Quarterly report 2025

Q2

SpareBank 1 SØR-NORGE

Contents

Key figures ... 3

Report of the Board of Directors ... 5

Quarterly financial report ... 16

Income statement ... 16
Balance sheet ... 17
Statement of changes in equity ... 18
Cash flow statement ... 19

Notes
- Note 1 Accounting policies ... 20
- Note 2 Critical estimates and judgements concerning use of the accounting policies ... 20
- Note 3 Impairments on loans and financial commitments recognised in the income statement ... 23
- Note 4 Impairment provisions on loans and financial commitments recognised in the balance sheet ... 24
- Note 5 Customer deposits ... 26
- Note 6 Loans and other financial commitments to customers ... 27
- Note 7 Capital adequacy ... 31
- Note 8 Financial derivatives ... 33
- Note 9 Securities issued, non-preferred bonds and subordinated loan ... 34
- Note 10 Segment reporting ... 35
- Note 11 Net income/losses from financial investments ... 36
- Note 12 Liquidity risk ... 36
- Note 13 Information about fair value ... 37
- Note 14 Pro forma results ... 38
- Note 15 Events after the balance sheet date ... 39

Additional information

Quarterly overview ... 40
Contacts and financial calendar ... 42

Key figures SpareBank 1 Sør-Norge Group

(MNOK)

MAIN FIGURES	Q2 2025	Q2 2024	01.01 - 30.06 2025	2024	Year 2024
Net interest income	2,310	1,726	4,620	3,456	7,517
Net commission and other income	858	544	1,645	1,024	2,286
Net income on financial investments	373	148	767	298	937
Total income	3,540	2,419	7,032	4,778	10,739
Total operating expenses	1,414	844	2,696	1,670	3,936
Operating profit before impairment	2,126	1,575	4,336	3,108	6,803
Impairment losses on loans and financial commitments	76	103	100	138	387
Pre-tax profit	2,050	1,472	4,236	2,971	6,415
Tax expense	382	311	831	618	1,222
Profit after tax	**1,668**	**1,162**	**3,405**	**2,352**	**5,193**
BALANCE SHEET					
Gross loans to customers	387,629	284,621			375,678
Gross loans to customers incl. transfers to credit institutions [1]	412,721	284,621			405,062
Deposits from customers	223,293	154,975			204,006
Total assets	513,420	382,744			479,336
Average total assets	498,404	380,779	493,749	375,399	478,522
Selected key figures					
Return on equity [1]	12.9 %	14.6 %	13.3 %	14.7 %	14.1 %
Return on equity adjusted for goodwill from merger and merger costs [1]	14.4 %		14.6 %		14.8 %
Cost to income ratio [1]	39.9 %	34.9 %	38.3 %	34.9 %	36.7 %
Cost to income ratio Banking Group [1]	39.1 %	32.0 %	36.9 %	31.5 %	34.2 %
Average net interest margin [1]	1.86%	1.82%	1.89%	1.85%	1.87%
Average net interest margin incl. transfers to credit institutions [1]	1.79%	1.82%	1.81%	1.85%	1.85%
Balance growth					
Growth in loans over last 12 months [1]	36.2 %	7.5 %			38.1 %
Growth in loans incl. transfers to credit institutions over last 12 months [1]	45.0 %	7.5 %			48.9 %
Growth in deposits over last 12 months [1]	44.1 %	2.8 %			36.8 %
Solidity					
Common equity Tier 1 capital ratio	18.63%	17.66%			18.01%
Tier 1 capital ratio	20.67%	20.06%			20.21%
Capital ratio	23.47%	22.75%			23.03%
Tier 1 capital	43,961	30,740			42,635
Risk weighted balance	212,696	153,214			210,950
Leverage ratio	7.3 %	7.3 %			7.7 %
Liquidity					
Liquidity Coverage Ratio (LCR) [2]	209%	204%			189%
Deposit to loan ratio [1]	57.6 %	54.4 %			54.3 %
Deposit to loan incl. transfers to credit institutions ratio [1]	54.1 %	54.4 %			50.4 %
Impairments on loans and financial commitments [1]					
Impairment ratio [1]	0.08%	0.15%	0.05%	0.10%	0.12%
Loans and financial commitments in Stage 2 and Stage 3 [1]					
Loans and financial commitments in Stage 2, % of gross loans and financial commitments [1]	6.55%	7.05%			8.21%
Loans and financial commitments in Stage 3, % of gross loans and financial commitments [1]	0.58%	0.70%			0.63%

SpareBank 1 Sør-Norge share	30.06.25	31.12.24	31.12.23	31.12.22	31.12.21
Market price	185.40	146.60	128.90	120.70	133.20
Market capitalisation (MNOK)	69,610	55,042	34,064	30,869	34,066
Book equity per share (group) 1)	129.00	128.77	115.07	106.32	99.05
Earnings per share, NOK	8.60	13.08	16.27	12.88	12.08
Dividends per share	-	8.50	7.50	7.00	6.00
Price / Earnings per share 1)	10.69	11.21	7.92	9.37	11.03
Price / Book equity 1)	1.44	1.14	1.12	1.14	1.34
Effective return 3)	32.3 %	19.6 %	12.6 %	−4.9 %	55.8 %

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

2) High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

3) %- change in the market price in the last period, including paid share dividend

Solid result driven by good operations, growth and high activity

Q2 2025	Q2 2025	Pro forma Q2 2024
Pre-tax profit	NOK 2,050 million	NOK 1,927 million
Profit after tax	NOK 1,668 million	NOK 1,510 million
Return on equity after tax	12.9%	13.3%
Return on equity after tax adjusted for goodwill from merger and merger costs	14.4%	13.4%
Earnings per share	NOK 4.23	NOK 3.86
Net interest income	NOK 2,310 million	NOK 2,262 million
Net commissions and other income	NOK 858 million	NOK 782 million
Net income from financial investments	NOK 373 million	NOK 173 million
Operating expenses	NOK 1,414 million	NOK 1,193 million
Impairments on loans and financial commitments	NOK 76 million	NOK 98 million
Growth in loans over last 12 months incl. transfers to credit institutions	5.5%	5.9%
Growth in deposits over last 12 months	5.0%	2.3%
Common Equity Tier 1 capital ratio	18.63%	
Capital ratio	23.47%	

The group's results for Q2 2025

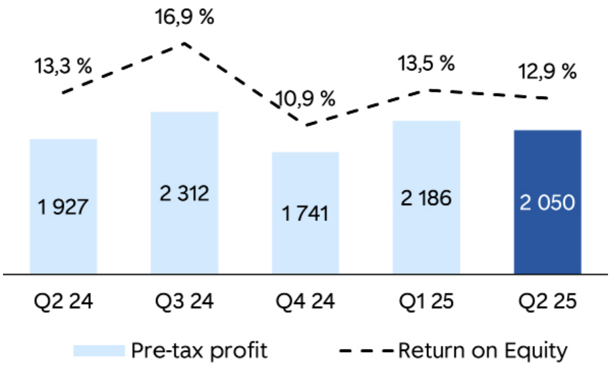
In the following, the result figures for the second quarter of 2025 are compared with the first quarter of 2025 and the pro forma figures for the second quarter of 2024. The pro forma information represents the figures as if the merger between SpareBank 1 SR-Bank ASA and SpareBank 1 Sørøst-Norge AS had taken place on 01.01.2023.

The company's operating profit before tax was NOK 2,050 million for the second quarter of 2025, NOK 136 million less than in the previous quarter. The reduction was mainly due to one-off items in the second quarter of 2025: increased merger costs, a provision charged in connection with a court judgment in the case versus Tietoevry Norway AS and low impairment provisions in the first quarter of 2025.

Operating profit before tax increased by NOK 123 million compared with the second quarter of 2024, despite the aforementioned one-off items. The improvement in profit was due to increases in net interest income, commissions and other income and financial investments.

The return on equity after tax was 12.9% for the quarter (14.9% adjusted for goodwill from the merger and one-off items).

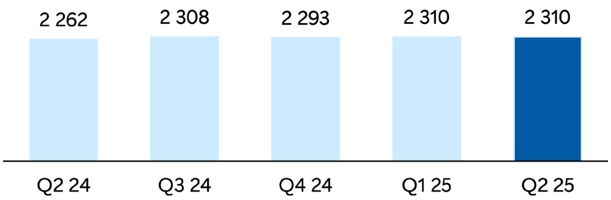
Fig. 1: Financial performance



Net interest income

Net interest income amounted to NOK 2,310 million for the second quarter of 2025, on par with the previous quarter. Corrected for number of days, this represents a reduction of NOK 26 million. The reduction was due to a slightly lower interest rate margin. Compared with the same quarter last year, this represents an increase of NOK 48 million, which was mainly due to growth in lending and deposits.

Fig. 2: Net interest income



The average interest margin, including transfer to credit institutions, was 1.79% in the second quarter of 2025, compared with 1.84% in the first quarter of 2025 and 1.83% in the same quarter last year.

Net commission and other income

Table 1: Net commission and other income

	Q2 25	Q1 25	Q2 24
Payment facilities	117	122	135
Insurance products	118	109	99
Savings/placements	51	46	56
Guarantee commissions	29	27	27
Commitment fees	29	31	36
Arrangement- and customer fees	28	35	27
Commissions from real estate agencies	292	217	212
Commissions from accounting firm	139	147	142
Commissions from credit institutions	42	37	34
Other	13	16	15
Net commission and other income	**858**	**787**	**782**

Net commission and other income amounted to NOK 858 million for the second quarter of 2025, an increase of NOK 70 million compared with the previous quarter. The increase was mainly due to increased commissions from the real estate agencies due to increased activity. Income from insurance and savings/placements also increased, which was offset by less income from money payment facilities.

Compared with the second quarter of 2024, it represents an increase of NOK 76 million. The main reason for the improvement was the higher commissions from the real estate agencies. The improvement was due to higher activity levels and incorporation of Ullevål Eiendomsmegling AS and Kaland & Partners AS through mergers. Income from insurance also increased by NOK 19 million, although this was offset by a NOK 18 million reduction in income from payment facilites.

Net income on financial investments

Table 2: Net income on financial investments

	Q2 25	Q1 25	Q2 24
Dividends	99	0	46
Income from ownership interests	256	193	136
Net gains/losses on financial instruments	18	201	-9
- shares and equity certificates	52	47	-24
- certificates and bonds	-32	6	24
- interest and currency trading	38	40	37
- derivatives	-40	109	-46
Net income on financial investments	**373**	**394**	**173**

Net income on financial investments amounted to NOK 373 million in the second quarter of 2025, a reduction of NOK 22 million compared with the previous quarter. Certificates and bonds and derivatives had negative MtM change of NOK 149 million and NOK 38 million, respectively, compared with the previous quarter. Dividends from ownership interests increased by NOK 99 million and amounted to NOK 63 million. Dividends were received from SpareBank 1 Boligkreditt AS, SpareBank Næringskreditt AS and Rogaland Sparebank AS. See table 3 for details on income from ownership interests. Please also see the later sections for detailed descriptions of the performance of the individual companies.

Compared with the same quarter last year, net income on financial investments rose by NOK 200 million. Income from ownership interests and dividends increased by NOK 121 million and NOK 52 million, respectively. The value of shares and equity certificates also saw a positive increase of NOK 75 million, which was partially offset by a negative development in the value of certificates and bonds of NOK 56 million.

Table 3: Income from ownership interests

	Q2 25	Q1 25	Q2 24
SpareBank 1 Gruppen AS	114	59	1
BN Bank AS	104	89	89
SpareBank 1 Forvaltning AS	27	27	22
SpareBank 1 Markets AS	16	17	22
Kredittbanken ASA	4	-1	1
SpareBank 1 Betaling AS	-9	-5	-2
Other	1	7	2
Total income from ownership interests	**256**	**193**	**136**

Operating expenses

Table 4: Operating expenses

	Q2 25	Q1 25	Q2 24
Personnel costs	780	774	708
IT expenses	265	184	181
Marketing	36	36	38
Administration expenses	136	145	121
Operating expenses	69	65	72
Depreciation and impairments	60	57	55
Total operating expenses	**1,346**	**1,261**	**1,175**
Merger expenses	68	22	18
Total operating expenses	**1,414**	**1,282**	**1,193**

The groups's operating expenses amounted to NOK 1,414 million in the second quarter of 2025, NOK 132 million higher than in the previous quarter. In the second quarter of 2025, NOK 68 million was related to merger expenses, compared with NOK 22 million in the previous quarter. A provision of NOK 74 million was also made in connection with a court judgment in the case against Tietoevry Norway AS. Corrected for the aforementioned one-off items, costs increased by NOK 11 million.

Compared with the second quarter of 2024, costs increased by NOK 221 million. Corrected for one-off items, the increase was NOK 97 million, of which personnel expenses and administrative expenses increased by NOK 72 million and NOK 15 million, respectively. NOK 41 million of the increase in personnel expenses was in the parent bank and NOK 24 million was in EiendomsMegler 1 Sør-Norge AS. The increase in personnel expenses in the parent bank was due to wage growth and increase of employees.

The increase in administrative expenses was due to higher costs in the real estate agencies and must be viewed in the context of higher income and the mergers in EiendomsMegler 1 Sør-Norge AS.

The group's cost to income ratio was 39.9% in the second quarter of 2025, compared with 36.7% in the first quarter of 2025 and 37.1% in the same quarter last year. The group's cost to income ratio adjusted for one-off items was 35.9% in the second quarter of 2025. The banking group's cost to income ratio[1] was 39.1% for the second quarter of 2025, compared with 34.6% for the previous quarter.

Impairments on loans and financial liabilities, and loans and financial liabilities in Stage 3

The group recognised impairments on loans and financial liabilities totalling NOK 76 million in the second quarter of 2025, compared with NOK 23 million for the previous quarter and NOK 103 million for the second quarter of 2024.

In the second quarter of 2025, NOK 103 million of the impairment provisions were for individual losses, while NOK 27 million were model-based impairment provisions. The positive developments in the model-based impairment provisions were mainly due to an improvement in credit risk.

