Unaudited

Interim report

3 quarter 2024

Financial highlights - Group

Income statement

(Amounts in percentage of average assets)

	Q3 2024		Q3 2023		30.09.2024		30.09.2023		2023	
	NOK million	%	NOK million	%	NOK million	%	NOK million	%	NOK million	%
Net interest income	523	2.08	487	2.05	1 549	2.09	1 394	1.99	1 900	2.02
Net commission and other operating income	80	0.32	65	0.28	204	0.27	180	0.26	250	0.26
Net result from financial instruments	23	0.09	23	0.10	59	0.08	44	0.06	45	0.05
Total income	626	2.49	575	2.43	1 812	2.44	1 618	2.31	2 195	2.33
Total operating expenses	243	0.96	208	0.88	720	0.97	617	0.88	859	0.91
Profit before impairment on loans	383	1.53	367	1.55	1 092	1.47	1 001	1.43	1 336	1.42
Impairment on loans, guarantees etc.	17	0.07	34	0.14	-1	0.00	64	0.09	-53	-0.06
Pre-tax profit	366	1.46	333	1.41	1 093	1.47	937	1.34	1 389	1.48
Taxes	86	0.35	80	0.34	258	0.34	222	0.32	334	0.35
Profit after tax	280	1.11	253	1.07	835	1.13	715	1.02	1 055	1.13

Balance sheet

(NOK million)	30.09.2024	YTD-change 2024 (%)	31.12.2023	Change last 12 months (%)	30.09.2023
Total assets 4)	106 889	10.5	96 735	12.9	94 675
Average assets 4)	98 926	5.1	94 095	5.9	93 394
Loans to and receivables from customers	86 272	5.8	81 572	8.2	79 739
Gross loans to retail customers	57 001	6.0	53 795	7.0	53 267
Gross loans to corporate and public entities	29 516	5.3	28 039	9.9	26 851
Deposits from customers	49 203	3.8	47 410	5.5	46 653
Deposits from retail customers	30 277	3.6	29 226	6.3	28 489
Deposits from corporate and public entities	18 926	4.1	18 184	4.2	18 164

Key figures and Alternative Performance Measures (APMs)

	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Return on equity (annualised) 3) 4)	13.8	13.1	14.0	12.5	14.0
Cost/income ratio 4)	38.7	36.2	39.7	38.1	39.2
Losses as a percentage of loans and guarantees (annualised) 4)	0.08	0.17	0.00	0.11	-0.07
Gross credit-impaired commitments as a percentage of loans/guarantee liabilities	0.53	1.02	0.53	1.02	0.51
Net credit-impaired commitments as a percentage of loans/guarantee liabilities	0.41	0.74	0.41	0.74	0.39
Deposit-to-loan ratio 4)	56.9	58.2	56.9	58.2	57.9
Liquidity Coverage Ratio (LCR)	165	176	165	176	174
NSFR (Net Stable Funding Ratio)	121	123	121	123	124
Lending growth as a percentage 4)	1.4	0.9	8.2	8.2	7.2
Deposit growth as a percentage 4)	-0.1	0.7	5.5	4.4	8.0
Capital adequacy ratio 1)	21.3	22.5	21.3	22.5	22.2
Tier 1 capital ratio 1)	19.2	19.9	19.2	19.9	20.0
Common Equity Tier 1 capital ratio (CET1) 1)	17.3	18.1	17.3	18.1	18.2
Leverage Ratio (LR) 1)	7.3	7.5	7.3	7.5	7.5
Man-years	409	390	409	390	400

Equity Certificates (ECs)

	30.09.2024	30.09.2023	2023	2022	2021	2020
Profit per EC (Group) (NOK) 2) 5)	7.92	6.84	10.12	7.50	31.10	27.10
Profit per EC (parent bank) (NOK) 2) 5)	7.90	7.27	10.34	8.48	30.98	26.83
Number of ECs 5)	49 434 770	49 434 770	49 434 770	49 434 770	9 886 954	9 886 954
Nominal value per EC (NOK) 5)	20.00	20.00	20.00	20.00	100.00	100.00
EC fraction 1.1 as a percentage (parent bank)	49.7	49.7	49.7	49.7	49.7	49.6
EC capital (NOK million)	988.70	988.70	988.70	988.70	988.70	988.70
Price at Oslo Stock Exchange (NOK)	83.6	77.50	84.0	84.4	444	296
Stock market value (NOK million)	4 130	3 831	4 153	4 173	4 390	2 927
Book value per EC (Group) (NOK) 4) 5)	81.0	77.6	80.7	74.8	350	332
Dividend per EC (NOK) 5)	7.50	4.00	7.50	4.00	16.00	13.50
Price/Earnings (Group, annualised)	7.9	8.5	8.3	11.3	14.3	10.9
Price/Book value (P/B) (Group) 2) 4)	1.03	1.00	1.04	1.13	1.27	0.89

1) Incl. 50 % of the comprehensive income after tax

2) Calculated using the EC-holders' share (49.7 %) of the period's profit to be allocated to equity owners

3) Calculated using the share of the profit to be allocated to equity owners

4) Defined as Alternative Performance Measure (APM), see www.sbm.no/IR

5) Our EC(MORG) was split 1:5 in April 2022

Interim report from the Board of Directors

All figures relate to the Group. Figures in brackets refer to the corresponding period last year. The financial statements have been prepared in accordance with IFRS and the interim report has been prepared in conformity with IAS 34 Interim Financial Reporting.

RESULTS AS PER Q3 2024
Sparebanken Møre's profit before tax after the first three quarters of 2024 was NOK 1,093 million, compared with NOK 937 million for the same period in 2023, an increase of 16.6 per cent.

Total income was NOK 194 million higher than for the same period in 2023. Net interest income rose by NOK 155 million and other income increased by NOK 39 million. Capital gains in the bond portfolio amounted to NOK 15 million, compared with capital losses of NOK 1 million in the first three quarters of 2023. Capital losses from equities amounted to NOK 5 million, compared with capital gains of NOK 6 million after the first three quarters of 2023. Income from foreign exchange and interest rate business for customers amounted to NOK 36 million after the first three quarters, NOK 2 million higher than in the same period last year. Income from other financial instruments increased from NOK 5 million in the first three quarters of 2023 to NOK 13 million in the first three quarters of 2024.

Operating expenses amounted to NOK 720 million and were NOK 103 million higher after the first three quarters of 2024 than after the first three quarters of 2023. Personnel expenses were NOK 47 million higher than last year and other operating expenses NOK 56 million higher.

Losses on loans and guarantees amounted to NOK -1 million and were NOK 65 million lower than in the same period last year.

At the end of the third quarter, the cost income ratio was 39.7 per cent, an increase of 1.6 percentage points in relation to the first three quarters of 2023.

Profit after tax amounted to NOK 835 million, compared with NOK 715 million for the same period last year.

The return on equity after the first three quarters of 2024 was 14.0 per cent, compared with 12.5 per cent after the first three quarters of 2023.

Earnings per equity certificate were NOK 7.92 (NOK 6.84) for the Group and NOK 7.90 (NOK 7.27) for the parent bank.

RESULTS FOR Q3 2024
Profit before losses amounted to NOK 383 million for the third quarter of 2024, or 1.53 per cent of average assets, compared with NOK 367 million, or 1.55 per cent, for the corresponding quarter last year.

Profit after tax amounted to NOK 280 million for the third quarter of 2024, or 1.11 per cent of average assets, compared with NOK 253 million, or 1.07 per cent, for the corresponding quarter last year.

Return on equity was 13.8 per cent for the third quarter of 2024, compared with 13.1 per cent for the third quarter of 2023, and the cost income ratio amounted to 38.7 per cent compared with 36.2 per cent for the third quarter of 2023.

Earnings per equity certificate were NOK 2.66 (NOK 2.42) for the Group and NOK 2.21 (NOK 2.25) for the parent bank.

Net interest income
Net interest income was NOK 523 million for the quarter, which is NOK 36 million, or 7.4 per cent, higher than in the corresponding quarter of last year. This represents 2.08 per cent of total assets, which is 0.03 percentage points higher than for the corresponding quarter last year.

The interest rate margin for deposits in both the retail market and corporate market contracted compared with the third quarter of 2023, while the lending margin was stable compared with the same period in 2023.

Other income
Other income was NOK 103 million in the quarter, which is NOK 15 million higher than in the third quarter of last year. The net result from financial instruments was NOK 23 million for the quarter, which is on a par with the third quarter of 2023. Capital losses from bond holdings amounted to NOK 1 million in the quarter, compared with capital gains of NOK 15 million in the corresponding quarter last year. Capital losses from equities amounted to NOK 2 million, compared with NOK 0 million in the third quarter of 2023. The change in value for fixed-rate lending amounted to NOK 3 million, compared with a negative change in value of NOK 2 million in the same quarter last year. Income from foreign exchange and interest rate business for customers amounted to NOK 17 million in the quarter, NOK 6 million higher than in the same quarter last year.

Other income excluding financial instruments increased by NOK 15 million compared with the third quarter of 2023. The increase was mainly attributable to income from Discretionary Portfolio management, real estate agency activities and sundry other income.

Expenses
Operating expenses amounted to NOK 243 million for the quarter, which is NOK 35 million higher than for the same quarter last year. Personnel expenses are NOK 13 million higher than in the same period last year and totalled NOK 133 million. Other operating expenses have increased by NOK 22 million from the same period last year.

Provisions for expected credit losses and credit-impaired commitments
Losses on loans and guarantees amounted to NOK 17 million in the quarter (NOK 34 million), corresponding to 0.07 per cent of average assets (0.14 per cent of average assets). The corporate segment saw a charge for losses of NOK 16 million in the quarter, while NOK 1 million in losses were charged in the retail segment.

At the end of the third quarter of 2024, provisions for expected credit losses totalled NOK 250 million, equivalent to 0.28 per cent of gross loans and guarantee commitments (NOK 396 million and 0.49 per cent). Of the total provision for expected credit losses, NOK 34 million relates to credit-impaired commitments more than 90 days past due (NOK 21 million), which represents 0.04 per cent of gross loans and guarantee commitments (0.03 per cent), while NOK 74 million relates to other credit-impaired commitments (NOK 205 million), corresponding to 0.08 per cent of gross loans and guarantee commitments (0.25 per cent).

Net credit-impaired commitments (commitments more than 90 days past due and other credit-impaired commitments) have decreased by NOK 247 million in the past 12 months. At end of the third quarter of 2024, the corporate market accounted for NOK 215 million of net credit-impaired commitments and the retail market NOK 143 million. In total, this represents 0.41 per cent of gross loans and guarantee commitments (0.74 per cent).

