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We are midway through a busy summer of festivals in Møre og Romsdal. These include music, cultural, nature, maritime and food festivals, just to name a few. The festivals have one thing in common: they all depend on supporters such as volunteers and sponsors. The festivals, both large and small, are important for local communities. They create a sense of pride and team spirit, and bring people together to achieve a common goal. The festivals have become important meeting places for many local communities. The large festivals also highlight the importance of volunteering in the society. Enjoy the rest of this summer of festivals!

Financial highlights - Group

Income statement

(NOK million)	Q2 2014	%	Q2 2013	%	30.06 2014	%	30.06 2013	%	2013	%
Net interest income	268	2.01	258	2.00	537	2.00	494	1.93	1 042	2.00
Other operating income	44	0.33	46	0.37	87	0.32	84	0.34	174	0.34
Net return from financial investments	18	0.13	5	0.03	35	0.13	10	0.04	28	0.05
Total income	330	2.47	309	2.40	659	2.45	588	2.31	1 244	2.39
Operating costs	144	1.08	145	1.13	287	1.06	300	1.17	569	1.09
Profit before losses	186	1.39	164	1.27	372	1.39	288	1.14	675	1.30
Losses on loans, guarantees etc.	8	0.06	6	0.05	14	0.05	13	0.05	54	0.10
Pre tax profit	178	1.33	158	1.22	358	1.34	275	1.09	621	1.20
Taxes	47	0.34	42	0.32	95	0.35	74	0.29	171	0.33
Profit after tax	131	0.99	116	0.90	263	0.99	201	0.80	450	0.87

Statement of financial position

(NOK million)	30.06.14	% change YTD 2014	30.06.13	% change during last 12 months	31.12.13
Total assets	55 000	0.7	52 825	4.1	54 627
Average assets	53 923	3.5	51 360	5.0	52 104
Loans to and receivables from customers	46 655	1.1	45 069	3.5	46 122
Deposits from customers	28 817	2.7	27 953	3.1	28 056

Key figures

	Q2 2014	Q2 2013	30.06 2014	30.06 2013	2013
Return on equity (annualised)	12.1	12.9	12.1	11.3	11.6
Cost as a percentage of income	43.4	46.9	43.6	50.9	45.7
Losses as a percentage of loans 1.1/start of the period	0.06	0.06	0.06	0.06	0.12
Problem loans as a percentage of loans (prior to impairment)	1.11	1.23	1.11	1.23	1.16
Problem loans as a percentage of loans (after impairment)	0.76	0.87	0.76	0.87	0.80
Deposits to lending ratio as a percentage	61.8	62.0	61.8	62.0	60.8
Core capital as a percentage 1) 2)	15.20	13.70	15.20	13.70	15.48
Core tier 1 capital as a percentage 1) 2)	12.30	10.60	12.30	10.60	12.50
Man-years	380	400	380	400	391
EC (numbers refer to the Parent Bank):					
Profit per EC (Parent Bank) (NOK)	4.20	4.75	15.95 4)	13.10	18.45
EC fraction 1.1 as a percentage (Parent Bank)/average for 2013	49.6	46.0	49.6	46.0	47.7
Price at Oslo Stock Exchange (NOK)	198.5	185	198.5	185	198
Price/Book value (P/B) (Group) 3)	0.86	0.84	0.86	0.73	0.89

1) Standardized approach in Basel II for the mass market, IRB Foundation approach for the corporate market as of 30.06.14

2) Incl. 50 per cent of profit after tax

3) Incl. 100 per cent of profit after tax

4) Profit per EC incl. profit from the sale of Nets AS, amounts to NOK 20.25

Interim Report from the Board of Directors

All figures relate to the Group. Amounts and percentages in brackets refer to the corresponding period last year.

Financial statements are prepared in accordance with IFRS and the interim report has been prepared in conformity with IAS 34 Interim Financial Reporting.

Sparebanken Møre's pre-tax profit after the first half of 2014 was NOK 358 million, compared to NOK 275 million after the first half of 2013. Its total income was NOK 71 million higher than for the same period in 2013. The rise in total income was due to a NOK 43 million increase in net interest income, a NOK 25 million increase in income related to financial instruments and a NOK 3 million increase in other operating income. Compared with the first half of 2013, costs were NOK 13 million lower while losses on loans and guarantees were NOK 1 million higher compared with the corresponding period last year.

The cost/income ratio after the first half of the year was 43.6 %. This is a reduction of 7.3 percentage points in relation to first six months of 2013. The level of costs for the year-to-date is well within Sparebanken Møre's target of a maximum cost/income ratio of 50 %.

The profit after tax was NOK 263 million; NOK 62 million higher than for the first half of 2013. The half year result represents an annualised return on equity of 12.1 %. Sparebanken Møre's strategic return on equity target is a minimum of 10 % after tax.

The earnings per equity certificate (par-

ent bank) after the first half of the year amounted to NOK 15.95, compared to NOK 13.10 for the same period last year.

Sparebanken Møre has sold all of its shares in Nets AS. Settlement took place on 9 July 2014. At the start of 2014, the book value of these shares was around NOK 81 million. At the end of the second quarter of 2014, the shares' value had been adjusted upwards by NOK 85 million in line with the signed sales contract. The profit from the sale was recognised in the financial statements at the end of the second quarter of 2014 as a change in the value of equity investments available for sale under comprehensive income. When the financial statements for the third quarter are presented this profit will have been transferred to the ordinary result. Total comprehensive income at the end of the second quarter of 2014 is thus, including this effect, NOK 85 million higher than the ordinary half year result.

The Board of Directors is pleased with the result for the first half of 2014.

RESULTS FOR Q2 2014

The profit after tax for the second quarter of 2014 amounted to NOK 131 million, or 0.99 % of average total assets, compared to NOK 116 million, or 0.90 %, for the corresponding quarter last year. The return on equity in the second quarter of 2014 was 12.1 %, compared to 12.9 % for the second quarter of 2013.

Net interest income

Net interest and credit commission income of NOK 268 million was NOK 10 million higher than in the corresponding quarter

last year. This represents 2.01 % of total assets compared with 2.00 % in the second quarter of 2013.

Interest rates in the market are generally low and the competition for both loans and deposits remains strong. Sparebanken Møre's net interest income has increased by 0.03 percentage points since the first quarter of 2014.

Other operating income

Other operating income amounted to NOK 62 million, which is NOK 11 million higher than in the second quarter of last year. Other operating income amounted to 0.46 % of average total assets; 0.06 percentage points higher than in the corresponding period in 2013. The main reason for the increase is the higher market value of Sparebanken Møre's liquidity portfolio.