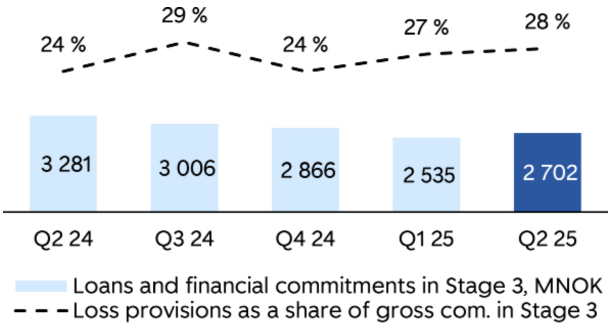
The group's impairment on loans and financial liabilities amounted to 0.08% of gross loans in the second quarter of 2025, compared with 0.03% in the first quarter of 2025 and 0.11% in the second quarter of 2024.

The group's loans and financial liabilities are classified into three groups: Stage 1, Stage 2 and Stage 3. Stage 3 is used for loans and financial liabilities that have seen a significant rise in credit risk since being granted and where there is objective evidence of a loss event on the balance sheet date. The loss provision must cover expected losses over their lifetime for these loans and financial liabilities.

Gross loans and financial liabilities classified as Stage 3 amounted to NOK 2,702 million at the end of the second quarter of 2025, compared with NOK 2,535 million in the previous quarter and NOK 3,281 million in the second quarter of 2024. The reduction compared with the same period last year was mainly due to the phasing out of commitments.

1 The consolidated cost to income ratio equals total income less net income from financial investments divided by costs in the banking group. The banking group includes SpareBank 1 Sør-Norge (parent bank) and SR-Boligkreditt AS.

Fig. 3: Gross loans and financial commitments in Stage 3



Consolidated profit for the first half of 2025

The group's operating profit before tax for the first half of 2025 was NOK 4,236 million, an increase of NOK 331 million compared with the first half of 2024. The improved result was due to an increase in net interest income of NOK 102 million due to growth in lending and deposits. Net commissions and other income increased operating profit by NOK 187 million due to the increase in commissions from real estate agencies and insurance. The net income on financial investments also contributed NOK 328 million due to the positive development in the value of financial instruments of NOK 200 million and increased income from ownership interests of NOK 139 million.

Operating expenses totalled NOK 2,696 million for the first half of 2025, an increase of NOK 343 million compared with the same period last year. The profit of the first half of 2025 includes the following one-off items: a NOK 63 million increase in merger costs and NOK 74 million related to a court judgment in the case against Tietoevry Norway AS. Corrected for these special items, costs increased by NOK 205 million (9%). The increase was mainly attributable to inflation, wage growth and higher activity.

The group's cost to income was 38.3% for the first half of 2025, compared with 36.7% for the same period last year.

Impairments on loans and financial liabilities amounted to NOK 100 million for the first half of 2025, compared with NOK 157 million for the first half of 2024. Impairments on loans and financial liabilities are primarily linked to individual impairments..

The group's return on equity after tax for the first half of 2025 was 13.3% (14.9% adjusted for goodwill from the merger and one-off items) compared with 13.6% for the same period last year.

Important events

In 2025, work started on merging the accounting and consulting subsidiaries and the real estate subsidiaries. On 01.04.2025, SpareBank 1 Regnskapshuset Sørøst-Norge AS and SpareBank 1 Sør-Norge ForretningsPartner AS joined forces and became SpareBank 1 Sør-Norge ForretningsPartner AS. In the case of the real estate agencies in the group, the aim is to merge during the autumn 2025.

On 03.06.2025, the Court of Appeal handed down a judgment in SpareBank 1 Utvikling DA versus Tietoevry Norway AS. The judgment entails an adjustment of the fixed price paid by banks in the SpareBank 1 Alliance of about NOK 100 million a year. In the second quarter of 2025, SpareBank 1 Sør-Norge ASA made a provision for the accrued costs for the period 2023 up to the second quarter of 2025 of NOK 74 million.

In connection with Norges Bank cutting its policy rate in June, SpareBank 1 Sør-Norge ASA has announced a cut in rates for mortgages and deposits of up to 0.25 percentage points, with effect for the existing portfolio from 24.08.2025.

Regulatory changes

Changes to the IRB risk-weighted floor for mortgages and implementation of CRR3

In December 2024, it was announced that the Ministry of Finance would be increasing the IRB risk-weighted floor for mortgages from 20% to 25%. The changes to the IRB risk-weighted floor will take effect from 01.07.2025. The Capital Requirements Regulation (CRR3) entered into force in Norway on 01.04.2025. The capital adequacy and risk exposure calculations for the second quarter have been adjusted accordingly.

At its meeting on May 7, 2025, Norges Bank commitee for monetary policy and financial stability decided to maintain the countercyclical capital buffer requirement at 2.5 percent.

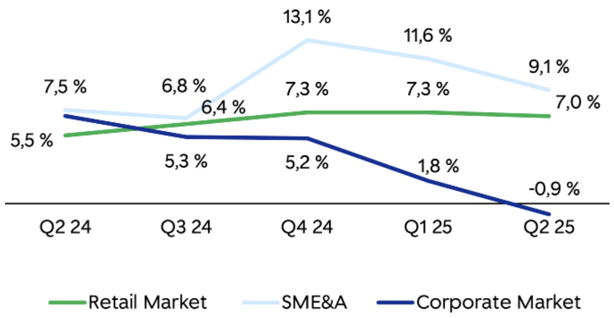
In June 2025, the Norway FSA gave SpareBank 1 Sør-Norge ASA a preliminary notice on the Pillar 2 premium requirement and the Pillar 2 guidance. The Financial Supervisory Authority's preliminary assessment is that the bank's Pillar 2 premium should be reduced from 1.9% to 1.5%, in addition the Pillar 2 guidance should be changed from 1.25% to 1.00%.

Loans and deposits from customers

In the following, volume figures for the second quarter of 2025 are compared with pro forma figures for previous periods.

Gross lending amounted to NOK 413 billion, including loans sold to the credit institutions at the end of the second quarter of 2025 (NOK 391 billion). Gross lending growth in the past 12 months was 5.5% (5.9%).
In the past 12 months, Retail Market (incl. staff loans), SME and Agriculture, and Corporate Market have seen lending growth of 7.0%, 9.1% and -0.9% (-0.6% adjusted for foreign exchange effects), respectively.

Fig. 4: Lending growth (12 months)



Loans to the retail market accounted for 66.4% of total loans at the end of the second quarter of 2025 (65.4%).

The group's total loan exposure of NOK 459.5 billion included a majority of exposures with a probability of default of less than 0.5%. These commitments accounted for 66.6% (66.2%) of the portfolio. The overall loan portfolio largely consisted of exposures of less than NOK 10 million. These accounted for 66.1% (66.9%) of loan exposure and 97.7% (97.8%) of customers. Of the total loan exposure, 19.5% (20.0%) was to customers with exposures in excess of NOK 100 million.

Deposits from customers amounted to NOK 223 billion at the end of the second quarter of 2025 (NOK 213 billion). Deposit growth was 5.0% in the past 12 months (2.3%). Deposit growth was affected by a reduction in deposit volumes within Treasury. Adjusted for this, deposits grew by 8.4%. Retail Market, SME and Agriculture and Corporate Market have seen lending growth of 9.7%, 6.1% and 6.2%, respectively. At the end of the second quarter of 2025, deposits in Retail Market accounted for 56.1% (53.7%) of the group's deposits.

Deposit coverage, including loans sold to the credit institutions, was 54.1% at the end of the second quarter of 2025 (54.4%).

Business areas

SpareBank 1 Sør-Norge ASA is divided into different business areas, which are defined on the basis of their form of distribution, products, and customers. The reporting format is based on the risk and return profile of the assets and is split into Retail Market, SME and Agriculture, Corporate Market and significant subsidiaries. Retail Market's income statement and balance sheet items include figures from SR-Boligkreditt AS and SpareBank 1 Boligkreditt AS. Similarly, the volume from SpareBank 1 Næringskreditt AS is included in SME and Agriculture, as well as Corporate Market.

Retail Market[2]

Retail Market, inclusive of Private Banking posted an operating profit before impairments of NOK 957 million for the second quarter of 2025, compared with NOK 803 million for the previous quarter. The increase was due to both higher income and lower costs because of the payout of holiday pay in June, which lowers payroll costs in the business area.

Table 5: Retail Market

	Q2 25	Q1 25
Net interest income	865	802
Net commission and other income	276	263
Net income on financial investments	7	6
Total income	**1,148**	**1,070**
Total operating expenses	**191**	**267**
Operating profit before impairments	**957**	**803**
Impairments on loans and financial liabilities	-8	-62
Pre-tax profit	**965**	**865**

The volume of lending in Retail Market was NOK 266 billion at the end of the second quarter of 2025. Retail Market is seeing very high demand for loans. Lending has grown by 7.1% (NOK 18 billion) in the past 12 months. On a national basis, the 12-month growth figure for Norwegian household debt was 4.2% as at the end of June. The deposit volume was NOK 125 billion at the end of the second quarter of 2025, corresponding to 12-month growth of 10.5% (NOK 12 billion).

Net interest income was NOK 63 million higher than it was for the last quarter, mainly due to increased balance sheet growth and an additional interest rate day. Other income increased by NOK 13 million, primarily due to increased insurance income.

NOK 8 million in impairments on loans and financial liabilities were reversed in the second quarter of 2025.

2 The interest on intracompany receivables for Retail Market, SME and Agriculture and Corporate Market is fixed based on expected observable market interest rates (NIBOR) plus expected additional costs for the group's long-term funding (credit premium). Deviations between the group's actual funding costs and the applied interest on intercompany receivables are eliminated at the group level.

The quality of the retail market portfolio is considered very good and the potential for losses low. The proportion of loan exposure within 85% of the loan to value ratio was 93.3% at end of the second quarter of 2025 (94.3%).

SME and Agriculture [2]

SME and Agriculture posted an operating profit before impairments of NOK 435 million for the second quarter of 2025, compared with NOK 404 million for the previous quarter.

Table 6: SME and Agriculture

	Q2 25	Q1 25
Net interest income	397	393
Net commission and other income	66	65
Net income on financial investments	15	13
Total income	**478**	**471**
Total operating expenses	**43**	**66**
Operating profit before impairments	**435**	**404**
Impairment on loans and financial liabilities	52	48
Pre-tax profit	**383**	**356**

Operating profit rose by NOK 27 million, mainly due to lower costs in the second quarter of 2025 because of the payout of holiday pay in June, which lowers payroll costs in the business area.

In the second quarter of 2025, NOK 52 million was charged as impairments on loans and financial liabilities, mainly due to individual losses.

The lending volume in the division was NOK 42 billion at the end of the second quarter of 2025, corresponding to growth over the past 12 months of 9.1%. The deposit volume amounted to NOK 38 billion and the 12-month deposit growth rate was 6.1%.

The quality of the SME and Agriculture portfolio is considered good. The proportion of exposures with a probability of default of less than 2.5% through a full loss cycle was 86.1% of the portfolio at the end of the second quarter of 2025 (83.9%).

Corporate Market [2]

Corporate Market posted an operating profit before impairments of NOK 677 million for the second quarter of 2025, compared with NOK 686 million for the previous quarter.

Table 7: Corporate Market

	Q2 25	Q1 25
Net interest income	602	626
Net commissions and other income	94	105
Net income on financial investments	22	17
Total income	**717**	**747**
Total operating expenses	**39**	**61**
Operating profit before impairments	**677**	**686**
Impairments on loans and financial liabilities	33	37
Pre-tax profit	**645**	**649**

The reduction in operating profit was due to a decrease in income. Net interest income decreased from the previous quarter due to less activity. Net commissions included some larger one-off customer fees in the first quarter of 2025. Lower costs in the second quarter are primarily due to the payout of holiday pay in June, which lowers payroll costs in the business area.

Impairments on loans and financial liabilities decreased to NOK 33 million in the second quarter of 2025.

The lending volume in the division amounted to NOK 97 billion at the end of the second quarter of 2025. Lending growth for the last 12 months was -0.9%, lending growth adjusted for the foreign exchange effects was -0.6%. The deposit volume was NOK 62 billion, corresponding to growth in the past 12 months of 6.2%.

The quality of the Corporate Market portfolio is considered good. The proportion of exposures with a probability of default of less than 2.5% through a full loss cycle was 89.2% of the portfolio at the end of the second quarter of 2025 (88.8%). The property sector portfolio represents the group's largest concentration in a single sector and accounted for 12.6% (12.8%) of total loan exposure. A large portion of this portfolio consists of financing commercial properties for leasing.

Subsidiaries

EiendomsMegler 1 Sør-Norge AS

The company posted earnings of NOK 183 million for the second quarter of 2025, compared with NOK 141 million for the previous quarter. The profit before tax improved from NOK 7 million to NOK 43 million. The increase was due to high activity and rapid sales times.

Compared with the second quarter of 2024, income increased by NOK 47 million and its profit before tax by NOK 10 million. 85% of the growth in earnings in the year to date is linked to mergers.

Overall, the company is the largest actor in real estate brokerage in the counties of Rogaland, Vestland and Agder, with a stable market share of just under 20%.

EiendomsMegler 1 Sørøst-Norge AS

The company posted earnings of NOK 84 million for the second quarter of 2025, compared with NOK 60 million for the first quarter of 2025. The profit before tax improved from NOK 2 million to NOK 16 million for the same period. The improvement in profit was due to increased income and good cost control.

Compared with the second quarter of 2024, income increased by NOK 10 million and profit before tax increased by NOK 2 million.

Overall, the company is the largest actor in real estate brokerage in the counties of Buskerud and Vestfold, with a stable market share of the used homes market of just over 22%.

EiendomsMegler 1 Telemark AS

The company posted earnings of NOK 23 million for the second quarter of 2025, an increase of NOK 7 million compared with the previous quarter. The profit before tax rose from NOK 1 million to NOK 7 million.

Compared with the second quarter of 2024, income increased by NOK 3 million and profit before tax increased by NOK 2 million.

SpareBank 1 Sør-Norge ASA owns a 51% stake in EiendomsMegler 1 Telemark AS.

SpareBank 1 Sør-Norge ForretningsPartner AS

Profit before tax amounted to NOK 20 million for the second quarter of 2025, compared with NOK 18 million for the previous quarter and NOK 22 million for the second quarter of 2024.

SpareBank 1 Sør-Norge ForretningsPartner AS enjoys a solid market position in accounting services, with offices in Rogaland, Vestland, Oslo and Agder.

