

# Presentation Sparebanken Møre Group

2nd quarter 2022

Trond Lars Nydal  
CEO

John Arne Winsnes  
CFO

Oslo, 11 August 2022



# H1 - highlights

- The bank has experienced a good half-year with high activity and growth in several areas
- Good growth and rising interest rates contribute to stronger Net Interest Income
- Positive development in losses with recoveries on losses per H1
- Increasing Profitability and Efficiency
- The bank has a solid capital base and good liquidity



## Good activity and growth

Lending growth: 4.6 %  
Deposit growth: 8.3 %  
*(last 12 months)*



## Stronger Net Interest Income

In NOK: 687 million  
In per cent: 1.64



## Efficiency

C/I: 44.7 %



## Recoveries on losses

In NOK: - 8 million  
In % of Average Assets: -0.02  
*(losses on loans and guarantees)*



## Profitability

Return on Equity: 9.9 %



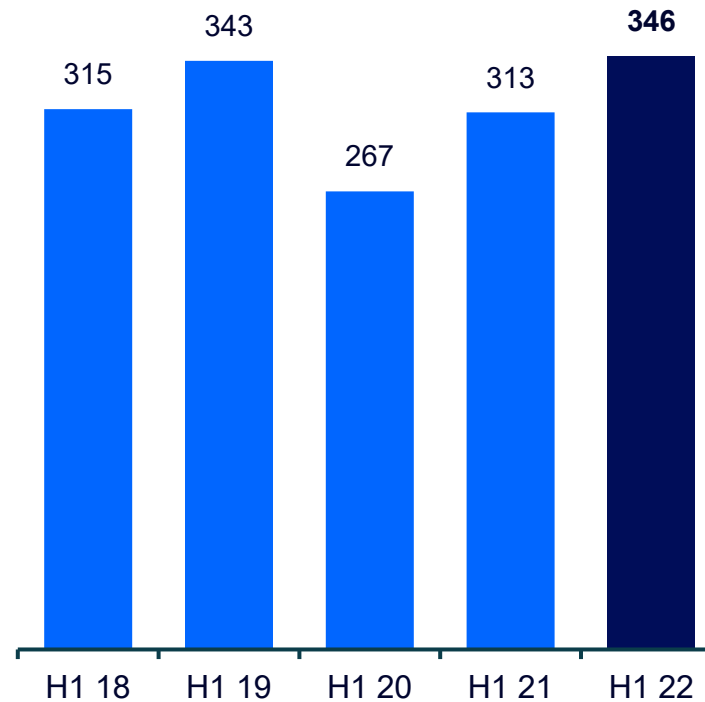
## Strong liquidity and solidity

Deposit-to-loan ration: 61.9 %  
LCR: 140  
CET1: 18.1 %  
Leverage Ratio: 7.7 %

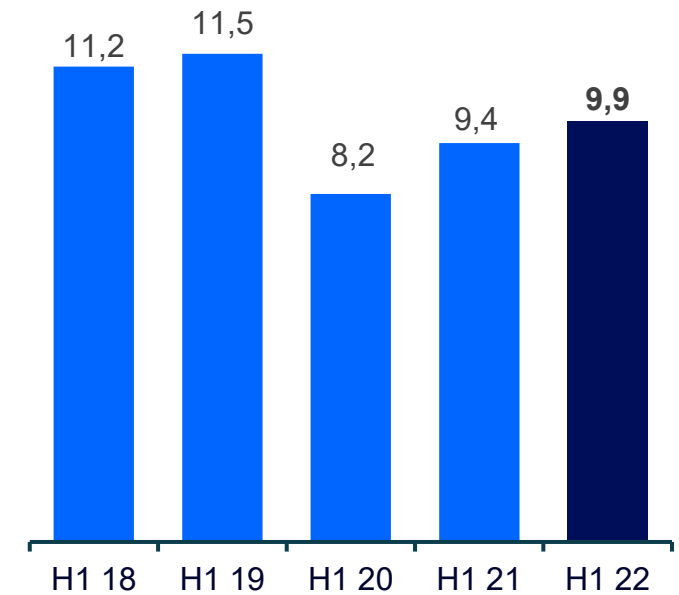
# Results in H1

- The bank delivers a good result per H1
- The Profitability is rising and ROE ended at 9.9 per cent
- Profit per Equity Certificate in the first half of 2022 is NOK 3.35 (Group) against 3.02 (Group) in H1 2021

Profit after tax  
- NOK million



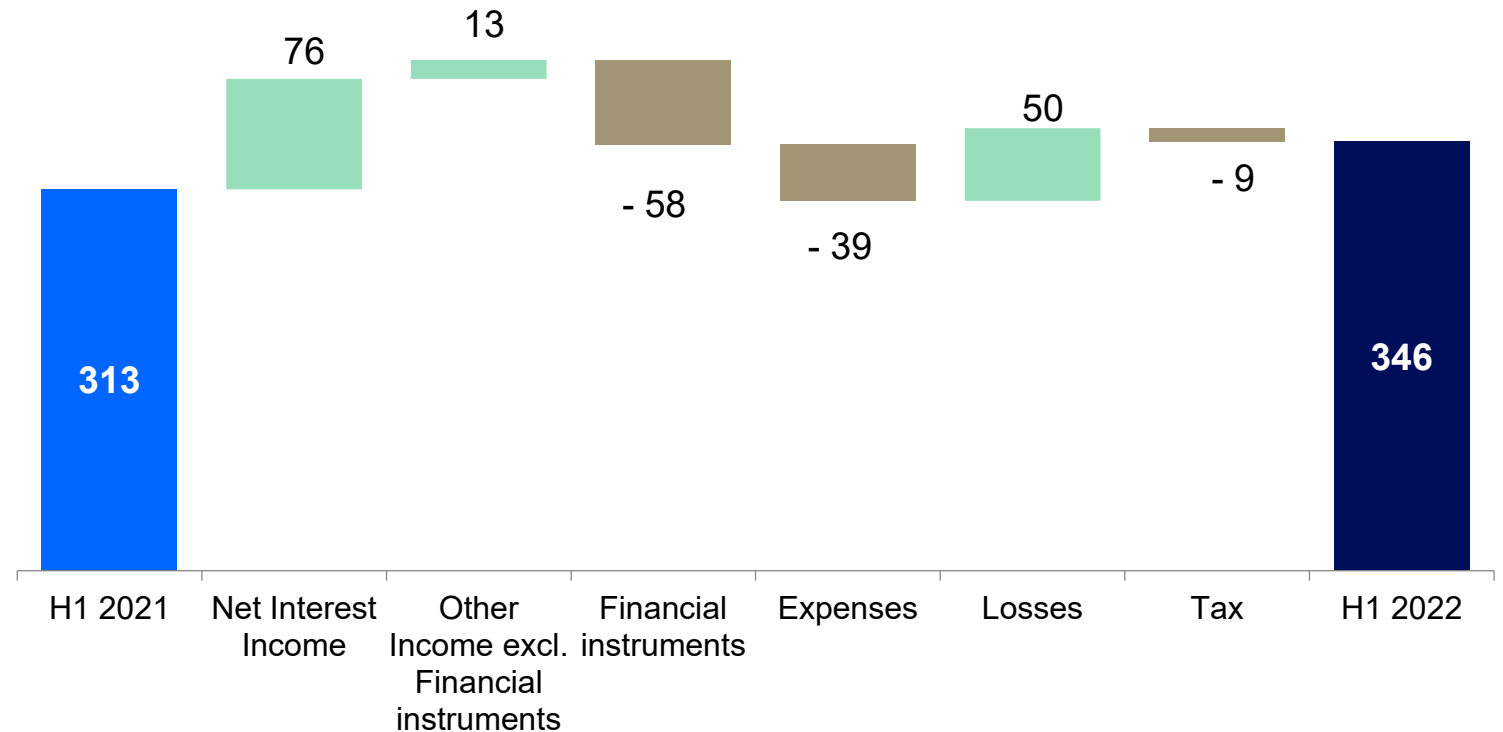
Return on Equity (ROE)  
- in per cent



## Results compared

- Income growth due to good contribution from Net Interest Income (12.4 per cent) and from Other Income excluding financial instruments (12.9 per cent)
- Increased investment in several areas leads to an increase in costs compared with the 1<sup>st</sup> half of 2021
- The loss development per H1 shows recoveries on losses
- Overall, this development results in an improvement in Profit after tax of NOK 33 mill. (10.7 per cent)

## Profit after tax in H1 2022 compared with H1 2021



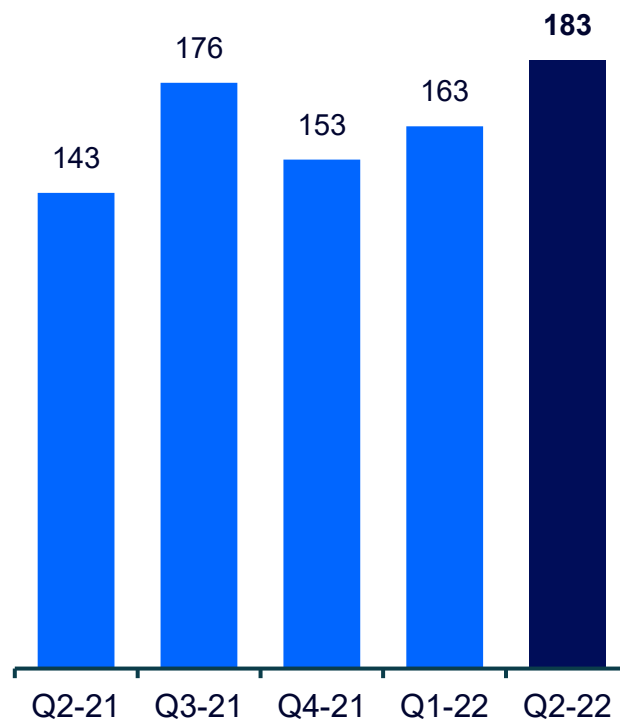
# 2nd quarter 2022



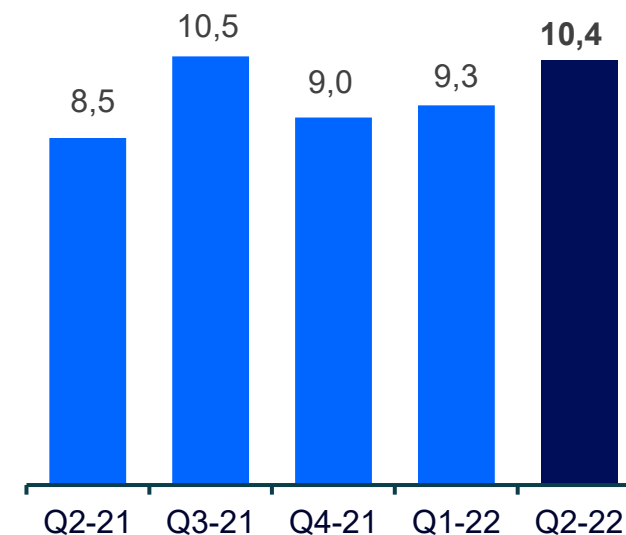
## Results Q2

- The result for the second quarter was NOK 183 million, corresponding to a Return on Equity of 10.4 per cent
- Profit per Equity Certificate in the second quarter of 2022 is NOK 1.78 (Group) compared with 1.37 (Group) in the second quarter of 2021

Profit after tax  
- NOK million



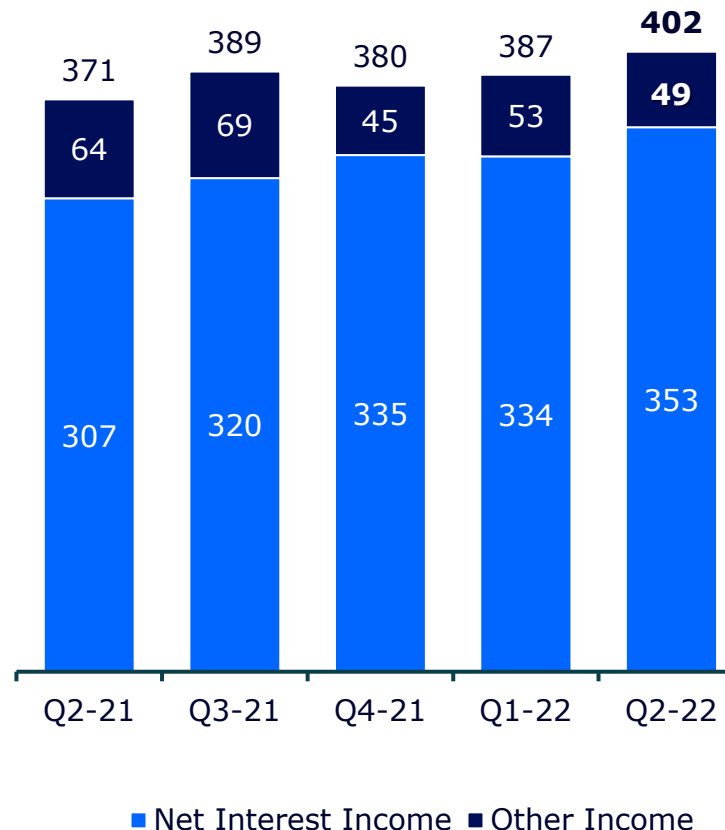
Return on Equity  
- in per cent



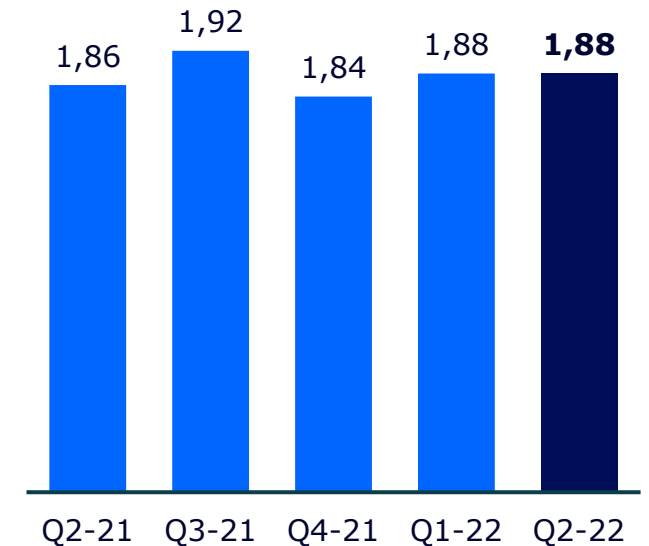
# Total income

- Revenues are rising and we are touching the highest level in the last 5 quarters
- Net Interest Income continues to strengthen throughout the quarter
- Other Income is affected by mark-to-market valuation of the financial instruments
- Customer related Other Income shows a good development with 13.5 per cent growth compared with the first half of 2021