Lending to customers
At the end of the third quarter of 2024, lending to customers amounted to NOK 86,272 million (NOK 79,739 million). In the past 12 months, customer lending has increased by a total of NOK 6,533 million, equivalent to 8.2 per cent. Retail lending has increased by 7.0 per cent and corporate lending has increased by 9.9 per cent in the past 12 months. Retail lending accounted for 65.9 per cent of total lending at the end of the quarter (66.5 per cent).

Customer deposits
Customer deposits have increased by NOK 2,550 million, or 5.5 per cent, in the past 12 months. At the end of the third quarter of 2024, deposits amounted to NOK 49,203 million (NOK 46,653 million). Retail deposits have increased by 6.3 per cent in the past 12 months, while corporate deposits and public sector deposits have increased by 4.2 per cent. The retail market's relative share of deposits amounted to 61.5 per cent (61.1 per cent), while deposits from the corporate market accounted for 38.5 per cent (38.9 per cent).

LIQUIDITY AND FUNDING
Sparebanken Møre's liquidity and funding are managed based on frameworks for its Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and deposit-to-loan ratio. The minimum LCR and NSFR requirements are both 100 per cent. The Group has established minimum internal targets that exceed the regulatory requirements for LCR and NSFR as well as an internal target corridor for its deposit-to-loan ratio.

Sparebanken Møre's LCR was 165 (176) for the Group and 165 (162) for the parent bank at the end of the quarter.

The NSFR ended at 121 (123) at the end of the third quarter of 2024 (consolidated figure), while the bank's and Møre Boligkreditt AS's NSFR ended at 126 (123) and 105 (112), respectively.

Both LCR and NSFR meet both external and internal requirements by good margin.

Deposits from customers represent the bank's main source of funding. The deposit-to-loan ratio was 56.9 per cent (58.2 per cent) at the end of the third quarter, and this is within the established target corridor.

Total net market funding amounted to NOK 43.2 billion at the end of the quarter. Senior bonds with a remaining term to maturity of more than 1 year have a weighted remaining term to maturity of 1.99 years, while covered bond funding through Møre Boligkreditt AS correspondingly has a weighted remaining term to maturity of 3.38 years – overall for market funding in the Group (inclusive of T2 and T3) the remaining term to maturity is 3.18 years.

Møre Boligkreditt AS issues bonds based on the transfer of loans from the parent bank. Gross retail lending transferred to Møre Boligkreditt AS amounted to NOK 35,949 million at the end of the quarter, which corresponds to 41.6 per cent of the bank's total lending.

RATING
In a Credit Opinion published on 9 January 2024, the rating agency Moody's confirmed Sparebanken Møre's counterparty, deposit and issuer ratings as A1 with a stable outlook. Møre Boligkreditt has the same issuer rating as the parent bank, while the mortgage credit company's issuances are rated Aaa.

CAPITAL ADEQUACY
On 21 December 2021, Sparebanken Møre applied to the Financial Supervisory Authority (FSA) to make changes to the bank's IRB models and calibration framework. The interim report for the second quarter of 2023, published on 10 August 2023, stated that a letter from the FSA, dated 22 June 2023, granted Sparebanken Møre permission to adopt changed IRB models for the corporate portfolio. In a letter dated 18 January 2024, the FSA rejected the bank's application to make changes to the retail market model.

The changes to the model for the corporate portfolio were incorporated in the second half of 2023 and the estimated effect on Common Equity Tier 1 (CET1) capital was an increase of about 0.5 percentage points. At the end of the fourth quarter of 2023, the effect was 0.7 percentage points. After using the new calibration framework up to the end of the second quarter of 2024, the effect of the change proved to be a higher increase in CET1 capital than first assumed and higher than what was stated at the end of the fourth quarter of 2023. Based on the actual figures so far this year, the bank has concluded changes to the calibration to better reflect the portfolio's development. The changes to the calibration entail a reduction in CET1 capital ratio and are implemented with effect from the end of the third quarter of 2024.

On 16 August 2024, the FSA approved Sparebanken Møre's application to acquire equity certificates. Authorisation was granted on the condition that the buybacks do not reduce the CET1 capital by more than NOK 78.4 million. Sparebanken Møre will deduct NOK 78.4 million from CET1 capital between the date authorisation was granted until the authorisation expires on 31 December 2024.

At the end of the third quarter of 2024, the CET1 capital ratio was 17.3 per cent (18.1 per cent), including 50 per cent of the result for the year to date. This is 1.15 percentage points higher than the total minimum requirement and the FSA's expected capital adequacy margin (P2G) totalling 16.15 per cent. The capital adequacy ratio, including 50 per cent of the result for the year to date, was 21.3 per cent (22.5 per cent) and the Tier 1 capital ratio was 19.2 per cent (19.9 per cent).

Sparebanken Møre's total CET1 capital ratio requirement is 16.15 per cent. The requirement consists of a minimum requirement of 4.5 per cent, a capital conservation buffer of 2.5 per cent, a systemic risk buffer of 4.5 per cent and a countercyclical buffer of 2.5 per cent. The FSA conducted a SREP in 2023. The individual Pillar 2 requirement for Sparebanken Møre has been set at 1.6 per cent, and the expected capital adequacy margin has been set at 1.25 per cent. At least 56.25 per cent of the Pillar 2 requirement that resulted from the aforementioned SREP must be met with CET1 capital (0.9 per cent) and a minimum of 75 per cent must be met with Tier 1 capital.

The leverage ratio (LR) at the end of the third quarter of 2024 was 7.3 per cent (7.5 per cent). The regulatory minimum requirement (3 per cent) was met by a good margin.

MREL

On 1 January 2024, the FSA set Sparebanken Møre's effective MREL requirement at 35.7 per cent of the risk-weighted assets at any given time. The minimum subordination requirement was set at 28.7 per cent. At the end of the quarter, Sparebanken Møre's actual MREL level was 39.3 per cent, while the level of subordination was 32.0 per cent of the risk-weighted assets.

Sparebanken Møre had issued NOK 3,750 million in subordinated bond debt at the end of third quarter of 2024.

SUBSIDIARIES

The aggregate profit of the bank's subsidiaries amounted to NOK 133 million after tax after the first three quarters of 2024 (NOK 109 million).

Møre Boligkreditt AS was established as part of the Group's long-term funding strategy. The main purpose of the covered bond company is to issue covered bonds for sale to Norwegian and international investors. At the end of the third quarter of 2024, the company had nominal outstanding covered bonds of NOK 34.1 billion in the market. Around 40 per cent was issued in a currency other than NOK. At the end of the quarter, the parent bank held NOK 1,188 million in bonds issued by the company. Møre Boligkreditt AS has contributed NOK 130 million to the Group's result so far in 2024 (NOK 106 million).

Møre Eiendomsmegling AS provides real estate brokerage services to both retail and corporate customers. The company has made a profit contribution of NOK 0.6 million so far in 2024 (NOK 1.3 million). At the end of the quarter, the company employed 24 FTEs.

The purpose of Sparebankeiendom AS and Storgata 41-45 Molde AS is to own and manage the bank's own commercial properties. The companies have made a profit contribution of NOK 2.7 million so far in 2024 (NOK 2 million). The companies have no staff.

EQUITY CERTIFICATES

At the end of the third quarter of 2024, there were 7,113 holders of Sparebanken Møre's equity certificates. The proportion of equity certificates owned by foreign nationals and enterprises amounted to 5.9 per cent at the end of the third quarter of 2024. 49,434,770 equity certificates have been issued. Equity certificate capital accounts for 49.7 per cent of the bank's total equity.

Note 14 includes a list of the 20 largest holders of the bank's equity certificates. As at the end of the third quarter of 2024, the bank owned 171,658 of its own equity certificates. These were purchased on the Oslo Stock Exchange at market price.

At the beginning of July, the bank received provisional notice of instructions from the FSA concerning our current accounting practice of recording unpaid gifts for non-profit purposes as other liabilities in the bank's accounts. Sparebanken Møre disagrees with the FSA's assessment and responded to the authority by the set deadline of 26 August with a review and assessment of the factual and legal basis for the warned of instructions. Please also see our stock exchange notification dated 5 July 2024.

FUTURE PROSPECTS

In Western countries, inflation rates continued to fall throughout the summer and autumn. At the same time, there are signs that economic activity is slowing down in a number of countries. Weak economic data from the US has periodically triggered significant, albeit short-term, fluctuations in equity markets.

At the same time, the geopolitical situation in the Middle East remains precarious, and lately the risk of a significant escalation has increased further. This is creating uncertainty about how commodity prices will develop going forward, although so far the impact has been limited.

Overall, the developments over the last few months have given market players cause to believe that interest rates in Western countries will be reduced faster than assumed before the summer. At the same time, expectations concerning policy rates fluctuate widely from week to week and month to month.

Several of the central banks in our neighbouring countries have already started to reduce their policy rates. Sweden has cut interest rates three times since May, while the European Central Bank delivered its second interest rate cut in September. The US Federal Reserve Bank, considered to be among the most influential, has started down the path of reducing interest rates from the tighter level we have seen for a while. Our neighbours are expected to cut their rates further in the coming months.

Expectations concerning Norwegian interest rates have also been influenced by international developments. While before the summer, market rates indicated that three interest rate cuts could be expected by the end of next year, this figure has now increased to between five and six. Meanwhile, Norges Bank is sticking to its message that there are likely to be three to four interest rate cuts next year, largely due to a persistently weak Norwegian krone exchange rate.

The discrepancy between market interest rates and Norges Bank's interest rate path, and fixed interest rates that are well below the floating interest rate, has helped to increase both corporate and household demand for fixed-rate agreements. This is contributing to greater financial predictability in what is a demanding time for many.

While the prospects for growth in the Norwegian economy remain subdued, the weak Norwegian krone is helping to support the level of activity in high export regions such as Møre og Romsdal. There are prospects that the level of activity will remain high and unemployment low also in the period ahead.

The rate of growth in lending to households and non-financial companies for Norway as a whole continued to edge upwards throughout the third quarter of the year. The trend of declining growth in household debt over the past 2 years ended in March; the 12-month growth rate has increased each month since April and was 3.5 per cent at the end of August. The total 12-month growth in lending was 3.8 per cent. The growth in total lending is now close to the level seen at the start of the year. This is due, not least, to the fact that the municipalities' growth in debt has increased markedly.

Sparebanken Møre's overall lending growth has remained good and is still markedly above the market growth rate. The 12-month growth rate was 8.2 per cent at the end of the quarter, which is higher than the level at the end of 2023 of 7.2 per cent. The year-on-year growth in lending to the retail market ended at 7.0 per cent at the end of the third quarter, while lending growth in the corporate market amounted to 9.9 per cent. Deposits have increased by 5.5 per cent in the past 12 months and the deposit-to-loan ratio remains high.

The bank has a solid capital base and good liquidity and will remain a strong and committed supporter of our customers also going forward. The focus will always be on good operations and profitability.

