

Investor Relations



Supplementary Information for Investors and Analysts

Full Year Results 2008

(Preliminary and unaudited)

Group Chief Executive

Rune Bjerke

For further information, please contact

Bjørn Erik Næss, Chief Financial Officer	bjorn.erik.naess@dnbnor.no	+47 2248 2922
Halfdan Bakøy, Head of Group Financial Reporting	halfdan.bakoy@dnbnor.no	+47 2248 1071
Per Sagbakken, Head of IR/Long-term Funding	per.sagbakken@dnbnor.no	+47 2248 2072
Jo Teslo, IR/Long-term Funding	jo.teslo@dnbnor.no	+47 2294 9286
Thor Tellefsen, IR/Long-term Funding	thor.tellefsen@dnbnor.no	+47 2294 9388
Gunn Gjørøsaether, IR/Long-term Funding	gunn.gjosaether@dnbnor.no	+47 2294 9277

Address

DnB NOR ASA, N-0021 Oslo

Visiting address: Stranden 21 (Bryggetorget), Aker Brygge, Oslo

E-mail Investor Relations: investor.relations@dnbnor.no

Telefax Investor Relations: +47 2248 1994

DnB NOR switchboard: +47 915 03000

Information on the Internet

DnB NOR Investor Relations	www.dnbnor.com
DnB NOR's home page	www.dnbnor.no

Financial Calendar 2009

Preliminary results 2008	12 February
Annual general meeting	21 April
Ex-dividend date	22 April
First quarter	6 May
Second quarter	10 July
Third quarter	22 October

Contents

1. DnB NOR - an overview.....	5
Financial highlights.....	6
DnB NOR - Norway's leading financial services group.....	7
Legal structure.....	8
Group business structure	9
Equity-related data.....	10
Shareholder structure	11
Accounting principles etc.....	12
2. Financial results DnB NOR Group	15
Financial results	16
Net interest income	18
Net other operating income	23
Operating expenses.....	27
Cost programme	30
Write-downs on loans and guarantees.....	32
Lending.....	35
Capital adequacy.....	37
Taxes	38
Financial results DnB NOR Group.....	39
Key figures.....	40
3. DnB NOR Group – business areas.....	43
Business areas – financial performance	44
Corporate Banking and Payment Services.....	48
Retail Banking	61
DnB NOR Markets	67
Life and Asset Management.....	72
DnB NORD	91
4. The Norwegian economy.....	95

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. A description of the accounting principles applied by the Group is found in the annual report for 2007, note 1. In addition, change in principle is described in this document, Section 1 page 12.

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

Fourth quarter 2008

- Pre-tax operating profits before write-downs were NOK 5.6 billion (3.6)
- Profit for the period was NOK 1.9 billion (5.1)
- Return on equity was 12.3 per cent (28.4)
- Cost/income ratio was 50.2 per cent (51.9)
- The core capital ratio was 6.7 per cent (7.2)

Full year 2008

- Pre-tax operating profits before write-downs were NOK 16 billion (15.1)
- Profit for the period was NOK 9.2 billion (15.0)
- Return on equity was 12.9 per cent (22.0)
- Cost/income ratio was 53.9 per cent (50.6)
- Earnings per share were NOK 7.15 (11.08)
- The proposed dividend per share is NOK 0 (4.50)

Comparable figures for 2007 in parentheses.

DnB NOR – Norway's leading financial services group

DnB NOR Group

- Total combined assets
- Total balance sheet
- Net lending to customers
- Customer deposits
- Market capitalisation

As at 31 December 2008

NOK	2 141 billion
NOK	1 832 billion
NOK	1 192 billion
NOK	597 billion
NOK	36 billion

Life and Asset Management

• Total assets under management	NOK	533 billion
<u>of which:</u>		
- total assets under management (external clients)	NOK	286 billion
- mutual funds	NOK	59 billion
- discretionary management	NOK	227 billion
- total assets under operations (external clients)	NOK	23 billion
- total assets in Vital	NOK	224 billion
- financial assets, customers bearing the risk	NOK	16 billion

Customer base

- Serving 2.3 million retail banking customers throughout Norway, of whom more than 1.0 million use the Internet in active communication (e-dialogue customers)
- More than 200 000 corporate customers in Norway
- Some 1 000 000 individuals insured in Norway
- More than 598 000 mutual fund customers in Norway and 283 institutional asset management clients in Norway and Sweden

Market shares

See Section 3 for market shares for the individual business areas.

Distribution network

- 171 domestic DnB NOR branches
- 16 Nordlandsbanken branches
- 9 international branches
- 4 international representative offices
- 41 Postbanken sales outlets
- 180 DnB NOR branches
- 8 DnB NOR Monchebank branches
- DnB NOR Luxembourg (subsidiary)
- Internet banking
- Mobile bank and SMS services
- Telephone banking
- Online equities trading in 16 markets
- Online mutual fund trading
- About 270 post office counters ¹⁾
- About 1 190 in-store postal outlets ¹⁾
- About 1 800 rural postmen ¹⁾
- About 870 in-store banking outlets ²⁾
- 97 DnB NOR Eiendom sales offices
- 32 Postbanken Eiendom sales offices
- 209 Svensk Fastighetsförmedling sales offices
- 18 Vital sales offices
- 60 Vital agent companies

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

2) Provided by NorgesGruppen.

Credit ratings from international rating agencies

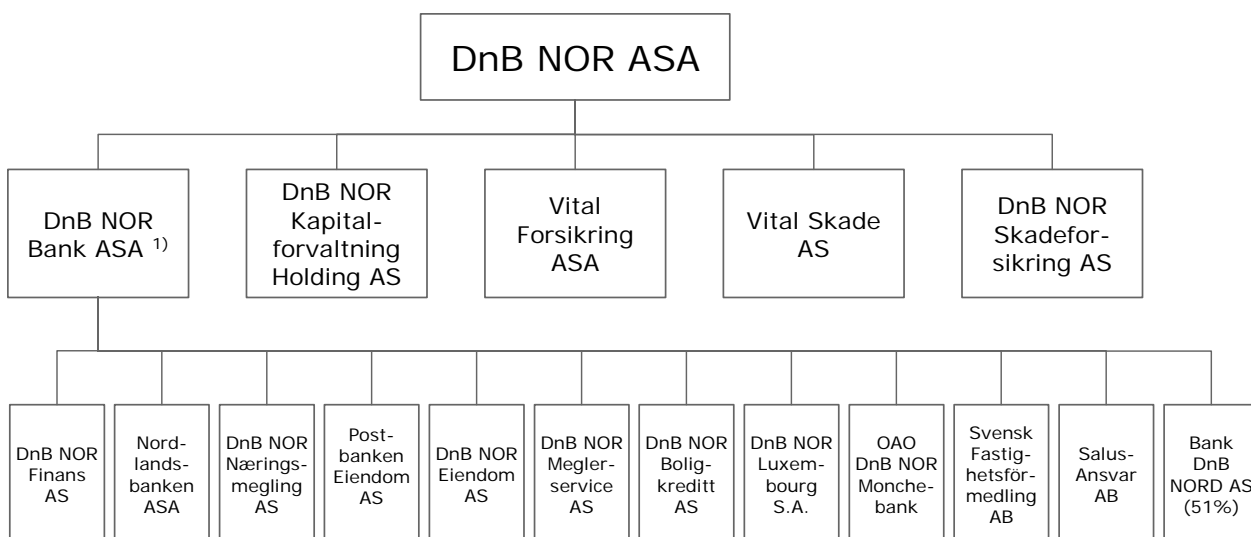
	Moody's		Standard & Poor's		Dominion Bond Rating Service	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
DnB NOR Bank ASA	Aa1 ¹⁾	P-1	AA- ¹⁾	A-1+	AA	R-1

1) Negative outlook

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 and its subsidiaries. All asset management activities are organised under a common holding company, DnB NOR Kapitalforvaltning Holding AS. Vital Forsikring ASA offers life insurance and pension saving products, both products with guaranteed returns and products with a choice of investment profile. 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. DnB NOR Skadeforsikring is a new non-life insurance company and launched its first products on the 2 January 2009. The chart below shows the legal structure of the DnB NOR Group.

DnB NOR Group - legal structure at end-December 2008



1) Major subsidiaries only. Ownership 100 per cent unless otherwise indicated.