Costs

Operating costs in the quarter amounted to NOK 144 million, which is NOK 1 million lower than in the same quarter last year. The reduction was tied to changes in general operating costs. Personnel costs were on a par with the second quarter of 2013 at NOK 81 million. The Group's total workforce has been reduced by 20 full time equivalents in the last 12 months to 380 full time equivalents.

The cost/income ratio for the second quarter of 2014 was 43.4 %. This represents a decrease of 3.5 percentage points compared with the second quarter of last year.

Losses and defaults

The quarter's financial statements were

charged NOK 8 million in losses on loans and guarantees. This amounts to 0.06 % of average total assets on an annualised basis. The corresponding figure for the second quarter of 2013 was NOK 6 million (0.05 %). Half of the recognised losses on loans and guarantees were associated with an increase in collective impairment.

At the end of the second quarter of 2014, total impairment for losses amounted to NOK 306 million, equivalent to 0.65 % of gross lending (NOK 298 million and 0.66 % of gross lending). NOK 19 million of the individual impairment involved commitments in default for more than 90 days (NOK 64 million), which represents 0.04 % of gross lending (0.14 %). NOK 143 million relates to other commitments (NOK 99 million), which is equivalent to 0.30 % of gross lending (0.22 %). Collective impairment amounted to NOK 144 million (NOK 135 million) or 0.31 % of gross lending (0.33 %).

Net impaired commitments (loans that have been in default for more than 90 days and loans that are not in default but which have been subject to an individual impairment for losses) have in the last 12 months decreased by NOK 37 million. At the end of the second quarter of 2014 the corporate market accounted for NOK 291 million of net impaired commitments, and the retail market NOK 64 million. In total this represent 0.76 % of gross lending (0.87 %).

Net commitments in default for more than 3 months at the end of the second quarter of 2014 amounted to NOK 61 million (NOK 143 million), a reduction from 0.32 % to

0.13 % in the last 12 months.

Lending and deposit growth

At the end of the second quarter of 2014, net lending to customers amounted to NOK 46 655 million. Net customer lending has increased by a total of NOK 1 586 million, or 3.5 %, in the last 12 months. Retail lending has increased by 7.1 %, while corporate lending has decreased by 2.8 % in the last 12 months. Retail lending accounted for 66.4 % of lending at the end of the second quarter of 2014 (64.2 %).

Deposits from customers have increased by 3.1 % in the last 12 months. At the end of the second quarter of 2014, deposits amounted to NOK 28 817 million (NOK 27 953 million). Retail deposits have increased by 4.5 % in the last 12 months, while corporate deposits have increased by 1.0 % and public sector deposits have increased by 3.2 %. The retail market's relative share of deposits amounted to 59.0 % (58.1 %), while deposits from corporate customers accounted for 38.0 % (38.9 %) and public sector customers 3.0 % (3.0 %).

Deposits as a percentage of loans amounted to 61.8 % at the end of the first half of 2014 (62.0 %).

CAPITAL ADEQUACY

The Group's core tier 1 capital will follow the announced regulatory plan for the escalation of capital. Sparebanken Møre has not been defined as a systemically important financial institution. Regardless of the level of the countercyclical buffer, the Group's core tier 1 capital shall amount to a minimum of 12 %.

Sparebanken Møre has received approval from the Financial Supervisory Authority of Norway (the FSA) to use the Foundation IRB approach for calculating capital requirements for corporate commitments. For the time being, the Group must use the standard approach for the retail market. The FSA stipulated new requirements for IRB models for home mortgages on 1 July 2014. Final approval for Sparebanken Møre to use the IRB approach for the retail market will be considered once the FSA has assessed the Group's documentation showing that the internal models match the assumptions on which the new requirements for home mortgage models are based.

As at the end of the second quarter of 2014, the Group's capital adequacy is reported according to the standardized approach in Basel II for the mass market and IRB Foundation for the corporate market. The capital requirements related to the transitional rules concerning the Basel I "floor" have no effect for Sparebanken Møre at the end of Q2 2014.

The Group's capital adequacy at the end of the first half of 2014 was well above the regulatory capital requirements and also above the internally set minimum target for core tier 1 capital. Primary capital, including 50 % of retained earnings, in the year-to-date amounts to 16.40 % (15.10 %), core capital 15.20 % (13.70 %), of which core tier 1 capital amounts to 12.30 % (10.60 %).

SUBSIDIARIES

The aggregate profit of the bank's three subsidiaries amounted to NOK 95 million

after tax in the first half of 2014 (NOK 65 million).

Møre Boligkreditt AS was established as part of the Group's long-term funding strategy. The mortgage company's main purpose is to issue covered bonds for sale to Norwegian and international investors. To date the company has raised NOK 12.6 billion in funding for the Group. The company has contributed NOK 95 million to the result in 2014 (NOK 65 million).

Møre Eiendomsmegling AS provides real estate brokerage services to both retail and corporate customers. The company has not contributed to the result so far in 2014 and nor did it do so in the corresponding period in 2013. At the end of the first half of the year, the company employed 16 full time equivalents.

The object of Sparebankeiendom AS is to own and manage the bank's commercial properties. The company has not contributed to the result so far in 2014 and nor did it do so in the corresponding period in 2013. The company has no employees.

EQUITY CERTIFICATES

At the end of the first half of 2014, there were 5 970 holders of Sparebanken Møre's

equity certificates. 9 886 954 equity certificates have been issued. The EC holders' share of the equity accounts for 49.6 % of the bank's total equity. Note 8 contains an overview of the 20 largest owners of the bank's equity certificates.

As at 30 June 2014, the bank owned 89 017 of its own equity certificates. These were purchased via the Oslo Stock Exchange at market price.

FUTURE PROSPECTS

Møre og Romsdal's macroeconomic conditions have remained stable since the start of 2014. There is no indication that they will change significantly during the year. Output and demand in the county is expected to remain high and the unemployment rate will remain stable. Sparebanken Møre's losses on loans and guarantees are expected to remain at a low to moderate level in the last half of 2014.

The bank is still experiencing strong competition in the loans segment. Overall lending growth for 2014 is expected to be positive, both for the corporate market and for the retail market. Growth in the retail market in particular remains good and is expected to remain so during the year. Growth estimates are expected to be moderate in the longer

term. The focus will remain on generating growth in commitments that provide a good return on the bank's capital given the level of risk associated with the commitment.

