

Bien Sparebank ASA

Full Rating Report

LONG-TERM RATING

BBB+

OUTLOOK

Stable

SHORT-TERM RATING

N2

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RATING RATIONALE

Our 'BBB+' long-term issuer rating on Norway-based Bien Sparebank ASA reflects the bank's low risk appetite, with a strong capital position and access to funding, as well as a low-risk loan portfolio. Furthermore, the bank has in the past year improved risk governance due to increased resources. The bank has a cooperation agreement with the Eika alliance, which we view as positive, as it provides product diversity, shared development costs and the opportunity to finance residential retail mortgages through Norwegian covered bond issuer Eika Boligkreditt.

We expect Bien Sparebank will report strong earnings in our 2025–2027 forecast period, despite pressure on its net interest margin from peaking interest rates and strengthening competition. We believe that improved cost efficiency will help support earnings. Strong pre-provision profit will likely aid in offsetting a moderate increase in loan losses due to a slowdown in the overall economy.

The rating is constrained by the stiff competition the bank faces and its low market share in its core region of Oslo, Norway's capital. It is also constrained by the bank's concentrated exposure to real estate in its core region and a lack of scale which affects its ability to adapt to an increasing regulatory burden.

STABLE OUTLOOK

The outlook is stable, reflecting the bank's low risk appetite and strong cost efficiency, which we believe will enable resilience during a modest economic slowdown. We forecast that Bien Sparebank's loan growth will outpace its earnings capacity in 2025–2027. However, we anticipate a boost in capital ratios from 2025 following the implementation of the EU's Capital Requirements Regulations III (CRR3).

POTENTIAL POSITIVE RATING DRIVERS

- Increased scale with maintained risk appetite and profitability.
- Improved capitalisation, with a Tier 1 capital ratio sustainably above 25%.
- Improved earnings, with pre-provision earnings above 3% and a cost-to-income ratio below 45% over a protracted period.

POTENTIAL NEGATIVE RATING DRIVERS

- A material deterioration in the local operating environment that negatively affects the bank's asset quality.
- A sustained reduction in the Tier 1 capital ratio to below 18.0%.
- Risk-adjusted earnings metrics sustainably below 1.5% of the risk exposure amount (REA).

Figure 1. Key credit metrics, 2021–2027e

%	2021	2022	2023	2024	2025e	2026e	2027e
Net interest margin	1.52	1.91	2.36	2.43	2.35	2.25	2.20
Loan losses/net loans	0.09	0.08	-0.06	-0.01	0.08	0.08	0.08
Pre-provision income/REA*	1.8	2.5	2.8	2.7	2.9	3.2	3.2
Cost-to-income	61.3	54.5	51.9	49.2	47.9	45.6	44.1
Return on average equity	5.7	7.1	8.3	8.6	8.4	9.0	9.7
Loan growth	-1.9	4.5	5.7	3.6	15.0	15.0	10.0
CET1 ratio*	18.0	21.8	21.4	21.0	23.6	21.4	20.3
Tier 1 ratio*	19.3	23.7	23.2	22.6	25.5	23.0	21.7

Source: company and NCR. e-estimate. REA=risk exposure amount. CET1=common equity Tier 1. All metrics adjusted in line with NCR methodology.

*Consolidated capital adequacy metrics, including the estimated effect of CRR3 from 2025.

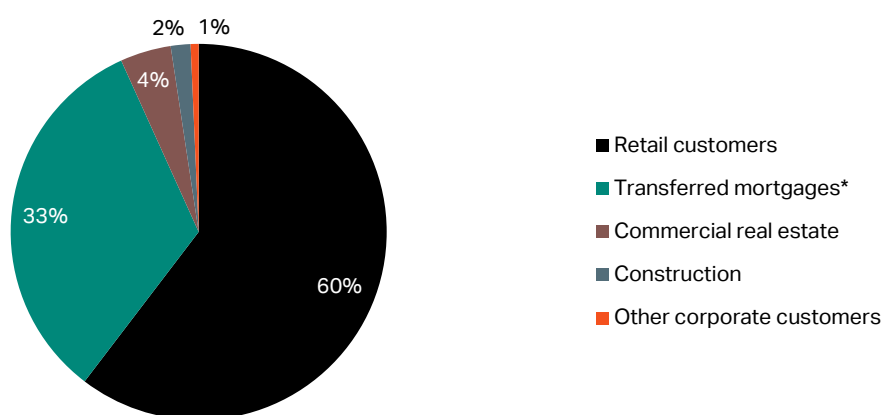
ISSUER PROFILE

Bien Sparebank is a small Norwegian regional savings bank, established in 1885 as a savings association but converted to a savings bank in 1985. Today, Bien Sparebank operates as an independent savings bank with one office centrally located in Oslo, which, together with bordering municipalities, constitutes the bank's core market. Total lending was NOK 6.2bn as of 31 Dec. 2024, included transferred loans. More than 90% of the bank's loans are currently residential mortgages.

The bank is a member of the Eika Alliance, an association of over 50 small and medium-sized Norwegian savings banks. The association provides members with product diversity and helps to improve their cost efficiency through the sharing of IT costs and joint efforts in risk management and compliance. It also enables members to finance residential mortgages via Eika Boligkreditt, Norway's fourth-largest issuer of covered bonds.

Bien Sparebank is one of only two Norwegian savings banks to have issued common shares. The bank was listed on the Oslo Stock Exchange in 2022.

Figure 2. Gross loans by sector/type (including transferred loans), 31 Dec. 2024



Source: company. *Net loans transferred to Eika Boligkreditt.

