

Q2 REPORT 2017

Safe Deposit Holding ASA

sdbn

Safe
Deposit
Bank
of Norway



Condensed Income Statement

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	2016	2Q17		30.06.17	30.06.17	2Q17
4 659	26 620	55 182	Interest income	160 320	78 444	354 825
346	0	0	Interest expenses	12 527	311	346
4 313	26 619	55 182	Net interest income	147 793	78 133	354 479
0	0	0	Commission income	214 654	843	3 187
0	0	0	Commission expenses	215 198	143 038	330 361
0	0	0	Net fee and commission income/ -expenses and other operating income	-544	-142 195	-327 174
0	0	0	Change in value of financial investments	0	0	0
4 313	26 619	55 182	Total income	147 249	-64 062	27 305
475 848	0	0	Employee Remuneration	2 108 814	856 848	7 205 814
535 767	124 747	263 573	Other operating expenses	4 211 996	2 201 706	10 461 237
1 011 615	124 747	263 573	Total operating expenses	6 320 810	3 058 554	17 667 051
-1 007 302	-98 127	-208 391	Profit before impairment on loans and taxes	-6 173 561	-3 122 616	-17 639 746
-1 007 302	-98 127	-208 391	Profit before income tax	-6 173 561	-3 122 616	-17 639 746
0	0		Income tax		0	0
-1 007 302	-98 127	-208 391	Profit for the period	1,2,4 -6 173 561	-3 122 616	-17 639 746

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Other Comprehensive Income

Safe Deposit Holding ASA

NOK	Parent				Group		
	2016	2Q17	30.06.17		30.06.17	2Q17	2016
-1 007 302	-98 127	-208 391		Profit for the period	-6 173 561	-3 122 616	-17 639 746
				Items that will not be reclassified to profit/loss			
0	0	0		Total	0	0	0
				Items that will be reclassified to profit/loss			
0	0	0		Total	0	0	0
-1 007 302	-98 127	-208 391		Total comprehensive income	-6 173 561	-3 122 616	-17 639 746

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Statement of Changes in Equity

Safe Deposit Holding ASA

NOK Parent	Issued equity			Other equity	Total equity
	Share capital	Share premium	Other paid in capital		
Equity as at 1 January 2016	16 933 400	87 077 753	0	-1 202 274	102 808 879
Profit for the period				-1 007 302	-1 007 302
Total comprehensive income	0	0	0	-1 007 302	-1 007 302
Equity as at 31 December 2016	16 933 400	87 077 753	0	-2 209 576	101 801 577
Equity as at 1 January 2017	16 933 400	87 077 753	0	-2 209 576	101 801 577
Profit for the period				-208 391	-208 391
Total comprehensive income	0	0	0	-208 391	-208 391
Equity as at 30 June 2017	16 933 400	87 077 753	0	-2 417 968	101 593 186

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Statement of Changes in Equity

Safe Deposit Holding ASA

NOK Group	Issued equity			Other equity	Total equity
	Share capital	Share premium	Other paid in capital		
Equity as at 1 January 2016	16 933 400	87 077 753	-9 666	-15 492 172	88 509 316
Profit for the period				-17 639 747	-17 639 747
Total comprehensive income	0	0	0	-17 639 747	-17 639 747
Transfer	0	-9 666	9 666		0
Equity as at 31 December 2016	16 933 400	87 068 087	0	-33 131 919	70 869 569
Equity as at 1 January 2017	16 933 400	87 068 087	0	-33 131 919	70 869 569
Profit for the period				-6 173 561	-6 173 561
Total comprehensive income	0	0	0	-6 173 561	-6 173 561
Equity as at 30 June 2017	16 933 400	87 068 087	0	-39 305 480	64 696 008

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Condensed Statement of Cash Flows

Safe Deposit Holding ASA

NOK	Parent		Notes	Group	
	2016	30.06.17		30.06.17	2016
-1 007 302	-208 391	Profit before income tax		-6 173 561	-17 639 747
0	0	+ Depreciation and write-downs		1 080 987	3 475 359
-1 007 302	-208 391	Net cash increase from ordinary operations		-5 092 574	-14 164 388
40 027	-14 205	Decrease/(increase) other receivables		40 975	-53 892
209 604	3 446	Increase/(decrease) short term debt		-326 181	-5 197 169
0	0	Increase/(decrease) deposits and debt to customers		-217 614 395	220 153 633
-757 671	-219 150	A) Net cash flow from operations		-222 992 175	200 738 184
0	0	Increase in intangible and tangible fixed assets		0	-881 517
0	0	B) Net cash flow from investment		0	-881 517
		Increase/(decrease) in equity			
0	0	C) Net cash flow from financial activities		0	0
-757 671	-219 150	A) + B) + C) Net changes in cash and cash equivalents		-222 992 175	199 856 667
5 102 791	4 345 120	Cash and cash equivalents at 01.01		288 202 477	88 345 810
4 345 120	4 125 970	Cash and cash equivalents at end of period		65 210 302	288 202 477
-757 671	-219 150	Net changes in cash and cash equivalents		-222 992 175	199 856 667

Note 1 – General information

Description of the business

The head office is at Haakon VII's street no 1 in Oslo and includes the parent company Safe Deposit Holding ASA and the subsidiary Safe Deposit Bank of Norway AS.

Safe Deposit Bank of Norway is consolidated with the parent company Safe Deposit Holding and the consolidated financial statements are available at the head office's address in Oslo.

Safe Deposit Bank of Norway started its operations in third quarter 2016. Comparable numbers from previous periods and LCR (Liquidity Coverage Ratio) are therefore not included.

Note 2 – Accounting policies

The Group prepares and presents its quarterly accounts in compliance with International Financial Reporting Standards (IFRS) approved by EU, including IAS 34, Interim Financial Reporting.

The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2016. Further, the Bank has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts. The interim financial statements are unaudited.

Note 3 – Capital adequacy

As of 31 December 2016 the capital conservation buffer requirement is 2.5 percent, the systemic risk requirement is 3 percent and countercyclical buffer is 1.5 percent. These requirements are additional to the requirement of 4.5 percent CET1 capital, so that the overall minimum requirement on CET1 capital is 11.5 percent.

As of 1 October 2016, differentiated rates become effective for the countercyclical buffer with 1.5 percent being maintained for exposures in Norway. For exposures in other countries the countercyclical capital buffer rate set by the authorities in the country concerned is used. If the country concerned has not established a rate, the same rate as for exposures in Norway is to be used unless the Ministry of Finance sets another rate.

The Group's common equity tier 1 capital at 30 June 2017 was NOK 61 471 316,- (30 March 2017: NOK 64 056 485,-) and risk weighted assets were NOK 19 922 060 ,- (30 March 2017: NOK 19 941 173,-) which gives a CET1 capital ratio of 308,56 % (30 March 2017: 321,23 %).

Note 4 – Subsequent events

No significant events affecting the Group's accounts have been recorded after the balance sheet date.

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