

Investor Relations

Supplementary information

First Quarter 2011



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Information on the Internet

SpareBank 1 SMN's home page

www.smn.no

Hugin-Online

www.huginonline.no

ECC information in general

www.egenkapitalbevis.no

Financial Calendar

1st quarter

06. May 2011

2nd quarter

10. August 2011

3rd quarter

27. October 2011

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1. SpareBank 1 SMN overview

1.1. Financial highlights

First quarter 2011

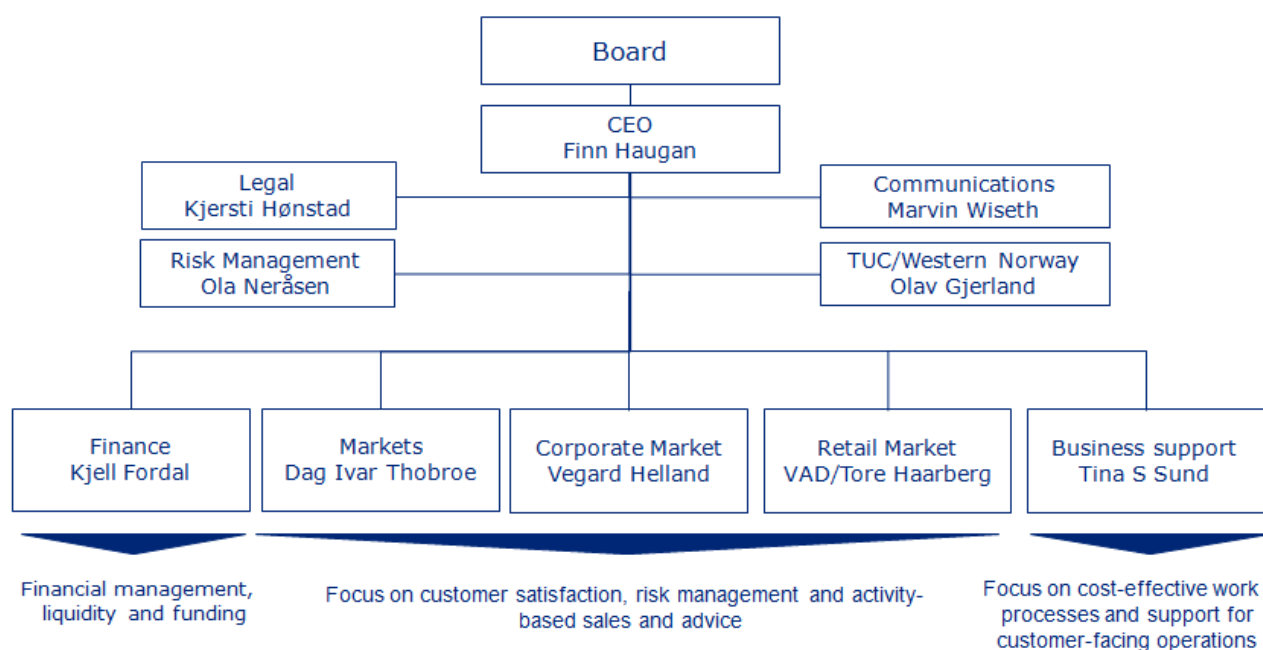
(Comparable figures for first quarter 2010 in parentheses)

- Profit before tax: NOK 325m (NOK 255m)
- Profit: NOK 255m (NOK 188m)
- Return on equity: 13.2% (12.1%)
- Tier 1 capital adequacy 10.6% (11.0%)
- 12-month growth in lending: 11.4% (10.0%)
- 12-month growth in deposits: 14.1% (4.8%)
- Earnings per ECC: NOK 1.64 (NOK 1.09)

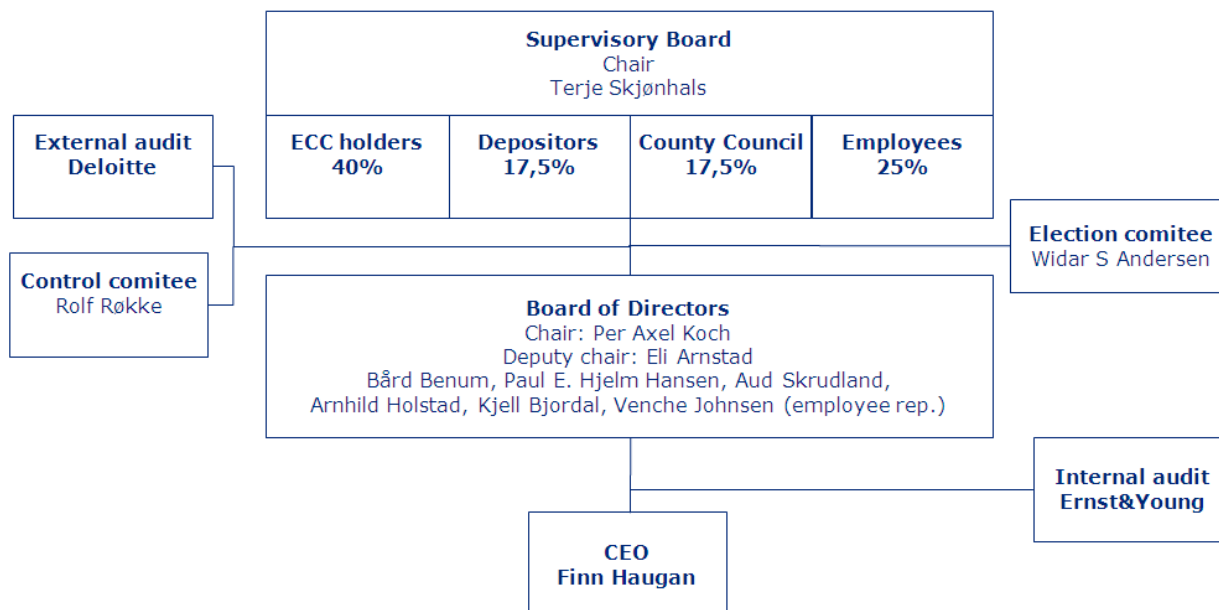
1.2. Business description

SpareBank 1 SMN is Mid-Norway's largest bank with assets totalling NOK 94.5 billion at the end of first quarter 2011. Head office is in Trondheim and the Group employs about 1,050 staff.

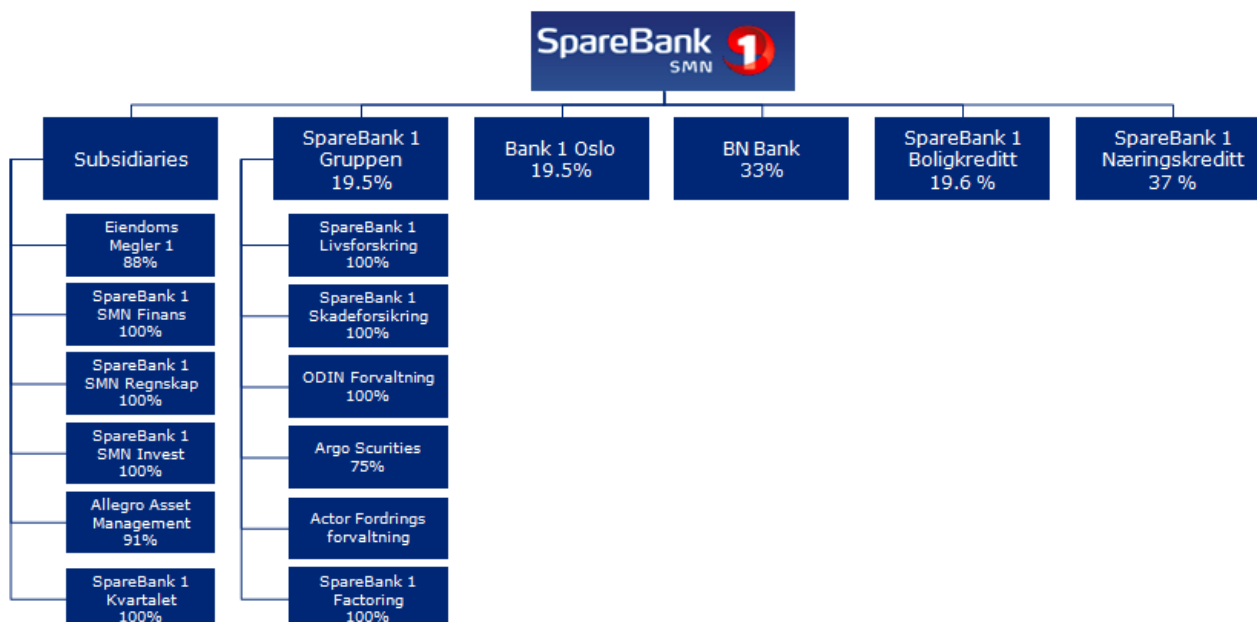
SpareBank 1 SMN is organised in five divisions to secure a customer-oriented and cost-effective organisation while respecting the differing competencies required by each division. The Retail, Corporate and Markets divisions focus on customer satisfaction, risk management and activity-based sales and counselling. Business Support focuses on cost-effective work processes and support to enable the customer-facing divisions to attain their goals, while the Finance Division provides an overall basis for decision making, risk management and financial and asset-liability management.



Overall organisation

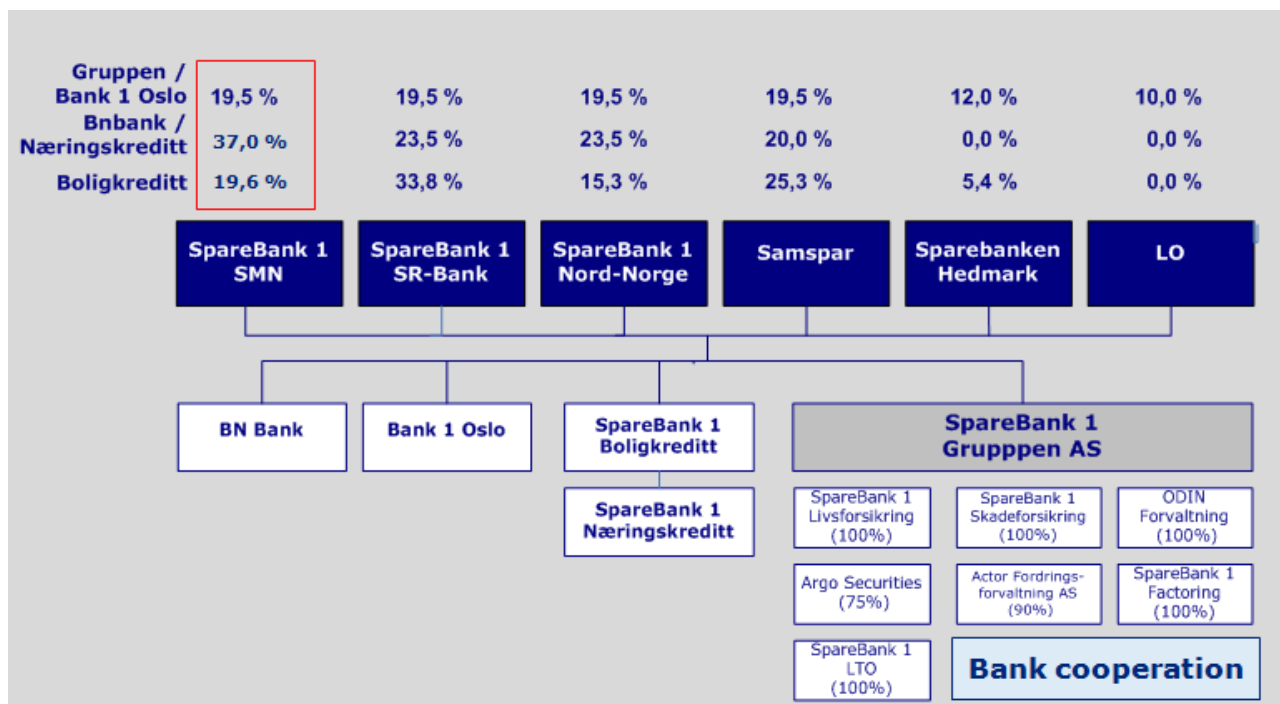


SpareBank 1 SMN: Overview of the Bank's activities



SpareBank 1 Group

The SpareBank 1 banks operate an alliance and develop product companies through the jointly owned holding company SpareBank 1 Gruppen. The paramount objective of the SpareBank 1 Alliance is to assure the individual bank's independence and regional identity through strong competitiveness, profitability and financial soundness. The Alliance is among the largest providers of financial services in Norway and a full-fledged alternative to traditional financial groups.



1.3. Credit ratings

<i>Moody's</i>	Today's rating	Year end					
		2010	2009	2008	2007	2006	2005
Outlook	Stable	Stable	Negative	Negative	Stable	Positive	Positive
Issuer Rating	A1	A1	A1	A1	Aa3	A3	A3
Bank Deposits	A1/P-1	A1/P-1	A1/P-1	Aa3/P-1	Aa3/P-1	A3/P-2	A3/P-2
Bank Financial Strenght	C -	C -	C -	C	C +	C	C
Senior Unsecured	A1	A1	A1	Aa3	Aa3	A3	A3
Subordinate	A2	A2	A2	A1	A1	Baa1	Baa1

<i>Fitch</i>	Today's rating	Year end					
		2010	2009	2008	2007	2006	2005
Outlook	Stable	Negative	Negative	Stable	Stable	Positive	Stable
Long-term IDR	A-	A	A	A	A	A-	A-
Short-term IDR	F2	F1	F1	F1	F1	F2	F2
Support rating	3	3	3	3	3	3	4
Individual rating	B/C	B/C	B/C	B	B	B/C	B/C

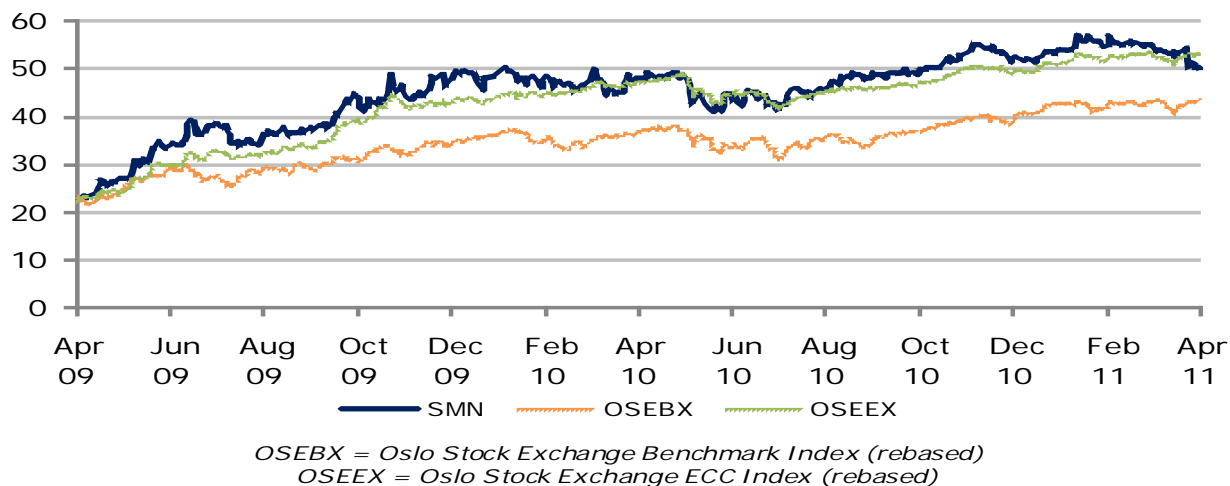
1.4. Equity capital certificate (MING)

The key figures are corrected for issues. No change in the number of ECCs.

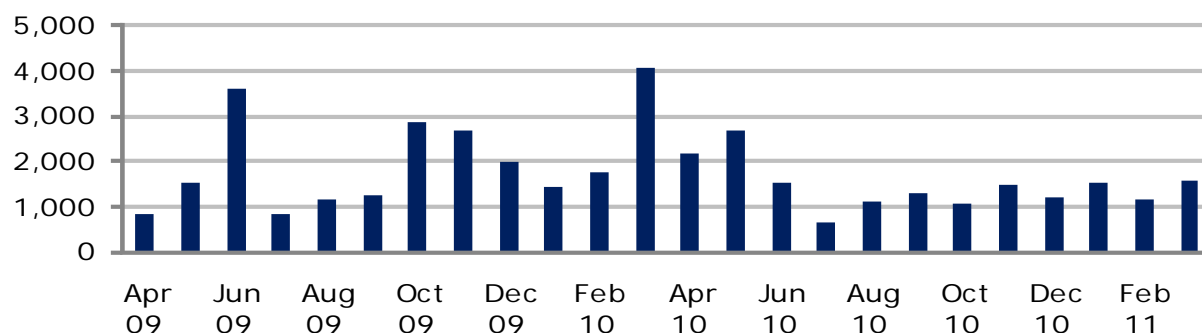
31. March 2011 the price of the Bank's ECC was NOK 50.00 (NOK 48.00). Earnings per ECC were NOK 7.60 (NOK 11.02). Book value per ECC was NOK 49.34 as of end first quarter 2011 (NOK 45.21).

