

Q3 REPORT 2016

Safe Deposit Holding ASA

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Safe
Deposit
Bank
of Norway



Condensed Income Statement

Safe Deposit Holding ASA

(NOK)	Parent				Group		
2015	3Q16	30.9.16	Notes	30.9.16	3Q16	2015	
24 635	0	0	Interest income	247 171	71 602	203 999	
0	142	142	Interest expenses	88 913	142	0	
24 635	-142	-142	Net interest income	158 258	71 459	203 999	
0	0	0	Commission expenses	194 700	45 725	0	
0	0	0	Net fee and commission income/ -expenses and other operating income	194 700	45 725	0	
0	0	0	Change in value of financial investments	0	0	0	
24 635	-142	-142	Total income	-36 442	25 735	203 999	
0	246 790	246 790	Employee Remuneration	5 639 313	2 944 547	3 148 340	
1 226 909	23 824	407 228	Other operating expenses	7 906 202	3 745 538	4 964 293	
1 226 909	270 614	654 018	Total operating expenses	13 545 515	6 690 085	8 112 633	
-1 202 274	-270 756	-654 160	Profit before impairment on loans and taxes	-13 581 957	-6 664 350	-7 908 634	
-1 202 274	-270 756	-654 160	Profit before income tax	-13 581 957	-6 664 350	-7 908 634	
0	0	0	Income tax	0	0	0	
-1 202 274	-270 756	-654 160	Profit for the period	1,2,4 -13 581 957	-6 664 350	-7 908 634	

2

Other Comprehensive Income

Safe Deposit Holding ASA

2015	3Q16	30.9.16		30.9.16	3Q16	2015
-1 202 274	-270 756	-654 160	Profit for the period	-13 581 957	-6 664 350	-7 908 634
			Items that will not be reclassified to profit/loss			
0	0	0	Total	0	0	0
			Items that will be reclassified to profit/loss			
0	0	0	Total	0	0	0
-1 202 274	-270 756	-654 160	Total comprehensive income	-13 581 957	-6 664 350	-7 908 634



Condensed Statement of Financial Position

Safe Deposit Holding ASA

Parent			Group	
31.12.15	30.9.16	Notes	30.9.16	31.12.15
		ASSETS		
0	0	Cash and balances with central banks	57 211 315	59 043 635
5 102 791	4 476 966	Loans to and receivables from credit institutions	14 190 923	29 302 175
7 611 442	7 516 213	Loans to and receivables from group company	0	0
90 100 000	90 100 000	Investment in group company	0	0
0	0	Property, plant and equipment	86 161	56 828
0	0	Intangible assets	5 335 423	6 881 250
0	76 540	Other assets	76 541	1 310
102 814 233	102 169 720	Total assets	76 900 363	95 285 198
		LIABILITIES AND EQUITY		
		Deposits from and debts to customers	490	0
5 353	15 000	Other liabilities	1 972 515	6 775 882
5 353	15 000	Total liabilities	1 973 005	6 775 882
16 933 400	16 933 400	Share capital	16 933 400	16 933 400
87 077 754	87 077 753	Share premium	87 077 753	87 077 754
0	0	Other paid-in capital	-9 666	-9 666
-1 202 274	-1 856 434	Other equity	-29 074 130	-15 492 172
102 808 880	102 154 720	Total equity	74 927 358	88 509 316
102 814 233	102 169 720	Total liabilities and equity	76 900 363	95 285 198

Oslo, 14.11.2016

Christian A. Horneman Wist
Chairman of the Board

Olga Godinho
Board Member

Harry Konterud
Board Member

Monica Amanda Haugan
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			Earned equity	
	Share capital	Share premium	Other paid in capital	Other equity	Total equity
Equity as at 1 January 2015	3 600 000	5 421 343		0	9 021 343
Profit for the period				-1 202 274	-1 202 274
Total comprehensive income	0	0	0	-1 202 274	-1 202 274
Issue of share capital and premium ¹	13 333 400	81 656 411			94 989 811
Equity as at 31 December 2015	16 933 400	87 077 754	0	-1 202 274	102 808 880
Equity as at 1 January 2016	16 933 400	87 077 754	0	-1 202 274	102 808 880
Profit for the period				-654 160	-654 160
Total comprehensive income	0	0	0	-654 160	-654 160
Equity as at 30 September 2016	16 933 400	87 077 754	0	-1 856 434	102 154 720

¹ Transaction costs of NOK 5 010 690 are accounted for as a reduction in equity.

