



SpareBank 1 Boligkreditt AS

3rd quarter 2008
Stavanger 22 October 2008

SPAREBANK 1 BOLIGKREDITT AS 2008

As of 30 September 2008

Accounts 3q 2008

	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Income statement			
NOK 1 000			
Interest income	1 331 498	225 477	440 296
Interest expenses	-1 194 411	-194 279	-388 579
Net interest income	137 087	31 198	51 717
Commission fees payable	-65 992	-13 502	-19 148
Net profit/loss on securities	-832	0	0
IFRS conversion effect	11 357	0	0
Total income	81 620	17 697	32 569
Salaries and other personnel expenses	-4 472	-3 736	-5 199
Administrative expenses	-6 133	-1 688	-4 136
Other operating expenses	-2 863	-3 440	-4 932
Depreciation of fixed and other intangible assets	-4 347	-3 677	-5 073
Total operating expenses	-17 815	-12 540	-19 339
Operational result	63 805	5 157	13 229
Taxes	-17 865	-1 444	-3 719
Profit/loss for the period	45 939	3 713	9 510
Balance sheet			
NOK 1 000			
Assets			
Deferred tax assets	0	665	0
Other intangible assets	5 350	9 922	9 388
Other assets	165 414	44 864	28 335
Lending to and deposits with credit institutions	2 591 845	950 702	1 482 508
Lending to customers	31 643 131	11 143 693	14 165 488
Financial derivatives	1 342 015	0	291 727
Total assets	35 747 755	12 149 845	15 977 446
Liabilities and equity			
Contributed equity	1 338 470	653 950	1 028 321
Accrued equity	7 786	-1 724	7 786
Profit/loss	45 939	3 713	0
Total equity	1 392 195	655 939	1 036 107
Deferred taxes	12	0	12
Covered Bonds	32 930 776	0	13 940 790
Securities issued	500 000	750 000	750 000
Debt to credit institutions	623 525	10 702 500	0
Financial derivatives	0	0	38 341
Payable taxes	0	0	3 043
Other liabilities	301 247	41 406	209 154
Total liabilities	34 355 560	11 493 906	14 941 339
Total liabilities and equity	35 747 755	12 149 845	15 977 446

SpareBank 1 Boligkreditt AS

Statement of changes in equity

NOK 1 000	Share capital	Premium reserve	Other equity	Total equity
Incorporation 18.08.2005	80 000	20 000		100 000
Cost of incorporation		-6		-6
Share increase 21 november 2006	240 000	60 000		300 000
Result in the period			-1 724	-1 724
Balance as of 1 January 2007	320 000	79 994	-1 724	398 270
Share increase 22 February 2007	3 140	816		3 956
Share increase 22 August 2007	200 000	50 000		250 000
Share increase 02 November 2007	176 401	88 201		264 602
Share increase 20 Desember 2007	83 599	26 170		109 769
Result in the period			9 510	9 510
Balance as of 31 December 2007	783 140	245 181	7 786	1 036 107
Share increase 04 June 2008	7 408	2 741		10 149
Share increase 13 June 2008	150 000	150 000		300 000
Result in the period			45 939	45 939
Balance as of 30 September 2008	940 548	397 922	53 725	1 392 195

SpareBank 1 Boligkreditt AS

Cash Flow analysis

NOK 1 000	30.09.2008	30.09.2007	2007
Cash flow from operations			
Pre tax result	63 805	5 157	13 229
Paid tax for the period	-3 043	0	0
Interest income	-120 119	-44 044	-27 515
Interest expense	90 898	27 391	183 690
Ordinary depreciation	4 347	3 677	5 073
Change in other time limited items	-482	9 251	10 883
Net cash flow from operations	35 407	1 433	185 359
Cash flow from investments			
Net increase in lending to customers	-17 477 643	-10 491 731	-13 513 526
Net increase in other intangible assets	-1 002	-3 636	-4 332
Net cash flow from investments	-17 478 645	-10 495 367	-13 517 858
Cash flows from funding activities			
Net increase in debt incurred by the issuing of bonds	0	550 000	550 000
Net decrease in debt incurred by the issuing of bonds	-250 000	0	0
Net increase in debt incurred by the issuing of securities	17 888 670	0	13 698 500
Net increase in debt to credit institutions	603 756	10 482 500	0
Net decrease in debt to credit institutions	0	0	-220 000
Payment of new equity capital	310 149	253 956	628 327
Net cash flow from funding	18 552 575	11 286 456	14 656 827
Net cash flow in the period	1 109 337	792 522	1 324 328
Balance of bank deposits, cash and similar entities -opening balance	1 482 508	158 180	158 180
Balance of bank deposits, cash and similar entities -closing balance	2 591 845	950 702	1 482 508

SpareBank 1 Boligkreditt AS

Notes to the accounts for the 3rd quarter 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 were published by IASB in Q1 2007. These will come into force starting 1 January 2009.

