

EKSPORT
FINANS

NORWAY

FINANCIAL REPORT Q3 2023



Eksportfinans ASA
www.eksportfinans.com
LEI: HKDM6R5I7TEN7ODGZB21

KEY FIGURES

(NOK million)	Third quarter		First nine months	
	2023	2022	2023	2022
Net interest income	68	37	187	94
Net other operating income/(loss)	65	(39)	58	(100)
Profit/(loss) for the period	85	(16)	133	(55)
Total comprehensive income ¹⁾	22	3	13	(3)
Return on equity ²⁾	5.6 %	(1.1) %	2.9 %	(1.2) %
Total assets	7,869	9,518	7,869	9,518
Loans outstanding ³⁾	1,127	1,235	1,127	1,235
Securities	5,374	6,148	5,374	6,148
Core capital adequacy ratio	171,1 %	126.7 %	171,1 %	126.7 %
Leverage ratio	73.7 %	64.2 %	73.7 %	64.2 %
Exchange rate USD/NOK ⁴⁾	10,6225	10,8574	10,6225	10.8574

The information for the third quarter and first ninth months ended September 30, 2023 and 2022 is unaudited.

Definitions:

- 1) Total comprehensive income includes net losses on financial liabilities at fair value due to change in own credit risks of negative NOK 120 million after tax for the first nine months of 2023, compared to NOK 52 million after tax for the first nine months of 2022. Accumulated net gain on own debt was NOK 94 million before tax as of September 30, 2023, compared to NOK 223 million before tax as of September 30, 2022.
- 2) Return on equity is profit/(loss) for the period divided by average equity (average of opening and closing balance).
- 3) Total outstanding loans consist of loans due from customers and partly of loans due from credit institutions in the balance sheet. Accrued interest and unrealized gains/(losses) are not included.
- 4) Exchange rate at balance date.

BOARD OF DIRECTORS' REPORT

Eksportfinans' strategy to actively manage its existing portfolio of loans, other assets and liabilities, with the overall objective of maintaining company value remains unchanged in 2023.

According to the board's Internal Capital Adequacy Assessment Process (ICAAP), the company has around NOK 4.5 billion in excess capital. Eksportfinans is of the opinion that this surplus capital should be disbursed to the company's owners.

In May 2022 the board applied to the Norwegian FSA to disburse NOK 3 billion of the company's capital to the owners. The Norwegian FSA declined the application in May 2023, on the grounds of special risk factors related to the company's situation. In the board's opinion, these risk factors were sufficiently covered for in the ICAAP, and the board hence filed an appeal to the Ministry of Finance. The authorities have still not responded to the complaint.

Eksportfinans continues to be overcapitalized, and it remains a key issue to pursue different initiatives and solutions to optimize the capital structure.

Results

Third quarter 2023

Net interest income was NOK 68 million in the third quarter of 2023, compared to NOK 37 million in the same period of 2022. The main reason for the increase is a higher Norwegian Interbank Offered Rate (NIBOR) in the third quarter of 2023 compared to the same period of 2022.

Net other operating income for the third quarter of 2023 was NOK 65 million compared to negative NOK 39 million for the third quarter of 2022. The gain in 2023 relates mainly to realized gains from repurchasing around NOK 0.9 billion of the company's own debt. The loss in 2022 relates mainly to unrealized losses on Eksportfinans' securities and lending portfolio due to the volatility in the

financial markets at the time.

The result for the third quarter of 2023 was NOK 85 million compared to negative NOK 16 million in the third quarter of 2022. The main reasons for the increase are higher interest rates, improved credit markets and realized gains from repurchasing own debt.

First nine months 2023

Net interest income was NOK 187 million in the first nine months of 2023, compared to NOK 94 million in the same period of 2022. The increase was due to higher NIBOR rates as mentioned above.

Net other operating income was NOK 58 million in the first nine months of 2023, compared to negative NOK 100 million in the same period of 2022.

Total operating expenses amounted to NOK 69 million in the first nine months of 2023, and NOK 69 million in the same period of 2022.

The result for the first nine months of 2023 was NOK 133 million after taxes, compared to negative NOK 55 million after taxes in the same period of 2022. The main reasons for the increase are higher interest rates, improved credit markets and realized gain from repurchasing own debt.

The credit spread effect of fair value adjustments on Eksportfinans' own debt is recognized as other comprehensive income. In the first nine months of 2023, the amount was negative NOK 120 million after tax compared to positive NOK 52 million after tax in the same period of 2022.