Total Income in the quarter  
- NOK million



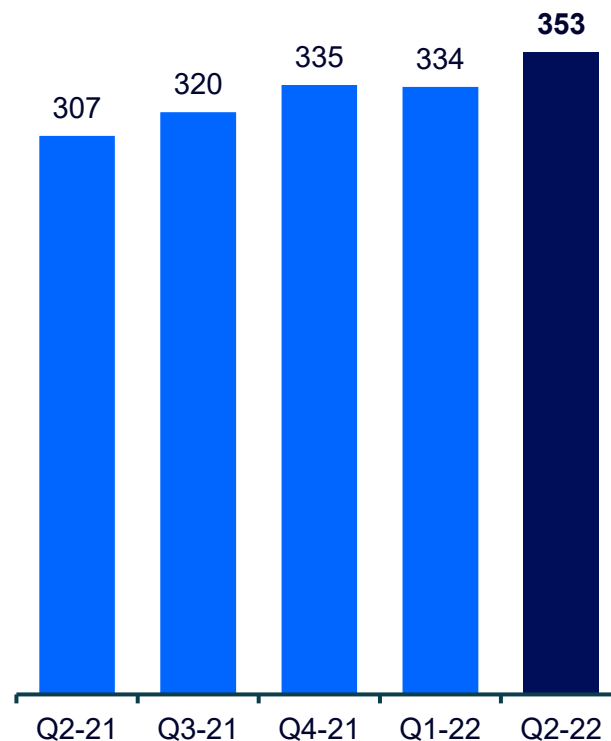
Total Income in the quarter  
- in per cent of Average Assets



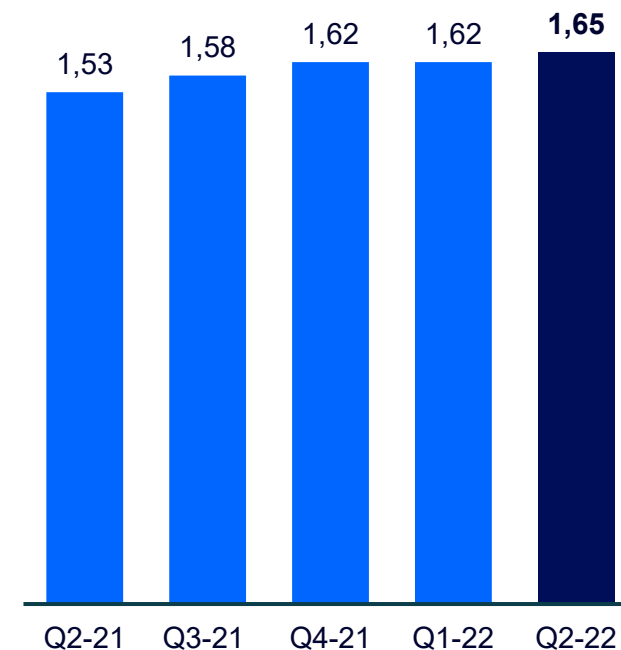
# Net Interest Income rebounds

- The positive development in Net Interest Income continues in the second quarter
- The bank implemented interest rate changes on loans with effect from 16 May and on deposits with effect from 4 June
- The last interest rate change will have effect from August
- We expect continued strengthening of Net Interest Income in the coming quarters

Net Interest Income in the quarter  
-NOK million



Net Interest Income in the quarter  
- in per cent of Average Assets



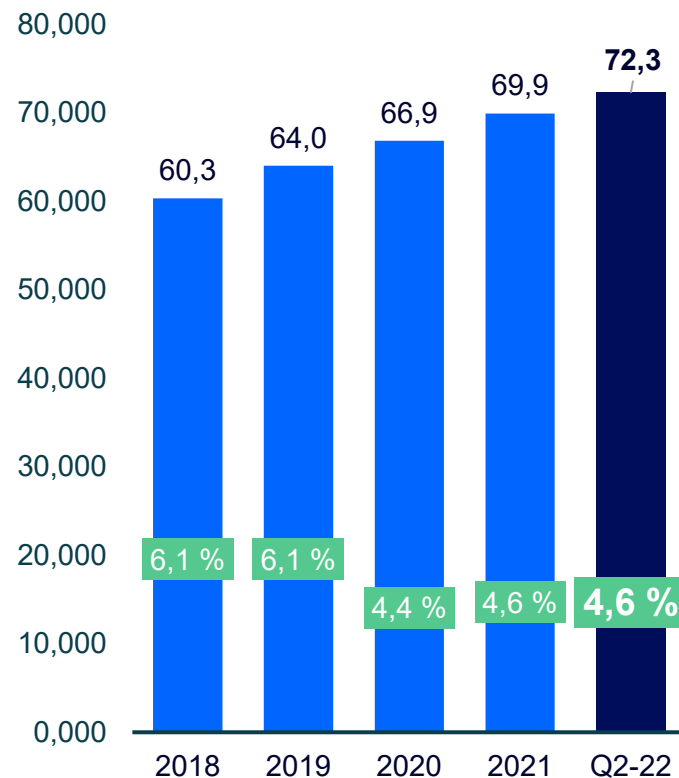


# High activity and good growth

- Over the last 12 months, there has been an increase in lending to customers of a total of NOK 3,168 million, corresponding to 4.6 per cent
- Deposit growth has continued in 2022 and annual growth ends at 8.3 per cent by quarter end
- We have increased growth in the second quarter and expect continued good growth going forward

## Loans

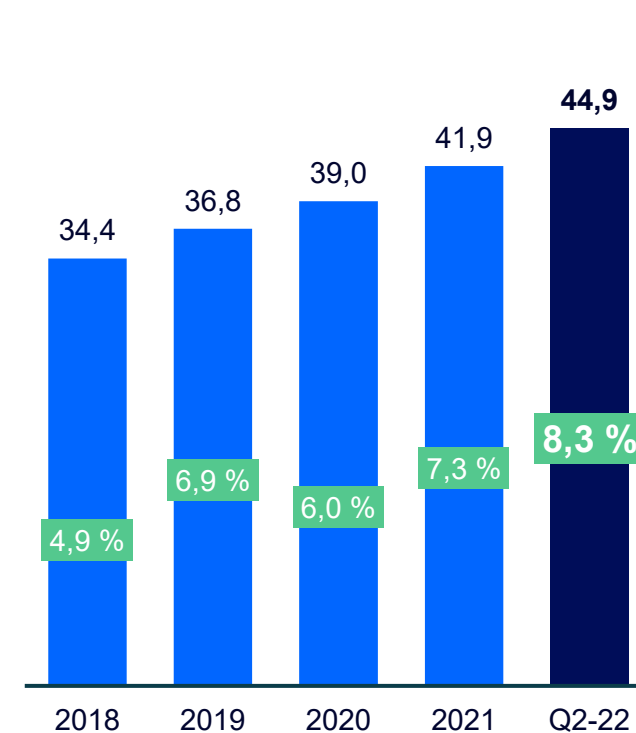
- NOK billion and per cent (y/y)



- Customer lending over the last 12 months: 4.6 %

## Deposits

- NOK billion and per cent (y/y)



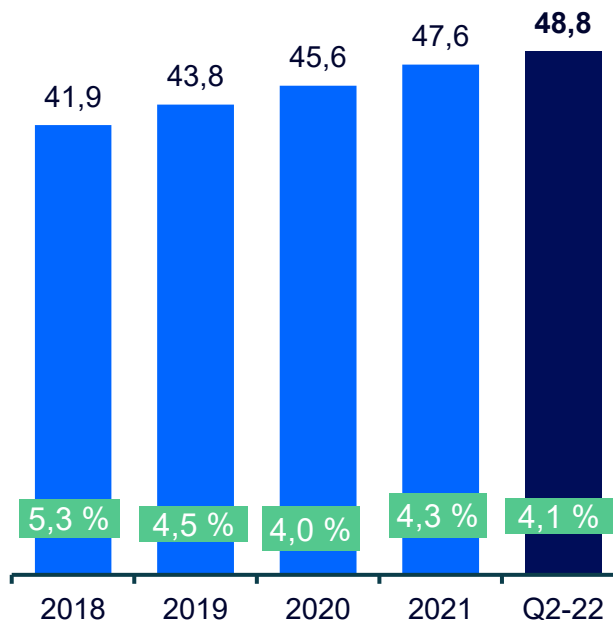
- Deposit growth of 8.3 % over the last 12 months.
- High deposit-to-loan ratio of 61.9 %

# Lending

- The competition in our market is high, but we are growing both in the retail and the corporate market
- The activity is high, and we expect continued growth both in retail – and corporate loans going forward
- Lending growth in Q2 was NOK 1 bln. in the retail market and exceeded NOK 900 million in the corporate market

## Retail market

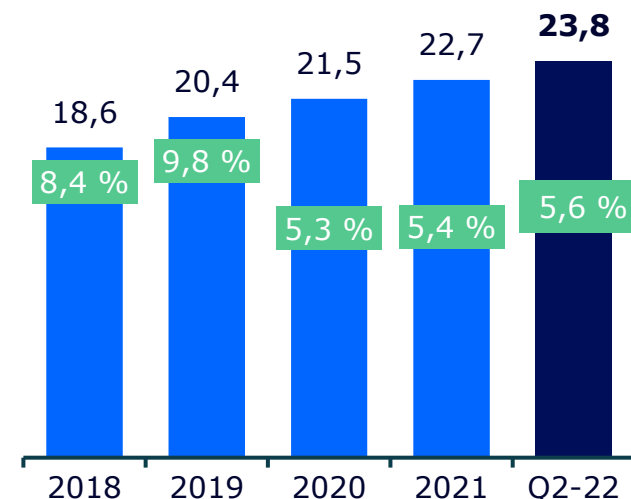
- NOK billion and per cent (y/y)



- Retail lending has increased by 4.1 % over the last 12 months
- Loans to the retail market amount to 67.2 % of total loans

## Corporate market

- NOK billion and per cent y/y



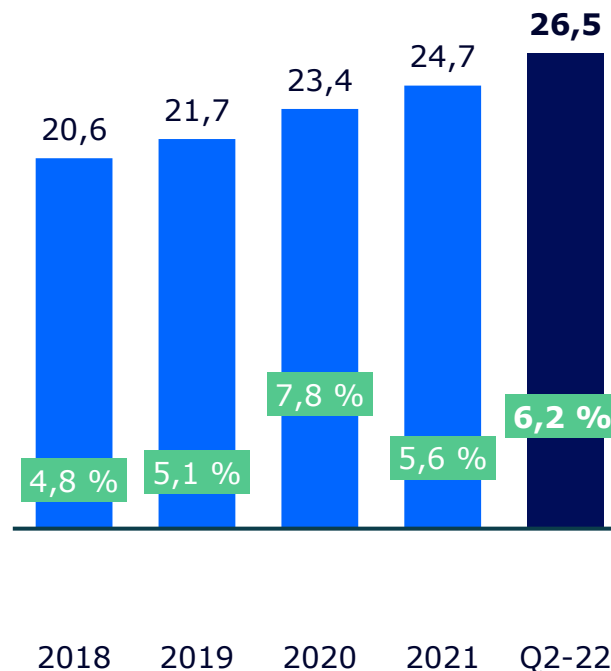
- Corporate lending has increased by 5.6 % over the last 12 months
- Loans to the corporate market amount to 32.8 % of total loans

## Good growth in Deposits

- The good growth in deposits continues in the second quarter
- The deposits have increased by NOK 3,462 million y/y, corresponding to 8.3 per cent

### Retail market

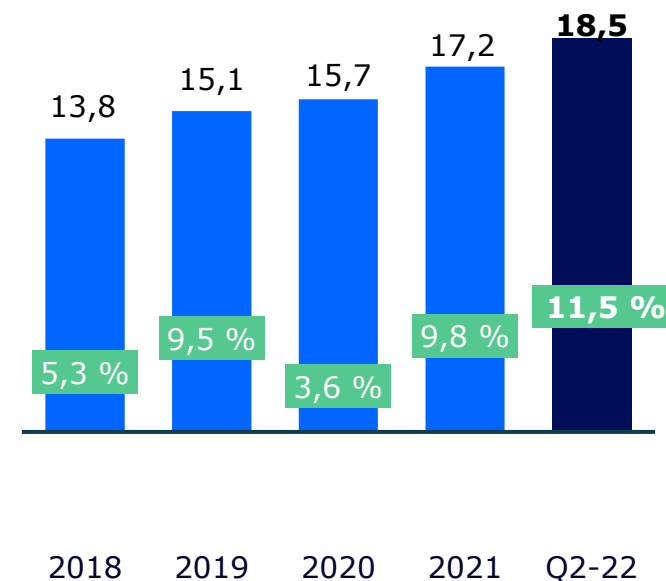
- NOK billion and per cent y/y



- Retail deposits have increased by 6.2 % over the last 12 months
- Deposits from the retail market amount to 58.9 % of total deposits

