



Supplementary Information for Investors and Analysts

## **2007 Second Quarter Results**

(Unaudited)

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### **Financial Calendar 2007**

Preliminary results 2006	22 February
Annual general meeting	24 April
Ex-dividend date	25 April
Payment of dividend	As from 7 May
First quarter	3 May
Second quarter	9 August
Third quarter	1 November

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In accordance with Section 3-9 of the Norwegian Accounting Act, the DnB NOR Group prepares consolidated accounts in accordance with IFRS principles, including IAS 34 - Interim Financial Reporting. Unless otherwise specified, figures are based on IFRS. A description of the accounting principles applied by the Group is found in the annual report for 2006. See section 1 under Accounting principles.

Statements regarding DnB NOR's relative market positions are, unless otherwise specified, based on internal DnB NOR analyses.

## **Section 1**

# **DnB NOR - an overview**

## Financial highlights

### Second quarter 2007

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- Pre-tax operating profits before write-downs were up 19.5 per cent to NOK 4.0 billion (3.4)
- Profit for the period increased by 19.5 per cent to NOK 3.4 billion (2.9)
- Expenses were reduced to 49.1 per cent of income (50.7)
- Return on equity was 20.4 per cent (19.2)
- The core capital ratio, including 50 per cent of interim profits, was 7.4 per cent (6.9)

### First half 2007

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- Pre-tax operating profits before write-downs were up 10.2 per cent to NOK 7.8 billion (7.1)
- Profit for the period increased by 10.1 per cent to NOK 6.3 billion (5.7)
- Expenses were reduced to 49.4 per cent of income (49.5)
- Return on equity was 18.8 per cent (19.2)
- The core capital ratio, including 50 per cent of interim profits, was 7.4 per cent (6.9)

Comparable figures for 2006 in parentheses.

## DnB NOR – Norway's leading financial services group

### DnB NOR Group

• Total combined assets	NOK	1 802 billion
• Total balance sheet	NOK	1 437 billion
• Net lending to customers	NOK	883 billion
• Customer deposits	NOK	528 billion
• Market capitalisation	NOK	102 billion

**As at 30 June 2007**

### Life Insurance and Asset management

• Total assets under management	NOK	595 billion
<u>of which:</u>		
- total assets under management (external clients)	NOK	342 billion
- mutual funds	NOK	102 billion
- discretionary management	NOK	240 billion
- total assets under operations (external clients)	NOK	24 billion
- total assets in Vital	NOK	229 billion
- products with a choice of investment profile	NOK	19 billion

### Customer base

- Serving 2.2 million retail banking customers throughout Norway, of which 928 000 use Internet in active communication (e-dialogue customers)
- More than 198 000 corporate customers in Norway
- Some 1 000 000 individuals insured in Norway
- More than 650 000 mutual fund customers in Norway and 308 institutional asset management clients in Norway and Sweden

### Market shares

See business areas

- |  |           |
|--|-----------|
| • Corporate Banking and Payment Services | pp. 44-54 |
| • Retail Banking                         | pp. 55-60 |
| • DnB NOR Markets                        | pp. 61-65 |
| • Life Insurance and Asset Management    | pp. 66-82 |
| • DnB NORD                               | pp. 83-85 |

### Distribution network

- |  |   |
|--|---|
| • 186 domestic DnB NOR branches          | • Online equities trading in 16 markets               |
| • 17 Nordlandsbanken branches            | • Online mutual funds trading                         |
| • 8 international branches               | • About 300 post office counters <sup>1)</sup>        |
| • 3 international representative offices | • About 1 160 in-store postal outlets <sup>1)</sup>   |
| • 41 Postbanken sales outlets            | • About 1 800 rural postmen <sup>1)</sup>             |
| • 172 DnB NORD branches                  | • 89 DnB NOR Eiendom sales offices                    |
| • 8 DnB NOR Monchebank branches          | • 21 Postbanken Eiendom sales offices                 |
| • DnB NOR Luxembourg (subsidiary)        | • About 200 Svensk Fastighetsförmedling sales offices |
| • Internet banking                       | • 18 Vital sales offices                              |
| • Electronic banking                     | • 53 Vital agent companies                            |
| • Telephone banking                      |   |

1) Provided by Norway Post (the Norwegian postal system)

### Credit ratings from international rating agencies

	Moody's		Standard & Poor's		Dominion Bond Rating Service	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
DnB NOR Bank ASA	Aa1	P-1	A + <sup>1)</sup>	A-1	AA	R-1

1) Positive outlook

## Group strategy

DnB NOR has the largest customer base in the Norwegian financial market and is a leader in most market segments. This market position provides a sound basis for generating further growth by developing and strengthening customer relationships. The business idea reflects DnB NOR's ambitions:

DnB NOR will be customers' best financial partner and will meet their needs for financial solutions. DnB NOR's strengths are a local presence and a full range of services.

Important aspects of DnB NOR's strategy are to give improved advisory services, make decisions as close as possible to the customer and further develop service concepts and a product range well-adapted to meet individual customer needs. DnB NOR's business areas cooperate closely to offer solutions that bring convenience to the everyday lives of customers.

In addition to the Group's strong position in Norway, DnB NOR will further develop the presence in markets outside Norway and increase the share of income from international activities. The Group's international growth will be based on comparative advantages in the form of either competence within various customer segments and industries, special product expertise or established relationships where it is logical to accompany customers expanding outside Norway. DnB NOR is the preferred partner for international customers doing business in Norway.

A common value base and culture are prerequisites for creating a uniform DnB NOR image in the market. The Group's shared values, team spirit, simplicity and value creation, describe what should distinguish the organisation and work processes both internally and in relation to customers. Both internal and external communication should be open, honest and easy to understand.

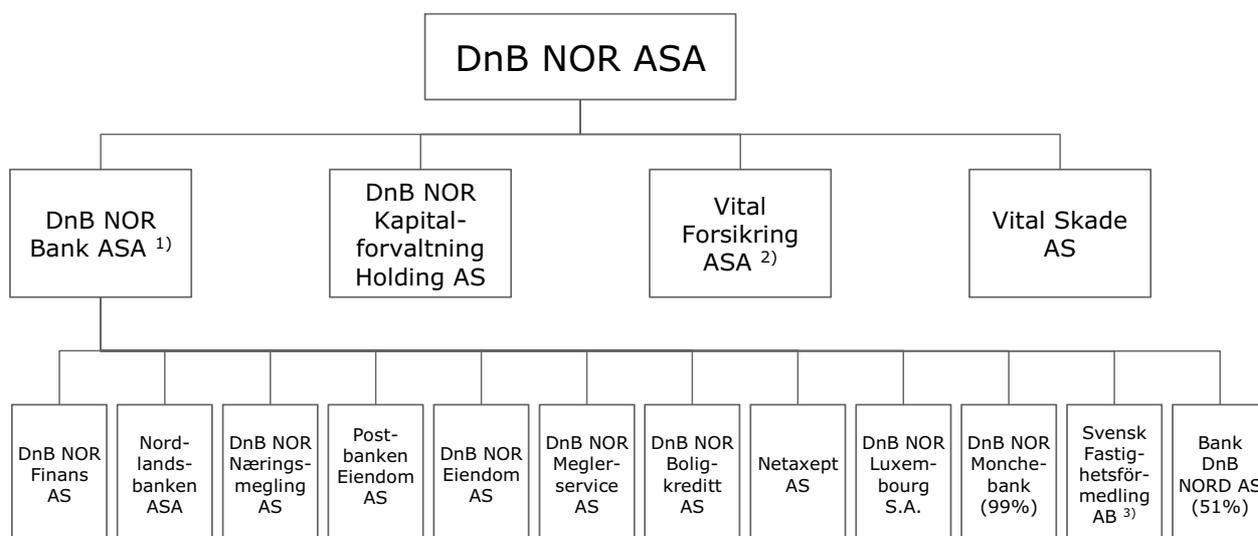
The financial targets reflect the aim to create shareholder value. The Group seeks to achieve a return on equity and share price increases that are competitive in a Nordic context. The specific long-term targets are:

- The return on equity should be above 15 per cent.
- The cost/income ratio should be below 50 per cent by 2008.
- The Group's equity will be structured to ensure that core capital excluding hybrid securities in the long term exceeds the minimum legal requirements by a capital buffer linked to the Group's model for measuring risk-adjusted capital. The capitalisation target corresponds to a core capital ratio of approximately 6.5 per cent as at 30 June 2007.
- Approximately 50 per cent of annual profits should be distributed as dividends, provided that capital adequacy remains at a satisfactory level.
- DnB NOR Bank ASA's ratings for ordinary long-term debt should be maintained at an Aa level according to Moody's rating.

## Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and life insurance activities of the DnB NOR Group are organised in separate limited companies under the holding company DnB NOR ASA. Banking activities are organised in DnB NOR Bank ASA. All asset management activities are organised under a common holding company, DnB NOR Kapitalforvaltning Holding AS. Vital Forsikring ASA carries out life insurance and pension saving products and offers both products with guaranteed returns and products with a choice of investment profile. Vital Link AS merged with Vital Forsikring ASA in February 2007. Vital Skade AS offers non-life insurance as part of a total product package for retail and corporate clients and operates as an agent for domestic and foreign insurance underwriters. The chart below shows the legal structure of the DnB NOR Group at end-June 2007.

### DnB NOR Group - legal structure at end-June 2007



- 1) Major subsidiaries only. Ownership 100 per cent unless otherwise indicated.  
 2) Vital Link AS merged with Vital Forsikring ASA in February 2007.  
 3) Included in DnB NOR Group as from end-June 2007.

## Group business structure

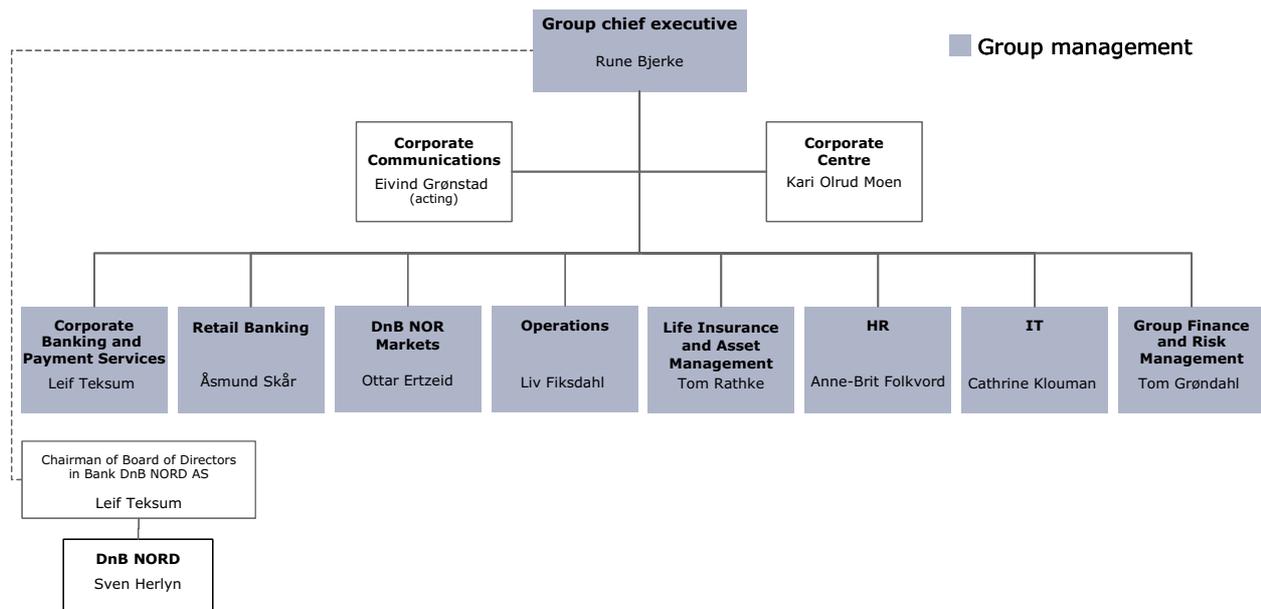
In order to meet new challenges in the financial services industry, DnB NOR reorganised its operations and changed the composition of its group management team in June 2007.

### The most important changes are:

- The establishment of an operations unit to merge production and operations expertise in order to achieve economies of scale, improve efficiency and streamline operations.
- The amalgamation of operations in DnB NOR Asset Management and Vital into one business area to ensure greater focus on long-term savings across the Group.
- The streamlining of the IT and HR organisations.
- The establishment of a Corporate Centre for group strategy, growth and lean banking across business units.

The business areas, Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life Insurance and Asset Management are independent profit centres and carry responsibility for customer segments served by the Group, as well as the products offered. In addition DnB NOR is reported as a separate profit centre. The operational structure of DnB NOR deviates from its legal structure as activities in subsidiaries fall in under the business area relevant to the company's operations.

### DnB NOR Group - organisation chart as at end-June 2007 <sup>1)</sup>



1) Reporting structure.

## Equity-related data

### Key figures

	IFRS				NGAAP
	First half 2007	2006	2005 <sup>1)</sup>	2004 <sup>2)</sup>	2003
Number of shares at end of period (1 000) <sup>3)</sup>	1 334 089	1 334 089	1 336 875	1 327 139	1 309 027
Average number of shares (1 000)	1 334 089	1 335 449	1 334 474	1 317 744	1 309 027
Earnings per share (NOK)	4.60	8.74	7.59	6.25	4.11
Return on equity, annualised (%)	18.8	19.5	18.8	17.7	12.7
RARORAC, annualised (%) <sup>4)</sup>	23.1	22.0	24.1	24.2	n/a
RORAC, annualised (%) <sup>5)</sup>	26.0	26.4	29.8	29.2	n/a
Share price at end of period (NOK)	76.20	88.50	72.00	59.75	44.40
Price/earnings ratio <sup>6)</sup>	8.28	10.13	9.49	9.55	10.81
Price/book value	1.57	1.84	1.68	1.57	1.29
Dividend per share (NOK)	n/a	4.00	3.50	2.55	2.20
Dividend yield (%)	n/a	4.52	4.86	4.27	4.95
Equity per share including allocated dividend at end of period (NOK)	48.65	48.13	42.94	38.03	34.37

1) Including the effect of the 9 736 376 shares issued on 31 March 2005 in connection with the subscription rights programme for employees in the former DnB Group.

2) Including the effect of the 12 929 907 shares issued on 26 March 2004 in connection with the subscription rights for employees in the former DnB Group and the effect of 5 181 408 shares issued in October 2004 in connection with the subscription rights programme for employees in the former Gjensidige NOR Group.

3) The Annual General Meeting authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 1 336 874 898, corresponding to 10 per cent of share capital. After the repurchase DnB NOR held a total of 2 786 047 own shares as at 31 December 2006.

4) RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation.

5) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement. Profits for the period are exclusive of profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity and for the difference between recorded interest on average equity and interest on risk-adjusted capital. The risk-adjusted capital requirement is described in further detail in the chapter "Management in DnB NOR" in the DnB NOR Group's annual report for 2006.

6) Closing price at end of period relative to annualised earnings per share.

### Share price development – 1 July 2006 to 1 August 2007

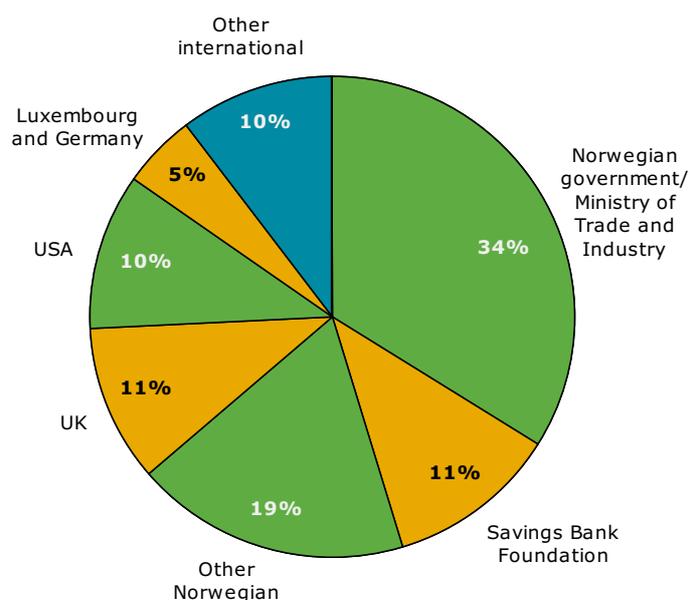


## Shareholder structure as at 30 June 2007

### Major shareholders

	Shares in 1 000	Ownership in %
Norwegian Government by Ministry of Trade and Industry	454 537	34.07
DnB NOR Savings Bank Foundation	149 290	11.19
Folketrygdfondet	58 203	4.36
Capital	36 058	2.70
Deutsche Bank AS/DWS Investment	19 114	1.43
DnB NOR Employee Fund	16 802	1.26
Jupiter Asset Management	15 454	1.16
DnB NOR Asset Management	14 791	1.11
Pioneer Asset Management	13 281	1.00
Swedbank Proprietary Account	11 186	0.84
Oslo Pensjonsforsikring	10 426	0.78
Putnam	8 738	0.65
Orkla ASA (incl. Nordstjernen Holding)	8 500	0.64
The Income Fund of America INC	7 500	0.56
ABN AMRO	5 685	0.43
Storebrand Livsforsikring	5 593	0.42
PGGM	5 455	0.41
Verdipapirfondet KLP	5 189	0.39
L&G Legal and General	4 900	0.37
Stichting Pensionenfond	4 514	0.34
<b>Total largest shareholders</b>	<b>855 216</b>	<b>64.10</b>
Other	478 873	35.90
<b>Total</b>	<b>1 334 089</b>	<b>100.00</b>

### Ownership according to investor category



Norwegian investors: 64 per cent. International investors: 36 per cent.

## Accounting principles etc.

### Accounting principles

The accounts have been prepared according to IFRS principles, including IAS 34 - Interim Financial Reporting. All figures presented are based on such principles, except where explicitly stated otherwise. A description of accounting principles applied by the Group in preparing the accounts is found in the annual report for 2006.

### Estimates

When preparing the consolidated accounts, management makes assessments and estimates and prepares assumptions that influence the effect of the accounting principles applied and thus the recorded values of assets and liabilities, income and expenses. Note 2 in the annual accounts for 2006 gives a description of important estimates and assumptions. With effect from 31 December 2006, the Group changed the assumption concerning life expectancy in connection with the calculation of pension commitments. This has affected pension expenses for 2007, see table on page 29. During the second quarter, Vital changed its tax treatment of value adjustments on indirectly owned properties, which resulted in a NOK 390 million tax gain for the quarter. Beyond that, the same estimates and assumptions that are described in the 2006 accounts have been applied when preparing the accounts for the second quarter of 2007.

### Comparable figures

Comparable figures are based on IFRS. Comparable figures prior to 31 Dec. 2005 have not been restated for the establishment of DnB NOR and purchase of Monchebank. Comparable figures prior to 2007 have not been restated for the purchase of BISE Bank and Svensk Fastighetsförmedling.

### Effects of new principles for financial guarantees

In the fourth quarter of 2006 the DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts with effect from 1 January 2006. Under the new principles financial guarantee contracts issued are initially recorded in the balance sheet at fair value and subsequently at the highest of fair value adjusted for any cumulative amortisation of commissions or the implicit liability in the contract. Except for individually identified impaired commitments, any changes in the value of financial guarantee contracts issued including amortisation of commissions are recorded as "Net gains on financial instruments at fair value". Changes in the value of financial guarantee contracts issued included in individually identified impaired commitments are recorded under "Write-downs on loans and guarantees". The fair values of financial guarantee contracts issued are recorded under "Provisions" in the balance sheet.

The new principles for financial guarantee contracts implied certain reclassifications in the profit and loss accounts and balance sheets. The accounts for periods prior to the fourth quarter of 2006 have been adjusted accordingly. The effects of the new principles in accounting figures are shown in the tables below.

### Effects on the income statement <sup>1)</sup>

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06	2006
Commissions and fees receivable etc.	(114)	(107)	(103)	(92)	(89)	(84)	(368)
Commissions and fees payable etc.	(4)	(4)	(7)	(2)	(1)	(1)	(11)
Net gains on financial instruments at fair value	108	117	96	109	67	69	341
Net other operating income	(2)	13	0	19	(20)	(14)	(15)
Write-downs on loans and guarantees	(2)	13	0	19	(20)	(14)	(15)
<b>Profit for the period</b>	<b>0</b>						

1) Figures presented for periods prior to the fourth quarter 2006 have been adjusted according to the table above.

### Effects on the balance sheet <sup>1)</sup>

<i>Amounts in NOK million</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Lending to customers	81	78	91	90	109	75
<b>Total assets</b>	<b>81</b>	<b>78</b>	<b>91</b>	<b>90</b>	<b>109</b>	<b>75</b>
Other liabilities	(25)	(25)	(29)	(27)	(26)	(24)
Provisions	106	103	120	117	135	99
<b>Total liabilities and equity</b>	<b>81</b>	<b>78</b>	<b>91</b>	<b>90</b>	<b>109</b>	<b>75</b>

1) Figures presented for periods prior to 31 December 2006 have been adjusted according to the table above.



## **Section 2**

# **Financial results DnB NOR Group**

Comparable figures prior to 31 Dec. 2005 have not been restated for the establishment of DnB NOR and purchase of Monchebank

Comparable figures prior to 2007 have not been restated for the purchase of BISE Bank and Svensk Fastighetsförmedling

## Financial results

### Income statement – condensed <sup>1)</sup>

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income	4 219	3 985	3 975	3 911	3 781	8 204	7 403
Net other operating income	3 733	3 528	3 622	2 951	3 090	7 261	6 630
Total operating expenses	3 902	3 744	3 994	3 491	3 483	7 646	6 942
Pre-tax operating profit before write-downs	4 050	3 769	3 602	3 372	3 388	7 818	7 092
Net gains on fixed and intangible assets	9	5	66	135	151	14	163
Write-downs on loans and guarantees	140	51	(16)	(51)	(165)	191	(192)
Pre-tax operating profit	3 919	3 723	3 684	3 558	3 703	7 642	7 447
Taxes	512	856	291	844	853	1 368	1 747
<b>Profit for the period</b>	<b>3 407</b>	<b>2 866</b>	<b>3 394</b>	<b>2 714</b>	<b>2 851</b>	<b>6 274</b>	<b>5 700</b>

1) For full income statement, see page 36.

### Financial highlights

	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Cost/income ratio (per cent) <sup>1)</sup>	49.1	49.8	50.4	50.9	50.7	49.4	49.5
Return on equity (per cent)	20.4	17.2	21.5	18.0	19.2	18.8	19.2
Earnings per share (NOK)	2.50	2.11	2.52	2.00	2.11	4.60	4.21
Total combined assets at end of period (NOK billion)	1 802	1 747	1 688	1 626	1 569	1 802	1 569
Core capital ratio at end of period (per cent) <sup>2)</sup>	7.4	7.6	6.7	6.7	6.9	7.4	6.9

1) Excluding allocation to employees.

2) Including 50 per cent of profit for the year, except for year-end figures. As from the first quarter of 2007, capital adequacy calculations are based on the Basel II framework. See further descriptions on page 34.

### Balance sheet – condensed <sup>1)</sup>

<i>Amounts in NOK billion</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Cash and lending to/deposits with credit institutions	136.2	128.4	82.5	84.6	104.3	62.1
Lending to customers	882.8	842.3	827.9	801.7	764.8	697.6
Commercial paper and bonds	220.2	225.8	234.5	224.4	215.8	198.1
Shareholdings	67.0	62.6	52.9	47.2	44.3	37.4
Fixed and intangible assets	39.2	37.9	37.8	36.9	35.5	34.4
Financial assets, customers bearing the risk	19.1	18.9	18.8	16.0	14.8	13.1
Other assets	72.5	67.9	65.7	57.0	42.5	38.8
<b>Total assets</b>	<b>1437.1</b>	<b>1383.7</b>	<b>1320.2</b>	<b>1268.0</b>	<b>1222.0</b>	<b>1081.4</b>
Loans and deposits from credit institutions	163.7	141.6	124.4	121.1	133.0	108.1
Deposits from customers	527.9	503.1	474.5	457.5	459.7	411.0
Borrowings through the issue of securities	328.5	330.3	326.8	316.5	281.5	236.6
Insurance liabilities, customers bearing the risk	19.1	18.9	18.8	16.0	14.8	13.1
Liabilities to life insurance policyholders	191.5	189.7	188.1	182.2	182.2	174.7
Other liabilities and provisions	104.7	93.5	87.2	76.0	59.9	53.5
Primary capital	101.6	106.6	100.4	98.7	90.8	84.5
<b>Total liabilities and equity</b>	<b>1437.1</b>	<b>1383.7</b>	<b>1320.2</b>	<b>1268.0</b>	<b>1222.0</b>	<b>1081.4</b>

1) For full balance sheet, see page 34.

## Net interest income

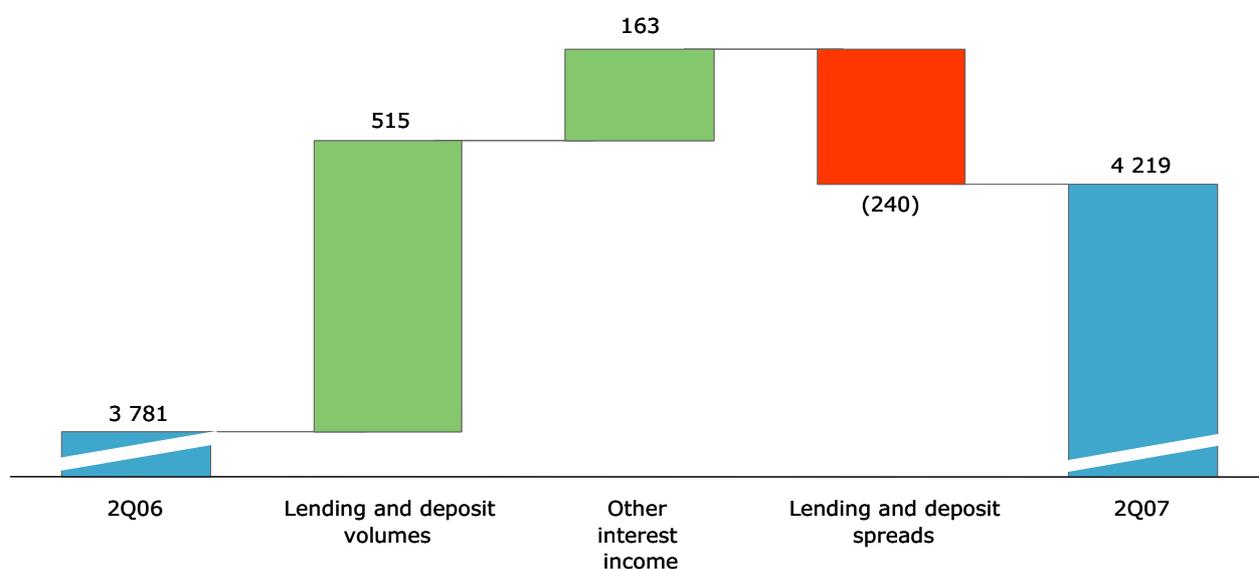
### Net interest income

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Interest income	14 798	13 386	12 556	10 961	10 001	28 184	18 865
Interest expenses	10 579	9 401	8 581	7 049	6 219	19 980	11 462
<b>Net interest income</b>	<b>4 219</b>	<b>3 985</b>	<b>3 975</b>	<b>3 911</b>	<b>3 781</b>	<b>8 204</b>	<b>7 403</b>

### Changes in net interest income

NOK million

From 2nd quarter 2006 to 2nd quarter 2007



### Changes in net interest income <sup>1)</sup>

In the analysis below, DnB NORD is shown separately. Thus, the other items in the tables cannot be directly reconciled with the above chart.

Amounts in NOK million	2Q07	Change	2Q06
<b>Net interest income</b>	<b>4 219</b>	<b>438</b>	<b>3 781</b>
DnB NORD	338	167	170
Lending and deposit volumes, excluding DnB NORD		414	
Lending and deposit spreads, excluding DnB NORD		(294)	
Other, excluding DnB NORD		150	

Amounts in NOK million	2Q07	Change	1Q07
<b>Net interest income</b>	<b>4 219</b>	<b>235</b>	<b>3 985</b>
DnB NORD	338	105	233
Lending and deposit volumes, excluding DnB NORD		95	
Lending and deposit spreads, excluding DnB NORD		13	
Interest days effect, excluding DnB NORD		43	
Other, excluding DnB NORD		(21)	

1) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.

**Net interest income**

<i>Amounts in NOK million</i>	Volume			Spreads in per cent			Net interest income		
	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06
Lending	858 485	826 855	736 390	1.08	1.09	1.35	2 318	2 231	2 464
Deposits	512 327	483 983	430 343	1.01	0.95	0.79	1 282	1 132	850
Equity and non-interest bearing items	51 537	50 657	40 446	4.66	4.22	2.93	598	527	295
Other							22	95	171
<b>Total net interest income</b>							<b>4 219</b>	<b>3 985</b>	<b>3 781</b>

**Segmental interest rate spreads <sup>1)</sup>**

<i>Per cent</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
<i>Lending:</i>							
Corporate Banking and Payment Services	1.04	1.07	1.08	1.18	1.21	1.05	1.27
Retail Banking	1.06	1.08	1.16	1.29	1.41	1.07	1.44
DnB NOR	1.38	1.42	1.44	1.51	1.59	1.40	1.64
<b>Total</b>	<b>1.08</b>	<b>1.09</b>	<b>1.15</b>	<b>1.25</b>	<b>1.35</b>	<b>1.09</b>	<b>1.37</b>
<i>Deposits:</i>							
Corporate Banking and Payment Services	0.72	0.70	0.68	0.60	0.60	0.71	0.58
Retail Banking	1.26	1.17	1.07	1.03	0.96	1.22	0.93
DnB NOR	2.27	1.91	1.61	1.49	1.22	2.09	1.17
<b>Total</b>	<b>1.01</b>	<b>0.95</b>	<b>0.89</b>	<b>0.83</b>	<b>0.79</b>	<b>0.98</b>	<b>0.77</b>
<i>Combined spread - lending and deposits:</i>							
<b>Total</b>	<b>2.09</b>	<b>2.04</b>	<b>2.04</b>	<b>2.08</b>	<b>2.14</b>	<b>2.07</b>	<b>2.14</b>

1) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.

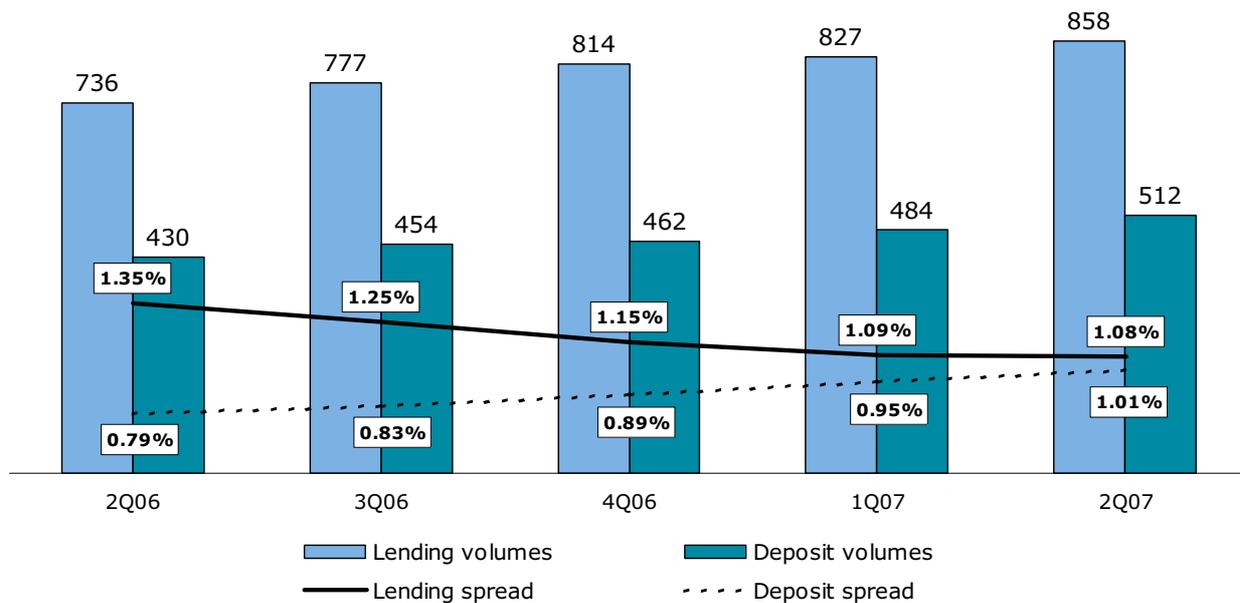
**Changes in net interest income 2Q06-2Q07 due to changes in lending and deposits <sup>1)</sup>**

<i>Amounts in NOK million</i>	Volume	Interest rate spreads	Total
Lending *)	344	(504)	(160)
Deposits **)	171	265	436
<b>Total</b>	<b>515</b>	<b>(240)</b>	<b>275</b>
*) Of which DnB NOR	64	(19)	44
***) Of which DnB NOR	38	38	76

1) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.

