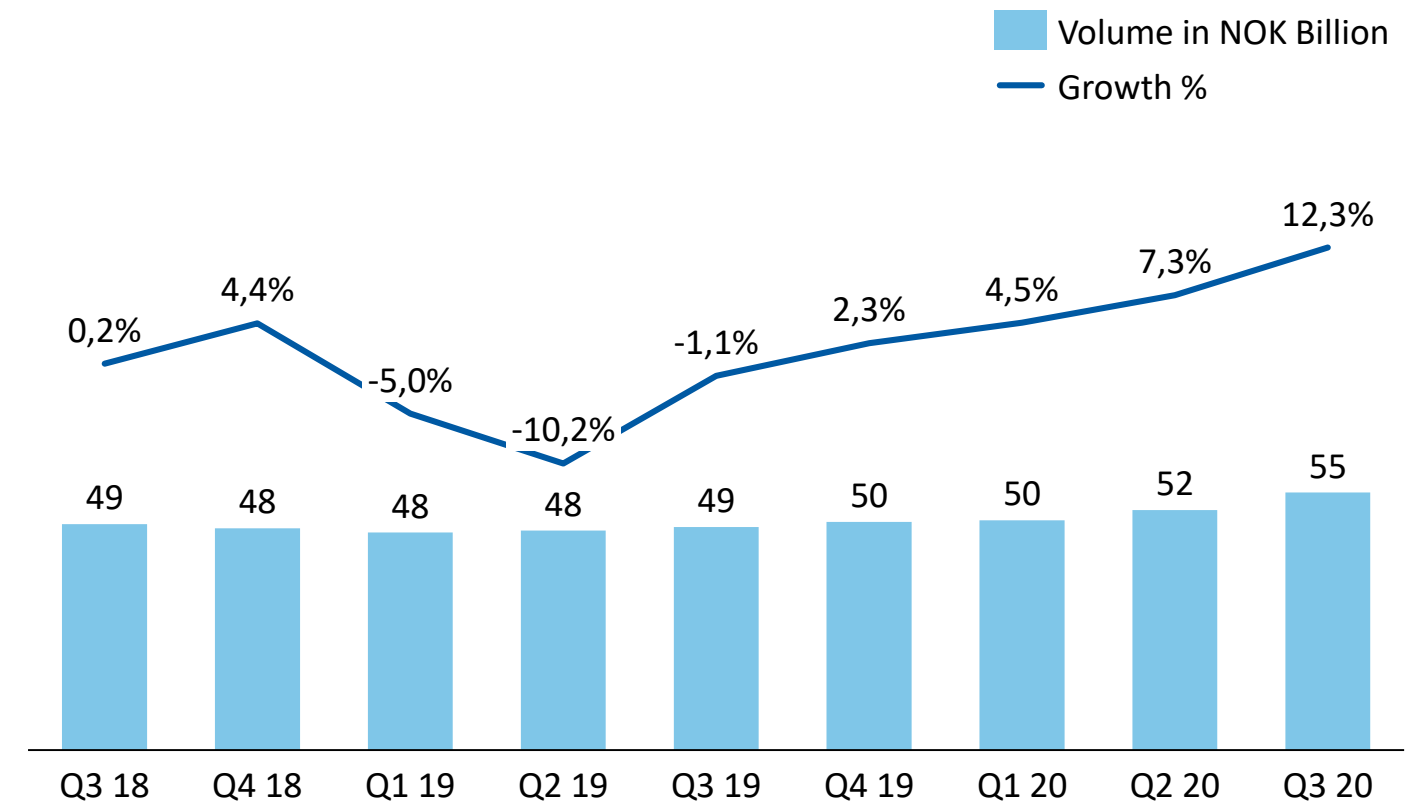
The figures include the loan portfolio in the covered bond companies (SB1 Boligkreditt AS and SR-Boligkreditt AS).

Deposit volume and 12 month growth

Retail Market



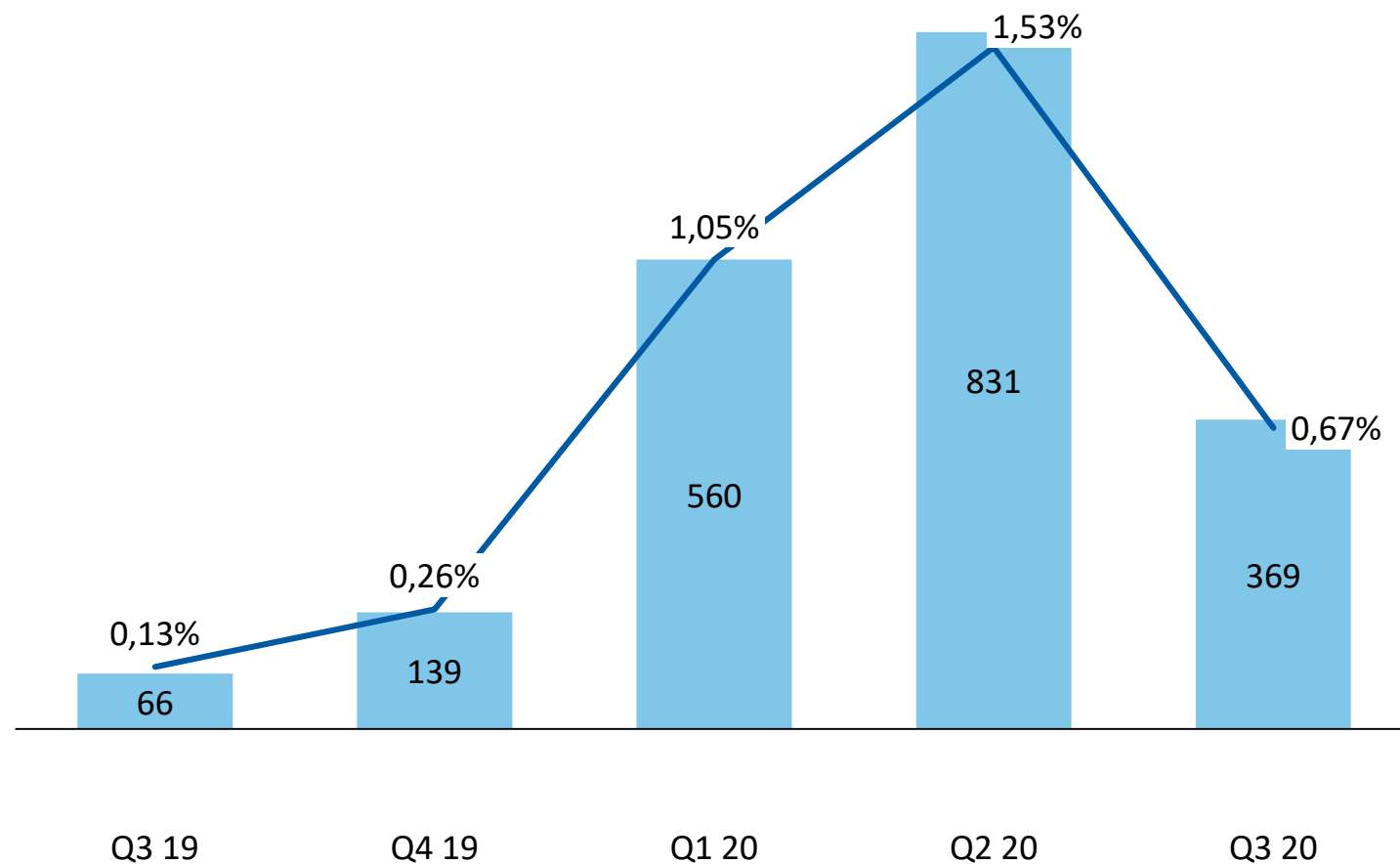
Corporate Market (incl. Capital Market)



- In the last 12 months the total deposit volume has increased by NOK 11.1 billion to NOK 113.2 billion (10.8%).
 - Deposit growth is 9.7% excl. public sector.
- Volatility in deposit growth in the corporate market (incl. capital market) is mainly due to changes in deposit from public sector.

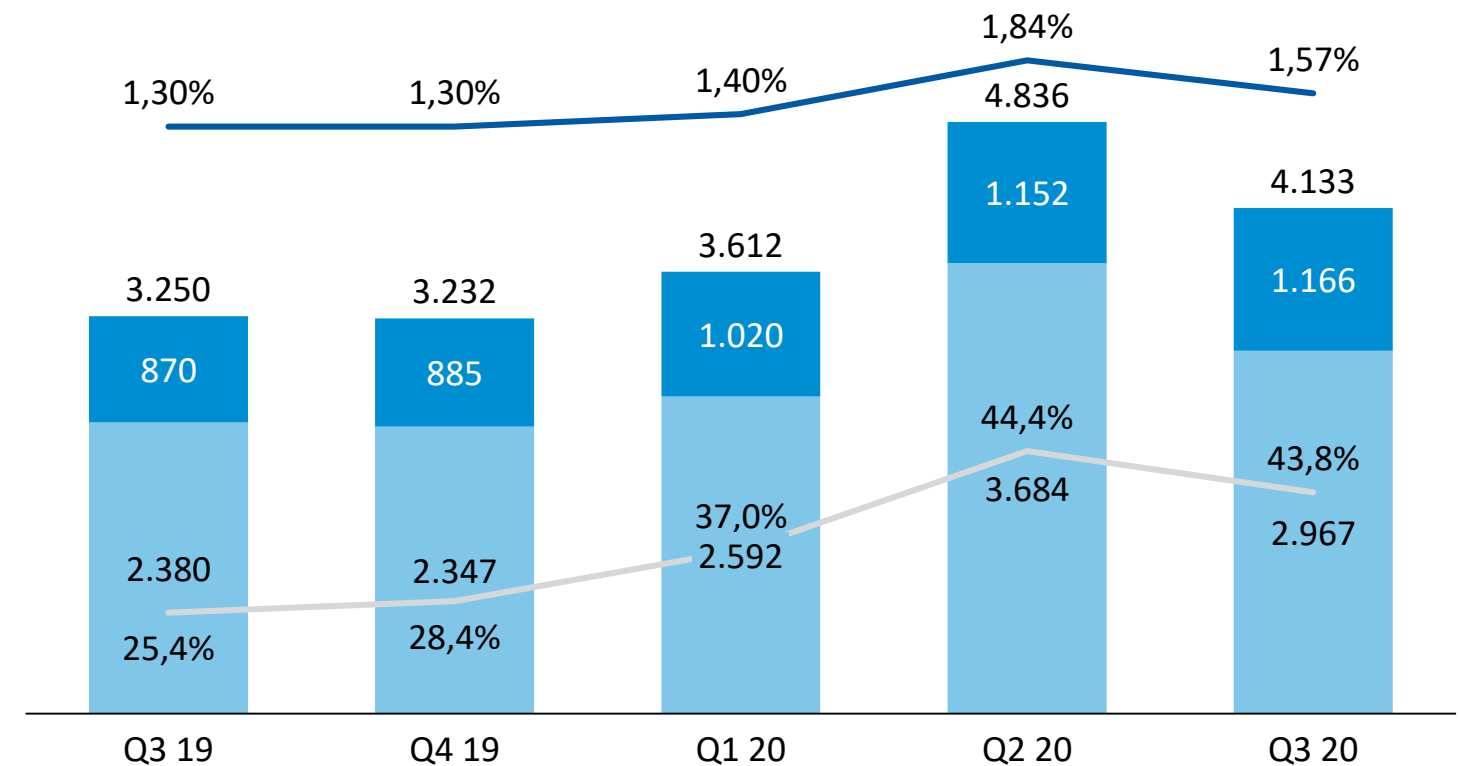
Impairments on loans and financial commitments / Loans and financial commitments defined as Stage 3

Impairments on loans and financial commitments



■ Impairments on loans and financial commitments, MNOK
— Impairment in % of average gross loans incl. from covered bond company

Changes in gross loans and financial commitments defined as Stage 3



— Stage 3 in % of gross loans and financial commitments incl. covered bond company
■ Loans in Stage 3, MNOK
■ Financial commitments in Stage 3, MNOK
— Loss provisions as a share of gross commitments

Impairments on loans and financial commitments

Impairments on loans and financial commitments in the income statement (MNOK)

	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Corporate customers	1.675	90	360	771	544	121	82
Retail customers	85	6	9	60	16	18	-16
Total impairments	1.760	96	369	831	560	139	66

Impairments on loans and financial commitments in the balance sheet (MNOK)

	30.09.2020	30.09.2019	30.09.2020	30.06.2020	31.03.2020	31.12.2019	30.09.2019
Corporate customers	2.352	1.311	2.352	2.695	1.930	1.396	1.311
Retail customers	216	148	216	218	168	160	148
Total impairments on loans and financial commitments	2.568	1.459	2.568	2.913	2.098	1.556	1.459

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Funding

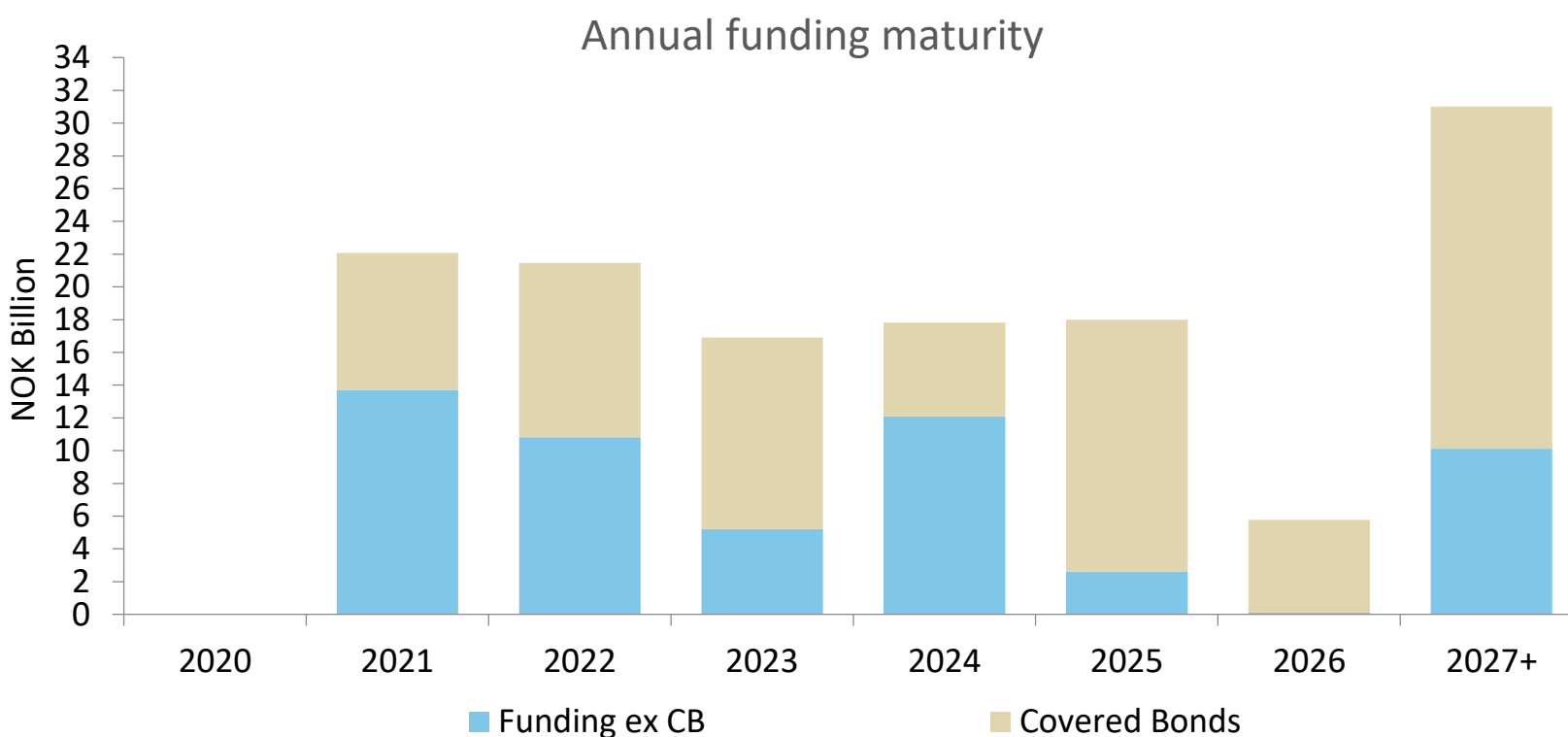
- NSFR* 123%
- LCR** 154%
- NOK 19.8 billion net refinancing need over the next 12 months
- Deposit to loans ratio 52.2%
- MREL subordination requirement 27,4% according to BRRD2 proposal as of 15 Oct 2020 from Ministry of Finance

