

INTERIM REPORT
3 QUARTER
UNAUDITED

13



SPAREBANKEN MØRE

Contents

3	Financial highlights - Group
4	Interim report from the Board of Directors
	The Financial Statements - Group
7	Statement of income
8	Statement of financial position
9	Statement of changes in equity
11	Cash Flow Statement
12	Notes to the Accounts
22	Statement of income - Parent Bank
23	Statement of financial position - Parent Bank
24	Profit performance - Group

The future of our region is dependent on people wanting to live and work here. While work is important, jobs alone are not enough to make people move (back) here, Factors that affect people's quality of life also have a lot to say for where people choose to live. The attractiveness of an area depends, among other things, on the opportunities for education it offers, on transport and communication solutions, shopping facilities and services, as well as on opportunities to take part in cultural activities, outdoor pursuits and sports. Football is one of the most popular sports in Møre og Romsdal county. The top clubs play an important role both in the local community and in relation to society as a whole – not just for the spectators, but also for the rest of the local population, for voluntary work, for sporting activity at all levels and for the business community. Football creates values in more ways than one and contributes to the positive development of society.

Financial highlights - Group

Income statement

(NOK million)	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Net interest income	267	240	761	698	936
Net commission and other income	47	43	131	125	180
Net return from financial investments	5	30	15	85	110
Total income	319	313	907	908	1 226
Total operating costs	143	148	442	446	605
Pension plan changes	0	0	0	0	-166
Profit before losses	176	165	465	462	787
Losses on loans, guarantees etc.	15	17	28	36	47
Profit before tax	161	148	437	426	740
Tax payable on ordinary profit	42	40	117	118	210
Profit for the period	119	108	320	308	530

Statement of financial position

(NOK million)	30.09.13	30.09.12	% change	31.12.12	% change 2013
Total assets	53 188	50 308	5.7	51 632	3.0
Average assets	51 650	48 015	7.6	48 530	6.4
Net loans to and receivables from customers	45 262	42 306	7.0	43 434	4.2
Deposits from and liabilities to customers	27 312	26 319	3.8	27 081	0.9

Key figures

	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Return on equity (annualised)	11.8	13.2	11.5	12.6	16.3
Return on equity (annualised) (adjusted for pension plan changes)	11.8	13.2	11.5	12.6	12.6
Costs as a percentage of income	44.5	46.8	48.7	48.7	35.4
Costs as a percentage of income (adjusted for pension plan changes)	44.5	46.8	48.7	48.7	48.8
Losses as a percentage of loans 1.1/start of the period	0.13	0.17	0.08	0.12	0.12
Problem loans as a percentage of loans (prior to write-downs)	1.31	1.27	1.31	1.27	1.34
Problem loans as a percentage of loans (after write-downs)	0.93	0.86	0.93	0.86	0.96
Deposits to lending ratio as a percentage	60.3	62.2	60.3	62.2	62.3
Core capital as a percentage 1) 2)	15.30	11.70	15.25	11.70	13.68
Pure core capital as a percentage 1) 2)	12.30	10.15	12.25	10.15	10.55
Man-years	398	415	398	415	410
EC (numbers refer to the Parent Bank):					
Profit per EC (Parent Bank) (NOK)	3.73	5.00	14.50	16.30	27.75
EC fraction 1.1 as a percentage (Parent Bank)/average 2013	47.8	46.0	47.8	46.0	46.0
Price at Oslo Stock Exchange (NOK)	185	153	185	153	160
Price/Book value (P/B) (Group) 3)	0.85	0.77	0.85	0.77	1.10

1) According to the Standardised Approach in Basel II

2) Incl. 50 per cent of the profit for the period

3) Incl. 100 per cent of the profit for the period

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.

Financial statements are prepared in accordance with IFRS and the interim report has been prepared in conformity with IAS 34 Interim Financial Reporting.

Sparebanken Møre's pre-tax profit after Q3 2013 was NOK 437 million, compared to NOK 426 million after Q3 2012. Total income was NOK 1 million lower than in the same period last year. Net interest income increased by NOK 63 million and other operating income was NOK 64 million lower. Costs were reduced by NOK 4 million and losses on loans and guarantees were reduced by NOK 8 million.

The costs/income ratio was 48.7 % after the first nine months of the year, which is on a par with the corresponding period in 2012. The Bank's target is to keep the costs/income ratio below 50 %.

The profit after tax of NOK 320 million represents an annualised return on equity of 11.5 %. The Bank's target is to be a minimum of 6 percentage points above the long-term yield on government bonds, which has averaged 2.46 % since year end 2012.

The earnings per equity certificate (Parent Bank) after three quarters of 2013 amounted to NOK 14.50, compared to NOK 16.30 for the same period last year. The earnings per equity certificate calculation includes the new equity certificates from issues in Q3 2013.

The Board of Directors is pleased with the result to date in 2013.

RESULTS FOR Q3 2013

The profit after tax in Q3 2013 was NOK 119 million, compared to NOK 108 million for the corresponding quarter last year. The return on equity in Q3 2013 was 11.8 %, compared to 13.2 % for Q3 last year.

Net interest income

The net interest and credit commission income of NOK 267 million was NOK 27 million higher than in the corresponding quarter last year. This represents 2.04 % of total assets, which is 0.08 percentage points higher than in Q3 2012. Net interest income increased by 0.04 percentage points compared to Q2 2013.

The level of net interest income is still affected by intense competition in the market for traditional deposits. The interest contribution from equity remains persistently low due to the generally low level of interest rates in the market. The Norwegian Banks Guarantee Fund charge has also made a negative contribution compared with last year. The charge for 2013 amounts to 0.05 percentage points, while no equivalent charge was recorded in 2012.