Total comprehensive income was NOK 13 million in the first nine months of 2023, compared to negative NOK 3 million in the corresponding period of 2022.

Balance sheet

Total assets amounted to NOK 7.9 billion at September 30, 2023, compared to NOK 9.0

billion at December 31, 2022 and NOK 9.5 billion at September 30, 2022.

Outstanding bond debt was NOK 1.1 billion at September 30, 2023, compared to NOK 2.1 billion at December 31, 2022 and NOK 2.4 billion at September 30, 2022. The main reason for the reduction is the repurchase of own debt in the third quarter as previously mentioned.

The core capital adequacy ratio was 171.1 percent at September 30, 2023, compared to 178.3 percent at December 31, 2022 and 126.7 percent at September 30, 2022.

Lending

The volume of total outstanding loans was NOK 1.1 billion at September 30, 2023, compared to NOK 1.2 billion at December 31, 2022 and NOK 1.2 billion at September 30, 2022. The reduction was due to scheduled repayments on the loan portfolio.

Securities

The securities portfolio was NOK 5.4 billion at September 30, 2023, compared to NOK 6.2 billion at December 31, 2022 and NOK 6.1 billion at September 30, 2022. The main reason for the reduction is the repurchase of own debt in the third quarter as previously mentioned.

Liquidity

At September 30, 2023 total liquidity was NOK 5.8 billion, consisting of the securities portfolio of NOK 5.4 billion and cash

equivalents of NOK 0.4 billion.

The company manages liquidity risk both through matching of maturities for assets and liabilities and through stress-testing for the short and medium term. Liquidity reserves combined with the company's liquidity contingency plans constitute a robust liquidity situation.

Future Prospects

Accumulated unrealized gains at fair value measurements of Eksportfinans' own debt amounted to NOK 91 million (net of derivatives) as of September 30, 2023. As debt comes closer to maturity, these gains will be reversed as unrealized losses in other comprehensive income.

In compliance with the Norwegian Corporate Governance Board (NCGB or NUES), the board of directors shall ensure that the company has a capital structure that is appropriate to the company's objective, strategy and risk profile. In the board's opinion Eksportfinans continues to be overcapitalized, and it remains a key issue to pursue different initiatives and solutions to optimize the capital structure.

Events after the balance sheet date

There are no events after the balance sheet date materially affecting the financial statements.

Oslo, November 7, 2023
EKSPORTFINANS ASA
The board of directors

Condensed statement of profit or loss and other comprehensive income

The information for the three and nine months ended September 30, 2023 and 2022 is unaudited.

(NOK million)	Third quarter		First nine months		Note
	2023	2022	2023	2022	
Interest income, amortized cost	7	3	19	8	
Other interest income	84	51	255	114	
Interest and related expenses	23	17	87	28	
Net interest income	68	37	187	94	
Net commissions related to bank services	0	0	0	0	
Net gains/(losses) on financial instruments at fair value	65	(39)	58	(100)	2,13
Net other operating income/(loss)	65	(39)	58	(100)	
Total operating income/(loss)	133	(2)	245	(6)	
Salaries and other administrative expenses	17	17	62	60	
Depreciations	1	1	3	3	
Other expenses	1	2	4	6	
Total operating expenses	19	20	69	69	
Loss and write-down on loans	0	0	(2)	(1)	7
Pre-tax operating profit/(loss)	114	(22)	178	(74)	
Taxes	29	(6)	45	(19)	
Profit/(loss) for the period	85	(16)	133	(55)	
<i>Other comprehensive income - not reclassified to profit or loss:</i>					
Change in fair value attributable to changes in own credit risk	(84)	25	(160)	69	
Income tax relating to other comprehensive income	21	(6)	40	(17)	
Other comprehensive income	(63)	19	(120)	52	
Total comprehensive income	22	3	13	(3)	

The accompanying notes are an integral part of these condensed financial statements.

