

Note 10 - Losses on loans and guarantees

Parent Bank	2020			2019		
	RM	CM	Total	RM	CM	Total
Losses on loans and guarantees (NOK million)						
Change in provision for expected credit losses for the period	49	666	715	28	205	234
Actual loan losses on commitments exceeding provisions made	14	197	212	10	9	19
Recoveries on commitments previously written-off	-7	-18	-25	-5	-1	-7
Losses for the period on loans and guarantees	56	846	902	32	213	245

Group	2020			2019		
	RM	CM	Total	RM	CM	Total
Losses on loans and guarantees (NOK million)						
Change in provision for expected credit losses for the period	48	681	729	34	212	246
Actual loan losses on commitments exceeding provisions made	55	213	268	40	22	62
Recoveries on commitments previously written-off	-25	-21	-46	-6	-2	-8
Losses for the period on loans and guarantees	78	873	951	68	231	299

Parent Bank (NOK million)	1 Jan 20	Change in provision	Net write-offs/ recoveries	31 Dec 2020
Loans as amortised cost- CM	916	667	-206	1,377
Loans as amortised cost- RM	34	12	-11	35
Loans at fair value over OCI- RM	109	38	-	147
Loans at fair value over OCI- CM	1	-1	-	0
Provision for expected credit losses on loans and guarantees	1,060	715	-217	1,559
Presented as				
Provision for loan losses	937	725	-217	1,446
Other debt- provisions	100	-19	-	81
Other comprehensive income - fair value adjustment	23	9	-	32

Group (NOK million)	1 Jan 20	Change in provision	Net write-offs / recoveries	31 Dec 2020
Loans as amortised cost- CM	948	682	-209	1,421
Loans as amortised cost- RM	63	10	-11	62
Loans at fair value over OCI- RM	109	38	-	147
Loans at fair value over OCI- CM	1	-1	-	0
Provision for expected credit losses on loans and guarantees	1,121	729	-220	1,630
Presented as				
Provision for loan losses	998	739	-220	1,517
Other debt- provisions	100	-19	-	81
Other comprehensive income - fair value adjustment	23	9	-	32

Parent Bank (NOK million)	1 Jan 19	Change in provision	Net write-offs/ recoveries	31 Dec 2019
Loans as amortised cost- CM	742	201	-27	916
Loans as amortised cost- RM	45	-6	-5	34
Loans at fair value over OCI- RM	75	34	-	109
Loans at fair value over OCI- CM	-	1	-	1
Provision for expected credit losses on loans and guarantees	862	230	-32	1,060
Presented as				
Provision for loan losses	697	272	-32	937
Other debt- provisions	148	-48	-	100
Other comprehensive income - fair value adjustment	17	6	-	23

Group (NOK million)	1 Jan 19	Change in provision	Net write-offs/ recoveries	31 Dec 2019
Loans as amortised cost- CM	766	212	-31	948
Loans as amortised cost- RM	68	0	-5	63
Loans at fair value over OCI- RM	75	34	-	109
Loans at fair value over OCI- CM	-	1	-	1
Provision for expected credit losses on loans and guarantees	909	248	-36	1,121
Presented as				
Provision for loan losses	744	290	-36	998
Other debt- provisions	148	-48	-	100
Other comprehensive income - fair value adjustment	17	6	-	23

Development in allowance for credit losses during the period

Parent Bank (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail market								
Opening balance	25	73	45	143	27	62	31	120
Transfer to (from) stage 1	14	-13	-0	-	10	-10	-	-
Transfer to (from) stage 2	-1	2	-0	-	-2	2	-	-
Transfer to (from) stage 3	-0	-3	3	-	-	-3	3	-
Net remeasurement of loss allowances	-17	12	9	5	-11	24	18	30
Originations or purchases	13	13	0	26	13	17	1	31
Derecognitions	-8	-23	-2	-33	-11	-20	-1	-33
Changes due to changed input assumptions	10	38	2	50	-	-	-	-
Actual loan losses	0	0	-11	-11	-	-	-5	-5
Closing balance	35	97	47	180	25	73	45	143
Corporate Market								
Opening balance	66	210	540	816	64	148	382	594
Transfer to (from) stage 1	14	-14	-0	-	19	-19	-	-
Transfer to (from) stage 2	-4	4	-0	-	-8	8	-	-
Transfer to (from) stage 3	-0	-1	1	-	-	-	1	-
Net remeasurement of loss allowances	-2	72	486	556	-17	98	185	266
Originations or purchases	45	99	1	144	27	20	1	48
Derecognitions	-30	-96	-1	-127	-20	-43	-	-63
Changes due to changed input assumptions	-0	113	2	-	-	-	-	-
Actual loan losses	-	-	-206	-206	-	-	-27	-27
Closing balance	88	387	823	1,299	66	210	541	817
Total accrual for loan losses	123	484	870	1,478	91	283	586	961