### Corporate and public

-NOK billion and per cent y/y

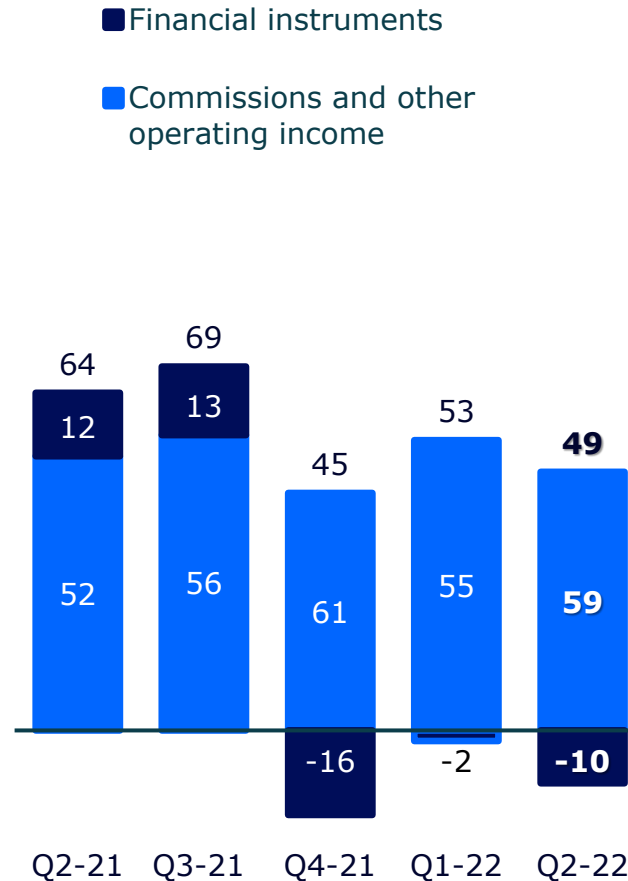


- Corporate deposits have increased by 13.5 % y/y to NOK 17.5 billion
- Public deposits are reduced by 14.0 % to NOK 1.0 billion

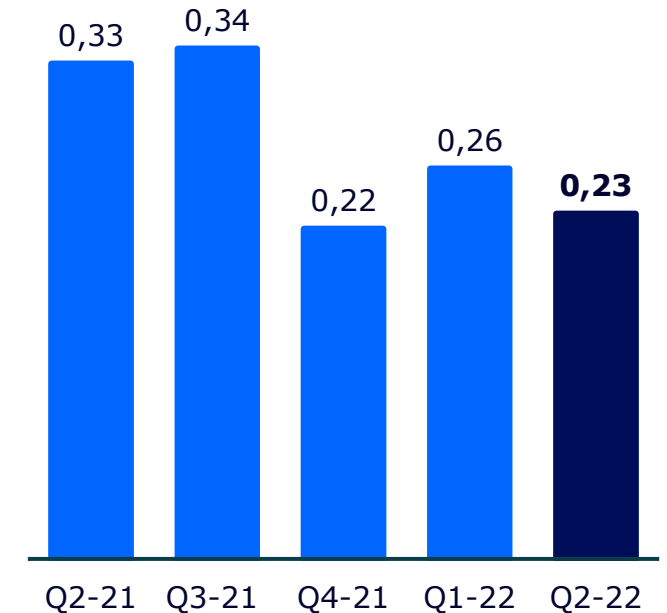
# Other Income

- Customer related Other Income shows a good development with an increase of 13 per cent compared with the same period in 2021
- Other Income is significantly affected by the development in the value of the bond portfolio
- The net result from financial instruments in the quarter was MNOK -10

Other Income in the quarter  
- NOK million



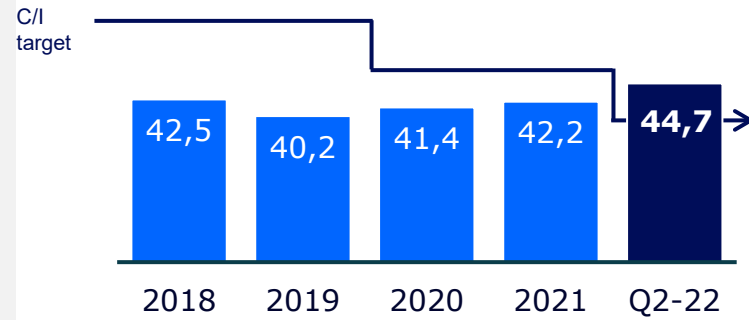
Other Income in the quarter  
- in per cent of Average Assets



# Costs

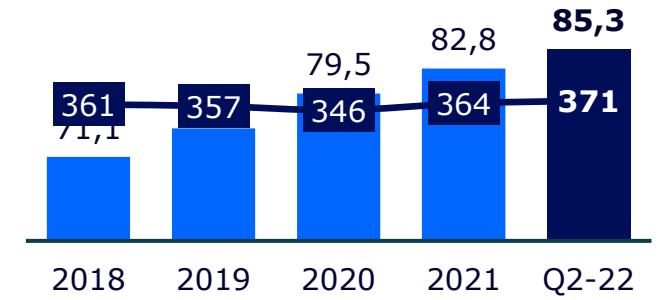
- The costs in percentage of revenues in Q2 (43.3 %) are reduced compared with Q1 (46.0 %)
- The first quarter had one-off cost effects
- The target of costs as a percentage of revenues < 40 per cent remains unchanged

## Cost/Income ratio



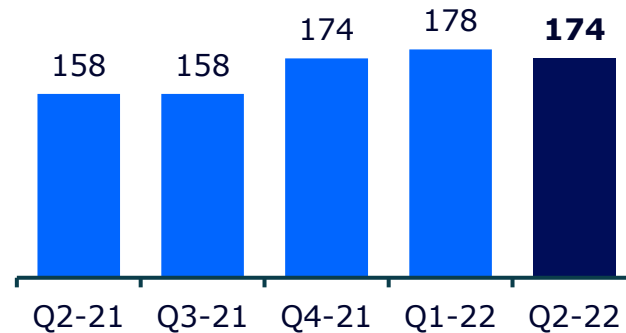
## Total Assets and Man Years

- Total Assets in NOK billion



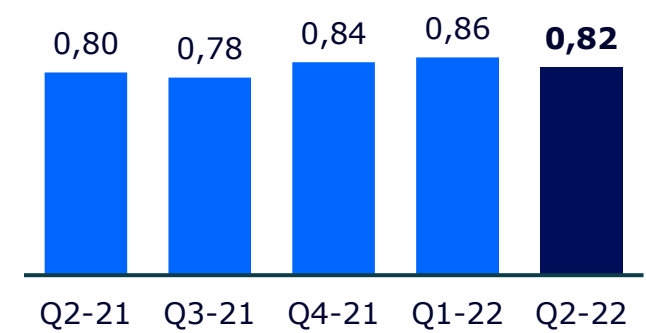
## Operating costs in the quarter

- NOK million



## Operating costs in the quarter

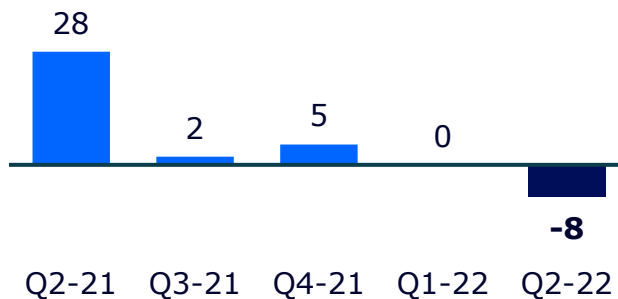
- in per cent of Average Assets



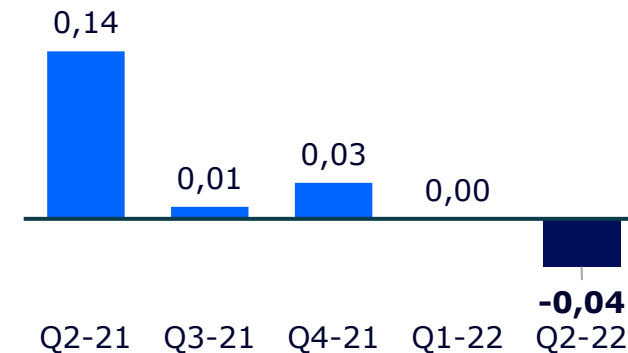
# Losses and portfolio quality

- The quarterly accounts show net reversal of losses
- Positive development in credit-impaired commitments

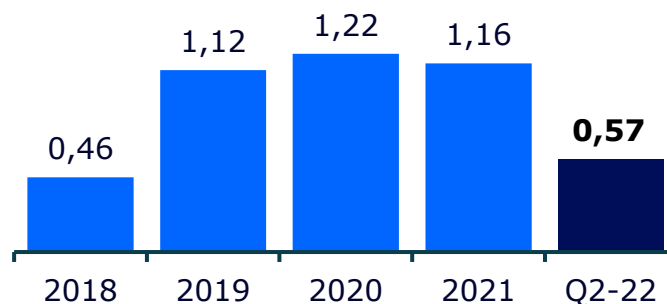
Losses on loans and guarantees  
- NOK million



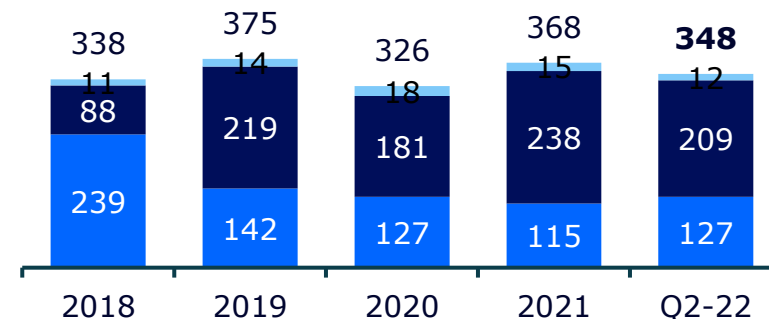
Losses on loans and guarantees  
- in per cent of Average Assets



Credit-impaired commitments (net)  
- in per cent of loans and guarantees



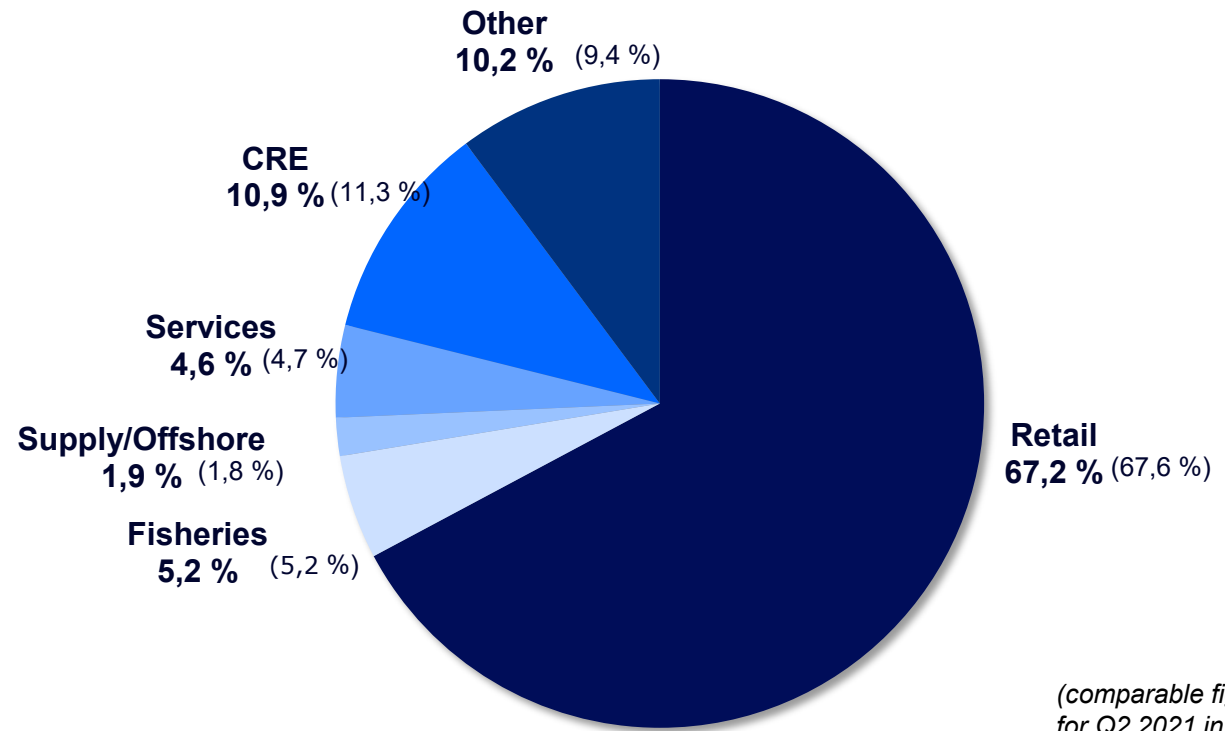
Impairments  
- NOK million



## Diversified loan book

- The bank has a stable share of commitments towards the corporate sector
- There is good industry risk diversification and a persistently low level of risk in the portfolio
- Lower relative exposure towards CRE than the banking industry in general

## Loans by sector



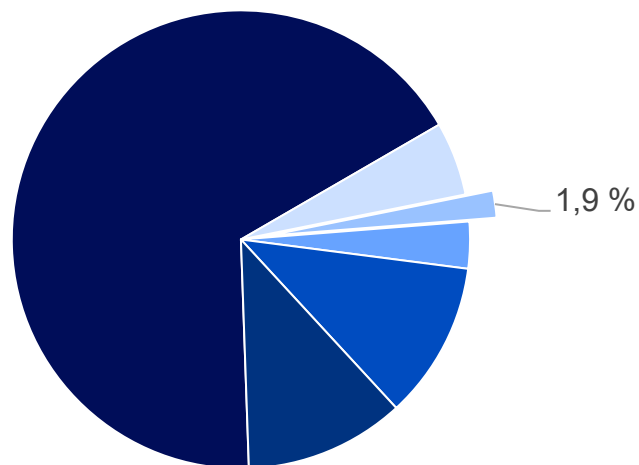
### Other – 10,2 % (9,4 %):

Financial services	1,1 % (0,7 %)	Retail/ wholesale trade	1,8 % (1,6 %)
Other Industry	2,3 % (2,2 %)	Agriculture	0,9 % (0,9 %)
Fishing Industry	1,2 % (1,6 %)	Other	0,8 % (0,3 %)
Ship Yards	0,5 % (0,8 %)		
Building and Construction	1,6 % (1,3 %)		