The Group is enjoying good access to long-term, stable funding in the Norwegian and international funding markets. The basis for this is among other things the Group's good financial strength. Funding margins in the long-term market have fallen markedly both for the bank and Møre Boligkreditt AS. The group will make greater use of long-term funding, which is expected to make a positive contribution to the Group's total net interest income. The refinancing of existing loans and financing of new growth in the group must also be customized liquidity requirements, restrictions on the ability to transfer loans to the mortgage company and the interest of preparedness and bail-in consequences.

Sparebanken Møre focuses strongly on cost-effectiveness. This has resulted in a highly satisfactory level of total costs in relation to income. This focus will continue, and the Group's cost-effectiveness will remain well within the internal target of a maximum cost/income ratio of 50 % in 2014. Overall the year's result is expected to be good.

Ålesund, 30 June 2014

6 August 2014 THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

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DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Henning Sundet

Rita Christina Sævik

Ann Magritt Bjåstad Vikebakk

Helge Karsten Knudsen

Olav Arne Fiskerstrand
CEO

STATEMENT OF INCOME - GROUP

Amounts in NOK million	Notes	Q2 14	Q2 13	30.06.14	30.06.13	2013
Interest income		561	588	1 121	1 149	2 221
Interest costs		293	330	584	655	1 179
Net interest income	7	268	258	537	494	1 042
Commission income and revenues from banking services		43	45	87	84	174
Commission costs and expenditure from banking services		7	5	14	13	28
Other operating income		8	7	14	13	28
Net commission and other operating income		44	46	87	84	174
Dividends		1	9	5	9	10
Net gains/losses from financial instruments	4	17	-4	30	1	18
Net return from financial instruments		18	5	35	10	28
Total income		330	309	659	588	1 244
Wages, salaries etc.		81	81	163	161	313
Administration costs		26	28	59	71	133
Depreciation, impairment and changes in value of non-financial assets		7	8	13	16	28
Other operating costs		30	28	52	52	95
Total operating costs		144	145	287	300	569
Profit before impairment on loans		186	164	372	288	675
Impairment on loans, guarantees etc.	3	8	6	14	13	54
Pre tax profit		178	158	358	275	621
Taxes		47	42	95	74	171
Profit after tax		131	116	263	201	450
Profit per EC (NOK)		6.60	6.80	13.15	11.80	21.65
Diluted earnings per EC (NOK)		6.60	6.80	13.15	11.80	21.65
Distributed dividend per EC (NOK)		-	-	8	12	12

STATEMENT OF COMPREHENSIVE INCOME - GROUP

Amounts in NOK million	Q2 14	Q2 13	30.06.14	30.06.13	2013
Profit after tax	131	116	263	201	450
Other income/costs reversed in ordinary profit:					
Equities available for sale - changes in value	2	3	79	7	7
Other income/costs not reversed in ordinary profit:					
Pension estimate deviations	0	0	0	0	-36
Tax effect of pension estimate deviations	0	0	0	0	9
Total comprehensive income after tax	133	119	342	208	431

STATEMENT OF FINANCIAL POSITION - GROUP

Amounts in NOK million	Notes	30.06.14	30.06.13	31.12.13
Assets				
Cash and claims on Norges Bank		926	588	1 281
Loans to and receivables from credit institutions	7	668	763	715
Net loans to and receivables from customers	2, 3, 7	46 655	45 069	46 122
Certificates	5	0	34	31
Bonds	5, 7	5 213	4 907	5 042
Financial derivatives		478	444	404
Shares and other securities	5	295	208	215
Intangible assets		19	21	21
Fixed assets		263	279	268
Other assets		130	291	173
Prepayments and accrued income		353	221	355
Total assets		55 000	52 825	54 627
Liabilities and equity				
Loans and deposits from credit institutions	7	640	1 784	1 107
Deposits from customers	2, 7	28 817	27 953	28 056
Debt securities issued		17 945	16 254	18 334
Financial derivatives		422	407	354
Other liabilities		415	482	493
Incurring costs and prepaid income		567	593	262
Other provisions for incurred liabilities and costs		34	78	32
Perpetual Hybrid Tier 1 capital		1 003	1 000	999
Subordinated loan capital		499	500	499
Total liabilities		50 342	49 051	50 136
EC capital	8	989	784	989
ECs owned by the Bank		-9	-5	-4
Share premium		353	189	353
Paid-in equity		1 333	968	1 338
Primary capital fund		1 932	1 836	1 935
Gift fund		125	0	125
Dividend equalisation fund		683	593	684
Value adjustment fund		47	40	47
Fund for unrealised gains		0	1	0
Other equity		196	128	362
Total comprehensive income after tax		342	208	-
Retained earnings		3 325	2 806	3 153
Total equity		4 658	3 774	4 491
Total liabilities and equity		55 000	52 825	54 627
Off-balance sheet items:				
Guarantees		1 393	1 694	1 433

STATEMENT OF EQUITY - GROUP

30.06.2014	Total equity	EC capital	Share premium	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 31.12.13	4 491	985	353	1 935	125	684	47	0	362
Changes in own equity certificates	-9	-5		-3		-1			
Distributed dividend to the EC holders	-79								-79
Distributed dividend to the local community	-87								-87
Total comprehensive income after tax	342								342
Equity as at 30.06.14	4 658	980	353	1 932	125	683	47	0	538

30.06.2013	Total equity	EC capital	Share premium	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 31.12.12	3 761	775	186	1 835	0	592	40	1	332
Changes in own equity certificates	9	4	3	1		1			
Distributed dividend to the EC holders	-94								-94
Distributed dividend to the local community	-110								-110
Total comprehensive income after tax	208								208
Equity as at 30.06.13	3 774	779	189	1 836	0	593	40	1	336

STATEMENT OF EQUITY - GROUP

31.12.2013	Total equity	EC capital	Share premium	Primary capital fund	Gift fund	Dividend equalisation fund	Value adjustment fund	Fund for unrealised gains	Other equity
Equity as at 31.12.12	3 761	775	186	1 835	0	592	40	1	332
Changes in own equity certificates	10	5	3	1		1			
Distributed dividend to the EC holders	-94								-94
Distributed dividend to the local community	-110								-110
Issues	369	205	164						
Gift fund *)	125				125				
Equity before allocation of profit for the year	4 061	985	353	1 836	125	593	40	1	128
Change in value of debt securities through the income statement	-1							-1	
Allocated to the primary capital fund	113			113					
Allocated to the dividend equalisation fund	104					104			
Allocated to other equity	68								68
Proposed dividend allocated for the EC holders	79								79
Proposed dividend allocated for the local community	87								87
Distributed profit for the year	450			113		104		-1	234
Equities available for sale - changes in value	7						7		
Pension estimate deviations	-36			-19		-17			
Tax effect of pension estimate deviations	9			5		4			
Total other income and costs from comprehensive income	-20			-14		-13	7		
Total comprehensive income after tax	431			99		91	7	-1	234
Equity as at 31.12.13	4 491	985	353	1 935	125	684	47	0	362

*) According to resolution by the Board of Trustees on 4 July 2013.