Other operating income

Other operating income amounted to NOK 52 million, which is NOK 21 million lower than in Q3 last year. Other operating income accounted for 0.40 % of average total assets, 0.20 percentage points lower than the corresponding period in 2012. The

change is mainly attributable to a reduction in the value of bond holdings.

Costs

Operating costs in the quarter amounted to NOK 143 million, which is NOK 5 million lower than in the same quarter last year. Personnel costs were reduced by NOK 1 million, while other costs were NOK 4 million lower. Costs as a percentage of average total assets decreased to 1.09 % (1.21 %). The Group's total workforce was reduced by 17 full time equivalent positions in the period to 398 full time equivalents.

The costs/income ratio was reduced from 46.8 % in Q3 2012 to 44.5 % in Q3 2013.

Losses and defaults

The quarter's accounts were charged NOK 15 million in losses on loans and guarantees (NOK 17 million). This represents 0.11 % (0.14 %) of average total assets when translated to 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 a specific write-down for losses) show an increase over the last 12 months of NOK 54 million before write-downs for losses. Net problem loans at the end of the quarter amounted to NOK 422 million or 0.93 % 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 3.

Lending and deposit growth

Total assets amounted to NOK 53 188 million at the end of September 2013. Growth in the preceding 12 months was NOK 2 880 million or 5.7 %.

Net lending to customers amounted to NOK 45 262 million. This is an increase in the preceding 12 months of NOK 2 956 million or 7.0 %. Lending to retail customers increased by 10.2 % and retail customers accounted for 65.2 % of total gross lending. Corporate lending grew by 1.2 % in the preceding 12 months, and this segment accounts for 34.8 % of gross lending.

At the end of Q3, deposits were NOK 993 million higher than at the corresponding time last year, which represents annual growth of 3.8 %. Of the total deposits of NOK 27 312 million, deposits from retail customers accounted for 58.0 % following growth of 5.3 % in the preceding 12 months. The percentage for corporate customers was 39.4 %, an increase of 3.9 % on an annual basis. Public sector deposits decreased by 22.5 % in the preceding 12 months, and account for a relative percentage of 2.6 % of deposits at the end of Q3.

Deposits as a percentage of loans amounted to 60.3 % at the end of Q3 2013.

CAPITAL ADEQUACY

The Board of Sparebanken Møre adopted a new long-term minimum target for the Group's capital adequacy in this year's strategy process, "Møre 2017". The Core Tier 1 capital ratio must comply with the announced regulatory plan for the escalation of capital.

A process involving a total of three issues of new equity certificate capital was completed during Q3 2013. A private placement with gross proceeds of up to NOK 275 million was oversubscribed. A repair issue with gross proceeds of NOK 100 million was also fully subscribed, while an employee issue with gross proceeds of NOK 3.5 million was also carried out.

On 4 July 2013, the Board of Trustees approved the reallocation of NOK 125 million of the Bank's previous years' allocations to dividend funds for the community to a gift fund, and this gift fund is included in the Group's Core Tier 1 capital.

The result of the issues and reallocation of NOK 125 million to the gift fund is included in the capital adequacy figures for Q3 2013.

Calculations based on the standard approach in Basel II as of 30 September 2013 show a core capital ratio of 15.30 % (11.70 %) when 50 % of the result to date in 2013 is included in capital adequacy at the end of the quarter. The corresponding figures for Core Tier 1 capital are 12.30 % (10.15 %).

SUBSIDIARIES

The aggregate profit of the Bank's three subsidiaries amounted to NOK 107 million after tax (NOK 40 million) after the first nine months of the year.

Møre Eiendomsmegling AS provides real estate brokerage services to both retail and corporate customers. The company made a NOK 1 million contribution to the result

after Q3 2013 (NOK 2 million). At the end of the quarter, the company employed 18 full time equivalents.

The object of Sparebankeiendom AS is to own and manage the Bank's own commercial properties. The company has made no contribution to the overall result to date in 2013 (NOK 4 million). The company has no employees.

Møre Boligkreditt AS was established as part of the Group's long-term funding strategy. The mortgage company's main purpose is to issue covered bonds for sale to Norwegian and international investors. To date the company has raised NOK 12 billion in funding for the Group. The company has made a NOK 106 million contribution to the result so far in 2013 (NOK 31 million).

EQUITY CERTIFICATES

Due to the three issues that were completed in Q3 2013, the number of equity certificates, each with a nominal value of NOK 100, increased by 2 045 838 equity certificates from 7 841 116 equity certificates prior to the issues to 9 886 954 after the issues. The registered EC capital thus amounts to NOK 988.7 million as per the end of Q3 2013. The issues process increased the premium fund by NOK 166 million and the fund amounts to NOK 355 million after the issues.

The breakdown between the EC-holders' capital and the primary fund capital after Q3 2013 is 49.7 % and 50.3 % respectively, while at year-end 2012 it was 46 % and 54 % respectively.

The equity certificates were distributed between 6 116 owners as per the end of the quarter. Note 8 contains an overview of the 20 largest owners of the Bank's equity certificates. The earnings per equity certificate (Parent Bank) after Q3 2013 amounted to NOK 14.50 (NOK 16.30), including the new equity certificates after the issues.

FUTURE PROSPECTS

Positive developments in two important conditions for the export-oriented segment of business in Møre og Romsdal were observed during Q3. During the period we experienced a general improvement in European and other international economies and a weaker NOK exchange rate. The companies in our county are benefiting from these developments. At the same time, these two conditions represent obvious risk factors for the future economic development of business in the county. The

employment rate in local business has held up well due to the continued good economic activity and signing of several major contracts in the maritime sector. Labour intensive companies still face the greatest challenges from a competition perspective, primarily due to the generally high level of wages in Norway.