# Low exposure towards Oil Services

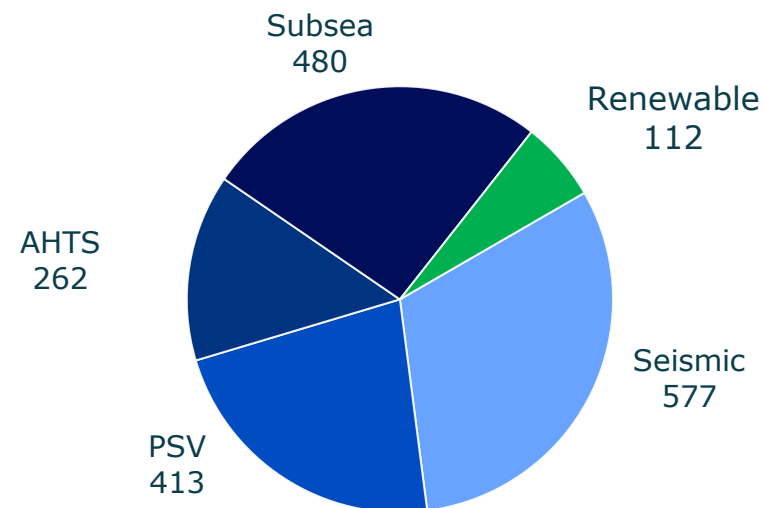
## Loans to Oil Services

- in per cent of total loans



## EAD by type of vessel

(Loans, guarantees) - NOK million



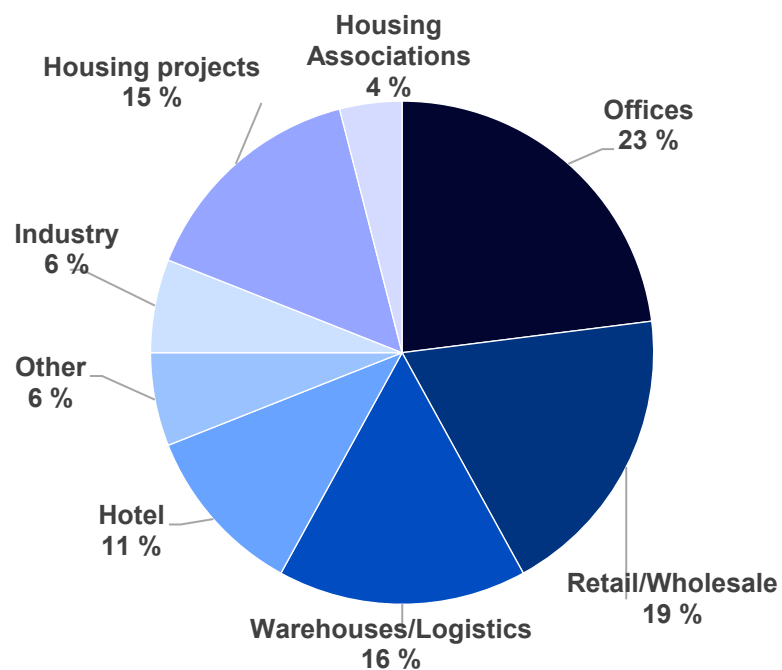
(EAD in NOK million)	Loans	Guarantees	Total EAD	Expected Credit Losses			
				Individual	ECL-IFRS 9	Total	Per cent of EAD
Low Risk (Risk Class A-C)	248	58	306	0	0,0	0,0	0,0 %
Medium Risk (Risk Class D-G)	13	130	143	0	0,4	0,4	0,3 %
High Risk (Risk Class H-M)	257	168	425	0	9,4	9,4	2,2 %
Loans and guarantees with individually assessed impairments	871	99	970	185	6,6	191,6	19,8 %
<b>Total Sparebanken Møre</b>	<b>1.388</b>	<b>454</b>	<b>1.843</b>	<b>185</b>	<b>16,4</b>	<b>201,4</b>	<b>10,9 %</b>



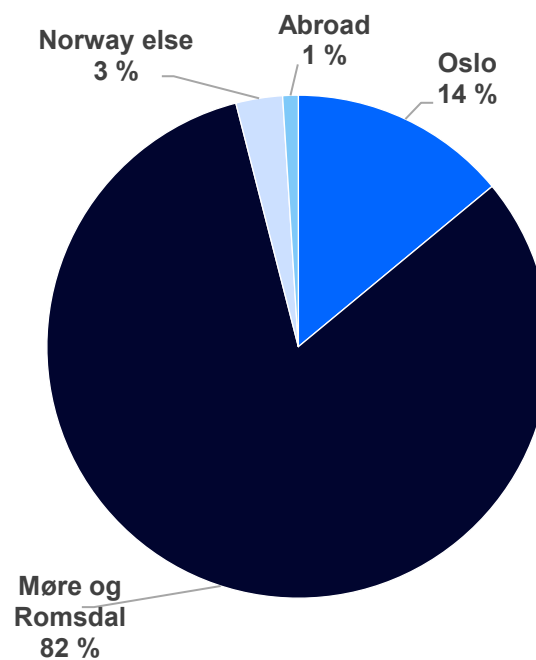
# Exposure to commercial real estate (CRE)

- Well-diversified property portfolio
- 82 per cent of the portfolio within our county Møre and Romsdal, central office and hotel properties in Oslo make up 14 per cent
- 95 per cent of the portfolio is in the low and medium risk category

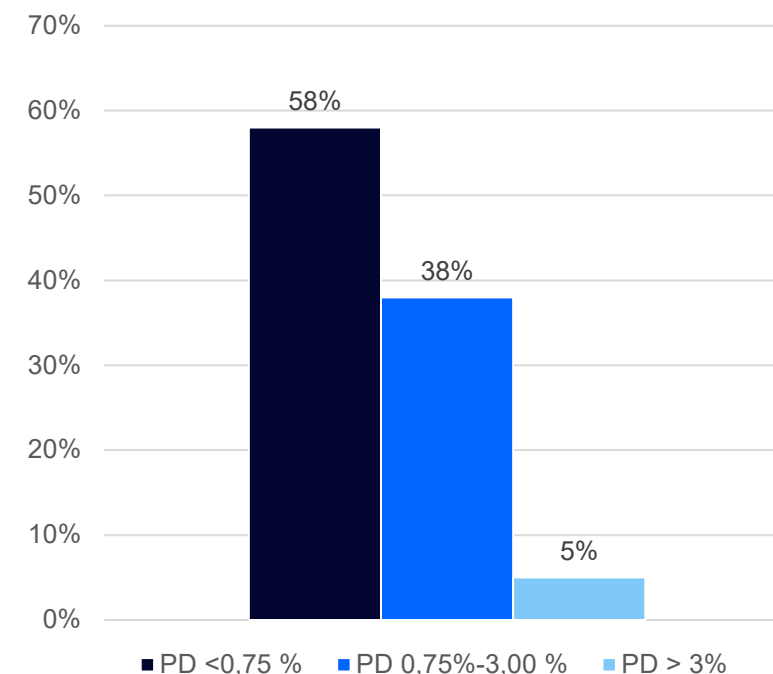
## Sub-segments



## Geographical distribution



## Risk classification

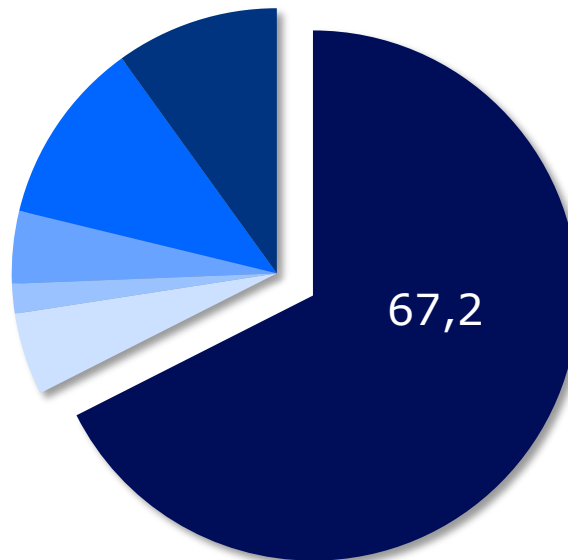


## Good quality in our retail portfolio

- Low risk in the portfolio with a large proportion below 85 per cent loan-to-value ratio
- The proportion of customers with payment problems is low and there are few enquiries concerning interest-only periods

### Loans to retail customers

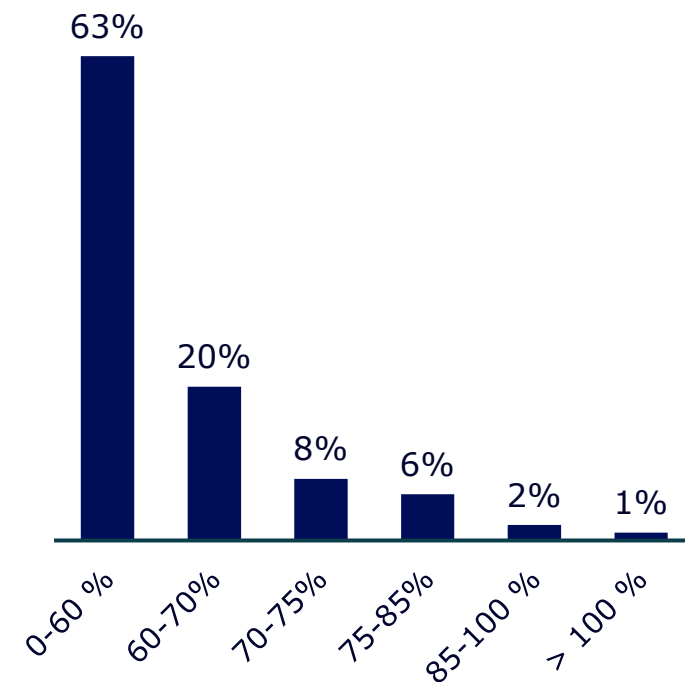
- In per cent of total loans



- Deviation from Boliglånsforskriften reported in Q2-2022:
  - 9,4 % outside Oslo (flexibility quota 10 %)
  - 7,1 % in Oslo (flexibility quota 8 %)

### Loan-to-Value – retail loans (LTV)

(LTV)



- 97 % of mortgages are within 85 % of LTV

# House prices

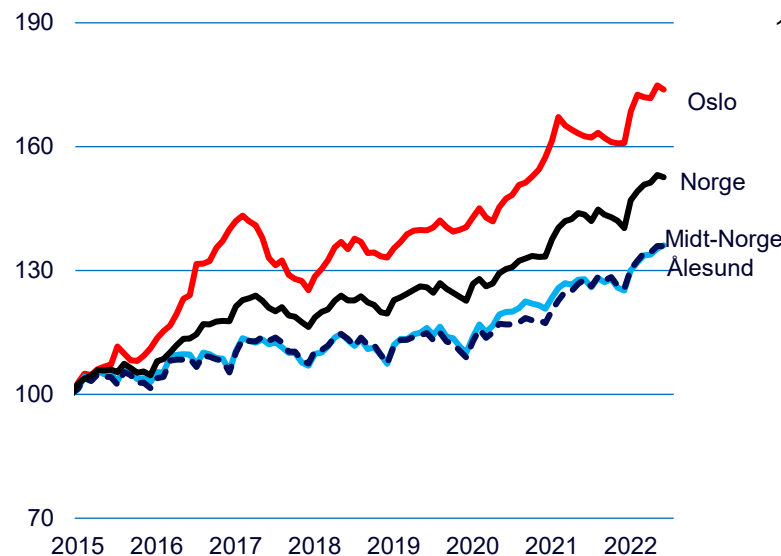
Based on pre-owned dwellings sold in March 2022, Norwegian seasonal adjusted house prices increased by 0.3 per cent last month.

Last twelve months Norwegian house prices have increased in average by 6.3 per cent.

The City of Ålesund and the Mid-Norway region has over time experienced moderate growth in house prices compared to the national average, both indexed development and in price per square meter.

