

Note 40 - Significant transactions with related companies

In this context 'related parties' means subsidiaries, affiliated companies, joint ventures and companies held for sale over which the Bank exercises substantial influence, as well as SpareBank 1 SMN Pensjonskasse (pension fund) and companies owned by the Bank's personal related parties. The Bank's outstanding accounts with employees and members of the Board of Directors are shown in note 8 and 22. The opening balance may differ from the previous year's closing balance as the opening balance includes companies that during the fiscal year have been classified as related parties of the Bank.

Loans (NOK million)	Subsidiaries		Other related companies	
	2012	2011	2012	2011
Outstanding loans as at 1.1	3,017	2,955	1,232	827
Loans issued in the period	355	79	1,926	529
Repayments	50	-	78	127
Outstanding loans as at 31.12	3,322	3,034	3,081	1,229
Interest rate income	102	107	76	35
Actual losses	-	-	25	2
Bonds and subordinated loans as at 31.12	89	90	4,551	3,947
Deposits (NOK million)				
Deposits as at 1.1	960	304	270	2,363
Contribution received during the period	20,855	2,821	6,450	5,210
Withdrawals	19,464	2,812	5,936	5,438
Deposits as at 31.12	2,351	314	784	2,136
Interest rate expenses	28	9	13	34
Securities trading	-	-	2,014	250
Commission income SpareBank 1 Boligkreditt	-	-	201	71
Commission income SpareBank 1 Næringskreditt	-	-	4	-
Issued guarantees and amount guaranteed	1	-	81	67
Committed credit	-	-	-	610

Loans and deposits

All loans and deposits for related parties are booked in the Parent Bank.

Securities trading

SpareBank 1 SMN's Markets and Finance divisions carry out a large number of transactions with the Bank's related companies. Transactions are executed on an ongoing basis in the fixed income and forex area, payments transmission, bond trading etc. These transactions are part of ordinary bank operations and all agreements are contracted on market terms.

Numbers above includes net investments in derivatives, bond transactions and deposits.

Other transactions

SpareBank 1 SMN has signed supply agreements with several related companies in order to safeguard ordinary banking operations and further development of the SpareBank 1 Alliance. This includes development of data-technical solutions for alliance collaboration, commission from insurance and savings and investment products, administrative services, leasing of premises etc. The agreements are considered to be on market terms. In addition the Bank participates in increases of capital in related companies; see note 38 on investment in owner interests.

In 2012 SpareBank 1 SMN Finans sold its subsidiary SpareBank 1 Bilplan til SpareBank 1 SMN for a total book value of NOK 9m.