

First Quarter 2013

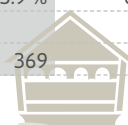
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sparebanken



KEY FIGURES - GROUP

Result	1Q	1Q	
MNOK	2013	2012	2012
Interest and credit commission income	449	463	1 841
Interest costs	265	307	1 137
Net interest and credit commission income	184	156	704
Net commission income	34	37	175
Net income from financial instruments	-35	-25	-67
Other operating income	4	3	12
Total other income	3	15	120
Operating costs	124	121	511
Profit before losses	63	50	313
Losses	6	11	61
Pre-tax profit	57	39	252
Tax costs	17	13	79
Profit after tax	40	26	173
Profit as a % of average total assets			
Interest and credit commission income	4.03 %	4.34 %	4.27 %
Interest costs	2.38 %	2.88 %	2.64 %
Net interest and credit commission income	1.65 %	1.46 %	1.63 %
Net commission income	0.31 %	0.34 %	0.41 %
Net income from financial instruments	-0.31 %	-0.23 %	-0.16 %
Other operating income	0.04 %	0.03 %	0.03 %
Total other income	0.04 %	0.14 %	0.28 %
Operating costs	1.12 %	1.13 %	1.19 %
Profit before losses	0.57 %	0.47 %	0.72 %
Losses	0.05 %	0.10 %	0.14 %
Pre-tax profit	0.52 %	0.37 %	0.58 %
Tax costs	0.15 %	0.12 %	0.18 %
Profit after tax	0.37 %	0.25 %	0.40 %
Average total assets	44 500	42 700	43 100
Balance sheet			
Total assets	44 835	42 424	44 456
Gross loans	37 717	34 547	37 168
% lending growth in last twelve months	9.2 %	9.6 %	9.6 %
Deposits from customers	20 165	19 039	20 999
% deposit growth in last twelve months	5.9 %	14.6 %	10.4 %
Deposits as a % of gross loans	53.5 %	55.1 %	56.5 %
Equity	3 108	2 981	3 071
Capital adequacy ratio	13.6 %	13.6 %	14.0 %
Core capital adequacy ratio	13.6 %	13.6 %	14.0 %
Other key figures			
Return in net capital after tax	5.2 %	3.5 %	6.0 %
Result per equity certificate	1.38 kr		6.08 kr
Costs as a % of income	66.3 %	70.8 %	62.0 %
Costs as a % of income, ex. financial instruments	55.9 %	61.7 %	57.4 %
No. of employees (FTE), group	369	361	375



Highlights

- Continued sound lending and deposit growth in the retail banking market
- Good net interest
- Moderate losses
- Continued positive trend in underlying operations
- Valuation of financial instruments has had a negative impact

The Group's pre-tax profit for the 1st quarter was MNOK 57, compared with MNOK 39 in the same quarter last year. Financial instruments have had a negative impact on profit in the 1st quarter, in the same way as in the 1st quarter last year. However, underlying operations have shown positive trend, due to improved net interest.

Business in the subsidiary Sør Boligkreditt follows the planned development and in the 1st quarter has achieved the anticipated profit. At the end of the quarter, the company had a mortgage portfolio totalling BNOK 10.3.

PROFIT YEAR-TO-DATE

Highlights

Profit in MNOK year-to-date	31.03.13	31.03.12	Change in MNOK
Net interest	184	156	28
Net commission income	34	37	-3
Other operating income	-1	25	-26
Costs	-124	-121	-3
Losses	-6	-11	5
Profit from ordinary operations	87	86	1
Value change assoc. with liabs.	-30	-47	17
Pre-tax profit	57	39	18
Return on equity	5.2%		3.5%
Deposit growth in last 12 months	5.9%		14.6%
Lending growth in last 12 months	9.2%		9.6%
Core capital adequacy	13.6%		13.6%



the most important negative factor has been lower net income from other financial instruments.

Return on equity after tax is 5.2% and adjusted for valuation of liabilities, this gives a return on equity after tax of 8.0%.

Net interest

Net interest is MNOK 184, which is up MNOK 28 or 18% compared with last year. This is equivalent to 1.65% of the total assets, compared with 1.46% the previous year. The increase is due to stronger margins in the latter part of last year. This has also had significant positive impact this year. In addition, there is also the impact of growth in the total business volume.