Condensed balance sheet

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022	Note
Loans due from credit institutions ¹⁾	877	796	946	4,6,7
Loans due from customers ²⁾	707	769	808	5,6,7
Securities	5,374	6,199	6,148	
Financial derivatives	162	408	522	
Deferred tax asset	92	97	106	
Intangible assets	4	5	5	
Fixed assets	1	1	1	
Other assets	652	753	982	8,11
Total assets	7,869	9,028	9,518	
Bond debt ³⁾	1,067	2,060	2,365	9
Financial derivatives	424	509	646	
Other liabilities	95	193	244	10,11
Provisions	158	154	177	
Total liabilities	1,744	2,916	3,432	
Share capital	2,771	2,771	2,771	
Reserve for unrealized gains	169	169	204	
Other equity	3,185	3,172	3,111	
Total shareholders' equity	6,125	6,112	6,086	
Total liabilities and shareholders' equity	7,869	9,028	9,518	

- 1) All loans due from credit institutions at September 30, 2023, at December 31, 2022 as well as September 30, 2022 are measured at fair value through profit and loss.
- 2) Of NOK 707 million at September 30, 2023, NOK 429 million is measured at fair value through profit or loss and NOK 278 million is measured at amortized cost. Of NOK 769 million at December 31, 2022, NOK 476 million is measured at fair value through profit or loss and NOK 293 million is measured at amortized cost. Of NOK 808 million at September 30, 2022, NOK 499 million is measured at fair value through profit or loss and NOK 309 million is measured at amortized cost.
- 3) Of NOK 1,067 million at September 30, 2023, NOK 702 million is measured at fair value through profit or loss and NOK 365 million is measured at amortized cost. Of NOK 2,060 million at December 31, 2022, NOK 1,683 million is measured at fair value through profit or loss and NOK 377 million is measured at amortized cost. Of NOK 2,365 million at September 30, 2022, NOK 1,926 million is measured at fair value through profit or loss and NOK 439 million is measured at amortized cost.

The accompanying notes are an integral part of these condensed financial statements.

Condensed statement of changes in equity

(NOK million)	Share capital ¹⁾	Reserve unrealized gains	Other equity	Comprehensive income ³⁾	Total equity
Equity at January 1, 2023	2,771	169	3,172	0	6,112
Dividend payout ²⁾	0	0	0	0	0
Other comprehensive income	0	0	0	(120)	(120)
Profit/(loss) for the period	0	0	0	133	133
Equity at September 30, 2023	2,771	169	3,172	13	6,125
Equity at January 1, 2022	2,771	204	3,114	0	6,086
Dividend payout ²⁾	0	0	0	0	0
Other comprehensive income	0	0	0	52	52
Profit/(loss) for the period	0	0	0	(55)	(55)
Equity at September 30, 2022	2,771	204	3,114	(3)	6,086

- 1) Restricted equity that cannot be paid out to the owners without a shareholder resolution in order to reduce the share capital in accordance with the Public Limited Companies Act under Norwegian Law.
- 2) No dividend has been paid as of September 30, 2023.
- 3) The allocation of income for the period between the reserve for unrealized gains and other equity show that if the allocation was performed at this date, it would have decreased the reserve for unrealized gains by NOK 109 million and increased other equity by NOK 122 million. The closing balances would have been NOK 60 million for the reserve for unrealized gains, and NOK 3,294 million for other equity.

The accompanying notes are an integral part of these condensed financial statements.

Condensed cash flow statement

(NOK million)	First nine months	
	2023	2022
Pre-tax operating profit/(loss)	178	(74)
Provided by operating activities:		
Accrual of contribution from the Norwegian government	0	4
Changes in fair value on financial instruments	(4)	28
Depreciation	3	3
Agio/(disagio) on loans	17	(14)
Principal collected on loans	91	391
Purchase of financial investments (trading)	(2,673)	(2,418)
Proceeds from sale or redemption of financial investments (trading)	3,586	3,838
Contribution paid by the Norwegian government	0	(2)
Changes in:		
Accrued interest receivable	8	(43)
Other receivables	159	(263)
Change in financial derivatives	7	(31)
Accrued expenses and other liabilities	(147)	0
Net cash flow from operating activities	1,225	1,419
Net cash flow of financial derivatives	0	0
Net cash flow from investing activities	0	0
Principal payments on bond debt	(1,168)	(1,303)
Dividend paid	0	0
Lease payment	(3)	(2)
Net cash flow from financing activities	(1,171)	(1,305)
Net change in cash and cash equivalents ¹⁾	54	114
Cash and cash equivalents at beginning of period	379	380
Effect of exchange rates on cash and cash equivalents	26	31
Cash and cash equivalents ¹⁾ at end of period	459	525

1) Cash equivalents are defined as bank deposits with original maturity less than three months. See note 4.

The accompanying notes are an integral part of these condensed financial statements.