SRBANK

SPAREBANK 1 SR-BANK ASA
(incorporated with limited liability in Norway)

€10,000,000,000

Euro Medium Term Note Programme



SR-Boligkreditt

SR-BOLIGKREDITT AS
(incorporated with limited liability in Norway)

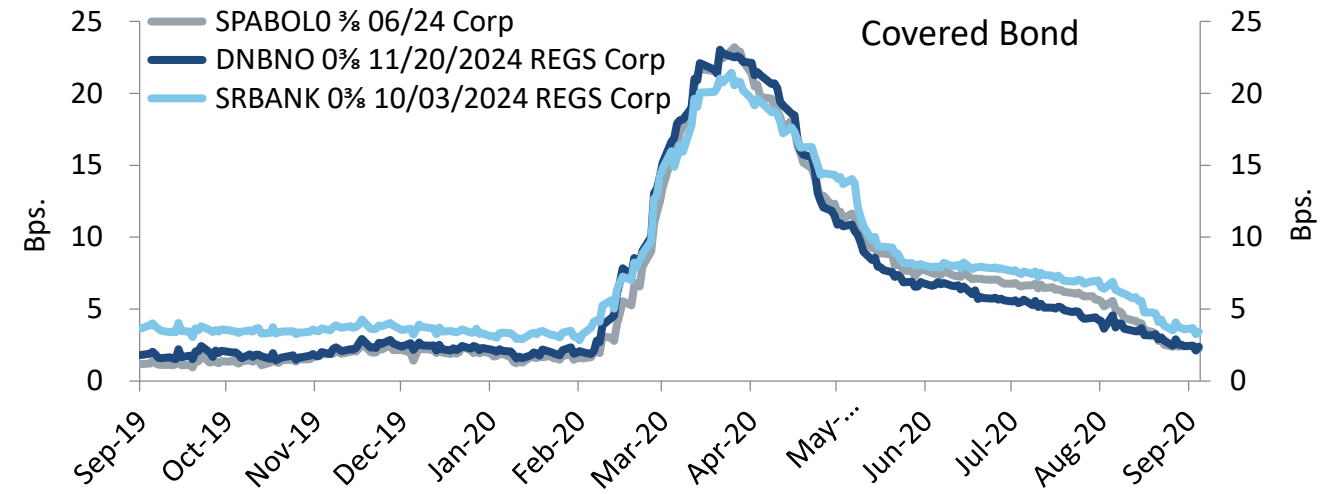
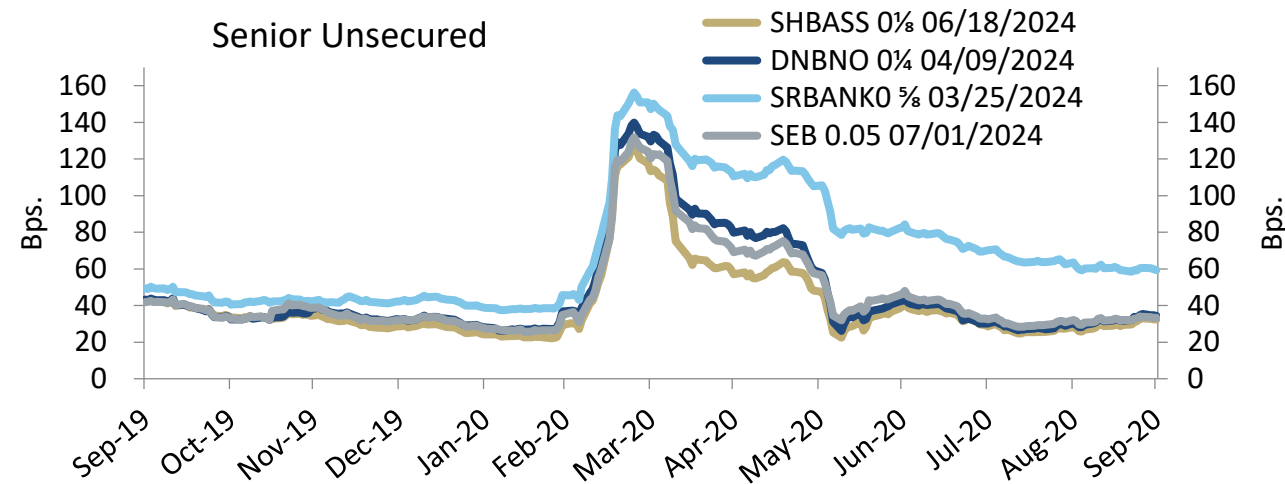
€10,000,000,000

Euro Medium Term Covered Note Programme

*The net stable funding ratio (NSFR) is defined as available stable funding relative to necessary stable funding. NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway.

**High quality liquid assets divided by total net cash outflow in a 30-day, serious stress scenario.

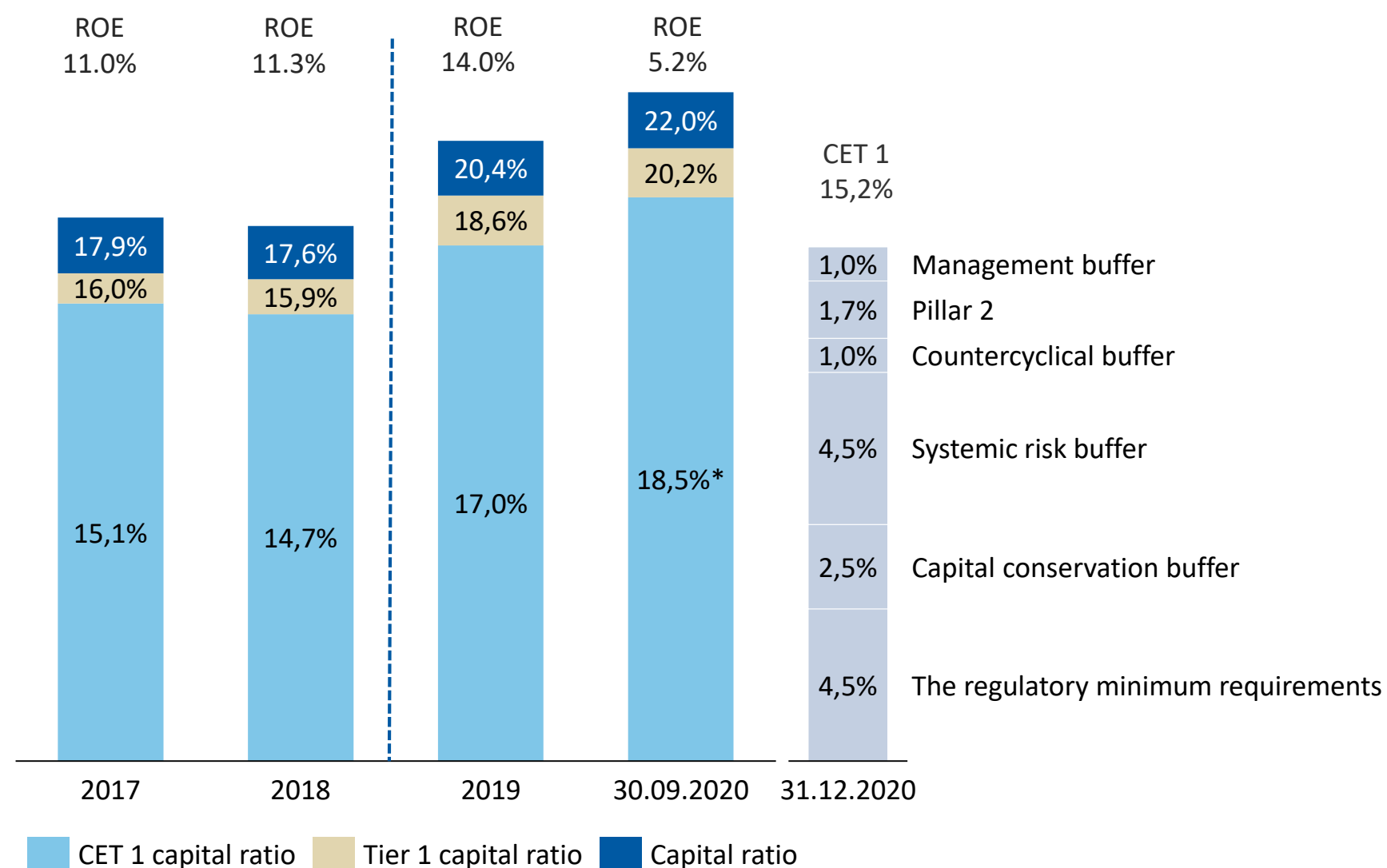
An established borrower in the Euromarket



Issuer / Ticker	Coupon	Amount	Maturity	ISIN
SR-Bank / SRBANK	2,125%	EUR750mn	14-April-2021	XS1055536251
SR-Bank / SRBANK	0,375%	EUR500mn	10-February-2022	XS1516271290
SR-Bank / SRBANK	0,625%	EUR750mn	25-March-2024	XS1967582831
SR-BOL / SRBANK	0,125%	EUR750mn	8-September-2021	XS1429577791
SR-BOL / SRBANK	0,750%	EUR600mn	18-January-2023	XS1344895450
SR-BOL / SRBANK	0,375%	EUR500mn	3-October-2024	XS1692489583
SR-BOL / SRBANK	0,750%	EUR750mn	17-October-2025	XS1894534343
SR-BOL / SRBANK	0,01%	EUR500mn	08-October-2026	XS2063288190
SR-BOL / SRBANK	0,01%	EUR750mn	26-June-2027	XS2194373077
SR-BOL / SRBANK	0,01%	EUR500mn	25-February-2030	XS2124046678
SR-BOL / SRBANK	2,500%	USD600mn	12-April-2022	XS1596016847
SR-BOL / SRBANK	Nibor3m +29	NOK5.000mm	17-November-2022	NO0010841380
SR-BOL / SRBANK	Nibor3m +29	NOK5.000mm	29-May-2023	NO0010823255
SR-BOL / SRBANK	Nibor3m +24	NOK 6.000mm	5-February-2024	NO0010891286

Solid capital ratio

- The EU's capital adequacy regulations (CRR/CRD IV) came into force on 31 December 2019. These entail, among other things, a reduction in the capital requirements for loans to small and medium-sized enterprises (SME) and the elimination of the so-called Basel I floor.
- The regulatory requirement is 12.7% after the countercyclical buffer was reduced from 2.5% to 1.0% in the first quarter of 2020. SpareBank 1 SR-Bank posted a CET 1 capital ratio of 18.5%.
- The systemic risk buffer will increase from 3.0% to 4.5% lifting the CET 1 requirement to 15.2% at 31 December 2020 incl. 1.0% management buffer.
- SpareBank 1 SR-Bank is not defined as a systemically important financial institution (SIFI).
- The leverage ratio was 7.9% as at 30 September 2020, well above the minimum requirement at 5.0%.



*On 23 April 2020, the annual general meeting approved the board's proposal that no dividend be paid out for 2019. At the same meeting, the board was authorised to make a decision about the distribution of a dividend, at some later point in time, of up to NOK 5.50 per share based on the bank's approved annual financial statements for 2019. The authorisation remains valid until the next ordinary general meeting in 2021.

Outlook

- Economic development has been positive in Norway the last six months. Uncertainty still prevail given both low oil price and the ongoing Covid-19 situation, but the Norwegian state is particularly well-equipped to contribute financially. Extensive measures aimed at both the retail and corporate sector has been effectuated, but lower levels of investment and demand for loans for corporates are expected.
- Norges Bank has cut its policy rate by 1.50 percentage points to 0.0% in May 2020. A stable policy rate is expected until a gradual increase from the autumn 2022.
- SpareBank 1 SR-Bank's long-term target is a minimum return on equity of 12%, but as a consequence of the Covid-19 outbreak, return on equity in 2020 is estimated to be lower than the long-term target.
- SpareBank 1 SR-Bank's focus on digitalisation and automation, both internally and in relation to customers, has enabled almost all of the group's employees to work from home office. Customers have been looked after in an efficient and satisfactory manner.
- Given its solid financial position, the group is very well equipped to tackle crises and this will help to ensure that the SpareBank 1 SR-Bank Group remains a solid financial group after the Covid-19 outbreak ends as well.
- Geographic expansion, digitalization and growth will transform SpareBank 1 SR-Bank from a regional savings bank to a bank for the whole of Southern Norway.