STATEMENT OF CASH FLOW - GROUP

	30.06.14	30.06.13	31.12.13
Cash flow from operating activities			
Interest, commission and fees received	1 527	1 550	2 395
Interest, commission and fees paid	-610	-612	-1 239
Dividend and group contribution received	5	9	10
Operating expenses paid	-244	-285	-554
Income taxes paid	-188	-169	-158
Changes relating to loans to and claims on other financial institutions	47	-476	-428
Changes relating to repayment of loans/leasing to customers	-181	-1 125	-2 176
Changes in utilised credit facilities	-354	-495	-511
Net cash flow from operating activities	2	-1 601	-2 661
Cash flow from investing activities			
Proceeds from the sale of certificates, bonds and other securities	1 079	3 299	4 927
Purchases of certificates, bonds and other securities	-1 179	-2 646	-4 486
Proceeds from the sale of fixed assets etc.	1	11	16
Purchase of fixed assets etc.	-6	-6	-13
Changes in other assets	-76	109	274
Net cash flow from investing activities	-181	767	718
Cash flow from financing activities			
Net change in deposits from customers	760	871	975
Net change in deposits from Norges Bank and other financial institutions	-467	-734	-1 412
Proceeds from bond issues raised	2 149	2 169	7 227
Redemption of debt securities	-2 570	-1 781	-4 219
Dividend paid	-79	-94	-94
Changes in other debt	31	322	-291
Issues	0	0	369
Net cash flow from financing activities	-176	753	2 555
Net change in cash and cash equivalents	-355	-81	612
Cash balance at 01.01	1 281	669	669
Cash balance at 30.06/31.12	926	588	1 281

Notes to the Accounts

1 ACCOUNTING PRINCIPLES

General

The Group's interim accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), implemented by the EU as at 30 June 2014. The interim report has been prepared in compliance with IAS 34 Interim Reporting.

The accounts are presented in Norwegian kroner (NOK), which is also the Parent Bank's and subsidiaries' functional currency.

The interim report is prepared in accordance with accounting principles and methods applied in the 2013 financial statements, taking into account the changes and new standards which came into force in 2014.

As of 1 January 2014 the Group applies IAS 27 Separate Financial Statements, IAS 32 Financial Instruments - Presentation, IAS 39 Financial Instruments - classification and measurement, IFRS

10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, as well as IFRS 12 Disclosure of Interests in Other Entities. The implementation of these new standards has not had a significant effect for the Group, including the Bank's or the Groups' financial position or profit.

Please see the Annual report 2013 for further description of accounting principles.

2 LOANS AND DEPOSITS TO CUSTOMERS BY SECTOR AND INDUSTRY

	LOANS			DEPOSITS		
	30.06.14	30.06.13	31.12.13	30.06.14	30.06.13	31.12.13
Broken down according to sectors						
Agriculture and forestry	466	467	488	185	174	152
Fisheries	2 935	2 984	2 965	326	404	380
Manufacturing	1 683	1 447	1 353	1 197	1 258	1 194
Building and construction	768	838	797	575	531	667
Wholesale and retail trade, hotels	586	629	581	630	610	669
Foreign shipping/supply	1 102	1 594	1 568	545	1 032	923
Property management	5 597	5 714	5 597	1 288	1 286	1 437
Professional/financial services	768	636	707	1 796	1 634	1 463
Transport and private/public services	1 627	1 673	1 603	1 880	1 914	1 855
Public entities	12	2	32	826	822	853
Activities abroad	130	144	162	8	2	5
Miscellaneous	117	126	121	2 546	2 021	2 459
Total corporate/public entities	15 791	16 245	15 974	11 829	11 700	12 057
Retail customers	31 170	29 115	30 454	16 988	16 253	15 999
Total loans/deposits	46 961	45 360	46 428	28 817	27 953	28 056
Individual impairment	-162	-156	-166			
Collective impairment	-144	-135	-140			
Loans to and receivables from customers	46 655	45 069	46 122			

3 LOSSES ON LOANS AND GUARANTEES/COMMITMENTS IN DEFAULT/ OTHER BAD AND DOUBTFUL COMMITMENTS

	Q2 14	Q2 13	30.06.14	30.06.13	31.12.13
Losses on loans and guarantees					
Changes in individual impairment of loans and guarantees during the period	-12	1	-8	-4	1
Changes in collective impairment during the period	4	-5	4	-5	0
Confirmed losses during the period, previously impaired individually	11	9	15	15	40
Confirmed losses during the period, previously impaired on a general basis	6	4	7	11	24
Recoveries	1	3	4	4	11
Losses on loans, guarantees etc.	8	6	14	13	54
Individual impairment of loans					
Individual impairment of loans at 01.01	170	156	166	166	166
Confirmed losses during the period, previously impaired individually	11	9	15	14	40
Changes in individual impairment during the period	5	12	6	14	37
Individual impairment of new commitments during the period	9	14	20	16	38
Recoveries on individual impairment during the period	9	17	15	26	35
Individual impairment of loans at the end of the period	162	156	162	156	166
Collective impairment of loans					
Collective impairment of loans as at 01.01	140	140	140	140	140
Changes during the period	4	-5	4	-5	0
Collective impairment of loans at the end of the period	144	135	144	135	140
Individual provisions in respect of guarantees					
Individual provisions as at 01.01	2	7	2	2	2
Individual provisions during the period	0	0	0	5	0
Recovered on individual provisions during the period	0	0	0	0	0
Individual provisions at the end of the period	2	7	2	7	2

PROBLEM LOANS	30.06.14			30.06.13			31.12.13		
	Total	Retail	Corporate	Total	Retail	Corporate	Total	Retail	Corporate
Problem loans prior to individual impairment:									
Commitments in default in excess of 3 months	80	50	30	207	72	135	152	66	86
Other bad and doubtful commitments subject to impairment	437	35	402	348	43	305	382	38	344
Total problem loans prior to individual impairment	517	85	432	555	115	440	534	104	430
Individual impairment on:									
Commitments in default in excess of 3 months	19	8	11	64	9	55	35	6	29
Other bad and doubtful commitments subject to impairment	143	13	130	99	15	84	131	14	117
Total individual impairment	162	21	141	163	24	139	166	20	146
Problem loans after individual impairment:									
Commitments in default in excess of 3 months	61	42	19	143	63	80	117	60	57
Other bad and doubtful commitments subject to impairment	294	22	272	249	28	221	251	24	227
Total problem loans less individual impairment	355	64	291	392	91	301	368	84	284
Total problem loans prior to individual impairment as a percentage of loans	1.11	0.27	2.74	1.23	0.40	2.73	1.16	0.34	2.71
Total problem loans less individual impairment as a percentage of loans	0.76	0.21	1.84	0.87	0.31	1.87	0.80	0.28	1.79