<i>Key figures</i> (in NOK million)	1Q	4Q	3Q	2Q	1Q	31 Mar.		2010	2009
	2011	2010	2010	2010	2010	2011	2010		
ECC price	50.00	54.00	49.00	42.30	48.00	50.00	48.00	54.00	49.02
Number of certificates issued, millions	94.90	94.90	94.89	94.89	94.91	94.90	94.90	94.90	69.43
Booked equity capital per ECC (incl. dividend)	49.34	50.60	48.13	46.65	45.21	49.34	45.21	50.60	44.89
Adjusted profit per ECC	1.64	2.05	1.65	1.68	1.09	1.64	1.09	6.43	6.73
P/E per ECC	7.60	6.57	7.41	6.28	11.02	7.60	11.02	8.40	7.29
P/B equity capital	1.01	1.07	1.02	0.91	1.06	1.01	1.06	1.07	1.09

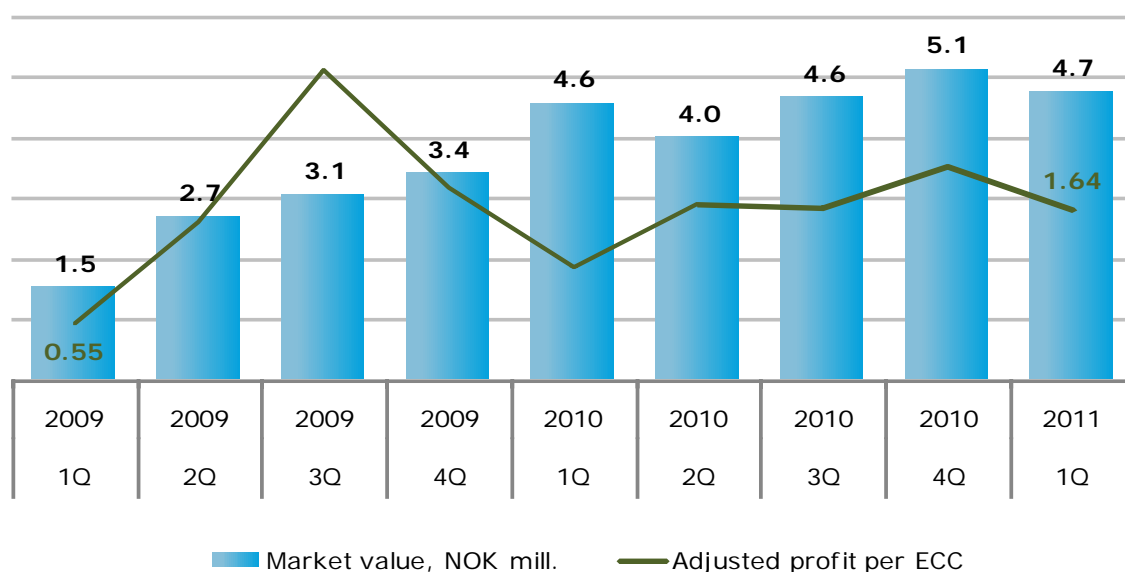
Stock price compared with OSEBX and OSEEX
1 April 2009 to 31 March 2011



Trading statistics
1 April 2009 to 31 March 2011



Market value and profit per ECC



Equity certificates ratio (parent bank)

(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
ECC capital	2,372	2,372	2,372	2,372	1,734	1,734
Dividen equalisation reserve	1,160	1,159	878	879	876	876
Premium reserve	182	182	174	174	-0	-0
Unrealised gains reserve	28	28	67	76	62	62
Other equity	-	-	-	628	-	-
A. The equity certificate owner's capital	3,742	3,742	3,492	4,129	2,671	2,671
Saving bank reserve	2,345	2,345	2,155	2,155	2,155	2,155
Unrealised gains reserve	17	17	42	48	48	48
Other equity	-	-	-	395	-	-
B. The saving bank reserve	2,362	2,362	2,197	2,598	2,203	2,203
Provision for gifts	0	192	-	-	27	27
Recommended dividends	-	285	-	-	174	174
Equity ex. profit	6,104	6,581	5,690	6,727	5,076	5,076
Equity certificates ratio A/(A+B)	61.3 %	61.3 %	61.4 %	61.4 %	54.8 %	54.8 %

20 largest ECC holders

Owner	Number	Ownership in %
Reitangruppen AS	6,872,514	7.24%
Rasmussengruppen AS	3,250,000	3.42%
Aker ASA / The Resource Group TRG	2,860,966	3.01%
Bank of New York Mellon SA/NV	2,556,406	2.69%
Odin Norge	2,293,235	2.42%
Odin Norden	2,126,949	2.24%
DB UK Bank Limited	1,490,850	1.57%
Frank Mohn AS	1,442,236	1.52%
MP Pensjon PK	1,142,774	1.20%
Vind LV AS	1,085,151	1.14%
The Northern Trust Co. (nominee)	1,082,536	1.14%
Nordea Bank Norge AS	1,077,640	1.14%
I.K. Lykke, T.Lykke m.fl.	891,567	0.94%
Tonsenhagen Forretningssentrum AS	865,013	0.91%
Stiftelsen Uni	826,171	0.87%
Forsvarets personellservice	788,092	0.83%
Nordisk Finans Invest AS	772,275	0.81%
KLP Aksje Norden VPF	744,475	0.78%
Heglund Holding AS	629,357	0.66%
Danske Invest Norske Aksjer Inst	543,996	0.57%
Total largest shareholders	33,342,203	35.13%
Other	61,563,083	64.87%
Total	94,905,286	100.00%

ECC capital history

Year	Change	Change in ECC capital	Total ECC capital	No. of ECC's
1991	Placing	525	525	5,250,000
1992	Placing	75	600	6,000,000
2000	Employee placing	5	605	6,053,099
2001	Employee placing	5	610	6,099,432
2002	Employee placing	5	614	6,148,060
2004	Bonus Issue	154	768	7,685,075
2005	Placing	217	986	9,859,317
2005	Employee placing	24	1,009	10,097,817
2005	Split	-	1,009	40,391,268
2005	Bonus Issue	253	1,262	50,489,085
2007	Dividend Issue	82	1,344	53,752,203
2007	Employee placing	5	1,349	53,976,003
2008	Dividend Issue	91	1,440	57,603,748
2008	Employee placing	6	1,447	57,861,806
2009	Bonus Issue	289	1,736	69,434,167
2010	Placing	624	2,360	94,397,474
2010	Employee placing	13	2,373	94,905,286

2. Financial results

Accounting principles

SpareBank 1 SMN prepares and presents its quarterly accounts in compliance with the Stock Exchange Regulations, Stock Exchange Rules and International Financial Reporting Standards (IFRS), including IAS 34, Interim Financial Reporting. As from 2007 the company accounts are also prepared and presented under IFRS. This entails that investments in associates and subsidiaries are recognized using the cost method. For this reason results recorded by associates and subsidiaries are not included in the parent bank's accounts.

Further, the Group has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts. The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2010.

As from January 2011 the Group has implemented new requirements in IAS 34 Interim Financial Reporting as regards changes in business or financial factors that affect fair value measurement of an entity's financial assets and liabilities, and as regards transfer between levels in the fair value hierarchy used to measure the fair value of financial instruments. In addition there is the possible reclassification of financial assets resulting from a change in the purpose or application of these assets. The Group has also implemented IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments, and the new IAS 24 Related Party Disclosures. None of these standards has entailed any essential change in Group reporting..

2.1. Main figures

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
(in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Net interest	327	293	320	297	300	327	300	1,210	1,279
Commission income and other income	221	222	210	229	194	221	194	855	756
Net return on financial investments	118	198	125	131	36	118	36	490	642
Total income	666	713	655	657	529	666	529	2,555	2,677
Total operating expenses	348	311	320	303	206	348	206	1,140	1,253
Result before losses	318	402	335	354	323	318	323	1,414	1,424
Loss on loans, guarantees etc.	-6	25	12	28	68	-6	68	132	277
Result before tax	325	377	323	327	255	325	255	1,282	1,147
Tax charge	70	60	67	66	67	70	67	260	210
Net profit	255	318	256	260	188	255	188	1,022	937

Balance sheet - condensed

	31 Mar.	31 Dec.	30 Sept.	30 Jun.	31 Mar.		31 Dec.
Balance (in NOK million)	2011	2010	2010	2010	2010		2009
Total assets	94,455	97,992	95,271	93,823	84,957		84,541
Average total assets	96,224	91,317	89,648	87,774	84,749		86,679
Gross loans to customers *	88,606	87,665	86,046	83,767	79,560		77,429
Deposits from customers	42,900	42,786	38,643	41,273	37,606		37,227
Total equity capital	7,639	7,846	7,461	7,224	6,219		6,183

* Loans to customers includes SpareBank 1 Boligkreditt

Key figures

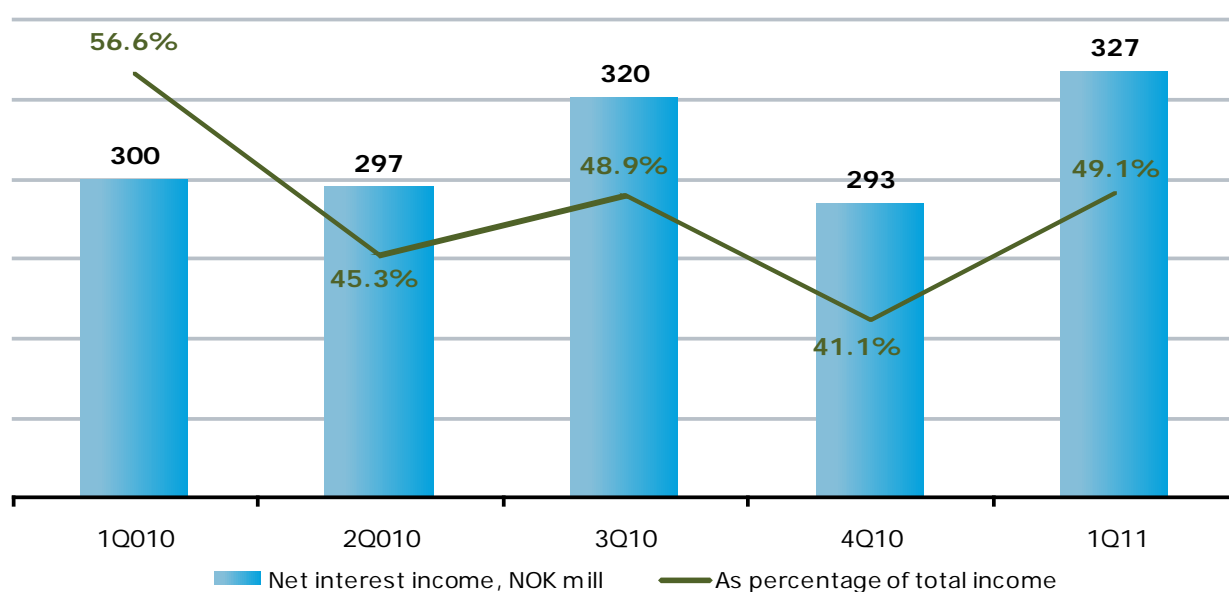
	1Q	4Q	3Q	2Q	1Q	31 Mar.			
	2011	2010	2010	2010	2010	2011	2010	2010	2009
Return on equity	13.2 %	16.6 %	13.9 %	15.5 %	12.1 %	13.2 %	12.1 %	14.6 %	16.2 %
Core capital ratio	10.6 %	10.9 %	10.6 %	10.8 %	11.0 %	10.6 %	11.0 %	10.9 %	10.4 %
Cost/income ratio group	52.2 %	43.7 %	48.9 %	46.1 %	38.9 %	52.2 %	38.9 %	44.6 %	46.8 %
Growth in loans incl Boligkreditt last 12 months	11.4 %	13.2 %	12.4 %	12.6 %	10.0 %	11.4 %	10.0 %	13.2 %	8.6 %
Growth in deposits last 12 months	14.1 %	14.9 %	2.8 %	7.8 %	4.8 %	14.1 %	4.8 %	14.9 %	5.5 %
Deposits-to-loan ratio	62.6 %	61.3 %	57.6 %	64.1 %	60.8 %	62.6 %	60.8 %	61.3 %	60.3 %
Impairment losses ratio	-0.01%	0.11%	0.05%	0.15%	0.33%	-0.01%	0.33%	0.16%	0.31%
Non-performing commitm. as % of gross loans	0.54%	0.57%	0.38%	0.41%	0.42%	0.54%	0.42%	0.57%	0.49%
ECC price	50.00	54.00	49.00	42.30	48.00	50.00	48.00	54.00	49.02
Booked equity capital per ECC (incl. dividend)	49.34	50.60	48.13	46.65	45.21	49.34	45.21	50.60	44.89
Adjusted profit per ECC	1.64	2.05	1.65	1.68	1.09	1.64	1.09	6.43	6.73

2.2. Net interest income

Net interest income

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Interest income	886	894	869	804	748	886	748	3,315	3,416
Interest expenses	559	601	549	506	449	559	449	2,105	2,137
Net interest income	327	293	320	297	300	327	300	1,210	1,279
As percentage of total income	49%	41%	49%	45%	57%	49%	57%	47%	48%

Development in net interest income



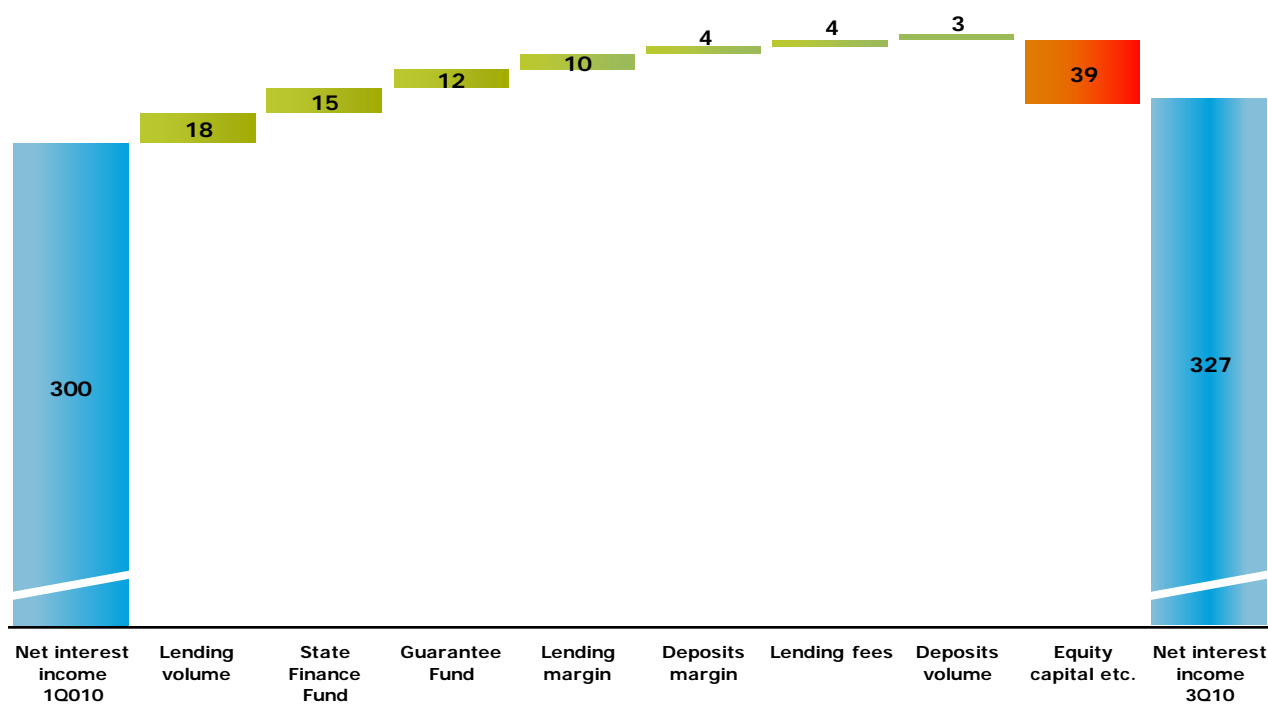
Changes in interest income from lending and deposits, last 12 months

(in NOK million)	Volume	Margin	Total
Lending	18	10	28
Deposits	3	4	8

Changes in net interest income

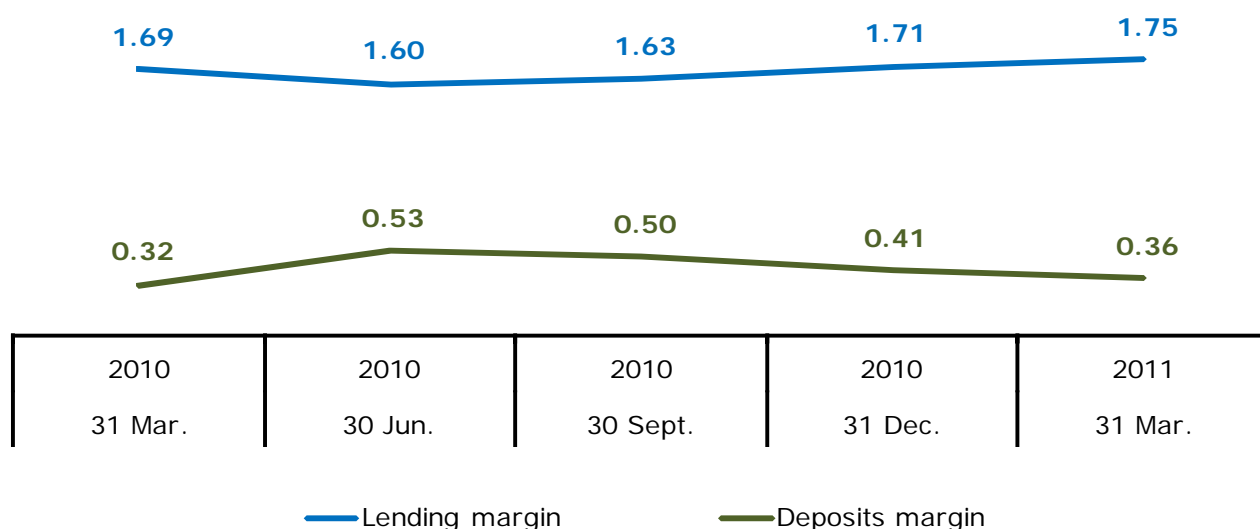
(in NOK million)

	31 Mar.		
	2011	Change	2010
Net interest income	327	27	300
Lending volume		18	
State Finance Fund		15	
Levy Norwegian Bank's Guarantee Fund		12	
Lending margin		10	
Deposits margin		4	
Lending fees		4	
Deposits volume		3	
Equity capital, funding and liquidity buffer		-39	
Change		27	



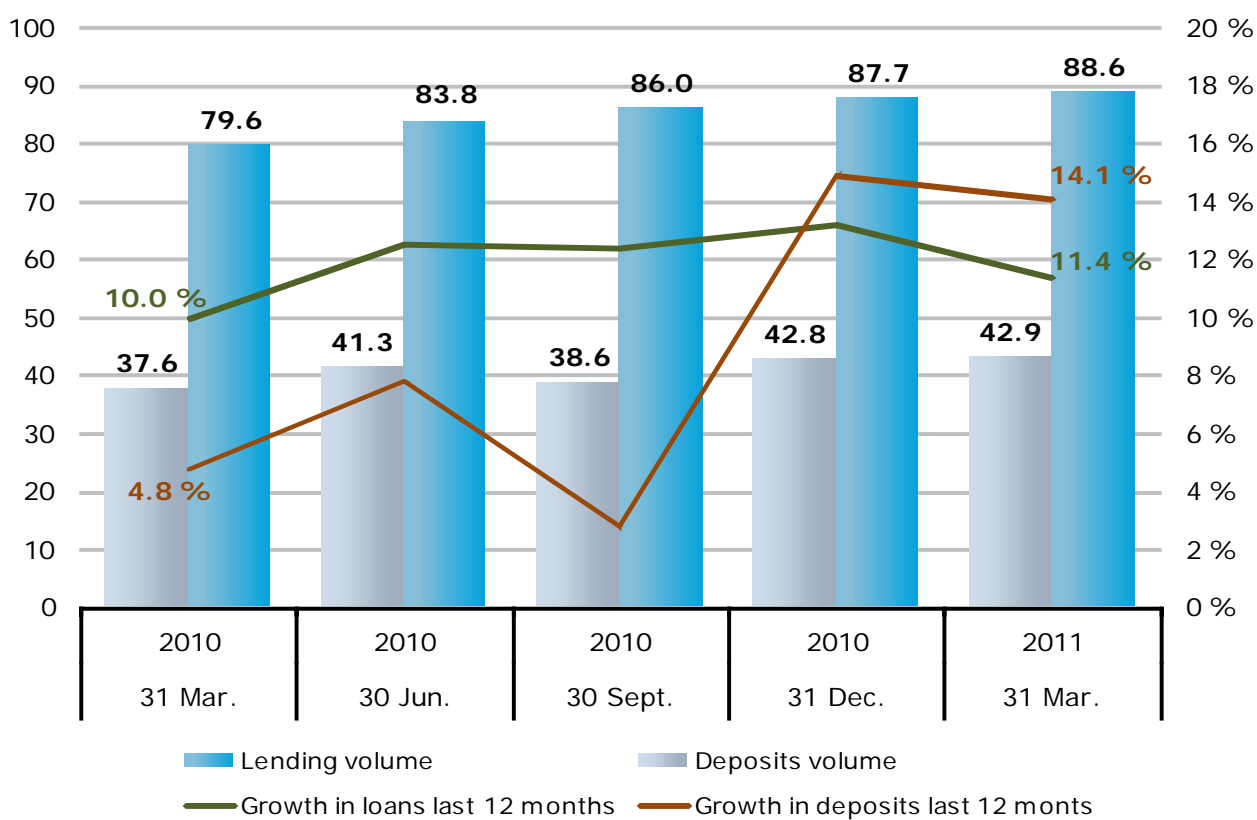
Margin development

Definition margin: Average customer interest minus 3 months average nilbor



Volume development

NOK bn.