Note 2 Accounting standards

General

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

Descriptions of the accounting standards applied in the presentation of this interim report can be found in the annual accounts of 2007.

Note 3 Risk classification

The risk classification of the company's liabilities is completed upon the background of a complete assessment of the liabilities. This 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 records 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. Such differentiation is mainly carried out on the basis of collateral, the financial situation of the client and market circumstances.

Note 4 Net interest income

NOK 1 000	3rd quarter 2008 30.09.2008	3rd quarter 2007 30.09.2007	Full year 2007 2007
Interest income			
Interest income and similar income on loans to and deposits with credit institutions	87 751	23 780	51 858
Interest income and similar income from loans to and balances with customers	1 243 746	201 697	388 438
Total interest income	1 331 498	225 477	440 296
Interest expenses			
Interest expense and similar expenses to credit institutions	143 835	177 092	357 729
Interest expense and similar expenses on deposits from and liabilities to consumers	1	2	2
Interest expense and similar expenses on securities issued	1 050 573	17 186	30 848
Other interest expenses	2	0	0
Total interest expenses	1 194 411	194 279	388 579
Net interest income	137 087	31 198	51 717

Note 5 Asset coverage test

NOK 1 000	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Covered Bonds	32 924 947		13 940 790
Financial derivatives (Cross currency swaps)	-1 493 935		-291 727
Financial derivatives (Interest rate swaps)	151 920		38 341
Total covered funding	31 582 931	N/A*	13 687 404
Lending to customers	31 524 062		14 165 488
Accrued interest receivable	62 061		28 335
Lending to and deposits with credit institutions	2 056 301		1 482 508
Accrued interest payable	-274 588		-185 832
Total cover pool	33 367 836	N/A*	15 490 500
Asset to debt ratio on collateral	105,65 %	N/A*	113,2 %

* Covered bonds were first issued during the course of 2007

Note 6 Salaries and remuneration

NOK 1 000	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Salary expenses			
Ordinary salaries	3 673	3 032	4 243
Pension expenses	225	225	300
Social insurance fees	547	455	631
Other personell expenses	29	24	25
Total salary expenses	4 473	3 736	5 199
Average number of man-years	4,33	4,33	4,33

Note 7 Administrative expenses

NOK 1 000	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Operations and maintenance IT	2 047	1 391	2 334
Management fee on loans	3 581	0	1 114
Travel	465	219	501
Telephone and postage	33	41	92
Training	4	32	33
Other administrative expenses	3	5	62
Total administrative expenses	6 133	1 688	4 136

Note 8 Other operating expenses

NOK 1 000	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Internal audit, hired employee from SpareBank 1 Gruppen, acquired adm. services and more	2 360	3 073	4 490
Operating expenses rented offices	118	102	141
Other operating expenses	386	265	301
Total other operating expenses	2 863	3 440	4 932

Note 9 Lending to customers

NOK 1 000	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Flexible loans -retail division	14 280 800	4 079 034	5 317 108
Amortising loans -retail division	17 362 331	7 064 659	8 848 381
Total lending prior to loss provisions	31 643 131	11 143 693	14 165 488
Specified loss provisions	0	0	0
Group loss provisions	0	0	0
Total net lending to and receivables with customers	31 643 131	11 143 693	14 165 488
Loans in defaults			
Defaults	2 156	0	0
Specified loss provisions	0	0	0
Net loans in default	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 exceeded 90 days. Loss assessments are carried out on liabilities that have been in default for more than 90 days.

Note 10 Financial derivatives

NOK 1 000	Contractual amount	Real value		Distribution	
		Assets	Liabilities	Cash flow hedge	Value of hedge
<i>Hedging Q3 2008</i>					
Interest rate derivatives					
Interest rate swaps	31 084 668		151 920		31 084 668
Cross currency swaps	27 601 500	1 493 935			27 601 500
Total financial derivatives	58 686 168	1 493 935	151 920		58 686 168
<i>Hedging Q3 2007</i>					
No financial derivatives in Q3 2007					
<i>Hedging according to annual accounts 2007</i>					
Interest rate derivatives					
Interest rate swaps	12 211 450		38 341		12 211 450
Cross currency swaps	11 698 500	291 726			11 698 500
Total financial derivatives	23 909 950	291 726	38 341	0	23 909 950

Note 11 Capital Adequacy

	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Subordinated capital in 1000 NOK			
Share capital	940 548	523 140	783 140
Premium fund	397 922	130 810	245 181
Other equity	7 786	-1 724	7 786
Total equity on balance sheet	1 346 256	652 226	1 036 107
Intangible assets	5 350	9 922	9 388
Core capital	1 340 906	642 305	1 026 719
Supplementary capital	0	0	0
Total subordinated capital	1 340 906	642 305	1 026 719

	Basel II	Basel II	Basel II
	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
Capital adequacy			
Core capital (%)	10,38 %	14,80 %	17,79 %
Capital adequacy (%)	10,38 %	14,80 %	17,79 %

The statement presents the capital adequacy ratio of SpareBank 1 Boligkreditt. The capital adequacy ratio shall be at least 8 per cent. Intangible assets shall not be included. The asset base for calculation is weighted according to risk. According to Basel II the risk categories are: 0, 10, 20, 35, 75 and 100 per cent.