Other (non-interest) income

In total, other (non-interest) income amounts to MNOK 3 compared with MNOK 15 the previous year, which is equivalent to 0.04% of the total assets, compared with 0.14% the previous year.

Net fee and commission income was MNOK 34, compared with MNOK 37 in the first quarter last year. Income from the estate agency business was down somewhat. Growth and development within the other product areas is at the anticipated level.

Income from financial instruments was net MNOK - 35, compared with MNOK -25 the previous year. MNOK -30 of this is due to reduced credit margins in today's market when establishing new debt securities, compared with MNOK -47 in the previous year. On the asset side, other financial instruments generated an income of MNOK 5, compared with MNOK +22 last year. The reduction is primarily due to the impairment in value of fixed rate loans, due to higher margins on new fixed rate loans.

Operating costs

Group costs totalled MNOK 124, which is equivalent to 1.12% of the average total assets, compared with MNOK 121 and 1.13% of the average total assets in the previous year. Costs measured against income also show a positive trend. Most of the cost growth is due to personnel costs and reflects strengthening of the expertise in strategic priority areas, and also opening of the new branch in Skien.

Credit losses and defaulted commitments

Losses on loans have been charged to the accounts with net MNOK 6, which is equivalent to 0.06% of gross loans. The equivalent figures for last year were MNOK 11 and 0.13% of

gross loans. There has been no reason to increase the collective write-downs in the 1st quarter and therefore, these remain unchanged at MNOK 128.

Net default and doubtful loans totalled MNOK 438, which is equivalent to 1.16% of the loans. Compared with year-end, this is a minor increase.

BALANCE SHEET

At the end of the 1st quarter, total assets were BNOK 44.8 compared with BNOK 42.4 last year, which is a growth of 5.6%.

Loans and deposits

In the last twelve months, lending growth was 9.2%, with 11.0% in the retail banking market and 5.2% in the corporate market. The percentage of loans to the retail banking market is now 69.5%.

In the last twelve months, deposits are up 5.9%, with 9.4% growth in the retail banking market and 1.2% in the corporate market.

Loan-to-value ratio is 53.5% in the group and 73.2% in the parent bank.

Funding and securities

The bank has a very satisfactory liquidity situation. Liquid reserves are reassuring and the maturity structure of borrowing is well-adapted to the business. New, long-term borrowing will be arranged through issuance of covered bonds and senios debt.

In the Group, bond and certificate holdings totalled BNOK 5.9, compared with BNOK 6.6 in the same period last year. At the end of the quarter, the liquidity indicator was 104.9.

Equity and related capital – capital adequacy ratio

Total equity and related capital was BNOK 3.3, of which MNOK 200 was perpetual hybrid tier 1 capital. In the 4th quarter last year, MNOK 600 of the Savings Bank Fund was converted to equity certificates. The certificates are owned by Sparebankstiftelsen Sparebanken Sør. At the end of the 1st quarter, pure core capital ratio was 12.7%. Core capital ratio is 13.6% and capital adequacy ratio 13.6% based on the standard approach in the Basel II rules.

Profit for the year has not been included.



SUBSIDIARIES AND COOPERATING COMPANIES

The most important wholly owned subsidiaries are Sør Boligkreditt AS and ABCenter Holding AS, which is the parent company of estate agency business ABCenter. Both companies are wholly owned by the bank.

At the end of the 1st quarter, Sør Boligkreditt AS had a mortgage portfolio of BNOK 10.3. The company had a pre-tax profit of MNOK 34.4 and a net return on equity after tax of 19.1%. Core capital adequacy in the company is 12.4%.

At the end of the 1st quarter, ABCenter recorded a profit of MNOK -4.8, which is down MNOK 2.6 compared with the same period last year. The decline in profit is due to a weaker market in property sales in the region. Reorganisation costs have also been debited to the 1st quarter accounts.

The bank's other subsidiaries mainly manage different business areas where the bank has operations.

RATING

Moodys has given the bank an A3 rating. Subsidiary, Sør Boligkreditt AS, has an Aaa rating from Moodys for covered bonds.