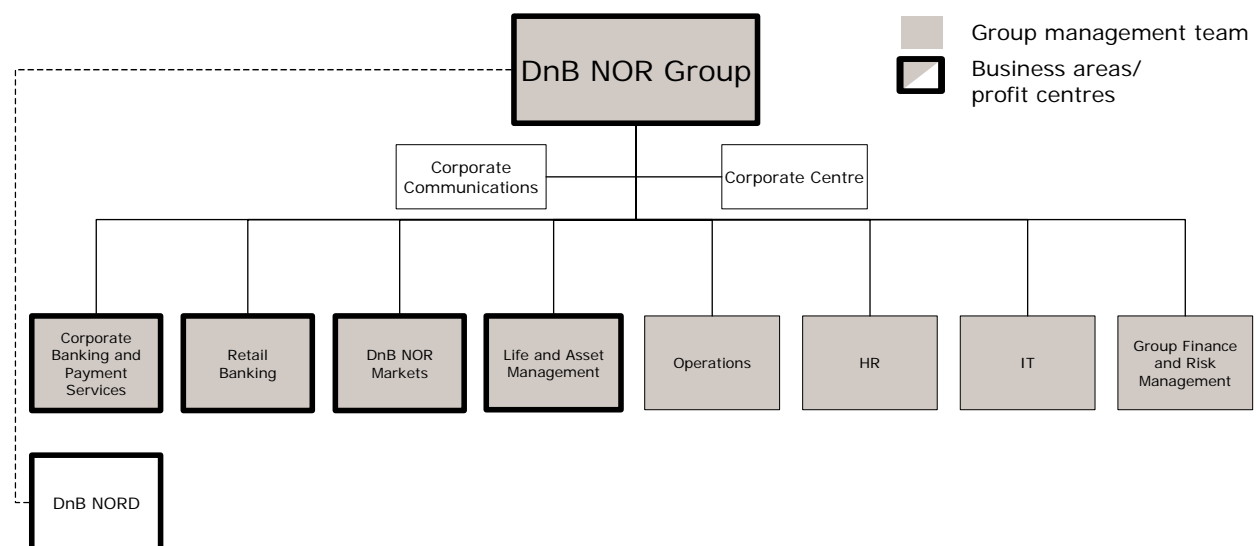
Group business structure

The activities in DnB NOR are organised in the business areas Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life and Asset Management. The business areas operate as independent profit centres and have responsibility for serving all of the Group's customers and for the total range of products. DnB NOR is regarded as a separate profit centre.

Operational tasks and group services are carried out by the Group's staff and support units, which provide infrastructure and cost efficient services to the business areas. In addition, they perform functions for governing bodies and group management. The business areas have the opportunity to influence staff and support units in the Group by changing their demand patterns and levels of ambition.

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 primary operations. Activities in some subsidiaries are divided between the relevant business areas. This applies, for example, to Nordlandsbanken, where corporate market activities are included in Corporate Banking and Payment Services while retail market activities are included in Retail Banking.

DnB NOR Group - organisation chart at end-December 2008 ¹⁾



1) Reporting structure.

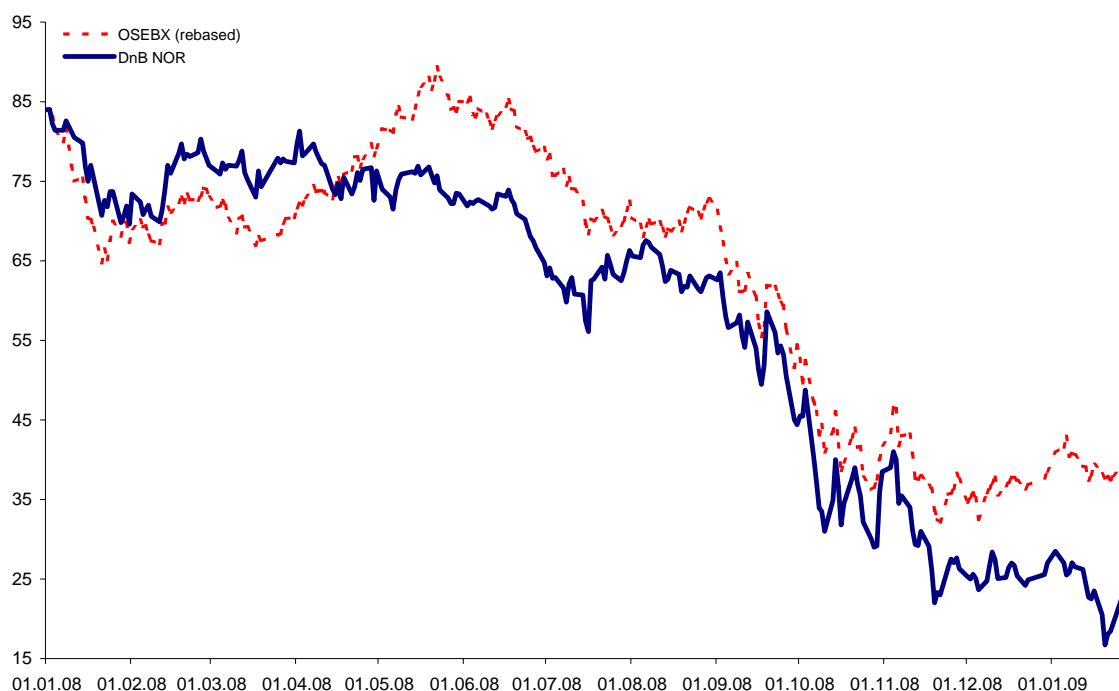
Equity-related data

Key figures

	2008	2007	2006	2005 ¹⁾	2004 ²⁾
Number of shares at end of period (1 000) ³⁾	1 332 654	1 332 654	1 334 089	1 336 875	1 327 139
Average number of shares (1 000)	1 332 654	1 333 402	1 335 449	1 334 474	1 317 744
Earnings per share (NOK)	7.15	11.08	8.74	7.59	6.25
Return on equity, annualised (%)	12.9	22.0	19.5	18.8	17.7
RARORAC, annualised (%) ⁴⁾	17.8	21.6	22.0	24.1	24.2
RORAC, annualised (%) ⁵⁾	15.5	31.9	28.4	30.9	30.0
Share price at end of period (NOK)	27.00	83.00	88.50	72.00	59.75
Price/earnings ratio ⁶⁾	3.78	7.49	10.13	9.49	9.55
Price/book value	0.47	1.51	1.84	1.68	1.57
Dividend per share (NOK)	-	4.50	4.00	3.50	2.55
Dividend yield (%)	-	5.42	4.52	4.86	4.27
Equity per share including allocated dividend at end of period (NOK)	58.03	55.01	48.13	42.94	38.03

- 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 on 30 April 2008 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 1 332 653 615, corresponding to 10 per cent of share capital. The shares may be purchased through the stock market. Each share may be purchased at a price between NOK 10 and NOK 150. The authorisation is valid for a period of 12 months from 30 April 2008. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with the Ministry of Trade and Industry for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares. Number of shares in 2006 are excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting. DnB NOR has no outstanding subscription rights for employees.
- 4) RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to the 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 the risk-adjusted capital requirement. Profits for the period exclude 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.
- 6) Closing price at end of period relative to annualised earnings per share.