### Developments in average volumes and interest spreads <sup>1)</sup>

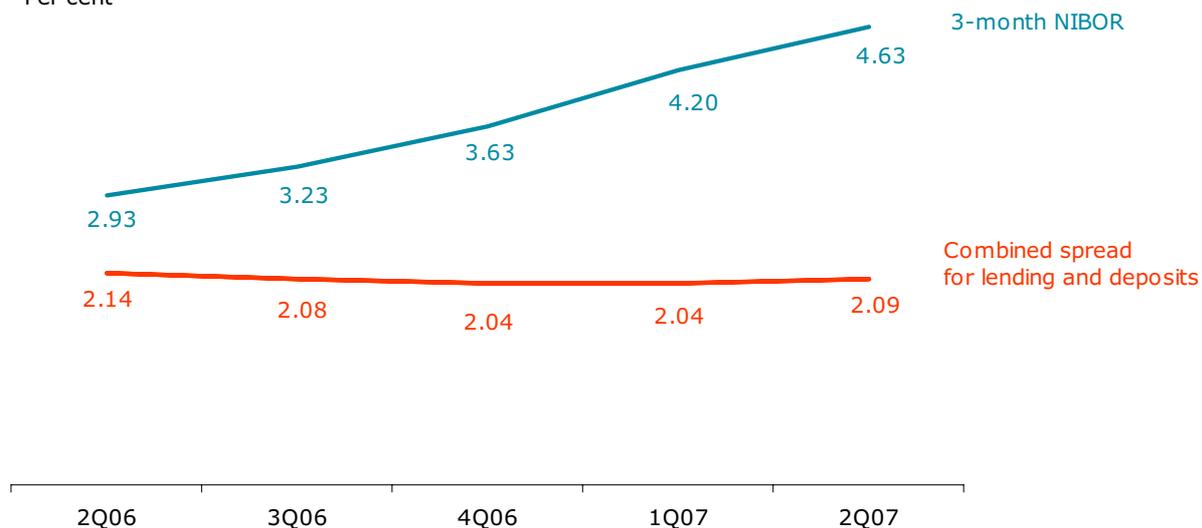
NOK billion



1) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.

### Developments in average interest rate spreads – DnB NOR Group <sup>1)</sup>

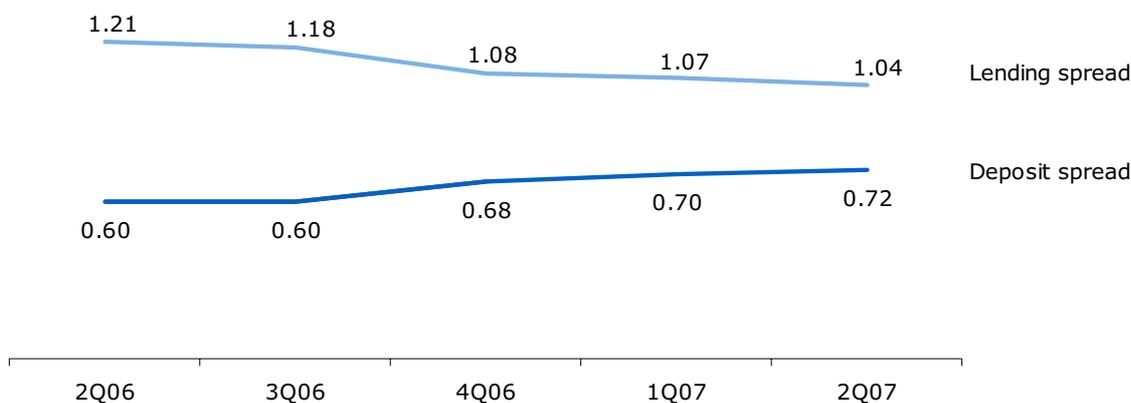
Per cent



1) Based on nominal values excluding lending to and deposits from credit institutions and impaired loans

## Developments in average interest rate spreads – Corporate Banking and Payment Services <sup>1)</sup>

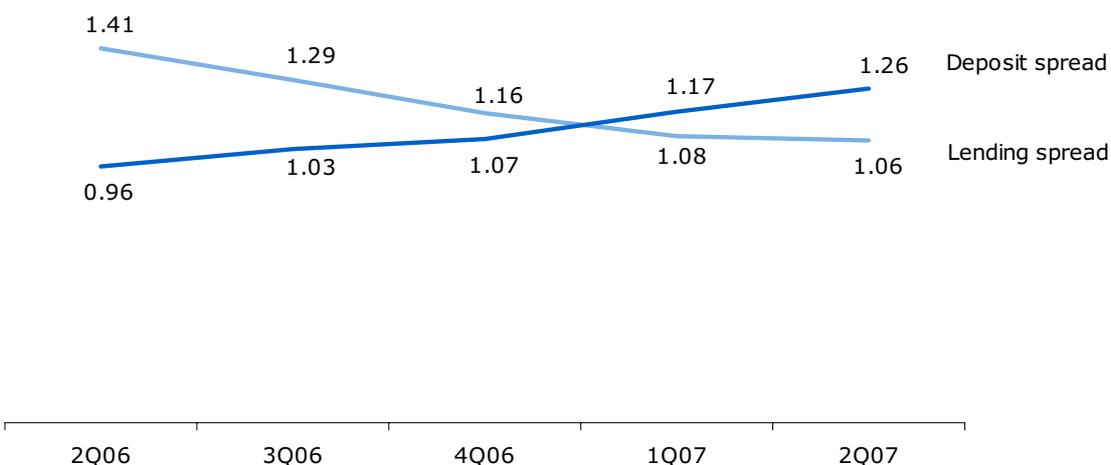
Per cent



1) Based on nominal values excluding lending to and deposits from credit institutions and impaired loans

## Developments in average interest rate spreads – Retail Banking <sup>1)</sup>

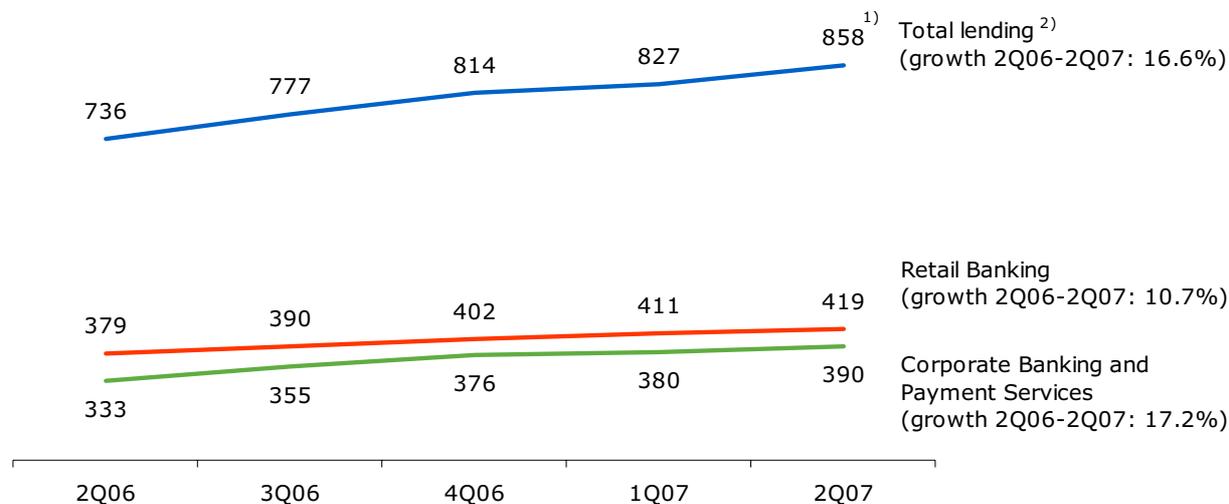
Per cent



1) Based on nominal values excluding impaired loans

## Developments in average volumes - lending

NOK billion



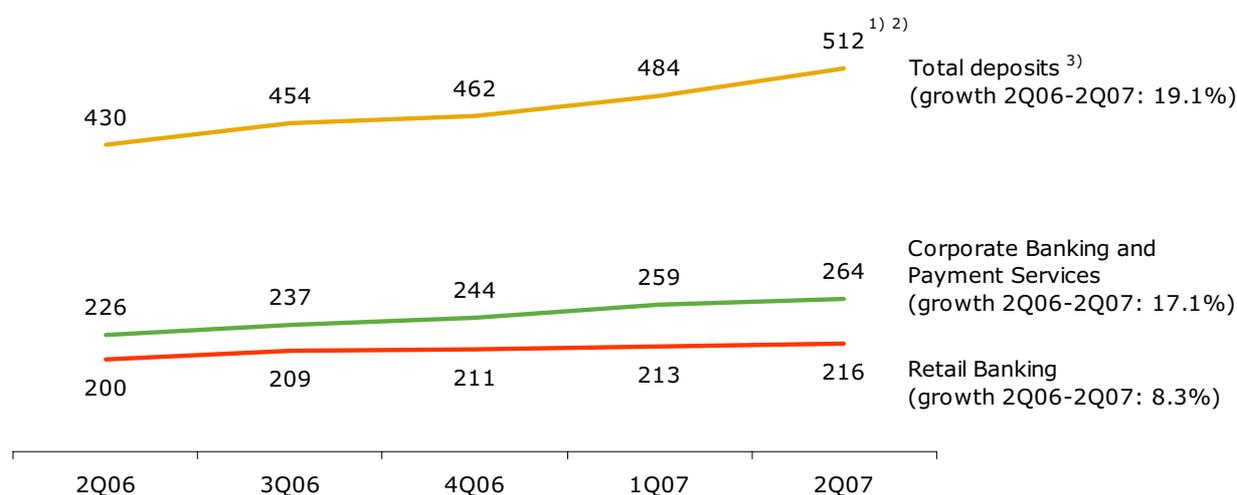
1) Of which DnB NOR: NOK 46 billion

Total lending excluding DnB NOR: NOK 812 billion (14.7% growth)

2) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans

## Developments in average volumes - deposits

NOK billion



1) Of which DnB NOR: NOK 19 billion

Total deposits excluding DnB NOR: NOK 493 billion (17.6% growth)

2) Nominal growth in other units: NOK 25 billion

3) Based on nominal values excluding deposits from credit institutions

## Net other operating income

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Money transfer and interbank transactions	442	422	471	459	455	864	916
Asset management services	356	317	316	283	292	674	598
Credit broking	94	90	83	51	93	184	123
Real estate broking	214	167	194	198	197	381	355
Custodial services	70	62	74	56	64	133	120
Securities trading	79	107	78	72	115	186	239
Sale of insurance products <sup>1)</sup>	433	458	497	395	421	892	872
Other income from banking services	159	133	88	149	116	292	229
Net gains on equity investments	260	267	204	141	99	527	322
Corporate finance etc.	233	146	182	54	93	378	307
Other income	130	177	153	158	129	306	289
Net financial and risk result from Vital <sup>*)</sup>	533	391	337	371	375	925	829
Customer trading in FX and interest rate instruments, DnB NOR Markets	383	400	384	247	296	783	652
FX and interest rate instruments, DnB NOR Markets	147	260	342	250	100	408	276
FX and interest rate instruments, banking portfolio, other	199	130	221	67	244	330	504
<b>Net other operating income <sup>**)</sup></b>	<b>3 733</b>	<b>3 528</b>	<b>3 622</b>	<b>2 951</b>	<b>3 090</b>	<b>7 261</b>	<b>6 630</b>
<i>As a percentage of total income</i>	46.9	47.0	47.7	43.0	45.0	46.9	47.2

### \*) Of which:

Net gains on assets in Vital	6 116	4 572	6 033	2 714	2 435	10 688	7 371
Guaranteed returns and allocations to policyholders in Vital	5 598	4 193	5 731	2 392	2 008	9 791	6 460
Premium income etc. included in the risk result in Vital	917	1 414	1 191	1 001	1 059	2 331	2 122
Insurance claims etc. included in the risk result in Vital	904	1 401	1 146	960	1 121	2 305	2 218
Net financial and risk result in Vital	531	391	348	361	365	923	815
Eliminations in the group accounts	2	0	(10)	9	10	2	14
Net financial and risk result from Vital	533	391	337	371	375	925	829

For a detailed specification of income statement according to IFRS in Vital, see page 70.

### \*\* ) Of which:

DnB NORD	185	105	91	69	80	289	151
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1) Sale through the banking network and Vital's own sale.

## Net other operating income, operational reporting <sup>1)</sup>

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
1. Net stock market related income including financial instruments	998	899	854	607	664	1 897	1 585
2. Net income from Vital	533	391	337	371	375	925	829
3. Net other commissions and fees including guarantees	1 237	1 220	1 234	1 163	1 152	2 457	2 275
4. Net gains on FX and interest rate instruments excluding guarantees commissions	621	674	850	455	572	1 295	1 296
Real estate broking	214	167	194	198	197	381	355
Other income	130	177	153	158	129	306	289
<b>Net other operating income</b>	<b>3 733</b>	<b>3 528</b>	<b>3 622</b>	<b>2 951</b>	<b>3 090</b>	<b>7 261</b>	<b>6 630</b>

### Specifications

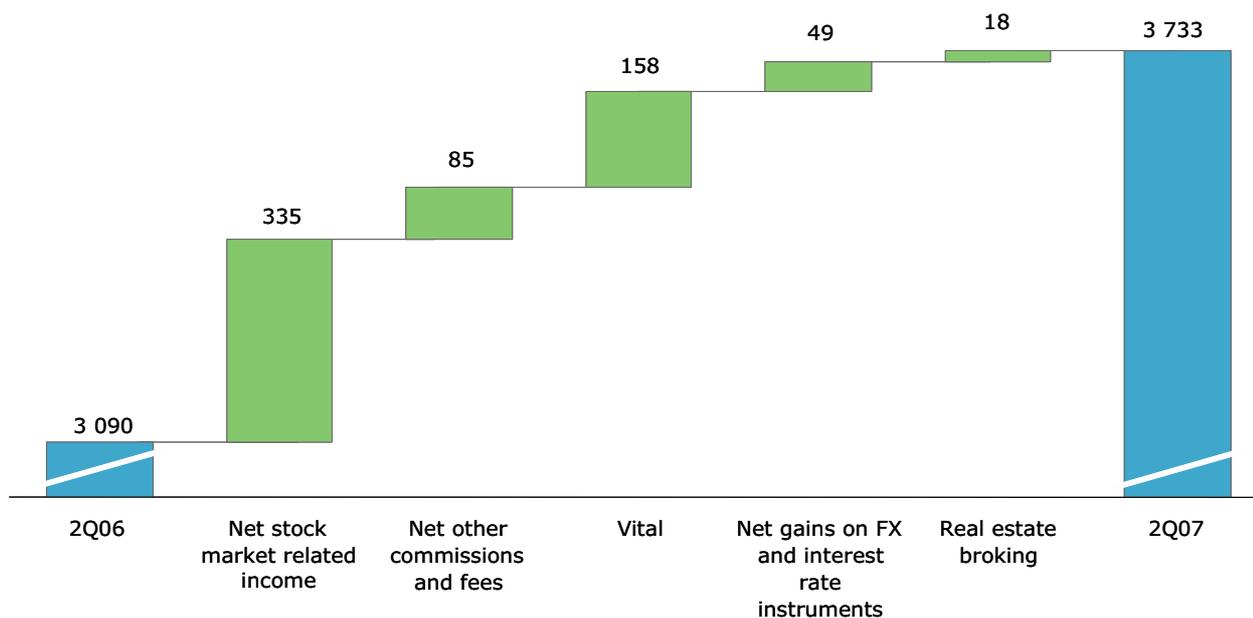
Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
Asset management services	356	317	316	283	292	674	598
Custodial services	70	62	74	56	64	133	120
Securities trading	79	107	78	72	115	186	239
Corporate finance etc.	233	146	182	54	93	378	307
Net stock market related commissions and fees (I)	738	632	650	466	564	1 370	1 264
Net gains on equity investments including dividends	260	267	204	141	99	527	322
<b>1. Net stock market related income including financial instruments</b>	<b>998</b>	<b>899</b>	<b>854</b>	<b>607</b>	<b>664</b>	<b>1 897</b>	<b>1 585</b>
<i>Net stock market related income as a percentage of total income</i>	<i>12.6</i>	<i>12.0</i>	<i>11.2</i>	<i>8.8</i>	<i>9.7</i>	<i>12.3</i>	<i>11.3</i>
<i>Net stock market related income as a percentage of net other operating income</i>	<i>26.7</i>	<i>25.5</i>	<i>23.6</i>	<i>20.6</i>	<i>21.5</i>	<i>26.1</i>	<i>23.9</i>
Net financial result from Vital	520	379	291	331	437	899	925
Net risk result from Vital	13	13	46	40	(62)	26	(96)
<b>2. Net income from Vital</b>	<b>533</b>	<b>391</b>	<b>337</b>	<b>371</b>	<b>375</b>	<b>925</b>	<b>829</b>
Money transfer and interbank transactions	442	422	471	459	455	864	916
Credit broking	94	90	83	51	93	184	123
Sale of insurance products	433	458	497	395	421	892	872
Other income from banking services	159	133	88	149	116	292	229
Net other commissions and fees (II)	1 128	1 103	1 138	1 054	1 085	2 232	2 139
Net gains on financial instruments - guarantee commissions	108	117	96	109	67	225	136
<b>3. Net other commissions and fees including guarantees</b>	<b>1 237</b>	<b>1 220</b>	<b>1 234</b>	<b>1 163</b>	<b>1 152</b>	<b>2 457</b>	<b>2 275</b>
<b>Net commissions and fees (I + II)</b>	<b>1 866</b>	<b>1 735</b>	<b>1 788</b>	<b>1 519</b>	<b>1 649</b>	<b>3 602</b>	<b>3 403</b>
Customer trading in FX and interest rate instruments, DnB NOR Markets	383	400	384	247	296	783	652
FX and interest rate instruments, DnB NOR Markets	147	260	342	250	100	408	276
FX and interest rate instruments, banking portfolio, other	199	130	221	67	244	330	504
Net gains on FX and interest rate instruments	729	791	947	564	640	1 520	1 432
Net gains on financial instruments - guarantee commissions	108	117	96	109	67	225	136
<b>4. Net gains on FX and interest rate instruments excluding guarantees commissions</b>	<b>621</b>	<b>674</b>	<b>850</b>	<b>455</b>	<b>572</b>	<b>1 295</b>	<b>1 296</b>

1) In this table items are classified according to main operational areas. Thus, net guarantee commissions, which according to IFRS are classified as "Net gains on financial instruments at fair value" in the income statement, are classified as "Commissions and fees". Stock market related commissions and fees are classified as "Stock market related income".

## Changes in net other operating income

NOK million

From 2nd quarter 2006 to 2nd quarter 2007



## Changes in net other operating income

In the analysis below, DnB NORD is shown separately. Thus, the other items in the tables cannot be directly reconciled with the above chart.

Amounts in NOK million

	2Q07	Change	2Q06
<b>Net other operating income</b>	<b>3 733</b>	<b>643</b>	<b>3 090</b>
DnB NORD	185	105	80
Net commissions and fees		164	
Net gains on equity investments		160	
Net gains on other financial instruments		50	
Net financial and risk result from Vital <sup>1)</sup>		158	
Other income		7	

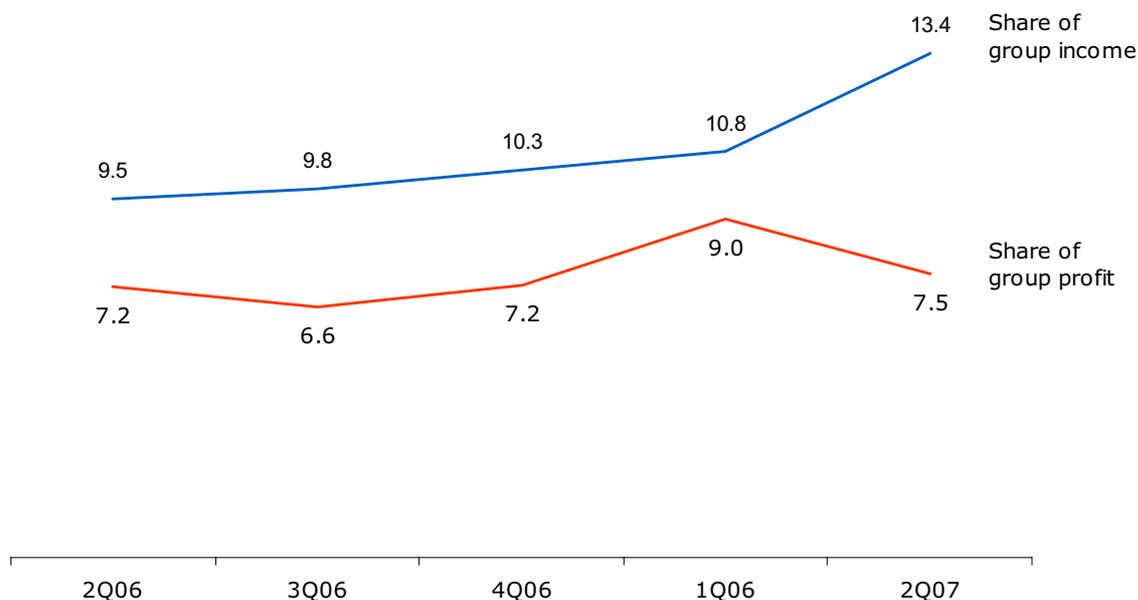
Amounts in NOK million

	2Q07	Change	1Q07
<b>Net other operating income</b>	<b>3 733</b>	<b>205</b>	<b>3 528</b>
DnB NORD	185	80	105
Net commissions and fees		89	
Net gains on equity investments		(7)	
Net gains on other financial instruments		(89)	
Net financial and risk result from Vital <sup>1)</sup>		142	
Other income		(9)	

1) Excluding guaranteed returns and allocations to policyholders. After eliminations.

**Income in international units <sup>1)</sup>**

Per cent



1) Units outside Norway.

**Net gains on sale of assets**

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
<b>Net gains on financial instruments at fair value</b>	<b>989</b>	<b>1 057</b>	<b>1 150</b>	<b>705</b>	<b>739</b>	<b>2 047</b>	<b>1 754</b>
<b>Net realised gains on investment securities (AFS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net gains on fixed and intangible assets</b>	<b>9</b>	<b>5</b>	<b>66</b>	<b>135</b>	<b>151</b>	<b>14</b>	<b>163</b>
of which major gains included:							
Development area, Oppegård				47			
Lodalen Utvikling				44			
Kirkegaten 17, Oslo			9	22			
Scanrope					16		16
Exporama					30		30
Bogstadveien 45, Oslo					61		61
Other	9	5	57	22	44	14	56

## Operating expenses

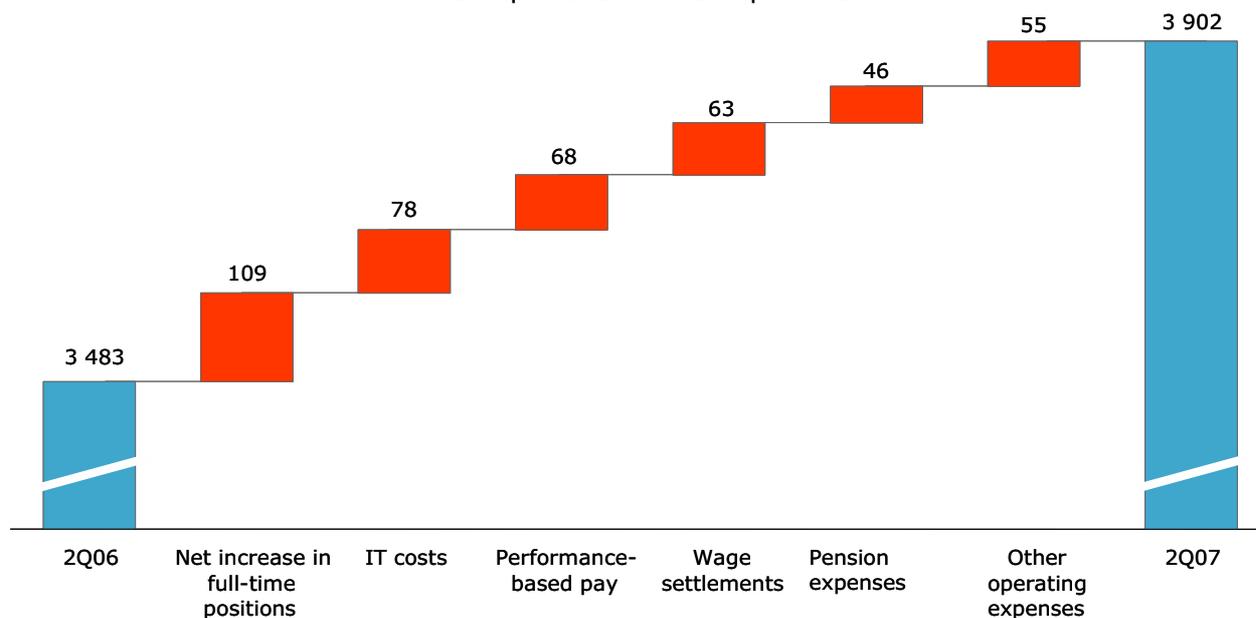
Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Ordinary salaries	1 627	1 507	1 559	1 438	1 393	3 135	2 818
Employer's national insurance contributions	229	227	223	198	193	457	397
Pension expenses <sup>1)</sup>	275	264	233	248	229	539	432
Other personnel expenses	75	130	115	102	112	205	205
<b>Total salaries and other personnel expenses</b>	<b>2 207</b>	<b>2 129</b>	<b>2 129</b>	<b>1 985</b>	<b>1 927</b>	<b>4 335</b>	<b>3 852</b>
Fees	196	207	247	161	181	403	373
EDP expenses	424	393	413	336	386	816	743
Postage and telecommunications	105	102	97	99	110	207	214
Office supplies	31	31	33	26	26	62	54
Marketing and public relations	165	163	177	133	155	328	289
Travel expenses	65	58	76	51	55	123	105
Reimbursement to Norway Post for transactions executed	59	40	36	76	73	99	156
Training expenses	21	21	30	14	16	42	33
Operating expenses on properties and premises	206	208	199	211	213	414	445
Operating expenses on machinery, vehicles and office equipment	33	37	38	28	23	70	55
Allocation to employees	0	0	164	0	0	0	0
Restructuring expenses	2	1	61	13	0	3	0
Other operating expenses	147	154	97	174	141	301	286
<b>Other expenses</b>	<b>1 453</b>	<b>1 416</b>	<b>1 669</b>	<b>1 323</b>	<b>1 379</b>	<b>2 869</b>	<b>2 754</b>
Depreciation and impairment of fixed and intangible assets	242	199	196	183	177	442	336
<b>Total operating expenses</b>	<b>3 902</b>	<b>3 744</b>	<b>3 994</b>	<b>3 491</b>	<b>3 483</b>	<b>7 646</b>	<b>6 942</b>
Of which DnB NOR	354	220	229	175	173	574	324

1) With effect from 31 December 2006, the Group changed the assumption concerning life expectancy in connection with the calculation of pension commitments. This has increased pension expenses in 2007.

## Changes in total operating expenses

NOK million

From 2nd quarter 2006 to 2nd quarter 2007



## Changes in total operating expenses

In the analysis below, DnB NORD is shown separately. Thus, the other items in the tables cannot be directly reconciled with the above chart.

Amounts in NOK million

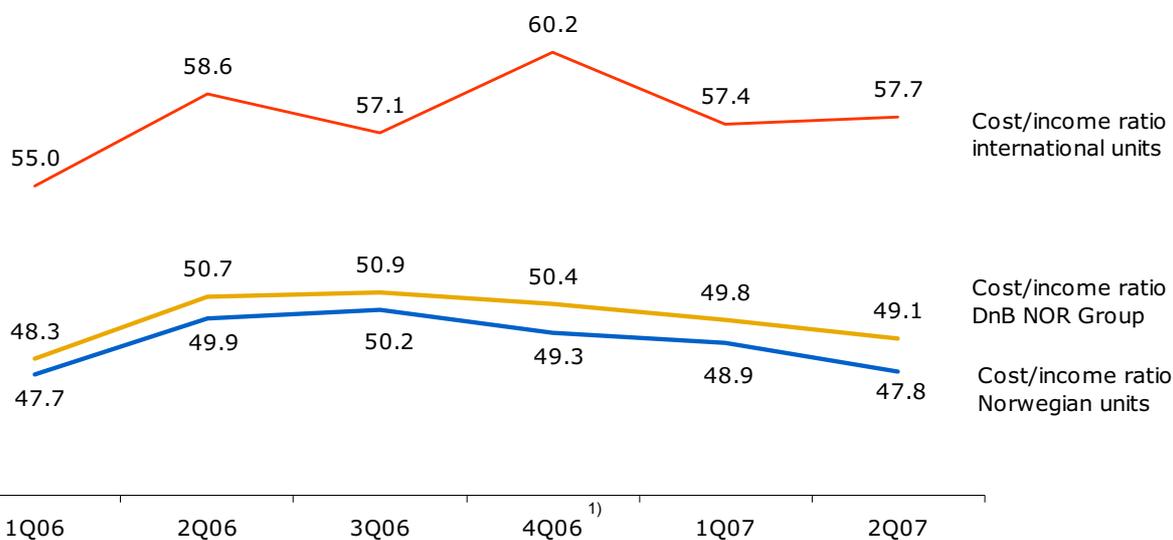
	2Q07	Change	2Q06
<b>Total operating expenses</b>	<b>3 902</b>	<b>419</b>	<b>3 483</b>
DnB NORD	354	181	173
Performance-based pay		63	
Wage settlements		63	
Pension expenses		44	
Depreciation and impairment		37	
Other		31	

Amounts in NOK million

	2Q07	Change	1Q07
<b>Total operating expenses</b>	<b>3 902</b>	<b>159</b>	<b>3 744</b>
DnB NORD	354	134	220
Performance-based pay		43	
Pension expenses		9	
Other		(28)	

## Cost/income ratio

Per cent



1) Excluding allocation to employees.

## Cost/income ratio

### International units

Amounts in NOK million	2Q07	1Q07	4Q06 <sup>1)</sup>	3Q06	2Q06	1Q06
Total income	1 064	808	779	671	652	615
Operating expenses	613	464	469	383	382	338
Cost/income ratio (%)	57.7	57.4	60.2	57.1	58.6	55.0
Share of group income (%)	13.4	10.8	10.3	9.8	9.5	8.6

### Norwegian units

Amounts in NOK million	2Q07	1Q07	4Q06 <sup>1)</sup>	3Q06	2Q06	1Q06
Total income	6 891	6 707	6 819	6 193	6 219	6 549
Operating expenses	3 291	3 282	3 363	3 109	3 102	3 122
Cost/income ratio (%)	47.8	48.9	49.3	50.2	49.9	47.7
Share of group income (%)	86.7	89.3	89.8	90.2	90.5	91.4

1) Excluding allocation to employees.

## Number of employees – full-time positions

<i>Full-time positions</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Corporate Banking and Payment Services <sup>1)</sup>	2 249	2 635	2 635	2 584	2 600	2 356
Retail Banking	3 664	4 111	4 080	4 040	4 056	4 103
DnB NOR Markets Operations <sup>2)</sup>	580	569	562	550	545	538
Life Insurance and Asset Management	1 379					
DnB NORD <sup>3)</sup>	1 130	1 116	1 115	1 114	1 095	1 041
Staff and support units	3 052	2 111	1 989	1 917	1 845	1 754
	966	1 470	1 444	1 456	1 467	1 542
<b>Total</b>	<b>13 021</b>	<b>12 011</b>	<b>11 824</b>	<b>11 661</b>	<b>11 607</b>	<b>11 334</b>

1) An increase of 250 full-time positions resulting from the acquisition of Monchebank in January 2006.

2) As a consequence of the reorganisation of the Group in June 2007, 405, 444 and 530 full-time positions respectively have been transferred from Corporate Banking and Payment Services, Retail Banking and Staff and support units to Operations.

3) An increase of 863 full-time positions resulting from the acquisition of BISE Bank in April 2007.