SUMMARY AND FUTURE OUTLOOK

The work of preparing the merger between Sparebanken Sør and Sparebanken Pluss will have top priority in the period ahead. The merger will create a new bank that will be a powerhouse in and for the region, where decisions will be made locally. The banks currently have very similar strategies, which is a good starting point for the new bank's future strategy.

The new bank will be the largest bank in the region and will contribute to further growth and development. It will create a new financial centre, which is better equipped to deal with changed framework conditions and regulatory requirements. The bank will have offices and operations in 40 towns and communities in the region, which will ensure customer proximity and a competitive advantage.

We are positive about future developments, despite challenges related to costs and stricter regulatory requirements as regards equity and liquidity.

Arendal, 24 April 2013

Torstein Moland
Chairman of the Board

Unni Grete Farestveit

Kjell Pedersen-Rise

Erling Holm

Leidulv Nesgård

Jill Akselsen

Marit Kittilsen

Per Adolf Bentsen

Cathy Steller



6 PROFIT AND LOSS ACCOUNT

PARENT BANK					GROUP		
31.12.12	31.03.12	31.03.13	MNOK	Notes	31.03.13	31.03.12	31.12.12
1 621	422	373	Interest and related income		449	463	1 841
1 040	287	232	Interest and related costs		265	307	1 137
581	135	141	Net interest and credit commission income		184	156	704
170	36	40	Commission income and income from banking services		41	43	202
27	6	6	Commission costs and costs associated with banking services		7	6	27
143	30	34	Net commission income		34	37	175
			Income from financial instruments at fair value				
-35	-8	-38	with value change charged to P&L account	2	-36	-31	-86
			Write-down and profit / loss on investments valued at cost price				
-4	-1		or investments considered available for sale	2			-2
21	6	1	Income from other financial instruments	2	1	6	21
-18	-3	-37	Net income from financial instruments		-35	-25	-67
6	2	2	Other operating income		4	3	12
131	29	-1	Total other income		3	15	120
245	54	58	Personnel costs		67	63	284
21	5	5	Depreciation and amortisation of fixed and intangible assets		5	7	27
181	44	46	Other operating costs		52	51	200
447	103	109	Total operating costs		124	121	511
265	61	31	Operating profit before losses		63	50	313
61	11	6	Losses on loans, guarantees, etc.	3	6	11	61
204	50	25	Pre-tax profit	8	57	39	252
66	16	7	Tax on ordinary profit		17	13	79
138	34	18	Profit for the period		40	26	173
			Minority interests				
138	34	18	Majority interests		40	26	173
			The equity certificates share of the profit according to				
4.88		0.62	no. of equity certificates (in whole amounts)		1.38		6.08
			Statement of the net profit				
138	34	18	Profit for the period		40	26	173
			Net change in fair value of financial assets				
-6	-2	3	available for sale		3	-2	-6
			Net change in fair value of financial assets				
2			available for sale transferred to the result				2
35			Recognised estimate deviations - pensions				35
-10			Tax effect of recognised estimate deviations - pensions				-10
159	32	21	Total net profit for the period		43	24	194



