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The business and research communities in our county have a long tradition of working together. Ålesund University College was recently named a 'centre for research-driven innovation'. The university college and its partners will help the maritime industry develop through commercially oriented research. Utilising the enormous maritime area and technological developments within marine and maritime industries offer great opportunities. Research and innovation will lead the technology-based businesses in the maritime cluster into a new era.

# Financial highlights - Group

## Income statement

(NOK million)	Q4 2014	%	Q4 2013	%	2014	%	2013	%
Net interest income	282	2.03	281	2.10	1 093	2.01	1 042	2.00
Net commission and other operating income	48	0.34	43	0.32	180	0.33	174	0.34
Net return from financial investments	-7	-0.05	13	0.10	135	0.25	28	0.05
Total income	323	2.32	337	2.52	1 408	2.59	1 244	2.39
Operating costs	136	0.98	127	0.95	564	1.04	569	1.09
Profit before losses	187	1.34	210	1.57	844	1.55	675	1.30
Losses on loans, guarantees etc.	7	0.05	26	0.19	22	0.04	54	0.10
Pre tax profit	180	1.29	184	1.38	822	1.51	621	1.20
Taxes	53	0.38	53	0.40	199	0.36	171	0.33
Profit after tax	127	0.91	131	0.98	623	1.15	450	0.87

## Statement of financial position

(NOK million)	31.12.14	% change during last 12 months	31.12.13
Total assets	56 305	3.1	54 627
Average assets	54 455	4.5	52 104
Loans to and receivables from customers	48 884	5.7	46 241
Deposits from customers	28 389	1.1	28 068

## Key figures

	Q4 2014	Q4 2013	2014	2013
Return on equity (annualised)	11.0	12.7	14.0	11.6
Cost as a percentage of income	42.3	37.7	40.1	45.7
Losses as a percentage of loans 1.1/start of the period	0.06	0.23	0.05	0.12
Problem loans as a percentage of loans (after impairment)	0.51	0.80	0.51	0.80
Deposits to lending ratio as a percentage	58.1	60.7	58.1	60.7
Core capital as a percentage 1) 2)	14.40	15.48	14.40	15.48
Core tier 1 capital as a percentage 1) 2)	12.01	12.50	12.01	12.50
Man-years	383	391	383	391
EC (numbers refer to the Parent Bank):				
Profit per EC (Parent Bank) (NOK)	6.40	6.50	31.20	21.65
EC fraction 1.1 as a percentage (Parent Bank)/average for 2013	49.6	47.7	49.6	47.7
Price at Oslo Stock Exchange (NOK)	216	198	216	198
Price/Book value (P/B) (Group)	0.89	0.89	0.89	0.89

1) Standardized approach in Basel II for the mass market, IRB Foundation approach for the corporate market as of 30.06.14

2) Incl. proposed allocations

# Interim Report of the Board of Directors

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

Sparebanken Møre's pre-tax profit for 2014 was NOK 822 million, compared with NOK 621 million for 2013. Its total income was NOK 164 million higher than for 2013. The increase in total income was due to net interest income increasing by NOK 51 million, income from financial instruments increasing by NOK 107 million, NOK 94 million of which came from the profit from the sale of shares in Nets AS, and other operating income increasing by NOK 6 million. Compared with 2013, costs were NOK 5 million lower and losses on loans and guarantees were NOK 32 million lower.

The cost/income ratio was 40.1 % for 2014. This represents a decrease of 5.6 percentage points compared with 2013. The level of costs for the year-to-date is well within Sparebanken Møre's target of a maximum cost/income ratio of 50 %.

The profit after tax was NOK 624 million, NOK 174 million higher than for 2013. The year's result represents an annualised return on equity of 14.0%. Sparebanken Møre's strategic return on equity target is a minimum of 10% after tax. The earnings per equity certificate in 2014 amounted to NOK 31.20 compared with NOK 21.65 for 2013.

The lending volume increased by NOK 2,643 million or 5.7% in 2014, while deposits grew by NOK 321 million or 1.1%.

At year-end 2014, primary capital amounted to 15.82%, of which core tier 1 capital accounted for 12.01%.

The Board of Directors is well pleased with the result for 2014.

The Board of Directors recommends the Board of Trustees to pay a cash dividend of NOK 13.50 per equity certificate (NOK 133 million) and set aside NOK 136 million for dividend funds for local communities. In total this represents 43% of group profit for 2014.

## RESULTS FOR Q4 2014

The profit after tax for the fourth quarter of 2014 amounted to NOK 128 million, or 0.91% of average total assets, compared to NOK 131 million, or 0.98%, for the corresponding quarter of last year. The return on equity in the fourth quarter of 2014 was 11.0%, compared to 12.7% for the fourth quarter of 2013.

## Net interest income

The net interest income of NOK 282 million was NOK 1 million higher than in the corresponding quarter of last year. This represents 2.03% of total assets, which is 0.07 percentage points lower than in the fourth quarter of 2013.

Net interest income has increased by 0.05 percentage points since the first quarter of 2014. The generally low level of interest rates in the market, combined with strong competition for both loans and deposits, is affecting the development of net interest income.

## Other operating income

Other operating income amounted to NOK 41 million, which is NOK 15 million lower than in the fourth quarter of last year. Other operating income accounted for 0.29% of average total assets, 0.13 percentage points lower than in the fourth quarter of 2013. Compared with the corresponding period last year, income from bonds, financial derivatives and equities fell by NOK 20 million and income from currency and interest transactions rose by NOK 7 million.

## Costs

Operating costs in the quarter amounted to NOK 136 million, which is NOK 9 million higher than in the same quarter last year. Personnel costs increased by NOK 8 million compared with the corresponding period last year and amounted to NOK 79 million. The Group's total workforce has been reduced by 8 full time equivalents in the last 12 months to 383 full time equivalents. Other operating costs were on a par with the fourth quarter of 2013.

The cost/income ratio for the fourth quarter of 2014 was 42.3%, which represents an increase of 4.6 percentage points compared with the fourth quarter of 2013.

## Impaired commitments

Losses on loans and guarantees of NOK 7 million were recorded in the quarter and losses were NOK 19 million lower than in the same period last year. The losses on loans and guarantees in the fourth quarter of 2014 were due to a NOK 17 million increase in group write-downs and a NOK 10 million reduction in the corporate segment. No losses from lending to retail customers were recorded in the quarter.

