

INTERIM REPORT
1 QUARTER
NOT AUDITED

13



SPAREBANKEN MØRE

Contents

3	Financial highlights
4	Interim report from the Board of Directors
9	The Accounts
9	Statement of income
10	Balance Sheet
11	Statement of changes in equity
13	Cash Flow Statement
14	Accounting Principles
15	Notes to the Accounts
24	Highlights - development

Manufacturers of Norwegian seafood maintain a high quality level and are the second largest exporter worldwide in terms of value. Over 150 countries import fish from Norway. Every single day Norway exports a total of 37 million seafood meals. One third of the total export of Norway comes from Møre og Romsdal.

Financial highlights - Group

Result

NOK MILLION	Q1 2013	Q1 2012	2012
Net interest and credit commission income	236	222	936
Net provisions and other income	38	38	180
Net return from financial investments	5	23	110
Total income	279	283	1 226
Total operating cost	155	148	605
Pension plan changes	-	-	-166
Result before credit losses	124	135	787
Losses on loans, guarantees etc.	7	10	47
Result before tax	117	125	740
Tax payable on ordinary result	33	35	210
Result from ordinary operations after tax	84	90	530

Balance sheet

NOK MILLION	31.03.13	31.03.12	% CHANGE	31.12.12
Total assets	52 343	48 250	8.5	51 632
Average assets	51 190	47 400	8.0	48 530
Lending to customers	44 647	40 380	10.6	43 434
Deposits from customers	27 868	25 815	8.0	27 081

Key Figures

	Q1 2013	Q1 2012	2012
Return on equity (annualised)	9.6	11.3	16.3
Return on equity (annualised) (adjusted for pension plan changes)	-	-	12.6
Cost as a percentage of income	55.5	51.6	35.4
Cost as a percentage of income (adjusted for pension plan changes)	-	-	48.8
Losses as a percentage of loans 1.1/start of the period	0.06	0.10	0.12
Problem loans as a percentage of loans (prior to loss provisions)	1.18	1.75	1.34
Problem loans as a percentage of loans (after loss provisions)	0.82	1.28	0.96
Deposit to lending ratio as a percentage	62.4	63.9	62.3
Core capital as a percentage 1) 2)	13.30	11.60	13.70
Pure core capital as a percentage 1) 2)	10.50	10.02	10.65
Man-years	397	410	410
EC (Numbers refer to the Parent Bank):			
Profit per EC (Parent Bank) (NOK)	8.30	6.06	27.75
EC fraction 1.1 as a percentage (Parent Bank)	46.0	46.0	46.0
Price at Oslo Stock Exchange (NOK)	185	170	160
Price/Book value (P/B)	0.93	0.92	0.80

1) According to the Standardised Approach in Basel II

2) Incl. 50 per cent of the result from ordinary operations after tax

Interim Report from the Board of Directors

All figures relate to the Group. Amounts and percentages in brackets refer to the corresponding period last year.

The financial statements have been prepared in accordance with IFRS.

Pre-tax profit/loss

Sparebanken Møre's pre-tax profit for the first quarter amounted to NOK 117 million compared with NOK 125 million for the first quarter last year. Total income decreased by NOK 4 million due to net interest income rising by NOK 14 million and other operating income decreasing by NOK 18 million. Costs increased by NOK 7 million, while write-downs for losses decreased by NOK 3 million.

The profit after tax of NOK 84 million represents a return on equity of 9.6 % on an annual basis. The Bank's goal is to achieve a minimum of 6 percentage points better than the long-term government bond rate, which in the last 12 months averaged 2.10 %.

Net interest income

Net interest and credit commission income of NOK 236 million (NOK 222 million) represents 1.85% of total assets and a reduction in the last 12 months of 0.02 percentage points of average total assets. The relative fall in net interest income is mainly attributable to the introduction of the Guarantee Fund from and including the first quarter of 2013, the strengthening of subordinated loan capital, and generally more expensive funding.

Other operating income

Other operating income amounted to NOK

43 million, NOK 18 million lower than for the first 3 months of last year. This amounts to 0.34 % of average total assets; 0.17 percentage points lower than the first quarter last year. The change is primarily attributable to the reduction in income from financial investments (bonds) of NOK 18 million.

Costs

Operating costs increased by NOK 7 million or 4.7 % in the 12-month period. Costs as a percentage of average total assets decreased from 1.25 % to 1.21 %. The workforce was reduced by 13 full time equivalents during the period to 397 full time equivalents.

The costs/income ratio increased from 51.6 % to 55.5 % in relation to the corresponding period in 2012 due to the reduction in income.

Losses and defaults

The financial statements were charged NOK 7 million in write-downs from losses. This amounts to 0.05 % (0.08 %) of average total assets on an annual basis.

Impaired commitments (loans that have been in default for more than 90 days and loans that are not in default but which have been subject to an individual write-down for losses) decreased by NOK 178 million in the period to NOK 528 million before write-downs for losses. Net impaired commitments at the end of the last quarter amounted to NOK 365 million or 0.81 % of gross lending. At year-end 2012, the figures were NOK 415 million or 0.96 % of gross lending.

The loss and default situation is specified in note 2.

