



1st Quarterly Report 2022

SpareBank 1 Boligkreditt

Table of contents

The SpareBank Alliance.....	3
Statement of the Board of Directors.....	5
Cover pool.....	5
Key developments in Q1 2022.....	7
Quarterly accounts.....	7
Risk aspects.....	8
Macroeconomic development and outlook.....	9
Future prospects.....	10
Financial statements.....	13
Notes to the accounts.....	20
Contact information.....	35

14 BANKS. HUNDREDS OF YEARS OF EXPERIENCE:

The SpareBank Alliance

Early in the 19th century the savings banks were started all across Norway, by the communities themselves, to have a savings vehicle and to help grow local economies and infrastructure.

Our history begins in 1823, when SpareBank 1 SMN opened its doors in Trondhjem.

More than 170 years later, in 1996, The SpareBank 1 Alliance was formed. The goal was to make the banks stronger by working together. Later, several opportunities for offering the public other financial services than lending were integrated. At the same time the SpareBank 1 brand was born. Today it is a household brand name all over Norway.

The Alliance strengthens each of the 14 local bank's competitiveness and profitability and it ensures each bank's future independence and regional ties. The shares of SpareBank 1 banks listed on the Oslo stock exchange have provided strong investment returns since the Alliance was formed, through the financial crisis and the corona pandemic, as well as business cycles in between.

A key contributing reason is sound lending. Part of the core strategy for the banks is a regional banking principle, intimate knowledge of the customer base and in the last couple of years a strong focus on sustainability.

SpareBank 1 is Norway's second largest finance group in terms of assets. It plays a key role in the country's residential mortgage market.

Big or small, two hundred years old or established in the 20th century: All the banks in the SpareBank 1 Alliance have made a difference for Norwegians and their daily lives, businesses, and local initiatives all over the country – and they still do. Today the old saving bank of the 19th century is, as a SpareBank 1 Alliance member, a fully fledged universal bank which shares a part of its profits with the society in which it operates.

SpareBank 1 Østlandet is the biggest bank measured in share capital in Boligkreditt. SpareBank 1 Østlandet has 36 branches and approximately 370 000 customers in the regions of Innlandet, Oslo and Akershus.

And today approximately 80 000 Norwegian homes and recreational properties are financed by Sparebank 1 Østlandet.



The banks in the SpareBank 1 Alliance have made a difference for Norwegians and their daily lives, businesses and local initiatives all over the country – and they still do.

Statement of the Board of Directors of SpareBank 1 Boligkreditt AS, 1st Quarter 2022

SpareBank 1 Boligkreditt's purpose

SpareBank 1 Boligkreditt AS ('Boligkreditt', 'SpaBol', or 'The Company') is a specialized covered bond issuer. It is regulated as a credit institution and licensed by the Norwegian Financial Supervisory Authority (Finanstilsynet) and is operating according to the legislation for covered bonds in Norway¹.

The purpose of the Company is solely to provide funding for its owner banks by buying qualifying residential mortgage loans from them with a loan-to-value ("LTV") of up to 75 percent and financing these through the issuance of covered bonds².

The Company, which is based in Stavanger, Norway, is owned by banks which are all members of the SpareBank 1 Alliance and functions as a funding unit for these banks. The Company pays the net interest margin earned on mortgages it holds to its owner banks, with deductions for funding and operating costs. This margin is accounted for as commissions to owner banks, which are obligated to maintain the Company's equity capitalization above regulatory requirements.

The Company's issuances of covered bonds mainly take place under the EUR 35 billion Global Medium Term Covered Note Programme (GMTCN Programme). This Programme was updated on April 20, 2021, and is available on the Company's home page: <https://spabol.sparebank1.no>. The programme is currently being updated and will refresh in late April 2022.

Moody's Ratings Service evaluates the credit quality of the issuances under the GMTCN Programme. The covered bonds are rated Aaa.

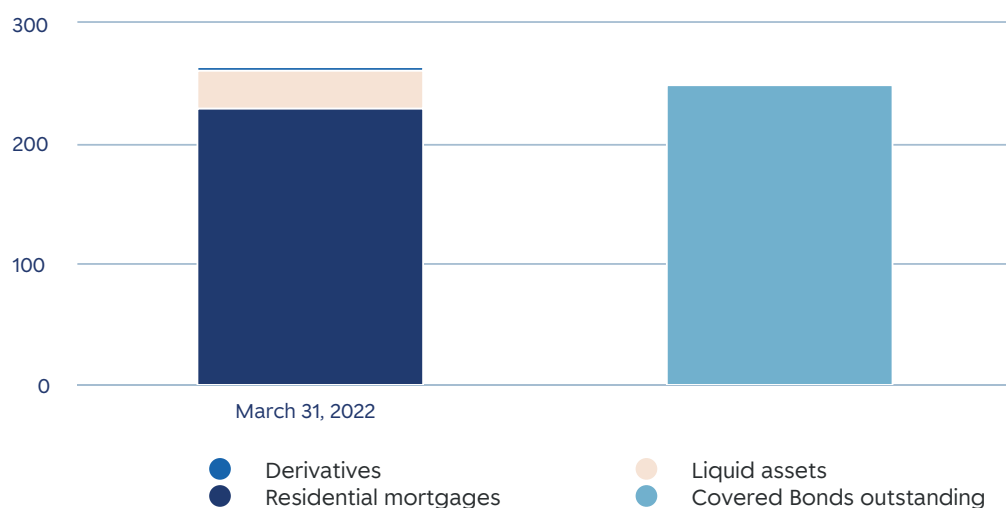
Cover pool and outstanding covered bonds³

SpareBank 1 Boligkreditt's cover pool consists of residential mortgages and liquid, highly rated assets as well as derivatives hedging liabilities in a foreign currency and/or at fixed rates. The chart below illustrates the balances as of March 31, 2022:

¹ The covered bond legislation is included in the Financial Institutions Act ("Finansforetaksloven") chapter 11, section II and the detailed regulations thereof.

² The limit for instalment mortgages is 75 percent, while mortgages which have no scheduled repayment structure are limited to 60 percent. There is a regulatory minimum amortization requirement of 2.5 percent annually for new mortgages with a LTV at 60 percent or above.

³ The source is the cover pool asset liability test for overcollateralization as of March 31, 2022 (part of the notes to the financial statements). Norwegian covered bond issuers are required by law to group derivatives as part of cover pool assets, and not together with the issued covered bonds that they hedge (liability side). This is reflected in the chart.



The amount of **liquid assets** varies over time and the variation is solely a result of the Issuer's liquidity risk management (and regulatory requirements), whereby upcoming redemptions are refinanced prior to the maturity of outstanding bonds (minimum 180 days) with bond proceeds invested as liquid assets. Liquid assets are covered bonds with a triple-A rating, SSA or government bonds with a triple-A rating, or short-term cash deposits and repos (please see the cover pool statistical reports for details on the composition of liquid assets).

Derivatives are used solely to hedge currency and interest rate risk. They are tailored to exactly match the cash flows related to the bonds they hedge, for the full duration of the bond. Swap counterparties are subject to certain rating criteria and are in all cases banks other than the Company's owner banks. Counterparties post collateral to Boligkreditt for its swap exposures, and this is included as a liability and an asset, amongst liquid assets, on the balance sheet.

The table below provides an overview of the **residential mortgages** in the cover pool, as well as the overcollateralization.

