

Note 39 - Investments in owner interests

Accounting Policy

Associated companies

Associates are companies in which the Bank has substantial influence. As a rule, influence is substantial where the Bank has an ownership interest of 20 per cent or more. Associates are accounted for by the equity method in the consolidated accounts. The investment is initially recognised at acquisition cost and subsequently adjusted for the change in the Bank's share of the associated undertaking's net assets. The Bank recognises its share of the profit of the associated undertaking in its income statement. Associates are accounted for in the parent bank accounts by the cost method.

Joint arrangements

Under IFRS 11 investments in Joint arrangements shall be classified as Joint operations or joint ventures depending on the right and obligations in the contractual arrangement for each investor. SpareBank 1 SMN has assessed its joint arrangements and concluded that they are joint ventures. Jointly controlled ventures are accounted for using the equity method in the group and the cost method in the parent bank.

When the equity method is used joint ventures are recognised at their original acquisition cost. The carrying amount is thereafter adjusted to recognise the share of the results after the acquisition and the share of comprehensive income. When the group's share of a loss in a joint venture exceeds the capitalized amount (including other long-term investments that are in reality part of the group's net investment in the venture), no further loss is recognized unless liabilities have been assumed or payments have been made on behalf of the joint venture. Unrealized gains on transactions between the group and its joint ventures are eliminated according to the ownership interest in the business. Unrealized losses are also eliminated unless the transaction gives evidence of a fall in value on the transferred asset. Amounts reported from joint ventures are, if necessary, restated to ensure they correspond with the accounting policies of the group.

Non-current assets held for sale and discontinued operations

Assets which the board of directors of the bank has decided to sell are dealt with under IFRS 5 if it is highly likely that the asset will be sold within 12 months. This type of asset comprises for the most part assets taken over in connection with bad loans, and investments in subsidiaries held for sale. In the case of depreciable assets, depreciation ceases when a decision is taken to sell, and the asset is measured at fair value in accordance with IFRS 5. The result of such activity and appurtenant assets and liabilities are presented on a separate line as held for sale.

Subsidiaries, associates, joint ventures and companies held for sale

Company	Company number	Registered office	Stake in per cent
Investment in significant subsidiaries			
EiendomsMegler 1 Midt-Norge	936159419	Trondheim	92.4
SpareBank 1 Regnskapshuset SMN	936285066	Trondheim	93.3
SpareBank 1 Invest	990961867	Trondheim	100.0
SpareBank 1 Finans Midt-Norge	938521549	Trondheim	56.5
SpareBank 1 SMN Kvartalet	990283443	Trondheim	100.0
SpareBank 1 Bygget Steinkjer	934352718	Trondheim	100.0
St. Olavs Plass	999263380	Trondheim	100.0
SpareBank 1 Bilplan	979945108	Trondheim	100.0
Shares owned by subsidiaries and sub-subsidiaries			
GMA Invest	994469096	Trondheim	100.0
Sentrumsgården	975856828	Leksvik	35.3
Aqua Venture	891165102	Trondheim	37.6
Omega-3 Invest	996814262	Namsos	33.6
Tjeldbergodden Utvikling	979615361	Aure	23.0
Grilstad Marina	991340475	Trondheim	35.0
GMN 6	994254707	Trondheim	35.0
GMN 51	996534316	Trondheim	30.0
GMN 52	996534413	Trondheim	30.0
GMN 53	996534502	Trondheim	30.0
Grilstad N8 AS	926281070	Trondheim	35.0
Brauten Eiendom	917066221	Trondheim	100.0
Kvidal Regnskap AS	993787663	Børsa	100.0
Brattberg Regnskap AS	977203058	Overhalla	100.0
Askus AS	965056238	Lillehammer	100.0
Askus Nord AS	931931008	Hammerfest	100.0
Askus Nord 2 AS	932681266	Lillehammer	100.0
Regnskapsforum	964276390	Trondheim	50.0
SpareBank 1 Mobilitet Holding	927249960	Hamar	30.7
Investment in joint ventures			
SpareBank 1 Gruppen	975966372	Tromsø	19.5
SpareBank 1 Utvikling	986401598	Oslo	18.0
Investment in associates			
SpareBank 1 Boligkreditt	988738387	Stavanger	23.9
BN Bank	914864445	Trondheim	35.0
SpareBank 1 Næringskreditt	894111232	Stavanger	14.8
SpareBank 1 Kreditt	975966453	Trondheim	19.2
SpareBank 1 Betaling	919116749	Oslo	21.9
SpareBank 1 Gjeldsinformasjon	924911719	Oslo	18.9
SpareBank 1 Forvaltning	925239690	Oslo	21.5
SpareBank 1 Markets	992999101	Oslo	39.9
Investment in companies held for sale			
Mavi XV	890899552	Trondheim	100.0
Mavi XXIX	827074462	Trondheim	100.0
Byscenen Kongensgt 19	992237899	Trondheim	94.0
Bjerkeløkkja	998534976	Oppdal	95.0

