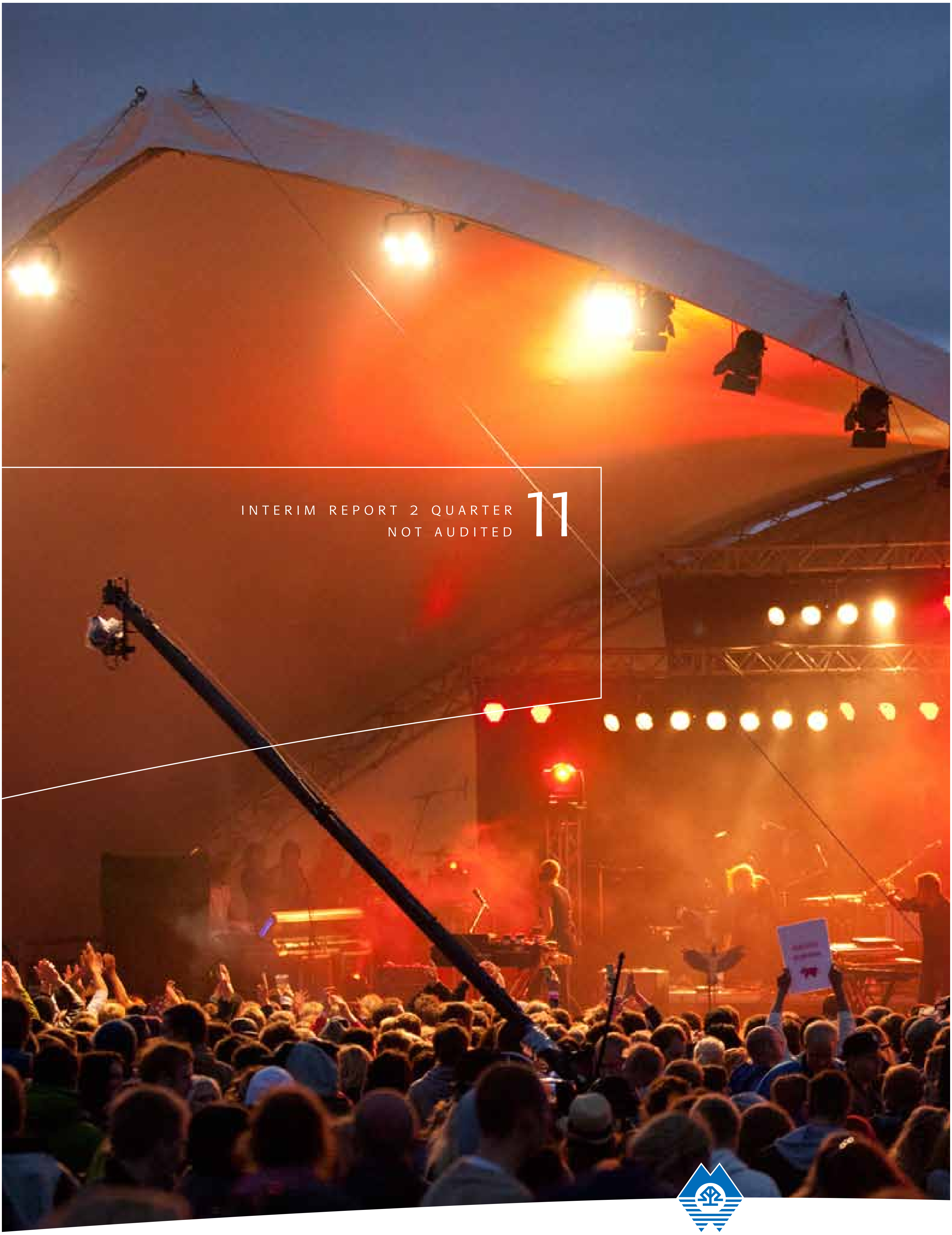

INTERIM REPORT 2 QUARTER 11
NOT AUDITED

SPAREBANKEN MØRE

Cultural activities have obtained extended interest during the latest years, also as a contributor to establish a long-term positive development in the local communities. The dimension of dynamic cultural activities increases the regional and local attractions. An active and wide cultural offer contributes to draw resources to our region, related to working-capacity, competence and capital.

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Financial highlights - Group

NOK million	30.06.11	30.06.10	2010	2009
Result				
Result before losses	288	348	643	550
Result before losses 1)	1.28	1.66	1.52	1.35
Result before taxes	289	321	612	468
Result before taxes 1)	1.29	1.53	1.45	1.15
Result after taxes	207	248	458	335
Result after taxes 1)	0.93	1.18	1.09	0.82
Losses as a percentage of gross loans as at 01.01	-0.01	0.15	0.08	0.23
Return on equity, after tax 2)	13.8	17.7	16.0	14.1
Costs as a percentage of income	48.6	43.3	44.8	46.7
Balance sheet				
Total assets	46 825	43 800	44 441	41 391
Average assets	45 195	41 990	42 400	40 680
Net lending to customers	38 869	36 718	37 676	35 851
Deposits from customers	25 571	23 449	24 551	21 793
EC (Numbers refer to the Parent Bank)				
Profit per EC in NOK	14.40	13.45	24.42	24.35
Diluted earnings per EC (NOK)	14.40	13.45	24.42	24.35
EC fraction 01.01 as a percentage (average 2009)	46.0	46.0	46.0	43.8
Price at Oslo Stock Exchange (NOK)	189.00	162.50	207.00	192.00
Capital adequacy 3)				
Capital adequacy ratio as a percentage	13.15	12.95	13.72	13.35
Core capital as a percentage	11.50	11.15	12.03	11.55
Core capital as a percentage (incl. 50 per cent of result)	11.85	11.60	12.03	11.55
Overall manning levels				
Man-years	403	404	401	412

1) As a percentage of average assets
2) Result after tax as a percentage of average equity
3) According to the Standardised Approach in Basel II

Highlights Group

Increases and reductions refer to last years corresponding period:

:: Result before credit losses is reduced by NOK 60 million (-0.38 p.p). 4)

:: Net interest- and credit commission income increased by NOK 21 million (-0.05 p.p). 4)

:: Other (non-interest) income is reduced by NOK 69 million (-0.36 p.p). 4)

:: Costs in relation to income is increased from 43.3 per cent to 48.6 per cent

:: Losses and write-downs are reduced by NOK 28 million

:: Total assets increased by NOK 3 025 million (6.9 %)

:: Net loans increased by NOK 2 151 million (5.9 %)

:: Deposits increased by NOK 2 122 million (9.0 %)

:: Capital adequacy ratio increased from 12.95 per cent to 13.15 per cent

:: Core capital ratio increased from 11.15 per cent to 11.50 per cent

4) Numbers in brackets refer to changes in percentage points when measured towards the average of total assets.

Quarterly 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 accounts have been prepared in accordance with IFRS.

Results for H1 2011

Sparebanken Møre's pre-tax profit for H1 was NOK 289 million, compared with NOK 321 million for H1 last year. Total income declined by NOK 48 million, whereof other income was NOK 69 million lower (gain on shares of NOK 68 million in Q2 last year) and net interest income was NOK 21 million higher than the same period last year. Costs increased by NOK 12 million, while loss provisions were reduced by NOK 28 million.