SR-Boligkreditt AS

The company's purpose is to purchase residential mortgages from SpareBank 1 Sør-Norge ASA, and it funds this by issuing covered bonds. SR-Boligkreditt AS enables the parent company to diversify and optimise its funding. Moody's has given SR-Boligkreditt AS its best rating, Aaa.

At the end of the second quarter of 2025, the company had issued covered bonds with a nominal value of NOK 117 billion (NOK 96 billion) and bought loans worth NOK 120 billion (NOK 108 billion) from SpareBank 1 Sør-Norge ASA.

The company delivered a profit before tax of NOK 221 million for the second quarter of 2025, compared with NOK 351 million for the previous quarter and NOK 49 million for the second quarter of 2024. High volatility in the results due to large fluctuations in the market value of basisswaps. Net interest income amounted to NOK 239 million for the second quarter of 2025, on a par with the previous quarter. Net interest income rose by NOK 9 million compared with the second quarter of 2024.

FinStart Nordic AS

FinStart Nordic AS invests in, and contributes to the development and growth of, innovative financial technology companies. The aim is to strengthen and expand the group's value chains and help streamline the group by supplying innovative products and services. At the same time, FinStart Nordic AS is looking to achieve a financial return on the company portfolio. The company also manages the portfolio of a former subsidiary that primarily had investments linked to the oil industry.

Profit before tax amounted to NOK 35 million for the second quarter of 2025, compared with NOK -6 million for the previous quarter and NOK 4 million for the second quarter of 2024. The increase in profit was mainly due to the sale of the company Aritma.

Associated companies

SpareBank 1 Sør-Norge ASA's profit contributions from associated companies were incorporated using the equity method. These totalled NOK 256 million for the second quarter of 2025, compared with NOK 193 million for the previous quarter and NOK 136 million for the second quarter of 2024.

SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial group and is a banking and product partnership in which the SpareBank 1 banks in Norway cooperate in order to keep them strong and independent. The purpose of the Alliance is to procure and provide competitive financial services and products, and to exploit economies of scale in the form of lower costs and/or higher quality. The Alliance is run through its ownership and participation in SpareBank 1 Utvikling DA, while the development and operation of product companies is organised through the banks' ownership of the holding company SpareBank 1 Gruppen AS.

SpareBank 1 Gruppen AS

SpareBank 1 Gruppen AS owns 100% of the shares in SpareBank 1 Forsikring AS, SpareBank 1 Factoring AS, and SpareBank 1 Spleis AS. SpareBank 1 Gruppen AS also owns 51% of the shares in Fremtind Holding AS, 69% of the shares in Kredinor AS, and 49% of the shares in LO Favør AS. SpareBank 1 Sør-Norge ASA owned a 19.5% stake in SpareBank 1 Gruppen AS.

SpareBank 1 Gruppen AS posted a profit after tax of NOK 1,034 million for the second quarter of 2025, compared with NOK 735 million for the previous quarter and NOK 145 million for the second quarter of 2024. The majority's share for the second quarter of 2025 was NOK 585 million, compared with NOK 406 million for the previous quarter and NOK 6 million for the second quarter of 2024. The increase compared with the previous quarter was mainly due to the higher insurance and financial results in Fremtind Holding AS.

SpareBank 1 Utvikling DA

SpareBank 1 Utvikling DA delivers business platforms and common management and development services to the Alliance banks. The company contributes to joint activities that provide the banks with benefits in the form of economies of scale and expertise. The company also owns and manages the Alliance's intellectual property rights under a common brand name, SpareBank 1. SpareBank 1 Sør-Norge ASA owned a 18.0% stake in SpareBank 1 Utvikling DA.

SpareBank 1 Forvaltning AS

SpareBank 1 Forvaltning AS delivers products and services designed to streamline and simplify savings for its customers. SpareBank 1 Forvaltning is a licensed investment firm and owns 100% of the shares in the subsidiary ODIN Forvaltning. SpareBank 1 Forvaltning AS is owned by the SpareBank 1 Alliance and the Norwegian Confederation of Trade Unions (LO). SpareBank 1 Sør-Norge ASA's stake is 42.0%.

SpareBank 1 Forvaltning AS posted a profit after tax of NOK 63 million for the second quarter of 2025, compared with NOK 64 million for the previous quarter and NOK 66 million for the second quarter of 2024.

BN Bank ASA

BN Bank ASA is a nationwide bank with its head office in Trondheim. The bank is owned by the banks in the SpareBank 1 Alliance. SpareBank 1 Sør-Norge ASA's stake is 42.5%.

BN Bank ASA achieved a profit after tax of NOK 254 million for the second quarter of 2025, an increase of NOK 33 million from the previous quarter. The increase was due to increased income from financial investments. The profit after tax for the second quarter of 2024 was NOK 220 million.

The return on equity after tax was 15.8% compared with 13.5% for the previous quarter and 13.9% for the second quarter of 2024.

SpareBank 1 Markets AS

SpareBank 1 Markets AS is a leading Norwegian investment firm offering services within equity and credit analysis and trading in equities and bonds, as well as services within corporate finance, including raising capital in the equity and debt market, mergers and acquisitions, restructuring and advice. The investment firm is owned by banks in the SpareBank 1 Alliance. SpareBank 1 Sør-Norge ASA's stake is 35.1%.

SpareBank 1 Markets AS posted a profit after tax of NOK 45 million for the second quarter of 2025, compared with NOK 48 million for the previous quarter and NOK 65 million for the second quarter of 2024.

Kredittbanken ASA

Kredittbanken ASA (formerly SpareBank 1 Kreditt AS) is owned by the SpareBank 1 banks and the Eika Alliance, where SpareBank 1 Sør-Norge ASA's stake is 23.3%. The company offers unsecured financing to the retail market and offers credit cards and repayment.

The company posted a profit after tax of NOK 16 million for the second quarter of 2025, compared with NOK -4 million for the previous quarter and NOK 6 million for the second quarter of 2024. The increase from the previous quarter was mainly due to lower credit losses.

The total portfolio in the company was NOK 12 billion at the end of the second quarter of 2025, unchanged from the previous quarter, and compared with NOK 9 billion for the second quarter of 2024.

SpareBank 1 Betaling AS

The SpareBank 1 banks jointly own SpareBank 1 Betaling AS. SpareBank 1 Sør-Norge ASA's stake is 26.7%. SpareBank 1 Betaling AS owns a 25.0% stake in Vipps Holding AS.

SpareBank 1 Betaling AS posted a profit after tax of NOK 11 million for the second quarter of 2025, compared with results of NOK -17 million for the previous quarter and NOK -24 million for the second quarter of 2024. The increase from the previous quarter was due to the improved operating profit in Vipps AS. SpareBank 1 Sør-Norge ASA's accounts for the quarter include a charge of NOK -12 million for its share of the changed result from the previous year in SpareBank 1 Betaling AS.

For more information about the accounts of the various companies, please refer to their quarterly reports, which are available on the websites of the various companies.

Funding and liquidity

SpareBank 1 Sør-Norge ASA had good liquidity at the end of the second quarter of 2025 and believes it will continue to have good access to long-term funding at competitive prices. The group strives to achieve an even maturity structure for funding and believes it is important to have good relations with Norwegian and international investors and banks. The liquidity buffer[3] was NOK 92.4 billion at the end of the second quarter of 2025 (NOK 67.1 billion) and would cover normal operations for 31 months (35 months) in the event of closed markets and without net lending growth. NOK 25 billion of the bank's external funding will come due in the next 12 months. In addition to the liquidity buffer, the bank has NOK 38 billion in residential mortgages ready for covered bond funding.

The group has continued to enjoy a high proportion of long-term funding in the past 12 months. The group's net stable funding ratio (NSFR)[4] was 135% at the end of the second quarter of 2025 (136%), which confirms the group's good funding situation. SpareBank 1 Sør-Norge ASA has an Aa3 (stable) long-term rating and a P-1 short-term rating from Moody's.

Capital ratio

Table 8: Capital adequacy

	SpareBank 1 Sør-Norge			SpareBank 1 SR-Bank	
	Q2 2025	**Q1 2025**	**Q4 2024**	**Q3 2024**	**Q2 2024**
CET1 capital ratio	18.63	18.29	18.01	17.75	17.66
Tier 1 capital ratio	20.67	20.13	20.21	20.56	20.03
Capital ratio	23.47	22.93	23.03	23.84	22.75
Leverage ratio	7.33	7.54	7.67	7.50	7.33

At the end of the second quarter of 2025, the CET1 capital ratio was 18.63%, and the capital adequacy ratio was 23.47%. This exceeds the current CET1 capital ratio requirement of 17.55% and the capital adequacy requirement of 22.10%.

The total requirement for SpareBank 1 Sør-Norge ASA's CET1 capital ratio was 17.55% at the end of the second quarter of 2025. The requirement includes the systemic risk buffer (4.46%), the countercyclical buffer (2.49%), the Pillar 2 premium (1.07%), the temporary Pillar 2 premium (0.28%), the systemic importance buffer (1.0%) and the Pillar 2 guidance (1.25%).

The Financial Supervisory Authority's preliminary assessment is that the bank's CET 1 capital ratio requirement will be reduced from 17.55% to 17.08% at the end of the year. The Pillar 2 premium in the CET1 capital is reduced from 1.35 % to 1.13% and the expectation for the Pillar 2 guidance will be changed from 1.25% to 1.00%.

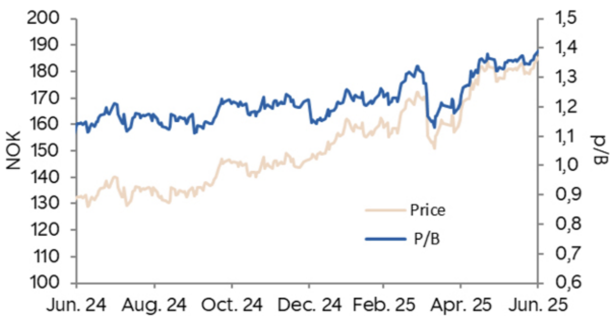
EU's crisis management directive and MREL

Based on the EU Crisis Management Directive (BRRD), the group must meet a minimum requirement for own funds and eligible liabilities (MREL). SpareBank 1 Sør-Norge ASA has an effective MREL requirement of 39.2% of the adjusted risk-weighted assets. In addition, subordinated capital and non-preferred liabilities must account for at least 31.3%. At the end of the second quarter of 2025, SpareBank 1 Sør-Norge ASA had issued senior non-preferred debt equivalent to NOK 22.9 billion and thus satisfies the subordination requirement of NOK 17 billion by a good margin.

The bank's share

The price of the bank's share (SB1NO) was NOK 185.40 at the end of the second quarter of 2025. This results in an effective return of 32.3% since year end 2024. The Oslo Børs's main index rose by 12.8% in the corresponding period (not corrected for dividends). 5.0% of outstanding SB1NO shares were traded in the second quarter of 2025 (4.0%).

Fig. 5: Share price and price/book



There were 24,023 shareholders of SB1NO at the end of the second quarter of 2025 (18,943). The proportion held by companies and people abroad was 16.1% (20.7%); the 20 largest holders owned a total of 63.2% (58.4%). The bank held 29,781 treasury shares, while group employees owned 1.5% (1.8%). (The figures in brackets are for the SRBNK share in the same period last year)

3 Liquidity buffer: cash, short-term investments, and drawing rights in Norges Bank (bonds, including covered bonds). Assuming deposits and lending remain unchanged and no new borrowing during the period.

4 NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway and is calculated as available stable funding relative to necessary stable funding.

The table below lists the 20 largest shareholders as at 30.6.2025:

Table 9: 20 largest shareholders

	Number of shares (thousands)	Stake %
Sparebankstiftelsen SR-Bank	78,677	21.0%
SpareBank 1 Stiftelsen BV	32,667	8.7%
National Insurance Scheme Fund	25,859	6.9%
Sparebankstiftelsen Telemark	25,034	6.7%
Sparebankstiftelsen Modum	15,624	4.2%
Swedbank AB	6,736	1.8%
SpareBank 1-stiftinga Kvinnherad	6,527	1.7%
State Street Bank and Trust Co, USA	5,363	1.4%
Sparebankstiftelsen Nøtterøy-Tønsberg	5,263	1.4%
Sparebankstiftelsen Nome	4,949	1.3%
Skandinaviska Enskilda Banken AB	3,845	1.0%
Verdipapirfondet Alfred Berg Gambak	3,598	1.0%
J.P.Morgan SE, Luxembourg	3,361	0.9%
J.P.Morgan SE, Luxembourg	3,099	0.8%
Verdipapirfondet KLP AksjeNorge	3,046	0.8%
JPMorgan Chase Bank, N.A., London	2,987	0.8%
Pareto Aksje Norge Verdipapirfond	2,931	0.8%
Verdipapirfond Odin Norge	2,836	0.8%
State Street Bank and Trust Co, USA	2,626	0.7%
Spesialfondet Borea Utbytte	2,437	0.6%
Total 20 largest shareholders	**237,464**	**63.2%**

The group has a special share savings scheme for the group's employees. All permanent employees have an opportunity to purchase shares for a specified savings amount, limited to a maximum of NOK 5,000 per employee per month, at a 30% discount and with a lock-in period of 2 years. Around 76% of the group's employees have signed a regular savings agreement for the share savings scheme in 2025.

Sustainable development

The sustainability strategy forms part of the corporate strategy. The ambition is for sustainability to form an integral part of everything the group does. SpareBank 1 Sør-Norge ASA will work to help achieve the Paris Agreement's goal of limiting global warming to 1.5°C. To support this ambition, the group has set itself a target of net zero greenhouse gas emissions by 2050, both from our activities and for the loan/investment portfolio. For the most material industries measured in terms of lending volume, GHG emissions and energy consumption, as well as for own activities, specific emission pathways were adopted for the period up to 2050 (agriculture only up to 2030). Annual targets exist for international shipping, commercial property and residential property, including for 2030 and 2050. Oil and gas have targets for 2030 and 2050, while agriculture only has targets for 2030. The entire transition plan is available on the group's website.

As part of this work, the target to increase the proportion of loans that qualify under the group's sustainable financing framework to 25% by 2030 has been set. By the end of the second quarter of 2025, the bank had financed approximately NOK 68.2 billion of loans that qualify, which represents 17.6% of total lending.

Targets have also been set for the social dimension, our employees and our customers, and we are actively following these up. For an overview of all of the group's targets, please see the annual report for 2024.