### Lending and deposit growth

Total assets grew by 3.1 % in relation to the third quarter of 2014 to NOK 56,305 million. Net lending to customers was up 3.2 % in relation to the previous quarter in 2014 to NOK 48,884 million, while deposits rose to NOK 28,389, which represents a rise of 0.9%. For further comments concerning volume trends in the last 12 months, please see the comments on 2014 as a whole below.

### RESULTS FOR 2014

The profit before losses on loans and guarantees amounted to NOK 844 million, or 1.55 % of average total assets, an increase of NOK 169 million in relation to 2013. The year's result includes NOK 94 million in profit from the sale of the shares in Nets AS. The profit after losses on loans and guarantees amounted to NOK 822 million (1.51 %) compared with NOK 621 million (1.20 %) in 2013. The profit after tax amounted to NOK 624 million, which corresponds to 1.15 % of average total assets in 2014, compared with NOK 450 million (0.87 %) last year.

The return on equity was 14.0% in 2014, compared with 11.6% in 2013. Sparebanken Møre's return on equity target is a minimum of 10% after tax.

Earnings per equity certificate in 2014 amounted to NOK 31.20 compared with NOK 21.65 for 2013.

### Net interest income

In total, net interest income amounted to NOK 1,093 million (NOK 1,042 million). In relation to average total assets, net interest income was 2.01 % (2.00). Net interest income accounted for 77.6 % of total income in 2014.

### Other operating income

Other operating income amounted to NOK 315 million (0.58 % of average total assets) in 2014. This is an increase of NOK 113

million compared with 2013. The increase is primarily attributable to the sale of the shares in Nets AS, which produced a profit of NOK 94 million, as well as capital gains on bond holdings of NOK 10 million, compared with capital losses of NOK 24 million in 2013.

### Costs

Total costs amounted to NOK 564 million, a reduction of NOK 5 million in relation to 2013. Personnel costs have increased by NOK 11 million and other costs were reduced by NOK 16 million in relation to 2013. The Group's total workforce was reduced by 8 full time equivalent positions in 2014 to 383 full time equivalents. IT costs were reduced by NOK 11 million and marketing costs were NOK 4 million lower compared with 2013. The total costs amounted to 1.04 % of average total assets in 2014, compared with 1.09 % in 2013.

The cost/income ratio amounted to 40.1 % in 2014, compared with 45.7 % in 2013. Sparebanken Møre's goal is to keep the cost/income ratio below 50%.

### Impaired commitments

The profit and loss account was charged NOK 22 million for losses on loans and guarantees in 2014, while in 2013 it was charged NOK 54 million. This amounted to 0.04 % of average total assets in 2014, compared with 0.10 % in 2013. The losses on loans and guarantees were due to a NOK 26 million increase in group write-downs, a NOK 5 million reduction in the cooperate segment, and a NOK 1 million increase in the retail market.

Total write-downs for losses at year-end 2014 amounted to NOK 307 million (NOK 306 million), which amounts to 0.63 % of gross lending (0.66 %). NOK 21 million of the individual specific provisions involved commitments in default for more than 90 days (NOK 35 million), which amounts to 0.04 %

of gross lending (0.08 %). NOK 120 million related to other commitments (NOK 131 million), which amounts to 0.25 % of gross lending (0.28 %). Collective write-downs amounted to NOK 166 million (NOK 140 million) or 0.34 % of gross lending (0.30 %).

Net impaired commitments (loans that have been in default for more than 90 days and loans that are not in default but which have been subject to an individual write-down for losses) show a reduction over the last 12 months of NOK 119 million. Net impaired commitments amounted to NOK 249 million, or 0.51 % of gross lending: NOK 185 million in the cooperative segment and NOK 64 million in the retail segment. At year-end 2013, net impaired commitments amounted to NOK 368 million or 0.80 % of gross lending: the corporate market accounted for NOK 284 million and the retail market NOK 84 million. Net commitments in default for more than 3 months at the end of 2014 amounted to NOK 65 million (NOK 117 million), which represents a reduction from 0.25 % at year-end 2013 to 0.13 % at year-end 2014.

### BALANCE SHEET

Total assets increased by NOK 1,678 million, or 3.1 %, in 2014 to NOK 56,305 million as at 31 December 2014. The change in total assets was affected by a reduction in holdings of short-term investments in securities and a reduction in holdings in Norges Bank during the year. There was no significant trading portfolio at year-end 2014.

### Lending

Net lending increased by NOK 2,643 million, or 5.7 %, to NOK 48,884 million at year-end 2014. Lending to retail customers increased by 5.9 % and retail customers accounted for 65.7 % of gross lending at year-end 2014. Corporate lending increased by 5.2 % in the preceding 12 months, and this segment accounts for 34.3 % of gross lending.

## Deposits

Deposits from customers totalled NOK 28,389 million at year-end 2014, which represents growth of NOK 321 million or 1.1%. Deposits from corporate customers fell by 4.9%, while from retail customers they grew by 6.4%. Deposits from public sector clients were 18.3% lower than at year-end 2013. 37.5% of deposits were from corporate customers, 60.0% were from retail customers and 2.5% were from the public sector.

The difference between the lending and deposit volumes, NOK 20,495 million, was funded via the Norwegian and international money and securities markets. Deposits in relation to loans amounted to 58.1% at year-end 2013.

## CAPITAL ADEQUACY

The Group's core tier 1 capital must comply with the announced regulatory plan for the escalation of capital. Sparebanken Møre has not been defined as a systemically important financial institution. The Bank's internal capital target is that regardless of the level of the countercyclical buffer, the Group's core tier 1 capital shall amount to a minimum of 12%.

Sparebanken Møre has been authorised to use the Foundation IRB method to calculate capital requirements for corporate commitments. The Financial Supervisory Authority of Norway stipulated new requirements for IRB models for home mortgages on 1 July 2014. The application for Sparebanken Møre to use the IRB method for the retail market will be considered once the Financial Supervisory Authority of Norway has assessed the Group's documentation showing that the internal models match the assumptions on which the new requirements for home mortgage models are based.

As at 31 December 2014, the Group's capital adequacy is reported according to the standard method in Basel II for retail market commitments and Foundation IRB for the corporate market. Sparebanken Møre had no capital requirements associated with the transitional scheme for the Basel I floor at year-end 2014.