PARENT BANK			MNOK		GROUP			
31.12.12	31.03.12	31.03.13		ASSETS	Notes	31.03.13	31.03.12	31.12.12
581	399	307		Cash in hand and claims on central banks		307	399	581
950	1 338	1 664		Loans to and claims on financial institutions		163	138	149
28 372	25 630	27 570		Gross loans to customers		37 717	34 547	37 168
-190	-205	-195		Individual write-downs		-195	-205	-190
-124	-120	-124		Collective write-downs		-128	-124	-128
28 058	25 305	27 251		Net loans to customers	3 4 6 9	37 394	34 218	36 850
2	3	2		Repossessed assets		2	3	2
7 963	10 736	7 959		Bonds and certificates		5 894	6 643	5 817
359	343	369		Shares		369	343	359
237	177	228		Financial derivatives		231	177	237
450	351	450		Equity stakes in group companies				
1	1	1		Equity stakes in associated companies		1	1	1
8	12	8		Intangible assets		12	18	12
32	44	46		Assets relating to deferred tax		27	21	14
96	96	97		Fixed assets		282	281	279
131	147	125		Other assets		153	154	155
38 868	38 952	38 507		TOTAL ASSETS	8	44 835	42 396	44 456
				EQUITY AND LIABILITIES				
2 862	3 824	2 894		Liabilities to financial institutions		2 293	3 759	2 542
21 014	19 053	20 177		Deposits from and liabilities to customers	5 9	20 165	19 039	20 999
11 424	12 433	11 782		Debt established through issue of securities		18 540	15 878	17 195
59	81	59		Financial derivatives		60	81	59
68	51	52		Liabilities relating to tax for the period		83	58	94
				Deferred tax				
253	434	340		Other obligations		386	465	296
				Subordinated loan capital				
200	200	200		Perpetual hybrid tier 1 capital		200	200	200
35 880	36 076	35 504		Total liabilities		41 727	39 480	41 385
600		600		Equity certificates	10	600		600
28		28		Equalisation fund		28		28
628	0	628		Total equity share capital		628	0	628
2 350	2 830	2 344		Primary capital		2 344	2 830	2 350
10	12	13		Other reserves		90	54	87
				Minority interests		6	6	6
	34	18		Unallocated profit		40	26	
2 988	2 876	3 003		Total equity	7	3 108	2 916	3 071
38 868	38 952	38 507		TOTAL EQUITY AND LIABILITIES	8	44 835	42 396	44 456
				OFF-BALANCE SHEET ITEMS				
				Contingent liabilities:				
515	532	498		Guarantees		498	532	515
3 257	5 117	3 186		Book value of pledged assets		1 374	1 249	1 445
				Other contingent liabilities				



CASH FLOW STATEMENT

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
1 658	427	361	Incoming interest payments	432	461	1 878
-1 078	-289	-225	Outgoing interest payments	-260	-315	-1 196
173	41	41	Other payments	50	52	205
-434	-116	-100	Operating payments	-115	-132	-491
2			Recoveries on bad debts			2
-75	-44	-38	Tax paid for the period	-41	-49	-83
-20	-5	-4	Paid donations	-4	-5	-20
			Minority share			
-4		-1	Paid group contribution			
222	14	34	Net cash flow from operations	62	12	295
-2 350	451	781	Change in loans	-570	-651	-3 331
-24	-34	28	Change in other assets	28	-42	-56
3 101	300	7	Change in securities	-72	1	832
161	-227	-714	Change in loans to other financial institutions	-14	-27	-38
1 970	9	-837	Change in deposits from customers	-834	11	1 971
-2 035	-1 073	32	Change in borrowing from financial institutions	-249	-1 018	-2 235
-34	114	56	Change in other liabilities	54	119	
789	-460	-647	Net cash flow from current financial activities	-1 657	-1 607	-2 857
-27	-8	-1	Investments in fixed assets	-3	-8	-29
-100			Net invested in group and associated companies			
3			Sale of fixed assets			3
-124	-8	-1	Net cash flow from investments	-3	-8	-26
-549	610	340	Change in debt established through issue of securities	1 324	1 759	2 926
-300	-300		Change in subordinated loans and perpetual hybrid tier 1 capital		-300	-300
-849	310	340	Net cash flow from long-term financing activities	1 324	1 459	2 626
38	-144	-274	Net change in cash and cash equivalents	-274	-144	38
543	543	581	Cash and cash equivalents as at 01/01	581	543	543
581	399	307	Cash and cash equivalent at the end of the period	307	399	581



