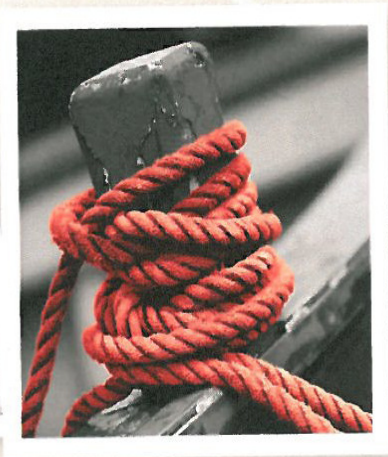
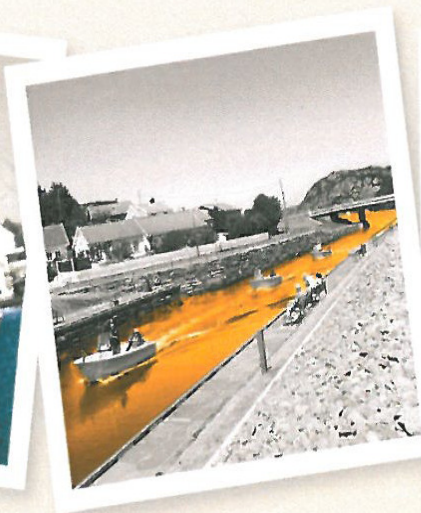


Pluss Boligkreditt AS



Interim Report Q4 2012
(not audited)

QUATERLY REPORT 31.12.2012

The organisation

Pluss Boligkreditt AS is a wholly owned subsidiary of Sparebanken Pluss, and the Company's business is managed from Kristiansand. The Company is licensed by the Financial Supervisory Authority of Norway to operate as a mortgage company and is allowed to issue covered bonds. Pluss Boligkreditt AS is a part of Sparebanken Pluss' long-term financial strategy, according to which the Company's main objective is the issuance of covered bonds. The share capital is owned by Sparebanken Pluss, and the Company is accordingly included in the Sparebanken Pluss Group.

The cover pool primarily comprises mortgage home loans which have been granted by Sparebanken Pluss and which fulfil the requirements for being included in the cover pool. One important requirement is that any loan balance taken over by the Company may not exceed 75 % of the mortgaged property's market value at the time of acquisition.

As of 31 December 2012, a home loan portfolio amounting to MNOK 10,554 has been transferred from Sparebanken Pluss to Pluss Boligkreditt AS. The loan portfolio was included in the Company's cover pool, and Pluss Boligkreditt AS had issued covered bonds of MNOK 9,400.

Profit and balance sheet performance

The financial statements for Pluss Boligkreditt AS show a profit after tax of MNOK 85 as of 31 December 2012, compared to MNOK 36 for the corresponding period last year. The company has interest income amounting to MNOK 416 (MNOK 368), and interest expenses amounting to MNOK 284 (MNOK 305). Operating expenses amount to MNOK 8 (MNOK 10) and taxes amount to MNOK 33 (MNOK 14). The reason for the significant improvement in results is mainly due to changes in funding costs as NIBOR has fallen significantly.

Total assets as of 31 December 2012 amount to MNOK 10,564 (MNOK 9,580) of which net lending to customers amount to MNOK 10,554 (MNOK 9,568). The loan portfolio is financed through issuance of bonds with a face value of MNOK 9,398 and an Overdraft Facility with Sparebanken Pluss. As of 31 December 2012 the company has a share capital of MNOK 450 which was fully paid.

Pluss Boligkreditt AS has an Overdraft Facility amounting to MNOK 3,000 with Sparebanken Pluss of which MNOK 554 has been drawn as of 31 December 2012.

Solvency

Total equity in the Company amounted to MNOK 563 at the end of Q4 2012. This corresponds to a capital adequacy/core (tier 1) capital ratio of 13.87 %. The capital adequacy ratio has been calculated using the Standard Approach of the Basel II rules and regulations.

In Q4 the Company paid an extraordinary dividend of MNOK 36. The Company will still have a solid capital adequacy, and the Board considers that the financial strength is very good.

Risk

As a licenced mortgage company, Pluss Boligkreditt AS is subject to a number of acts, regulations, recommendations and regulatory provisions. The objective of the Company is to finance lending activities through the issuance of covered bonds with high rating. This means that Pluss Boligkreditt AS strives to ensure that risk is kept at a low level. The Company emphasises to identify measure and control risk elements in such a way that the market has confidence in the Company, and that the company can achieve high rating on the covered bonds that are issued.