Merger synergies

The group is on schedule with respect to realising funding, operating and cost synergies. It is estimated that the total synergies will be NOK 300 million annually from and including 2027. Synergies are being realised in line with plans and were approximately NOK 60 million at the end of the second quarter of 2025 (on an annualized basis).

Outlook

There is some uncertainty about economic growth going forward due to the rising tariffs and conditions for trade between countries. When it comes to inflation, higher tariffs can pull in different directions. They can lead to lower global growth and slow down inflation, but at the same time, such increases can result in higher prices for the affected goods and increase inflation.

Norges Bank cut its policy rate from 4.5% to 4.25% at its interest rate meeting in June. It also indicated that the policy rate will be cut to just under 4% this year and be cut further down to 3% by the end of 2028.

Our surveys of companies in the group's market area show that companies are expecting higher employment, increased revenue and stronger order reserves next year. The optimism is greatest in the southwest, although there are still regional differences and the uncertainty to the macro development remain.

The board considers the quality of the loan portfolio to be good, despite the trade turmoil and uncertainty in the international market.

The group's long-term financial target for the return on equity is more than 14%. This will be achieved through profitable growth in lending and other income, cost and capital efficiency and realising of synergies.

The group's cost to income ratio target is less than 40%. The group's dividend policy is to distribute around 50% of the profit for the year. Consideration must be given to financial needs, including capital adequacy requirements and the group's targets and strategic plans, when determining the annual dividend.

Based on the authorities' CET1 capital ratio requirements and the Pillar 2 guidance, the group's CET1 capital ratio target is a minimum of 17.55%. The CET1 capital ratio is expected to be reduced to 17.08% in connection with the Norwegian FSA's notice of its decision on the Pillar 2 premium and Pillar 2 Guidance. Based on the calculated effects of the regulatory changes, the board believes that SpareBank 1 Sør-Norge ASA is well-positioned for profitable growth and strong capital distribution. As a tool for the group's capital optimization, the board plan to establish a share buy-back programme.

Based on developments in the first half of the year, the board expects 2025 to be a good year for SpareBank 1 Sør-Norge ASA.

The board is of the opinion that the drivers of structural change in the savings bank sector remain highly relevant, and it will take a proactive approach to structural changes in the sector in order to safeguard and create value for customers, employees, owners and local communities.

Stavanger, 06.08.2025
The Board of Directors of SpareBank 1 Sør-Norge ASA

Income statement

Parent bank 2024	Parent bank 01.01.24 - 30.06.24	Parent bank 01.01.25 - 30.06.25	Parent bank Q2 2024	Parent bank Q2 2025	Income statement (MNOK)	Note	Group Q2 2025	Group Q2 2024	Group 01.01.25 - 30.06.25	Group 01.01.24 - 30.06.24	Group 2024
14,978	6,767	9,031	3,417	4,507	Interest income using effective interest method		6,024	4,825	12,022	9,513	20,565
3,189	1,554	1,757	779	899	Other interest income		914	797	1,780	1,590	3,250
11,573	5,333	6,659	2,706	3,342	Interest expense		4,628	3,895	9,182	7,648	16,298
6,594	2,987	**4,129**	1,490	**2,064**	**Net interest income**		**2,310**	1,726	**4,620**	3,456	7,517
1,490	653	946	339	479	Commission income		893	571	1,707	1,074	2,392
116	54	74	28	42	Commission expenses		42	28	74	54	116
16	8	13	4	7	Other operating income		7	1	12	4	10
1,390	607	**885**	315	**444**	**Net commission and other income**		**858**	544	**1,645**	1,024	2,286
52	26	94	26	94	Dividends		99	33	99	38	78
277	276	759	276	440	Income from ownership interests	11	256	120	449	263	1,140
-31	157	158	125	-10	Net gains/losses on financial instruments	11	18	-4	219	-4	-282
299	459	**1,011**	427	**524**	**Net income on financial investments**		**373**	148	**767**	298	937
8,283	4,054	**6,024**	2,232	**3,032**	**Total income**		**3,540**	2,419	**7,032**	4,778	10,739
1,676	730	1,087	368	557	Salaries and other personell expense		799	513	1,573	1,021	2,364
1,184	468	824	245	459	Other operating expenses		555	289	1,006	564	1,386
149	66	**97**	33	**49**	Depreciation and impairment of fixed and intangible assets		**60**	42	**117**	84	186
3,010	1,264	**2,008**	646	**1,065**	**Total operating expenses**		**1,414**	844	**2,696**	1,670	3,936
5,273	2,790	**4,016**	1,586	**1,967**	**Operating profit before impairment**		**2,126**	1,575	**4,336**	3,108	6,803
375	131	**118**	99	**82**	Impairment losses on loans and other financial liabilities	3, 4	**76**	103	**100**	138	387
4,898	2,659	**3,898**	1,487	**1,885**	**Pre-tax profit**	10	**2,050**	1,472	**4,236**	2,971	6,415
1,072	549	**698**	282	**312**	**Tax expense**		**382**	311	**831**	618	1,222
3,826	2,110	**3,200**	1,205	**1,573**	**Profit after tax**		**1,668**	1,162	**3,405**	2,352	5,193
3,543	1,991	3,023	1,152	1,492	Shareholders' share of the profit		1,585	1,109	3,226	2,233	4,911
282	119	177	53	81	Hybrid capital owners' share of the profit		81	53	177	119	282
					Non-controlling interests		2		3		1
3,826	2,110	**3,200**	1,205	**1,573**	**Profit after tax**		**1,668**	1,162	**3,405**	2,352	5,193
					Other comprehensive income						
-10	0	0	0	0	**Unrecognised actuarial gains and losses**		0	0	0	0	-8
2	0	0	0	0	Deferred tax concerning changed estimates/pension plan changes		0	0	0	0	2
-7	0	**0**	0	**0**	**Total items not reclassified through profit or loss**		**0**	0	**0**	0	-6
-0	-1	4	1	5	Change in ECL1) 12 months		0	0	0	0	0
					Basis swap spread		**-4**	-59	**74**	-72	-247
					Deferred tax concerning basis swap spread		1	15	-19	18	62
					Share of profit associated companies and joint ventures		1	6	4	10	17
-0	-1	**4**	1	**5**	**Total items reclassified through profit or loss**		**-3**	-38	**60**	-44	-168
-8	-1	**4**	1	**5**	**Other comprehensive income**		**-3**	-38	**60**	-44	-174
3,818	2,110	**3,204**	1,205	**1,578**	**Total comprehensive income**		**1,666**	1,124	**3,465**	2,308	5,019
					Earnings per share (group)		4.23	4.20	8.60	8.45	13.08

1) ECL - Expected credit loss

Balance sheet

Parent bank					Group		
2024	30.06.24	30.06.25	Balance sheet (MNOK)	Note	30.06.25	30.06.24	2024
119	101	819	Cash and balances with central banks		819	101	119
17,199	21,430	25,774	Balances with credit institutions		20,959	10,783	12,711
267,795	175,125	266,786	Loans to customers	4, 6, 10	386,104	283,403	374,119
60,274	59,285	72,398	Certificates and bonds		73,891	60,991	60,825
17,029	22,957	16,053	Financial derivatives	8	11,042	15,049	11,444
2,391	403	2,235	Shares, ownership stakes and other securities	13	2,475	699	2,643
5,050	4,006	5,050	Investment in associates		8,157	6,210	8,144
7,677	7,354	8,677	Investment in subsidiaries		0	0	0
3,569	70	3,569	Intangible assets		4,072	366	4,074
2,287	2,538	2,287	Deferred tax assets		2,407	2,617	2,404
581	324	622	Fixed assets		1,271	962	1,242
1,070	964	1,042	Right-of-use assets		461	350	478
569	712	984	Other assets		1,763	1,214	1,132
385,610	**295,269**	**406,296**	**Total assets**	10	**513,420**	**382,744**	**479,336**
715	826	3,440	Balances with credit institutions		2,748	775	695
204,434	155,217	223,820	Deposits from customers	5, 10	223,293	154,975	204,006
78,640	60,939	76,611	Listed debt securities	9	192,777	156,187	180,850
20,963	22,354	20,427	Financial derivatives	8	8,646	12,569	9,339
1,020	549	691	Taxes payable		853	618	1,178
1,136	1,026	1,114	Lease liabilities		488	374	505
423	254	426	Pension liabilities		433	262	431
109	116	100	Impairment provisions on financial commitments	4	100	116	109
841	1,067	2,442	Other liabilities		2,985	1,376	1,271
22,539	17,143	22,891	Senior non-preferred bonds	9	22,891	17,143	22,539
5,776	4,225	5,774	Subordinated loan capital	9	5,774	4,225	5,776
336,597	**263,715**	**357,736**	**Total liabilities**		**460,989**	**348,620**	**426,699**
9,386	6,607	9,386	Share capital		9,386	6,607	9,386
14,719	2,354	14,719	Premium reserve		14,719	2,354	14,719
3,191	0	0	Proposed dividend		0	0	3,191
4,300	3,525	4,000	Hybrid capital		4,000	3,525	4,300
17,417	19,068	20,455	Other equity		24,325	21,637	21,041
49,013	**31,554**	**48,560**	**Total equity**		**52,430**	**34,124**	**52,637**
385,610	**295,269**	**406,296**	**Total liabilities and equity**	10	**513,420**	**382,744**	**479,336**

Statement of changes in equity

SpareBank 1 Sør-Norge Group (MNOK)	Share-capital	Premium reserve	Hybrid-capital	Value of basis swap defined as hedging instrument	Non-controlling interests	Other equity	Total equity
Equity as at 31.12.23	6,607	2,354	3,155	-19		21,463	33,561
Profit after tax			119			2,233	2,352
Basisswap spread after tax				-54			-54
Share of profit associated companies and joint ventures						10	10
Total comprehensive income			119	-54		2,243	2,308
Issued hybrid capital			370				370
Interest on hybridcapital			-119			-	-119
Transactions against equity in subsidiaries and associated companies						-13	-13
Transactions with shareholders						-1,982	-1,982
Equity as at 30.06.24	6,607	2,354	3,525	-73		21,711	34,124
Equity as at 31.12.24	**9,386**	**14,719**	**4,300**	**-204**	**9**	**24,428**	**52,637**
Profit after tax			177		3	3,226	3,405
Basisswap spread after tax				56			56
Share of profit associated companies and joint ventures						4	4
Total comprehensive income			177	56	3	3,230	3,465
Issued hybrid capital			400				400
Repayments in debt established by issuing hybrid capital			-700				-700
Interest on hybridcapital			-177				-177
Transactions against equity in subsidiaries and associated companies						-15	-15
Dividend 2024, resolved in 2025						-3,191	-3,191
Trade in treasury shares						11	11
Transactions with shareholders	-	-	-	-	-	-3,181	-3,181
Equity as at 30.06.25	**9,386**	**14,719**	**4,000**	**-149**	**11**	**24,463**	**52,430**

Cash flow statement

2024	01.01.24 - 30.06.24	01.01.25 - 30.06.25	Cash flow statement	01.01.25 - 30.06.25	01.01.24 - 30.06.24	2024
-17,337	-4,317	-1,291	Change in gross lending to customers	-14,260	-12,620	-23,626
13,447	6,048	8,639	Interest receipts from lending to customers	11,758	9,051	19,498
-2,033	5,835	16,726	Change in deposits from customers	16,638	5,899	-2,229
-5,947	-2,794	-1,069	Interest payments on deposits from customers	-1,067	-2,788	-5,932
9,413	-4,492	-2,931	Change in receivables and debt from credit institutions	-3,275	-8,035	-267
1,047	640	53	Interest on receivables and debt to financial institutions	100	380	409
2,354	-3,220	-11,441	Change in certificates and bonds	-13,070	-3,311	3,100
2,973	1,540	1,518	Interest receipts from commercial paper and bonds	1,542	1,584	3,051
1,359	599	891	Commission receipts	1,651	1,019	2,248
199	67	519	Capital gains from sale of trading	543	45	177
-2,648	-1,231	-1,883	Payments for operations	-2,509	-1,641	-3,496
-2,557	-2,549	-1,020	Taxes paid	-1,167	-2,698	-2,706
30	-185	295	Other accruals	913	-83	2,052
300	**-4,058**	**9,008**	**A Net change in liquidity from operations**	**-2,204**	**-13,199**	**-7,721**
-161	-56	-124	Investments in tangible fixed assets	-138	-56	-184
44	0	17	Receipts from sale of tangible fixed assets	17	0	47
-125	-61	-1,000	Change in long-term investments in equities	-11	-85	-124
156	0	190	Receipts from sales of long-term investments in equities	207	17	193
330	302	852	Dividends from long-term investments in equities	534	125	152
-903	0	0	Net cash outflows related to business integration	0	0	-903
-658	**185**	**-65**	**B Net cash flow, investments**	**608**	**2**	**-819**
20,228	18,192	1,989	Debt raised by issuance of securities and senior non-preferred bonds	20,600	29,829	40,174
-14,665	-13,064	-4,626	Repayments - issued securities and senior non-preferred bonds	-10,018	-13,064	-21,694
-4,465	-2,250	-2,176	Interest payments on securities issued and senior non-preferred bonds	-4,870	-4,577	-9,239
2,900	2,000	0	Additional subordinated loan capital issued	0	2,000	2,900
-700	-570	0	Repayments - additional capital instruments	0	-570	-700
-266	-123	-189	Interest payments on subordinated loans	-189	-123	-266
1,200	525	400	Issued hybrid capital	400	525	1,200
-405	-155	-700	Repayments in debt established by issuing hybrid capital	-700	-155	-405
-282	-119	-177	Interest payments on debt established by issuing hybrid capital	-177	-119	-282
-101	-46	-51	Lease payments	-38	-33	-75
-1,982	-1,982	-3,191	Dividend to share holders	-3,191	-1,982	-1,982
1,461	**2,407**	**-8,721**	**C Net cash flow, financing**	**1,817**	**11,729**	**9,631**
1,103	**-1,465**	**222**	**A+B+C Net cash flow during the period**	**222**	**-1,468**	**1,091**
2,071	2,071	3,173	Cash and cash equivalents as at 1 January	3,174	2,082	2,082
3,173	605	3,395	Cash and cash equivalents at the end of the period	3,396	614	3,174
			Cash and cash equivalents specified			
119	101	819	Cash and balances with central banks	819	101	119
3,054	505	2,576	Balances with credit institutions	2,577	514	3,055
3,173	**605**	**3,395**	**Cash and cash equivalents**	**3,396**	**614**	**3,174**

The cash and cash equivalents includes cash and claims on central banks, plus the share of the total of claims on credit institutions that pertains to placement solely in credit institutions. The cash flow statement shows cash provided and used by the parent bank and the group.

