



SSB Boligkreditt AS

Investor Presentation

4Q 2015



Characteristics of the Cover Pool



Loans originated by	SSB Boligkreditt AS
Cover pool mortgages	MNOK 6,802
Substitute assets	MNOK 324
Total cover pool	MNOK 7,126
Number of loans	4,818
Average loan balance	MNOK 1,411
Type of loans	100% residential Norwegian mortgages
Type of mortgages	Flexible: 34,2 % Repayment: 65,8 %
Rate type	Float: 94,5% Fixed: 5,5%
Geographic distribution	Mainly Rogaland, some across Norway
Weighted average LTV	50,8 %
Weighted average seasoning	4,93 years



SSB Boligkreditt – Rating by Fitch

- Fitch has affirmed the rating of the covered bond programme to AA September 2015
- The breakeven 'AA' OC for SSBB is 10.0%.
- SSB Boligkreditt has committed to an OC-level of 11%
- OC-level per 4Q2015: 27%

SSB Boligkreditt and Eika Boligkreditt

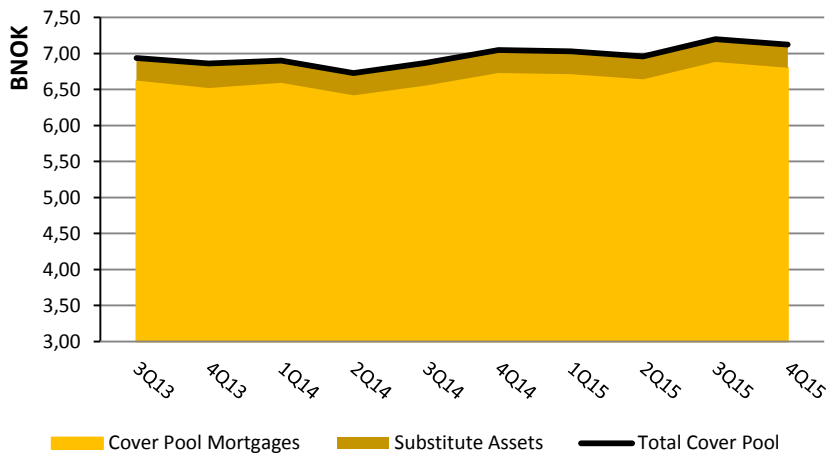
- Sandnes Sparebank entered the Eika Alliance in November 2014, with full system-conversion in October 2015. During this period there has been a dialogue between Sandnes Sparebank and Eika Boligkreditt regarding future cooperation. Due to structural and technical differences the joint decision is to discontinue these discussions for the time being. The process can be reinitiated by either party at a later stage.



Pool notional



Volume

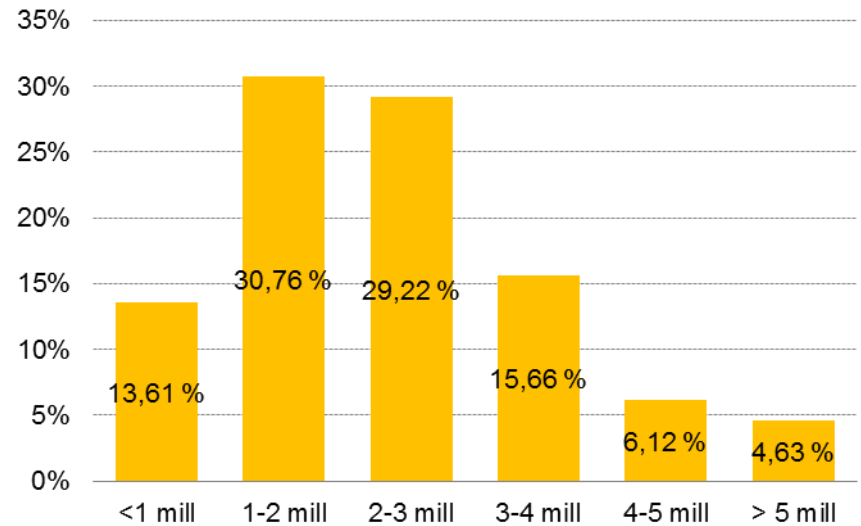


- Total cover pool size: MNOK 7,126
- Stable volumes due to implemented transfer limits in Sandnes Sparebank:

