INTERIM REPORT
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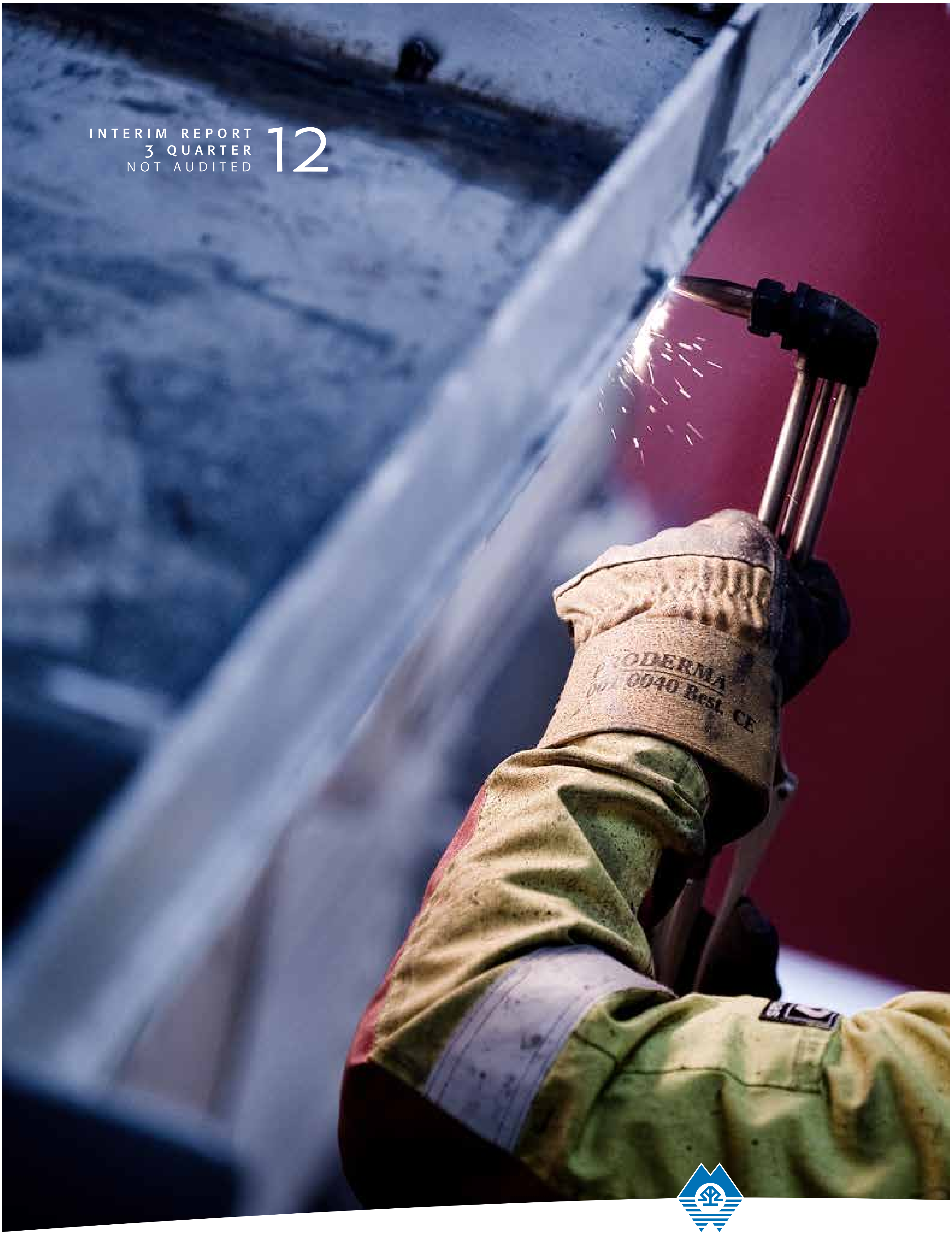

SPAREBANKEN MØRE

Contents

Strong interaction between the shipowners, shipyards and suppliers make the maritime industry in Møre og Romsdal a leading global cluster in the construction of offshore vessels and fishing boats. Strong cluster sense and a common labor market with knowledge and expertise between participants is one of the success criteria.

Financial highlights - Group

NOK million	Q3 2012	Q3 2011	30.09.12	30.09.11	2011
Result					
Net interest and credit commission income	**240**	235	**698**	678	909
Net provisions and other income	**43**	42	**125**	123	171
Net return from financial investments	**30**	-5	**85**	37	43
Total income	**313**	272	**908**	838	1 123
Total operating cost	**148**	137	**446**	417	562
Result before credit losses	**165**	135	**462**	421	561
Losses on loans, guarantees etc.	**17**	14	**36**	13	40
Result before tax	**148**	121	**426**	408	521
Tax payable on ordinary result	**40**	34	**118**	115	144
Result from ordinary operations after tax	**108**	87	**308**	293	377

NOK million	30.09.12	30.06.12	% change	30.09.11	% change
Balance sheet					
Total assets	**50 248**	49 332	**1.9**	48 823	2.9
Average assets	**48 015**	47 560	**1.0**	45 655	5.2
Lending to customers	**42 306**	41 733	**1.4**	40 472	4.6
Deposits from customers	**26 319**	26 164	**0.6**	25 356	2.8

	Q3 2012	Q3 2011	30.09.12	30.09.11	2011
EC (Numbers refer to the Parent Bank)					
Return on equity (annualised)	**13.2**	11.1	**12.6**	12.9	12.2
Cost as a percentage of income	**46.8**	50.4	**48.7**	49.1	49.8
Losses as a percentage of loans 1.1/start of the period	**0.17**	0.13	**0.12**	0.05	0.11
Problem loans as a percentage of loans (prior to loss provisions)	**1.27**	1.90	**1.27**	1.90	1.95
Problem loans as a percentage of loans (after loss provisions)	**0.86**	1.30	**0.86**	1.27	1.30
Deposit to lending ratio as a percentage	**62.2**	62.7	**62.2**	62.7	62.8
Profit per EC (Parent Bank) (NOK)	**5.00**	4.45	**16.30**	18.61 3)	23.27
EC fraction 1.1 as a percentage (Parent Bank)	**46.0**	46.0	**46.0**	46.0	46.0
Price at Oslo Stock Exchange (NOK)	**153**	175	**153**	175	178
Price/Book value (P/B)	**0.82**	1.03	**0.82**	1.03	0.96
Core capital as a percentage 1) 2)	**12.05**	11.55	**12.05**	11.55	12.00
Pure core capital as a percentage 1) 2)	**10.50**	9.98	**10.50**	10.00	10.40
Man-years	**415**	413	**415**	413	416

1) According to the Standardised Approach in Basel II
2) Incl. 50 per cent of the result from ordinary operations after tax
3) Comprises NOK 1.17 for the recognition of previous years' retained profit/loss in subsidiary.

Interim Report from the Board of Directors

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

The financial statements were prepared in accordance with IFRS.

RESULTS FOR Q3 2012

The result after tax for Q3 2012 amounted to NOK 108 million or 0.88 per cent of average total assets, compared to NOK 87 million or 0.75 per cent in Q3 2011. The result for Q2 2012 amounted to NOK 110 million or 0.92 per cent of average total assets. The return on equity in Q3 2012 was 13.2 per cent, compared to 11.1 per cent in the same period last year and 13.3 per cent in Q2 2012.

