KEY DEVELOPMENTS

- Increased net interest
- Positive margin development in the corporate market and growth in line with target
- Low losses and capital accumulation according to plan
- Implementation of new organisation on schedule
## KEY DEVELOPMENTS IN THE FIRST QUARTER

<table>
<thead>
<tr>
<th></th>
<th>PROFIT PERFORMANCE</th>
<th>PROFIT PERFORMANCE EXCL. FINANCIAL INSTRUMENTS*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRE-TAX OPERATING PROFIT</strong></td>
<td>NOK 322 MILL.</td>
<td>NOK 357 MILL.</td>
</tr>
<tr>
<td></td>
<td>(407 Mill.)</td>
<td>(357 Mill.)</td>
</tr>
<tr>
<td><strong>GOOD RETURN ON EQUITY</strong></td>
<td>8.8% (13.6%)</td>
<td>9.8% (11.9%)</td>
</tr>
<tr>
<td><strong>LOW WRITE-DOWNS</strong></td>
<td>NOK 26 MILL. (39)</td>
<td></td>
</tr>
<tr>
<td><strong>CAPITAL ACCUMULATION ACCORDING TO PLAN</strong></td>
<td>13.8% (12.3%)</td>
<td></td>
</tr>
</tbody>
</table>

* Gain of NOK 50 mill. first quarter 2015, loss of NOK 35 mill. first quarter 2016
PRE-TAX PROFIT

Pre-tax profit

Pre-tax profit excl. financial instruments*

* Eliminated financial instruments
RETURN ON EQUITY
- STABLE ROE FROM THE FOURTH QUARTER

Return on equity

Return on equity excl. financial instruments*

* Eliminated financial instruments and gain/loss on basis swaps
# Profit and Book Value of Equity Certificates

- Not comparable figures – issue of equity certificates Q4 2015

## Profit per Equity Certificate

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Profit per Certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>1.88</td>
</tr>
<tr>
<td>Q2 15</td>
<td>1.59</td>
</tr>
<tr>
<td>Q3 15</td>
<td>1.31</td>
</tr>
<tr>
<td>Q4 15</td>
<td>1.54</td>
</tr>
<tr>
<td>Q1 16</td>
<td>0.99</td>
</tr>
</tbody>
</table>

## Book Equity per Equity Certificate

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Book Equity per Certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>56.5</td>
</tr>
<tr>
<td>Q2 15</td>
<td>58.1</td>
</tr>
<tr>
<td>Q3 15</td>
<td>59.4</td>
</tr>
<tr>
<td>Q4 15</td>
<td>45.6</td>
</tr>
<tr>
<td>Q1 16</td>
<td>45.5</td>
</tr>
</tbody>
</table>
MARGIN DEVELOPMENT
- BETTER LENDING MARGINS IN THE CORPORATE MARKET, INCREASING MARGINS ON DEPOSITS

### Lending
<table>
<thead>
<tr>
<th></th>
<th>Q1-15</th>
<th>Q2-15</th>
<th>Q3 - 15</th>
<th>Q4 - 15</th>
<th>Q1 - 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>2.36</td>
<td>2.03</td>
<td>2.07</td>
<td>2.01</td>
<td>1.90</td>
</tr>
<tr>
<td>Corporate</td>
<td>3.09</td>
<td>2.84</td>
<td>2.92</td>
<td>2.83</td>
<td>3.04</td>
</tr>
</tbody>
</table>

### Deposits
<table>
<thead>
<tr>
<th></th>
<th>Q1-15</th>
<th>Q2-15</th>
<th>Q3 - 15</th>
<th>Q4 - 15</th>
<th>Q1 - 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.09)</td>
<td>0.02</td>
<td>0.15</td>
</tr>
<tr>
<td>Corporate</td>
<td>0.15</td>
<td>0.05</td>
<td>0.01</td>
<td>0.15</td>
<td>0.21</td>
</tr>
</tbody>
</table>
STRENGTHENING OF THE RETAIL MARKET
- GROWTH WITHIN TARGET IN Q1, LOW GROWTH IN THE CORPORATE MARKET THE PAST THREE YEARS