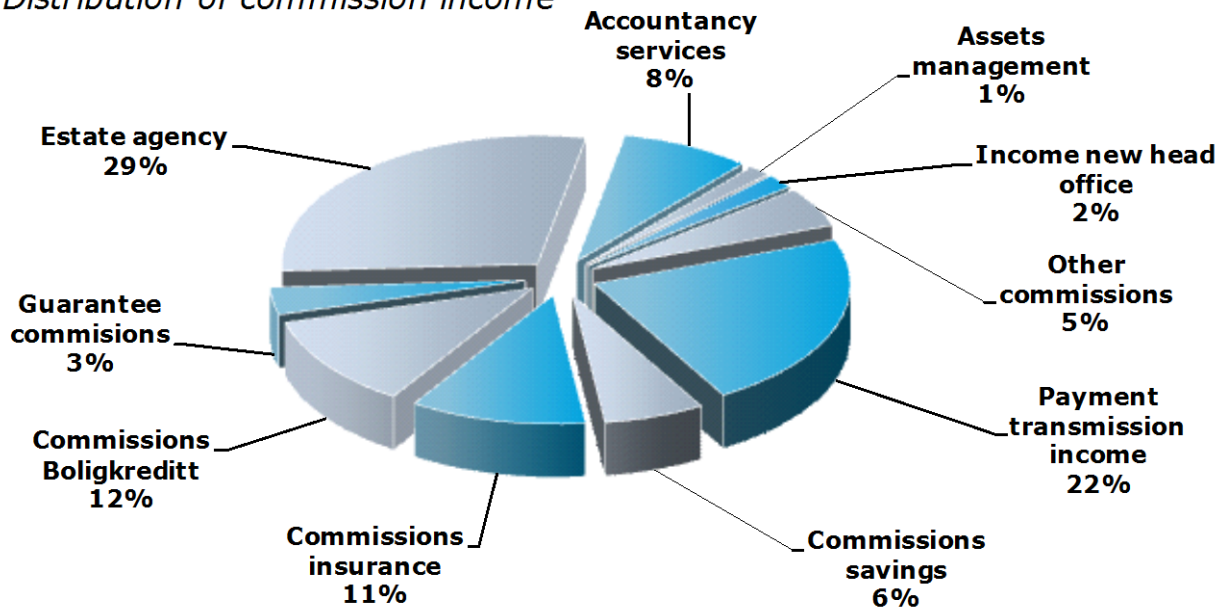


2.3. Commission income

Total commission and other income

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
(in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Payment transmission income	49	48	53	51	46	49	46	198	179
Commissions savings	14	16	15	12	18	14	18	60	67
Commissions insurance	25	26	24	24	22	25	22	96	82
Commissions Boligkreditt	26	24	24	30	28	26	28	107	82
Guarantee commissions	8	7	7	8	6	8	6	29	29
Estate agency	64	58	66	69	52	64	52	245	197
Accountancy services	18	11	12	14	14	18	14	51	45
Assets management	3	12	0	3	3	3	3	19	45
Income new head office	4	-	-	-	-	4	-	-	-
Other commissions	11	22	6	17	5	11	5	51	30
Total commission income	221	222	210	229	194	221	194	855	756
As percentage of total income	33%	31%	32%	35%	37%	33%	37%	33%	28%

Distribution of commission income



Change in commission income

(in NOK million)	2011	31 Mar. Change	2010
Total	221	27	194
Estate agency		11	
Other commissions		6	
Accountancy services		4	
Income new head office		4	
Payment transmission income		3	
Commissions insurance		3	
Guarantee commissions		1	
Assets management		0	
Commissions Boligkreditt		-2	
Commissions savings		-4	

Net return on financial investments

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Income from investment in related companies	54	83	69	57	41	54	41	249	349
of which SpareBank 1 Gruppen AS	31	61	50	30	22	31	22	164	161
BN Bank ASA	14	25	15	6	13	14	13	59	172
Bank 1 Oslo AS	4	5	8	17	7	4	7	37	-
SpareBank 1 Boligkreditt AS	6	6	0	4	6	6	6	16	17
SpareBank 1 Næringskreditt AS	1	0	0	2	0	1	0	2	1
Other ¹⁾	-3	-14	-4	-3	-7	-3	-7	-28	-1
Capital gains/dividends, shares and ECCs ²⁾	30	65	16	50	-10	30	-10	121	72
of which dividends	3	0	0	42	1	3	1	43	6
capital gains on shares	28	63	14	11	-10	28	-10	78	63
capital gains on ECCs	-1	3	1	-3	-1	-1	-1	0	4
Capital gains, bonds and derivatives	25	42	25	16	-3	25	-3	80	135
Net gain on trading and derivatives Markets	10	8	15	8	8	10	8	39	86
Net return on financial investments	118	198	125	131	36	118	36	490	642
As percentage of total income	18%	28%	19%	20%	7%	18%	7%	19%	24%

1) These companies were essentially established to handle corporate exposures taken over from other entities.

The negative result refers mainly to reduced asset values in these companies.

2) Included net gain of NOK 21m (loss NOK 12m) in 2010 from SpareBanken Midt-Norge Invest AS, which manages parts of the Bank's share portfolio

Change in net return on financial investments

(in NOK million)	2011	31 Mar. Change	2010
Total	118	82	36
Capital gains/dividends on shares and ECC's		40	
Capital gains from bonds and derivatives		28	
Income from investment in related companies		13	
Capital gain, SMN Markets		2	

2.4. Operating expenses

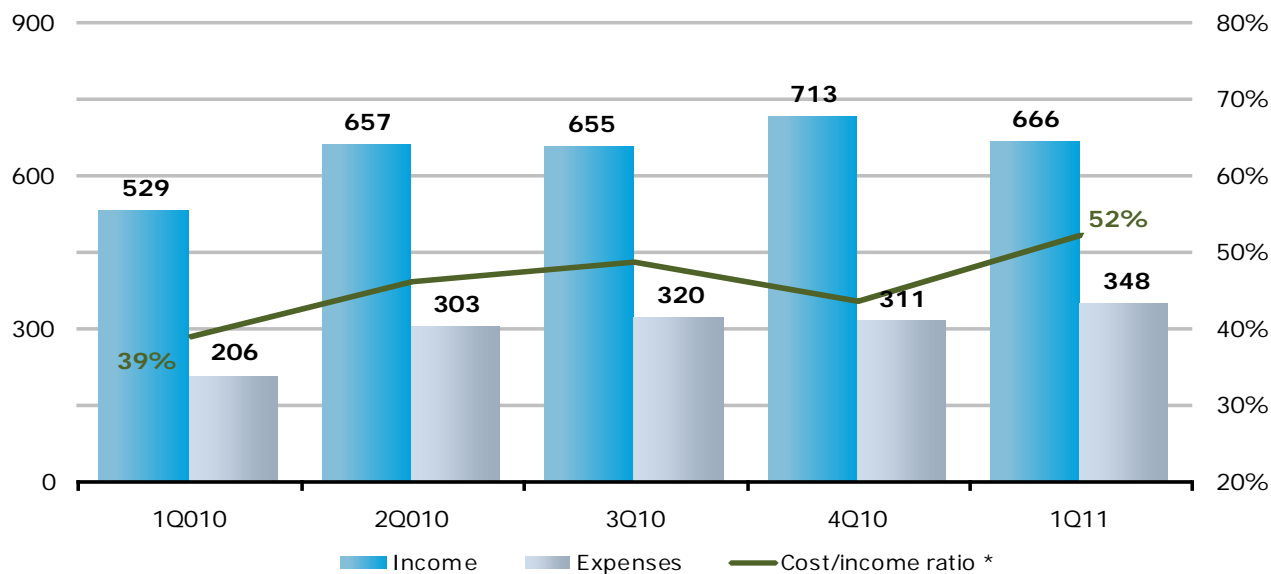
Operating expenses

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	2010	2010	2009
Salary	177	175	168	158	155	177	155	656	637
Pension costs (defined benefit plan)	9	-46	17	12	-83	9	-83	-100	60
Employer's insurance contributions	3	1	3	3	3	3	3	10	14
Other personnel expenses	8	6	3	4	3	8	3	17	14
Total personnel expenses	198	137	191	177	78	198	78	583	725
EDP and telecommunication expenses	42	42	38	35	41	42	41	156	158
Postage and transportation services	7	7	6	7	7	7	7	27	28
Marketing	12	12	9	12	10	12	10	43	38
Operating exp. on properties and premises	21	30	22	20	22	21	22	94	80
Other external services	11	20	12	12	9	11	9	52	39
Other operating expenses	37	47	30	31	30	37	30	138	135
Depr./write-downs of fixed & intangible assets	21	17	13	9	9	21	9	48	51
Other expenses	150	175	129	126	128	150	128	557	528
Total operating expenses	348	311	320	303	206	348	206	1,140	1,253
Cost/income ratio	0.52	0.44	0.49	0.46	0.39	0.52	0.39	0.45	0.47
Cost/income ratio ex financial inv.	0.63	0.60	0.60	0.58	0.42	0.63	0.42	0.55	0.62
12-month cost growth*	68.8 %	-9.0 %	-10.8 %	-18.8 %	-33.1 %	68.8 %	-33.1 %	-9.0 %	4.9 %

* Write-back of early retirement liabilities (AFP), NOK 117 mill, in 1st quarter 2010, hence the high cost growth

Cost/income ratio

NOK mill.



* Total operating expenses as a percentage of total operating income

Change in operating expenses

(In NOK million)

	2011	31 Mar. Change	2010
Total	348	142	206
Total personnel expenses*		120	
Depr./write-downs of fixed & intangible assets		11	
EDP and telecommunication expenses		1	
Marketing		2	
Postage and transportation services		-1	
Other operating expenses		7	
Operating exp. on properties and premises		-0	
Other external services		2	

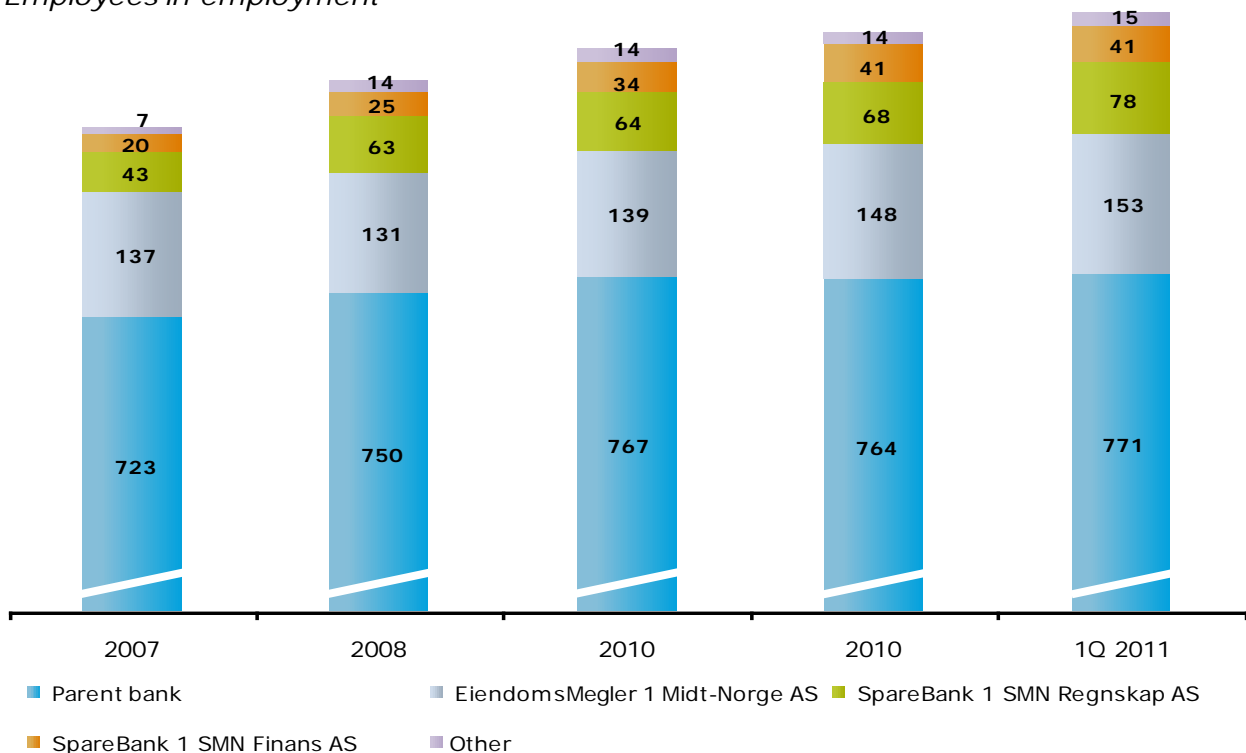
*Write-back of early retirement liabilities (AFP), NOK 117 mill, in 1st quarter 2010

Development of employees

Employees in employment

	1Q 2011	2010	2010	2008	2007
Retail market division	382	378	367	381	366
Corporate market	175	172	155	155	147
SpareBank 1 SMN Markets	35	33	32	21	15
Business operations	126	128	134	137	130
Management and staff	52	53	79	57	66
Parent bank	771	764	767	750	723
EiendomsMegler 1 Midt-Norge AS	153	148	139	131	137
Allegro Finans AS	9	10	10	10	7
SpareBank 1 SMN Finans AS	41	41	34	25	20
SpareBank 1 SMN Regnskap AS	78	68	64	63	43
SpareBank 1 Kvartalet and other	6	4	4	4	-
Total	1,057	1,035	1,016	982	931

Employees in employment



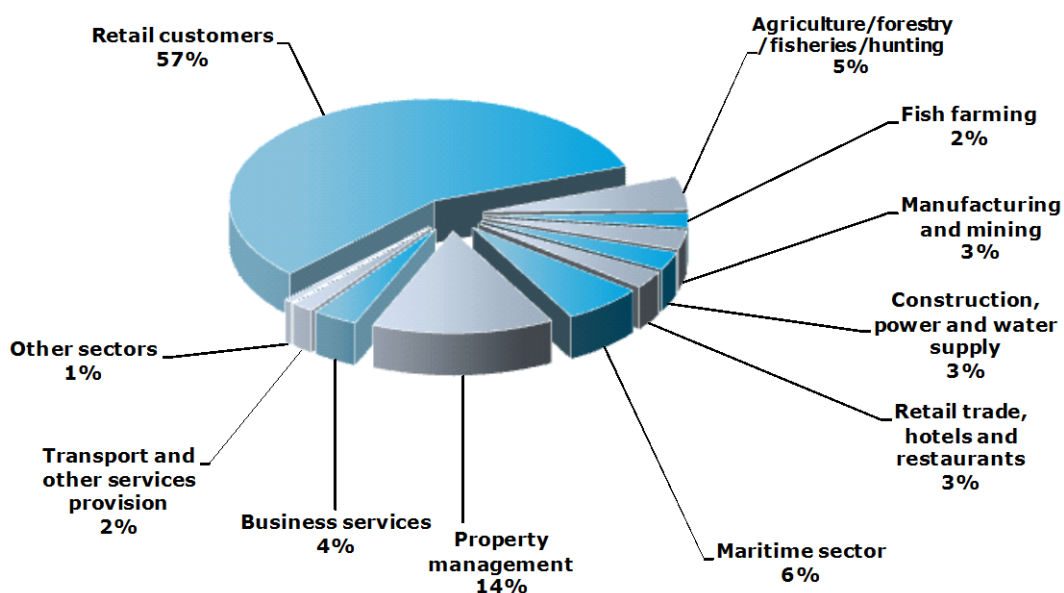
3. Loans to customers

3.1. Distribution of loans by industry

Distribution of loans by industry

(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
Agriculture/forestry/fisheries/hunting	4,601	4,892	4,673	4,734	4,325	4,611
Fish farming	2,010	1,906	1,661	1,658	1,276	1,325
Manufacturing and mining	2,714	2,775	3,305	3,021	2,400	2,324
Construction, power and water supply	2,574	2,511	2,599	2,539	2,441	2,257
Retail trade, hotels and restaurants	2,463	2,503	2,510	2,733	2,354	2,460
Maritime sector	5,624	5,242	4,397	4,113	3,120	2,209
Property management	12,754	13,013	12,739	12,041	11,599	11,328
Business services	3,131	3,134	3,054	3,052	3,337	3,279
Transport and other services provision	1,483	1,628	2,123	2,221	2,285	2,217
Public administration	72	101	64	61	60	64
Other sectors	610	339	257	203	208	199
Gross loans in corporate market	38,037	38,046	37,382	36,376	33,404	32,272
Retail customers	50,569	49,619	48,663	47,390	46,156	45,157
Gross loans incl. SpareBank 1 Boligkreditt	88,606	87,665	86,046	83,767	79,560	77,429
- Adv. of this SpareBank 1 Boligkreditt	20,054	17,818	18,977	19,377	17,673	15,647
Gross loans in balance sheet	68,553	69,847	67,069	64,390	61,886	61,782
Share of loans, corporate market	42.9 %	43.4 %	43.4 %	43.4 %	42.0 %	41.7 %
Share of loans, retail market	57.1 %	56.6 %	56.6 %	56.6 %	58.0 %	58.3 %

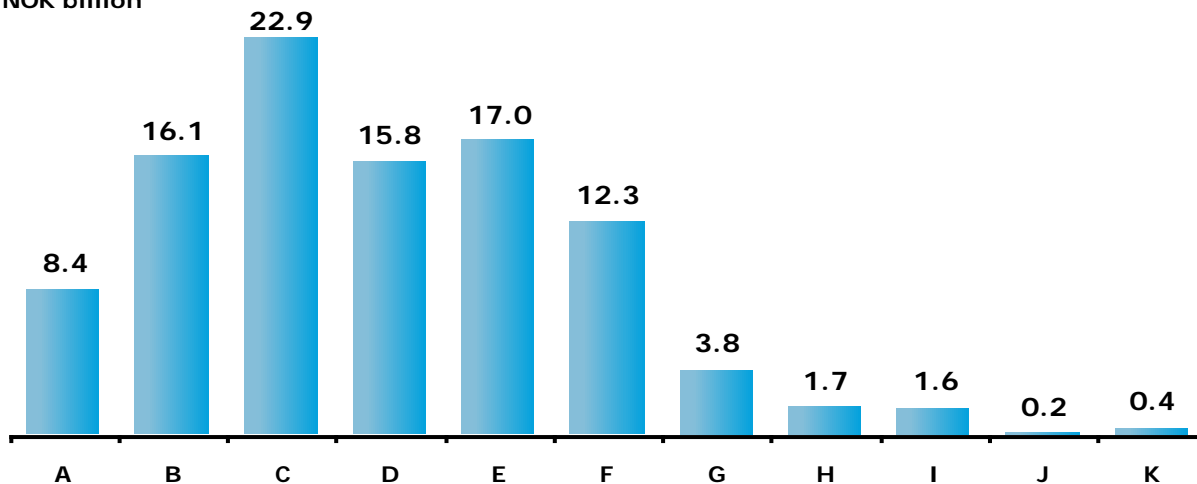
Distribution of loans by industry



3.2. Risk profile and write-downs

Actual risk profil, Exposure At Default

NOK billion



Risk classification in SpareBank 1 SMN

Risk class	PD* in percent		Corresponding ratingclass at Moody's
	Low	High	
A	0.01	0.10	AAA - A3
B	0.10	0.25	Baa1 - Baa2
C	0.25	0.50	Baa3
D	0.50	0.75	Ba1
E	0.75	1.25	Ba2
F	1.25	2.50	
G	2.50	5.00	Ba2 - B1
H	5.00	10.00	B1 - B2
I	10.00	99.99	B3 - caa3
J	Default		
K	Written down		

Risk class A represents the lowest risk and class K the highest risk.