The Group's capital adequacy at year-end 2014 was well above the regulatory capital requirements and also above the internally set minimum target for core tier 1 capital. Primary capital amounts to 15.82% (17.02%), core capital 14.40% (15.48%), of which core tier 1 capital amounts to 12.01% (12.50%). The Bank repurchased part of a hybrid tier 1 capital issue with a face value of NOK 200 million in the third quarter. NOK 54 million of this is included in the reporting of the primary capital and core capital.

The Board's proposal concerning the allocation of profit for the year entails 57% of the Group's profit being retained to build up the Group's financial strength.

With core tier 1 capital of 12.01% after the fourth quarter of 2014, the regulatory requirements concerning capital adequacy and Sparebanken Møre's internal capital target have been met.

## SUBSIDIARIES

The aggregate profit of the Bank's three subsidiaries amounted to NOK 189 million after tax (NOK 152 million).

Møre Boligkreditt AS was established as part of the Group's long-term funding strategy. The mortgage company's main purpose is to issue covered bonds for sale to Norwegian and international investors. To date the company has raised NOK 14 billion in funding for the Group. The company has

contributed NOK 191 million to the result in 2014 (NOK 152 million).

Møre EiendomsMegling AS provides real estate brokerage services to both retail and corporate customers. The company experienced a loss of NOK 1 million in 2014 (NOK 0 million). At the end of the quarter, the work done in the company was equivalent to 16 full time equivalent positions. Sparebankeiendom AS's purpose is to own and manage the Bank's commercial properties. The company experienced a loss of NOK 1 million in 2014. The company has no employees.

## EQUITY CERTIFICATES

The equity certificates were distributed between 5,898 owners at year-end 2014. 9,886,954 equity certificates have been issued and equity capital accounts for 49.6% of the parent bank's total equity. Note 8 contains an overview of the 20 largest owners of the Bank's equity certificates. At year-end 2014, the Bank owned 108,661 of its own equity certificates, which were purchased on the Oslo Stock Exchange at market prices.

The earnings per equity certificate in the Group amounted to NOK 31.20 in 2014 (NOK 21.65).

## SPAREBANKEN MØRE'S DIVIDEND POLICY

Sparebanken Møre's dividend policy has remained unchanged for the last few years. The Group's aim is to achieve financial results which provide a good, stable return on the Bank's equity. The results shall ensure that the owners of the equity receive a competitive long-term return in the form of cash dividends and capital appreciation on the equity. The equity owners' share of the annual profits set aside as dividend funds must correspond to the Bank's equity situation. Sparebanken

Møre must ensure that all equity owners are guaranteed equal treatment.

### PROPOSED ALLOCATION OF THE PROFIT FOR THE YEAR

In line with the rules for equity certificates, and in accordance with Sparebanken Møre's dividend policy, it is proposed that 43% of the Group's profit be allocated to cash dividends and dividend funds for local communities. Based on the accounting breakdown of equity between equity capital and the primary capital fund, 49.6% of the net result will be allocated to equity certificate holders and 50.4% to the primary capital fund. Earnings per equity certificate amounted to 31.20 in 2014. It has been proposed to the Board of Trustees that the cash dividend per equity certificate for the 2014 financial year be set at NOK 13.50.

Overview of proposed allocation of the profit:

Profit for the year	NOK 623 million
Dividend funds (43%):	
To cash dividends	NOK 133 million
To social dividends	NOK 136 million
Total	NOK 269 million
Strengthening of equity (57%):	
To the Dividend	
Equalisation Fund	NOK 154 million
To the primary capital fund, etc.	NOK 157 million
To other funds	NOK 42 million
Total	NOK 354 million
Total allocated	NOK 623 million

### FUTURE PROSPECTS

The general macroeconomic conditions for the county remain satisfactory. However, current conditions indicate there will be a strong downturn in petroleum investments in 2015 due to the fall in oil prices and the oil companies' focus on cutting costs. There will also be significant indirect effects through the supplier chain. As a consequence of this, unemployment in the county will probably increase somewhat over the next year. Employment in Møre og Romsdal will however remain among the lowest in Norway. In December, registered unemployment in the county was 2.1% compared with 2.7% in the country as a whole.

On the other hand, the weakening of the NOK exchange rate will help improve the competitiveness of our export industries and import-competing businesses. The recent drop in customer interest rates will improve purchasing power in the household sector. Finally, the fall in oil prices will contribute to increased growth in the international economy through lower costs for business. These factors will most likely contribute to modify the negative effects of the fall in the oil sector and oil-related activities. Sparebanken Møre's level of losses is expected to remain low and within the Bank's plans in 2015.

The competitive situation in the Bank's market area is high and has intensified.

Overall, lending growth is expected to be weaker in 2015 than we have seen in the last few years within the retail market and remain the same within the corporate market. There is a constant focus on generating growth through good commitments with an acceptable level of risk.

The Group is enjoying good access to long-term, stable funding in the Norwegian and international funding markets. This is due to the Group's prolonged good, stable results and good financial strength. Funding margins in the long-term market have in the last 3 years fallen markedly both for the Bank and Møre Boligkreditt AS, and the Group will make greater use of this source of funding in the future. This is expected to make a positive contribution to the Group's total net interest income.

Sparebanken Møre focuses strongly on cost-effectiveness. This has resulted in a highly satisfactory level of total costs in relation to income. This focus will continue, and the Group's cost-effectiveness will this year remain well within the internal target of a maximum cost/income ratio of 50%. Overall the result for the year is expected to be good.