Sparebanken Møre's long-term strategic financial performance targets are a return on equity of above 12 per cent and a cost income ratio of under 40. The bank's return on equity for the first three quarters of this year was 14.0 per cent, while its cost income ratio was 39.7. The Board's expectation for 2024 is that the return on equity will remain good also in the fourth quarter.

Ålesund, 30 September 2024
23 October 2024

THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

ROY REITE, Chair of the Board
KÅRE ØYVIND VASSDAL, Deputy Chair
JILL AASEN
THERESE MONSÅS LANGSET
TERJE BØE
BIRGIT MIDTBUST
MARIE REKDAL HIDE
BJØRN FØLSTAD

TROND LARS NYDAL, CEO

Statement of income - Group

STATEMENT OF INCOME - GROUP (COMPRESSED)

(NOK million)	Note	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Interest income from assets at amortised cost		1 299	1 137	3 819	3 014	4 221
Interest income from assets at fair value		202	184	615	491	695
Interest expenses		978	834	2 885	2 111	3 016
Net interest income	3	523	487	1 549	1 394	1 900
Commission income and revenues from banking services		75	68	195	186	258
Commission expenses and charges from banking services		10	12	30	31	42
Other operating income		15	9	39	25	34
Net commission and other operating income	7	80	65	204	180	250
Dividends		4	0	8	1	1
Net change in value of financial instruments		19	23	51	43	44
Net result from financial instruments	7	23	23	59	44	45
Total other income	7	103	88	263	224	295
Total income		626	575	1 812	1 618	2 195
Salaries, wages etc.		133	120	394	347	482
Depreciation and impairment of non-financial assets		14	13	40	37	49
Other operating expenses		96	75	286	233	328
Total operating expenses	8	243	208	720	617	859
Profit before impairment on loans		383	367	1 092	1 001	1 336
Impairment on loans, guarantees etc.	5	17	34	-1	64	-53
Pre-tax profit		366	333	1 093	937	1 389
Taxes		86	80	258	222	334
Profit after tax		280	253	835	715	1 055
Allocated to equity owners		265	240	788	680	1 007
Allocated to owners of Additional Tier 1 capital		15	13	47	35	48
Profit per EC (NOK) 1)		2.66	2.42	7.92	6.84	10.12
Diluted earnings per EC (NOK) 1)		2.66	2.42	7.92	6.84	10.12
Distributed dividend per EC (NOK)		0.00	0.00	7.50	4.00	4.00

STATEMENT OF COMPREHENSIVE INCOME - GROUP (COMPRESSED)

(NOK million)	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Profit after tax	280	253	835	715	1 055
Items that may subsequently be reclassified to the income statement:					
Basisswap spreads - changes in value	1	-16	-10	-23	-37
Tax effect of changes in value on basisswap spreads	-1	4	2	5	8
Items that will not be reclassified to the income statement:					
Pension estimate deviations	0	0		0	1
Tax effect of pension estimate deviations	0	0		0	0
Total comprehensive income after tax	280	241	827	697	1 027
Allocated to equity owners	265	228	780	662	979
Allocated to owners of Additional Tier 1 capital	15	13	47	35	48

1) Calculated using the EC-holders' share (49.7 %) of the period's profit to be allocated to equity owners.

Balance sheet - Group

ASSETS (COMPRESSED)

(NOK million)	Note	30.09.2024	30.09.2023	31.12.2023
Cash and receivables from Norges Bank	9 10 13	358	170	266
Loans to and receivables from credit institutions	9 10 13	3 692	1 546	919
Loans to and receivables from customers	4 5 6 9 11 13	86 272	79 739	81 572
Certificates, bonds and other interest-bearing securities	9 11 13	13 903	11 076	11 898
Financial derivatives	9 11	1 885	1 325	1 336
Shares and other securities	9 11	202	209	217
Intangible assets		58	57	59
Fixed assets		212	213	206
Overfunded pension liability		68	53	59
Other assets		239	287	203
Total assets		106 889	94 675	96 735

LIABILITIES AND EQUITY (COMPRESSED)

(NOK million)	Note	30.09.2024	30.09.2023	31.12.2023
Loans and deposits from credit institutions	9 10 13	2 473	1 318	1 727
Deposits from customers	4 9 10 13	49 203	46 653	47 410
Debt securities issued	9 10 12	43 218	35 382	36 170
Financial derivatives	9 11	485	549	603
Other provisions for incurred costs and prepaid income		127	89	98
Pension liabilities		28	26	28
Tax payable		333	207	270
Provisions for guarantee liabilities		5	17	4
Deferred tax liabilities		162	106	161
Other liabilities		1 185	964	727
Subordinated loan capital	9 10	857	993	857
Total liabilities		98 076	86 304	88 055

EC capital	14	989	989	989
ECs owned by the bank		-4	-2	-4
Share premium		360	359	359
Additional Tier 1 capital		750	650	650
Paid-in equity		2 095	1 996	1 994
Primary capital fund		3 474	3 335	3 475
Gift fund		125	125	125
Dividend equalisation fund		2 205	2 068	2 205
Liability credit reserve		-13	16	-13
Other equity		100	134	894
Comprehensive income for the period		827	697	-
Retained earnings		6 718	6 375	6 686
Total equity		8 813	8 371	8 680
Total liabilities and equity		106 889	94 675	96 735

Statement of changes in equity - Group

GROUP 30.09.2024	Total equity	EC capital	Share premium	Additional Tier 1 capital	Primary capital fund	Gift fund	Dividend equalisation fund	Liability credit reserve	Other equity
Equity as at 31.12.2023	8 680	985	359	650	3 475	125	2 205	-13	894
Changes in own equity certificates	0		1		-1				
Distributed dividends to the EC holders	-371								-371
Distributed dividends to the local community	-376								-376
Issued Additional Tier 1 capital	350			350					
Redemption of Additional Tier 1 capital	-250			-250					
Interests on issued Additional Tier 1 capital	-47								-47
Comprehensive income for the period	827								827
Equity as at 30.09.2024	8 813	985	360	750	3 474	125	2 205	-13	927

GROUP 30.09.2023	Total equity	EC capital	Share premium	Additional Tier 1 capital	Primary capital fund	Gift fund	Dividend equalisation fund	Liability credit reserve	Other equity
Equity as at 31.12.2022	8 102	986	358	650	3 334	125	2 066	16	567
Changes in own equity certificates	5	1	1		1		2		
Distributed dividends to the EC holders	-198								-198
Distributed dividends to the local community	-200								-200
Interests on issued Additional Tier 1 capital	-35								-35
Comprehensive income for the period	697								697
Equity as at 30.09.2023	8 371	987	359	650	3 335	125	2 068	16	831

GROUP 31.12.2023	Total equity	EC capital	Share premium	Additional Tier 1 capital	Primary capital fund	Gift fund	Dividend equalisation fund	Liability credit reserve	Other equity
Equity as at 31.12.2022	8 102	986	358	650	3 334	125	2 066	16	567
Changes in own equity certificates	-3	-1	1		-1		-2		
Distributed dividends to the EC holders	-198								-198
Distributed dividends to the local community	-200								-200
Interests on issued Additional Tier 1 capital	-48								-48
Equity before allocation of profit for the year	7 653	985	359	650	3 333	125	2 064	16	121
Allocated to the primary capital fund	142				142				
Allocated to the dividend equalisation fund	140						140		
Allocated to owners of Additional Tier 1 capital	48								48
Allocated to other equity	-22								-22
Proposed dividend allocated for the EC holders	371								371
Proposed dividend allocated for the local community	376								376
Profit for the year	1 055	0	0	0	142	0	140	0	773
Changes in value - basis swaps	-37							-37	
Tax effect of changes in value - basis swaps	8							8	
Pension estimate deviations	1						1		
Tax effect of pension estimate deviations	0								
Total other income and costs from comprehensive income	-28	0	0	0	0	0	1	-29	0
Total profit for the year	1 027	0	0	0	142	0	141	-29	773
Equity as at 31.12.2023	8 680	985	359	650	3 475	125	2 205	-13	894

Statement of cash flow - Group

(NOK million)	30.09.2024	30.09.2023	31.12.2023
Cash flow from operating activities			
Interest, commission and fees received	4 305	3 404	4 775
Interest, commission and fees paid	-1 471	-1 069	-1 363
Interest received on certificates, bonds and other securities	393	312	439
Dividend and group contribution received	7	1	1
Operating expenses paid	-625	-549	-786
Income taxes paid	-193	-220	-210
Net change in loans to and claims on other financial institutions	-2 773	-1 185	-559
Net change in repayment loans to customers	-3 867	-3 311	-4 753
Net change in utilised credit facilities	-816	-414	-688
Net change in deposits from customers	1 793	2 772	3 529
Proceeds from the sale of certificates, bonds and other securities	12 205	10 363	11 401
Purchases of certificates, bonds and other securities	-16 857	-10 821	-12 840
Net cash flow from operating activities	-7 899	-717	-1 054
Cash flow from investing activities			
Proceeds from the sale of fixed assets etc.	0	0	0
Purchase of fixed assets etc.	-28	-30	-41
Net change in other assets	-5	-102	-159
Net cash flow from investing activities	-32	-132	-200
Cash flow from financing activities			
Interest paid on debt securities and subordinated loan capital	-1 497	-1 186	-1 676
Net change in deposits from Norges Bank and other financial institutions	747	732	640
Proceeds from bond issues raised	10 675	5 994	8 392
Redemption of debt securities	-1 638	-5 264	-5 786
Dividend paid	-371	-198	-198
Net change in other debt	57	582	-198
Net change in Additional Tier 1 capital	98	0	0
Paid interest on Additional Tier 1 capital issued	-47	-35	-48
Net cash flow from financing activities	8 023	625	1 126
Net change in cash and cash equivalents	92	-224	-128
Cash balance, OB	266	394	394
Cash balance, CB	358	170	266

Note 1

Accounting principles

The Group`s interim accounts have been prepared in accordance with adopted International Financial Reporting Standards (IFRS), approved by the EU as at 30 September 2024. The interim report has been prepared in compliance with IAS 34 Interim Reporting and in accordance with accounting principles and methods applied in the 2023 Financial statements.

The accounts are presented in Norwegian kroner (NOK), which is also the parent bank`s and subsidiaries` functional currency. All amounts are stated in NOK million unless stated otherwise.

Note 2

Capital adequacy

Sparebanken Møre calculates and reports capital adequacy in compliance with the EU's capital requirements regulation and directive (CRD/CRR). Sparebanken Møre is granted permission from the Financial Supervisory Authority of Norway (FSA) to use internal rating methods, IRB Foundation for credit risk. Calculations regarding market risk are performed using the standardised approach and for operational risk the basic indicator approach is used. The use of IRB places extensive demands on the bank's organisation, expertise, risk models and risk management systems.