## Economic assumptions applied in calculating pension expenses and commitments

<i>Economic assumptions (per cent)</i>	Balances 30 June		Expenses	
	2007	2006	2Q07	2Q06
Discount rate	4.5	3.9	4.5	3.9
Anticipated return	5.6	4.9	5.6	4.9
Anticipated rise in salaries	4.5	3.5	4.5	3.5
Anticipated rise in base rate	4.25	3.0	4.25	3.0
Anticipated rise in pensions	2.25	2.5	2.25	2.5
Anticipated CPA acceptance	35.0	40.0	35.0	40.0
Demographic assumptions about mortality <sup>1)</sup>	K2005	K1963	K2005	K1963

1) Statistical assumptions on population mortality, as officially estimated in 1963 and 2005 respectively.

## Pension expenses

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Regular pensions	270	259	183	201	182	529	338
Changes in economic assumptions 2006			50	47	47		94
Changes in economic assumptions 2007	(20)	(20)				(40)	
Changes in estimates <sup>1)</sup>	25	25				50	
<b>Total</b>	<b>275</b>	<b>264</b>	<b>233</b>	<b>248</b>	<b>229</b>	<b>539</b>	<b>432</b>

1) Change in life expectancy assumption.

## IT expenses

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
IT operating expenses	424	423	396	407	412	846	814
Systems development expenses	174	216	204	137	165	389	340
IT expenses in Vital, after eliminations	158	101	93	90	100	259	194
<b>Total IT expenses <sup>1)</sup></b>	<b>755</b>	<b>739</b>	<b>693</b>	<b>633</b>	<b>677</b>	<b>1 494</b>	<b>1 349</b>

1) Including salaries and indirect costs.

## Write-downs on loans and guarantees

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
New individual write-downs	266	283	225	185	251	549	508
Reassessments and recoveries	156	195	220	160	193	351	379
Total individual write-downs	110	88	5	25	59	198	129
Change in group write-downs on loans <sup>1)</sup>	30	(37)	(21)	(76)	(224)	(7)	(321)
<b>Write-downs on loans and guarantees</b>	<b>140</b>	<b>51</b>	<b>(16)</b>	<b>(51)</b>	<b>(165)</b>	<b>191</b>	<b>(192)</b>

## Write-downs on loans and guarantees for principal sectors

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Retail customers	87	98	(78)	13	44	185	113
International shipping	1	0	17	2	(1)	1	(1)
Real estate	(29)	(13)	(7)	1	(13)	(42)	(25)
Manufacturing	32	(34)	11	1	3	(2)	10
Services and management	21	11	19	(14)	5	32	8
Trade	(5)	14	(2)	1	25	9	29
Oil and gas	0	0	(5)	0	(2)	0	(2)
Transportation and communication	3	4	10	7	15	7	22
Building and construction	18	10	(5)	9	(12)	28	(8)
Power and water supply	0	0	1	(1)	0	0	0
Fishing	8	3	3	3	8	11	5
Hotels and restaurants	(1)	(3)	0	3	(11)	(4)	(11)
Agriculture and forestry	0	(3)	9	(2)	0	(3)	4
Other sectors	(24)	(1)	33	2	(3)	(24)	(15)
Total customers	110	88	6	25	58	198	129
Credit institutions	0	0	(1)	0	0	0	0
Change in group write-downs on loans <sup>1)</sup>	30	(37)	(21)	(76)	(224)	(7)	(321)
<b>Write-downs on loans and guarantees</b>	<b>140</b>	<b>51</b>	<b>(16)</b>	<b>(51)</b>	<b>(165)</b>	<b>191</b>	<b>(192)</b>

Of which individual write-downs on guarantees (6) 11 (2) (1) 1 5 (9)

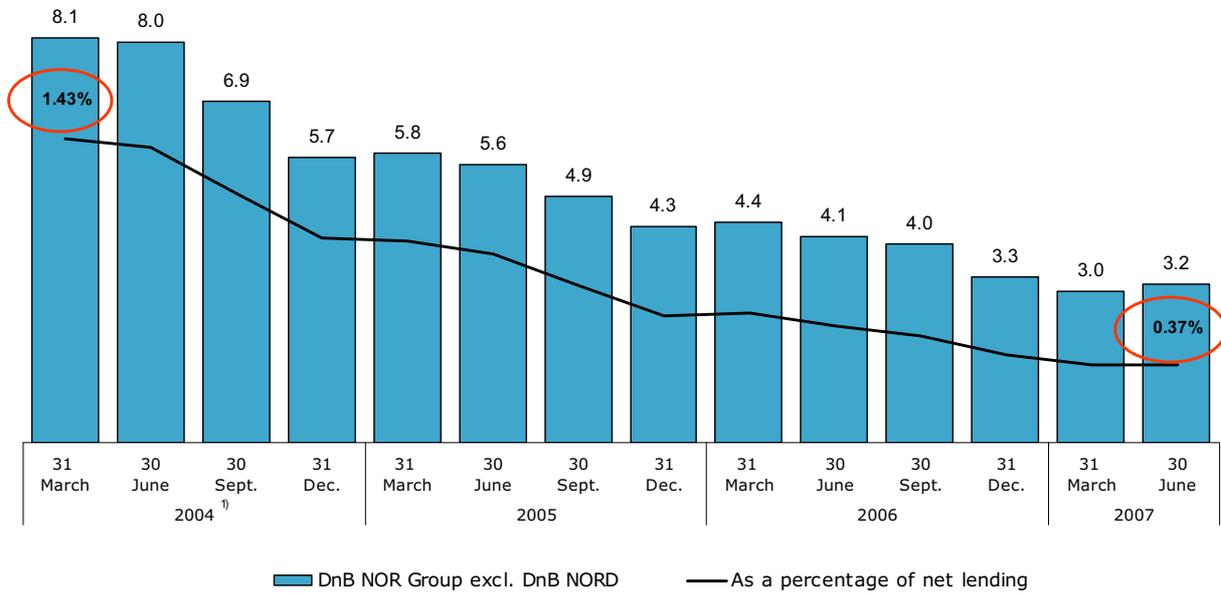
## Write-down ratio

<i>Amounts in NOK million</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Non-performing commitments (gross)	4 810	4 177	4 334	4 909	4 811	5 346
Impaired commitments (gross)	1 245	1 091	1 434	1 482	2 066	1 755
Gross non-performing and impaired commitments	6 055	5 268	5 768	6 391	6 877	7 101
Individual write-downs	2 071	1 901	1 968	2 121	2 233	2 350
Group write-downs <sup>1)</sup>	933	847	892	928	964	1 344
Write-down ratio (per cent)	49.6	52.2	49.6	47.7	46.5	52.0
Collateral for loans	3 738	3 057	2 983	3 330	3 364	3 570
Coverage ratio (per cent)	111.3	110.2	101.3	99.8	95.4	102.3

1) Figures have been reclassified according to new accounting rules for guarantees.

### Net non-performing and impaired commitments – DnB NOR Group excluding DnB NORD

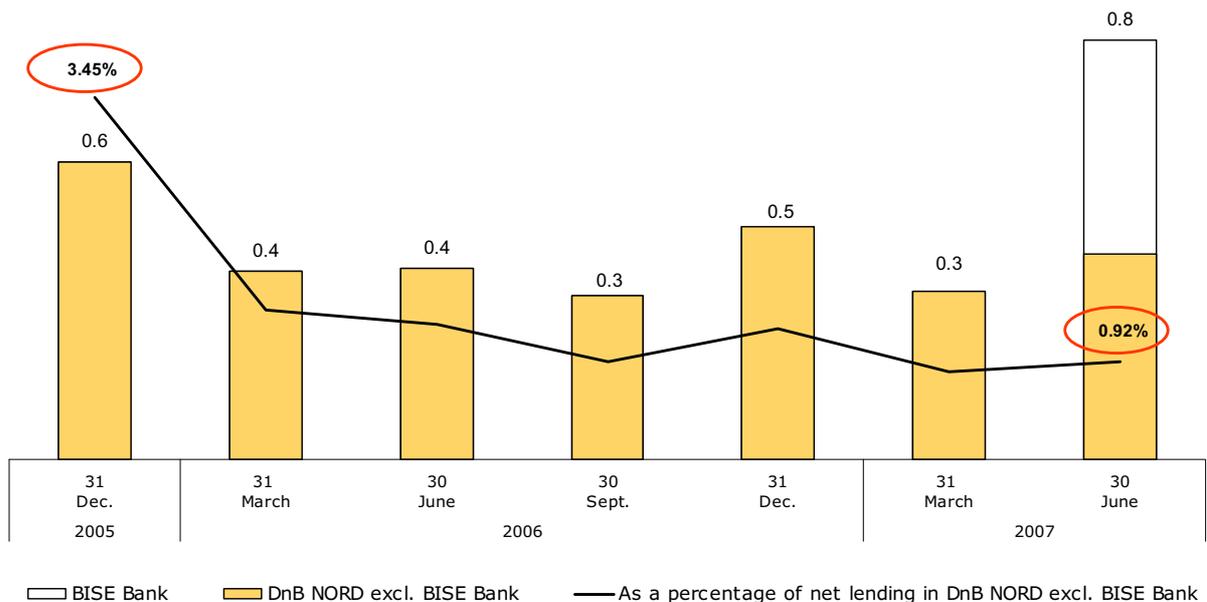
Figures in NOK billion for the DnB NOR Group excluding DnB NORD



1) Pro forma figures.

### Net non-performing and impaired commitments – DnB NORD

Figures in NOK billion for DnB NORD



## Lending

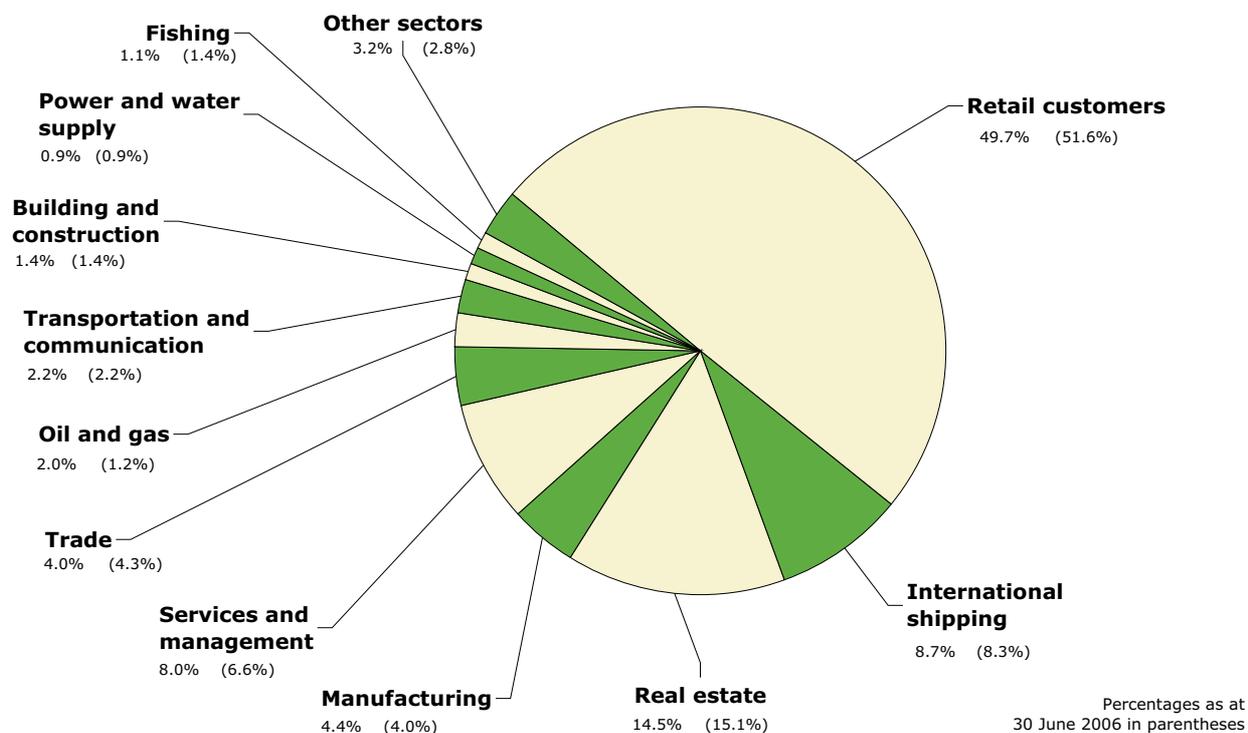
### Net lending to principal sectors <sup>1) 2)</sup>

<i>Amounts in NOK billion</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Retail customers	438.2	425.2	417.6	406.1	394.3	374.1
International shipping	76.4	73.5	74.2	70.2	63.7	53.7
Real estate	127.8	122.5	116.2	115.5	115.7	98.9
Manufacturing	38.7	36.6	36.7	34.0	30.9	24.0
Services and management	70.1	66.1	64.5	58.4	50.2	47.2
Trade	35.7	35.3	32.1	32.6	32.6	27.1
Oil and gas	18.0	12.7	12.7	13.1	8.8	7.5
Transportation and communication	19.2	17.8	16.7	21.1	17.1	15.8
Building and construction	12.1	10.6	11.2	10.1	10.8	9.0
Power and water supply	7.7	7.0	7.3	7.6	7.2	6.1
Fishing	9.9	10.2	10.1	10.4	10.8	9.0
Hotels and restaurants	3.5	3.5	3.5	3.8	3.7	3.7
Agriculture and forestry	6.3	6.4	7.5	7.1	6.6	6.4
Central and local government	6.8	5.3	7.4	3.4	2.0	3.4
Other sectors	11.3	8.1	8.9	7.0	9.5	10.0
<b>Net lending to customers</b>	<b>881.5</b>	<b>841.0</b>	<b>826.7</b>	<b>800.4</b>	<b>763.8</b>	<b>696.1</b>
Of which residential mortgages						
within 80% of collateral value	407.0	391.6	381.9	374.7	363.2	342.1
above 80% of collateral value	12.5	11.9	11.9	11.9	12.1	10.7
Total	419.5	403.5	393.8	386.7	375.2	352.8

1) Split according to official industry definitions which may differ from DnB NOR's business area reporting.

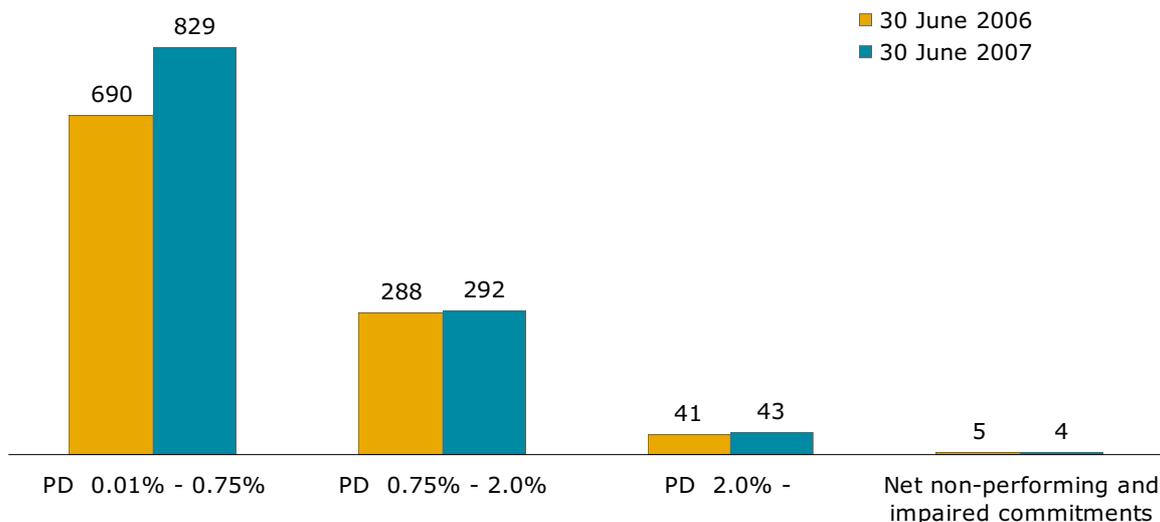
2) Lending after individual write-downs.

### Net lending to principal sectors as at 30 June 2007



## Risk classification of portfolio <sup>1)</sup>

NOK billion



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default in Corporate Banking and Payment Services, Retail Banking and DnB NOR. PD = probability of default.

## DnB NOR's risk classification <sup>1)</sup>

Risk class	Probability of default (per cent)		External rating		
	As from	Up to	Moody's	Standard & Poor's	Dominion Bond Rating Service
1	0.01	0.10	Aaa - A3	AAA - A-	AAA - A low
2	0.10	0.25	Baa1	BBB+	BBB high
3	0.25	0.50	Baa2 - Baa3	BBB/BBB-	BBB/BBB low
4	0.50	0.75	Ba1	BB+	BB high
5	0.75	1.25	Ba2	BB	BB
6	1.25	2.00	Ba3	BB-	BB low
7	2.00	3.00		B+	B high
8	3.00	5.00	B1		B
9	5.00	8.00	B2	B	B/B low
10	8.00	impaired	B3, Caa/C	B-, CCC/C	B low/CCC/ C

1) DnB NOR's risk classification system, where 1 represents the lowest risk and 10 the highest risk.

## Capital adequacy

New capital adequacy regulations, Basel II, entered into force on 1 January 2007. See section 1 in the first quarter 2007 "Supplementary information to investors and analysts" for a further description of the DnB NOR Group's implementation of the Basel II regulations.

Capital adequacy calculations are subject to special consolidation rules governed by the Consolidation Regulations. Primary capital and nominal amounts used in calculating risk-weighted volume will deviate from figures in the DnB NOR Group's accounts, as associated companies which are consolidated in the accounts according to the equity method are consolidated according to the gross method in capital adequacy calculations.

Valuation rules used in the statutory accounts form the basis for the consolidation. As from the first quarter 2007, the Norwegian regulations on the use of IFRS have been used in statutory accounts of the companies in the Group. According to new regulations on primary capital calculations, most items that have affected equity upon transition to the Norwegian regulations on the use of IFRS should be deducted from core capital. The deductions are specified below.

Primary capital	DnB NOR Bank		DnB NOR Bank Group		DnB NOR Group	
	30 June 2007	31 Dec. 2006 <sup>1)</sup>	30 June 2007	31 Dec. 2006 <sup>1)</sup>	30 June 2007	31 Dec. 2006 <sup>1)</sup>
<i>Amounts in NOK million</i>						
Share capital	17 214	17 214	17 214	17 214	13 341	13 341
Other equity	32 146	28 143	37 064	32 026	47 847	44 492
<b>Total equity</b>	<b>49 360</b>	<b>45 357</b>	<b>54 278</b>	<b>49 240</b>	<b>61 188</b>	<b>57 833</b>
Perpetual subordinated loan capital securities <sup>2) 3)</sup>	8 206	5 360	8 750	5 603	9 513	5 603
Deductions						
Pension funds above pension commitments	(39)	(39)	(45)	(49)	(198)	(182)
Goodwill	(1 654)	(1 094)	(3 481)	(1 990)	(6 407)	(4 454)
Deferred tax assets	(376)	(752)	(233)	(625)	(127)	(671)
Other intangible assets	(420)	(308)	(554)	(394)	(840)	(884)
Dividends/ group contribution, payable	0	-	0	-	0	-
Unrealised gains on fixed assets	(430)	-	(558)	-	(558)	-
50 per cent of investments in other financial institutions	(1 062)	0	(1 062)	0	0	0
Adjustments for unrealised losses/ (gains) on liabilities recorded at fair value	0	-	49	-	49	-
Additions:						
Portion of unrecognised actuarial gains/losses, pension costs <sup>4)</sup>	1 109	1 664	1 179	1 768	1 207	1 810
<b>Core capital</b>	<b>54 696</b>	<b>50 188</b>	<b>58 322</b>	<b>53 554</b>	<b>63 827</b>	<b>59 054</b>
Perpetual subordinated loan capital <sup>2) 3)</sup>	7 213	7 502	7 265	7 602	7 265	7 602
Perpetual subordinated loan capital securities <sup>2) 3)</sup>	1 071	-	764	-	-	-
Term subordinated loan capital <sup>3)</sup>	17 157	19 885	18 153	20 969	18 153	20 969
Deductions						
50 per cent of investments in other financial institutions	(1 062)	(2 144)	(1 062)	(2 144)	-	-
Additions						
45 per cent of unrealised gains on fixed assets	267	-	342	-	342	-
Supplementary capital	24 646	25 243	25 461	26 427	25 759	28 571
<b>Total eligible primary capital<sup>5)</sup></b>	<b>79 342</b>	<b>75 431</b>	<b>83 783</b>	<b>79 981</b>	<b>89 586</b>	<b>87 625</b>

Minimum capital requirement	DnB NOR Bank	DnB NOR Bank Group	DnB NOR Group
	30 June 2007	30 June 2007	30 June 2007
<i>Amounts in NOK million</i>			
Credit risk, IRB <sup>6)</sup>	12 091	12 372	12 372
Of which:			
Retail commitments secured by residential property	3 154	3 435	3 435
Corporate commitments, small and medium sized companies	8 937	8 937	8 937
Commitments calculated according to Basel I, transitional rules <sup>7)</sup>	35 953	40 992	49 392
<b>Total minimum capital requirement, credit risk</b>	<b>48 044</b>	<b>53 364</b>	<b>61 764</b>
Counterparty risk	1 009	1 013	1 013
Position risk	3 362	3 422	3 422
Settlement risk	2	2	2
Foreign exchange risk	143	144	144
<b>Total minimum capital requirement, market risk</b>	<b>4 517</b>	<b>4 581</b>	<b>4 581</b>
Operational risk	2 857	2 857	2 857
Deductions	(170)	(170)	0
Total capital requirements according to Basel II	54 239	59 619	68 189
Addition due to transitional rules <sup>8)</sup>	2 794	4 479	4 479
<b>Total minimum capital requirement</b>	<b>57 033</b>	<b>64 098</b>	<b>72 668</b>

The table below illustrates the effect of the transition to Basel II regulations in the first half of 2007. The columns marked "Basel I" reflect calculations based on the former capital adequacy regulations. The transitional rules limit the effect of Basel II calculations to a reduction to 95 per cent of Basel I requirements in the first year of implementation. This restriction, known as "Capital floor" is reflected in the capital adequacy shown in the "Reported" columns in the table below.

Capital adequacy	DnB NOR Bank		DnB NOR Bank Group		DnB NOR Group	
	Reported 30 June 2007 <sup>8)</sup>	Basel I 30 June 2007	Reported 30 June 2007 <sup>8)</sup>	Basel I 30 June 2007	Reported 30 June 2007 <sup>8)</sup>	Basel I 30 June 2007
Risk-weighted volume (NOK million) <sup>5)</sup>	712 911	750 432	801 222	838 744	908 346	945 868
Core capital ratio (%)	7.7	7.3	7.3	7.0	7.0	6.7
Capital ratio (%)	11.1	10.6	10.5	10.0	9.9	9.5
Core capital ratio incl. 50 per cent of profit for the period (%)	-	-	-	-	7.4	7.1
Capital ratio incl. 50 per cent of profit for the period (%)	-	-	-	-	10.2	9.8

- 1) Figures for previous periods are calculated in accordance with rules prevailing at the time in question.
- 2) Perpetual subordinated loan capital securities can represent up to 15 per cent of core capital. The excess will qualify as perpetual supplementary capital.
- 3) As at June 30 2007 calculations of capital adequacy include a total of NOK 700 million in subordinated loan capital in associated companies, in addition to subordinated loan capital in the Group's balance sheet.
- 4) Upon implementation of NRS 6A (IAS 19) in 2005, unrecognised actuarial gains/losses for pension commitments were charged to equity in the accounts. The Ministry of Finance has established a transitional rule whereby two-fifths of the amount recorded against equity can be included in capital adequacy calculations as at 30 June 2007. This effect will be reduced by one-fifth yearly up until and including 2008.
- 5) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the DnB NOR Group's, as associated companies which are assessed in the accounts according to the equity method, are assessed according to the gross method in capital adequacy calculations.
- 6) In the second quarter of 2007, credit risk for loans to retail customers secured by residential property in DnB NOR Bank ASA excluding loans under the brand name Postbanken, commitments with small corporate customers in the Regional Division East and the Regional Division Coast, and the housing-loan portfolio of DnB NOR Boligkreditt AS are reported according to the foundation IRB approach, Internal Ratings Based.
- 7) The minimum capital requirements for portfolios not mentioned in footnote 6 are 8 per cent of risk-weighted volume calculated according to Basel I rules.
- 8) Due to transitional rules, minimum capital requirements for 2007, 2008 and 2009 can maximum be reduced to 95, 90 and 80 per cent respectively of the requirement according to Basel I rules.

## Taxes

The DnB NOR Group's tax charge for the second quarter of 2007 was NOK 512 million or 13.1 per cent. The tax charge is generally based on an anticipated average tax rate of 23 per cent. During the second quarter of 2007, Vital changed its tax treatment of value adjustments on indirectly owned properties in accordance with the authorities' interpretation of the tax exemption model. This resulted in a NOK 390 million tax gain for the quarter.

## Financial results DnB NOR Group

### Full income statement

Amounts in NOK million						First half		Full year	
	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006	2006	2005
Total interest income	14 798	13 386	12 556	10 961	10 001	28 184	18 865	42 381	29 973
Total interest expenses	10 579	9 401	8 581	7 049	6 219	19 980	11 462	27 092	16 363
<b>Net interest income</b>	<b>4 219</b>	<b>3 985</b>	<b>3 975</b>	<b>3 911</b>	<b>3 781</b>	<b>8 204</b>	<b>7 403</b>	<b>15 289</b>	<b>13 610</b>
Commissions and fees receivable etc.	2 429	2 322	2 371	2 050	2 215	4 751	4 543	8 963	8 362
Commissions and fees payable etc.	562	587	583	530	566	1 149	1 140	2 253	2 320
Net gains on financial instruments at fair value	989	1 057	1 150	705	739	2 047	1 754	3 610	2 915
Net gains on assets in Vital	6 118	4 572	6 022	2 723	2 445	10 690	7 386	16 131	14 379
Guaranteed returns and allocations to policyholders in Vital	5 598	4 193	5 731	2 392	2 008	9 791	6 460	14 584	13 111
Premium income etc. included in the risk result in Vital	917	1 414	1 191	1 001	1 059	2 331	2 122	4 314	3 925
Insurance claims etc. included in the risk result in Vital	904	1 401	1 146	960	1 121	2 305	2 218	4 324	3 828
Net realised gains on investment securities (AFS)	0	0	0	0	0	0	0	0	167
Profit from companies accounted for by the equity method	21	37	24	94	24	58	52	171	118
Other income	323	306	323	262	302	629	592	1 176	1 117
<b>Net other operating income</b>	<b>3 733</b>	<b>3 528</b>	<b>3 622</b>	<b>2 951</b>	<b>3 090</b>	<b>7 261</b>	<b>6 630</b>	<b>13 204</b>	<b>11 725</b>
<b>Total operating income</b>	<b>7 952</b>	<b>7 513</b>	<b>7 597</b>	<b>6 863</b>	<b>6 871</b>	<b>15 465</b>	<b>14 034</b>	<b>28 493</b>	<b>25 335</b>
Salaries and other personnel expenses	2 207	2 129	2 129	1 985	1 927	4 335	3 852	7 967	6 737
Other expenses	1 453	1 416	1 669	1 323	1 379	2 869	2 754	5 745	5 474
Depreciation and impairment of fixed and intangible assets	242	199	196	183	177	442	336	715	653
<b>Total operating expenses</b>	<b>3 902</b>	<b>3 744</b>	<b>3 994</b>	<b>3 491</b>	<b>3 483</b>	<b>7 646</b>	<b>6 942</b>	<b>14 427</b>	<b>12 864</b>
Net gains on fixed and intangible assets	9	5	66	135	151	14	163	365	775
Write-downs on loans and guarantees	140	51	(16)	(51)	(165)	191	(192)	(258)	137
<b>Pre-tax operating profit</b>	<b>3 919</b>	<b>3 723</b>	<b>3 684</b>	<b>3 558</b>	<b>3 703</b>	<b>7 642</b>	<b>7 447</b>	<b>14 689</b>	<b>13 109</b>
Taxes	512	856	291	844	853	1 368	1 747	2 881	2 965
Profit from discontinuing operations after taxes	0	0	0	0	0	0	0	0	0
<b>Profit for the period</b>	<b>3 407</b>	<b>2 866</b>	<b>3 394</b>	<b>2 714</b>	<b>2 851</b>	<b>6 274</b>	<b>5 700</b>	<b>11 808</b>	<b>10 144</b>
Profit attributable to shareholders	3 329	2 812	3 366	2 668	2 816	6 141	5 631	11 665	10 131
Profit attributable to minority interests	78	54	28	46	34	133	69	143	13
Earnings per share (NOK) <sup>1)</sup>	2.50	2.11	2.52	2.00	2.11	4.60	4.21	8.74	7.59
Earnings per share for discontinuing operations (NOK) <sup>1)</sup>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

1) DnB NOR has not issued options or other financial instruments that could cause dilution of earnings per share.