**Retail market**
Lending NOK 99.4 billion

**Corporate market**
Lending NOK 31.7 billion

<table>
<thead>
<tr>
<th></th>
<th>Q1 Growth lending</th>
<th>Av. Growth last three years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail market</td>
<td>1%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Corporate market</td>
<td>0.5%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>
INCREASED NET INTEREST
- RELATIVE IMPROVEMENT BY 5 POINTS FROM Q4 2015

Development in net interest and credit commission income

Net interest income and credit commissions (NOKm)
Net interest income and credit commissions per capital unit (% p.a.)
ASSOCIATED COMPANIES
– THE COMPANIES’ PROFIT/LOSS AFTER TAX AT THE END OF THE FIRST QUARTER (NOK MILL.)*

*Converted from NGAAP to IFRS
# Profit Contribution, Associated Companies

<table>
<thead>
<tr>
<th></th>
<th>Q1 2016</th>
<th>Q1 2015</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frende Forsikring</td>
<td>6</td>
<td>8</td>
<td>50</td>
</tr>
<tr>
<td>Norne Securities</td>
<td>-3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Brage Finans</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Verd Boligkreditt</td>
<td>2</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td><strong>Share of profit/loss from associated companies</strong></td>
<td><strong>8</strong></td>
<td><strong>14</strong></td>
<td><strong>70</strong></td>
</tr>
</tbody>
</table>
GROWTH IN SAVINGS AND INVESTMENT PRODUCTS
- INCREASING GROWTH RATE IN SAVINGS AGREEMENTS – NOK 500 MILL. ANNUALLY IN 2016

Increased volume under management

Savings agreement volume per month
FLAT COST DEVELOPMENT IN THE FIRST QUARTER

Cost development and reduction in full-time equivalents in line with target.
STRONG POSITION IN RETAIL MARKET
- MORE THAN 70% OF THE PORTFOLIO IN HORDALAND

Loan portfolio

- 76%
- 24%

Total loanbook by geographic area

- Hordaland: 71%
- Rogaland: 16%
- Sogn og Fjordane: 8%
- Other: 5%
GROSS LENDING RETAIL MARKET
- 94% WITHIN LTV RATIO OF 70%, 74% OF THE PORTFOLIO IN HORDALAND

LOANS BROKEN DOWN BY LTV RATIO

- LTV <= 70 %: 94.3%
- 70 - 85 %: 4.2%
- LTV > 85 %: 1.4%

BROKEN DOWN BY REGION

- HORDALAND: 74%
- ROGALAND: 14%
- SOGN OG FJORDANE: 7%
- REST OF NORWAY: 5%
- ABROAD: 0%
BREAKDOWN IN LENDING, CORPORATE MARKET
- GROWTH IN DESIRED SEGMENT, COMMITMENTS BELOW NOK 150 MILL.

By volume*

<table>
<thead>
<tr>
<th>Sector</th>
<th>Q1 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: 0-50</td>
<td>15.8</td>
<td>17.1</td>
</tr>
<tr>
<td>3: 50-150</td>
<td>7.1</td>
<td>7.8</td>
</tr>
<tr>
<td>4: 150m-&gt;</td>
<td>4.7</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Breakdown by sector

- REAL ESTATE
- BUILDING AND CONSTRUCTION
- AGRICULTURE AND FORESTRY
- SERVICE
- WHOLESALE AND RETAIL TRADE
- SHIPPING
- ENERGY
- INDUSTRY
- HOTELS AND RESTAURANTS
- OTHER FINANCIALS
- PUBLIC SERVICES

* Measured by commitments Breakdown by sector refers to gross lending
LIMITED LENDING TO THE OFFSHORE SEGMENT
- INCLUDING SEISMIC SECTOR AND CONSTRUCTION

Loans to the corporate market NOK 31 billion

<table>
<thead>
<tr>
<th>Segment</th>
<th>Exposure (NOK)</th>
<th>% of Total Lending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Real Estate</td>
<td>3.550</td>
<td></td>
</tr>
<tr>
<td>Shipping/Offshore</td>
<td>1.404</td>
<td>1.1%</td>
</tr>
<tr>
<td>Construction</td>
<td>963</td>
<td></td>
</tr>
<tr>
<td>PSV</td>
<td>169</td>
<td></td>
</tr>
<tr>
<td>Seismic sector</td>
<td>115</td>
<td></td>
</tr>
</tbody>
</table>