Ålesund, 31 December 2014  
28 January 2015

#### THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

Leif-Arne Langøy  
CHAIRMAN

Roy Reite  
DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Henning Sundet

Rita Christina Sævik

Ann Magritt Bjåstad Vikebakk

Helge Karsten Knudsen

Olav Arne Fiskerstrand  
CEO



## STATEMENT OF INCOME - GROUP

Amounts in NOK million	Notes	Q4 14	Q4 13	2014	2013
Interest income		558	495	2 237	2 221
Interest costs		276	214	1 144	1 179
Net interest income	7	282	281	1 093	1 042
Commission income and revenues from banking services		44	42	178	174
Commission costs and expenditure from banking services		7	7	29	28
Other operating income		11	8	31	28
Net commission and other operating income		48	43	180	174
Dividends		0	1	7	10
Net gains/losses from financial instruments	4	-7	12	128	18
Net return from financial instruments		-7	13	135	28
Total income		323	337	1 408	1 244
Wages, salaries etc.		79	71	324	313
Administration costs		36	34	119	133
Depreciation, impairment and changes in value of non-financial assets		6	5	25	28
Other operating costs		15	17	96	95
Total operating costs		136	127	564	569
Profit before impairment on loans		187	210	844	675
Impairment on loans, guarantees etc.	3	7	26	22	54
Pre tax profit		180	184	822	621
Taxes		53	53	199	171
Profit after tax		127	131	623	450
Profit per EC (NOK)		6.40	6.50	31.20	21.65
Diluted earnings per EC (NOK)		6.40	6.50	31.20	21.65
Distributed dividend per EC (NOK)		0	0	8	12

## STATEMENT OF COMPREHENSIVE INCOME - GROUP

Amounts in NOK million	Q4 14	Q4 13	2014	2013
Profit after tax	127	131	623	450
Other income/costs reversed in ordinary profit:				
Equities available for sale - changes in value	-5	-2	-13	7
Other income/costs not reversed in ordinary profit:				
Pension estimate deviations	-102	-36	-102	-36
Tax effect of pension estimate deviations	27	9	27	9
Total comprehensive income after tax	47	102	535	431



## STATEMENT OF FINANCIAL POSITION - GROUP

Amounts in NOK million	Notes	31.12.14	31.12.13
<b>Assets</b>			
Cash and claims on Norges Bank		78	1 281
Loans to and receivables from credit institutions	7	1 161	715
Net loans to and receivables from customers	2, 3, 7	48 884	46 241
Certificates	5	0	31
Bonds	5, 7	4 771	5 086
Financial derivatives		829	529
Shares and other securities	5	126	215
Intangible assets		32	21
Fixed assets		264	268
Other assets		125	173
Prepayments and accrued income		35	67
<b>Total assets</b>		<b>56 305</b>	<b>54 627</b>
<b>Liabilities and equity</b>			
Loans and deposits from credit institutions	7	548	1 107
Deposits from customers	2, 7	28 389	28 068
Debt securities issued		19 872	18 442
Financial derivatives		644	408
Other liabilities		481	493
Incurred costs and prepaid income		77	67
Other provisions for incurred liabilities and costs		70	32
Perpetual Hybrid Tier 1 capital		878	1 018
Subordinated loan capital		501	501
<b>Total liabilities</b>		<b>51 460</b>	<b>50 136</b>
EC capital	8	989	989
ECs owned by the Bank		-11	-4
Share premium		353	353
<b>Paid-in equity</b>		<b>1 331</b>	<b>1 338</b>
Primary capital fund		2 048	1 935
Gift fund		125	125
Dividend equalisation fund		799	684
Value adjustment fund		34	47
Other equity		507	362
Retained earnings		3 514	3 153
<b>Total equity</b>		<b>4 845</b>	<b>4 491</b>
<b>Total liabilities and equity</b>		<b>56 305</b>	<b>54 627</b>
<b>Off-balance sheet items:</b>			
Guarantees		1 660	1 433

## STATEMENT OF EQUITY - GROUP

2014	Total equity	EC capital	Share premium	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 31.12.13	4 491	985	353	1 935	125	684	47	0	362
Changes in own equity certificates	-14	-7		-6		-1			
Distributed dividend to the EC holders	-79								-79
Distributed dividend to the local community	-87								-87
Equity before allocation of profit for the year	4 311	978	353	1 929	125	683	47	0	196
Change in value of debt securities through the income statement	0						0		
Allocated to the primary capital fund	157			157					
Allocated to the dividend equalisation fund	154					154			
Allocated to other equity	42								42
Proposed dividend allocated for the EC holders	133								133
Proposed dividend allocated for the local community	136								136
Distributed profit for the year	623	0	0	157	0	154	0	0	311
Equities available for sale - changes in value	-13						-13		
Pension estimate deviations	-102			-52		-51			
Tax effect of pension estimate deviations	27			14		13			
Total other income and costs from comprehensive income	-88	0	0	-38	0	-38	-13	0	0
Total comprehensive income after tax	535	0	0	119	0	116	-13	0	311
Equity as at 31.12.14	4 845	978	353	2 048	125	799	34	0	507

## STATEMENT OF EQUITY - GROUP

2013	Total equity	EC capital	Share premium	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 31.12.12	3 761	775	186	1 835	0	592	40	1	332
Changes in own equity certificates	10	5	3	1		1			
Distributed dividend to the EC holders	-94								-94
Distributed dividend to the local community	-110								-110
Issues	369	205	164						
Gift fund *)	125				125				
Equity before allocation of profit for the year	4 061	985	353	1 836	125	593	40	1	128
Change in value of debt securities through the income statement	-1							-1	
Allocated to the primary capital fund	113			113					
Allocated to the dividend equalisation fund	104					104			
Allocated to other equity	68								68
Proposed dividend allocated for the EC holders	79								79
Proposed dividend allocated for the local community	87								87
Distributed profit for the year	450	0	0	113	0	104	0	-1	234
Equities available for sale - changes in value	7						7		
Pension estimate deviations	-36			-19		-17			
Tax effect of pension estimate deviations	9			5		4			
Total other income and costs from comprehensive income	-20	0	0	-14	0	-13	7	0	0
Total comprehensive income after tax	431	0	0	99	0	91	7	-1	234
Equity as at 31.12.13	4 491	985	353	1 935	125	684	47	0	362

\*) According to resolution by the Board of Trustees on 4 July 2013.