On 21 December 2021, Sparebanken Møre applied to the FSA to make changes to the bank's IRB models and calibration framework. In the quarterly report for Q2 2023, presented on 10th August 2023, it was informed that Sparebanken Møre had received a response from the FSA dated 22 June 2023, in which the proposed models for the corporate market were approved. In a letter dated 18 January 2024, the FSA rejected the bank's application of model changes for the retail market.

The changes to the model for the corporate portfolio were incorporated in the second half of 2023 and the estimated effect on Common Equity Tier 1 (CET1) capital was an increase of about 0.5 percentage points. At the end of the fourth quarter of 2023, the effect was 0.7 percentage points. After using the new calibration framework up to the end of the second quarter of 2024, the effect of the change proved to be a higher increase in CET1 capital than first assumed and higher than what was stated at the end of the fourth quarter of 2023. Based on the actual figures so far this year, the bank has concluded changes to the calibration to better reflect the portfolio's development. The changes to the calibration were implemented with effect from the end of the third quarter of 2024.

On 16 August 2024, the FSA approved a new application for the acquisition of own equity certificates. The authorisation has been granted on the condition that the buybacks do not reduce Common Equity Tier 1 capital by more than NOK 78.4 million. Sparebanken Møre has made deductions in the Common Equity Tier 1 capital of NOK 78.4 million from the date the authorisation was granted and for the duration of the authorisation until 31 December 2024.

Sparebanken Møre's total Common Equity Tier 1 capital ratio requirement is 16.15 per cent. The requirement consists of a minimum requirement of 4.5 per cent, a capital conservation buffer of 2.5 per cent, a systemic risk buffer of 4.5 per cent and a countercyclical buffer of 2.5 per cent. The Financial Supervisory Authority conducted a SREP in 2023. The individual Pillar 2 requirement for Sparebanken Møre has been set at 1.6 per cent, and the expected capital adequacy margin has been set at 1.25 per cent. At least 56.25 per cent of the new Pillar 2 requirement that resulted from the aforementioned SREP must be met with Common Equity Tier 1 capital (0.9 per cent), and minimum 75 per cent must be met with Tier 1 capital.

Sparebanken Møre has an internal target for the CET1 ratio to minimum equal the sum of Pillar 1, Pillar 2 and the Pillar 2 Guidance.

MREL

One key element of the BRRD II (Bank Recovery and Resolution Directive) is that capital instruments and debt can be written down and/or converted to equity (bail-in). The Financial Institutions Act, therefore, requires the bank to meet a minimum requirement regarding the sum of its own funds and convertible debt at all times (MREL – minimum requirement for own funds and eligible liabilities) such that the bank has sufficient primary capital and convertible debt to cope with a crisis without the use of public funds.

The MREL requirement, applicable from 1 January 2024, must be covered by own funds or debt instruments with a lower priority than ordinary, unsecured, non-prioritised debt (senior debt). The overall subordination requirement must as a minimum be phased in linearly. From 1 January 2022, the effective subordination requirement is 20 per cent of the adjusted risk-weighted assets.

In its letter dated 10th November 2023, the FSA set Sparebanken Møre's effective MREL-requirement as of 01.01.2024 at 35.7 per cent and the minimum subordination requirement at 28.7 per cent.

Equity	**30.09.2024**	**30.09.2023**	**31.12.2023**
EC capital	989	989	989
- ECs owned by the bank	-4	-2	-4
Share premium	360	359	359
Additional Tier 1 capital (AT1)	750	650	650
Primary capital fund	3 474	3 335	3 475
Gift fund	125	125	125
Dividend equalisation fund	2 205	2 068	2 205
Proposed dividend for EC holders	0	0	371
Proposed dividend for the local community	0	0	376
Liability credit reserve	-13	16	-13
Other equity	100	134	147
Comprehensive income for the period	827	697	-
Total equity	8 813	8 371	8 680

Tier 1 capital (T1)	**30.09.2024**	**30.09.2023**	**31.12.2023**
Goodwill, intangible assets and other deductions	-58	-57	-59
Value adjustments of financial instruments at fair value	-20	-16	-17
Deduction of overfunded pension liability	-51	-40	-48
Deduction of remaining permission for the acquisition of own equity certificates	-74	-63	-61
Additional Tier 1 capital (AT1)	-750	-650	-650
Expected IRB-losses exceeding ECL calculated according to IFRS 9	-354	-372	-242
Deduction for proposed dividend	0	0	-371
Deduction for proposed dividend for the local community	0	0	-376
Deduction of comprehensive income for the period	-827	-697	-
Total Common Equity Tier 1 capital (CET1)	6 679	6 476	6 856
Additional Tier 1 capital - classified as equity	750	650	650
Additional Tier 1 capital - classified as debt	0	0	0
Total Tier 1 capital (T1)	7 429	7 126	7 506

Tier 2 capital (T2)	30.09.2024	30.09.2023	31.12.2023
Subordinated loan capital of limited duration	857	993	857
Total Tier 2 capital (T2)	857	993	857

Net equity and subordinated loan capital	8 286	8 119	8 363

Risk weighted assets (RWA) by exposure classes

Credit risk - standardised approach	**30.09.2024**	**30.09.2023**	**31.12.2023**
Central governments or central banks	0	0	0
Local and regional authorities	604	306	389
Public sector companies	0	216	207
Institutions	365	207	240
Covered bonds	610	538	550
Equity	348	348	347
Other items	582	828	547
Total credit risk - standardised approach	2 509	2 443	2 280

Credit risk - IRB Foundation	**30.09.2024**	**30.09.2023**	**31.12.2023**
Retail - Secured by real estate	12 693	11 797	11 995
Retail - Other	311	320	295
Corporate lending	21 685	19 827	19 444
Total credit risk - IRB-Foundation	34 689	31 944	31 734

Market risk (standardised approach)	174	158	161
Operational risk (basic indicator approach)	3 424	2 996	3 424
Risk weighted assets (RWA)	**40 796**	**37 541**	**37 599**

Minimum requirement Common Equity Tier 1 capital (4.5 %)	1 836	1 689	1 692

Buffer requirements	**30.09.2024**	**30.09.2023**	**31.12.2023**
Capital conservation buffer , 2.5 %	1 020	939	940
Systemic risk buffer, 4.5 % (3.0 % per 30.09.2023)	1 836	1 126	1 692
Countercyclical buffer, 2.5 %	1 020	939	940
Total buffer requirements for Common Equity Tier 1 capital	3 876	3 003	3 572
Available Common Equity Tier 1 capital after buffer requirements	968	1 783	1 592

Capital adequacy as a percentage of risk weighted assets (RWA)	30.09.2024	30.09.2023	31.12.2023
Capital adequacy ratio	20.3	21.6	22.2
Capital adequacy ratio incl. 50 % of the profit	21.3	22.5	-
Tier 1 capital ratio	18.2	19.0	20.0
Tier 1 capital ratio incl. 50 % of the profit	19.2	19.9	-
Common Equity Tier 1 capital ratio	16.4	17.3	18.2
Common Equity Tier 1 capital ratio incl. 50 % of the profit	17.3	18.1	-

Leverage Ratio (LR)	30.09.2024	30.09.2023	31.12.2023
Basis for calculation of leverage ratio	106 639	98 855	99 794
Leverage Ratio (LR)	7.0	7.2	7.5
Leverage Ratio (LR) incl. 50 % of the profit	7.3	7.5	-

Note 3

Operating segments

Result - Q3 2024	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Net interest income	523	0	87	204	233	-1
Other operating income	103	-17	33	37	34	16
Total income	626	-17	120	241	267	15
Operating expenses	243	-17	48	48	151	13
Profit before impairment	383	0	72	193	116	2
Impairment on loans, guarantees etc.	17	0	1	15	1	0
Pre-tax profit	366	0	71	178	115	2
Taxes	86					
Profit after tax	280					

Result - 30.09.2024	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Net interest income	1 549	1	271	601	676	0
Other operating income	263	-52	104	82	93	36
Total income	1 812	-51	375	683	769	36
Operating costs	720	-51	170	135	431	35
Profit before impairment	1 092	0	205	548	338	1
Impairment on loans, guarantees etc.	-1	0	0	32	-33	0
Pre-tax profit	1 093	0	205	516	371	1
Taxes	258					
Profit after tax	835					

Key figures - 30.09.2024	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Gross loans to customers 1)	86 517	-104	1 601	27 601	57 419	0
Expected credit loss on loans	-245	0	-1	-175	-69	0
Net loans to customers	86 272	-104	1 600	27 426	57 350	0
Deposits from customers 1)	49 203	-181	971	16 013	32 400	0
Guarantee liabilities	1 757	0	0	1 757	0	0
Expected credit loss on guarantee liabilities	4	0	0	4	0	0
The deposit-to-loan ratio	56.9	174.0	60.6	58.0	56.4	0.0
Man-years	409	0	148	60	177	24

Result - Q3 2023	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Net interest income	487	0	65	196	226	0
Other operating income	88	-16	29	31	33	11
Total income	575	-16	94	227	259	11
Operating expenses	208	-16	34	45	136	9
Profit before impairment	367	0	60	182	123	2
Impairment on loans, guarantees etc.	34	0	0	19	15	0
Pre-tax profit	333	0	60	163	108	2
Taxes	80					
Profit after tax	253					

Result - 30.09.2023	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Net interest income	1 394	1	176	548	669	0
Other operating income	224	-50	76	80	91	27
Total income	1 618	-49	252	628	760	27
Operating costs	617	-49	143	119	379	25
Profit before impairment	1 001	0	109	509	381	2
Impairment on loans, guarantees etc.	64	0	0	60	4	0
Pre-tax profit	937	0	109	449	377	2
Taxes	222					
Profit after tax	715					

Key figures - 30.09.2023	Group	Eliminations	Other 2)	Corporate	Retail 1)	Real estate brokerage
Gross loans to customers 1)	80 118	-108	1 328	25 543	53 355	0
Expected credit loss on loans	-379	0	-1	-282	-96	0
Net loans to customers	79 739	-108	1 327	25 261	53 259	0
Deposits from customers 1)	46 653	-196	945	15 251	30 653	0
Guarantee liabilities	1 474	0	0	1 471	3	0
Expected credit loss on guarantee liabilities	17	0	0	17	0	0
The deposit-to-loan ratio	58.2	181.5	71.2	59.7	57.5	0.0
Man-years	390	3	147	45	175	20

Result - 31.12.2023	**Group**	**Eliminations**	**Other 2)**	**Corporate**	**Retail 1)**	**Real estate brokerage**
Net interest income	1 900	1	256	745	898	0
Other operating income	295	-68	93	114	122	34
Total income	2 195	-67	349	859	1 020	34
Operating costs	859	-64	209	164	516	34
Profit before impairment	1 336	-3	140	695	504	0
Impairment on loans, guarantees etc.	-53	0	0	-62	9	0
Pre-tax profit	1 389	-3	140	757	495	0
Taxes	334					
Profit after tax	1 055					

Key figures - 31.12.2023	**Group**	**Eliminations**	**Other 2)**	**Corporate**	**Retail 1)**	**Real estate brokerage**
Gross loans to customers 1)	81 834	-107	1 485	26 524	53 932	0
Expected credit loss on loans	-262	0	-1	-159	-102	0
Net loans to customers	81 572	-107	1 484	26 365	53 830	0
Deposits from customers 1)	47 410	-100	873	15 254	31 383	0
Guarantee liabilities	1 249	0	0	1 247	2	0
Expected credit loss on guarantee liabilities	4	0	0	4	0	0
The deposit-to-loan ratio	57.9	93.5	58.8	57.5	58.2	0.0
Man-years	400	0	148	59	170	23

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 the company is part of Sparebanken Møre's long-term financing strategy. Key figures for Møre Boligkreditt AS are displayed in a separate table.