Statement of Changes in Equity

Safe Deposit Holding ASA

(NOK) GROUP	Issued equity			Earned equity	
	Share capital	Share premium	Other paid in capital	Other equity	Total equity
Equity as at 1 January 2015	3 600 000	5 421 343	-9 666	-7 583 538	1 428 139
Profit for the period				-7 908 634	-7 908 634
Total comprehensive income	0	0	0	-7 908 634	-7 908 634
Issue of share capital and premium ¹	13 333 400	81 656 411			94 989 811
Equity as at 31 December 2015	16 933 400	87 077 754	-9 666	-15 492 172	88 509 316
Equity as at 1 January 2016	16 933 400	87 077 754	-9 666	-15 492 172	88 509 316
Profit for the period				-13 581 957	-13 581 957
Total comprehensive income	0	0	0	-13 581 957	-13 581 957
Equity as at 30 September 2016	16 933 400	87 077 754	-9 666	-29 074 129	74 927 359

¹ Transaction costs of NOK 5 010 690 are accounted for as a reduction in equity.

Condensed Statement of Cash Flows

Safe Deposit Holding ASA

(NOK)	Parent			Group	
	31.12.15	30.9.16		30.9.16	31.12.15
-1 202 274	-654 160		Profit before income tax	-13 581 957	-7 908 634
0	0		+ Depreciation and write-downs	2 405 230	4 060
-1 202 274	-654 160		Net cash increase from ordinary operations	-11 176 727	-7 904 574
1 570 281	18 688		Decrease/(increase) other receivables	-75 231	2 783
-646 816	9 647		Increase/(decrease) short term debt	-4 803 367	-5 666 104
0	0		Increase/(decrease) deposits and debt to customers	490	0
-278 809	-625 825		A) Net cash flow from operations	-16 054 835	-13 567 895
0	0		Increase in intangible and tangible fixed assets	-888 737	-4 522 138
390 625	0		Reductions in tangible fixed assets	0	0
-90 000 000	0		Net investments in subsidiaries	0	0
-89 609 375	0		B) Net cash flow from investment	-888 737	-4 522 138
94 989 811	0		Increase/(decrease) in equity	0	94 989 811
94 989 811	0		C) Net cash flow from financial activities	0	94 989 811
5 101 627	-625 825		A) + B) + C) Net changes in cash and cash equivalents	-16 943 572	76 899 778
1 164	5 102 791		Cash and cash equivalents at 01.01	88 345 810	113 824
5 102 791	4 476 966		Cash and cash equivalents at end of period	71 402 238	88 345 810
5 101 627	-625 825		Net changes in cash and cash equivalents	-16 943 572	88 231 986

7

Note 1 – General information

Description of the business

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

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

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

Note 2 – Accounting policies

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

The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2015. 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

The Ministry of Finance adopted on 22 August 2014 amendments to regulations on capital requirements taking effect on 30 September 2014. The amendments bring Norwegian legislation into line with the EU's new capital requirements framework (CRR/CRD IV). This framework is for the present not incorporated into the EEA agreement, although its most important provisions have been incorporated in the Financial Institutions Act and the Securities Trading Act. The adjusted legislation entered into force on 1 July 2013, and requires a gradual increase in minimum requirements on Common Equity Tier 1 (CET1) capital in the period to 1 July 2016.

The following requirements apply as of 30 September 2016: capital conservation buffer 2.5 per cent, systemic risk buffer 3,0 per cent and countercyclical buffer is 1.5 per cent. These requirements are additional to the requirement of 4.5 per cent CET1 capital, so that the overall minimum requirement on CET1 capital is 11.5 per cent.

The Group's common equity tier 1 capital at 30 September was NOK 69 591 934 and risk weighted assets were NOK 12 375 887 which gives a CET1 capital ratio of 562,30 %.

Note 4 – Subsequent events

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

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