Group	Equity certificates	Equalisation fund	Primary capital	Fair value reserve	Other reserves	Minority interests	Unallocated profit	TOTAL
Equity as at 1 January 2012								
acc. to presented accounts			2 895	14	42	6		2 957
Changes under IAS19			-65					-65
Adjusted equity as at 1 January 2012			2 830	14	42	6	-	2 892
Profit 2012		22	116		35			173
Donations			-15					-15
Converted to equity certificates	600		-600					-
Recog. estimate deviat. - pensions		7	28					35
Tax effect recog. estimate dev.		-1	-9					-10
Other change in equity				-4				-4
Equity as at 31 December 2012	600	28	2 350	10	77	6	0	3 071
Equity as at 1 January 2012			2 830	14	42	6		2 892
Profit 1Q 2012							26	26
Donations								0
Other change in equity				-2				-2
Equity as at 31 March 2012	0	0	2 830	12	42	6	26	2 916
Equity as at 1 January 2013	600	28	2 350	10	77	6		3 071
Profit 1Q 2013							40	40
Dividend equity certificates			-6					-6
Other change in equity				3				3
Equity as at 31 March 2013	600	28	2 344	13	77	6	40	3 108
Parent bank								
Equity as 1 January 2012								
acc. to presented accounts			2 895	14				2 909
Change under IAS19			-65					-65
Adjusted equity 1 January 2012			2 830	14	0	0	0	2 844
Profit 2012		22	116					138
Gifts			-15					-15
Converted to equity certificates	600		-600					0
Recog. estimate dev. - pensions		7	28					35
Tax effect recogn. estimate dev.		-1	-9					-10
Other change in equity				-4				-4
Equity as at 31 December 2012	600	28	2 350	10	0	0	0	2 988
Equity as at 1 January 2012			2 830	14				2 844
Profit 1Q 2012							34	34
Donations								0
Other change in equity				-2				-2
Equity as at 31 December 2012	0	0	2 830	12	0	0	34	2 876
Equity as at 1 January 2013	600	28	2 350	10				2 988
Profit 1Q 2013							18	18
Dividend equity certificates			-6					-6
Other change in equity				3				3
Equity as at 31 March 2013	600	28	2 344	13	0	0	18	3 003



Note 1 - Accounting principles

The accounts have been prepared in accordance with the International Standards for Financial Reporting, IFRS, including IAS34.

The accounting principles are the same as those used in preparation of the 2012 annual accounts, but amended IAS19 Benefits to employees have been used for pension costs. Hedge accounting is used for debt securities at a fixed interest rate established after 1 January 2013.

Note 2 - Income from financial instruments

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
			Income from financial instruments at fair value with change in value charged to the P&L account			
			Profit/loss and change in value of trading portfolio, equity instruments	6	2	
96	34	10	Profit/loss and change in value of certificates and bonds	12	11	45
			Change in value - loans and deposits at fair value	-20	-3	1
1	-3	-20	Change in value - associated derivatives		3	-15
-15	3					
			Change in value - issued securities at fixed interest rate	-24	-24	-171
-171	-24	-21	Change in value - associated derivatives	-8	-18	55
55	-18	-11	Change in value - issued securities at floating interest rate	2	-5	-9
-9	-5	2				
			Profit/loss and change in value of other financial instruments	-4	3	8
8	3	-4	Total income from financial instruments at fair value with change in value charged to P&L account	-36	-31	-86
-35	-8	-38				
			Profit on shares in Nordito			
			Net profit/loss on other investments valued at cost price or investments considered available for sale			-2
-4	-1		Total profit/loss on investments valued at cost price or investments considered available for sale	0	0	-2
-4	-1	0				
			Income from other financial instruments			
6			Dividend from equity instruments			6
15	6	1	Foreign exchange gains	1	6	15
21	6	1	Total income from other financial instruments	1	6	21
-18	-3	-37	Net income from financial instruments	-35	-25	-67



Note 3 - Losses on loans and guarantees

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13	Individual write-downs	31.03.13	31.03.12	31.12.12
195	195	190	Individual write-downs at the start of the period	190	195	195
39	1	1	- Per. Confirmed losses previously written-down individually	1	1	39
3	5	0	+ Increased individual write-downs in the period	0	5	3
72	16	6	+ New individual write-downs in the period	6	16	72
41	10	0	- Reversal of individual write-downs in the period	0	10	41
190	205	195	= Individual write-downs at the end of the period	195	205	190

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13	Collective write-down of loans	31.03.13	31.03.12	31.12.12
120	120	124	Collective write-down of loans at the start of the period	128	124	124
4	0	0	+ Change in collective write-downs in the period	0	0	4
124	120	124	= Collective write-down of loans at the end of the period	128	124	128

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13	Loss costs for the period	31.03.13	31.03.12	31.12.12
-5	10	5	Change in individual write-downs in the period	5	10	-5
4	0	0	+ Change in collective write-downs in the period	0	0	4
			+ Per. confirmed losses previously written-down individually in the period	1	1	39
39	1	1				
20	0	0	+ Per. confirmed losses not previously written-down individually	0	0	20
5	1	0	+ Carried to income as interest	0	1	5
2	1	0	- Recoveries from previously confirmed losses in the period	0	1	2
61	11	6	= Loss costs for the period	6	11	61

Note 4 - Defaulted and bad and doubtful commitments

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
281	339	310	Defaulted commitments	312	339	281
-80	-92	-80	Individual write-downs	-80	-92	-80
201	247	230	Net defaulted commitments	232	247	201
317	293	321	Other bad and doubtful commitments	321	293	317
-110	-103	-115	Individual write-downs	-115	-103	-110
207	190	206	Net bad and doubtful commitments	206	190	207

Defaulted commitments are the total of commitments where at least one loan has been defaulted for 90 days or more.