Net interest income

Net interest income and credit commission income amounted to NOK 240 million (NOK 235 million). In relation to average assets, net interest income was 1.96 per cent (2.02 per cent). In Q2 2012, net interest income and credit commission income amounted to NOK 236 million or 1.98 per cent of average total assets.

Other operating income

Income from financial instruments, commissions and fees was NOK 73 million (NOK 37 million) and amounted to 0.60 per cent (0.32 per cent) of total assets. The increase was primarily due to capital gains of NOK 6 million from currency and interest transactions from customers and capital gains from bonds of NOK 54 million. The corresponding figures for Q2 2012 were NOK 76 million and 0.64 per cent.

Costs

Total costs in Q3 amounted to NOK 148 million (NOK 137 million). The NOK 11 million or 8.0 per cent increase in costs was due to NOK 1 million in higher payroll expenses and NOK 10 million in increased other costs. Total costs amounted to 1.21 per cent (1.18 per cent) of average total assets. The cost income ratio amounted to 46.8 per cent (50.4 per cent) compared to 47.9 per cent in Q2 2012.

Losses

NOK 17 million in loss provisions was charged to the profit and loss account in Q3 2012, while losses in the same period last year amounted to NOK 14 million. Losses amounted to 0.14 per cent (0.12 per cent) of total assets in Q3 compared to NOK 9 million or 0.08 per cent in Q2 2012.

Lending

Lending increased by 1.4 per cent compared to the end of Q2 2012: lending to corporate customers decreased by 0.7 per cent and lending to retail customers increased by 2.6 per cent.

Deposits

Deposits increased by 0.6 per cent in relation to Q2 2012: deposits from corporate customers increased by 4.7 per cent, while deposits from public sector customers decreased by 10.1 per cent and deposits from retail customers decreased by 1.3 per cent.

RESULTS PER Q3 2012

Sparebanken Møre's pre-tax profit per Q3 2012 was NOK 426 million, compared to NOK 408 million for the same period last year. Total income rose by NOK 70 million: other income was NOK 50 million and net interest income was NOK 20 million higher than in the same period last year. Costs increased by NOK 29 million and loss provisions increased by NOK 23 million.

The cost income ratio amounted to 48.7 per cent (49.1 per cent). The Bank's target is less than 50 per cent.

The profit after tax of NOK 308 million gives a return on equity of 12.6 per cent on an annual basis. The Bank's target is to achieve a minimum of 6 percentage points above the long-term risk-free interest rate. The level of the 10-year government bond was 1.95 per cent on average for the first 9 months of 2012.

The earnings per equity certificate at the end of Q3 2012 amounted to NOK 16.30, compared to NOK 18.61 for the same period last year (Parent Bank).

The Board of Directors is pleased with the results after the first three quarters of the year.

Net interest income

The net interest and credit commission income of NOK 698 million was NOK 20 million higher than the same period last year. As a percentage of average total assets this represents an increase in the preceding 12 months of 0.04 percentage points to 1.94 per cent.

Net interest income is stable and amounted to NOK 240 million or 1.96 per cent in Q3.

The level of net interest income has been impacted significantly by competition in the market, which is particularly strong for traditional deposits. The enduring low interest rate levels in the market have also made the interest contribution from the Bank's equity correspondingly low.

Other operating income

Other operating income amounted to NOK 210 million, NOK 50 million higher than for the first 9 months of last year. This is primarily due to the recognition of gains on bonds as income. Other income accounted for 0.58 per cent of average total assets, 0.11 percentage points higher than the same period last year.

The largest changes in other operating income were dividends (minus NOK 10 million) and changes in the price of bonds (NOK 54 million).

Costs

Operating costs rose by 7.0 per cent or NOK 29 million during the period. Personnel costs increased by NOK 11 million and other costs increased by NOK 18 million. Costs as a percentage of average total assets increased by 0.02 percentage points to 1.24 per cent.

In relation to the same period in 2011, costs as a proportion of income fell by 0.4 percentage points to 48.7 per cent.

The total workforce has increased by two full time equivalent positions in the preceding 12 months to 415 full time equivalents.

Write-downs from losses and commitments in default

Write-downs for losses of NOK 36 million were charged to the accounts after the first three quarters. This represents 0.10 per cent of the average total assets. Write-downs for losses for the same period last year amounted to NOK 13 million or 0.04 per cent.

Gross commitments in default more than 3 months decreased by NOK 294 million as of 30 September 2011 to NOK 270 million as of 30 September 2012. Net commitments in default at the end of Q3 amounted to NOK 195 million or 0.46 per cent of gross lending. One year ago the figures were NOK 168 million and 0.41 per cent of gross lending.

The loss and default situation is specified in note 3.

BALANCE SHEET

Total assets amounted to NOK 50,248 million at the end of Q3. Growth in the preceding 12 months was NOK 1,425 million or 2.9 per cent.

Net lending to customers amounted to NOK 42,306 million. This represents an increase in the last 12 months of NOK 1,834 million or 4.5 per cent. Lending to retail customers increased by 8.6 per cent, and the percentage of total gross lending was 63.2 per cent. Lending to corporate customers fell by 2.2 per cent during the period and represents 36.8 per cent of gross lending.

Deposits at the end of the period were NOK 26,319 million. This is NOK 963 million higher than at the end of the corresponding period last year and represents annual growth of 3.8 per cent. Of the total deposits, those from retail customers accounted for 57.2 per cent following growth of 7.5 per cent in the preceding 12 months. The percentage for corporate customers was 39.3 per cent, an increase of 8.7 per cent on an annual basis. Public sector deposits decreased by 50 per cent in the preceding 12 months, which gives a relative percentage of 3.5 per cent. The deposit to net lending ratio amounted to 62.2 per cent at the end of Q3.

CAPITAL ADEQUACY

The target for the Bank's capital composition is the maintenance of a minimum 11 per cent core (tier 1) capital in which pure core capital should account for a minimum of 9 per cent. The target has been set on the basis of a number of considerations, the most important of which are:

- The Bank's size
- The internationally-oriented business and industry in Møre og Romsdal
- The need for stable access to long-term external funding capital and and core (tier 1) capital when required
- Covering the indicated requirements linked to Basel III.

The requirement for capital strength takes precedence over lending growth targets. Equity and related capital accounts for 12.50 per cent, core (tier 1) capital 11.60 per cent, and pure core capital 10.00 per cent at the end of Q3 2012 - calculated using the standard method and without adding the result from the year-to-date. Including 50 per cent of the result from the year-to-date, core (tier 1) capital amounts to 12.05 per cent and pure core capital 10.50 per cent. In Q3 2012, hybrid tier 1 capital bonds worth NOK 500 million were issued with an interest rate of

3 months NIBOR + 475 basis points. The bonds will be paid for on 9 October 2012 and are thus not included in the capital adequacy figures at the end of Q3 2012. The effect of this issue is a 1.55 per cent increase in equity and related capital and a 1.55 per cent increase in core (tier 1) capital given the basis for calculation at the end of Q3 2012.

The Bank's closed defined benefit scheme is subject to POF adjustments. This entails a recognition of income (reduction of payroll expenses) in Q4 2012 amounting to NOK 154 million before tax. The accumulated estimate discrepancy associated with the defined benefit scheme of NOK 161 million will be recognised in the balance sheet. The effect on equity of these changes is a net charge of NOK 39 million.