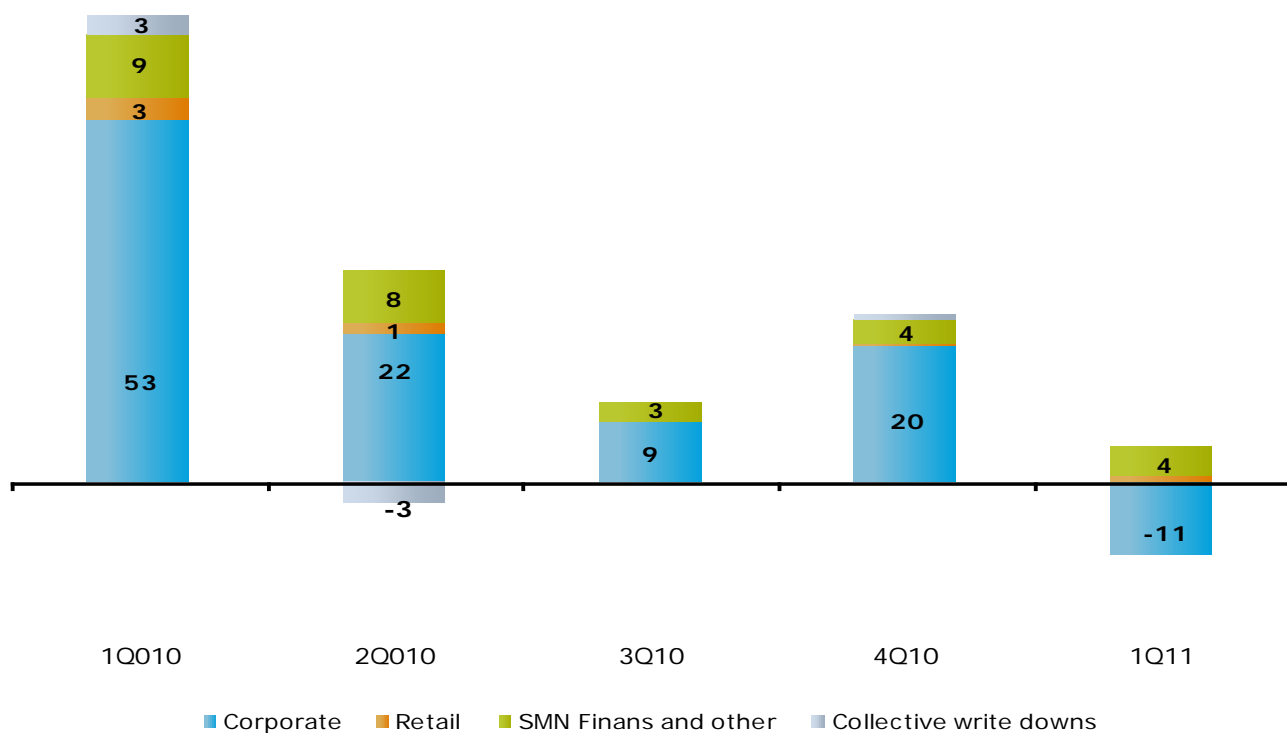
* Probability of default

Write-downs on loans and guarantees

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011 2010		2010	2009
Increase in and new individual write-down	-5	-61	3	13	48	-5	48	3	3
Reassessments and recoveries	1	-85	-8	-18	-17	1	-17	-128	-230
Total individual write-downs	-6	24	12	31	65	-6	65	131	233
Change in group write-downs on loans	-	1	-	-3	3	-	3	1	44
Write-downs on loans and guarantees	-6	25	12	28	68	-6	68	132	277
As % of gross loans incl. Boligkreditt	-0.01%	0.11%	0.05%	0.15%	0.33%	-0.01%	0.33%	0.16%	0.31%

Loss on loans by segment

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011 2010		2010	2009
Corporate	-11	20	9	22	53	-11	53	104	202
Retail	1	0	0	1	3	1	3	4	15
SMN Finans and other	4	4	3	8	9	4	9	23	16
Collective write downs	-	1	-	-3	3	-	3	1	44
Total loss on loans	-6	25	12	28	68	-6	68	132	277



Individual and collective write-downs

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011 2010		2010	2009
Individual write-downs to cover loss on loans, guarantees at start of period	222	283	279	267	219	222	219	219	215
Confirmed losses in the period on loans, guarantees etc., not prev. subject to ind. write down	6	2	1	5	26	6	26	34	9
Reversal of previous years' write downs	-15	-3	-4	-6	-8	-15	-8	-22	-10
Increase in write downs of commitments not previously subject to individual write down	11	-59	12	35	50	11	50	38	94
Write downs of loans not previously subject to individual write down	-6	-1	-4	-22	-19	-6	-19	-46	-89
Individual write downs to cover loss	217	222	283	279	267	217	267	222	219
Collective write downs to cover loss on loans, guarantees at start of period	290	289	289	292	289	290	289	289	245
Period's collective write down to cover loss on loans, guarantees etc.	-	1	-	-3	3	-	3	1	44
Collective write downs to cover loss on loans, guarantees	290	290	289	289	292	290	292	290	289

Loans and guarantees by industry

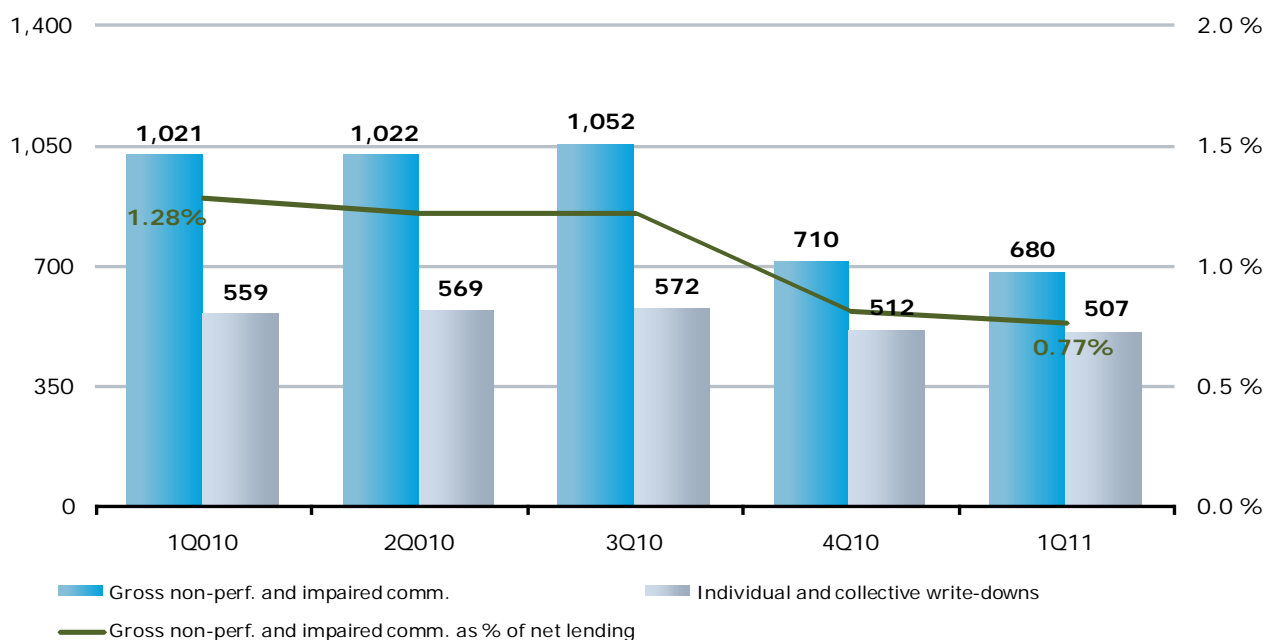
	Total	Very low risk	Low risk	Medium risk	High risk	Very high risk	Default and written down
Wage earners	54.476	25.397	20.152	7.135	779	847	166
Public administration	963	963	-	-	-	-	-
Agriculture and forestry	4.757	2.603	1.087	782	131	125	27
Sea farming industries	2.881	2.536	201	83	2	53	6
Manufacturing	4.151	1.431	1.308	934	7	301	170
Construction, power and water supply	3.145	1.239	854	935	33	44	39
Retail trade, hotels and restaurants	3.265	1.945	520	690	49	33	26
Maritime sector	800	154	355	277	12	-	2
Property management	13.839	5.943	4.312	2.875	449	132	127
Business services	3.633	1.463	1.742	308	66	25	28
Transport and other services provision	7.879	3.687	2.258	1.738	134	37	24
Finance	-	-	-	-	-	-	-
Other sectors	448	88	-	361	-	-	-
1Q11	100.238	47.449	32.791	16.120	1.664	1.598	616
2010	98.801	46.982	32.448	15.229	1.624	1.674	843
2009	85.920	41.079	27.611	13.774	1.315	1.334	806

Write-down ratio

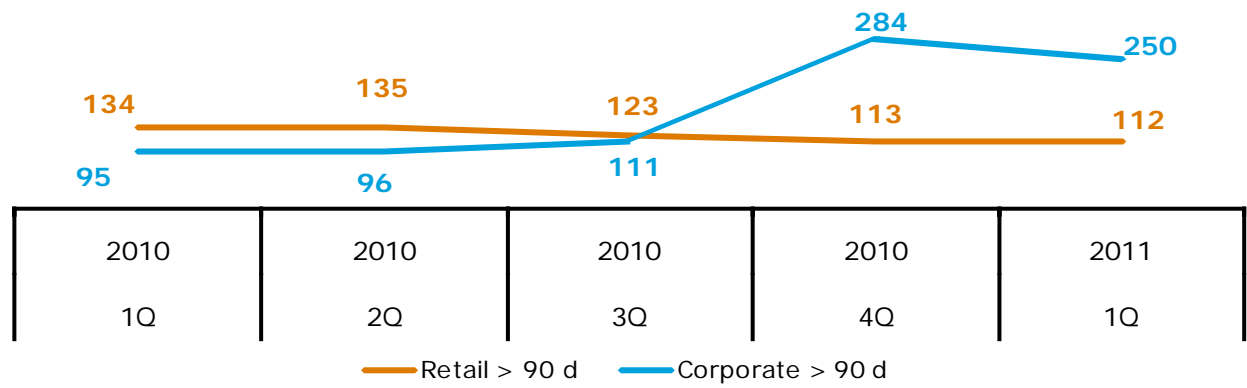
(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
Non-performing commitments (gross)	477	499	326	342	331	379
Impaired commitments (gross)	202	211	726	680	690	442
Gross non-performing and impaired commitments	680	710	1,052	1,022	1,021	820
Individual write-downs	217	222	283	280	267	219
Collective write-downs	290	290	289	289	292	289
Write-down ratio (%)	74.6 %	72.1 %	54.3 %	55.6 %	54.8 %	61.8 %

Net non-performing and impaired commitments

NOK million



Default in excess of 90 days
NOK million



4. Capital Adequacy

New capital adequacy rules were introduced in Norway as from 1 January 2007 (Basel II - the EU's new directive on capital adequacy). SpareBank1 SMN applied to and received permission from Finanstilsynet (Financial Supervisory Authority of Norway) to use internal rating methods (Internal Rating Based Approach - Foundation) to calculate charges for credit risk from 1 January 2007 onwards. This will make the statutory minimum capital adequacy requirement more risk-sensitive, so that it better reflects the risk in the underlying portfolios. Using IRB demands high standards of the Bank's organisation, competence, risk models and risk management systems. Under interim regulations issued by Finanstilsynet, IRB banks are not yet seeing the full effect of the reduced capital requirements. As from 2009, a 20% reduction of the risk-weighted basis of calculation was allowed.

The Norwegian State Finance Fund has in a period to 30 September 2009 offered tier 1 capital to solid Norwegian banks to help them meet tighter capital adequacy requirements and improve their lending capacity. SMN applied for, and was granted, a capital infusion which was disbursed from the State Finance Fund in the form of hybrid equity worth NOK 1.25 billion as of 30.9.09. In March 2010, with Finanstilsynet's approval, this was partially redeemed in an amount of NOK 450 million, and the remainder was repaid in April 2010.

Subordinated debt ranks behind all other liabilities. Dated subordinated loans are eligible at a maximum of 50% of tier 1 capital for capital adequacy purposes, while perpetual subordinated loans are eligible at a maximum of 100% of tier 1 capital. Subordinated loans are classified as a liability in the balance sheet and are measured at amortised cost in the same way as other long-term loans.

Hybrid capital denotes bonds with a nominal interest rate, but the bank is not obliged to pay interest in a period where dividends are not paid, and neither is the investor subsequently entitled to interest that has not been paid, i.e. interest does not accumulate. Hybrid capital is approved as an element of tier 1 capital up to limit of 15% of aggregate tier 1 capital. Finanstilsynet (Norway's FSA) can require hybrid capital to be written down in proportion with equity capital should the bank's tier 1 capital adequacy fall below 5% or total capital adequacy falls below 6%. Written-down amounts on hybrid capital must be written up before dividends can be paid to shareholders or before equity capital is written up. Hybrid capital is shown as other long-term debt at amortised cost.

For detailed information about subordinated debt and hybrid capital, see note 34 in the Bank's annual report.

Capital Adequacy

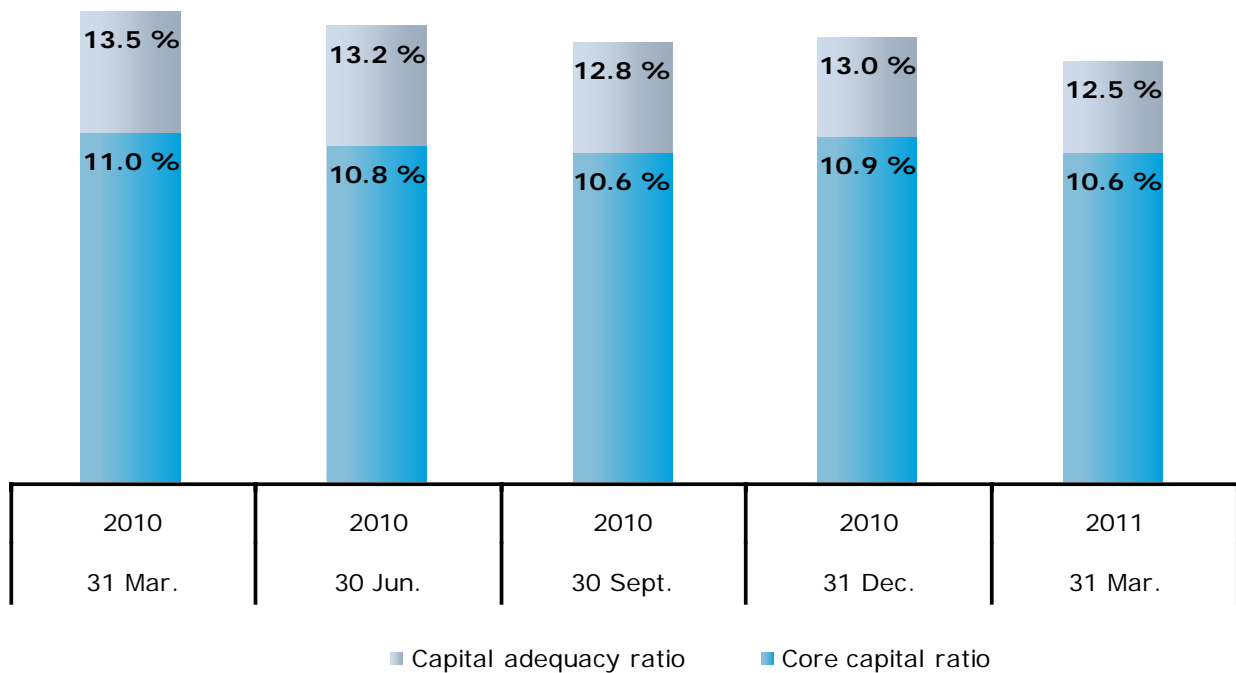
(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
Equity certificates capital	2,373	2,373	2,373	2,373	1,736	1,736
- Own equity certificates capital	-0	-0	-0	0	-2	-2
Premium reserve	182	182	174	174	-	-
Equalisation reserve	1,160	1,159	878	878	877	876
Savings bank's reserve	2,345	2,345	2,155	2,155	2,155	2,155
Recommended dividends	-	285	0	0	-	201
Provision for gifts	0	192	-	-	27	27
Reserve for unrealised gains	75	66	124	124	124	124
Other equity and minority interest	1,250	1,244	1,053	1,072	1,114	1,066
Net profit	255	-	704	449	188	-
Total book equity	7,639	7,846	7,461	7,224	6,219	6,183
Deferred tax, goodwill and other intangible assets	-643	-466	-510	-481	-481	-482
Share of reserve for unrealised gains in associates	65	65	53	-	-	-
Deduction for allocated dividends	-0	-477	-0	-	-27	-201
50 % deduction for subordinated capital in other financial institutions	-	-	-	-	-	-
50 % deduction for expected losses on IRB, net of write-downs	-90	-216	-232	-220	-218	-189
50 % capital adequacy reserve	-626	-571	-522	-488	-374	-373
Share of non-performing, non-amortized estimate deviations	-	-0	-	-	-	-
Net profit	-255	-0	-704	-449	-188	-
Year-to-date profit included in core capital (50%)	126	-	452	291	128	-
Fund bonds	1,114	1,106	1,035	1,083	1,022	542
Hybrid equity State Finance Fund	-	-	-	-	800	1,250
Total core capital	7,330	7,286	7,033	6,960	6,880	6,730
Supplementary capital in excess of core capital						
Perpetual subordinated capital	452	466	464	481	456	450
Dated subordinated capital	1,571	1,680	1,750	1,804	1,674	2,112
50 % deduction for subordinated capital in other financial institutions	-	-	-	-	-	-
50 % deduction for expected losses on IRB, net of write-downs	-90	-216	-232	-220	-218	-189
50 % capital adequacy reserve	-626	-571	-522	-488	-374	-373
Total supplementary capital	1,308	1,360	1,461	1,577	1,539	2,001
Net subordinated capital	8,638	8,646	8,493	8,537	8,418	8,730

Minimum requirements subordinated capital

(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
Involvement with specialised enterprises	1,389	1,386	1,392	1,355	1,274	1,295
Other corporations exposure	1,168	1,120	1,031	1,078	1,116	1,000
SME exposure	64	68	67	62	55	57
Retail mortgage exposure	450	451	427	426	442	429
Other retail exposure	32	34	36	40	47	56
Equity investments	-	-	207	204	147	476
Total credit risk IRB	3,103	3,058	3,160	3,166	3,080	3,313
Debt risk	176	165	-	-	-	-
Equity risk	15	15	18	17	15	15
Currency risk	-	-	-	-	-	-
Operational risk	400	331	331	331	331	296
Exposures calculated using the standardised approach	1,949	1,864	1,824	1,746	1,640	1,594
Deductions	-106	-98	-90	-85	-67	-67
Transitional arrangements	-	-	53	-	-	-
Minimum requirements subordinated capital	5,537	5,335	5,296	5,175	4,999	5,152

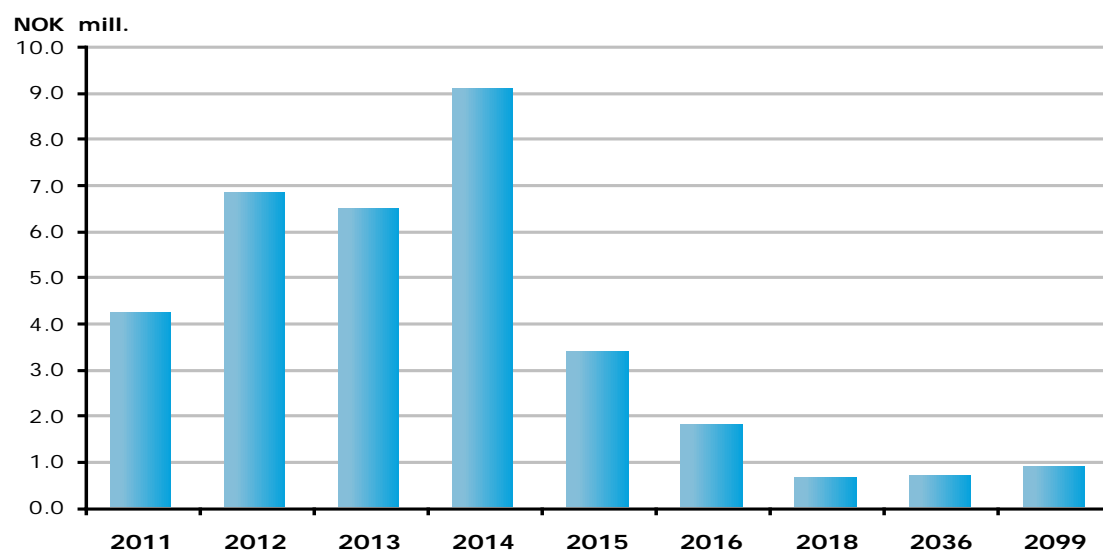
Core capital ratio	10.6 %	10.9 %	10.6 %	10.8 %	11.0 %	10.4 %
Capital adequacy ratio	12.5 %	13.0 %	12.8 %	13.2 %	13.5 %	13.6 %