Note 5 - Innskudd fra kunder fordelt på sektorer og næringer

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
11 834	10 961	11 988	Retail banking customers	11 988	10 961	11 834
1 474	1 671	1 125	Public sector	1 125	1 671	1 474
191	183	199	Primary industry	199	183	191
733	797	696	Industry	696	797	733
715	592	663	Building and construction	663	592	715
614	548	558	Transport and communication	558	548	614
517	450	473	Wholesale and retail trade	473	450	517
98	76	82	Hotel and restaurant	82	76	98
1 389	1 065	1 159	Real estate	1 148	1 052	1 375
897	1 069	879	Financial/business services	878	1 068	896
2 552	1 641	2 355	Sundry/other industries	2 355	1 641	2 552
21 014	19 053	20 177	TOTAL	20 165	19 039	20 999

Note 6 - Gross loans according to sectors and industries

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
17 123	14 793	16 200	Retail banking customers	26 184	23 586	25 781
33	20	13	Public sector	13	20	33
468	443	497	Primary industries	511	462	483
638	729	636	Industry	648	745	649
1 646	1 732	1 657	Building and construction	1 752	1 828	1 729
428	326	365	Transport and communication	406	360	464
900	849	944	Wholesale and retail trade	965	871	923
232	257	246	Hotel and restaurant	256	267	238
5 670	5 205	5 722	Real estate	5 576	5 038	5 530
680	736	732	Financial/business services	793	786	737
554	540	558	Sundry/other industries	613	584	601
28 372	25 630	27 570	TOTAL GROSS LOANS	37 717	34 547	37 168
309	325	319	Write-down of loans	323	329	318
28 063	25 305	27 251	TOTAL NET LOANS	37 394	34 218	36 850



Note 7 - Equity and related capital

PARENT BANK				GROUP		
31.12.12	31.03.12	31.03.13		31.03.13	31.03.12	31.12.12
2 350	2 830	2 344	Primary capital	2 344	2 830	2 350
600		600	Equity certificates	600		600
28		28	Equalisation fund	28		28
200	200	200	Perpetual hybrid tier 1 capital	200	200	200
			Other core capital	87	52	87
-23	-30	-54	Deferred tax, goodwill and intangible assets	-39	-18	-12
14	8	14	Unrealised change in value due to increased value of liabilities	14	8	14
			Allocated to capital adequacy reserve	-38	-26	-40
3 169	3 008	3 132	Total core capital	3 196	3 046	3 227
			Supplementary capital over and above core capital			
			Subordinated loan capital			
4	5	6	45% of fund for unrealised gains	5	5	4
			Allocated to capital adequacy reserves	-5	-5	-4
4	5	6	Total supplementary capital	0	0	0
3 173	3 013	3 138	Net equity and related capital	3 196	3 046	3 227
			Minimum capital adequacy requirement calculated according to the Basel II standard approach			
2	11	5	Commitments with local and regional authorities	5	11	2
51	73	64	Commitments with institutions	24	34	24
411	399	417	Commitments with businesses	406	399	399
277	301	295	Commitments with the mass market	294	301	276
632	547	601	Commitments with mortgaged property	907	815	899
37	40	39	Commitments that have matured	39	40	37
38	48	37	Commitments in covered bonds	21	15	21
1	1	1	Commitments in equity funds	1	1	1
69	59	69	Other commitments	57	47	53
1 518	1 479	1 528	Capital requirement for credit and counterparty risk	1 754	1 663	1 712
6	6	7	Capital requirement for position, currency and commodity risk	7	6	6
119	119	116	Capital requirement for operational risk	134	135	134
-10	-10	-10	Deduction in capital requirement	-10	-13	-14
1 633	1 594	1 641	Total minimum capital adequacy requirement	1 885	1 791	1 838
20 416	19 925	20 512	Risk-weighted balance (calculation basis)	23 563	22 386	22 976
15.5 %	15.1 %	15.3 %	Capital adequacy ratio	13.6 %	13.6 %	14.0 %
15.5 %	15.1 %	15.3 %	Core capital ratio	13.6 %	13.6 %	14.0 %