Residential mortgages key figures⁴

	Q4 2021	Q3 2020	Q2 2020	Q1 2020	Q4 2020
Weighted Average Current LTV (%)	51.0 %	48.3 %	49.2 %	51.2 %	51.4 %
Weighted Average Original LTV (%)	59.9 %	59.9 %	59.9 %	59.8 %	59.7 %
Average Loan Balance (NOK)	1,593,078	1,564,121	1,539,309	1,521,007	1,507,205
Number of Mortgages in Pool	139,495	138,755	137,453	138,595	138,298
Pct. of non first-lien mortgages	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Overcollateralization	5.7 %	6.0 %	5.7 %	4.5 %	4.4 %

⁴ Overcollateralization in the table is calculated inclusive of LCR amounts within the cover pool. The pool cut was not yet available for Q1 2022 at the time of writing, but no material change has taken place during the quarter.

Key developments in Q1 2022

NOK issuance of 13.5 billion took place during the first quarter, in addition to a EUR 1.25 bn benchmark covered bond, and an inaugural CHF 210 million covered bond.

Credit spreads on covered bonds issued after February 24 have widened, but also retracted partially at quarter-end and into early April 2022.

The residential mortgage lending volume which SpaBol finances grew by 3.5 percent during Q1 2022. The financed mortgage volume stands at NOK 231 billion at the end of the first quarter. This is a relatively strong growth, with the growth for the full year 2021 at 6.8 percent.

The Norwegian government is implementing the EU's harmonization directive for covered bonds, as well as changes to Article 129 in CRR (Capital Requirement Regulation). This is expected to take place by the deadline in July 2022. These and other changes in the covered bond legal framework, due to the EU harmonization, are not expected to represent any difficulty for the Company. There is however a risk that the EEA agreement does not incorporate Directive (EU) 2019/2162 and Regulation 2019/2160 by the July 8 deadline, and hence still does not apply for EEA countries by then, due to a delayed response in this process by EEA member country Lichtenstein.

The Chair of Boligkreditt's Board of Directors, and CFO of SpareBank 1 SMN, Kjell Fordal retired during the first quarter of 2022. He was replaced as Chair by Bengt Olsen, the CFO of SpareBank 1 Nord-Norge (SNN), who has been a Board member since 2019. Incoming new Board members are Trond Søråas, who is the new CFO of SpareBank 1 SMN and Steinar Enge, the CFO of BN Bank.

Quarterly accounts

The accounts have been prepared in accordance with the International Reporting Standards (IFRS) as adopted by the EU and published by the International Reporting Standards Board (IASB).

The Board views the accounts as presented to be a true representation of SpareBank 1 Boligkreditt's operations and financial position as of the end of Q1 2022. Numbers in brackets refer to the corresponding period last year for comparison.

The total balance sheet on March 31, 2022 amounted to 267 (255) billion kroner. While the financed volume of mortgages continued to increase (NOK 231 billion vs. 211 billion on March 31 the prior year), there was at the same time a reduction in financial derivatives (swaps) and also associated collateral received from counterparties, due to a stronger NOK exchange rate against EUR, and repayment of maturing debt and expiration of related older swaps.

The Company had in the first quarter 2022 net interest income of 500 (573) million kroner. The decrease, despite a higher volume of financed mortgages, is due to a reduced net lending margin. This takes place when the 3-month NIBOR rate increases while the banks' mortgage rates increases may not happen at an equal pace, but will in any case always be delayed by 6 weeks which is the period before a mortgage rate increase may become effective after announcement. 95 percent of Norwegian mortgages are at a variable rate.

The cost of operations for the first quarter 2022 10.4 (10,0) million kroner. The majority of operating costs are for expenses related to the Company's bond issuances, IT operations as well as personnel related expenses.

IFRS 9 expected loan losses increased by 1.4 million (increased by 12.3) to 16.5 million. No actual loan losses have occurred. This produces an operating result of negative 20.6 million (positive 31.4) million kroner before tax. The operating result includes no deduction for scheduled interest payments to Additional Tier 1 bondholders, which are classified as distribution to equity capital. The negative result for the first quarter 2022 is mainly due to credit spread widening on the Company's liquid assets portfolio after February 24th and are largely unrealized.

The Company's own liquid assets were approximately 31 (18) billion kroner as of the end of the first quarter of 2022. The volume of Boligkreditt's liquid assets is rules driven. Liquid assets are cash and highly rated, highly liquid bonds being held as a function of refinancing early the Company's upcoming bond maturities at least six months ahead of expected maturities. The volume of liquid assets is, at a minimum, managed to meet the 180-day minimum liquidity rule in the EU covered bond harmonization directive.

Risk aspects

SpareBank 1 Boligkreditt, as a licensed and regulated covered bond issuer, is subject to strict rules regarding its exposure to credit, market, and liquidity risks. This fact, and the aim of the maintenance of the Moody's Aaa rating, means that the Company is subject to low levels of risk and places strong emphasis on risk control.

Credit Risk is defined as the risk that losses can occur as a consequence of customers and others not having the ability or willingness to meet their obligations to SpareBank 1 Boligkreditt. Because the Company buys residential mortgages within 75 percent of the value of the objects on which the mortgages are secured, the Board of Directors concludes that the credit risk is lower than for Norwegian banks in general.

Market risk is defined as the risk of losses due to changes in market rates, i.e., interest rates, exchange rates and the prices of financial instruments. SpareBank 1 Boligkreditt issues a materially larger share of covered bonds in currencies other than its operational currency NOK. However, all borrowing and investments in a foreign currency, as well as such with a fixed rate, have been hedged by financial currency- and/or interest rate swap agreements. Some natural hedging may occur with EUR assets matching EUR liabilities. The collective cash flow therefore matches borrowing in Norwegian kroner with floating rate conditions (NIBOR 3 months). The Company receives cash collateral from its counterparties in derivative agreements.

The bonds held in the Company's liquidity portfolio are mainly Nordic covered bonds and German supra sovereign and agencies (agencies guaranteed by the German government) with a triple-A rating from Fitch, Moody's or S&P. Deposits are placed in banks with a minimum rating of A/A2. Cash is also placed in reverse repos with approved counterparty banks, with AAA rated securities as collateral.

The Company had as of March 31, 2022, only moderate interest rate risk, and small amounts of currency risk.

Liquidity risk is defined as the risk that the Company is not able to meet its obligations at maturity or to finance the purchase of loans at normal terms and conditions. Liquidity risk is managed based upon a liquidity strategy approved by the Board of Directors. According to the strategy, SpareBank 1 Boligkreditt AS shall maintain a liquidity reserve with a minimum size equal to or more than all debt maturities within the next 6 months. The Board of Directors views SpareBank 1 Boligkreditt AS's liquidity situation as good.

Operational risk is defined as risk of loss due to error or neglect in transaction execution, weakness in the internal control, or information technology systems breakdowns or malfunction. Reputational, legal, ethical and competency risks are also elements of operational risk. The risk is assessed by the Board of Directors to be moderate.

The Company spends much time identifying, measuring, managing, and following up on central areas of risk in such a way that this contributes to meeting its strategic goals. The notes 24 through 28 in the 2021 annual accounts provide further information.

Macroeconomic development and outlook⁵

Unemployment rate and economic growth have normalized after the pandemic, with the registered unemployment at a level that evidences a tight labour market. With high energy prices, the current account to GDP ratio is particularly high as Norway exports energy.

Housing investment has delivered negative GDP contributions from 2018 through 2020 but is expected to be positive in 2021 and 2022. The reason for that can be found in the housing market, where there has been a high level of transactions and relatively low levels of inventory for sale. Market mortgage rates are now increasing, following increases in the central bank policy rate. This could keep the residential real estate price development flat to moderate for the time ahead. Real estate prices have increased during the first quarter of 2022, but the expectation is for this to abate through the year.

