

Norway
Update

SpareBank 1 SR-Bank

Ratings

Long-Term IDR	A-
Short-Term IDR	F2
Individual Rating	B/C
Support Rating	3
Support Rating Floor	BB+
Sovereign Risk	
Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency IDR	AAA

Outlooks

Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Financial Data

SpareBank 1 SR-Bank		
	31 Dec 2010	31 Dec 2009
Total assets (USDm)	22,891.1	21,610.6
Total assets (NOKm)	134,778.0	124,909.0
Total equity (NOKm)	9,402.0	8,073.0
Operating profit (NOKm)	1,412.0	1,365.7
Published net income (NOKm)	1,317.0	1,111.0
Comprehensive income (NOKm)	1,253.0	1,010.0
Operating ROAA (%)	1.10	1.10
Operating ROAE (%)	16.65	20.93
Core capital/weighted risks (%)	10.93	10.15
Tier 1 ratio (%)	10.21	9.61

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Related Research

Applicable Criteria

- [Global Financial Institutions Rating Criteria \(August 2010\)](#)
- [Short-Term Ratings Criteria for Corporate Finance \(November 2010\)](#)

Other Research

- [The Major Sparebanken of the SpareBank 1 Alliance \(March 2011\)](#)
- [SpareBank 1 Boligkreditt AS \(March 2011\)](#)

Rating Rationale

- The ratings of SpareBank 1 SR-Bank (SR) reflect its strong local franchise, sound earnings generation and capitalisation. They also consider some dependence on market funding and single-name concentration in the loan book.
- SR is a founding member of the SpareBank 1 Alliance (Alliance) cooperation scheme, through which SR benefits from cost efficiencies and wider income diversification through SpareBank 1 Gruppen AS (SG). SR's 20% stake in SG also exposes it to additional earnings volatility, as seen in 2008. The Norwegian regulator supports SR's application to change its legal structure into a limited liability savings bank. Although it may improve access to capital, this change is unlikely to have any ratings impact.
- Operating performance remained sound in 2010. Fitch Ratings expects loan losses to remain low, reflecting the agency's forecast of continued economic growth. Competitive pressures in SR's region are expected to continue to affect performance, though spreads should benefit from expected rises in market rates. The bank's position in Hordaland was strengthened through a merger with Kvinnherad Sparebank (Kvinnherad), a smaller savings bank.
- Loan growth at SR has continued to outpace Norwegian economic growth in 2010. Asset quality remains robust, although regional property prices have increased faster than the national average, meaning that loan-impairment allowances may be more sensitive to adjustments in collateral values. SR also has some single-name concentration, which could negatively impact performance if the credit profile of these exposures deteriorates. Market risk is moderate.
- SR benefits from the greater market presence of SpareBank 1 Boligkreditt AS (Boligkreditt), a joint funding vehicle with the Alliance member banks that forms an important part of its funding strategy. SR demonstrated its ability to access medium-term senior unsecured funding in 2010. SR's loans/deposits ratio of 174% at end-2010, excluding loans transferred to Boligkreditt, reflects its dependence on market funding. Loan growth, of which around one-third related to the merger with Kvinnherad, was faster than deposit growth in 2010.
- Management expects liquidity to be maintained at good levels, especially given regulatory changes. Capitalisation is sound. The bank expects a decision regarding its application to convert to a limited liability savings bank by Q211.

Support

- Fitch believes there is a moderate probability of support from the Norwegian government if needed, given SR's strong regional franchise. While there is the possibility of implicit support among the member banks, Fitch understands that no legal obligation arises from membership of the Alliance to financially support troubled member banks.

Key Ratings Drivers

- The Stable Outlook reflects SR's strong regional franchise, sound earnings generation and capitalisation. Downside risk to the ratings would arise should SR's access to market funding or liquidity position deteriorate. Further risks could arise from a less benign economic environment in Norway.

Profile

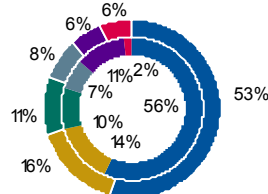
At end-2010, SR was the second-largest Norwegian savings bank by equity.