Somewhat slower growth is still anticipated in the region going forward, but the rates will differ in the various sectors. A somewhat lower growth is expected in the export industry, the private service sector will see moderate growth, while activity in the public sector will grow. A growing number of bankruptcies have been registered in Møre og Romsdal, although the increase is lower than the national average.

The Board is pleased Sparebanken Møre's issues process was successful. The issues secure the Bank a solid platform for further

growth and development, both for the Bank itself and also as regards its participation in the development of business in the county. Sparebanken Møre is now well positioned to fulfil the new capital requirements that have been set for banks. The Bank will fulfil its corporate social responsibilities by contributing to innovation and growth, thus helping to sustain good employment rates and future-oriented development in Møre og Romsdal.

With good, strengthened capital in place in relation to the targets adopted in the Bank's strategy, Sparebanken Møre now has a good foundation for ensuring stable, good growth within the financial targets set forth in the strategy. This also includes continuing the efficiency processes associated with the Bank's operations, which are intended to help maintain stable, financial results at a good, competitive level.

Ålesund, 30 September 2013
23 October 2013

THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

Leif-Arne Langøy
CHAIRMAN

Roy Reite
DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Henning Sundet

Elisabeth Maråk Støle

Ingvild Vartdal

Turid Håndlykken Sylte

Olav Arne Fiskerstrand
CEO

STATEMENT OF INCOME - GROUP

Amounts in NOK million	Notes	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Interest income		577	557	1 726	1 687	2 246
Interest costs		310	317	965	989	1 310
Net interest income	7	267	240	761	698	936
Commission income and revenues from banking services		48	41	132	118	162
Commission costs and expenditure from banking services		8	7	21	21	29
Other operating income		7	9	20	28	47
Net commission and other operating income		47	43	131	125	180
Dividends		0	1	9	7	7
Net gains/losses from financial instruments	4	5	29	6	78	103
Net return from financial instruments		5	30	15	85	110
Net income		319	313	907	908	1 226
Wages, salaries etc.		81	82	242	248	343
Pension plan changes		0	0	0	0	-166
Administration costs		28	27	99	98	139
Depreciation, write-downs and changes in value in non-financial assets		7	6	23	22	31
Other operating costs		27	33	78	78	92
Total operating costs		143	148	442	446	439
Profit before credit losses		176	165	465	462	787
Losses on loans, guarantees etc.	3	15	17	28	36	47
Profit from ordinary operations before tax		161	148	437	426	740
Tax payable on ordinary result		42	40	117	118	210
Profit for the period		119	108	320	308	530
Profit per EC (NOK)		5.80	6.35	15.45	18.08	31.05
Diluted earnings per EC (NOK)		5.80	6.35	15.45	18.08	31.05
Distributed dividend per EC (NOK)		0	0	12	8	8

STATEMENT OF COMPREHENSIVE INCOME - GROUP

Amounts in NOK million	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Profit for the period	119	108	320	308	530
Other income/costs reversed in ordinary profit:					
Equities available for sale - changes in value	2	-6	9	-10	8
Other income/costs not reversed in ordinary profit:					
Pension estimate deviations included in the income statement	0	0	0	0	160
Tax effect of pension estimate deviations included in the income statement	0	0	0	0	- 45
Total comprehensive income for the period	121	102	329	298	653

STATEMENT OF FINANCIAL POSITION - GROUP

Amounts in NOK million	Notes	30.09.13	31.12.12	30.09.12
Assets				
Cash and claims on Norges Bank		937	669	872
Loans to and receivables from credit institutions	7	584	288	346
Net loans to and receivables from customers	2, 3, 7	45 262	43 434	42 306
Certificates and bonds	5, 7	5 014	5 542	5 001
Financial derivatives		402	575	608
Shares and other securities etc.	5	212	206	193
Intangible assets		19	23	96
Fixed assets		279	302	312
Other assets		158	300	206
Prepayments and accrued income		321	294	368
Total assets		53 188	51 632	50 308
Liabilities and equity				
Liabilities to credit institutions	7	1 729	2 519	3 295
Deposits from and liabilities to customers	2, 7	27 312	27 081	26 319
Debt securities		16 733	15 608	14 506
Financial derivatives		339	434	429
Other liabilities		402	567	529
Accrued liabilities and deferred income		715	289	745
Other provisions for incurred liabilities and costs		73	72	271
Perpetual Hybrid Tier 1 capital		998	1 002	501
Subordinated loan capital		499	299	299
Total liabilities		48 800	47 871	46 894
EC capital	8	989	784	784
ECs owned by the Bank		-6	-9	-5
Share premium fund		355	186	186
Paid-in equity		1 338	961	965
Primary capital fund		1 835	1 835	1 625
Gift fund		125	0	0
Dividend equalisation fund		592	592	420
Value adjustment fund		40	40	32
Fund for unrealised gains		1	1	8
Other equity		128	332	65
Profit for the period		329	0	298
Retained earnings		3 050	2 800	2 449
Total equity		4 388	3 761	3 414
Total liabilities and equity		53 188	51 632	50 308
Off-balance sheet items:				
Guarantees		1 510	1 634	1 616

STATEMENT OF EQUITY - GROUP

30.09.13	Total equity	EC capital	Share premium fund	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 01.01.13	3 761	775	186	1 835	0	592	40	1	332
Changes in own equity certificates	6	3	3						
Distributed dividend to the EC holders	-94								-94
Distributed dividend to the local community	-110								-110
Issues	371	205	166						
Gift fund *)	125				125				
Total comprehensive income for the period	329								329
Equity as at 30.09.13	4 388	983	355	1 835	125	592	40	1	457

*) According to resolution by the Board of Trustees on 4 July 2013.