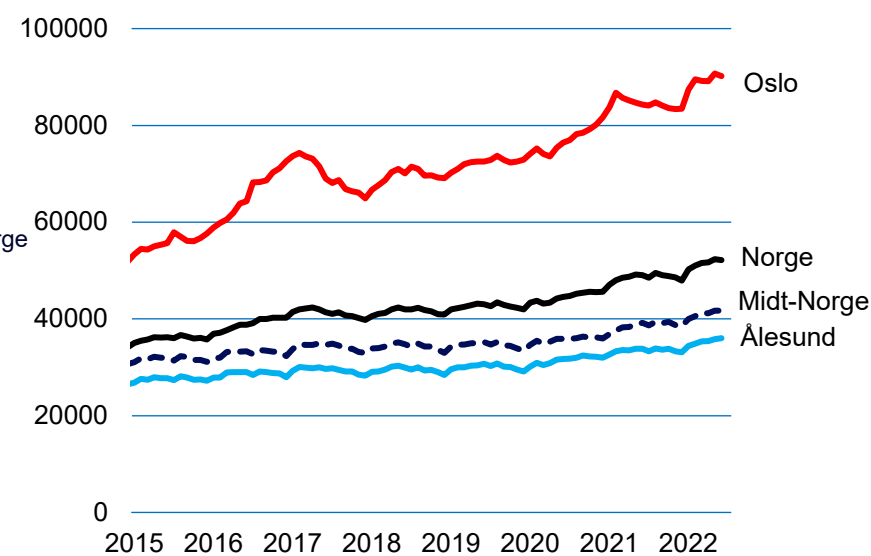
## Indexed development

- January 2015 = 100



## Price per square meter

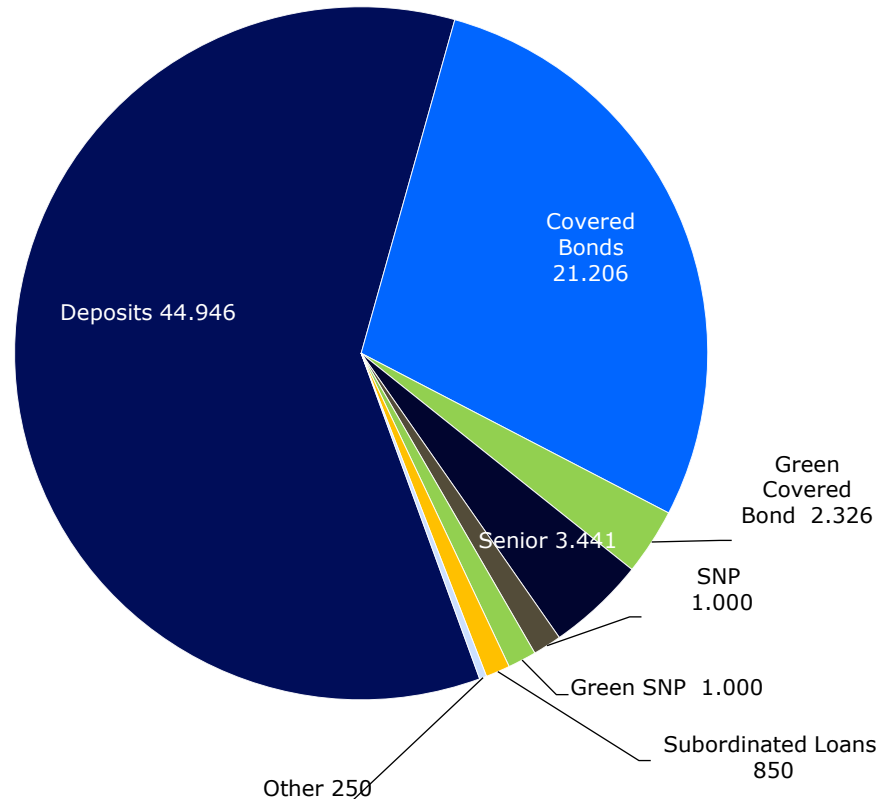
- January 2015 – June 2022



Key information on pre-owned dwellings sold in June 2022	Norway	Mid-Norway	Greater Ålesund	City of Oslo
Seasonal adj. development last month	+0.3 %	+0.2 %	+0.7 %	+0.3 %
Development last 12 months	+6.3 %	+6.3 %	+6.4 %	+7.0 %
Development last 10 years	+67.4 %	+48.8 %	+43.3 %	+94.5 %
Per square meter (NOK)	52,165	41,676	36,005	90,185
Average number of days on market	25 days	32 days	28 days	18 days
Price median dwelling (NOK)	3,846,000	3,215,000	3,070,000	5,120,000

# Strong Capital gives competitive financing

Deposits are the Group's most important source of funding . The bank has high Deposit-to-Loan ratio.



## Sparebanken Møre with good access to the market

- Our deposit-to-loan ratio stood at 61.9 per cent by quarter end
- Total net market funding ended at NOK 30.4 billion by end of H1 – more than 92 per cent with remaining maturity of more than one year
- The senior bonds with a remaining term of more than one year have a weighted remaining maturity of 2.14 years, while the financing through Møre Boligkreditt AS has a correspondingly weighted remaining maturity of 3.43 years - in total for market financing in the Group the remaining maturity is 3.34 years
- In July this year, Moody's confirmed the bank's A1 rating with stable outlook. All issues from Møre Boligkreditt AS are rated Aaa
- The Group's first green financing in the market was established when Møre Boligkreditt AS entered the euro market on 21 September last year with a 5-year semi benchmark (EUR 250 million inaugural green covered bond). The issue was very well received
- In January, Sparebanken Møre further issued its first green Senior Non Preferred bond (SNP with a first tranche of NOK 1.0 billion). With a total of NOK 2.0 billion issued, the bank is well on track with the minimum linear phase-in of the new capital class
- The Group has no market financing maturing in the second half of 2022.

# Strong rating updates

- The latest rating update for Sparebanken Møre from **Moody's Investor Service** is dated 25 July 2022. The bank's deposit and issuer ratings have been maintained at A1 with a stable outlook. The rating is the result of the bank's baa1 Baseline Credit Assessment (BCA) and the rating agency's Loss Given Failure analysis (LGF). The analysis results in a three-notch upgrade compared to BCA
- In an update from July, **Sustainalytics** improved Sparebanken Møre's ESG rating to Low Risk from Medium

Moody's confirms the bank's solid A1 rating (stable)

## RATINGS

### Sparebanken More

Domicile	Norway
Long Term CRR	A1
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Not Assigned
Long Term Deposit	A1
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Source: Moody's

Sustainalytics improves Sparebanken Møre's ESG rating to Low Risk

## Sparebanken Møre

Regional Banks Norway OSLMORG

ESG Risk Rating

19.2

Updated Jul 17, 2022

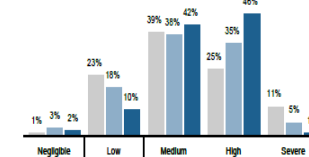
-1.4

Momentum

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

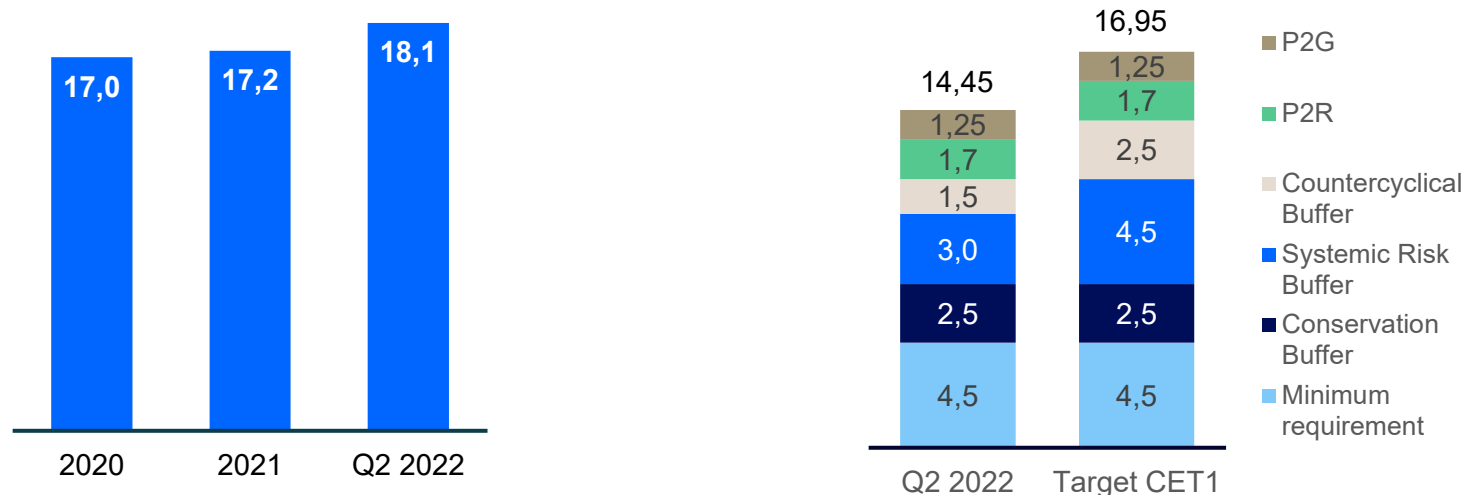
UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	3193/14392	23rd
Banks INDUSTRY	192/971	20th
Regional Banks SUBINDUSTRY	37/364	11th

Source: Sustainalytics

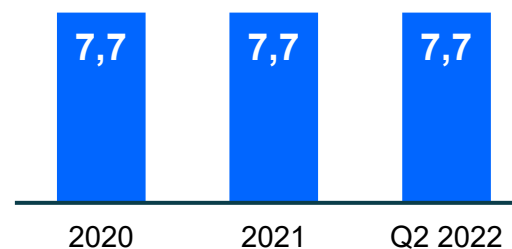
# CET1-target of 16.95 per cent

- Sparebanken Møre received a new Pillar 2 requirement with effect from 30 April. The requirement of 1.7 per cent remains unchanged
- Finanstilsynet (FSA) also expects the bank to maintain a capital requirement margin of 1.25 per cent (Pillar 2 Guidance)
- The EU's Banking Package (CRR II/CRD V) entered into force on 1 June and the extension of the SME discount had a positive effect of 1.3 p.p. on CET1

## CET1



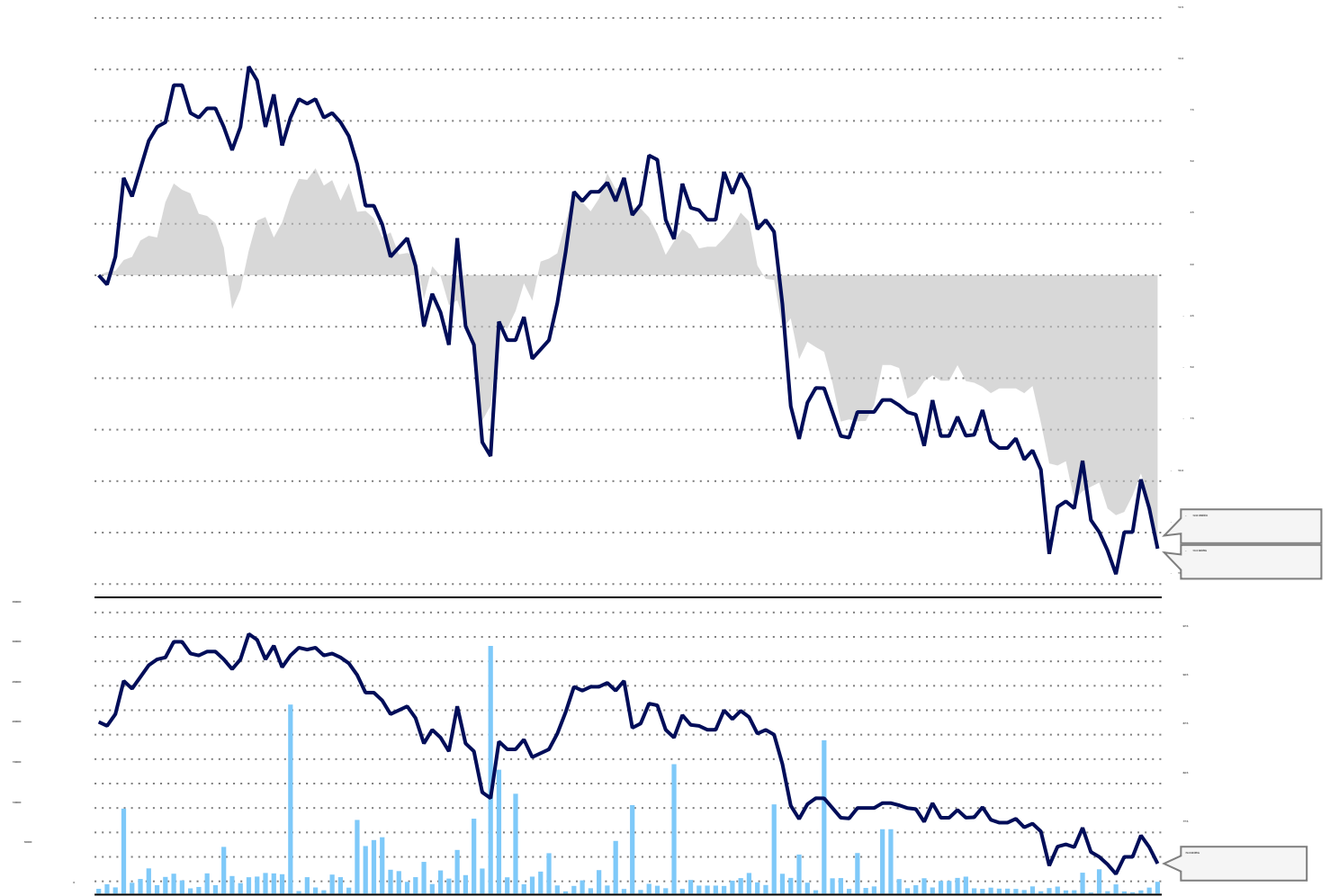
## Leverage Ratio



## MORG – strong Q1 followed by a weak Q2

- The positive price development from 2021 continued into 2022, Total Return on MORG was 2.93 per cent in Q1
- The equity market for the financial sector fell markedly through Q2. MORG has so far this year had a decrease in Total Return of 13.3 percent while the EC index (OSEEX) in the same period fell by 12.8 percent

Development at Oslo Stock Exchange YTD (MORG vs EC-index)

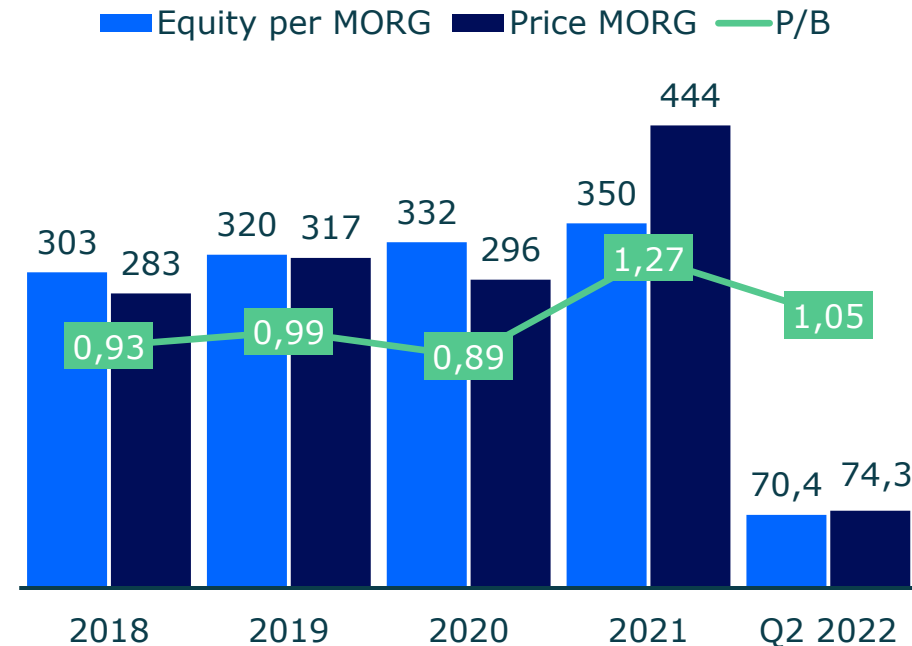


# Dividend policy

- Sparebanken Møre aims to achieve financial results providing a good and stable return on the bank's equity capital
- Sparebanken Møre's profit allocation must ensure that all equity owners are guaranteed equal treatment
- If the solvency ratio does not indicate otherwise, the aim is that around 50 per cent of the year's profit overall can be distributed as dividends

## MORG – price and Price/Book (P/B) value\*

- Equity, price and P/B



\*Equity per MORG is calculated on Group figures. Figures from 2018-2021 stated before the split in 2022



## The largest and most complete financial institution in Nordvestlandet

- Our business model is to be local, personal and digital
- More than 240 authorized advisors located close to the customers
- Strong professional environments located in the region
- Markets and wealth management expertise
- Real Estate brokerage company
- Covered Bonds company
- Independent and alliance-free savings bank



**27 offices**

in our market area,  
Nordvestlandet

**371**

FTE

**85,3 billion**

In Total Assets

# Proximity, availability and local knowledge

- Communities and towns are important for value creation in the county
- The bank's Customer Centre named the best customer service in the banking sector – for the fourth year in a row!