- Earnings relatively diversified for its size
- Lending split broadly equally between retail and corporate exposures

Revenue Split

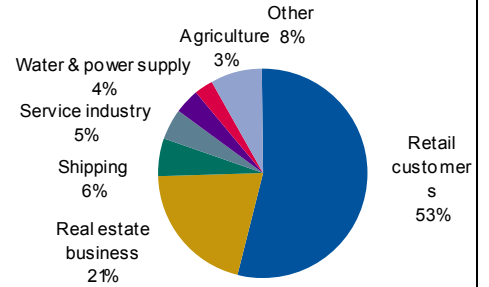
Outer ring: 2010; Inner ring: 2009

- Net interest income
- Fees & commissions
- Other operating income
- Income from investments in associates
- Net gains on financial instruments
- Non-recurring items



Source: Company data reclassified by Fitch

Loan Breakdown (end-2010)

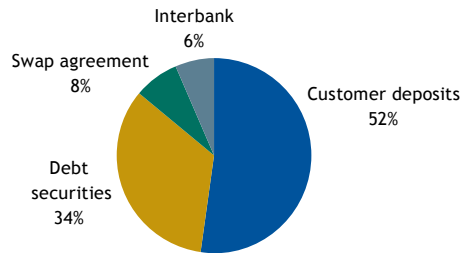


Source: Company data reclassified by Fitch

- Customer deposits account for around half funding
- Debt maturities relatively evenly spread

Funding Mix

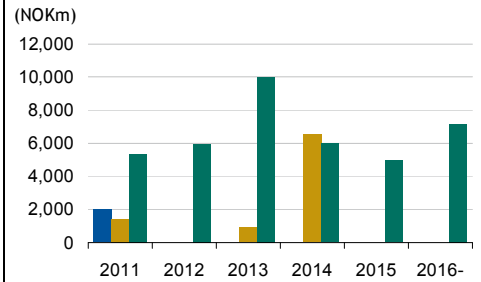
End-2010



Source: Company data reclassified by Fitch

Debt Maturity Profile

- Interbank
- Swap agreement
- Debt securities



Source: Company data reclassified by Fitch

SpareBank 1 SR-Bank Income Statement

	31 Dec 2010			31 Dec 2009		31 Dec 2008		31 Dec 2007	
	Year End USDm	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets
	Unaudited	Unaudited		Unqualified		Unqualified	Assets report not seen		
1. Interest Income on Loans	n.a.	n.a.	-	4,561.0	3.72	6,732.0	5.77	4,895.0	4.92
2. Other Interest Income	845.3	4,977.0	3.76	600.0	0.49	715.0	0.61	205.0	0.21
3. Dividend Income	0.3	2.0	0.00	23.0	0.02	15.0	0.01	12.0	0.01
4. Gross Interest and Dividend Income	845.6	4,979.0	3.76	5,184.0	4.22	7,462.0	6.39	5,112.0	5.14
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	1,509.0	1.23	2,883.0	2.47	2,061.0	2.07
6. Other Interest Expense	522.8	3,078.0	2.32	1,769.0	1.44	2,870.0	2.46	1,699.0	1.71
7. Total Interest Expense	522.8	3,078.0	2.32	3,278.0	2.67	5,753.0	4.93	3,760.0	3.78
8. Net Interest Income	322.9	1,901.0	1.44	1,906.0	1.55	1,709.0	1.46	1,352.0	1.36
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	35.0	206.0	0.16	384.0	0.31	-234.0	-0.20	142.0	0.14
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	96.5	568.0	0.43	466.0	0.38	504.0	0.43	594.0	0.60
14. Other Operating Income	63.9	376.0	0.28	325.0	0.26	242.0	0.21	301.0	0.30
15. Total Non-Interest Operating Income	195.3	1,150.0	0.87	1,175.0	0.96	512.0	0.44	1,037.0	1.04
16. Personnel Expenses	165.8	976.0	0.74	881.0	0.72	776.0	0.66	751.0	0.75
17. Other Operating Expenses	118.2	696.0	0.53	698.0	0.57	677.0	0.58	606.0	0.61
18. Total Non-Interest Expenses	284.0	1,672.0	1.26	1,579.0	1.29	1,453.0	1.24	1,357.0	1.36
19. Equity-accounted Profit/ Loss - Operating	45.3	267.0	0.20	231.7	0.19	-153.2	-0.13	234.0	0.24
20. Pre-Impairment Operating Profit	279.6	1,646.0	1.24	1,733.7	1.41	614.8	0.53	1,266.0	1.27
21. Loan Impairment Charge	39.7	234.0	0.18	368.0	0.30	386.0	0.33	10.0	0.01
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
23. Operating Profit	239.8	1,412.0	1.07	1,365.7	1.11	228.8	0.20	1,256.0	1.26
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	34.3	202.0	0.15	66.3	0.05	414.2	0.35	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	274.1	1,614.0	1.22	1,432.0	1.17	643.0	0.55	1,256.0	1.26
30. Tax expense	50.4	297.0	0.22	321.0	0.26	163.0	0.14	249.0	0.25
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	223.7	1,317.0	0.99	1,111.0	0.91	480.0	0.41	1,007.0	1.01
33. Change in Value of AFS Investments	0.2	1.0	0.00	0.0	0.00	-1.0	0.00	3.0	0.00
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	-11.0	-65.0	-0.05	-101.0	-0.08	-176.0	-0.15	105.0	0.11
37. Fitch Comprehensive Income	212.8	1,253.0	0.95	1,010.0	0.82	303.0	0.26	1,115.0	1.12
38. Memo: Profit Allocation to Non-controlling Interests	0.0	0.0	0.00	2.0	0.00	11.0	0.01	13.0	0.01
39. Memo: Net Income after Allocation to Non-controlling Interests	223.7	1,317.0	0.99	1,109.0	0.90	469.0	0.40	994.0	1.00
40. Memo: Common Dividends Relating to the Period	57.1	336.0	0.25	212.0	0.17	85.0	0.07	350.0	0.35
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

