

Q2 REPORT 2018

Safe Deposit Holding ASA

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Safe
Deposit
Bank
of Norway



Condensed Income Statement

Safe Deposit Holding ASA

NOK		Parent			Notes	Group				
2017	2Q2017	2Q2018	30.06.2017	30.06.2018		30.06.2018	30.06.2017	2Q2018	2Q2017	2017
106 494	26 620	29 501	55 182	56 685	Interest income	126 247	160 320	63 086	78 444	312 495
0	0	0	0	0	Interest expenses	0	12 527	0	311	12 528
106 494	26 619	29 501	55 182	56 685	Net interest income	126 247	147 793	63 086	78 133	299 967
0	0	0	0	0	Commission income	265 191	214 654	96	843	217 694
0	0	0	0	0	Commission expenses	163 543	215 198	147 058	143 038	304 150
0	0	0	0	0	Net fee and commission income/ -expenses and other operating income	101 648	-544	-146 963	-142 195	-86 455
0	0	0	0	0	Change in value of financial investments	0	0	0	0	0
106 494	26 619	29 501	55 182	56 685	Total income	227 896	147 249	-83 877	-64 062	213 512
370 697	0	93 336	0	93 336	Employee Remuneration	1 566 870	2 108 814	921 092	856 848	4 852 903
434 373	124 747	136 009	263 573	216 941	Other operating expenses	4 057 872	4 211 996	2 201 496	2 201 706	8 513 844
805 070	124 747	229 345	263 573	310 277	Total operating expenses	5 624 742	6 320 810	3 122 588	3 058 554	13 366 747
-698 576	-98 127	-199 844	-208 391	-253 592	Profit before impairment on loans and taxes	-5 396 846	-6 173 561	-3 206 465	-3 122 616	-13 153 236
-698 576	-98 127	-199 844	-208 391	-253 592	Profit before income tax	-5 396 846	-6 173 561	-3 206 465	-3 122 616	-13 153 236
0	0	0	0	0	Income tax	0	0	0	0	0
-698 576	-98 127	-199 844	-208 391	-253 592	Profit for the period	1,2,4 -5 396 846	-6 173 561	-3 206 465	-3 122 616	-13 153 236

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Other Comprehensive Income

Safe Deposit Holding ASA

NOK	Parent					Group				
	2017	2Q2017	2Q2018	30.06.2017	30.06.2018	30.06.2018	30.06.2017	2Q2018	2Q2017	2017
-698 576	-98 127	-199 844	-208 391	-253 592	Profit for the period	-5 396 846	-6 173 561	-3 206 465	-3 122 616	-13 153 236
					Items that will not be reclassified to profit/loss					
0	0	0	0	0	Total	0	0	0	0	0
					Items that will be reclassified to profit/loss					
0	0	0	0	0	Total	0	0	0	0	0
-698 576	-98 127	-199 844	-208 391	-253 592	Total comprehensive income	-5 396 846	-6 173 561	-3 206 465	-3 122 616	-13 153 236

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Condensed Statement of Financial Position

Safe Deposit Holding ASA

NOK	Parent		Notes	Group			
	31.12.2017	30.06.2017		30.06.2018	30.06.2018	30.06.2017	31.12.2017
			ASSETS				
0	0	0	Cash and balances with central banks	48 707 056	59 613 917	53 106 197	
3 568 534	4 125 970	3 272 891	Loans to and receivables from credit institutions	3 940 096	5 596 385	4 365 101	
7 620 689	7 571 395	7 677 373	Loans to and receivables from group company	0	0	0	
90 100 000	90 100 000	90 100 000	Investment in group company	0	0	0	
0	0	0	Property, plant and equipment	26 378	38 558	32 468	
0	0	0	Intangible assets	1 074 897	3 224 691	2 149 794	
52 339	14 226	15 000	Other assets	15 000	14 226	52 339	
101 341 562	101 811 590	101 065 265	Total assets	53 763 427	68 487 776	59 705 899	
			LIABILITIES AND EQUITY				
0	0	0	Deposits from and debts to Clients	327 332	2 539 238	593 416	
238 561	218 405	215 856	Other liabilities	1 116 608	1 252 531	1 396 150	
238 561	218 405	215 856	Total liabilities	1 443 940	3 791 769	1 989 565	
16 933 400	16 933 400	16 933 400	Share capital	16 933 400	16 933 400	16 933 400	
87 077 753	87 077 753	87 077 753	Share premium	87 068 087	87 068 087	87 068 087	
-2 908 152	-2 417 968	-3 161 744	Other equity	-51 682 000	-39 305 480	-46 285 154	
101 103 001	101 593 186	100 849 409	Total equity	52 319 487	64 696 008	57 716 333	
101 341 562	101 811 590	101 065 265	Total liabilities and equity	53 763 427	68 487 776	59 705 899	