Lending and deposit growth

Total assets amounted to NOK 52 343 million at the end of the quarter. Growth in the preceding 12 months amounted to NOK 4 093 million or 8.5 %.

Net lending to customers amounted to NOK 44 647 million. This represents an increase in the preceding 12 months of NOK 4 267 million or 10.6 %. Lending to retail customers increased by 10.2 % and accounted for 62.9 % of total gross lending. Lending to corporate customers increased by 10.4 % during the period and accounts for a relative percentage of 37.0 %.

Deposits at the end of the quarter were NOK 2 053 million higher than at the end of the corresponding period last year, which represents growth of 8.0 % for the period. Total deposits amounted to NOK 27 868 million, of which deposits from retail customers accounted for 55.6 % following growth of 7.1 % in the preceding 12 months. The percentage for corporate customers was 40.8 %, an increase of 8.1 % on an annual basis. Public sector deposits increased by 19.5 % in the preceding 12 months, which represents a relative percentage of 3.6 %. The Group's total deposit-to-loan ratio was 62.4 % at the end of the first quarter of 2013.

Capital adequacy

Sparebanken Møre's capital adequacy goals are to maintain a minimum 11 % core capital in which core tier 1 capital should account for a minimum of 9 %.

Preliminary calculations based on the standard approach in Basel II as of 31 March

2013 indicate a core capital ratio of 13.30% (11.60%). 50 % of the year-to-date earnings for 2013 are not included in the capital adequacy ratio at the end of the quarter. The corresponding figures for core tier 1 capital are 10.50% (10.02%). The authorities' core tier 1 capital requirement was 9.0% as of 30 June 2013.

Subsidiaries

The aggregate profit of the Bank's three subsidiaries amounted to NOK 28 million after tax (NOK 11 million).

Møre Eiendomsmegling AS provides services within the real estate brokerage area both to retail and corporate customers. The company made a NOK -1 million contribution to the result in the first quarter of 2013 (NOK -1 million). At the end of the quarter, the work done in the company was equivalent to 17 full time equivalent positions.

The object of Sparebankeiendom AS is to own and manage the Bank's own commercial properties. The company has not made any contribution to the Group's profit to date in 2013. The company has no staff.

Møre Boligkreditt AS was established as part

of Sparebanken Møre's long-term funding strategy. The mortgage company's main purpose is to issue covered bonds for sale to Norwegian and international investors. So far this year the company has obtained NOK 10 billion in funding for the Group. The company has made a NOK 29 million contribution to the result so far in 2013 (NOK 10 million).

Sparebanken Møre's Equity Certificate

Note 8 contains an overview of the 20 largest owners of the Bank's Equity Certificates. The earnings per Equity Certificate at the end of the first quarter amounted to NOK 8.30 (NOK 6.06).

Future Prospects

The good level of activity for local business and industry and the generally low unemployment rate in Møre og Romsdal in 2012 has continued into 2013. Some export companies are experiencing a certain degree of stagnation, but the Board is not expecting any major changes during the year since demand in the most important domestic and international markets remains stable for large parts of the county's business and industry. The positive contribu-

tion of the largest companies in Møre og Romsdal, especially within the maritime industries, is thus helping to sustain a good economic and employment situation in the county. The development of oil prices is very important for Møre og Romsdal. From a level of around 120 USD per barrel, the price of North Sea oil is now around 100 USD per barrel. Sparebanken Møre Møre estimates that the probability for further price declines this year are limited. Good growth and a stable financial performance are thus expected for Sparebanken Møre in 2013.

In the first quarter, the authorities warned of new requirements for banks' capital adequacy. At the same time they sent out a consultation paper concerning the basis for calculating capital requirements. According to the current regulations, Sparebanken Møre's equity is solid. The regulatory changes will be monitored closely and the Board will attach considerable importance to this in this year's ICAAP and strategy process, which will take place in the second and third quarters. The process of adapting to the new regulations is underway and has already been implemented in a number of areas.

Ålesund, March 31 2013

April 24 2013

I STYRET FOR SPAREBANKEN MØRE

Leif-Arne Langøy
CHAIRMAN

Roy Reite
DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Stig Remøy

Elisabeth Maråk Støle

Ingvild Vartdal

Turid Håndlykken Sylte

Olav Arne Fiskerstrand
CEO

STATEMENT OF INCOME

GROUP					PARENT BANK		
2012	Q1 2012	Q1 2013	Amounts in NOK million	Notes	Q1 2013	Q1 2012	2012
2 246	568	561	Interest and similar income		465	498	1 921
1 310	346	325	Interest and similar costs		274	303	1 121
936	222	236	Net interest and credit commission income	7	191	195	800
162	38	40	Commission income and revenues from banking services		41	38	161
29	8	8	Commission costs and expenditure in respect of banking services		8	8	29
47	8	6	Other operating income		6	3	16
180	38	38	Net commission and other operating income		39	33	148
7	0	0	Dividends		87	28	35
103	23	5	Net gains/losses from financial instruments	4	5	22	104
110	23	5	Net return from financial instruments		92	50	139
1 226	283	279	Net income		322	278	1 087
343	82	80	Wages, salaries etc.		77	78	323
-166	-	-	Pension plan changes		-	-	-166
139	37	43	Administration costs		43	36	139
31	7	8	Depreciation, write-downs and changes in value in non-financial assets		6	4	22
92	22	24	Other operating costs		26	23	87
439	148	155	Total operating costs		152	141	404
787	135	124	Results before credit losses		170	137	682
47	10	7	Losses on loans, guarantees etc.	3	7	9	42
740	125	117	Results from ordinary operations before tax		163	128	640
210	35	33	Tax payable on ordinary result		21	28	174
530	90	84	Result from ordinary operations after tax		142	100	466
31.05	5.40	4.95	Results per EC (NOK)		8.30	6.06	27.75
31.05	5.40	4.95	Diluted earnings per EC (NOK)		8.30	6.06	27.75
8	-	-	Distributed dividend per EC (NOK)		-	-	8