An application to use the basic IRB method was submitted to the FSA on 20 December 2011. With 10.50 per cent pure core capital after Q3 2012, both FSA's requirement for the banks and Sparebanken Møre's internal capital target of a minimum of 9 per cent pure core capital have been satisfied.

RISK MANAGEMENT

Risk-taking is a fundamental element of banking operations. Risk management and risk control are two of the Board's focus areas. The overall purpose of risk management and risk control is to ensure set targets are attained, effective operations, risks which may prevent the attainment of commercial targets are managed, high quality internal and external reporting, and that the Group's operations comply with all relevant laws, regulations and internal guidelines.

The stated 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, not financial risk taking. Sparebanken Møre constantly 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. In August 2012, the Board adopted a new strategic plan, 'Møre 2016'. Each year, the Board approves overarching management and control guidelines for the Group, and the Parent Bank and subsidiaries adopt individual risk policies tailored to their activities. Specific policies have been approved for each significant risk area, including credit risk (see below), counterparty risk, market risk, concentration risk and liquidity risk (see below). 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. The Group's annual ICAAP has been conducted and the feedback from this was received by the FSA in Q3 2012.

Sparebanken Møre has established a monitoring and control structure that is intended to ensure compliance with the overall framework of the Bank's strategic plan. The Group's overall risk exposure and risk development is followed up via periodic reports submitted to the management team, Audit Committee and Board. One of the Audit Committee's primary purposes is to ensure that Sparebanken Møre's risk management is addressed satisfactorily.

The Board is of the opinion that Sparebanken Møre's aggregate risk exposures conform to the Group's approved risk profile. The Board considers the Group's and Bank's risk management to be satisfactory.

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 pursuant to written agreements, and the received collateral not covering outstanding claims. Included in this risk area are counterparty risk and concentration risk.

Credit risk represents 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, for example, limits for concentration in industrial sectors and the size of commitments, geographic exposure, growth targets and risk levels.

Compliance with the Board' resolutions within the area of credit is monitored by the Bank's risk management unit, which is independent of the customer units. The Board receives reports on credit risk trends throughout the year in monthly risk reports. The Board receives quarterly reports on mortgage lending, in line with the FSA's guidelines. Sparebanken Møre's internal guidelines conform to FSA's latest guidelines for mortgage lending published in a circular in December 2011.

Sparebanken Møre has prepared its own classification models for classifying customers and these models make an important contribution to the in-house management of credit risk. The customers are scored on a monthly basis, and this provides the basis for ongoing monitoring of the development of Sparebanken Møre's credit risk. Specific application scoring models have also been implemented and are used in the credit approval process.

Through the Group's reporting portal, each member of staff with customer responsibility has access to reports which show the development of the credit risk in his or her portfolio. The portal has a hierarchical structure allowing managers in Sparebanken Møre to monitor performance within their respective area of responsibility. The reports are used to analyse customers, portfolios and segments, among other things. The portal also provides customer account managers with an overview of the customers' positions and limits in relation to financial instruments exposure. In the opinion of the Board, Sparebanken Møre's credit risk at the end of Q3 2012 was within the risk tolerances approved for the Group.

Liquidity risk

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 Group's funding management. Sparebanken Møre's contingency plan for funding management includes a description of how the liquidity 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.

Basel III introduces two new separate and supplementary requirements in the area of liquidity. The first goal is to strengthen banks' short-term liquidity profiles by ensuring they have sufficient holdings of high quality liquid assets to cope with a stress scenario that lasts for one month (Liquidity Coverage Ratio (LCR)). The second goal is to strengthen the liquidity profile over a longer period of time by motivating the banks to fund their activities through more stable funding sources on a lasting basis (net stable funding ratio (NSFR)). Sparebanken Møre is actively adapting to the new liquidity standards, both by modifying internal strategies and through internal adaptations. The Bank regularly reports trends associated with the new liquidity indicators to the supervisory authority pursuant to the reporting requirements.

The EU is planning to introduce LCR (see above) from 2015. Satisfying the proposed regulations will be demanding, which means that Sparebanken Møre will need to increase its liquidity portfolio while ensuring the investments are of higher quality. Part of the increase in the liquidity portfolio in recent years was due to the general development of the Bank's balance sheet. In the last five years the Bank's liquidity portfolio has increased by almost NOK 3 billion to NOK 4.8 billion. This is approaching the volume the reporting indicates Sparebanken Møre requires to cope with one month's market stress. A NOK 3 billion larger liquidity portfolio with LCR quality costs the Bank almost NOK 60 million in today's market. The Bank has adopted an escalation plan for LCR so it can fulfil the requirements from 1 January 2015 on a permanent basis. It has been proposed than NSFR (see above) be introduced from 2018. Reporting based on the proposed regulations shows that the Bank lies well within the requirement.

In order to ensure 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. There has been a strong focus on increasing ordinary deposits in recent years. The Bank's deposit-to-loan ratio at the end of Q3 2012 was 62.2. per cent.

Møre Boligkreditt AS was established in 2008 and has a licence from the FSA to operate as a mortgage company. The mortgage company provides the Group with greater diversification of funding sources. The company issues covered bonds. The Bank transfers parts of the mortgage company's mortgage portfolio, which enables the Group to take advantage of the funding opportunities the establishment of the mortgage company facilitated. At the end of Q3 2012, around 22 per cent of the Group's total lending (35 per cent of lending to the retail market) had been transferred to the mortgage company. Sparebanken Møre will continue to transfer lending to Møre Boligkreditt AS, and the Bank's refunding needs in 2012 can primarily be met by issuing covered bonds.

In order to increase the access to new funding sources, and to seek 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 the mortgage company have been assigned the highest possible rating, Aaa. In addition to issues in Norway, Møre Boligkreditt AS has also conducted issues in the Swedish market.

As far as the composition of the external funding is concerned, priority is given to having a relatively large share of funding with terms in excess of one year. Of the external funding of NOK 17.8 billion, NOK

13.0 billion is long-term funding (remaining term of more than 1 year), and this is primarily covered by covered bonds and senior bonds. Around NOK 1.5 billion of the remaining and short-term funding of NOK 4.8. billion is separate funding of corporate lending, while NOK 3.3 billion is lending that will be refinanced. The Bank's outstanding senior bonds had at the end of Q3 2012 a weighted remaining term of 1.75 years, while covered bonds funding correspondingly had a remaining term of 4.14 years.

The Board considers the Bank's liquidity situation at the end of Q3 2012 to be good.

SUBSIDIARIES

The aggregate profit of the Bank's four subsidiaries amounted to NOK 63 million after tax (NOK 27 million).

Møre Finans AS was merged with Sparebanken Møre with accounting effect from and including 1 September 2012 and ceased to be a separate company from this date. During a period of 8 months, Møre Finans AS has contributed NOK 3 million to the Group's overall result.

Møre Eiendomsmegling AS provides services within the real estate brokerage area both to retail banking and corporate customers. The company has made a contribution of NOK 3 million to the overall result so far in 2012 (minus NOK 1 million). At the end of the quarter, the company employed 14 full time equivalents.

The object of Sparebankeiendom AS is to own and manage the Bank's own commercial properties. The company has made a contribution of NOK 5 million so far i 2012. The company has no staff.