Share price development – 1 January 2008 to 30 January 2009

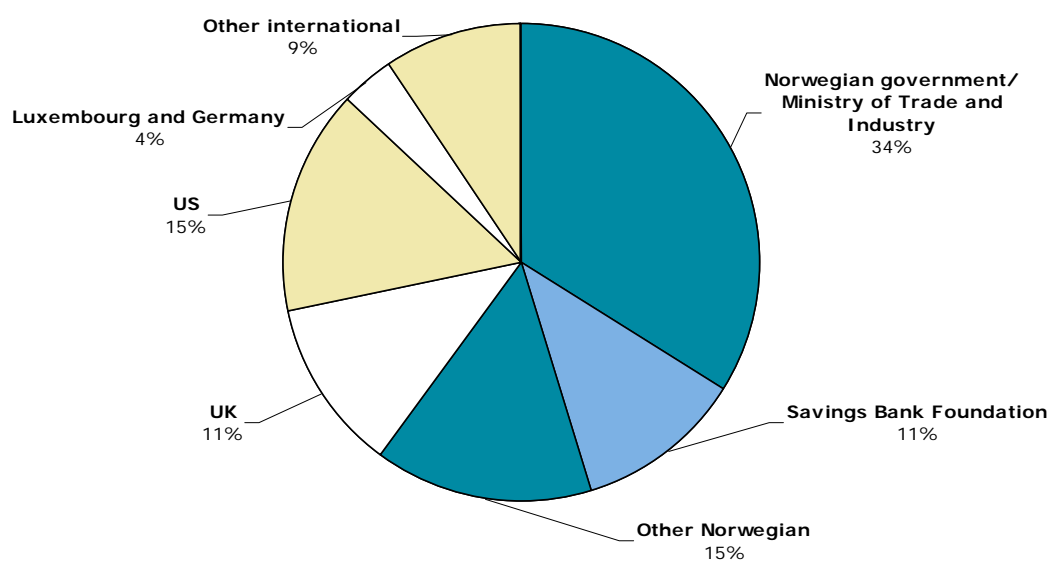


Shareholder structure as at 31 December 2008

Major shareholders

	Shares in 1 000	Ownership in %
Norwegian Government/Ministry of Trade and Industry	453 102	34.00
Sparebankstiftelsen DnB NOR (Savings Bank Foundation)	151 845	11.39
Folketrygdfondet	40 499	3.04
Capital Research/Capital International	26 407	1.98
Barclays Global Investors	25 567	1.92
Jupiter Asset Management	21 688	1.63
DnB NOR Funds	13 510	1.01
People's Bank of China	13 433	1.01
Putnam	11 348	0.85
Orkla ASA	9 350	0.70
State of New Jersey Com Pension Fund	8 500	0.64
Blackrock Funds	8 045	0.60
Canada Life Funds	7 451	0.56
Dexia Bank	7 163	0.54
Neuberger Berman	6 992	0.52
Deutsche Bank AG/DWS Investments	6 818	0.51
State Street Global Advisors	6 874	0.52
Inv. Danske Invest	6 503	0.49
Frank Mohn AS	6 250	0.47
L&G Legal and General Funds	5 987	0.45
Total largest shareholders	837 331	62.83
Other	495 322	37.17
Total	1 332 654	100.00

Ownership according to investor category



Norwegian investors: 60 per cent. International investors: 40 per cent.

Accounting principles etc.

Accounting principles

The fourth quarter accounts have been prepared according to IAS 34 Interim Financial Reporting. A description of the accounting principles applied by the Group in preparing the accounts is found in the annual report for 2007 and in the description under 'Change in principle' in the third quarter report for 2008. The annual and interim accounts are prepared according to IFRS principles as approved by the EU.

IFRS 8 Operating Segments entered into force on 1 January 2009, replacing IAS 14. The new standard places greater emphasis on management's internal review of operations. The Group has chosen early application of IFRS 8, taking the standard into use with effect from the fourth quarter of 2008. IFRS 8 has not resulted in any changes in the number of segments presented.

Estimates and discretionary assessments

When preparing the consolidated accounts, management makes estimates and discretionary assessments and prepares assumptions that influence the effect of the accounting principles applied and thus the recorded values of assets and liabilities, income and expenses.

Estimates and discretionary assessments are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. During 2008, international financial markets and the global economy underwent a transition from high activity levels and prosperity to a financial turmoil and a steep downturn. This sudden shift has had serious repercussions, and future developments remain highly uncertain. The current financial turmoil increases the uncertainty surrounding some of the assumptions and expectations underlying the preparation of the various estimates.

Write-downs on loans

If objective evidence of a decrease in value can be found, write-downs on loans are calculated as the difference between the value of the loan in the balance sheet and the net present value of estimated future cash flows discounted by the effective interest rate. Estimates of future cash flows are based on empirical data and discretionary assessments of future macroeconomic developments and developments in problem commitments. The estimates are the result of a process which involves the business areas and central credit units and represents management's best estimate based on the situation on the balance sheet date. When considering write-downs on loans, there will be an element of uncertainty with respect to the identification of impaired loans, the estimation of amounts and the timing of future cash flows, including collateral assessments.

Individual write-downs

When estimating write-downs on individual commitments, both the current and the future financial positions of customers are considered. For corporate customers, the prevailing market situation is also reviewed, along with market conditions within the relevant industry and general market conditions which could affect the commitments. In addition, potential restructuring, refinancing and recapitalisation are taken into account. An overall assessment of these factors forms the basis for estimating future cash flows. The discount period is estimated on an individual basis or based on empirical data regarding the period up until a solution is found to the problems resulting in impairment of the commitment.

Group write-downs

On each balance sheet date, commitments which have not been individually evaluated for impairment, are evaluated collectively in groups. Commitments which have been individually evaluated, but not individually written down, are also included in this category. Commitments are divided into customer groups on the basis of macroeconomic conditions which are assumed to have the same effect on the relevant customers. The expected future cash flow is estimated on the basis of expected losses and the anticipated economic situation for the respective customer groups. Expected losses are based on loss experience within the relevant customer groups. The anticipated economic situation, in terms of an economic indicator, is estimated for each customer group based on external information about the market. Various parameters are used depending

on the customer group in question. Key parameters are production gaps, which give an indication of capacity utilisation in the economy, housing prices and shipping freight rates. The economic indicators that are used show a high level of correlation with past write-downs. To estimate the net present value of expected future cash flows for commitments subject to group write-downs, the observed discount effect estimated for the individually evaluated commitments is used.

Estimated impairment of goodwill

Goodwill is subject to impairment testing on an annual basis or if there are indications of impairment. Recoverable amounts from cash flow generating units are determined by calculating discounted future cash flows. The cash flows are based on financial plans approved by the Board of Directors or management in the cash-generating unit. The financial plans include management's assumptions and estimates regarding highly uncertain factors. The plans worked out in late 2008 were based on the assumption of a gradual normalisation of financial markets. If the macroeconomic assumptions that underlie the financial plans deviate materially from actual macroeconomic developments, the impairment tests may give a different result.

The results of the impairment tests depend on estimated required rates of return. The required rates of return are subject to a discretionary assessment based on information available on the balance sheet date.

Valuation of properties within insurance

The property portfolio in Vital Forsikring is recorded at fair value. During 2008, the property market was characterised by low liquidity and great uncertainty. For valuation purposes, few transactions have been completed in the market for comparable commercial properties. Valuations are therefore largely based on assumptions which the Group expects the market to apply when determining values on investment property. Vital Forsikring's model has been used for valuation of the property portfolio in Norway, based on the net present value of anticipated cash flows. Changes in assumptions regarding the required rate of return and future rental levels subsequent to the contract period could result in a significant change in the value of the property portfolio.

Fair value of financial derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using different valuation techniques. The Group considers and chooses techniques and assumptions that as far as possible are based on market conditions on the balance sheet date. When valuing financial instruments for which observable market data are not available, the Group will make assumptions regarding what it expects the market to use as a basis for valuing corresponding financial instruments. The valuations require a high level of discretion when calculating liquidity risk, credit risk and volatility. Changes in these factors could affect the established fair value of the Group's financial instruments. The fair value of the obligations under issued financial guarantees is measured by using the techniques applied to write-downs on loans, as described above.

The fair value of the Private Equity, PE, funds is calculated by use of the EVCA method. On the balance sheet date, the Group did not have access to accounting figures as at 31 December 2008 for companies included in the PE funds. The valuations are thus based on accounting figures for previous periods. Due to significant market volatility in the fourth quarter of 2008, it is uncertain whether reported values represent actual developments in the value of the PE funds. To compensate for this uncertainty, the Group has computed fair value based on changes in equity prices and relevant correlations to the PE portfolio. If the assumed correlation in the valuations deviates from the actual correlation, this will have a significant impact on the value of the PE funds.

Consolidation of Vital Forsikring

Vital Forsikring is a wholly owned subsidiary of DnB NOR ASA, which thus has full control of the company. Vital is fully consolidated in the DnB NOR Group's accounts. The Group is required to fully consolidate all subsidiaries. IFRS does not allow a subsidiary to be excluded from the Group because its business operations differ from operations carried out by other companies within the Group. The control the DnB NOR Group exercises over Vital could be questioned, as the owner has had somewhat limited right of control over assets in Vital due to the rules on profit sharing between policyholders and the owner. New regulations create a clearer distinction between

policyholders' funds and the owner's funds in the company. Among other things, equity and primary capital are managed in a portfolio separated from policyholders' funds. It has therefore been concluded that the consolidation requirement remains in force.

Financial assets and insurance liabilities, customers bearing the risk

"Financial assets and insurance liabilities, customers bearing the risk" includes financial instruments from units offering products with a choice of investment profile (unit linked). In order for these products to qualify for being recorded according to IFRS 4, they must fall in under the definition of insurance contracts. In order to be defined as insurance contracts, insurance risk must represent a significant share of the product's total risk. It must also be possible to delimit insurance risk against financial risk, and the contract must address the uncertainty associated with future events or future payments. Life insurance companies only have the opportunity to take over defined-contribution pension schemes with an adequate insurance element, cf. regulations to the Insurance Act. The assets are owned by Vital, which has corresponding obligations to policyholders. In addition, the owner is responsible for the tax aspects of these investments.