2) Consists of head office activities not allocated to reporting segments, customer commitments towards employees as well as the subsidiaries Sparebankeiendom AS and Storgata 41-45 Molde AS, managing the buildings owned by the Group.

	MØRE BOLIGKREDITT AS				
Statement of income	**Q3 2024**	**Q3 2023**	**30.09.2024**	**30.09.2023**	**31.12.2023**
Net interest income	72	53	216	180	237
Other operating income	-5	-17	-12	0	-14
Total income	67	36	204	180	223
Operating expenses	14	13	43	43	58
Profit before impairment on loans	53	23	161	137	165
Impairment on loans, guarantees etc.	-1	3	-6	1	1
Pre-tax profit	54	20	167	136	164
Taxes	12	4	37	30	36
Profit after tax	42	16	130	106	128

MØRE BOLIGKREDITT AS			
Balance sheet	**30.09.2024**	**30.09.2023**	**31.12.2023**
Loans to and receivables from customers	35 943	33 717	32 357
Total equity	1 759	1 654	1 665

Note 4

Loans and deposits broken down according to sectors

The loan portfolio with agreed floating interest is measured at amortised cost, while the loan portfolio with fixed interest rates is measured at fair value.

30.09.2024	GROUP					
Sector/industry	**Gross loans at amortised cost**	**ECL Stage 1**	**ECL Stage 2**	**ECL Stage 3**	**Loans at fair value**	**Net loans**
Agriculture and forestry	729	0	-1	-8	43	763
Fisheries	5 282	-6	-34	0	2	5 244
Manufacturing	3 981	-5	-11	-22	6	3 949
Building and construction	1 432	-3	-4	-8	4	1 421
Wholesale and retail trade, hotels	1 215	-1	-4	-11	13	1 212
Supply/Oil services	1 210	-3	-1	0	0	1 206
Property management	9 350	-9	-6	-3	96	9 428
Professional/financial services	1 402	-2	-1	-4	34	1 429
Transport and private/public services/abroad	4 668	-3	-11	-5	49	4 698
Total corporate/public entities	29 269	-32	-73	-61	247	29 350
Retail customers	53 241	-9	-25	-45	3 760	56 922
Total loans to and receivables from customers	82 510	-41	-98	-106	4 007	86 272

30.09.2023	GROUP					
Sector/industry	**Gross loans at amortised cost**	**ECL Stage 1**	**ECL Stage 2**	**ECL Stage 3**	**Loans at fair value**	**Net loans**
Agriculture and forestry	652	0	-2	-2	53	701
Fisheries	4 626	-7	-10	0	2	4 611
Manufacturing	3 779	-8	-7	-4	8	3 768
Building and construction	1 373	-2	-5	-13	15	1 368
Wholesale and retail trade, hotels	1 099	-2	-6	-3	32	1 120
Supply/Oil services	1 340	-13	-2	-141	0	1 184
Property management	8 669	-9	-8	-5	213	8 860
Professional/financial services	547	-1	-3	-2	13	554
Transport and private/public services/abroad	4 314	-3	-9	-4	116	4 414
Total corporate/public entities	26 399	-45	-52	-174	452	26 580
Retail customers	50 432	-13	-52	-43	2 835	53 159
Total loans to and receivables from customers	76 831	-58	-104	-217	3 287	79 739

31.12.2023	GROUP					
Sector/industry	**Gross loans at amortised cost**	**ECL Stage 1**	**ECL Stage 2**	**ECL Stage 3**	**Loans at fair value**	**Net loans**
Agriculture and forestry	711	0	-3	-8	41	741
Fisheries	4 998	-1	-26	0	2	4 973
Manufacturing	3 526	-5	-9	-4	6	3 514
Building and construction	1 160	-2	-6	-21	6	1 137
Wholesale and retail trade, hotels	1 200	-1	-4	-3	9	1 201
Supply/Oil services	1 600	-9	0	0	0	1 591
Property management	8 957	-11	-7	-8	97	9 028
Professional/financial services	797	-1	-1	-2	25	818
Transport and private/public services/abroad	4 865	-6	-7	-5	39	4 886
Total corporate/public entities	27 814	-36	-63	-51	225	27 889
Retail customers	50 737	-11	-54	-47	3 058	53 683
Total loans to and receivables from customers	78 551	-47	-117	-98	3 283	81 572

Deposits with agreed floating interest rates are measured at amortised cost, fixed-interest rate deposits with maturities less than one year are measured at amortised cost and fixed-interest rate deposits with maturities in excess of one year are classified at fair value and secured by interest rate swaps.

DEPOSITS FROM CUSTOMERS	GROUP		
Sector/industry	**30.09.2024**	**30.09.2023**	**31.12.2023**
Agriculture and forestry	331	279	278
Fisheries	1 672	1 682	1 556
Manufacturing	3 633	3 202	3 687
Building and construction	842	882	967
Wholesale and retail trade, hotels	1 298	1 124	1 098
Property management	2 637	2 643	2 502
Transport and private/public services	5 858	5 289	5 008
Public administration	254	656	657
Others	2 401	2 407	2 431
Total corporate/public entities	18 926	18 164	18 184
Retail customers	30 277	28 489	29 226
Total	49 203	46 653	47 410

Note 5

Losses and impairment on loans and guarantees

Methodology for measuring expected credit losses (ECL) according to IFRS 9

For a detailed description of the bank's loss model, please see note 9 in the annual report for 2023.

Sparebanken Møre has developed an ECL model based on the Group's IRB parameters and applies a three-stage approach when assessing ECL on loans to customers and financial guarantees in accordance with IFRS 9.

Stage 1: At initial recognition and if there's no significant increase in credit risk, the commitment is classified in stage 1 with 12-months ECL.

Stage 2: If a significant increase in credit risk since initial recognition is identified, but without evidence of loss, the commitment is transferred to stage 2 with lifetime ECL measurement.

Stage 3: If the credit risk increases further, including evidence of loss, the commitment is transferred to stage 3 with lifetime ECL measurement. The commitment is considered to be credit-impaired. As opposed to stage 1 and 2, effective interest rate in stage 3 is calculated on net impaired commitment (total commitment less expected credit loss) instead of gross commitment.

Staging is performed at account level and implies that two or more accounts held by the same customer can be placed in different stages. If a customer has one account in stage 3 (risk classes K, M or N), all of the customer's accounts will migrate to stage 3.

Customers in risk class N have been subject to individual loss assessment with impairment. In connection with individual loss assessment, 3 scenarios based on calculation of the weighted present value of future cash flow after realisation of collateral are prepared. If the weighted present value of cash flow after realisation of collateral is positive, model-based loss provisions according to the ECL model is used.

An increase in credit risk reflects both customer-specific circumstances and development in relevant macro factors for the particular customer segment. The assessment of what is considered to be a significant increase in credit risk is based on a combination of quantitative and qualitative indicators.

Quantitative criteria

A significant increase in credit risk is determined by comparing the PD at the reporting date with PD at initial recognition. If the actual PD is higher than initial PD, an assessment is made of whether the increase is significant.

Significant increase in credit risk since initial recognition is considered to have occurred when either

- PD has increased by 100 per cent or more and the increase in PD is more than 0.5 percentage points, or
- PD has increased by more than 2,0 percentage points
- The customer's agreed payments are overdue by more than 30 days

The weighted, macro adjusted PD in year 1 is used for comparison with PD on initial recognition to determine whether the credit risk has increased significantly.

Qualitative criteria

In addition to the quantitative assessment of changes in the PD, a qualitative assessment is made to determine whether there has been a significant increase in credit risk, for example, if the commitment is subject to special monitoring.

Credit risk is always considered to have increased significantly if the customer has been granted forbearance measures, though it is not severe enough to be individually assessed in stage 3.

Positive migration in credit risk
A customer migrates from stage 2 to stage 1 if:

- The criteria for migration from stage 1 to stage 2 is no longer present, **and**
- this is satisfied for at least one subsequent month (total 2 months)

A customer migrates from stage 3 to stage 1 or stage 2 if the customer no longer meets the conditions for migration to stage 3:

- The customer migrates to stage 2 if more than 30 days in default.
- Otherwise, the customer migrates to stage 1.

Accounts that are not subject to the migration rules above are not expected to have significant change in credit risk and retain the stage from the previous month.

Customers who are going through a probation period after default (at least 3 or 12 months), are initially held in stage 3. The customers canbe overridden to stage 2 if that is considered to give the best estimate of expected credit loss.

Scenarios
Three scenarios are developed: Best, Basis and Worst. For each of the scenarios, expected values of different parameters are given, for each of the next five years. The possibility for each of the scenarios to occur is also estimated. After five years, the scenarios are expected to converge to a long-term stable level.

Changes to PD as a result of scenarios, may also affect the staging.

Definition of default, credit-impaired and forbearance
The definition of default is similar to that used in the capital adequacy regulation.

A commitment is defined to be subject to forbearance (payment relief due to payment difficulties) if the bank agrees to changes in the terms and conditions as a result of the debtor having problems meeting payment obligations. Performing forbearance (not in default) is placed in stage 2 whereas non-performing (defaulted) forbearance is placed in stage 3.

Management override
Quarterly review meetings evaluate the basis for the accounting of ECL losses. If there are significant events that will affect an estimated loss which the model has not taken into account, relevant factors in the ECL model will be overridden. An assessment is made of the level of long-term PD and LGD in stage 2 and stage 3 under different scenarios, as well as an assessment of macro factors and weighting of scenarios.

Consequences of increased macroeconomic uncertainty and measurement of expected credit loss (ECL) for loans and guarantees
The bank's loss provisions reflect expected credit loss (ECL) pursuant to IFRS 9. When assessing ECL, the relevant conditions at the time of reporting and expected economic developments are taken into account.