Notes to the accounts

1. Accounting policies

Eksportfinans's third quarter condensed interim financial statements have been presented in accordance with International Financial Reporting Standards (IFRS), in line with IFRS as adopted by the European Union (EU). The condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

The accounting policies and methods for computations applied in the preparation of the condensed interim financial statements are the same as applied in Eksportfinans' annual financial statements of 2022. The financial statements were approved for issue by the board of directors on February 15, 2023 and were included in the company's Annual Report for the year-end December 31, 2022. The policies are used consistently and were applied to all the periods presented. The interim financial statements must be read in conjunction with Eksportfinans 2022 Annual Report. The interim financial statements do not include risk disclosures and must be read in conjunction with the annual financial statements.

Eksportfinans has established an internal project for managing the transition from Interbank Offered Rates (IBOR) to Alternative Reference Rates (ARR). The Company officially adhered to ISDAs IBOR Protocol on January 14, 2021, and the December 2021 Benchmark Module of the ISDA 2021 Fallbacks Protocol on April 26, 2022.

The information for the nine months ended September 30, 2023 and 2022 is unaudited. The information presented on December 31, 2022 is derived from the company's audited consolidated financial statements as of December 31, 2022.

2. Net gains/(losses) on financial instruments at fair value

Net realized and unrealized gains/(losses) on financial instruments at fair value

(NOK million)	Third quarter		First nine months	
	2023	2022	2023	2022
Securities	(1)	0	(1)	1
Financial derivatives	173	0	173	0
Bond dept	(117)	1	(118)	1
Net realized gains/(losses)	55	1	54	2
Loans and receivables	2	(4)	2	(12)
Securities	18	(29)	32	(96)
Financial derivatives	(170)	(135)	11	(122)
Bond debt	159	128	(40)	132
Other	1	0	(1)	(4)
Net unrealized gains/(losses)	10	(40)	4	(102)
Net realized and unrealized gains/(losses)	65	(39)	58	(100)

See note 13 for a presentation of the above table including effects from economic hedging.

3. Capital adequacy

Capital adequacy is calculated in accordance with the CRD IV regulations required by the Financial Supervisory Authority of Norway. The regulations were implemented as of September 30, 2014. The company has adopted the standardized approach to capital requirements. As of June 1, 2022, new requirements for credit counterparty risk were adopted, using the SA-CCR method.

Eksportfinans' leverage ratio¹⁾ was 73.7 percent at September 30, 2023, compared to 66.6 percent at December 31, 2022 and 64.2 percent at September 30, 2022.

In May 2022, the board sent an application to the Norwegian FSA to disburse NOK 3 billion of the company's capital to the owners. The application included the amount of NOK 1 billion which was applied for in 2019. The Norwegian FSA declined the application in May 2023, whereupon a complaint was filed with the Ministry of Finance in June 2023.

Risk-weighted assets

(NOK million)	September 30, 2023		December 31, 2022		September 30, 2022	
	Book value	Risk-weighted value	Book value	Risk-weighted value	Book value	Risk-weighted value
Total assets	7,869	3,167	9,028	3,031	9,518	4,248
Operational risk		228		228		324
Total risk-weighted value		3,395		3,259		4,572

The company's regulatory capital

(NOK million and in percent of risk-weighted value)	September 30, 2023		December 31, 2022		September 30, 2022	
	Core capital ²⁾	5,807	171,1 %	5,811	178.3 %	5,791
Total regulatory capital		171.1%	5,811	178.3 %	5,791	126.7 %

- 1) The ratio of the core capital divided by the book value of assets.
2) Includes share capital, other equity, and other deductions and additions in accordance with the Norwegian capital adequacy regulations.

4. Loans due from credit institutions

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Cash equivalents ¹⁾	459	379	525
Loans to other credit institutions, nominal amount (also included in note 6) ²⁾	423	426	428
Accrued interest on loans and unamortized premium/discount on purchased loans	(4)	(6)	(5)
Adjustment to fair value on loans	(1)	(3)	(2)
Total	877	796	946

- 1) Cash equivalents are defined as bank deposits with maturity of less than three months.
2) The company has acquired certain loan agreements from banks for which the selling bank provides a repayment guarantee, therefore retaining the credit risk of the loans. Under IFRS these loans are classified as loans to credit institutions. Of the loans to credit institutions these loans amounted to NOK 23 million at September 30, 2023, NOK 26 million at December 31, 2022 and NOK 28 million at September 30, 2022.