USD1 = NOK5.41875

SpareBank 1 SR-Bank Balance Sheet

	31 Dec 2010			31 Dec 2009		31 Dec 2008		31 Dec 2007	
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer / Retail Loans	9,595.8	56,498.0	41.92	45,847.0	36.70	51,529.0	40.94	51,095.0	49.48
4. Corporate & Commercial Loans	8,318.4	48,977.0	36.34	47,349.0	37.91	48,101.0	38.21	36,447.0	35.29
5. Other Loans	53.8	317.0	0.24	277.0	0.22	0.0	0.00	548.0	0.53
6. Less: Reserves for Impaired Loans/ NPLs	128.9	759.0	0.56	649.0	0.52	574.0	0.46	229.0	0.22
7. Net Loans	17,839.1	105,033.0	77.93	92,824.0	74.31	99,056.0	78.69	87,861.0	85.08
8. Gross Loans	17,968.0	105,792.0	78.49	93,473.0	74.83	99,630.0	79.15	88,090.0	85.30
9. Memo: Impaired Loans included above	204.7	1,205.0	0.89	1,148.0	0.92	1,564.0	1.24	739.0	0.72
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	216.2	1,273.0	0.94	1,301.0	1.04	1,416.0	1.12	3,357.0	3.25
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Derivatives	550.5	3,241.0	2.40	2,438.0	1.95	4,842.0	3.85	897.0	0.87
5. Available for Sale Securities	3,295.5	19,403.0	14.40	21,190.0	16.96	4,431.0	3.52	6,033.0	5.84
6. Held to Maturity Securities	n.a.	n.a.	-	1,831.0	1.47	5,048.0	4.01	n.a.	-
7. At-equity Investments in Associates	597.5	3,518.0	2.61	3,127.0	2.50	1,953.0	1.55	1,345.0	1.30
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	4,443.4	26,162.0	19.41	28,586.0	22.89	16,274.0	12.93	8,275.0	8.01
10. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	38.0	0.03	16.0	0.02
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	22,498.7	132,468.0	98.29	122,711.0	98.24	116,746.0	92.75	99,493.0	96.35
C. Non-Earning Assets									
1. Cash and Due From Banks	209.8	1,235.0	0.92	781.0	0.63	6,998.0	5.56	2,622.0	2.54
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	64.0	377.0	0.28	935.0	0.75	337.0	0.27	294.0	0.28
5. Goodwill	n.a.	n.a.	-	40.0	0.03	20.0	0.02	23.0	0.02
6. Other Intangibles	9.9	58.0	0.04	n.a.	-	n.a.	-	n.a.	-
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	108.7	640.0	0.47	442.0	0.35	1,776.0	1.41	835.0	0.81
11. Total Assets	22,891.1	134,778.0	100.00	124,909.0	100.00	125,877.0	100.00	103,267.0	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	10,321.3	60,770.0	45.09	54,336.0	43.50	40,327.0	32.04	40,084.0	38.82
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	n.a.	n.a.	-	n.a.	-	13,980.0	11.11	10,130.0	9.81