Note 12 Liabilities incurred by issuing securities

Covered Bonds

NOK 1 000, unless stated otherwise					3rd quarter 2008	3rd quarter 2007	Full year 2007
ISIN	Nominal	Currency	Interest rate	Maturity date	30.09.2008	30.09.2007	2007
XS0323446665	1 500 000	EUR		01.10.10	11 698 500	N/A	11 698 500
XS0350301668	1 000 000	EUR		15.06.11	7 888 000	N/A	
XS0386753031	1 000 000	EUR		10.09.13	8 015 000	N/A	
NO0010389109	2 000 000	NOK		25.11.09	2 000 000	N/A	2 000 000
NO0010441652	800 000	NOK		25.06.12	800 000	N/A	
NO0010441454	500 000	NOK		18.06.18	500 000	N/A	
NO0010441678	200 000	NOK		25.06.18	200 000	N/A	
	60 000	EUR		18.09.19	485 670	N/A	
Total Covered Bonds					31 587 170	N/A	13 698 500

Bonds, certificates, and other uncovered short term loans

	3rd quarter 2008	3rd quarter 2007	Full year 2007
	30.09.2008	30.09.2007	2007
NOK 1 000			
Bonds, certificates and other uncovered short term loans	500 000	750 000	750 000
Deposits - short term loans from credit institutions	0	10 702 500	0
Total bonds, certificates and other uncovered short term loans	500 000	11 452 500	750 000

* The amounts refer to nominal values and thus differ from those in the accounts that show amortised cost

Note 13 Conditional consequences

SpareBank 1 Boligkreditt is not a party in any ongoing legal proceedings

Note 14 Income and balance sheet development

Income statement

NOK 1 000	3rd quarter 2008	3rd quarter 2007	sep.08	sep.08	Full year 2007
	30.09.2008	30.09.2007	sep.08	sep.07	2007
Interest income	1 331 498	225 477	193 539	143 619	440 296
Interest expenses	-1 194 411	194 279	-173 371	127 875	388 579
Net interest income	137 087	31 198	20 168	15 744	51 717
Commission fees payable	-65 992	-13 502	-10 031	-8 200	-19 148
New profit/loss on securities	-832	N/A	-774	N/A	0
IFRS conversion effect	11 357	N/A	18 818	N/A	0
Total income	81 619	17 696	28 181	7 544	32 569
Salaries and other personnel expenses	-4 472	-3 736	-455	-1 175	-5 199
Administrative expenses	-6 133	-1 688	-849	-488	-4 136
Other operating expenses	-2 863	-3 440	-477	-841	-4 932
Depreciation of fixed and other intangible assets	-4 347	-3 677	-487	-1 281	-5 073
Total operating expenses	-17 815	-12 540	-2 267	-3 785	-19 339
Operational result	63 804	5 157	25 914	3 759	13 229
Taxes	-17 865	-1 444	-7 256	-1 053	-3 719
Profit/loss for period	45 939	3 713	18 658	2 707	9 510

Balance sheet

NOK 1 000	3rd quarter 2008	3rd quarter 2007	sep.08	sep.08	Full year 2007
	30.09.2008	30.09.2007	sep.08	sep.07	2007
Assets					
Deferred tax assets	0	665	0	0	665
Other intangible assets	5 349,93	9 922	-487	191	9 730
Other assets	165 413,53	44 864	16 593	18 591	26 273
Lending to and deposits with credit institutions	2 591 845,25	950 702	644 904	-71 321	1 022 022
Lending to customers	31 643 131,03	11 143 693	3 202 274	2 765 200	8 378 494
Financial derivatives	1 342 015,49	0	1 290 256	0	0
Total assets	35 747 755	12 149 845	5 153 540	2 712 661	9 437 184
Equity and liabilities					
Contributed equity	-1 338 470	-653 950	0	-250 000	-403 950
Accrued equity	-7 786	1 724	0	0	1 724
Profit/loss	-45 939	-3 713	-18 658	-2 707	-1 006
Total equity	-1 392 195	-655 939	-18 658	-252 707	-403 233
Deferred taxes	-12	0	0	0	0
Covered Bonds	-32 930 776	0	-9 785 056	0	0
Securities issued	-500 000	-748 827	0	250 772	-999 598
Debt to credit institutions	-623 525	-10 702 500	4 656 083	-2 705 000	-7 997 500
Financial derivatives	0	-1 173	0	-772	-402
Payable taxes	0	0	0	0	0
Other liabilities	-301 247	-41 406	-5 910	-4 955	-36 451
Total liabilities	-34 355 560	-11 493 906	-5 134 882	-2 459 955	-9 033 951
Total equity and liabilities	-35 747 755	-12 149 845	-5 153 540	-2 712 661	-9 437 184