APPENDIX

- 1) Macro
- 2) SpareBank 1 SR-Bank

Key economic indicators



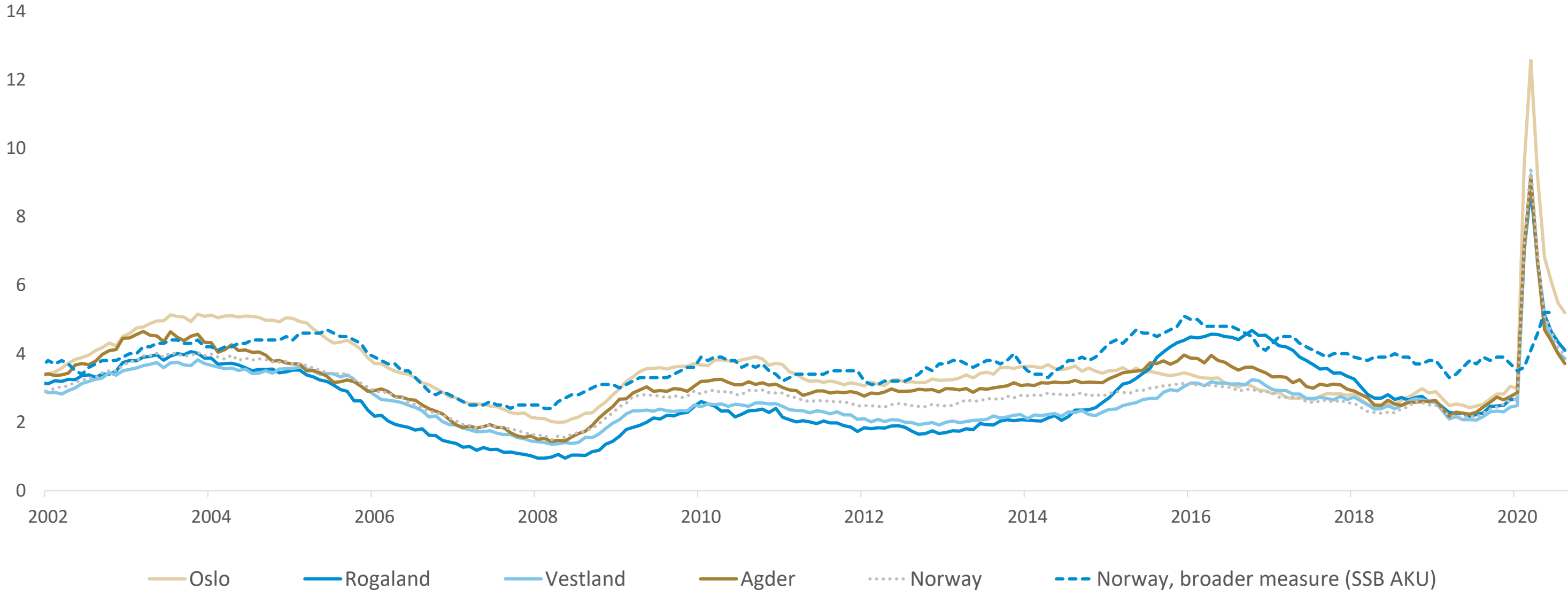
Economic Indicators (%)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020P	2021P	2022P	2023P
GDP mainland, annual change (%)	1,9	3,7	2,3	2,2	1,4	0,9	2,0	2,2	2,3	-3,2	3,6	2,9	2,7
Household consumption, annual change (%)	2,4	3,5	2,8	2,1	2,7	1,1	2,2	1,9	1,5	-7,2	7,9	4,7	3,5
Public consumption, annual change (%)	1,1	1,5	1,0	2,7	2,4	2,3	1,9	1,4	1,7	1,5	2,1	2,0	1,6
Investment mainland, annual change (%)	5,0	7,4	2,9	0,4	-0,2	9,0	6,8	3,0	4,3	-6,2	0,7	2,0	2,0
Investment public sector	1,1	-1,8	11,8	4,5	0,2	6,4	2,6	7,5	7,5	0,0	1,3	0,4	-0,1
Investment offshore oil and gas, annual change (%)	11,4	14,6	19,0	-1,8	-12,2	-16,0	-5,4	1,9	12,8	-3,1	-10,1	1,1	7,3
Oil price, USD/bbl. Actual	111	112	109	99	53,0	45,0	55,0	72,0	64,0	43,0			
Inflation rate (CPI) %	1,3	0,6	2,1	2,1	2,1	3,6	1,8	2,7	2,2	1,5	2,9	2,1	2,3
3 month NIBOR %	2,9	2,2	1,8	1,7	1,3	1,1	0,9	1,1	1,6	0,7	0,3	0,6	1,0
Mortgage rate %	3,6	3,9	4,0	3,9	3,2	2,6	2,6	2,7	3,0	2,4	1,9	2,0	2,3
Household savings ratio	5,8	6,9	7,2	7,7	9,8	6,9	6,6	5,9	8,0	15,1	9,7	7,4	6,6
Unemployment rate (registered at labour office)*	2,6	2,6	2,7	2,7	3,0	3,0	2,7	2,5	2,3	5,0	3,2	2,8	2,5
HH sector real disposable income, annual change (%)	4,3	4,4	4,0	2,3	5,4	-1,6	2,0	1,5	3,2	2,0	1,8	1,8	2,2
Current account surplus, share of GDP (%)	12,4	12,5	10,3	10,8	8,0	4,5	4,6	7,1	4,1	3,6	3,1	3,6	3,6
Sovereign Wealth Fund, share of mainland-GDP (%). Actual	150	160	190	230	270	270	290	290	310	330			

Sources: Statistics Norway, Thomson Reuters Datastream and *Central Bank of Norway.

Increased unemployment (NAV) as a result of Covid-19, but lower after April

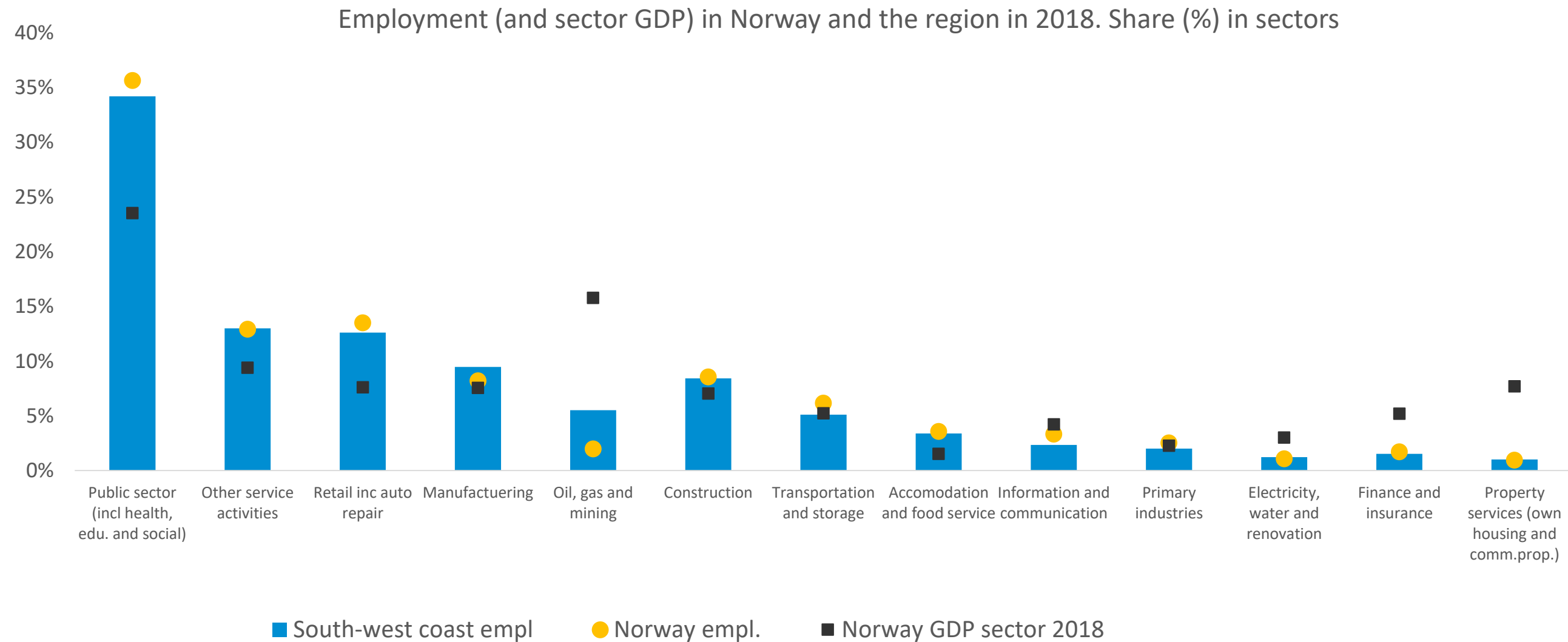
Fully unemployed increased from 2% to 10%. Since then, it has fallen to 4,4%. Still highest in Oslo.

Norwegian unemployment rate, %, registered (NAV), seasonal adj., monthly



Kilde: NAV og SSB.

Employment (and GDP) by sector



Source: Statistics Norway.

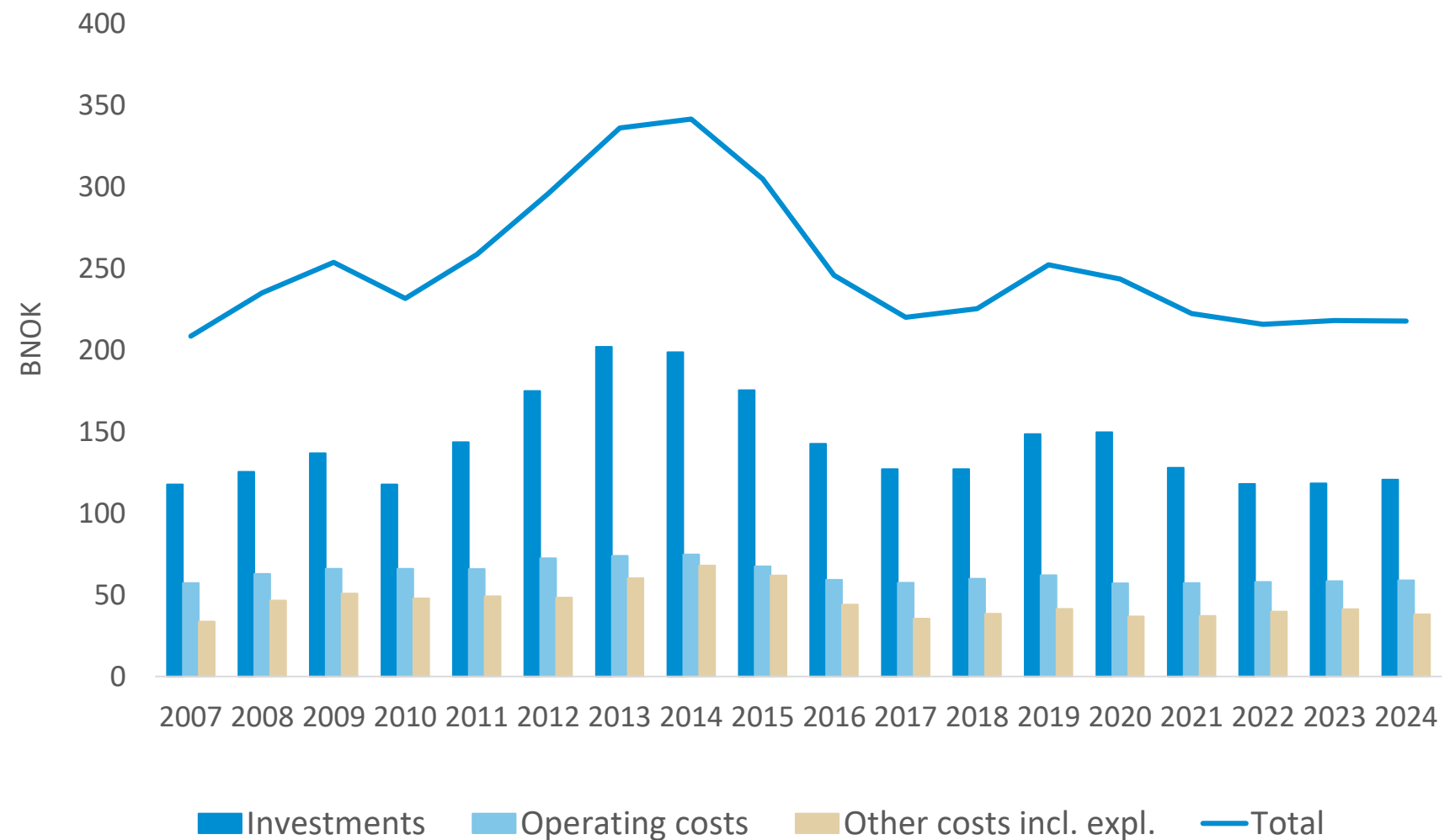
Lower petroleum prices and increased uncertainty dampen activity

Activity on the Norwegian Continental Shelf probably near unchanged in 2020, then down in 2021 before levelling out

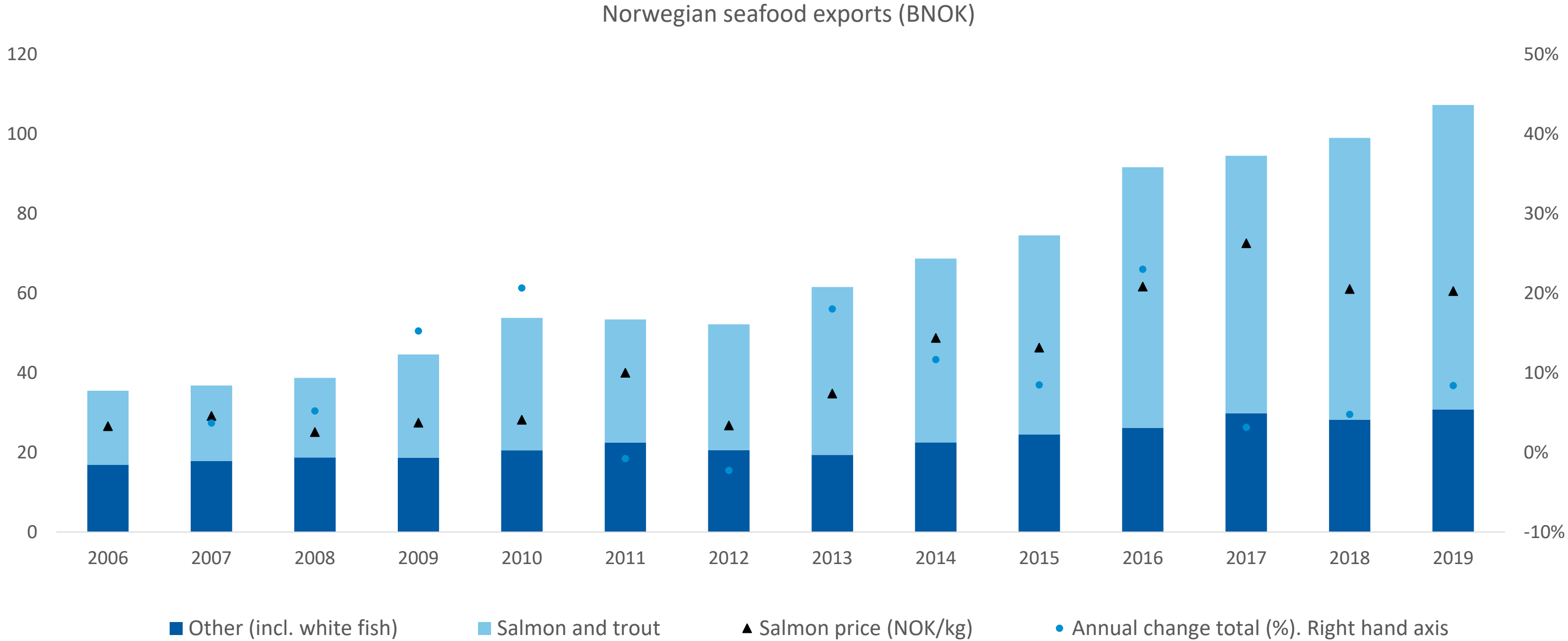
- Overall activity on the Norwegian Continental Shelf (NCS) had a marked increase for many years up to 2014. Activity increased over 60% from 2007 to 2014.
- Activity fell markedly in 2015 and 2016 and somewhat less in 2017. Thereafter, there was some upturn in 2018 and even more strongly in 2019.
- At the beginning of 2020, some increase in petroleum activity was expected in 2020. Covid-19 has led to lower prices and increased uncertainty, but the support package lifts activity. The NPD expects a decline of 3% in 2020 for total activity and a decline of 9% in 2021. Thereafter, near unchanged development is expected.