OPERATING ENVIRONMENT

Operating environment

We consider a balance of national and regional factors in our assessment of the operating environment. Bien Sparebank's operations are highly concentrated in Oslo and neighbouring municipalities. As Norway's capital, Oslo has a strong and diversified economy and accounts for 17% of national GDP. We believe the national economy could weaken over the next few years due to low economic activity and the ongoing effect of high inflation but consider the Norwegian banking sector well positioned to offset higher credit risk with strong earnings and capital.

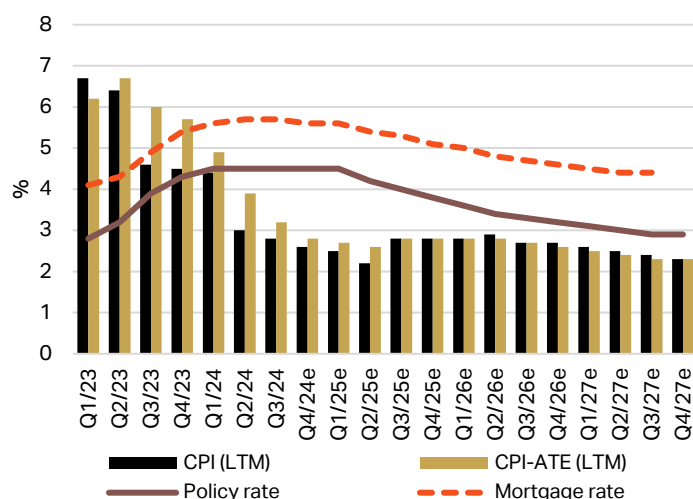
Savings banks are resilient to lower economic activity

National factors

Net interest margins for Norwegian savings banks have widened significantly due to high interest rates since 2021. This, together with strong lending growth, has boosted earnings across the sector. An anticipated drop in interest rates did not materialise in 2024, and net interest margins held up better than we expected. However, we believe that falling interest rates, heightened competition and marginally increased loan losses will slow earnings growth and lower returns on equity in 2025 and 2026.

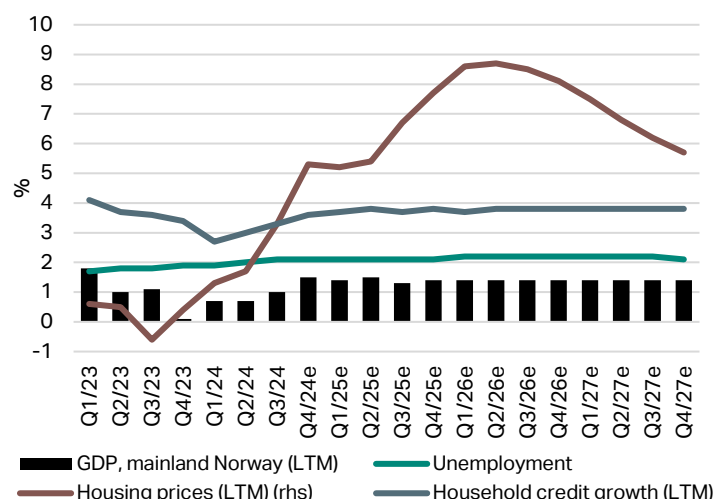
As intended, high interest rates are helping to slow the economy. High interest rates and weak economic conditions led to an increase in loan-loss provisions among domestic savings banks in 2023 and 2024. We now expect flat provision levels through our forecast period. Norway's savings banks are well capitalised and have strong pre-provision profitability, which makes them relatively resilient to increased credit losses.

Figure 3. Norwegian inflation and interest rates, 2023–2027e



Source: central bank. e–estimate. CPI–consumer price index. LTM–last 12 months. ATE–adjusted for tax changes and excluding energy products.

Figure 4. Norwegian economic indicators, 2023–2027e



Source: central bank. e–estimate.

Focus on the economically vibrant Oslo region

More than 60% of Bien Sparebank's customers are in Oslo, with more than 90% in the greater Oslo region, which is home to about 30% of Norway's population of 5.5 million. The capital's population growth has outpaced the national historical average, and will likely increase by 14% by 2050, compared with 10% nationally. Statistics Norway expects the birth surplus to drive population growth in the longer term, while anticipating negative net migration to Oslo.

As the capital city, Oslo offers more job opportunities than other municipalities and good public transport links. Although wages are higher, unemployment in Oslo is also higher than the Norwegian average. Looking ahead, we expect the unemployment rate in Oslo to increase marginally, in line with a weakening economy. We anticipate the regional economy will be more robust than the national average in 2025. Close to 200,000 workers commute to Oslo from nearby municipalities. We expect this figure to increase as population growth in these municipalities will likely outpace that of Oslo.

Figure 5. Core markets

Municipality	Population, Q3 2024	Expected population change, 2024–2050	Unemployment, Jan. 2025	Unemployment, Jan. 2024
Oslo	723,196	13.0	2.8	2.6
Bærum	132,033	12.2	1.9	1.7
Nordre Follo	64,427	14.8	2.8	2.2
Asker	100,136	12.8	2.1	2.0
Nesodden	20,685	14.3	2.5	2.4
Lillestrøm	95,347	19.0	2.9	2.8
Lørenskog	49,634	28.5	3.2	2.7
Core markets	1,185,458	14.1	2.7	2.4
Norway	5,585,044	9.5	2.3	2.1

Source: Statistics Norway, Norwegian Labour & Welfare Administration.

RISK APPETITE

Our assessment of Bien Sparebank's risk profile reflects the bank's strong capital and liquidity buffers, large share of low-risk exposure to the residential mortgage markets, and its ability to transfer loans to Eika Boligkreditt. The bank has a large regional concentration in greater Oslo, given the high share of property lending in the region. We consider the bank's risk governance and internal risk reporting as adequate, in view of its risk profile and complexity.

