

Q2 REPORT 2017

Safe Deposit Bank of Norway
"SDBN"

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Safe
Deposit
Bank
of Norway



Condensed Income Statement

Safe Deposit Bank of Norway

NOK	Notes	30.06.17	2Q17	2016
Interest income		160 320	78 444	350 166
Interest expenses		67 709	26 931	0
Net interest income		92 611	51 512	350 166
Commission income		214 654	843	3 187
Commission expenses		215 198	143 038	330 361
Net fee and commission income/-expenses and other operating income		-544	-142 195	-327 175
Change in value of financial investments		0	0	0
Total income		92 067	-90 683	22 991
Employee Remuneration		2 108 814	856 848	6 729 966
Other operating expenses		3 948 423	2 076 959	9 925 470
Total operating expenses		6 057 237	2 933 807	16 655 436
Profit before impairment on loans and taxes		-5 965 170	-3 024 490	-16 632 444
Profit before income tax		-5 965 170	-3 024 490	-16 632 444
Income tax		0	0	0
Profit for the period	1,2,4	-5 965 170	-3 024 490	-16 632 444

2

Other Comprehensive Income

Safe Deposit Bank of Norway

NOK	30.06.17	2Q17	2016
Profit for the period	-5 965 170	-3 024 490	-16 632 444
Items that will not be reclassified to profit/loss			
Total	0	0	0
Items that will be reclassified to profit/loss			
Total	0	0	0
Total comprehensive income	-5 965 170	-3 024 490	-16 632 444

Condensed Statement of Financial Position

Safe Deposit Bank of Norway

NOK	Notes	30.06.17	31.12.16
ASSETS			
Cash and balances with central banks		59 613 917	277 415 397
Loans to and receivables from credit institutions		1 470 416	6 441 960
Loans to and receivables from group company		0	0
Property, plant and equipment		38 558	44 648
Intangible assets		3 224 691	4 299 588
Other assets		0	0
Total assets	1,2,4	64 347 581	288 201 592
LIABILITIES AND EQUITY			
Deposits from and debt to customers		2 539 238	220 153 633
Debt to group companies		7 571 395	7 516 213
Other liabilities		1 034 126	1 363 754
Total liabilities		11 144 759	229 033 600
Share capital		40 100 000	40 100 000
Share premium		49 990 334	49 990 334
Other equity		-36 887 512	-30 922 342
Total equity	3	53 202 822	59 167 992
Total liabilities and equity	1,2,4	64 347 581	288 201 592

Oslo, August 14, 2017

Olga Godinho
Chairman of the Board

Christian A. Horneman Wist
Board Member

Gudrun Bugge Andvord
Board Member

Morten Frode Meland
CEO

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Statement of Changes in Equity

Safe Deposit Bank of Norway

NOK	Issued equity			Other equity	Total equity
	Share capital	Share premium	Other paid in capital		
Equity as at 1 January 2016	40 100 000	50 000 000	-9 666	-14 289 898	75 800 436
Profit for the period				-16 632 444	-16 632 444
Other comprehensive income					0
Total comprehensive income	0	0	0	-16 632 444	-16 632 444
Transfer		-9 666	9 666		0
Equity as at 31 December 2016	40 100 000	49 990 334	0	-30 922 342	59 167 992
Equity as at 1 January 2017	40 100 000	49 990 334	0	-30 922 342	59 167 992
Profit for the period				-5 965 170	-5 965 170
Other comprehensive income					0
Total comprehensive income	0	0	0	-5 965 170	-5 965 170
Equity as at 30 June 2017	40 100 000	49 990 334	0	-36 887 512	53 202 822

5

Condensed Statement of Cash Flows

Safe Deposit Bank of Norway

NOK	Notes	30.06.17	2016
Profit before income tax		-5 965 170	-16 632 444
+ Depreciation and write-downs		1 080 987	3 475 359
Net cash increase from ordinary operations		-4 884 183	-13 157 085
Decrease/(increase) other receivables		0	1 310
Increase/(decrease) short term debt		-274 446	-5 502 003
Increase/(decrease) deposits and debt to customers		-217 614 395	220 153 633
A) Net cash flow from operations		-222 773 024	201 495 855
Increase in intangible and tangible fixed assets		0	-881 517
B) Net cash flow from investment		0	-881 517
Increase/(decrease) in equity		0	0
C) Net cash flow from financial activities		0	0
A) + B) + C) Net changes in cash and cash equivalents		-222 773 024	200 614 338
Cash and cash equivalents at 01.01		283 857 356	83 243 018
Cash and cash equivalents at end of period		61 084 332	283 857 356
Net changes in cash and cash equivalents		-222 773 024	200 614 338

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

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

Note 3 – Capital adequacy

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

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

The Bank's common equity tier 1 capital at 30 June 2017 was NOK 49 978 131,- (30 March 2017: NOK 52 465 172,-) and risk weighted assets were NOK 19 082 641,- (30 March 2017: NOK 19 058 968,-), which gives a CET1 capital ratio of 261,90 % (30 March 2017: 275,28 %).

Note 4 – Subsequent events

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

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Safe Deposit Bank
of Norway AS

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