Capital Adequacy



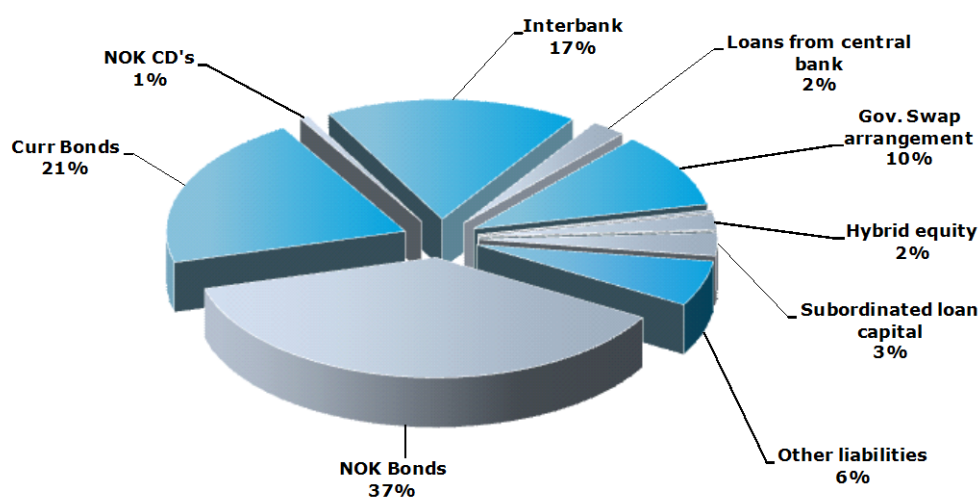
5. Funding

Funding maturity dates



Capital markets funding

(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
NOK Bonds	15,987	16,531	17,332	15,588	14,998	12,120
Curr Bonds	8,824	11,176	11,843	8,033	8,115	11,051
NOK CD's	266	235	247	198	225	187
Interbank	7,302	7,743	7,440	9,027	5,762	5,492
Loans from central bank	1,000	1,000	1,500	1,500	1,500	1,500
Gov. Swap arrangement	4,318	4,318	4,318	4,318	4,318	4,318
Bond Index	-	-	-	-	-	-
Perp. Sub. Loan capital	150	164	162	178	153	441
Hybrid equity	898	936	952	998	966	462
The Norwegian State Finance Fund	-	-	-	-	800	1,250
Subordinated loan capital	1,306	1,358	1,352	1,374	1,278	1,716
Other liabilities	2,607	3,058	3,211	2,920	2,829	1,942
Total	42,660	46,519	48,356	44,133	40,945	40,479



6. Financial results

Financial results

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011 2010		2010	2009
Interest income	886	894	869	804	748	886	748	3,315	3,416
Interest expenses	559	601	549	506	449	559	449	2,105	2,137
Net interest	327	293	320	297	300	327	300	1,210	1,279
Commission income	192	199	197	193	178	192	178	766	706
Commission expenses	18	23	21	19	18	18	18	81	84
Other operating income	47	47	34	54	35	47	35	170	134
Commission income and other income	221	222	210	229	194	221	194	855	756
Dividends	3	0	0	42	1	3	1	43	6
Income from investment in related companies	54	83	69	57	41	54	41	249	349
Net return on financial investments	62	115	55	32	-6	62	-6	197	287
Net return on financial investments	118	198	125	131	36	118	36	490	642
Total income	666	713	655	657	529	666	529	2,555	2,677
Staff costs	198	137	191	177	78	198	78	583	725
Administration costs	86	98	76	81	83	86	83	339	320
Other operating expenses	65	76	52	45	44	65	44	218	208
Total operating expenses	348	311	320	303	206	348	206	1,140	1,253
Result before losses	318	402	335	354	323	318	323	1,414	1,424
Loss on loans, guarantees etc.	-6	25	12	28	68	-6	68	132	277
Result before tax	325	377	323	327	255	325	255	1,282	1,147
Tax charge	70	60	67	66	67	70	67	260	210
Net profit	255	318	256	260	188	255	188	1,022	937
Majority share	248	317	254	258	188	248	188	1,017	931
Minority interest	9	1	1	3	1	6	1	5	6

Balance sheet

(in NOK million)	31 Mar. 2011	31 Dec. 2010	30 Sept. 2010	30 Jun. 2010	31 Mar. 2010	31 Dec. 2009
Cash and receivables from central banks	257	2,112	3,962	5,800	1,141	1,107
Deposits with and loans to credit institutions	946	420	895	278	95	153
Gross loans to customers before write-down	68,553	69,847	67,069	64,390	61,886	61,782
- Specified write-downs	-217	-222	-283	-279	-267	-219
- Write-downs by loan category	-290	-290	-289	-289	-292	-289
Net loans to and receivables from customers	68,046	69,336	66,497	63,822	61,327	61,275
Fixed-income CDs and bonds at fair value	15,579	16,980	14,831	14,883	14,645	14,727
Derivatives	1,411	1,825	1,988	1,880	1,338	1,149
Shares, units and other equity interests	572	618	560	556	501	505
Investment in related companies	4,119	3,526	3,453	3,391	3,190	2,921
Goodwill	460	460	460	460	460	460
Other assets	3,065	2,717	2,626	2,755	2,261	2,244
Assets	94,455	97,992	95,271	93,823	84,957	84,541
Deposits from credit institutions	12,621	13,062	13,258	15,145	11,581	11,310
Deposits from and debt to customers	42,900	42,786	38,643	41,273	37,606	37,227
Debt created by issue of securities	25,078	27,941	29,421	23,818	23,336	23,358
Derivatives	1,265	1,684	1,601	1,562	1,112	712
Other liabilities	2,298	1,917	2,121	1,951	1,634	1,876
Subordinated loan capital	2,655	2,758	2,766	2,850	3,470	3,875
Total liabilities	86,816	90,147	87,810	86,599	78,739	78,358
Equity capital certificate	2,373	2,373	2,373	2,373	1,736	1,736
Own holding of ECCs	-0	-0	-0	0	-2	-2
Premium fund	182	182	174	174	-	-
Dividend equalisation fund	1,160	1,159	878	878	877	877
Recommended dividends	-	285	0	0	-	174
Provision for gifts	0	192	-	-	27	27
Savings bank's reserve	2,345	2,345	2,155	2,155	2,155	2,155
Unrealised gains reserve	75	66	124	124	124	124
Other equity capital	1,152	1,147	1,003	1,024	1,069	1,052
Result of the period	255	-	704	449	188	0
Minority interests	98	97	50	48	46	42
Total equity capital	7,639	7,846	7,461	7,224	6,219	6,183
Total liabilities and equity	94,455	97,992	95,271	93,823	84,957	84,541

Key figures

	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	2010	2010	2009
Return on equity	13.2 %	16.6 %	13.9 %	15.5 %	12.1 %	13.2 %	12.1 %	14.6 %	16.2 %
Cost/income ratio group	52.2 %	43.7 %	48.9 %	46.1 %	38.9 %	52.2 %	38.9 %	44.6 %	46.8 %
Cost/income ratio group, ex. financial inv.	63.5 %	60.4 %	60.4 %	57.6 %	41.7 %	63.5 %	41.7 %	55.2 %	61.6 %
Cost/income ratio parent bank	53.7 %	41.4 %	49.7 %	37.4 %	32.6 %	53.7 %	32.6 %	40.2 %	47.2 %
Cost/income ratio parent, ex. financial inv.	59.4 %	52.8 %	56.2 %	55.9 %	35.8 %	59.4 %	35.8 %	50.3 %	60.4 %
12-month cost growth*	68.8 %	-9.0 %	-10.8 %	-18.8 %	-33.1 %	68.8 %	-33.1 %	-9.0 %	4.9 %
Gross loans to customers incl. Boligkreditt	88,606	87,665	86,046	83,767	79,560	88,606	79,560	87,665	77,429
Growth in loans incl Boligkreditt last 12 months	11.4 %	13.2 %	12.4 %	12.6 %	10.0 %	11.4 %	10.0 %	13.2 %	8.6 %
Growth in loans incl Boligkreditt this period	1.1 %	1.9 %	2.7 %	5.3 %	2.8 %	1.1 %	2.8 %	13.2 %	8.6 %
Deposits from customers	42,900	42,786	38,643	41,273	37,606	42,900	37,606	42,786	37,227
Growth in deposits last 12 months	14.1 %	14.9 %	2.8 %	7.8 %	4.8 %	14.1 %	4.8 %	14.9 %	5.5 %
Growth in deposits this period	0.3 %	10.7 %	-6.4 %	9.8 %	1.0 %	0.3 %	1.0 %	14.9 %	5.5 %
Ordinary lending financed by ordinary deposits	62.6 %	61.3 %	57.6 %	64.1 %	60.8 %	62.6 %	60.8 %	61.3 %	60.3 %
Total assets	94,455	97,992	95,271	93,823	84,957	94,455	84,957	97,992	84,541
Average total assets	96,224	96,632	94,547	89,390	84,749	96,224	84,749	91,317	86,679
Employees in employment group	1,057	1,035	1,050	1,019	1,021	1,057	1,021	1,035	1,016
Employees in employment parent bank	771	764	787	761	763	771	763	764	767
Employees in employment subsidiaries	287	271	264	258	258	287	258	271	250
Number of branches	54	54	55	55	55	54	55	54	55
Lending margin	1.75	1.71	1.63	1.60	1.69	1.75	1.69	1.67	1.62
Deposit margin	0.36	0.41	0.50	0.53	0.32	0.36	0.32	0.40	0.41
Net other operating income of total income	33.2 %	31.2 %	32.0 %	34.8 %	36.7 %	33.2 %	36.7 %	33.5 %	28.2 %
Capital adequacy ratio	12.5 %	13.0 %	12.8 %	13.2 %	13.5 %	12.5 %	13.5 %	13.0 %	13.6 %
Core capital ratio	10.6 %	10.9 %	10.6 %	10.8 %	11.0 %	10.6 %	11.0 %	10.9 %	10.4 %
Total core capital	7,330	7,286	7,033	6,960	6,880	7,330	6,880	7,286	6,730
Net subordinated capital	8,638	8,646	8,493	8,537	8,418	8,638	8,418	8,646	8,730
Impairment losses ratio	-0.01%	0.11%	0.05%	0.15%	0.33%	-0.01%	0.33%	0.16%	0.31%
Non-performing commitm. as % of gross loans	0.54%	0.57%	0.38%	0.41%	0.42%	0.54%	0.42%	0.57%	0.49%
Other doubtful commitm. as % of gross loans	0.23%	0.24%	0.84%	0.81%	0.87%	0.23%	0.87%	0.24%	0.57%
ECC price	50.00	54.00	49.00	42.30	48.00	50.00	48.00	54.00	49.02
Number of certificates issued, millions	94.90	94.90	94.89	94.89	94.91	94.90	94.90	94.90	69.43
Booked equity capital per ECC (incl. dividend)	49.34	50.60	48.13	46.65	45.21	49.34	45.21	50.60	44.89
Adjusted profit per ECC	1.64	2.05	1.65	1.68	1.09	1.64	1.09	6.43	6.73
P/E per ECC	7.60	6.57	7.41	6.28	11.02	7.60	11.02	8.40	7.29
P/B equity capital	1.01	1.07	1.02	0.91	1.06	1.01	1.06	1.07	1.09

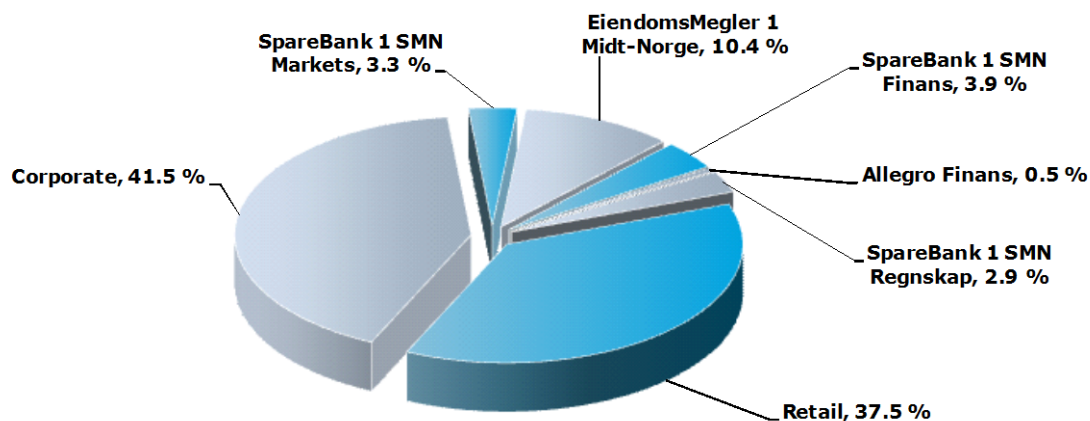
* Write-back of early retirement liabilities (AFP), NOK 117 mill, in 1st quarter 2010, hence the high cost growth

7. Segment information

7.1. Extract from income statement

Group (in NOK million)	Retail	Corporate	SpareBank 1 SMN Markets	EiendomsMegler 1 Midt-Norge	SpareBank 1 SMN Finans	Allegro Finans	SpareBank 1 SMN Regnskap	Uncollated	Total
Net interest	134	191	4	1	22	0	0	-25	327
Allocated	10	27	1	-	-	-	-	-37	-
Total interest income	144	218	4	1	22	0	0	-63	327
Commission income and other income	89	36	4	64	2	3	18	5	221
Net profit on financial investments	1	5	12	-0	0	-	-	100	118
Total income	234	259	21	65	24	3	18	43	666
Total operating expenses	150	86	20	52	12	4	16	8	348
Ordinary operating profit	84	173	0	12	13	-1	2	35	318
Loss on loans, guarantees etc.	1	-11	-	-	4	-	-	-0	-6
Result before tax	83	183	0	12	9	-1	2	35	325
Post-tax return on equity	22.7 %	18.9 %							13.2 %
Balance sheet									
Loans and advances to customers	47,919	36,485	-	-	2,954	-	-0	1,249	88,606
adv. of this to Boligkreditt	-19,118	-229	-	-	-	-	-	-706	-20,054
Individual allowance for impairment on loan	-29	-153	-	-	-35	-	-	-	-217
Group allowance for impairment on loan	-	-	-	-	-16	-	-	-273	-290
Other assets	194	158	-	89	-2,436	16	15	28,372	26,409
Total assets	28,966	36,261	-	89	466	16	15	28,642	94,455
Deposits to customers	19,317	21,801	-	-	-	-	-	1,782	42,900
Other liabilities and equity	9,649	14,460	-	89	466	16	15	26,859	51,555
Total liabilities	28,966	36,261	-	89	466	16	15	28,642	94,455

Income specified by segment, excluding financial investments



Interest income, Retail and Corporate

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
(in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	134	143	137	129	129	134	129	537	606
Corporate	191	189	178	172	175	191	175	713	596
Net interest income	325	331	314	300	303	325	303	1,249	1,202

Developement in margin, Retail and Corporate*

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
Lending (in percentage)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	1.48	1.47	1.33	1.43	1.47	1.48	1.47	1.43	1.55
Corporate	2.18	2.15	2.16	2.09	2.14	2.18	2.14	2.14	1.82
Total	1.75	1.71	1.63	1.60	1.69	1.75	1.69	1.67	1.62

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
Deposits (in percentage)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	0.49	0.57	0.68	0.48	0.43	0.49	0.43	0.54	0.47
Corporate	0.24	0.26	0.34	0.21	0.22	0.24	0.22	0.26	0.40
Total	0.36	0.41	0.50	0.53	0.32	0.36	0.32	0.40	0.41

*Definition margin: Average customer interest minus 3 months average nibor

Development in volume, Retail and Corporate

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
Lending* (in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	47,919	46,932	46,035	44,909	43,823	47,919	43,823	46,932	43,166
Corporate	36,485	36,379	35,632	34,600	31,597	36,485	31,597	36,379	30,143
Total	84,404	83,311	81,668	79,509	75,420	84,404	75,420	83,311	73,309

* Gross loans to customers includes SpareBank 1 Boligkreditt

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
Deposits (in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	19,317	19,098	19,349	19,728	18,422	19,317	18,422	19,098	18,307
Corporate	21,801	22,709	18,925	21,076	18,816	21,801	18,816	22,709	18,592
Total	41,118	41,806	38,274	40,804	37,238	41,118	37,238	41,806	36,899

Developement in commision income, Retail and Corporate

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
(in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Retail	89	86	93	96	88	89	88	363	323
Corporate	41	41	36	42	32	41	32	150	136
Total	130	126	129	138	120	130	120	513	459

7.2. Retail division

The Retail Market Division is responsible for all activity directed at the region's retail customers. The Division provides personal financial advice. The Division's aims to attract and retain customers by developing a strong product range, first class advisers, unique accessibility and excellent customer handling.

The write-back of accumulated pension liabilities in 2010 is not distributed on RM, CM and Markets.