30.09.12	Total equity	EC capital	Share premium fund	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 01.01.12	3 256	782	186	1 611	0	408	32	8	229
Merger Møre Finans 1.9.2012	0			15		13			-28
Changes in own equity certificates	-5	-3		-1		-1			
Distributed dividend to the EC holders	-63								-63
Distributed dividend to the local community	-74								-74
Total comprehensive income for the period	298								298
Equity as at 30.09.12	3 414	779	186	1 625	0	420	32	8	363

STATEMENT OF CHANGES IN EQUITY - GROUP, continued

2012	Total equity	EC capital	Share premium fund	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 01.01.12	3 256	782	186	1 611	0	408	32	8	229
Changes in own equity certificates	-11	-7		1		-5			
Distributed dividend to the EC holders	-63								-63
Distributed dividend to the local community	-74								-74
Merger Møre Finans 1.9.2012	0			15		13			-28
Equity before allocation of profit for the year	3 108	775	186	1 627	0	416	32	8	64
Change in value of debt securities through the income statement	-7							-7	
Transferred to the primary capital fund	146			146					
Transferred to the dividend equalisation fund	124					124			
Transferred to other equity	64								64
Dividend provided for the EC holders	94								94
Dividend provided for the local community	110								110
Distributed profit for the year	530			146		124		-7	268
Equities available for sale - changes in value	8						8		
Pension estimate deviations included in the profit and loss account	160			86		74			
Tax effect of pension estimate deviations included in the profit and loss account	-45			-24		-21			
Total other income and costs from comprehensive income	123			62		53	8		
Total profit for the period	653			208		177	8	-7	268
Equity as at 31.12.12	3 761	775	186	1 835	0	592	40	1	332

CASH FLOW STATEMENT - GROUP

	30.09.13	30.09.12	2012
Cash flow from operating activities			
Interest, commission and fees received	2 304	2 259	2 426
Interest, commission and fees paid	-959	-1 047	-1 323
Dividend and group contribution received	9	7	7
Operating expenses paid	-413	-345	-466
Income taxes paid	-169	-162	-154
Changes relating to loans to and claims on other financial institutions	-296	218	276
Changes relating to repayment of loans/leasing to customers	-1 301	-565	-1 998
Changes in utilised credit facilities	-524	-1 356	-1 033
Net cash flow from operating activities	-1 349	-991	-2 265
Cash flow from investing activities			
Proceeds from the sale of certificates, bonds and other securities	4 921	5 018	5 837
Purchases of certificates, bonds and other securities	-3 791	-4 765	-6 682
Proceeds from the sale of fixed assets etc.	12	11	35
Purchase of fixed assets etc.	-13	-34	-57
Changes in other assets	-356	-263	345
Net cash flow from investing activities	773	-33	-522
Cash flow from financing activities			
Net change in deposits from customers	230	994	1 757
Net change in deposits from Norges Bank and other financial institutions	-790	-1 446	-2 209
Proceeds from bond issues raised	3 570	5 382	7 260
Redemption of debt securities	-2 796	-3 884	-4 288
Dividend paid	-94	-63	-63
Changes in other debt	353	99	198
Issues	371	0	0
Net cash flow from financing activities	844	1 082	2 642
Net change in cash and cash equivalents	268	58	-145
Cash balance at 01.01	669	814	814
Cash balance at 31.12/30.09	937	872	669

Disclosures

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 September 2013. The interim report has been prepared in compliance with IAS 34 Interim Reporting.

The accounts are presented in Norwegian kroner (NOK), which is also the parent bank and subsidiaries functional currency.

The interim report is prepared in accordance with

accounting principles and methods applied in the 2012 financial statements, taking into account the changes and new standards which came into force in 2013 and that were not early adopted in 2012. Furthermore, changes adopted in IAS 34 Financial Statements have resulted in some additional disclosures.

As of January 1, 2013 the Group applies IFRS 13 Fair Value Measurement. The implementation of IFRS 13 does not change the fair value calculation method and therefore has no impact on the Group's financial

position and results. IFRS 13 nonetheless requires the company to provide detailed information about the fair value measurements. The Group also applies amendments to the IFRS 7 Financial Instruments: Disclosures to the effect of netting agreements on the Group's financial position. The amendments have no significant effect on the Group's financial position.

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

2 LOANS AND DEPOSITS TO CUSTOMERS BY SECTOR AND INDUSTRY

	LOANS			DEPOSITS		
Broken down according to sectors	30.09.13	30.09.12	2012	30.09.13	30.09.12	2012
Agriculture and forestry	476	477	496	166	169	156
Fisheries	2 940	3 119	3 241	248	391	544
Manufacturing	1 440	1 316	1 220	1 261	1 231	1 272
Building and construction	834	708	716	600	415	486
Wholesale and retail trade, hotels	608	656	654	609	637	735
Foreign shipping/supply	1 540	1 571	1 609	1 057	663	806
Property management	5 610	5 521	5 689	1 335	1 282	1 356
Professional/financial services	691	534	687	1 607	1 984	2 087
Transport and private/public services	1 424	1 502	1 515	1 846	1 865	1 884
Public entities	39	69	20	708	913	704
Activities abroad	158	57	100	7	5	3
Miscellaneous	100	140	143	2 014	1 704	1 827
Total corporate/public entities	15 860	15 670	16 090	11 458	11 259	11 860
Retail customers	29 706	26 958	27 650	15 854	15 060	15 221
Total Loans/Deposits	45 566	42 628	43 740	27 312	26 319	27 081
Specific write-downs	-169	-173	-166			
General write-downs	-135	-150	-140			
Loans to and receivables from customers	45 262	42 306	43 434			