Maximum of:

- 50 % of the Groups retail loans or
- 35 % of the Groups total loan portfolio
- Both limits were increased by 5% during 4Q

Loan distribution



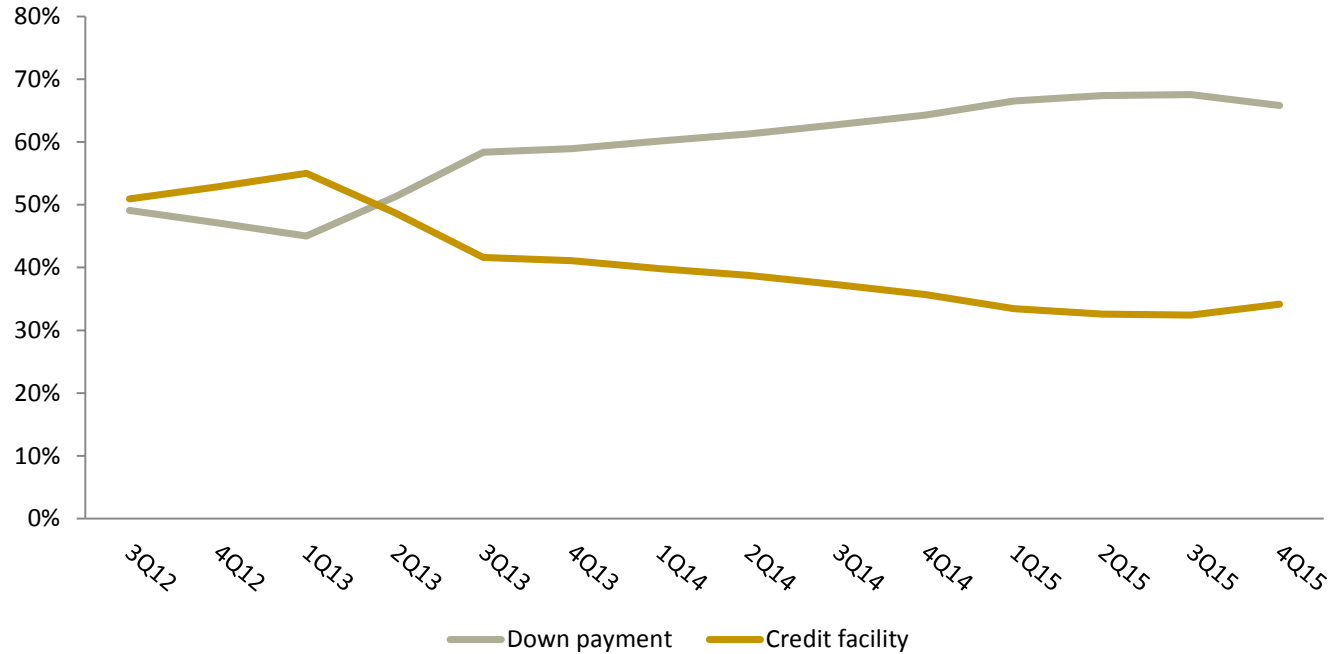
- 315 MNOK in bucket > 5 mNOK
- No significant changes since previous quarter