Inflation is also higher in Norway, at 3.5 percent for 2021, however underlying core inflation (excluding food and energy) was 1.7 percent, projected at 2.1 percent for 2022. The central bank, which has a 2 percent inflation target, is expecting to raise interest rates from the current 0.75 to 1.3 percent at the end of 2022 and up to 2.5 percent at the end of 2024.

Summarized for a few macroeconomic indicators, the recent data and forecast for the next few years are as follows:

Recent data and forecast (percent)	2019	2020	2021	2022	2023
Mainland GDP growth	2.0	-2.3	4.2	3.6	2.5
Private consumption growth	1.1	-6.6	5.0	7.8	3.3
Mainland investments growth	6.3	-3.6	0.8	4.5	3.4
Unemployment rate	3.7	4.6	4.4	3.5	3.6
CPI growth	2.2	1.3	3.5	3.3	1.8
Annual wage growth	3.5	3.1	3.5	3.6	3.8
Current account surplus to GDP	2.9	1.1	15.3	21.7	16.7

Source: Statistics Norway (SSB) March 18, 2022

⁵ Macroeconomic projections have been sourced from Statistics Norway as of March 18, 2022.

Future prospects of the Company

The Company has a portfolio of residential mortgage loans with an average loan to value (LTV) around 50 percent, and no loans are in default. The maximum allowable level for a mortgage in a cover pool is 75 percent LTV, with amounts above that level not being eligible as a cover pool asset.

SpareBank 1 Boligkreditt's residential mortgage portfolio is well diversified, albeit weighted towards the eastern, central, and northern regions in Norway (with little exposure in the southwest oil-industry dominated area of Norway). Mortgage loans in the cover pool are very granular (average size of 1.5 million kroner). The banks in the SpareBank 1 Alliance are required to keep reserves of eligible (i.e., cover pool pre-qualified) mortgages in order to provide replacement assets should this become necessary (i.e. if residential price declines increase LTVs above the eligibility limit for mortgages in the pool). Such reserves in the banks are tested regularly to verify that a 30 percent decline in market real estate prices leaves each member bank with sufficient qualifying reserves for replenishing the cover pool.

The Board of Directors views Boligkreditt as well capitalized with a capital coverage ratio of 24.5 percent against a total requirement, including all buffers, of 16 percent (Pillar 1) plus 0.9 percent (Pillar 2). The countercyclical buffer capital requirement will increase to 1.5 percent as of June 30, 2022, and 2.0 percent as of December 31, 2022.

Total equity Tier 1 capital is 21.9 percent against a requirement, including buffers, of 14.9 percent. Common equity capital was 20.3 percent against a requirement, including all buffers, of 13.4 percent. It is the Company's policy to maintain capital ratios slightly above the regulatory requirements (a management buffer). When required, additional common equity is paid in by the owner banks in the regular course of business, usually in connection with increases in transferred mortgage volume. Additional Tier 1 and Tier 2 capital is raised in the Norwegian domestic capital market.

The Board of Directors views prospects for the Company to continue to be good and stable. This is based on several elements: a strict qualifying process for loans to become part of the cover pool (bank lending practices, mortgage regulations and cover pool qualification requirements), a high degree of diversification of the mortgages in the pool, as well as the robustness of the Norwegian economy, including the strong financial resources available to the Norwegian state. The Board also bases this conclusion on the low average LTV of the mortgage portfolio, no defaults or loans in arrears, and a strong history and institutional framework in Norway for mortgage loan performance.

* * *

The Board of Directors affirms its conviction that the financial accounts present a correct and complete picture of the Company's operations and financial position at the end of the first quarter 2022. The financial accounts including notes are produced under the assumption of a going concern.

There have been no incidents of a material nature after year-end which are expected to impact the accounts as of March 31, 2022.

Stavanger, April 27, 2022
The Board of Directors of SpareBank 1 Boligkreditt AS



/s/ Bengt Olsen
Chairman of the board



/s/ Geir-Egil Bolstad



/s/ Trond Søråas



/s/ Steinar Enge



/s/ Heidi Aas Larsen



/s/ Merete N Kristiansen



/s/ Knut Oscar Fleten

SpareBank 1 Boligkreditt AS

- Statement of the members of the board and the chief executive officer

The Board and the chief executive officer have today reviewed and approved the financial accounts as of March 31, 2022, for SpareBank 1 Boligkreditt AS. The accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU.

To the best knowledge of the Board and the chief executive officer the accounts have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company taken as a whole as of March 31, 2022.

The Board of Directors and the chief executive officer declare to the best of their knowledge that the annual report gives a true and fair view of the development and performance of the business of the Company, as well as a description of the principal risks and uncertainties facing the Company.

Stavanger, April 27, 2022

The Board of Directors of SpareBank 1 Boligkreditt AS

/s/ Bengt Olsen
Chair

/s/ Geir-Egil Bolstad

/s/ Trond Søråas

/s/ Heidi Aas Larsen

/s/ Merete N Kristiansen

/s/ Knut Oscar Fleten

/s/Steinar Enge

/s/Arve Austestad
CEO

Financial statements 2022

Income Statement

NOK 1 000	Note	01.01.2022 31.03.2022	01.01.2021 31.03.2021	2021
Total interest income	2	1,308,454	1,078,111	4,360,791
Total interest expenses	2	-807,825	-505,139	-2,016,385
Net interest income		500,629	572,972	2,344,406
Commissions to SpareBank 1 banks	3	-415,628	-500,416	-2,097,594
Net commission income		-415,628	-500,416	-2,097,594
Net gains/(losses) from financial instruments	4	-93,874	-43,583	-91,327
Net other operating income		-93,874	-43,583	-91,327
Total operating income		-8,874	28,972	155,485
Salaries and other ordinary personnel expenses	5	-3,887	-3,105	-10,701
Other operating expenses	6	-6,498	-6,896	-28,205
Total operating expenses		-10,385	-10,001	-38,906
Operating result before loan loss provisions		-19,259	18,971	116,579
Loan loss provisions		-1,360	12,382	14,960
Pre-tax operating result		-20,619	31,354	131,539
Taxes		7,359	-5,584	-24,514
Profit/(loss) for the period		-13,260	25,770	107,026
Portion attributable to shareholders		-22,078	16,752	73,541
Portion attributable to additional Tier 1 capital holders		8,818	9,018	33,484
Profit/(loss) for the period		-13,260	25,770	107,026

Overview of Comprehensive Income

NOK 1 000	01.01.2022 31.03.2022	01.01.2021 31.03.2021	2021
Profit/loss for the year	-13,260	25,770	107,026
Items which will not impact the income statement in future periods:	-		
Change due to basis swap spread adjustment	450,677	-193,013	85,082
Tax effect of basis swap spread adjustment	-112,669	48,253	-21,271
Estimate deviation for pensions	-	-	-459
Tax effect of the estimate deviation	-	-	115
Other comprehensive income for the period	338,008	-144,760	63,467
Comprehensive income for the period	324,748	-118,990	170,493