5. Loans due from customers

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Loans due from customers, nominal amount (also included in note 6)	704	767	807
Accrued interest on loans and unamortized premium/discount on purchased loans	3	2	2
Adjustment to fair value on loans	0	0	(1)
Total	707	769	808

6. Total loans due from credit institutions and customers

Nominal amounts related to loans due from credit institutions (note 4) and customers (note 5), respectively.

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Loans due from credit institutions	423	426	428
Loans due from customers	704	767	807
Total nominal amount	1,127	1,193	1,235
Commercial loans	855	904	929
Government-supported loans	272	289	306
Total nominal amount	1,127	1,193	1,235
Municipal-related loans to other credit institutions	400	400	400
Capital goods	359	385	418
Direct loans to Norwegian local government sector	365	394	404
Ships	0	11	11
Loans to employees	3	3	2
Total nominal amount	1,127	1,193	1,235

7. Impairment of loans

The following table shows the gross exposure of loans measured at amortized cost that is segregated in stages to comply with IFRS 9. When loans are guaranteed by Eksfin, the company would normally presume that there is a significant increase in credit risk since the initial recognition when contractual payments are more than 14 days past overdue and presumes that the loan is impaired when contractual payments are more than 90 days past overdue. When loans are guaranteed by banks alone, the company would normally presume that there is a significant credit risk since the initial recognition when the contractual payments are either more than 30 days past overdue or when the guarantor declines the guarantee call.

In the case of standstill agreements, Eksportfinans has considered these exposures for credit impairments based on conservative judgment, assuming that standstill agreement is a sign of significant financial difficulties on the borrower.

(NOK million)	Stage 1	Stage 2	Stage 3	Total
Gross exposure at January 1, 2023	293	0	0	293
Transfers to stage 1	0	0	0	0
Transfers to stage 2	0	0	0	0
Transfers to stage 3	0	0	0	0
Loans derecognized	(31)	0	0	(31)
Currency effect on loans	16	0	0	16
Gross exposure at September 30, 2023	278	0	0	278

The company has accrued provisions for expected credit losses related to possible break costs on non-performing guaranteed loans. These provisions are based on the interpretation of the 108 Agreement, where the company has to compensate the Government under the 108 Agreement for break costs not covered by the guarantee. The total exposure of actual and possible break costs that are not covered by guarantees is NOK 2 million as of September 30, 2023. The probability of default levels applied to the exposures in stage 1 ranges from 3.0 percent to 15.4 percent. Exposures related to break cost will only occur if the guarantor chooses to prepay the loans at default. The company assumes that the guarantor will exercise possibility 75 percent of the instances where the guarantee comes into effect.

(NOK million)	Stage 1	Stage 2	Stage 3	Total
Expected credit loss at January 1, 2022	2	0	0	2
Transfers to stage 1	0	0	0	0
Transfers to stage 2	0	0	0	0
Transfers to stage 3	0	0	0	0
Changes in provision	(2)	0	0	(2)
Loans derecognized	0	0	0	0
Expected credit loss at September 30, 2022	0	0	0	0

8. Other assets

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Settlement account 108 Agreement	3	2	(1)
Cash collateral provided	623	725	954
Right-of-use asset ¹⁾	8	10	11
Other	18	16	18
Total other assets	652	753	982

1) Presented in note 11

9. Bond debt

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Bond debt	1,248	2,408	2,635
Adjustment to fair value on debt	(194)	(399)	(331)
Accrued interest	13	51	61
Total bond debt	1,067	2,060	2,365

10. Other liabilities

(NOK million)	Sept 30, 2023	Dec 31, 2022	Sept 30, 2022
Cash collateral received	85	176	229
Lease liability ¹⁾	8	10	11
Other short-term liabilities	2	7	4
Total other liabilities	95	193	244

1) Presented in note 11

11. Right-of-use assets and lease liabilities

The company leases parts of an office building from Nordea Liv Eiendom AS. On June 1, 2022 the lease agreement was replaced by a new and longer office lease agreement. The right-of-use asset is being depreciated using the linear method.

(NOK million)	2023	2022
Carrying amount of right-of-use asset at January 1 st	10	5
Depreciation	2	(2)
Early termination of leasing contract on May 31 st 2022	0	(3)
Acquisition of right-of-use on June 1 st 2022	0	11
Carrying amount of right-of-use asset at Sept 30th	8	11

The company's lease liabilities have the following maturity of cash outflows:

(NOK million)	Sept 30, 2023
Less than 1 year	2
1-2 years	2
3-4 years	4
Total lease liabilities	8

The interest expense of the lease liability was NOK 0.3 million in the first nine months of 2023 and NOK 0.1 million in the first nine months of 2022. The interest expense is included in the income statement as interests and related expenses. The discount rate that is being used is 3.93 percent at September 30th 2023 and 2.08 percent at September 30th 2022.

