

Associates and subsidiaries

EiendomsMegler 1 Midt-Norge

This company is the leading broker of new and existing homes in Trøndelag and in Møre og Romsdal, and reinforced this position in 2016. 5,800 existing homes and 1,600 new homes were sold, representing a market share of more than 40 per cent. In addition, specialised brokers service the market for sale and rental of commercial property. The pre-tax profit was NOK 67m.

EiendomsMegler 1 Midt-Norge has 30 offices co-located with SpareBank 1, and cooperates closely with local property actors. The company's vision is to be Norway's most profitable real estate agency for its customers, staff and owners alike. EiendomsMegler 1 Midt-Norge was in 2016 voted Norway's best employer by Great Place to Work, and Lean Business of the Year by Lean Forum Norway. The awards are confirmation of the company's focus on development.

The company is equipped for continued growth both in profit and in market shares. 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).

SpareBank 1 Regnskapshuset SMN

In 2015 SpareBank 1 Regnskapshuset SMN achieved a pre-tax profit of NOK 43.1m on a turnover of NOK 234m. With 19.5 per cent turnover growth in 2015, the company has a market share of 14 per cent in Trøndelag and in Møre og Romsdal. SpareBank 1 Regnskapshuset SMN is now one of the three largest actors in the accountancy business in Norway with 239 staff at year-end.

SpareBank 1 Regnskapshuset SMN acquired in 2016 Areto Solutions, Regnskapsservice, Ørsta Rekneskap and SR Volda. The subsidiary SpareBank 1 Regnskapshuset Rørvik was absorbed by SpareBank 1 Regnskapshuset SMN in 2016.

The company has a strong ambition for further growth in the period to 2020, and to that end has signed agreements to purchase Økonomisenteret Kunderegnskap in Molde, PR Regnskap in Ulsteinvik and Data-samarbeid in Ørsta. The company has laid a sound foundation for further growth.

In conjunction with the other regional banks in the SpareBank 1 Alliance, the company is well on the way to building up a strong national player in the accounting business.

SpareBank 1 Markets

SpareBank 1 Markets is an analysis-based investment firm, and delivers all capital market services including customer trading and own account trading in fixed income and forex instruments, bonds and equities, advisory services and the facilitating of internal and external equity finance as well as securities administration services. SpareBank 1 SMN is the largest owner with a 73.4 per cent stake. The company recorded income of NOK 300m (133m) in 2016 and a profit of NOK 24.5m (-93m) after tax. It has 105 employees. SpareBank 1 Markets is headquartered in Oslo and has departments in Trondheim and Ålesund. The company is the leading capital market entity in SpareBank 1 SMN's market area.

The securities broking arm has its own customer base, built up over a number of years, as well as customers from the owner banks. In the other product areas, customer activities in collaboration with the owner banks' other business lines are the main business.

In February 2017 it became clear that SpareBank 1 Markets would be strengthening its competence by taking on about 20 experienced staff from Swedbank Norway. Concurrently the company is establishing asset management as a business area in its own right. The company is taking over Allegro Kapitalforvaltning in Trondheim and SpareBank 1 Nord-Norge Forvaltning in Tromsø. It will also apply for a licence as a fund manager.

SpareBank 1 SMN Finans Midt-Norge

This company is the region's leading finance company, and offers loans and leasing to businesses along with car loans (vendor's lien) and consumer loans to private individuals in eleven counties across Trøndelag, Møre and Romsdal, Sogn og Fjordane, Hordaland, Oppland, Buskerud, Telemark, Akershus, Vestfold and Østfold.

SpareBank 1 SMN Finans Midt-Norge is experiencing great success with distribution via its owner banks. This brought substantial results in 2016 with the total stock of leasing and loan agreements rising to NOK 5.4bn (4.3bn). The pre-tax profit was NOK 104.5m (83.1m).