The cost income ratio amounted to 48.6 per cent (43.3 per cent). The Bank's target is a cost income ratio of less than 50 per cent.

The profit after tax of NOK 207 million gives a return on equity of 13.8 per cent on an annual basis. The Bank's target is to achieve a return of minimum 6 percentage points above the long-term government bond interest rate, which on average has been 3.1 per cent to date this year.

The earnings per equity certificate at the end of H1 2011 amounted to NOK 14.40, compared with NOK 13.45 at the end of H1 2010 (Parent Bank).

The Board of Directors is pleased with the results for H1 2011.

Net interest income

The net interest income and credit commission income of NOK 443 million was NOK 21 million higher than for the same period last year. This represents a decline as a percentage of total assets in the preceding 12 months of 0.05 percentage points to 1.96 per cent of average total assets.

Net interest income maintains stable, and ended up at NOK 221 million in Q2, or 1.93 per cent.

The level of net interest income is affected by strong competition in the market for traditional deposit funds and significant lending competition. The interest contribution from equity has been persistently low due to the general low level of interest rates in the market.

Other operating income

Other operating income amounted to NOK 123 million, NOK 69 million lower than for the first six months of last year. This is attributed primarily to a gain on shares of NOK 68 million (Nordito AS) in Q2 last year. Other income accounted for 0.55 per cent of average total assets, 0.36 percentage points below the figure for H1 last year.

Other operating income was NOK 74 million and 0.65 per cent for Q2 2011.

Income from payments transmission services accounted for the largest share of ordinary other income. Although the transaction volume in the area of payments transmission services is increasing, nominal income is on par with last year at NOK 40 million. This is a result of generally lower unit prices.

In the foreign exchange area earnings have flattened out, from NOK 10 million in H1 2010 to NOK 11 million in 2011. The level of currency income reflects the currency transaction activities with the Bank's customers, since the Bank does not take currency positions in the market on its own account.

Income from guarantee commissions amounted to NOK 12 million, which is NOK 3 million higher than last year.

Costs

Operating costs rose by 4.5 per cent or NOK 12 million in H1 2011. Personnel costs increased by NOK 8 million and other costs increased by NOK 4 million. Costs as a percentage of average total assets declined by 0.03 percentage points to 1.23 per cent.

Costs totalled NOK 139 million and 1.22 per cent in Q2 2011.

The Group's total workforce declined by one full time equivalent position to 403 full time equivalents.

In relation to the same period in 2010, costs increased as a percentage of income by 5.3 percentage points to 48.6 per cent.

In Q2 2011, the costs income ratio was 46.2 per cent.

Losses and defaults

The accounts as at 30 June 2011 were credited NOK 1 million for the reversal of loss write-downs, compared with loss write-downs of NOK 27 million for the same period last year. The reversal in H1 2011 is related to the corporate customer portfolio. The retail customer portfolio was without charges or reversals, and the group loss write-downs remained unchanged in H1.

The reversal of loss write-downs totalled NOK 6 million in Q2 2011.

Gross commitments in default (over 1 month) declined by NOK 165 million during the the one-year period to NOK 266 million. Net commitments in default (over 1 month) at the end of the quarter amounted to NOK 225 million, which represents 0.57 per cent of gross lending. At the end of last year the figures were NOK 259 million and 0.68 per cent of gross lending.

The loss and default situation is specified in note 3.

Lending and deposit growth

Total assets amounted to NOK 46 825 million at the end of H1. Growth in the preceding 12 months amounted to NOK 3 025 million or 6.9 per cent.

Net lending to customers amounted to NOK 38 869 million. This is an increase in the preceding 12 months of NOK 2 151 million or 5.9 per cent. Lending to retail customers increased by 6.8 per cent, which represents 62.1 per cent of gross lending. Lending to corporate customers increased by 3.7 per cent during the period and represents 37.9 per cent of gross lending.

Deposits at the end of the first half of the year were NOK 2 122 million higher than at the end of the corresponding period last year, which represents growth of 9.0 per cent for the period. Of the total deposits of NOK 25 571 million, deposits from retail customers accounted for 55.5 per cent following growth of 6.0 per cent in the preceding 12 months. The proportion from corporate customers was 37.4 per cent, an increase of 20.2 per cent on an annual basis. Public sector deposits declined by 13.9 per cent in the preceding 12 months, which gives a relative proportion of 7.1 per cent.

Deposits in relation to loans amounted to 65.8 per cent at the end of June.

Capital adequacy

Sparebanken Møre's target capital adequacy is a minimum of 11 per cent. The capital adequacy ratio is calculated in accordance with the Standard approach in Basel II. There was a greater focus on core capital in this year's work on the long-term strategic plan and the annual ICAAP process. The internal target was raised from 10 per cent to 11 per cent. The capital adequacy level, both the target and actual core capital, is considered satisfactory given the economic factors that impact Sparebanken Møre, as well as the scenarios on which the Group's long-term strategic plan is based.

The preliminary subordinated capital estimate at the end of H1 2011 is 13.15 per cent (12.95 per cent). The core (tier 1) capital ratio was 11.50 per cent (11.15 per cent). The year-to-date profit for 2011 is not included in capital adequacy. The Group's total risk-weighted balance sheet was NOK 29 870 million, an increase of NOK 1 255 million to date this year.

Sparebanken Møre will file an application with the Financial Supervisory Authority of Norway to use IRB basic methods pursuant to the requirements in the Capital Requirements Regulations. The implementation process is well under way, and the application will be sent before the end of this year.

Risk management

Risk-taking is a fundamental element of banking operations. Therefore, risk management and control is one of the Board of Directors' most important focus areas. The overall purpose of risk management and control is to ensure effective operations, handle risk that may prevent the Bank meeting its commercial targets, ensure high quality in internal and external reporting, and ensure that the Group's operations comply with all relevant laws, regulations and internal guidelines.

The goal of Sparebanken Møre's Board is to ensure the Group's operations maintain a low to moderate risk profile. Earnings should be a product of customer-related activities, and not be based on financial risk taking. Sparebanken Møre continuously strives to maintain control of the risks that exist. In those cases where the risk is deemed to exceed an acceptable level, immediate steps will be taken to reduce this risk.

The overall framework and limits for Sparebanken Møre's risk management are assessed annually by the Board in connection with the preparation of the Bank's strategic plan. The Board approves overall guidelines for management and control in the Group each year, and the Parent Bank and subsidiaries adopt individual risk policies tailored to their activities. For each significant risk area, separate policies have also been approved, including credit risk, counterparty risk, market risk and funding risk. The risk strategies are approved by the Board and reassessed at least once a year, or when particular circumstances make it necessary. The various policies form the framework for the Group's ICAAP. The Board actively participates in the annual process and establishes ownership of the assessments and calculations made, including through ICAAP's key role in long-term strategic planning.

Sparebanken Møre has established a follow-up and control structure which is intended to ensure compliance with the overall framework of the Bank's strategic plan. The Group's risk exposure and risk development are followed up on an overall basis through periodic reports submitted to management and the Board of Directors. The members of the Audit Committee for Sparebanken Møre have been elected by and among the members of the Board. One of the main objectives of the Committee is to ensure that Sparebanken Møre manages risk in a good manner.