## STATEMENT OF CASH FLOW - GROUP

	2014	2013
<b>Cash flow from operating activities</b>		
Interest, commission and fees received	2 262	2 395
Interest, commission and fees paid	-851	-1 239
Dividend and group contribution received	7	10
Operating expenses paid	-513	-554
Income taxes paid	-188	-158
Changes relating to loans to and claims on other financial institutions	-446	-428
Changes relating to repayment of loans/leasing to customers	-2 223	-2 176
Changes in utilised credit facilities	-546	-511
Net cash flow from operating activities	-2 498	-2 661
<b>Cash flow from investing activities</b>		
Proceeds from the sale of certificates, bonds and other securities	2 594	4 927
Purchases of certificates, bonds and other securities	-2 137	-4 486
Proceeds from the sale of fixed assets etc.	1	16
Purchase of fixed assets etc.	-33	-13
Changes in other assets	-454	274
Net cash flow from investing activities	-29	718
<b>Cash flow from financing activities</b>		
Net change in deposits from customers	332	975
Net change in deposits from Norges Bank and other financial institutions	-559	-1 412
Proceeds from bond issues raised	6 258	7 227
Redemption of debt securities	-4 956	-4 219
Dividend paid	-79	-94
Changes in other debt	328	-291
Issues	0	369
Net cash flow from financing activities	1 324	2 555
Net change in cash and cash equivalents	-1 203	612
Cash balance at 01.01	1 281	669
Cash balance 31.12	78	1 281

# Notes to the Accounts

## 1 ACCOUNTING PRINCIPLES

### General

The Group's interim accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), implemented by the EU as at 31 December 2014. The interim report has been prepared in compliance with IAS 34 Interim Reporting.

The accounts are presented in Norwegian kroner (NOK), which is also the Parent Bank's and subsidi-

aries' functional currency.

The interim report is prepared in accordance with accounting principles and methods applied in the 2013 financial statements, taking into account the changes and new standards which came into force in 2014.

As of 1 January 2014 the Group applies IAS 27 Separate Financial Statements, IAS 32 Financial Instruments - Presentation, IAS 39 Financial Instru-

ments - classification and measurement, IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, as well as IFRS 12 Disclosure of Interests in Other Entities. The implementation of these new standards has not had a significant effect for the Group, including the Bank's or the Groups's financial position or profit.

Please see the Annual report 2013 for further description of accounting principles.

## 2 LOANS AND DEPOSITS TO CUSTOMERS BY SECTOR AND INDUSTRY

	LOANS		DEPOSITS	
	2014	2013	2014	2013
<b>Broken down according to sectors</b>				
Agriculture and forestry	463	488	163	152
Fisheries	3 279	2 965	457	380
Manufacturing	2 217	1 840	1 138	1 194
Building and construction	603	797	484	667
Wholesale and retail trade, hotels	577	581	688	669
Foreign shipping/supply	1 610	1 568	311	535
Property management	5 637	5 597	1 597	1 437
Professional/financial services	787	707	1 370	1 463
Transport and private/public services	1 311	1 116	2 010	2 243
Public entities	38	32	697	853
Activities abroad	135	162	10	5
Miscellaneous	160	121	2 433	2 459
<b>Total corporate/public entities</b>	<b>16 817</b>	<b>15 974</b>	<b>11 357</b>	<b>12 057</b>
Retail customers	32 245	30 454	17 024	15 999
Accrued interest income	129	119	8	12
<b>Total loans/deposits</b>	<b>49 191</b>	<b>46 547</b>	<b>28 389</b>	<b>28 068</b>
Individual impairment	-141	-166		
Collective impairment	-166	-140		
<b>Loans to and receivables from customers</b>	<b>48 884</b>	<b>46 241</b>		

### 3 LOSSES ON LOANS AND GUARANTEES/PROBLEM LOANS

	Q4 14	Q4 13	2014	2013
<b>Losses on loans and guarantees</b>				
Changes in individual impairment of loans and guarantees during the period	-14	-2	-25	1
Changes in collective impairment during the period	17	5	26	0
Confirmed losses during the period, previously impaired individually	1	23	20	40
Confirmed losses during the period, previously impaired on a general basis	8	5	19	24
Recoveries	5	5	18	11
Losses on loans, guarantees etc.	7	26	22	54
<b>Individual impairment of loans</b>				
Individual impairment of loans at 01.01	157	169	166	166
Confirmed losses during the period, previously impaired individually	1	23	20	40
Changes in individual impairment during the period	0	17	7	37
Individual impairment of new commitments during the period	1	9	29	38
Recoveries on individual impairment during the period	16	6	41	35
Individual impairment of loans at the end of the period	141	166	141	166
<b>Collective impairment of loans</b>				
Collective impairment of loans as at 01.01	149	135	140	140
Changes during the period	17	5	26	0
Collective impairment of loans at the end of the period	166	140	166	140
<b>Individual provisions in respect of guarantees</b>				
Individual provisions as at 01.01	2	2	2	2
Individual provisions during the period	0	0	0	0
Recovered on individual provisions during the period	0	0	0	0
Individual provisions at the end of the period	2	2	2	2



PROBLEM LOANS	2014			2013		
	Total	Retail	Corporate	Total	Retail	Corporate
<b>Problem loans prior to individual impairment:</b>						
Commitments in default in excess of 3 months	86	47	39	152	66	86
Other problem loans subject to impairment	306	37	269	382	38	344
Total problem loans prior to individual impairment	392	84	308	534	104	430
<b>Individual impairment on:</b>						
Commitments in default in excess of 3 months	21	8	13	35	6	29
Other problem loans subject to impairment	122	12	110	131	14	117
Total individual impairment	143	20	123	166	20	146
<b>Problem loans after individual impairment:</b>						
Commitments in default in excess of 3 months	65	39	26	117	60	57
Other problem loans subject to impairment	184	25	159	251	24	227
Total problem loans less individual impairment	249	64	185	368	84	284
Total problem loans prior to individual impairment as a percentage of loans	0.80	0.26	1.83	1.16	0.34	2.71
Total problem loans less individual impairment as a percentage of loans	0.51	0.20	1.10	0.80	0.28	1.79

## 4 NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS

	Q4 14	Q4 13	2014	2013
Certificates and bonds	-2	-7	10	-24
Securities	-1	10	92	4
Foreign exchange trading (for customers)	9	6	27	26
Fixed income trading (for customers)	3	1	8	16
Change in credit spread FVO - securities-based debt	0	0	0	-1
Financial derivatives	-16	2	-9	-3
Net change in value and gains/losses from financial instruments	-7	12	128	18

## 5 FINANCIAL ASSETS AND LIABILITIES

The market value of the instruments traded in an active market is based on the traded price on the balance sheet date. For financial instruments not

traded in an active market, separate valuations are used based on current market conditions or alternatively, other valuations from other market

players. There have been no transfers of financial instruments between the three levels of valuation groups.