Regional, sectoral, and cross-border factors

Risk appetite assessment

Risk governance

Risk governance proportional to complexity and size

In our view, Bien Sparebank's risk governance framework, risk appetite, limit monitoring and risk reporting are adequate, considering its balance sheet and risk profile. Since a 2019 review by the Norwegian regulator, the bank has established well-defined guidelines to support anti-money laundering (AML) measures in its daily operations, reducing the risk of related losses and fines. Although the bank is small, with limited resources to respond to an increasing regulatory burden, it has separate credit risk, AML and risk governance managers, as well as an independent third-line function.

The cooperation with the Eika alliance provides Bien Sparebank with additional resources for future development in sustainability. The bank is environmentally certified by Miljøfyrtårn (Eco-Lighthouse), which provides criteria and structure for products and solutions to minimise banks' environmental footprint. The bank finances parts of its mortgage portfolio through Eika Boligkreditt, which has established a framework for green bonds.

Well capitalised with dividend flexibility

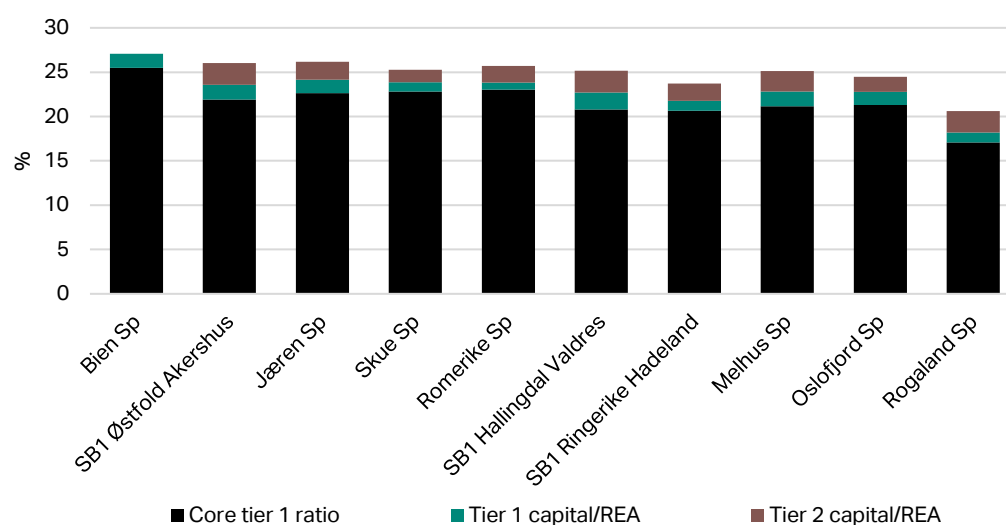
Capital

Our capital assessment considers the bank's consolidated capital position, including its proportionate holdings in Eika Gruppen and Eika Boligkreditt. At end-2024, Bien Sparebank's consolidated CET1 ratio was 21.0%, and its Tier 1 ratio was 22.6%. These figures are higher than the respective targets of 16.6% and 18.6%, which include a management buffer of 1.25%. The bank's Pillar 2 requirement is 2.1%. The consolidated leverage ratio is strong, at 9.1%.

We expect Bien Sparebank will expand its loan book by 10–15% annually over the next three years. Combined with increased earnings, reduced operating costs after implementation of the new IT platform and moderate loan losses, we forecast a return on equity between 8.4% and 9.7% through 2027, somewhat below the bank's 10% target. Combined with a 50% dividend payout ratio, we expect that loan growth will outpace earnings capacity in 2025–2027. However, we anticipate an approximately 5pp boost in the bank's capital ratios from 2025 following the implementation of CRR3. This is higher than the 2–3% lift we expect for most savings banks, which is explained by Bien Sparebank's high share of retail mortgage loans with low loan-to-value.

CRR3 is scheduled come into force in Norway on 1 April 2025 (see Relevant Research). The new method is more risk-sensitive than previously and likely to reduce capital requirements significantly for small to medium-sized retail and savings banks. We expect CRR3 will improve the competitiveness of banks that use the standard approach to credit risk by reducing the current disparity with larger banks that use the internal ratings-based approach.

Figure 6. Norwegian savings banks' capital ratios*, 31 Dec. 2024



Source: bank reports.*Unconsolidated capital ratios.

Funding and liquidity

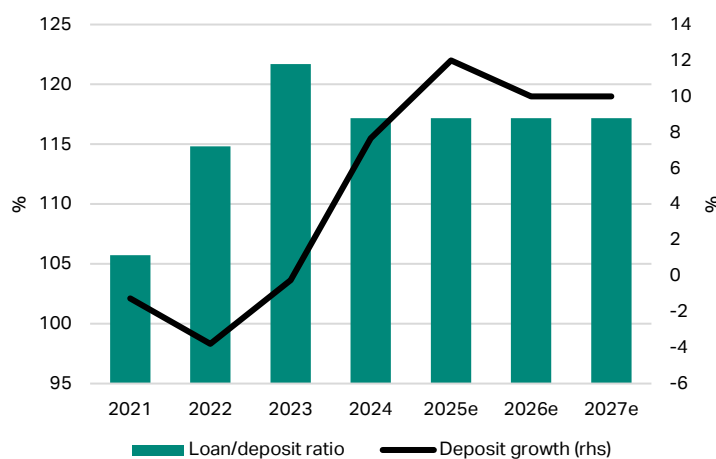
Access to capital markets secures growth

Bien Sparebank's funding is diverse, with a relatively stable retail deposit base and demonstrated access to capital markets. Increased transfers to Eika Boligkreditt have prompted a reduction in the loan-to-deposit ratio to 117% from 123% one year earlier. We expect that deposits and lending will grow in tandem from now on, even though stiffening competition for funding is a risk factor given the bank's growth strategy. The bank maintains strong liquidity buffers. The liquidity coverage ratio was 192% with a net stable funding ratio of 159% at end-2024, well above the bank's internal limits of 115% for both. We expect Bien Sparebank will maintain strong liquidity ratios.