The geopolitical situation, both in Europe and elsewhere, still poses considerable uncertainty. In addition, there is still uncertainty related to the growth outlook in the global economy. High inflation in combination with a high interest-rate level has had a dampening effect on the level of economic activity both in Norway and among our closest trading partners through 2023 and further into 2024. In recent months, we have received several confirmations that international price pressures are easing. This has paved the way for interest rate cuts among several of our trading partners. In Norway, the key policy rate will probably be kept at today's level for some time ahead. This is related to the fact that the Norwegian economy remains stable, while at the same time the NOK exchange rate is at weak levels. Norges Bank's latest forecasts indicate that the key policy rate will remain at 4.5 per cent until the first quarter of 2025, and then gradually decrease. There is stil uncertainty regarding future economic developments, both internationally and in Norway.

So far, no significant increase in arrears and forbearance has been observed as a result of increased interest costs and higher inflation.

The ECL as of 30.09.2024 is based on a scenario weighting with 70 per cent weight on the baseline scenario (normal development), 20 per cent weight on the worstcase scenario and 10 per cent weight on the best-case scenario.

Climate risk and calculation of expected credit losses
The bank is in the process of mapping and highlighting climate risk in the bank's lending portfolio and in the various industries. The assessments are so far a qualitative analysis, lack of data and experience make the quantitative and objective assessment challenging. Climate risk is reported in line with the TCDF (Task Force on Climate related Financial Disclosure) in a separate section of the 2023 annual report.

The ECL-model is intended to be expectations-oriented, and the bank has so far assessed that the qualitative climate risk analyses are fraught with a high degree of uncertainty and thus not taken into account when assessing expected credit losses. The bank will seek to find a good methodology for implementing climate risk in the ECL-model for the corporate portfolio.

Specification of credit loss in the income statement

GROUP	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Changes in ECL - stage 1 (model-based)	-5	11	-6	19	9
Changes in ECL - stage 2 (model-based)	17	19	-19	5	16
Changes in ECL - stage 3 (model-based)	-1	0	-4	2	13
Changes in individually assessed losses	3	0	13	36	-114
Confirmed losses covered by previous individual impairment	3	0	24	0	23
Confirmed losses, not previously impaired	1	5	1	6	6
Recoveries	-1	-1	-10	-4	-6
Total impairments on loans and guarantees	17	34	-1	64	-53

Changes in the loss provisions/ECL recognised in the balance sheet in the period

GROUP - 30.09.2024	Stage 1	Stage 2	Stage 3	Total
ECL 31.12.2023	48	120	98	266
New commitments	17	15	2	34
Disposal of commitments and transfer to stage 3 (individually assessed)	-13	-23	-9	-45
Changes in ECL in the period for commitments which have not migrated	-12	13	0	1
Migration to stage 1	5	-40	-5	-40
Migration to stage 2	-3	19	-7	9
Migration to stage 3	0	-3	15	12
Changes stage 3 (individually assessed)	-	-	13	13
ECL 30.09.2024	42	101	107	250
- of which expected losses on loans to retail customers	9	25	45	79
- of which expected losses on loans to corporate customers	32	73	61	166
- of which expected losses on guarantee liabilities	1	3	1	5

GROUP - 30.09.2023	Stage 1	Stage 2	Stage 3	Total
ECL 31.12.2022	39	104	198	341
New commitments	22	24	2	48
Disposal of commitments and transfer to stage 3 (individually assessed)	-8	-19	-7	-34
Changes in ECL in the period for commitments which have not migrated	-1	-1	1	-1
Migration to stage 1	13	-28	0	-15
Migration to stage 2	-6	32	-2	24
Migration to stage 3	0	-2	8	6
Changes stage 3 (individually assessed)	-	-	27	27
ECL 30.09.2023	59	110	227	396
- of which expected losses on loans to retail customers	13	52	43	108
- of which expected losses on loans to corporate customers	45	52	174	271
- of which expected losses on guarantee liabilities	1	6	10	17

GROUP - 31.12.2023	Stage 1	Stage 2	Stage 3	Total
ECL 31.12.2022	39	104	198	341
New commitments	19	31	2	52
Disposal of commitments and transfer to stage 3 (individually assessed)	-9	-25	-8	-42
Changes in ECL in the period for commitments which have not migrated	-3	1	1	-1
Migration to stage 1	8	-30	0	-22
Migration to stage 2	-6	43	-2	35
Migration to stage 3	0	-4	20	16
Changes stage 3 (individually assessed)	-	-	-113	-113
ECL 31.12.2023	48	120	98	266
- of which expected losses on loans to retail customers	11	54	47	112
- of which expected losses on loans to corporate customers	36	63	51	150
- of which expected losses on guarantee liabilities	1	3	0	4

Commitments (exposure) divided into risk groups based on probability of default

GROUP - 30.09.2024	Stage 1	Stage 2	Stage 3	Total
Low risk (0 % - < 0.5 %)	68 778	426	-	69 204
Medium risk (0.5 % - < 3 %)	14 563	6 503	-	21 066
High risk (3 % - <100 %)	1 817	2 564	-	4 381
PD = 100 %	-	-	451	451
Total commitments before ECL	85 158	9 493	451	95 102
- ECL	-42	-101	-107	-250
Total net commitments *)	85 116	9 392	344	94 852

Gross commitments with overridden migration	0	0	0	0

GROUP - 30.09.2023	Stage 1	Stage 2	Stage 3	Total
Low risk (0 % - < 0.5 %)	58 254	4 256	-	62 510
Medium risk (0.5 % - < 3 %)	9 604	6 608	-	16 212
High risk (3 % - <100 %)	1 476	2 413	-	3 889
PD = 100 %	-	-	817	817
Total commitments before ECL	69 334	13 277	817	83 428
- ECL	-59	-110	-227	-396
Total net commitments *)	69 275	13 167	590	83 032

Gross commitments with overridden migration	765	-760	-5	0

GROUP - 31.12.2023	Stage 1	Stage 2	Stage 3	Total
Low risk (0 % - < 0.5 %)	59 308	3 032	-	62 340
Medium risk (0.5 % - < 3 %)	10 109	7 709	-	17 818
High risk (3 % - <100 %)	1 648	3 008	-	4 656
PD = 100 %	-	-	425	425
Total commitments before ECL	71 065	13 749	425	85 239
- ECL	-48	-120	-98	-266
Total net commitments *)	71 017	13 629	327	84 973

Gross commitments with overridden migration	416	-416	0	0

*) The tables above are based on exposure (incl. undrawn credit facilities and guarantee liabilities) and are not including fixed rate loans assessed at fair value. The figures are thus not reconcilable against the balance sheet.

Note 6

Credit-impaired commitments

The table shows total commitments in default for more than 90 days and other credit-impaired commitments (less than 90 days). Customers who have been in default must go through a probation period with 100 per cent PD for at least three months before they are scored as non-defaulted. These customers are included in gross credit-impaired commitments.

	30.09.2024			30.09.2023			31.12.2023		
GROUP	**Total**	**Retail**	**Corporate**	**Total**	**Retail**	**Corporate**	**Total**	**Retail**	**Corporate**
Gross commitments in default for more than 90 days	147	69	78	69	56	13	96	56	40
Gross other credit-impaired commitments	319	119	200	762	140	622	329	166	163
Gross credit-impaired commitments	466	188	278	831	196	635	425	222	203
ECL on commitments in default for more than 90 days	34	16	18	21	15	6	26	14	12
ECL on other credit-impaired commitments	74	29	45	205	26	179	72	33	39
ECL on credit-impaired commitments	108	45	63	226	41	185	98	47	51
Net commitments in default for more than 90 days	113	53	60	48	41	7	70	42	28
Net other credit-impaired commitments	245	90	155	557	114	443	257	133	124
Net credit-impaired commitments	358	143	215	605	155	450	327	175	152
Total gross loans to customers - Group	86 517	57 001	29 516	80 118	53 267	26 851	81 834	53 795	28 039
Guarantees - Group	1 771	1	1 770	1 474	3	1 471	1 249	2	1 247
Gross credit-impaired commitments in % of loans/guarantee liabilities	0.53%	0.33%	0.89%	1.02%	0.37%	2.24%	0.51%	0.41%	0.69%
Net credit-impaired commitments in % loans/guarantee liabilities	0.41%	0.25%	0.69%	0.74%	0.29%	1.59%	0.39%	0.33%	0.52%

Commitments with probation period	30.09.2024			30.09.2023			31.12.2023		
GROUP	**Total**	**Retail**	**Corporate**	**Total**	**Retail**	**Corporate**	**Total**	**Retail**	**Corporate**
Gross commitments with probation period	44	37	7	52	43	9	111	72	39
Gross commitments with probation period in % of gross credit-impaired commitments	9%	20%	3%	6%	22%	1%	26%	32%	19%

Note 7

Other income

(NOK million)	30.09.2024	30.09.2023	2023
Guarantee commission	19	20	27
Income from the sale of insurance services (non-life/personal)	22	20	29
Income from the sale of shares in unit trusts/securities	11	12	17
Income from Discretionary Portfolio Management	41	35	47
Income from payment transfers	73	70	95
Other fees and commission income	29	29	43
Commission income and income from banking services	195	186	258
Commission expenses and expenses from banking services	-30	-31	-42
Income from real estate brokerage	34	25	33
Other operating income	5	0	1
Total other operating income	39	25	34
Net commission and other operating income	204	180	250
Interest hedging (for customers)	13	12	16
Currency hedging (for customers)	23	22	31
Dividend received	7	1	1
Net gains/losses on shares	-5	6	10
Net gains/losses on bonds	15	-1	-2
Change in value of fixed-rate loans	36	-50	17
Derivates related to fixed-rate lending	-34	54	-26
Change in value of issued bonds	-705	-818	-1 172
Derivates related to issued bonds	710	818	1 173
Net gains/losses related to buy back of outstanding bonds	-1	0	-3
Net result from financial instruments	59	44	45
Total other income	263	224	295

The following table lists commission income and expenses covered by IFRS 15 broken down by the largest main items and allocated per segment.