The Norwegian government's stimulus package

The Norwegian government's stimulus package for the banks allows the banks to exchange covered bonds for Treasury bills. DnB NOR Bank ASA has purchased bonds from DnB NOR Boligkreditt which have been used as collateral for swap agreements with Norges Bank. The value of the collateral must exceed the value of the Treasury bills by a minimum safety margin throughout the contract period. At the end of the contract period, the bank is required to repurchase the covered bonds at the original selling price. The bank receives yield from the covered bonds as if they never had been sold. From an accounting perspective, the Group is of the opinion that the terms for derecognition in IAS 39 have not been fulfilled, as the Group, through the swap agreements, retain the risk associated with changes in value of the bonds and other cash flows in the form of yields.

Transfer of loan portfolios

When transferring loan portfolios to, among others, Eksportfinans AS, the Group will consider whether the criteria for derecognition have been fulfilled in accordance with IAS 39. In cases where the Group retains the credit risk and margins relating to the loan portfolios, the risks and returns are not considered to be transferred to the counterparty, and the loan portfolios are retained in the Group's balance sheet. As at 31 December 2008, such portfolios totalled NOK 10 billion.

DnB NORD – consolidation

The Group has a 51 per cent ownership interest in Bank DnB NORD AS. Bank DnB NORD AS is the parent company in the DnB NORD Group and has branches in Denmark, Finland and Estonia and subsidiaries in Lithuania, Latvia and Poland. Through its ownership, shareholder agreement and actual management, DnB NOR has de facto control of operations, whereby Bank DnB NORD AS is classified as a subsidiary. The DnB NORD Group is thus fully consolidated in the accounts of the DnB NOR Group.

The Board of Directors of Bank DnB NORD AS was established with four representatives from each of the owners. The board chairman is from DnB NOR, while the vice-chairman is from NORD L/B. When de facto control exists, the company shall be included in the parent company's accounts. De facto control is assumed to exist when a company holds more than 50 per cent of the voting share capital of another entity. If there is a tie vote, the board chairman in Bank DnB NORD AS has a double vote. In certain matters, however, the shareholder agreement requires consent from both the board chairman and the vice-chairman. In this connection, an assessment has been made of whether the existing shareholder agreement may influence the consolidation requirement. After an assessment of key operational aspects, it has been concluded that the consolidation requirement remains in force.

Section 2

Financial results DnB NOR Group

Financial results

Income statement – condensed ¹⁾

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income	6 179	5 691	5 016	5 023	5 000	21 910	17 866
Net other operating income	5 012	3 134	4 064	625	3 545	12 834	13 732
Total operating expenses	5 618	4 464	4 445	4 194	4 908	18 721	16 450
Pre-tax operating profit before write-downs	5 573	4 361	4 635	1 454	3 636	16 023	15 148
Net gains on fixed and intangible assets	5	13	3	31	1 593	52	2 481
Write-downs on loans and guarantees	2 314	725	275	195	(41)	3 509	220
Pre-tax operating profit	3 265	3 649	4 363	1 290	5 269	12 566	17 409
Taxes	1 321	839	1 003	170	193	3 334	2 387
Profit for the period	1 943	2 810	3 360	1 120	5 076	9 233	15 022

Balance sheet – condensed ¹⁾

<i>Amounts in NOK billion</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Cash and lending to/deposits with credit institutions	110.9	99.4	96.6	85.0	74.2	82.5
Lending to customers	1 191.9	1 118.3	1 062.1	1 015.9	970.5	827.9
Commercial paper and bonds	280.7	231.1	215.4	211.8	220.8	232.4
Shareholdings	39.5	50.5	64.2	62.9	66.6	55.0
Fixed and intangible assets	46.6	46.3	45.4	46.4	44.5	37.8
Financial assets, customers bearing the risk	16.5	17.3	18.5	18.1	19.9	18.8
Other assets	146.0	91.8	74.4	125.0	77.5	65.7
Total assets	1 832.1	1 654.7	1 576.6	1 565.0	1 473.9	1 320.2
Loans and deposits from credit institutions	178.8	161.9	130.0	148.4	144.2	124.4
Deposits from customers	597.2	588.4	565.4	528.7	538.2	474.5
Borrowings through the issue of securities	606.2	484.7	463.5	421.7	371.8	326.8
Insurance liabilities, customers bearing the risk	16.5	17.3	18.5	18.1	19.9	18.8
Liabilities to life insurance policyholders	184.8	183.6	186.9	190.3	191.6	188.1
Other liabilities and provisions	121.7	100.0	98.8	146.4	99.1	87.2
Primary capital	126.8	118.7	113.4	111.3	109.2	100.4
Total liabilities and equity	1 832.1	1 654.7	1 576.6	1 565.0	1 473.9	1 320.2

1) For full income statement and balance sheet, see page 39.

Financial highlights

	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Cost/income ratio (per cent) ¹⁾	50.2	50.6	49.0	74.3	51.9	53.9	50.6
Return on equity (per cent)	12.3	15.5	18.1	5.7	28.4	12.9	22.0
Earnings per share (NOK)	1.76	2.12	2.47	0.79	3.76	7.15	11.08
Total combined assets at end of period (NOK billion)	2 141	1 964	1 906	1 906	1 834	2 141	1 834
Core capital ratio at end of period (per cent) ²⁾	6.7	6.7	6.9	7.0	7.2	6.7	7.2

1) Excluding allocation to employees.

2) Including 50 per cent of profit for the year, except for year-end figures.

Norwegian and international units

Norwegian units

Per cent

	4Q08	3Q08	4Q07
Share of group income ¹⁾	83.9	84.7	84.5
Cost/income ratio ¹⁾	38.9	48.3	50.2
Share of lending	75.70	77.98	83.08
Impaired commitments	0.73	0.51	0.38
Write-downs	37.21	37.83	43.01
Losses i basis points	0.25	0.14	0.05

International units excl. DnB NORD

Per cent

	4Q08	3Q08	4Q07
Share of group income ¹⁾	9.2	8.4	8.5
Cost/income ratio ¹⁾	47.9	61.3	55.1
Share of lending	16.05	14.46	10.69
Impaired commitments	0.74	0.31	0.15
Write-downs	31.54	44.87	89.64
Losses i basis points	0.54	0.30	0.02

DnB NORD

Per cent

	4Q08	3Q08	4Q07
Share of group income ¹⁾	6.8	6.9	7.0
Cost/income ratio ¹⁾	53.7	65.6	68.2
Share of lending	8.26	7.56	6.23
Impaired commitments	3.92	2.25	1.52
Write-downs	37.93	36.02	43.12
Losses i basis points	4.14	1.02	0.33

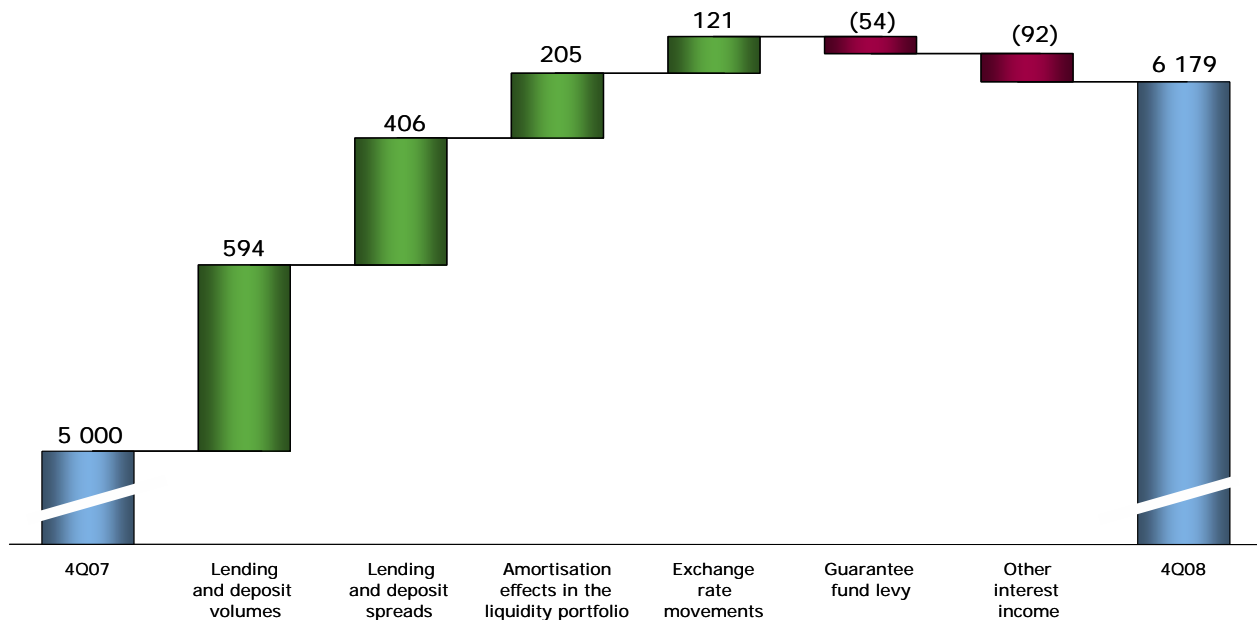
1) Excluding impairment loss for goodwill in the fourth quarter of 2008 and allocations to employees in the fourth quarter of 2007.