### Full balance sheet

Amounts in NOK million	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Cash and deposits with central banks	8 951	18 685	11 453	15 474	14 022	21 229
Lending to and deposits with credit institutions	127 298	109 713	71 091	69 116	90 282	40 854
Lending to customers	882 810	842 298	827 947	801 747	764 766	697 579
Commercial paper and bonds	157 273	165 668	172 040	161 954	154 927	145 475
Shareholdings	65 570	61 091	51 393	45 781	42 868	35 980
Financial assets, customers bearing the risk	19 105	18 867	18 840	16 005	14 800	13 136
Financial derivatives	61 024	58 006	57 999	51 539	34 085	33 913
Shareholdings, available for sale	0	0	0	0	0	0
Commercial paper and bonds, held to maturity	62 906	60 093	62 444	62 478	60 898	52 587
Investment property	26 662	25 846	25 816	25 173	24 042	23 143
Investments in associated companies	1 462	1 467	1 515	1 457	1 425	1 402
Intangible assets	7 196	6 393	6 471	6 446	6 264	6 042
Deferred tax assets	80	28	38	42	40	52
Fixed assets	5 245	5 590	5 478	5 244	5 152	5 120
Biological assets	0	0	0	0	0	0
Discontinuing operations	812	27	27	43	67	27
Other assets	10 668	9 888	7 691	5 460	8 376	4 889
<b>Total assets</b>	<b>1 437 061</b>	<b>1 383 659</b>	<b>1 320 242</b>	<b>1 267 961</b>	<b>1 222 016</b>	<b>1 081 428</b>
Loans and deposits from credit institutions	163 739	141 592	124 372	121 100	133 036	108 056
Deposits from customers	527 937	503 129	474 526	457 485	459 734	410 991
Financial derivatives	63 100	59 474	58 812	46 533	33 217	31 845
Securities issued	328 508	330 288	326 806	316 466	281 508	236 631
Insurance liabilities, customers bearing the risk	19 105	18 867	18 840	16 005	14 800	13 136
Liabilities to life insurance policyholders	191 452	189 715	188 096	182 181	182 208	174 675
Payable taxes	5 466	4 707	4 091	3 331	2 457	943
Deferred taxes	426	767	730	1 740	1 819	1 759
Other liabilities	31 239	23 951	18 812	20 031	18 039	14 333
Discontinuing operations	0	0	0	0	0	0
Provisions	4 503	4 582	4 768	4 399	4 355	4 594
Subordinated loan capital	34 152	37 432	33 977	36 199	31 235	26 112
<b>Total liabilities</b>	<b>1 369 627</b>	<b>1 314 503</b>	<b>1 253 829</b>	<b>1 205 469</b>	<b>1 162 409</b>	<b>1 023 075</b>
Minority interests	2 536	2 226	2 201	1 650	1 551	946
Revaluation reserve	0	0	0	0	0	0
Share capital	13 341	13 341	13 341	13 341	13 342	13 369
Other reserves and retained earnings	51 557	53 589	50 870	47 501	44 715	44 038
<b>Total equity</b>	<b>67 434</b>	<b>69 156</b>	<b>66 413</b>	<b>62 492</b>	<b>59 607</b>	<b>58 353</b>
<b>Total liabilities and equity</b>	<b>1 437 061</b>	<b>1 383 659</b>	<b>1 320 242</b>	<b>1 267 961</b>	<b>1 222 016</b>	<b>1 081 428</b>

## Key figures

	2Q07	1Q07	4Q06	3Q06	2Q06	First half		Full year	
						2007	2006	2006	2005
<b>Interest rate analysis</b>									
1 Combined average spread for lending and deposits (%)	2.09	2.04	2.04	2.08	2.14	2.07	2.14	2.10	2.19
2 Spread for ordinary lending to customers (%)	1.08	1.09	1.15	1.25	1.35	1.09	1.37	1.28	1.49
3 Spread for deposits from customers (%)	1.01	0.95	0.89	0.83	0.79	0.98	0.77	0.82	0.70
<b>Rate of return/profitability</b>									
4 Net other operating income, per cent of total income	46.9	47.0	47.7	43.0	45.0	46.9	47.2	46.3	46.3
5 Cost/income ratio (%)	49.1	49.8	50.4	50.9	50.7	49.4	49.5	50.1	50.2
6 Return on equity, annualised (%)	20.4	17.2	21.5	18.0	19.2	18.8	19.2	19.5	18.8
7 RARORAC, annualised (%)	23.5	22.7	22.8	19.7	21.0	23.1	22.9	22.0	24.1
8 RORAC, annualised (%)	25.9	26.0	25.4	24.4	27.0	26.0	27.9	26.4	29.8
9 Average equity including allocated dividend (NOK million)	65 357	65 571	62 527	59 449	58 680	65 464	58 737	59 862	53 111
10 Return on average risk-weighted volume, annualised (%)	1.53	1.31	1.56	1.30	1.44	1.40	1.50	1.50	1.58
<b>Financial strength</b>									
11 Core (Tier 1) capital ratio at end of period (%)	7.0	7.4	6.7	6.3	6.6	7.0	6.6	6.7	7.4
12 Core (Tier 1) capital ratio incl. 50% of profit for the period (%)	7.4	7.6	-	6.7	6.9	7.4	6.9	-	-
13 Capital adequacy ratio at end of period (%)	9.9	10.7	10.0	9.8	9.9	9.9	9.9	10.0	10.2
14 Capital adequacy ratio incl. 50% of profit for the period (%)	10.2	10.8	-	10.3	10.2	10.2	10.2	-	-
15 Core capital at end of period (NOK million)	63 827	64 531	59 054	53 897	53 560	63 827	53 560	59 054	52 523
16 Risk-weighted volume at end of period (NOK million)	908 346	871 660	880 292	857 063	810 569	908 346	810 569	880 292	714 039
<b>Loan portfolio and write-downs</b>									
17 Write-downs relative to net lending to customers, annualised	0.06	0.02	(0.01)	(0.03)	(0.09)	0.04	(0.05)	(0.03)	0.02
18 Net non-performing and impaired commitments, per cent of net lending	0.44	0.39	0.45	0.52	0.60	0.44	0.60	0.45	0.63
19 Net non-performing and impaired commitments at end of period (NOK million)	3 984	3 367	3 800	4 271	4 645	3 984	4 645	3 800	4 751
<b>Liquidity</b>									
20 Ratio of customer deposits to net lending to customers at end of period (%)	59.8	59.7	57.3	57.1	60.1	59.8	60.1	57.3	58.9
<b>Total assets owned or managed by DnB NOR</b>									
21 Assets under management at end of period (NOK billion)	576	572	575	556	543	576	543	575	567
22 Total combined assets at end of period (NOK billion)	1 802	1 747	1 688	1 626	1 569	1 802	1 569	1 688	1 459
23 Average total assets (NOK billion)	1 431	1 340	1 322	1 226	1 163	1 386	1 144	1 209	1 002
24 Customer savings at end of period (NOK billion)	1 105	1 078	1 052	1 017	1 007	1 105	1 007	1 052	982
<b>Staff</b>									
25 Number of full-time positions at end of period	13 021	12 011	11 824	11 661	11 607	13 021	11 607	11 824	11 334
<b>The DnB NOR share</b>									
26 Number of shares at end of period (1 000)	1 334 089	1 334 089	1 334 089	1 334 089	1 334 190	1 334 089	1 334 190	1 334 089	1 336 875
27 Average number of shares (1 000)	1 334 089	1 334 089	1 334 089	1 334 101	1 336 427	1 334 089	1 336 651	1 335 449	1 334 474
28 Earnings per share (NOK)	2.50	2.11	2.52	2.00	2.11	4.60	4.21	8.74	7.59
29 Dividend per share (NOK)	-	-	-	-	-	-	-	4.00	3.50
30 Total shareholder's return (%)	(0.1)	(3.1)	15.2	3.4	(9.0)	(0.1)	11.6	27.8	25.3
31 Dividend yield (%)	-	-	-	-	-	-	-	4.52	4.86
32 Equity per share including allocated dividend at end of period (NOK)	48.65	50.17	48.13	45.61	43.51	48.65	43.51	48.13	42.94
33 Share price at end of period (NOK)	76.20	85.80	88.50	79.90	77.25	76.20	77.25	88.50	72.00
34 Price/earnings ratio	7.63	10.18	8.77	9.99	9.15	8.28	9.17	10.13	9.49
35 Price/book value	1.57	1.71	1.84	1.75	1.78	1.57	1.78	1.84	1.68
36 Market capitalisation (NOK billion)	102.0	114.5	118.1	106.6	103.1	102.0	103.1	118.1	96.3

For definitions of selected items, see next page.

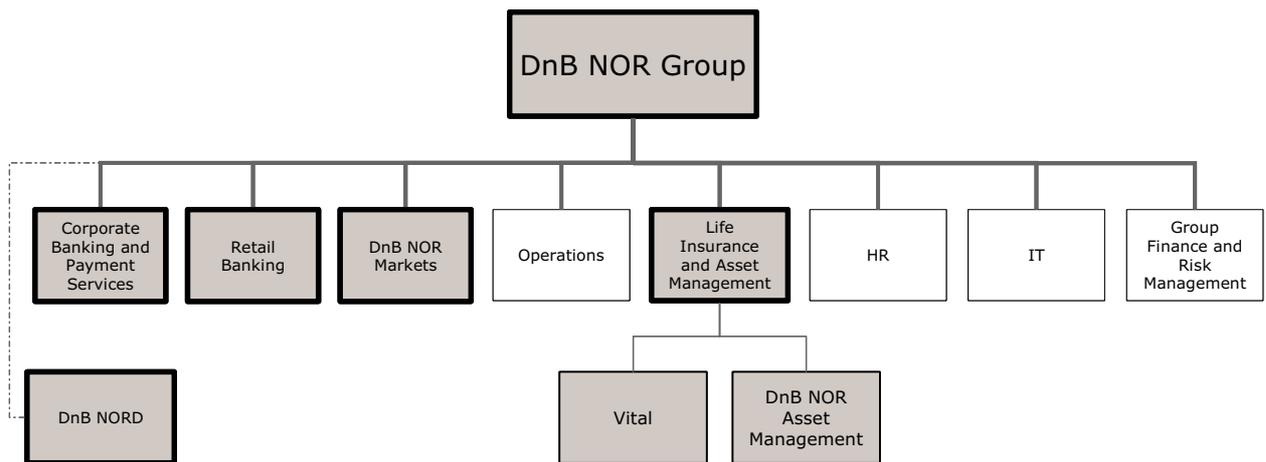
**Definitions to key figures**

- 1, 2, 3 Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.
- 5 Total expenses relative to total income. Expenses are excluding allocation to employees.
- 6 Profits for the period are exclusive of profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity. Average equity is calculated on the basis of recorded equity excluding minority interests.
- 7 RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation. The risk-adjusted capital requirement is described in further detail in the chapter "Management in DnB NOR" in the DnB NOR Group's annual report for 2006.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement. Profits for the period are exclusive of profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity and for the difference between recorded interest on average equity and interest on risk-adjusted capital.
- 10 Profit for the period relative to average risk-weighted volume.
- 21 Total assets under management for customers in Life Insurance and Asset Management.
- 22 Total assets and assets under management.
- 24 Total deposits from customers, assets under management and equity-linked bonds.
- 26 Number of shares at the end of 2006 are excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting.
- 28 Excluding discontinuing operations and profits attributable to minority interests. Holdings of own shares are not included in calculations of the number of shares.
- 30 Closing price at end of period less closing price at beginning of period, included dividends reinvested in DnB NOR shares on the dividend payment date, divided by closing price at beginning of period.
- 32 Equity at end of period excluding minority interests relative to number of shares at end of period.
- 33 Closing price at end of period relative to annualised earnings per share.
- 35 Closing price at end of period relative to recorded equity at end of period.
- 36 Number of shares multiplied by the closing share price at end of period.

## Section 3

# DnB NOR Group - business areas

Unless otherwise specified,  
figures are based on IFRS



## Business areas – financial performance

The operational structure of DnB NOR includes four business areas, which are independent profit centres and carry responsibility for customer segments served by the Group and the products offered. In addition, DnB NOR, which was incorporated in the Group from year-end 2005, is reported as a separate profit centre. The business areas are: Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life Insurance and Asset Management.

Selected income, expenses and balance sheet figures for the business areas have been prepared on the basis of internal financial reporting for the functional organisation of the DnB NOR Group.

Return on capital for the business areas are presented in the descriptions of each area in this section. For Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NOR, return on capital is measured as the business area's profits after taxes relative to average capital requirements according to BIS rules (6.5 per cent capital requirement), while for Life Insurance and Asset Management (Vital and DnB NOR Asset Management), the calculations are based on average recorded equity. This is consistent with the manner in which most other financial institutions present their business areas.

### Financial targets for business areas

Differentiated financial and non-financial targets have been set for the business areas to ensure that the DnB NOR Group will reach communicated financial targets. Return on risk-adjusted capital is the key financial ratio for the business areas in internal governance and follow-up of operations. Return on risk-adjusted capital is defined as each area's profits after taxes relative to the calculated risk-adjusted capital. The risk-adjusted capital requirement is based on the risk involved in operations in accordance with DnB NOR's total risk model.

### Internal pricing

DnB NOR's financial management model and operational organisation entail the sale of products and services between the business areas in the Group. The pricing of such intra-group transactions is regulated by internal agreements based on market terms.

Certain customers and transactions of major importance require extensive cooperation within the Group. To stimulate such cooperation, net income relating to some of these customers and transactions is recorded in the accounts of all relevant business areas. This refers primarily to income from customer trading in DnB NOR Markets. In the second quarter of 2007, such income totalled NOK 423 million. Double entries are eliminated in the group accounts.

Services provided by staff and support units will as far as possible be scaled and priced according to use. Joint expenses incurred by group staff units and other group expenditures that cannot be debited according to use, are charged to the business areas' accounts on the basis of special distribution formulas. Costs relating to the Group's equity transactions, including strategic investments, and direct shareholder-related expenses and costs concerning the Group's governing bodies are not charged to the business areas.

## Changes in net interest income

<i>Amounts in NOK million</i>	2Q07	Change 1Q07-2Q07	Change 2Q06-2Q07
<b>Net interest income</b>	<b>4 219</b>	<b>235</b>	<b>438</b>
Corporate Banking and Payment Services	2 141	105	331
Retail Banking	1 780	48	(182)
DnB NOR Markets	101	12	14
DnB NOR Asset Management	22	6	9
DnB NORD	338	104	167
Other	(163)	(40)	99

## Changes in net other operating income

<i>Amounts in NOK million</i>	2Q07	Change 1Q07-2Q07	Change 2Q06-2Q07
<b>Net other operating income</b>	<b>3 733</b>	<b>205</b>	<b>643</b>
Corporate Banking and Payment Services	782	26	131
Retail Banking	797	21	36
DnB NOR Markets	929	(44)	107
Life Insurance and Asset Management	1 175	211	238
- <i>Vital</i>	846	157	191
- <i>DnB NOR Asset Management</i>	329	54	48
DnB NORD	185	80	105
Other	(135)	(88)	26

## Changes in total operating expenses

<i>Amounts in NOK million</i>	2Q07	Change 1Q07-2Q07	Change 2Q06-2Q07
<b>Total operating expenses</b>	<b>3 902</b>	<b>159</b>	<b>419</b>
Corporate Banking and Payment Services	988	6	105
Retail Banking	1 594	41	101
DnB NOR Markets	402	10	50
Life Insurance and Asset Management	584	85	79
- <i>Vital</i>	383	65	62
- <i>DnB NOR Asset Management</i>	201	19	17
DnB NORD	354	134	181
Other	(19)	(116)	(97)

## Changes in write-downs on loans and guarantees

<i>Amounts in NOK million</i>	2Q07	Change 1Q07-2Q07	Change 2Q06-2Q07
<b>Write-downs on loans and guarantees</b>	<b>140</b>	<b>89</b>	<b>305</b>
Corporate Banking and Payment Services	25	(6)	22
Retail Banking	64	(13)	17
DnB NORD, including group write-downs on loans	26	15	17
Unallocated group write-downs on loans	25	76	249
Other	0	17	0

## Extracts from income statement, second quarter

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life Insurance and Asset Management		DnB NOR		Other operations/ eliminations <sup>1)</sup>	
	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06
<i>Amounts in NOK million</i>												
Net interest income - ordinary operations	1 794	1 627	1 632	1 858	57	65	1	2	303	156	431	74
Interest on allocated capital	347	184	147	104	44	21	21	11	35	15	(594)	(335)
Net interest income	2 141	1 810	1 780	1 962	101	87	22	13	338	170	(163)	(261)
Net other operating income	782	651	797	760	929	822	1 175	937	185	80	(135)	(161)
Total income	2 924	2 462	2 576	2 722	1 030	908	1 197	950	523	250	(298)	(422)
Operating expenses <sup>*)</sup>	988	884	1 594	1 492	402	352	584	504	354	173	(19)	78
Pre-tax operating profit before write-downs	1 935	1 578	983	1 230	628	556	614	445	169	78	(278)	(500)
Net gains on fixed and intangible assets	5	36	0	0	0	0	0	0	5	2	0	113
Write-downs on loans and guarantees	25	3	64	47	0	0	0	0	26	8	25	(224)
Pre-tax operating profit	1 914	1 611	919	1 183	628	556	614	445	148	72	(303)	(163)

\*) of which group overhead 31 27 14 12 6 5 6 7 (58) (51)

## Extracts from income statement, first half

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life Insurance and Asset Management		DnB NOR		Other operations/ eliminations	
	First half		First half		First half		First half		First half		First half	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
<i>Amounts in NOK million</i>												
Net interest income - ordinary operations	3 527	3 126	3 236	3 647	109	124	0	(1)	509	299	822	209
Interest on allocated capital	650	338	276	192	82	38	39	21	65	25	(1 112)	(614)
Net interest income	4 178	3 464	3 512	3 839	190	163	39	19	575	324	(289)	(405)
Net other operating income	1 539	1 323	1 572	1 560	1 902	1 756	2 140	1 943	289	151	(181)	(102)
Total income	5 717	4 787	5 084	5 399	2 093	1 919	2 178	1 962	864	475	(471)	(508)
Operating expenses <sup>*)</sup>	1 971	1 748	3 147	2 992	794	768	1 083	973	574	324	78	137
Pre-tax operating profit before write-downs	3 746	3 039	1 937	2 406	1 299	1 151	1 095	989	290	151	(548)	(645)
Net gains on fixed and intangible assets	8	43	0	0	(1)	0	0	0	7	5	0	116
Write-downs on loans and guarantees	56	(1)	141	119	22	0	0	0	36	19	(65)	(329)
Pre-tax operating profit	3 698	3 083	1 797	2 288	1 275	1 151	1 095	989	260	137	(483)	(200)

\*) of which group overhead 59 50 29 24 13 10 16 17 (116) (102)

## 1) Other operations/eliminations:

	Eliminations of double entries		Other eliminations		Group Centre <sup>*)</sup>		Total other operations/ eliminations	
	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06
<i>Amounts in NOK million</i>								
Net interest income - ordinary operations	(2)	(4)	(33)	(32)	466	109	431	74
Interest on allocated capital					(594)	(335)	(594)	(335)
Net interest income	(2)	(4)	(33)	(32)	(128)	(226)	(163)	(261)
Net other operating income	(422)	(326)	(79)	(53)	366	218	(135)	(161)
Total income	(423)	(329)	(113)	(85)	239	(8)	(298)	(422)
Operating expenses			(113)	(85)	93	163	(19)	78
Pre-tax operating profit before write-downs	(423)	(329)	0	0	145	(171)	(278)	(500)
Net gains on fixed and intangible assets			0	0	0	113	0	113
Write-downs on loans and guarantees			0	0	25	(224)	25	(224)
Pre-tax operating profit	(423)	(329)	0	0	120	166	(303)	(163)

The eliminations refer mainly to internal services from support units to business areas and between business areas. Further, intra-group transactions and gains and losses on transactions between companies in the Group are eliminated. The elimination of double entries primarily concerns net profits on customer business carried out in cooperation between DnB NOR Markets and other business areas and taken to income in both areas.

The Group Centre includes Operations, HR (Human Resources), IT, Group Finance and Risk Management, Corporate Communications, Corporate Centre, investments in IT infrastructure and shareholder-related expenses. In addition, the Group Centre includes that part of the Group's equity that is not allocated to the business areas.

*) Group Centre - pre-tax operating profit in NOK million	2Q07	2Q06
Income on equities	246	51
Unallocated income	124	(74)
Net gains on fixed and intangible assets	0	113
Unallocated write-downs on loans and guarantees	(27)	204
Funding costs on goodwill	(50)	(34)
Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	(54)	(45)
Portfolio hedging, Treasury	(117)	(100)
Other	(2)	51
Pre-tax operating profit	120	166

### Main average balance sheet items

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life Insurance and Asset Management		DnB NOR		Other operations/ eliminations	
	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06
Amounts in NOK billion												
Net lending to customers <sup>1)</sup>	397.1	339.7	421.0	381.5	17.0	11.0			47.0	28.5	(1.8)	(2.8)
Deposits from customers <sup>1)</sup>	279.0	239.5	215.8	199.9	18.3	15.7			19.2	10.6	(1.8)	(15.5)
Assets under management <sup>2)</sup>							591.3	563.8				

### Key figures

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life Insurance and Asset Management		DnB NOR		Other operations	
	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06	2Q07	2Q06
Per cent												
Cost/income ratio	33.8	35.9	61.9	54.8	39.0	38.8	48.8	53.1	67.7	68.9		
Ratio of deposits to lending <sup>1)</sup>	70.3	70.5	51.3	52.4					40.9	37.0		
Return on capital <sup>3) 4)</sup>	18.5	18.4	20.9	23.8	47.0	54.4	35.2	16.4	13.9	12.0		
Full-time positions as at 30 June <sup>5)</sup>	2 249	2 600	3 664	4 056	580	545	1 130	1 095	3 052	1 845	2 345	1 467

1) Based on nominal values and includes lending to and deposits from credit institutions.

2) Assets under management include total assets in Vital.

3) Return on capital is calculated on the basis of allocated capital. Allocated capital for Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NOR is calculated as 6.5 per cent of risk-weighted volume. Recorded equity is used for Life Insurance and Asset Management.

4) Estimated return on capital is based on profit after tax. A tax rate of 28 per cent is applied for Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NOR Asset Management. The expected tax rate for DnB NOR is 20 per cent for 2007 and 15 per cent for 2006 while accounted taxes are applied for Vital.

5) As a consequence of the reorganisation of the Group in June 2007, 405 and 444 full-time positions respectively have been transferred from Corporate Banking and Payment Services and Retail Banking to Other operations. This is expected to have limited effects on operating expenses as the services provided will be charged to the business areas, and no adjustments have been made in the presented figures.

## Corporate Banking and Payment Services

Corporate Banking and Payment Services serves Norwegian enterprises in all segments, Swedish medium-sized and large corporates and international businesses where DnB NOR has or can build a competitive advantage based on relationships, expertise or products - alone or in cooperation with partners.

DnB NOR holds a strong position in all segments of the Norwegian corporate market, and is one of the world's leading shipping banks. Corporate Banking and Payment Services is organised in nine divisions and two subsidiaries; DnB NOR Finans and Nordlandsbanken. Leif Teksum, group executive vice president, heads the business area.

Corporate Banking and Payment Services aims to be the customers' best partner, meeting their needs for financial solutions in the Norwegian and Swedish markets and in selected areas in international markets.

Norway and Sweden are the main countries where DnB NOR seeks growth through customer acquisition and by being a broad provider of everyday banking and financial services. In addition the Group has growth ambitions internationally within defined industries such as shipping, energy and certain other sectors where competitive advantages and a substantial knowledge base provide growth potential.

### Financial performance

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income - ordinary operations	1 794	1 733	1 777	1 691	1 627	3 527	3 126
Interest on allocated capital	347	303	256	220	184	650	338
Net interest income	2 141	2 036	2 033	1 911	1 810	4 178	3 464
Net other operating income	782	757	799	628	651	1 539	1 323
Total income	2 924	2 793	2 832	2 540	2 462	5 717	4 787
Operating expenses	988	982	1 050	906	884	1 971	1 748
Pre-tax operating profit before write-downs	1 935	1 811	1 782	1 633	1 578	3 746	3 039
Net gains on fixed and intangible assets	5	4	(4)	95	36	8	43
Write-downs on loans and guarantees	25	31	(39)	(3)	3	56	(1)
Pre-tax operating profit	1 914	1 783	1 818	1 732	1 611	3 698	3 083
Net lending to customers (NOK billion) <sup>1)</sup>	397.1	385.6	382.9	362.1	339.7	391.4	329.9
Deposits from customers (NOK billion) <sup>1)</sup>	279.0	271.8	257.1	251.0	239.5	275.4	235.1
Cost/income ratio (%)	33.8	35.2	37.1	35.7	35.9	34.5	36.5
Ratio of deposits to lending (%)	70.3	70.5	67.2	69.3	70.5	70.4	71.3
Return on capital BIS (% p.a.)	18.5	17.9	18.4	18.1	18.4	18.2	18.2

1) Average balances. Based on nominal values.

### Comments to the financial performance in the second quarter of 2007

- Corporate Banking and Payment Services maintained a strong market position in the second quarter of 2007 and achieved growth in pre-tax operating profit compared with the corresponding period last year. Bolstered by an expanding Norwegian economy, the high level of activity and continuing strong growth in volumes contributed to a healthy rise in profits.
- Net interest income from ordinary operations was up NOK 168 million from the second quarter of 2006. Strong competition resulted in narrowing spreads, however, there was strong volume growth in both lending and deposits. The average combined spread was 1.76 per cent in the second quarter of 2007, compared with 1.80 per cent in the second quarter of 2006. Compared with first quarter of 2007 the average combined spread was at the same level. Portfolio quality improved further, and pricing reflected credit risk.

- There was a high level of customer activity. Net other operating income in the second quarter of 2007 was up 20.1 per cent from the corresponding period last year. This was due to foreign exchange and interest rate products, corporate finance activity, guarantees and security services. Income from syndication declined in the same period due to lower level of activity.
- Operating expenses increased by NOK 105 million in the second quarter of 2007 compared with the corresponding period of 2006. International expansion has resulted in rising staff numbers and increased investments. In addition, there was strong wage growth in Norwegian operations in 2006. Solid growth in operational leasing gave a significant increase in depreciation costs.
- Net write-downs on loans and guarantees totalled NOK 25 million and net gains on assets totalled NOK 5 million in the second quarter of 2007.
- Average lending and guarantees to customers increased by NOK 65.8 billion and average deposits were up NOK 39,5 billion from the second quarter of 2006. Adjusted for exchange rate movements average lending and guarantees increased by 67.3 billion.
- A total of NOK 19.3 billion in syndicated credits, defined as the difference between underwriting and final hold, was arranged for customers in cooperation with DnB NOR Markets in the second quarter of 2007. Furthermore commercial paper and bonds for a total value of NOK 20 billion were issued in the same period.

### Customers and market developments

- DnB NOR is the leading financial institution in the market for large Norwegian corporates. In addition to the Norwegian and Swedish markets, Corporate Banking and Payment Services is offering services in New York, Houston, London, Singapore, Shanghai, Copenhagen, Hamburg and Helsinki. DnB NOR Monchebank, headquartered in Murmansk, Russia, is organised as a part of Corporate Banking and Payment Services. The bank has all necessary licences to do banking business in Russia.
- The cooperation between DnB NOR and Corporate Banking and Payment Services has strengthened DnB NOR's position in the Baltic area (Lithuania, Latvia and Estonia) and in Poland, supporting DnB NOR's aim to become one of the most attractive suppliers of financial services throughout this region.
- Through a wide distribution network, DnB NOR offers customers local and regional expertise as well as national sector analysis and a broad product range. In Sweden DnB NOR is expanding its products and services to Swedish Corporates.
- The strong position in the Norwegian SME market was maintained through the second quarter of 2007. A total of 1 915 new clients were acquired during this period.
- The customer loyalty programmes for SME clients, 'Partner Basis' and 'Partner Pluss', include agreements on the use of Internet banking applications and credit cards as well as favourable prices on a number of the Group's products. During the second quarter of 2007 more than 1 300 new programme memberships were established among both new and existing SME clients, and at the end of June 2007, a total of more than 14 200 clients had one of these programmes. At the end of 2006, DnB NOR launched two new programmes, 'Partner Start', targeting entrepreneurs, and 'Partner Landbruk', targeting farmers. Total number of members in both programmes is currently about 500.
- Customer surveys show that DnB NOR has a strong position among large corporates with respect to quality and customer satisfaction. Overall satisfaction has improved, as have quality scores in important areas. Customer satisfaction in the SME market has also improved and is at an acceptable level. Initiatives have been taken to improve satisfaction levels among the smallest companies.
- Corporate Banking and Payment Services aims to be the preferred provider of Internet services to corporate clients. More than 25 million transactions amounting to more than NOK 1 500 billion were carried out by corporate customers through the Internet bank in the second quarter of 2007.
- DnB NOR is committed to maintaining and further enhancing a strong local presence. Local management and employees have extensive pertinent expertise and are authorised to grant credits that meet the requirements of the SME segment as well as larger clients.
- Nordlandsbanken strengthens DnB NOR's position in the northernmost part of Norway. The subsidiary serves the county of Nordland and operates under the brand name Nordlandsbanken.

**Corporate Banking market shares, excluding off-balance sheet instruments** <sup>1) 2)</sup>

<i>Per cent</i>	31 May 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006
Of total lending to corporate clients <sup>3)</sup>	14.6	14.6	15.3	15.2	15.5
Of deposits from corporate clients <sup>4)</sup>	36.9	37.7	37.6	38.4	38.8

<i>Per cent</i>	31 March 2006	31 Dec. 2005	30 Sept. 2005	30 June 2005	31 March 2005
Of total lending to corporate clients <sup>3)</sup>	15.3	14.9	15.0	14.5	14.4
Of deposits from corporate clients <sup>4)</sup>	37.6	37.3	38.7	37.5	37.6

1) Based on nominal values.

2) Updated according to adjusted data from Norges Bank.

3) Overall lending includes all credits extended to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies, finance companies and foreign institutions, as well as bonds and commercial paper. Excluding lending to financial institutions, central government and social security services.

4) Excluding deposits from financial institutions, central government and social security services.

Source: Norges Bank, DnB NOR

**Average total volumes**

<i>Amounts in NOK billion</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Loans <sup>1)</sup>	397	386	383	362	340	391	330
Guarantees	65	62	63	60	57	64	53
Total loans and guarantees	462	448	446	422	396	455	383
Adjusted for exchange rate movements	462	445	441	419	395	455	381
Commercial paper during the period	10	14	16	13	7	24	25
Syndicated loans during the period <sup>2)</sup>	19	4	14	11	23	24	26
Bond issues during the period	10	8	9	7	10	19	16

1) Based on nominal values.

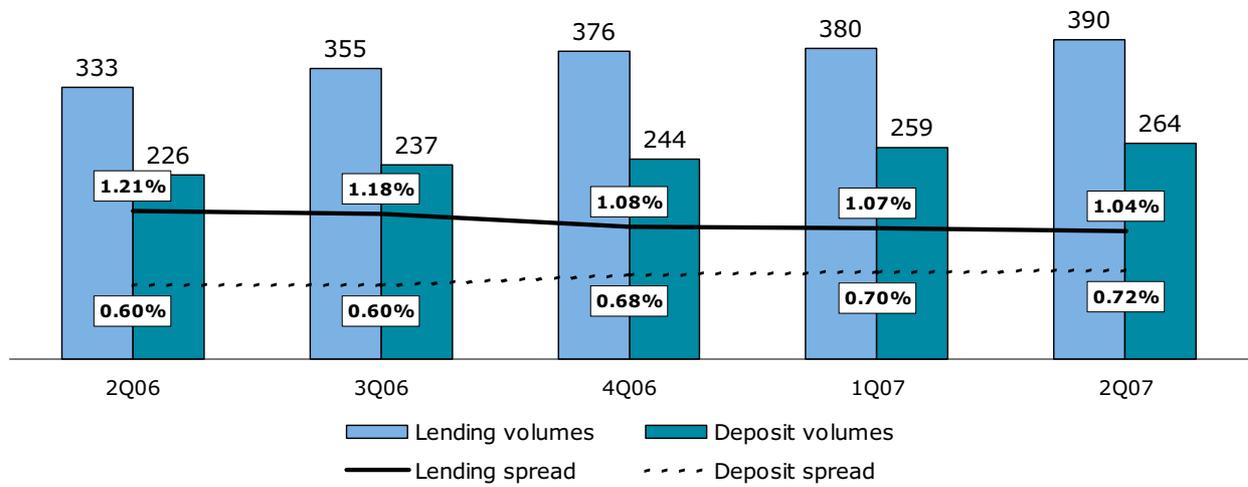
2) Difference between DnB NOR underwriting and DnB NOR final hold.

**Net interest income**

<i>Amounts in NOK million</i>	Volume			Spreads in per cent			Net interest income		
	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06
Lending	390 116	379 537	332 775	1.04	1.07	1.21	1 015	999	1 001
Deposits	264 386	258 885	225 799	0.72	0.70	0.60	475	446	335
Allocated capital and non-interest bearing items	28 683	27 992	24 638	4.66	4.22	2.93	332	291	179
Other							319	300	295
<b>Total net interest income</b>							<b>2 141</b>	<b>2 036</b>	<b>1 810</b>

**Developments in average volumes and interest spreads <sup>1)</sup>**

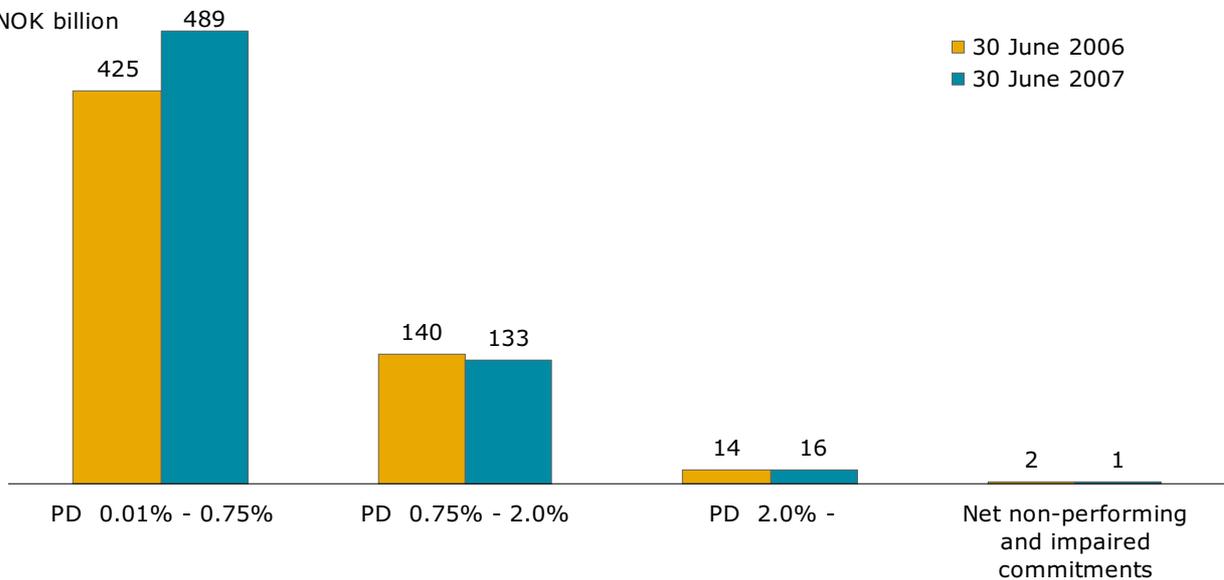
NOK billion



1) Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.

**Risk classification of portfolio <sup>1)</sup>**

NOK billion



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

**Organisation and distribution**

Corporate Banking and Payment Services is organised in nine divisions:

- The Nordic Corporate Division and the International Corporate and Institutions Division serve large Norwegian corporates, the public sector, international companies that do business in Norway, international customers in the oil and energy, telecom, media and technology, healthcare, pulp and paper industries as well as financial institutions.
- The Shipping, Offshore and Logistics Division serves Norwegian and international shipping, offshore and maritime logistics companies.
- Regional Division East and Regional Division Coast serve businesses in three different segments based on geographical location.
- The Sweden Division serves large and medium-sized businesses in Sweden.
- The Workout Division is responsible for supporting the customer divisions in their work on high-risk customers and non-performing commitments.
- The Telephone & Online Banking, Market and Product Division is responsible for cash management, marketing, telephone and online banking.
- Administration and Payment Services is responsible for management support and has group-wide responsibility for payment products and infrastructure projects affecting both retail and corporate customers. DnB NOR's operations in Finland, Denmark, Germany and Russia are also organised in this division.