The Board is of the opinion that Sparebanken Møre's aggregate risk exposures are within the Group's targeted risk profile. The Board considers the Group's and Bank's risk management to be good.

Credit risk

Credit risk is the risk of losses associated with customers or other counterparties being unable to fulfil their obligations at the agreed time and in accordance with written agreements, and the received collateral not covering outstanding claims. This risk area also includes counterparty risk and concentration risk.

Credit risk is Sparebanken Møre's biggest risk area. The Group has a moderate risk profile as far as credit risk is concerned, as this risk is defined through the Group's credit risk strategy. The strategy provides limits for concentration relating to commercial and industrial sectors and the size of commitments, geographic exposure, growth targets, risk levels, etc. Compliance with the Board of Directors' resolutions within the credit area is monitored by the Bank's risk management department, which is independent of the customer units. The Board receives monthly reports on the development of the credit risk.

Market risk

As a result of the debt situation in several European states, as well as the US and Japan, and the impact of the debt situation on the future outlook for growth, the first half of the year has been marked by uncertainty and market unrest. This has resulted in major movements in the interest rate, foreign currency and equity markets. On the basis of Sparebanken Møre's low market risk strategy, this market unrest has not had much of an impact on the Bank.

Market risk in Sparebanken Møre is primarily a reflection of activities which are conducted in order to support the Group's operations. This relates to the Bank's funding, the bond portfolio which is maintained in order to secure access to loans from Norges Bank, and customer generated interest rate and foreign exchange trading.

The Board stipulates limits for the Bank's market risk in the market risk strategy and these are continually monitored by the risk management department. The limits are stipulated based on analysis of negative market movements, and the Board of Directors has stipulated that the limit for risk in this area shall be low. The control and management documents which deal with market risk are reviewed and renewed at least annually by the Board. The Bank's Board receives monthly reports on the development of market risk. The limits for market risk are conservative, and on a total basis, market risk represents a small part of the Bank's aggregate risk.

Liquidity risk

Market unrest in the first half of the year has had an impact on the funding market. We observe that the margins in the senior lending market (loans in the market where the Bank is the borrower) have fluctuated somewhat and increased in recent months. The funding margins in the covered bond market are more stable. In the Norwegian market the difference between five-year loans in the senior lending and covered bond markets is now around 0.60 percentage points. Sparebanken Møre has not used the senior lending market for general funding of the Bank since late in 2008, and we have transferred less than 20 per cent of the total lending volume to Møre Boligkreditt AS. A significant portion of the Bank's refinancing needs for this year and next can be met by issuing covered bonds.

The management of Sparebanken Møre's funding structure is incorporated into an overall funding strategy which is evaluated and approved by the Board at least once a year. The strategy reflects the moderate risk level that is accepted for this risk area. Sparebanken Møre's targets for maintaining its financial strength are described in this context, and specific limits have been defined for different areas of the bank's funding management. Sparebanken Møre's contingency plan for funding management includes a description of how the funding situation should be handled in turbulent financial markets. Stress test models have also been developed that deal with various scenarios other than a normal situation. The purpose of these models is to quantify the probability of obtaining funding from different sources within certain defined periods.

In order to ensure that the Group's liquidity risk is kept at a low level, lending to customers must primarily be financed by customer deposits and long-term securities issued. The work on increasing ordinary deposits has been strongly focused on in recent years.

Sparebanken Møre's wholly owned subsidiary Møre Boligkreditt AS has a licence from the Financial Supervisory Authority of Norway to operate as a mortgage company. The company makes a major contribution to increasing the Group's diversification with regard to funding sources through the issuance of covered bonds that are offered to investors in Norway and abroad. Sparebanken Møre's funding sources are primarily in the Norwegian funding market. As a measure to reduce the concentration risk in the Norwegian market for funding, the Group has issued a bond quoted in Swedish kronor through Møre Boligkreditt AS. In addition, Møre Boligkreditt AS has established a EUR 2 BN Euro Medium Term Covered Note Programme (EMTCN), which will facilitate access to funding outside Norway. The prospectus has been approved by the UK Listing Authority and is registered with the London Stock Exchange.

In order to gain expanded access to new sources of funding and more stable access to funding from external sources, securities issued by both Sparebanken Møre and Møre Boligkreditt AS are rated by the rating agency Moody's. The bank is rated A2 (neg.), while securities issued by Møre Boligkreditt AS have been assigned the highest possible rating, Aaa.

The Board considers the Bank's liquidity situation at the end of H1 to be satisfactory.

Operational risk

Operational risk is the risk of losses due to inadequate or failing internal processes, human error, system failures, or external events. This may for instance involve failures and breakdowns with regard to routines, electronic data processing systems, professional competence and the Bank's subcontractors; this may also involve staff's and customers' breach of confidence/trust, robberies, embezzlement, etc. The Board of Directors of Sparebanken Møre has approved a low to moderate risk profile for this area of risk.

Sparebanken Møre has structured and well-tested procedures for performing internal control, the purpose of which is to reduce operational risk with regard to both disclosure and follow-up.

Subsidiaries

The aggregate profit of the Bank's four subsidiaries amounted to NOK 24 million after tax (NOK 15 million).

Møre Finans AS sells leasing products through the Bank's distribution network and directly in the market. The company has built up a diversified portfolio of around NOK 580 million with customers from all parts of Møre og Romsdal. Møre Finans AS made a NOK 4 million (NOK 4 million) contribution to the Group's result in H1 2011. At the end of the first half of the year, there were 7 full time equivalent positions in the company.

Møre Eiendomsmegling AS provides services within real estate brokerage to both retail and corporate customers. The company made a profit contribution of NOK 1 million in H1 2011 (NOK -1 million). At the end of the first half of the year, there were 14 full time equivalent positions in the company.

The object of Sparebankeiendom AS is to own and manage the Bank's own commercial properties. The company have made no profit contribution so far in 2011. There are no employees in the company.

The main object of Møre Boligkreditt AS is to issue covered bonds aimed at national and international investors. So far the company has raised NOK 6.2 billion in funding for the Bank. Møre Boligkreditt AS has made a profit contribution of NOK 16 million to date in 2011 (NOK 15 million). There are 2 full time equivalent positions in the company.

Equity Certificates (ECs)

The Equity Certificates were distributed among 6 199 owners at the end of the first half of the year. Note 8 contains an overview of the 20 largest owners of the Bank's Equity Certificates.

Future prospects

Given the escalating negative situation related to uncertainty regarding the national debt in many countries, it is reasonable to assume that the Norwegian local business community will be affected by this international situation, especially if it persists for a long time. This relates both to the demand for goods and services from Møre og Romsdal, and the effects on earnings in business and industry of a possibly stronger NOK.

Despite this uncertainty, the Board is comfortable with the Bank's situation, and expects a good result in Sparebanken Møre also for 2011.