Accrual for losses on loans Group (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail Market								
Opening balance	32	84	56	172	33	71	39	143
Transfer to (from) stage 1	16	-15	-1	-	12	-11	-	-
Transfer to (from) stage 2	-2	3	-1	-	-2	4	-1	-
Transfer to (from) stage 3	-0	-4	5	-	-	-3	4	-
Net remeasurement of loss allowances	-18	15	14	11	-14	24	22	32
Originations or purchases	15	15	3	34	17	23	3	44
Derecognitions	-11	-28	-10	-49	-13	-23	-5	-41
Changes due to changed input assumptions	10	38	2	50	-	-	-	-
Actual loan losses	-	-	-11	-11	-	-	-5	-5
Closing balance	42	107	58	207	32	84	56	172
Corporate Market								
Opening balance	71	218	560	849	70	152	397	619
Transfer to (from) stage 1	16	-16	-0	-	20	-20	-	-
Transfer to (from) stage 2	-4	5	-0	-	-9	9	-	-
Transfer to (from) stage 3	-0	-1	1	-	-	-1	1	-
Net remeasurement of loss allowances	-1	77	488	563	-19	100	188	268
Originations or purchases	49	102	1	161	30	21	7	59
Derecognitions	-32	-98	10	-136	-20	-44	-2	-66
Changes due to changed input assumptions	-0	113	2	115	-	-	-	-
Actual loan losses	-	-	-209	-209	-	-	-31	-31
Closing balance	98	399	845	1,342	71	218	560	849
Total accrual for loan losses	140	507	902	1,549	104	302	616	1,021

Development in Gross loans from Opening to Closing balance

Parent Bank (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail Market								
Balance at 1 January	69,045	5,129	487	74,661	65,403	4,366	320	70,089
Transfer to stage 1	1,050	-1,019	-31	-	893	-877	-16	-
Transfer to stage 2	-1,433	1,470	-38	-	-1,847	1,872	-25	-
Transfer to stage 3	-30	-47	77	-	-60	-135	195	-
Net increase/decrease amount existing loans	-2,093	-136	-7	-2,237	-1,843	-123	-21	-1,986
New loans	49,001	1,464	111	50,575	43,549	1,588	178	45,315
Derecognitions	-42,243	-2,429	-196	-44,867	-37,050	-1,562	-145	-38,756
Financial assets with actual loan losses	-1	-2	-22	-24	-	-	-	-
Balance at 31 December	73,297	4,430	381	78,108	69,045	5,129	487	74,661
Corporate Market								
Balance at 1 January	33,190	3,971	1,470	38,632	32,055	5,521	1,223	38,800
Transfer to stage 1	521	-521	-0	-	1,586	-1,561	-26	-
Transfer to stage 2	-2,605	2,614	-9	-	-1,405	1,446	-41	-
Transfer to stage 3	-70	-685	754	-	-8	-227	234	-
Net increase/decrease amount existing loans	-1,541	-208	38	-1,711	-1,638	-91	-7	-1,736
New loans	17,141	1,672	328	19,141	11,323	205	319	11,848
Derecognitions	-11,046	-753	-862	-12,662	-8,723	-1,324	-232	-10,279
Financial assets with actual loan losses	-2	-111	-19	-132	0	0	-	-
Balance at 31 December	35,587	5,979	1,702	43,268	33,190	3,971	1,470	38,632
Fixed interest loans at FV	4,285	-	-	4,285	4,677	-	-	4,677
Total gross loans at 31 December	113,169	10,409	2,083	125,660	106,912	9,101	1,957	117,970