## Local branches



Proximity to customers

## Industry teams



Advisors passionate about the industry

## Customer Service



Quick response and solves the problem

# Wealth Management Sparebanken Møre



Trond Moldskred  
EVP, Wealth Management

## Investment Advisory



Arve Langva  
SVP, Head of  
Investment Advisory



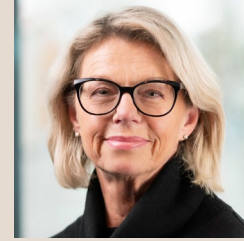
Bjørg-Marit Larsen  
Senior Investment Advisor



Kenneth Nordstoga  
Investment Advisor



Monica Finnøy Draper  
Investment Advisor



Torunn Moldvær  
Senior Advisor

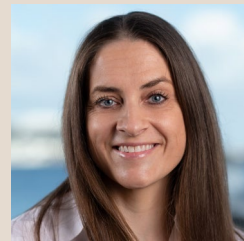
## Discretionary Portfolio Management



Jorunn Maaseide  
Senior Portfolio Manager



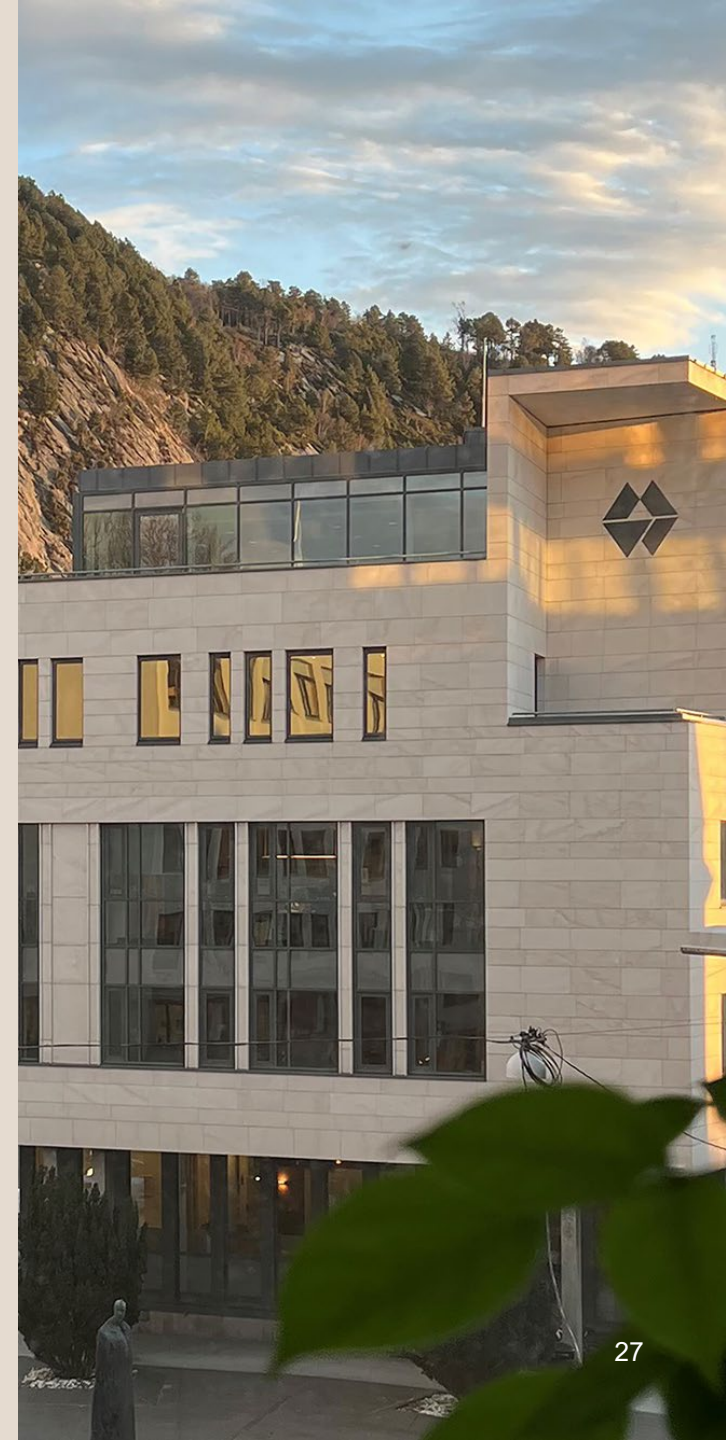
Tove Lunde Bjørge  
Senior Portfolio Manager



Kjersti Blomvik  
Portfolio Manager



Thomas V. Johansen  
Portfolio Manager



# Private Banking

Wealth Management through personal advice

- Strengthens our position in Nordvestlandet
- Growing in number of customers and capital under management
- Strong expertise environment and authorized advisors with close follow-up of their customers
- Provides competent and good counselling in cooperation with the bank's financial advisors



# Møremegling (Real Estate Brokerage)

- Strengthens our position in Nordvestlandet
- Growing in assignments and turnover
- Significantly increased capacity in recent years
- Provides fast and good counselling together with the bank's advisors

Second-hand home



Ambition to become the market leader

Industry/ New buildings



New focus area

## Personal and digital

- High rate of development
- Self-service solutions launched within i.a. mortgage and wealth management

### Digital surfaces



Increased self-service where this is natural

### Streamlining



More time for customer contact

### Interaction



It is through the customers that we develop

# A good basis for further growth

A fully-fledged consulting environment for customers



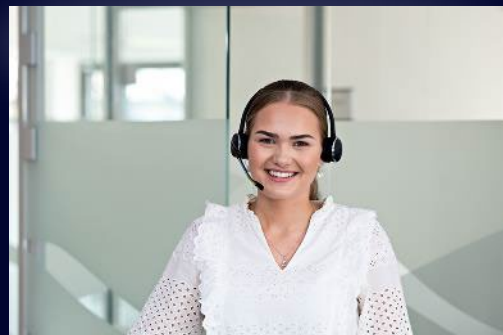
Retail Market advisors



Corporate Market advisors



Møremegling (real estate brokerage)



Customer Centre/«Næringsbasen»

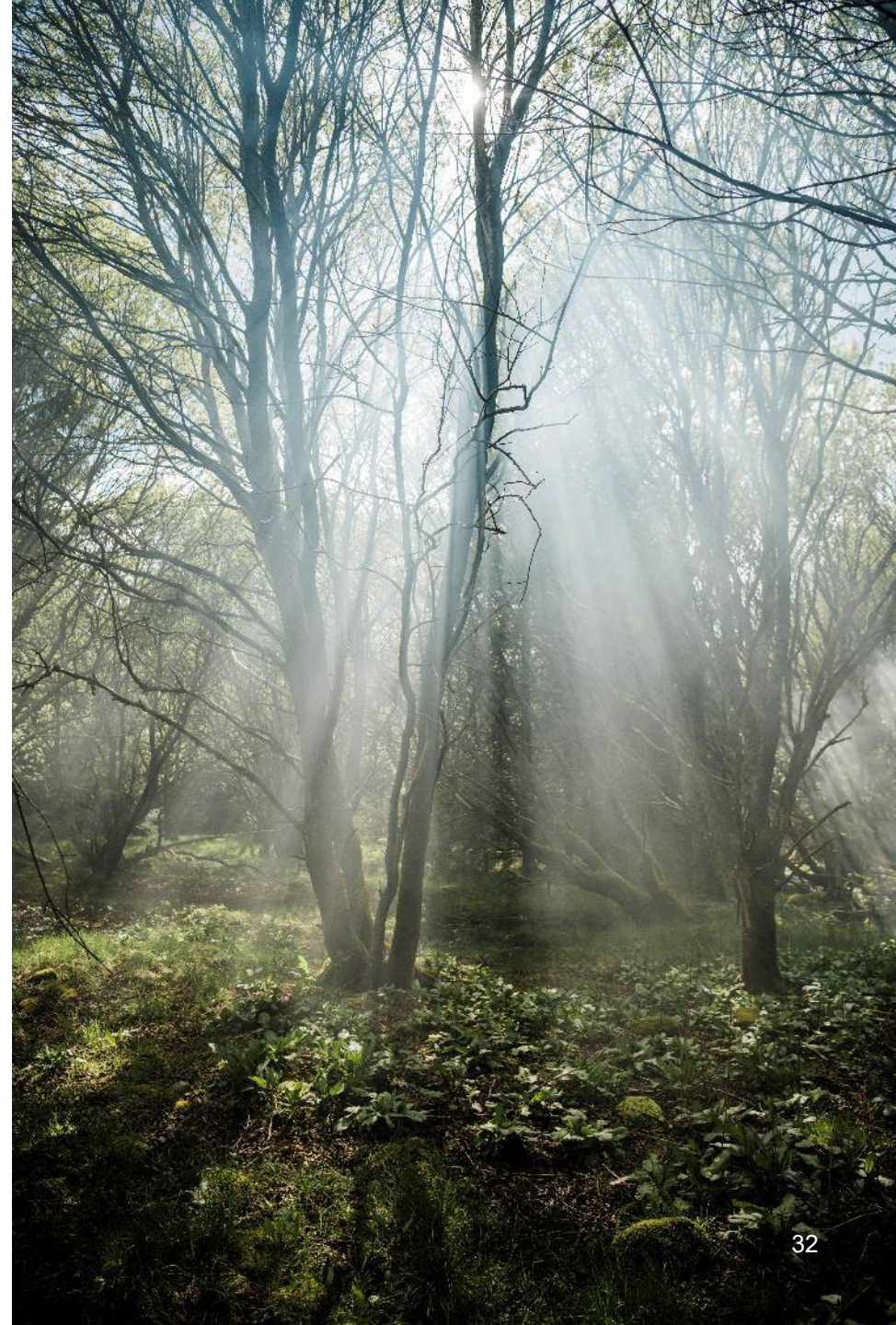


Investment advisors

# An active and adaptable region

## Outlook for the region and the bank

- The outlook for global economic growth has weakened as a result of geopolitical uncertainty, high inflation and prospects for higher interest rates in many countries. To alleviate inflationary pressures, several central banks have begun to raise key interest rates
- Higher inflation expectations and the prospect of significantly higher interest rates have also affected the international financial markets. There have been major fluctuations in the stock markets and long-term interest rates have risen sharply on expectations of higher policy rates
- Norges Bank raised the key interest rate by 0.50 percentage points to 1.25 per cent in connection with the interest rate decision on 23 June. Furthermore, the central bank announced that the key policy rate will most likely be raised to 1.50 per cent in August. In addition, the interest rate path, ie the central bank's forecast for the key policy rate, was lifted. Norges Bank now envisages that the key policy rate will increase to around 3 per cent towards the summer of next year. In the justification for the interest rate increase and the raising of the interest rate path, the bank pointed out that there is high activity in the economy and little spare capacity. In addition, inflation is clearly above target for core inflation of 2 per cent
- The level of activity both in Norway and in Møre og Romsdal is high. Production of goods and services in mainland Norway was almost 3 per cent higher in May than before the pandemic. Mainland Norway is the Norwegian economy apart from oil activities and foreign shipping. As a result of the rise in demand, unemployment has continued to fall. At the end of June, the number of completely unemployed in Møre og Romsdal was 1.5 per cent of the labor force. This is the lowest unemployment rate since 2008
- The bank has a solid capital base and strong liquidity and will continue to be a strong and committed supporter for our customers. The focus is always on having good operations and profitability

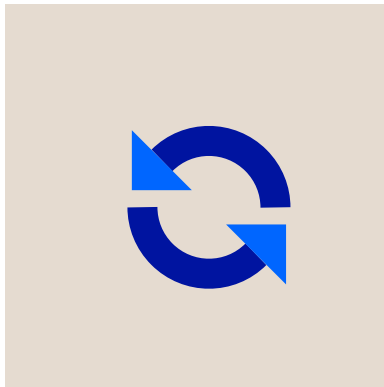




# Financial targets



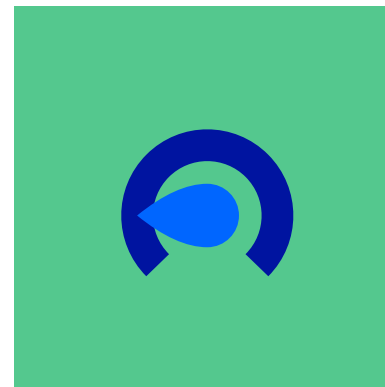
ROE  
> 11.0%



C/I < 40 %



CET1 > 16.95 %



Low level of losses



Healthy financial  
structure



# Contact

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# Attachments

# Results in Q2

## Key figures in Q2 2022 and Q2 2021

Results (NOK million and %)	Q2 2022		Q2 2021		Changes		
	NOK	%	NOK	%	NOK	p.p.	%
Net Interest Income	353	1.65	307	1.53	46	0.12	15,0
Net Income Financial Investments	-35	-0.16	-4	-0.02	-31	-0.14	-
Gains/losses liquidity portfolio	14	0.06	2	0.01	12	0.05	-
Gains/losses on shares	11	0.05	14	0.07	-3	-0.02	-21.4
Other Income	59	0.28	52	0.27	7	0.01	13.5
<b>Total Other Income</b>	<b>49</b>	<b>0.23</b>	<b>64</b>	<b>0.33</b>	<b>-15</b>	<b>-0.10</b>	<b>-23.4</b>
<b>Total Income</b>	<b>402</b>	<b>1.88</b>	<b>371</b>	<b>1.86</b>	<b>31</b>	<b>0.02</b>	<b>8.4</b>
Salaries and wages	100	0.47	89	0.45	11	0.02	11.1
Other costs	74	0.35	69	0.35	5	0.00	8.8
<b>Total operating costs</b>	<b>174</b>	<b>0.82</b>	<b>158</b>	<b>0.80</b>	<b>16</b>	<b>0.02</b>	<b>10.1</b>
Profit before losses	228	1.06	213	1.06	15	0.00	7.0
Losses on loans, guarantees etc	-8	-0.04	28	0.14	-36	-0.18	-
<b>Pre-tax profit</b>	<b>236</b>	<b>1.10</b>	<b>185</b>	<b>0.92</b>	<b>51</b>	<b>0.18</b>	<b>27.6</b>
Taxes	53	0.25	42	0.21	11	0.04	26.2
<b>Profit after tax</b>	<b>183</b>	<b>0.85</b>	<b>143</b>	<b>0.71</b>	<b>40</b>	<b>0.14</b>	<b>28.0</b>
<b>Return on equity (ROE) %</b>	<b>10.4</b>		<b>8.5</b>			<b>1.9</b>	
<b>Cost/Income ratio</b>	<b>43.3</b>		<b>42.9</b>			<b>0.4</b>	
<b>Profit per EC (NOK)</b>	<b>1.78</b>		<b>1.37</b>			<b>0.41</b>	

