

SpareBank 1 Boligkreditt AS



1st quarter 2008
Stavanger 15 April 2008

SPAREBANK 1 BOLIGKREDITT AS

Q1 2008

Income Statement

NOK 1 000

	Q1 2008	Q1 2007	2007
Interest income	341 302	11 370	440 296
Interest expense	301 250	6 051	388 579
Net interest income	40 053	5 319	51 717
Commission expense	-18 913	-778	-19 148
Net profit/loss on securities	-12 334		
Total income	8 806	4 541	32 569
Wages and general administration expense	-2 402	-1 171	-5 199
Administration expense	-2 097	-584	-4 136
Other operating expenses	-975	-927	-4 932
Depreciation on fixed assets and other intangible assets	-1 439	-1 155	-5 073
Total operating expense	-6 913	-3 837	-19 339
Operational result	1 893	704	13 229
Taxes	-530	-197	-3 719
Profit/loss for the year	1 363	507	9 510

Balance sheet

NOK 1 000

	Q1 2008	Q1 2007	2007
Assets			
Deferred tax advantages		665	0
Other intangible assets	8 082	10 970	9 388
Other assets	79 257	4 919	28 335
Loans to and receivables with credit institutions	1 613 545	409 186	1 482 508
Loans to customers	21 940 584	7 057 600	14 165 488
Financial derivatives	557 541		291 727
Total assets	24 199 009	1 131 501	15 977 446
Liabilities and equity			
Contributed equity	1 028 321	399 994	1 028 321
Accrued equity	7 786	-1 724	7 786
Profit/Loss	1 363	507	
Total equity	1 037 470	398 777	1 036 107
Deferred taxes	12	0	12
Priority bonds	22 156 580	0	13 940 790
Debt incurred by issuing securities	749 795	0	750 000
Debt to credit institutions	0	730 000	0
Financial derivatives	0	0	38 341
Payable taxes	3 043	0	3 043
Other liabilities	252 110	2 724	209 154
Total liabilities	23 161 539	732 724	14 941 339
Total liabilities and equity	24 199 009	1 131 501	15 977 446

SpareBank 1 Boligkreditt AS

Notes to the accounts for Q1 2008

Note 1 General information

Sparebank 1 Boligkreditt AS implemented the IFRS as of 1. January 2007. The date of the opening balance in accordance with IFRS was 1. January 2006, and as such comparable figures in accordance with the new accounting standards have been prepared for the accounts.

Changes in IAS 23 _ Loan expenses was published by IASB in Q1 2007. These will come into force on 1. January 2009.

Note 2 Accounting standards

General

The accounts are presented in accordance with the "International Financial Reporting Standards" (IFRS), including IAS 34 regarding interim accounts. This also includes interpretations from International Financial Reporting Interpretations Committee (IFRIC) and its predecessor, Standing Interpretations Committee (SIC).

An account of the accounting standards applied in the presentation of this interim report can be read in the annual accounts of 2007.

Note 3 Risk classification

The risk classification of the Company's liabilities is based on a complete assessment of the liabilities. The assessment is based on the following main criteria:

- The Client's ability to pay (income and debt)
- The Client's willingness to pay (poor payment record and reminders)
- The size of the loan.
- Debt to asset ratio (only within 75% of the estimated value)
- Location

Any differentiation in prices is governed by SpareBank 1 Boligkreditt, based on the recommendation given by the individual savings bank. Any differentiation is mainly carried out on the basis of collateral, the Client's financial situation and competition circumstances.

Note 4 Net interest income

	Q1 2008	Q1 2007	Year 2007
NOK 1 000			
Interest income			
Interest income and similar income from loans to and balances with credit institutions	22 062	3 996	51 858
Interest income and similar income from loans to and balances with customers	319 240	7 374	388 438
Distributor commission	-18 913	-778	-19 148
Total interest income	322 390	10 592	421 148
Interest expense			
Interest expense and similar expenses to credit institutions	295 901	5 571	357 729
Interest expense and similar expenses on deposits from and liabilities to customers	2	0	2
Interest expense and similar expenses on issued bonds	5 347	480	30 848
Total interest expense	301 250	6 051	388 579
Total net interest income	21 140	4 541	32 569

Note 5 Asset coverage test

NOK 1 000	Q1	Q1	Year
	2008	2007	2007
Covered bonds	22 156 580		13 940 790
Financial derivatives (Exchange rate swaps)	-520 901		-291 727
Financial derivatives (Interest rate swaps)	-36 639		38 341
Total covered bonds	21 599 039	N/A*	13 687 404
Loans to customers	21 940 584		14 165 488
Accrued interest income	42 895		-28 335
Loans to and balances with credit institutions	1 613 545		1 482 508
Accrued interest expenses	-209 898		-185 832
Total collateral related to covered bonds	23 387 126	N/A*	15 433 829
Asset to debt ratio on collateral	108,3 %	N/A*	112,8 %

* A covered bond was established in 2007.