Parent Bank

	1Q 2013	4Q 2012	3Q 2012	2Q 2012	1Q 2012	4Q 2011
Net interest and credit commission income	141	155	156	135	135	140
Net commission income	34	46	34	33	30	33
Net income from financial instruments	-37	-14	-30	29	-3	-8
Other operating income	2	1	1	2	2	4
Total other operating income	-1	33	5	64	29	29
Operating costs	109	129	106	109	103	122
Operating profit before losses	31	59	55	90	61	47
Losses on loans, guarantees, etc.	6	28	10	12	11	7
Pre-tax profit	25	31	45	78	50	40
Tax on ordinary profit	7	15	11	24	16	17
Profit or loss on ordinary operations after tax	18	16	34	54	34	23

Group

	1Q 2013	4Q 2012	3Q 2012	2Q 2012	1Q 2012	4Q 2011
Net interest and credit commission income	184	194	187	167	156	153
Net commission income	34	53	40	45	37	42
Net income from financial instruments	-35	-22	-48	28	-25	18
Other operating income	4	1	4	4	3	4
Total other operating income	3	32	-4	77	15	64
Operating costs	124	146	119	125	121	139
Operating profit before losses	63	80	64	119	50	78
Losses on loans, guarantees, etc.	6	28	10	12	11	7
Pre-tax profit	57	52	54	107	39	71
Tax on ordinary profit	17	22	13	31	13	27
Profit or loss on ordinary operations after tax	40	30	41	76	26	44

Group

% of average total assets	1Q 2013	4Q 2012	3Q 2012	2Q 2012	1Q 2012	4Q 2011
Net interest and credit commission income	1.65	1.78	1.73	1.56	1.46	1.48
Net commission income	0.31	0.48	0.37	0.42	0.34	0.41
Net income from financial instruments	-0.31	-0.20	-0.45	0.27	-0.23	0.17
Other operating income	0.04	0.01	0.03	0.04	0.03	0.04
Total other operating income	0.04	0.29	-0.05	0.73	0.14	0.62
Operating costs	1.12	1.35	1.10	1.17	1.13	1.34
Operating profit before losses	0.57	0.72	0.58	1.12	0.47	0.76
Losses on loans, guarantees, etc.	0.05	0.21	0.09	0.11	0.1	0.07
Pre-tax profit	0.52	0.51	0.49	1.01	0.37	0.69
Tax on ordinary profit	0.15	0.21	0.12	0.30	0.12	0.26
Profit or loss on ordinary operations after tax	0.37	0.30	0.37	0.71	0.25	0.43



16 KEY FIGURES 2013 - 2009 (GROUP)

Profit and Loss Account	31.03.13	31.03.12	2012	2011	2010	2009
Interest and credit commission income	449	463	1 841	1 674	1 515	1 571
Interest costs	265	307	1 137	1 043	847	948
Net interest and credit commission income	184	156	704	631	668	623
Net commission income	34	37	175	153	152	151
Net income from financial instruments	-35	-25	(67)	75	216	6
Other operating income	4	3	12	20	19	19
Total other operating costs	3	15	120	248	387	176
Operating costs	124	121	511	483	459	482
Operating profit before losses	63	50	313	396	596	317
Losses on loans, guarantees, etc.	6	11	61	71	122	109
Pre-tax profit	57	39	252	325	474	208
Tax costs	17	13	79	106	106	56
Profit from continued operations	40	26	173	219	368	152
Profit from discontinued operations						-4
Profit after tax	40	26	173	219	368	148