# Resultat per H1

## Key figures in H1 2022 and H1 2021

Results (NOK million and %)	H1 2022		H1 2021		Changes		
	NOK	%	NOK	%	NOK	p.p.	%
Net Interest Income	<b>687</b>	<b>1.64</b>	<b>611</b>	<b>1.53</b>	<b>76</b>	<b>0.11</b>	<b>12.4</b>
Net Income Financial Investments	-66	-0.16	3	0.01	-69	-0.17	-
Gains/losses liquidity portfolio	25	0.06	12	0.03	13	0.03	108.3
Gains/losses on shares	29	0.07	31	0.08	-2	-0.01	-6.5
Other Income	114	0.27	101	0.26	13	0.01	12.9
<b>Total Other Income</b>	<b>102</b>	<b>0.24</b>	<b>147</b>	<b>0.38</b>	<b>-45</b>	<b>-0.14</b>	<b>-30.6</b>
<b>Total Income</b>	<b>789</b>	<b>1.88</b>	<b>758</b>	<b>1.91</b>	<b>31</b>	<b>-0.03</b>	<b>4.1</b>
Salaries and wages	205	0.49	175	0.43	30	0.06	17.1
Other costs	147	0.35	138	0.37	9	-0.02	6.5
<b>Total operating costs</b>	<b>352</b>	<b>0.84</b>	<b>313</b>	<b>0.80</b>	<b>39</b>	<b>0.04</b>	<b>12.5</b>
Profit before losses	437	1.04	445	1.11	-8	-0.07	-1.8
Losses on loans, guarantees etc	-8	-0.02	42	0.11	-50	-0.13	-
<b>Pre-tax profit</b>	<b>445</b>	<b>1.06</b>	<b>403</b>	<b>1.00</b>	<b>42</b>	<b>0.06</b>	<b>10.4</b>
Taxes	99	0.24	90	0.23	9	0.01	9.5
<b>Profit after tax</b>	<b>346</b>	<b>0.82</b>	<b>313</b>	<b>0.77</b>	<b>33</b>	<b>0.05</b>	<b>10.7</b>
<b>Return on equity (ROE) %</b>	<b>9.9</b>		<b>9.4</b>			<b>0.5</b>	
<b>Cost/Income ratio</b>	<b>44.7</b>		<b>41.3</b>			<b>3.40</b>	
<b>Profit per EC (NOK)</b>	<b>3.35</b>		<b>3.02</b>			<b>0.33</b>	

# Balance sheet and key figures

## Key figures per Q2 2022 and Q2 2021

	30.06.22	30.06.21	Changes	
<b>Balance in NOK million</b>			<b>NOK mill</b>	<b>%</b>
Total Assets	85 314	82 830	2 484	3.0
Loans to customers	72 300	69 132	3 168	4.6
Deposits from customers	44 946	41 484	3 462	8.3
Net Equity and Subordinated Loans	7 540	7 056	484	6.9

<b>Key Figures</b>	30.06.22	30.06.21	Changes p.p.	
Return on Equity	9.9	9.4	0.5	
Cost/Income ratio	44.7	41.3	3.4	
Total Capital	22.4	20.6	1.8	
Tier 1 Capital	19.9	18.6	1.3	
CET1	18.1	16.9	1.2	
Leverage Ratio	7.7	7.6	0.1	
Profit per EC (NOK, the Group)	3.35	3.02	0.33	
Profit per EC (NOK, the bank)	4.90	4.18	0.72	

# Specification of other income

## Per H1 2022 and 2021

(NOK million)	H1 2022	H1 2021	Changes y/y
Guarantee commission	20	19	1
Income from the sale of insurance services (non-life/personal)	12	12	0
Income from the sale of shares in unit trusts/securities	9	7	2
Income from Discretionary Portfolio Management	22	20	2
Income from payment transfers	40	37	3
Other fees and commission income	13	13	-1
<b>Commission income and income from banking services</b>	<b>116</b>	<b>108</b>	<b>8</b>
<b>Commission expenses and expenses from banking services</b>	<b>17</b>	<b>19</b>	<b>-2</b>
Income from real estate brokerage	15	12	3
Other operating income	0	0	0
<b>Total other operating income</b>	<b>15</b>	<b>12</b>	<b>3</b>
<b>Net commission and other operating income</b>	<b>114</b>	<b>101</b>	<b>13</b>
Interest hedging (for customers)	7	7	0
Currency hedging (for customers)	21	20	1
Dividend received	1	1	0
Net gains/losses on shares	25	12	13
Net gains/losses on bonds	-66	3	-69
Change in value of fixed-rate loans	4	9	-5
Change in value of issued bonds	-3	-5	2
Net gains/losses related to buy back of outstanding bonds	-1	-1	0
<b>Net result from financial instruments</b>	<b>-12</b>	<b>46</b>	<b>-58</b>
<b>Total other income</b>	<b>102</b>	<b>147</b>	<b>-45</b>



# Specification of costs

## Per H1 2022 and 2021

(NOK million)	H1 2022	H1 2021	Changes y/y
Wages	151	127	24
Pension expenses	12	9	3
Employers' social security contribution and Financial activity tax	30	26	4
Other personnel expenses	12	13	-1
<b>Wages, salaries, etc.</b>	<b>205</b>	<b>175</b>	<b>30</b>
<b>Depreciations</b>	<b>22</b>	<b>23</b>	<b>-1</b>
Operating expenses own and rented premises	8	8	0
Maintenance of fixed assets	3	4	-1
IT-expenses	73	67	6
Marketing expenses	15	14	1
Purchase of external services	14	11	3
Expenses related to postage, telephone, newspapers etc.	4	3	1
Travel expenses	1	0	1
Capital tax	3	3	0
Other operating expenses	4	5	-1
<b>Total other operating expenses</b>	<b>125</b>	<b>115</b>	<b>10</b>
<b>Total operating expenses</b>	<b>352</b>	<b>313</b>	<b>39</b>

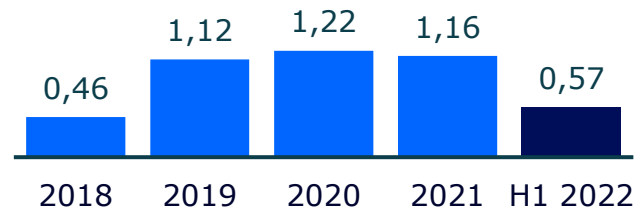
# Efficient operations



# Low level of credit-impaired commitments

## Group figures

- in % of total commitments



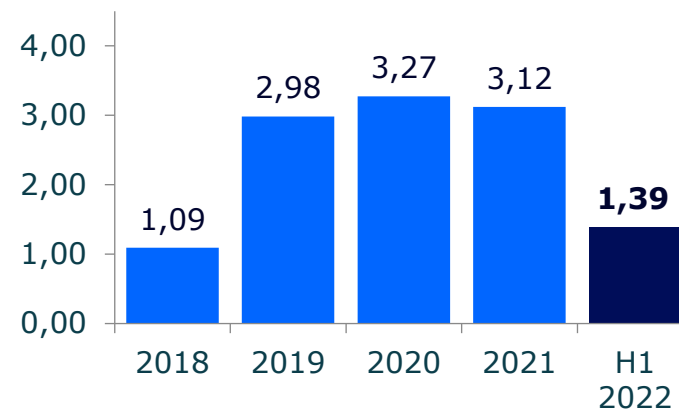
## Retail market

- in % of retail commitments



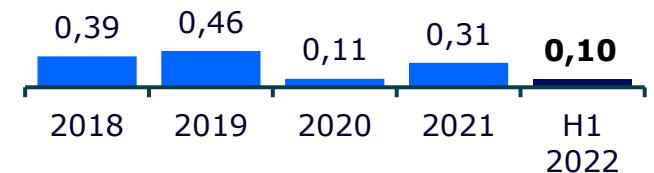
## Corporate market

- in % of corporate commitments



## Corporate market (excl. offshore/supply)

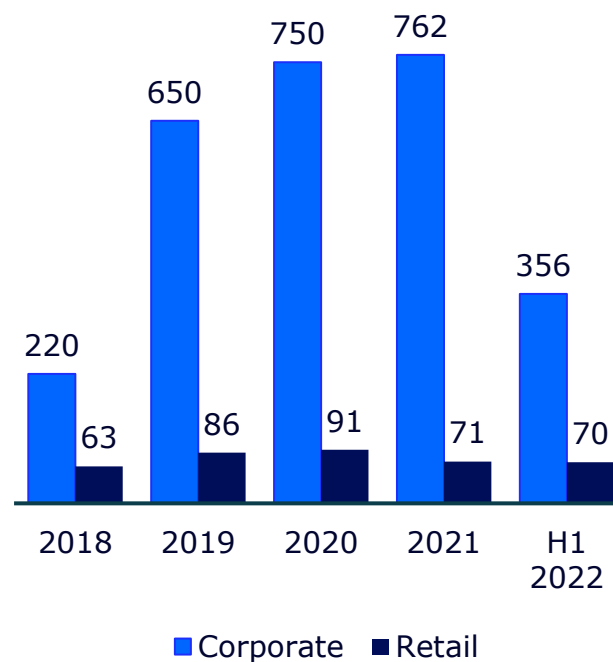
- in % of corporate commitments



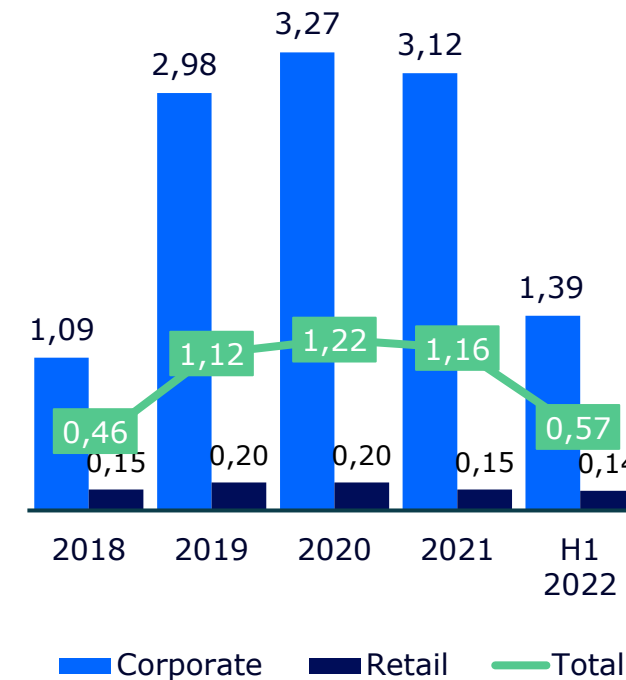
# Credit-impaired commitments

- The overview shows non-performing commitments in default above 90 days and other credit-impaired commitments in stage 3

Total credit-impaired commitments  
- in NOK million



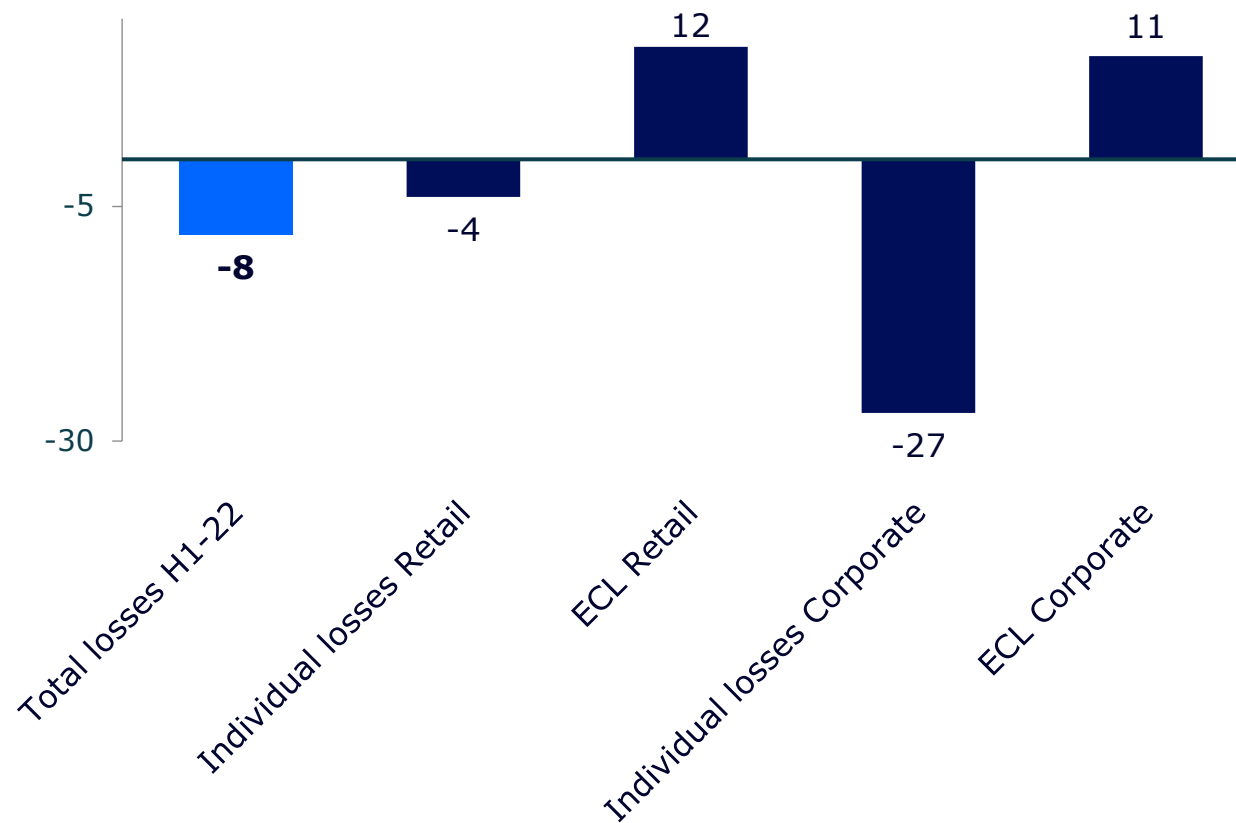
Total credit-impaired commitments  
- in % of commitments