Oslo, August 14, 2018

Christian A. Horneman Wist
Chairman

Olga Godinho
Board Member

Monica Amanda Haugan
Board Member

Harry Konterud
Board Member

Daniel Vock
Board Member

Morten Frode Meland
CEO

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Statement of Changes in Equity

Safe Deposit Holding ASA

NOK Parent	Issued equity		Other paid in capital	Other equity	Total equity
	Share capital	Share premium			
Equity as at 1 January 2017	16 933 400	87 077 753	0	-2 209 576	101 801 577
Profit for the period				-698 576	-698 576
Total comprehensive income	0	0	0	-698 576	-698 576
Equity as at 31 December 2017	16 933 400	87 077 753	0	-2 908 152	101 103 001
Equity as at 1 January 2018	16 933 400	87 077 753	0	-2 908 152	101 103 001
Profit for the period				-253 592	-253 592
Total comprehensive income	0	0	0	-253 592	-253 592
Equity as at 30 June 2018	16 933 400	87 077 753	0	-3 161 744	100 849 409

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Statement of Changes in Equity

Safe Deposit Holding ASA

NOK Group	Issued equity		Other paid in capital	Other equity	Total equity
	Share capital	Share premium			
Equity as at 1 January 2017	16 933 400	87 068 087	0	-33 131 919	70 869 569
Profit for the period				-13 153 236	-13 153 236
Total comprehensive income	0	0	0	-13 153 236	-13 153 236
Transfer					0
Equity as at 31 December 2017	16 933 400	87 068 087	0	-46 285 154	57 716 333
Equity as at 1 January 2018	16 933 400	87 068 087	0	-46 285 154	57 716 334
Profit for the period				-5 396 846	-5 396 846
Total comprehensive income	0	0	0	-5 396 846	-5 396 846
Equity as at 30 June 2018	16 933 400	87 068 087	0	-51 682 000	52 319 487

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Condensed Statement of Cash Flows

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	2017	30.06.2017		30.06.2018	30.06.2018	30.06.2017
-698 576	-208 391	-253 592	Profit before income tax	-5 396 846	-6 173 561	-13 153 236
0	0	0	+ Depreciation and write-downs	1 080 987	1 080 987	2 161 974
-698 576	-208 391	-253 592	Net cash increase from ordinary operations	-4 315 859	-5 092 574	-10 991 262
-101 612	-14 205	-19 345	Decrease/(increase) other receivables	-19 345	40 975	-101 612
23 602	3 446	-22 705	Increase/(decrease) short term debt	-288 789	-326 181	-78 088
0	0	0	Increase/(decrease) deposits and debt to customers	-200 152	-217 614 395	-219 560 218
-776 586	-219 150	-295 643	A) Net cash flow from operations	-4 824 146	-222 992 175	-230 731 179
0	0	0	Increase in intangible and tangible fixed assets	0	0	0
0	0	0	B) Net cash flow from investment	0	0	0
0	0	0	Increase/(decrease) in equity	0	0	0
0	0	0	C) Net cash flow from financial activities	0	0	0
-776 586	-219 150	-295 643	A) + B) + C) Net changes in cash and cash equivalents	-4 824 146	-222 992 175	-230 731 179
4 345 120	4 345 120	3 568 534	Cash and cash equivalents at 01.01	57 471 298	288 202 477	288 202 477
3 568 534	4 125 970	3 272 891	Cash and cash equivalents at end of period	52 647 152	65 210 302	57 471 298
-776 586	-219 150	-295 643	Net changes in cash and cash equivalents	-4 824 146	-222 992 175	-230 731 179

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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.

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 2017. 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 2017 the capital conservation buffer requirement is 2.5 percent, the systemic risk requirement is 3 percent and countercyclical buffer has differentiated rates with 2 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. These requirements are additional to the requirement of 4.5 percent CET1 capital, so that the overall minimum requirement on CET1 capital is 12 percent.

The Group's common equity tier 1 capital at 30 June 2018 was NOK 51 244 589,- and risk weighted assets were NOK 7 564 397,-, which gives a CET1 capital ratio of 677,44 %.

Note 4 – Subsequent events

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

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