Shares in subsidiaries, Parent Bank

Recorded at acquisition cost in the Parent Bank. Full consolidation in the Group accounts. Total costs include tax charge. The booked value of subsidiaries in the tables below is the Parent Bank's booked value.

2023 (NOK million)	Company's share capital (NOK 000's)	No. Of shares	Nominal value (NOK 000's)	Assets	Liabilities	Equity	NCI of equity *)	Total income	Total expenses	Profit or loss	NCI of profit or loss *)	Book value 31.12
SpareBank 1 Finans Midt-Norge AS	1,200,000	57,015	21.0	12,636	10,987	1,648	618	404	380	24	28	792
Total investments in credit institutions												792
EiendomsMegler 1 Midt-Norge	105,960	4,788	22	409	166	32	18	435	403	32	3	201
SpareBank 1 SMN Kvartalet	30,200	30,200	1	110	18	10	-	25	15	10	-	126
SpareBank 1 Regnskapshuset SMN	20,349	211	96	708	260	84	30	633	549	84	7	331
SpareBank 1 Invest	457,280	914,560	1	811	24	66	-	69	3	66	-	540
SpareBank 1 Bygget Steinkjer	1,000	100	10	37	1	1	-	0	- 1	1	-	40
St. Olavs Plass	1,000	100,000	0	53	2	0	-	4	4	0	-	50
SpareBank 1 Bilplan	5,769	41,206	0	8	0	- 0	-	0	0	- 0	-	9
Total investments in other subsidiaries												1,298
Total investments in Group companies, Parent Bank												2,090

*) Non-controlling interests

2022 (NOK million)	Company's share capital (NOK 000's)	No. Of shares	Nominal value (NOK 000's)	Assets	Liabilities	Equity	NCI of equity *)	Total income	Total expenses	Profit or loss	NCI of profit or loss *)	Book value 31.12
SpareBank 1 Finans Midt-Norge AS	1,050,000	57,015	18.4	12,198	10,728	1,470	617	353	212	140	62	671
Total investments in credit institutions												671
EiendomsMegler 1 Midt-Norge	105,960	4,788	22	420	162	258	34	429	382	47	6	189
SpareBank 1 SMN Kvartalet	30,200	30,200	1	104	18	86	-	18	14	4	-	126
SpareBank 1 Regnskapshuset SMN	20,349	211	96	635	196	438	50	547	472	75	9	298
SpareBank 1 Invest	457,280	914,560	1	750	29	721	-	53	2	51	-	540
SpareBank 1 Bygget Steinkjer	1,000	100	10	36	0	36	-	0	- 1	1	-	40
St. Olavs Plass	1,000	100,000	0	53	1	52	-	3	2	1	-	50
SpareBank 1 Bilplan	5,769	41,206	0	8	0	8	-	0	0	- 0	-	9
Total investments in other subsidiaries												1,252
Total investments in Group companies, Parent Bank												1,924

*) Non-controlling interests

Dividends from subsidiaries

(NOK million)	2023	2022
SpareBank 1 Finans Midt-Norge	78	102
EiendomsMegler 1 Midt-Norge	40	49
SpareBank 1 Markets	108	139
SpareBank 1 Regnskapshuset SMN	70	57
SpareBank 1 SMN Invest	-	-
SpareBank 1 SMN Kvartalet	4	3
St. Olavs Plass 1 SMN	1	-
Sparebank 1 Bygget Steinkjer	1	1
Total dividends	302	350

Shares in associates and joint ventures

Associates and joint ventures are recorded at acquisition cost in the Parent Bank. Group figures are presented by the equity method.