STATEMENT OF COMPREHENSIVE INCOME

GROUP					PARENT BANK		
2012	Q1 2012	Q1 2013	Amounts in NOK million		Q1 2013	Q1 2012	2012
530	90	84	Result from ordinary operations after tax		142	100	466
8	2	4	Equities available for sale - changes in value		4	2	8
160	-	-	Pension estimate discrepancies included in the profit and loss accounts		-	-	160
- 45	-	-	Tax effect of pension estimate discrepancies included in the profit and loss accounts		-	-	-45
653	92	88	Total comprehensive income from ordinary operations after tax		146	102	589

BALANCE SHEET

GROUP			PARENT BANK				
31.03.12	31.12.12	31.03.13	Amounts in NOK million	Notes	31.03.13	31.12.12	31.03.12
Assets							
765	669	603	Cash and claims on Norges Bank		603	669	765
257	288	525	Loans to and deposits with credit institutions	7	1 786	1 275	1 410
40 380	43 434	44 647	Net loans to and claims on customers	2, 3, 7	33 253	32 267	30 940
5 218	5 542	4 896	Certificates and bonds at actual value	5, 7	6 673	7 319	7 520
425	575	558	Financial derivatives		463	504	388
204	206	211	Shares and other securities with a variable yield	5	211	206	204
-	-	-	- Equity stakes in Group companies		521	521	646
75	-	-	- Deferred tax benefit		-	-	77
17	23	22	Other intangible assets		21	23	17
320	302	291	Fixed assets		77	86	60
161	298	374	Other assets		339	252	162
428	294	216	Prepayments and accrued income		215	268	395
48 250	51 632	52 343	Total assets		44 162	43 390	42 584
Liabilities and equity capital							
4 379	2 519	2 139	Liabilities to credit institutions	7	2 365	2 743	4 488
25 815	27 081	27 868	Deposits from and liabilities to customers	2, 7	27 882	27 106	25 845
12 454	15 608	15 432	Borrowings raised through the issue of securities		7 173	7 378	6 834
267	434	436	Financial derivatives		436	428	250
575	567	726	Other liabilities		684	523	526
466	289	505	Incurred costs and prepaid income		468	258	430
290	72	78	Other provisioning in respect of liabilities and costs		65	18	290
493	1 002	1 002	Perpetual Hybrid Tier 1 Capital		1 002	1 002	493
299	299	500	Subordinated loan capital		500	300	299
45 038	47 871	48 685	Total liabilities		40 574	39 756	39 455
784	784	784	EC capital	8	784	784	784
-2	-9	0	ECs owned by the Bank		0	-9	-2
186	186	189	Proceeds from EC issue, priced at a premium over par		189	186	186
968	961	973	Paid-in equity capital		972	961	968
1 611	1 835	1 839	Primary Capital Fund		1 839	1 835	1 611
408	592	594	Dividend Equalisation Fund		594	593	408
34	40	40	Value Adjustment Fund		40	40	34
8	1	1	Fund for Unrealised Gains		1	1	8
93	332	128	Other equity capital		0	204	0
90	-	84	Result from ordinary operations after tax		142		100
2 244	2 800	2 685	Equity capital accumulated through retained earnings		2 617	2 673	2 161
3 212	3 761	3 658	Total equity capital		3 589	3 634	3 129
48 250	51 632	52 343	Total liabilities and equity capital		44 162	43 390	42 584
Transactions of an off-balance sheet nature:							
1 431	1 634	1 681	Guarantee liabilities		1 681	1 634	1 431

STATEMENT OF CHANGES IN EQUITY – GROUP

31.03.2013 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.12	3 761	775	186	1 835	592	40	1	332
Changes in own Equity Certificates	18	9	3	4	2			
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-110							-110
Total result from ordinary operations after tax	84							84
Equity capital as at 31.03.13	3 658	784	189	1 839	594	40	1	212

31.03.2012 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.12	3 256	782	186	1 611	408	32	8	229
Changes in own Equity Certificates	0							
Distributed dividend funds to the EC holders	-63							-63
Distributed dividend funds to the local community	-74							-74
Total result from ordinary operations after tax	92					2		90
Equity capital as at 31.03.13	3 212	782	186	1 611	408	34	8	183