12. Material transactions with related parties

The company's two largest shareholders, DNB Bank ASA and Nordea Bank Abp are considered to be related parties in accordance with IAS 24 Related Party Disclosures.

(NOK million)	Deposits ¹⁾	Guarantees received ²⁾
Balance January 1, 2023	379	488
Change in the period	(289)	14
Balance September 30, 2023	90	502
Balance January 1, 2022	380	552
Change in the period	(290)	(50)
Balance September 30, 2022	90	502

1) Deposits made by the company.

2) Guarantees provided to the company from the related parties.

13. Market risk - effects from economic hedging

Note 2 presents net realized and unrealized gains/(losses) on financial instruments separated from financial derivatives. The presentation below shows the various financial instruments after offsetting with related economic hedges, as derivatives are used as economic hedges to limit the market risk of specific assets and liabilities.

Net realized and unrealized gains/(losses) on financial instruments at fair value

(NOK million)	Third quarter		First nine months	
	2023	2022	2023	2022
Securities ¹⁾	(1)	0	(1)	1
Bond debt	56	0	56	0
Net realized gains/(losses)	55	0	55	1
Loans and receivables ¹⁾	3	(5)	(6)	6
Securities ¹⁾	13	(24)	23	(71)
Bond debt ¹⁾	(2)	0	(1)	0
Other financial instruments at fair value ¹⁾	1	(2)	(1)	(5)
Net unrealized gains/(losses)	15	(31)	15	(70)
Financial derivatives related to the 108 Agreement ²⁾	(5)	(8)	(12)	(30)
Net realized and unrealized gains/(losses)	65	(39)	58	(100)

1) Including financial derivatives with the purpose of economic hedging.

2) Derivatives related to components of the 108 Agreement. The 108 Agreement is accounted for at amortized cost, hence these derivatives are not included in the effects related to financial instruments at fair value.

Interest, and the interest effect of economic hedging instruments, are classified as interest income or expense in the statement of comprehensive income. Changes in fair value are recorded in the line item 'Net gains/(losses) on financial instruments at fair value'.

For the first nine months, the company has recorded a net income of NOK 187 million in 2023 and NOK 94 million in 2022. The amounts comprise NOK 255 million and NOK 114 million respectively of interest income on loans due from credit institutions, loans due from customers and securities and NOK 70 million and NOK 163 million, respectively, of interest expense on bond debt and related expenses. In the same periods the company recorded NOK 19 million, and NOK 8 million respectively of interest income on economic hedging instruments and NOK 17 million and NOK 135 million respectively of interest expense on economic hedging instruments.

14. Maturity analysis

Maturity analysis of financial assets and liabilities based on expected maturities at September 30, 2023

(NOK million)	Up to and including 1 month	From 1 month up to and including 3 months	From 3 months up to and including 1 year	From 1 year up to and including 3 years	From 3 years up to and including 5 years	Over 5 years	Total
Assets							
Loans and receivables due from credit institutions	440	3	6	7	9	2	467
Loans and receivables due from customers	3	68	128	654	274	277	1,404
Securities	114	106	1,181	3,933	536	0	5,870
Derivatives net settled	0	1	2	1	1	0	6
Derivatives gross settled (pay leg)	(266)	(23)	(292)	(86)	(30)	(312)	(1,010)
Derivatives gross settled (receive leg)	268	21	305	72	15	410	1,092
Cash collateral	0	622	0	0	0	0	622
Total assets	559	796	1,331	4,581	805	377	8,450
Liabilities							
Plain vanilla bond debt	0	0	0	0	0	0	0
Structured bond debt	97	0	140	34	439	563	1,271
Derivatives net settled	0	0	0	0	0	0	0
Derivatives gross settled (pay leg)	392	65	170	30	379	563	1,598
Derivatives gross settled (receive leg)	(368)	(63)	(136)	(32)	(467)	(679)	(1,744)
Cash collateral	0	85	0	0	0	0	85
Total liabilities	121	87	174	32	350	446	1,210

Maturity analysis of financial assets and liabilities based on expected maturities at December 31, 2022