Bien Sparebank has NOK 930m in outstanding senior bonds and one outstanding certificate of NOK 70m. The debt maturity profile is evenly distributed, with senior unsecured maturities spread over 2025–2030. The bank also issued NOK 40m in hybrid capital while redeeming a subordinated bond of NOK 50m in 2024.

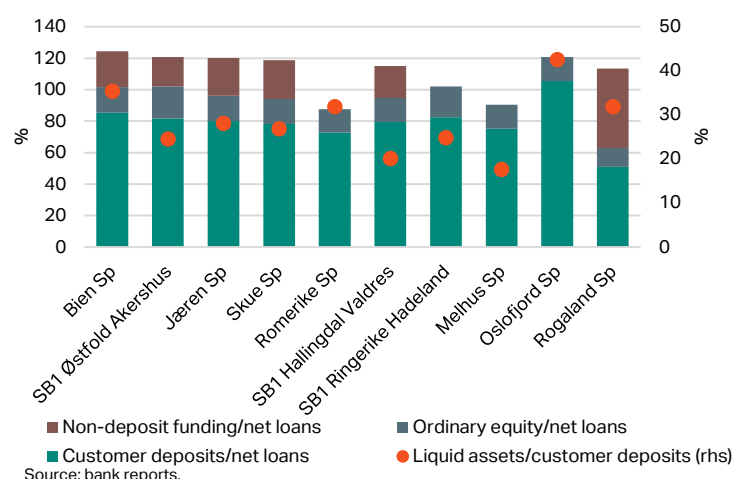
Eika Boligkreditt is a stable and important source of funding for Bien Sparebank and provides access to more affordable funding with longer terms to maturity than the bank can achieve by itself. Bien Sparebank increased its transfer ratio to Eika Boligkreditt to 35% of loans in 2024 from 25% one year earlier. We expect a stable transfer ratio in the next few years. The bank has a significant buffer in loans that it can transfer to the covered-bond companies as a liquidity reserve.

Figure 7. Deposit metrics, 2021-2027e



Source: company, e-estimate.

Figure 8. Norwegian savings banks' funding, 31 Dec. 2024



Source: bank reports.

More focused on mortgages than most savings banks

Bien Sparebank's lending grew by 16% in 2024, including loans transferred to Eika Boligkreditt. This is significantly higher than the 3.8% market growth (household lending) in 2024. Our loan growth forecast for the 2025–2027 period is 10–15%, both on- and off-balance sheet.

The bank has a material concentration of regional real-estate collateral, given that most of its customers are based in its core market. Residential mortgages represent 93% of the bank's credit portfolio (including transferred loans). While the current strong growth is a risk factor, this is mitigated by the predominantly low-risk mortgage loan portfolio. The bank's largest corporate exposures are to property management and construction. As a result, more than 99% of lending is exposed to retail and commercial real estate.

The Oslo housing market has traditionally exhibited a higher sensitivity to interest rates, largely attributable to elevated prices and loan-to-value ratios. In 2024, Oslo's housing prices increased by 5.4%, according to Statistics Norway, surpassing the national average of 4.8%. We expect that lower interest rates will push prices up further in 2025. The rising housing prices over the past decade have bolstered the bank's collateral. Notably, a significant portion of loans feature robust collateral, mitigating the risk of a substantial decline in housing prices. This positive trend aligns with our assessment of Bien Sparebank's credit risk.

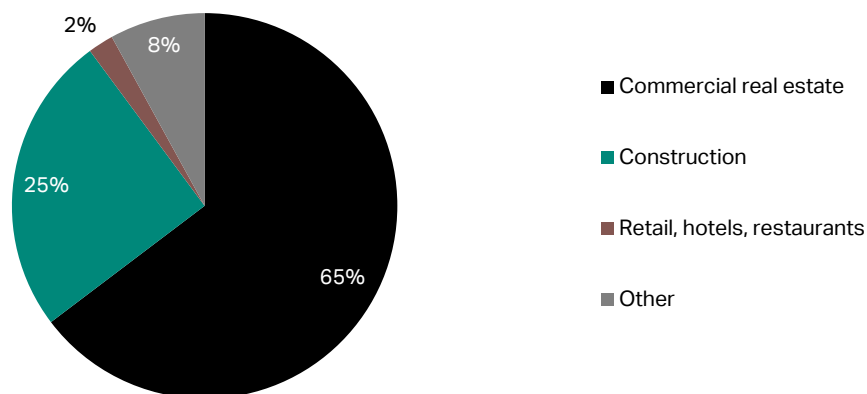
The NOK 2.0bn in loans transferred to Eika Boligkreditt provides commission income, as well as a share of profit through the bank's minority shareholding. The bank does not offload its risk for these

Credit risk

loans, however, and will likely take back nonperforming loans from Eika Boligkreditt to maintain a clean cover pool. Where repatriation of loans is not possible, which has yet to occur, Bien Sparebank guarantees 1% of transferred loans and covers 80% of any net loss occurred by Eika Boligkreditt, with charges netted from commission payments for transferred loans.

Lending to corporate customers accounts for 10% of Bien Sparebank's gross on-balance-sheet lending, significantly less than the average for Norwegian savings banks. Corporate lending is concentrated on commercial real estate and construction. We are monitoring these sectors, due to high interest and building costs, and the risk of falling commercial property prices in Norway.