Balance sheet

NOK 1 000	Note	31.03.2022	31.03.2021	2021
Assets				
Lending to and deposits with credit institutions	13	4,026,358	1,977,185	1,434,091
Certificates and bonds	13,14	27,784,216	25,297,614	26,195,602
Residential mortgage loans	8,13	230,689,401	210,994,595	222,812,873
Financial derivatives	12,13,14	2,397,900	11,937,811	7,586,258
Deferred tax asset	13	93,217	300,014	205,886
Other assets	7,13	1,976,628	4,009,951	4,111
Total assets		266,967,719	254,517,170	258,238,820
Liabilities and equity				
Liabilities				
Debt incurred by issuing securities	10,13,14	243,627,664	225,652,744	237,522,824
Collateral received under derivatives contracts	13,19	340,877	7,190,519	3,892,723
Repurchase agreement	13	-	2,610,725	
Financial derivatives	12,13,14	8,291,753	2,389,366	2,766,866
Deferred tax	13	-	0	-
Tax payable	13	22,722	3,685	30,081
Subordinated debt	11,13	1,431,504	1,430,181	1,430,860
Other Liabilities	13,15	591,714	3,085,914	176,618
Total Liabilities		254,306,235	242,363,133	245,819,972
Equity				
Share capital	13	7,797,215	7,797,215	7,797,215
Share premium	13	3,901,255	3,901,255	3,901,255
Hybrid capital	9,13	900,000	900,000	900,000
Other equity	13	76,274	-470,203	-252,916
Net profit	13	-13,260	25,770	
Declared dividends	13	-	-	73,294
Total equity		12,661,484	12,154,037	12,418,848
Total liabilities and equity		266,967,719	254,517,170	258,238,820

Stavanger, 27.04.2022

/s/ Bengt Olsen
Chair

/s/ Geir-Egil Bolstad

/s/ Trond Søråas

/s/ Heidi Aas Larsen

/s/ Merete N Kristiansen

/s/ Knut Oscar Fleten

/s/ Steinar Enge

/s/ Arve Austestad
CEO

Changes in Equity

NOK 1 000	Share capital	Share premium	Dividend	Other Equity	Hybrid capital	Total Equity
Balance as of 31 December, 2020	7,797,215	3,901,255	73,294	-316,426	900,000	12,355,339
Dividend 2020	-	-	-85,769	-	-	-85,769
Profit/(loss) for the period	-	-	73,294	248	-33,484	40,058
Paid interest on hybrid capital - directly against equity	-	-	-	-	33,484	33,484
OCI -basisswapsread	-	-	-	63,812	-	63,812
OCI - pension - annual estimate deviation	-	-	-	-345	-	-345
Other	-	-	-	-205	-	-205
Balance as of 31 December, 2021	7,797,215	3,901,255	73,294	-252,916	900,000	12,418,848
Dividend 2021	-	-	-73,294	-	-	-73,294
Profit/(loss) for the period	-	-	-	-22,078	-8,818	-30,895
Paid interest on hybrid capital - directly against equity	-	-	-	-	8,818	8,818
OCI -basisswapsread	-	-	-	338,008	-	338,008
Balance as of 31 March 2022	7,797,215	3,901,255	-	63,014	900,000	12,661,484

Equity is paid in by the Company's parent banks when a requirement arises. The requirement arises regularly when the Company acquires larger portfolios of mortgage loans, and otherwise according to changes in capitalization rules because SpareBank 1 Boligkreditt is subject to the same capital adequacy rules under Pillar 1 as banks in general. Each parent bank has also signed a Shareholders agreement with the Company, which amongst other things stipulates when additional capital must be contributed.

Cash Flow Statement

NOK 1 000	31.03.2022	31.03.2021	2020
Cash flows from operations			
Interest received	1,273,149	1,103,081	4,364,213
Paid commissions to SpareBank 1 banks	-440,619	-516,802	-2,124,745
Paid expenses, operations	-1,950	19	-42,105
Paid tax	0	-123,196	-93,081
Net cash flow relating to operations	830,580	463,102	2,104,283
Cash flows from investments			
Net purchase of loan portfolio	-7,853,582	-2,367,621	-14,162,127
Net payments on the acquisition of government certificates	3,652,877	-699,564	-1,420,376
Net payments on the acquisition of bonds	-5,411,468	7,907,924	8,597,611
Net investments in intangible assets	0	0	0
Net investments in fixed assets	0	0	0
Net cash flows relating to investments	-9,612,173	4,840,739	-6,984,891
Cash flows from funding activities			
Net receipt/payment from the issuance of securities	15,412,469	-2,695,544	14,106,168
Net receipt/payment from the issuance of subordinated debt	0	0	0
Net receipt/payment of loans to credit institutions	-3,317,087	-6,608,717	-12,312,780
Equity capital subscription	0	0	-550
Paid additional Tier 1 capital	-8,818	-9,018	-33,484
Paid dividend	0	0	-85,769
Net interest payments on funding activity	-712,704	-487,253	-1,832,760
Net cash flow relating to funding activities	11,373,860	-9,800,532	-159,176
Net cash flow in the period	2,592,267	-4,496,692	-5,039,785
Balance of cash and cash equivalents at beginning of period	1,434,092	6,473,877	6,473,877
Net receipt/payments on cash	2,592,267	-4,496,692	-5,039,785
Balance of cash and cash equivalents at end of period	4,026,358	1,977,185	1,434,092

Quarterly Financial Statements

These quarterly statements are not individually audited and are included as additional information to these accounts.

Income Statement

NOK 1 000	1. quarter 2022	4. quarter 2021	3. quarter 2021	2. quarter 2021	1. quarter 2021
Total interest income	1,308,454	1,151,894	1,065,145	1,065,641	1,078,111
Total interest expenses	-807,825	-597,236	-433,250	-480,759	-505,139
Net interest income	500,629	554,658	631,895	584,882	572,972
Commissions to SpareBank 1 banks	-415,628	-491,099	-584,100	-521,979	-500,416
Net commission income	-415,628	-491,099	-584,100	-521,979	-500,416
Net gains/losses from financial instruments	-93,874	-60,177	36,470	-24,038	-43,583
Net other operating income	-93,874	-60,177	36,470	-24,038	-43,583
Total operating income	-8,874	3,383	84,265	38,864	28,972
Salaries and other ordinary personnel expenses	-3,887	-1,149	-3,738	-2,709	-3,105
Other operating expenses	-6,498	-6,198	-6,329	-8,782	-6,896
Total operating expenses	-10,385	-7,346	-10,067	-11,492	-10,001
Operating result before losses	-19,259	-3,964	74,198	27,373	18,971
Mortgages IFRS 9 ECL	-1,360	1,646	106	826	12,382
Pre-tax operating result	-20,619	-2,317	74,304	28,199	31,354
Taxes	7,359	2,521	-16,682	-4,769	-5,584
Profit/loss for the year	-13,260	204	57,622	23,430	25,770
Other income and expense	338,008	164,934	102,464	-59,171	-144,760
Total Profit/Loss	324,748	165,138	160,086	-35,741	-118,990