4. Total Customer Deposits	10,321.3	60,770.0	45.09	54,336.0	43.50	54,307.0	43.14	50,214.0	48.63
5. Deposits from Banks	1,249.9	7,359.0	5.46	8,852.0	7.09	11,119.0	8.83	5,812.0	5.63
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	3,259.0	2.59	5,515.0	5.34
8. Total Deposits, Money Market and Short-term Funding	11,571.2	68,129.0	50.55	63,188.0	50.59	68,685.0	54.57	61,541.0	59.59
9. Senior Debt Maturing after 1 Year	8,168.8	48,096.0	35.69	45,579.0	36.49	41,272.0	32.79	30,158.0	29.20
10. Subordinated Borrowing	470.6	2,771.0	2.06	2,546.0	2.04	3,370.0	2.68	2,289.0	2.22
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	8,639.4	50,867.0	37.74	48,125.0	38.53	44,642.0	35.46	32,447.0	31.42
13. Derivatives	375.7	2,212.0	1.64	1,576.0	1.26	2,029.0	1.61	713.0	0.69
14. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Funding	20,586.3	121,208.0	89.93	112,889.0	90.38	115,356.0	91.64	94,701.0	91.70
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	195.3	1,150.0	0.85	883.0	0.71	1,301.0	1.03	50.0	0.05
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	4.0	0.00	7.0	0.01
3. Reserves for Pensions and Other	105.6	622.0	0.46	622.0	0.50	457.0	0.36	281.0	0.27
4. Current Tax Liabilities	n.a.	n.a.	-	223.0	0.18	22.0	0.02	211.0	0.20
5. Deferred Tax Liabilities	23.4	138.0	0.10	162.0	0.13	94.0	0.07	21.0	0.02
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	55.0	0.04	0.0	0.00
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	168.5	992.0	0.74	839.0	0.67	1,997.0	1.59	1,707.0	1.65
10. Total Liabilities	21,079.2	124,110.0	92.08	115,618.0	92.56	119,286.0	94.76	96,978.0	93.91
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	215.0	1,266.0	0.94	1,218.0	0.98	625.0	0.50	448.0	0.43
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	1,589.6	9,359.0	6.94	7,946.0	6.36	5,688.0	4.52	5,225.0	5.06
2. Non-controlling Interest	0.0	0.0	0.00	0.0	0.00	12.0	0.01	16.0	0.02
3. Securities Revaluation Reserves	7.3	43.0	0.03	127.0	0.10	69.0	0.05	139.0	0.13
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	197.0	0.16	461.0	0.45
6. Total Equity	1,596.9	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74	5,841.0	5.66
7. Total Liabilities and Equity	22,891.1	134,778.0	100.00	124,909.0	100.00	125,877.0	100.00	103,267.0	100.00
8. Memo: Fitch Core Capital	1,716.5	10,106.3	7.50	8,589.6	6.88	7,020.7	5.58	n.a.	-
9. Memo: Fitch Eligible Capital	1,931.5	11,372.3	8.44	9,807.6	7.85	7,645.7	6.07	n.a.	-