4 NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS

	Q2 14	Q2 13	30.06.14	30.06.13	31.12.13
Certificates and bonds	5	-10	9	-14	-24
Securities	-1	-6	-1	-6	4
Foreign exchange trading (for customers)	6	8	12	15	26
Fixed income trading (for customers)	1	10	3	13	16
Change in credit spread FVO - securities-based debt	0	-1	0	-1	-1
Financial derivatives	6	-6	7	-6	-3
Net change in value and gains/losses from financial instruments	17	-4	30	1	18

5 FINANCIAL ASSETS AND LIABILITIES

The market value of the instruments traded in an active market is based on the traded price on the balance sheet date. For financial instruments not

traded in an active market, separate valuations are used based on current market conditions or alternatively, other valuations from other market

players. There have been no transfers of financial instruments between the three levels of valuation groups.

FINANCIAL ASSETS	30.06.14		30.06.13		31.12.13	
	Fair value	Book value	Fair value	Book value	Fair value	Book value
Financial assets at fair value through profit or loss:						
Loans to and receivables from customers	4 300	4 300	4 420	4 420	4 438	4 438
Certificates	0	0	34	34	31	31
Bonds	5 213	5 213	4 907	4 907	5 042	5 042
Shares and other securities	2	2	2	2	2	2
Financial derivatives	478	478	444	444	404	404
Loans and receivables at amortised cost:						
Cash and claims on Norges Bank	926	926	588	588	1 281	1 281
Loans to and receivables from credit institutions	668	668	763	763	715	715
Loans to and receivables from customers	42 355	42 355	40 649	40 649	41 684	41 684
Bonds	0	0	0	0	0	0
Financial assets available for sale:						
Shares and other securities	293	293	206	206	213	213

FINANCIAL LIABILITIES	30.06.14		30.06.13		31.12.13	
	Fair value	Book value	Fair value	Book value	Fair value	Book value
Financial liabilities at fair value through profit or loss:						
Certificates issued	0	0	0	0	0	0
Bonds issued	0	0	413	413	408	408
Deposits from and liabilities to customers	466	466	732	732	526	526
Financial derivatives	422	422	407	407	354	354
Financial liabilities at amortised cost subject to hedge accounting:						
Bonds issued	3 220	3 175	3 497	3 481	3 110	3 092
Perpetual Hybrid Tier 1 capital	361	303	356	300	355	299
Financial liabilities at amortised cost:						
Loans and deposits from credit institutions	640	640	1 784	1 784	1 107	1 107
Deposits from and liabilities to customers	28 351	28 351	27 221	27 221	27 530	27 530
Certificates issued	1 791	1 790	1 771	1 770	1 870	1 870
Bonds issued	13 093	12 980	10 680	10 590	13 047	12 964
Subordinated loan capital	518	499	512	500	514	499
Perpetual Hybrid Tier 1 capital	722	700	710	700	716	700
Swap arrangement for securities	0	0	1 184	1 184	634	634

30.06.2014	Based on prices in an active market	Observable market information	Other than observable market information	Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:				
Loans to and receivables from customers	0	0	4 300	4 300
Certificates	0	0	0	0
Bonds	1 626	3 586	0	5 212
Financial derivatives	0	478	0	478
Shares and other securities	2	0	0	2
Loans and receivables at amortised cost:				
Cash and claims on Norges Bank	926	0	0	926
Loans to and receivables from credit institutions	0	668	0	668
Loans to and receivables from customers	0	0	42 355	42 355
Financial assets available for sale:				
Shares and other securities	17	0	276	293
Total financial assets	2 571	4 732	46 931	54 234
Financial liabilities at fair value through profit or loss:				
Deposits from and liabilities to customers	0	0	466	466
Bonds issued	0	0	0	0
Financial derivatives	0	422	0	422
Financial liabilities at amortised cost subject to hedge accounting:				
Bonds issued	0	3 175	0	3 175
Perpetual Hybrid Tier 1 capital	0	303	0	303
Financial liabilities at amortised cost:				
Loans and deposits from credit institutions	0	640	0	640
Deposits from and liabilities to customers	0	0	28 351	28 351
Certificates issued	0	1 790	0	1 790
Bonds issued	0	12 980	0	12 980
Subordinated loan capital	0	499	0	499
Perpetual Hybrid Tier 1 capital	0	700	0	700
Swap arrangement for securities	0	0	0	0
Total financial liabilities	0	20 509	28 817	49 326

A change in the discount rate of 10 basis points will give an impact of about NOK 11.6 million on fixed rate loans and about NOK 0.3 million on fixed rate deposits.

RECONCILIATION OF CHANGES IN LEVEL 3	Loans to and receivables from customers	Shares and other securities	Deposits from and liabilities to customers
Recorded value as at 31.12.2013	4 438	194	526
Additions/purchases/new volume	116	1	81
Sales/amortisation	250	0	141
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	-4	81	0
Recorded value as at 30.06.2014	4 300	276	466

Some items in Level 3 might be included in interest rate and currency hedging in accordance with the Bank's risk management framework. Any related hedging contracts are located in Level 2.