**Products**

Corporate Banking and Payment Services offers customers a broad range of financial services, including lending, bond issues, syndication of loans, deposits, cash management, eCommerce products, commercial real estate broking services, FX/treasury products, corporate finance and acquisition finance, either directly or in cooperation with DnB NOR Markets.

Through DnB NOR Markets Inc. in the US, DnB NOR offers investment banking services, including mergers and acquisitions and advisory services, to international clients, particularly in the shipping and energy sectors.

**Employees**

- The considerable expertise of DnB NOR employees within local business, specific industries, credit risk, customer needs and product offerings is an important competitive advantage of Corporate Banking and Payment Services in the domestic market. Corporate Banking and Payment Services has a broad competence base and is committed to its continuous development. Competence training has top priority, and particular emphasis has been placed on systematic specialised training in credit rating and risk and profitability analyses. In addition there is special emphasis on basic training for new employees.
- Competence has been strengthened in areas that enable Corporate Banking and Payment Services staff to offer customers strategic advice, including training programmes in presentation and communication skills.
- To strengthen the skills of employees working within the important SME segment, the 'SME Academy' was started at the end of 2006. Almost 400 employees are expected to attend in 2007, and the training will be continued as job training based on best practises.
- To stimulate enterprising and customer-focused management based on the Group's values, the 18-month training programme 'Forward' was started for potential managers in Regional Division East and Regional Division Coast in 2006. The first programme has 16 participants.
- The importance of empowerment was addressed last year, and a training programme called 'Wise leadership – My way of being' has been developed. The programme is tailor-made for managers in Corporate Banking and Payment Services. The first participants have completed the programme and are putting their newly acquired skills into practice. The goal is that all managers should complete the programme by the end of the year.
- In order to support the Groups internationalisation, the extensive programme for short and long-term stays at DnB NORs international offices will be continued.
- At the end-June 2007, the business area had a staff of 2 249 full-time positions, with 1 796 in Norway, of which 617 in subsidiaries, as well as 453 full-time positions in international units.
- Incentive structures and balanced scorecards are tailored to the goals of the different divisions. In order to maximise performance and attract the best employees, remuneration varies.

**Cooperation with other group entities**

Through extensive cooperation with other business areas and support functions in the Group, corporate customers are offered a broad range of financial services, particularly within corporate finance, FX and interest rate instruments, life insurance and pension products.

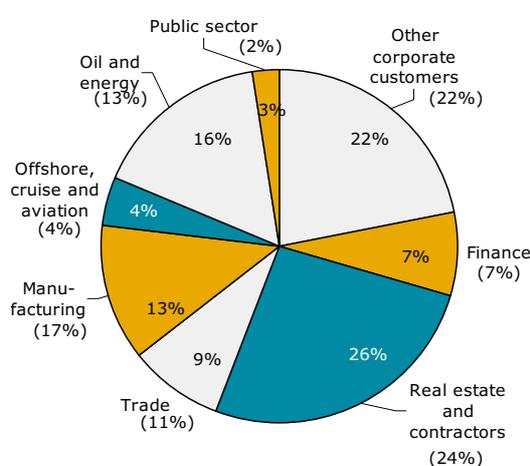
## Nordic Corporate Division and International Corporate and Institutions Division

### Average volumes

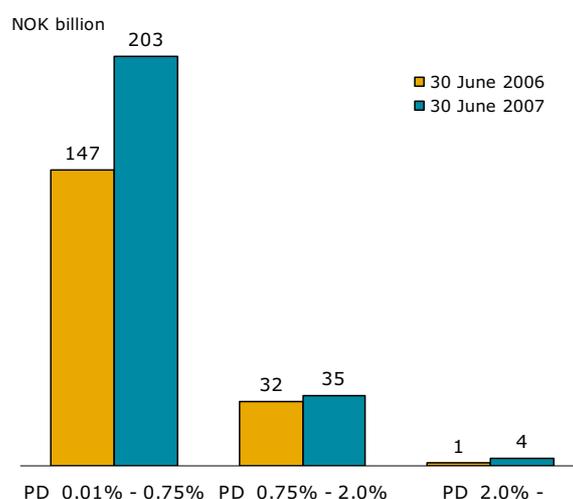
Amounts in NOK billion	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers <sup>1)</sup>	123	121	123	124	113	122	110
Guarantees	43	41	42	39	36	42	34
Customer deposits	120	116	106	109	105	118	101

1) In the fourth quarter of 2006 NOK 8.9 billion in net lending to customers was transferred from the Nordic Corporate Division and the International Corporate and Institutions Division to Regional Division East and Regional Division Coast due to the merger between DnB NOR Hypotek and DnB NOR Bank.

### Exposure at default according to sector<sup>1)</sup>



### Risk classification of portfolio<sup>2)</sup>



1) Figures as at 30 June 2007. Percentages as at 30 June 2006 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

### Business profile

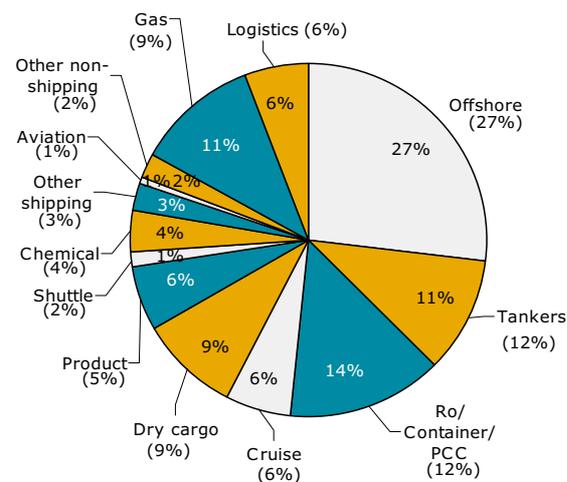
- Serving large Norwegian and Swedish corporates and the public sector, international companies that do business in Norway, international customers in the oil and energy, telecom, media and technology, healthcare, pulp and paper industries as well as financial institutions.
- DnB NOR is market leader in the large corporate segment in Norway. The majority of Norway's largest corporations use DnB NOR as their lead banker. In addition, DnB NOR has extensive interaction with most of the other institutions in this segment.
- The business volume generated by DnB NOR in Sweden is growing. At the end of June 2007, committed credits amounted to around SEK 32 billion, mainly to large and medium-sized corporates.
- Commercial real estate broking services are offered through the subsidiary DnB NOR Næringsmegling.

## Shipping, Offshore and Logistics Division

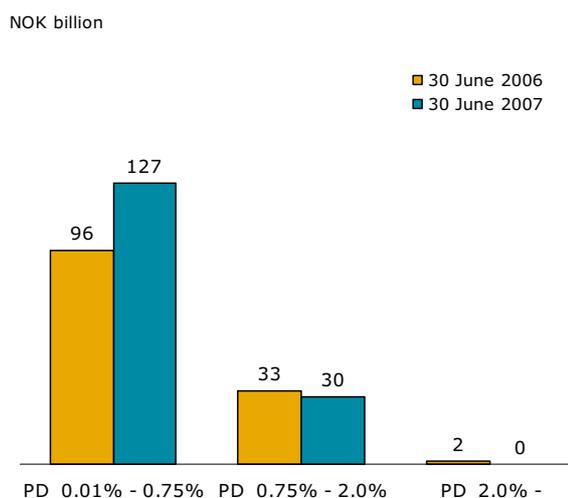
### Average volumes

Amounts in NOK billion	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers	85	83	81	74	67	84	66
Guarantees	10	9	9	7	8	10	7
Customer deposits	47	49	47	44	41	48	42

### Exposure at default according to sector <sup>1)</sup>



### Risk classification of portfolio <sup>2)</sup>



1) Figures as at 30 June 2007. Percentages as at 30 June 2006 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

### Business profile

- The Shipping, Offshore and Logistics Division provides commercial and investment banking services to high-quality Norwegian and international shipping, offshore and logistics clients from offices in Oslo, Bergen, New York, London, Singapore and Shanghai.
- The division aims to achieve satisfactory growth in risk-adjusted profitability by being one of the leading international shipping banks.
- The division aims to be the preferred strategic discussion partner for clients, while expanding its client base through further development of the logistics and LNG portfolio and strengthening of the market position in Germany and the Nordic countries.
- The division focuses on competence development to further improve the quality and range of client services.

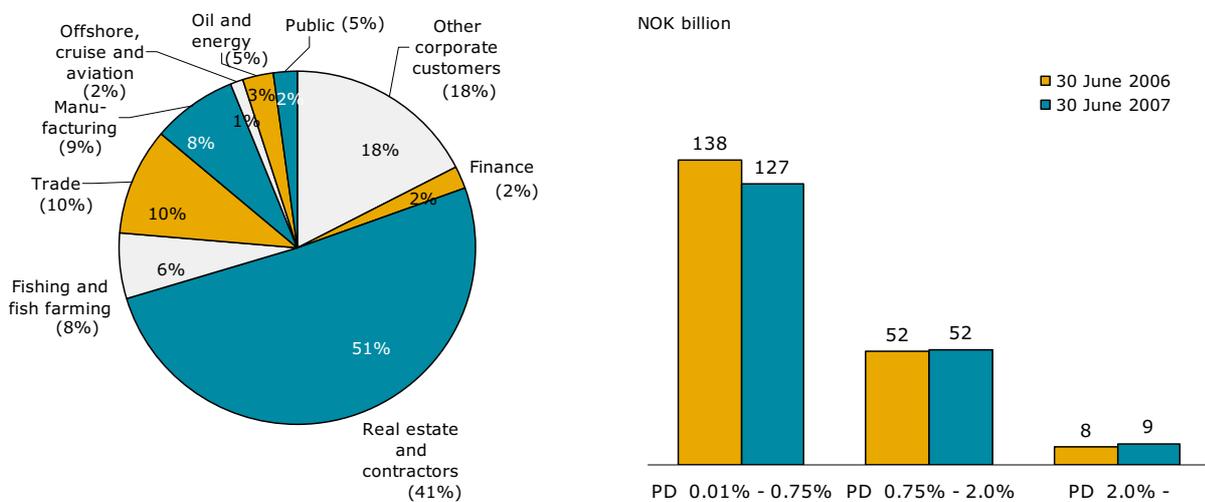
## Regional Division East and Regional Division Coast

### Average volumes

Amounts in NOK billion	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers <sup>1)</sup>	147	146	139	130	126	146	122
Guarantees	11	10	11	11	12	11	11
Customer deposits	104	102	97	93	90	103	88

1) In the fourth quarter of 2006 NOK 8.9 billion in net lending to customers was transferred from the Nordic Corporate Division and the International Corporate and Institutions Division to Regional Division East and Regional Division Coast due to the merger between DnB NOR Hypotek and DnB NOR Bank.

### Exposure at default according to sector <sup>1)</sup> Risk classification of portfolio <sup>2)</sup>



1) Figures as at 30 June 2007. Percentages as at 30 June 2006 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

### Business profile

- Serving more than 95 000 clients throughout Norway.
- Substantial market shares in all segments - large, medium-sized and small enterprises. Market shares vary in different geographical regions, and there is a sound growth potential in selected areas.
- Local presence combined with the expertise of a major bank are key priorities for clients served by these two divisions.
- A broad regional network provides service through experienced account managers and advisors, as well as over the telephone and via the Internet.
- Payment services are available through 186 DnB NOR branches in Norway, and corporate clients are served at 60 locations. Products from DnB NOR Markets are available at 13 regional offices.
- DnB NOR has a sound platform for strengthening its position as the preferred provider of financial products and services for these customer segments.
- Among the world's leading banks within the aquaculture and fishery industry.

## Nordlandsbanken – Corporate Banking

### Average volumes

<i>Amounts in NOK billion</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers	12	11	11	11	10	12	10
Guarantees	1	1	1	1	1	1	1
Customer deposits	5	5	5	4	4	5	4

### Business profile

- Corporate Banking in Nordlandsbanken serves businesses and the public sector in the county of Nordland.
- Nordlandsbanken serves corporate customers through 17 branches in Nordland and holds a leading position in the corporate segment with a market share of approximately 47 per cent of the active private limited companies in Nordland county.
- Nordlandsbanken aims to be the preferred financial partner for companies in Nordland by meeting their needs for financial solutions through local expertise and as part of a large nationwide financial institution.

## DnB NOR Finans

### Average volumes

<i>Amounts in NOK billion</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers	28	27	25	24	23	28	23

### Comments to changes in average volumes

- There was a 27 per cent increase in new leasing and lending contracts in the first half of 2007 relative to the first half of 2006.
- The value of processed factoring invoices was up 33 per cent in the first half of 2007 relative to the first half of 2006.

### Business profile

- DnB NOR Finans is Norway's leading finance company.
- The company meets customer requirements for administrative, financial and risk-reducing services related to investments and operations.
- Business operations focus mainly on leasing, leasing concepts for information and communications technology (ICT), factoring, motor vehicle financing and Autolease car fleet management (Norway, Sweden and Denmark).
- DnB NOR Finans has a strong local presence in Norway through 14 branches, most of which have the same location as DnB NOR Bank. In addition to Norway, DnB NOR Finans has local representation in Denmark and in Sweden. Products offered in Denmark are Autolease and equipment finance, and in Sweden Autolease, car finance, equipment finance, ICT finance and factoring.

## DnB NOR Monchebank

### Average volumes

Amounts in NOK billion	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net lending to customers	0.3	0.3	0.3	0.3	0.2	0.3	0.2
Guarantees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Customer deposits	0.6	0.5	0.4	0.4	0.4	0.6	0.4

### Business profile

- DnB NOR Monchebank is a regional bank that serves corporate and retail customers and has a firm foothold in the Murmansk region in Russia.
- DnB NOR Monchebank holds a general license for banking operations throughout Russia.
- DnB NOR Monchebank will be the basis for further developing DnB NOR business in Northwestern Russia.

### Financial performance

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income	11	10	9	9	6	21	12
Net other operating income	5	5	4	4	5	10	10
Total income	16	15	13	13	10	31	22
Operating expenses	12	9	9	9	9	21	16
Pre-tax operating profit before write-downs	4	6	4	5	1	10	6
Net gains on fixed and intangible assets	0	-	1	1	0	0	0
Write-downs on loans and guarantees	0	1	(2)	0	0	2	2
Pre-tax operating profit	4	5	7	6	1	9	4
Taxes	1	0	1	1	0	2	1
Profit for the period	2	5	6	5	1	7	3
Net lending to customers (NOK billion) <sup>1)</sup>	0.3	0.3	0.3	0.3	0.2	0.3	0.2
Deposits from customers (NOK billion) <sup>1)</sup>	0.6	0.5	0.4	0.4	0.4	0.6	0.4
Cost/income ratio (%)	75.1	58.8	71.1	65.5	90.3	67.2	71.5
Ratio of deposits to lending (%)	173.8	160.9	133.6	143.6	172.7	167.6	173.6
Return on capital (% p.a.) <sup>2)</sup>	5.9	11.5	16.2	25.2	4.8	8.6	9.2

1) Average figures based on nominal values.

2) Calculated on the basis of recorded equity.

## Retail Banking

Retail Banking, serving private customers and small companies under the main brand names DnB NOR, Postbanken and Nordlandsbanken, is Norway's largest retail bank. Åsmund Skår, group executive vice president, is head of the business area. Retail Banking aims to maintain its leading market position and stand out as the customers' best financial partner.

Good advisory services, loyalty programmes and relevant dialogue are central tools building strong customer relations. Customer satisfaction is vital to the bank. Continual efforts, i.e. introduction of new products and distribution channels, are being made to improve the customer satisfaction. DnB NOR should be easily accessible, and its distribution channels should be further developed to reflect customer preferences.

Economic growth is strong in Norway and Norwegian households face good future prospects. Private consumption is high and certain business sectors are suffering from a labour shortage. There is a high demand for savings products and loans, even though interest rates are rising and the growth in house prices is predicted to slow over the next few years. Interest rate and lending trends are expected to lift deposit volumes, and the high capacity utilisation indicates an increase in salaries. Competition for housing loan customers is intensifying among both domestic and Nordic players, as is competition in the credit card market. Due to DnB NOR's dominant position in the domestic market and sharpening competition in Norway, Retail Banking is also looking for future growth opportunities abroad.

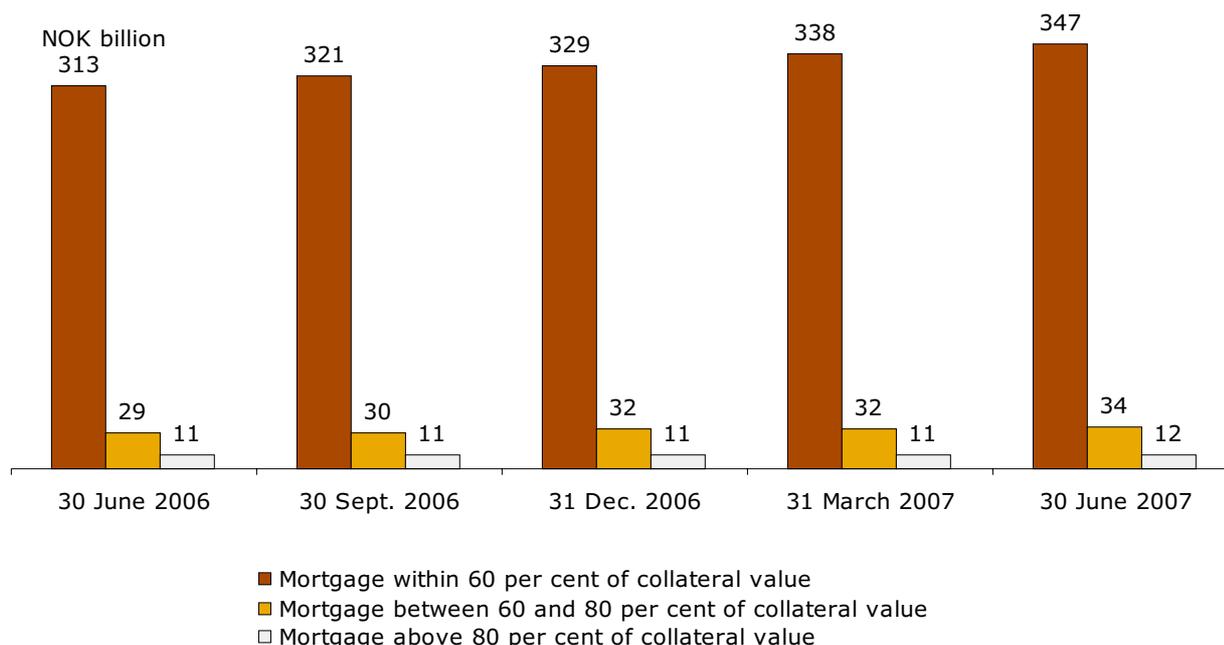
### Financial performance

Amounts in NOK million							First half	
	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006	
Net interest income - ordinary operations	1 632	1 604	1 718	1 851	1 858	3 236	3 647	
Interest on allocated capital	147	128	129	112	104	276	192	
Net interest income	1 780	1 732	1 847	1 963	1 962	3 512	3 839	
Net other operating income	797	775	757	783	760	1 572	1 560	
Total income	2 576	2 508	2 604	2 746	2 722	5 084	5 399	
Operating expenses	1 594	1 553	1 551	1 533	1 492	3 147	2 992	
Pre-tax operating profit before write-downs	983	955	1 054	1 213	1 230	1 937	2 406	
Net gains on fixed and intangible assets	0	0	9	0	0	0	0	
Write-downs on loans and guarantees	64	77	(32)	24	47	141	119	
Pre-tax operating profit	919	878	1 094	1 189	1 183	1 797	2 288	
Net lending to customers (NOK billion) <sup>1)</sup>	421.0	412.3	404.3	392.0	381.5	416.7	376.3	
Deposits from customers (NOK billion) <sup>1)</sup>	215.8	212.1	211.0	209.3	199.9	214.0	197.1	
Cost/income ratio (%)	61.9	61.9	59.5	55.8	54.8	61.9	55.4	
Ratio of deposits to lending (%)	51.3	51.4	52.2	53.4	52.4	51.3	52.4	
Return on capital BIS (% p.a.)	20.9	20.8	22.1	24.7	23.8	20.8	23.9	

1) Average balances. Based on nominal values.

### Comments to the financial performance in the second quarter of 2007

- Satisfactory profits in the second quarter of 2007. Return on BIS capital was 20.9 per cent, down from 23.8 per cent in the second quarter of 2006.
- The cost/income ratio increased to 61.9 per cent.
- Including consumer finance, average lending spreads represented 1.05 percentage points, a reduction from 1.42 percentage points in the second quarter of 2006. Deposit spreads averaged 1.27 percentage points in the second quarter of 2007, up from 0.96 percentage points in the year-earlier period.
- Average lending increased by NOK 39.6 billion or 10.4 per cent to NOK 421.0 billion, referring primarily to well-secured housing loans. Deposits increased by NOK 15.9 billion or 8.0 per cent.
- Net other operating income increased by NOK 36 million, due to an increase in fee income from the sale of financial instruments and asset management products.
- Operating expenses increased by NOK 101 million or 6.8 per
- Write-downs on loans remained at a low level.
- The volume of non-performing and impaired commitments was at a satisfactory level.

**Residential mortgages <sup>1)</sup>**

1) Residential mortgages in the business area Retail Banking in Norway.

**Customers/markets**

- Serving 2.2 million private individuals
- 413 000 housing loan customers
- 678 000 subscribe to the new DnB NOR loyalty programmes and 426 000 to Postbanken Leve
- 1.4 million clients use the Group's Internet banks
- dnbnor.no and postbanken.no are Norway's largest Internet banks
- 27.1 million payment transactions were carried out through the Internet banks in the first half of 2007
- 928 000 customers have agreed to receive notifications from the bank, such as account statements, via e-mail
- Brand names
  - DnB NOR
  - Postbanken
  - Cresco
  - Nordlandsbanken
  - Vital Skade

**Retail Banking market shares <sup>1)</sup>**

Per cent	31 May 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006
Total lending to households <sup>2)</sup>	29.4	29.5	29.7	29.9	30.2
Bank deposits from households <sup>3)</sup>	33.9	34.1	34.4	34.8	34.9

Per cent	31 March 2006	31 Dec. 2005	30 Sept. 2005	30 June 2005	31 March 2005
Total lending to households <sup>2)</sup>	30.2	30.5	30.6	30.8	30.9
Bank deposits from households <sup>3)</sup>	35.1	35.1	36.1	36.2	36.5

1) Based on nominal values.

2) Total lending includes all credits extended to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies and finance companies.

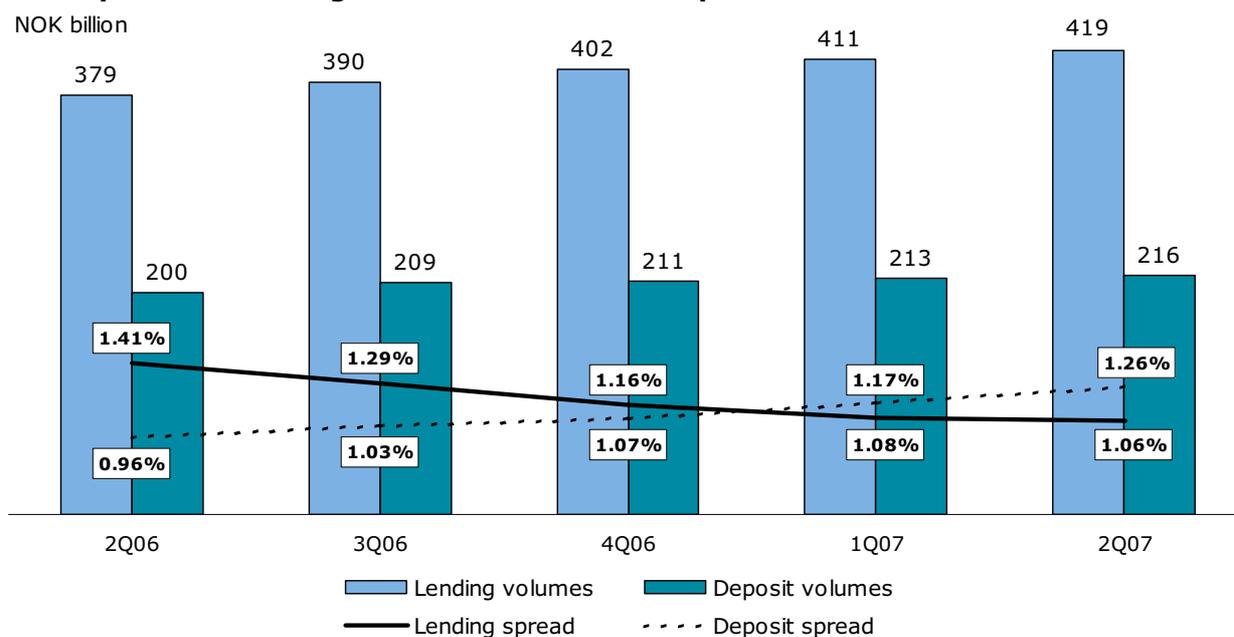
3) Domestic commercial and savings banks.

Source: Norges Bank, DnB NOR

## Net interest income

Amounts in NOK million	Volumes			Spreads in per cent			Net interest income		
	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06
Loans	419 308	410 535	378 913	1.06	1.08	1.41	1 109	1 092	1 333
Deposits	216 315	212 903	199 819	1.26	1.17	0.96	682	615	480
Allocated capital and non-interest bearing items	12 480	12 179	14 110	4.66	4.22	2.93	145	127	103
Other							(156)	(101)	47
<b>Total net interest income</b>							<b>1 780</b>	<b>1 732</b>	<b>1 962</b>

## Developments in average volumes and interest spreads <sup>1)</sup>



1) Based on nominal values excluding impaired loans.

## Organisation and distribution

Retail Banking offers a wide range of financial products and services through Norway's largest distribution network, in terms of number of contact points with customers. The major distribution channels are:

- DnB NOR's, Postbanken's and Nordlandsbanken's branch offices
- The postal network
- Internet and telephone
- Investment Advisory Services

DnB NOR Bank ASA and Norway Post have an agreement relating to the distribution of financial services through the postal network. The agreement is mainly based on transaction-specific prices and a common aim to increase the number of financial services distributed through the postal network and will remain in force until December 2012.

Postbanken and Norway Post have established joint service solutions provided through 1 165 in-store postal outlets where customers can carry out everyday banking transactions in their local stores. 1.6 million payment transactions were carried out through these channels in the first quarter of 2007. Norway Post has entered into an agreement with DnB NOR for the purchase and installation of up to 2 500 payment terminals for use in post offices and in-store postal outlets.

Production, staff and support functions are largely centralised in cost-efficient units. The cooperation with 12 regional savings banks involves the provision of technological solutions and distribution of the Group's products. The current agreement will be in force until the end of 2009. Three of the saving banks will end their cooperation during 2007.

**DnB NOR Boligkreditt AS**

DnB NOR Boligkreditt AS has received approval from Kredittilsynet (the Financial Supervisory Authority of Norway) to operate as a mortgage institution. This provides DnB NOR with competitive framework conditions in relation to foreign competitors in the Norwegian market.

DnB NOR Boligkreditt has arranged its first covered bond issue in the international capital market, totalling EUR 1.5 billion. Both Moody's, Fitch and Standard and Poor's have assigned the bonds an AAA rating. The bonds were issued at better terms than corresponding Scandinavian bond issues, and the bank pays a margin of 4 bp under midswap euribor. Boligkreditt has also completed an issue in the Norwegian market of NOK 5 billion at a price of NIBOR less 10 bp.

**New products**

- New savings products offered DnB NOR's retail customers in cooperation with Vital
  - A new guaranteed fund with limited downside. The increase in the fund value is locked in at the end of each month, and at final maturity, the customer is guaranteed the highest price recorded at the end of a month during the maturity period
  - Private equity to retail customers
- Postbanken Eiendom launched in June a monthly news broadcast via Web TV, giving viewers a complete picture of current developments in the housing market
- Equities trading via mobile phones was offered during the first quarter.
- Partner Start was launched in March, and the programme is offered to retail customers on the Internet as well as in branches.
- BankID, which is a personal electronic proof of identity for secure identification and signatures on the Internet, will be offered customers in 2007.

**Employees**

As at the end of June 2007, Retail Banking staff represented 3 664 full-time positions. In consequence of the reorganisation, 440 full-time positions have been transferred to Operations, while the acquisition of Svensk Fastighetsförmedling AB increased the number of full-time positions by 21 at end-June 2007.

To ensure a high level of professional expertise and advisory services of a superior ethical standard, DnB NOR has initiated certification of advisers in Retail Banking. All employees who are primarily engaged in advising retail customers will be certified.

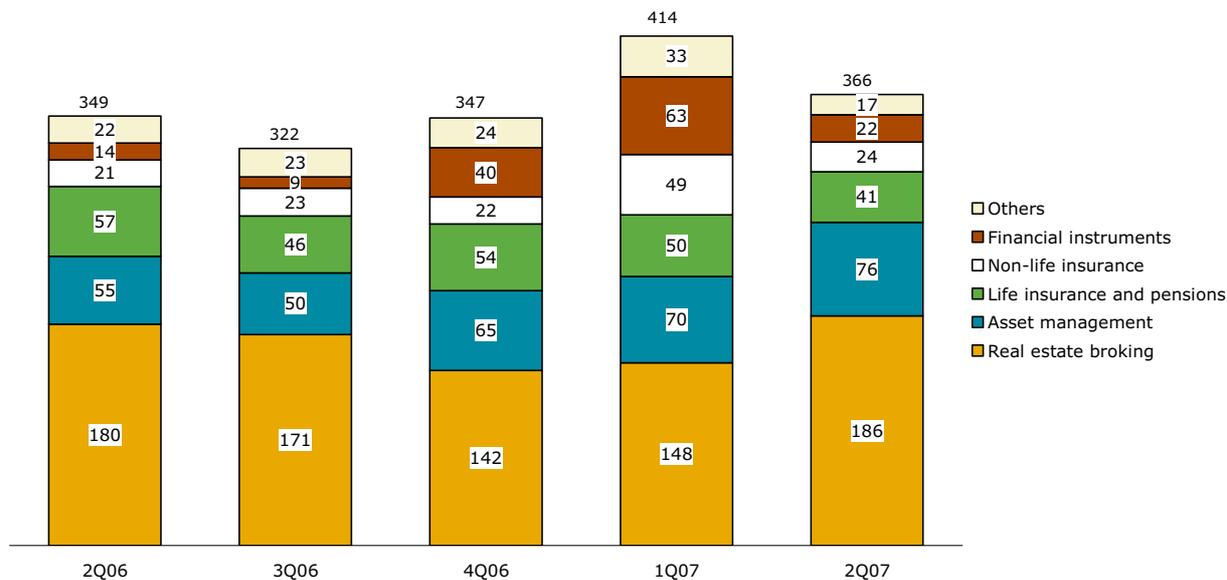
**Cooperation with other group entities**

Cross-selling of products is one of the major strengths of the DnB NOR Group. Through its distribution network Retail Banking offers:

- Asset management services (DnB NOR Asset Management)
- Life and pension insurance (Vital)
- Financial instruments (DnB NOR Markets)
- Car loans (DnB NOR Finans)

**Income from products sales**

NOK million

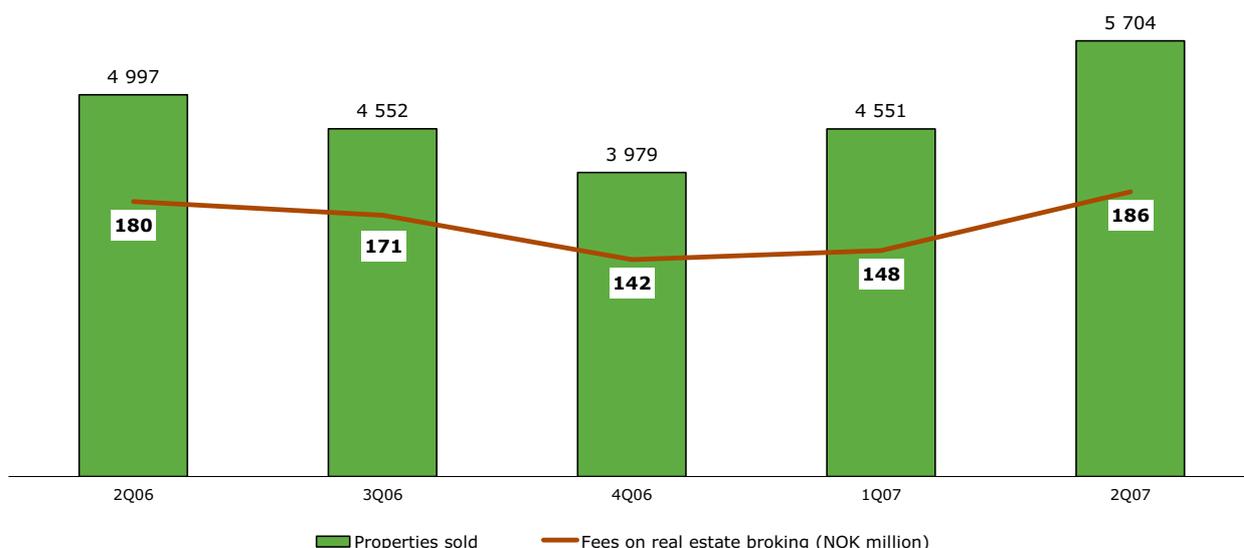


**Residential real estate broking**

DnB NOR's real estate broking activities are coordinated by DnB NOR Eiendom AS, a market leader within the real estate broking business in Norway. DnB NOR Eiendom had 89 outlets located in DnB NOR branches as at the end of June 2007. Postbanken Eiendom has been relaunched, and 21 real estate broking customer service centres have been established.