**Comments**

- Total exposure NOK 1.4 bill., 1.1% of total lending
- Construction: 7 vessels and gross loans of NOK 963 mill.
- PSV: 2 vessels and gross loans of NOK 169 mill.
- Seismic sector: 5 vessels and gross loans of NOK 115 mill.
- LTV: Average LTV 64% on updated valuations
- Largest commitments are on contracts
COMMERCIAL PROPERTY

Lending portfolio, corporate market

<table>
<thead>
<tr>
<th>Segment</th>
<th>Volum i mrd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolig</td>
<td>3,5</td>
</tr>
<tr>
<td>Fritidseiendom</td>
<td>0,3</td>
</tr>
<tr>
<td>Hotell</td>
<td>0,4</td>
</tr>
<tr>
<td>Industri</td>
<td>2,9</td>
</tr>
<tr>
<td>Kjøpesenter/butikk</td>
<td>2,8</td>
</tr>
<tr>
<td>Kontor</td>
<td>4,3</td>
</tr>
<tr>
<td>Annet</td>
<td>1,3</td>
</tr>
<tr>
<td>Totalt</td>
<td>15,5</td>
</tr>
</tbody>
</table>

Low exposure, Kokstad and Forus

- Total exposure NOK 920 mill. in the Sandsli/Kokstad and Forus areas
- Largest commitment; NOK 110 mill. – LTV 40 %
- Average commitment: NOK 18.9 mill.
- Good diversification – exposure to 48 customers
DEFAULTS AND POTENTIAL BAD DEBT*
- STABLE VOLUME OVER TIME, INCREASE IN Q4 2015 LARGELY CONCERNS ONE COMMITMENT

*) Includes all defaults, not just defaults of payment. Includes commitments with individual write-downs, calculated as a percentage of the total lending volume.
WRITE-DOWNS

- INCREASED GROUP WRITE-DOWNS AND PERCENTAGE PROVIDED FOR
LOW INDIVIDUAL LOSSES, REVERSAL IN Q1 2016
- INCREASED GROUP WRITE-DOWNS TO OFFSET UNCERTAIN MACROECONOMIC SITUATION

Quarterly development

Breakdown in the period Q1 2015–Q1 2016
COMPOSITION OF DEPOSITS
– LARGE PROPORTION COVERED BY DEPOSITS GUARANTEE SCHEME

Breakdown by volume

<table>
<thead>
<tr>
<th>Volume Range</th>
<th>Q1 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-850,000</td>
<td>37091</td>
<td>38,246</td>
</tr>
<tr>
<td>850,000-2,000,000</td>
<td>8514</td>
<td>8,770</td>
</tr>
<tr>
<td>Above 2,000,000</td>
<td>23164</td>
<td>16,440</td>
</tr>
</tbody>
</table>

Breakdown of deposits

- RM 65%
- SME 14%
- Corporates 16%
- Financial 5%

Stable deposits, covered by deposits guarantee scheme, are treated favourably in LCR and NSFR
CAPITAL ADEQUACY

Basel 1 floor*

- Total Capital: 15.7% (2015 Q1), 15.6% (2015 Q2), 15.3% (2015 Q3), 16.9% (2015 Q4), 17.0% (2016 Q1)
- Additional Capital (Tier 2): 2.0% (2015 Q1), 1.9% (2015 Q2), 1.9% (2015 Q3), 1.9% (2015 Q4), 1.8% (2016 Q1)
- Hybrid Capital (Tier 1): 1.4% (2015 Q1), 1.4% (2015 Q2), 1.3% (2015 Q3), 1.3% (2015 Q4), 1.3% (2016 Q1)
- Core Tier 1 Capital: 12.3% (2015 Q1), 12.3% (2015 Q2), 12.2% (2015 Q3), 13.7% (2015 Q4), 13.8% (2016 Q1)

IRB*

- Hybrid Capital (Tier 1): 1.4% (2015 Q1), 1.4% (2015 Q2), 1.4% (2015 Q3), 1.4% (2015 Q4), 1.5% (2016 Q1)
- Core Tier 1 Capital: 12.8% (2015 Q1), 13.2% (2015 Q2), 13.0% (2015 Q3), 15.1% (2015 Q4), 15.7% (2016 Q1)