Petroleum activity on Norwegian Continental Shelf. BNOK (2020 NOK).

As of 7 Oct 2020 Source: NPD

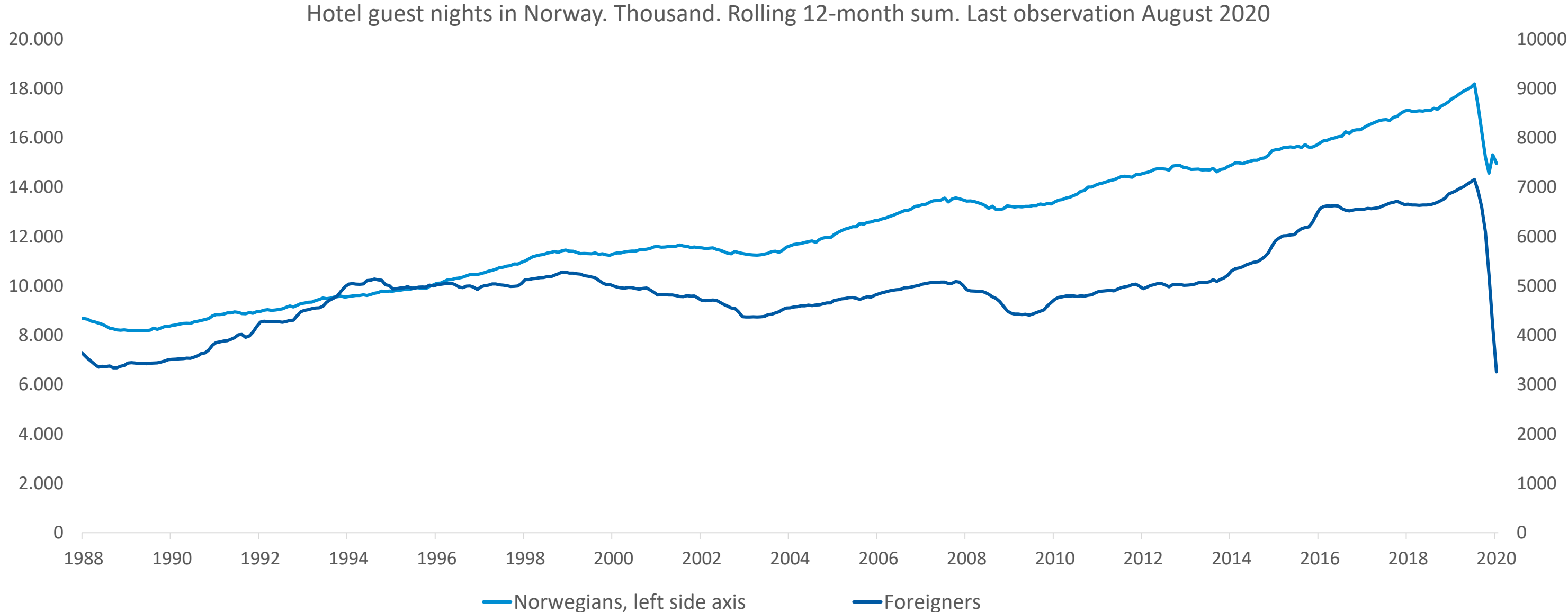


Norwegian seafood exports doubled since 2012



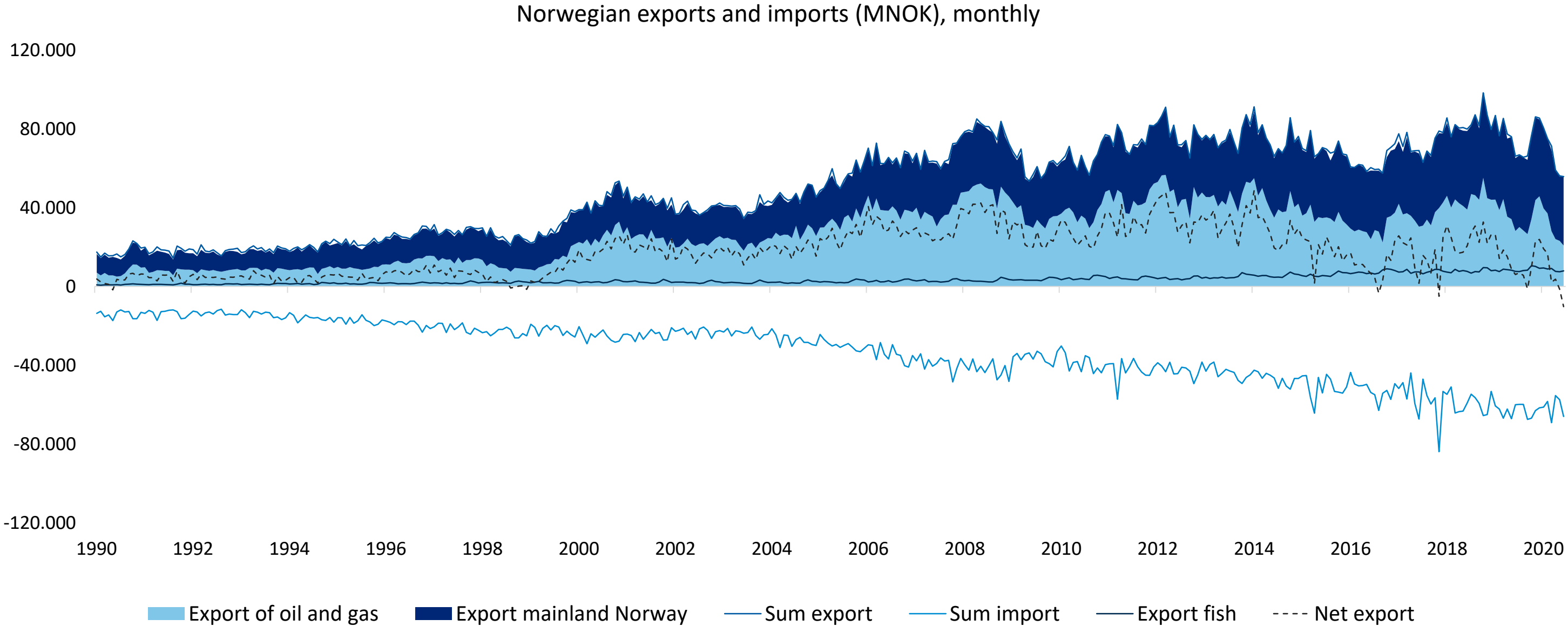
Source: Norwegian Seafood Council.

Norwegian hotels – guest nights by foreign and domestic



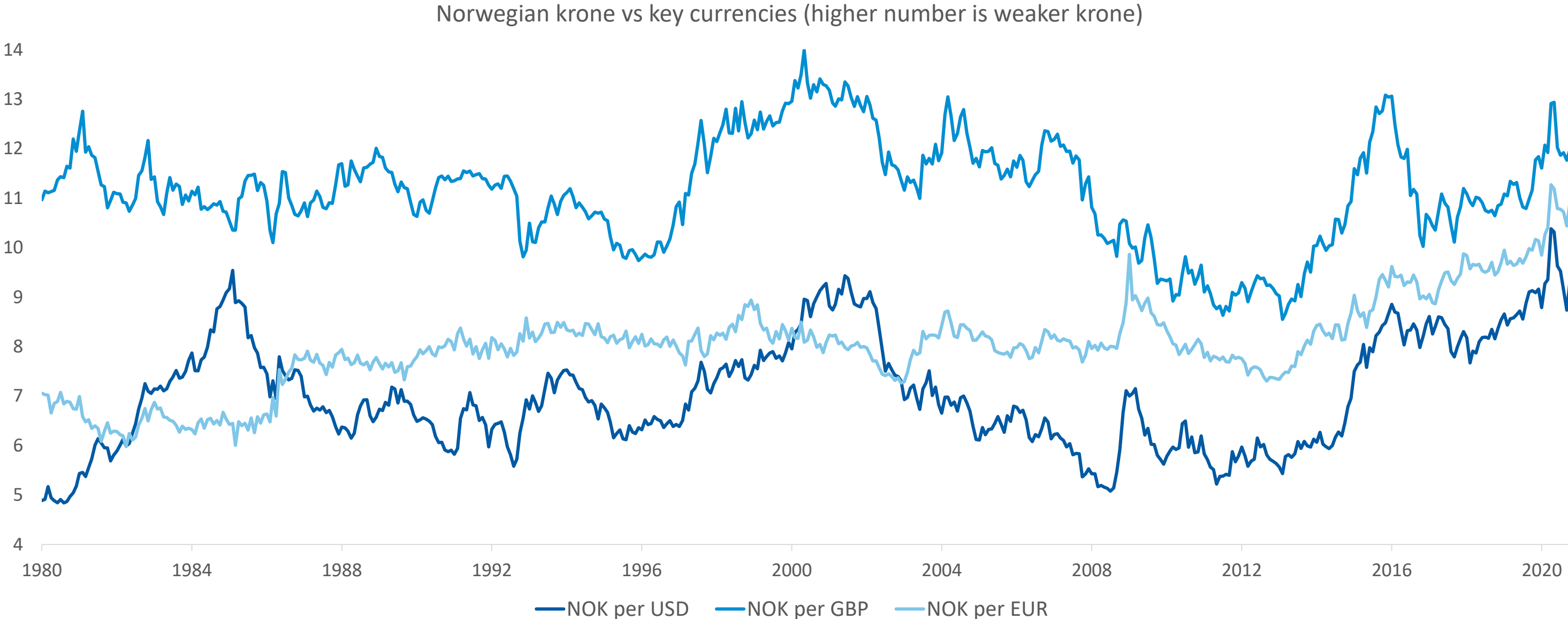
Source: Statistics Norway.

Norwegian exports and imports



Source: Thomson Reuters Datastream and SpareBank 1 SR-Bank.

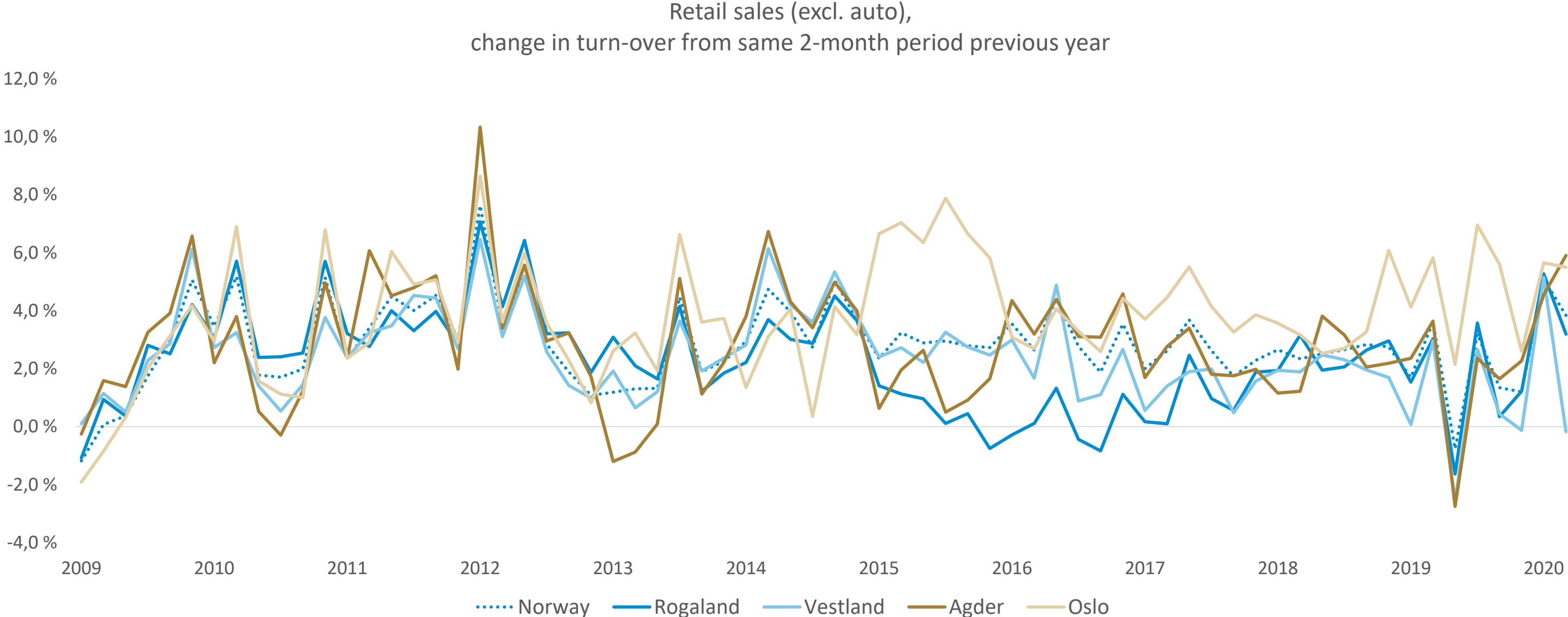
Norwegian krone vs key currencies



Source: Thomson Reuters Datastream and SpareBank 1 SR-Bank.