In the Company's credit strategy and credit policy, a framework has been established regulating loans that may be granted by the Company. The credit policy gives in addition guidelines regarding requirements imposed on borrowers, as well as collateral requirements for loans that are transferred to Pluss Boligkreditt AS. The Board considers the overall quality of the lending portfolio to be very good and the credit risk to be low.

The Company's assets and liabilities are in Norwegian Kroner at floating interest rates. By the end of Q4 2012, the Company had issued floating rate notes (FRN) in Norwegian Kroner only. Pluss Boligkreditt AS has no positions in foreign currency by the end of Q4 2012. The Board considers the overall market risk to be low.

Pluss Boligkreditt AS issues bonds with a soft call, which gives the Company an option to extend the loan by 12 months beyond the maturity date. Further financial needs are covered by equity and a Revolving Multicurrency Loan Facility with Sparebanken Pluss. The Board considers the Company's liquidity risk to be low.

The operations in the Company are handled by employees in Sparebanken Pluss according to a Management Service Agreement between the Company and the Bank covering administration and production, including EDP operation and finance and risk management. The Board considers the operational risk to be low.

Rating

Covered bonds issued by Pluss Boligkreditt AS are rated Aaa by Moody's.

Future prospects

Norwegian Authorities are presently considering the implementation of restrictions in the parent banks' possibilities to transfer mortgage loans to the covered bond companies. Adjustments in the legal framework can be expected. Still the Board expects that the Company will have a satisfactory operating environment in 2013.

Pluss Boligkreditt AS plans further acquisition of loans from Sparebanken Pluss, and the Company intends to issue covered bonds in both the national and the international bond market.

31 December 2012

Kristiansand, 11 February 2013

The Board of Directors of Pluss Boligkreditt AS

Stein A. Hannevik
Chairman of the Board

Lasse Kvinlaug
Board member

Marianne Lofthus
Board member

Tone Solheim Grøsle
Board member

Bjørn A. Friestad
CEO

INCOME STATEMENT

NOK 1 000		31.12.12	31.12.11
Total interest income	2 , 10	416.246	368.115
Total interest expenses	3 , 10	284.518	305.401
NET INTEREST INCOME		131.728	62.714
Commissions receivable		83	79
Commissions payable		5.000	5.000
derivatives		123	2.550
NET OTHER OPERATING INCOME		-4.795	-2.370
General administration expenses		2.455	2.497
Depreciation		377	377
Other operating expenses	10	5.482	7.022
TOTAL OPERATING EXPENSES		8.314	9.896
PROFIT BEFORE LOSSES		118.619	50.447
Write-downs on loans		0	0
OPERATING PROFIT		118.619	50.447
Taxes	4	33.213	14.125
PROFIT FOR THE PERIOD AFTER TAX		85.406	36.322

Other comprehensive income

PROFIT FOR THE PERIOD AFTER TAX		85.406	36.322
Other comprehensive income		0	0
TOTAL PROFIT		85.406	36.322

Quarterly result

NOK 1 000	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Total interest income	105.076	104.535	105.850	100.785	98.496
Total interest expenses	62.855	70.588	72.580	78.494	82.385
NET INTEREST INCOME	42.220	33.947	33.270	22.291	16.111
Commissions receivable	20	18	26	19	17
Commissions payable	1.250	1.250	1.250	1.250	1.250
derivatives	-127	0	735	-485	253
NET OPERATING INCOME	-1.357	-1.232	-489	-1.716	-980
General administration expenses	613	608	605	629	587
Depreciation	94	94	95	94	94
Other operating expenses	1.085	1.010	1.376	2.011	1.227
TOTAL OPERATING EXPENSES	1.792	1.712	2.075	2.735	1.908
PROFIT BEFORE LOSSES	39.071	31.002	30.706	17.839	13.223
Write-downs on loans	0	0	0	0	0
OPERATING PROFIT	39.071	31.002	30.706	17.839	13.223
Taxes	10.940	8.680	8.598	4.995	3.703
PROFIT FOR THE PERIOD AFTER TAX	28.131	22.322	22.108	12.844	9.521

Other comprehensive income

PROFIT FOR THE PERIOD AFTER TAX	28.131	22.322	22.108	12.844	9.521
Other comprehensive income	0	0	0	0	0
TOTAL PROFIT	28.131	22.322	22.108	12.844	9.521