* The quarterly figures include 80% of the accumulated profit after tax, with the exception of the fourth quarter.
CAPITAL PLANNING
- ON SCHEDULE IN RELATION TO TARGET OF 14.5% CORE TIER 1 CAPITAL BY THE END OF 2016

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Core Tier 1 capital taking into account Basel I floor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 15</td>
<td>13.7</td>
</tr>
<tr>
<td>Q1 16</td>
<td>13.8</td>
</tr>
<tr>
<td>Q2 16</td>
<td></td>
</tr>
<tr>
<td>Q3 15</td>
<td></td>
</tr>
<tr>
<td>Q4 16</td>
<td>14.5</td>
</tr>
</tbody>
</table>

Assumptions (ICAAP 2016–2018)

- Increased lending margins CM
- Growth:
  - Retail market 5.0%
  - Corporate market 2.5%
- Annual expected loss cost of 15–20 bp of gross lending (NOK 250–300 mill.)
- Continued capital accumulation in 2016 and potential increased distribution capacity in 2017
- Potential for Visa gain and change in pension scheme
CUSTOMER
2016
FOUR MAIN GROUPS OF MEASURES UNDER ‘CUSTOMER 2016’

- New organisation and new service concepts
- Increased investments in technology
- Increased effect of investments in technology
- Downsizing and adjusted expertise
NEW ORGANISATION 2016

The Managing Director will be in charge of Innovation and Customer Experience until the position has been filled. The vacancy will be advertised.
SPV IS CHANGING ITS CUSTOMER SERVICE TO REMAIN COMPETITIVE OVER TIME

Number of branch offices

<table>
<thead>
<tr>
<th>År</th>
<th>Offices</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>71</td>
</tr>
<tr>
<td>2016</td>
<td>35</td>
</tr>
</tbody>
</table>

Historical development

- 2011: 3 offices
- 2012: 4 offices
- 2013: 11 offices
- 2014/15: 9 offices
- 2016: 9 offices

- Shift in resources and expertise
  → About 100 full-time equivalents out
  ← About 30 new full-time equivalents in
RESOURCE ALLOCATION FOLLOWS EXPECTATIONS OF THE FUTURE
- FAIRLY FLAT COST DEVELOPMENT GOING FORWARD – 2012 LEVEL (PARENT BANK)

*) The 2012 figures are exclusive of non-recurring effects related to pensions totalling NOK 301 million and bonuses in the parent bank. The planned development in the parent bank is exclusive of bonuses. All figures have been revised pursuant to IAS19R.

**) IT costs are the total costs of the IT department in the parent bank, including payroll expenses, external fees, ICT costs.
CUSTOMER 2016

- Ambitious measures to develop the bank
  - Mapping, change and strengthen expertise
  - Increased automation through the use of robots
  - Streamline and standardize further using Lean methodology
  - Increased investment budget to meet demands for innovation and customer expectations

- Will contribute to:
  - More efficient and targeted customer care
  - Increased profitability
  - Strengthen Sparebanken Vest and ensure local presence in a more digital future
‘HJERTEBANK’ (HEARTBEAT) FOR HARDANGER
28 APRIL

- 850 local participants
- Outdoor concert with Sivert Høyem etc.
- 126 nominations
- 4 external jury members
- NOK 1 million to be allocated
OUTLOOK

- Strong competition
- Reorganisation according to plan
- Pressure on lending margin in the retail market
- Repricing in the corporate market makes a positive contribution
- Flat cost development in 2016 and 2017
- Capital accumulation according to plan
- Evaluation of the pension scheme in 2016
- Loss level in 2016 of NOK 250–300 million
- Normalisation of dividend level
SPAREBANKEN VEST
- SOLID BANK WITH HIGH RETAIL SHARE

- 76% Large retail portfolio provides lower risk
- 1.1% low direct exposure to the oil and offshore sector
- Well-capitalized with 13.8% Core Tier 1 Capital and large primary fund
- 3.2% provisions in the corporate marked
- Well positioned in the digital change
- Attractive dividend policy and expectations of higher yield from 2017
WE ARE HERE