Type of mortgages



Portfolio by loantype



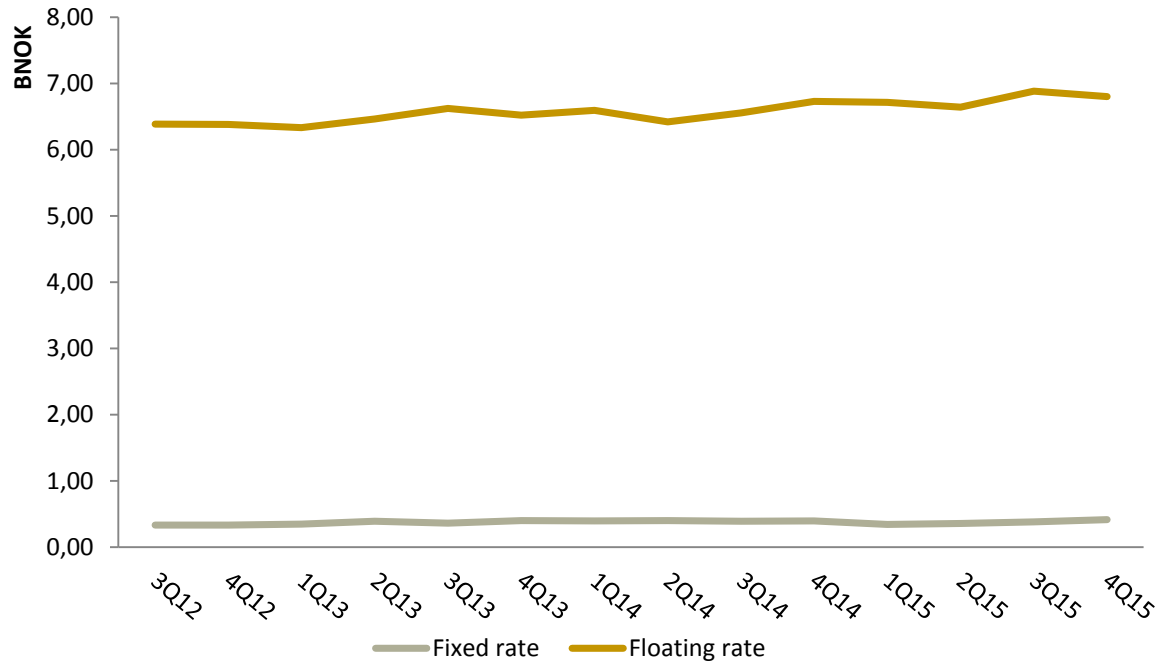
- Slight increase from previous quarter in credit facility



Type of mortgages



Loan distribution by type



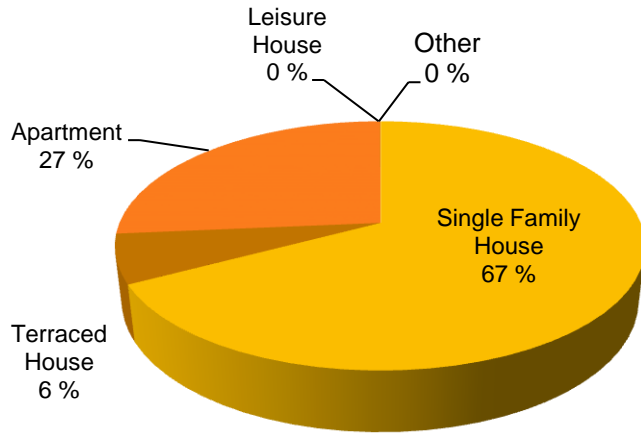
- Low level of fixed rate loans.
- Plan to reduce share of fixed loans due to optimize capital and derivatives.