Net commission and other operating income - 30.09.2024	**Group**	**Other**	**Corporate**	**Retail**	**Real estate brokerage**
Guarantee commission	19	1	18	0	0
Income from the sale of insurance services	22	-1	3	20	0
Income from the sale of shares in unit trusts/securities	11	1	1	9	0
Income from Discretionary Portfolio Management	41	2	20	19	0
Income from payment transfers	73	6	17	50	0
Other fees and commission income	29	9	13	7	0
Commission income and income from banking services	195	18	72	105	0
Commission expenses and expenses from banking services	-30	-12	-2	-16	0
Income from real estate brokerage	34	0	0	0	34
Other operating income	5	1	0	4	0
Total other operating income	39	1	0	4	34
Net commision and other operating income	204	7	70	93	34

Net commission and other operating income - 30.09.2023	**Group**	**Other**	**Corporate**	**Retail**	**Real estate brokerage**
Guarantee commission	20	0	20	0	0
Income from the sale of insurance services	20	0	1	19	0
Income from the sale of shares in unit trusts/securities	12	2	0	10	0
Income from Discretionary Portfolio Management	35	2	17	16	0
Income from payment transfers	70	6	15	49	0
Other fees and commission income	29	2	14	13	0
Commission income and income from banking services	186	12	67	107	0
Commission expenses and expenses from banking services	-31	-11	-2	-18	0
Income from real estate brokerage	25	0	0	0	25
Other operating income	0	0	0	0	0
Total other operating income	25	0	0	0	25
Net commision and other operating income	180	1	65	89	25

Net commission and other operating income - 31.12.2023	**Group**	**Other**	**Corporate**	**Retail**	**Real estate brokerage**
Guarantee commission	27	0	27	0	0
Income from the sale of insurance services	29	2	3	24	0
Income from the sale of shares in unit trusts/securities	17	3	0	14	0
Income from Discretionary Portfolio Management	47	3	23	21	0
Income from payment transfers	95	9	20	66	0
Other fees and commission income	43	3	22	18	0
Commission income and income from banking services	258	20	95	143	0
Commission expenses and expenses from banking services	-42	-16	-2	-24	0
Income from real estate brokerage	33	0	0	0	33
Other operating income	1	1	0	0	0
Total other operating income	34	1	0	0	33
Net commision and other operating income	250	5	93	119	33

Note 8

Operating expenses

(NOK million)	30.09.2024	30.09.2023	2023
Wages	283	251	343
Pension expenses	23	20	25
Employers' social security contribution and Financial activity tax	63	57	82
Other personnel expenses	25	19	32
Wages, salaries, etc.	394	347	482
Depreciations	40	37	49
Operating expenses own and rented premises	13	14	19
Maintenance of fixed assets	5	6	8
IT-expenses	170	123	168
Marketing expenses	32	32	47
Purchase of external services	24	21	32
Expenses related to postage, telephone and newspapers etc.	6	7	9
Travel expenses	4	4	6
Capital tax	8	8	12
Other operating expenses	24	18	27
Total other operating expenses	286	233	328
Total operating expenses	720	617	859

Note 9

Classification of financial instruments

Financial assets and financial liabilities are recognised in the balance sheet at the date when the Group becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or the company transfers the financial asset in such a way that risk and profit potential of the financial asset is substantially transferred. Financial liabilities are derecognised from the date when the rights to the contractual provisions have been extinguished, cancelled or expired.

CLASSIFICATION AND MEASUREMENT

The Group's portfolio of financial instruments is at initial recognition classified in accordance with IFRS 9. Financial assets are classified in one of the following categories:

- Amortised cost
- Fair value with value changes through the income statement

The classification of the financial assets depends on two factors:

- The purpose of the acquisition of the financial instrument
- The contractual cash flows from the financial assets

Financial assets measured at amortised cost

The classification of the financial assets assumes that the following requirements are met:

- The asset is acquired to receive contractual cash flows
- The contractual cash flows consist solely of principal and interest

All lending and receivables, except fixed interest rate loans, are recorded in the group accounts at amortised cost, based on expected cash flows. The difference between the issue cost and the settlement amount at maturity, is amortised over the lifetime of the loan.

Financial liabilities measured at amortised cost

Debt securities, including debt securities included in fair value hedging, loans and deposits from credit institutions and deposits from customers, are valued at amortised cost based on expected cash flows. The portfolio of own bonds is shown in the accounts as a reduction of the debt.

Financial instruments measured at fair value, any changes in value recognised through the income statement

The Group's portfolio of bonds in the liquidity portfolio is classified at fair value through the income statement. The portfolio is held solely for liquidity management and is traded to optimize returns within current quality requirements for the liquidity portfolio.

The Group's portfolio of fixed interest rate loans is measured at fair value to avoid accounting mismatch in relation to the underlying interest rate swaps.

Fixed interest rate deposits from customers with maturities in excess of one year are classified at fair value and secured by interest rate swaps.

Financial derivatives are contracts signed to mitigate an existing interest rate or currency risk incurred by the Group. Financial derivatives are recognised at fair value through the income statement and recognised gross per contract as an asset or a liability.

The Group's portfolio of shares is measured at fair value with any value changes through the income statement.

Losses and gains as a result of value changes on assets and liabilities measured at fair value, with any value changes being recognised in the income statement, are included in the accounts during the period in which they occur.

LEVELS IN THE VALUATION HIERARCHY
Financial instruments are classified into different levels based on the quality of market data for each type of instrument.

Level 1 – Valuation based on prices in an active market
Level 1 comprises financial instruments valued by using quoted prices in active markets for identical assets or liabilities. This category includes listed shares, as well as bonds and certificates in LCR-level 1, traded in active markets.

Level 2 – Valuation based on observable market data
Level 2 comprises financial instruments valued by using information which is not quoted prices, but where prices are directly or indirectly observable for assets or liabilities, including quoted prices in inactive markets for identical assets or liabilities. This category includes derivatives, as well as bonds which are not included in level 1.

Level 3 – Valuation based on other than observable market data
Level 3 comprises financial instruments which cannot be valued based on directly or indirectly observable prices. This category includes loans to customers, as well as shares.

GROUP - 30.09.2024	Financial instruments at fair value through profit and loss	Financial instruments measured at amortised cost	Total book value
Cash and receivables from Norges Bank		358	358
Loans to and receivables from credit institutions		3 692	3 692
Loans to and receivables from customers	4 007	82 265	86 272
Certificates and bonds	13 903		13 903
Shares and other securities	202		202
Financial derivatives	1 885		1 885
Total financial assets	19 997	86 315	106 312
Loans and deposits from credit institutions		2 473	2 473
Deposits from and liabilities to customers	157	49 046	49 203
Financial derivatives	485		485
Debt securities		43 218	43 218
Subordinated loan capital		857	857
Total financial liabilities	642	95 594	96 236

GROUP - 30.09.2023	Financial instruments at fair value through profit and loss	Financial instruments measured at amortised cost	Total book value
Cash and receivables from Norges Bank		170	170
Loans to and receivables from credit institutions		1 546	1 546
Loans to and receivables from customers	3 287	76 452	79 739
Certificates and bonds	11 076		11 076
Shares and other securities	209		209
Financial derivatives	1 325		1 325
Total financial assets	15 897	78 168	94 065
Loans and deposits from credit institutions		1 318	1 318
Deposits from and liabilities to customers	122	46 531	46 653
Financial derivatives	549		549
Debt securities		35 382	35 382
Subordinated loan capital		993	993
Total financial liabilities	671	84 224	84 895

GROUP - 31.12.2023	Financial instruments at fair value through profit and loss	Financial instruments measured at amortised cost	Total book value
Cash and receivables from Norges Bank		266	266
Loans to and receivables from credit institutions		919	919
Loans to and receivables from customers	3 283	78 289	81 572
Certificates and bonds	11 898		11 898
Shares and other securities	217		217
Financial derivatives	1 336		1 336
Total financial assets	16 734	79 474	96 208
Loans and deposits from credit institutions		1 727	1 727
Deposits from and liabilities to customers	138	47 272	47 410
Financial derivatives	603		603
Debt securities		36 170	36 170
Subordinated loan capital		857	857
Total financial liabilities	741	86 026	86 767

Note 10

Financial instruments at amortised cost

GROUP	30.09.2024		30.09.2023		31.12.2023	
	Fair value	Book value	Fair value	Book value	Fair value	Book value
Cash and receivebles from Norges Bank	358	358	170	170	266	266
Loans to and receivables from credit institutions	3 692	3 692	1 546	1 546	919	919
Loans to and receivables from customers	82 265	82 265	76 452	76 452	78 289	78 289
Total financial assets	86 315	86 315	78 168	78 168	79 474	79 474
Loans and deposits from credit institutions	2 473	2 473	1 318	1 318	1 727	1 727
Deposits from and liabilities to customers	49 046	49 046	46 531	46 531	47 272	47 272
Debt securities issued	43 357	43 218	35 429	35 382	36 276	36 170
Subordinated loan capital	865	857	978	993	857	857
Total financial liabilities	95 741	95 594	84 256	84 224	86 132	86 026

Note 11

Financial instruments at fair value

A change in the discount rate of 10 basis points will have an impact of about NOK 8.8 million on loans with fixed interest rate.

GROUP - 30.09.2024	Based on prices in an active market	Observable market information	Other than observable market information	
	Level 1	Level 2	Level 3	Total
Cash and receivables from Norges Bank				-
Loans to and receivables from credit institutions				-
Loans to and receivables from customers			4 007	4 007
Certificates and bonds	9 499	4 404		13 903
Shares and other securities	5		197	202
Financial derivatives		1 885		1 885
Total financial assets	9 504	6 289	4 204	19 997
Loans and deposits from credit institutions				-
Deposits from and liabilities to customers			157	157
Debt securities				-
Subordinated loan capital				-
Financial derivatives		485		485
Total financial liabilities	-	485	157	642

GROUP - 30.09.2023	Based on prices in an active market	Observable market information	Other than observable market information	
	Level 1	Level 2	Level 3	Total
Cash and receivables from Norges Bank				-
Loans to and receivables from credit institutions				-
Loans to and receivables from customers			3 287	3 287
Certificates and bonds	8 212	2 864		11 076
Shares and other securities	10		199	209
Financial derivatives		1 325		1 325
Total financial assets	8 222	4 189	3 486	15 897
Loans and deposits from credit institutions				-
Deposits from and liabilities to customers			122	122
Debt securities				-
Subordinated loan capital				-
Financial derivatives		549		549
Total financial liabilities	-	549	122	671

GROUP - 31.12.2023	Based on prices in an active market	Observable market information	Other than observable market information	
	Level 1	Level 2	Level 3	Total
Cash and receivables from Norges Bank				-
Loans to and receivables from credit institutions				-
Loans to and receivables from customers			3 283	3 283
Certificates and bonds	8 572	3 326		11 898
Shares and other securities	5		212	217
Financial derivatives		1 336		1 336
Total financial assets	8 577	4 662	3 495	16 734
Loans and deposits from credit institutions				-
Deposits from and liabilities to customers			138	138
Debt securities				-
Subordinated loan capital				-
Financial derivatives		603		603
Total financial liabilities	-	603	138	741

Reconciliation of movements in level 3 during the period

GROUP	Loans to and receivables from customers	Shares	Deposits from customers
Book value as at 31.12.2023	3 283	212	138
Purchases/additions	1 148	-10	19
Sales/reduction	-460	0	0
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses in the period	36	-5	0
Book value as at 30.09.2024	4 007	197	157

GROUP	Loans to and receivables from customers	Shares	Deposits from customers
Book value as at 31.12.2022	3 415	207	48
Purchases/additions	505	0	72
Sales/reduction	-583	0	0
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses in the period	-50	-8	2
Book value as at 30.09.2023	3 287	199	122

GROUP	Loans to and receivables from customers	Shares	Deposits from customers
Book value as at 31.12.2022	3 415	207	48
Purchases/additions	597	10	89
Sales/reduction	-746	0	0
Transferred to Level 3	0	0	0
Transferred from Level 3	0	-8	0
Net gains/losses in the period	17	3	1
Book value as at 31.12.2023	3 283	212	138

Note 12

Issued covered bonds

The debt securities of the Group consist of covered bonds quoted in Norwegian kroner (NOK) and Euro (EUR) issued by Møre Boligkreditt AS, in addition to certificates and bonds quoted in NOK issued by Sparebanken Møre. The table below provides an overview of the Group's issued covered bonds.