Exchange rate

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

USD1 = NOK5.41875

SpareBank 1 SR-Bank Summary Analytics

	31 Dec 2010 Year End	31 Dec 2009 Year End	31 Dec 2008 Year End	31 Dec 2007 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	n.a.	4.74	7.24	5.91
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	2.77	5.41	4.36
3. Interest Income/ Average Earning Assets	3.96	4.30	6.99	5.53
4. Interest Expense/ Average Interest-bearing Liabilities	2.64	2.86	5.70	4.32
5. Net Interest Income/ Average Earning Assets	1.51	1.58	1.60	1.46
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.33	1.28	1.24	1.45
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.51	1.58	1.60	1.46
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	37.69	38.14	23.05	43.41
2. Non-Interest Expense/ Gross Revenues	54.80	51.25	65.42	56.80
3. Non-Interest Expense/ Average Assets	1.30	1.27	1.32	1.43
4. Pre-impairment Op. Profit/ Average Equity	19.41	26.57	10.46	24.41
5. Pre-impairment Op. Profit/ Average Total Assets	1.28	1.39	0.56	1.33
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	14.22	21.23	62.78	0.79
7. Operating Profit/ Average Equity	16.65	20.93	3.89	24.22
8. Operating Profit/ Average Total Assets	1.10	1.10	0.21	1.32
9. Taxes/ Pre-tax Profit	18.40	22.42	25.35	19.82
10. Pre-Impairment Operating Profit / Risk Weighted Assets	1.78	2.05	0.70	1.84
11. Operating Profit / Risk Weighted Assets	1.53	1.61	0.26	1.83
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	15.53	17.03	8.16	19.42
2. Net Income/ Average Total Assets	1.02	0.89	0.44	1.06
3. Fitch Comprehensive Income/ Average Total Equity	14.78	15.48	5.15	21.50
4. Fitch Comprehensive Income/ Average Total Assets	0.97	0.81	0.27	1.17
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	1.42	1.31	0.55	1.46
7. Fitch Comprehensive Income/ Risk Weighted Assets	1.35	1.19	0.34	1.62
D. Capitalization				
1. Fitch Core Capital/Weighted Risks	10.93	10.15	7.98	n.a.
2. Fitch Eligible Capital/ Weighted Risks	12.30	11.59	8.69	n.a.
3. Tangible Common Equity/ Tangible Assets	6.94	6.43	4.72	5.64
4. Tier 1 Regulatory Capital Ratio	10.21	9.61	6.44	7.35
5. Total Regulatory Capital Ratio	12.41	11.86	9.80	9.77
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	6.98	6.46	4.74	5.66
8. Cash Dividends Paid & Declared/ Net Income	25.51	19.08	17.71	34.76
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	26.82	20.99	28.05	31.39
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	10.43	11.14	6.62	11.25
E. Loan Quality				
1. Growth of Total Assets	7.90	-0.77	21.89	21.44
2. Growth of Gross Loans	13.18	-6.18	13.10	13.96
3. Impaired Loans(NPLs)/ Gross Loans	1.14	1.23	1.57	0.84
4. Reserves for Impaired Loans/ Gross loans	0.72	0.69	0.58	0.26
5. Reserves for Impaired Loans/ Impaired Loans	62.99	56.53	36.70	30.99
6. Impaired Loans less Reserves for Imp Loans/ Equity	4.74	6.18	16.59	8.73
7. Loan Impairment Charges/ Average Gross Loans	0.24	0.38	0.42	0.01
8. Net Charge-offs/ Average Gross Loans	0.16	0.28	0.04	0.02
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	1.14	1.23	1.57	0.84
F. Funding				
1. Loans/ Customer Deposits	174.09	172.03	183.46	175.43
2. Interbank Assets/ Interbank Liabilities	17.30	14.70	12.73	57.76
3. Customer Deposits/ Total Funding excl Derivatives	51.07	48.81	47.92	53.43