# Losses by sector

## Losses on loans and guarantees

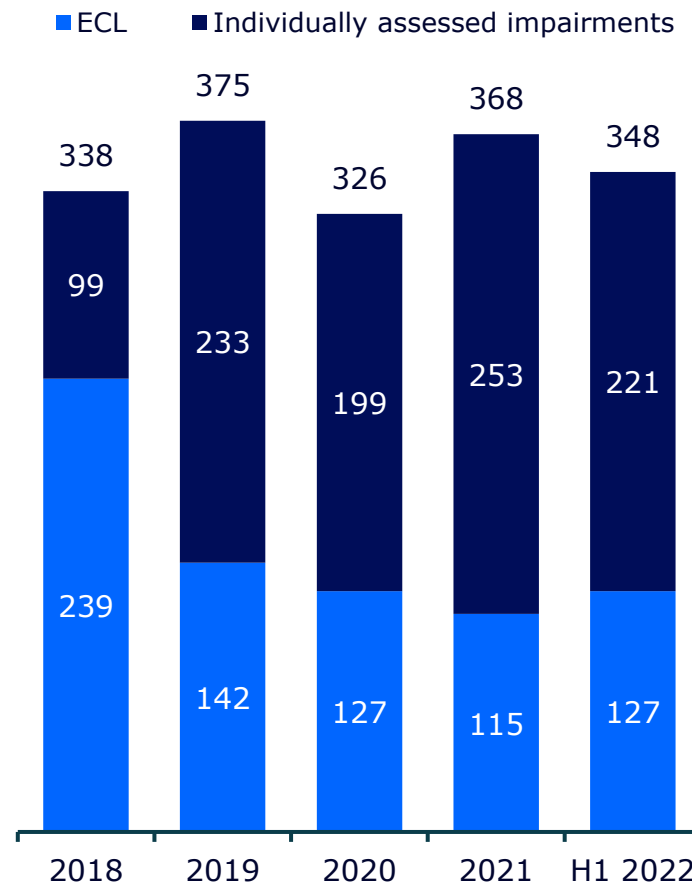
- NOK million



# Expected credit losses

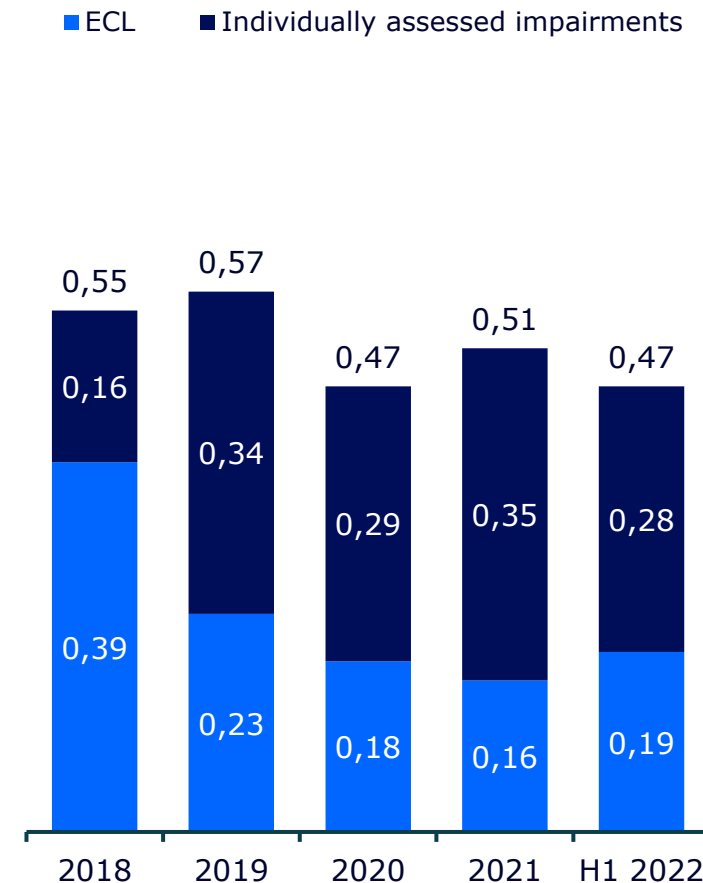
## Expected credit losses

- in NOK million



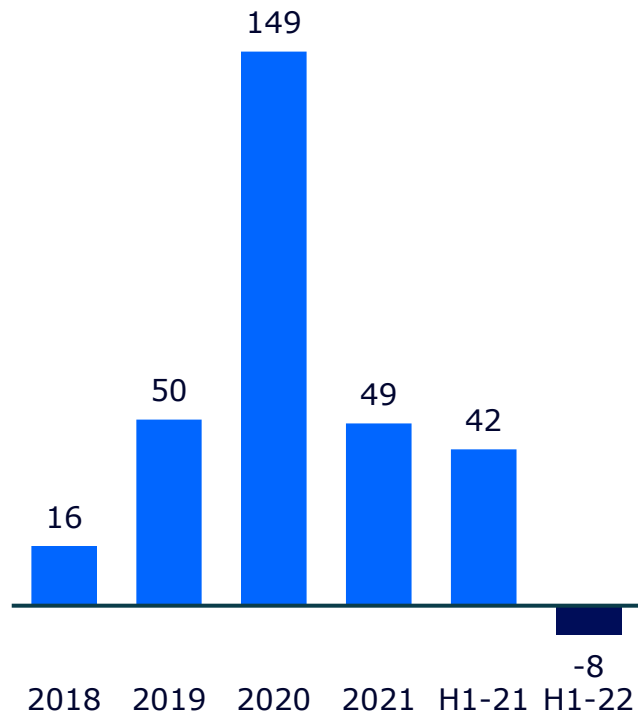
## Expected credit losses

- in % of commitments

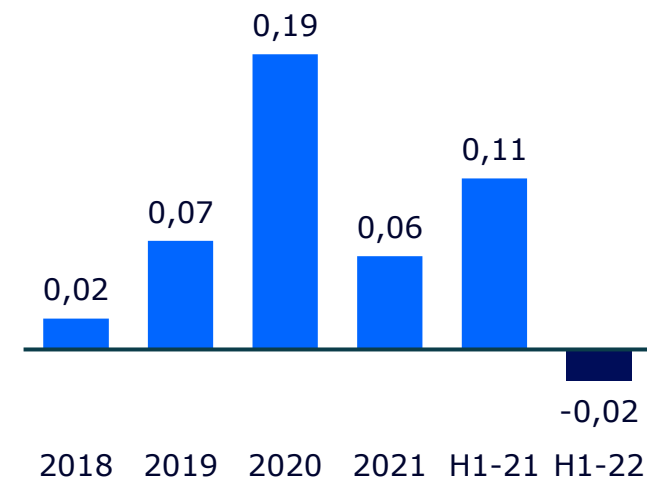


# Recognized losses

Losses on loans and guarantees  
- NOK million

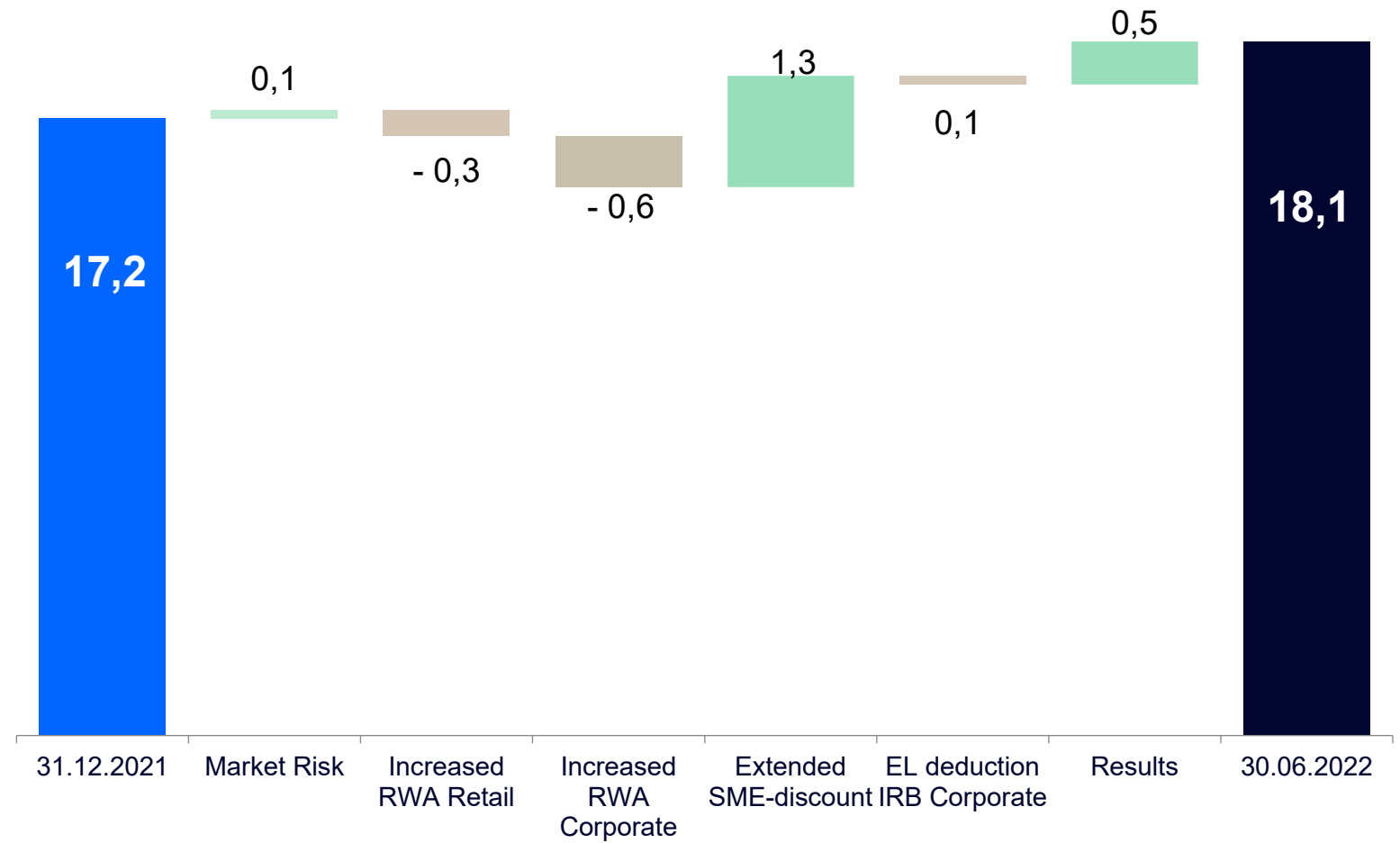


Losses on loans and guarantees  
- In % of Average Assets



# Development in CET1

Changes in CET1 from 31.12.2021





# EC capital in Sparebanken Møre

The largest owners (1-10) of EC capital

EC holder	Number of ECs	
	30.06.22	31.03.22
Sparebankstiftelsen Tingvoll	4.977.850	4.946.850
Cape Invest AS	4.927.345	5.027.345
Spesialfondet Borea Utbytte	2.205.437	1.825.500
Verdipapirfondet Eika egenkapital	2.176.585	1.978.150
Wenaasgruppen	1.900.000	1.900.000
MP Pensjon	1.698.905	1.698.905
Pareto Aksje Norge	1.308.985	1.270.285
Verdipapirfond Nordea Norge Verdi	1.265.060	1.415.060
Kommunal Landspensjonskasse	1.098.104	886.135
Wenaas EFTF AS	1.000.000	1.000.000
<b>Total 10 largest EC holders</b>	<b>22.558.271</b>	<b>21.948.230</b>
Of which Møre & Romsdal	12.805.195	12.874.195
Of which Møre & Romsdal in %	56.8	58.7

# EC capital in Sparebanken Møre

The largest owners (11-20) of  
EC capital

EC holder	Number of ECs	
	30.06.22	31.03.22
Beka Holding AS	750.500	750.500
Pareto Invest Norge AS/Pareto AS	729.780	1.157.610
Lapas AS (Leif-Arne Langøy)	617.500	617.500
Forsvarets personellservice	459.000	459.000
Stiftelsen Kjell Holm	419.750	403.750
BKK Pensjonskasse	353.350	353.350
Brown Brothers Harriman & Co.	253.743	254.045
U. Aandals EFTF AS	250.000	250.000
PIBCO AS	229.500	229.500
Morgan Stanley & Co. International	212.568	209.560
<b>Total 20 largest EC holders</b>	<b>26.833.962</b>	<b>26.633.045</b>
Of which Møre & Romsdal	14.321.945	14.374.945
Of which Møre & Romsdal in %	53.4	54.0