Figure 9. Corporate gross loans by sector (excluding transferred loans), 31 Dec. 2024



Source: company.

Small size creates operational vulnerability

Other risks

We do not believe market risk is a material factor for Bien Sparebank, given the absence of a trading portfolio and its low limits on interest rate risk and currency risk. Key person risk, however, is a factor for a small bank with around 30 employees. While there is good availability of labour in Oslo, there is also competition for personnel with the right skillsets.

Bien Sparebank has strategic ownership stakes in Eika Gruppen (1.23%) and Eika Boligkreditt (1.39%), which provide access to the Norwegian covered-bond market, insurance, asset management, a real-estate agency and credit products, and ensure a strong voice alongside the other savings bank owners. This ownership also contributes to the bank's earnings through dividend payments, alongside commissions paid on transferred loans and savings.

COMPETITIVE POSITION

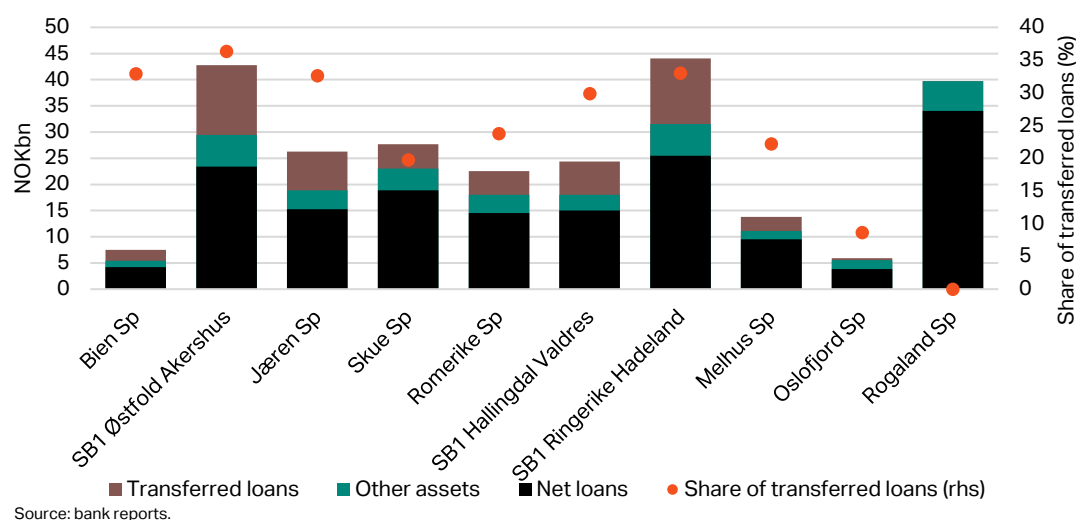
Competitive position

Our assessment of the bank's competitive position is limited by its relatively small size in the Oslo region, where most major players are present. At the national level, the bank has only a small presence, with about 0.1% of total customer deposits and 0.2% of total mortgages (including loans transferred to Eika Boligkreditt). However, Bien Sparebank is a niche bank with an emphasis on personal customer service, with easy access to its branch in central Oslo, and we believe that the bank has stronger customer loyalty than its larger competitors. It was also among the first banks to offer senior loans to customers above 60 years of age with unutilised collateral.

Bien Sparebank's membership in the Eika alliance expands the bank's customer offerings beyond what it could provide itself and diversifies revenues. Via Eika, the bank provides customers with insurance, debit and credit products, asset management and a real-estate agency.

We consider Bien Sparebank's role in, and financial contributions to, its local market as a somewhat positive rating factor, as they strengthen the bond between the bank and its customers. A large proportion of the bank's dividends go to the local community through the foundation owners, in addition to other donations from the bank.

Figure 10. Norwegian savings banks' total assets and net lending, 31 Dec. 2024



PERFORMANCE INDICATORS

Performance indicators

We expect Bien Sparebank's profitability between 2025 and 2027 to remain strong. Margins will, we believe, stay at higher levels than before 2023, despite some pressure. Moreover, improved cost efficiency should support earnings in the years ahead. We believe that loan losses and loan-loss provisions will increase due to the slowdown in the overall economy but remain at relatively low levels.

Strong earnings likely as cost efficiency improves

Earnings

Net interest income accounted for 84% of Bien Sparebank's operating income in 2024. It reported a small increase in net interest margin in 2024. We believe that the bank's margins peaked in 2024 and expect interest margins will decline but remain above recent historical levels over the course of our forecast period. The contraction in interest margins will likely stem both from increased competition for lending and deposits and from lower interest rates in 2025 and 2026.

Figure 11. Norwegian savings banks' annualised net interest margins, Q1 2024 – Q4 2024