Net interest income

Changes in net interest income ¹⁾

NOK million

From 4th quarter 2007 to 4th quarter 2008



Amounts in NOK million	2008	Change	2007
Net interest income	21 910	4 043	17 866
Lending and deposit volumes		2 393	
Lending and deposit spreads		641	
Amortisation effects in the liquidity portfolio		486	
Other interest income		524	

Amounts in NOK million	4Q08	Change	3Q08
Net interest income	6 179	488	5 691
Lending and deposit volumes		91	
Lending and deposit spreads		333	
Exchange rate movements		159	
Other interest income		(95)	

1) Excluding lending to and deposits from credit institutions and impaired loans.

Net interest income ¹⁾

<i>Amounts in NOK million</i>	Average volumes			Spreads in per cent			Net interest income ²⁾		
	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07
Lending	1 142 318	1 070 346	929 434	1.34	0.97	0.80	3 849	2 622	1 882
Deposits	587 052	567 347	535 083	0.68	1.16	1.38	1 004	1 648	1 861
Equity and non-interest bearing items	61 223	58 070	56 762	6.01	6.56	5.81	925	958	831
Other							401	464	426
Total net interest income							6 179	5 691	5 000

1) Excluding lending to and deposits from credit institutions and impaired loans.

2) Including exchange rate movements.

Segmental interest rate spreads ¹⁾

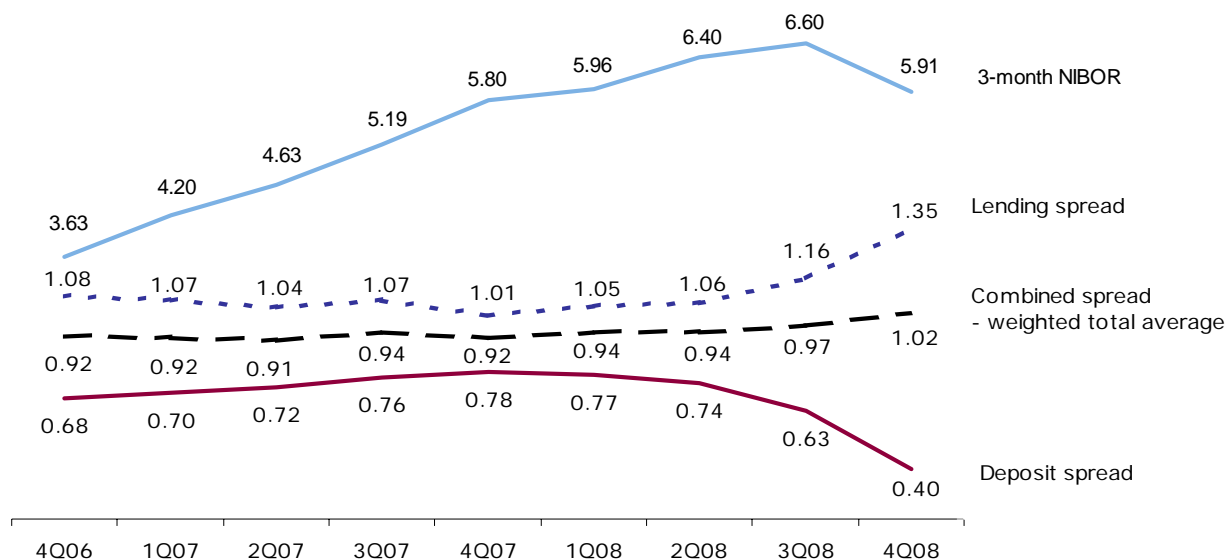
<i>Per cent</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
<i>Lending:</i>							
Corporate Banking and Payment Services	1.35	1.16	1.06	1.05	1.01	1.16	1.05
Retail Banking ²⁾	1.37	0.73	0.46	0.65	0.50	0.81	0.56
DnB NOR	1.06	1.11	1.22	1.21	1.30	1.14	1.35
Total	1.34	0.97	0.81	0.88	0.80	1.01	0.84
<i>Deposits:</i>							
Corporate Banking and Payment Services	0.40	0.63	0.74	0.77	0.78	0.63	0.74
Retail Banking ²⁾	0.83	1.64	1.85	1.71	2.00	1.50	1.83
DnB NOR	2.98	2.45	2.41	2.43	3.00	2.58	2.40
Total	0.68	1.16	1.30	1.24	1.38	1.08	1.27
<i>Combined spread - lending and deposits:</i>							
Weighted total average	1.12	1.04	0.98	1.01	1.01	1.04	1.00

1) Excluding lending to and deposits from credit institutions and impaired loans.

2) Measured against the 3-month money market rate.

Developments in average interest rate spreads – Corporate Banking and Payment Services ¹⁾