Ålesund, 10 August 2011
The Board of Directors of Sparebanken Møre

Leif Arne Langøy
CHAIRMAN

Roy Reite
DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Ingvild Vartdal

Elisabeth Maråk Støle

Helge Karsten Knudsen

Stig Remøy

Olav Arne Fiskerstrand
CEO

Statement of income

		Group						Parent Bank		
2010	2. q. 10	2. q. 11	30.06.10	30.06.11	Amounts in NOK million	Notes	30.06.11	30.06.10	2. q. 11	2. q. 10	2010
2 027	458	538	901	1 066	Interest and similar income		981	862	492	437	1 925
1 165	248	317	479	623	Interest and similar costs		574	473	288	244	1 132
862	210	221	422	443	Net interest and credit commission income	7	407	389	204	193	793
23	17	17	18	17	Dividends and other income from securities with variable yields	7	88	18	17	17	23
165	43	44	80	84	Commission income and revenues from banking services		84	79	44	42	164
30	7	8	15	17	Commission costs and expenditure in respect of banking services		17	15	8	7	30
111	75	13	96	25	Net gains/losses from securities and foreign exchange	4	25	96	13	75	103
35	6	8	13	14	Other operating income	7	5	3	2	2	8
304	134	74	192	123	Total other operating income		185	181	68	129	268
293	76	80	148	156	Wages, salaries etc.		147	138	75	70	273
116	32	31	59	67	Administration costs		67	59	31	32	116
36	5	6	10	11	Depreciation, write-downs and changes in value in non-financial assets		7	7	3	4	14
77	21	22	49	44	Other operating costs	7	42	45	23	18	79
523	134	139	266	278	Total operating costs		263	249	132	124	482
643	210	156	348	288	Result before credit losses		329	321	140	198	579
31	15	-6	27	-1	Losses on loans, guarantees etc.	3	-1	25	-6	14	28
612	195	162	321	289	Result from ordinary operations before tax		330	296	146	184	551
154	37	45	73	82	Tax payable on ordinary result		88	66	41	33	136
458	158	117	248	207	Result from ordinary operations after tax		242	230	105	151	415
26.90	9.25	7.12	14.55	12.36	Result per EC (NOK)		14.40	13.45	6.40	8.85	24.42
26.90	9.25	7.12	14.55	12.36	Diluted earnings per EC (NOK)		14.40	13.45	6.40	8.85	24.42
12	12	-	12	12	Distributed dividend per EC (NOK)		12	12	-	12	12

Statement of comprehensive income

		Group						Parent Bank		
2010	2. q. 10	2. q. 11	30.06.10	30.06.11	Amounts in NOK million	30.06.11	30.06.10	2. q. 11	2. q. 10	2010
458	158	117	248	207	Result from ordinary operations after tax	242	230	105	151	415
7	-4	7	-1	8	Equities available for sale - changes in value	8	-1	7	-4	7
465	154	124	247	215	Total comprehensive income from ordinary operations after tax	250	229	112	147	422

Balance sheet
- Statement of financial position as at the end of the period

Group					Parent Bank		
30.06.10	31.12.10	30.06.11	Amounts in NOK million	Notes	30.06.11	31.12.10	30.06.10
			Assets				
1 250	634	730	Cash and claims on central banks		730	634	1 250
294	167	147	Loans to and deposits with credit institutions	7	1 252	816	1 004
36 718	37 676	38 869	Net loans to and claims on customers	2, 3, 7	31 342	31 734	31 523
4 107	4 496	5 433	Certificates, bonds and other interest-bearing securities assessed at market value through the profit and loss account	5, 7	8 263	7 314	7 111
190	207	215	Shares and other securities with a variable yield	5	215	207	190
-	-	-	Equity stakes in Group companies		544	544	551
19	10	10	Deferred tax benefit		13	13	17
30	15	19	Goodwill and other intangible assets		19	15	17
229	261	277	Fixed assets		30	35	36
444	344	285	Financial derivatives		285	344	444
167	161	342	Other assets		341	161	166
352	470	498	Prepayments and accrued income		463	458	330
43 800	44 441	46 825	Total assets		43 497	42 275	42 639
			Liabilities and equity capital				
5 841	4 976	5 461	Liabilities to credit institutions	7	5 673	5 226	6 117
23 449	24 551	25 571	Deposits from and liabilities to customers	2, 7	25 586	24 576	23 464
9 215	9 697	10 273	Borrowings raised through the issue of securities		6 885	7 434	7 872
266	188	184	Financial derivatives		147	172	266
345	415	513	Other liabilities		489	363	329
631	329	553	Incurred costs and prepaid income		522	329	624
69	71	54	Other provisioning in respect of liabilities and costs	3	54	71	69
487	482	482	Perpetual Hybrid Tier 1 Capital		482	482	487
479	479	479	Subordinated loan capital		479	479	479
40 782	41 188	43 570	Total liabilities		40 316	39 132	39 707
784	784	784	EC capital	8	784	784	784
-9	0	-3	ECs owned by the Bank	8	-3	0	-9
186	186	186	Proceeds from EC issue, priced at a premium over par		186	186	186
961	970	967	Paid-in equity capital		967	970	961
1 442	1 560	1 558	Primary Capital Fund		1 558	1 560	1 442
263	362	362	Dividend Equalisation Fund		362	362	263
24	33	41	Value Adjustment Fund		41	33	24
12	11	11	Fund for Unrealised Gains		11	11	12
68	317	109	Other equity capital		0	207	0
248	-	207	Result from ordinary operations after tax		242	-	230
2 057	2 283	2 288	Equity capital accumulated through retained earnings		2 214	2 173	1 971
3 018	3 253	3 255	Total equity capital		3 181	3 143	2 932
43 800	44 441	46 825	Total liabilities and equity capital		43 497	42 275	42 639
			Transactions of an off-balance sheet nature:				
1 247	1 323	1 485	Guarantee liabilities		1 485	1 323	1 247

Statement of changes in equity - Group

30.06.11

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 31.12.10	3 253	784	186	1 560	362	33	11	317
Changes in own Equity Certificates	-5	-3		-2				
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-113							-113
Total result from ordinary operations after tax	215					8		207
Equity capital 30.06.11	3 255	781	186	1 558	362	41	11	317

30.06.10

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 31.12.09	2 942	648	187	1 443	393	25	12	234
Changes in own Equity Certificates	-4	-4		-1	1			
Scrip issue	-1	131	-1		-131			
Distributed dividend funds to the EC holders	-72							-72
Distributed dividend funds to the local community	-94							-94
Total result from ordinary operations after tax	247					-1		248
Equity capital 30.06.10	3 018	775	186	1 442	263	24	12	316

2010

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 31.12.09	2 942	648	187	1 443	393	25	12	234
Changes in own Equity Certificates	13	5		5	3			
Scrip issue	-1	131	-1		-131			
Distributed dividend funds to the EC holders	-72							-72
Distributed dividend funds to the local community	-94							-94
Equity capital before allocation of profit for the year	2 788	784	186	1 448	265	25	12	68
Change in credit spread FVO	-1						-1	
Transferred to the Primary Capital Fund	112			112				
Transferred to the Dividend Equalisation Fund	97				97			
Transferred to other equity capital	42							42
Set aside dividend funds for the EC holders	94							94
Set aside dividend funds for the local community	113							113
Equities available for sale - changes in value	7					7		
Total result from ordinary operations after tax	465			112	97	7	-1	249
Equity capital 31.12.10	3 253	784	186	1 560	362	33	11	317