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

	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Losses on loans and guarantees					
Changes in specific write-downs and guarantees during the period	7	-5	3	-102	-112
Changes in general write-downs during the period	0	10	-5	19	9
Actual losses during the period, previously written down individually	3	3	17	115	132
Actual losses during the period, previously written down on a general basis	7	8	19	16	34
Recovered on actual losses	2	-1	6	12	16
Losses on loans, guarantees etc.	15	17	28	36	47
Specific write-downs of loans					
Specific write-downs on loans at 1.1	156	171	166	265	265
Actual losses during the period, previously written down individually	3	3	17	115	132
Changes in specific write-downs during the period	6	13	20	29	14
New specific write-downs during the period	13	8	29	44	75
Recovered on specific write-downs during the period	3	16	29	50	56
Specific write-downs of loans at the end of the period	169	173	169	173	166
General write-downs on loans					
General write-downs on loans as at 1.1	135	140	140	131	131
Changes during the period	0	10	-5	19	9
General write-downs on loans at the end of the period	135	150	135	150	140
Specific provisions in respect of guarantees					
Specific provisioning as at 1.1	2	11	2	14	14
Specific provisioning during the period	0	0	0	2	2
Recovered on specific provisioning during the period	0	7	0	12	14
Specific provisions at the end of the period	2	4	2	4	2

PROBLEM LOANS	30.09.13			30.09.12			2012		
	Total	Retail	Corpo- rate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to specific write-downs:									
Commitments in default in excess of 3 months	215	51	164	270	67	203	257	68	189
Other bad and doubtful commitments with write-downs	377	40	337	268	45	223	324	45	279
Total problem loans prior to specific write-downs	592	91	501	538	112	426	581	113	468
Specific write-downs on:									
Commitments in default in excess of 3 months	59	6	53	75	10	65	71	8	63
Other bad and doubtful commitments with write-downs	111	14	97	98	15	83	95	15	80
Total specific write-downs	170	20	150	173	25	148	166	23	143
Problem loans after specific write-downs:									
Commitments in default in excess of 3 months	156	45	111	195	57	138	186	60	126
Other bad and doubtful commitments with write-downs	266	26	240	170	30	140	229	30	199
Total problem loans after specific write-downs	422	71	351	365	87	278	415	90	325
Total problem loans prior to specific write-downs as a percentage of total loans	1.31	0.31	3.16	1.27	0.42	2.72	1.34	0.41	2.91
Total problem loans after specific write-downs as a percentage of total loans	0.93	0.24	2.21	0.86	0.32	1.77	0.96	0.33	2.02

4 NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS

	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Certificates and bonds	-3	16	-17	50	69
Securities	0	0	-6	0	-3
Foreign exchange trading (for customers)	6	7	22	20	26
Fixed income trading (for customers)	0	6	13	16	25
Change in credit spread FVO - securities-based debt	0	-3	-1	-8	-10
Financial derivatives	1	3	-5	0	-4
Net value change and gains/losses from financial instruments	5	29	6	78	103

5 FINANCIAL ASSETS AND LIABILITIES

The market value of the instruments traded in an active market is based on the traded price on the balance sheet date. For financial instruments not

traded in an active market, separate valuations are used based on current market conditions or alternatively, other valuations from other market

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

	30.09.13		30.09.12		31.12.12	
FINANCIAL ASSETS	Market value	Book value	Market value	Book value	Market value	Book value
Financial assets assessed at fair value:						
Net loans to and receivables from customers	4 454	4 454	3 321	3 321	3 807	3 807
Certificates	15	15	102	102	330	330
Bonds	4 999	4 999	4 899	4 899	5 212	5 212
Shares	2	2	2	2	2	2
Financial derivatives	402	402	608	608	575	575
Financial instruments assessed at amortised cost:						
Cash and claims on Norges Bank	937	937	872	872	669	669
Loans to and receivables from credit institutions	584	584	346	346	288	288
Net loans to and receivables from customers	40 808	40 808	38 985	38 985	39 627	39 627
Bonds	0	0	0	0	0	0
Financial assets available for sale:						
Shares	210	210	191	191	204	204

	30.09.13		30.09.12		31.12.12	
FINANCIAL LIABILITIES	Market value	Book value	Market value	Book value	Market value	Book value
Debt securities assessed at fair value through the profit and loss account:						
Certificates	0	0	601	600	0	0
Bonds	411	411	762	762	417	417
Deposits from and liabilities to customers	630	630	1 113	1 113	952	952
Financial derivatives	339	339	429	429	434	434
Debt securities at amortised cost subject to hedge accounting:						
Bonds	3 481	3 467	4 193	4 197	4 256	4 251
Perpetual Hybrid Tier 1 capital	353	298	350	301	335	302
Debt securities assessed at amortised cost:						
Liabilities to credit institutions	1 729	1 729	3 295	3 295	2 519	2 519
Deposits from and liabilities to customers	26 682	26 682	25 206	25 206	26 129	26 129
Certificates	1 771	1 770	1 282	1 280	1 883	1 880
Bonds	11 171	11 085	7 704	7 667	9 150	9 060
Subordinated loan capital	514	499	300	299	300	299
Perpetual Hybrid Tier 1 capital	715	700	188	200	691	700
Swap arrangement for securities	1 184	1 184	1 681	1 681	1 681	1 681