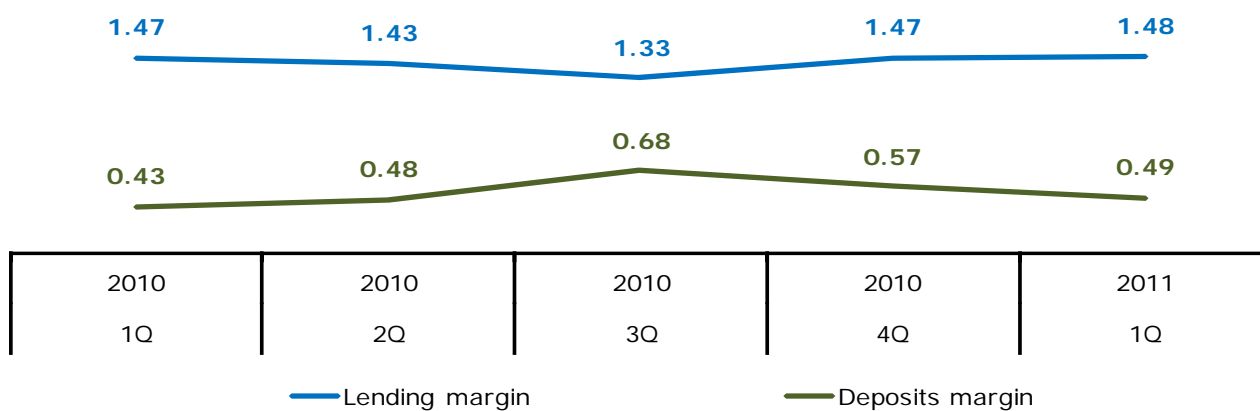
Business description

<i>Facts about the Division</i>	31 Mar. 2011	31 Mar. 2010
Lending volume	47,919	43,823
Deposits volume	19,317	18,422
No. of debit cards	139,845	171,838
No. of credit cards	83,210	69,126
No. of internet bank customers	124,783	117,096
No. of telephone bank customers	105,782	99,585
No. of active customers	182,768	180,197
FTEs	382	367

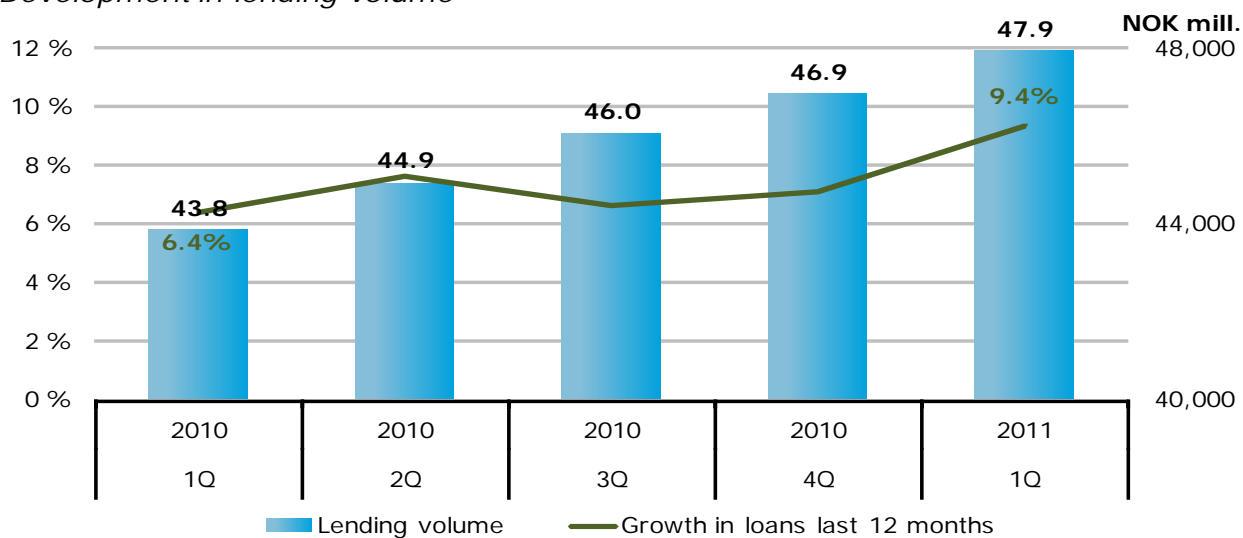
<i>Financial performance</i> (in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011 2010		2010	2009
Net interest income lending	78	81	73	81	87	78	87	321	448
Net interest income deposits	57	62	63	49	42	57	42	216	158
Net interest income allocated capital	10	2	3	3	4	10	4	11	15
Total interest income	144	145	139	132	133	144	133	548	621
Net guarantee commission, incl. Boligkreditt	27	25	26	30	28	27	28	109	82
Net commission of savings products	10	12	12	13	12	10	12	49	51
Net commission insurance services	19	19	19	18	17	19	17	73	65
Net commission payment trans. services	33	28	37	34	30	33	30	130	123
Other commission income	0	0	0	-	0	0	0	0	1
Net fee and commission income	89	85	94	95	88	89	88	361	321
Net profit on financial investments	1	1	0	0	0	1	0	2	2
Total income	234	230	234	228	220	234	220	911	944
Total operating expenses*	150	117	141	137	138	150	138	533	586
Results	84	113	92	90	82	84	82	378	357
Loss on loans, guarantees etc.	1	0	0	1	3	1	3	4	15
Results before tax	83	113	92	89	79	83	79	374	342
*) Includes both direct and distributed expenses									
Post-tax return on equity (annualized)						22.7 %	21.4 %	25.5 %	25.2 %

Development in margin

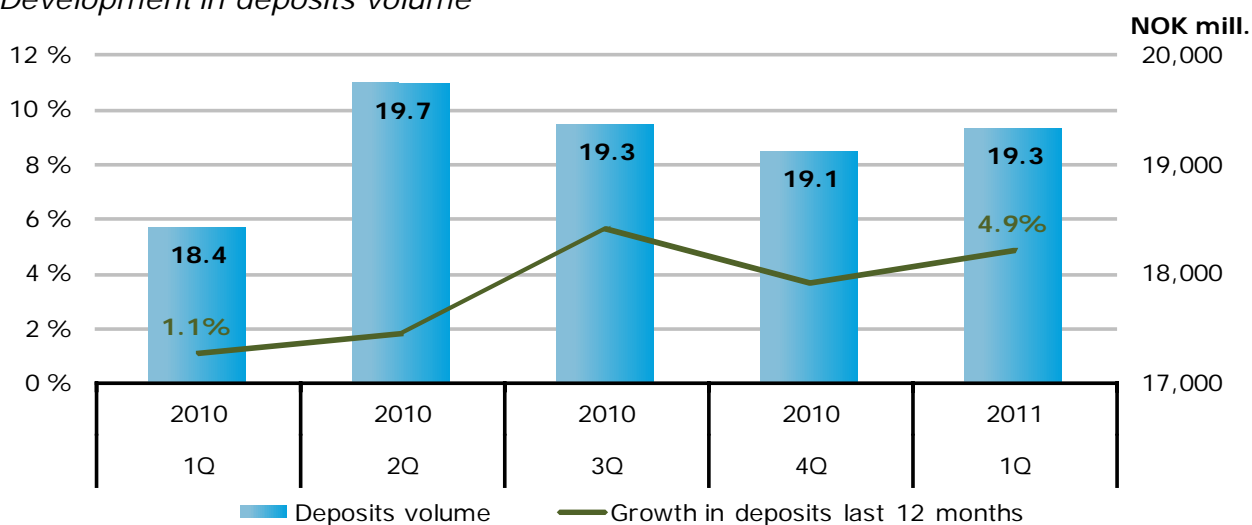
Definition margin: Average customer interest minus 3 months average nibor



Development in lending volume



Development in deposits volume



7.3. Corporate division

The Corporate Market Division focuses on financial counselling in investment and operations financing, insurance of individuals and buildings/operating equipment, investment of surplus liquidity and electronic and manual money transfers, domestic and foreign. The business is physically located across the entire market area in order to secure proximity to customers, while bearing in mind the need to ensure that competence units are of sufficient size. The business is highly skills-intensive, and requires a continuous focus on the competence of the individual staff member. To this end the Bank has established an educational facility offering module-based training for all staff.

The write-back of accumulated pension liabilities in 2010 is not distributed on RM, CM and Markets.

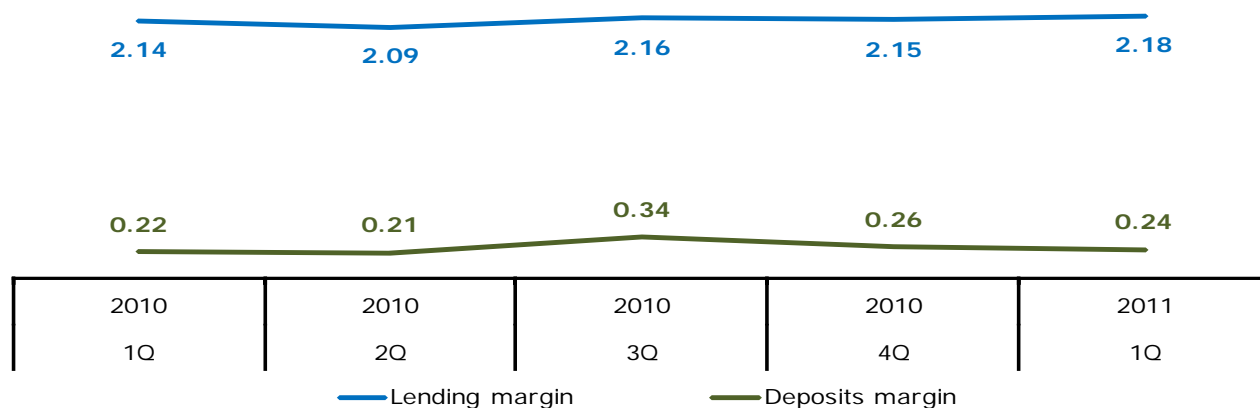
Business description

	31 Mar. 2011	31 Mar. 2010
<i>Facts about the Division</i>		
Lending volume	36,485	31,597
Deposits volume	21,801	18,816
No. of active customers	13,028	12,945
FTEs	175	155

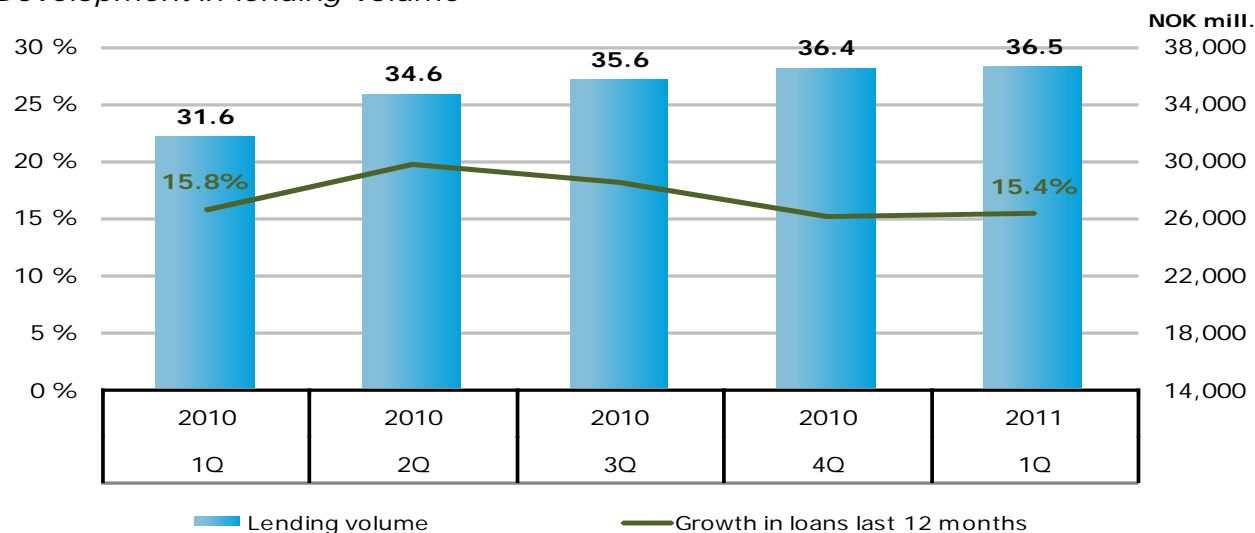
<i>Financial performance</i> (in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Net interest income lending	140	138	129	132	142	140	142	542	446
Net interest income deposits	51	50	48	39	33	51	33	171	150
Net interest income allocated capital	27	5	8	7	10	27	10	31	43
Total interest income	218	194	186	179	185	218	185	744	639
Net guarantee commission, incl. Boligkreditt	10	10	9	10	7	10	7	35	32
Net commission of savings products	2	2	2	3	2	2	2	9	7
Net commission insurance services	5	6	5	6	5	5	5	22	16
Net commission payment trans. services	18	19	16	17	15	18	15	67	56
Other commission income	1	0	0	1	0	1	0	1	0
Net fee and commission income	36	37	31	36	30	36	30	134	111
Net profit on financial investments	5	4	4	6	2	5	2	16	25
Total income	259	235	222	221	217	259	217	894	775
Total operating expenses*	86	75	71	75	80	86	80	300	312
Results	173	160	151	146	137	173	137	594	464
Loss on loans, guarantees etc.	-11	20	9	22	53	-11	53	104	202
Results before tax	183	140	142	124	84	183	84	490	262
*) Includes both direct and distributed expenses									
Post-tax return on equity (annualized)						18.9 %	8.8 %	12.0 %	6.7 %

Development in margin

Definition margin: Average customer interest minus 3 months average nibor



Development in lending volume



Development in deposits volume



7.4. Markets

SpareBank 1 Markets is a fully fledged investment firm organised as a division in its own right within the Bank. It comprises three income generating units: Fixed Income/Foreign Exchange, Securities and Corporate Finance along with Back Office and Mid Office. The division has risk operations in the fixed income and securities area. All risk business is done from Head Office in Trondheim, while activity in Molde and Ålesund is in the hands of customer brokers who primarily provide services in the fixed income and foreign exchange area.

SpareBank 1 SMN Markets' ambition is to be the leading capital market operation in Trøndelag and in Nordvestlandet. This ambition will be achieved through a continuous focus on specialist competence and market knowledge. The division collaborates closely with Argo Securities on delivery of analysis and settlement services in the securities field. We expect the business collaboration, primarily in the securities area, to expand in the years ahead.

The write-back of accumulated pension liabilities in 2010 is not distributed on RM, CM and Markets.

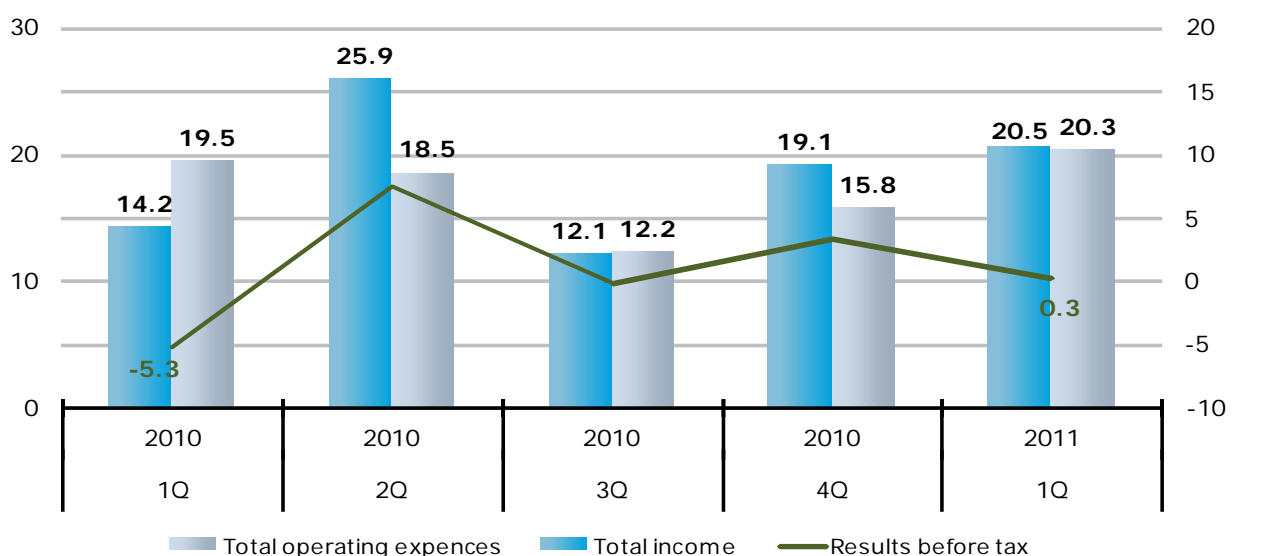
SpareBank 1 SMN Markets

Financial performance

	1Q	4Q	3Q	2Q	1Q	31 Mar.			
(in NOK million)	2011	2010	2010	2010	2010	2011	2010	2010	2009
Net interest income	3.5	5.2	5.5	6.1	3.0	3.5	3.0	19.7	34.2
Net interest income allocated capital	0.9	-0.4	0.4	0.7	0.3	0.9	0.3	1.0	1.2
Total interest income	4.4	4.8	5.9	6.7	3.3	4.4	3.3	20.7	35.4
Net fee and commission income	4.5	8.8	3.6	13.7	3.6	4.5	3.6	29.8	9.9
Capital gain/Agio Securities	11.7	5.5	2.6	5.5	7.2	11.7	7.2	20.8	55.4
Total income	20.5	19.1	12.1	25.9	14.2	20.5	14.2	71.2	100.7
Total operating expenses	20.3	15.8	12.2	18.5	19.5	20.3	19.5	65.8	75.0
Results	0.3	3.3	-0.1	7.4	-5.3	0.3	-5.3	5.4	25.7
Loss on loans, guarantees etc.	-	-	-	-	-	-	-	-	-4.2
Results before tax	0.3	3.3	-0.1	7.4	-5.3	0.3	-5.3	5.4	29.9

Cost and income
(NOK mill.)

Result before tax
(NOK mill.)



7.5. Subsidiaries

EiendomsMegler 1 Midt-Norge AS

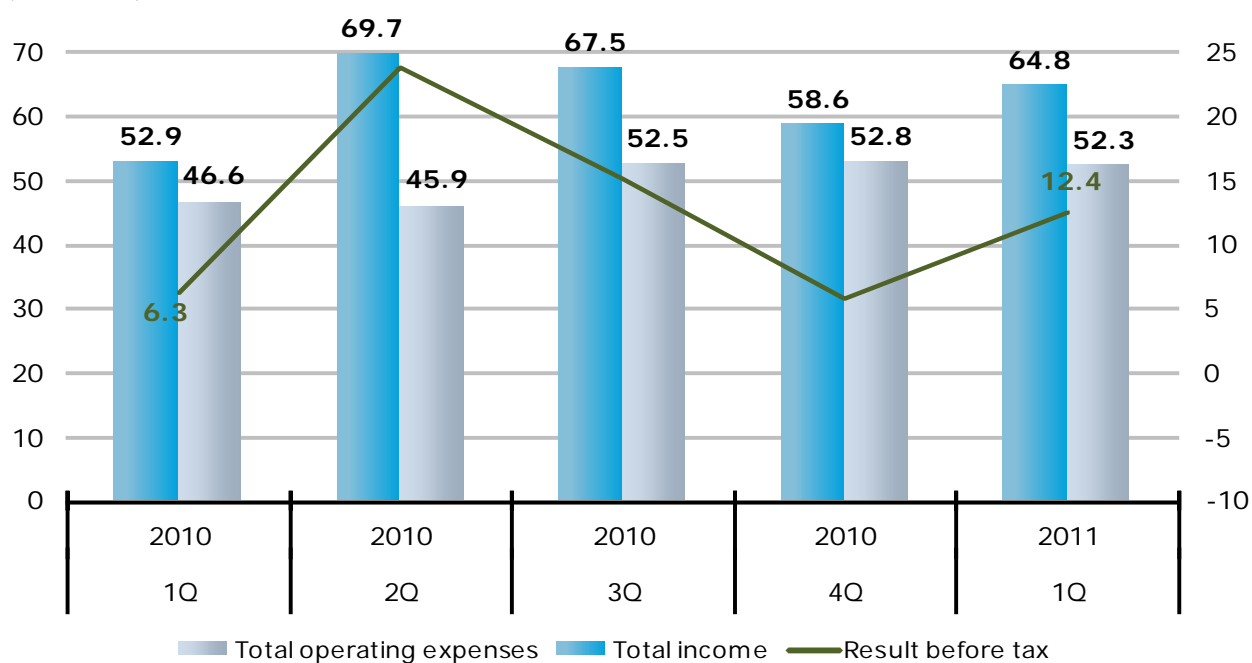
EiendomsMegler 1 Midt-Norge has a solid market-leader position in Nord-Trøndelag and Sør-Trøndelag as well as Møre and Romsdal. The company is owned by SpareBank 1 SMN (87 per cent), SpareBank 1 Nordvest (7.6 per cent) and SpareBank 1 Søre Sunnmøre (5.4 per cent).

Financial performance

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Total interest income	1.0	0.9	1.4	1.0	0.5	1.0	0.5	3.8	2.5
Commission income and other income	63.8	57.7	66.0	68.7	52.4	63.8	52.4	244.8	196.7
Total income	64.8	58.6	67.5	69.7	52.9	64.8	52.9	248.6	199.3
Staff costs	34.6	36.9	41.4	32.2	29.3	34.6	29.3	139.8	105.9
Administration costs	11.7	9.7	6.7	9.6	13.1	11.7	13.1	38.9	32.3
Other operating expenses	6.0	6.3	4.4	4.2	4.2	6.0	4.2	19.0	15.5
Total operating expenses	52.3	52.8	52.5	45.9	46.6	52.3	46.6	197.8	153.6
Result before tax	12.4	5.8	15.0	23.7	6.3	12.4	6.3	50.8	45.6

Cost and income
(NOK mill.)

Result before tax
(NOK mill.)



SpareBank SMN 1 Finans AS

SpareBank 1 SMN Finans is the region's leading finance company and an active partner for businesses. SpareBank 1 SMN Finans emphasises local competence, and works for greater value creation in Trøndelag and Nordvestlandet. The company services the market through its own sales operation and through the Bank's offices and suppliers.