Statement of changes in equity - Parent Bank

30.06.11

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 31.12.10	3 143	784	186	1 560	362	33	11	207
Changes in own Equity Certificates	-5	-3		-2				
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-113							-113
Total result from ordinary operations after tax	250					8		242
Equity capital 30.06.11	3 181	781	186	1 558	362	41	11	242

30.06.10

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 31.12.09	2 874	648	187	1 443	393	25	12	166
Changes in own Equity Certificates	-4	-4		-1	1			
Scrip issue	-1	131	-1		-131			
Distributed dividend funds to the EC holders	-72							-72
Distributed dividend funds to the local community	-94							-94
Total result from ordinary operations after tax	229					-1		230
Equity capital 30.06.10	2 932	775	186	1 442	263	24	12	230

2010

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 31.12.09	2 874	648	187	1 443	393	25	12	166
Changes in own Equity Certificates	13	5		5	3			
Scrip issue	-1	131	-1		-131			
Distributed dividend funds to the EC holders	-72							-72
Distributed dividend funds to the local community	-94							-94
Equity capital before allocation of profit for the year	2 720	784	186	1 448	265	25	12	0
Change in credit spread FVO	-1						-1	
Transferred to the Primary Capital Fund	112			112				
Transferred to the Dividend Equalisation Fund	97				97			
Set aside dividend funds for the EC holders	94							94
Set aside dividend funds for the local community	113							113
Equities available for sale - changes in value	7					7		
Total result from ordinary operations after tax	422			112	97	7	-1	207
Equity capital 31.12.10	3 143	784	186	1 560	362	33	11	207

Cash Flow Statement

Group				Parent Bank		
2010	30.06.10	30.06.11	Amounts in NOK million	30.06.11	30.06.10	2010
			Cash flow from operational activities			
2 210	1 279	1 388	Interest, commission and fees received	1 263	1 223	2 080
-1 189	-368	-669	Interest, commission and fees paid	-594	-354	-1 159
23	18	17	Dividend received	88	18	23
-376	-160	-242	Paid operating expenses	-232	-146	-364
-127	-137	-155	Payment of tax	-147	-129	-119
-83	-211	22	Changes relating to loans to and claims on other financial institutions	-436	-327	-139
-1 606	-895	-864	Changes relating to repayment loans/leasing to customers	570	40	-191
-226	-13	-303	Changes in respect of utilised credit facilities	-149	254	309
-1 374	-487	-806	Net cashflow from operational activities	363	579	440
			Cash flow from investment activities			
-68	-60	1	Changes in respect of investment in other securities with short maturities	1	-61	-68
-1 115	-726	-937	Changes in respect of sale of certificates and bonds	-949	-690	-893
-41	-1	-31	Changes in respect of additions of fixed assets	-6	-5	-10
-20	-143	-128	Changes of various assets etc.	-127	-141	-13
-1 244	-930	-1 095	Net cash flow from investment activities	-1 081	-897	-984
			Cash flow from funding activities			
2 757	1 656	1 019	Changes relating to deposits from customers	1 010	1 643	2 755
-687	178	485	Changes relating to deposits from Norges Bank and other financial institutions	447	220	-671
612	130	576	Payments received in respect of proceeds from bond issues raised	-548	-1 004	-1 442
-73	-72	-94	Payment of dividend	-94	-72	-73
-38	93	11	Changes of other debt	-1	99	-72
-1	-	-	Changes in equity due to scrip issue	-	-	-1
2 570	1 985	1 997	Net cash flow from funding activities	814	886	496
-48	568	96	Net changes on cash holdings	96	568	-48
682	682	634	Holdings of cash 01.01	634	682	682
634	1 250	730	Holdings of cash 30.06/31.12	730	1 250	634

1 - Accounting principles

General
The Group`s interim accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), implemented by the EU as at 30.06.2011. 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 2010 for further description of accounting principles. This interim report has been produced in accordance with the accounting princples applied to the annual accounts.

Consolidation
There have been no changes in consolidation principles resulting from compliance with IFRS. All transactions and intra-group balances involving companies which form part of the Group have been netted when consolidating the Group accounts. In the accounts of the Parent Bank, investments in subsidiaries are valued at cost.

Balance
Assets and liabilities are entered into the Group`s accounts at the time when the Group obtains actual control of the rights to the asset or undertake an actual commitment. Loans being transferred to other institutions, but still guaranteed by the Bank, are booked in the Group`s accounts.

Financial instruments
The Group's portfolio of financial instruments is classified, when first included in the accounts according to IAS 39, in one of the following categories, dependent upon the purpose of the investment:
- Financial assets held for trading purposes (trading portfolio)
- Other financial assets and liabilities assessed at market value, any value changes to be included in the profit and loss account
- Financial instruments which are held as available for sale assessed at market value, any value changes to be adjusted against the equity capital
- Loans and claims carried in the balance sheet at amortised cost

Financial assets in the trading portfolio
The Group`s trading portfolio is assessed at market value through the profit and loss account. Please see the Annual Report 2010 for the Group`s definition of a trading portfolio.

Financial assets and liabilities assessed at market value, with any value changes being included in the profit and loss account
The Group's portfolio of interest-bearing securities, fixed interest rate loans and -deposits are classified at market value, with any value changes being included in the profit and loss account.
Financial derivatives are shown in the balance sheet at market value, on a per contract basis, as assets or liabilities respectively.
Fixed interest rate loans are assessed at market value based on contract related cash flows discounted at the market rate of interest at the balance sheet date. Financial liabilities are classified as securities-related debt. Any securities-related debt incurred before 31.12.2006 is assessed at market value through the profit and loss account. In the case of the Bank's securities-related debt incurred after 31.12.2006, actual value-related hedging is applied, with any value changes being included in the profit and loss account. The difference between the initial cost and the settlement amount at maturity is amortised over the life of the loan. The portfolio of own bonds is shown as a reduction of debt.

Instruments held as available for sale, assessed at market value, with any value changes shown against equity capital
The Group's portfolio of shares, which are considered to be long-term investments, is classified as available for sale, with any value changes shown against equity capital. Realised gains and losses as well as writedowns are included in the profit and loss account during the period in which they occur.

Loans and claims carried in the balance sheet at amortised costs
All loans, including leasing, but with the exception of fixed interest rate loans, are assessed at amortised cost, based on expected cash flows. Write-down for credit losses is made when there are objective indications of a loan or a group of loans having been subject to impairment in value as a result of impaired creditworthiness. The write-down is calculated as the difference between the value as shown in the balance sheet and the present value of estimated future cash flows (including collateral), discounted at the original effective rate of interest for the loan in question (amortised cost).
Loans which have not been subject to specific assessment of impairment in value are assessed on a grouped basis.
The calculation of required write-down is made for customer groups with largely similar risk- and value characteristics and is based on risk classification and credit loss experience for the customer groups involved. Losses on loans are assessed in accordance with Norwegian regulations regarding loans and guarantees within credit institutions.

Pension commitments
The largest portion of the Group's pension scheme is defined-benefit, which entitles employees to agreed future pension benefits. This scheme was closed to new members beginning on 1 January 2010. (From 2010 new employees enter into the Group's defined contribution scheme). Otherwise see the Annual Report 2010 for a detailed description of the Group's pension schemes.