SpareBank 1 SR-Bank Reference Data

	31 Dec 2010			31 Dec 2009		31 Dec 2008		31 Dec 2007	
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	n.a.	n.a.	-	6,253.0	5.01	5,175.0	4.11	5,021.0	4.86
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	46.0	0.04
5. Committed Credit Lines	n.a.	n.a.	-	12,312.0	9.86	14,343.0	11.39	18,041.0	17.47
6. Other Contingent Liabilities	n.a.	n.a.	-	3,263.0	2.61	1,223.0	0.97	3,682.0	3.57
7. Total Business Volume	22,891.1	134,778.0	100.00	146,737.0	117.48	146,618.0	116.48	130,057.0	125.94
8. Memo: Total Weighted Risks	15,706.7	92,478.0	68.62	84,587.5	67.72	88,012.5	69.92	68,771.0	66.60
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	15,706.7	92,478.0	68.62	84,587.5	67.72	88,012.5	69.92	68,771.0	66.60
B. Average Balance Sheet									
Average Loans	16,741.3	98,569.4	73.13	96,293.0	77.09	92,971.6	73.86	82,851.3	80.23
Average Earning Assets	21,353.3	125,724.2	93.28	120,518.6	96.49	106,778.0	84.83	92,481.0	89.56
Average Assets	21,888.4	128,874.4	95.62	124,391.0	99.59	110,286.0	87.61	95,152.5	92.14
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	19,830.5	116,757.8	86.63	114,796.2	91.90	100,860.6	80.13	87,036.5	84.28
Average Common equity	1,421.2	8,368.0	6.21	6,412.8	5.13	5,626.2	4.47	4,961.5	4.80
Average Equity	1,440.0	8,478.2	6.29	6,524.8	5.22	5,880.0	4.67	5,185.8	5.02
Average Customer Deposits	9,820.3	57,820.2	42.90	54,408.6	43.56	53,312.4	42.35	47,313.5	45.82
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	34,903.0	27.94	39,911.0	31.71	34,799.0	33.70
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	1,897.0	1.52	6,213.0	4.94	5,578.0	5.40
Loans & Advances 1 - 5 Years	n.a.	n.a.	-	10,579.0	8.47	9,424.0	7.49	9,165.0	8.88
Loans & Advances > 5 years	n.a.	n.a.	-	46,094.0	36.90	44,082.0	35.02	38,548.0	37.33
Debt Securities < 3 Months	n.a.	n.a.	-	3,324.0	2.66	539.0	0.43	886.0	0.86
Debt Securities 3 - 12 Months	n.a.	n.a.	-	6,225.0	4.98	1,719.0	1.37	950.0	0.92
Debt Securities 1 - 5 Years	n.a.	n.a.	-	10,022.0	8.02	6,702.0	5.32	3,199.0	3.10
Debt Securities > 5 Years	n.a.	n.a.	-	3,011.0	2.41	115.0	0.09	409.0	0.40
Interbank < 3 Months	n.a.	n.a.	-	1,301.0	1.04	1,186.0	0.94	3,301.0	3.20
Interbank 3 - 12 Months	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
Interbank 1 - 5 Years	n.a.	n.a.	-	0.0	0.00	223.0	0.18	56.0	0.05
Interbank > 5 Years	n.a.	n.a.	-	0.0	0.00	7.0	0.01	0.0	0.00
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	52,591.0	42.10	52,870.0	42.00	49,316.0	47.76
Other Deposits 3 - 12 Months	n.a.	n.a.	-	1,745.0	1.40	0.0	0.00	694.0	0.67
Other Deposits 1 - 5 Years	n.a.	n.a.	-	0.0	0.00	1,437.0	1.14	204.0	0.20
Other Deposits > 5 Years	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
Interbank < 3 Months	n.a.	n.a.	-	5,999.0	4.80	5,266.0	4.18	4,802.0	4.65
Interbank 3 - 12 Months	n.a.	n.a.	-	1,257.0	1.01	4,089.0	3.25	80.0	0.08
Interbank 1 - 5 Years	n.a.	n.a.	-	1,500.0	1.20	1,764.0	1.40	310.0	0.30
Interbank > 5 Years	n.a.	n.a.	-	96.0	0.08	n.a.	-	620.0	0.60
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	6,583.0	5.27	6,477.0	5.15	9,140.0	8.85
Senior Debt Maturing 1 - 5 Years	n.a.	n.a.	-	30,940.0	24.77	39,180.0	31.13	26,495.0	25.66
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	37,523.0	30.04	45,657.0	36.27	35,635.0	34.51
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1 - 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	470.6	2,771.0	2.06	2,546.0	2.04	3,370.0	2.68	2,289.0	2.22
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	1,596.9	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74	5,841.0	5.66
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	1,596.9	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74	5,841.0	5.66
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	195.3	1,150.0	0.85	883.0	0.71	1,301.0	1.03	50.0	0.05
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-
4. Goodwill	0.0	0.0	0.00	40.0	0.03	20.0	0.02	23.0	0.02
5. Other intangibles	9.9	58.0	0.04	0.0	0.00	0.0	0.00	n.a.	-
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-
7. Net asset value of insurance subsidiaries	65.8	387.7	0.29	326.4	0.26	226.3	0.18	n.a.	-
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-
9. Fitch Core Capital	1,716.5	10,106.3	7.50	8,589.6	6.88	7,020.7	5.58	n.a.	-
10. Eligible weighted Hybrid capital	215.0	1,266.0	0.94	1,218.0	0.98	625.0	0.50	448.0	0.43
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-
12. Fitch Eligible Capital	1,931.5	11,372.3	8.44	9,807.6	7.85	7,645.7	6.07	n.a.	-
13. Eligible Hybrid Capital Limit	735.6	4,331.3	3.21	3,681.2	2.95	3,008.9	2.39	n.a.	-

Exchange Rate

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

USD1 = NOK5.41875

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