Balance sheet

NOK 1 000	31.03.2022	31.12.2021	30.09.2021	30.06.2021	31.03.2021
Assets					
Lending to and deposits with credit institutions	4,026,358	1,434,091	3,119,248	3,184,594	1,977,185
Certificates and bonds	27,784,216	26,195,602	22,504,403	28,690,918	25,297,614
Residential mortgage loans	230,689,401	222,812,873	217,216,218	211,797,941	210,994,595
Financial derivatives	2,397,900	7,586,258	11,275,359	13,893,022	11,937,811
Deferred tax asset	93,217	205,886	285,583	319,738	300,014
Other assets	1,976,628	4,111	4,084,584	412,906	4,009,951
Total assets	266,967,719	258,238,820	258,485,395	258,299,120	254,517,170
Liabilities and equity					
Liabilities					
Debt incurred by issuing securities	243,627,664	237,522,824	227,144,279	234,550,251	225,652,744
Collateral received under derivatives contracts	340,877	3,892,723	5,206,247	7,570,606	7,190,519
Repurchase agreement	0	0	9,568,306	0	2,610,725
Financial derivatives	8,291,753	2,766,866	1,772,856	1,919,437	2,389,366
Deferred tax	0	0	0	0	0
Tax payable	22,722	30,081	100,231	83,549	3,685
Subordinated debt	1,431,504	1,430,860	1,429,845	1,429,879	1,430,181
Other Liabilities	591,714	176,618	1,001,948	636,226	3,085,914
Total Liabilities	254,306,235	245,819,972	246,223,712	246,189,947	242,363,133
Equity					
Contributed equity	7,797,215	11,698,470	11,698,470	11,698,470	11,698,470
Other paid in equity (not yet registered)	3,901,255				-
Hybrid capital	900,000	900,000	900,000	900,000	900,000
Accrued equity	76,274	-252,916	-443,609	-538,497	-470,203
Net profit	-13,260	0	106,822	49,200	25,770
Declared dividends	0	73,294	0	0	-
Total equity	12,661,484	12,418,848	12,261,683	12,109,173	12,154,037
Total liabilities and equity	266,967,719	258,238,820	258,485,395	258,299,120	254,517,170

Notes to the Accounts

Note 1 Accounting principles

1.1 Basis for preparation

SpareBank1 Boligkreditt AS quarterly accounts have been prepared in accordance with the International Financial Standards (IFRS). The accounts have been produced in accordance with IAS 34 reporting for a partial year.

The presentation currency is Norwegian Kroner (NOK), which is also the Company's functional currency. All amounts are given in NOK thousand unless otherwise stated.

The interim financial statements are not audited.

1.2 Segments

The Company has only one segment, which is the mortgage lending to customers. The segment consists of lending to private individuals and all loans have been acquired from the member banks of the SpareBank 1 alliance.

1.3 Estimates and assessments regarding the use of accounting principles

The preparation of the financial information involves management's estimates which affect the implementation of accounting principles and thereby accounting values for assets, liabilities, revenue and costs. These estimates have been described in the notes.

Note 2 Net Interest Income

NOK 1 000	31.03.2022	31.03.2021	2021
NOK 1000	31.03.2022	31.03.2021	2021
Interest income from certificates, bonds and deposits	64,397	44,451	146,460
Interest income from residential mortgage loans	1,244,057	1,033,660	4,214,331
Total interest income	1,308,454	1,078,111	4,360,791
Interest expense			
Interest expense to credit institutions	1,283	-174	2,920
Interest expense issued bonds	783,492	482,646	1,925,289
Interest expense subordinated debt	9,588	7,745	31,078
Recovery and Resolution Fund *	12,048	12,846	48,195
Other interest expenses	1,414	2,075	8,903
Total interest expense	807,825	505,139	2,016,385
Net interest income	500,628	572,971	2,344,405

* From 2019, SPB1 Boligkreditt has been incorporated into the Norwegian Bank Recovery and Resolution Fund.

Note 3 Commissions to Sparebank 1 banks

NOK 1 000	31.03.2022	31.03.2021	2021
Commission expense			
Commission expense to SpareBank 1 banks	415,628	500,416	2,097,594
Total commission expense	415,628	500,416	2,097,594

These amounts represent Boligkreditt's expenses in form of commissions to its owner banks, which originate the mortgage loans transferred to the Company. The amounts are calculated by subtracting all of the Company's funding costs and estimated operational costs, including costs for additional Tier 1 bonds outstanding, from each mortgage interest income.

Note 4 Net Gains from Financial Instruments

NOK 100	31.03.2022	31.03.2021	2021
Net gains (losses) from financial liabilities	10,303,525	8,235,338	11,065,296
Net gains (losses) from financial derivatives at fair value, hedging liabilities (hedging instrument)	-10,287,429	-7,968,908	-10,762,189
Net gains (losses) from financial assets	-240,644	-344,408	-498,643
Net gains (losses) from financial derivatives at fair value, hedging assets (hedging instrument)	130,674	34,394	104,209
Net gains (losses)	-93,874	-43,583	-91,327

The Company utilizes hedge accounting as defined in IFRS for issued fixed rate bonds (covered bonds) with derivatives (swaps) which hedges fixed rates to floating and foreign currencies to Norwegian kroner. The hedges are individually tailored to each issued bond and exactly matches the cash flows and duration of the issued bonds. Some liabilities in foreign currency are hedged with natural hedges (corresponding assets in the same currency) and this may cause the valuation differences between assets and liabilities. There may also be valuation differences between liabilities and hedges due to the the amortization of issuance costs and bonds issued at or below par value.

SpareBank 1 Boligkreditt AS manages its liquidity risk by refinancing its outstanding bonds ahead of expected maturities and keeping proceeds as a liquidity portfolio. Fixed rate bonds and bonds in other currencies than Norwegian kroner are hedged using swaps, unless forming part of a natural hedge. These positions are valued at fair value though differences may occur because the valuation of the bonds include a credit risk/spread element which the swaps do not contain. Included in assets in the table are also investments in short term, highly rated bonds from funds received from swap counterparties for collateral purposes, with a corresponding collateral liability. Such investments do not have swap hedges.

All derivatives are valued at fair value according to changes in market interest rates and foreign exchange rates. Changes in valuations from the previous period is accounted for in profit and loss.

Note 5 Salaries and Remuneration

NOK 1 000	31.03.2022	31.03.2021	2021
Salaries	2,934	2,805	10,650
Salaries reinvoyed to SpareBank1 Næringskreditt*	-934	-776	-2,524
Pension expenses	1,189	384	-1,219
Social insurance fees	640	564	3,379
Other personnel expenses	58	129	415
Total salary expenses	3,887	3,105	10,701

Average number of full time equivalents (FTEs)	7	7	7
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* The company's employees have shared employment between SpareBank 1 Næringskreditt and SpareBank 1 Boligkreditt. All remuneration is effected through SpareBank 1 Boligkreditt and a portion is reinvoyed to SpareBank 1 Næringskreditt. The company also buys administrative services from SpareBank 1 SMN and SpareBank 1 Gruppen.

Note 6 Other Operating Expenses

NOK 1 000	31.03.2022	31.03.2021	2021
IT and IT operations	3,001	3,114	12,545
Purchased services other than IT	3,022	3,291	13,676
Other Operating Expenses	455	412	1,821
Depreciation on fixed assets and other intangible assets	20	79	163
Total	6,498	6,896	28,205

Note 7 Other Assets

NOK 1 000	31.03.2022	31.03.2021	2021
Leases	2,712	3,646	2,947
Fixed assets	222	300	241
Intangible assets	180	26	-
Accounts receivables from SpareBank 1 Næringskreditt AS	549	342	602
Accounts receivable, securities	1,971,900	4,005,632	-
Other	1,065	6	321
Total	1,976,628	4,009,951	4,111

Note 8 Residential mortgage loans

Lending to customers are residential mortgages only. The mortgages generally have a low loan-to-value. The total amount of lending to customers at the end of 31.03.2022 were NOK 230 billion. All mortgages carry a variable interest rate.