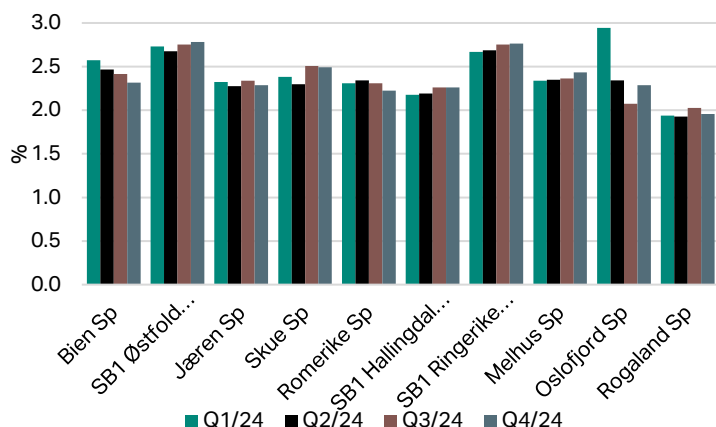
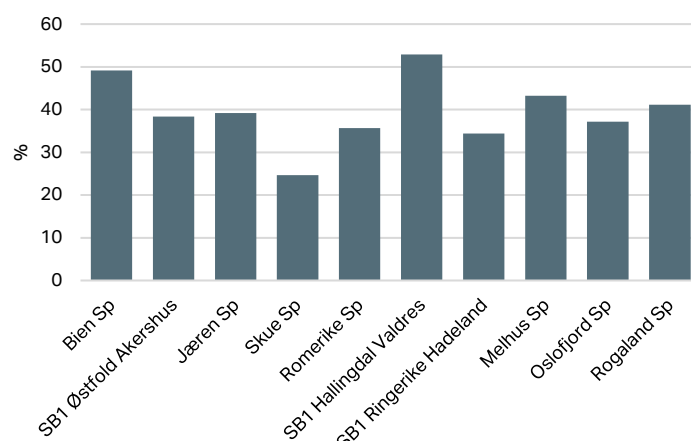


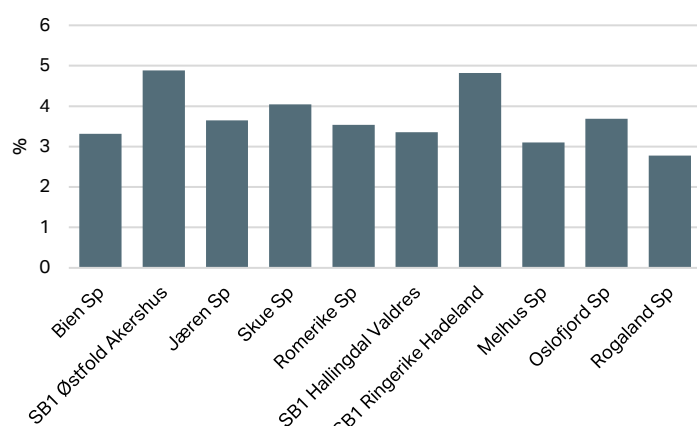
Figure 12. Norwegian savings banks' cost efficiency metrics, LTM to 31 Dec. 2024



The bank's cost-to-income ratio was 49% in 2024, continuing a downward trend from 64% in 2020. Improved interest income has been the most significant contributor to the bank's increased cost efficiency. Bien Sparebank implemented its new core banking system in April 2023 and has indicated that it expects this to lead to significant IT cost reductions in coming years. The combination of both increased net interest income, due to loan growth, and continued improvement in cost efficiency from 2024, lead us to project pre-provision income (PPI) to REA above 3% in 2026 and 2027. The bank's

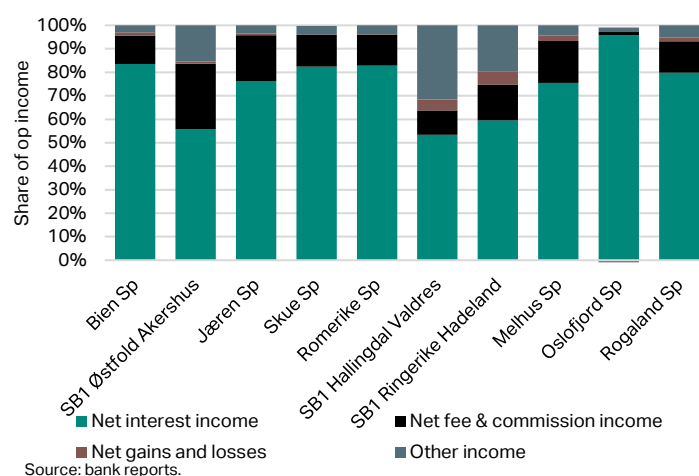
profitability is, however, not sufficient to maintain stable capital ratios given its expectations for strong loan growth.

Figure 13. Norwegian savings banks' PPI to REA*, LTM to 31 Dec. 2024



Source: bank reports. PPI-pre-provision income, REA-risk exposure amount.
*Unconsolidated REA of parent bank.

Figure 14. Norwegian savings banks' split between income groups, LTM to 31 Dec. 2024



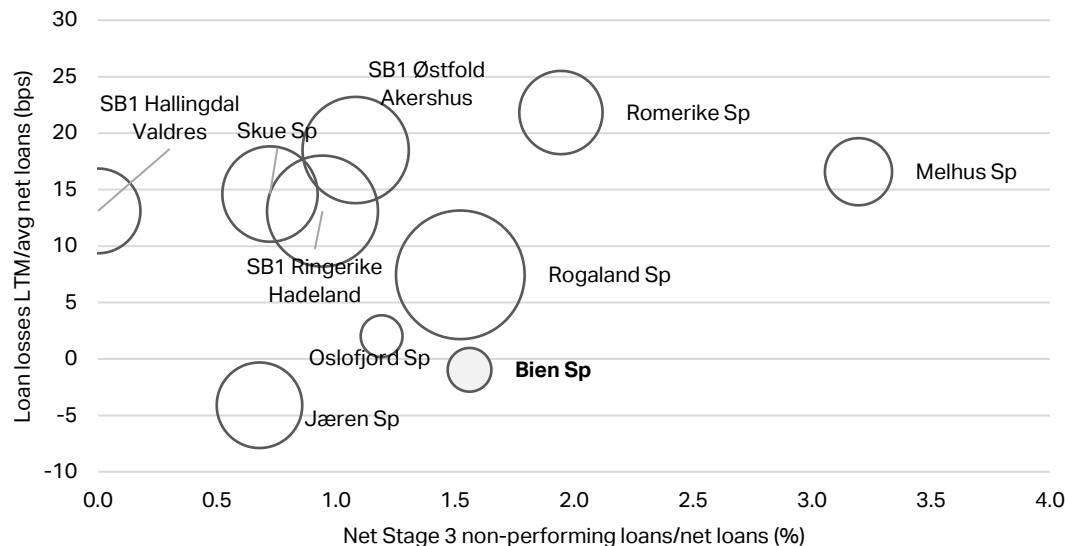
Source: bank reports.