BALANCE SHEET

NOK 1 000			
ASSETS		31.12.12	31.12.11
Lending to and deposits with credit institutions	10	0	0
Lending to customers	5	10.554.115	9.568.339
- Individual write-downs		0	0
- Collective write-downs		0	0
Net lending to customers	5	10.554.115	9.568.339
Deferred tax assets		117	93
Fixed assets		384	762
Pre-paid costs, not incurred -accrued income, not yet received		8.938	10.534
TOTAL ASSETS		10.563.554	9.579.728
LIABILITIES AND EQUITY			
Debt to credit institutions	10	554.903	636.809
Debt securities issued	7	9.398.784	8.396.431
Other liabilities		127	250
Payable taxes	4	33.237	7.120
Incurring costs and income received, not yet accrued		13.636	25.374
Deferred taxes		0	0
TOTAL LIABILITIES		10.000.687	9.065.966
EQUITY			
Share capital		450.000	450.000
Equity capital accumulated through retained earnings		112.867	63.762
TOTAL EQUITY		562.867	513.762
TOTAL LIABILITIES AND EQUITY		10.563.554	9.579.728

31 December 2012
Kristiansand, 11 February 2013

The Board of Directors of Pluss Boligkreditt AS

Stein A. Hannevik
Chairman of the Board

Lasse Kvinlaug
Board member

Marianne Lofthus
Board member

Tone S. Grøsle
Board member

Bjørn A. Friestad
CEO

Statement of changes in equity

NOK 1 000	Aksjekapital	Annen EK	Sum
Balance sheet as of 1 January 2011	300.000	45.800	345.800
Change in share capital registered 4 August 201	150.000	0	150.000
Group contributions 2011	0	-18.360	-18.360
Profit for the period	0	36.322	36.322
Balance sheet as of 31 December 2011 / 1 January 2012	450.000	63.762	513.762
Paid dividend 2012	0	-36.300	-36.300
Profit for the period	0	85.406	85.406
Balance as of 31 December 2012	450.000	112.868	562.868

Cash flow statement

NOK 1 000	31.12.2012	31.12.2011
Operations		
Interest, commissions and fees received from customer	417.842	364.477
Interest, commissions and fees paid	-296.256	-295.481
Other income	83	79
Other payments	-13.314	-14.653
Net changes in lending to customers	-985.400	-219.647
Taxes paid	-7.101	-10.047
Net cash flows from operations	-884.147	-175.273
Cash flows from investment activities		
Net cash flows from investment activities	0	0
Cash flows from funding activities		
Net issue of bonds	1.002.353	2.800
Dividend payments	-36.300	0
Payment of group contributions	0	-25.500
Issue of share capital	0	150.000
Net cash flows from funding activities	966.053	127.300
Net change in cash and cash equivalents +/-	81.906	-47.973
Liquid assets as of 1 January	-636.809	-588.836
Liquid assets as of 31 December	-554.903	-636.809

NOTES

Note 1 – Accounting principles

The Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS) which is adopted by EU. Pluss Boligkreditt AS is part of the Sparebanken Pluss Group, which is using the same accounting principles.

The Interim Report is not audited.

All the amounts stated in the accounts are stated in NOK thousands, unless specifically stated otherwise. The Company prepares its accounts in Norwegian kroner.

Note 2 – Net interest income

NOK 1 000	31.12.2012	31.12.2011
<i>Interest income from financial instruments assessed at amortised cost:</i>		
Interest on loans to and deposits with credit institutions	0	0
Interest on loans to customers	416.246	368.115
Total interest income	416.246	368.115

Note 3 – Interest expenses

NOK 1 000	31.12.2012	31.12.2011
<i>Interest expenses from financial instruments assessed at amortised cost:</i>		
Interest on loans and deposits from credit institutions	15.169	17.132
Interest on debt securities issued	269.349	288.269
Other interest expenses	0	0
Total interest expenses	284.518	305.401

Note 4 - Taxes

Tax expenses during the year are accrued based on an estimate of tax expenses on an annual basis.

Note 5 – Loans

NOK 1 000	31.12.2012	31.12.2011
<i>Loans assessed at amortised cost</i>		
Overdraft Facilities (Fleksilån)	5.263.813	5.027.254
Repayment loans	5.290.301	4.541.085
Total loans to customers valued at amortised cost	10.554.115	9.568.339
<i>Unused credit facilities on approved credits (Fleksilån)</i>	<i>1.529.758</i>	<i>1.406.000</i>

NOK 1 000	31.12.2012	31.12.2011
<i>Loans according to sectors</i>		
Retail customers	10.462.953	9.490.789
Various industries lending *)	91.162	77.550
Total loans	10.554.115	9.568.339

*) Various industries lending are home loans to customers in sector 8200, "self-employees".