Parent Bank			Group	
2022	2023 (NOK million)		2023	2022
4,590	5,063	As at 1 January	8,075	7,384
473	916	Acquisition/sale	760	487
0	-20	Write-down	-23	0
-	312	Equity capital changes	-22	59
-	-	Profit share	297	442
-	-	Dividend paid	-391	-297
5,063	6,270	Book value as at 31 December	8,695	8,075

Specification of year's change, Group	Additions/ disposal	Equity change
SpareBank 1 Gruppen	-	-150
SpareBank 1 Boligkreditt	-28	44
SpareBank 1 Næringskreditt	-61	30
SpareBank 1 Kreditt	64	19
Sparebank 1 Betaling	-	53
BN Bank	-	-1
SpareBank 1 Forvaltning	70	11
Sparebank 1 Markets	707	-
Other companies	8	-27
Sum	760	-22

Dividends from investments in associates and joint ventures

(NOK million)	2023	2022
SpareBank 1 Gruppen	287	137
SpareBank 1 Boligkreditt	-	16
BN Bank	70	70
SpareBank 1 Næringskreditt	3	1
SpareBank 1 Forvaltning	31	72
Total dividend from associates and joint ventures	391	297

Company information on the Group's stakes in associates and joint ventures

The tables below contain company or Group accounting figures on a 100 per cent share basis, except for profit share which is stated as the SMN Group's share. Badwill and amortisation effects related to acquisitions are included in the profit share. Booked value is the consolidated value in the SMN Group.

2023 (NOK million)	Assets	Liabilities	Total income	Total costs	Profit share	Book value 31.12	No. of shares
SpareBank 1 Gruppen	132,113	119,812	17,648	17,402	-34	1,737	420,498
SpareBank 1 Boligkreditt	320,465	307,788	680	201	98	2,809	18,595,136
SpareBank 1 Næringskreditt	10,634	8,547	111	54	10	309	2,402,572
SpareBank 1 Kreditt	9,746	7,903	493	562	-13	354	975,378
Sparebank 1 Betaling	1,256	0	-	2	-37	275	6,849,205
BN Bank	47,961	41,933	1,347	583	257	1,997	4,943,072
SpareBank 1 Forvaltning	1,718	570	890	722	35	247	985,722
Other companies					-18	242	
Total					297	7,970	

2022 (NOK million)	Assets	Liabilities	Total income	Total costs	Profit share	Book value 31.12	No. of shares
SpareBank 1 Gruppen	121,397	106,592	19,319	18,123	175	2,208	420,498
SpareBank 1 Boligkreditt	287,957	275,138	107	62	1	2,696	17,635,629
SpareBank 1 Næringskreditt	11,615	9,565	47	27	3	333	2,640,198
SpareBank 1 Kreditt	7,159	5,890	351	304	9	283	751,377
Sparebank 1 Betaling	1,251	0	-	3	13	260	5,711,159
BN Bank	44,998	39,499	1,128	533	203	1,812	4,943,072
SpareBank 1 Forvaltning	1,523	696	709	538	33	162	722,575
Other companies					4	322	
Total					442	8,075	

Companies held for sale

SpareBank 1 SMN's strategy is that ownership due to defaulted exposures should at the outset be of brief duration, normally not longer than one year. Investments are recorded at fair value in the Parent Bank's accounts, and is classified as investment held for sale.

2023 (NOK Million)	Assets	Liabilities	Revenue	Expenses	Profit	Ownership
Mavi XV Group	80	26	15	15	1	100 %
Total Held for sale	80	26	15	15	1	

2022 (NOK Million)	Assets	Liabilities	Revenue	Expenses	Profit	Ownership
Mavi XV Group	75	30	12	11	0	100 %
SpareBank 1 Markets	1,844	1,063	780	601	179	67 %
Total Held for sale	1,919	1,093	791	612	179	