30.06.2013	Based on prices in an active market	Observable market information	Other than observable market information	Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:				
Loans to and receivables from customers	0	0	4 420	4 420
Certificates	34	0	0	34
Bonds	1 320	3 587	0	4 907
Financial derivatives	0	444	0	444
Shares and other securities	2	0	0	2
Loans and receivables at amortised cost:				
Cash and claims on Norges Bank	588	0	0	588
Loans to and receivables from credit institutions	0	763	0	763
Loans to and receivables from customers	0	0	40 649	40 649
Financial assets available for sale:				
Shares and other securities	19	0	187	206
Total financial assets	1 963	4 794	45 256	52 013
Financial liabilities at fair value through profit or loss:				
Deposits from and liabilities to customers	0	0	732	732
Bonds issued	0	413	0	413
Financial derivatives	0	407	0	407
Financial liabilities at amortised cost subject to hedge accounting:				
Bonds issued	0	3 481	0	3 481
Perpetual Hybrid Tier 1 capital	0	300	0	300
Financial liabilities at amortised cost:				
Loans and deposits from credit institutions	0	1 784	0	1 784
Deposits from and liabilities to customers	0	0	27 221	27 221
Certificates issued	0	1 770	0	1 770
Bonds issued	0	10 590	0	10 590
Subordinated loan capital	0	500	0	500
Perpetual Hybrid Tier 1 capital	0	700	0	700
Swap arrangement for securities	0	1 184	0	1 184
Total financial liabilities	0	21 129	27 953	49 082

RECONCILIATION OF CHANGES IN LEVEL 3	Loans to and receivables from customers	Shares and other securities	Deposits from and liabilities to customers
Recorded value as at 31.12.2012	3 807	184	952
Additions/purchases/new volume	772	0	176
Sales/amortisation	154	0	396
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	-5	3	0
Recorded value as at 30.06.2013	4 420	187	732

Some items in Level 3 might be included in interest rate and currency hedging in accordance with the Bank's risk management framework. Any related hedging contracts are located in Level 2.

31.12.2013	Based on	Observable	Other than	Total
	prices in an active market	market information	observable market information	
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:				
Loans to and receivables from customers	0	0	4 438	4 438
Certificates	0	31	0	31
Bonds	1 560	3 482	0	5 042
Financial derivatives	0	404	0	404
Shares and other securities	2	0	0	2
Loans and receivables at amortised cost:				
Cash and claims on Norges Bank	1 281	0	0	1 281
Loans to and receivables from credit institutions	0	715	0	715
Loans to and receivables from customers	0	0	41 684	41 684
Financial assets available for sale:				
Shares and other securities	19	0	194	213
Total financial assets	2 862	4 632	46 316	53 810
Financial liabilities at fair value through profit or loss:				
Deposits from and liabilities to customers	0	0	526	526
Bonds issued	0	408	0	408
Financial derivatives	0	354	0	354
Financial liabilities at amortised cost subject to hedge accounting:				
Bonds issued	0	3 092	0	3 092
Perpetual Hybrid Tier 1 capital	0	299	0	299
Financial liabilities at amortised cost:				
Loans and deposits from credit institutions	0	1 107	0	1 107
Deposits from and liabilities to customers	0	0	27 530	27 530
Certificates issued	0	1 870	0	1 870
Bonds issued	0	12 964	0	12 964
Subordinated loan capital	0	499	0	499
Perpetual Hybrid Tier 1 capital	0	700	0	700
Swap arrangement for securities	0	634	0	634
Total financial liabilities	0	21 927	28 056	49 983

RECONCILIATION OF CHANGES IN LEVEL 3	Loans to and receivables from customers	Shares and other securities	Deposits from and liabilities to customers
Recorded value as at 31.12.2012	3 807	184	952
Additions/purchases/new volume	942	2	178
Sales/amortisation	180	0	608
Transferred to Level 3	0	0	0
Transferred from Level 3	0	0	0
Net gains/losses recorded in the period	-131	8	4
Recorded value as at 31.12.2013	4 438	194	526

Some items in Level 3 might be included in interest rate and currency hedging in accordance with the Bank's risk management framework. Any related hedging contracts are located in Level 2.

6 OPERATING SEGMENTS

PROFIT Q2	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	268	258	5	0	116	117	147	141	0	0
Other operating income	62	51	16	-8	17	25	23	28	6	6
Total income	330	309	21	-8	133	142	170	169	6	6
Operating costs	144	145	48	42	21	23	69	75	6	5
Profit before impairment	186	164	-27	-50	112	119	101	94	0	1
Impairment on loans, guarantees etc.	8	6	4	-5	5	12	-1	-1	0	0
Pre tax profit	178	158	-29	-45	107	107	102	95	0	1
Taxes	47	42								
Profit after tax	131	116								

PROFIT 30.06	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	537	494	6	9	232	221	299	264	0	0
Other operating income	122	94	32	-9	35	43	44	50	11	10
Total income	659	588	38	0	267	264	343	314	11	10
Operating costs	287	300	71	81	49	50	156	159	11	10
Profit before impairment	372	288	-33	-81	218	214	187	155	0	0
Impairment on loans, guarantees etc.	14	13	4	-5	12	19	-2	-1	0	0
Pre tax profit	358	275	-37	-76	206	195	189	156	0	0
Taxes	95	74								
Profit after tax	263	201								

STATEMENT OF FINANCIAL POSITION	Group		Eliminations/other		Corporate		Retail 1)		Real estate brokerage	
	30.06.14	30.06.13	30.06.14	30.06.13	30.06.14	30.06.13	30.06.14	30.06.13	30.06.14	30.06.13
Loans to customers	46 655	45 069	897	865	15 345	15 710	30 413	28 487	0	0
Deposits from customers	28 817	27 953	687	682	9 990	9 903	18 140	17 368	0	0
Guarantee liabilities	1 393	1 694	0	0	1 385	1 684	8	10	0	0
The deposit-to-loan ratio	61.8	62.0	74.0	0	65.1	63.0	59.6	61.0	0	0
Man-years	380	400	148	147	54	58	162	176	16	17

1) The subsidiary, Møre Boligkreditt AS, is part of the Bank's Retail segment. The mortgage company's main objective is to issue covered bonds for both national and international investors, and the company is part of Sparebanken Møre's long-term financing strategy. Key figures for Møre Boligkreditt AS are displayed in a separate table.

PROFIT Q2	Møre Boligkreditt AS	
	2014	2013
Net interest income	73	57
Other operating income	1	0
Total income	74	57
Operating costs	8	7
Profit before impairment on loans	66	50
Impairment on loans, guarantees etc.	1	0
Pre tax profit	65	50
Taxes	18	14
Profit after tax	47	36

PROFIT 30.06	Møre Boligkreditt AS	
	2014	2013
Net interest income	149	103
Other operating income	-3	0
Total income	146	103
Operating costs	15	13
Profit before impairment on loans	131	90
Impairment on loans, guarantees etc.	1	0
Pre tax profit	130	90
Taxes	35	25
Profit after tax	95	65

STATEMENT OF FINANCIAL POSITION	Møre Boligkreditt AS	
	30.06.14	30.06.13
Loans to and receivables from customers	15 125	12 667

7 TRANSACTIONS WITH RELATED PARTIES

These are transactions between the Parent Bank and wholly-owned subsidiaries which have been done at arm's length and at arm's length's prices. The most important transactions which have been done and netted out in the Group accounts are as follows:

	30.06.14	30.06.13	31.12.13
Statement of income			
Interest and credit commission income from subsidiaries	17	42	64
Received dividend and group contribution from subsidiaries	152	87	87
Rent paid to Sparebankeiendom AS	9	7	17
Administration fee received from Møre Boligkreditt AS	11	9	19
Statement of financial position			
Claims on subsidiaries	2 006	1 331	1 292
Covered bonds	0	1 276	673
Liabilities to subsidiaries	109	256	550
Accumulated loan portfolio transferred to Møre Boligkreditt AS	15 127	12 668	14 864

8 EC CAPITAL

THE 20 LARGEST EC HOLDERS IN SPAREBANKEN MØRE AS AT 30.06.14	NUMBER OF ECS	PERCENTAGE SHARE OF EC CAPITAL
Sparebankstiftelsen Tingvoll	931 915	9.43
Verdipapirfond Pareto Aksje Norge	543 984	5.50
MP Pensjon	478 282	4.84
VPF Nordea Norge Verdi	259 073	2.62
Wenaasgruppen AS	250 000	2.53
FLPS - Princ All Sec	239 656	2.42
Pareto AS	229 189	2.32
Verdipapirfond Pareto Aktiv	219 441	2.22
VPF Fondsinans Spar	163 000	1.65
Beka Holding AS	150 100	1.52
Bergen Kommunale Pensjonskasse	150 000	1.52
Farstad Shipping ASA	126 909	1.28
Lapas AS (Leif-Arne Langøy)	105 500	1.07
Atlantis Vest AS	104 744	1.06
Pareto Verdi Verdipapirfond	104 577	1.06
Sparebanken Møre	89 017	0.90
Odd Slyngstad	84 773	0.86
Sparebankstiftelsen Helgeland	80 000	0.81
Anvord AS	68 750	0.70
Stiftelsen Kjell Holm	60 474	0.61
Total 20 largest	4 439 384	44.90
Total	9 886 954	100.00

9 CAPITAL ADEQUACY

	30.06.14	30.06.13	31.12.13
EC capital	989	784	989
- ECs owned by the Bank	-9	-5	-4
Share premium	353	189	353
Dividend equalisation fund	683	593	684
Gift fund	125	0	125
Primary capital fund	1 932	1 836	1 935
Value adjustment fund	47	40	47
Fund for unrealised gains	0	1	0
Proposed dividend for the EC holders	0	0	79
Proposed dividend for the local community	0	0	87
Other equity/accumulated profit for the period	538	336	196
Total equity	4 658	3 774	4 491
Deferred tax, goodwill and intangible assets	-19	-22	-41
Value adjustment fund	-47	-40	-47
Fund for unrealised gains	0	-1	0
50 % deduction for equity in other financial institutions	-14	-10	-10
50 % of adjusted expected losses on the IRB portfolio of corporate customers	-87	-	-
Perpetual Hybrid Tier 1 capital	1 003	1 000	999
Surplus financing of pension	-70	-83	-55
Proposed dividend for the EC holders	0	0	-79
Proposed dividend for the local community	0	0	-87
Accumulated profit for the period	-342	-208	0
Total core capital	5 082	4 410	5 171
Supplementary capital:			
Subordinated loan capital of limited duration	499	500	499
45 % addition for net unrealised gains on shares, unit trust certificates and ECs available for sale	20	17	20
50 % of adjusted expected losses on the IRB portfolio of corporate customers	-87	-	-
50 % deduction for equity in other financial institutions	-14	-10	-10
Total supplementary capital	418	507	509
Net equity and subordinated loan capital	5 500	4 917	5 680
Capital adequacy as a percentage of the weighted asset calculation basis:			
Capital adequacy ratio	15.90	14.83	17.02
Capital adequacy ratio incl. 50 per cent of the profit for the period	16.40	15.10	-
Core capital ratio	14.70	13.30	15.48
Core capital ratio incl. 50 per cent of the profit for the period	15.20	13.70	-
Core tier 1 capital	11.80	10.28	12.50
Core tier 1 capital incl. 50 per cent of the profit for the period	12.30	10.60	-
Risk-weighted assets (calculation basis for capital adequacy ratio)	34 560	33 160	33 410

The Group has received approval from the Financial Supervisory Authority of Norway to use the IRB Foundation approach for calculating capital requirements for corporate commitments. For the time being, the Group must use the standardized approach for the mass market. As at the end of the second quarter of 2014, the Group's capital adequacy is reported according to the standardized approach in Basel II for the mass market and IRB Foundation for the corporate market. The capital requirements related to the transitional rules concerning the Basel I "floor" have no effect for Sparebanken Møre at the end of Q2 2014.

Capital requirement	30.06.14	30.06.13	31.12.13
Standard approach:			
Commitments involving states and central banks	0	0	0
Commitments involving local and regional authorities	5	6	6
Commitments involving public sector companies	22	19	22
Commitments involving institutions	38	37	37
Commitments involving companies (corporate customers)	35	859	832
Commitments involving mass market (retail banking customers)	1 064	1 447	1 494
Commitments due for payment	2	17	13
Commitments involving covered bonds	15	15	15
Other commitments	85	92	92
Capital requirement – credit-/counterpart- and impairment risk	1 266	2 492	2 511
IRB Foundation approach for the corporate portfolio:			
Commitments secured by real estate	419	-	-
Other commitments	907	-	-
Capital requirement credit-/counterparty- and deterioration risk corporate portfolio	1 326	-	-
Debt	0	0	0
Equity	0	0	0
Foreign exchange	0	0	0
Goods	0	0	0
Capital requirement – position-/foreign exchange- and commercial risk	0	0	0
Operational risk (basis approach)	180	176	176
Deductions from the capital requirement	-14	-14	-14

10 EVENTS AFTER THE REPORTING PERIOD

Sparebanken Møre has sold all of its shares in Nets AS. Settlement took place on 9 July 2014. At the start of 2014, the book value of these shares was around NOK 81 million. At the end of the second quarter of 2014, the shares' value had been adjusted upwards by

NOK 85 million in line with the signed sales contract. The profit from the sale was recognised in the financial statements at the end of the second quarter of 2014 as a change in the value of equity investments available for sale under comprehensive income. When the financial statements for the third

quarter are presented this profit will have been transferred to the ordinary result. Total comprehensive income at the end of the second quarter of 2014 is thus, including this effect, NOK 85 million higher than the ordinary half year result.