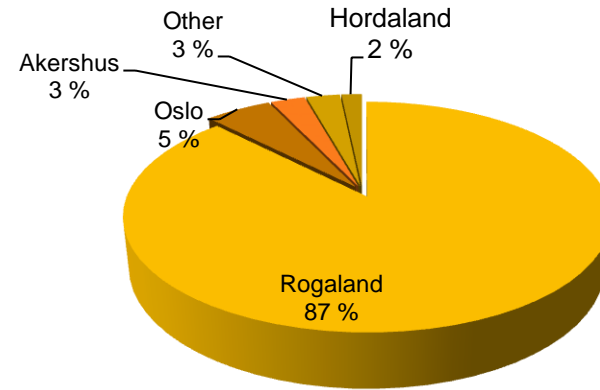
Distribution of the Cover Pool



By property type



By Geography

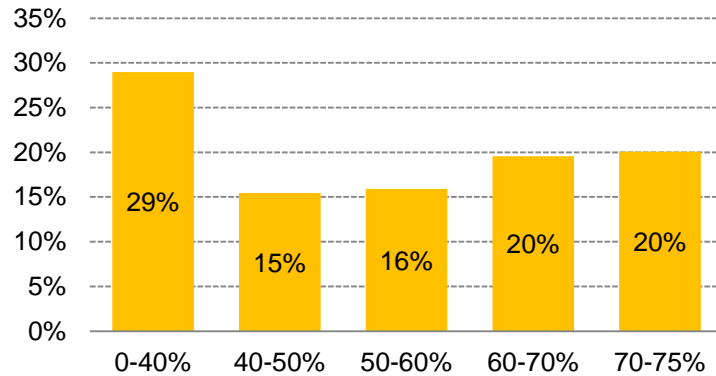




Conservative and High Quality Pool

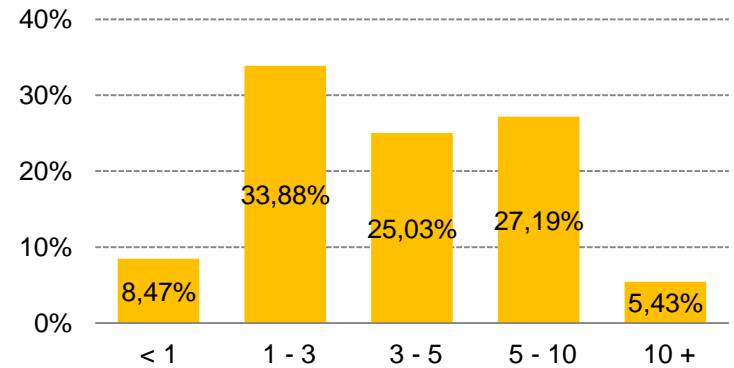


Current LTV (by Amounts)



- Weighted average LTV: 50,8 %
- 60,3% of the cover pool has an LTV < 60%

Seasoning



- Weighted average seasoning: 4,93 years
- 58 % of the cover pool is > 3 year seasoned



Unemployment and Housing prices

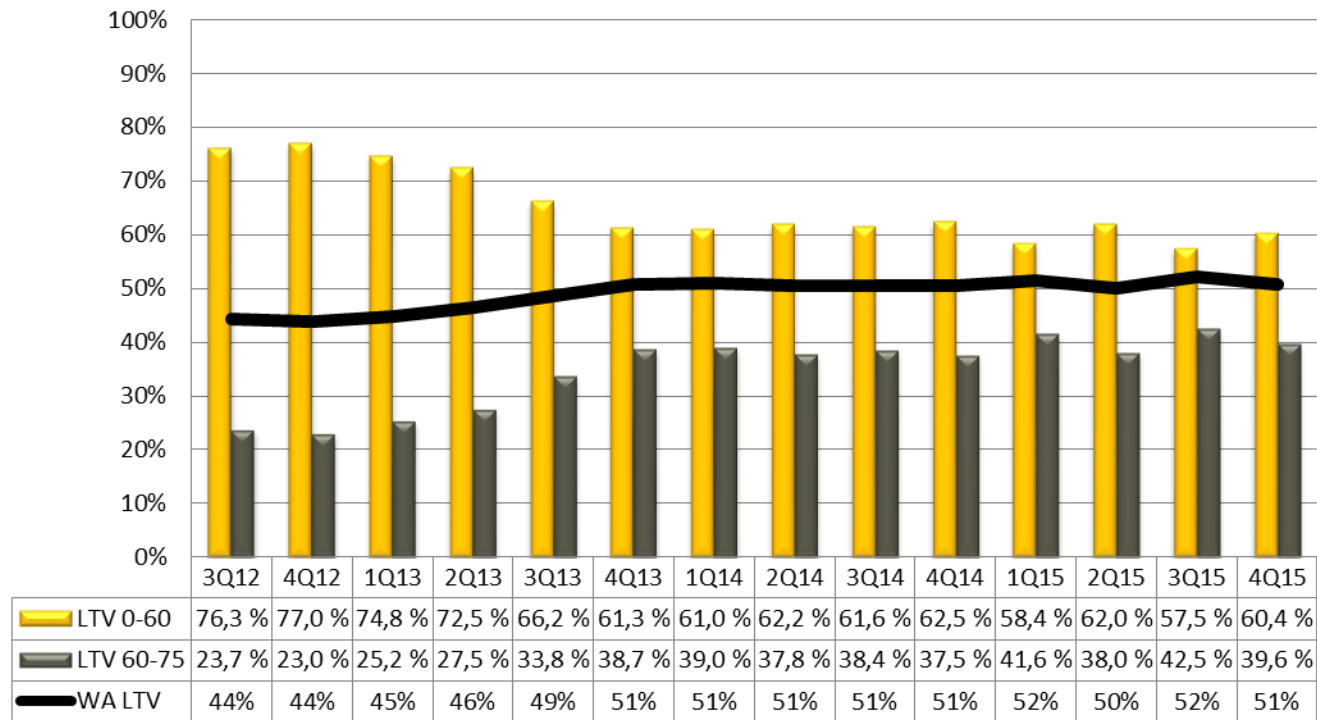
- Unemployment:
 - Unemployment rate in Rogaland had an increase the last quarter, from 3.8% by the end of Q3 2015 to 4.3% by the end of Q4 2015.
 - Unemployment rate in Norway has increased from 2.9% to 3.0%.
 - The unemployment rate in Rogaland is the second highest in Norway.
 - Unemployment is still at low levels.
- Housing prices:
 - Housing prices in Norway had a decrease of -1.4% the last quarter. For Rogaland the number is -3.6%, Stavanger -3.9% and Sandnes -3.8%.
 - The number of days it takes to sell a house in Norway has gone from 3 days by end of Q3 2015 to 54 days by end of Q4 2015. For Rogaland the numbers are 54 days to 78 days.
 - The small downturn in the housingprices continues in our region, uncertainty regarding further developement.