2012 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.11	3 256	782	186	1 611	408	32	8	229
Changes in own Equity Certificates	-11	-7		1	-5			
Distributed dividend funds to the EC holders	-63							-63
Distributed dividend funds to the local community	-74							-74
Merger Møre Finans 1.9.2012	0			15	13			-28
Equity capital before allocation of profit for the year	3 108	775	186	1 627	416	32	8	64
Change in credit spread FVO	-7							-7
Transferred to the Primary Capital Fund	146			146				
Transferred to the Dividend Equalisation Fund	124				124			
Transferred to other equity capital	64							64
Set aside dividend funds for the EC holders	94							94
Set aside dividend funds for the local community	110							110
Distributed result	530			146	124		-7	268
Equities available for sale - changes in value	8					8		
Pension estimate discrepancies included in the profit and loss accounts	160			86	74			
Tax effect of pension estimate discrepancies included in the profit and loss accounts	-45			-24	-21			
Total other income and costs from comprehensive income	123			62	53	8		
Total result from ordinary operations after tax	653			208	177	8	-7	268
Equity capital as at 31.12.12	3 761	775	186	1 835	592	40	1	332

STATEMENT OF CHANGES IN EQUITY – GROUP

31.03.2013 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.12	3 633	775	186	1 835	592	40	1	204
Changes in own Equity Certificates	18	9	3	4	2			
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-110							-110
Total result from ordinary operations after tax	142							142
Equity capital as at 31.03.13	3 589	784	189	1 839	594	40	1	142

31.03.2012 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.12	3 164	782	186	1 611	408	33	8	137
Changes in own Equity Certificates	0					-1		
Distributed dividend funds to the EC holders	-63							-63
Distributed dividend funds to the local community	-74							-74
Total result from ordinary operations after tax	102							102
Equity capital as at 31.03.13	3 129	782	186	1 611	408	32	8	102

2012

Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.11	3 164	782	186	1 611	480	32	8	137
Changes in own Equity Certificates	-11	-7		1	-5			
Distributed dividend funds to the EC holders	-63							-63
Distributed dividend funds to the local community	-74							-74
Merger Møre Finans 1.9.2012	28			15	13			
Equity capital before allocation of profit for the year	3 044	775	186	1 627	416	32	8	
Change in credit spread FVO	-7							-7
Transferred to the Primary Capital Fund	146			146				
Transferred to the Dividend Equalisation Fund	124				124			
Set aside dividend funds for the EC holders	94							94
Set aside dividend funds for the local community	110							110
Distributed result	466			146	124		-7	204
Equities available for sale - changes in value	8					8		
Pension estimate discrepancies included in the profit and loss accounts	160			86	74			
Tax effect of pension estimate discrepancies included in the profit and loss accounts	-45			-24	-21			
Total other income and costs from comprehensive income	123			62	53	8		
Total result from ordinary operations after tax	589			208	177	8	-7	204
Equity capital as at 31.12.12	3 633	775	186	1 835	593	40	1	204

CASH FLOW STATEMENT

GROUP				PARENT BANK		
2012	Q1 2012	Q1 2013		Q1 2013	Q1 2012	2012
Cash flow from operational activities						
2 910	763	824	Interest, commission and fees received	720	678	2 066
-1 324	-435	-338	Interest, commission and fees paid	-276	-382	-1 108
7	0	0	Dividend and group contribution received	87	28	35
-305	-118	-138	Paid operating expenses	-152	-114	-279
-154	-73	-75	Payment of tax	-69	-73	-138
263	307	-238	Changes relating to loans to and claims on other financial institutions	-511	157	293
-1 998	375	-732	Changes relating to repayment loans/leasing to customers	-593	1 108	-18
-1 034	-369	-470	Changes in respect of utilised credit facilities	-383	-171	-358
-1 634	450	-1 166	Net cash flow from operational activities	-1 177	1 231	493
Cash flow from investment activities						
5 837	2 229	1 108	Payments from sale of certificates, bonds and other securities	1 108	2 229	6 366
-6 682	-2 106	-1 049	Purchases of certificates, bonds and other securities	-1 049	-2 106	-6 682
35	11	0	Payments from sale of fixed assets etc.	0	0	2
-65	-23	-19	Payments for purchase of fixed assets etc.	-20	-11	-63
325	-109	622	Changes of various assets etc.	645	-128	459
-550	2	662	Net cash flow from investment activities	684	-16	82
Cash flow from funding activities						
1 757	490	788	Changes relating to deposits from customers	776	508	1 769
-2 209	-362	-380	Changes relating to deposits from Norges Bank and other financial institutions	-378	-363	-2 107
7 260	849	500	Payments received in respect of proceeds from bond issues raised	500	49	3 616
-4 288	-1 385	-488	Payment on redemption of debt securities	-488	-1 385	-3 487
-63	0	-94	Payment of dividend	-94	0	-63
-418	-93	-266	Changes of other debt	111	-73	-448
2 039	-501	60	Net cash flow from funding activities	427	-1 264	-720
-145	-49	-66	Net changes on cash holdings	-66	-49	-145
814	814	669	Holdings of cash 1.1	669	814	814
669	765	603	Holdings of cash 31.12/31.03	603	765	669

Disclosures

1 ACCOUNTING PRINCIPLES

Generelt

The Group's interim accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), implemented by the EU as at 31.03.2013. The interim report has been prepared in compliance with IAS 34 Interim Reporting.

The Group presents its accounts in Norwegian kroner (NOK), which is also the Group's functional currency.

Please see the Annual report 2012 for further description of accounting principles.