30.09.2013	Based on prices in an active market Level 1	Observable market information Level 2	Other than observable market information Level 3	Total
Assets				
Net loans to and receivables from customers	0	0	4 454	4 454
Certificates	0	15	0	15
Bonds	1 349	3 650	0	4 999
Financial derivatives	0	402	0	402
Shares	2	0	0	2
Total financial assets assessed at fair value, changes taken over the income statement	1 351	4 067	4 454	9 872
Shares	20	0	190	210
Total financial assets available for sale, changes in value taken over comprehensive income	20	0	190	210
Liabilities				
Deposits from and liabilities to customers	0	0	630	630
Debt securities	0	411	0	411
Financial derivatives	0	339	0	339
Total financial liabilities assessed at fair value	0	750	630	1 380

31.12.2012	Based on prices in an active market Level 1	Observable market information Level 2	Other than observable market information Level 3	Total
Assets				
Net loans to and receivables from customers	0	0	3 807	3 807
Certificates	305	25	0	330
Bonds	1 321	3 891	0	5 212
Financial derivatives	0	575	0	575
Shares	2	0	0	2
Total financial assets assessed at fair value, changes taken over the income statement	1 628	4 491	3 807	9 926
Shares	20	0	184	204
Total financial assets available for sale, changes in value taken over comprehensive income	20	0	184	204
Liabilities				
Deposits from and liabilities to customers	0	0	952	952
Debt securities	0	417	0	417
Financial derivatives	0	434	0	434
Total financial liabilities assessed at fair value	0	851	952	1 803

FINANCIAL INSTRUMENTS AT FAIR VALUE, LEVEL 3	Net loans to and receivables from customers	Shares	Deposits from and liabilities to customers
Recorded value as at 31.12.2012	3 807	184	952
Additions/purchases	0	2	0
Sales	0	0	0
New volume	892	0	171
Amortisation	215	0	496
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	-30	4	3
Recorded value as at 30.09.2013	4 454	190	630

Some items on Level 3 are subject to hedging in line with the bank's risk policy. The corresponding hedging instruments are assessed at Level 2.

6 OPERATING SEGMENTS

RESULT Q3	Group		Elimin./other		Corporate		Retail 1)		Real estate brokerage	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	267	240	-5	-5	119	110	153	135	0	0
Other operating income	52	73	4	20	18	20	24	26	6	7
Total income	319	313	-1	15	137	130	177	161	6	7
Operating costs	143	148	16	31	32	31	89	80	5	6
Profit before losses	176	165	-17	-16	105	99	88	81	1	1
Losses on loans, guarantees etc.	15	17	0	4	14	13	1	0	0	0
Profit before tax	161	148	-17	-20	91	86	87	81	1	1
Tax payable on ordinary profit	42	40								
Profit for the period	119	108								

RESULT AS AT 30.09	Group		Elimin./other		Corporate		Retail 1)		Real estate brokerage	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	761	698	4	0	340	321	417	377	0	0
Other operating income	146	210	-5	59	61	62	74	71	16	18
Total income	907	908	-1	59	401	383	491	448	16	18
Operating costs	442	446	97	94	82	91	248	246	15	15
Profit before losses	465	462	-98	-35	319	292	243	202	1	3
Losses on loans, guarantees etc.	28	36	-5	7	33	32	0	-3	0	1
Profit before tax	437	426	-93	-42	286	260	243	205	1	2
Tax payable on ordinary profit	117	118								
Profit for the period	320	308								

STATEMENT OF FINANCIAL POSITION	Group		Elimin./other		Corporate		Retail 1)		Real estate brokerage	
	30.09.13	30.09.12	30.09.13	30.09.12	30.09.13	30.09.12	30.09.13	30.09.12	30.09.13	30.09.12
Net loans to and receivables from customers	45 262	42 306	865	786	15 318	15 147	29 079	26 373	0	0
Deposits from and liabilities to customers	27 312	26 319	671	267	9 738	9 927	16 903	16 125	0	0
Guarantees	1 510	1 616	0	100	1 500	1 506	10	0	0	0
The deposit-to-loan ratio	60.3	62.2	77.6	33.5	63.6	68.0	58.1	61.1	0	0
Man-years	398	415	148	161	60	62	172	178	18	14

1) The subsidiary, Møre Boligkreditt AS, is part of the bank's Retail segment. The mortgage company's main objective is to issue covered bonds for both national and international investors, and is part of Sparebanken Møre's long-term financing strategy. Key figures for Møre Boligkreditt AS are displayed in a separate table.

RESULT Q3	Møre Boligkreditt AS	
	2013	2012
Net interest income	64	33
Other operating income	-1	1
Total income	63	34
Operating costs	6	4
Profit before losses	57	30
Losses on loans, guarantees etc.	0	0
Profit before tax	57	30
Tax payable on ordinary profit	16	9
Profit for the period	41	21

RESULT AS AT 30.09	Møre Boligkreditt AS	
	2013	2012
Net interest income	167	87
Other operating income	-1	1
Total income	166	88
Operating costs	19	15
Profit before losses	147	73
Losses on loans, guarantees etc.	0	0
Profit before tax	147	73
Tax payable on ordinary profit	41	21
Profit for the period	106	52

STATEMENT OF FINANCIAL POSITION	Møre Boligkreditt AS	
	30.09.13	30.09.12
Net loans to and receivables from customers	13 472	10 621