Conservative and High Quality Pool



Loan to Value



- The general increase in the LTV 60-75 bucket the last two years is due to decrease in the housing prices in local market.
- The decrease in the LTV 60-75 bucket the last quarter is due to switch from using downadjusted value from Eiendomsverdi to marketvalue in the portfoliereporting.

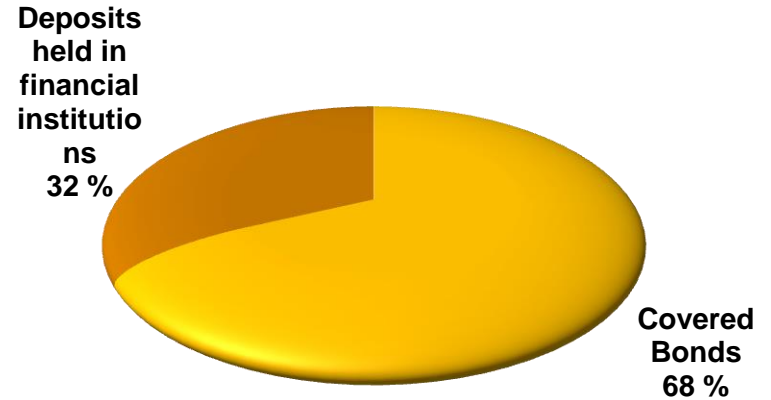


Conservative and High Quality Pool



- Committed OC-level: 11%
- Substitute assets can consist of the following exposures to financial institutions:
 - Deposits with a maturity of less than 100 days and a minimum rating of A-.
 - Other investments with a minimum rating of AA-.

Substitute Assets



Cover Pool	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Residential Mortgages	6.593.261	6.419.256	6.555.061	6.729.751	6.713.246	6.641.949	6.883.784	6.801.844
Substitute Assets	306.937	307.186	317.083	316.762	316.180	315.935	314.359	324.261
Bank Deposit	100.000	100.000	100.000	100.000	100.000	100.000	100.000	110.529
Bonds and Certificates	206.937	207.186	217.083	216.762	216.180	215.935	214.359	213.731
Sum	6.900.198	6.726.442	6.872.144	7.046.512	7.029.426	6.957.884	7.198.143	7.126.105
Overcollateralization	63,07 %	41,80 %	52,69 %	45,05 %	40,25 %	38,68 %	32,32 %	27,21 %