NOK 1 000	31.03.2022	31.03.2021	2021
Revolving mortgage loans - retail market	38,105,364	38,867,401	38,368,426
Amortising mortgage loans - retail market	192,398,046	171,987,922	184,281,403
Accrued interest	202,530	157,076	178,226
Total loans before specified and unspecified loss provisions	230,705,941	211,012,399	222,828,055
Stage 1	222,724,696	204,026,270	214,879,504
Stage 2	7,981,245	6,986,129	7,948,551
Stage 3	-	-	-
Gross loans	230,705,941	211,012,399	222,828,055
Impairments on groups of loans			
Expected credit loss, stage 1	4,394	1,155	3,726
Expected credit loss, stage 2, no objective proof of loss	12,146	16,649	11,456
Expected credit loss, stage 3, objective proof of loss	-	-	-
Total net loans and claims with customers	230,689,401	210,994,595	222,812,873
Liability			
Unused balances under customer revolving credit lines (flexible loans)	12,829,529	12,435,095	12,829,529
Total	12,829,529	12,435,095	12,829,529
Defaulted loans			
Defaults*	0.0 %	0.0 %	0.0 %
Specified loan loss provisions	0.0 %	0.0 %	0.0 %
Net defaulted loans	0.0 %	0.0 %	0.0 %
Loans at risk of loss			
Loans not defaulted but at risk of loss	0.0 %	0.0 %	0.0 %
- Write downs on loans at risk of loss	0.0 %	0.0 %	0.0 %
Net other loans at risk of loss	0.0 %	0.0 %	0.0 %

*The entire customer loan balance is considered to be in default and will be included in overviews of defaulted loans when overdue instalments and interest payments are not received within 90 days or if credit limits on revolving loans are exceeded for 90 days or more.

Note 9 Share Capital and Shareholder Information

List of shareholders as of 2022

	No of Shares	in percent	Share og votes
SpareBank 1 Østlandet	18,048,408	23.15 %	23.15 %
SpareBank 1 SMN	16,325,637	20.94 %	20.94 %
SpareBank 1 Nord-Norge	12,414,801	15.92 %	15.92 %
SpareBank 1 Sørøst-Norge	8,325,220	10.68 %	10.68 %
BN Bank ASA	5,612,985	7.20 %	7.20 %
SpareBank 1 Ringerike Hadeland	3,800,946	4.87 %	4.87 %
SpareBank 1 Østfold Akershus	3,877,452	4.97 %	4.97 %
SpareBank 1 Modum	1,738,768	2.23 %	2.23 %
SpareBank1 Helgeland	1,599,666	2.05 %	2.05 %
SpareBank 1 Nordmøre	2,086,521	2.68 %	2.68 %
SpareBank 1 Søre Sunnmøre	1,236,264	1.59 %	1.59 %
SpareBank 1 Gudbrandsdal	1,243,219	1.59 %	1.59 %
SpareBank 1 Hallingdal Valdres	991,098	1.27 %	1.27 %
SpareBank 1 Lom og Skjåk	671,164	0.86 %	0.86 %
Total	77,972,149	100 %	100 %

The share capital consists of 77.972.149 shares with a nominal value of NOK 100.
The percent share allocation and share of vote are identical.

Hybrid capital

NOK 1000	ISIN	Interest rate	Issued year	Call option	31.03.2022	31.03.2021	2021
Perpetual							
Hybrid (Tier 1 capital instrument)	NO0010767643	3M Nibor + 360 bp	2016	22.06.2021		250,000	
Hybrid (Tier 1 capital instrument)	NO0010811318	3M Nibor + 310 bp	2017	01.12.2022	100,000	100,000	100,000
Hybrid (Tier 1 capital instrument)	NO0010850621	3M Nibor + 340 bp	2019	30.04.2024	350,000	350,000	350,000
Hybrid (Tier 1 capital instrument)	NO0010890825	3M Nibor + 300 bp	2020	26.08.2025	200,000	200,000	200,000
Hybrid (Tier 1 capital instrument)	NO0010993009	3M Nibor + 250 bp	2021	06.05.2026	250,000		250,000
Book value					900,000	900,000	900,000

The issued bonds listed in the table above have status as Tier 1 capital instruments in the Company's capital coverage ratio.

Note 10 Liabilities incurred by issuing securities

	Nominal value*	Nominal value*	Nominal value*
NOK 1 000	31.03.2022	31.03.2021	2021
Senior unsecured bonds	-	-	-
Repurchased senior unsecured bonds	-	-	-
Covered bonds	247,285,919	218,615,043	231,799,097
Repurchased Covered bonds	-80,000	-3,495,000	-
Total debt incurred by issuing securities	247,205,919	215,120,043	231,799,097

* Nominal value is incurred debt at exchange rates (EUR/NOK and USD/NOK) at the time of issuance

	Book value	Book value	Book value
NOK 1 000	31.03.2022	31.03.2021	2021
Senior unsecured bonds	-	-	-
Repurchased senior unsecured bonds	-	-	-
Covered bonds	243,202,219	228,568,038	237,100,545
Repurchased covered bonds	-80,012	-3,496,439	-
Activated costs incurred by issuing debt	-211,639	-189,734	-201,573
Accrued interest	717,096	770,879	623,851
Total debt incurred by issuing securities	243,627,664	225,652,744	237,522,824

Covered bonds

Due in	31.03.2022	31.03.2021	2021
2021		13,139,549	-
2022	23,394,750	41,449,200	33,760,002
2023	30,487,050	30,537,300	30,525,750
2024	28,025,109	28,081,054	28,068,195
2025	37,713,750	31,713,750	37,713,750
2026	42,510,000	22,710,000	26,010,000
2027	22,683,910	19,542,590	28,041,050
2028	25,638,300	2,712,800	12,462,800
2029	25,257,550	23,991,300	23,972,050
2031	11,003,000	1,000,000	11,003,000
2034	250,000		
2038	242,500	242,500	242,500
Total	247,205,919	215,120,043	231,799,097

* Nominal value is incurred debt at exchange rates (EUR/NOK, USD/NOK, SEK/NOK and GBP/NOK) at the time of issuance

Debt incurred by currency (book values at the end of the period)

NOK 1 000	31.03.2022	31.03.2021	2021
NOK	93,619,889	78,649,249	83,164,332
EUR	131,234,646	129,476,921	136,864,324
GBP	8,547,256	8,901,527	8,934,297
SEK	8,245,784	8,625,047	8,559,871
CHF	1,980,090		
Total	243,627,664	225,652,744	237,522,824

Note 11 Subordinated debt

NOK 1000	ISIN	Interest rate	Issued year	Call option from	Maturity	Nominal amount	31.03.2022	31.03.2021	2021
With maturity									
Subordinated debt (Tier 2 capital instrument)	NO0010826696	3M Nibor + 153 bp	2018	22.06.2023	22.06.2028	250,000	250,000	250,000	250,000
Subordinated debt (Tier 2 capital instrument)	NO0010833908	3M Nibor + 180 bp	2018	08.10.2025	08.10.2030	400,000	400,000	400,000	400,000
Subordinated debt (Tier 2 capital instrument)	NO0010835408	3M Nibor + 167 bp	2018	02.11.2023	02.11.2028	475,000	475,000	475,000	475,000
Subordinated debt (Tier 2 capital instrument)	NO0010842222	3M Nibor + 192 bp	2019	24.01.2024	24.01.2029	300,000	300,000	300,000	300,000
Accrued interest							6,504	5,181	5,860
Book value							1,431,504	1,430,181	1,430,860

The issued bonds listed in the table above have status as Tier 2 capital instruments in the Company's capital coverage ratio.