Møre Boligkreditt AS was established as part of Sparebanken Møre's long-term funding strategy. The mortgage company's main purpose is to issue covered bonds for sale to Norwegian and international investors. So far the company has obtained NOK 9.3 billion in funding for the Bank. The company has made a NOK 52 million contribution to the result so far in 2012 (NOK 23 million). The company employees two full time equivalents.

EQUITY CAPITAL CERTIFICATES

As at 30 September 2012, there were 6,101 equity certificate owners and the total capital amounted to NOK 784.1 million. Page 21 contains an overview of the 20 largest owners of the Bank's equity certificates.

OUTLOOK

There is still uncertainty surrounding the future development of the European economy, and the rest of the international economy. This, among other factors, could affect the development in Norway. However, there is much that indicates that the stable, good development of the Norwegian economy will continue.

The outlook remains positive in Møre og Romsdal as well. Growth impetuses from the maritime sector and much of the other business and industry in the county are, together with stable employment in the public sector, helping to provide full employment in the local business community. The uncertainty surrounds possible negative impetuses on the export industry due to weaker growth in the international economy.

The Board expects a good result in Sparebanken Møre for 2012.

Ålesund, 30 September 2012
24 October 2012

THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

Leif-Arne Langøy CHAIRMAN	Roy Reite DEPUTY CHAIRMAN	Ragna Brenne Bjerkeset	Stig Remøy
Elisabeth Maråk Støle	Ingvild Vartdal	Turid Sylte	
			Olav Arne Fiskerstrand CEO

STATEMENT OF INCOME

GROUP							PARENT BANK				
2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Amounts in NOK million	Notes	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
2 235	576	**557**	1 642	**1 687**	Interest and similar income		**1 453**	1 508	**476**	527	2 039
1 326	341	**317**	964	**989**	Interest and similar costs		**851**	884	**272**	310	1 202
909	235	**240**	678	**698**	Net interest and credit commission income	7	**602**	624	**204**	217	837
172	44	**41**	128	**118**	Commission income and revenues from banking services		**117**	127	**40**	43	171
33	8	**7**	25	**21**	Commission costs and expenditure in respect of banking services		**21**	25	**7**	8	33
32	6	**9**	20	**28**	Other operating income		**10**	7	**3**	2	12
171	42	**43**	123	**125**	Net commission and other operating income		**106**	109	**36**	37	150
20	0	**1**	17	**7**	Dividends		**35**	88	**1**	0	91
23	-5	**29**	20	**78**	Net gains/losses from financial instruments	4	**79**	22	**31**	-3	25
43	-5	**30**	37	**85**	Net return from financial instruments		**114**	110	**32**	-3	116
1 123	272	**313**	160	**908**	Net income		**822**	219	**272**	34	266
317	81	**82**	237	**248**	Wages, salaries etc.		**235**	223	**78**	76	296
129	25	**27**	92	**98**	Administration costs		**98**	92	**27**	25	129
26	6	**6**	17	**22**	Depreciation, write-downs and changes in value in non-financial assets		**16**	11	**6**	4	17
90	25	**33**	71	**78**	Other operating costs		**77**	65	**31**	23	88
562	137	**148**	417	**446**	Total operating costs		**426**	391	**142**	128	530
561	135	**165**	421	**462**	Result before credit losses		**396**	452	**130**	123	573
40	14	**17**	13	**36**	Losses on loans, guarantees etc.	3	**31**	12	**14**	13	37
521	121	**148**	408	**426**	Result from ordinary operations before tax		**365**	440	**116**	110	536
144	34	**40**	115	**118**	Tax payable on ordinary result		**93**	120	**31**	32	143
377	87	**108**	293	**308**	Result from ordinary operations after tax		**272**	320	**85**	78	393
22.10	5.10	**6,35**	17.47	**18.08**	Result per EC (NOK) 1)		**16.30**	18.61	**5.00**	4.58	23.27
22.10	5.10	**6,35**	17.47	**18.08**	Diluted earnings per EC (NOK) 1)		**16.30**	18.61	**5.00**	4.58	23.27
12	-	**-**	12	**8**	Distributed dividend per EC (NOK)		**8**	12	**-**	-	12

1) Comprises at 30.09.11, NOK 1.17 for the recognition of previous years' retained profit/loss in subsidiary.

STATEMENT OF COMPREHENSIVE INCOME

GROUP						PARENT BANK				
2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Amounts in NOK million	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
377	87	**108**	293	**308**	Result from ordinary operations after tax	**272**	320	**85**	78	393
-1	-4	**-6**	4	**-10**	Equities available for sale - changes in value	**-10**	4	**-6**	-4	-1
376	83	**102**	297	**298**	Total comprehensive income from ordinary operations after tax	**262**	324	**79**	74	392

BALANCE SHEET

- STATEMENT OF FINANCIAL POSITION AS AT THE END OF THE PERIOD

GROUP					PARENT BANK		
30.09.11	31.12.11	**30.09.12**	Amounts in NOK million	Notes	**30.09.12**	31.12.11	30.09.11
			Assets				
1 792	814	**872**	Cash and claims on central banks		**872**	814	1 792
252	564	**346**	Loans to and deposits with credit institutions	7	**1 221**	1 567	1 226
40 472	40 305	**42 306**	Net loans to and claims on customers	2, 3, 7	**31 883**	31 800	32 356
4 635	5 226	**5 001**	Certificates, bonds and other interest-bearing securities assessed at market value through the profit and loss account	5, 7	**6 777**	7 528	6 931
441	437	**608**	Financial derivatives		**533**	393	404
209	201	**193**	Shares and other securities with a variable yield	5	**193**	201	209
-	-	**-**	Equity stakes in Group companies		**521**	646	544
10	14	**14**	Deferred tax benefit		**23**	17	13
21	17	**22**	Other intangible assets		**22**	17	20
288	316	**312**	Fixed assets		**77**	53	32
202	156	**206**	Other assets		**205**	144	215
501	356	**368**	Prepayments and accrued income		**346**	333	481
48 823	48 406	**50 248**	Total assets		**42 673**	43 513	44 223
			Liabilities and equity capital				
5 014	4 741	**3 295**	Liabilities to credit institutions	7	**3 406**	4 851	5 116
25 356	25 325	**26 319**	Deposits from and liabilities to customers	2, 7	**26 352**	25 338	25 373
12 649	12 799	**14 506**	Borrowings raised through the issue of securities		**6 974**	7 964	8 084
289	272	**429**	Financial derivatives		**429**	263	267
492	480	**529**	Other liabilities		**500**	427	458
668	317	**745**	Incurred costs and prepaid income		**689**	290	653
47	83	**50**	Other provisioning in respect of liabilities and costs		**50**	83	47
494	493	**501**	Perpetual Hybrid Tier 1 Capital		**501**	493	494
479	479	**299**	Subordinated loan capital		**299**	479	479
45 488	44 989	**46 673**	Total liabilities		**39 200**	40 188	40 970
784	784	**784**	EC capital	8	**784**	784	784
-4	-2	**-5**	ECs owned by the Bank		**-5**	-2	-4
186	186	**186**	Proceeds from EC issue, priced at a premium over par		**186**	186	186
966	968	**965**	Paid-in equity capital		**965**	968	966
1 557	1 698	**1 710**	Primary Capital Fund		**1 712**	1 698	1 557
362	482	**493**	Dividend Equalisation Fund		**494**	482	362
37	32	**22**	Value Adjustment Fund		**22**	32	37
11	8	**8**	Fund for Unrealised Gains		**8**	8	11
109	229	**69**	Other equity capital		**0**	137	0
293	-	**308**	Result from ordinary operations after tax		**272**	-	320
2 369	2 449	**2 610**	Equity capital accumulated through retained earnings		**2 508**	2 357	2 287
3 335	3 417	**3 575**	Total equity capital		**3 473**	3 325	3 253
48 823	48 406	**50 248**	Total liabilities and equity capital		**42 673**	43 513	44 223
			Transactions of an off-balance sheet nature:				
1 402	1 242	**1 616**	Guarantee liabilities		**1 616**	1 242	1 402