Notes to the financial statements

(figures in NOK million unless otherwise stated)

Note 1 Accounting policies

1.1 Basis of preparation

These interim financial statements for SpareBank 1 Sør-Norge ASA cover the period 1 January - 30 June 2025. The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited. These interim financial statements were prepared in accordance with the applicable IFRS® standards and IFRIC interpretations.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements for 2024.

New and amended standards applied:

There are no other new standards, amendments to standards or interpretations which has been implemented since 01.01.2025 with material effect on the group or parent bank's financial statements.

New standards and interpretations that have not been adopted yet:

There are a number of new standards, changes to the standards and interpretations that are mandatory for future annual accounts.There are no standards or interpretations that have not been adopted yet, that are expected to have any material effects on the group's statements.

Note 2 Critical estimates and judgements concerning use of the accounting policies

The preparation of the consolidated financial statements entails the group executive management making estimates, judgements and assumptions that affect the effect of the application of the accounting policies and thus the amounts recognised for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2024 explains in more detail the use of critical estimates and judgements when applying the accounting policies.

Impairments on loans

The group's assessment of critical estimates and judgements concerning the use of the accounting policies has not changed since 31.12.2024.

The group conducts annual evaluation of its corporate market portfolio. High-risk exposures in the corporate market portfolio are evaluated on a quarterly basis. Loans to retail customers are subject to evaluation when they are more than 90 days past due; larger exposures in default are evaluated on a quarterly basis.

The group's risk classification systems are described under financial risk management in the annual report.

The group carries out an impairment if there is objective evidence that can be identified for an individual exposure, and the objective evidence entails a reduction in future cash flows for servicing the exposure. Objective evidence may be default, bankruptcy, insolvency or other significant financial difficulties.

(continued from Note 2)

Individual impairment provisions are calculated as the difference between the loan's book (carrying) value and the present value of future cash flows based on the effective interest rate at the time of the calculation of the initial individual impairment. Account is taken of subsequent changes in interest rates for loan agreements with variable rates if these changes affect the expected cash flow. For smaller exposures, the general rule is that the difference between the actual exposure at the time of impairment and the realisation value (underabsorption) of the pledged collateral is written down, and that the impairment is based on one scenario. For larger exposures, the general rule is that the difference between the actual exposure and the bank's assessment of the discounted value of the customer's future cash flow is written down, and the impairment is based on three scenarios.

According to IFRS 9, loss provisions are recognised for all exposures based on expected credit loss (ECL). The measurement of the provisions for expected losses on exposures that are not individually impaired depends on whether or not the credit risk has increased significantly since initial recognition. Upon initial recognitionn and when the credit risk has not increased significantly after initial recognition, provisions must be made for 12 months' expected losses. If the credit risk has increased substantially after initial recognition, provisions must be made for expected losses over the entire lifetime. Expected credit loss is calculated on the basis of the present value of all cash flows over the remaining expected lifetime.

Climate related issues are given increased attention in the credit assessments, and the related risiks are first and foremost uncovered through the utilisation of an ESG-module in the credit related work. A need for specific, climate related impairment provisions has so far not been deemed neccessary. The scoring from the ESG-module is included in the stress test-model which is used, among other things, for the preparation of climate-related stress tests. Further development and clarifications regarding how expectations of climate related credit losses are to be included in the impairment provisions/IFRS 9-model are still needed. Also refer to note 6 in the annual financial statements for 2024.

A probability weighted average is calculated for four different scenarios: an upside scenario, a base scenario, an sector crisis scenario and a stress scenario, respectively. The base scenario is based on the most recent editon of "Monetary Policy Report", and represents a normal business cycle. The upside scenario represents a period of economic growth with better macro economic prospects than the base scenario. The sector crisis scenario is based on data from a sector spesific representative period of economic decline, at the moment within the property sector but with assumed contagion to other industries as well. The stress scenario is linked to the group's periodic internal capital adequacy assessment process (ICAAP) for a period of comprehensive economic decline. The scenarios are reviewed quarterly by an internal working group consisting of senior-level personnel and are adjusted if there are significant changes in the macroeconomic outlook. In the second quarter of 2025, a number of model improvements were made, contributing to an increase in impairment costs in second quarter of NOK 32 million. This is counteracted by a positive development in the macroeconomic outlook and credit risk amounting to NOK 58 million, resulting in a reduction of the total impairment costs for exposures without individual impairments by NOK 27 million. Currently, there is significant uncertainty regarding macroeconomic developments, but the assessment at this time is that this does not warrant specific add-ons. However, developments will be closely monitored.

The choice of scenarios and their weighting are regularly reviewed (at least once a year) by the aforementioned working group. As at 30.06.2025, the upside scenario had a 5% weighting, the base scenario had a 80% weighting, the adverse scenario had a 12,5% weighting, and the stress scenario had a weighting of 2,5%. The weighting is the same for all portfolios and reflects the uncertainty associated with economic developments going forward. In order to illustrate the associated weight sensitivity, a simulation of the effects of a more conservative scenario weighting was conducted in which the weight of the update scenario is unchanged at 5%, base scenario was reduced to 75%, the adverse scenario is reduced to 10% and the stress scenario were increased to 10%. Such a change in the scenario weighting would, all else equal, increase the group's expected impairment losses for commitments without individual impairment by NOK 178 million.

(continued from Note 2)

Sensitivity Calculations (NOK millions)	Upside scenario	Base scenario	Sector crisis scenario	Stress scenario	Corporate market	SME and agriculture	Retail market	SR-Bolig-kreditt	Not distributed	Total Group	Change in applied scenario
Weights used as at 30.06.2025											
ECL in Upside scenario					293	295	76	20	6	690	
ECL in Base scenario					407	371	88	25	8	899	
ECL in Sector crisis scenario					768	590	220	69	14	1,661	
ECL in Stress scenario					1,725	1,108	453	187	32	3,505	
ECL with applied scenario weighting	5.0 %	80.0 %	12.5 %	2.5 %	480	412	117	35	3	1,047	
(current, used from third quarter of 2024)											
Alternative scenario weighting I	10.0 %	80.0 %	7.5 %	2.5 %	455	398	106	32	9	1,000	-47
Alternative scenario weighting II	5.0 %	85.0 %	7.5 %	2.5 %	462	402	106	32	32	1,034	-13
Alternative scenario weighting III	5.0 %	80.0 %	10.0 %	5.0 %	502	425	119	38	10	1,094	47
Alternative scenario weighting IV	5.0 %	75.0 %	15.0 %	5.0 %	520	437	125	40	10	1,132	85
Alternative scenario weighting V	5.0 %	75.0 %	10.0 %	10.0 %	569	462	137	46	11	1,225	178
Weights used as at 31.3.2025											
ECL in Upside scenario					305	282	82	24	8	701	
ECL in Base scenario					416	357	94	30	11	908	
ECL in Sector crisis scenario					808	576	235	81	18	1,718	
ECL in Stress scenario					1,964	1,163	499	220	43	3,889	
ECL with applied scenario weighting	5.0 %	80.0 %	12.5 %	2.5 %	510	393	128	40	2	1,073	
(current, used from third quarter of 2024)											
Alternative scenario weighting I	10.0 %	80.0 %	7.5 %	2.5 %	473	386	93	38	12	1,002	-71
Alternative scenario weighting II	5.0 %	85.0 %	7.5 %	2.5 %	478	390	114	38	38	1,058	-15
Alternative scenario weighting III	5.0 %	80.0 %	10.0 %	5.0 %	527	415	128	44	13	1,127	54
Alternative scenario weighting IV	5.0 %	75.0 %	15.0 %	5.0 %	546	426	135	47	14	1,168	95
Alternative scenario weighting V	5.0 %	75.0 %	10.0 %	10.0 %	605	456	148	53	15	1,277	204

Closely monitoring customers and prevention work are important measures actively employed by the group to maintain its good risk profile in the group's loan portfolio.

Fair value of financial derivatives and other financial instruments

The fair value of derivatives is determined using valuation methods where the price of the underlying instrument, for example, interest rate or currency rate, is obtained from the market. When measuring financial instruments for which observable market data is not available, the group makes assumptions regarding what market actors would base their valuation on for equivalent financial instruments. Valuations require extensive use of discretion, including when calculating liquidity risk, credit risk and volatility. Any change in the aforementioned factors will affect the fair value determined for the group's financial instruments. For more information see note 25 on the classification of financial instruments in the annual financial statements for 2024. In the case of options, volatility will be either observed implicit volatility or calculated volatility based on historical price movements for the underlying object.

IT-infrastructure

Furthermore, several measures have been implemented to secure the bank's IT infrastructure and to prevent potential cyber-attacks on the most critical systems and processes.

The group's assessments of critical estimates and judgements regarding its use of accounting policies are challenging but are currently considered to be the best estimate

Note 3 Impairments on loans and financial commitments recognised in the income statement

Parent bank						Group				
2024	01.01.24 - 30.06.24	01.01.25 - 30.06.25	Q2 2024	Q2 2025		Q2 2025	Q2 2024	01.01.25 - 30.06.25	01.01.24 - 30.06.24	2024
-18	-33	-13	-12	32	Change in impairments on loans	26	-9	-31	-26	-6
-31	-13	-8	-21	-0	Change in impairments on financial commitments	-0	-21	-8	-12	-31
463	180	154	133	57	Actual loan losses on commitments	57	133	154	180	463
6	4	7	2	5	Change in accrued interest	5	2	7	4	6
0	-0	-0	0	-1	Change in assets taken over for the period	-1	0	-0	-0	0
-45	-7	-22	-3	-11	Recoveries on commitments previously written-off	-11	-3	-22	-7	-45
375	**131**	**118**	**99**	**82**	**Total impairments on loans and financial commitments**	**76**	**103**	**100**	**138**	**387**

Note 4 Impairment provisions on loans and financial commitments recognised in the balance sheet

Parent Bank **2025** **Impairment provisions on loans and financial commitments**	**01.01.25**	**Changes in impairment provisions on loans**	**Changes in impairment provisions on financial commitments**	**Total 30.06.25**
Impairment provisions after amortised cost, Corporate market	873	-18	-3	852
Impairment provisions after amortised cost, SME & agriculture	495	62	-3	553
Impairment provisions after amortised cost, Retail market	112	4	-3	113
Mortgages at FVOCI [1]	149	-62	0	87
Total impairment provisions on loans and financial commitments	**1,629**	**-15**	**-9**	**1,605**

Presented as				
Impairment provisions on loans	1,520	-15	0 0	1,505
Impairment provisions on financial commitments	109	0	-9	100
Total impairment provisions on loans and financial commitments	**1,629**	**-15**	**-9**	**1,605**

2024 Impairment provisions on loans and financial commitments	01.01.24			Total 30.06.24
Impairment provisions after amortised cost, Corporate market	967	-85	-19	863
Impairment provisions after amortised cost, SME & agriculture	261	31	1	294
Impairment provisions after amortised cost, Retail market	54	5	5	65
Home mortgages at FVOCI [1]	50	16	0	66
Total impairment provisions on loans and financial commitments	1,333	-33	-13	1,287

Presented as				
Impairment provisions on loans	1,204	-33	0	1,172
Impairment provisions on financial commitments	128	0	-13	116
Total impairment provisions on loans and financial commitments	1,333	-33	-13	1,287

Group **2025** **Impairment provisions on loans and financial commitments**	**01.01.25**	**Changes in impairment provisions on loans**	**Changes in impairment provisions on financial commitments**	**Total 30.06.25**
Impairment provisions after amortised cost, Corporate market	873	-18	-3	852
Impairment provisions after amortised cost, SME & agriculture	495	61	-3	554
Impairment provisions after amortised cost, Retail market	313	-76	-2	234
Mortgages at FVOCI [1]	0	0	0	0
Total impairment provisions on loans and financial commitments	**1,681**	**-33**	**-9**	**1,639**

Presented as				
Impairment provisions on loans	1,572	-33	0	1,539
Impairment provisions on financial commitments	109	0	-9	100
Total impairment provisions on loans and financial commitments	**1,681**	**-33**	**-9**	**1,639**

2024 Impairment provisions on loans and financial commitments	01.01.24			Total 30.06.24
Impairment provisions after amortised cost, Corporate market	967	-85	-19	863
Impairment provisions after amortised cost, SME & agriculture	262	31	1	294
Impairment provisions after amortised cost, Retail market	145	28	5	177
Home mortgages at FVOCI [1]	0	0	0	0
Total impairment provisions on loans and financial commitments	1,373	-26	-12	1,335

Presented as				
Impairment provisions on loans	1,244	-26	0	1,218
Impairment provisions on financial commitments	129	0	-12	116
Total impairment provisions on loans and financial commitments	1,373	-26	-12	1,335

1) FVOCI - Fair value other comprehensive income

(continued from Note 4)

Parent Bank	01.01.25 - 30.06.25				01.01.24 - 30.06.24			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on loans 01.01	294	551	674	1,520	225	396	584	1,204
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-13	10	4	0	-6	6	0	0
Transfer to (from) stage 2	74	-98	24	0	51	-57	6	0
Transfer to (from) stage 3	1	6	-7	0	4	2	-6	0
Net new measurement of impairment provisions	-73	62	72	61	-45	37	99	91
New issued or purchased loan	72	22	3	97	64	13	5	83
Loans that have been derecognised	-35	-104	-34	-173	-30	-108	-68	-206
Impairment provisions on loans 30.06	**319**	**449**	**736**	**1,505**	**262**	**289**	**620**	**1,172**

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on financial commitments 01.01.	45	48	15	109	42	44	43	128
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-1	1	0	0	-1	1	0	-0
Transfer to (from) stage 2	12	-13	1	0	6	-7	0	0
Transfer to (from) stage 3	0	0	-0	0	0	4	-4	0
Net new measurement of impairment provisions	-10	3	-0	-7	-6	2	-1	-5
New issued or purchased loan	16	1	1	18	29	7	0	36
Loans that have been derecognised	-13	-6	-2	-20	-14	-11	-18	-43
Impairment provisions on financial commitments 30.06	**50**	**35**	**15**	**100**	**56**	**39**	**20**	**116**