This interim report has been produced in accordance with the accounting principles applied to the annual accounts.

2 LOANS AND DEPOSITS TO CUSTOMERS BY SECTOR AND INDUSTRY

GROUP	LOANS			DEPOSITS		
Broken down according to sectors	31.03.13	31.03.12	2012	31.03.13	31.03.12	2012
Agriculture and forestry	485	458	496	173	179	156
Fisheries	3 144	2 884	3 241	536	532	544
Industry	1 458	1 274	1 220	1 404	1 574	1 272
Building and construction	817	752	716	532	371	486
Wholesale and retail trade, hotel industry	722	799	654	619	676	735
Foreign shipping/supply	1 612	1 583	1 609	971	598	806
Property management	5 917	5 217	5 689	1 345	1 231	1 356
Professional/financial service	704	571	687	2 041	1 887	2 087
Transport and private/public service industry	1 587	1 421	1 515	1 695	1 884	1 884
Public entities	32	48	20	1 036	867	704
Non-Norwegian lending	114	7	100	7	5	3
Miscellaneous	146	91	143	2 017	1 562	1 827
Total Corporate/Public entities	16 739	15 105	16 090	12 387	11 366	11 860
Retail customers	28 204	25 590	27 650	15 481	14 449	15 221
Total Loans/Deposits	44 943	40 695	43 740	27 868	25 815	27 081
Specific loss provisions	-156	-118	-166			
Non-specific loss provisions	-140	-131	-140			
Loans to and deposits to customers	44 647	40 380	43 434			

PARENT BANK	LOANS			DEPOSITS		
Broken down according to sectors	31.03.13	31.03.12	2012	31.03.13	31.03.12	2012
Agriculture and forestry	483	423	494	173	179	
Fisheries	3 144	2 867	3 240	536	532	
Industry	1 453	1 075	1 217	1 404	1 574	
Building and construction	801	626	699	532	371	
Wholesale and retail trade, hotel industry	718	744	649	619	676	
Foreign shipping/supply	1 612	1 559	1 609	971	598	
Property management	5 966	5 244	5 737	1 361	1 254	
Professional/financial service	697	550	677	2 041	1 887	
Transport and private/public service industry	1 565	1 349	1 495	1 705	1 891	
Public entities	32	40	20	1 036	867	
Non-Norwegian lending	114	7	100	7	5	
Miscellaneous	145	90	144	2 016	1 562	
Total Corporate/Public entities	16 730	14 574	16 081	12 401	11 396	
Retail customers	16 818	16 678	16 491	15 481	14 449	
Total Loans/Deposits	33 548	31 252	32 572	27 882	25 845	
Specific loss provisions	-156	-182	-166			
Non-specific loss provisions	-139	-130	-139			
Loans to and deposits to customers	33 253	30 940	32 267			

3 LOSSES ON LOANS AND GUARANTEES/COMMITMENTS IN DEFAULT/ OTHER BAD AND DOUBTFUL COMMITMENTS

GROUP				PARENT BANK		
2012	Q1 2012	Q2 2013		Q1 2013	Q1 2012	2012
			Losses on loans and guarantees			
-112	-86	-5	Changes in specific loss provisioning and guarantees during the period	-5	-82	-116
9	0	0	Changes in non-specific loss provisioning during the period	0	0	9
132	95	5	Confirmed losses during the period, where specific provisioning had previously been made	5	91	132
34	4	8	Confirmed losses during the period, where specific provisioning had previously not been made	8	3	34
16	3	1	Recoveries	1	3	17
47	10	7	Losses on loans, guarantees etc.	7	9	42
Specific provisions in respect of loans						
265	265	166	Specific loss provisions on loans at 1.1	166	259	259
132	95	5	Confirmed losses during the period, where specific provisioning had previously been made	5	91	132
14	12	2	Changes in specific provisioning during the period	12	12	14
75	6	2	New specific provisioning during the period	6	6	75
56	4	9	Recoveries on specific provisioning during the period	4	4	50
166	184	156	Specific provisions against losses on loans at the end of the period	156	182	166
Non-specific provisions on loans						
131	131	140	Non-specific provision on loans as at 1.1	139	130	130
9	0	0	Changes during the period	0	0	9
140	131	140	Non-specific provision on loans at the end of the period	139	130	139
Specific provisions in respect of guarantees						
14	14	2	Specific provisioning as at 1.1	2	14	14
2	0	5	Specific provisioning during the period	5	0	2
14	5	0	Recoveries on specific provisioning during the period	0	5	14
2	9	7	Specific provisions at the end of the period	7	9	2

GROUP	31.03.13			31.03.12			2012		
Problem loans	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to specific provisions:									
Commitments in default above 3 months	218	80	136	214	82	132	257	68	189
Other bad and doubtful commitments with loss provisions	310	46	264	492	63	429	324	45	279
Total problem loans prior to specific provisions	528	126	402	706	146	561	581	113	468
Specific provisions on:									
Commitments in default above 3 months	69	9	60	41	13	28	71	8	63
Other bad and doubtful commitments with loss provisions	94	15	79	143	19	124	95	15	80
Total specific provisions	163	24	139	184	32	152	166	23	143
Problem loans after specific provisions:									
Commitments in default above 3 months	149	71	78	173	69	104	186	60	126
Other bad and doubtful commitments with loss provisions	216	31	185	349	44	305	229	30	199
Total problem loans after specific provisions	365	102	263	522	113	409	415	90	325
Total problem loans prior to specific provisions as a percentage of total loans	1.18	0.45	2.42	1.75	0.57	3.71	1.34	0.41	2.91
Total problem loans after specific provisions as a percentage of total loans	0.82	0.36	1.58	1.28	0.44	2.71	0.96	0.33	2.02