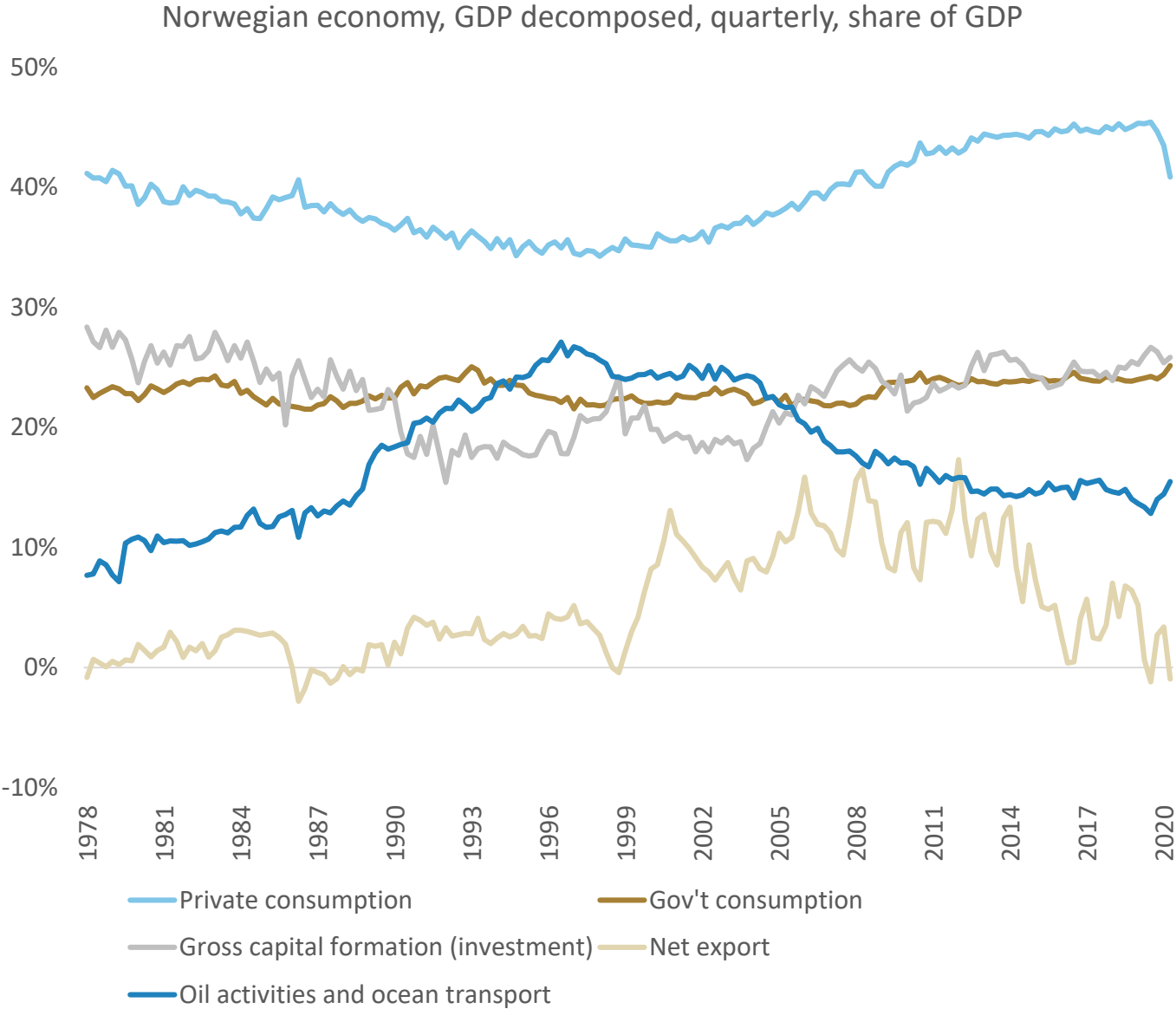
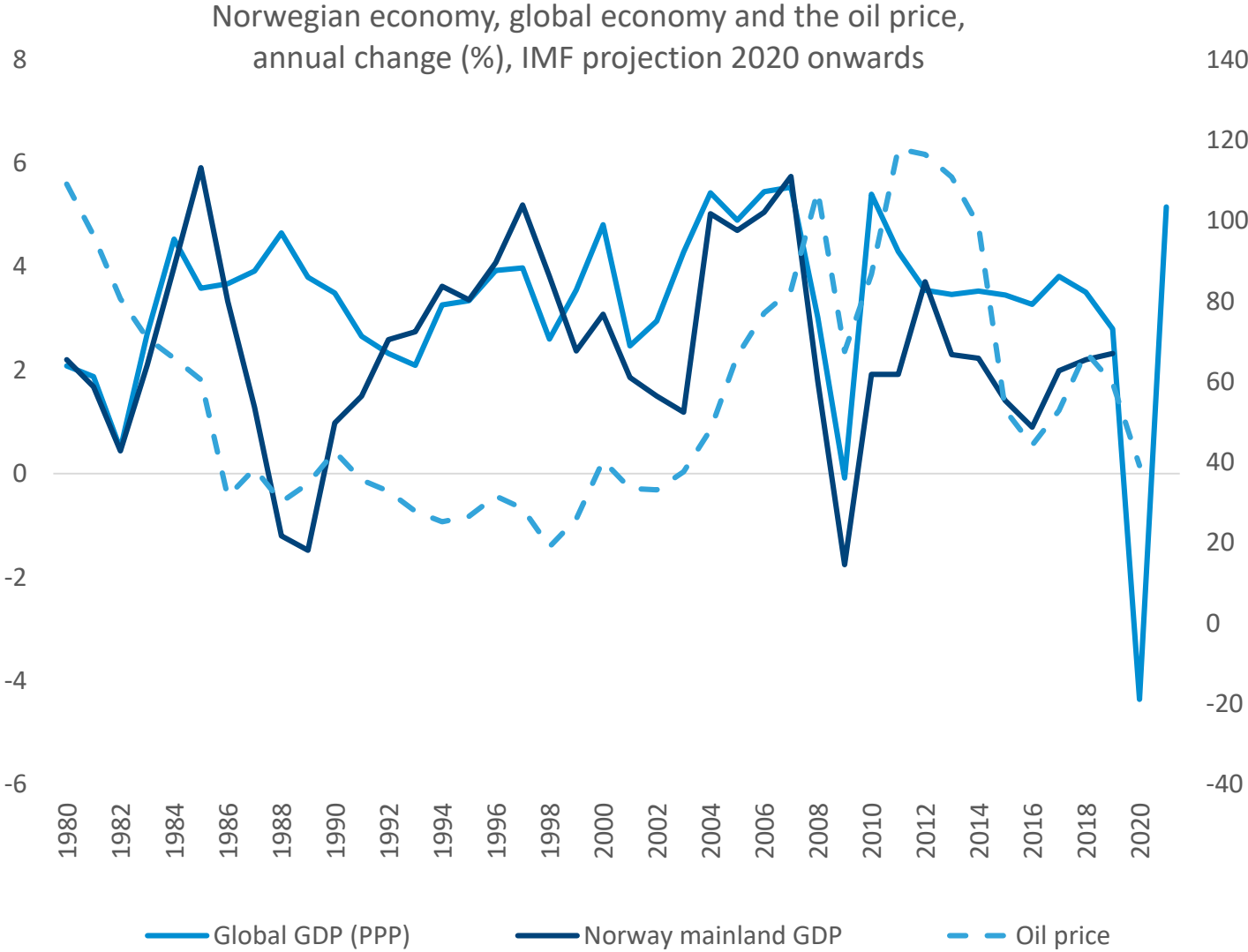
Retail trade in Norway increased in 2019 and Covid-19 impacts 2020

Covid-19 has had a big impact. Groceries increased a lot in the beginning. Gradually, other goods have also increased



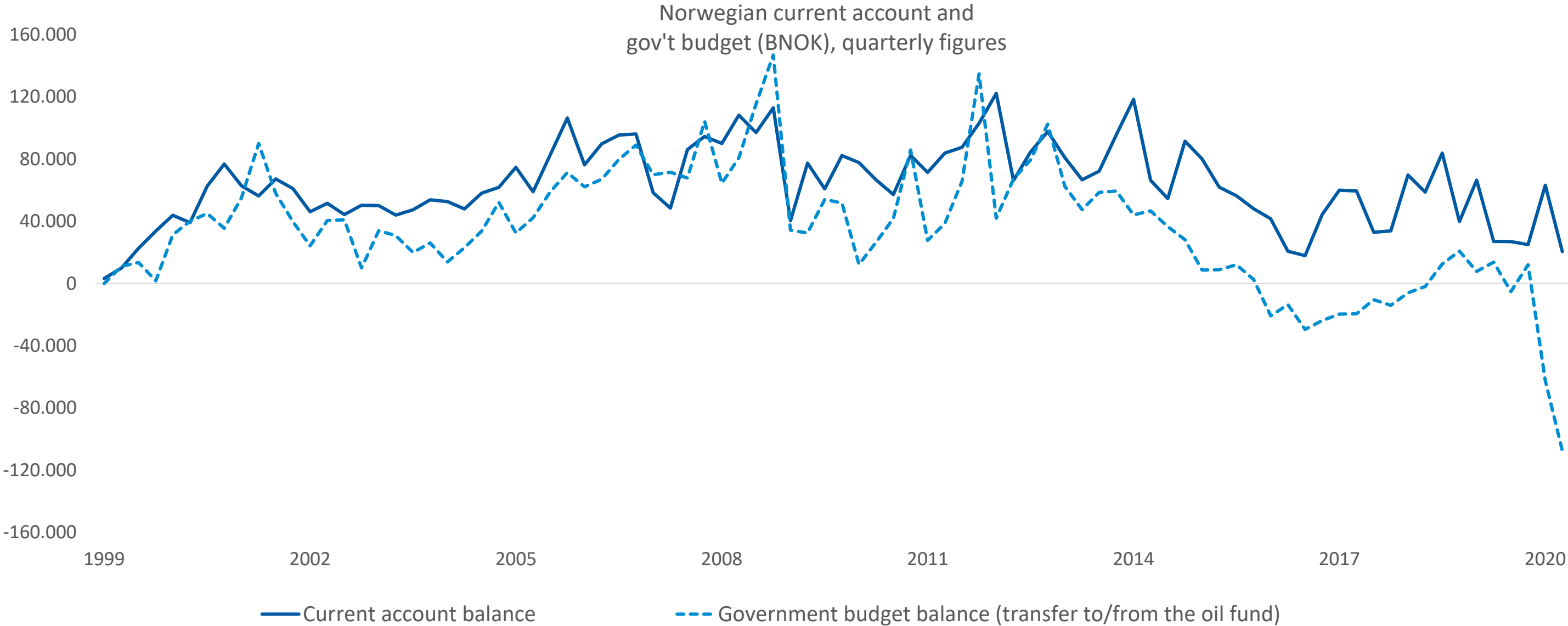
Source: SSB.

Norwegian Economy – GDP



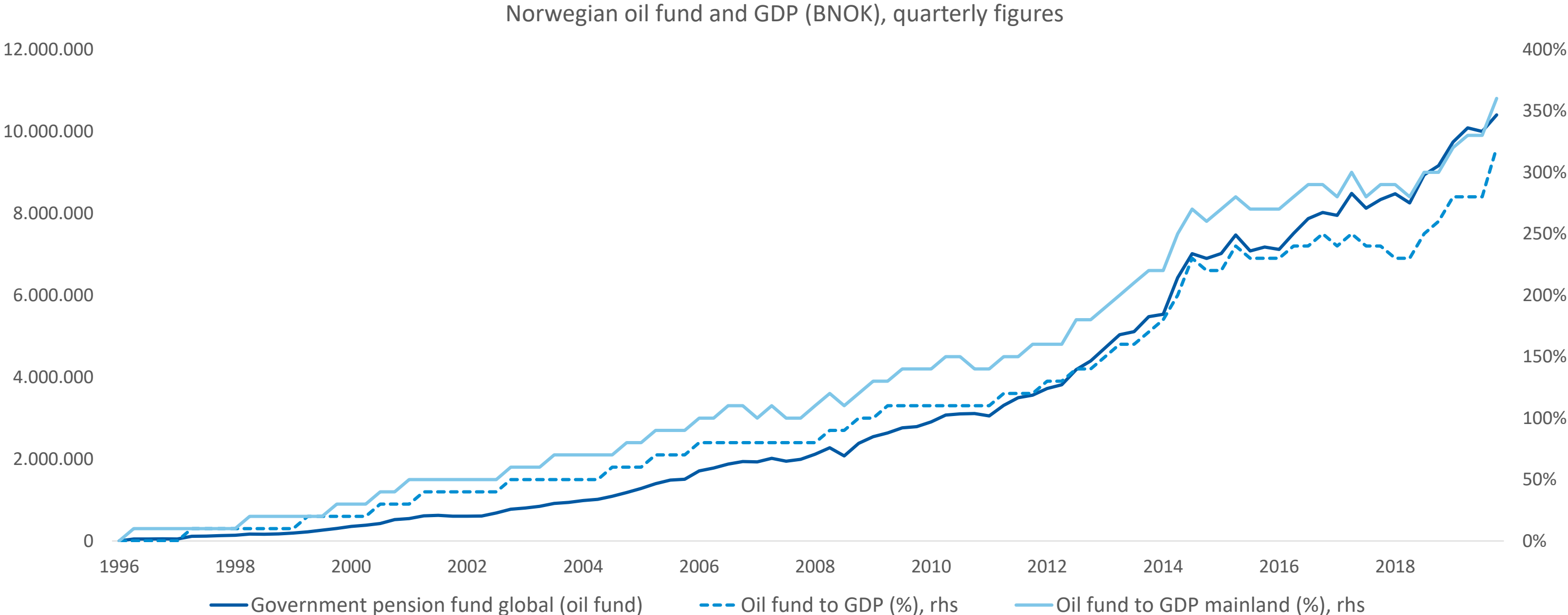
Source: Thomson Reuters Datastream and SpareBank 1 SR-Bank.

Norwegian current account and government budget



Source: Thomson Reuters Datastream and SpareBank 1 SR-Bank.

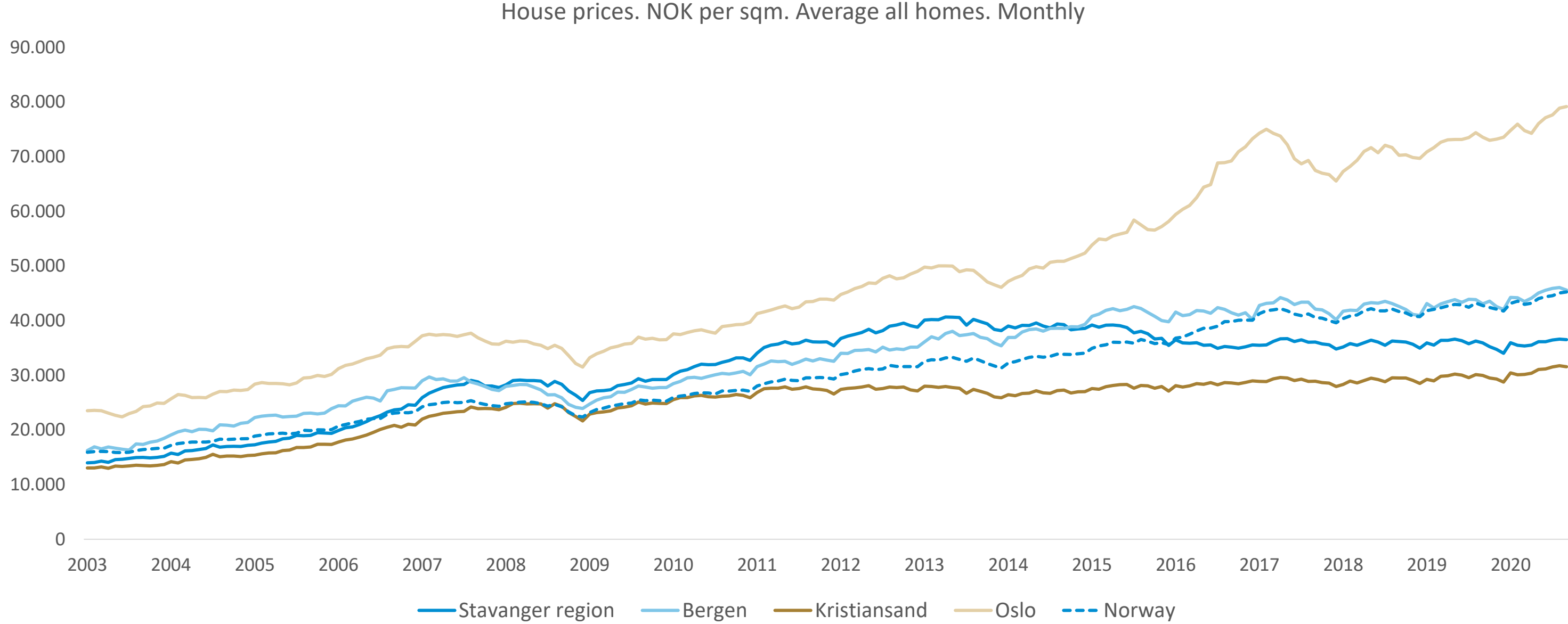
Norway oil fund and GDP



Source: Thomson Reuters Datastream and SpareBank 1 SR-Bank.