Group	01.01.25 - 30.06.25				01.01.24 - 30.06.24			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on loans 01.01	304	593	675	1,572	234	426	585	1,244
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-14	10	4	0	-7	6	0	0
Transfer to (from) stage 2	82	-106	24	0	57	-63	6	0
Transfer to (from) stage 3	1	6	-7	0	4	2	-6	0
Net new measurement of impairment provisions	-82	64	72	54	-51	47	99	95
New issued or purchased loan	73	24	4	101	67	20	5	92
Loans that have been derecognised	-37	-116	-34	-187	-31	-114	-68	-213
Impairment provisions on loans 30.06	327	474	738	**1,539**	272	325	621	1,218

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on financial commitments 01.01.	45	49	15	109	42	44	43	129
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-1	1	0	0	-1	1	0	-0
Transfer to (from) stage 2	12	-13	1	0	6	-7	0	0
Transfer to (from) stage 3	0	0	-0	0	0	4	-4	0
Net new measurement of impairment provisions	-10	3	-0	-7	-6	2	-1	-5
New issued or purchased loan	16	1	1	18	29	7	0	36
Loans that have been derecognised	-13	-6	-2	-20	-14	-11	-18	-43
Impairment provisions on financial commitments 30.06	51	35	15	**100**	57	39	20	116

Note 5 Customer deposits

Parent bank				Group		
31.12.24	30.06.24	30.06.25	Customer deposits by industry	30.06.25	30.06.24	31.12.24
1,243	601	1,788	Aquaculture	1,788	601	1,243
2,690	1,377	2,342	Industry	2,342	1,377	2,690
2,586	1,990	2,856	Agriculture/forestry	2,856	1,990	2,586
6,807	5,088	7,059	Financial and insurance services	6,533	4,845	6,379
3,118	3,091	3,160	Administrative and support services	3,160	3,091	3,118
40,007	38,298	47,350	Other service industry	47,350	38,298	40,007
6,158	3,795	5,869	Wholesale and retail trade, hotels and restaurants	5,869	3,795	6,158
1,777	8,195	1,459	Offshore, oil and gas E&P	1,459	8,195	1,777
2,342	1,608	1,751	Oilservices	1,751	1,608	2,342
6,990	3,928	7,113	Building and construction	7,113	3,928	6,990
6,198	5,656	6,385	Renewable energy, water, and waste collection	6,385	5,656	6,198
10,773	7,803	12,111	Commercial real estate	12,111	7,803	10,773
3,668	3,205	2,955	Shipping	2,955	3,205	3,668
1,794	1,210	2,271	Other transport	2,271	1,210	1,794
96,151	85,845	**104,471**	**Total corporate market**	**103,945**	85,603	95,723
108,283	69,372	**119,348**	**Retail customers**	**119,348**	69,372	108,283
204,434	155,217	**223,820**	**Deposits from customers**	**223,293**	154,975	204,006

Note 6 Loans and other financial commitments to customers

Parent bank				Group		
31.12.24	**30.06.24**	**30.06.25**	**Gross loans to customers by industry**	**30.06.25**	**30.06.24**	**31.12.24**
5,408	5,133	5,408	Aquaculture	5,408	5,133	5,408
5,092	4,464	5,451	Industry	5,451	4,464	5,092
8,727	6,606	9,124	Agriculture/forestry	9,124	6,606	8,727
9,311	8,307	9,161	Financial and insurance services	9,161	8,307	9,311
5,121	5,073	7,339	Administrative and support services	7,339	5,073	5,121
12,118	9,373	11,511	Other service industry	11,353	9,218	11,967
4,455	3,974	4,377	Wholesale and retail trade, hotels and restaurants	4,377	3,974	4,455
5,351	5,405	3,812	Offshore, oil and gas E&P	3,812	5,405	5,351
1,476	3,176	1,759	Oilservices	1,759	3,176	1,476
13,855	12,524	14,527	Building and construction	14,527	12,524	13,855
6,379	5,355	5,961	Renewable energy, water, and waste collection	5,961	5,355	6,379
52,555	36,316	51,959	Commercial real estate	51,959	36,316	52,555
7,164	5,949	6,316	Shipping	6,316	5,949	7,164
3,212	2,808	3,179	Other transport	3,179	2,808	3,212
140,224	114,463	**139,885**	**Total corporate sector**	**139,728**	114,307	140,072
129,070	61,826	**128,379**	**Retail customers**	**247,902**	170,314	235,605
269,294	176,289	**268,264**	**Gross loans**	**387,629**	284,621	375,678
-1,520	-1,172	-1,505	- Impairment provisions after amortised cost	-1,539	-1,218	-1,572
21	8	27	- Home mortgages at FVOCI [1]	14	0	14
267,795	175,125	**266,786**	**Loans to customers**	**386,104**	283,403	374,119
269,294	176,289	**268,264**	**Gross loans**	**387,629**	284,621	375,678
28,100		23,820	Loans transferred to SB1 Boligkreditt	23,820		28,100
1,285		1,272	Loans transferred to SB1 Næringskreditt	1,272		1,285
298,678	176,289	**293,356**	**Gross loans to customers incl. transferred to credit institutions**	**412,721**	284,621	405,062
			Financial commitments [2]			
18,614	19,459	17,504	Guarantees customers	17,540	19,493	18,643
28,628	21,422	29,376	Unused credit lines for customers	41,591	31,345	38,652
18,535	17,783	22,041	Approved loan commitments	22,041	17,783	18,535
65,776	58,665	**68,921**	**Total financial commitments**	**81,171**	68,622	75,829
			Other guarantees issued and liabilities			
15,299	9,109	14,717	Unused credit lines for financial institutions	0	0	0
501	500	501	Guarantees other	501	500	501
3	1	3	Letters of credit	3	1	3
15,803	9,609	**15,221**	**Total other guarantees issued and liabilities**	**504**	501	504

1) FVOCI - Fair value other comprehensive income

2) Financial liabilities not on the balance sheet that are the basis for impairments

(continued from Note 6)

Parent bank

2025 **Loans to customers by industry and stages**	**Gross loans at amortised cost**	**Loans at fair value**	**Stage 1**	**Stage 2**	**Stage 3**	**Net loans 30.06.25**
Aquaculture	5,384	24	-13	-3	-19	5,373
Industry	5,316	135	-8	-22	-32	5,389
Agriculture/forestry	5,985	3,139	-3	-5	-8	9,107
Financial and insurance services	9,153	8	-34	-19	-78	9,029
Administrative and support services	7,136	203	-21	-17	-44	7,257
Other service industry	10,089	1,421	-41	-32	-64	11,374
Wholesale and retail trade, hotels and restaurants	4,014	363	-9	-19	-42	4,307
Offshore, oil and gas E&P	3,812	0	-7	-3	0	3,802
Oilservices	1,755	4	-8	-9	-90	1,652
Building and construction	13,966	561	-31	-46	-136	14,315
Renewable energy, water, and waste collection	5,948	14	-19	-4	-9	5,930
Commercial real estate	51,355	604	-94	-188	-107	51,570
Shipping	6,316	0	-8	-2	0	6,306
Other transport	2,917	262	-6	-13	-4	3,156
Total corporate market	133,146	6,739	-303	-382	-632	**138,568**
Retail customers	5,447	122,932	-16	-67	-105	**128,191**
Mortgages at FVOCI [1)]			27			27
Loans to customers	138,593	129,671	-292	-449	-736	**266,786**

2024 Loans to customers by industry and stages	Gross loans at amortised cost	Loans at fair value	Stage 1	Stage 2	Stage 3	Net loans 30.06.24
Aquaculture	5,113	20	-14	-4	-14	5,101
Industry	4,417	47	-12	-5	-13	4,434
Agriculture/forestry	4,348	2,258	-1	-4	-0	6,601
Financial and insurance services	8,303	5	-26	-22	-44	8,216
Administrative and support services	4,999	74	-34	-11	-93	4,934
Other service industry	8,901	472	-37	-23	-107	9,206
Wholesale and retail trade, hotels and restaurants	3,816	157	-8	-9	-71	3,886
Offshore, oil and gas E&P	5,404	1	-11	-4	-7	5,383
Oilservices	3,174	2	-6	-26	-56	3,089
Building and construction	12,315	209	-27	-26	-106	12,365
Renewable energy, water, and waste collection	5,346	9	-10	-5	-7	5,333
Commercial real estate	36,183	133	-60	-98	-35	36,123
Shipping	5,949	0	-4	-0	0	5,946
Other transport	2,709	99	-6	-14	-3	2,785
Total corporate market	110,978	3,485	-254	-251	-556	113,402
Retail customers	4,618	57,208	-8	-38	-64	61,716
Mortgages at FVOCI [1)]			8			8
Loans to customers	115,597	60,693	-255	-289	-620	175,125

(continued from Note 6)

Group

2025 **Loans to customers by industry and stages**	**Gross loans at amortised cost**	**Loans at fair value**	**Stage 1**	**Stage 2**	**Stage 3**	**Net loans 30.06.25**
Aquaculture	5,408	0	-13	-3	-19	5,373
Industry	5,432	20	-8	-23	-32	5,388
Agriculture/forestry	8,518	606	-3	-6	-8	9,107
Financial and insurance services	9,157	3	-34	-19	-78	9,029
Administrative and support services	7,318	21	-21	-17	-44	7,257
Other service industry	11,249	104	-41	-32	-64	11,216
Wholesale and retail trade, hotels and restaurants	4,345	33	-9	-19	-42	4,307
Offshore, oil and gas E&P	3,812	0	-7	-3	0	3,802
Oilservices	1,759	0	-8	-9	-90	1,652
Building and construction	14,481	46	-31	-46	-136	14,314
Renewable energy, water, and waste collection	5,957	4	-19	-4	-9	5,930
Commercial real estate	51,806	153	-94	-188	-107	51,570
Shipping	6,316	0	-8	-2	0	6,306
Other transport	3,163	16	-6	-13	-4	3,156
Total corporate market	138,721	1,007	-304	-383	-632	**138,409**
Retail customers	235,582	12,320	-24	-91	-106	**247,681**
Mortgages at FVOCI [1)]			14			14
Loans to customers	374,303	13,326	-314	-474	-738	**386,104**

2024 Loans to customers by industry and stages	Gross loans at amortised cost	Loans at fair value	Stage 1	Stage 2	Stage 3	Net loans 30.06.24
Aquaculture	5,133	0	-14	-4	-14	5,101
Industry	4,456	8	-12	-5	-13	4,434
Agriculture/forestry	6,021	585	-1	-4	-0	6,601
Financial and insurance services	8,330	-22	-26	-22	-44	8,216
Administrative and support services	5,064	9	-34	-12	-93	4,934
Other service industry	9,160	58	-37	-24	-108	9,049
Wholesale and retail trade, hotels and restaurants	3,937	37	-8	-9	-71	3,886
Offshore, oil and gas E&P	5,405	0	-11	-4	-7	5,383
Oilservices	3,176	0	-6	-26	-56	3,088
Building and construction	12,501	23	-27	-27	-106	12,365
Renewable energy, water, and waste collection	5,350	5	-10	-5	-7	5,333
Commercial real estate	36,234	82	-60	-98	-35	36,123
Shipping	5,949	0	0	-4	-0	5,946
Other transport	2,808	-3	0	-6	-14	2,785
Total corporate market	113,523	782	-244	-249	-567	113,244
Retail customers	163,635	6,679	-18	-72	-65	170,159
Loans to customers	277,158	7,460	-262	-321	-632	283,403

(continued from Note 6)

Parent bank

Gross loans per stage	01.01.25 - 30.06.25 Stage 1	Stage 2	Stage 3	Total	01.01.24 - 30.06.24 Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	238,463	26,859	2,643	267,965	152,119	17,298	2,483	171,900
Transfer to (from) stage 1	-5,056	3,992	1,064	0	-3,958	3,789	169	0
Transfer to (from) stage 2	3,025	-3,247	222	0	2,385	-2,533	148	0
Transfer to (from) stage 3	1	41	-42	0	345	68	-414	0
Net increase/(decrease) balance existing loans	15,622	1,584	17	17,223	5,412	337	134	5,883
Originated or purchased during the period	78,164	1,378	378	79,920	42,953	882	529	44,364
Loans that have been derecognised	-87,323	-7,727	-1,793	-96,843	-41,102	-3,978	-777	-45,857
Gross loans 30.06	242,896	22,879	2,489	**268,264**	158,154	15,863	2,272	176,289
Financial commitments per stage 1) 2)								
Financial commitments 01.01.	62,209	3,388	180	65,776	44,499	2,832	785	48,116
Net increase / (decrease) during period	4,743	-1,593	-5	3,145	11,817	-668	-601	10,548
Financial commitments 30.06	66,952	1,794	175	**68,921**	56,315	2,165	184	58,665

Group

Gross loans per stage	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	339,919	33,076	2,683	375,678	246,544	22,935	2,522	272,001
Transfer to (from) stage 1	-6,750	5,670	1,080	0	-6,036	5,864	172	0
Transfer to (from) stage 2	4,560	-4,782	222	0	3,757	-3,910	153	0
Transfer to (from) stage 3	1	42	-43	0	350	89	-439	0
Net increase/(decrease) balance existing loans	20,768	1,728	17	22,512	7,398	481	134	8,012
Originated or purchased during the period	109,509	1,900	387	111,796	49,656	870	520	51,046
Loans that have been derecognised	-111,111	-9,422	-1,823	-122,357	-41,502	-4,174	-762	-46,438
Gross loans 30.06	356,895	28,211	2,523	**387,629**	260,167	22,155	2,299	284,621
Financial commitments per stage 1) 2)								
Financial commitments 01.01.	71,672	3,974	183	75,829	53,242	3,353	789	57,384
Net increase / (decrease) during period	4,743	-1,593	-5	5,342	12,450	-611	-601	11,237
Financial commitments 30.06	78,513	2,479	179	**81,171**	65,692	2,742	187	68,622

1) Other financial liabilities include guarantees, undrawn credit and loan commitments

2) Financial liabilities provide the basis for impairment losses under IFRS 9

Note 7 Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU's capital requirements for banks and securities undertakings (CRD IV/CRR).SpareBank 1 Sør-Norge has permission from the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk. The use of IRB requires the bank to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems. The total requirement for SpareBank 1 Sør-Norge ASA's Common Equity Tier 1 capital ratio was 17.55% at the end of the second quarter of 2025.