FINANCIAL ASSETS	31.12.14		31.12.13	
	Fair value	Book value	Fair value	Book value
<b>Financial assets at fair value through profit or loss:</b>				
Loans to and receivables from customers	4 123	4 123	4 438	4 438
Certificates	0	0	31	31
Bonds	4 771	4 771	5 086	5 086
Shares and other securities	3	3	2	2
Financial derivatives	829	829	529	529
<b>Loans and receivables at amortised cost:</b>				
Cash and claims on Norges Bank	78	78	1 281	1 281
Loans to and receivables from credit institutions	1 161	1 161	715	715
Loans to and receivables from customers	44 761	44 761	41 803	41 803
Bonds	0	0	0	0
<b>Financial assets available for sale:</b>				
Shares and other securities	123	123	213	213

FINANCIAL LIABILITIES	31.12.14		31.12.13	
	Fair value	Book value	Fair value	Book value
<b>Financial liabilities at fair value through profit or loss:</b>				
Certificates issued	0	0	0	0
Bonds issued	0	0	420	420
Deposits from and liabilities to customers	442	442	526	526
Financial derivatives	644	644	408	408
<b>Financial liabilities at amortised cost subject to hedge accounting:</b>				
Bonds issued	3 403	3 352	3 165	3 147
Perpetual Hybrid Tier 1 capital	378	320	365	309
<b>Financial liabilities at amortised cost:</b>				
Loans and deposits from credit institutions	548	548	1 107	1 107
Deposits from and liabilities to customers	27 947	27 947	27 530	27 530
Certificates issued	1 757	1 753	1 873	1 873
Bonds issued	14 877	14 768	13 094	13 011
Subordinated loan capital	517	501	516	501
Perpetual Hybrid Tier 1 capital	580	558	725	709
Swap arrangement for securities	0	0	635	635

31.12.2014	Based on	Observable	Other than	Total
	prices in an active market	market information	observable market information	
	Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss:</b>				
Loans to and receivables from customers	0	0	4 123	4 123
Certificates	0	0	0	0
Bonds	1 660	3 111	0	4 771
Financial derivatives	0	829	0	829
Shares and other securities	3	0	0	3
<b>Loans and receivables at amortised cost:</b>				
Cash and claims on Norges Bank	78	0	0	78
Loans to and receivables from credit institutions	0	1 161	0	1 161
Loans to and receivables from customers	0	0	44 761	44 761
<b>Financial assets available for sale:</b>				
Shares and other securities	9	0	114	123
Total financial assets	1 750	5 101	48 998	55 849
<b>Financial liabilities at fair value through profit or loss:</b>				
Deposits from and liabilities to customers	0	0	442	442
Bonds issued	0	0	0	0
Financial derivatives	0	644	0	644
<b>Financial liabilities at amortised cost subject to hedge accounting:</b>				
Bonds issued	0	3 352	0	3 352
Perpetual Hybrid Tier 1 capital	0	320	0	320
<b>Financial liabilities at amortised cost:</b>				
Loans and deposits from credit institutions	0	548	0	548
Deposits from and liabilities to customers	0	0	27 947	27 947
Certificates issued	0	1 753	0	1 753
Bonds issued	0	14 768	0	14 768
Subordinated loan capital	0	501	0	501
Perpetual Hybrid Tier 1 capital	0	558	0	558
Swap arrangement for securities	0	0	0	0
Total financial liabilities	0	22 425	28 389	50 833

A change in the discount rate of 10 basis points will give an impact of about NOK 10.4 million on fixed rate loans and approximately NOK 0.3 million on fixed rate deposits.

RECONCILIATION OF CHANGES IN LEVEL 3	Loans to and receivables from customers	Shares and other securities	Deposits from and liabilities to customers
Recorded value as at 31.12.2013	4 438	194	526
Additions/purchases/new volume	375	1	115
Sales/amortisation	734	166	200
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	44	85	1
Recorded value as at 31.12.2014	4 123	114	442

Some items in Level 3 might be included in interest rate and currency hedging in accordance with the Bank's risk management framework. Any related hedging contracts are located in Level 2.



31.12.2013	Based on prices in an active market	Observable market information	Other than observable market information	Total
	Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss:</b>				
Loans to and receivables from customers	0	0	4 438	4 438
Certificates	0	31	0	31
Bonds	1 577	3 509	0	5 086
Financial derivatives	0	529	0	529
Shares and other securities	2	0	0	2
<b>Loans and receivables at amortised cost:</b>				
Cash and claims on Norges Bank	1 281	0	0	1 281
Loans to and receivables from credit institutions	0	715	0	715
Loans to and receivables from customers	0	0	41 803	41 803
<b>Financial assets available for sale:</b>				
Shares and other securities	19	0	194	213
Total financial assets	2 879	4 784	46 435	54 098
<b>Financial liabilities at fair value through profit or loss:</b>				
Deposits from and liabilities to customers	0	0	526	526
Bonds issued	0	420	0	420
Financial derivatives	0	408	0	408
<b>Financial liabilities at amortised cost subject to hedge accounting:</b>				
Bonds issued	0	3 147	0	3 147
Perpetual Hybrid Tier 1 capital	0	309	0	309
<b>Financial liabilities at amortised cost:</b>				
Loans and deposits from credit institutions	0	1 107	0	1 107
Deposits from and liabilities to customers	0	0	27 542	27 542
Certificates issued	0	1 873	0	1 873
Bonds issued	0	13 011	0	13 011
Subordinated loan capital	0	501	0	501
Perpetual Hybrid Tier 1 capital	0	709	0	709
Swap arrangement for securities	0	635	0	635
Total financial liabilities	0	22 120	28 068	50 188

RECONCILIATION OF CHANGES IN LEVEL 3	Loans to and receivables from customers	Shares and other securities	Deposits from and liabilities to customers
Recorded value as at 31.12.2012	3 807	184	952
Additions/purchases/new volume	942	2	178
Sales/amortisation	180	0	608
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	-131	8	4
Recorded value as at 31.12.2013	4 438	194	526

Some items in Level 3 might be included in interest rate and currency hedging in accordance with the Bank's risk management framework. Any related hedging contracts are located in Level 2.