Two consecutive years with net reversals of loan losses

Bien Sparebank booked net reversals of NOK 0.4m in 2024 and NOK 2.3m in 2023, but we project that loan losses will revert to the pre-2023 level in coming years. We also note that the bank's small size and relatively large-sized retail loans make it vulnerable for volatility in loan losses. The bank's net stage 3 nonperforming loans to net loans are 1.6%, somewhat above the median for its domestic peer group.

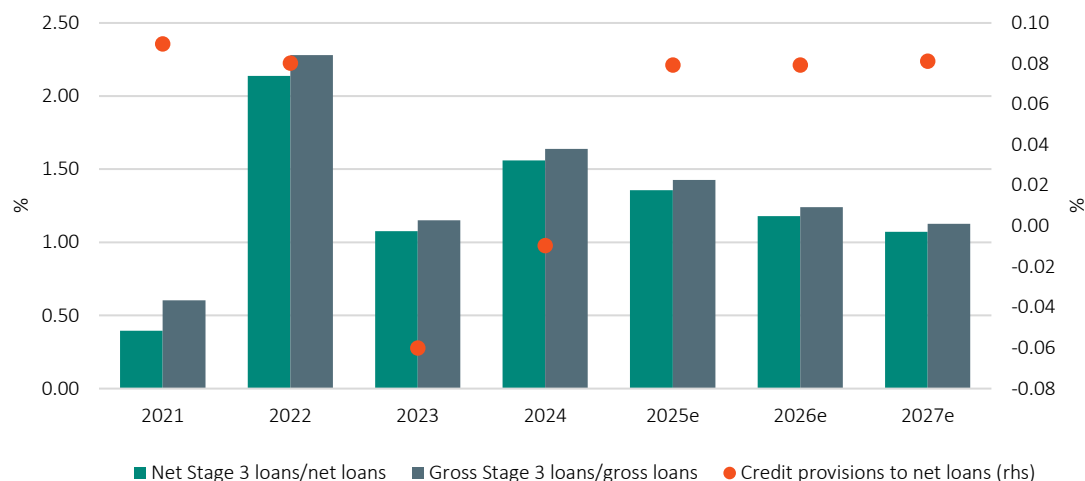
Loss performance

Figure 15. Norwegian savings banks' asset quality metrics, 31 Dec. 2024



Source: bank reports. Bubble sizes reflect net loan volumes.

Figure 16. Asset quality metrics, 2021–2027e



Source: company, e-estimate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

Environmental, social and governance (ESG) factors are considered throughout our analysis, where material to the credit assessment. In aggregate, we view the bank's ESG profile as having a moderately positive impact on its creditworthiness.

Figure 17. Priority ESG factors

Issue/area	Risk/opportunity	Impacted subsections (impact on credit assessment*)
Physical climate risk to collateral	Climate-related damage to real-estate and agricultural collateral (closely linked to supervision of insurance). Longer term effects on market values in flood risk areas.	Credit risk (-) Loss performance (0)
Social engagement in local community	Close connection to narrow regional markets provides a benefit.	Competitive position (+) Earnings (+) Funding & liquidity (0)
Anti-money laundering capacity	Risk of sanctions and fraud due to insufficient control of customers.	Risk governance (-)
Control of sustainability issues	Risk of overlooking sustainability impacts in the bank's underwriting, operations, and customer base.	Risk governance (0) Credit risk (0)

*Defined on a 5-step scale ranging from double minus (--) to double plus (++), with (-) representing the most negative impact and (++) the most positive. See [ESG factors in financial institution ratings](#).

ADJUSTMENT FACTOR

Borderline assessment

We have lowered our standalone credit assessment on Bien Sparebank by one notch to reflect the stiff competition the bank faces and its low market share in its core region of Oslo. The one-notch reduction also reflects the bank's concentrated exposure to real estate in its core region and a lack of scale which affects its ability to adapt to an increasing regulatory burden. The adjustment has been made to counteract the effect of higher assessments of risk governance and other risks.

Support analysis

We view Bien Sparebank's ownership as supportive in our standalone credit assessment, but do not adjust to reflect this support. We consider it positive that the bank has access to the equity market through its listed common shares. Its largest owner is a foundation that exists to ensure the bank's long-term and stable ownership and whose main income comes from the bank's dividends. These are used to fund various activities in the local community. The foundation has limited resources to support the bank.

Figure 18. Ownership structure, 31 Dec. 2024

Owner	Share of capital
Sparebankstiftelsen Bien	47.45%
JBF Forsikring Gjensidig	19.90%
Sparebanken Sør	4.80%
VPF Eika Egenkapitalbevis	2.32%
Berget, Ragnar Magnus	0.95%
Other	24.58%
Total	100.0%

Source: company.

ISSUE RATINGS

Our rating on Bien Sparebank's senior unsecured debt is in line with the 'BBB+' long-term issuer rating. The bank has outstanding Additional Tier 1 instruments, which we rate three notches below the issuer rating. If the bank issues Tier 2 instruments, we would rate them one notch below the issuer rating. Consequently, Tier 2 instruments would be rated 'BBB', while the Additional Tier 1 instruments are rated 'BB+'.