Parent bank				Group		
31.12.24	**30.06.24**	**30.06.25**		**30.06.25**	**30.06.24**	**31.12.24**
9,386	6,607	9,386	Share capital	9,386	6,607	9,386
14,719	2,354	14,719	Premium reserve	14,719	2,354	14,719
3,191	0	0	Allocated to dividend	0	0	3,191
4,300	3,525	4,000	Hybrid capital	4,000	3,525	4,300
17,417	19,068	20,455	Other equity	24,325	21,638	21,041
49,013	31,554	**48,560**	**Total equity**	**52,430**	34,124	52,637
			Deductions			
-3,569	-70	-3,569	Deferred taxes, goodwill and other intangible assets [1]	-5,664	-1,289	-5,677
-3,191	0	0	Deduction for allocated dividends	0	0	-3,191
-481	-449	-440	Deduction in expected losses IRB less loss provisions	-649	-688	-792
-6	-5	-7	Insufficient coverage for non-performing exposures	-7	-5	-6
-4,300	-3,525	-4,000	Hybrid capital that cannot be included in CET 1 capital	-4,000	-3,525	-4,300
0	-1,115	-1,689	Profit for the period that cannot be included in total Tier 1 capital	-1,983	-1,236	-166
0	0	0	Deduction for CET 1 capital in essential investments in financial institutions	0	0	0
-496	-320	-496	Deduction for CET 1 capital in not essential investments in financial institutions	-396	-232	-409
-85	-75	-99	Value adjustments due to the requirements for prudent valuation	-106	-91	-95
36,884	25,996	**38,260**	**Common equity Tier 1 capital**	**39,624**	27,059	38,001
4,300	3,525	4,000	Hybrid capital	4,386	3,730	4,712
0	0	0	Hybrid capital that cannot be included in Tier 1 capital	0	0	0
-78	-48	-49	Deduction for essential investments in financial institutions	-49	-48	-78
41,106	29,472	**42,212**	**Tier 1 capital**	**43,961**	30,740	42,635
			Tier 2 capital			
5,617	3,972	5,617	Term subordinated loan capital	6,194	4,310	6,215
-260	-195	-236	Deduction for essential investments in financial institutions	-236	-195	-260
5,357	**3,777**	**5,381**	**Tier 2 capital**	**5,957**	4,115	5,955
46,463	**33,249**	**47,592**	**Own funds**	**49,918**	34,855	48,589

(continued from Note 7)

Parent bank				Group		
31.12.24	**30.06.24**	**30.06.25**		**30.06.25**	**30.06.24**	**31.12.24**
91,534	83,548	71,863	Credit risk, IRB approach	97,308	98,559	107,586
73,606	37,677	84,121	Credit risk, standardised approach	79,826	39,751	81,257
			Settlement risk	0	5	0
			Debt risk	8	7	6
			Equity risk	455	93	120
			Foreign Exchange risk	26	31	12
930	597	50	Credit value adjustment risk (CVA)	633	729	1,443
14,942	8,903	13,977	Operational risk	19,972	13,386	20,526
0	0	0	Other risk exposures [2)]	14,466	654	0
181,013	130,726	**170,011**	**Total risk exposure amount**	**212,696**	153,214	210,950
8,146	5,883	7,650	Minimum requirement for common equtiy Tier 1 capital ratio 4.5 %	9,571	6,895	9,493
			Buffer requirement			
4,525	3,268	4,250	Capital conservation buffer 2.5 %	5,317	3,830	5,274
8,091	5,846	7,582	Systemic risk buffer 4.5 %	9,486	6,849	9,408
4,507	3,255	4,233	Countercyclical capital buffer 2.5 %	5,296	3,830	5,274
1,810	0	1,700	Systemic risk buffer 1,0%	2,127	0	2,109
18,934	12,369	17,766	Total buffer requirement to common equity Tier 1 capital ratio	22,227	14,509	22,065
9,805	7,744	12,844	Available common equity Tier 1 capital ratio after buffer requirement	7,826	5,655	6,443
20.38%	19.89%	22.50%	Common equity Tier 1 capital ratio	18.63%	17.66%	18.01%
22.71%	22.55%	24.83%	Tier 1 capital ratio	20.67%	20.06%	20.21%
25.67%	25.43%	27.99%	Capital ratio	23.47%	22.75%	23.03%
10.48%	9.85%	10.18%	Leverage Ratio	7.33%	7.33%	7.67%

1) Common equity Tier 1 capital is affected by deductions linked to deferred tax assets (DTA). In addition, the total risk exposure amount under the item other assets is affected. DTA arise due to temporary differences between accounting and tax results.These differences will even out over time, but can significantly impact taxes payable and DTA recognised in the the balance sheet in certain periods, and thereby negativly affect the capital adequacy.

2) Risk weights for residential mortgages are subject to a regulatory floor of 20%.

Note 8 Financial derivatives

Group	30.06.25		
	Contract amount	Fair value at	
At fair value through profit and loss		**Assets**	**Liabilities**
Currency instruments			
Currency futures (forwards)	3,397	54	83
Currency swaps	11,953	184	59
Currency swaps (basis swaps)	77,755	1,352	109
Currency swaps (basis swaps hedging)	38,762	616	0
Currency options	0	0	0
Total currency instruments	**131,866**	**2,206**	**252**
Interest rate instruments			
Interest rate swaps	100,984	1,705	1,196
Other interest rate contracts	7,197	8	8
Total interest rate instruments	**108,181**	**1,712**	**1,203**
Interest rate instruments, hedging			
Interest rate swaps	170,394	1,720	5,350
Total interest rate instruments, hedging	**170,394**	**1,720**	**5,350**
Security			
Security		5,404	1,840
Totalt security		**5,404**	**1,840**
Total currency and interest rate instruments			
Total currency instruments	131,866	2,206	252
Total interest rate instruments	278,575	3,432	6,554
Total collateral		5,404	1,840
Total financial derivatives	**410,441**	**11,042**	**8,646**
Counterparty risk:			
Netting agreements		2,947	
Considered collateral		7,244	
Total exposure to financial derivatives		**850**	

Counterparty risk associated with derivatives is reduced via ISDA agreements and CSA supplements. The CSA supplement regulates the counterparty risk through payments of margins in relation to exposure limits.

Note 9 Securities issued, non-preferred bonds and subordinated loan

Group

Change in debt raised through securities issued	30.06.25	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.24
Bonds and certificates, nominal value	75,601	1,989	-4,626	182	78,057
Covered bonds, nominal value	119,176	18,611	-5,392	505	105,451
Adjustments and accrued interests	-2,000			658	-2,658
Total debt raised through securities issued	**192,777**	20,600	-10,018	1,345	180,850

Change in debt raised by issuing non-preferred senior debts	30.06.25	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.24
Senior non-preferred bonds	22,615	0	0	85	22,530
Adjustments and accrued interests	276			267	9
Total senior non-preferred bonds	**22,891**	0	0	352	22,539

Change in debt raised through subordinated loan capital issued	30.06.25	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.24
Term subordinated loan capital, nominal value	5,736	0	0	2	5,735
Adjustments and accrued interests	38			-3	41
Total additional Tier 1 and Tier 2 capital instruments	**5,774**	0	0	-2	5,776

Note 10 Segment reporting

The executive management team has assessed which segments are reportable based on the form of distribution, products and customers. The primary reporting format is based on the risk and returnprofile of the assets, and it is divided between retail market, corporate market and SME & agriculture. Other activities covers all staff departments including treasury, subsidiaries and associated companies.

SpareBank 1 Sør-Norge Group Q2

Income statement (MNOK)	Retail market		Corporate market		SME & agriculture		Other activities		Eliminations		Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net interest income [1]	865	595	602	566	397	247	450	322	-4	-2	2,310	1,726
Net commission and other income	276	175	94	104	66	37	447	248	-24	-19	858	544
Net income on investment securities	7	6	22	15	15	10	329	118	0	0	373	148
Total net income	1,148	775	717	685	478	294	1,225	687	-28	-22	3,540	2,419
Total operating expenses	191	151	39	41	43	27	1,168	647	-28	-22	1,414	844
Operating profit before losses	957	624	677	644	435	267	57	41	0	0	2,126	1,575
Impairment losses on loans and other financial liabilities	-8	25	33	85	52	-7	-0	0	0	0	76	103
Pre-tax profit	**965**	**599**	**645**	**559**	**383**	**274**	**57**	**41**	**0**	**0**	**2,050**	**1,472**

SpareBank 1 Sør-Norge Group 01.01 - 30.06

Income statement (MNOK)	Retail market		Corporate market		SME & agriculture		Other activities		Eliminations		Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net interest income [1]	1,667	1,164	1,227	1,121	790	496	942	680	-6	-5	4,620	3,456
Net commission and other income	538	329	199	200	131	73	823	460	-46	-37	1,645	1,024
Net income on financial investments	12	11	38	34	28	21	688	232	0	0	767	298
Total income	2,218	1,503	1,464	1,356	949	590	2,453	1,371	-52	-42	7,032	4,778
Total operating expenses	458	353	101	100	109	64	2,080	1,194	-52	-42	2,696	1,670
Operating profit before impairment	1,760	1,151	1,364	1,256	839	525	373	177	0	0	4,336	3,108
Impairment losses on loans and other financial liabilities	-71	37	70	42	100	59	-0	0	0	0	100	138
Pre-tax profit	**1,830**	**1,114**	**1,293**	**1,214**	**740**	**466**	**373**	**177**	**0**	**0**	**4,236**	**2,971**
Balance sheet items (MNOK)												
Loans to customers	243,395	166,674	96,661	91,114	40,649	22,758	7,082	4,230	-158	-156	387,629	284,621
Loans transferred to SB1 Bolig- og Næringskreditt	22,887		344		1,319		542		0		25,092	
Loans to customers incl. SB1 Bolig- and Næringskreditt	266,282	166,674	97,005	91,114	41,967	22,758	7,624	4,230	-158	-156	412,721	284,621
Impairment provisions on loans	-215	-162	-793	-789	-517	-267	0	0	0	0	-1,525	-1,218
Deposits from customers	124,843	74,288	61,620	54,819	37,899	21,111	-543	5,000	-526	-243	223,293	154,975

1) Net interes income contains allocated arrangements between the segments. The interest on intercompany receivables for the retail market, corporate market and SME & agriculture is determined on the basis of expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long-term funding (credit premium). Deviations between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated in the parent bank.

Note 11 Net income/losses from financial investments

Parent bank						Group				
2024	01.01.24 - 30.06.24	01.01.25 - 30.06.25	Q2 2024	Q2 2025		Q2 2025	Q2 2024	01.01.25 - 30.06.25	01.01.24 - 30.06.24	2024
-7	42	77	4	23	Net gains/losses on equity instruments	52	-24	98	0	-76
103	-103	295	80	250	Net gains/lossses for bonds and certificates	250	81	294	-104	98
-213	131	-320	-46	-282	Net derivatives bonds and certificates	-282	-46	-320	131	-213
-0	0	1	1	0	Net counterparty risk, inclusive of CVA	0	1	1	0	-0
11	2	3	4	11	Net derivatives other assets	11	4	3	2	11
31	-15	-27	-4	-41	Net derivatives liabilities	-60	0	-24	-14	15
-89	32	51	54	-10	Net derivatives basis swap spread	8	-51	88	-86	-251
264	115	124	57	65	Net gain/losses currency	65	57	124	115	264
-130	-49	-46	-24	-27	Share of income to SB1 Markets	-27	-24	-46	-49	-130
-31	157	**158**	125	**-10**	**Net gains/losses on financial instruments**	**18**	-4	**219**	-4	-282

99	99	436	99	117	Income from investments in associates [1)]	256	120	449	263	1,140
178	177	323	177	323	Income from investments in subsidiaries	0	0	0	0	0
277	276	**759**	276	**440**	**Income from ownership interests**	**256**	120	**449**	263	1,140

1) In 2024 the group recognised its share of SpareBank 1 Gruppen's profit of NOK 452 million from the merger of Fremtind Forsikring and Eika Forsikring

Note 12 Liquidity risk

Liquidity risk is the risk that the group is not able to refinance its debt or is not able to finance an increase in assets. The bank's framework for managing liquidity risk shall reflect the bank's conservative risk profile. The board has adopted internal limits such that the bank has as balanced a maturity structure for its borrowing as possible. Stress testing is conducted for the various terms of maturity for bank-specific crises, system crises and combinations of these. A contingency plan has also been put in place to manage liquidity crises. The average remaining term to maturity in the portfolio of senior bond funding and covered bonds was 3.6 years at the end of the second quarter of 2025. The total LCR was 209% at the end of the second quarter, and the average total LCR was 187% in the quarter. The LCR in NOK and EUR at the end of the quarter was 161% and 1,272%, respectively.

Note 13 Information about fair value

Group

The table below shows financial instruments at fair value according to their valuation method. The different levels are defined as follows:

Level 1: Listed price in an active market for an identical asset or liability

Level 2: Valuation based on observable factors other than listed price (used in level 1) either direct (price) or indirect (deduced from prices) for the asset og liability.

Level 3: Valuation based on factors not obtained from observable markets (non-observable assumptions)

Fair value 30.06.25	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Net lending to customers [1]			13,326	13,326
Commercial paper and bonds	45,176	21,613		66,789
Financial derivatives		11,042		11,042
Equities, units and other equity interests	556	85	1,835	2,475
Liabilities				
Financial derivatives		8,646		8,646
[1] Net lending to customers in parent bank, level 3			129,671	

Fair value 30.06.24	Level 1	Level 2	Level 3	Total
Assets				
Net lending to customers [1]			7,496	7,496
Commercial paper and bonds	32,716	20,014		52,730
Financial derivatives		15,049		15,049
Equities, units and other equity interests	335	14	350	699
Liabilities				
Financial derivatives		12,569		12,569
No transfers between levels 1 and 2				
1) Net lending to customers in parent bank, level 3			60,693	

Change in holding during the financial year of assets valued on the basis of factors other than observable market data (level 3)

Group	**Loans to customers**	**Shares, ownership stakes and other securities**
Balance 01.01	13,891	2,050
Additions	805	11
Disposals	-1,576	-207
Change in value [1]	205	-20
Balance 30.06.25	13,326	1,835
Nominal value/cost price	13,568	1,917
Fair value adjustment	-242	-83
Balance 30.06.25	13,326	1,835

1) Value changes are recognised in net income from financial instruments. Other assets are measured using various methods such as last known transaction price, earnings per share, dividend per share, EBITDA and discounted cash flows. Fixed-rate loans are measured on the basis of the interest rate agreed with the customer. Loans are discounted using the applicable having taken into account a market premium, which is adjusted for the profit margin. The conducted sensitivity analyses indicate an increas in the discount rate of 10 basis points would have a negative effevt on the result amounting to NOK 32 million.