Profit and loss account as a % of average

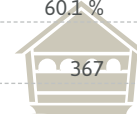
total assets	31.03.13	31.03.12	2012	2011	2010	2009
Interest and credit commission income	4.03 %	4.34 %	4.27 %	4.26 %	4.15 %	4.43 %
Interest costs	2.38 %	2.88 %	2.64 %	2.65 %	2.32 %	2.67 %
Net interest and credit commission income	1.65 %	1.46 %	1.63 %	1.61 %	1.83 %	1.76 %
Net commission income	0.31 %	0.34 %	0.41 %	0.39 %	0.42 %	0.42 %
Net income from financial instruments	-0.31 %	-0.23 %	-0.16 %	0.19 %	0.59 %	0.02 %
Other operating income	0.04 %	0.03 %	0.03 %	0.05 %	0.05 %	0.06 %
Total other operating income	0.04 %	0.14 %	0.28 %	0.63 %	1.06 %	0.50 %
Operating costs	1.12 %	1.13 %	1.19 %	1.23 %	1.26 %	1.36 %
Operating profit before losses	0.57 %	0.47 %	0.72 %	1.01 %	1.63 %	0.90 %
Losses on loans, guarantees, etc.	0.05 %	0.10 %	0.14 %	0.18 %	0.33 %	0.31 %
Pre-tax profit	0.52 %	0.37 %	0.58 %	0.83 %	1.30 %	0.59 %
Tax costs	0.15 %	0.12 %	0.18 %	0.27 %	0.29 %	0.16 %
Profit from continued operations	0.37 %	0.25 %	0.40 %	0.56 %	1.01 %	0.43 %
Average total assets	44 500	42 700	43 100	39 300	36 500	35 500

Balance sheet

Total assets	44 835	42 396	44 456	41 860	37 697	35 340
Gross loans	37 717	34 547	37 168	33 900	31 264	29 440
% lending growth	9.2 %	9.6 %	9.6 %	8.4 %	6.2 %	3.1 %
Deposits from customers	20 165	19 039	20 999	19 028	17 319	16 971
% deposit growth	5.9 %	14.6 %	10.4 %	9.9 %	2.1 %	5.6 %
Deposits as a % of gross loans	53.5 %	55.1 %	56.5 %	56.1 %	55.4 %	57.6 %
Equity	3 108	2 916	3 071	3 457	3 256	3 142
Capital adequacy ratio	13.6 %	13.6 %	14.0 %	15.6 %	15.5 %	15.8 %
Core capital adequacy ratio	13.6 %	13.6 %	14.0 %	14.2 %	14.0 %	14.1 %

Other key figures

Return on net capital after tax	5.2 %	3.5 %	6.0 %	7.9 %	15.0 %	6.5 %
Profit per equity certificate	1.38					
Costs as a % of income	66.3 %	70.8 %	62.0 %	54.9 %	43.5 %	60.3 %
Costs as a % of income, ex. financial instruments	55.9 %	61.7 %	57.4 %	60.1 %	54.7 %	60.8 %
No. of employees (FTE) - group	369	361	375	367	363	388



Risk management ensures that the Group's risk exposure is known at any time and contributes to the group achieving its strategic objectives, and also that laws, regulations and regulatory requirements are complied with. Management objectives have been set for the Group's total risk level and specific management objectives have been set within each risk area. Systems have been established for risk assessment, management and control.

Capital management will ensure that the Group has a good core capital ratio, financial stability and a satisfactory return in relation to risk profile.

The Group's capital adequacy and risk exposure is followed up through periodic reports.

Credit risk

Credit risk is defined as the risk of loss due to customers or counterparties not being able to meet their obligations. Credit risk is managed through the Group's strategy and policy documents, credit routine and processes, scoring models and loan granting authorisations.

Market risk

Market risk is the risk of loss due to unfavourable changes in market prices for interest, exchange rates and the stock market. The market risk strategy ensures that the operations are run in accordance with the Group's overall strategy plan, and that risk is reflected in the return.

Funding risk

Funding risk is the risk of the Group not being able to meet its obligations without increased funding costs, or at worst, not being able to meet its obligations on maturity. The Group's funding risk management strategy ensures proper liquidity management, which contributes toward ensuring the Group's ability to survive critical situations.

Operational risk

Operational risk is defined as the risk of loss due to inadequate or failing internal processes, routines or systems, human errors, crime or external events.

Operational risk management takes place through human resource development, good systems and routines, good internal control and quality assurance.





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