Note 6 Salary and remuneration

NOK 1 000	Q1	Q1	Year
	2008	2007	2007
Salary expense			
Salary expense	2 004	935	4 243
Pension expense	75	75	300
Social insurance fees	296	139	631
Other personnel expenses	26	22	25
Total salary expense	2 402	1 171	5 199
Average no. of man years	5	4	4,33

Note 7 Administration expenses

NOK 1 000	Q1	Q1	Year
	2008	2007	2007
Operation and maintenance IT	683	458	2 334
Management fee, loans	1 194	0	1 114
Travel	166	76	501
Telephone and postage	12	3	92
Training	4	32	33
Misc. other adm. expenses	38	15	62
Total	2 097	584	4 136

Note 8 Other operating expenses

NOK 1 000	Q1	Q1	Year
	2008	2007	2007
Internal audit, consultant from SpareBank 1 Gruppen, acquired adm. services and more	864	858	4 490
Operating expenses rented offices	39	23	141
Misc. other operating expenses	73	46	301
Total	975	927	4 932

Note 9 Loans to customers

NOK 1 000	Q1	Q1	Year
	2008	2007	2007
Flexible loans - retail division	9 138 873	358 077	5 317 108
Amortizing loans - retail division	12 800 896	347 677	8 848 381
Total loans pre. Specified and un-specified loss provisions	21 939 769	705 754	14 165 488
Specified loss provisions	0	0	0
Grouped loss provisions	0	0	0
Total net loans and receivables with clients	21 939 769	705 754	14 165 488

Defaulted loans

Defaults	2 156	0	0
Specified loss provisions	0	0	0
Net defaulted loans	2 156	0	0

Other doubtful loans

Doubtful loans, not yet defaulted	0	0	0
- Individual write-downs on doubtful loans	0	0	0
Net other doubtful loans	0	0	0

Total liabilities for a client is assumed to be in default and is included in reports on defaults when any payments that are due have not been paid within 90 days after the due date, or an overdraft has been overdrawn for 90 days or more. Loss assessments are carried out on liabilities that have been in default for more than 60 days.

Note 10 Financial derivatives

NOK 1 000	Contractual amount	Real value		Distributed on	
		Assets	Liabilities	Cash flow hedge	Real value of hedge
<i>Hedge Q1 2008</i>					
Interest rate derivatives					
Interest rate swaps	20 350 000	36 639	0		20 350 000
Currency swaps	19 586 500	520 901	0		19 586 500
Total interest rate derivatives	39 936 500	557 541	0	0	39 936 500

Hedge Q1 2007

No financial derivatives in Q1 2007.

Hedging according to the annual accounts 2007

Interest rate derivatives					
Interest rate swaps	12 211 450		38 341		12 211 450
Currency swaps	11 698 500	291 726			11 698 500
Total interest rate derivatives	23 909 950	291 726	38 341	0	23 909 950

Note 11 Capital adequacy

	Q1 2008	Q1 2007	Year 2007
Subordinated capital in KNOK			
Share capital	783 140	320 000	783 140
Premium fund	245 181	79 994	245 181
Other equity	7 786	-1 724	7 786
Profit/Loss	10 244	507	
Total equity capital entered into the balance sheet	1 046 351	398 777	1 036 107
Intangible assets	8 082		9 388
Core capital	1 038 269	398 777	1 026 719
Supplementary capital	0	0	0
Total subordinated capital	1 038 269	398 777	1 026 719

	Q1 2008	Q1 2007	Year 2007
The minimum requirement of subordinated capital according to Basel II in KNOK			
Credit risk according to the standard method	684 996	28 314	458 811
Market risk	-	-	-
Operational risk	4 426	1 094	2 906
Minimum required subordinated capital	689 421	29 408	461 717

Capital adequacy	Basel II Q1 2008	Basel II Q2 2007	Basel II Year 2007
<i>Amounts in KNOK</i>			
Asset base	8 617 768	367 604	5 771 489
Core capital (%)	11,93 %	105,18 %	17,79 %
Capital adequacy (%)	11,93 %	105,18 %	17,79 %

The statement presents the capital adequacy of Sparebank 1 Boligkreditt. The Capital adequacy shall be at least 8 per cent. Intangible assets will not be included. The asset base for calculation is weighted according to risk. In regards of Basel I there are 5 risk categories, 0, 10, 20, 50 and 100 percent, in which the percentage indicates the proportion of a balance sheet item that should be included in the asset base for calculation. In regards of Basel II the categories are 0, 10, 20, 35, 75 and 100 percent.