Development in Gross loans from Opening to Closing balance

Group (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail Market								
Balance at 1 January	73,675	5,924	570	80,169	69,736	4,951	386	75,073
Transfer to stage 1	1,260	-1,225	-35	-	1,053	-1,034	-19	-
Transfer to stage 2	-1,731	1,785	-54	-	-2,184	2,217	-33	-
Transfer to stage 3	-44	-89	133	-	-84	-164	248	-
Net increase/decrease amount existing loans	-2,136	-196	-15	-2,346	-2,867	-277	-31	-3,175
New loans	51,383	1,702	119	53,204	45,617	1,901	196	47,715
Derecognitions	-43,512	-2,624	-239	-46,375	-37,596	-1,669	-165	-39,430
Financial assets with actual loan losses	-689	-70	-25	-784	-2	-1	-12	-14
Balance at 31 December	78,206	5,208	453	83,867	73,675	5,924	570	80,169
Corporate Market								
Balance at 1 January	35,466	4,426	1,539	41,431	33,897	5,881	1,299	41,076
Transfer to stage 1	693	-690	-4	-	1,659	-1,631	-28	-
Transfer to stage 2	-2,897	2,909	-11	-	-1,681	1,736	-55	-
Transfer to stage 3	-107	-695	801	-	-42	-237	279	-
Net increase/decrease amount existing loans	-1,589	-265	34	-1,819	-1,682	-164	-22	-1,868
New loans	18,238	1,875	349	20,462	12,682	261	326	13,269
Derecognitions	-11,287	-815	-883	-12,985	-9,367	-1,414	-230	-11,011
Financial assets with actual loan losses	-410	-159	-24	-593	0	-5	-30	-35
Balance at 31 December	38,107	6,587	1,802	46,496	35,466	4,426	1,539	41,431
Fixed interest loans at FV	4,285			4,285	4,677			4,677
Total gross loans at 31 December	120,598	11,794	2,255	134,648	113,817	10,350	2,110	126,277

Accrual for losses on guarantees and unused credit lines

Parent Bank and Group (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	14	29	57	100	11	47	90	148
Transfer to (from) stage 1	2	-2	-0	-	3	-3	-0	-
Transfer to (from) stage 2	-0	0	-0	-	-1	1	-	-
Transfer to (from) stage 3	-0	-0	0	-	-0	-0	0	-
Net remeasurement of loss allowances	2	16	-54	-36	-2	3	-33	-33
Originations or purchases	11	8	0	19	7	1	0	8
Derecognitions	-5	-13	-0	-19	-3	-20	-0	-24
Changes due to changed input assumptions	3	12	0	16	-	-	-	-
Closing balance	27	50	4	81	14	29	57	100
Of which								
Retail market				2				2
Corporate Market				79				98

Provision for credit losses specified by industry

Parent Bank (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	2	34	5	41	2	21	7	30
Fisheries and hunting	6	2	-	8	2	1	0	3
Sea farming industries	2	0	3	5	1	0	-	1
Manufacturing	8	25	2	35	5	9	5	20
Construction, power and water supply	11	27	17	55	10	5	11	26
Retail trade, hotels and restaurants	10	30	17	58	10	8	11	28
Maritime sector	10	180	614	804	9	87	471	568
Property management	20	56	38	114	16	45	23	83
Business services	12	56	142	210	7	50	22	79
Transport and other services	8	10	2	19	7	4	3	14
Public administration	0	-	-	0	-	-	-	-
Other sectors	0	0	-	0	-	-	-	-
Wage earners	2	65	31	97	-	52	33	86
Total provision for losses on loans	91	484	870	1,446	68	283	586	937
loan loss allowance on loans at FVOCI	32	-	-	32	23	-	-	24
Total loan loss allowance	123	484	870	1,478	91	283	586	961

Provision for credit losses specified by industry

Group (NOK million)	2020				2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	3	36	5	44	2	22	8	32
Fisheries and hunting	6	2	-	8	2	1	0	3
Sea farming industries	3	1	3	6	1	0	-	1
Manufacturing	10	27	7	44	6	11	9	27
Construction, power and water supply	13	31	20	64	11	8	16	35
Retail trade, hotels and restaurants	12	31	19	62	11	8	11	30
Maritime sector	10	180	614	804	9	87	471	568
Property management	20	56	39	115	16	45	23	84
Business services	13	57	143	213	8	51	24	82
Transport and other services	10	12	10	32	8	5	8	21
Public administration	0	-	-	0	-	-	-	-
Other sectors	0	0	2	2	2	0	0	2
Wage earners	7	73	41	122	6	63	44	112
Total provision for losses on loans	108	507	902	1,517	81	302	615	998
loan loss allowance on loans at FVOCI	32	-	-	32	23	-	-	24
Total loan loss allowance	140	507	902	1,549	104	302	615	1,021