Norwegian house prices have increased by 6% last 12 months

Impact from Covid-19 dampened the market for some time, but sales and prices have picked up last months



Source : Finn.no, Eiendom Norge og Eiendomsverdi.

APPENDIX

- 1) Macro
- 2) SpareBank 1 SR-Bank

Our purpose: Strength to growth and development

Objectives

- The purpose for SpareBank 1 SR-Bank is to add strength to growth and development. Our growth will give us the ability to provide profitability and value to the owners, customers and the community.
- To provide a sustainable contribution to the wealth creation process through:
 - A sustainable and profitable business model
 - An owner-friendly, stable dividend policy

Strategic goals

- To be the bank that focus on the future and good relations where we have our customers in the center, knows what's important for them through a combination of close, personal relationships – and high utilization of technology and customer data. We want to be reliable, easily available and a long-term partner to our customers.
- We want to focus on good solutions for our customers by understanding them and their challenges, which will help us reach our vision to be the customers first choice.

Financial goals

- The longer term target for return on equity is a minimum of 12%.
- Top 50% return on equity and cost/income in a Nordic benchmark

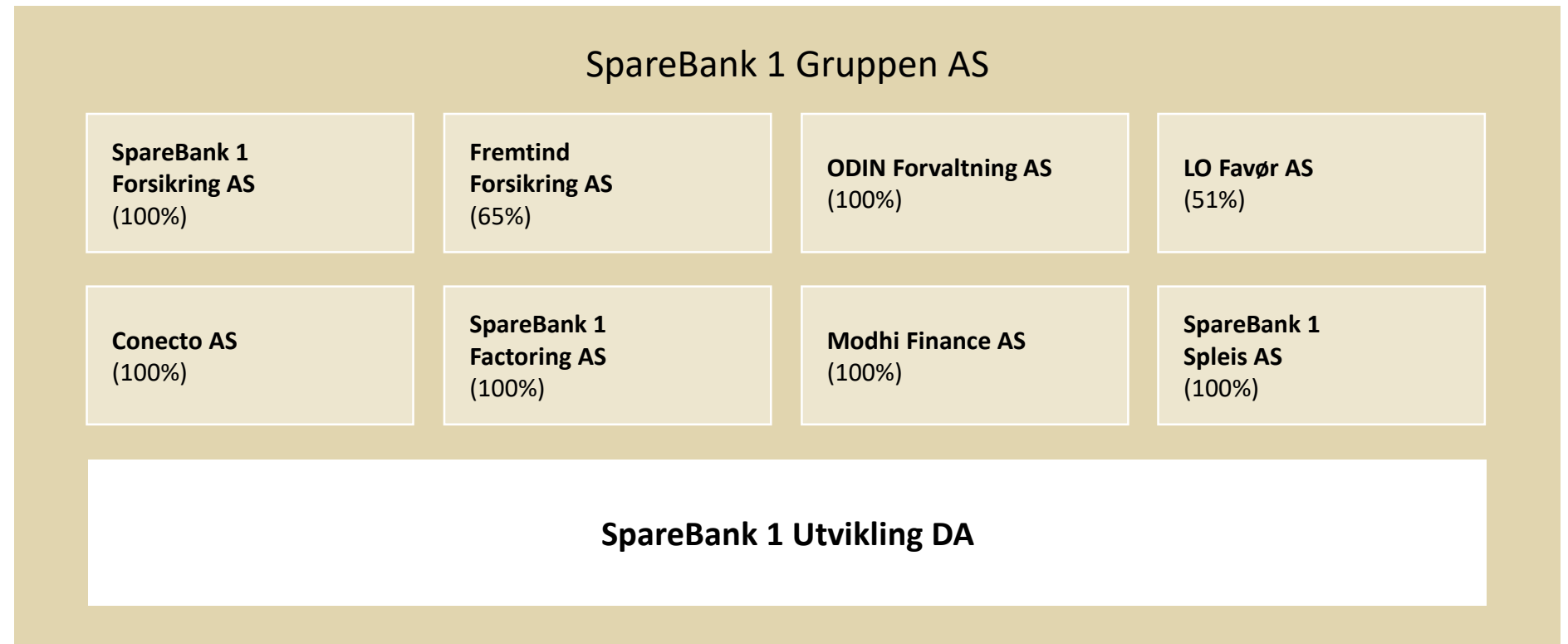
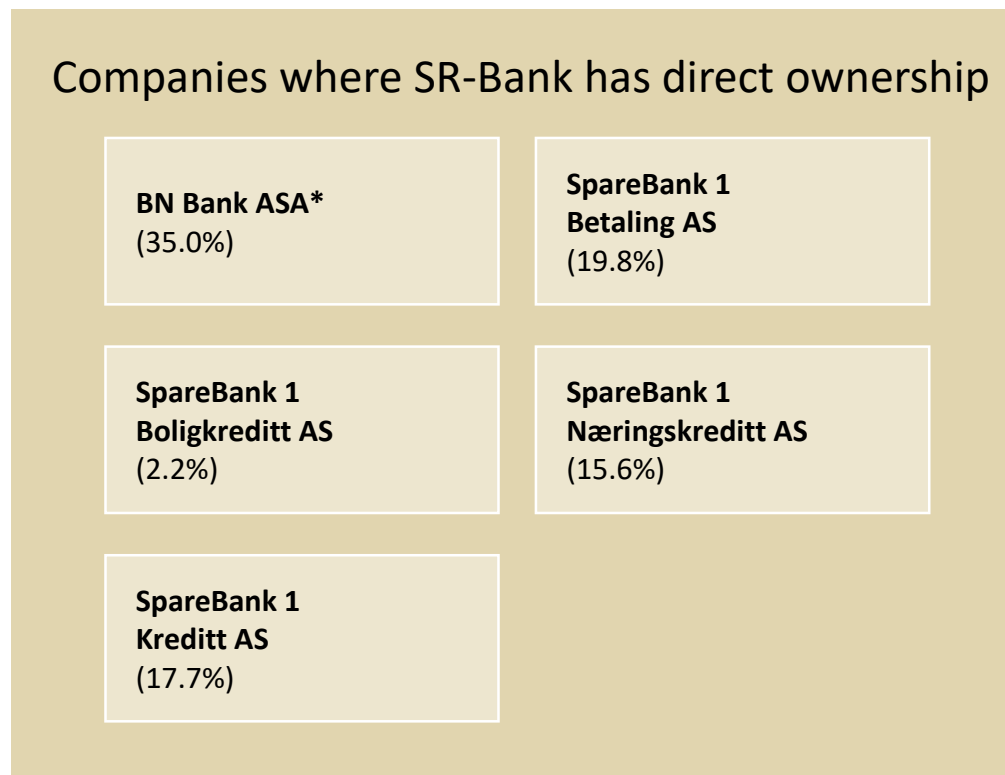
Strategic focus

- Digital development and transformation of existing business models
- Innovation by use of partnership, technology and data
- Cost-effective and selective growth, increased product- and diversification portfolio.
- High portfolio quality

SpareBank 1 Alliance



Products, commissions, dividends ↑ ↓ Sales, loan portfolios, capital



Owners of the alliance

All credit decisions are made at the local banks

Economies of scale related to expenses, IT solutions, marketing and branding

Balance sheet

Balance sheet (MNOK)	30.09.2020	30.09.2019
Cash and balances with central banks	657	404
Balances with credit institutions	7.248	1.898
Net loans to customers	214.490	202.223
Certificates, bonds and other fixed-income securities	38.398	32.327
Financial derivatives	10.710	6.765
Shares, ownership stakes and other securities	915	904
Investment in associates	4.629	4.470
Other	3.291	2.613
Total assets	280.338	251.604
Balances with credit institutions	466	976
Deposit from customers	113.248	102.181
Listed debt securities	129.032	113.792
Financial derivatives	7.892	5.044
Other liabilities	1.750	3.235
Additional Tier 1 and Tier 2 capital instruments	2.186	2.731
Total liabilities	254.574	227.959
Total equity	25.764	23.645
Total liabilities and equity	280.338	251.604

Net commission and other income

MNOK	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Payment facilities	184	205	54	61	69	66	77
Savings/placements	144	145	48	48	48	47	46
Insurance products	154	142	53	50	51	50	48
Commission income real estate broking	296	298	107	104	85	101	91
Guarantee commission	70	69	22	23	25	24	23
Arrangement- and customer fees	44	67	11	13	20	23	6
Commission income SpareBank 1 SR-Bank Forretningspartner	116	95	33	42	41	31	30
Other	9	9	2	3	4	11	3
Net commission and other income excl. covered bond company	1.017	1.030	330	344	343	353	324
Commission income SB1 Boligkreditt	9	27	6	0	3	6	8
Net commission and other income incl. covered bond company	1.026	1.057	336	344	346	359	332

Net income on investment securities

MNOK	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Dividends	18	31	1	17	0	0	4
Investment income, associates	534	860	147	145	242	15	98
Securities gains/losses	-140	76	36	122	-298	20	-24
- of which capital change in shares and certificates	-56	75	38	27	-121	36	-6
- of which capital change in certificates and bonds	166	-60	-23	104	86	-96	-45
- of which derivatives; certificates and bonds	-250	61	22	-9	-263	80	27
Currency/interest gains/loans	47	138	6	13	28	-13	11
- of which currency customer- and own-account trading	97	94	36	52	9	37	33
- of which value change basis swap spread	-16	24	-32	-48	64	-34	-16
- of which counterparty risk derivatives including CVA	-49	-1	1	-42	-8	1	-2
- of which IFRS-effects	15	21	1	51	-37	-17	-4
Net income on investment securities	459	1.105	190	297	-28	22	89

When a basis swap is designated a hedging instrument for hedging a specifically identified loan, changes in the value of the hedging instrument linked to changes in the "basis spread" are recognized through other comprehensive income.

Subsidiaries

Subsidiaries	MNOK	30.09.2020	30.09.2019
EiendomsMegler 1 SR-Eiendom AS	Number of sales	5.074	4.948
	Operating profit before tax	41	19
SR-Forvaltning AS	Capital under management (BNOK)	13	13
	Operating profit before tax	14	18
FinStart Nordic AS	Operating profit before tax*	-89	25
SpareBank 1 SR-Bank Forretningspartner AS	Operating profit before tax**	17	9
SR-Boligkreditt AS	Operating profit before tax	534	473
Monner AS	Operating profit before tax***	-13	-5
Rygir Industrier AS and other	Operating profit before tax	6	-17
Total subsidiaries	Operating profit before tax	510	522

* The result in FinStart Nordic is consolidated and includes result from subsidiaries Beaufort Solutions AS.

** SpareBank 1 SR-Bank Forretningspartner has taken over Fast Solutions with effect from 1 September 2020. The result in Forretningspartner includes amortization of intangible assets of NOK 2.1 million (NOK 1.8 million per 30.09.2019).

***SpareBank 1 SR-Bank ASA purchased 100% of the shares in Monner AS on 1 July 2019.

Ownership interests

Ownership interests	MNOK	30.09.2020	30.09.2019
SpareBank 1 Gruppen AS	Interest ownership	19,5%	19,5%
	Profit share after tax	107	264
	Profit effect merger	340	460
SpareBank 1 Boligkreditt AS	Interest ownership	2,2 %	4,8%
	Profit share after tax	2	6
SpareBank 1 Næringskreditt AS	Interest ownership	15,6 %	19,1%
	Profit share after tax	7	9
BN Bank ASA	Interest ownership	35,0 %	35,0%
	Profit share after tax	84	81
SpareBank 1 Kreditt AS	Interest ownership	17,7 %	17,8%
	Profit share after tax	2	13
SpareBank 1 Betaling AS	Interest ownership	19,8 %	19,8%
	Profit share after tax	-3	-7
	Adjusted profit previous years	0	14
Other	Profit share after tax	-1	0
Total ownership interests	Profit share after tax	538	840
FinStart Nordic AS*	Profit share after tax	-4	20
Total ownership interests in the Group	Profit share after tax	534	860

*Companies in which FinStart Nordic AS owns stakes of between 20-50% must, because of accounting rules, be measured as associated companies in the consolidated financial statements. The profit contribution here is included in the company's results on the previous page.