NOK 1 000	31.12.2012		31.12.2011	
<i>Loans according to geographical distribution</i>				
Vest-Agder	6.950.080	65,9 %	6.442.461	67,3 %
Aust-Agder	1.870.830	17,7 %	1.597.180	16,7 %
Oslo	643.459	6,1 %	589.253	6,2 %
Akershus	355.973	3,4 %	262.781	2,7 %
Rogaland	196.426	1,9 %	186.945	2,0 %
Other counties	537.347	5,1 %	489.719	5,1 %
Total loans geographical distribution	10.554.115	100 %	9.568.339	100 %

Note 6 – Non-performing commitments

NOK 1 000	31.12.2012	31.12.2011
Gross non-performing commitments		
31 - 60 days	2.654	971
61 - 90 days	0	0
Over 90 days	0	0
Total non-performing commitments	2.654	971

Note 7 - Debt securities issued

MATURITY STRUCTURE OF ISSUED BONDS

NOK 1 000		Amortised cost	Nominal value	Interest rate type	Payment profile	Maturity
<i>Finansieringskilder</i>	<i>Ticker</i>					
NO0010503428	PLBK06	1.000.000	1.000.000	Floating rate	Bullet	26.09.14
NO0010520406	PLBK05	1.000.000	1.000.000	Floating rate	Bullet	16.03.15
NO0010572118	PLBK01	998.767	1.000.000	Floating rate	Bullet	23.04.15
NO0010503410	PLBK09	900.000	900.000	Floating rate	Bullet	28.09.15
NO0010575210	PLBK02	499.520	500.000	Floating rate	Bullet	26.11.15
NO0010593437	PLBK03	999.675	1.000.000	Floating rate	Bullet	14.12.15
NO0010512502	PLBK08	1.000.000	1.000.000	Floating rate	Bullet	14.12.15
NO0010515406	PLBK07	1.000.000	1.000.000	Floating rate	Bullet	16.03.16
NO0010605801	PLBK10	999.310	1.000.000	Floating rate	Bullet	30.03.16
NO0010641624	PLBK11	1.001.512	1.000.000	Floating rate	Bullet	28.03.17
Total covered bonds		9.398.784	9.400.000			

According to the specified maturity dates, the covered bond agreements contain a clause with a soft call, which gives the company an option to extend the loan by 12 months beyond the maturity date.

Of total debt securities issued, MNOK 4 326 is issued to Sparebanken Pluss, of which MNOK 4 152 is used in the swap arrangement with Norwegian authorities.

Note 8 – Cover pool and loan to value

NOK 1 000	31.12.2012	31.12.2011
Cover pool		
Pool of eligible loans	10.544.075	9.500.305
Supplementary assets	0	0
Total collateralised assets	10.544.075	9.500.305
Over-collateralisation	112,2 %	113,1 %
Average (weighted) Loan to Value (%)	49,8 %	51,6 %

Note 9 – Capital adequacy

From 1 July 2012 it is assumed that the Company at least shall have a core capital ratio of 9 %. The Company has a goal to have a capital adequacy ratio beyond the minimum requirement, and this shall ensure that the Company has the necessary buffer capital for events that are in addition to any ordinary loss write-downs.

Pluss Boligkreditt AS uses the Standard Approach for credit- and market risk and the Basic Approach for operational risk for calculating capital adequacy under the current capital adequacy rules – Basel II.

	31.12.12	31.12.11
Core capital ratio	13,87 %	13,30 %
Capital ratio	13,87 %	13,30 %
Minimum capital requirement	324.589	310.624
Risk-weighted assets	4.057.363	3.882.800
Total equity	562.868	513.761
Core capital	562.868	513.761
- Share capital	450.000	450.000
- Equity accumulated through retained earnings	112.868	63.761
Minimum capital requirements	324.589	309.096
-Commitments involving mortgage in residential property	317.529	303.031
-Capital requirement according to operational risk (basic)	7.060	6.065

Note 10 - Information on related parties

Pluss Boligkreditt AS is a wholly owned subsidiary of Sparebanken Pluss. All transactions with related parties are entered into on market terms.

NOK 1 000	31.12.12	31.12.11
Interest income		
Sparebanken Pluss - Parent company	0	0
Net change in value of debt securities and related derivatives		
Sparebanken Pluss - Parent company (2)	0	2.800
Interest expenses		
Sparebanken Pluss - Parent company (1)	146.404	197.033
Commissions and fees		
Sparebanken Pluss - Parent company	5.000	5.000
Other operating expenses		
Sparebanken Pluss - Parent company	3.380	3.426
Outstanding claim		
Sparebanken Pluss - Parent company	0	0
Liabilities		
Sparebanken Pluss - Parent bank	554.903	636.809

(1) Of total interest expenses of MNOK 146,4, MNOK 129,3 is interest expenses on Covered Bonds. All mortgage loans in Pluss Boligkreditt AS is transferred with derecognition in Sparebanken Pluss.