STATEMENT OF CHANGES IN EQUITY – GROUP

30.09.12 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.11	**3 417**	**782**	**186**	**1 698**	**482**	**32**	**8**	**229**
Merger subsidiary				**12**	**12**			**-28**
Changes in own Equity Certificates	**-3**	**-3**						
Distributed dividend funds to the EC holders	**-63**							**-63**
Distributed dividend funds to the local community	**-74**							**-74**
Total result from ordinary operations after tax	**298**					**-10**		**308**
Equity capital as at 30.09.12	**3 575**	**779**	**186**	**1710**	**493**	**22**	**8**	**377**

30.09.11 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 as at 31.12.10	3 253	784	186	1 560	362	33	11	317
Changes in own Equity Certificates	-7	-4		-3				
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	297					4		293
Equity capital as at 30.09.11	3 335	780	186	1 557	362	37	11	402

2011	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.10	3 253	784	186	1 560	362	33	11	317
Changes in own Equity Certificates	-4	-2		-2				
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-113							-113
Equity capital before allocation of profit for the year	3 042	782	186	1 558	362	33	11	110
Change in credit spread FVO	-3						-3	
Transferred to the Primary Capital Fund	140			140				
Transferred to the Dividend Equalisation Fund	120				120			
Transferred to other equity capital	-17							-17
Set aside dividend funds for the EC holders	63							63
Set aside dividend funds for the local community	74							74
Distributed result	377			140	120		-3	120
Equities available for sale - changes in value	-1					-1		
Total other income and costs from comprehensive income	-1					-1		
Total result from ordinary operations after tax	376			140	120	-1	-3	120
Equity capital as at 31.12.11	3 417	782	186	1 698	482	32	8	229

STATEMENT OF CHANGES IN EQUITY - PARENT BANK

30.09.12 Amounts in NOK million	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.11	**3 325**	**782**	**186**	**1 698**	**482**	**32**	**8**	**137**
Merger subsidiary	**28**			**14**	**13**			
Changes in own Equity Certificates	**-3**	**-3**						
Distributed dividend funds to the EC holders	**-63**							**-63**
Distributed dividend funds to the local community	**-74**							**-74**
Total result from ordinary operations after tax	**262**					**-10**		**272**
Equity capital as at 30.09.12	**3 473**	**779**	**186**	**1 712**	**494**	**22**	**8**	**272**

30.09.11 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 as at 31.12.10	3 143	784	186	1 560	362	33	11	207
Changes in own Equity Certificates	-7	-4		-3				
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	324					4		320
Equity capital as at 30.09.11	3 253	780	186	1 557	362	37	11	320

2011	Equity capital	EC capital	Proceeds from EC issue, priced at a premium over par	Primary Capital Fund	Dividend Equalisation Fund	Value Adjustment Fund	Fund for Unrealised Gains	Other equity capital
Equity capital as at 31.12.10	3 143	784	186	1 560	362	33	11	207
Changes in own Equity Certificates	-4	-2		-2				
Distributed dividend funds to the EC holders	-94							-94
Distributed dividend funds to the local community	-113							-113
Equity capital before allocation of profit for the year	2 932	782	186	1 558	362	33	11	0
Change in credit spread FVO	-3						-3	
Transferred to the Primary Capital Fund	140			140				
Transferred to the Dividend Equalisation Fund	120				120			
Set aside dividend funds for the EC holders	63							63
Set aside dividend funds for the local community	74							74
Distributed result	393			140	120		-3	137
Equities available for sale - changes in value	-1					-1		
Total other income and costs from comprehensive income	-1					-1		
Total result from ordinary operations after tax	392			140	120	-1	-3	137
Equity capital as at 31.12.11	3 325	782	186	1 698	482	32	8	137

CASH FLOW STATEMENT

GROUP				PARENT BANK		
2011	30.09.11	**30.09.12**		**30.09.12**	30.09.11	2011
			Cash flow from operational activities			
2 428	2 131	**2 259**	Interest, commission and fees received	**1 979**	1 967	2 183
-1 288	-1 025	**-1 047**	Interest, commission and fees paid	**-907**	-945	-1 147
20	17	**7**	Dividend and group contribution received	**35**	88	91
-508	-376	**-345**	Paid operating expenses	**-332**	-358	-483
-146	-154	**-162**	Payment of tax	**-146**	-146	-146
-394	-82	**218**	Changes relating to loans to and claims on other financial institutions	**347**	-411	-751
-2 297	-1 922	**-565**	Changes relating to repayment loans/leasing to customers	**867**	-175	-267
-325	-852	**-1 356**	Changes in respect of utilised credit facilities	**-875**	-421	214
-2 510	-2 263	**-991**	Net cash flow from operational activities	**968**	-401	-306
			Cash flow from investment activities			
6 644	5 601	**5 018**	Payments from sale of certificates, bonds and other securities	**5 547**	6 136	7 170
-7 366	-5 705	**- 4 765**	Purchases of certificates, bonds and other securities	**-4 765**	-5 705	-7 366
17	10	**11**	Payments from sale of fixed assets etc.	**0**	0	0
-100	-61	**-34**	Payments for purchase of fixed assets etc.	**-45**	-13	-36
-96	-192	**-263**	Changes of various assets etc.	**-122**	-167	-151
-901	-347	**-33**	Net cash flow from investment activities	**615**	251	-383
			Cash flow from funding activities			
773	805	**994**	Changes relating to deposits from customers	**1 014**	798	762
-234	39	**- 1 446**	Changes relating to deposits from Norges Bank and other financial institutions	**-1 444**	-110	-375
5 476	4 368	**5 382**	Payments received in respect of proceeds from bond issues raised	**2 444**	1 999	2 327
-2 403	-2 137	**-3 884**	Payment on redemption of debt securities	**-3 083**	-1 526	-1 791
-94	-94	**-63**	Payment of dividend	**-63**	-94	-94
73	787	**99**	Changes of other debt	**-393**	241	40
3 591	3 768	**1 082**	Net cash flow from funding activities	**-1 525**	1 308	869
180	1 158	**58**	Net changes on cash holdings	**58**	1 158	180
634	634	**814**	Holdings of cash 1.1	**814**	634	634
814	1 792	**872**	Holdings of cash 30.09/31.12	**872**	1 792	814

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 30.09.2012. 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 2011 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 2011 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 securitiesrelated 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 valuerelated 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 cost
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 2011 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. The Group`s taxation cost in relation to the pre-tax result amounts to 28 per cent for 2012.

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 30.06.2012, 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 accountsrelated liabilities relating to bonuses, profit sharing, options, subscription rights or similar for the abovementioned persons. Reference is made to the Annual Report 2011 for description of benefitsrelated pension schemes for the Bank`s CEO and other employees.