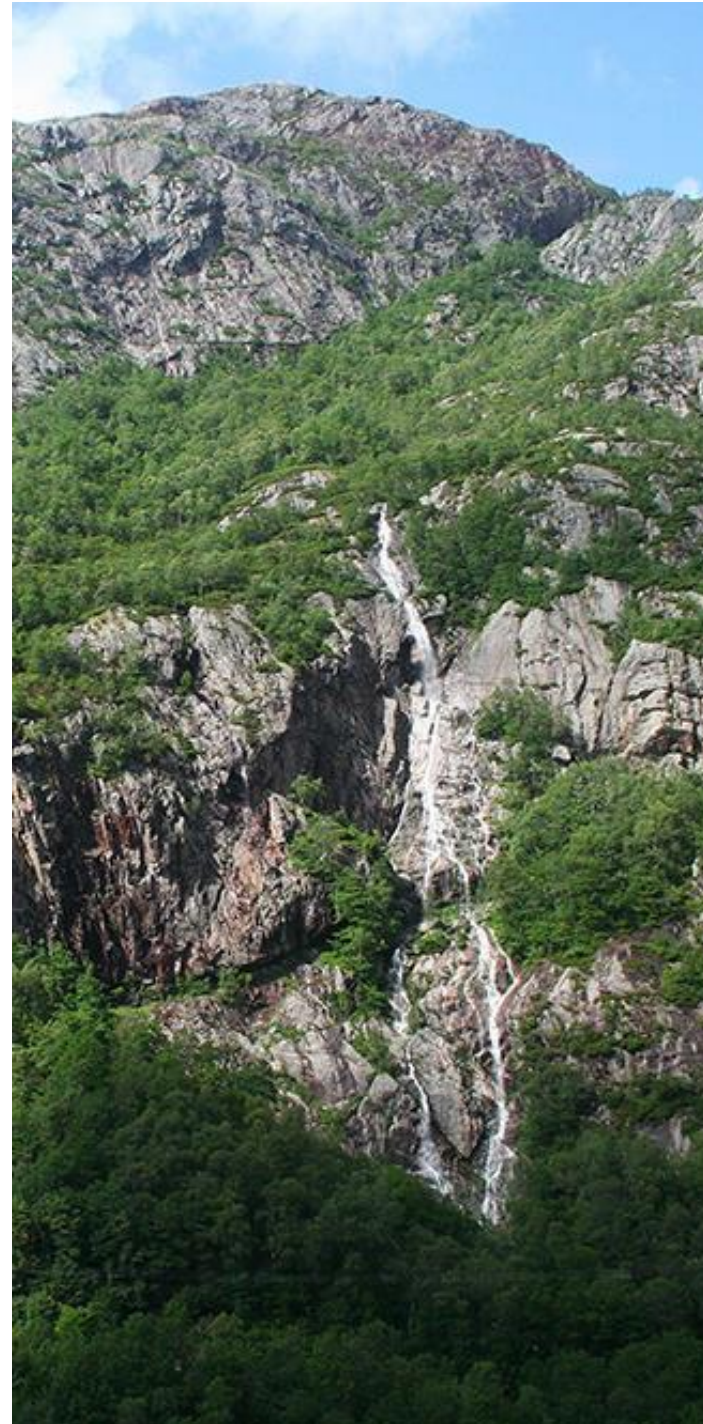
Operating expenses

MNOK	30.09.2020	30.09.2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Payroll and pensions	852	883	297	277	278	328	307
Other staff expenses	183	193	60	53	70	68	68
Total personnel expenses	1.035	1.076	357	330	348	396	375
IT expenses	285	272	95	98	92	91	91
Marketing	54	59	16	17	21	31	20
Other administrative expenses	57	72	15	15	27	30	21
Total administrative expenses	396	403	126	130	140	152	132
Depreciation	142	100	59	42	41	37	40
Operating expenses from real estate	23	23	7	8	8	12	7
Other operating expenses	161	198	46	60	55	81	61
Total other operating expenses	326	321	112	110	104	130	108
Total operating expenses	1.757	1.800	595	570	592	678	615

SpareBank 1 SR-Bank has a moderate risk profile in which no single event should be capable of seriously harming the bank's financial position



- The core purpose of the banking industry is to create value by assuming deliberate and acceptable risk
 - SpareBank 1 SR-Bank therefore invests significant resources in developing risk management systems, processes and expertise that are in line with leading international practice
- The bank's primary market areas are South of Norway
 - The bank's primary market areas for credit exposure are Rogaland, Agder, Vestland as well as Oslo and Viken
- The bank's set clear requirements for loan activities in the corporate market
 - The activities that are financed must have a long-term perspective
 - The group must be very familiar with the ownership and management of the company
 - All financing decisions are based on the customer's debt-servicing capacity and a lack of debt-servicing capacity may not be compensated for through higher security
 - Shipping and offshore related financing (including significant parts of oil-related activities) are handled by centralized expertise

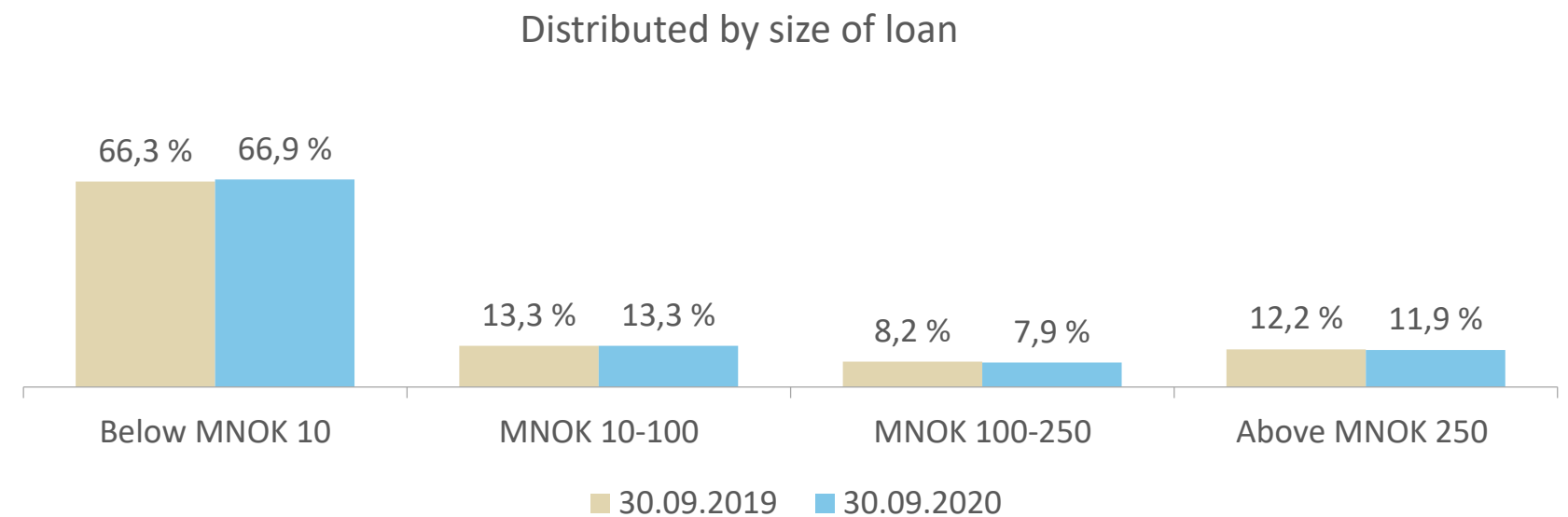
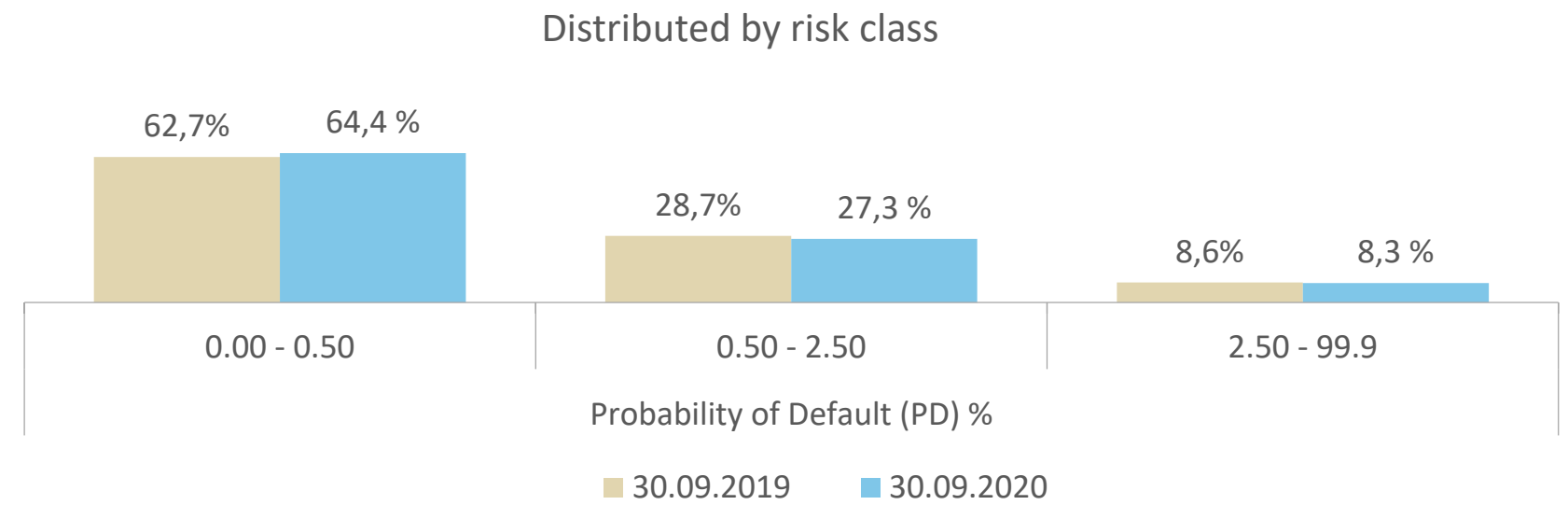


- The bank sets specific limits for the size of commitments as well as requirements concerning industry diversification
 - The maximum total exposure to an individual customer must be significantly lower than the regulatory requirements
 - The maximum unsecured exposure to an individual customer must not be so great that the potential loss cannot be absorbed without the group's financial position being significantly affected
 - This requires a diversified portfolio. The exposure to specific industries is subject to specific limits.
- The bank sets special requirements for all property financing
 - Self-financing requirements apply for all types of property financing - in relation to both residential and commercial property
 - Advanced sales requirements also apply for financing housing development projects
 - In addition to this, requirements that limit loan size/rent income ratio apply for financing commercial property



Risk profile of the loan portfolio

- SpareBank 1 SR-Bank has a solid loan portfolio. Portfolio quality improved last year.
- The loan portfolio consists mainly of small and medium-sized loans.



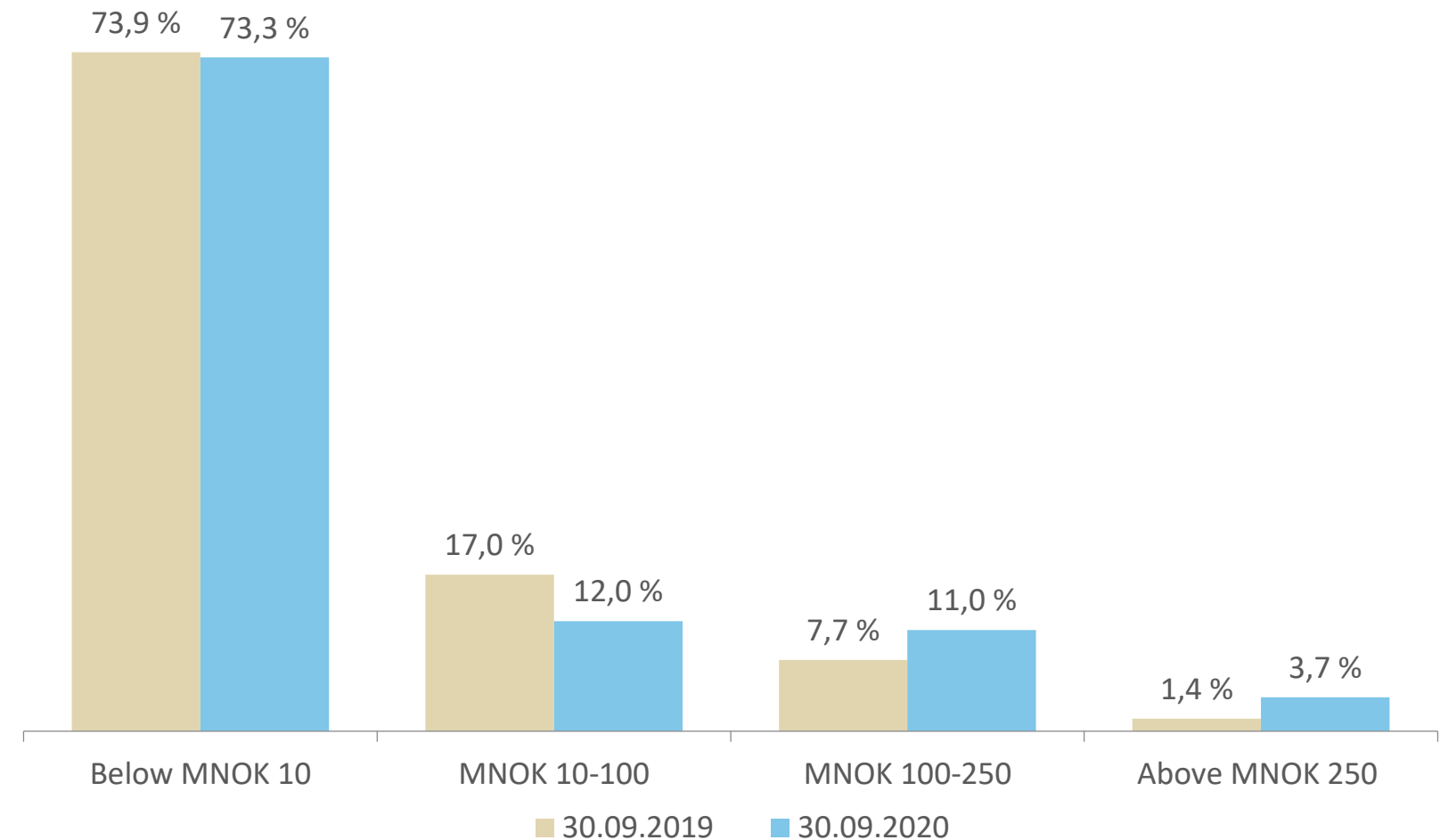
**Probability of default (PD) through a full cycle of loss.*

The figures include the loan portfolio in the covered bond companies (SB1 Boligkreditt AS and SR-Boligkreditt AS).

Low concentration of individual LGRs in the lending portfolio

- 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.