As from end-June 2007, Svensk Fastighetsförmedling AB (SFAB), the leading and best known chain of real estate brokers in Sweden, is a part of the DnB NOR Group. 100 per cent of the shareholders in SFAB have accepted the bid presented by DnB NOR. Together, SFAB and DnB NOR will become the largest real estate brokerage operation in the Nordic region.

In addition to fee income, real estate broking operations generate business in the form of residential mortgages and savings.



**Properties sold and market shares**

<i>Properties sold</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Total properties sold	5 704	4 551	3 979	4 552	4 997	10 255	9 085
Market share, per cent <sup>1)</sup>						14 %	13 %

1) Management's estimates.

**Consumer finance**

- DnB NOR's card-based services and consumer finance activities are coordinated in DnB NOR Kort (an entity within DnB NOR Bank ASA).
- DnB NOR Kort's lending volume increased to NOK 11 192 million, from NOK 10 872 million at end-June 2006.
- Consumer finance activities generated healthy profits in the first half of 2007.
- DnB NOR Kort is Norway's leading card issuer in terms of number of cards issued and lending volume. As at 30 June 2007, the entity had issued more than 1.6 million credit and charge cards. Including debit cards, the DnB NOR Group had issued approximately 3.6 million cards.

**Non-life insurance**

Vital Skade was the first company in Norway to develop a totally integrated virtual insurance site where Internet banking customers can buy non-life insurance products (home, car, travel etc.). Products are sold on a commission basis. Vital Skade operates as an agent and assumes no risk on its own.

Vital Skade has entered into non-exclusive agreements with 13 academic associations offering non-life insurance products through specialised service centres. Premium income generated in Vital Skade in the second quarter of 2007 totalled NOK 119 million, an increase of 24.3 per cent from the second quarter of 2006. Academic associations account for 40 per cent of total premiums. Sales through the Internet banking application continued to show strong growth compared with the previous year, with total premiums of NOK 64 million, up from NOK 41 million in the second quarter of 2006. Commission income increased by 13.9 per cent, from NOK 18 million in the second quarter of 2006 to NOK 21 million in the corresponding period of 2007.

## DnB NOR Markets

DnB NOR Markets is Norway's largest provider of a wide range of securities and investment banking services. DnB NOR Markets comprises the following units:

- FX/Rates/Credit/Real Estate
- Equities
- Corporate Finance
- Securities Services

The Group Treasury is organised within DnB NOR Markets though profits and losses for the unit are not recorded under this business area. Ottar Ertzeid, group executive vice president, is head of DnB NOR Markets.

DnB NOR Markets aims to be the leading investment bank for Norwegian and Norwegian-related customers, as well as international clients requiring services relating to Norway and the Norwegian krone. Clients outside Norway are served through the Group's international units, especially shipping and energy clients and Norwegian companies' international entities.

DnB NOR Markets is a full-service investment bank with leading market positions in Norway. The business area has:

- A diversified business/revenues mix (products and customers)
- A sound mix of customer and trading activities
- Cost and capital efficient operations

### Financial performance

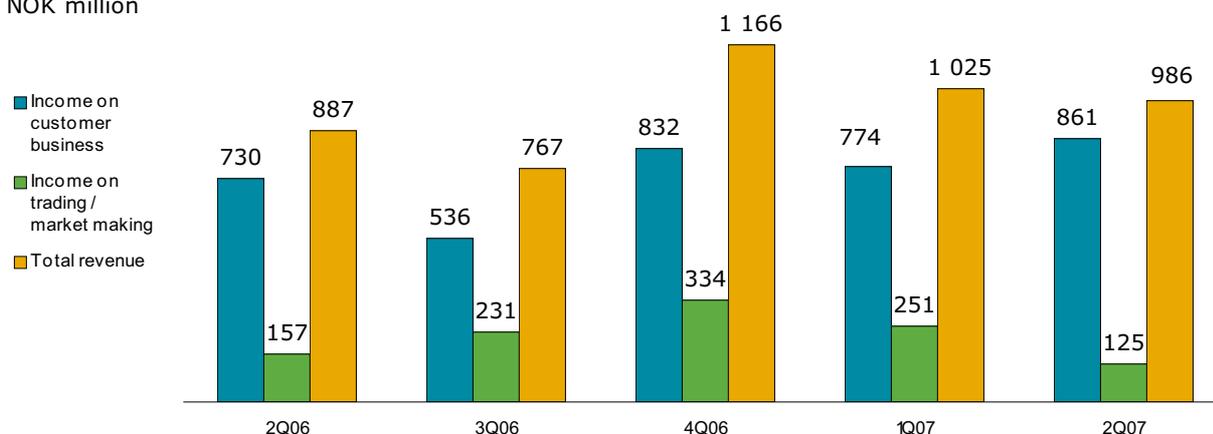
<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income - ordinary operations	57	52	57	70	65	109	124
Interest on allocated capital	44	37	30	25	21	82	38
Net interest income	101	89	87	95	87	190	163
Net other operating income	929	973	1 109	697	822	1 902	1 756
Total income	1 030	1 063	1 196	792	908	2 093	1 919
Operating expenses	402	392	443	327	352	794	768
Pre-tax operating profit before write-downs	628	670	754	465	556	1 299	1 151
Net gains on fixed and intangible assets	0	(1)	0	0	0	(1)	0
Write-downs on loans and guarantees	0	22	0	0	0	22	0
Pre-tax operating profit	628	647	754	465	556	1 275	1 151
Cost/income ratio (%)	39.0	36.9	37.0	41.2	38.8	37.9	40.0
Return on capital BIS (% p.a.)	47.0	53.2	64.4	42.5	54.4	49.9	60.2

### Comments to the financial performance in the second quarter of 2007

- DnB NOR Markets achieved high revenues and healthy profits in the second quarter of the year. Higher income from foreign exchange, corporate finance and custodial and other securities services compensated for the decline in income from investment products.
- Total revenues increased to NOK 1 030 million in the second quarter of 2007, from NOK 908 million in the year-earlier period.
- Income on customer business increased by 18 per cent to NOK 861 million. There was healthy demand for foreign exchange and corporate finance services
- Income from market making/trading totalled NOK 125 million, down NOK 33 million compared with the year-earlier period. The reduction was due to material changes in Norwegian interest rates.
- The business area recorded a very satisfactory cost/income ratio and a sound return on equity.

**Income distribution DnB NOR Markets**

NOK million



Total revenues	887	767	1 166	1 025	986
Interest on allocated capital	21	25	30	37	44
Total income	908	792	1 196	1 063	1 030

**Products and services**

- Foreign exchange and interest rate derivatives.
- Securities and other investment products.
- Debt and equity financing in capital markets, as well as mergers and acquisitions and other advisory and corporate finance services.
- Custodial and other securities services.
- During the second quarter of 2007, DnB NOR Markets became a member of the Copenhagen and Helsinki stock exchanges. It is also a member of Oslo Børs and the Stockholm stock exchange.
- Vital Eiendomsfond was launched during the second quarter. The product enables investors to invest in a diversified unmortgaged property portfolio in cooperation with Vital.

**Revenues within various segments**

Amounts in NOK million	First half						
	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
FX and interest rate derivatives	295	306	330	213	233	601	501
Investment products	181	230	212	151	229	411	488
Corporate finance	282	148	208	100	176	429	387
Securities services	104	91	82	72	92	195	162
Total customer revenues	861	774	832	536	730	1 635	1 539
Market making/trading revenues	125	251	334	231	157	376	341
Interest income on allocated capital	44	37	30	25	21	82	38
Total income	1 030	1 063	1 196	792	908	2 093	1 919

### Distribution and cooperation with other entities

Maintaining a broad distribution network and effective cooperation with other business areas within the Group, such as Corporate Banking and Payment Services and Retail Banking, are key priorities for DnB NOR Markets. Customers are served through:

- Central units located in Oslo.
- International offices (London, New York, Singapore and Shanghai) and 13 regional offices in Norway. In March 2007, DnB NOR Markets established Corporate Finance Asia, a Singapore-based investment banking unit serving clients in the shipping, offshore, logistics and energy industries.
- Electronic channels and the Internet.
- Cooperating savings banks.
- External agents.

### Customers and market shares

- In spite of intensifying competition, DnB NOR Markets maintained its leading market position in Norway within foreign exchange and interest rate activities and was also manager for the greatest number of Norwegian kroner bond issues on Oslo Børs (the Oslo stock exchange) in the second quarter of 2007. Source: Oslo Børs/DnB NOR Markets.
- Approximately 25 and 84 per cent respectively of customer trading in equity options and forward contracts on Oslo Børs was handled by DnB NOR Markets in second quarter 2007. Source: Oslo Børs.
- Approximately 36 per cent market share of equity-linked deposits products. Source: Norges Bank/DnB NOR Markets.
- Leading within domestic securities services. Source: Norwegian Central Securities Depository.
- 54 per cent of limited companies use DnB NOR Markets as registrar in the Norwegian Central Securities Depository. Source: Norwegian Central Securities Depository.
- DnB NOR was named best Norwegian foreign exchange bank by the Global Finance magazine in 2007.

### Employees

- DnB NOR Markets staff located in offices in Norway and abroad represents 580 full-time positions.

### Risk profile

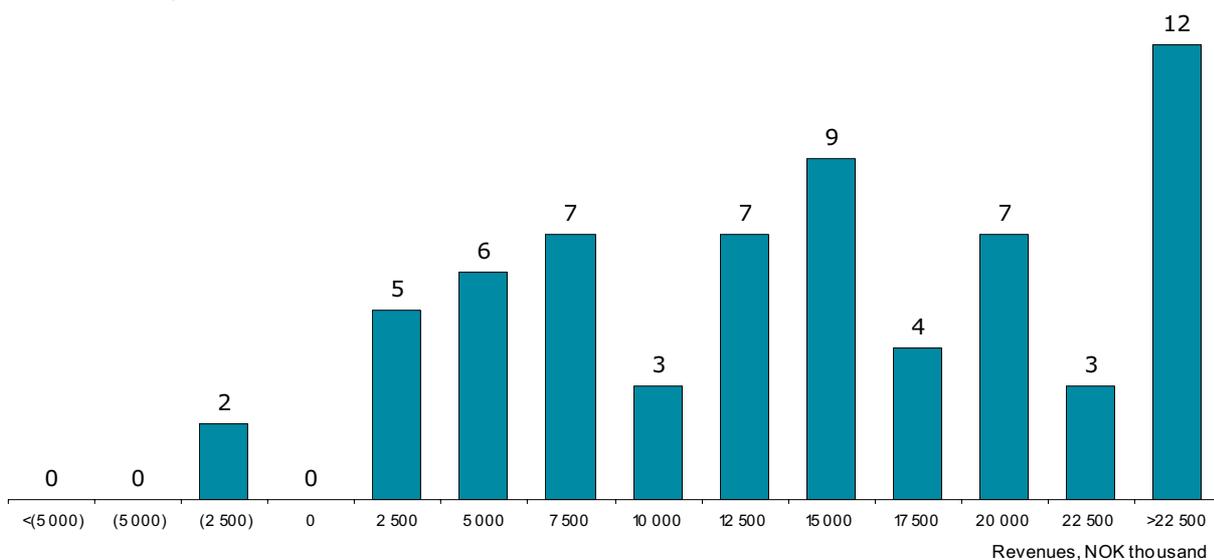
DnB NOR Markets has a moderate risk profile. Customer activities represent the main business. Trading activities support customer activities with products and prices, with focus on Norwegian kroner products.

### Daily revenue statistics for DnB NOR Markets

Amounts in NOK thousand	Second quarter			
	2007	2006	2006	2005
Minimum	(3 575)	(8 102)	(19 419)	(9 656)
Maximum	67 839	87 371	78 586	92 987
Average	15 171	13 656	15 143	11 530
Loss days	2	3	21	14
Gain days	63	62	238	245

**Daily revenue distribution in second quarter 2007**

Number of days

**Total income***Amounts in NOK million*

	2Q07
Total daily revenues	986
Interest on allocated capital	44
Total income	1 030

**Value at risk**

Market risk exposures for DnB NOR Markets, i.e. DnB NOR Bank's trading portfolio/activities, remained at a moderate level in the second quarter of 2007.

**Value at risk (one day holding period, 99 per cent confidence level)**

<i>Amounts in NOK thousand</i>	30 June 2007 Actual	Second quarter 2007		
		Average	Maximum	Minimum
Currency risk	3 310	2 569	5 120	370
Interest rate risk	15 940	15 329	21 610	11 750
Equities	4 115	3 401	6 383	1 458
Diversification effects <sup>1)</sup>	(2 970)	(2 517)		
Total	20 395	18 782		

1) Diversification effects refer to currency and interest rate risk only.

**Interest rate sensitivity**

The value of financial investments recorded on and off the balance sheet is affected by interest rate movements. The table below shows potential losses for DnB NOR resulting from parallel one percentage point changes in all interest rates. The calculations are based on a hypothetical situation where interest rate movements in all currencies are unfavourable for DnB NOR relative to the Group's positions. Also, all interest rate movements within the same interval are assumed to be unfavourable for the Group. The calculations are based on the Group's positions as at 30 June 2007 and market rates on the same date.

**Potential losses for DnB NOR resulting from parallel one percentage point changes in all interest rates**

<i>Amounts in NOK million</i>	Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
<b>Trading portfolio</b>						
NOK	24	1	49	276	267	35
USD	20	31	34	26	6	64
EURO	3	35	18	122	96	30
GBP	4	11	2	0	1	18
Other currencies	6	10	14	8	6	20
<b>Banking portfolio</b>						
NOK	10	158	169	82	25	58
EURO	0	0	0	0	0	0
<b>Total</b>						
NOK	34	157	218	358	292	94
USD	20	31	34	26	6	64
EURO	3	35	18	122	96	30
GBP	4	11	2	0	1	18
Other currencies	6	10	14	8	6	20

## Life Insurance and Asset Management

Operations in Vital Forsikring ASA and DnB NOR Kapitalforvaltning Holding AS, both with subsidiaries, were in the second quarter merged to form one business area "Life Insurance and Asset Management", headed by Tom Rathke, managing director of Vital Forsikring. Coordination and the utilisation of resources between the units will be reviewed during the second half of 2007. The merger of DnB NOR Asset Management and Vital into one business area will strengthen initiatives related to long-term savings across the Group.

### Financial performance

<i>Amounts in NOK million</i>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Total income	1 197	981	1 009	922	950	2 178	1 962
Operating expenses	584	499	523	477	504	1 083	973
Pre-tax operating profit	614	482	486	445	445	1 095	989
Taxes	(348)	31	(723)	29	28	(317)	60
Operating profit	961	451	1 209	416	417	1 412	929
Assets under management (NOK billion) <sup>1)</sup>	595	588	591	571	560	595	560
Return on capital (per cent) <sup>2)</sup>	35.2	15.8	44.9	16.4	16.4	25.3	18.0

1) Assets at end of period.

2) Calculated on the basis of recorded equity.

### Comments to the financial performance in the second quarter of 2007

Life Insurance and Asset Management recorded pre-tax operating profits of NOK 614 million in the second quarter of 2007, an increase of NOK 169 million compared with the year-earlier period. Vital stood for NOK 464 million and DnB NOR Asset Management for NOK 150 million. Descriptions of the financial performance of Vital and DnB NOR Asset Management are divided into two separate sections below.

## Vital

Vital offers group pension schemes to businesses and the public sector, the most important products being defined-benefit and defined-contribution occupational pension schemes. Vital also offers employers' liability insurance to the corporate market. In the retail market, long-term savings alternatives are offered in the form of individual savings products with guaranteed rates of return and products with a choice of investment profile.

In February 2007, Bård Benum, managing director of Vital since 2003, announced his resignation to take over as president and CEO of a listed company located in Trondheim. Tom Rathke was appointed new managing director of Vital and group executive vice president in DnB NOR with effect from 30 April 2007, leaving his position as financial director in Vital.

Vital comprises Vital Forsikring ASA including subsidiaries. As from 1 January 2007, operations were united in Vital Forsikring ASA following the incorporation of Vital Link. Subsequently, Vital Forsikring provides both products with guaranteed returns and products with a choice of investment profile.

Vital aims to be Norway's strongest entity within pension savings. Vital seeks continued growth within the company's business segments and aims to deliver competitive results to its policyholders and owner. Devoting further efforts to improving cost efficiency, providing top-quality advisory services, maintaining high levels of service and customer relationship management and serving as an attractive entry portal for customers into the DnB NOR Group will be instrumental in reaching these targets.

### Financial results

Vital Forsikring ASA including subsidiaries is fully consolidated in the DnB NOR Group's accounts.

Profit sharing between policyholders and the owner from products with guaranteed returns is based on special accounting regulations for such operations stipulated by Kredittilsynet (the Financial Supervisory Authority of Norway). Regulations relating to profit sharing between the owner and policyholders in life insurance companies limit the DnB NOR Group's access to revenues and assets from operations from products with guaranteed returns.

### Financial performance

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Interest result (note 1) <sup>1)</sup>	3 316	2 444	2 990	342	1 607	5 760	3 762
Risk result (note 3)	13	13	46	40	(62)	26	(96)
Administration result (note 4)	(68)	(20)	(12)	(25)	(30)	(87)	(54)
Transferred to security reserve	(1)	9	4	0	0	8	1
Profit in Vital before additional allocations	3 263	2 428	3 020	357	1 515	5 690	3 611
Transferred to additional allocations (note 2)	-	-	2 740	-	-	-	-
Profit for distribution in Vital <sup>2)</sup>	3 263	2 428	280	357	1 515	5 690	3 611
Allocations to policyholders, products with guaranteed returns <sup>1)</sup>	2 805	2 061	(51)	27	1 185	4 866	2 862
+ Reversal of goodwill amortisation	5	6	5	6	5	11	11
Net profit in Vital	464	372	336	336	335	835	760
Tax charge	(390)	0	(765)	(1)	(2)	(390)	(4)
<b>Profit from Vital</b>	<b>853</b>	<b>372</b>	<b>1 101</b>	<b>337</b>	<b>337</b>	<b>1 225</b>	<b>764</b>

1) See table below. For developments in the asset mix and return on assets from products with guaranteed returns, see tables on pages 72 and 69.

2) See table on page 69.

Note 1–4: see page 71 for a table that specifies Vital's various profit and loss items included in the DnB NOR Group's income statement.

**Interest result**

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net result from equities	5 144	635	4 130	2 306	(2 601)	5 778	1 051
Net result from other asset classes	2 210	2 101	2 494	1 303	2 200	4 311	3 810
Value-adjusted financial result <sup>1)</sup>	7 353	2 736	6 624	3 609	(401)	10 089	4 861
Guaranteed return on policyholders' funds	1 733	1 744	1 640	1 556	1 636	3 477	3 274
Financial result after guaranteed returns	5 621	992	4 984	2 052	(2 037)	6 612	1 587
+ From securities adjustment reserve	(2 304)	1 452	(1 993)	(1 710)	3 644	(852)	2 175
Recorded interest result	3 316	2 444	2 990	342	1 607	5 760	3 762

1) Before changes in unrealised gains on long-term securities.

**Comments to the financial performance in the second quarter of 2007**

- 115 per cent increase in profit for distribution, to NOK 3 263 million
- Healthy return on assets: value-adjusted 3.7 per cent and recorded 2.6 per cent.
- A NOK 129 million increase in pre-tax profit from Vital, to NOK 464 million.
- Changed tax treatment of value adjustments on indirectly owned properties resulted in a NOK 390 million tax gain.
- The risk result increased by NOK 75 million, to NOK 13 million
- Administration result reduced by NOK 38 million, to NOK 68 million, mainly due to the one-off effect of VAT on previous purchases of IT services.
- A 2.2 per cent growth in total assets, to NOK 229 billion.
- A NOK 4.6 billion withdrawal from short-time savings products, mainly due to rising interest rate levels and new tax rules for individual pension savings.
- A NOK 3.9 billion increase in solvency capital, to NOK 28.1 billion.
- A net outflow of transfers of NOK 0.5 billion.
- Vital's market share of policyholders' funds was 34.9 per cent by end-March 2007, up from 34.7 per cent December 2006.

**Extracts from balance sheets and key figures**

Amounts in NOK million	30 June 2007	31 Mar. 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Total liabilities, products with guaranteed returns	191 452	189 715	188 096	182 181	182 208	174 675
of which group pension - defined benefit	125 123	123 049	119 211	113 901	114 582	110 584
of which group pension - defined contribution <sup>1)</sup>	102	101	0	533	502	374
Insurance liabilities, products with a choice of investment profile	19 105	18 867	18 840	16 005	14 800	13 136
of which group pension - defined contribution <sup>1)</sup>	2 782	2 475	2 214	1 252	1 036	657

1) In the fourth quarter of 2006, "group pension - defined contribution" included in liabilities to life insurance policyholders was transferred to the portfolio "insurance liabilities - customer bearing the risk".

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Solvency capital <sup>1)</sup>	28 110	24 179	23 504	24 190	21 644	28 110	21 644
Return on capital (per cent) <sup>2)</sup>	37.4	15.3	48.7	15.9	15.6	26.0	17.3
Expenses in per cent of insurance provisions <sup>3)</sup>	1.03	0.95	1.04	0.95	1.01	0.99	1.01

1) Operations from products with choice of investments are included from 1 January 2007. For the composition of solvency capital, see table on page 75.

2) Calculations of return on capital are based on recorded equity, after taxes, and are annualised.

3) The figures are annualised.

**Value-adjusted return on assets – products with guaranteed returns**

Per cent	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Financial assets							
Norwegian equities	13.9	6.8	23.5	(2.6)	(4.2)	20.7	15.5
International equities	3.6	1.8	6.6	4.5	(1.4)	5.4	2.3
Norwegian bonds	(0.9)	0.4	(0.5)	1.9	(0.3)	(0.5)	(0.4)
International bonds	(1.1)	0.5	(0.1)	2.7	(0.7)	(0.6)	(2.3)
Money market instruments	1.1	0.9	0.9	0.7	0.7	2.0	1.3
Bonds held to maturity	1.4	1.3	1.3	1.3	1.4	2.7	2.7
Investment property	4.6	2.7	5.6	2.6	3.6	7.3	6.4
<b>Value-adjusted return on assets I <sup>1)</sup></b>	<b>3.7</b>	<b>1.4</b>	<b>3.6</b>	<b>1.9</b>	<b>(0.2)</b>	<b>5.1</b>	<b>2.6</b>
Value-adjusted return on assets II <sup>2)</sup>	3.0	1.1	2.8	2.2	(0.8)	4.1	1.4
Recorded return on assets <sup>3)</sup>	2.6	2.2	2.6	1.1	1.7	4.8	3.8
Value-adjusted return on assets I, annualised <sup>1)</sup>	14.8	5.7	14.4	7.6	(0.8)	10.5	5.2
Value-adjusted return on assets II, annualised <sup>2)</sup>	12.0	5.2	11.2	8.7	(3.2)	8.4	2.9

1) Excluding changes in value of commercial paper and bonds held to maturity.

2) Including changes in unrealised gains on commercial paper and bonds held to maturity.

3) Excluding changes in unrealised gains on financial instruments.

**Specification of profit for distribution**

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Profit for distribution	3 263	2 428	280	357	1 515	5 690	3 611
from operations subject to profit sharing <sup>1)</sup>	3 309	2 444	295	357	1 518	5 753	3 615
- Funds transferred to policyholders	2 805	2 061	(51)	27	1 185	4 866	2 862
- Profit for allocation to the owner and taxes	505	382	346	330	333	887	753
from operations not subject to profit sharing	(47)	(16)	(16)	0	(3)	(63)	(4)

1) Profit for allocation to the owner and taxes from operations subject to profit sharing includes:

- return on equity, subordinated loan capital and the security reserve, calculated as the company's return on capital, less accrued interest on subordinated loans and allocations to the security reserve
- a margin on policyholders' funds
- a margin on effective risk premiums adjusted for survival risk on contracts providing sufficient profits

According to regulations, annual profit for allocation to the owner and taxes cannot exceed 35 per cent of profit from operations subject to profit sharing. If this figure is negative, the entire amount should be charged to the owner. Total profit to the owner and taxes also includes profits from operations not subject to profit sharing.

**Premium income**

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Total premiums due <sup>1) 2)</sup>	3 902	6 481	4 220	3 062	4 381	10 383	12 602
Inflow of reserves <sup>3)</sup>	20	2 386	1 321	544	227	2 406	1 820
Outflow of reserves <sup>3)</sup>	504	2 253	1 465	2 499	670	2 757	2 620
Net premiums paid	3 418	6 614	4 076	1 107	3 938	10 032	11 802
Outflow of reserves <sup>3)</sup>	504	2 253	1 465	2 499	670	2 757	2 620
Total premium income	3 922	8 867	5 541	3 606	4 608	12 789	14 422

1) Of which group pension - defined benefit

2) Of which group pension - defined contribution

3) Of which transfers between Vital companies \*)

1 294 4 181 1 225 1 220 1 587 5 475 6 227

363 364 447 294 177 377 377

(199) 199 776 182 196 0 380

\*) As from 1 January 2007 the figure includes transfers between products with guaranteed returns and products with a choice of investment profile. As from 2007, all such transfers are eliminated in the table above.

**Market shares – Vital**

<i>Per cent</i>	31 March 2007	31 Dec. 2006	31 March 2006
Of insurance funds including products with a choice of investment profile	34.9	34.7	35.6
- Retail market	52.3	52.2	51.3
- Corporate market	28.5	28.0	29.2
of which defined-contribution pensions	32.3	34.2	36.6
Of insurance funds for products with a choice of investment profile	40.7	41.4	40.1

Source: The Norwegian Financial Services Association (FNH) and DnB NOR

**Income statement <sup>1)</sup>**

<i>Amounts in NOK million</i>	First half						
	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
Total interest income							
Total interest expenses							
<b>Net interest income</b>							
Commissions and fees receivable etc. (note 4)	453	458	498	433	455	910	905
Commissions and fees payable etc. (note 4)	138	160	172	160	164	297	341
Net gains on financial instruments at fair value							
Net gains on assets in Vital (note 1)	6 116	4 572	6 033	2 714	2 435	10 688	7 371
Guaranteed returns and allocations to policyholders in Vital (note 2)	5 598	4 193	5 731	2 392	2 008	9 791	6 460
Premium income etc. included in the risk result in Vital (note 3)	917	1 414	1 191	1 001	1 059	2 331	2 122
Insurance claims etc. included in the risk result in Vital (note 3)	904	1 401	1 146	960	1 121	2 305	2 218
Net realised gains on investment securities (AFS)							
Profit from companies accounted for by the equity method							
Other income							
<b>Net other operating income</b>	<b>846</b>	<b>689</b>	<b>674</b>	<b>634</b>	<b>656</b>	<b>1 536</b>	<b>1 378</b>
<b>Total income</b>	<b>846</b>	<b>689</b>	<b>674</b>	<b>634</b>	<b>656</b>	<b>1 536</b>	<b>1 378</b>
Salaries and other personnel expenses	188	176	183	168	172	363	325
Other expenses	164	122	137	112	128	285	252
Depreciation and impairment of fixed and intangible assets	31	20	19	18	20	52	41
<b>Total operating expenses (note 4)</b>	<b>383</b>	<b>318</b>	<b>338</b>	<b>298</b>	<b>321</b>	<b>700</b>	<b>618</b>
Net gains on fixed and intangible assets							
Write-downs on loans and guarantees							
<b>Pre-tax operating profit</b>	<b>464</b>	<b>372</b>	<b>336</b>	<b>336</b>	<b>335</b>	<b>835</b>	<b>760</b>
Taxes	(390)	0	(765)	(1)	(2)	(390)	(4)
Profit from discontinuing operations after taxes							
<b>Profit for the period <sup>2)</sup></b>	<b>853</b>	<b>372</b>	<b>1 101</b>	<b>337</b>	<b>337</b>	<b>1 225</b>	<b>764</b>

1) The figures encompass Vital Forsikring ASA including subsidiaries as included in the DnB NOR Group accounts before eliminations for intra-group transactions and balances.

2) For a detailed statement of financial performance, see page 67.

Note 1–4: In the table on the next page, the items marked in grey indicate Vital's various profit and loss items included in the DnB NOR Group's income statement.

In the table below, the items marked in grey indicate Vital's various profit and loss items included in the DnB NOR Group's income statement.

<b>Note 1</b>	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Interest result <sup>1)</sup>	3 316	2 444	2 990	342	1 607	5 760	3 762
+ Guaranteed returns to policyholders	1 733	1 744	1 640	1 556	1 636	3 477	3 274
+ Allocations to policyholders, products with a choice of investment profile	1 061	387	1 402	809	(813)	1 448	323
+ Transferred from security reserve in Vital	1	(9)	(4)	0	0	(8)	(1)
+ Other items recorded as net gains on financial instruments, including reclassifications	5	6	5	6	5	11	11
<b>Net gains on assets in Vital, IFRS</b>	<b>6 116</b>	<b>4 572</b>	<b>6 033</b>	<b>2 714</b>	<b>2 435</b>	<b>10 688</b>	<b>7 371</b>

<b>Note 2</b>	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
Transferred to additional allocations, products with guaranteed returns	0	0	2 740	0	0	0	0
Allocations to policyholders, products with guaranteed returns	2 805	2 061	(51)	27	1 185	4 866	2 862
Allocations to policyholders, products with a choice of investment profile	1 061	387	1 402	809	(813)	1 448	323
Total allocations to policyholders	3 866	2 449	4 091	836	372	6 314	3 185
Guaranteed return on policyholders' funds	1 733	1 744	1 640	1 556	1 636	3 477	3 274
<b>Guaranteed returns and allocations to policyholders in Vital, IFRS</b>	<b>5 598</b>	<b>4 193</b>	<b>5 731</b>	<b>2 392</b>	<b>2 008</b>	<b>9 791</b>	<b>6 460</b>
<b>Net financial result in Vital, IFRS</b>	<b>517</b>	<b>379</b>	<b>302</b>	<b>321</b>	<b>427</b>	<b>897</b>	<b>910</b>

<b>Note 3</b>	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
Total risk result in Vital, NGAAP	13	13	46	40	(62)	26	(96)
Premium income etc. included in the risk result in Vital, IFRS	917	1 414	1 191	1 001	1 059	2 331	2 122
Insurance claims etc. included in the risk result in Vital, IFRS	904	1 401	1 146	960	1 121	2 305	2 218
<b>Total risk result in Vital, IFRS</b>	<b>13</b>	<b>13</b>	<b>46</b>	<b>40</b>	<b>(62)</b>	<b>26</b>	<b>(96)</b>

<b>Note 4</b>	2Q07	1Q07	4Q06	3Q06	2Q06	2007	2006
Administration result Vital, NGAAP	(68)	(20)	(12)	(25)	(30)	(87)	(54)
Commissions and fees receivable, IFRS	453	458	498	433	455	910	905
Commissions and fees payable, IFRS	138	160	172	160	164	297	341
Operating expenses, IFRS	383	318	338	298	321	700	618
<b>Administration result in Vital according to IFRS</b>	<b>(68)</b>	<b>(20)</b>	<b>(12)</b>	<b>(25)</b>	<b>(30)</b>	<b>(87)</b>	<b>(54)</b>

<b>Pre-tax operating profit from Vital</b>	<b>464</b>	<b>372</b>	<b>336</b>	<b>336</b>	<b>335</b>	<b>835</b>	<b>760</b>
Taxes	(390)	0	(765)	(1)	(2)	(390)	(4)
<b>Profit for the period</b>	<b>853</b>	<b>372</b>	<b>1 101</b>	<b>337</b>	<b>337</b>	<b>1 225</b>	<b>764</b>

1) Before changes in unrealised gains.