(NOK million)	Up to and including 1 month	From 1 month up to and including 3 months	From 3 months up to and including 1 year	From 1 year up to and including 3 years	From 3 years up to and including 5 years	Over 5 years	Total
Assets							
Loans and receivables due from credit institutions	0	0	6	13	11	2	32
Loans and receivables due from customers	0	28	151	246	661	361	1,447
Securities	106	770	928	3,763	1,094	0	6,661
Derivatives net settled	(1)	27	15	66	66	59	232
Derivatives gross settled (pay leg)	(422)	(503)	(22)	(347)	(32)	(342)	(1,668)
Derivatives gross settled (receive leg)	443	529	40	384	55	447	1,898
Cash collateral	0	725	0	0	0	0	725
Total assets	127	1,576	1,117	4,125	1,855	526	9,326
Liabilities							
Plain vanilla bond debt	0	0	0	0	0	0	0
Structured bond debt	4	29	133	115	460	2,114	2,855
Derivatives net settled	0	0	0	0	0	0	0
Derivatives gross settled (pay leg)	354	341	181	139	172	1,838	3,025
Derivatives gross settled (receive leg)	(353)	(325)	(110)	(23)	(53)	(1,475)	(2,339)
Cash collateral	0	176	0	0	0	0	176
Total liabilities	5	222	204	231	580	2,476	3,718

Maturity analysis of financial assets and liabilities based on expected maturities at September 30, 2022

(NOK million)	From						Total
	Up to and including 1 month	From 1 month up to and including 3 months	From 3 months up to and including 1 year	From 1 year up to and including 3 years	From 3 year up to and including 5 years	Over 5 years	
Assets							
Loans and receivables due from credit institutions	438	3	3	11	7	7	469
Loans and receivables due from customers	3	52	108	272	663	385	1,482
Securities	315	34	1,407	3,620	1,207	0	6,582
Derivatives net settled	24	(0)	28	86	86	106	329
Derivatives gross settled (pay leg)	(114)	(269)	(107)	(350)	(33)	(348)	(1,220)
Derivatives gross settled (receive leg)	118	286	139	413	50	508	1,514
Cash collateral	0	960	0	0	0	0	546
Total assets	785	1,066	1,577	4,051	1,981	657	10,116
Liabilities							
Plain vanilla bond debt	0	0	0	0	0	0	0
Structured bond debt	42	169	34	235	602	1,924	3,006
Derivatives net settled	0	0	0	0	0	0	0
Derivatives gross settled (pay leg)	297	623	34	265	317	1,667	3,204
Derivatives gross settled (receive leg)	(283)	(550)	(4)	(143)	(192)	(1,272)	(2,444)
Cash collateral	0	230	0	0	0	0	230
Total liabilities	56	472	64	358	727	2,319	3,996

The figures in the above table include principal and interest payable (receivable) at nominal value. For the figures in the above table, call and trigger dates as estimated in models are applied in the classification of the maturities. For some issues with call and trigger optionalities, the expected maturity is estimated using a sophisticated valuation system which is further described in the annual financial statements. The actual maturities might differ from these estimations.

15. Fair value of financial instruments

The methodology used for calculating fair values of financial instruments is consistent with the methodology defined in the audited annual report for the fiscal year ending 2022.

15.1 Sensitivity analysis

Loans due from credit institutions or customers:

The following table shows the unrealized loss of each category of loans by increasing the credit spread by 1 basis point as well as the loan category percentage of the total lending portfolio:

(NOK million and percentage)	September 30, 2023		December 31, 2022	
	Sensitivity (1 bp)	Percentage	Sensitivity (1 bp)	Percentage
Direct loans	(0.10)	48.5%	(0.13)	45.5%
Loans to municipalities	(0.15)	44.8%	(0.18)	45.9%
Guaranteed loans	(0.01)	6.7%	(0.01)	5.6%
Total loans		100.0%		100.0 %

The spreads applied for fair value measurement of the total lending portfolio are in the range from 0 basis points to 242 basis points as of September 30, 2023 (from 0 basis points to 215 basis points as of December 31, 2022). For the part of the lending portfolio that is credit spread adjusted, credit spreads have changed 12 basis points per month in the 95 percentile over the past two years, representing NOK 1.3 million. As of September 30, 2022, the 95 percent confidence interval was 59 basis points representing NOK 6.2 million.

Securities:

Eksportfinans has retrieved prices and credit spread quotes from two different market makers and pricing vendors as of September 30, 2023. Among the two different quote providers, the major price provider (Bloomberg) covered 100 percent (100 percent as of December 31, 2022).