Note 12 Liabilities incurred by issuing securities

Covered bonds

NOK 1 000, unless otherwise stated					Q1 2008	Q1 2007	Year 2007
ISIN	Nominal	Currency	Interest rate	Maturity			
XS0323446665	1 500 000	EUR		01.10.10	11 698 500	N/A	11 698 500
XS0350301668	1 000 000	EUR		15.06.11	7 880 000	N/A	
NO0010389109	2 000 000	NOK		25.11.09	2 000 000	N/A	2 000 000
Total covered bonds					21 578 500	N/A	13 698 500

Bonds, Securities and other short term loans that are not covered.

NOK 1 000	Q1 2008	Q1 2007	Year 2007
Bonds, Securities and other short term loans that are not covered.	750 000	0	750 000
Deposits - Loans from credit institutions	0	730 000	0
Total securities and other short term loans that are not covered	750 000	730 000	750 000

* The amounts refer to the nominal value and thus differs from the amounts in the accounts that show amortised cost.

Note 13 Conditional consequences

SpareBank 1 Boligkreditt AS is not party in any ongoing legal proceedings.

Note 14 Income- and Balance sheet development

Income statement

	Q1	Q4	Q3	Q2	Q1
NOK 1 000	2008	2007	2007	2007	2007
Interest income	341 302	440 296	225 477	81 858	11 370
Interest expense	301 250	388 579	194 279	66 404	6 051
Net interest income	40 053	51 717	31 198	15 454	5 319
Commission expense	-18 913	-19 148	-13 502	-5 301	-778
Net profit/loss on securities	-12 334				
Total income	8 806	32 569	17 696	10 153	4 541
Salary and other remuneration	-2 402	-5 199	-3 736	-2 561	-1 171
Administration expense	-2 097	-4 136	-1 716	-1 227	-584
Other operating expenses	-975	-4 932	-3 412	-2 571	-927
Depreciation on fixed assets and other intangible assets	-1 439	-5 073	-3 677	-2 396	-1 155
Total operating expense	-6 913	-19 339	-12 540	-8 755	-3 837
Operational result	1 893	13 229	5 157	1 398	704
Taxes	-530	-3 719	-1 444	-391	-197
Profit/loss for the period	1 363	9 510	3 713	1 006	507

Balance sheet

	Q1	Q4	Q3	Q2	Q1
NOK 1 000	2008	2007	2007	2007	2007
Assets					
Deferred tax advantages		0	665	665	665
Other intangible assets	8 082	9 388	9 922	9 730	10 970
Other assets	79 257	28 335	44 864	26 273	4 919
Loans to and receivables with other credit institutions	1 613 545	1 482 508	950 702	1 022 022	409 186
Loans to customers	21 940 584	14 165 488	11 143 693	8 378 494	705 760
Financial derivatives	557 541	291 727			
Total assets	24 199 009	15 977 446	12 149 845	9 437 184	1 131 501
Equity and Liabilities					
Contributed equity	1 028 321	1 028 321	653 950	403 950	399 994
Accrued equity	7 786	7 786	-1 724	-1 724	-1 724
Profit/Loss	1 363		3 713	1 006	507
Total equity	1 037 470	1 036 107	655 939	403 233	398 777
Deferred payable taxes	12	12	0	0	0
Covered bonds	22 156 580	13 940 790	0	0	0
Debt incurred by issuing securities	749 795	750 000	748 827	999 598	0
Debt with credit institutions	0	0	10 702 500	7 997 500	730 000
Financial derivatives	0	38 341	1 173	402	0
Payable taxes	3 043	3 043	0	0	0
Other liabilities	252 110	209 154	41 406	36 451	2 724
Total liabilities	23 161 539	14 941 339	11 493 906	9 033 951	732 724
Total equity and liabilities	24 199 009	15 977 446	12 149 845	9 437 184	1 131 501