Note 12 Financial Derivatives

NOK 1 000	31.03.2022	31.03.2021	2021
Interest rate derivative contracts			
Interest rate swaps			
Nominal amount	38,024,919	40,259,658	33,293,120
Asset	449,117	1,557,295	803,181
Liability	-731,067	-194,574	-90,305
Currency derivative contracts			
Currency swaps			
Nominal amount	147,419,225	131,280,325	143,520,577
Asset	1,837,966	10,380,516	6,783,076
Liability	-7,560,685	-1,576,837	-2,336,702
Total financial derivative contracts			
Nominal amount	185,444,144	171,539,983	176,813,697
Asset	2,287,083	11,937,811	7,586,258
Liability	-8,291,753	-1,771,411	-2,427,007

All derivative contracts exist for the purpose of hedging changes in interest rates and currency exchange rates.

* Change due to basis swap spread adjustment	31.03.2022	31.03.2021	2021
Total asset(+)/liability (-) derivatives	2,287,083	-1,771,411	-2,427,007
Net gain (loss) on valuation adjustment of basis swap spreads	110,818	-617,955	-339,859
Net asset(+)/liability (-) derivatives	2,397,900	-2,389,366	-2,766,866

Basis swaps are currency swaps and are entered into at a certain cost (basis swap spread) between Spare-Bank 1 Boligkreditt and banks which offer such swaps and which have signed an ISDA agreement with the Company. Changes in the cost are valued each quarter across all of the Company's swaps in accordance with the IFRS rules. The effect may be material from quarter to quarter because the Company's portfolio of swaps is extensive. All basis swap value changes will reverse over time towards the point of termination of the swaps. Changes in basis swap valuations are not included in net income, but is included in other comprehensive income and in equity.

Note 13 Classification of Financial Instruments

NOK 1 000	Financial instruments accounted for at fair value	Financial assets and debt accounted for at amortised cost	31.03.2022
Assets			
Lending to and deposits with credit institutions	-	4,026,358	4,026,358
Certificates and bonds	27,784,216	-	27,784,216
Residential mortgage loans	-	230,689,401	230,689,401
Financial derivatives	2,397,900	-	2,397,900
Total Assets	30,182,116	234,715,759	264,897,875
Liabilities			
Debt incurred by issuing securities*		243,627,664	243,627,664
Collateral received in relation to financial derivatives	-	340,877	340,877
Financial derivatives	8,291,753	-	8,291,753
Subordinated debt	-	1,431,504	1,431,504
Total Liabilities	8,291,753	245,400,046	253,691,799
Total Equity	-	900,000	900,000
Total Liabilities and Equity	8,291,753	246,300,046	254,591,799

*For issued securities, 173 billion are hedged with swaps. This means that foreign currency and fixed rate exposure is effectively converted to a 3 month NIBOR exposure in Norwegian kroner.

NOK 1 000	Financial instruments accounted for at fair value	Financial assets and debt accounted for at amortised cost	31.03.2021
Assets			
Lending to and deposits with credit institutions	-	1,977,185	1,977,185
Certificates and bonds	25,297,614	-	25,297,614
Residential mortgage loans	-	210,994,595	210,994,595
Financial derivatives	11,937,811	-	11,937,811
Deferred tax asset	-	-	300,014
Other assets	-	-	4,009,951
Total Assets	37,235,425	212,971,780	254,517,170

Liabilities

Debt incurred by issuing securities*		225,652,744	225,652,744
Collateral received in relation to financial derivatives	-	7,190,519	7,190,519
Repurchase agreement	-	-	-
Financial derivatives	2,389,366	-	2,389,366
Deferred taxes	-	-	0
Taxes payable	-	-	3,685
Subordinated debt	-	1,430,181	1,430,181
Other liabilities	-	-	3,085,914
Total Liabilities	2,389,366	234,273,444	239,752,408
Total Equity	-	900,000	12,154,037
Total Liabilities and Equity	2,389,366	235,173,444	251,906,445

*For issued securities, 167 billion are hedged with swaps. This means that foreign currency and fixed rate exposure is effectively converted to a 3 month NIBOR exposure in Norwegian kroner.

Note 14 Financial Instruments at Fair Value

Methods in order to determine fair value

General

The interest rate curve that is used as input for fair value valuations of hedging instruments and hedging objects consists of the NIBOR-curve for maturities less than one year. The swap-curve is used for maturities exceeding one year.

Interest rate and currency swaps

Valuation of interest rate swaps at fair value is done through discounting future cash flows to their present values. Valuation of currency swaps will also include the element of foreign exchange rates.

Bonds

Valuation of bonds at fair value is done through discounting future cash flows to present value.

With effect from 2009 SpareBank 1 Boligkreditt AS has implemented the changes in IFRS 7 in relation to the valuation of financial instruments as of the date of the financial accounts. The changes require a presentation of the fair value measurement for each Level. We have the following three Levels for the fair value measurement:

Level 1: Quoted price in an active market. Fair value of financial instruments which are traded in active markets are based on the market price at the balance sheet date. A market is considered to be active if the market prices are easily and readily available from an exchange, dealer, broker, industry group, pricing service or regulating authority and that these prices represent actual and regular market transactions on an arm's length basis.

Level 2: Valuation based on observable factors. Level 2 consist of instruments which are not valued based on listed prices, but where prices are indirectly observable for assets or liabilities, but also includes listed prices in not active markets.

Level 3: The valuation is based on factors that are not found in observable markets (non-observable assumptions). If valuations according to Level 1 or Level 2 are not available, valuations are based on not-observable information. The Company has a matter of principle neither assets nor liabilities which are valued at this level.

The following table presents the company's assets and liabilities at fair value as of 31.03.2022

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Certificates and bonds	27,784,216	-	-	27,784,216
Financial Derivatives	-	2,397,900	-	2,397,900
Total Assets	27,784,216	2,397,900	-	30,182,116
Financial Derivatives	-	8,291,753	-	8,291,753
Total Liabilities	-	8,291,753	-	8,291,753

Issued debt is formally accounted for at amortized cost, and is therefore not listed in the table above. However, when issued debt is hedged with derivatives it is in effect accounted for using hedge accounting and fair value option. This means that approximately NOK 173 billion of issued debt are also accounted for according to Level 2 above, while the remaining debt are accounted for at amortized cost.

The following table presents the company's assets and liabilities at fair value as of 31.03.2021

NOK 1 000				
	Level 1	Level 2	Level 3	Total
Certificates and bonds	25,297,614	-	-	25,297,614
Financial Derivatives	-	11,937,811	-	11,937,811
Total Assets	25,297,614	11,937,811	-	37,235,425
Financial Derivatives	-	2,389,366	-	2,389,366
Total Liabilities	-	2,389,366	-	2,389,366

Issued debt is formally accounted for at amortized cost, and is therefore not listed in the table above. However, when issued debt is hedged with derivatives it is in effect accounted for using hedge accounting and fair value option. This means that approximately NOK 167 billion of issued debt are also accounted for according to Level 2 above, while the remaining debt are accounted for at amortized cost.

Note 15 Other Liabilities

NOK 1 000	31.03.2022	31.03.2021	2021
Employees tax deductions and other deductions	415	333	2,475
Employers national insurance contribution	652	713	1,617
Accrued holiday allowance	1,444	1,223	1,120
Commission payable to shareholder banks	131,886	167,642	156,877
Deposits*	142	3,238	2,134
Pension liabilities	4,181	10,598	4,181
Expected credit loss unused credit lines (flexible loans)	85	39	84
Accounts payable, securities	361,128	2,796,341	2,387
Other accrued costs	91,782	105,786	5,744
Total	591,714	3,085,914	176,618

The Company does not have an overdraft facility or a revolving credit facility as of 31.03.2022.

* Deposits represents temporary balances paid in by customers in excess of the original loan amount.