(continued from Note 13)

Fair value of financial instruments at amortised cost

	30.06.25	
Group	**Balance**	**Fair value**
Assets		
Cash and balances with central banks	819	819
Balances with credit institutions [1]	20,959	20,959
Loans to customers [1]	372,778	372,778
Certificates and bond	7,102	7,091
Total assets at amortised cost	**401,658**	**401,647**
Liabilities		
Balances with credit institutions [1]	2,748	2,748
Deposits from customers [1]	223,293	223,293
Listed debt securities	192,777	193,057
Senior non-preferred bonds	22,891	23,224
Subordinated loan capital	5,774	6,148
Total liabilities at amortised cost	**447,483**	**448,471**

1) Loans and deposits at amortised cost, amount to book value best estimate at fair value

Note 14 Pro forma results

Pro forma result is the result of SpareBank 1 SR-Bank og SpareBank 1 Sørøst-Norge combined, as if the merger had occurred on January 1, 2023

The income statement and balance sheet figures after 1 October 2024 are actual figures.

Pro forma results

SpareBank 1 Sør-Norge Group	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Interest income	6,938	6,864	6,980	7,066	6,936	6,749	6,605	6,126	5,322
Interest expenses	4,628	4,554	4,688	4,758	4,673	4,493	4,346	4,007	3,408
Net interest income	**2,310**	2,310	2,293	2,308	2,262	2,256	2,258	2,119	1,914
Commission income	893	815	826	726	821	710	709	735	793
Commission expenses	42	33	41	36	42	39	58	38	38
Other operating income	7	5	4	3	4	5	5	4	8
Net commission and other income	**858**	787	789	694	782	676	656	701	763
Dividends	99	0	26	23	46	63	27	1	40
Income from ownership interests	256	193	223	819	136	174	90	57	65
Net gains/losses on financial instruments	18	201	-124	-99	-9	29	367	-39	57
Net income on financial investments	**373**	394	125	743	173	266	484	19	163
Total income	**3,540**	3,492	3,206	3,745	3,217	3,198	3,399	2,839	2,840
Salaries and other personell expense	799	774	811	749	708	702	800	697	662
Other operating expenses	555	451	506	463	429	403	464	355	412
Depreciation and impairment of fixed and intangible assets	60	57	59	56	55	56	57	55	55
Total operating expenses	**1,414**	1,282	1,376	1,268	1,193	1,161	1,321	1,107	1,130
Operating profit before impairment	2,126	2,209	1,830	2,478	2,025	2,037	2,077	1,732	1,710
Impairment losses on loans and financial commitments	76	23	90	166	98	59	-132	-60	-132
Pre-tax profit	**2,050**	2,186	1,741	2,312	1,927	1,977	2,209	1,792	1,842
Tax expense	382	449	350	353	417	398	405	427	427
Profit after tax	**1,668**	1,737	1,390	1,959	1,510	1,580	1,804	1,365	1,415

(continued from Note 14)

SpareBank 1 Sør-Norge Group	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Profitability									
Return on equity [1]	12.9 %	13.5 %	10.9 %	16.9 %	13.3 %	13.8 %	16.5 %	12.9 %	13.9 %
Return on equity adjusted for goodwill from merger and merger costs [1]	14.4 %	14.7 %	12.3 %	17.5 %	13.4 %	13.9 %	16.8 %	12.9 %	13.9 %
Cost-income ratio	39.9 %	36.7 %	42.9 %	33.8 %	37.1 %	36.3 %	38.9 %	39.0 %	39.8 %
Average net interest margin [1]	1.86%	1.92%	1.91%	1.93%	1.92%	1.97%	1.98%	1.85%	1.69%
Average net interest margin incl. transfers to credit institutions [1]	1.79%	1.84%	1.82%	1.84%	1.83%	1.86%	1.86%	1.75%	1.61%
Statement of financial position figures									
Gross lending to customers	387,629	379,310	375,678	367,834	361,802	354,032	344,864	341,643	336,643
Gross lending to customers incl. transfers to credit institutions	412,721	408,435	405,062	397,251	391,244	383,676	377,206	374,524	369,559
Growth in loans over last 12 months	7.1 %	7.1 %	8.9 %	7.7 %	7.5 %	7.4 %	5.8 %	5.9 %	6.2 %
Growth in loans incl. transfers to credit institutions over last 12 months [1]	5.5 %	6.5 %	7.4 %	6.1 %	5.9 %	5.8 %	5.3 %	5.8 %	6.2 %
Deposits from customers	223,293	210,778	204,006	203,514	212,687	205,856	204,260	206,403	207,930
Deposit growth in the past 12 months [1]	5.0 %	2.4 %	−0.1 %	−1.4 %	2.3 %	−0.7 %	0.5 %	3.2 %	2.5 %
Total assets	513,420	488,597	479,336	472,127	477,417	469,882	452,189	453,704	453,155
Total assets, incl. transfers to credit institutions	538,512	517,722	508,720	501,560	506,858	499,526	484,531	486,585	486,072
Staffing									
Number of man-years	2,302	2,323	2,309	2,297	2,250	2,231	2,281	2,257	2,206
SpareBank 1 Sør-Norge share									
Earnings per share, NOK	4.23	4.37	3.48	4.99	3.86	4.01	4.64	3.47	3.67

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

Note 15 Events after the balance sheet date

No material events have been registered after June 30, 2025 that affect the interim financial statements as prepared.

Quarterly overview

SpareBank 1 Sør-Norge Group, MNOK	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2023	Q4 2023	Q3 2023	Q2 2023
Interest income	6,938	6,864	6,980	5,731	5,622	5,482	5,355	4,961	4,308
Interest expense	4,628	4,554	4,688	3,962	3,895	3,752	3,639	3,365	2,884
Net interest income	**2,310**	2,310	2,293	1,768	1,726	1,729	1,715	1,596	1,424
Commission income	893	815	826	492	571	503	502	518	545
Commission expenses	42	33	41	21	28	26	39	24	25
Other operating income	7	5	4	2	1	3	2	2	2
Net commission and other income	**858**	787	789	473	544	480	465	496	522
Dividends	99	0	26	14	33	6	8	1	25
Income from ownership interests	256	193	223	655	120	143	93	47	53
Net gains/losses on financial instruments	18	201	-124	-154	-4	1	377	-37	32
Net income on financial investments	**373**	394	125	514	148	149	478	11	109
Total income	**3,540**	3,492	3,206	2,755	2,419	2,359	2,659	2,103	2,055
Salaries and other personell expense	799	774	811	532	513	508	570	513	488
Other operating expenses	555	451	506	316	289	275	322	231	289
Depreciation and impairment of fixed and intangible assets	60	57	59	43	42	43	43	41	41
Total operating expenses	**1,414**	1,282	1,376	891	844	826	935	786	817
Operating profit before impairment	2,126	2,209	1,830	1,864	1,575	1,533	1,724	1,317	1,238
Impairment losses on loans and financial commitments	76	23	90	160	103	35	-91	-78	-98
Pre-tax profit	**2,050**	2,186	1,741	1,704	1,472	1,498	1,815	1,396	1,336
Tax expense	382	449	350	254	311	307	311	334	308
Profit after tax	**1,668**	1,737	1,390	1,450	1,162	1,191	1,503	1,062	1,028
Profitability									
Return on equity per quarter [1)]	12.9 %	13.5 %	10.9 %	17.5 %	14.6 %	14.6 %	19.7 %	14.5 %	14.6 %
Return on equity adjusted for goodwill from merger and merger costs [1)]	14.4 %	14.7 %	12.3 %						
Cost to income ratio [1)]	39.9 %	36.7 %	42.9 %	32.3 %	34.9 %	35.0 %	35.2 %	37.4 %	39.8 %
Cost to income ratio Banking Group [1)]	39.1 %	34.6 %	38.0 %	34.3 %	32.0 %	30.9 %	34.9 %	31.4 %	34.7 %
Average net interest margin [1)]	1.86%	1.92%	1.91%	1.84%	1.82%	1.88%	1.87%	1.74%	1.56%
Average net interest margin incl. transfers to credit institutions [1)]	1.79%	1.84%	1.91%	1.84%	1.82%	1.88%	1.87%	1.74%	1.56%
Balance sheet figures from quarterly accounts									
Gross loans to customers	387,629	379,310	375,678	289,320	284,621	278,184	272,001	269,566	264,882
Gross loans to customers incl. transfers to credit institutions	412,721	408,435	405,062	289,320	284,621	278,184	272,001	269,566	264,882
Growth in loans over last 12 months [1)]	36.2 %	36.4 %	38.1 %	7.3 %	7.5 %	7.7 %	7.5 %	8.6 %	9.1 %
Growth in loans incl. transfers to credit institutions [1)]	45.0 %	46.8 %	48.9 %	7.3 %	7.5 %	7.7 %	7.5 %	8.6 %	9.1 %
Deposits from customers	223,293	210,778	204,006	146,478	154,975	150,706	149,076	150,534	150,758
Growth in deposits over last 12 months [1)]	44.1 %	39.9 %	36.8 %	−2.7 %	2.8 %	−0.9 %	0.7 %	4.5 %	3.5 %
Total assets	513,420	488,597	479,336	380,039	382,744	377,005	362,186	362,823	361,765
Average total assets	498,404	487,807	478,522	382,817	380,779	370,420	363,936	363,341	366,957
Impairments on loans and financial commitments									
Impairment ratio, annualized [1)]	0.08%	0.03%	0.11%	0.22%	0.15%	0.05%	−0.13%	−0.12%	−0.15%

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Loans and financial commitments in Stage 2 and Stage 3									
Loans and financial commitments in Stage 2 in % of gross loans and financial commitments 1)	6.55%	7.31%	8.21%	8.27%	7.05%	7.30%	7.98%	8.24%	6.56%
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments 1)	0.58%	0.55%	0.63%	0.62%	0.70%	0.82%	1.01%	1.10%	1.02%
Solidity									
Common equity Tier 1 capital ratio	18.63%	18.29%	18.01%	17.75%	17.66%	17.62%	17.61%	17.88%	17.83%
Tier 1 capital ratio	20.67%	20.13%	20.21%	20.56%	20.06%	19.70%	19.72%	20.11%	19.90%
Capital ratio	23.47%	22.93%	23.03%	23.84%	22.75%	22.05%	21.58%	22.03%	21.89%
Tier 1 capital	43,961	42,692	42,635	31,675	30,740	29,833	28,864	27,809	27,291
Net primary capital	49,918	48,629	48,589	36,731	34,855	33,391	31,587	30,465	30,022
Risk weighted balance	212,696	212,064	210,950	154,075	153,214	151,404	146,371	138,291	137,165
Leverage ratio	7.3 %	7.5 %	7.7 %	7.5 %	7.3 %	7.1 %	7.2 %	7.1 %	7.0 %
Liquidity									
Liquidity Coverage Ratio (LCR) 2)	209%	163%	189%	172%	204%	216%	207%	191%	215%
Deposit to loan ratio 1)	57.6 %	55.6 %	54.3 %	50.6 %	54.4 %	54.2 %	54.8 %	55.8 %	56.9 %
Deposit to loan incl. transfers to credit institutions ratio 1)	54.1 %	51.6 %	50.4 %	50.6 %	54.4 %	54.2 %	54.8 %	55.8 %	56.9 %
Branches and staff									
Number of branches	55	55	55	36	36	36	36	36	36
Number of man-years	2,302	2,323	2,309	1,625	1,590	1,578	1,637	1,616	1,571
Number of man-years including temps	2,381	2,387	2,364	1,676	1,663	1,627	1,686	1,667	1,636
SpareBank 1 Sør-Norge share									
Market price at end of quarter	185.40	169.40	146.60	136.20	130.60	136.00	128.90	122.70	130.10
Market capitalisation (MNOK)	69,610	63,602	55,042	35,993	34,514	35,941	34,064	31,381	33,273
Number of shares issued, millions	375.46	375.46	375.46	264.27	264.27	264.27	264.27	255.75	255.75
Book equity per share 1)	129.00	133.29	128.77	120.90	115.81	119.30	115.07	109.57	105.73
Earnings per share, NOK (annualised)	4.23	4.37	3.48	5.19	4.20	4.26	5.48	3.94	3.90
Price/earnings per share 1)	10.93	9.55	10.58	6.60	7.74	7.95	5.93	7.85	8.31
Price / Book equity (group) 1)	1.44	1.27	1.14	1.13	1.13	1.14	1.12	1.12	1.23
Turnover rate in quarter 3)	4.8 %	4.9 %	4.2 %	3.5 %	4.0 %	2.8 %	6.8 %	2.7 %	4.0 %
Effective return 4)	14.5 %	15.6 %	7.6 %	4.3 %	1.5 %	5.5 %	5.1 %	−5.7 %	13.3 %

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

2) High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

3) Turnover of the share during the period, measured as a percentage of the number of outstanding shares

4) Percentage change in the market price in the last period, including paid share dividend

Contact information and financial calendar

Group management

Inge Reinertsen
CEO

+47 909 95 033
inge.reinertsen@sr-bank.no

Eirik Børve Monsen
CFO

+47 916 39 831
eirik.monsen@sr-bank.no

Investor Relations

Morten Forgaard
EVP Finance / IR

+47 916 21 425
morten.forgaard@sr-bank.no

Address

Christen Tranes Gate 35
P.O. Box 250, N-4068 Stavanger

Contact info

Tel. +47 915 02002
www.sr-bank.no

Financial calendar 2025

Q3 2025: Thursday, 30 October 2025
Q4 2025: Thursday, 12 February 2026

SpareBank 1 SØR-NORGE