2 GROSS LOANS AND DEPOSITS TO CUSTOMERS BY SECTOR AND INDUSTRY

Group	Gross loans			Deposits		
Broken down according to sectors	**30.09.12**	30.09.11	2011	**30.09.12**	30.09.11	2011
Agriculture and forestry	**477**	470	471	**169**	167	160
Fisheries	**3 119**	3 546	3 127	**391**	348	571
Industry and mining	**1 316**	1 685	1 251	**1 231**	1 286	1 536
Building and construction	**708**	749	726	**415**	341	418
Wholesale and retail trade, hotel industry	**656**	821	773	**637**	738	817
Foreign shipping/supply	**1 571**	1 794	1 817	**663**	420	513
Property management	**5 521**	4 769	5 144	**1 282**	1 106	1 213
Professional/financial service	**534**	674	634	**1 984**	1 682	1 813
Transport and private/public service industry	**1 502**	1 371	1 371	**1 865**	1 717	1 762
Public entities	**69**	60	11	**913**	1 827	693
Non-Norwegian lending	**57**	9	8	**5**	3	2
Miscellaneous	**140**	82	73	**1 704**	1 709	1 520
Total Corporate/Public entities	**15 670**	16 030	15 406	**11 259**	11 344	11 018
Retail customers	**26 958**	24 823	25 295	**15 060**	14 012	14 307
Total Gross loans/Deposits	**42 628**	40 853	40 701	**26 319**	25 356	25 325
Specific loss provisions	**-173**	-255	-265			
Non-specific loss provisions	**-150**	-126	-131			
Net loans	**42 306**	40 472	40 305			

Parent Bank	Gross loans			Deposits		
Broken down according to sectors	**30.09.12**	30.09.11	2011	**30.09.12**	30.09.11	2011
Agriculture and forestry	**475**	433	438	**169**	167	160
Fisheries	**3 118**	3 527	3 110	**391**	348	571
Industry and mining	**1 315**	1 470	1 043	**1 231**	1 286	1 536
Building and construction	**695**	627	602	**415**	341	418
Wholesale and retail trade, hotel industry	**653**	766	718	**637**	738	817
Foreign shipping/supply	**1 571**	1 769	1 794	**663**	420	513
Property management	**5 602**	4 768	5 154	**1 308**	1 115	1 217
Professional/financial service	**526**	654	612	**1 984**	1 682	1 813
Transport and private/public service industry	**1 483**	1 300	1 228	**1 872**	1 725	1 771
Public entities	**69**	52	2	**913**	1 827	693
Non-Norwegian lending	**58**	9	8	**5**	3	2
Miscellaneous	**140**	82	73	**1 704**	1 709	1 520
Total Corporate/Public entities	**15 705**	15 457	14 851	**11 292**	11 361	11 031
Retail customers	**16 500**	17 275	17 338	**15 060**	14 012	14 307
Total Gross loans/Deposits	**32 205**	32 732	32 189	**26 352**	25 373	25 338
Specific loss provisions	**-173**	-250	-259			
Non-specific loss provisions	**-149**	-126	-130			
Net loans	**31 883**	32 356	31 800			

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

GROUP						PARENT BANK				
2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Losses on loans and guarantees	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
-13	6	**-5**	-27	**-102**	Changes in specific loss provisioning and guarantees during the period	**-102**	-26	**-8**	7	-13
5	0	**10**	0	**19**	Changes in non-specific loss provisioning during the period	**19**	0	**10**	0	4
45	5	**3**	36	**115**	Confirmed losses during the period, where specific provisioning had previously been made	**110**	36	**3**	5	43
10	3	**8**	7	**16**	Confirmed losses during the period, where specific provisioning had previously not been made	**16**	7	**8**	3	10
7	1	**-1**	4	**12**	Recoveries	**12**	4	**-1**	1	7
40	14	**17**	12	**36**	Losses on loans, guarantees etc.	**31**	13	**14**	14	37

2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Specific provisions in respect of loans	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
281	252	**171**	281	**265**	Specific loss provisions on loans at 1.1	**259**	276	**169**	247	276
45	5	**3**	36	**115**	Confirmed losses during the period, where specific provisioning had previously been made	**110**	36	**3**	5	43
64	16	**13**	57	**29**	Changes in specific provisioning during the period	**28**	57	**12**	16	63
41	11	**8**	23	**44**	New specific provisioning during the period	**38**	23	**2**	11	40
76	19	**16**	70	**50**	Recoveries on specific provisioning during the period	**42**	70	**7**	19	77
265	255	**173**	255	**173**	Specific provisions against losses on loans at the end of the period	**173**	250	**173**	250	259

2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Non-specific provisions on loans	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
126	126	**140**	126	**131**	Non-specific provision on loans as at 1.1	**130**	126	**139**	126	126
5	0	**10**	0	**19**	Changes during the period	**19**	0	**10**	0	4
131	126	**150**	126	**150**	Non-specific provision on loans at the end of the period	**149**	126	**149**	126	130

2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**	Specific provisions in respect of guarantees	**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
12	10	**11**	12	**14**	Specific provisioning as at 1.1	**14**	12	**11**	10	12
2	0	**0**	0	**2**	Specific provisioning during the period	**2**	0	**0**	0	2
0	3	**7**	2	**12**	Recoveries on specific provisioning during the period	**12**	2	**7**	3	0
14	7	**4**	10	**4**	Specific provisions at the end of the period	**4**	10	**4**	7	14

GROUP	30.09.12			30.09.11			2011		
Problem loans	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to specific provisions:									
Commitments in default above 3 months	**270**	**67**	**203**	294	99	195	299	83	216
Other bad and doubtful commitments with loss provisions	**268**	**45**	**223**	473	65	408	488	75	413
Total problem loans prior to specific provisions	**538**	**112**	**426**	767	164	603	787	158	629
Specific provisjons on:									
Commitments in default above 3 months	**75**	**10**	**65**	126	16	110	136	13	123
Other bad and doubtful commitments with loss provisions	**98**	**15**	**83**	129	19	110	129	17	112
Total specific provisions	**173**	**25**	**148**	255	35	220	265	30	235
Problem loans after specific provisions:									
Commitments in default above 3 months	**195**	**57**	**138**	168	83	85	163	70	93
Other bad and doubtful commitments with loss provisions	**170**	**30**	**140**	344	46	298	359	58	301
Total problem loans after specific provisions	**365**	**87**	**278**	512	129	383	522	128	394
Total problem loans prior to spesific provisions as a percentage of total loans	**1.27**	**0.42**	**2.72**	1.90	0.66	3.76	1.95	0.62	4.08
Total problem loans after spesific provisions as a percentage of total loans	**0.86**	**0.32**	**1.77**	1.27	0.52	2.39	1.30	0.52	2.56