Fixed assets
The Group mainly owns its own buildings, and the main purpose of these buildings is to be used in connection with the operations of the Bank. These buildings are thus defined as fixed assets and not investment properties in the Group`s accounts. The buildings are evaluated at historical cost price, less accumulated depreciation and write-downs. Other fixed assets are evaluated at historical cost price and depreciated according to their expected lifetime.
In case of indications of booked value being higher than retainable amount, fixed assets are assessed for write downs. Retainable amount is the larger of the assets utility value and the assets market value, less costs of sale.

Tax
Taxation cost throughout the year is being periodised in line with the estimate of the Group`s yearly taxation cost. Estimated taxation cost for the Group is amounted to 29 per cent of pre-tax result.

Equity and capital adequacy ratio
Dividend and donations confirmed after the balance sheet date are shown as equity capital until approved by the Board of Trustees. The amounts are thereafter shown as debt in the balance sheet until being distributed. Amounts set aside for dividend and donations are not included in the calculation of the capital adequacy ratio. Capital adequacy calculations are carried out according to the Standardised Approach in Basel II.

Staff benefits
All wages, salaries and other remuneration to employees in the Group and other appropriate parties have been charged to the profit and loss account as costs and have been paid at the end of the accounting period. As at 30.06.2011, the Bank had no liabilities relating to the Bank`s CEO, members of the Board of Directors or other employees involving special compensation on termination of employment or changes in employment or the jobs and positions in question. Furthermore, there are no arrangements or accounts-related liabilities relating to bonuses, profit sharing, options, subscription rights or similar for the abovementioned persons. Reference is made to the Annual Report 2010 for description of benefitsrelated pension schemes for the Bank`s CEO and other employees.

Notes Amounts in NOK million

2 - Gross loans and deposits to customers by sector and industry

Group	Gross loans			Deposits		
Broken down according to sectors	30.06.11	30.06.10	2010	30.06.11	30.06.10	2010
Agriculture and forestry	467	442	484	192	169	155
Fisheries	3 380	2 849	3 192	365	379	390
Industry and mining	1 348	1 290	1 238	1 239	1 032	1 515
Building and construction	749	797	678	316	332	364
Wholesale and retail trade, hotel industry	795	851	770	692	595	693
Foreign shipping/supply	1 667	2 171	1 981	453	532	582
Property management	4 213	3 677	3 966	1 134	852	1 094
Professional/financial service	760	597	698	1 681	1 140	1 402
Transport and private/public service industry	1 466	1 546	1 362	1 717	1 722	1 644
Public entities	13	14	12	1 811	2 103	1 531
Non-Norwegian lending	10	19	11	2	1	2
Miscellaneous	24	104	44	1 788	1 217	1 906
Total Corporate/Public entities	14 892	14 357	14 436	11 390	10 074	11 277
Retail customers	24 355	22 802	23 647	14 181	13 375	13 274
Total Gross loans/Deposits	39 247	37 159	38 083	25 571	23 449	24 551
Specific loss provisions	-252	-304	-281			
Non-specific loss provisions	-126	-137	-126			
Net loans	38 869	36 718	37 676			

Parent Bank	Gross loans			Deposits		
Broken down according to sectors	30.06.11	30.06.10	2010	30.06.11	30.06.10	2010
Agriculture and forestry	429	407	448	192	169	155
Fisheries	3 359	2 869	3 170	365	379	390
Industry and mining	1 140	1 153	1 030	1 239	1 032	1 515
Building and construction	624	616	551	316	332	364
Wholesale and retail trade, hotel industry	738	798	709	692	595	693
Foreign shipping/supply	1 642	2 146	1 956	453	532	582
Property management	4 209	3 699	4 011	1 142	869	1 112
Professional/financial service	736	592	675	1 681	1 140	1 402
Transport and private/public service industry	1 394	1 460	1 291	1 724	1 726	1 650
Public entities	5	8	4	1 811	2 103	1 531
Non-Norwegian lending	10	19	11	2	1	2
Miscellaneous	24	59	41	1 788	1 217	1 906
Total Corporate/Public entities	14 310	13 826	13 897	11 405	10 089	11 302
Retail customers	17 405	18 133	18 239	14 181	13 375	13 274
Total Gross loans/Deposits	31 715	31 959	32 136	25 586	23 464	24 576
Specific loss provisions	-247	-300	-276			
Non-specific loss provisions	-126	-136	-126			
Net loans	31 342	31 523	31 734			

Notes Amounts in NOK million

3 - Losses on loans and guarantees/commitments in default/other bad and doubtful commitments

Losses on loans and guarantees

Group				Parent Bank		
2010	30.06.10	30.06.11		30.06.11	30.06.10	2010
-9	17	-33	Changes in specific loss provisioning and guarantees during the period	-33	15	-13
-11	0	0	Changes in non-specific loss provisioning during the period	0	0	-10
38	12	31	Confirmed losses during the period, where specific provisioning had previously been made	31	12	38
19	1	4	Confirmed losses during the period, where specific provisioning had previously not been made	4	1	19
6	3	3	Recoveries	3	3	6
31	27	-1	Losses on loans, guarantees etc.	-1	25	28

Specific provisions in respect of loans

Group				Parent Bank		
2010	30.06.10	30.06.11		30.06.11	30.06.10	2010
264	264	281	Specific loss provisions on loans at 01.01	276	260	260
38	12	31	Confirmed losses during the period, where specific provisioning had previously been made	31	12	38
20	23	41	Changes in specific provisioning during the period	41	23	20
144	50	12	New specific provisioning during the period	12	50	143
109	21	51	Recoveries on specific provisioning during the period	51	21	109
281	304	252	Specific provisions against losses on loans at the end of the period	247	300	276

Non-specific provisions on loans

Group				Parent Bank		
2010	30.06.10	30.06.11		30.06.11	30.06.10	2010
137	137	126	Non-specific provision on loans as at 01.01	126	136	136
-11	0	0	Changes during the period	0	0	-10
126	137	126	Non-specific provision on loans at the end of the period	126	136	126

Specific provisions in respect of guarantees

Group				Parent Bank		
2010	30.06.10	30.06.11		30.06.11	30.06.10	2010
46	46	12	Specific provisioning as at 01.01	12	46	46
0	0	0	Specific provisioning during the period	0	0	0
34	29	-5	Recoveries on specific provisioning during the period	-5	29	34
12	17	7	Specific provisions at the end of the period	7	17	12

Notes Amounts in NOK million

Commitments in default (total of all of a customer`s outstanding commitments) in excess of 1 month

Group	30.06.11			30.06.10			2010		
Intervals	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
1-3 months	54	41	13	173	94	79	67	52	15
3-6 months	73	39	34	85	43	42	82	36	46
6-12 months	54	29	25	91	18	73	71	35	36
Above 12 months	85	44	41	82	40	42	92	36	56
Gross loans in default	266	153	113	431	195	236	312	159	153
Specific provisions	41	15	26	71	14	57	53	19	34
Net loans in default	225	138	87	360	181	179	259	140	119