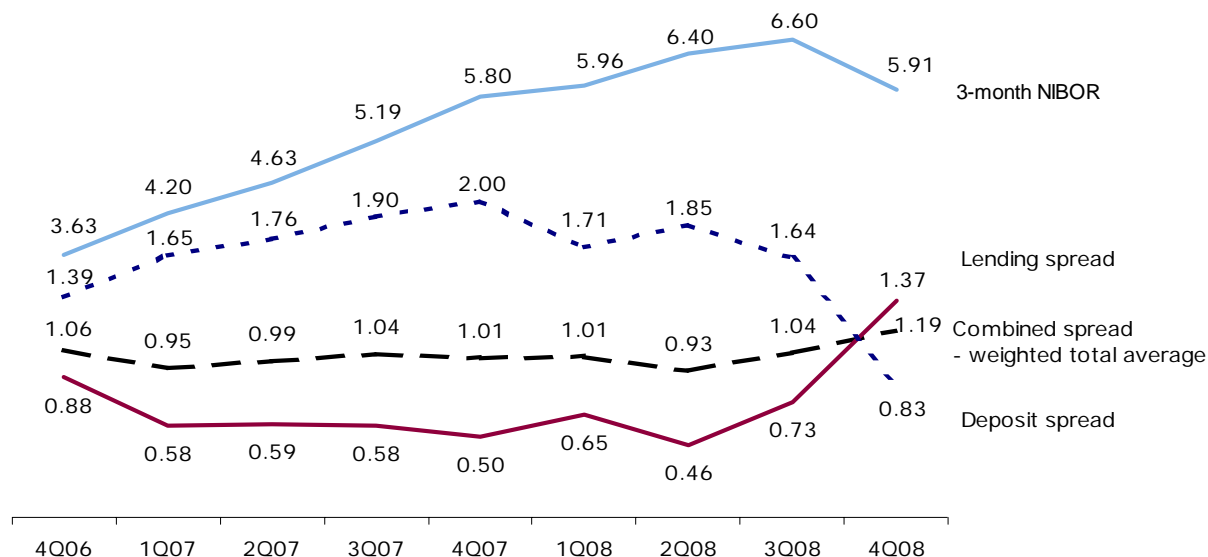
Per cent



1) Excluding lending to and deposits from credit institutions and impaired loans

Developments in average interest rate spreads – Retail Banking ^{1) 2)}

Per cent

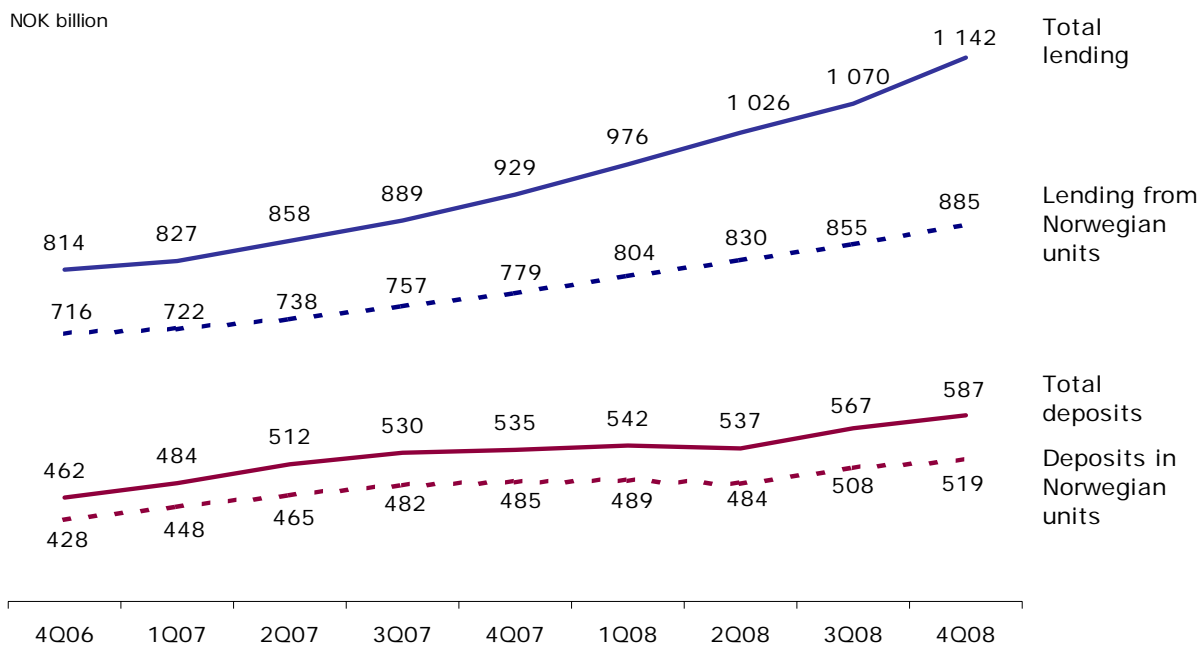


1) Excluding impaired loans

2) Measured against the 3-month money market rate

Developments in average volumes – lending and deposits ¹⁾

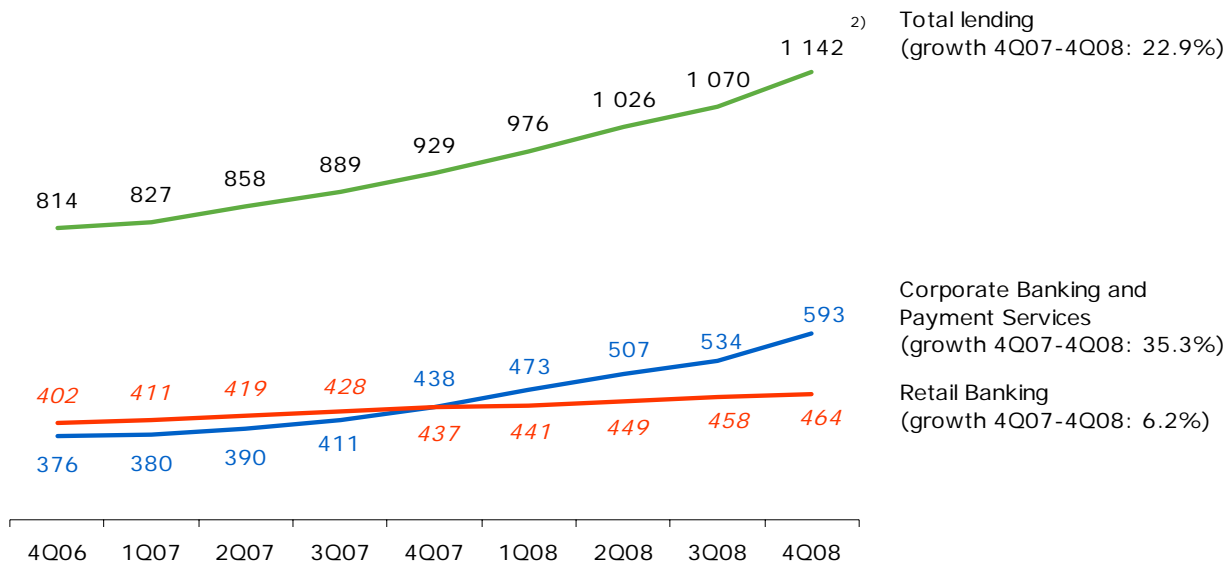
NOK billion



1) Average volumes in the period excluding lending to and deposits from credit institutions and impaired loans

Developments in average volumes - lending ¹⁾

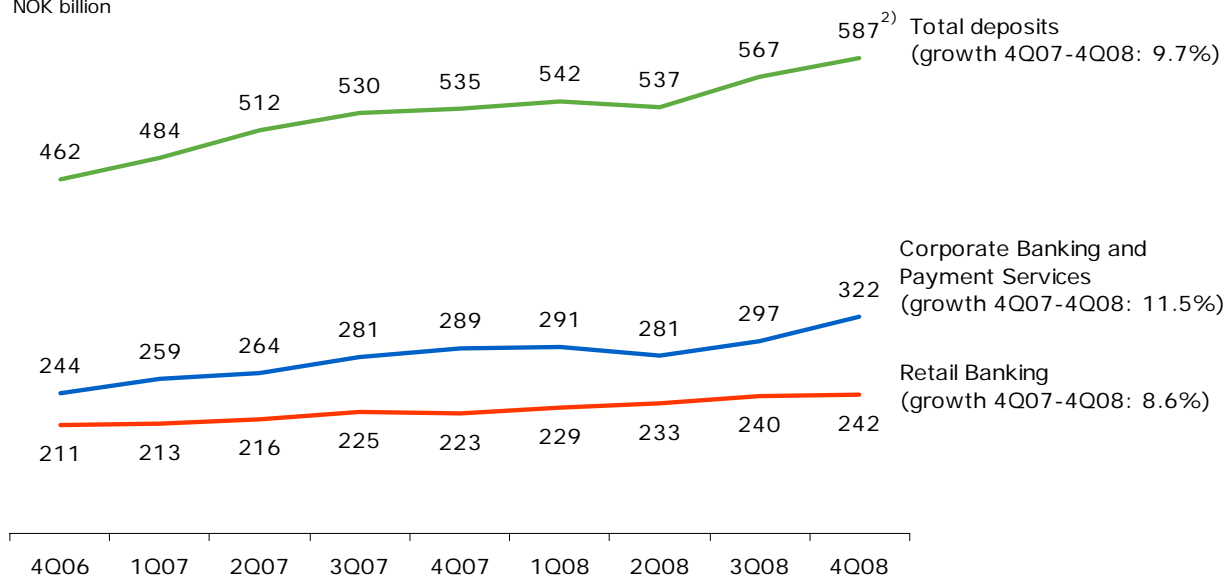
NOK billion



1) Excluding lending to credit institutions and impaired loans
 2) Of which DnB NOR: NOK 86 billion
 Total lending excluding DnB NOR: NOK 1 057 billion (20.9% growth)

Developments in average volumes - deposits ¹⁾

NOK billion



1) Excluding deposits from credit institutions
 2) Of which DnB NOR: NOK 22 billion
 Total deposits excluding DnB NOR: NOK 565 billion (9.6% growth)

Net other operating income

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Money transfer and interbank transactions	456	502	464	459	455	1 881	1 741
Asset management services	227	227	265	281	269	1 001	1 250
Credit broking	86	90	82	29	69	288	284
Real estate broking	122	164	211	162	212	658	782
Custodial services	56	58	69	65	78	248	281
Securities trading	58	55	80	91	87	283	345
Sale of insurance products	542	614	633	592	431	2 381	1 758
Other income from banking services	50	87	125	172	183	435	637
Net gains on equity investments	(528)	(325)	(19)	(254)	138	(1 126)	703
Corporate finance etc.	78	64	132	103	299	377	787
Profit from companies accounted for by the equity method	1 305	(377)	102	(294)	(10)	737	9
Other income	135	105	58	154	107	452	452
Net financial and risk result from Vital ¹⁾	545	(71)	410	(423)	665	462	2 220
Customer trading in FX and interest rate instruments, DnB NOR Markets	840	374	509	460	421	2 183	1 595
FX and interest rate instruments, DnB NOR Markets	1 048	839	653	(1 185)	(120)	1 355	(124)
FX and interest rate instruments, banking portfolio, other	(9)	727	290	211	261	1 219	1 011
Net other operating income ²⁾	5 012	3 134	4 064	625	3 545	12 834	13 732
<i>As a percentage of total income</i>	<i>44.8</i>	<i>35.5</i>	<i>44.8</i>	<i>11.1</i>	<i>41.5</i>	<i>36.9</i>	<i>43.5</i>

1) Of which:

Net gains on assets in Vital	2 288	(1 798)	767	(2 070)	3 802	(813)	23 824
Guaranteed returns and allocations to policyholders in Vital	1 641	(1 596)	437	(1 508)	1 117	(1 027)	17 005
Premium income etc. included in the risk result in Vital	1 177	1 227	1 074	1 066	703	4 543	4 249
Insurance claims etc. included in the risk result in Vital	1 312	1 127	1 014	955	2 778	4 407	8 907
Net financial and risk result in Vital	513	(103)	390	(450)	610	350	2 161
Eliminations in the group accounts	32	32	20	28	54	112	58
Net financial and risk result from Vital	545	(71)	410	(423)	665	462	2 220

For a detailed specification of Vital's income statement, see page 78.