## 6 OPERATING SEGMENTS

PROFIT Q4	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	282	281	5	1	119	122	158	158	0	0
Other operating income	41	56	-8	10	19	18	24	22	6	6
Total income	323	337	-3	11	138	140	182	180	6	6
Operating costs	136	127	12	3	29	31	88	86	7	6
Profit before impairment	187	210	-15	8	109	109	94	94	-1	0
Impairment on loans, guarantees etc.	7	26	17	5	-10	20	0	1	0	0
Pre tax profit	180	184	-32	3	119	89	94	93	-1	0
Taxes	53	53								
Profit after tax	127	131								

PROFIT 31.12	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	1 093	1 042	16	5	469	462	608	575	0	0
Other operating income	315	202	127	5	72	79	94	96	22	24
Total income	1 408	1 244	143	10	541	541	702	671	22	24
Operating costs	564	569	90	100	111	113	340	334	23	21
Profit before impairment	844	675	53	-90	430	428	362	337	-1	3
Impairment on loans, guarantees etc.	22	54	26	0	1	53	-5	1	0	1
Pre tax profit	822	621	27	-90	429	375	367	336	-1	2
Taxes	199	171								
Profit after tax	623	450								

STATEMENT OF FINANCIAL POSITION	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13
Loans to customers	48 884	46 241	1 066	1 004	16 315	15 552	31 503	29 685	0	0
Deposits from customers	28 389	28 068	480	703	9 606	10 338	18 303	17 027	0	0
Guarantee liabilities	1 660	1 433	0	0	1 652	1 424	8	9	0	0
The deposit-to-loan ratio	58,1	60,7	45,0	76,4	58,9	66,5	58,1	57,4	0	0
Man-years	383	391	152	146	53	58	162	171	16	16

1) The subsidiary, Møre Boligkreditt AS, is part of the Bank's Retail segment. The mortgage company's main objective is to issue covered bonds for both national and international investors, and the company is part of Sparebanken Møre's long-term financing strategy. Key figures for Møre Boligkreditt AS are displayed in a separate table.

PROFIT Q4	Møre Boligkreditt AS	
	2014	2013
Net interest income	77	73
Other operating income	-5	-2
Total income	72	71
Operating costs	8	7
Profit before impairment on loans	64	64
Impairment on loans, guarantees etc.	0	0
Pre tax profit	64	64
Taxes	17	18
Profit after tax	47	46

PROFIT 31.12	Møre Boligkreditt AS	
	2014	2013
Net interest income	298	240
Other operating income	-7	-3
Total income	291	237
Operating costs	29	26
Profit before impairment on loans	262	211
Impairment on loans, guarantees etc.	1	0
Pre tax profit	261	211
Taxes	70	59
Profit after tax	191	152

STATEMENT OF FINANCIAL POSITION	Møre Boligkreditt AS	
	31.12.14	31.12.13
Loans to and receivables from customers	15 544	14 884

## 7 TRANSACTIONS WITH RELATED PARTIES

These are transactions between the Parent Bank and wholly-owned subsidiaries which have been done at arm's length and at arm's length's prices. The most important transactions which have been done and netted out in the Group accounts are as follows:

	2014	2013
<b>Statement of income</b>		
Interest and credit commission income from subsidiaries	34	64
Received dividend and group contribution from subsidiaries	152	87
Rent paid to Sparebankeiendom AS	18	17
Administration fee received from Møre Boligkreditt AS	22	19
<b>Statement of financial position</b>		
Claims on subsidiaries	1 069	1 292
Covered bonds	25	673
Liabilities to subsidiaries	122	550
Accumulated loan portfolio transferred to Møre Boligkreditt AS	15 544	14 884

## 8 EC CAPITAL

THE 20 LARGEST EC HOLDERS IN SPAREBANKEN MØRE AS AT 31.12.14	NUMBER OF ECS	PERCENTAGE SHARE OF EC CAPITAL
Sparebankstiftelsen Tingvoll	944 000	9.55
Verdipapirfond Pareto Aksje Norge	512 415	5.18
MP Pensjon	478 282	4.84
VPF Nordea Norge Verdi	327 073	3.31
Wenaasgruppen AS	250 000	2.53
FLPS - Princ All Sec	242 134	2.45
Pareto AS	229 189	2.32
Verdipapirfond Pareto Aktiv	219 941	2.22
VPF Fondsfinans Spar	181 000	1.83
Bergen Kommunale Pensjonskasse	175 000	1.77
Beka Holding AS	150 100	1.52
Farstad Shipping ASA	126 909	1.28
Verdipapirfondet Eika utbytte	124 008	1.25
Sparebanken Møre	108 661	1.10
Pareto Verdi Verdipapirfond	105 777	1.07
Lapas AS (Leif-Arne Langøy)	105 500	1.07
Odd Slyngstad	84 773	0.86
Sparebankstiftelsen Helgeland	80 000	0.81
Andvord AS	68 750	0.70
Atlantis Vest AS	65 745	0.66
Total 20 largest	4 579 257	46.32
Total	9 886 954	100.00

## 9 CAPITAL ADEQUACY

	2014	2013
EC capital	989	989
- ECs owned by the Bank	-11	-4
Share premium	353	353
Dividend equalisation fund	799	684
Gift fund	125	125
Primary capital fund	2 048	1 935
Value adjustment fund	34	47
Proposed dividend for the EC holders	133	79
Proposed dividend for the local community	136	87
Other equity	238	196
<b>Total equity</b>	<b>4 845</b>	<b>4 491</b>
Goodwill and intangible assets	-32	-41
Value adjustment fund	-34	-47
50 % deduction for equity in other financial institutions	-	-10
Adjusted expected losses on the IRB portfolio of corporate customers	-193	-
Perpetual Hybrid Tier 1 capital	860	999
Surplus financing of pension	0	-55
Proposed dividend for the EC holders	-133	-79
Proposed dividend for the local community	-136	-87
<b>Total core capital</b>	<b>5 177</b>	<b>5 171</b>
<b>Supplementary capital:</b>		
Subordinated loan capital of limited duration	501	499
36%/45 % addition for net unrealised gains on shares, unit trust certificates and ECs available for sale	12	20
50 % deduction for equity in other financial institutions	-	-10
<b>Total supplementary capital</b>	<b>513</b>	<b>509</b>
<b>Net equity and subordinated loan capital</b>	<b>5 690</b>	<b>5 680</b>
<b>Capital adequacy as a percentage of the weighted asset calculation basis:</b>		
Capital adequacy ratio	15.82	17.02
Core capital ratio	14.40	15.48
Core tier 1 capital	12.01	12.50
Risk-weighted assets (calculation basis for capital adequacy ratio)	35 960	33 410

The Group has received approval from the Financial Supervisory Authority of Norway to use the IRB Foundation approach for calculating capital requirements for corporate commitments. For the time being, the Group must use the standardized approach for the mass market. As at the end of the fourth quarter of 2014, the Group's capital adequacy is reported according to the standardized approach in Basel II for the mass market and IRB Foundation for the corporate market. The capital requirements related to the transitional rules concerning the Basel I "floor" have no effect for Sparebanken Møre at the end of Q4 2014.