### The owner's share of the net financial and risk result from Vital <sup>1)</sup>

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net gains on assets in Vital	6 116	4 572	6 033	2 714	2 435	10 688	7 371
Guaranteed returns and allocations to policyholders in Vital	5 598	4 193	5 731	2 392	2 008	9 791	6 460
Premium income etc. included in the risk result in Vital	917	1 414	1 191	1 001	1 059	2 331	2 122
Insurance claims etc. included in the risk result in Vital	904	1 401	1 146	960	1 121	2 305	2 218
Net financial and risk result in Vital	531	391	348	361	365	923	815
Eliminations in the group accounts	2	0	(10)	9	10	2	14
<b>Net financial and risk result from Vital</b>	<b>533</b>	<b>391</b>	<b>337</b>	<b>371</b>	<b>375</b>	<b>925</b>	<b>829</b>

1) For a specification of net other operating income in the DnB NOR Group, see page 22.

**Balance sheets <sup>1)</sup>**

<i>Amounts in NOK million</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Cash and deposits with central banks						
Lending to and deposits with credit institutions	10 634	8 716	7 185	6 234	8 850	11 527
Lending to customers						
Commercial paper and bonds	44 687	50 264	57 838	58 258	61 973	67 457
Shareholdings	60 183	56 057	47 291	42 412	39 347	32 445
Financial assets, customers bearing the risk	19 105	18 867	18 840	16 005	14 800	13 136
Financial derivatives	1 739	837	1 654	1 251	1 427	786
Shareholdings, available for sale						
Commercial paper and bonds, held to maturity	62 906	60 093	62 444	62 478	60 898	52 587
Investment property	26 524	25 697	25 668	25 026	23 869	22 872
Investments in associated companies	16	16	16	14	14	14
Intangible assets	342	326	294	318	304	252
Deferred tax assets		185	185			
Fixed assets	49	52	75	43	46	50
Biological assets						
Discontinuing operations						
Other assets	3 160	3 263	2 161	1 497	2 751	1 533
<b>Total assets</b>	<b>229 346</b>	<b>224 375</b>	<b>223 650</b>	<b>213 536</b>	<b>214 279</b>	<b>202 659</b>
Loans and deposits from credit institutions						
Deposits from customers						
Financial derivatives	587	828	1 166	1 480	807	1 080
Securities issued						
Insurance liabilities, customers bearing the risk	19 105	18 867	18 840	16 005	14 800	13 136
Liabilities to life insurance policyholders	191 452	189 715	188 096	182 181	182 208	174 675
Payable taxes						
Deferred taxes	494			661	662	99
Other liabilities	6 318	2 314	3 259	1 920	4 880	1 991
Discontinuing operations						
Provisions	199	125	124	205	192	133
Subordinated loan capital	2 534	2 545	2 556	2 575	2 557	2 594
<b>Total liabilities</b>	<b>220 690</b>	<b>214 393</b>	<b>214 040</b>	<b>205 027</b>	<b>206 107</b>	<b>193 708</b>
Minority interests						
Revaluation reserve						
Share capital	1 310	1 310	1 310	1 310	1 310	1 307
Other reserves and retained earnings	7 345	8 672	8 300	7 199	6 862	7 643
<b>Total equity</b>	<b>8 656</b>	<b>9 982</b>	<b>9 610</b>	<b>8 509</b>	<b>8 172</b>	<b>8 951</b>
<b>Total liabilities and equity</b>	<b>229 346</b>	<b>224 375</b>	<b>223 650</b>	<b>213 536</b>	<b>214 279</b>	<b>202 659</b>

1) The figures encompass Vital Forsikring ASA including subsidiaries as included in the DnB NOR Group accounts before eliminations for intra-group transactions and balances.

### Products and organisation

- Group pension schemes to businesses, adapted to customer needs for defined-benefit, defined-contribution. In addition, Vital offers employer's liability insurance in the corporate market.
- Long-term savings alternatives in the form of individual pension agreements, annuities in the retail market.
- Products are offered with guaranteed returns or with a choice of investment profile.
- Savings products from other units in the DnB NOR Group, including mutual funds from DnB NOR Asset Management and equity-linked bonds from DnB NOR Markets.

The business area is represented in most parts of Norway through sales offices and provides services through DnB NOR's and Postbanken's distribution networks and independent agents, as well as via the Internet.

In close cooperation with the rest of the Group, Vital aims to increase its international presence. Vital has had operations in Sweden for a few years and is planning to expand in this market. As part of DnB NOR's international initiatives, Vital established operations in Latvia on 19 March 2007, based on distribution via DnB NOR's branch network. The start-up of operations in Lithuania is scheduled for the second half of 2007.

During 2006, it was decided to remove tax concessions on individual pension products. In March 2007, a settlement was reached in the Norwegian parliament which, among other things, entails the introduction of tax incentives on individual savings as from 2008. Vital has developed products which are in compliance with the new external parameters.

The process of adapting operations to new regulations entering into force as from 2008 is in progress. The new regulations will imply a clearer distinction between policyholders' funds and owner funds and a more clear-cut risk apportionment between policyholders and the company. In addition, product pricing will be more transparent. There will be material changes, but Vital is well prepared to meet the challenges and capitalise on the opportunities afforded by the new regulations.

### Cooperation with other group entities

- By taking advantage of the strength of the DnB NOR Group's total distribution network, Vital is well positioned to enjoy continued market growth.
- Vital's growth in the retail market is not least due to the business area's extensive distribution network, where other business areas in the Group play a principal role.
- In the second quarter of 2007, other business areas accounted for 53.7 per cent of the sales of Vital's products in the retail market, compared with 50.3 per cent in the corresponding period of 2006.

### Employees

Vital gives priority to retaining and developing a high level of expertise within insurance products, management and other relevant areas of competence.

### Full-time positions – Vital <sup>1)</sup>

	30 June 2007	30 June 2006
Vital Forsikring	828	767
Vital Link		28
<b>Total</b>	<b>828</b>	<b>795</b>

1) Vital Link AS and Vital Forsikring ASA merged in February 2007 with accounting effect from 1 January 2007.

**Balance sheets and capital adequacy according to NGAAP**

The analyses below are prepared on the basis of accounting principles according to Norwegian accounting legislation etc. (NGAAP).

Kredittilsynet and the Ministry of Finance have not adapted solvency margin capital or capital adequacy regulations to IFRS. The Norwegian Ministry of Finance is expected to establish guidelines for further efforts to determine capital requirements for insurance companies up until the introduction of Solvency II.

**Balance sheets – NGAAP**

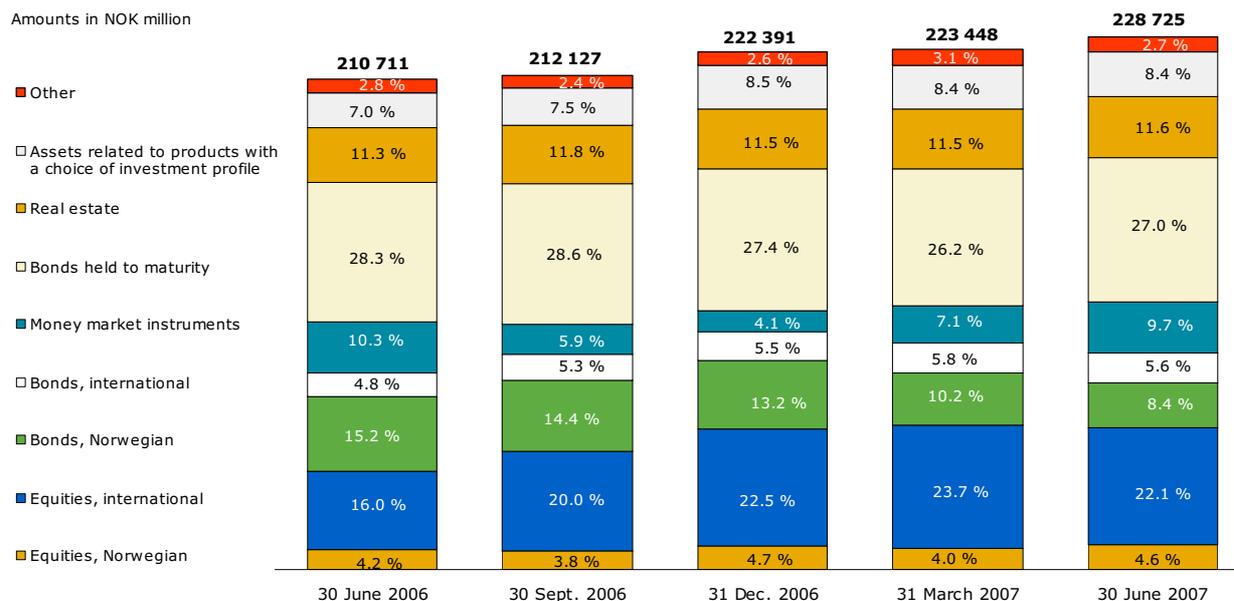
<i>Amounts in NOK million</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
<b>Financial assets</b>						
Norwegian equities <sup>1)</sup>	15 721	13 708	13 005	10 784	11 464	9 088
International equities <sup>2)</sup>	44 743	42 291	34 717	32 425	29 042	23 550
Norwegian bonds <sup>3)</sup>	19 195	22 827	29 380	30 645	31 739	29 008
International bonds <sup>4)</sup>	16 164	16 427	15 931	13 526	12 683	13 116
Money market instruments <sup>5)</sup>	19 309	18 230	18 169	17 794	21 507	34 391
Bonds held to maturity	61 750	58 526	60 825	60 761	59 692	51 246
Real estate	26 524	25 697	25 668	25 026	23 869	22 872
Assets related to products with a choice of investment profile	19 105	18 867	18 840	16 005	14 800	13 136
Other	6 214	6 875	5 856	5 162	5 914	5 253
<b>Total assets</b>	<b>228 725</b>	<b>223 448</b>	<b>222 391</b>	<b>212 127</b>	<b>210 711</b>	<b>201 661</b>
<b>Equity</b>	<b>8 622</b>	<b>7 775</b>	<b>7 408</b>	<b>8 493</b>	<b>8 161</b>	<b>7 378</b>
Subordinated loan capital	2 534	2 545	2 556	2 575	2 557	2 594
Securities adjustment reserve	7 884	5 580	7 032	5 038	3 328	5 503
<b>Insurance provisions</b>						
Premium reserve	170 149	170 729	167 403	167 653	168 746	159 457
Additional allocations	6 178	6 324	6 429	3 713	3 733	3 788
Premium fund and pension adjustment fund	6 393	6 250	6 436	4 941	5 566	5 124
Security reserve	220	221	205	201	201	201
Other reserves	629	611	592	627	627	602
Provisions in products with a choice of investment profile	19 105	18 867	18 840	16 005	14 800	13 136
Other liabilities	7 012	4 547	5 491	2 880	2 992	3 877
<b>Total equity and liabilities</b>	<b>228 725</b>	<b>223 448</b>	<b>222 391</b>	<b>212 127</b>	<b>210 711</b>	<b>201 661</b>

Net exposure after adjustment for derivative contracts:

1) Norwegian equities	10 434	8 880	10 411	8 158	8 757	6 757
2) International equities	50 463	52 948	49 939	42 490	33 723	37 023
- of which investments in hedge funds	2 343	2 131	1 960	2 106	1 824	1 823
3) Norwegian bonds	19 194	22 784	29 380	30 645	32 068	26 306
4) International bonds	12 873	12 888	12 326	11 336	10 147	7 404
5) Money market instruments	22 097	15 891	9 146	12 545	21 741	31 664

**Balance sheet – NGAAP <sup>1)</sup>**

Amounts in NOK million



1) The figures for products with guaranteed returns represent net exposure after derivative contracts.

**Solvency capital – NGAAP <sup>1) 2)</sup>**

Amounts in NOK million	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
Interim profit, accumulated	5 690	2 428	-	3 987	3 625	-
Securities adjustment reserve	7 884	5 580	7 032	5 038	3 328	5 503
Additional allocations	6 178	6 324	6 429	3 713	3 733	3 788
Security reserve	220	221	205	201	201	201
Equity	7 408	7 408	7 155	7 155	7 155	7 155
Subordinated loan capital and perpetual subordinated loan capital securities	2 534	2 545	2 461	2 480	2 462	2 499
Unrealised gains on long-term securities	(1 805)	(327)	222	1 615	1 139	3 268
<b>Solvency capital</b>	<b>28 110</b>	<b>24 179</b>	<b>23 504</b>	<b>24 190</b>	<b>21 644</b>	<b>22 415</b>
<b>Buffer capital <sup>3)</sup></b>	<b>20 393</b>	<b>15 276</b>	<b>15 144</b>	<b>14 560</b>	<b>12 426</b>	<b>11 564</b>

1) The above shows the composition of and development in solvency capital. All these elements, with the exception of part of the security reserve, can be used to meet the guaranteed rate of return on policyholders' funds.

2) Operations from products with a choice of investment profile are included from 1 January 2007.

3) Buffer capital represents equity in excess of the minimum statutory capital requirement and interim profits, additional allocations and the securities adjustment reserve.

**Capital adequacy and solvency margin capital – NGAAP <sup>1)</sup>**

<i>Amounts in NOK million</i>	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 Dec. 2005
<b>Capital adequacy <sup>2)</sup></b>						
Total eligible primary capital	9 499	9 503	9 240	9 120	9 161	9 312
Capital adequacy ratio (%)	8.6	8.9	9.8	10.2	10.5	11.7
Core capital	7 190	7 183	7 004	6 941	6 954	7 038
Core capital (%)	6.5	6.7	7.4	7.8	7.9	8.9
Risk-weighted assets	110 732	106 974	94 272	89 306	87 489	79 293
<b>Solvency margin capital <sup>3)</sup></b>						
Solvency margin capital	12 687	12 764	12 546	11 068	11 118	11 296
Solvency margin capital exceeding minimum requirement	5 008	5 064	4 898	3 602	3 576	4 166
Solvency margin capital in per cent of solvency margin capital requirement (%)	165	166	164	148	147	158

1) Operations from products with a choice of investment profile are included from 1 January 2007.

2) Capital adequacy regulations regulate the relationship between the company's primary capital and the investment exposure on the asset side of the balance sheet. Life insurance companies are subject to a minimum capital adequacy requirement of 8 per cent.

3) Solvency margin capital is measured against the solvency margin requirement, which is linked to the company's insurance commitments on the liabilities side of the balance sheet. The solvency margin requirements for Norwegian life insurance companies are subject to regulations on the calculation of solvency capital requirements and solvency margin capital, as laid down by the Ministry of Finance on 19 May 1995.

## DnB NOR Asset Management

DnB NOR Asset Management provides mutual funds and discretionary portfolio management services to Norwegian and other Nordic corporate clients, the public sector, private pension funds and retail clients.

DnB NOR Asset Management seeks to provide first-class returns on customer funds within the preferred risk profile and investment horizon. DnB NOR aspires to be the leading asset manager for clients in the Nordic region, providing sound long-term returns and a high level of service based on a thorough understanding of customer needs.

DnB NOR Asset Management expects an increasing number of European market participants to opt for outsourcing of investment operations services. The range of such services related to mutual fund activity and asset management will be expanded with a view to offering such services to other market participants. The performance of mutual fund packages, the 'Spar Smart' concept, was better than benchmarks during the second quarter of 2007. More than 4 400 'Spar Smart' savings schemes were signed in the second quarter of 2007.

### Financial performance

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income - ordinary operations	1	(1)	0	(3)	2	0	(1)
Interest on allocated capital <sup>1)</sup>	21	18	16	13	11	39	21
Net interest income	22	17	16	10	13	39	19
Commission income							
- from retail customers	140	128	153	119	132	267	258
- from institutional clients	188	153	158	150	141	341	294
Other income	1	(6)	8	8	8	(5)	12
Total income	351	292	335	288	294	643	585
Operating expenses	201	182	184	179	184	383	355
Pre-tax operating profit before write-downs	150	110	151	109	110	260	229
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Pre-tax operating profit	150	110	151	109	110	260	229
<b>Assets under management (NOK billion) <sup>2)</sup></b>							
Institutional	484	484	489	477	465	484	465
- of which Vital	178	178	177	173	172	178	172
Retail	65	61	60	57	57	65	57
Total	549	546	549	534	522	549	522
<b>Key figures</b>							
Cost/income ratio (%)	57.3	62.3	55.0	62.2	62.5	59.6	60.8
Return on capital (% p.a.) <sup>1)</sup>	23.9	18.6	25.0	19.0	20.7	21.4	22.2

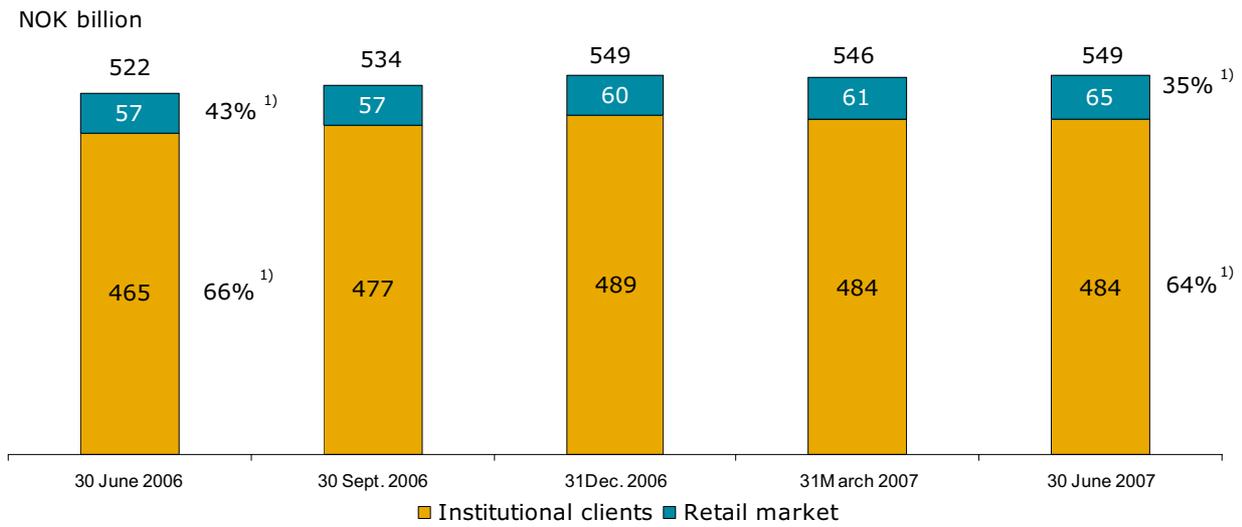
1) Calculated on the basis of recorded equity.

2) Assets under management and assets under operation at end of period.

### Comments to the financial performance in the second quarter of 2007

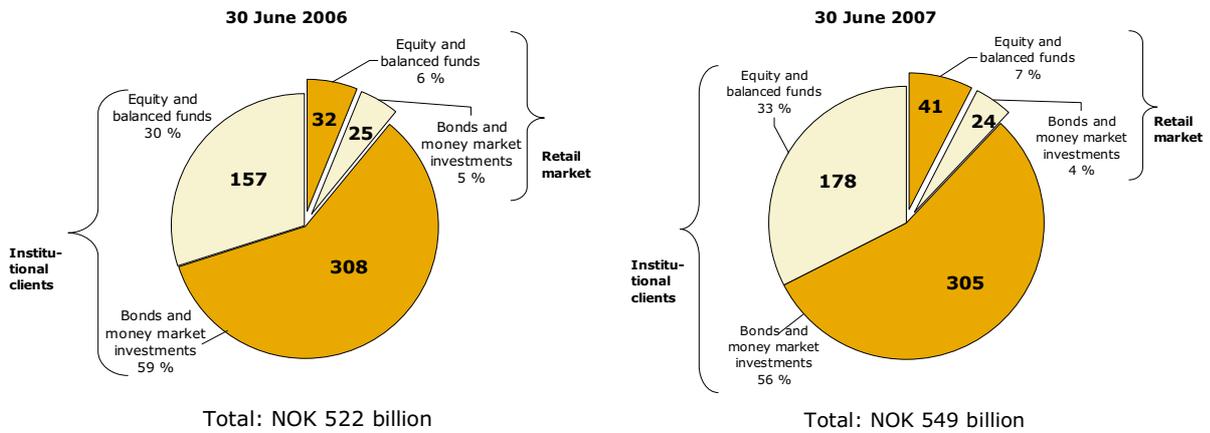
- Commission income increased by NOK 55 million from the second quarter of 2006 to the second quarter of 2007. This was mainly due to growth in assets under management and increased performance fees.
- Operating expenses in the second quarter of 2007 were NOK 201 million, up NOK 17 million from the second quarter of 2006, which was mainly due to new activity and performance related pay.

**Assets under management - distribution by market segment**



1) Share of total assets in the institutional and retail market respectively, invested in bonds, fixed-income funds and money market funds.

**Assets under management - distribution by investment type**



(Amounts in NOK billion and per cent of total assets)

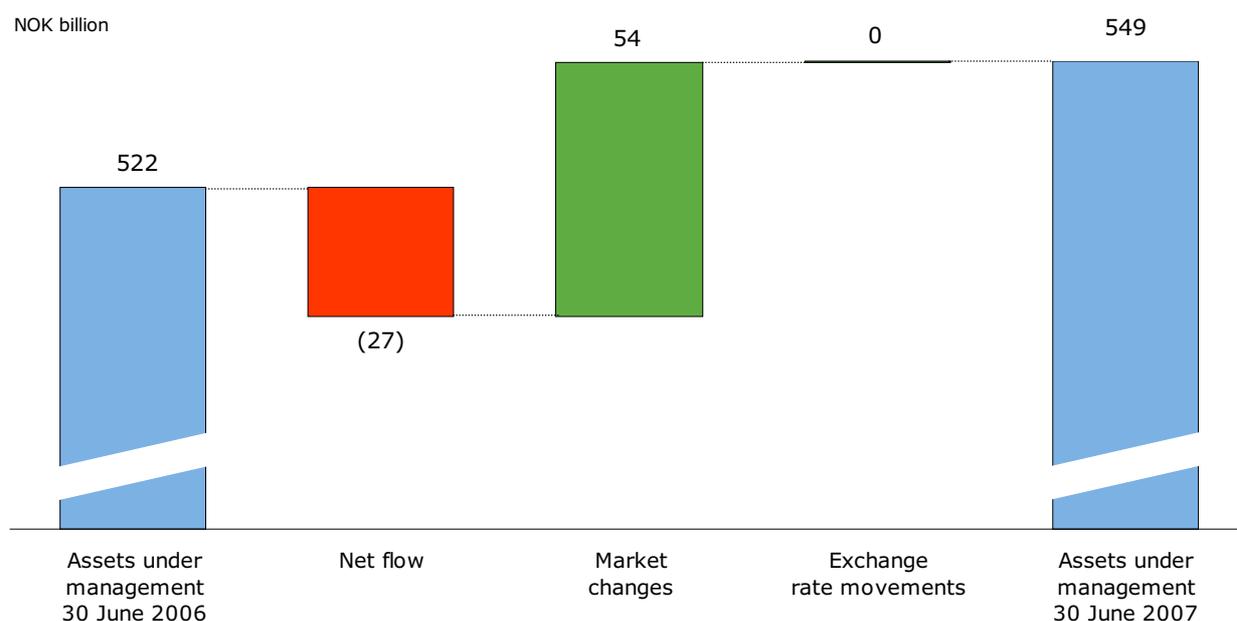
**Changes in assets under management - net inflow**

Amounts in NOK million	2Q07	1Q07 <sup>1)</sup>	4Q06	3Q06	2Q06	First half	
						2007 <sup>1)</sup>	2006 <sup>2)</sup>
Retail market	898	334	(40)	(1 254)	(1 459)	1 232	(5 176)
Institutional clients <sup>3)</sup>	(9 220)	(1 322)	(7 855)	(8 568)	(2 923)	(10 542)	(31 934)
Total	(8 322)	(988)	(7 895)	(9 823)	(4 382)	(9 310)	(37 110)

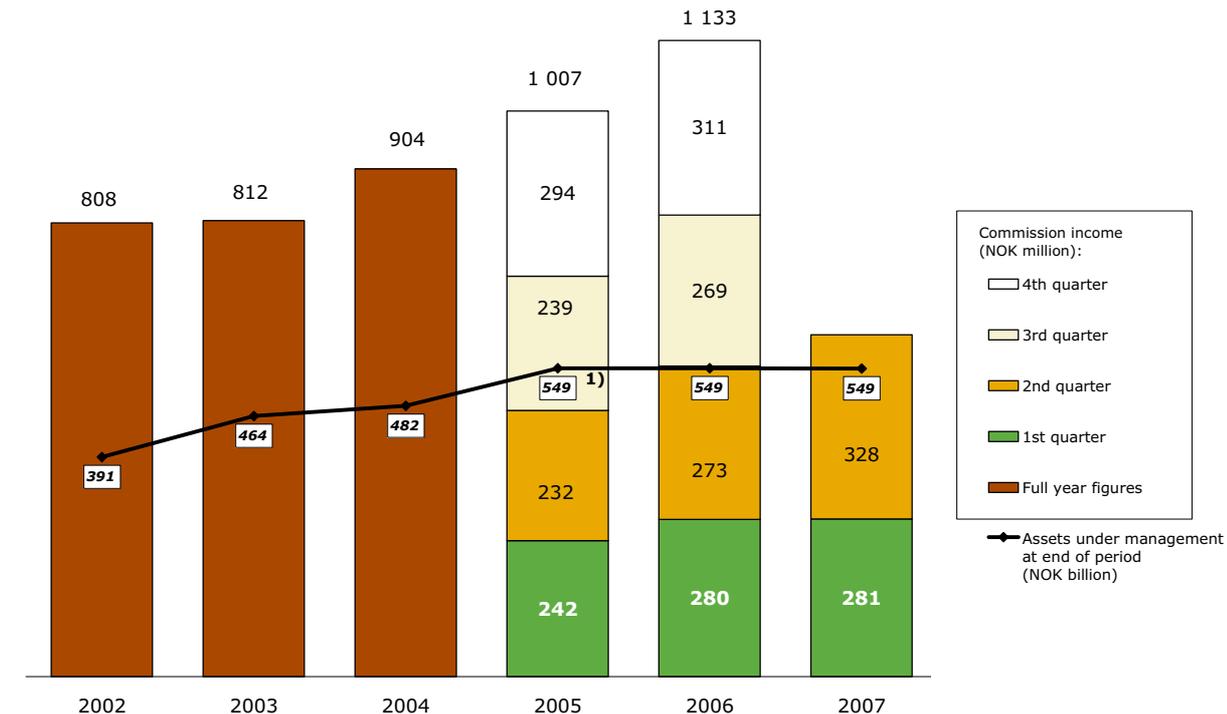
1) Excluding dividends of NOK 1 192 million, of which NOK 508 million refers to retail and NOK 684 million to institutional clients.

2) Excluding dividends of NOK 957 million, of which NOK 475 million refers to retail and NOK 482 million to institutional clients.

3) Of which NOK 30.5 billion represents termination of an investment mandate in 1Q06.

**Changes in assets under management****Comments to changes in assets under management as from 30 June 2006**

- Assets under management increased by NOK 26.7 billion or 5.1 per cent.
  - Net flow:
    - There was a net outflow of funds from institutional clients of NOK 27.0 billion or 5.8 per cent.
    - New institutional mandates were won in both Sweden and Norway.
    - There was a net outflow of funds from the retail market of NOK 0.1 billion or 0.1 per cent. The total number of active savings schemes reached more than 363 000. Mutual fund packages, the 'Spar Smart' concept, alone included more than 59 000 savings schemes of which more than 11 800 were signed in the first half of 2007.
  - Market changes:
    - Market developments led to a NOK 53.6 billion increase in assets under management, representing 10.4 per cent measured in clients' base currencies.
    - During the last four quarters, Morgan Stanley's global equity index increased by 23.2 per cent measured in USD and by 16.5 per cent measured in NOK.
    - Prices on the stock exchange in Stockholm (OMX) increased by 28.5 per cent and the stock exchange in Oslo (OSEBX) experienced a 34.6 per cent rise in prices during the last four quarters.
  - Exchange rate movements:
    - The depreciation of NOK against other currencies, especially SEK, increased assets under management by NOK 0.2 billion.

**Development in commission income and assets under management**

1) Reduced to NOK 519 billion in the beginning of January 2006 following termination of an investment mandate.

**Investment returns on assets under management**

- Healthy returns on assets under management.
- Returns on a number of major client portfolios and funds outperformed relevant benchmarks, including Vital Forsikring's total portfolio, as well as Norwegian equity and bond investments and major Swedish equity portfolios.
- Fund managers' specialisation has led to strong performance for several industry-specific funds (percentage point return in excess of benchmark in parentheses):
  - Postbanken Helse (3.2)
  - DnB NOR Finans (4.2)
  - DnB NOR Health Care (3.4)
- The performance of mutual fund packages 'Spar Smart' concept was better than benchmarks during the second quarter of 2007 (percentage point return in excess of benchmark in parentheses):
  - DnB NOR Aktiv Aksje (2.0)
  - DnB NOR Aktiv Rente (0.3)
  - DnB NOR Global Allokering (1.8)
  - DnB NOR Optimal (1.2)
  - DnB NOR Kompass (1.5)

### Clients/markets

- DnB NOR Asset Management serves the Norwegian and Swedish savings markets, offering domestic and international asset management services.
- Brand names:
  - DnB NOR Kapitalforvaltning in the Norwegian institutional and retail markets
  - DnB NOR Asset Management and Carlson in the Swedish institutional and retail markets.
- A leading position in the institutional market in both Norway and Sweden with 308 institutional clients. The largest clients are Skandia Liv and Vital.
- The number of mutual fund clients in Norway was more than 650 000 at the end of June 2007. The number of savings schemes exceeded 363 000, with some 59 000 through the 'Spar Smart' concept.
- Market shares:
  - DnB NOR Kapitalforvaltning (retail mutual funds in Norway) 38.1 per cent <sup>1)</sup>
  - Carlson Fonder (total mutual funds in Sweden) 1.1 per cent
  - Institutional market in Norway > 29 per cent
  - Institutional market in Sweden > 20 per cent

1) Source: Norwegian Mutual Fund Association.

### Retail: Fund capital and market shares in Norway

	30 June 2007		31 December 2006		31 December 2005	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>						
Equity funds	26 074	27.2	24 690	26.9	21 345	29.6
Balanced funds	9 555	71.5	9 298	74.9	7 320	77.4
Fixed-income funds	21 251	52.9	20 541	54.1	28 099	51.0
<b>Total mutual funds</b>	<b>56 880</b>	<b>38.1</b>	<b>54 529</b>	<b>38.3</b>	<b>56 763</b>	<b>41.5</b>

Source: Norwegian Mutual Fund Association

### Products and services

- Mutual funds, hedge funds and absolute return products.
- Discretionary portfolio management.
- Management and monitoring of investment portfolios.
- Asset allocation and risk management advisory services.

**Organisation**

- One holding company, DnB NOR Kapitalforvaltning Holding AS, with separate asset management companies in the main markets.
- Customer activity is concentrated in Norway, Sweden and Luxembourg. In order to provide competitive global asset management, investment operations have also been established in London, New York and Hong Kong.
- A combination of regional and sector-oriented management teams with a presence in all major financial markets.
- Asset management services are provided through channels adapted to the various markets:

Retail clients in Norway

- DnB NOR's extensive network of branches and regional financial services centres.
- Post offices and in-store postal outlets.
- The Internet.
- External channels including brokers, investment advisers and regional and local savings banks.

Retail clients in Sweden

- Local distributors.

Institutional markets in Sweden and Norway

- The business area's own sales force and, in Norway, through cooperation with Corporate Banking and Payment Services.

**Employees**

- Staff growth corresponding to 1 full-time position in the second quarter of 2007.
- 303 full-time positions at the end of the quarter.

**Cooperation with other group entities**

- DnB NOR's extensive network represents the major distribution channel in the Norwegian retail market.
- DnB NOR Asset Management and Corporate Banking and Payment Services cooperate in providing a complete range of financial services to corporate clients.
- DnB NOR Asset Management manages Vital's equity and bond portfolios.
- DnB NOR Asset Management cooperates with other group entities in developing products adapted to the various markets.

## DnB NOR

DnB NOR was established in December 2005 and is owned 51 per cent by DnB NOR and 49 per cent by Norddeutsche Landesbank, NORDB/LB. The bank is headquartered in Copenhagen and is headed by Sven Herlyn.