Accounts payable, securities, are such amounts that have been transacted, but not yet settled.

Note 16 Asset Coverage Test

The asset coverage is calculated according to the Financial Services Act § 2-31 (Covered Bond Legislation). The asset coverage test excludes as a cover pool asset any shares of mortgages representing loan to value above the legal maximum of 75 percent.

In addition any defaulted loans, i.e. loans in arrears at or beyond 90 days, are excluded from the asset coverage. Substitute (liquid) assets are included at market values.

NOK 1 000	31.03.2022	31.03.2021	2021
Covered Bonds	249,526,870	229,347,589	237,717,451
Total Covered Bonds	249,526,870	229,347,589	237,717,451
Residential mortgage loans	230,069,464	210,189,899	222,306,176
Public sector, SSA bond exposure	5,253,757	2,390,282	8,485,011
-of which allocated to LCR	5,020,874	140,151	8,485,011
Reverse repo/ depo less than 100 days	3,845,055	1,260,673	540,495
-of which allocated to LCR	-	276,427	-
Exposure to credit institutions (covered bonds)	21,986,974	15,561,671	14,664,991
-of which allocated to LCR	1,350,609.22	1,751,018	-
Derivatives	2,231,735	10,166,400	5,156,863
Total Cover Pool	257,015,500	237,401,330	242,668,525
Asset-coverage	103.0 %	103.5 %	102.1 %
Cover pool including amounts allocated to LCR	263,386,984	239,568,926	251,153,537
Assets-coverage including amounts allocated to LCR	105.6 %	104.5 %	105.7 %

Liquidity Coverage Ratio (LCR)	31.03.2022	31.03.2021	2021
Liquid assets	6,519,795	7,147,149	11,528,387
Cash outflow next 30 days	1,102,523	5,121,702	11,244,655
LCR ratio	591.4 %	139.5 %	102.5 %

Net Stable Funding Ratio (NSFR)	31.03.2022	31.03.2021	2021
Available amount of stable funding	229,165,637	217,421,934	224,551,972
Required amount of stable funding	236,001,463	217,948,809	228,545,479
NSFR ratio	97.1 %	99.8 %	98.3 %

Note 17 Capital Adequacy

The primary goal for the Company's management of capital reserves is to ensure compliance with laws and regulatory requirements. The company's owner banks pay in additional core capital on an as-needed basis, according to the covered bond funding function that Boligkreditt delivers to its banks.

As of December 31, 2020 the Norwegian national implementation of the EU's CRR/CRD IV was amended, which means that the average risk weight on lending secured by residential property in Norway cannot be lower than 20 percent.

The European Union has approved new regulatory requirements, CRD IV, which is implemented in Norway. The requirement of 16.0 percent total capital for SpareBank 1 Boligkreditt includes:

- Minimum core equity Pillar 1: 4.5 percent.
- Additional Tier 1 equity capital 1.5 percent and additional Tier 2 capital 2.0 percent (can be held as Tier 1 and Tier 2, alternatively as core equity capital).
- Conservation buffer: 2.5 percent core capital.
- Systemic risk buffer: 4.5 percent core equity for exposures in Norway.
- Countercyclical buffer: 1.0 percent core equity.

The Issuer has an additional Pillar 2 requirement which is 0.9 percent core equity capital. The total requirement for the Issuer is therefore to have capital of minimum 16.9 percent of risk weighted assets. With a management buffer added, the target for capital coverage is 17.3 percent as of March 31, 2022.

The Company's parent banks have committed themselves to keep the Company's Equity Tier 1 capital at the minimum regulatory level (in the Shareholders Agreement). Primarily this commitment is pro rata according to the ownership stakes in the Company, but it is a joint undertaking if one or more ownership banks are unable to comply up to the maximum of twice the initial pro rata amount.

Capital. NOK 1 000	31.03.2022	31.03.2021	2021
Share capital	7,797,215	7,797,215	7,797,215
Premium share fund	3,901,255	3,901,255	3,901,255
Other equity capital	63,014	-461,185	-179,622
Common equity	11,761,484	11,237,285	11,518,848
Intangible assets	-	-26	-
Declared share dividend	-	-	-73,294
100% deduction of expected losses exceeding loss provisions IRB (CRD IV)	-433,955	-405,660	-427,206
Prudent valuation adjustment (AVA)	-27,784	-20,105	-23,150
Deferred taxes	-33,970	-	-33,970
Core equity capital	11,265,775	10,811,494	10,961,228
Hybrid bond	900,000	900,000	900,000
Tier 1 equity capital	12,165,775	11,711,494	11,861,228
Supplementary capital (Tier 2)	1,425,000	1,425,000	1,425,000
Total capital	13,590,775	13,136,494	13,286,228

Risk-weighted assets. NOK 1 000	31.03.2022	31.03.2021	2021
Credit risk IRB			
Residential mortgages	48,914,072	44,759,871	47,307,890
Total credit risk IRB	48,914,072	44,759,871	47,307,890
Credit risk standardised approach			
Derivatives and exposures to credit institutions	1,948,080	2,372,183	2,855,157
Covered bonds	2,377,067	2,584,706	1,466,499
Other items	105,993	82,832	525,559
Total credit risk standardised approach	4,431,141	5,039,721	4,847,215
Market risk	-	-	-
Operational risk	310,416	709,045	659,432
CVA Risk	1,857,744	5,492,972	3,231,217
Total risk-weighted assets	55,513,372	56,001,609	56,045,754

Capital Coverage	31.03.2022	31.03.2021	2021
Capital coverage (requirement w/all buffers, 16.9%)	24.48 %	23.46 %	23.71 %
Tier 1 capital coverage (requirement w/all buffers, 14.9%)	21.92 %	20.91 %	21.16 %
Core capital coverage (requirement w/all buffers, 13.4%)	20.29 %	19.31 %	19.56 %
Leverage ratio (requirement 3.0%)	4.52 %	4.64 %	4.57 %

Note 18 Related parties

The Company has 230.689 MNOK loans to customers. These are loans acquired from shareholder banks at market values (i.e. nominal value).

SpareBank 1 SMN

The Company acquires significant support services, including accounting services, back-office and other banking services from SpareBank 1 SMN. These services were previously purchased from SpareBank SR Bank. A complete SLA is established between the Company and SpareBank 1 SMN.

SpareBank 1 - Alliance

In addition the Company has a Transfer and Servicing agreement in place with each individual shareholder bank regulating amongst other things the servicing of mortgage loans.

SpareBank 1 Næringskreditt AS

All employees within SpareBank 1 Boligkreditt AS are also to various degrees working for SpareBank 1 Næringskreditt AS. Twenty percent of the administrative expenses in SpareBank 1 Boligkreditt AS to be charged to SpareBank 1 Næringskreditt AS. This division of administrative expenses between the two companies reflect the actual resources utilisation in SpareBank 1 Boligkreditt AS.

Note 19 Collateral received

NOK 1 000	31.03.2022	31.03.2021	2021
Collateral	340,877	7,190,519	3,892,723
Total	340,877	7,190,519	3,892,723

SpareBank 1 Boligkreditt has signed ISDA-agreements including CSAs (Credit Support Annexes) with a number of financial institutions that are counterparties in interest rate and currency swaps. These institutions post collateral in the form of cash deposits to SpareBank 1 Boligkreditt. The amount is included in the balance sheet, but represents restricted cash.

Note 20 Contingencies and events after balance sheet date

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

No events have taken place after the balance sheet date which are expected to have any material impact on the financial statements as of the end of the period 31.03.2022.

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