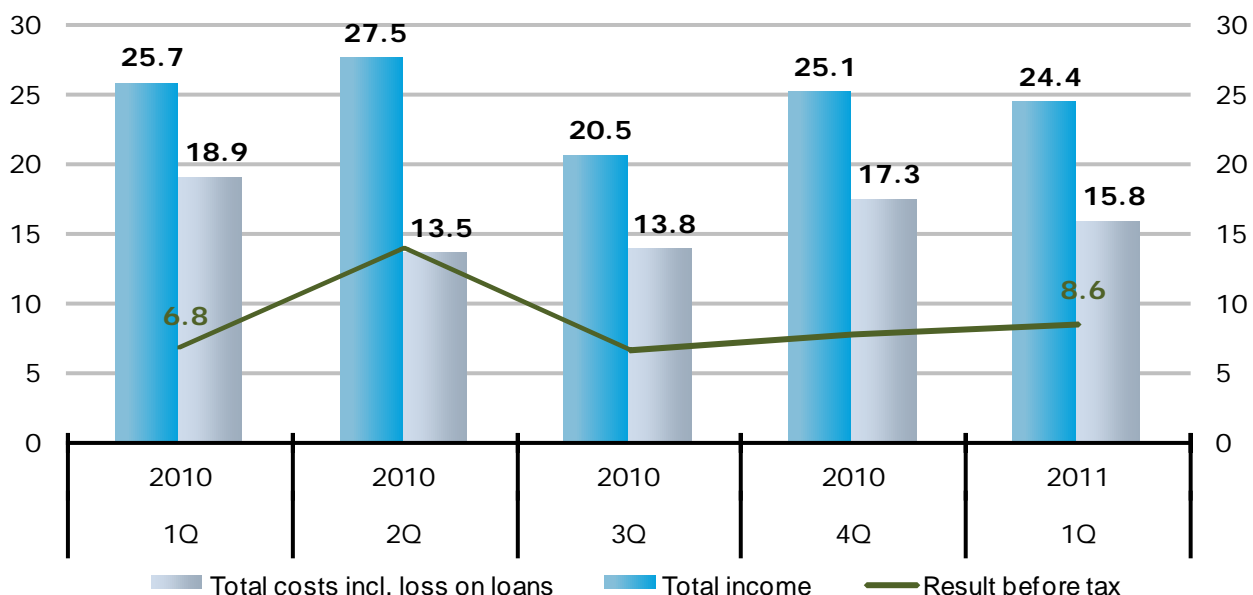
SpareBank 1 SMN Finans owns the subsidiary SpareBank 1 Bilplan which specialises in car fleet management and offers one-stop solutions for industry and the public sector nationwide. The company has a distribution agreement with SpareBank 1 Finans Nord-Norge and SpareBank 1 SR Finans.

Financial performance

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Total interest income	22.1	24.3	19.3	25.2	24.5	22.1	24.5	93.3	104.1
Commission income and other income	1.8	0.8	1.0	2.2	1.0	1.8	1.0	4.9	6.2
Net profit on financial investments	0.5	0.1	0.2	0.1	0.2	0.5	0.2	0.6	-3.2
Total income	24.4	25.1	20.5	27.5	25.7	24.4	25.7	98.8	107.1
Staff costs	7.3	7.2	7.6	6.0	4.1	7.3	4.1	24.9	28.8
Administration costs	3.5	4.3	1.9	2.2	2.1	3.5	2.1	10.4	7.6
Other operating expenses	1.3	1.4	1.0	0.8	0.8	1.3	0.8	4.0	5.1
Total operating expenses	12.2	12.8	10.5	9.0	7.0	12.2	7.0	39.2	41.4
Ordinary operating profit	12.2	12.3	10.0	18.5	18.8	12.2	18.8	59.6	65.6
Loss on loans, guarantees etc.	3.6	4.5	3.3	4.5	12.0	3.6	12.0	24.3	23.1
Total costs incl. loss on loans	15.8	17.3	13.8	13.5	18.9	15.8	18.9	63.6	64.5
Result before tax	8.6	7.8	6.7	13.9	6.8	8.6	6.8	35.2	42.5

Cost and income
(NOK mill.)

Result before tax
(NOK mill.)



SpareBank 1 SMN Regnskap AS

SpareBank 1 SMN Regnskap is a wholly-owned subsidiary of SpareBank 1 SMN. With its head office in Trondheim and divisional offices in Stjørdal, Levanger, Verdal, Namsos and Rissa, the company has a strong local footing in Trøndelag. In the first quarter of 2011 SpareBank 1 SMN Regnskap AS acquired three accountancy firms in Namsos and Steinkjer and two in Trondheim. The company's turnover will rise by an estimated NOK 25m as a result of these acquisitions.

Financial performance

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Total interest income	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.2	0.3
Commission income and other income	18.1	10.7	12.1	14.1	13.9	18.1	13.9	50.9	44.5
Total income	18.1	10.9	12.2	14.2	13.9	18.1	13.9	51.1	44.8
Staff costs	12.0	7.3	8.5	9.9	4.2	12.0	4.2	30.0	33.6
Administration costs	1.1	2.0	1.2	1.2	0.7	1.1	0.7	5.2	4.5
Other operating expenses	2.9	1.5	1.2	0.9	0.9	2.9	0.9	4.6	3.7
Total operating expenses	16.0	10.8	10.9	12.1	5.9	16.0	5.9	39.7	41.8
Result before tax	2.1	0.0	1.3	2.1	8.1	2.1	8.1	11.4	3.0

Cost and income
(NOK mill.)

Result before tax
(NOK mill.)



Allegro Finans AS

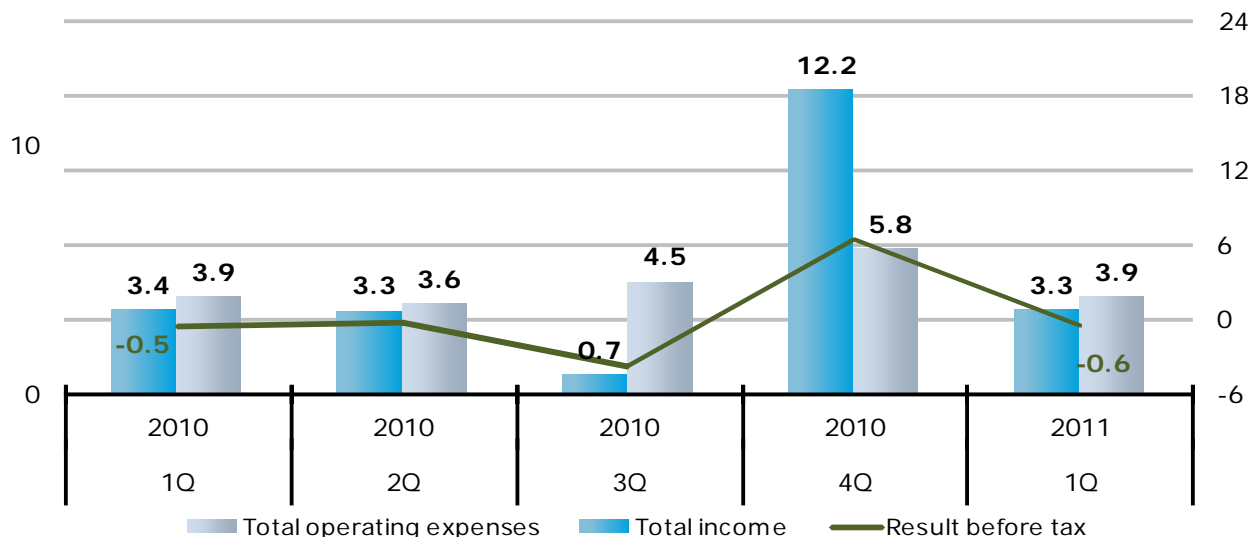
Allegro Finans, headquartered in Trondheim, is the largest management company in the region. The company is owned by SpareBank 1 SMN (90.1 per cent) and the Reitan Group (9.9 per cent). It is licensed to carry on active asset management. In addition to managing assets for its owners, it manages assets for private individuals and institutional clients. The company's services are sold exclusively through external distributors who are licensed to engage in such activity.

Financial performance

(in NOK million)	1Q 2011	4Q 2010	3Q 2010	2Q 2010	1Q 2010	31 Mar. 2011	31 Mar. 2010	2010	2009
Net interest	0.2	0.3	0.2	0.1	0.2	0.2	0.3	0.9	2.6
Allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total interest income	0.2	0.1	0.2	0.3	0.3	0.2	0.3	0.9	0.9
Commission income and other income	3.2	12.1	0.5	3.1	3.1	3.2	3.1	18.7	45.4
Net profit on financial investments	-	-	-	-	-	-	-	-	0.2
Total income	3.3	12.2	0.7	3.3	3.4	3.3	3.4	19.6	46.5
Staff costs	2.1	4.0	2.2	1.9	2.4	2.1	2.4	10.5	19.2
Administration costs	1.1	1.2	1.6	1.2	1.0	1.1	1.0	5.1	3.8
Other operating expenses	0.6	0.6	0.6	0.5	0.5	0.6	0.5	2.2	2.4
Total operating expenses	3.9	5.8	4.5	3.6	3.9	3.9	3.9	17.8	25.2
Result before tax	-0.6	6.4	-3.8	-0.3	-0.5	-0.6	-0.5	1.8	21.2

Cost and income
(NOK mill.)

Result before tax
(NOK mill.)



8. Development last ten years

Financial results

(in NOK million)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net interest	827	896	864	864	961	1,008	1,125	1,345	1,279	1,210
Commission income and other income	272	282	332	443	537	580	671	610	756	855
Net return on financial investments	24	-191	76	78	289	435	346	212	642	490
Total income	1,123	987	1,273	1,384	1,787	2,022	2,142	2,167	2,677	2,555
Staff costs	334	331	368	379	485	512	583	623	725	583
Other operating expenses	333	350	365	350	421	478	524	569	528	557
Total operating expenses	667	681	733	729	906	990	1,107	1,192	1,253	1,140
Result before losses	456	306	540	655	881	1,032	1,035	975	1,424	1,414
Loss on loans, guarantees etc.	138	229	229	81	-38	-84	-6	202	277	132
Result before tax	318	77	311	574	919	1,116	1,041	774	1,147	1,282
Tax charge	106	70	89	144	199	219	195	156	210	260
Net profit	212	7	222	430	720	897	846	617	937	1,022

Balance sheet

(in NOK million)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Cash and loans to and claims on credit institutions	1,021	2,033	1,417	1,541	2,123	2,323	3,878	4,548	1,260	2,531
CDs, bonds and other interest-bearing securities	1,868	2,342	2,481	2,566	4,133	5,602	7,246	12,036	19,302	22,948
Gross loans to customers before write-downs	29,278	31,089	32,553	34,226	45,280	52,819	59,178	64,016	61,782	69,847
- Specified write-downs	-417	-531	-380	-290	-236	-147	-116	-215	-219	-222
- Write-downs by loan category	-388	-364	-318	-314	-278	-184	-185	-244	-289	-290
Other assets	1,923	1,422	1,123	775	3,304	2,765	1,502	4,540	2,704	3,177
Assets	33,286	35,991	36,876	38,505	54,327	63,178	71,503	84,679	84,541	97,992
Deposits from credit institutions	2,093	2,131	1,114	48	1,029	2,766	5,346	9,000	11,310	13,062
Deposits from and debt to customers	17,871	19,049	19,876	20,725	27,048	30,136	32,434	35,280	37,227	42,786
Debt created by issue of securities	9,185	10,778	11,361	13,048	18,036	21,911	23,950	29,680	24,070	29,625
Other liabilities	877	863	769	822	2,876	1,799	2,265	2,045	1,876	1,917
Subordinated loan capital	1,113	1,064	1,560	1,347	1,667	2,383	2,648	3,156	3,875	2,758
Total equity capital	2,147	2,106	2,196	2,515	3,671	4,183	4,860	5,518	6,183	7,846
Total liabilities and equity	33,286	35,991	36,876	38,505	54,327	63,178	71,503	84,679	84,541	97,992

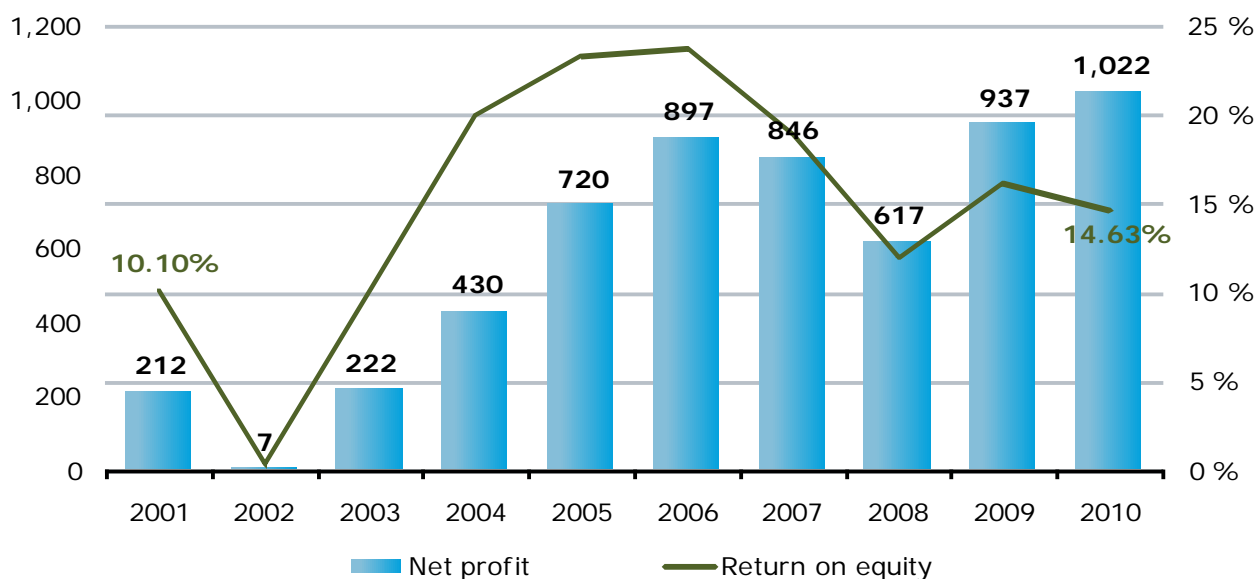
Key figures

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return on equity	10.1 %	0.4 %	10.2 %	20.0 %	23.3 %	23.7 %	18.9 %	11.9 %	16.2 %	14.6 %
Cost/income ratio group	59.4 %	69.0 %	57.6 %	52.7 %	50.7 %	49.0 %	51.7 %	55.0 %	46.8 %	44.6 %
Cost/income ratio group, ex. financial inv.	60.7 %	57.8 %	61.2 %	55.8 %	60.5 %	62.4 %	61.6 %	61.0 %	61.6 %	55.2 %
Cost/income ratio parent bank	0.57	0.69	0.55	0.49	0.50	0.48	0.52	0.55	47.2 %	40.2 %
Cost/income ratio parent, ex. financial inv.	0.57	0.55	0.60	0.55	0.61	0.59	0.58	0.57	60.4 %	50.3 %
12-month cost growth	5.0 %	2.1 %	7.6 %	-0.5 %	24.3 %	9.3 %	11.8 %	7.9 %	4.9 %	-9.0 %
Gross loans to customers*	29,278	31,089	32,553	34,226	45,280	52,819	61,910	71,317	77,429	87,665
Gross loans in retail market	16,547	17,961	20,008	21,491	29,032	33,808	38,872	42,679	45,157	49,619
Gross loans in corporate market	12,731	13,128	12,545	12,735	16,248	19,011	23,038	28,638	32,272	38,046
Growth in loans last 12 months*	10.0 %	6.2 %	4.7 %	5.1 %	32.3 %	16.6 %	17.2 %	15.2 %	8.6 %	13.2 %
Deposits from customers	17,871	19,049	19,876	20,725	27,048	30,136	32,434	35,280	37,227	42,786
Deposits from retail market	10,146	10,981	11,252	11,256	14,080	15,408	16,070	17,566	17,898	19,052
Deposits from corporate market	7,725	8,068	8,624	9,469	12,968	13,967	16,363	17,715	19,330	23,734
Growth in deposits last 12 months	3.4 %	6.6 %	4.3 %	4.3 %	30.5 %	11.4 %	7.6 %	8.8 %	5.5 %	14.9 %
Ordinary lending financed by ordinary deposit	61.0 %	61.3 %	61.1 %	60.6 %	59.7 %	57.1 %	54.8 %	55.1 %	60.3 %	61.3 %
Total assets	33,286	35,991	36,876	38,505	54,327	63,178	71,503	84,679	84,541	97,992
Average total assets	31,763	34,140	36,862	36,965	47,753	56,434	67,202	75,820	86,679	91,317
Employees in employment group	675	718	713	637	806	841	931	982	1,016	1,035
Employees in employment parent bank	570	594	592	510	669	661	723	750	767	764
Employees in employment subsidiaries	105	124	121	127	137	180	208	232	250	271
Net other operating income of total income	24.2 %	28.6 %	26.1 %	32.0 %	30.1 %	28.7 %	31.3 %	28.2 %	28.2 %	33.5 %
Capital adequacy ratio	12.1 %	11.1 %	13.9 %	12.7 %	10.9 %	11.9 %	12.1 %	11.9 %	13.6 %	13.0 %
Core capital ratio	8.8 %	8.1 %	10.1 %	10.9 %	8.8 %	8.6 %	8.4 %	8.1 %	10.4 %	10.9 %
Total core capital	2,079	2,049	2,474	2,773	3,073	3,614	4,019	4,967	6,730	7,286
Net subordinated capital	2,842	2,802	3,407	3,239	3,808	5,229	5,762	7,312	8,730	8,646
Risk weighted volume	23,554	25,223	24,483	25,562	34,873	40,473				
Impairment losses ratio	0.37%	0.84%	0.86%	-0.01%	-0.09%	-0.03%	-0.01%	0.21%	0.31%	0.16%
Non-perf. commitm. as % of gross loans	2.16%	1.83%	1.40%	1.03%	0.78%	0.41%	0.39%	0.46%	0.49%	0.57%
Other doubtful commitm. as % of gross loans	1.65%	1.90%	1.35%	0.91%	0.60%	0.51%	0.37%	1.33%	0.57%	0.24%

* Gross loans to customers includes SpareBank 1 Boligkredit

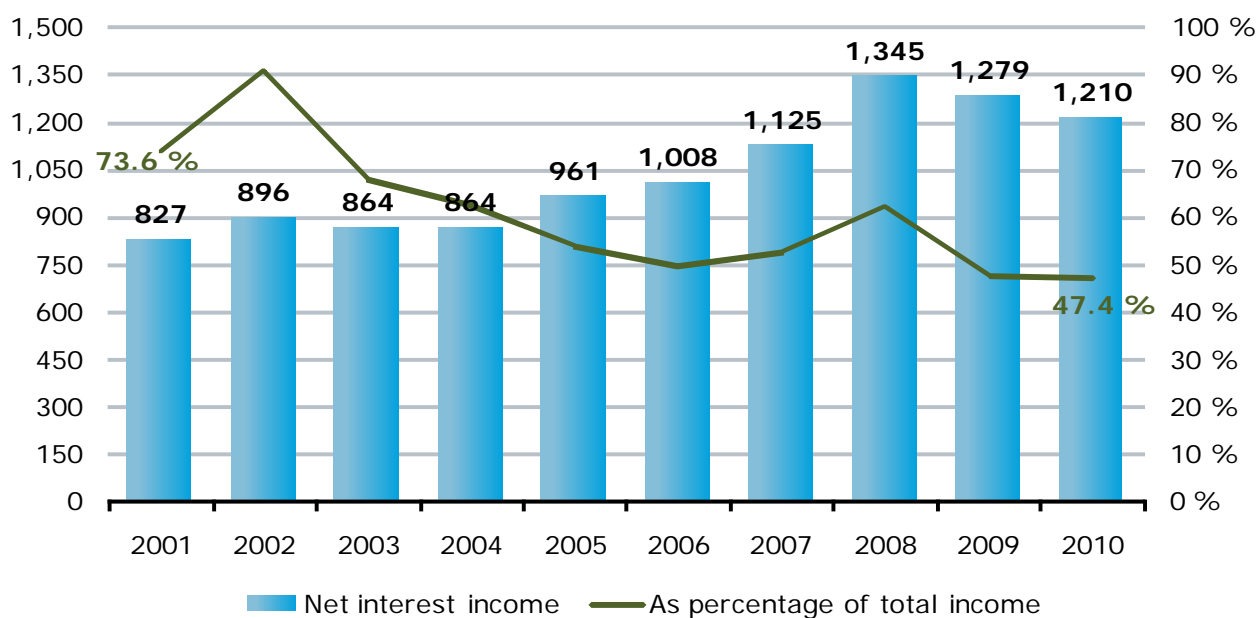
Net profit and return on equity

NOK mill.