PARENT BANK	31.03.13			31.03.12			2012		
Problem loans	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to specific provisions:									
Commitments in default above 3 months	218	80	136	214	82	132	257	68	189
Other bad and doubtful commitments with loss provisions	310	46	264	492	63	429	324	45	279
Total problem loans prior to specific provisions	528	126	402	706	145	561	581	113	468
Specific provisions on:									
Commitments in default above 3 months	69	9	60	41	13	28	71	8	63
Other bad and doubtful commitments with loss provisions	94	15	79	141	19	122	95	15	80
Total specific provisions	163	24	139	182	32	150	166	23	143
Problem loans after specific provisions:									
Commitments in default above 3 months	149	71	78	173	69	104	186	60	126
Other bad and doubtful commitments with loss provisions	216	31	185	351	44	307	229	30	199
Total problem loans after specific provisions	365	102	263	524	113	411	415	90	325
Total problem loans prior to specific provisions as a percentage of total loans	1.59	0.75	2.42	2.28	0.87	3.85	1.81	0.69	2.93
Total problem loans after specific provisions as a percentage of total loans	1.10	0.61	1.58	1.69	0.68	2.82	1.29	0.55	2.03

4 NET GAINS/LOSSES FROM SECURITIES AND FOREIGN EXCHANGE

GROUP				PARENT BANK		
2012	Q1 2012	Q1 2013		Q1 2013	Q1 2012	2012
69	21	-4	Sertificates and bonds	-4	21	69
-3	0	0	Securities	0	0	-3
26	7	7	Foreign exchange trading (for customers)	7	7	26
25	5	3	Fixed income trading (for customers)	3	5	25
-10	-4	-1	Change in credit spread FVO - securities-based debt	-1	-4	-10
-4	-6	0	Financial derivatives	0	-7	-3
103	23	5	Net gains/losses from securities and financial instruments	5	22	104

5 FINANCIAL ASSETS AND LIABILITIES

The market value of the instruments traded on an active exchange are based on traded price on the balance sheet date. In the case of the financial instruments that are not traded on an active exchange, own

valuations are used which are based on current market conditions or alternatively other valuations from another market player. In the case of unlisted equities where one cannot adequately reliably measure fair

value, the acquisition cost or written-down book value shall be used.

Financial instruments available for sale, changes in value shown through comprehensive income	MARKETVALUE		
PARENT BANK	31.03.13	31.03.12	2012
Based on prices in an active market	1 246	1 401	1 628
Observed market information	5 431	6 122	5 693
Other than observed market information	0	0	0
Total financial instruments at actual value	6 677	7 523	7 321

There have been no transfers of financial instruments between the three levels of valuation groups.

Financial instruments available for sale, changes in value shown through comprehensive income	MARKETVALUE		
PARENT BANK	31.03.13	31.03.12	2012
Based on prices in an active market	19	26	20
Observed market information	0	0	0
Other than observed market information	190	175	179
Total financial instruments available for sale	209	201	199

1) Changes through the year	31.03.13	31.03.12	2012
Balance 01.01	179	177	175
Purchased	0	0	3
Sale, including previously recognised changes in value	0	0	0
Increase in value	11	0	4
Written down	0	2	4
Repayment of equity	0	0	1
Balance 31.03/31.12	190	175	179

GROUP	31.03.13		31.03.12		31.12.12	
	Market value	Book value	Market value	Book value	Market value	Book value
Financial liabilities						
Securitised debt assessed at fair value through the profit and loss account						
Issued bonds assessed at fair value	416	416	732	732	417	417
Securitised debt at amortised cost subject to hedge accounting						
Issued bonds assessed at amortised cost	4 053	4 044	4 263	4 259	4 256	4 251
Issued perpetual hybrid tier 1 capital assessed at amortised cost	359	300	338	293	335	302
Securitised debt assessed at amortised cost						
Issued certificates assessed at amortised cost	1 880	1 880	1 299	1 298	1 883	1 880
Issued bonds assessed at amortised cost	9 213	9 093	6 181	6 165	9 150	9 060
Issued subordinated loan capital assessed at amortised cost	503	501	299	299	300	299
Issued perpetual hybrid tier 1 capital assessed at amortised cost	702	700	183	200	691	700
Lending from credit institutions						
The swap arrangement for securities	1 681	1 681	2 176	2 176	1 681	1 681
F-loans						
Kreditforeningen for sparebanker (Credit Association for Saving Banks)						

