

Note 31 - Intangible assets

Accounting Policy

Intangible assets mainly comprise goodwill in the SpareBank 1 SMN Group. Other intangible assets will be recognised once the conditions for entry in the balance sheet are present. Goodwill arises as the difference between the fair value of the consideration upon purchase of a business and the fair value of identifiable assets and liabilities; see description under Consolidation. Goodwill is not amortised, but is subject to an annual depreciation test with a view to revealing any impairment, in keeping with IAS 36. Testing for value impairment is done at the lowest level at which cash flows can be identified.

Intangible assets acquired separately are carried at cost. Useful economic life is either finite or infinite. Intangible assets with a finite economic life are depreciated over their economic life and tested for impairment upon any indication of impairment. The depreciation method and period are assessed at least once each year.

Amounts recorded on the Bank's assets are reviewed on the balance sheet date for any indications of value impairment. Should such indications be present, an estimate is made of the asset's recoverable amount. Each year on the balance sheet date recoverable amounts on goodwill, assets with unlimited useful lifetime, and intangible assets not yet available for use, are computed. Write-downs are undertaken when the recorded value of an asset or cash-flow-generating entity exceeds the recoverable amount. Write-downs are recognised in profit/loss. Write-down of goodwill is not reversed. In the case of other assets, write-downs are reversed where there is a change in the estimates used to compute the recoverable amount.

2023

Parent Bank				Group		
Other intangible assets	Goodwill	Total	(NOK million)	Total	Goodwill	Other intangible assets
38	447	485	Cost of acquisition at 1 January	796	680	116
12	-	12	Additions	176	31	145
133	219	352	Additions as a result of business combinations*	219	219	0
-1	-	-1	Disposals	-1	-	-1
-	-	-	Disposal subsidiary**	183	183	-
182	665	847	Cost of acquisition at 31 December	1,373	1,113	260
18	-	18	Accumulated depreciation and write-downs as at 1 January	125	34	91
18	-	18	Current period's depreciation	20	-	20
-1	-	-1	Disposals	-1	-	-1
35	-	35	Accumulated depreciation and write-down as at 31 December	144	34	110
147	665	812	Book value as at 31 December	1,229	1,079	150

* Additions as a result of business combinations shows the effect of the merger with SpareBank 1 Søre Sunnmøre

** As from fourth quarter 2022 the subsidiary SpareBank 1 Markets have been reclassified to investment held for sale. The effect has been presented as disposals.

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2022

Parent Bank				Group		
Other intangible assets	Goodwill	Total	(NOK million)	Total	Goodwill	Other intangible assets
24	447	470	Cost of acquisition at 1 January	1,017	842	175
14	-	14	Addition	36	21	16
-	-	-	Disposal subsidiary*	-258	-183	-74
38	447	485	Cost of acquisition at 31 December	795	680	116
13	-	13	Accumulated depreciation and write-downs as at 1 January	164	34	130
5	-	5	Current period's depreciation	7	-	7
-	-	-	Disposal subsidiary*	-46	-	-46
18	-	18	Accumulated depreciation and write-down as at 31 December	125	34	91
20	447	467	Book value as at 31 December	670	646	25

*As from fourth quarter 2002 the subsidiary SpareBank 1 Markets have been reclassified to investment held for sale. The effect has been presented as disposals.