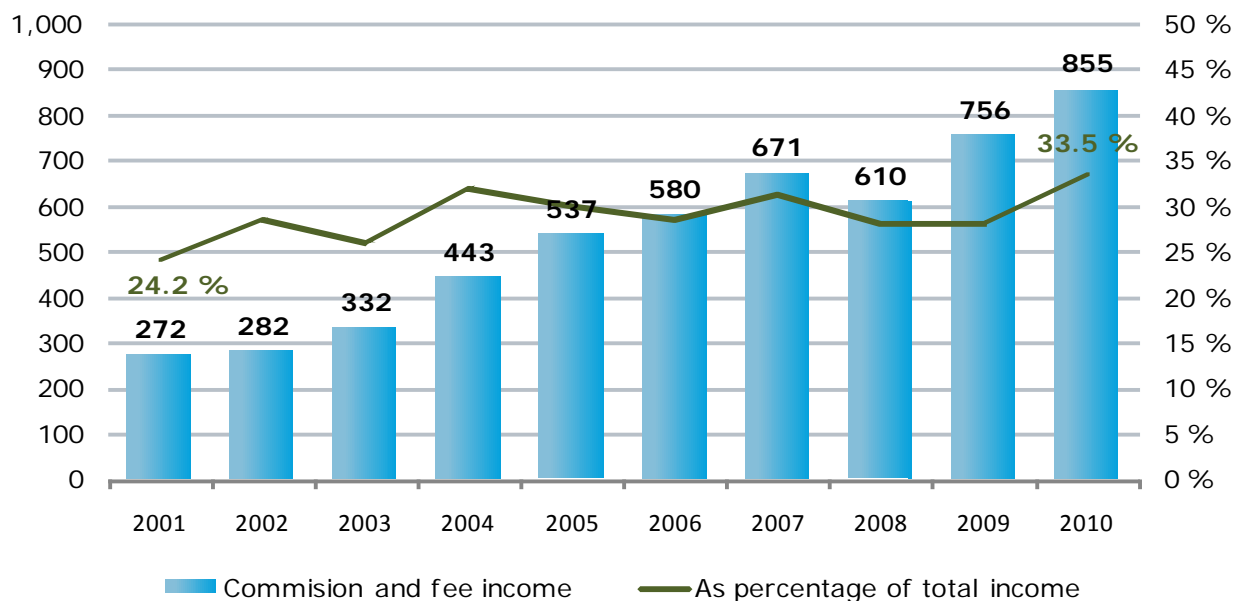


Development in net interest income

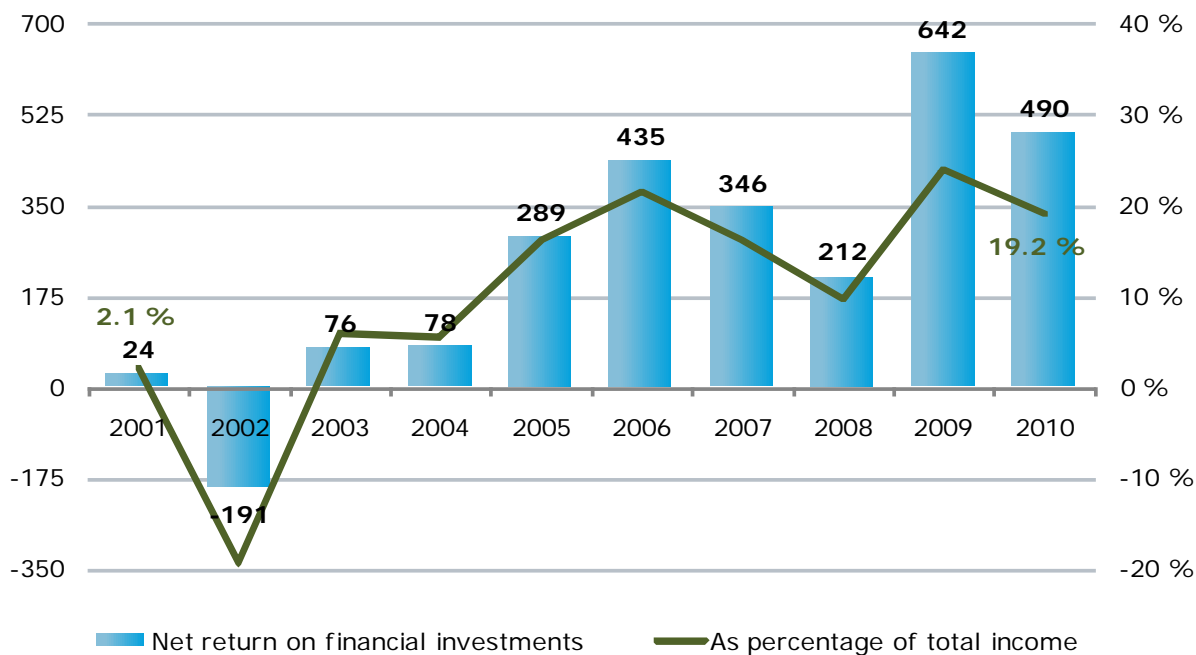
NOK mill.



Development in commission income and other income

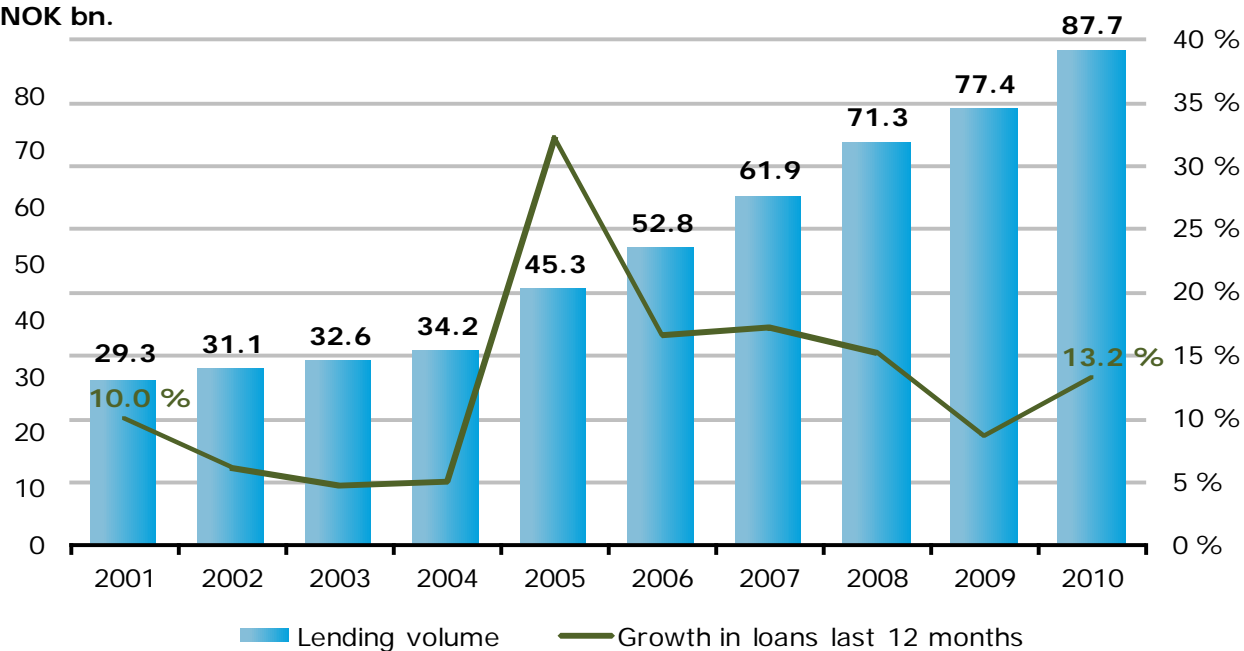


Development in net return on financial investments



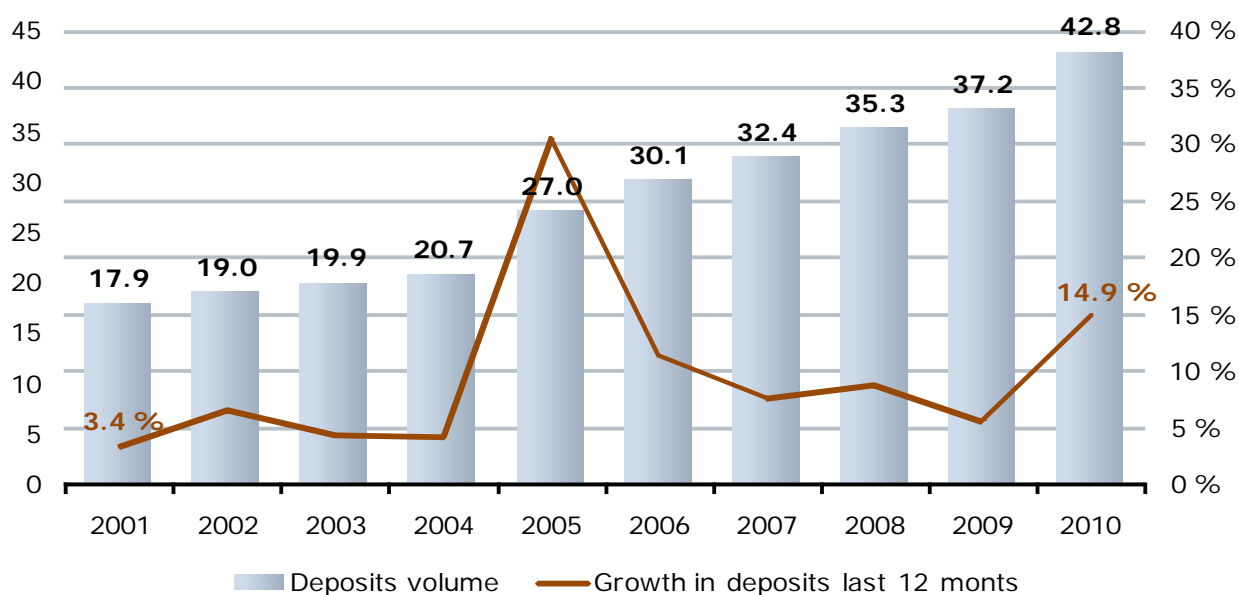
Volume development, Lending*

NOK bn.



Volume development, Deposits*

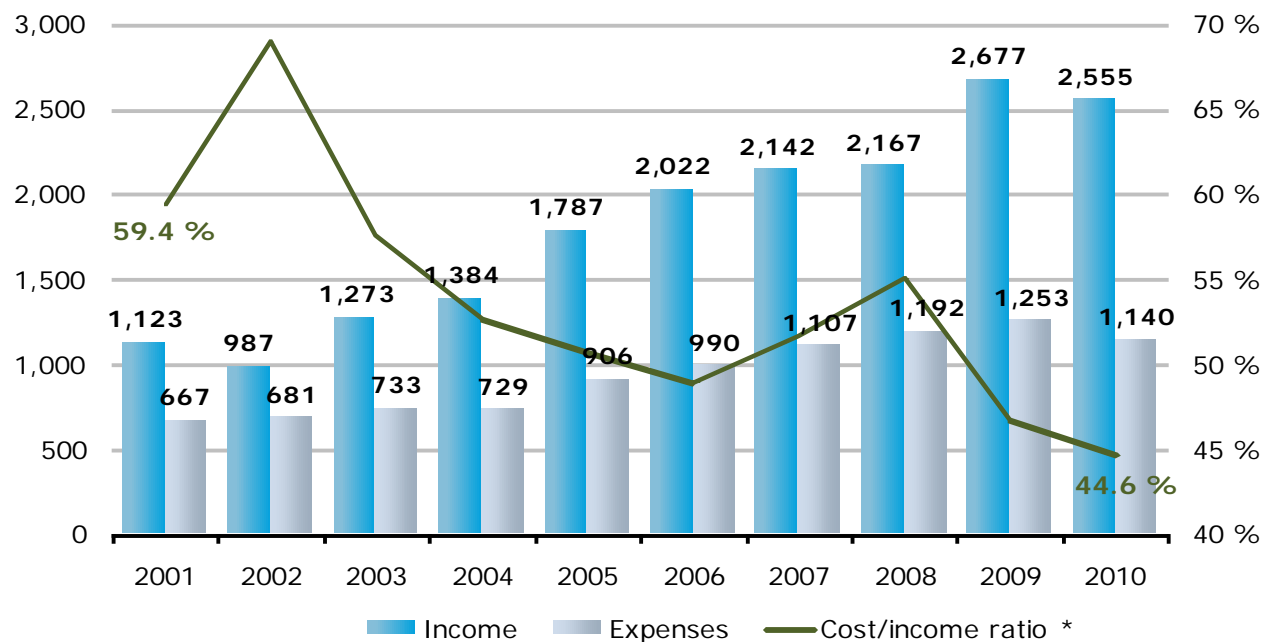
NOK bn.



*) The strong growth in 2005 in lending and deposits is related to the acquisition of 100 per cent of Romsdals Fellesbank.

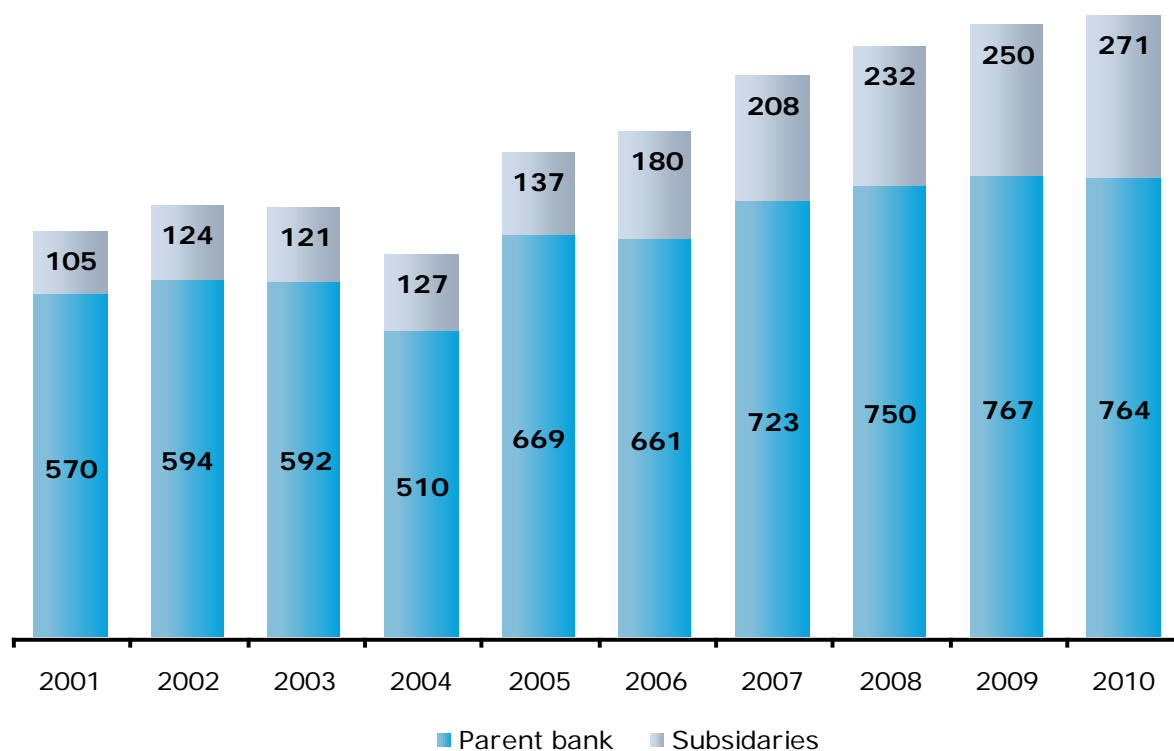
Cost/income ratio

NOK mill.



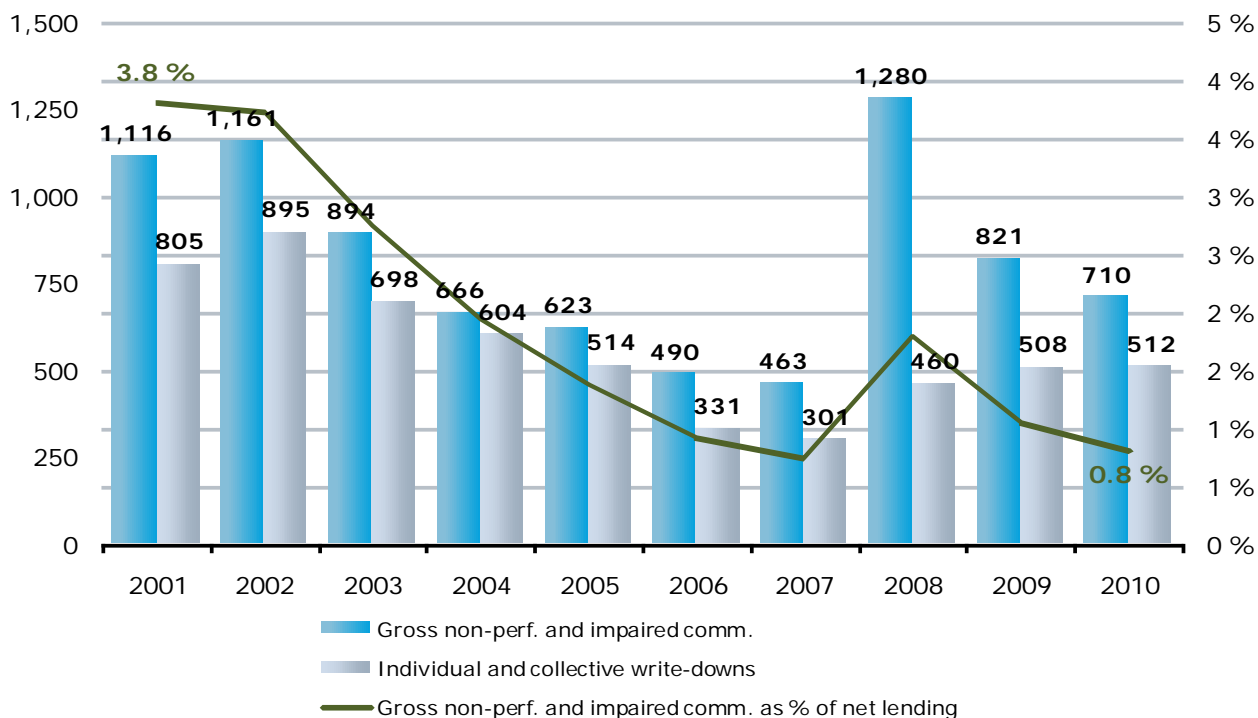
* Total operating expenses as a percentage of total operating income

Employees in employment



Net non-performing and impaired commitments

NOK million



Capital Adequacy