7 TRANSACTIONS WITH RELATED PARTIES

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

	30.09.13	30.09.12	2012
Income statement			
Interest and credit commission income from subsidiaries	51	80	96
Received dividend and group contribution from subsidiaries	87	28	28
Rent paid to Sparebankeiendom AS	12	15	19
Leasing rental paid to Møre Finans AS	0	1	4
Administration fee received from Møre Boligkreditt AS	13	10	14
Statement of financial position			
Claims on subsidiaries	1 261	1 100	1 140
Covered bonds	1 252	1 776	1 776
Liabilities to subsidiaries	333	145	249
Accumulated loan portfolio transferred to Møre Boligkreditt AS	13 473	10 622	11 330

8 EC CAPITAL

THE 20 LARGEST EC HOLDERS IN SPAREBANKEN MØRE AS AT 30.09.13	Number of ECs	Percentage share of EC capital
Sparebankstiftelsen Tingvoll	909 279	9.20
Wenaas-Gruppen As	575 000	5.82
Pareto Aksje Norge	538 715	5.45
MP Pensjon	478 282	4.84
Pareto AS	229 189	2.32
Pareto Aktiv	227 076	2.30
FLPS - Princ All Sec Stock Sub	154 764	1.57
Beka Holding As	150 100	1.52
Farstad Shipping ASA	126 909	1.28
Bergen Kommunale Pensjonskasse	120 000	1.21
Pareto Verdi VPF	116 627	1.18
Leif-Arne Langøy	105 500	1.07
Stiftelsen Kjell Holm	94 595	0.96
Odd Slyngstad	84 773	0.86
Awilco Invest AS	83 000	0.84
Sparebanken Møre	59 443	0.60
Forsvarets Personellservice	59 160	0.60
Tonsenhagen Forretningsentrum AS	52 050	0.53
Aka AS	50 000	0.51
U Aandals Eftf As	50 000	0.51
Total 20 largest	4 264 462	43.13
Total	9 886 954	100.00

9 CAPITAL ADEQUACY

	30.09.13	31.12.12	30.09.12
EC capital	989	784	784
- ECs owned by the Bank	-6	-9	-5
Premium fund	355	186	186
Dividend equalisation fund	593	592	420
Gift fund	125	0	0
Primary capital fund	1 836	1 835	1 625
Value adjustment fund	40	40	22
Fund for unrealised gains	1	1	8
Provision for dividend for the EC holders	0	94	0
Provision for dividend funds for the local community	0	110	0
Other equity capital/accumulated profit for the year	457	128	376
Total equity in the statement of financial position	4 388	3 761	3 414
Deferred tax, goodwill and intangible assets, other	-20	-23	-37
Value adjustment fund	-40	-40	-22
Fund for unrealised gains	-1	-1	-8
50 % deduction for subordinated capital in other financial institutions	-10	-10	-10
Capital bonds	998	1 002	501
Less surplus financing of pension	-83	-83	0
Less provided dividend for the EC holders	0	-94	0
Less provided dividend funds for the local community	0	-110	0
Less profit for the period	-329	0	-308
Total core capital	4 903	4 402	3 532
Supplementary capital:			
Subordinated loan capital of limited duration	499	299	299
45 % addition for net unrealised gains on shares, unit trust certificates and ECs available for sale	18	18	12
50 % deduction for subordinated capital in other financial institutions	-10	-10	-11
Total supplementary capital	507	307	300
Net equity and subordinated loan capital	5 410	4 709	3 832
Capital adequacy as a percentage of the weighted asset calculation basis:			
Capital adequacy ratio	16.40	14.63	12.17
Capital adequacy ratio incl. 50 per cent of the profit for the period	16.90	-	12.70
Core capital ratio	14.85	13.68	11.25
Core capital ratio incl. 50 per cent of the profit for the period	15.30	-	11.70
Pure core capital ratio	11.80	10.55	9.65
Pure core capital ratio incl. 50 per cent of the profit for the period	12.30	-	10.15
Risk-weighted assets (calculation basis for capital adequacy ratio)	33 010	32 225	31 400

Minimum equity and related capital requirement according to Basel II calculated in accordance with the Standard Approach:	30.09.13	31.12.12	30.09.12
Minimum (9 %) pure core capital ratio	2 970	2 898	2 512
Deviation pure core capital ratio	935	502	519
Capital requirement – credit, counterpart and impairment risk	30.09.13	31.12.12	30.09.12
Commitments involving states and central banks	0	0	0
Commitments involving local and regional authorities	6	4	3
Commitments involving public sector companies	19	21	20
Commitments involving institutions (banks etc.)	36	36	38
Commitments involving companies (corporate customers)	837	840	831
Commitments involving mass market (retail banking customers)	263	266	260
Commitments involving mortgage on properties	1 195	1 118	1 074
Commitments due for payment	15	21	19
Commitments involving covered bonds	15	15	14
Other commitments	93	93	102
Capital requirement – credit, counterpart and impairment risk	2 479	2 414	2 361
Debt	0	0	0
Equity	0	0	0
Foreign exchange	0	4	5
Goods	0	0	0
Capital requirement – position, foreign exchange and commercial risk	0	4	5
Operational risk (basis method)	176	170	167
Deductions from the capital requirement	-14	-10	-15