Issued covered bonds in the Group (NOK million)

ISIN code	Curr.	Nominal value in currency 30.09.2024	Interest	Issued	Maturity	Book value 30.09.2024	Book value 30.09.2023	Book value 31.12.2023
NO0010588072	NOK	1 050	fixed NOK 4.75 %	2010	2025	1 049	1 040	1 066
XS0968459361	EUR	25	fixed EUR 2.81 %	2013	2028	301	275	289
NO0010819543	NOK	-	3M Nibor + 0.42 %	2018	2024	-	3 005	2 351
NO0010836489	NOK	1 000	fixed NOK 2.75 %	2018	2028	976	935	956
NO0010853096	NOK	3 000	3M Nibor + 0.37 %	2019	2025	3 015	3 015	3 015
XS2063496546	EUR	250	fixed EUR 0.01 %	2019	2024	2 940	2 703	2 734
NO0010884950	NOK	3 000	3M Nibor + 0.42 %	2020	2025	3 006	3 006	3 006
XS2233150890	EUR	30	3M Euribor + 0.75 %	2020	2027	360	346	345
NO0010951544	NOK	6 000	3M Nibor + 0.75 %	2021	2026	6 069	5 079	5 074
XS2389402905	EUR	250	fixed EUR 0.01 %	2021	2026	2 813	2 540	2 625
XS2556223233	EUR	250	fixed EUR 3.125 %	2022	2027	3 102	2 860	2 823
NO0012908617	NOK	6 000	3M Nibor + 0.54 %	2023	2028	6 045	4 028	4 027
XS2907263284	EUR	500	fixed EUR 2,63 %	2024	2029	5 998	-	-
Total covered bonds issued by Møre Boligkreditt AS (incl. accrued interests)						35 674	28 832	28 311

As at 30.09.2024, Sparebanken Møre held NOK 1,196 million in covered bonds, including accrued interest, issued by Møre Boligkreditt AS (NOK 389 million). Møre Boligkreditt AS held no own covered bonds as at 30.09.2024 (NOK 0 million).

Note 13

Transactions with related parties

These are transactions between the parent bank and wholly-owned subsidiaries based on arm's length principles.

The most important transactions eliminated in the Group accounts:

PARENT BANK	30.09.2024	30.09.2023	31.12.2023
Statement of income			
Net interest and credit commission income from subsidiaries	85	95	146
Received dividend from subsidiaries	132	152	152
Administration fee received from Møre Boligkreditt AS	36	36	49
Rent paid to Sparebankeiendom AS and Storgata 41-45 Molde AS	11	11	15
Balance sheet			
Claims on subsidiaries	3 747	4 676	3 983
Covered bonds	1 196	389	0
Liabilities to subsidiaries	2 361	1 509	1 484
Intragroup right-of-use of properties in Sparebankeiendom AS and Storgata 41-45 Molde AS	62	71	70
Intragroup hedging	612	401	306
Accumulated loan portfolio transferred to Møre Boligkreditt AS	35 948	33 728	32 369

Note 14

EC capital

The 20 largest EC holders in Sparebanken Møre as at 30.09.2024 (grouped)	Number of ECs	Percentage share of EC capital
Sparebankstiftelsen Tingvoll	4 830 361	9.77
Verdipapirfondet Eika egenkapital	2 447 968	4.95
Spesialfondet Borea utbytte	2 336 633	4.73
Wenaasgruppen AS	2 200 000	4.45
Verdipapirfond Pareto Aksje Norge	2 011 332	4.07
MP Pensjon	1 798 905	3.64
J.P. Morgan SE (nominee)	1 691 257	3.42
Kommunal Landspensjonskasse	1 642 107	3.32
Wenaas EFTF AS	1 100 000	2.23
VPF Fondsfinans utbytte	800 000	1.62
Beka Holding AS	750 500	1.52
Lapas AS	627 000	1.27
BKK Pensjonskasse	470 888	0.95
Forsvarets personellservice	459 000	0.93
Hjellegjerde Invest AS	300 000	0.61
U Aandahls Eftf AS	250 000	0.51
PIBCO AS	229 500	0.46
Kveval AS	218 124	0.44
Borghild Hanna Møller	201 834	0.41
Caceis Bank (nominee)	157 437	0.32
Total 20 largest EC holders	24 522 846	49.61
Total number of ECs	49 434 770	100.00

The proportion of equity certificates held by foreign nationals was 5.9 per cent at the end of the 3rd quarter of 2024.

During the 3rd quarter of 2024, Sparebanken Møre has acquired 54,552 of its own ECs.

Note 15

Events after the reporting period

No events have occurred after the reporting period that will materially affect the figures presented as of 30 September 2024.

Statement of income - Parent bank

STATEMENT OF INCOME - PARENT BANK (COMPRESSED)

(NOK million)	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Interest income from assets at amortised cost	911	790	2 659	2 101	2 932
Interest income from assets at fair value	159	149	497	388	560
Interest expenses	617	505	1 820	1 273	1 825
Net interest income	453	434	1 336	1 216	1 667
Commission income and revenues from banking services	75	67	195	185	257
Commission expenses and expenditure from banking services	9	12	29	31	41
Other operating income	11	13	40	37	50
Net commission and other operating income	77	68	206	191	266
Dividends	3	1	139	154	154
Net change in value of financial instruments	24	35	71	36	43
Net result from financial instruments	27	36	210	190	197
Total other income	104	104	416	381	463
Total income	557	538	1 752	1 597	2 130
Salaries, wages etc.	125	113	371	330	458
Depreciation and impairment of non-financial assets	16	15	48	44	59
Other operating expenses	89	71	266	218	308
Total operating expenses	230	199	685	592	825
Profit before impairment on loans	327	339	1 067	1 005	1 305
Impairment on loans, guarantees etc.	17	28	13	57	-68
Pre-tax profit	310	311	1 054	948	1 373
Taxes	74	75	220	190	296
Profit after tax	236	236	834	758	1 077
Allocated to equity owners	221	223	787	723	1 029
Allocated to owners of Additional Tier 1 capital	15	13	47	35	48
Profit per EC (NOK) 1) *	2.21	2.25	7.90	7.27	10.34
Diluted earnings per EC (NOK) 1) *	2.21	2.25	7.90	7.27	10.34
Distributed dividend per EC (NOK)	0.00	0.00	7.50	4.00	4.00

STATEMENT OF COMPREHENSIVE INCOME - PARENT BANK (COMPRESSED)

(NOK million)	Q3 2024	Q3 2023	30.09.2024	30.09.2023	2023
Profit after tax	236	236	834	758	1 077
Items that may subsequently be reclassified to the income statement:					
Basisswap spreads - changes in value	0	0	0	0	0
Tax effect of changes in value on basisswap spreads	0	0	0	0	0
Items that will not be reclassified to the income statement:					
Pension estimate deviations	0	0	0	0	1
Tax effect of pension estimate deviations	0	0	0	0	0
Total comprehensive income after tax	236	236	834	758	1 078
Allocated to equity owners	221	223	787	723	1 030
Allocated to owners of Additional Tier 1 capital	15	13	47	35	48

1) Calculated using the EC-holders' share (49.7 %) of the period's profit to be allocated to equity owners.

Balance sheet - Parent bank

ASSETS (COMPRESSED)

(NOK million)	30.09.2024	30.09.2023	31.12.2023
Cash and receivables from Norges Bank	358	170	266
Loans to and receivables from credit institutions	7 335	6 114	4 796
Loans to and receivables from customers	50 433	46 129	49 321
Certificates, bonds and other interest-bearing securities	12 272	11 312	11 744
Financial derivatives	1 030	1 054	937
Shares and other securities	202	209	217
Equity stakes in Group companies	1 671	1 571	1 571
Intangible assets	57	56	58
Fixed assets	152	159	153
Overfunded pension liability	68	53	59
Other assets	233	286	203
Total assets	73 811	67 113	69 325

LIABILITIES AND EQUITY (COMPRESSED)

(NOK million)	30.09.2024	30.09.2023	31.12.2023
Loans and deposits from credit institutions	3 521	2 042	2 550
Deposits from customers	49 384	46 849	47 510
Debt securities issued	8 741	6 938	7 859
Financial derivatives	1 036	850	840
Incurred costs and prepaid income	123	86	93
Pension liabilities	28	26	28
Tax payable	297	181	268
Provisions for guarantee liabilities	5	17	4
Deferred tax liabilities	45	17	45
Other liabilites	1 088	867	725
Subordinated loan capital	857	993	857
Total liabilities	65 125	58 866	60 779

EC capital	989	989	989
ECs owned by the bank	-4	-2	-4
Share premium	360	359	359
Additional Tier 1 capital	750	650	650
Paid-in equity	2 095	1 996	1 994
Primary capital fund	3 474	3 335	3 475
Gift fund	125	125	125
Dividend equalisation fund	2 205	2 068	2 205
Other equity	-47	-35	747
Comprehensive income for the period	834	758	-
Retained earnings	6 591	6 251	6 552
Total equity	8 686	8 247	8 546
Total liabilities and equity	73 811	67 113	69 325

Profit performance - Group

QUARTERLY PROFIT

(NOK million)	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Net interest income	523	518	508	506	487
Other operating income	103	90	70	71	88
Total operating costs	243	249	228	242	208
Profit before impairment on loans	383	359	350	335	367
Impairment on loans, guarantees etc.	17	-35	17	-117	34
Pre-tax profit	366	394	333	452	333
Taxes	86	93	79	112	80
Profit after tax	280	301	254	340	253

As a percentage of average assets					
Net interest income	2.08	2.12	2.07	2.11	2.05
Other operating income	0.41	0.36	0.28	0.29	0.38
Total operating costs	0.96	1.02	0.93	1.01	0.88
Profit before impairment on loans	1.53	1.46	1.42	1.39	1.55
Impairment on loans, guarantees etc.	0.07	-0.14	0.07	-0.49	0.14
Pre-tax profit	1.46	1.60	1.35	1.88	1.41
Taxes	0.35	0.38	0.32	0.46	0.34
Profit after tax	1.11	1.22	1.03	1.42	1.07

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