The Baltic States and Poland are important markets experiencing strong growth, and an increasing number of DnB NOR's customers are establishing operations in this area. Thus, the creation of DnB NOR was an important strategic initiative in accompanying customers into one of Europe's most dynamic regions. One important rationale for the establishment of DnB NOR is to become a leading bank for cross-border solutions around the Baltic Sea. DnB NOR has taken over NORDB/LB's operations in Estonia, Latvia, Lithuania and Poland. DnB NOR has a strong market position from the start, as the third largest bank in Lithuania and the fourth largest in Latvia. DnB NOR is also represented in Finland and Denmark, benefiting from the corporate portfolio brought into DnB NOR by DnB NOR and NORDB/LB, and can provide a full-service operation for corporate banking.

### Financial performance <sup>1)</sup>

Amounts in NOK million	2Q07	1Q07	4Q06	3Q06	2Q06	First half	
						2007	2006
Net interest income - ordinary operations	303	206	197	193	156	509	299
Interest on allocated capital (BIS) <sup>1)</sup>	35	31	23	20	15	65	25
Net interest income	338	237	220	212	170	575	324
Net other operating income	185	105	91	69	80	289	151
Total income	523	341	311	281	250	864	475
Operating expenses	354	220	229	175	173	574	324
Pre-tax operating profit before write-downs	169	121	82	106	78	290	151
Net gains on fixed and intangible assets	5	2	2	3	2	7	5
Write-downs on loans and guarantees	26	11	38	16	8	36	19
Pre-tax operating profit	148	112	45	92	72	260	137
Net lending to customers (NOK billion) <sup>2)</sup>	47.0	42.8	37.2	33.4	28.5	44.9	26.1
Deposits from customers (NOK billion) <sup>2)</sup>	19.2	18.4	11.9	11.2	10.6	18.8	10.5
Cost/income ratio (%)	67.7	64.5	73.6	62.4	68.9	66.4	68.1
Ratio of deposits to lending (%)	40.9	42.9	32.1	33.5	37.0	41.8	40.1
Return on capital BIS (% p.a.)	13.9	11.9	5.7	12.5	12.0	12.9	12.7

1) Interest on allocated capital is calculated according to internal DnB NOR capital allocation rules. "Net interest income - ordinary operations" does not include interest on equity.

2) Average balances. Based on nominal values.

### Comments to the financial performance in the second quarter of 2007

- Pre-tax operating profit was NOK 148 million, up 106.3 per cent from the second quarter of 2006, mainly reflecting a strong rise in volumes and the acquisition of BISE Bank in Poland. Pre-tax operating profit in DnB NOR excluding BISE Bank increased by 78.0 per cent from the second quarter of 2006.
- Return on calculated BIS capital was 13.9 per cent.
- Strong growth in loan volumes in the Baltics and Poland. Average lending increased by NOK 18.5 billion or 65.1 per cent from the second quarter of 2006. Deposits increased by NOK 8.7 billion or 82.3 per cent in the corresponding period.
- Increased deposit to lending ratio due to the acquisition of BISE Bank, 40.9 per cent in the second quarter of 2007 compared with 37.0 per cent in the corresponding period in 2006.
- Cost/income ratio of 67.7 per cent in the second quarter of 2007 compared with 68.9 per cent in the second quarter of 2006. The cost/income ratio excluding BISE Bank was 61.2 per cent.

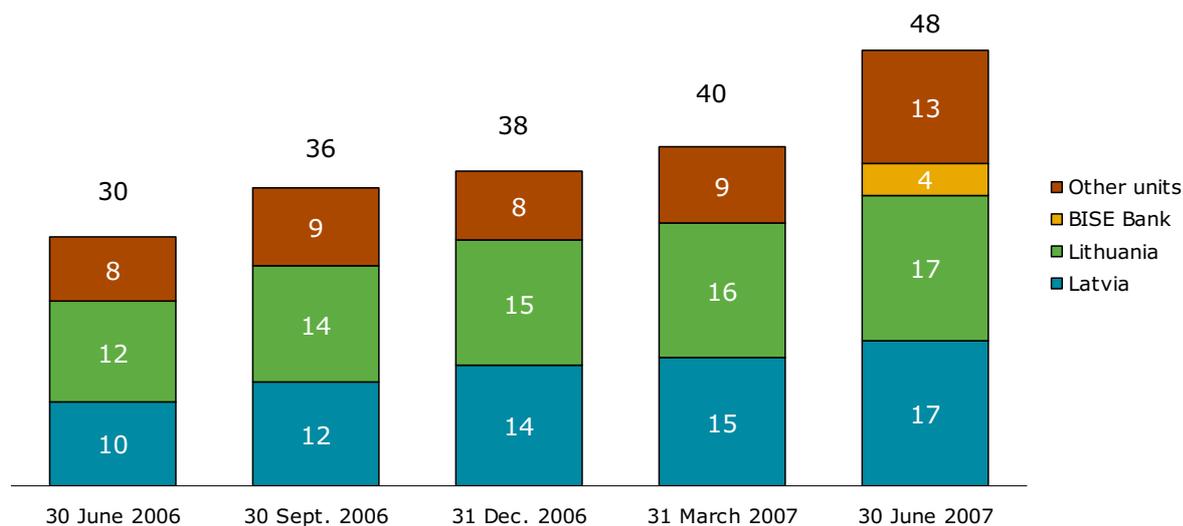
**Net interest income <sup>1)</sup>**

Amounts in NOK million	Volume			Spreads in per cent			Net interest income		
	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06	2Q07	1Q07	2Q06
Loans	46 024	41 912	27 647	1.38	1.42	1.59	158	147	110
Deposits	18 617	17 771	10 372	2.27	1.91	1.22	105	84	32
Allocated capital and non-interest bearing items	910	1 803	828	4.06	3.82	2.91	9	17	6
Other							66	(11)	23
<b>Total net interest income</b>							<b>338</b>	<b>237</b>	<b>170</b>

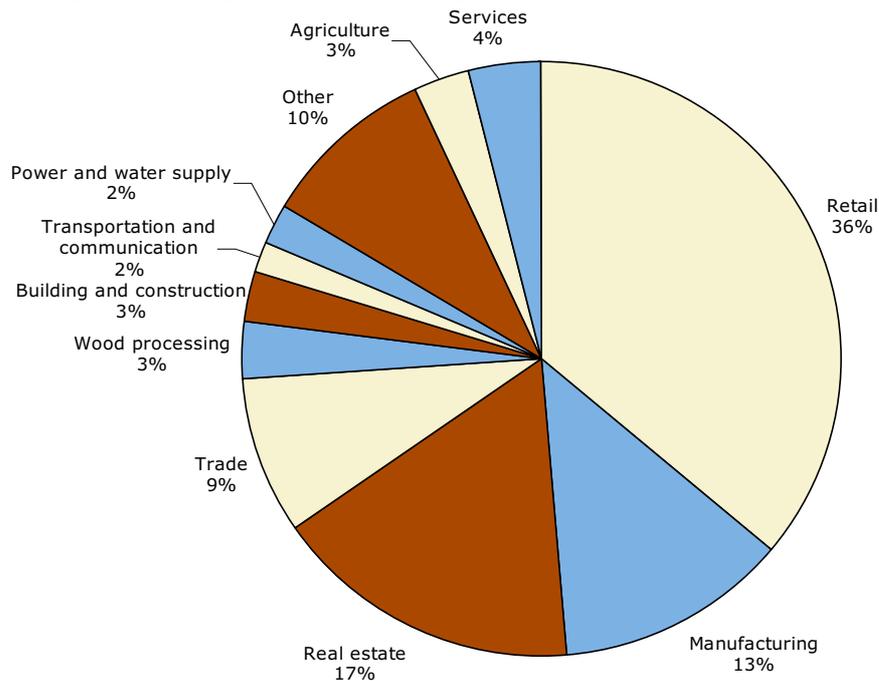
1) BISE Bank was included in the accounts as from the second quarter of 2007. To ensure that the development in spreads is correctly depicted, loans and deposits in BISE Bank and related interest income have been divided between the first and second quarter of 2007. The effect of the distribution has been reversed under "Other" and explains the changes in net interest income on this line.

**Development in lending volumes <sup>1)</sup>**

NOK billion



1) Figures at end of period.

**Lending according to customer segments <sup>1)</sup>**

1) Distribution of lending as at end-June 2007.

**Organisation and market**

- DnB NORD serves more than 735 00 retail and corporate clients through 172 branches and offices in six countries: Denmark, Finland, Estonia, Latvia, Lithuania and Poland.
- DnB NORD employed 3 093 persons at end-June 2007, corresponding to 3 052 full-time positions of which 863 in BISE Bank
- DnB NORD is the third largest bank in Lithuania and the fourth largest in Latvia.
- At end-March 2007, DnB NORD initiated distribution of life insurance products in Latvia in cooperation with Vital.
- Acquisition of the Polish bank BISE Bank in April 2007. Ownership at end-June 2007 was 91.9 per cent
- DnB NORD's growth will continue. High growth is expected in the Baltic countries and Poland, and DnB NORD expects to grow in pace with the total market.



## **Section 4**

# **The Norwegian economy**

## Basic information

Area	385 199 square kilometres
Population	4.7 million
Fertility rate	1.8
Life expectancy	M: 77.7 F: 82.5
Work participation rate, per cent 15 – 74 years	72.8 (M: 76.4 F:69.1)
Gross domestic product 2006	USD 335.1 billion
GDP per capita 2006	USD 71.600
Rating, S&P and Moody's	AAA, Aaa
Currency exchange rate used	6.41 USD/NOK (average 2006)
Current balance 2006	USD 57.1 billion or 17.0 per cent of GDP

Source: Statistics Norway

## Key macro-economic indicators

Per cent	2006	2007	2008	2009
GDP growth				
- Norway, total	2.9	2.3	1.6	1.9
- Mainland Norway	4.6	3.5	2.2	2.4
Private consumption	4.3	3.6	2.8	2.7
Gross fixed investment	8.9	3.5	0.8	(0.3)
Inflation (CPI)	2.3	1.0	2.6	2.6
Savings ratio <sup>1)</sup>	1.4	1.7	1.0	0.5
Unemployment rate	3.5	2.4	2.6	2.8
Current account <sup>2)</sup>	16.4	14.4	14.4	13.9
Net foreign assets <sup>2) 3)</sup>	68.6	79.2		
General government budget balance <sup>2) 4)</sup>	18.2	15.5		

1) Per cent of disposable income.

2) Per cent of GDP

3) Source: Ministry of Finance and Statistics Norway

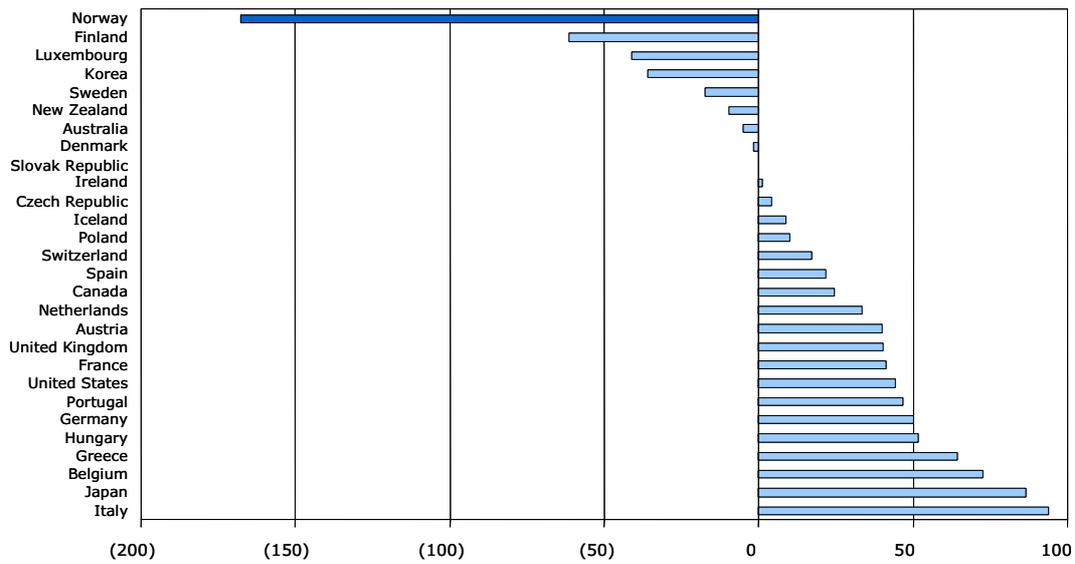
4) Source: Ministry of Finance

## Contribution to volume growth in GDP mainland Norway

Per cent	2004	2005	2006	2007
Household demand	4.0	2.7	2.8	2.3
Gross fixed capital formation, mainland companies	0.6	0.8	0.9	0.5
Gross fixed capital formation, petroleum activity	(0.2)	1.1	0.5	0.4
Public sector demand	0.5	0.5	0.9	0.9
Exports, mainland Norway	0.9	1.5	1.8	2.1
Imports, mainland Norway	(3.0)	(3.3)	(3.5)	(3.0)
Changes in stocks and statistical discrepancies	1.5	1.2	1.1	0.2
GDP, mainland Norway	4.4	4.5	4.6	3.5

### Government net financial liabilities

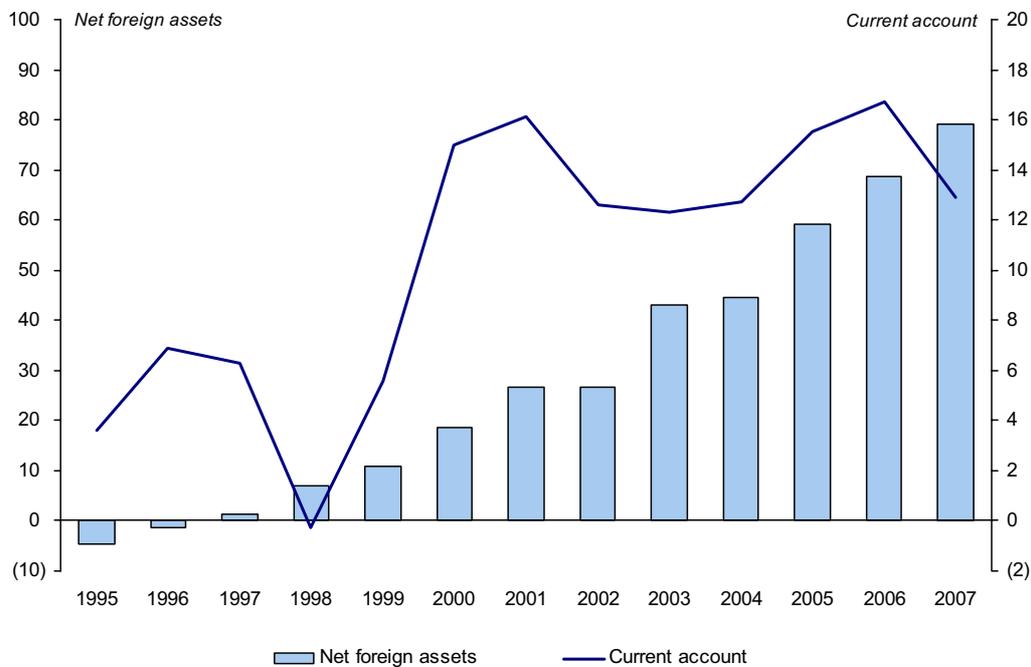
(Per cent of GDP)



Source: OECD Economic Outlook No. 81, May 2007

### Current account and net foreign assets (incl. private sector) <sup>1)</sup>

(Per cent of GDP)

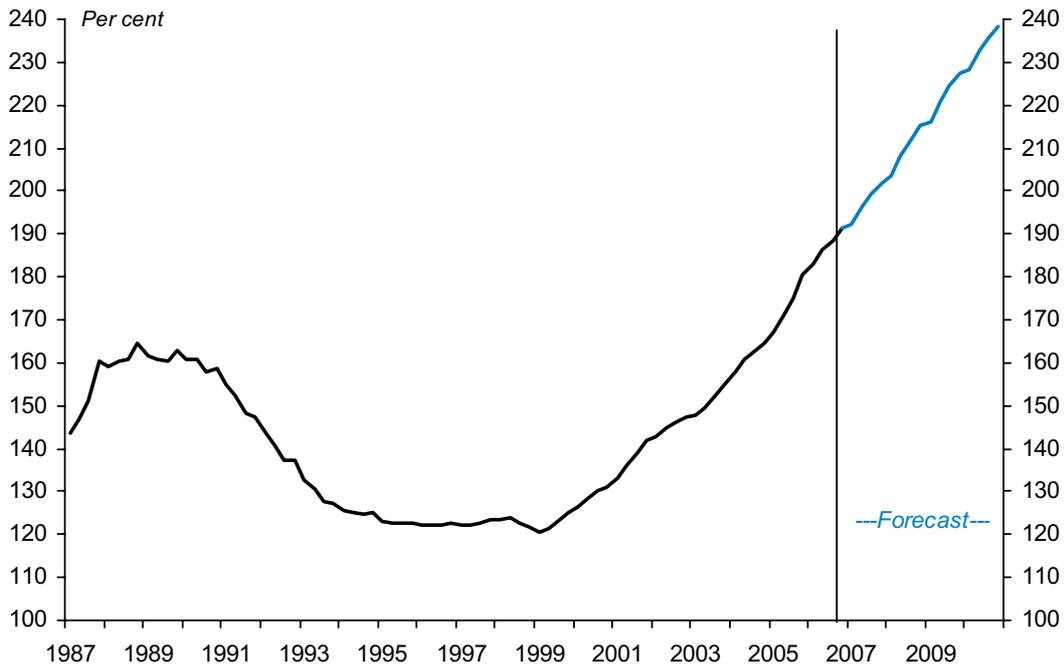


Source: Ministry of Finance and Statistics Norway

1) The projections are based on an assumed oil price of NOK 370 per barrel in 2007. The oil price in December 2006 was NOK 389 per barrel and in June 2007 NOK 431 per barrel.

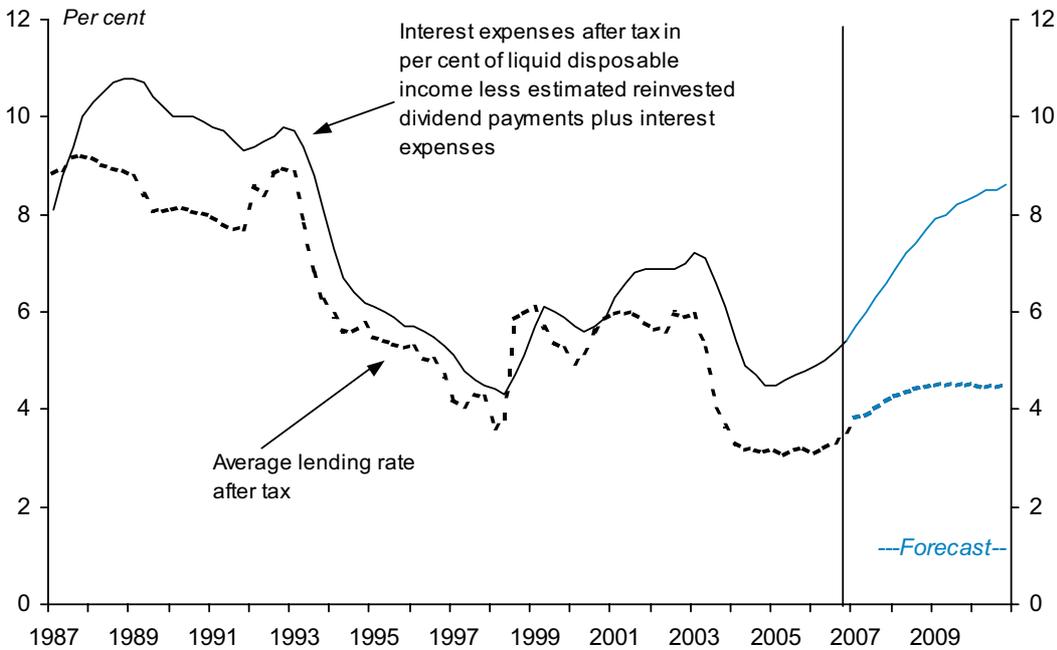
### Household debt burden

Loan debt in per cent of liquid disposable income less estimated reinvested dividend payments



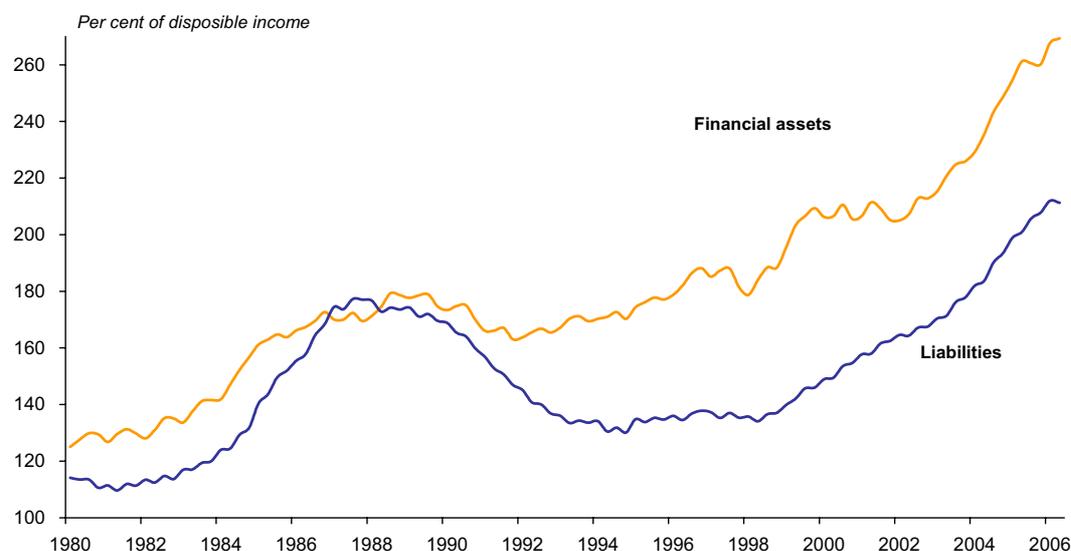
Source: Norges Bank

### Household interest burden



Source: Norges Bank

## Household financial assets and liabilities



Source: EcoWin

## Financial market growth

Percentage change from previous year	31 Dec. 2004	31 Dec. 2005	31 Dec. 2006	31 May 2007
<b>Credit</b> <sup>1)</sup>				
Total	8.6	14.7	13.6	15.9 <sup>4)</sup>
- of which commercial and savings banks	9.2	18.2	17.6	15.2
- of which commercial and savings banks, mortgage institutions and finance companies	10.3	15.6	16.5	15.6
Total retail market	12.5	13.7	13.9	13.2
Total corporate market	5.9	15.5	13.4	18.0 <sup>4)</sup>
<b>Savings</b>				
Total <sup>2)</sup>	11.8	15.1	16.2	15.0 <sup>5)</sup>
- of which commercial and savings banks	7.5	9.9	18.3	17.6
Total retail market <sup>2)</sup>	8.2	18.2	8.1	5.3 <sup>5)</sup>
Total corporate market <sup>3)</sup>	14.0	13.3	23.9	23.8 <sup>5)</sup>

1) Commercial and savings banks, state banks, insurance companies, mortgage institutions, finance companies, bonds, commercial paper, foreign institutions.

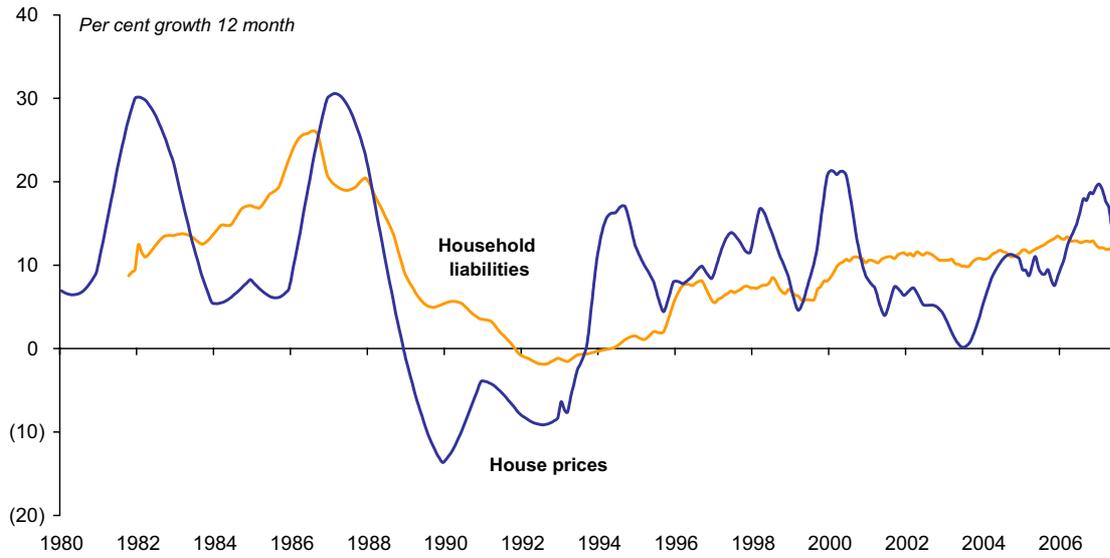
2) Deposits in commercial and savings banks, participation in mutual funds, funds for insurance commitments, equity-linked bonds.

3) Deposits in commercial and savings banks, participation in mutual funds, funds for insurance commitments.

4) As at 30 April 2007

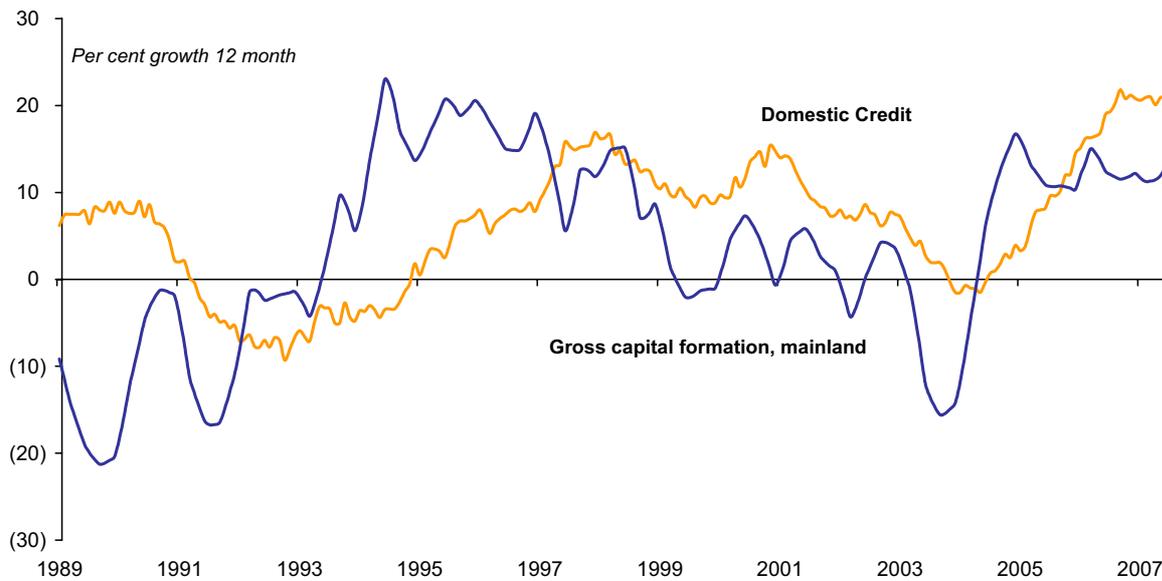
5) As at 31 March 2007

### House prices and household liabilities



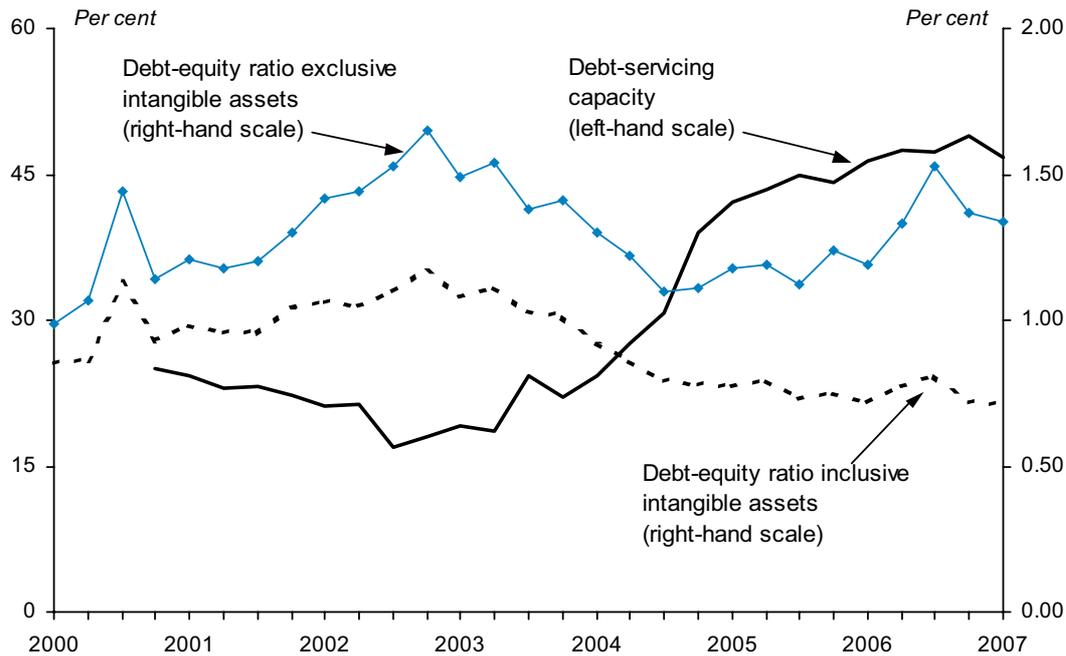
Source: Statistics Norway and Norges Bank

### Corporates: domestic credit and gross capital formation, mainland



Source: Statistics Norway and Norges Bank

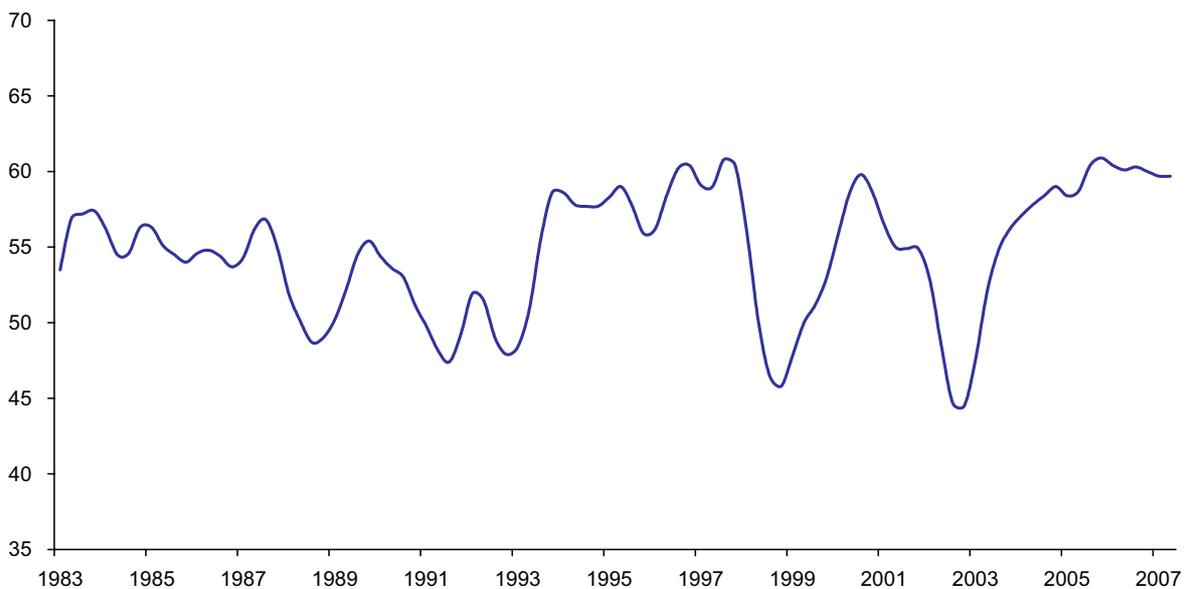
### Debt-servicing capacity <sup>1)</sup> and debt-equity ratio <sup>2)</sup> for a selection of enterprises listed on the Oslo Stock Exchange



Source: Norges Bank

1) Profits before tax, depreciation and write-downs in per cent of interest-bearing debt.  
 2) Interest-bearing debt divided by book equity.

### Business surveys, manufacturing sector (general judgement of outlooks for next quarter, trend)



Source: EcoWin

1) The survey is based on a sample of mainly larger enterprises. The survey focuses on the industry leaders judgements of the general business situation and the outlooks for a fixed set of variables e.g. production, new orders etc.

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