STATEMENT OF INCOME - PARENT BANK

Amounts in NOK million	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Interest income	466	476	1 407	1 453	1 921
Interest costs	262	272	810	851	1 121
Net interest income	204	204	597	602	800
Commission income and revenues from banking services	48	40	132	117	161
Commission costs and expenditure from banking services	8	7	21	21	29
Other operating income	6	3	16	10	16
Net commission and other operating income	46	36	127	106	148
Dividends	0	1	96	35	35
Net gains/losses from financial instruments	6	31	7	79	104
Net return from financial instruments	6	32	103	114	139
Net income	256	272	827	822	1 087
Wages, salaries etc.	77	78	231	235	323
Pension plan changes	0	0	0	0	-166
Administration costs	28	27	99	98	139
Depreciation, write-downs and changes in value in non-financial assets	5	6	17	16	22
Other operating costs	27	31	76	77	87
Total operating costs	137	142	423	426	404
Profit before credit losses	119	130	404	396	682
Losses on loans, guarantees etc.	15	14	28	31	42
Profit from ordinary operations before tax	104	116	376	365	640
Tax payable on ordinary result	27	31	76	93	174
Profit for the period	77	85	300	272	466
Profit per EC (NOK)	3.73	5.00	14.50	16.30	27.75
Diluted earnings per EC (NOK)	3.73	5.00	14.50	16.30	27.75
Distributed dividend per EC (NOK)	0	0	12	8	8

STATEMENT OF COMPREHENSIVE INCOME - PARENT BANK

Amounts in NOK million	Q3 2013	Q3 2012	30.09.13	30.09.12	2012
Profit for the period	77	85	300	272	466
Other income/costs reversed in ordinary profit:					
Equities available for sale - changes in value	2	-6	9	-10	8
Other income/costs not reversed in ordinary profit:					
Pension estimate deviations included in the income statement	0	0	0	0	160
Tax effect of pension estimate deviations included in the income statement	0	0	0	0	- 45
Total comprehensive income for the period	79	79	309	262	589

STATEMENT OF FINANCIAL POSITION - PARENT BANK

Amounts in NOK million	30.09.13	31.12.12	30.09.12
Assets			
Cash and claims on Norges Bank	937	669	872
Loans to and receivables from credit institutions	1 681	1 275	1 221
Net loans to and receivables from customers	31 949	32 267	31 883
Certificates and bonds	6 266	7 319	6 777
Financial derivatives	271	504	533
Shares and other securities etc.	212	206	193
Equity stakes in Group companies	721	521	521
Intangible assets	18	22	105
Fixed assets	69	87	77
Other assets	158	299	205
Prepayments and accrued income	298	268	346
Total assets	42 580	43 437	42 733
Liabilities and equity			
Liabilities to credit institutions	2 044	2 744	3 406
Deposits from and liabilities to customers	27 329	27 106	26 352
Debt securities	6 035	7 378	6 974
Financial derivatives	331	428	429
Other liabilities	354	529	500
Accrued liabilities and deferred income	689	258	689
Other provisions for incurred liabilities and costs	61	60	271
Perpetual Hybrid Tier 1 capital	998	1 002	501
Subordinated loan capital	499	299	299
Total liabilities	38 340	39 804	39 421
EC capital	989	784	784
ECs owned by the Bank	-6	-9	-5
Share premium fund	355	186	186
Paid-in equity	1 338	961	965
Primary capital fund	1 835	1 835	1 625
Gift fund	125	0	0
Dividend equalisation fund	592	592	420
Value adjustment fund	40	40	32
Fund for unrealised gains	1	1	8
Other equity	0	204	0
Profit for the period	309	0	262
Retained earnings	2 902	2 672	2 347
Total equity	4 240	3 633	3 312
Total liabilities and equity	42 580	43 437	42 733
Off-balance sheet items:			
Guarantees	1 510	1 634	1 616

Profit performance - Group

QUARTERLY RESULTS

NOK million	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012
Net interest income	267	258	236	238	240
Total other operating income	52	51	43	80	73
Pension plan changes	0	0	0	-166	0
Total operating costs	143	145	155	159	148
Profit before losses	176	164	124	325	165
Losses on loans, guarantees etc.	15	6	7	11	17
Profit before tax	161	158	117	314	148
Tax payable on ordinary profit	42	42	33	92	40
Profit for the period	119	116	84	222	108

As a percentage of average assets

Net interest income	2.04	2.00	1.85	1.90	1.96
Total other operating income	0.40	0.40	0.34	0.64	0.60
Pension plan changes	0.00	0.00	0.00	-1.33	0.00
Total operating costs	1.09	1.13	1.21	1.27	1.21
Profit before losses	1.35	1.27	0.98	2.60	1.35
Losses on loans, guarantees etc.	0.11	0.05	0.05	0.09	0.14
Profit before tax	1.24	1.22	0.93	2.51	1.21
Tax payable on ordinary profit	0.33	0.32	0.25	0.77	0.33
Profit for the period	0.91	0.90	0.68	1.77	0.88

ACCUMULATED RESULTS FOR THE YEAR

NOK million	30.09.13	30.09.12	2012
Net interest income	761	698	936
Total other operating income	146	210	290
Pension plan changes	0	0	-166
Total operating costs	442	446	605
Profit before losses	465	462	787
Losses on loans, guarantees etc.	28	36	47
Profit before tax	437	426	740
Tax payable on ordinary profit	117	118	210
Profit for the period	320	308	530

As a percentage of average assets

Net interest income	1.96	1.94	1.93
Total other operating income	0.38	0.58	0.60
Pension plan changes	0.00	0.00	-0.34
Total operating costs	1.14	1.24	1.24
Profit before losses	1.20	1.28	1.63
Losses on loans, guarantees etc.	0.07	0.10	0.10
Profit before tax	1.13	1.18	1.53
Tax payable on ordinary profit	0.30	0.33	0.43
Profit for the period	0.83	0.85	1.10



SPAREBANKEN MØRE

Keiser Wilhelms gate 29/33

P.O.Box 121 Sentrum, N-6001 Ålesund

Telephone +47 70 11 30 00

Telefax +47 70 12 26 70

Design: Havnevik AS

Photo: Vegard Grøtt / NTB scanpix

sbm.no