STATEMENT OF INCOME - PARENT BANK

Amounts in NOK million	Q2 2014	Q2 2013	30.06.14	30.06.13	2013
Interest income	418	476	837	941	1 768
Interest costs	223	274	448	548	961
Net interest income	195	202	389	393	807
Commission income and revenues from banking services	43	43	87	84	175
Commission costs and expenditure from banking services	7	5	14	13	29
Other operating income	8	4	14	10	23
Net commission and other operating income	44	42	87	81	169
Dividends	2	9	157	96	96
Net gains/losses from financial instruments	16	-4	33	1	22
Net return from financial instruments	18	5	190	97	118
Total income	257	249	666	571	1 094
Wages, salaries etc.	77	77	155	154	297
Administration costs	27	28	59	71	133
Depreciation, impairment and changes in value of non-financial assets	5	6	10	12	24
Other operating costs	28	23	51	49	92
Total operating costs	137	134	275	286	546
Profit before impairment on loans	120	115	391	285	548
Impairment on loans, guarantees etc.	7	6	13	13	54
Pre tax profit	113	109	378	272	494
Taxes	29	28	59	49	112
Profit after tax	84	81	319	223	382
Profit per EC (NOK)	4.20	4.75	15.95	13.10	18.45
Diluted earnings per EC (NOK)	4.20	4.75	15.95	13.10	18.45
Distributed dividend per EC (NOK)	-	-	8	12	12

STATEMENT OF COMPREHENSIVE INCOME - PARENT BANK

Amounts in NOK million	Q2 2014	Q2 2013	30.06.14	30.06.13	2013
Profit after tax	84	81	319	223	382
Other income/costs reversed in ordinary profit:					
Equities available for sale - changes in value	2	3	79	7	7
Other income/costs not reversed in ordinary profit:					
Pension estimate deviations	0	0	0	0	-36
Tax effect of pension estimate deviations	0	0	0	0	9
Total comprehensive income after tax	86	84	398	230	362

STATEMENT OF FINANCIAL POSITION - PARENT BANK

Amounts in NOK million	30.06.14	30.06.13	31.12.13
Assets			
Cash and claims on Norges Bank	926	588	1 281
Loans to and receivables from credit institutions	2 517	1 927	1 846
Net loans to and receivables from customers	31 687	32 562	31 416
Certificates	0	34	31
Bonds	5 005	6 183	5 509
Financial derivatives	279	356	246
Shares and other securities	295	208	215
Equity stakes in group companies	1 071	721	721
Intangible assets	25	20	27
Fixed assets	52	68	56
Other assets	130	287	177
Prepayments and accrued income	283	179	318
Total assets	42 270	43 133	41 843
Liabilities and equity			
Loans and deposits from credit institutions	733	2 026	1 637
Deposits from customers	28 832	27 968	28 076
Debt securities issued	5 366	6 502	5 309
Financial derivatives	419	407	351
Other liabilities	376	452	426
Incurred costs and prepaid income	494	544	219
Other provisions for incurred liabilities and costs	30	66	32
Perpetual Hybrid Tier 1 capital	1 003	1 000	999
Subordinated loan capital	499	500	499
Total liabilities	37 752	39 465	37 548
EC capital	989	784	989
ECs owned by the Bank	-9	-5	-4
Share premium	353	189	353
Paid-in equity	1 333	968	1 338
Primary capital fund	1 932	1 836	1 935
Gift fund	125	0	125
Dividend equalisation fund	683	593	684
Value adjustment fund	47	40	47
Fund for unrealised gains	0	1	0
Other equity	0	0	166
Total comprehensive income after tax	398	230	-
Retained earnings	3 185	2 700	2 957
Total equity	4 518	3 668	4 295
Total liabilities and equity	42 270	43 133	41 843
Off-balance sheet items:			
Guarantees	1 393	1 694	1 433

STATEMENT PURSUANT TO SECTION 5-6 OF THE SECURITIES TRADING ACT

We confirm, to the best of our knowledge, that the financial statements for the Group and the Bank for the period 1 January to 30 June 2014 have been prepared in accordance with IAS 34 – Interim Financial Reporting implemented by the EU, and give a true and fair view of the Group's and the Bank's assets, liabilities, financial position and profit or loss as a whole.

To the best of our knowledge, the interim report gives a true:

- review of important events that have occurred during the first six months of the financial year and their impact on the financial statements

- description of the principal risks and uncertainties facing the business the remaining six months of the financial year

- description of major related parties transactions.

Ålesund, 30 June 2014

6 August 2014

THE BOARD OF DIRECTORS OF SPAREBANKEN MØRE

Leif-Arne Langøy

CHAIRMAN

Roy Reite

DEPUTY CHAIRMAN

Ragna Brenne Bjerkeset

Henning Sundet

Rita Christina Sævik

Ann Magritt Bjåstad Vikebakk

Helge Karsten Knudsen

Olav Arne Fiskerstrand

CEO

Profit performance - Group

QUARTERLY PROFIT

Amounts in NOK million	Q2 14	Q1 14	Q4 13	Q3 13	Q2 13
Net interest income	268	269	281	267	258
Other operating income	62	60	56	52	51
Total operating costs	144	143	127	143	145
Profit before impairment on loans	186	186	210	176	164
Impairment on loans, guarantees etc.	8	6	26	15	6
Pre tax profit	178	180	184	161	158
Taxes	47	48	53	42	42
Profit after tax	131	132	131	119	116

As a percentage of average assets

Net interest income	2.01	1.98	2.10	2.04	2.00
Other operating income	0.46	0.44	0.42	0.40	0.40
Total operating costs	1.08	1.05	0.95	1.09	1.13
Profit before impairment on loans	1.39	1.37	1.57	1.35	1.27
Impairment on loans, guarantees etc.	0.06	0.04	0.19	0.11	0.05
Pre tax profit	1.33	1.33	1.38	1.24	1.22
Taxes	0.34	0.35	0.40	0.33	0.32
Profit after tax	0.99	0.98	0.98	0.91	0.90

ACCUMULATED PROFIT

Amounts in NOK million	30.06.14	30.06.13	31.12.13
Net interest income	537	494	1 042
Other operating income	122	94	202
Total operating costs	285	300	569
Profit before impairment on loans	374	288	675
Impairment on loans, guarantees etc.	14	13	54
Pre tax profit	360	275	621
Taxes	97	74	171
Profit after tax	263	201	450

As a percentage of average assets

Net interest income	2.00	1.93	2.00
Other operating income	0.45	0.38	0.39
Total operating costs	1.06	1.17	1.09
Profit before impairment on loans	1.39	1.14	1.30
Impairment on loans, guarantees etc.	0.05	0.05	0.10
Pre tax profit	1.34	1.09	1.20
Taxes	0.35	0.29	0.33
Profit after tax	0.99	0.80	0.87





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