SHORT-TERM RATING

The 'N2' short-term rating is the higher of the two alternatives, given our 'BBB+' long-term issuer rating, which reflects Bien Sparebank's access to central bank funding and our assessment that its liquidity is adequate, based on an average liquidity coverage ratio of 197% over the last four quarters.

METHODOLOGIES USED

- (i) [Financial Institutions Rating Methodology](#), 14 Feb. 2024.
- (ii) [Rating Principles](#), 14 Feb. 2024.
- (iii) [Group and Government Support Rating Methodology](#), 14 Feb. 2024.

RELEVANT RESEARCH

- (i) [Nordic niche banks navigate through winds of change](#); 4 Mar. 2025.
- (ii) [Lower interest margin will lead to a drop in profitability for Norwegian savings banks](#), 20 Jan. 2025.
- (iii) [NCR Comments: Norway moves to adopt new standardised approach to capital requirements](#), 6 Dec. 2024.
- (iv) [Norwegian savings banks' capitalization boosted by CRR3](#), 26 Jun. 2024.

Figure 19. Bien Sparebank key financial data, 2021–2024

Key credit metrics (%)	FY 2021	FY 2022	FY 2023	FY 2024
INCOME COMPOSITION				
Net interest income to op. revenue	74.7	79.7	82.4	83.5
Net fee income to op. revenue	18.4	14.0	10.7	12.1
Net trading income to op. revenue	-0.9	-1.4	2.4	1.3
Net other income to op. revenue	7.8	7.7	4.5	3.1
EARNINGS				
Net interest income to financial assets	1.5	1.9	2.4	2.4
Net interest income to net loans	2.1	2.5	3.0	3.1
Pre-provision income to REA	1.8	2.5	3.2	3.3
Core pre-provision income to REA (NII & NF&C)	1.4	2.1	2.8	3.0
Return on ordinary equity	6.0	7.5	8.8	9.1
Return on assets	0.6	0.8	1.1	1.2
Cost-to-income ratio	61.3	54.5	51.9	49.2
Core cost-to-income ratio (NII & NF&C)	65.8	58.2	55.7	51.4
CAPITAL				
CET1 ratio	18.0	21.8	22.5	25.5
Tier 1 ratio	19.3	23.7	24.3	27.1
Capital ratio	21.5	26.1	26.6	27.1
REA to assets	45.1	41.7	43.0	45.9
Dividend payout ratio	32.9	39.7	50.0	50.0
Leverage ratio	8.6	7.9	7.9	0.0
Consolidated CET1 ratio	17.1	20.3	21.4	21.0
Consolidated Tier 1 ratio	18.5	22.2	23.2	22.6
Consolidated Capital ratio	20.6	24.6	25.4	23.0
Consolidated Leverage ratio	7.8	8.7	9.3	9.1
GROWTH				
Asset growth	-1.4	-0.7	3.0	6.8
Loan growth	-1.9	4.5	5.7	3.6
Deposit growth	-1.3	-3.8	-0.2	7.7
LOSS PERFORMANCE				
Credit provisions to net loans	0.09	0.08	-0.06	-0.01
Stage 3 coverage ratio	34.59	6.55	6.60	4.99
Stage 3 loans to gross loans	0.60	2.28	1.15	1.64
Net stage 3 loans to net loans	0.40	2.14	1.08	1.56
Net stage 3 loans/ordinary equity	2.87	13.30	6.63	9.63
FUNDING & LIQUIDITY				
Loan to deposit ratio	105.7	114.8	121.7	117.2
Liquid assets to deposit ratio	38.1	33.7	32.0	35.4
Net stable funding ratio	144.0	129.0	147.0	150.0
Liquidity coverage ratio	197.0	318.0	289.0	192.0

Key financials (NOKm)	FY 2021	FY 2022	FY 2023	FY 2024
BALANCE SHEET				
Total assets	4,997	4,960	5,106	5,453
Total tangible assets	4,997	4,960	5,106	5,453
Total financial assets	4,961	4,928	5,086	5,434
Net loans and advances to customers	3,645	3,809	4,028	4,174
Total securities	1,177	896	932	1,132
Customer deposits	3,448	3,317	3,309	3,563
Issued securities	889	821	873	953
of which other senior debt	838	770	822	953
of which subordinated debt	50	51	51	–
Total equity	535	652	694	717
of which ordinary equity	505	612	654	677
CAPITAL				
Common equity tier 1	406	450	494	637
Tier 1	436	490	534	677
Total capital	486	540	584	677
REA	2,254	2,068	2,197	2,501
INCOME STATEMENT				
Operating revenues	102	119	143	153
Pre-provision operating profit	39	54	69	78
Impairments	3	3	-2	-0
Net Income	29	42	56	61

Source: company. FY–full year. YTD–year to date.

Figure 20. Bien Sparebank rating scorecard

Subfactors	Impact	Score
National factors	10.0%	a
Regional, cross border, sector	10.0%	a
Operating environment	20.0%	a
Risk governance	5.0%	bbb+
Capital	17.5%	a+
Funding and liquidity	15.0%	a-
Credit risk	10.0%	bbb+
Market risk	-	-
Other risks	2.5%	bbb+
Risk appetite	50.0%	a-
Competitive position	15.0%	bb-
Earnings	7.5%	a
Loss performance	7.5%	a-
Performance indicators	15.0%	a-
Indicative credit assessment		a-
Transitions		Neutral
Peer calibration		Neutral
Borderline assessments		-1 notch
Stand-alone credit assessment		bbb+
Material credit enhancement		Neutral
Rating caps		Neutral
Support analysis		Neutral
Issuer rating		BBB+
Outlook		Stable
Short-term rating		N2

Figure 21. Capital structure ratings

Seniority	Rating
Senior unsecured	BBB+
Tier 2	BBB
Additional Tier 1	BB+

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