

## Note 38 - Subordinated debt and hybrid capital issue

SpareBank1 SMN has in 2017 reclassified two additional Tier1 Capital Bonds from liabilities to equity. Comparable figures has been restated. For further details, see note 3.

Parent bank		(NOK million)	Group	
31 Dec 2016	31 Dec 2017		31 Dec 2017	31 Dec 2016
<b>Dated subordinated debt</b>				
1,000	-	2022 3 month Nibor + 2.75 % (Call 2017)	-	1,000
662	659	2036 fixed rate 2.94 %, JPY (Call 2018) *)	659	662
-	-	2026 SpareBank 1 Finans Midt-Norge 16/26	43	43
-	150	2027 floating rate NOK (Call 2022)	150	-
-	600	2027 floating rate NOK (Call 2022)	600	-
-	250	2029 floating rate NOK (Call 2024)	250	-
22	11	Premium/discount/market value	11	22
9	4	Currency agio debt	4	9
2	1	Accrued interest	1	2
<b>1,695</b>	<b>1,676</b>	<b>Total dated subordinated debt</b>	<b>1,718</b>	<b>1,737</b>
<b>Hybrid Capital</b>				
350	350	Hybrid capital 10/99, fixed rate 8.25 % NOK (Call 2020) *)	350	350
100	100	Hybrid capital 10/99, floating rate NOK (Call 2020)	100	100
33	25	Discount perpetual hybrid equity	25	33
8	8	Accrued interest	8	8
<b>491</b>	<b>483</b>	<b>Total hybrid capital</b>	<b>483</b>	<b>491</b>
<b>2,186</b>	<b>2,159</b>	<b>Total subordinated loan capital and hybrid capital</b>	<b>2,201</b>	<b>2,228</b>
5.0 %	4.5 %	Average rate NOK	4.5 %	5.0 %
4.2 %	4.2 %	Average rate JPY	4.2 %	4.2 %

\*) Fixed rate funding changed to floating rate by means of interest rate swaps

Group	31 Dec 2017	Issued	Fallen due/ redeemed	Other changes	31 Dec 2016
<b>Changes in subordinated debt and hybrid capital issue</b>					
Ordinary subordinated debt, NOK	1,000	1,000	1,000	-	1,000
Ordinary subordinated debt, Currency	701	-	-	-3	704
Hybrid capital loan, NOK	450	-	-	-	450
Adjustments	40	-	-	-24	64
Accrued interest	10	-	-	-1	10
<b>Total subordinated debt and hybrid capital issue</b>	<b>2,201</b>	<b>1,000</b>	<b>1,000</b>	<b>-27</b>	<b>2,228</b>
<b>Changes in subordinated debt and hybrid capital issue</b>	<b>31 Dec 2016</b>	<b>Issued</b>	<b>Fallen due/ redeemed</b>	<b>Other changes</b>	<b>31 Dec 2015</b>
Ordinary subordinated debt, NOK	1,000	-	-	-	1,000
Ordinary subordinated debt, Currency	704	43	-	2	660
Perpetual subordinated debt, NOK	-	-	300	-	300
Hybrid capital loan, NOK	450	-	-	-	450
Adjustments	64	-	-	-26	89
Accrued interest	10	-	-	0	10
<b>Total subordinated debt and hybrid capital issue</b>	<b>2,228</b>	<b>43</b>	<b>300</b>	<b>-24</b>	<b>2,509</b>