2) Of which:

DnB NOR	276	164	165	149	206	754	631
---------	-----	-----	-----	-----	-----	-----	-----

Net other operating income, operational reporting ¹⁾

Amounts in NOK million	Full year						
	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
1. Net stock market related income including financial instruments	(109)	80	526	286	870	783	3 366
2. Net financial and risk result from Vital	545	(71)	410	(423)	665	462	2 220
3. Net other commissions and fees including guarantees	1 235	1 403	1 406	1 351	1 270	5 396	4 886
4. Net gains on FX and interest rate instruments excluding guarantee commissions	1 779	1 830	1 350	(613)	429	4 346	2 018
Real estate broking	122	164	211	162	212	658	782
Other income	1 440	(272)	160	(139)	97	1 189	460
Net other operating income	5 012	3 134	4 064	625	3 545	12 834	13 732

Specifications

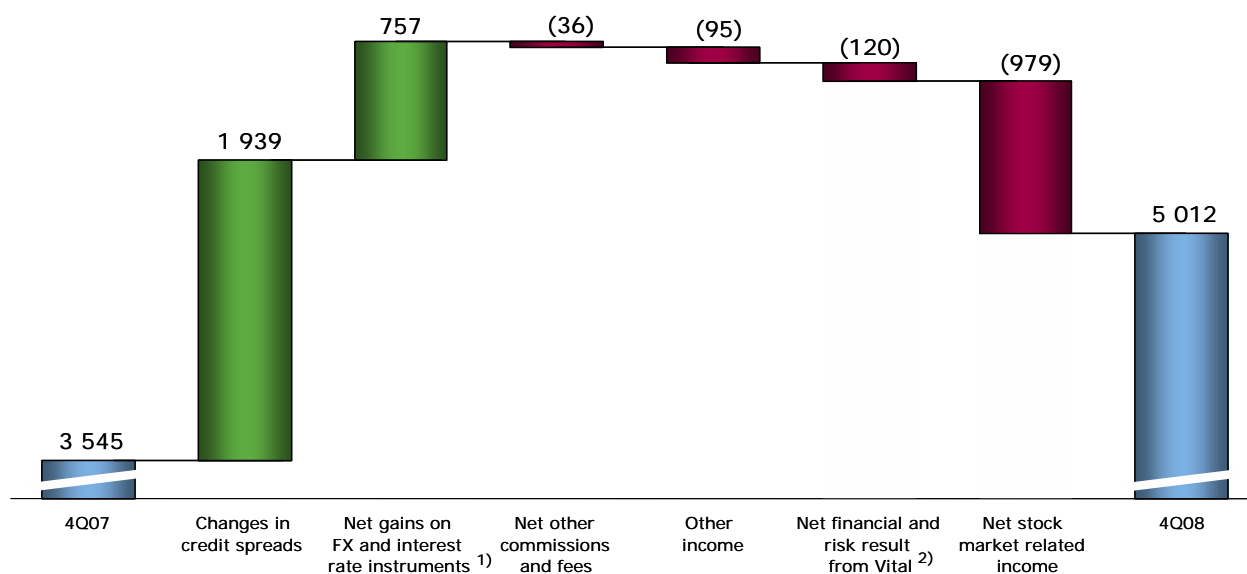
Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Asset management services	227	227	265	281	269	1 001	1 250
Custodial services	56	58	69	65	78	248	281
Securities trading	58	55	80	91	87	283	345
Corporate finance etc.	78	64	132	103	299	377	787
Net stock market related commissions and fees (I)	419	405	545	540	732	1 910	2 663
Net gains on equity investments including dividends	(528)	(325)	(19)	(254)	138	(1 126)	703
1. Net stock market related income including financial instruments	(109)	80	526	286	870	783	3 366
<i>Net stock market related income as a percentage of total income</i>	<i>(0.9)</i>	<i>1.1</i>	<i>5.8</i>	<i>5.1</i>	<i>10.2</i>	<i>2.3</i>	<i>10.7</i>
<i>Net stock market related income as a percentage of net other operating income</i>	<i>(1.8)</i>	<i>3.9</i>	<i>12.9</i>	<i>45.8</i>	<i>24.6</i>	<i>6.1</i>	<i>24.5</i>
Net financial result from Vital	680	(170)	350	(534)	2 740	326	6 878
Net risk result from Vital	(135)	99	60	111	(2 075)	136	(4 658)
2. Net financial and risk result from Vital	545	(71)	410	(423)	665	462	2 220
Money transfer and interbank transactions	456	502	464	459	455	1 881	1 741
Credit broking	86	90	82	29	69	288	284
Sale of insurance products	542	614	633	592	431	2 381	1 758
Other income from banking services	50	87	125	172	183	435	637
Net other commissions and fees (II)	1 134	1 293	1 305	1 252	1 138	4 984	4 421
Net gains on financial instruments - guarantee commissions	100	110	101	99	132	411	465
3. Net other commissions and fees including guarantees	1 235	1 403	1 406	1 351	1 270	5 396	4 886
Net commissions and fees (I + II)	1 554	1 698	1 850	1 793	1 871	6 894	7 084
Customer trading in FX and interest rate instruments, DnB NOR Markets	840	374	509	460	421	2 183	1 595
FX and interest rate instruments, DnB NOR Markets	1 048	839	653	(1 185)	(120)	1 355	(124)
FX and interest rate instruments, banking portfolio, other	(9)	727	290	211	261	1 219	1 011
Net gains on FX and interest rate instruments	1 879	1 940	1 452	(514)	562	4 757	2 483
Net gains on financial instruments - guarantee commissions	100	110	101	99	132	411	465
4. Net gains on FX and interest rate instruments excluding guarantee commissions	1 779	1 830	1 350	(613)	429	4 346	2 018

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 4th quarter 2007 to 4th quarter 2008



1) Excluding guarantees and changes in credit spreads

2) After guaranteed returns and allocations to policyholders

Amounts in NOK million

	2008	Change	2007
Net other operating income	12 834	(898)	13 732
Net gains on FX and interest rate instruments ¹⁾		2 408	
Net other commissions and fees including guarantee commissions		510	
Real estate broking		(124)	
Net stock market related income including financial instruments		(2 582)	
Net financial and risk result from Vital ²⁾		(1 758)	
Changes in credit spreads		599	
Other income		50	