PARENT BANK	31.03.13		31.03.12		31.12.12	
	Market value	Book value	Market value	Book value	Market value	Book value
Financial liabilities						
Securitised debt assessed at fair value through the profit and loss account						
Issued bonds assessed at fair value	416	416	732	732	417	417
Securitised debt at amortised cost subject to hedge accounting						
Issued bonds assessed at amortised cost	3 290	3 279	3 539	3 525	3 486	3 482
Issued perpetual hybrid tier 1 capital assessed at amortised cost	359	300	338	293	335	302
Securitised debt assessed at amortised cost						
Issued certificates assessed at amortised cost	1 880	1 880	1 299	1 298	1 883	1 880
Issued bonds assessed at amortised cost	1 614	1 599	1 286	1 279	1 608	1 599
Issued subordinated loan capital assessed at amortised cost	503	501	299	299	300	299
Issued perpetual hybrid tier 1 capital assessed at amortised cost	702	700	183	200	691	700
Lending from credit institutions						
The swap arrangement for securities	1 681	1 681	2 176	2 176	1 681	1 681
F-loans						
Kreditforeningen for sparebanker (Credit Association for Saving Banks)						

GROUP AND PARENT BANK	31.03.13		31.03.12		31.12.12	
	Market value	Book value	Market value	Book value	Market value	Book value
Financial assets						
Financial instruments assessed at actual value, changes shown through the profit and loss account						
Sertificates assessed at actual value	11	11	519	519	330	330
Bonds assessed at actual value	4 887	4 887	4 699	4 699	5 212	5 212
Shares assessed at actual value	2	2	3	3	2	2
Financial instruments assessed at amortised cost						
Bonds assessed at amortised cost, eliminated in consolidated accounts	1 788	1 777	2 306	2 302	1 789	1 777
Financial instruments available for sale, changes shown through the profit and loss account						
Shares available for sale	209	209	201	201	204	204

6 SEGMENTS

RESULT Q1	Group		Elimin./ Inv./Other		Corporate		Retail		Real estate brokerage	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest and credit commission income	236	222	9	0	104	103	123	119	0	0
Other operating income	43	61	-1	12	18	21	22	23	4	5
Total income	279	283	8	12	122	124	145	142	4	5
Operating costs	155	148	39	31	27	31	84	81	5	5
Result before losses	124	135	-31	-19	95	93	61	61	-1	0
Losses on loans, guarantees etc.	7	10	0	-6	7	18	0	-2	0	0
Result before tax	117	125	-31	-13	88	75	61	63	-1	0
Tax payable on ordinary result	33	35								
Result from ordinary operations after tax	84	90								

BALANCE SHEET	Group		Elimin./ Inv./Other		Corporate		Retail		Real estate brokerage	
	31.03.13	31.03.12	31.03.13	31.03.12	31.03.13	31.03.12	31.03.13	31.03.12	31.03.13	31.03.12
Loans to customers	44 647	40 380	850	701	16 175	14 712	27 622	24 967	-	-
Deposits from customers	27 868	25 815	484	230	10 846	10 048	16 538	15 537	-	-
Guarantee liabilities	1 681	1 431	0	150	1 672	1 272	9	9	-	-
The deposit-to-loan ratio	62.4	63.9	-	-	67.1	68.3	59.9	62.2	-	-
Man-years	397	403	147	142	60	61	173	186	17	14

7 TRANSACTIONS WITH RELATED PARTIES

These are transactions between the Parent Bank and wholly-owned subsidiaries which have been done at arm's length and at arm's length's prices. The most important transactions which have been done and netted out in the Group accounts are as follows:

PARENT BANK	31.03.13	31.03.12	2012
Result			
Interest and credit commission income from subsidiaries	19	30	96
Received dividend and group contribution from subsidiaries	87	28	28
Rent paid to Sparebankeiendom AS	4	4	20
Leasing rental paid to Møre Finans AS	0	2	1
Administration fee received from Møre Boligkreditt AS	4	3	14
Balance sheet			
Claims on subsidiaries	1 429	1 362	1 140
Covered bonds	1 776	2 302	1 776
Liabilities to subsidiaries	240	139	240
Accumulated loan portfolio transferred to Møre Boligkreditt AS	11 550	1 839	11 330

8 EC CAPITAL

THE 20 LARGEST EC HOLDERS IN SPAREBANKEN MØRE AS AT 31.03.12	Number of ECs	Percentage share of EC capital
Sparebankstiftelsen Tingvoll	810 000	10.33
Pareto Aksje Norge	445 223	5.68
MP Pensjon	363 796	4.64
Wenaas-Gruppen As	300 000	3.83
Pareto Aktiv	187 776	2.39
Beka Holding As	133 462	1.70
Farstad Shipping ASA	112 909	1.44
Pareto Verdi VPF	100 010	1.28
Stiftelsen Kjell Holm	90 779	1.16
Odd Slyngstad	80 323	1.02
Leif-Arne Langøy	70 000	0.89
Tveteraas Finans A/S	65 669	0.84
FLPS - Princ All Sec Stock Sub	65 000	0.83
Tonsenhagen Forretningsentrum AS	52 050	0.66
U Aandals Eftf As	50 000	0.64
Bergen Kommunale Pensjonskasse	50 000	0.64
Terra Utbytte VPF	47 122	0.60
Forsvarets Personellservice	40 760	0.52
Aka As	40 000	0.51
Brage Invest As	39 565	0.50
Total 20 largest	3 144 444	40.10
Total	7 841 116	100.00