PARENT BANK	30.09.12			30.09.11			2011		
Problem loans	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to specific provisions:									
Commitments in default above 3 months	**270**	**67**	**203**	294	99	195	293	83	210
Other bad and doubtful commitments with loss provisions	**268**	**45**	**223**	473	65	408	488	75	413
Total problem loans prior to specific provisions	**538**	**112**	**426**	767	164	603	781	158	623
Specific provisjons on:									
Commitments in default above 3 months	**75**	**10**	**65**	126	16	110	131	13	118
Other bad and doubtful commitments with loss provisions	**98**	**15**	**83**	124	19	105	128	17	111
Total specific provisions	**173**	**25**	**148**	250	35	215	259	30	229
Problem loans after specific provisions:									
Commitments in default above 3 months	**195**	**57**	**138**	168	83	85	162	70	92
Other bad and doubtful commitments with loss provisions	**170**	**30**	**140**	349	46	303	360	58	302
Total problem loans after specific provisions	**365**	**87**	**278**	517	129	388	522	128	394
Total problem loans prior to spesific provisions as a percentage of total loans	**1.69**	**0.68**	**2.71**	2.37	0.95	3.90	2.46	0.90	4.20
Total problem loans after spesific provisions as a percentage of total loans	**1.14**	**0.53**	**1.77**	1.60	0.75	2.51	1.64	0.74	2.65

4 NET GAINS/LOSSES FROM SECURITIES AND FOREIGN EXCHANGE

GROUP						PARENT BANK				
2011	Q3 11	**Q3 12**	30.09.11	**30.09.12**		**30.09.12**	30.09.11	**Q3 12**	Q3 11	2011
-17	-21	**16**	-4	**50**	Sertificates and bonds	**50**	-4	**16**	-21	-18
-3	-1	**0**	-1	**0**	Securities	**0**	-1	**0**	-1	-3
28	9	**7**	20	**20**	Foreign exchange trading (for customers)	**20**	20	**7**	9	28
-5	0	**-3**	-6	**-8**	Change in credit spread FVO - securities-based debt	**-8**	-6	**-3**	0	-5
20	8	**9**	11	**16**	Financial derivatives	**16**	13	**10**	10	23
23	-5	**29**	20	**78**	Net gains/losses from securities and foreign exchange	**79**	22	**31**	-3	25

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		
PARENT BANK	**30.09.12**	30.09.11	2011
Based on prices in an active market	**1 350**	873	1 352
Observed market information	**5 429**	6 060	6 167
Other than observed market information	**0**	0	0
Total financial instruments at actual value	**6 779**	6 933	7 519

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 comprehensive income	Market value		
PARENT BANK	**30.09.12**	30.09.11	2011
Based on prices in an active market	**20**	19	24
Observed market information	**0**	0	0
Other than observed market information 1)	**171**	188	175
Total financial instruments available for sale	**191**	207	199

1) Changes through the year	**30.09.12**	30.09.11	2011
Balance 01.01	**175**	178	178
Purchased	**2**	2	2
Sale, including previously recognised changes in value	**0**	0	0
Increase in value	**0**	8	9
Written down	**5**	0	8
Repayment of equity	**1**	0	6
Balance 30.09/31.12	**171**	188	175

6 SEGMENTS

Result Q3	Group		Elimin./ Inv./Other		Corporate		Retail		Real estate brokerage		Leasing	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Net interest and credit commission income	**240**	235	**-5**	11	**105**	111	**135**	108	**0**	0	**5**	5
Other operating income	**73**	37	**20**	-17	**19**	25	**26**	23	**7**	6	**1**	0
Total income	**313**	272	**15**	-6	**124**	136	**161**	131	**7**	6	**6**	5
Operating costs	**148**	137	**31**	25	**29**	27	**80**	77	**6**	5	**2**	2
Result before losses	**165**	135	**-16**	-31	**95**	109	**81**	54	**1**	1	**4**	3
Losses on loans, guarantees etc.	**17**	14	**4**	4	**10**	7	**0**	2	**0**	0	**3**	1
Result before tax	**148**	121	**-20**	-35	**85**	102	**81**	52	**1**	1	**1**	2
Tax payable on ordinary result	**40**	34										
Result from ordinary operations after tax	**108**	87										

Result as at 30.09	Group		Elimin./ Inv./Other		Corporate		Retail		Real estate brokerage		Leasing	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Net interest and credit commission income	**698**	678	**0**	31	**307**	319	**377**	315	**0**	0	**14**	13
Other operating income	**210**	160	**59**	12	**60**	61	**71**	70	**18**	15	**2**	2
Total income	**908**	838	**59**	43	**367**	380	**448**	385	**18**	15	**16**	15
Operating costs	**446**	417	**97**	79	**86**	82	**246**	235	**15**	13	**5**	5
Result before losses	**462**	421	**-38**	-36	**281**	298	**202**	150	**3**	2	**11**	10
Losses on loans, guarantees etc.	**36**	13	**7**	-1	**27**	12	**-3**	1	**1**	0	**5**	1
Result before tax	**426**	408	**-45**	-35	**254**	286	**205**	149	**2**	2	**6**	9
Tax payable on ordinary result	**118**	115										
Result from ordinary operations after tax	**308**	293										

Balance sheet	Group		Elimin./ Inv./Other		Corporate		Retail		Real estate brokerage		Leasing	
	30.09.12	30.09.11	**30.09.12**	30.09.11	**30.09.12**	30.09.11	**30.09.12**	30.09.11	**30.09.12**	30.09.11	**30.09.12**	30.09.11
Loans to customers	**42 306**	40 272	**786**	668	**14 605**	14 977	**26 373**	24 250	**-**	-	**542**	580
Deposits from customers	**26 319**	25 356	**267**	238	**9927**	10 188	**16 125**	14 930	**-**	-	**-**	-
Guarantee liabilities	**1 616**	1 402	**100**	100	**1506**	1 291	**0**	11	**-**	-	**-**	-
The deposit-to-loan ratio	**62,2**	62,7	**33,5**	35,6	**68,0**	68,0	**61,1**	61,6	**-**	-	**-**	-
Man-years	**415**	413	**161**	161	**62**	61	**178**	170	**14**	14	**0**	7

7 TRANSACTIONS WITH RELATED PARTIES

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

PARENT BANK	30.09.12	30.09.11	2011
Result			
Interest and credit commission income from subsidiaries	80	88	117
Received dividend and group contribution from subsidiaries	28	71	71
Rent paid to Sparebankeiendom AS	15	10	13
Leasing rental paid to Møre Finans AS	1	4	6
Administration fee received from Møre Boligkreditt AS	10	7	10
Balance sheet			
Claims on subsidiaries	1 100	1 177	1 208
Covered bonds	1 776	2 296	2 302
Liabilities to subsidiaries	145	118	122
Accumulated loan portfolio transferred to Møre Boligkreditt AS	10 622	7 750	8 149

8 EC-CAPITAL

The 20 largest EC-holders in Sparebanken Møre as at 30.09.12	Number of ECs	Percentage share of EC capital
Sparebankstiftelsen Tingvoll	824 000	10.51
Pareto Aksje Norge	441 420	5.63
MP Pensjon	363 796	4.64
Wenaasgruppen AS	300 000	3.83
Pareto Aktiv	195 265	2.49
Beka Holding AS	133 462	1.70
Pareto Verdi VPF	117 194	1.49
Farstad Shipping ASA	112 909	1.44
Stiftelsen Kjell Holm	88 671	1.13
Odd Slyngstad	83 703	1.07
FLPS - Princ All Sec Stock Sub	80 000	1.02
Leif Arne Langøy	70 000	0.89
Nordea Bank Norge AS	54 288	0.69
Sparebanken Møre	53 987	0.69
Tonsenhagen Forretningssentrum AS	52 050	0.66
Terra utbytte VPF	50 138	0.64
U Aandals Eftf AS	48 000	0.61
Forsvarets Personellservice	40 760	0.52
J E Devold AS	37 558	0.48
Sparebankstiftelsen DnB NOR	37 392	0.48
Total 20 largest	3 184 593	40.61
Total	7 841 116	100.00