Commitments in default (total of all of a customer`s outstanding commitments) in excess of 1 month

Parent Bank	30.06.11			30.06.10			2010		
Intervals	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
1-3 months	54	41	13	173	94	79	67	52	15
3-6 months	73	39	34	77	43	34	79	36	43
6-12 months	54	29	25	91	18	73	71	35	36
Above 12 months	85	44	41	82	40	42	92	36	56
Gross loans in default	266	153	113	423	195	228	309	159	150
Specific provisions	41	15	26	71	14	57	52	19	33
Net loans in default	225	138	87	352	181	171	257	140	117

Other bad and doubtful commitments (with specific provisions)

Group	30.06.11			30.06.10			2010		
Intervals	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Gross lending volume	572	69	503	545	96	449	667	93	574
Specific provisions	211	19	192	232	24	208	224	22	202
Net lending volume	361	50	311	313	72	241	443	71	372

Other bad and doubtful commitments (with specific provisions)

Parent Bank	30.06.11			30.06.10			2010		
Intervals	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Gross lending volume	572	69	503	545	96	449	667	93	574
Specific provisions	206	19	187	229	24	205	224	22	202
Net lending volume	366	50	316	316	72	244	443	71	372

4 - Net gains/losses from securities and foreign exchange

Group				Parent Bank		
2010	30.06.10	30.06.11		30.06.11	30.06.10	2010
1	-10	17	Sertificates and bonds	17	-10	1
81	74	0	Securities	0	74	73
21	14	11	Foreign exchange trading (for customers)	11	14	21
-1	0	-6	Charge in credit spread FVO - securities-based debt	-6	0	-1
9	18	3	Financial derivatives	3	18	9
111	96	25	Net gains/losses from securities and foreign exchange	25	96	103

Notes Amounts in NOK million

5 - Financial assets

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 assessed at actual value, changes shown through the Result	Market value		
	30.06.11	30.06.10	2010
Based on prices in an active market	1 213	1 071	1 332
Observed market information	7 053	6 043	5 985
Other than observed market information	0	0	0
Total financial instruments at actual value	8 266	7 114	7 317

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

Financial instruments available for sale, changes in value shown through the Total result	Market value		
	30.06.11	30.06.10	2010
Based on prices in an active market	25	23	26
Observed market information	0	0	0
Other than observed market information 1)	187	164	178
Total financial instruments available for sale	212	187	204

1) Changes through the year	30.06.11	30.06.10	2010
Balance 01.01	178	109	109
Purchased	2	1	76
Sale, including previously recognised changes in value	0	7	19
Increase in value	7	61	12
Written down	0	0	0
Balance 31.12	187	164	178

6 - Segments

Result Q2	Group		Elimin./ Inv./ Other		Corporate		Retail		Real estate brokerage		Leasing	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Net interest and credit commission income	221	210	6	4	106	102	105	100	0	0	4	4
Other operating income	74	134	25	87	19	18	24	24	5	5	1	0
Total income	295	344	31	91	125	120	129	124	5	5	5	4
Operating costs	139	134	26	25	28	25	80	78	4	5	1	1
Result before losses	156	210	5	66	97	95	49	46	1	0	4	3
Losses on loans, guarantees etc.	-6	15	-4	4	-2	10	0	0	0	0	0	1
Result before tax	162	195	9	62	99	85	49	46	1	0	4	2
Tax payable on ordinary result	45	37										
Result from ordinary operations after tax	117	158										

Result 30.06	Group		Elimin./ Inv./ Other		Corporate		Retail		Real estate brokerage		Leasing	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Net interest and credit commission income	443	422	20	10	208	201	207	203	0	0	8	8
Other operating income	123	192	29	105	36	33	47	44	9	9	2	1
Total income	566	614	49	115	244	234	254	247	9	9	10	9
Operating costs	278	266	54	47	55	52	158	154	8	10	3	3
Result before losses	288	348	-5	68	189	182	96	93	1	-1	7	6
Losses on loans, guarantees etc.	-1	27	-5	3	5	22	-1	0	0	0	0	2
Result before tax	289	321	0	65	184	160	97	93	1	-1	7	4
Tax payable on ordinary result	82	73										
Result from ordinary operations after tax	207	248										

Notes Amounts in NOK million

Balance sheet	Group		Elimin./ Inv./ Other		Corporate		Retail		Real estate brokerage		Leasing	
	30.06.11	30.06.10	30.06.11	30.06.10	30.06.11	30.06.10	30.06.11	30.06.10	30.06.11	30.06.10	30.06.11	30.06.10
Loans to customers	38 869	36 718	589	566	13 903	13 302	23 797	22 280	-	-	580	570
Deposits from customers	25 571	23 449	354	228	10 090	8 954	15 127	14 267	-	-	-	-
Guarantee liabilities	1 485	1 247	100	100	1 374	1 142	11	5	-	-	-	-
The deposit-to-loan ratio	65,8	63,9	58,5	40,3	72,6	67,3	63,6	64,0	-	-	-	-
Man-years	403	404	148	144	60	58	174	179	14	16	7	7

7 - Transactions with close 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	30.06.11	30.06.10	2010
Result			
Interest and credit commission income from subsidiaries	56	53	107
Received dividend and group contribution from subsidiaries	71	0	0
Rent paid to Sparebankeiendom AS	6	8	16
Leasing rental paid to Møre Finans AS	3	3	6
Administration fee received from Møre Boligkreditt AS	5	3	7
Balance sheet			
Claims on subsidiaries	1 295	864	835
Covered bonds	2 830	3 004	2 818
Liabilities to subsidiaries	227	291	275
Transferred loan portfolio to Møre Boligkreditt AS during the period	2 819	2 057	3 861

8 - EC-capital

The 20 largest EC-holders in Sparebanken Møre as at 30.06.11

	Number of ECs	Percentage share of EC capital
Sparebankstiftelsen Tingvoll	800 000	10.20
Pareto Aksje Norge	446 324	5.69
MP Pensjon	338 796	4.32
Wenaasgruppen AS	300 000	3.83
Pareto Aktiv	201 075	2.56
Beka Holding AS	133 462	1.70
Farstad Shipping ASA	112 909	1.44
Pareto Verdi VPF	109 341	1.39
Stiftelsen Kjell Holm	90 438	1.15
Odd Slyngstad	83 703	1.07
Fidelity Low-Priced	72 008	0.92
Nordisk Finans Invest	55 096	0.70
onsenhagen Forretningssentrum AS	52 050	0.66
Leif Arne Langøy	50 000	0.64
U Aandals Eftf AS	48 000	0.61
Terra utbytte VPF	44 642	0.57
Forsvarets Personellservice	40 560	0.52
J E Devold AS	37 558	0.48
Sparebankstiftelsen DnB NOR	37 392	0.48
Sparebanken Møre	30 356	0.39
Total 20 largest	3 083 710	39.33
Total	7 841 116	100.00