9 CAPITAL ADEQUACY

GROUP			PARENT BANK		
31.03.12	31.12.12	31.03.13	31.03.13	31.12.12	31.03.12
784	784	784	784	784	784
-2	-9	0	0	-9	-2
186	186	189	189	186	186
408	592	594	594	593	408
1 611	1 835	1 839	1 839	1 835	1 611
34	40	40	40	40	34
8	1	1	1	1	8
0	94	0	0	94	0
0	110	0	0	110	0
183	128	212	142	-	100
3 212	3 761	3 659	3 589	3 634	3 129
-32	-23	-22	-29	-22	-34
-34	-40	-40	-40	-40	-34
-8	-1	-1	-1	-1	-8
-10	-10	-11	-11	-10	-10
493	1 002	1 002	1 002	1 002	493
0	0	-50	-50	0	0
0	-94	0	0	-94	0
0	-110	-84	0	-110	-100
-90	-		-142	-	
3 531	4 485	4 453	4 326	4 359	3 436
Supplementary capital:					
299	299	500	500	300	299
14	12	18	18	12	14
-10	-10	-11	-11	-10	-10
303	301	507	507	302	303
3 834	4 786	4 960	4 833	4 660	3 739
1 372	2 164	2 250	2 250	2 161	1 421
Capital adequacy as a percentage of the weighted asset calculation basis:					
12.43	14.63	14.67	15.00	14.90	12.90
12.60	-	14.80	15.20	-	13.07
11.47	13.70	13.18	13.42	13.95	11.85
11.60	-	13.30	13.64	-	12.02
9.87	10.65	10.35	10.47	10.75	10.15
10.02	-	10.50	10.69	-	10.32
30 775	32 750	33 810	32 230	31 250	28 990
Minimum equity and related capital requirement according to Basel II calculated in accordance with the Standard Approach:					
2 462	2 622	2 710	2 578	2 500	2 318

GROUP			PARENT BANK			
31.03.12	31.12.12	31.03.13		31.03.13	31.12.12	31.03.12
0	0	0	Commitments involving states and central banks	0	0	0
2	4	13	Commitments involving local and regional authorities	13	4	2
16	21	18	Commitments involving public sector companies	18	21	19
37	36	27	Commitments involving institutions (banks etc.)	207	212	170
892	840	879	Commitments involving companies (corporate customers)	892	853	836
258	310	327	Commitments involving mass market (retail banking customers)	327	310	272
966	1 118	1 141	Commitments involving mortgage on properties	797	781	690
18	21	17	Commitments due for payment	17	21	18
15	15	15	Commitments involving covered bonds	29	29	31
105	93	107	Other commitments	128	116	133
2 309	2 458	2 544	Capital requirement – credit-/counterpart- and impairment risk	2 428	2 347	2 171
0	0	0	Debt	0	0	0
0	0	0	Equity	0	0	0
0	4	0	Foreign exchange	0	4	0
0	0	0	Goods	0	0	0
0	4	0	Capital requirement – position-/foreign exchange- and commercial risk	0	4	0
167	170	176	Operational risk (basis method)	164	163	160
-13	-10	-10	Deductions from the capital requirement	-10	-10	-13

Highlights - Development Group

QUARTERLY RESULTS

NOK MILLION	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Net interest and credit commission income	236	238	240	236	222
Total other operating income	43	80	73	76	61
Pension plan changes	-	-166	-	-	-
Total operating costs	155	159	148	150	148
Result before losses	124	325	165	162	135
Losses on loans, guarantees etc.	7	11	17	9	10
Result before tax	117	314	148	153	125
Tax payable on ordinary result	33	92	40	43	35
Result from ordinary operations after tax	84	222	108	110	90

As a percentage of average assets

Net interest and credit commission income	1.85	1.90	1.96	1.98	1.87
Total other operating income	0.34	0.64	0.60	0.64	0.51
Pension plan changes	-	-1.33	-	-	-
Total operating costs	1.21	1.27	1.21	1.26	1.25
Result before losses	0.98	2.60	1.35	1.37	1.13
Losses on loans, guarantees etc.	0.05	0.09	0.14	0.08	0.08
Result before tax	0.93	2.51	1.21	1.29	1.05
Tax payable on ordinary result	0.25	0.77	0.33	0.36	0.30
Result from ordinary operations after tax	0.68	1.77	0.88	0.93	0.75

RESULT

NOK million	Q1 2013	Q1 2012	2012
Net interest and credit commission income	236	222	936
Total other operating income	43	61	290
Pension plan changes	-	-	-166
Total operating costs	155	148	605
Result before losses	124	135	787
Losses on loans, guarantees etc.	7	10	47
Result before tax	117	125	740
Tax payable on ordinary result	33	35	210
Result from ordinary operations after tax	84	90	530

As a percentage of average assets

Net interest and credit commission income	1.85	1.87	1.93
Total other operating income	0.34	0.51	0.60
Pension plan changes	-	-	-0.34
Total operating costs	1.21	1.25	1.24
Result before losses	0.98	1.13	1.63
Losses on loans, guarantees etc.	0.05	0.08	0.10
Result before tax	0.93	1.05	1.53
Tax payable on ordinary result	0.25	0.30	0.43
Result from ordinary operations after tax	0.68	0.75	1.10

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