Capital requirement	2014	2013
Standard approach:		
Commitments involving states and central banks	0	0
Commitments involving local and regional authorities	4	6
Commitments involving public sector companies	21	22
Commitments involving institutions	48	37
Commitments involving companies (corporate customers)	33	1 300
Commitments involving mass market (retail customers)	1 021	1 026
Commitments due for payment	3	13
Commitments involving covered bonds	13	15
Other commitments	85	92
Capital requirement – credit-/counterpart- and impairment risk	1 228	2 511
IRB Foundation approach for the corporate portfolio:		
Commitments secured by real estate	855	-
Other commitments	613	-
Capital requirement credit-/counterparty- and deterioration risk corporate portfolio	1 468	-
Debt	0	0
Equity	0	0
Foreign exchange	0	0
Goods	0	0
Capital requirement – position-/foreign exchange- and commercial risk	0	0
Operational risk (basis approach)	180	176
Deductions from the capital requirement	-	-14



## STATEMENT OF INCOME - PARENT BANK

Amounts in NOK million	Q4 2014	Q4 2013	2014	2013
Interest income	409	361	1 664	1 768
Interest costs	202	151	864	961
Net interest income	207	210	800	807
Commission income and revenues from banking services	44	43	179	175
Commission costs and expenditure from banking services	7	8	29	29
Other operating income	8	7	27	23
Net commission and other operating income	45	42	177	169
Dividends	1	0	159	96
Net gains/losses from financial instruments	-2	15	136	22
Net return from financial instruments	-1	15	295	118
Total income	251	267	1 272	1 094
Wages, salaries etc.	74	66	308	297
Administration costs	36	34	119	133
Depreciation, impairment and changes in value of non-financial assets	5	7	21	24
Other operating costs	12	16	92	92
Total operating costs	127	123	540	546
Profit before impairment on loans	124	144	732	548
Impairment on loans, guarantees etc.	8	26	22	54
Pre tax profit	116	118	710	494
Taxes	36	36	129	112
Profit after tax	80	82	581	382
Profit per EC (NOK)	4.00	3.95	29.10	18.45
Diluted earnings per EC (NOK)	4.00	3.95	29.10	18.45
Distributed dividend per EC (NOK)	0	0	8	12

## STATEMENT OF COMPREHENSIVE INCOME - PARENT BANK

Amounts in NOK million	Q4 2014	Q4 2013	2014	2013
Profit after tax	80	82	581	382
Other income/costs reversed in ordinary profit:				
Equities available for sale - changes in value	-5	-2	-13	7
Other income/costs not reversed in ordinary profit:				
Pension estimate deviations	-102	-36	-102	-36
Tax effect of pension estimate deviations	27	9	27	9
Total comprehensive income after tax	0	53	493	362

## STATEMENT OF FINANCIAL POSITION - PARENT BANK

Amounts in NOK million	31.12.14	31.12.13
<b>Assets</b>		
Cash and claims on Norges Bank	78	1 281
Loans to and receivables from credit institutions	2 076	1 846
Net loans to and receivables from customers	33 495	31 514
Certificates	0	31
Bonds	4 588	5 553
Financial derivatives	434	359
Shares and other securities	126	215
Equity stakes in group companies	1 071	721
Intangible assets	31	27
Fixed assets	54	56
Other assets	124	177
Prepayments and accrued income	38	63
<b>Total assets</b>	<b>42 115</b>	<b>41 843</b>
<b>Liabilities and equity</b>		
Loans and deposits from credit institutions	651	1 637
Deposits from customers	28 407	28 087
Debt securities issued	5 874	5 371
Financial derivatives	644	406
Other liabilities	405	426
Incurred costs and prepaid income	77	70
Other provisions for incurred liabilities and costs	70	32
Perpetual Hybrid Tier 1 capital	878	1 018
Subordinated loan capital	501	501
<b>Total liabilities</b>	<b>37 507</b>	<b>37 548</b>
EC capital	989	989
ECs owned by the Bank	-11	-4
Share premium	353	353
Paid-in equity	1 331	1 338
Primary capital fund	2 048	1 935
Gift fund	125	125
Dividend equalisation fund	799	684
Value adjustment fund	34	47
Other equity	269	166
Retained earnings	3 277	2 957
<b>Total equity</b>	<b>4 608</b>	<b>4 295</b>
<b>Total liabilities and equity</b>	<b>42 115</b>	<b>41 843</b>
<b>Off-balance sheet items:</b>		
Guarantees	1 660	1 433

# Profit performance - Group

## QUARTERLY PROFIT

Amounts in NOK million	Q4 14	Q3 14	Q2 14	Q1 14	Q4 13
Net interest income	282	274	268	269	281
Other operating income	41	152	62	60	56
Total operating costs	136	141	144	143	127
Profit before impairment on loans	187	285	186	186	210
Impairment on loans, guarantees etc.	7	1	8	6	26
Pre tax profit	180	284	178	180	184
Taxes	53	51	47	48	53
Profit after tax	127	233	131	132	131

### As a percentage of average assets

Net interest income	2.03	2.02	2.01	1.98	2.10
Other operating income	0.29	1.12	0.46	0.44	0.42
Total operating costs	0.98	1.04	1.08	1.05	0.95
Profit before impairment on loans	1.34	2.10	1.39	1.37	1.57
Impairment on loans, guarantees etc.	0.05	0.01	0.06	0.04	0.19
Pre tax profit	1.29	2.09	1.33	1.33	1.38
Taxes	0.38	0.38	0.34	0.35	0.40
Profit after tax	0.91	1.71	0.99	0.98	0.98



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