The company has 34 employees in Trondheim, Steinkjer, Kristiansund, Molde and Ålesund. At year-end the company was owned by SpareBank 1 SMN (64.58 per cent), Sparebanken Sogn og Fjordane (7.50 per cent), SpareBank 1 Buskerud-Vestfold (4.98 per cent), SpareBank 1 Telemark (4.22 per cent), SpareBank 1 Østfold-Akershus (4.10 per cent), SpareBank 1 Nordvest (3.96 per cent), SpareBank 1 Søre Sunnmøre (3.96 per cent), SpareBank 1 Hallingdal Valdres (1.71 per cent), SpareBank 1 Nøtterøy-Tønsberg (1.51 per cent), SpareBank 1 Modum (1.37 per cent), SpareBank 1 Gudbrandsdal (1.17 per cent) and SpareBank 1 Lom og Skjåk (0.94 per cent).

BN Bank

SpareBank 1 SMN is the largest shareholder in BN Bank with 33 per cent of the shares. Other owners are SpareBank 1 SR-Bank (23.5 per cent), SpareBank 1 Nord-Norge (23.5 per cent) og SamSpar (20 per cent).

BN Bank is a nationwide, internet based bank, headquartered in Trondheim. Its strategy is to be a straightforward, efficient bank for the retail market offering deposit and loan services to small and medium-sized businesses against collateral in residential property, and to offer project finance and construction loans to corporate clients. BN Bank was among the growth winners in the retail market in 2016, as in the previous year, and saw growth of just over 13 per cent in residential mortgage lending. As at 31 December 2016 BN Bank had 108 FTEs, deposits totalling NOK 13.4bn and outstanding loans worth NOK 38.4bn (including loans transferred to SpareBank 1 Næringskreditt and SpareBank 1 Boligkreditt). Total group assets at the same point came to NOK 27.8bn.

As from the second quarter 2014 the bank started reporting corporate exposures under the advanced IRB approach, and in June 2015 was also granted permission to apply the advanced IRB approach to its residential mortgage portfolio.

Allegro Kapitalforvaltning

Is the largest asset management company in the region and is headquartered in Trondheim. It is owned by SpareBank 1 SMN (90.1 per cent) and the Reitan Group (9.9 per cent). The company is licensed to provide portfolio management and investment advisory services and manages assets for external public, private and institutional clients. The company's management services are sold through external distributors and the company has distribution agreements with a number of banks in the SpareBank 1 Alliance. Allegro Kapitalforvaltning has 12 employees and assets totalling some NOK 6.5bn. The company primarily offers

management services designed to capture the effect of changes in market conditions. Hence the portfolio array features asset allocation portfolios, where the company has the largest management volume.

The accounts for 2016 show a profit of NOK 9.8m before tax.

In february 2017 it became clear that SpareBank 1 Markets is taking over Allegro Kapitalforvaltning in Trondheim and SpareBank 1 Nord-Norge Forvaltning in Tromsø. It will also apply for a licence as a fund manager.

SpareBank 1 Bilplan

Delivers car fleet management solutions to the public and private sectors nationwide. The company services the market through its own sales operation and through cooperation with SpareBank 1 Finans Midt-Norge, SpareBank 1 SR-Finans, SpareBank 1 Finans Nord-Norge and through the bank's office network.

SpareBank 1 Bilplan focuses on being close at hand and accessible to its customers. The company's main mission is to ensure problem-free car maintenance for its customers. The company's solutions give the customer a continuous overview and access to reporting from an overall level down to each individual car.

SpareBank 1 SMN Invest

The company's strategy is to carry out investments in regional seedcorn, venture and private equity funds and to invest directly in growth companies with national/international market potential in the same market area as that in which SpareBank 1 SMN operates. By this means the company will foster competence-based jobs and regional value creation. SpareBank 1 SMN Invest contributes capital, network and competence.

The company has two highly competent employees in Trondheim. The company reported a profit of 73.7m before tax for 2016.