9 CAPITAL ADEQUACY

GROUP				PARENT BANK		
2011	30.09.11	30.09.12		30.09.12	30.09.11	2011
784	784	784	EC capital	784	784	784
-2	-4	-5	- ECs owned by the Bank	-5	-4	-2
186	186	186	Premium Fund	186	186	186
482	362	493	Dividend Equalisation Fund	494	362	482
1 698	1 557	1 710	Primary Capital Fund	1 712	1 557	1 698
32	37	22	Value Adjustment Fund	22	37	32
8	11	8	Fund for Unrealised Gains	8	11	8
63	0	0	Set aside for dividend for the EC holders	0	0	63
74	0	0	Set aside for dividend funds for the local community	0	0	74
92	402	376	Other equity capital/result from ordinary operations after tax	272	320	0
3 417	3 335	3 574	Total equity	3 473	3 253	3 325
-33	-31	-37	Deferred tax, goodwill and intangible assets, other	-45	-33	-33
-32	-37	-22	Value Adjustment Fund	-22	-37	-32
-8	-11	-8	Fund for Unrealised Gains	-8	-11	-8
-10	-11	-10	50 % deduction for equity capital in other financial institutions	-10	-11	-10
493	494	501	Capital bonds	501	494	493
0	0	0	Deduction bonds (beyond 15 per cent of core capital)	0	0	0
-63	0	0	Set aside for dividend for the EC holders	0	0	-63
-74	0	0	Set aside for dividend funds for the local community	0	0	-74
0	-293	-308	Result from ordinary operations after tax	-272	-320	0
3 690	3 446	3 690	Total core capital	3 617	3 335	3 598
			Supplementary capital:			
479	479	299	Subordinated loan capital of limited duration	299	479	479
0	0	0	Addition bonds (beyond 15 per cent of core capital)	0	0	0
14	17	12	45 % addition for net unrealised gains on shares, unit trust certificates and ECs available for sale	12	17	14
-10	-11	-11	50 % deduction for equity capital in other financial institutions	-10	-11	-10
483	485	300	Total supplementary capital	301	485	483
4 173	3 931	3 990	Net equity and subordinated loan capital	3 917	3 820	4 081
1 714	1 447	1 450	Discrepancy relating to net equity and related capital - minimum requirement 8 per cent	1 477	1 452	1 718
			Capital adequacy as a percentage of the weighted asset calculation basis:			
13.57	12.60	12.50	Capital adequacy ratio	12.95	12.90	13.82
-	13.13	13.00	Capital adequacy ratio incl. 50 per cent of the result from ordinary operations after tax	13.40	13.44	-
12.00	11.10	11.60	Core capital ratio	11.95	11.25	12.18
-	11.55	12.05	Core capital ratio incl. 50 per cent of the result from ordinary operations after tax	12.40	11.80	-
10.40	9.51	10.00	Pure core capital ratio	10.30	9.59	10.50
-	9.98	10.50	Pure core capital ratio incl. 50 per cent of the result from ordinary operations after tax	10.75	10.13	-
30 750	31 050	31 850	Risk-weighted assets (calculation basis for capital adequacy ratio)	30 275	29 620	29 540
			Minimum equity and related capital requirement according to Basel II calculated in accordance with the Standard Approach:			
2 460	2 484	2 548	Total minimum requirement (8 %) for equity and related capital	2 440	2 368	2 363

GROUP				PARENT BANK		
2011	30.09.11	**30.09.12**		**30.09.12**	30.09.11	2011
0	0	**0**	Commitments involving states and central banks	**0**	0	0
3	2	**3**	Commitments involving local and regional authorities	**3**	2	3
16	15	**20**	Commitments involving public sector companies	**20**	15	16
35	64	**38**	Commitments involving institutions (banks etc.)	**183**	102	165
892	872	**831**	Commitments involving companies (corporate customers)	**819**	843	864
287	315	**310**	Commitments involving mass market (retail banking customers)	**318**	298	301
947	920	**1 053**	Commitments involving mortgage on properties	**776**	753	697
18	19	**19**	Commitments due for payment	**19**	19	18
0	0	**0**	Commitments involving high risk (investment funds)	**0**	0	0
13	12	**14**	Commitments involving covered bonds	**32**	30	31
95	108	**102**	Other commitments	**121**	152	122
2 306	2 328	**2 390**	Capital requirement – credit-/counterpart- and impairment risk	**2 291**	2 214	2 217
0	0	**0**	Debt	**0**	0	0
0	0	**0**	Equity	**0**	0	0
0	7	**5**	Foreign exchange	**5**	7	0
0	0	**0**	Goods	**0**	0	0
0	7	**5**	Capital requirement – position-/foreign exchange- and commercial risk	**5**	7	0
167	160	**167**	Operational risk (basis method)	**159**	160	159
-14	-13	**-15**	Deductions from the capital requirement	**-13**	-13	-13

Highlights - Development Group

QUARTERLY RESULTS

NOK million	**Q3 2012**	Q2 2012	Q1 2012	Q4 2011	Q3 2011
Net interest and credit commission income	**240**	236	222	231	235
Total other operating income	**73**	76	61	54	37
Total operating costs	**148**	150	148	145	137
Result before losses	**165**	162	135	140	135
Losses on loans, guarantees etc.	**17**	9	10	27	14
Result before tax	**148**	153	125	113	121
Tax payable on ordinary result	**40**	43	35	30	34
Result from ordinary operations after tax	**108**	110	90	83	87

As a percentage of average assets	**Q3 2012**	Q2 2012	Q1 2012	Q4 2011	Q3 2011
Net interest and credit commission income	**1.96**	1.98	1.87	1.90	2.02
Total other operating income	**0.60**	0.64	0.51	0.45	0.32
Total operating costs	**1.21**	1.26	1.25	1.19	1.18
Result before losses	**1.35**	1.36	1.13	1.16	1.16
Losses on loans, guarantees etc.	**0.14**	0.08	0.08	0.22	0.12
Result before tax	**1.21**	1.28	1.05	0.94	1.04
Tax payable on ordinary result	**0.33**	0.36	0.30	0.26	0.29
Result from ordinary operations after tax	**0.88**	0.92	0.75	0.68	0.75

RESULT

NOK million	**30.09.12**	30.09.11	2011
Net interest and credit commission income	**698**	678	909
Total other operating income	**210**	160	214
Total operating costs	**446**	417	562
Result before losses	**462**	421	561
Losses on loans, guarantees etc.	**36**	13	40
Result before tax	**426**	408	521
Tax payable on ordinary result	**118**	115	144
Result from ordinary operations after tax	**308**	293	377

As a percentage of average assets	**30.09.12**	30.09.11	2011
Net interest and credit commission income	**1.94**	1.98	1.96
Total other operating income	**0.58**	0.47	0.46
Total operating costs	**1.24**	1.22	1.21
Result before losses	**1.28**	1.23	1.21
Losses on loans, guarantees etc.	**0.10**	0.04	0.09
Result before tax	**1.18**	1.19	1.12
Tax payable on ordinary result	**0.33**	0.34	0.31
Result from ordinary operations after tax	**0.85**	0.85	0.81

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