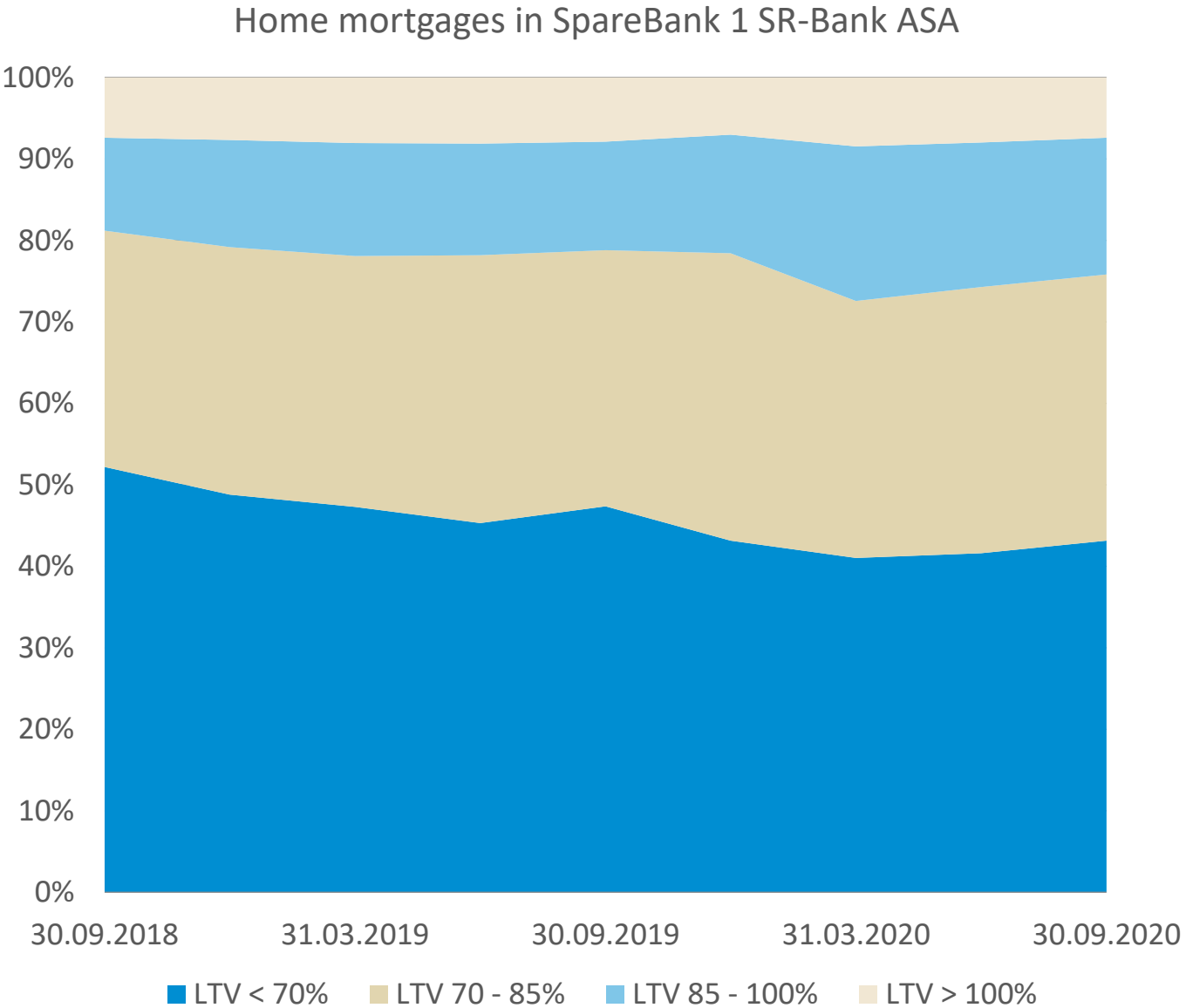
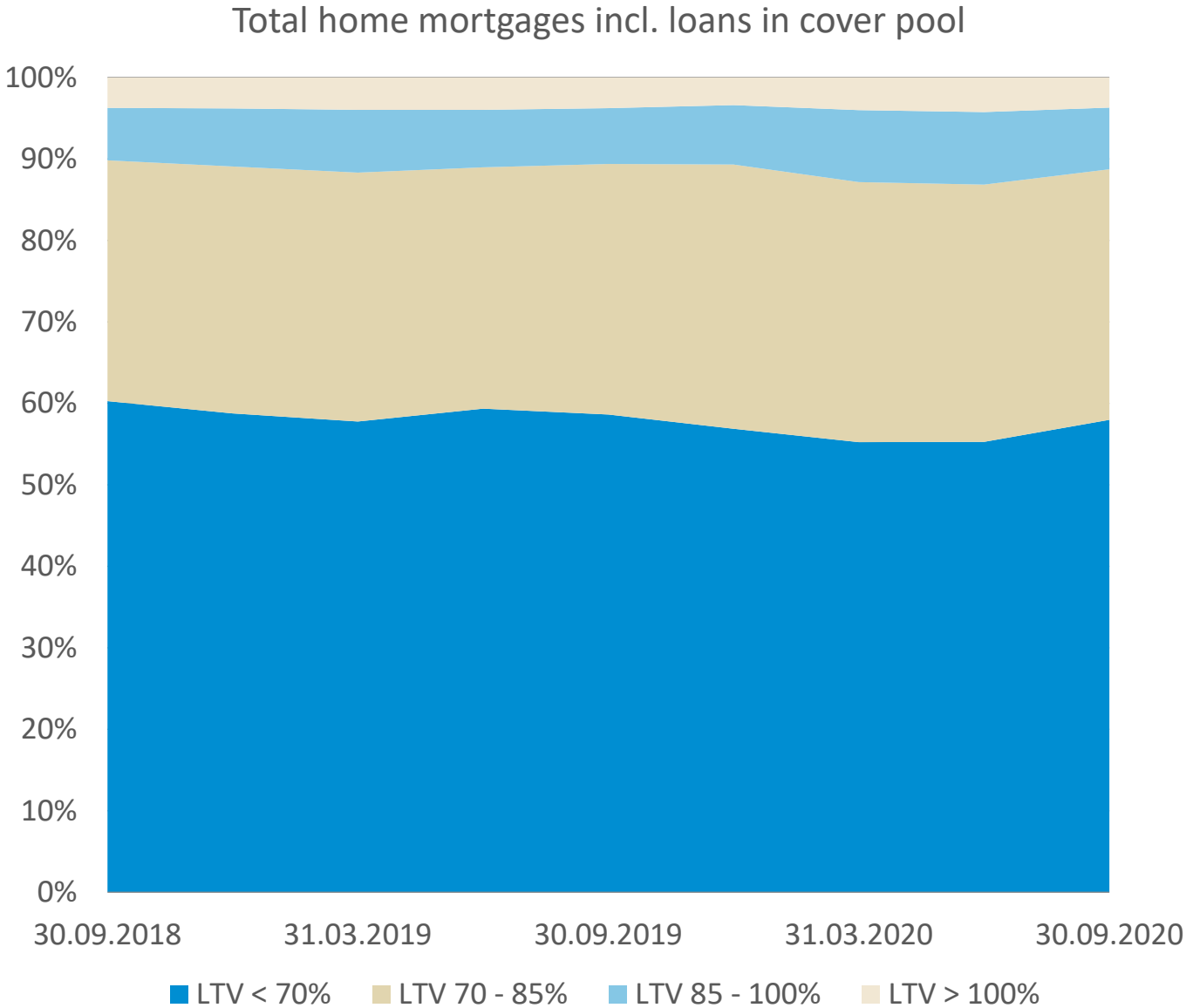
Distributed by loss given realisation (LGR)



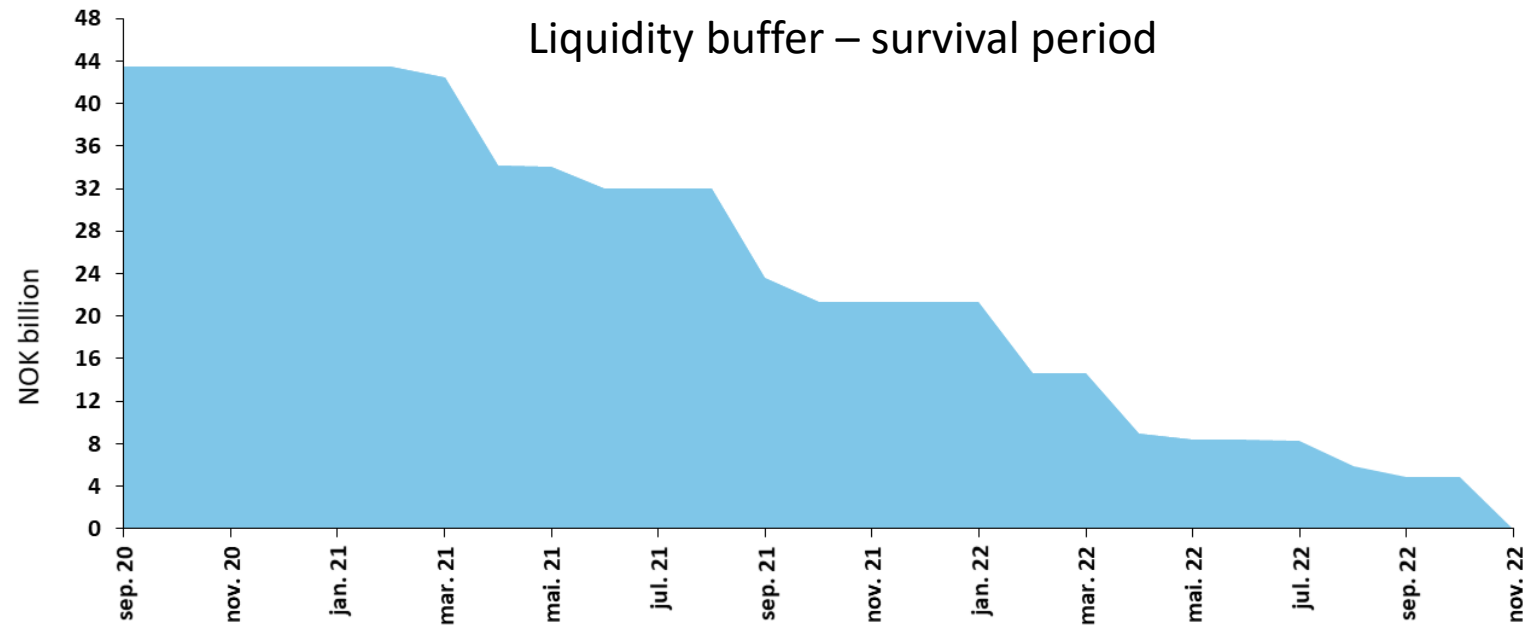
LGR (Loss Given Realisation). Estimated loss on realising a single loan. Corresponds to LGD without statistical correction for certain non-performing loans being reclassified as recoverable prior to collection. The calculation is based on the realisation value of assets pledged as security in an economic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

The figure includes the loan portfolio in the covered bond companies (SB1 Boligkreditt AS and SR-Boligkreditt AS).

Historical LTV development for home mortgage loans



Liquidity portfolio



- Liquidity buffer at the end of the quarter: NOK 43.4 billion
- Other liquid assets:
 - Home mortgages eligible for covered bond funding: NOK 23.0 billion
 - Commercial paper and bonds in the trading portfolio: NOK 0.3 billion

Liquidity buffer: cash, highly liquid bonds.

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

Liquidity portfolio

Category	NOK million	Share %	Of which classified to amortised cost, MNOK
Norwegian government/municipal	25	0%	0
SSA/Foreign guaranteed	18.100	47%	2.755
Covered bonds (Norwegian/foreign)	20.024	53%	4.468
Total liquidity portfolio	38.149	100%	7.223

Investments in bonds and certificates

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	38.149	99,2%
Low risk	A+, A and A-	0	0,0%
Moderate risk	Not rated	56	0,1%
High risk	Not rated	66	0,2%
Very high risk	Not rated	199	0,5%
Total portfolio		38.470	100,0%

Of which liquidity purposes:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	38.149	100,0%
Low risk	A+, A and A-	0	0,0%
Moderate risk	Not rated	18	0,0%
High risk	Not rated	0	0,0%
Very high risk	Not rated	0	0,0%
Total liquidity purposes		38.167	100,0%

Of which SR-Bank Markets:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	0	0,0%
Low risk	A+, A and A-	0	0,0%
Moderate risk	Not rated	38	12,7%
High risk	Not rated	66	21,7%
Very high risk	Not rated	199	65,6%
Total SR-Bank Markets portfolio*		303	100,0%

* Including hybrid capital classified as equity in the balance sheet

Rating

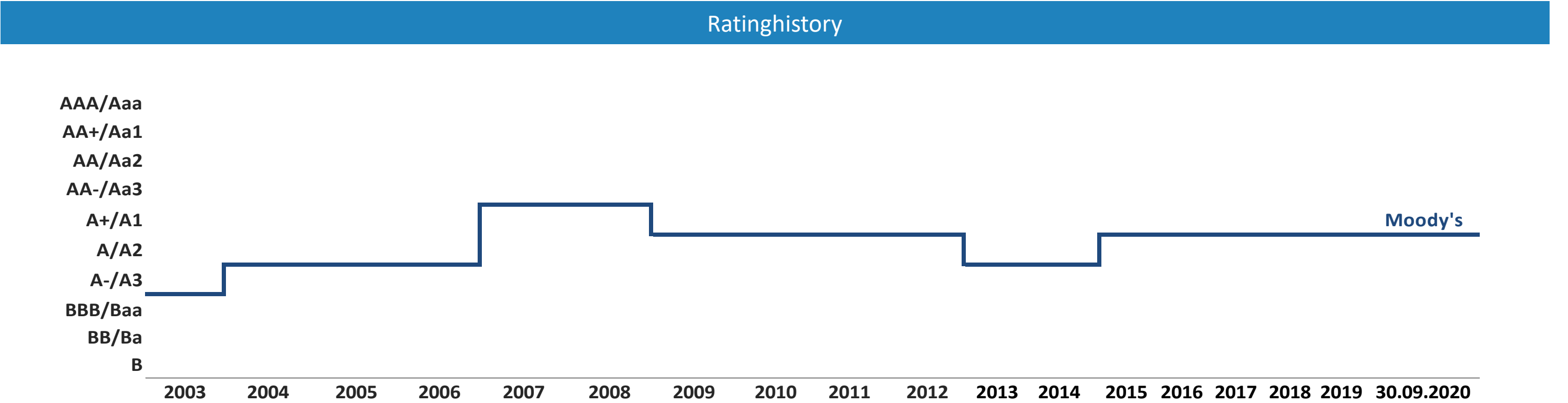
Moody's

Long-term debt
Outlook

A1
Stable

Updated

26 August 2020



SR-Bank as of 30.09.2020

SpareBank 1 SR-Bank share

	30.09.2020	2019	2018	2017	2016	2015	2014
Share price	77,40	100,00	89,20	87,00	60,75	39,30	52,50
Stock value (MNOK)	19.795	25.575	22.813	22.250	15.537	10.051	13.427
Book value per share, NOK (group)	93,51	89,90	82,27	77,24	71,54	66,14	60,28
Earnings per share	3,84	12,22	8,98	8,16	6,87	6,83	8,20
Dividend per share*	n.a.	5,50	4,50	4,25	2,25	1,50	2,00
P/E	10,08	8,18	9,93	10,66	8,84	5,75	6,40
P/BV (group)	0,83	1,11	1,08	1,13	0,85	0,59	0,87

- Number of shares issued 255.8 million
- Trading volume in Q3 2020: 6.1% (3.6%)
- On 1 June 2017, the SR-Bank share was included in the Oslo Stock Exchange's main index

*A decision was made in April 2020 not to pay a dividend for 2019 at this time. The change has been incorporated into the first quarter of 2020. The figures reported as at 31 December 2019 are the same as before.

Dividend policy

“The financial objective of SpareBank 1 SR-Bank ASA 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 level of the annual dividend, considerations will be made towards SpareBank 1 SR-Bank ASA’s future need for capital, including capital adequacy requirements, and strategic plans and targets. Unless capital requirements otherwise dictate, the Board of Directors’ aim is that approximately half of the EPS is paid out.”



Contact Details

Address

Christen Tranes Gate 35
Postboks 250
4068 Stavanger

Tel: +47 915 02002
www.sr-bank.no

Management



Arne Austreid

CEO

Tel.: +47 900 77 334

E-post: arne.austreid@sr-bank.no



Inge Reinertsen

CFO

Tel.: +47 909 95 033

E-post: inge.reinertsen@sr-bank.no

Investor Relations



Stian Helgøy

Investor Relations

Tel.: +47 906 52 173

E-post: stian.helgoy@sr-bank.no