Bond debt:

The following table shows the unrealized gain of each category of bond debt by increasing the credit spread by 1 basis point:

	September 30, 2023	December 31, 2022
(NOK million)	Sensitivity (1 bp)	Sensitivity (1 bp)
Structured bond debt	0.61	1.77

The spreads applied for fair value measurement of bond debt are in the range from 48 basis points to 162 basis points as of September 30, 2023 (from 53 basis points to 172 basis points as of December 31, 2022).

15.2 Fair value hierarchy

Financial assets measured at fair value through profit or loss:

	September 30, 2023				December 31, 2022			
(NOK million)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Loans due from credit institutions	0	877	0	877	0	796	0	796
Loans due from customers	0	0	429	429	0	0	476	476
Securities	0	5,374	0	5,374	0	6,199	0	6,199
Financial derivatives	0	155	8	163	0	196	212	408
Other assets	0	622	0	622	0	725	0	725
Total fair value	0	7,028	437	7,465	0	7,916	688	8,604

Financial liabilities measured at fair value through profit or loss:

	September 30, 2023				December 31, 2022			
(NOK million)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Bond debt	0	0	703	703	0	0	1,683	1,683
Financial derivatives	0	30	393	424	0	14	495	509
Other liabilities	0	94	0	94	0	186	0	186
Total fair value	0	124	1,096	1,220	0	200	2,178	2,378

Movement of level 3 financial assets:

	From January 1, 2023 to September 30, 2023				From January 1, 2022 to September 30, 2022			
(NOK million)	Loans and receivables due from credit institutions	Loans and receivables due from customers	Financial derivatives	Total	Loans and receivables due from credit institutions	Loans and receivables due from customers	Financial derivatives	Total
Opening balance	0	475	211	687	0	544	457	1,001
Total gains or losses ¹⁾	0	3	(3)	0	0	(1)	(168)	(169)
Settlements	0	(49)	(201)	(250)	0	(44)	(50)	(94)
Closing balance	0	429	7	437	0	499	239	738
Total gains or losses ^{1) 2)}	0	0	17	17	0	0	(38)	(38)

1) Presented under the line item 'Net gains/(losses) on financial instruments at fair value' in the statement of comprehensive income.

2) Total gains or losses for the period in profit or loss for assets held at the end of the reporting period.

Movement of level 3 financial liabilities:

	From January 1, 2023 to September 30, 2023			From January 1, 2022 to September 30, 2022		
(NOK million)	Bond debt	Financial derivatives	Total	Bond debt	Financial derivatives	Total
Opening balance	1,683	495	2,178	3,361	272	3,633
Total gains or losses ^{1) 2)}	204	(39)	166	(201)	398	197
Settlements ⁴⁾	(1,185)	(63)	(1,248)	(1,234)	(76)	(1,310)
Closing balance	702	393	1,095	1,926	594	2,520
Total gains or losses ^{1) 3)}	204	(29)	176	(201)	370	169

1) Presented under the line item 'Net gains/(losses) on financial instruments at fair value' and 'Change in fair value attributable to changes in own credit risk' in the statement of comprehensive income.

2) For liabilities, positive figures are represented as losses and negative figures are represented as gains.

3) Total gains or losses for the period in profit or loss for liabilities held at the end of the reporting period.

4) Bond debt settlements differ from "Principal payments on bond debt" in the cashflow statement due to an exchange rate effect between periods.

15.3 Fair value of financial assets and liabilities

The following table presents the financial assets and liabilities, with the fair value and carrying value (book value) of each class of financial instrument:

(NOK million)	Sept 30, 2023		Dec 31, 2022		Sept 30, 2022	
	Fair value	Carrying value	Fair value	Carrying value	Fair Value	Carrying value
Assets						
Loans due from credit institutions	877	877	796	796	944	944
Loans due from customers	725	707	790	769	821	808
Securities	5,374	5,374	6,199	6,199	6,148	6,148
Financial derivatives	162	162	408	408	522	522
Other assets	652	652	753	753	982	982
Liabilities						
Bond debt	1,069	1,067	2,060	2,060	2,365	2,365
Financial derivatives	424	424	510	510	646	646
Other liabilities	95	95	194	194	244	244

16. Contingencies

There are no significant contingencies as of September 30, 2023.

17. Events after the balance sheet date

There are no events after the balance sheet date materially affecting the financial statements.