Notes Amounts in NOK million

9 - Capital adequacy

Group				Parent Bank		
31.12.10	30.06.10	30.06.11		30.06.11	30.06.10	31.12.10
784	784	784	EC capital	784	784	784
0	-9	-3	- ECs owned by the Bank	-3	-9	0
186	186	186	Premium Fund	186	186	186
362	263	362	Dividend Equalisation Fund	362	263	362
1 560	1 442	1 558	Primary Capital Fund	1 558	1 442	1 560
33	24	42	Value Adjustment Fund	42	24	33
11	12	10	Fund for Unrealised Gains	10	12	11
94	0	0	Set aside for dividend for the EC holders	0	0	94
113	0	0	Set aside for dividend funds for the local community	0	0	113
110	68	109	Other equity capital	0	0	0
-	248	207	Result from ordinary operations after tax	241	230	-
3 253	**3 018**	**3 215**	**Total equity**	**3 181**	**2 932**	**3 143**
-31	-60	-31	Deferred tax, goodwill and intangible assets, other	-32	-33	-29
-33	-24	-42	Value Adjustment Fund	-42	-24	-33
-11	-12	-10	Fund for Unrealised Gains	-10	-12	-11
-11	-10	-10	50 % deduction for equity capital in other financial institutions	-10	-10	-10
482	487	482	Capital bonds	482	487	482
0	-23	0	Deduction bonds (beyond 15 per cent of core capital)	0	-23	0
-94	0	0	Set aside for dividend for the EC holders	0	0	-94
-113	0	0	Set aside for dividend funds for the local community	0	0	-113
-	-248	-207	Result from ordinary operations after tax	-242	-230	
3 442	**3 127**	**3 437**	**Total core capital**	**3 327**	**3 087**	**3 335**
			Supplementary capital:			
479	479	479	Subordinated loan capital of limited duration	479	479	479
0	23	0	Addition bonds (beyond 15 per cent of core capital)	0	23	0
14	11	19	45 % addition for net unrealised gains on shares, unit trust certificates and ECs available for sale	19	11	14
-10	-10	-10	50 % deduction for equity capital in other financial institutions	-10	-10	-10
483	503	488	Total supplementary capital	488	503	483
3 925	**3 630**	**3 925**	**Net equity and subordinated loan capital**	**3 815**	**3 590**	**3 818**
1 636	1 386	1 533	Discrepancy relating to net equity and realted capital - minimum requirement 8 %	1 482	1 447	1 646
			Capital adequacy as a percentage of the weighted asset calculation basis:			
13.72	12.95	13.15	Capital adequacy ratio	13.08	13.40	14.07
12.03	11.15	11.50	Core capital ratio	11.40	11.52	12.28
12.03	**11.60**	**11.85**	**Core capital ratio incl. 50 per cent of ordinary result after tax**	**11.80**	**11.95**	**12.28**
28 615	**28 060**	**29 870**	**Risk-weighted assets (calculation basis for capital adequacy ratio)**	**29 177**	**26 790**	**27 140**
			Minimum equity and related capital requirement according to Basel II calculated in accordance with the Standard Approach:			
2 289	2 245	2 392	Total minimum requirement (8 %) for equity and related capital	2 334	2 143	2 172
0	0	0	Commitments involving states and central banks	0	0	0
3	4	3	Commitments involving local and regional authorities	2	4	3
15	12	16	Commitments involving public sector companies	16	12	15
52	33	57	Commitments involving institutions (banks etc.)	150	44	41
783	793	854	Commitments involving companies (corporate customers)	824	761	752
320	316	300	Commitments involving mass market (retail banking customers)	292	316	319
575	582	597	Commitments involving mortgage on commercial property	442	447	451
279	265	263	Commitments involving mortgage on commercial property	263	265	279
22	20	19	Commitments due for payment	19	20	22
0	2	0	Commitments involving high risk (investment funds)	0	2	0
7	5	11	Commitments involving covered bonds	34	29	29
97	79	116	Other commitments	137	108	123
2 153	**2 111**	**2 236**	**Capital requirement – credit-/counterpart- and impairment risk**	**2 179**	**2 008**	**2 034**
0	0	0	Debt	0	0	0
0	0	0	Equity	0	0	0
0	0	7	Foreign exchange	7	0	0
0	0	0	Goods	0	0	0
0	**0**	**7**	**Capital requirement – position-/foreign exchange- and commercial risk**	**7**	**0**	**0**
150	**150**	**162**	**Operational risk (basis method)**	**160**	**151**	**151**
-13	-16	-13	Deductions from the capital requirement	-13	-16	-13

Statement pursuant to section 5-6 of the Securities Trading Act

We confirm, to the best of our knowledge, that the financial statements for the Group and the Bank for the period 1 January to 30 June 2011 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and give a true and fair view of the Group's and the Bank's assets, liabilities, financial position and profit or loss as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes:

- a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements
- a description of the principal risks and uncertainties for the remaining six months of the financial year
- a description of major related parties transactions

Ålesund, 10 August 2011
The Board of Directors of Sparebanken Møre

Leif Arne Langøy
CHAIRMAN

Ragna Brenne Bjerkeset

Ingvild Vartdal

Roy Reite
DEPUTY CHAIRMAN

Elisabeth Maråk Støle

Helge Karsten Knudsen

Stig Remøy

Olav Arne Fiskerstrand
CEO

Highlights - Development - Group

Quarterly results

NOK million	2. q. 2011	1. q. 2011	4. q. 2010	3. q. 2010	2. q. 2010
Net interest and credit commission income	221	222	228	212	210
Total other operating income	74	49	45	67	134
Total operating costs	139	139	127	130	134
Result before losses	156	132	146	149	210
Losses on loans, guarantees etc.	-6	5	-4	8	15
Result before tax	162	127	150	141	195
Tax payable on ordinary result	45	37	44	37	38
Result from ordinary operations after tax	117	90	106	104	157

As a percentage of average assets	2. q. 2011	1. q. 2011	4. q. 2010	3. q. 2010	2. q. 2010
Net interest and credit commission income	1.93	1.99	2.10	2.01	1.99
Total other operating income	0.65	0.44	0.41	0.64	1.27
Total operating costs	1.22	1.24	1.17	1.23	1.27
Result before losses	1.36	1.19	1.34	1.42	1.99
Losses on loans, guarantees etc.	-0.05	0.04	-0.04	0.08	0.14
Result before tax	1.41	1.15	1.38	1.34	1.85
Tax payable on ordinary result	0.40	0.33	0.41	0.35	0.35
Result from ordinary operations after tax	1.01	0.82	0.97	0.99	1.50

Result

NOK million	30.06.11	30.06.10	2010
Net interest and credit commission income	443	422	862
Total other operating income	123	192	304
Total operating costs	278	266	523
Result before losses	288	348	643
Losses on loans, guarantees etc.	-1	27	31
Result before tax	289	321	612
Tax payable on ordinary result	82	73	154
Result from ordinary operations after tax	207	248	458

As a percentage of average assets	30.06.11	30.06.10	2010
Net interest and credit commission income	1.96	2.01	2.03
Total other operating income	0.55	0.91	0.72
Total operating costs	1.23	1.26	1.23
Result before losses	1.28	1.66	1.52
Losses on loans, guarantees etc.	-0.01	0.13	0.07
Result before tax	1.29	1.53	1.45
Tax payable on ordinary result	0.36	0.35	0.36
Result from ordinary operations after tax	0.93	1.18	1.09

SPAREBANKEN MØRE

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