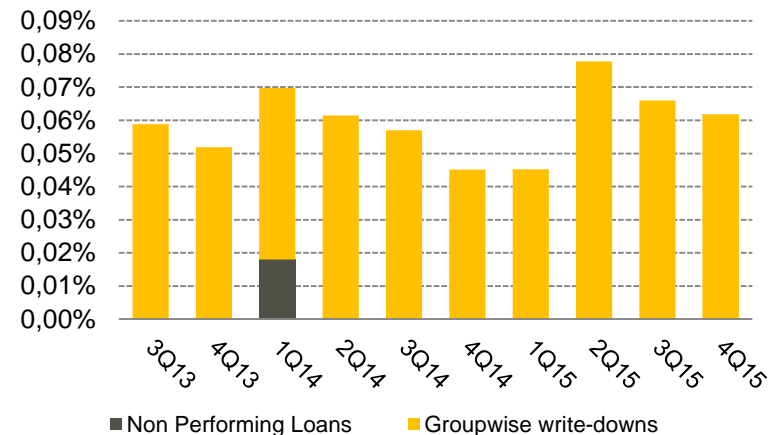


Conservative and High Quality Pool



- Very low level of impaired loans in the mortgage portfolio
- Non performing loans will be transferred back to Sandnes Sparebank
 - A loan is regarded as non-performing or in default when the customer has failed to pay an installment within 90 days of the due date, or when an overdraft of a credit of line has not been covered within 90 days after being overdrawn.
 - The non-performing loan will be subject to individual valuation at the time of transfer.
 - No Non-performing loans as of 31.12.2015

Non-Performing Loans and Loan Losses





Issued Bonds



Issuer	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt	SSB Boligkreditt
ISIN	NO0010577166	NO0010636335	NO0010689664	NO0010697691	NO0010704232	NO0010718331	NO0010731938	NO0010753320
Ticker	SSBB02	SSBB06	SSBB07	SSBB08	SSBB09	SSBB10	SSBB11	SSBB12
Nominal	MNOK 700	MNOK 500	MNOK 1.000	MNOK 900	MNOK 1000	MNOK 2.000	MNOK 300	MNOK 225
Disb. Date	15.06.2010	08.02.2012	20.09.2013	04.12.2013	25.02.2014	03.09.2014	02.03.2015	18.12.2015
Maturity	15.04.2016	08.02.2017	20.09.2018	04.12.2019	25.02.2021	03.09.2020	15.06.2022	18.03.2026
Ext. Maturity	15.04.2017	08.02.2018	20.09.2019	04.12.2020	25.02.2022	03.09.2021	15.06.2023	18.03.2027
Coupon	Nibor + 65bp	Nibor + 102bp	Nibor + 50bp	Nibor + 48bp	3,10 %	Nibor + 29bp	Nibor + 34bp	2,82 %

- SSB Boligkreditt has issued NOK 6,625 mNOK in Covered Bonds
- SSB Boligkreditt buys back short dated maturities, net amount in the market was 5,602 mNOK at year end
- During 4Q15 SSB Boligkreditt issued 225 mNOK 10,25 year fixed rate bond
- Financing will be secured by issuing covered bonds in Norway and in a longer perspective, consider internationally.
- Covered bonds issued by SSB Boligkreditt are assigned a rating of AA by Fitch.



Policies and limits

- Cover pool



Loan to value (LTV)	<ul style="list-style-type: none">▪ LTV below 75 % based on a valuation not more than 3 months old. LTV for flexible loans is measured towards granted limit before transferred. Within the pool LTV is measured by drawn amount.
Substitute assets	<ul style="list-style-type: none">▪ Maximum 20 %.
Overcollateralization	<ul style="list-style-type: none">▪ Minimum 11 %
Type of loans	<ul style="list-style-type: none">▪ Only residential mortgages▪ Only NOK▪ No loans in default▪ No loans with identified losses▪ No flexible loans without maturity date▪ Flexible or repayment loans▪ Fixed or floating interest rates▪ Detached houses, row houses, housing cooperatives, apartments.
Security	<ul style="list-style-type: none">▪ 1st lien.▪ Multiple securities allowed (mainly single securities).
Object	<ul style="list-style-type: none">▪ Norwegian residential properties▪ Valuation from Eiendomsverdi, using downadjusted value when transferred (input from broker and valuator)▪ Quarterly valuations



Liquidity

- The cover pool consists of residential mortgages and substitute liquid assets.
- Substitute Assets included in the cover pool can consist of:
 - Deposits held in other financial institutions:
 - Minimum rating of A-
 - Time to maturity < 100 days
 - Certificates or Bonds:
 - Minimum rating of AA-
 - Time to maturity < 10 years
- SSBB has defined a limit for how long the company is able to operate without supply of additional liquidity to the cover pool in a defined stress-scenario. This limit is set to 6 months, which is applied in the stress-scenarios.
- In addition, substitute assets shall cover at least covered bond interest payments over the next three months, plus a buffer to cover senior expenses and potential interest-rate movements.