Amounts in NOK million

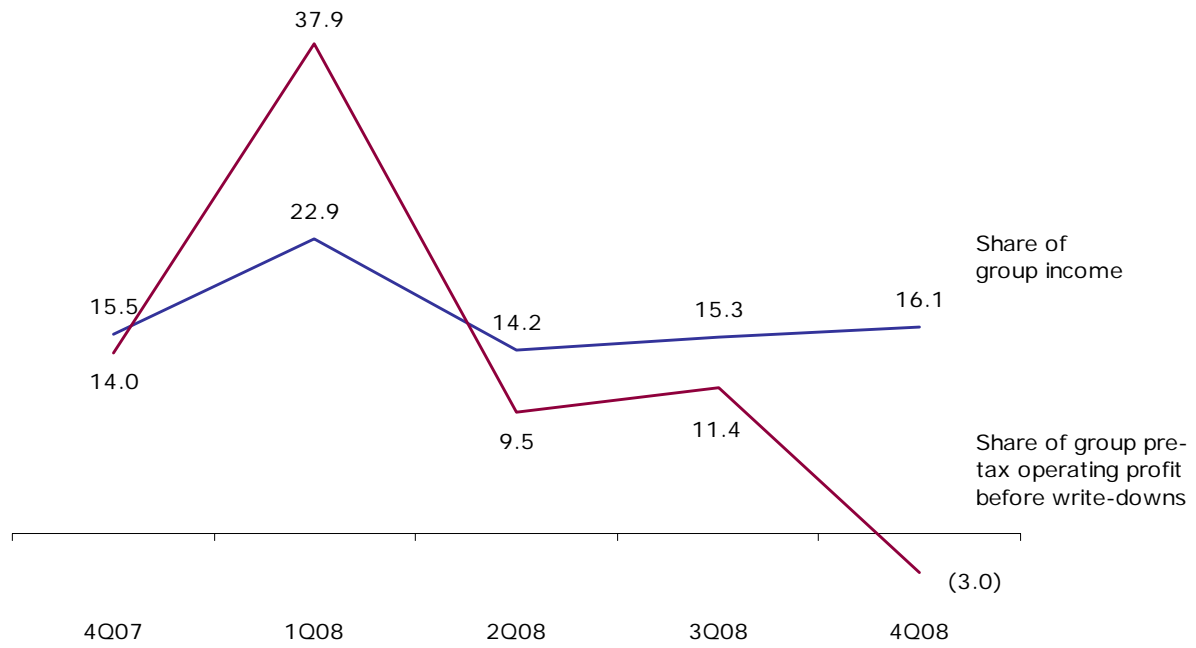
	4Q08	Change	3Q08
Net other operating income	5 012	1 878	3 134
Net gains on FX and interest rate instruments ¹⁾		(51)	
Net other commissions and fees including guarantee commissions		(169)	
Real estate broking		(42)	
Net stock market related income including financial instruments		(189)	
Net financial and risk result from Vital ²⁾		616	
Changes in credit spreads		1 676	
Other income		36	

1) Excluding guarantees and changes in credit spreads.

2) After guaranteed returns and allocations to policyholders.

International units ¹⁾

Per cent



1) Units outside Norway.

Operating expenses

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Ordinary salaries	1 755	1 792	1 703	1 627	1 752	6 876	6 470
Employer's national insurance contributions	270	252	251	244	233	1 018	908
Pension expenses	228	274	271	269	294	1 042	1 117
Allocation to employees ¹⁾	0	0	0	0	476	0	476
Restructuring expenses ²⁾	62	4	29	12	14	106	48
Other personnel expenses	101	104	108	109	107	421	395
Total salaries and other personnel expenses	2 416	2 425	2 361	2 261	2 875	9 463	9 413
Fees	518	278	343	322	252	1 462	895
EDP expenses	260	478	423	397	421	1 559	1 596
Postage and telecommunications	117	102	98	103	110	421	425
Office supplies	35	27	30	26	35	118	123
Marketing and public relations	168	177	218	162	169	725	662
Travel expenses	88	56	67	61	88	272	264
Reimbursement to Norway Post for transactions executed	46	50	58	53	59	207	221
Training expenses	21	19	24	24	24	89	82
Operating expenses on properties and premises	305	304	326	298	295	1 233	915
Operating expenses on machinery, vehicles and office equipment	40	32	39	36	35	147	139
Other operating expenses ²⁾	204	200	190	213	211	807	683
Other expenses	1 802	1 725	1 817	1 696	1 699	7 040	6 005
Depreciation and write-downs of fixed and intangible assets	1 400	315	266	237	335	2 217	1 032
Total operating expenses	5 618	4 464	4 445	4 194	4 908	18 721	16 450

Of which DnB NORD 543 400 397 365 406 1 704 1 310

- 1) Allocations to employees in 2007 were in the form of bonuses totalling NOK 181 million, including employer's national insurance contributions. In addition, provisions of NOK 295 million were made relating to the winding up of the employee investment funds.
- 2) Restructuring costs relating to the cost programme were NOK 144 million for the full year 2008 and NOK 61 million in the fourth quarter of 2008.

Changes in operating expenses

Amounts in NOK million	2008	Change	2007
Total operating expenses	18 721	2 271	16 450
Impairment loss for goodwill/allocations to employees	1 058	583	476
Total ordinary operating expenses		1 688	
Norwegian units		889	
<i>Of which:</i> IT expenses		347	
Wage settlements		204	
Properties		193	
Operational leasing		190	
Cost programme		(241)	
Restructuring expenses, cost programme		144	
Other operating expenses		53	
International units		799	
<i>Of which:</i> DnB NORD		261	
SalusAnsvar		197	
Banking operations in Sweden		188	
DnB NOR Finans in Sweden, new operations		77	
Other units		76	

Changes in operating expenses

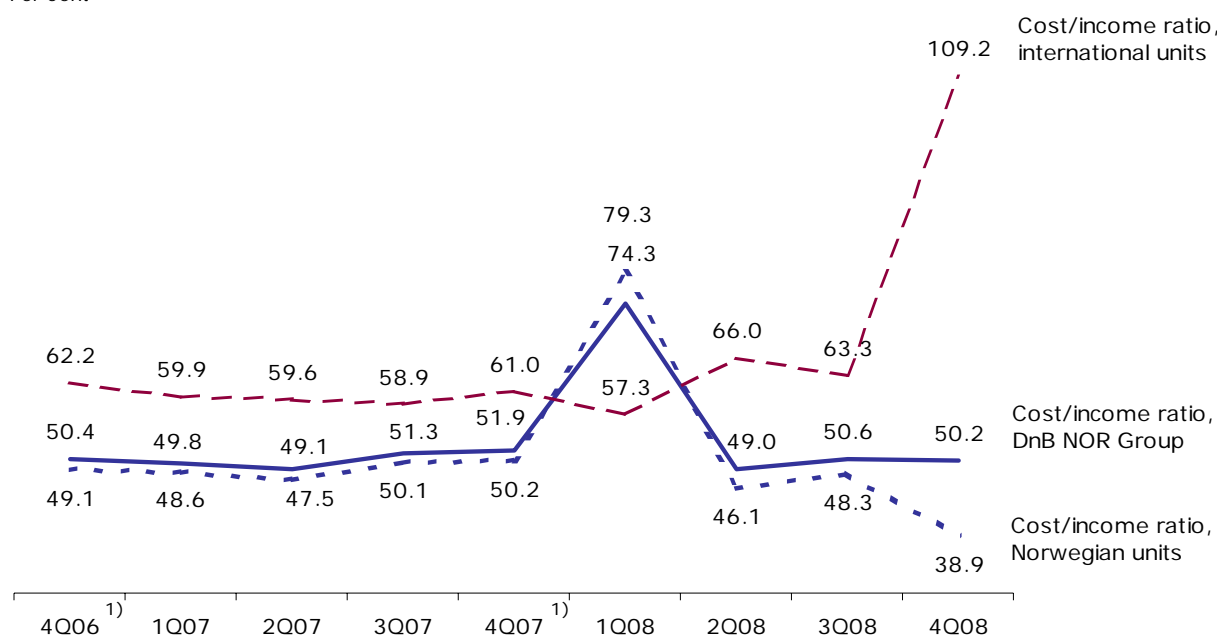
<i>Amounts in NOK million</i>	4Q08	Change	4Q07
Total operating expenses	5 618	709	4 908
Impairment loss for goodwill/allocations to employees	1 058	583	476
Total ordinary operating expenses		127	
Norwegian units		29	
<i>Of which:</i> Wage settlements		65	
Operational leasing		59	
Cost programme		(95)	
Restructuring expenses, cost programme		61	
Other operating expenses		(61)	
International units		98	
<i>Of which:</i> SalusAnsvar		55	
DnB NOR Finans in Sweden, new operations		30	
Banking operations in Singapore		27	
DnB NORD		4	
Other units		(18)	

Changes in operating expenses

<i>Amounts in NOK million</i>	4Q08	Change	3Q08
Total operating expenses	5 618	1 154	4 464
Impairment loss for goodwill/allocations to employees	1 058	1 058	0
Total ordinary operating expenses		95	
Norwegian units		45	
<i>Of which:</i> Travel expenses		28	
Operational leasing		20	
Cost programme		(27)	
Restructuring expenses, cost programme		44	
Other operating expenses		(20)	
International units		50	
<i>Of which:</i> SalusAnsvar		3	
DnB NOR Finans in Sweden, new operations		8	
Banking operations in Singapore		21	
DnB NORD		10	
Svensk Fastighetsförmedling		8	
Other units		1	

Cost/income ratio

Per cent



1) Excluding allocations to employees

Number of employees – full-time positions

Full-time positions	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Corporate Banking and Payment Services ^{1) 2)}	2 548	2 550	2 504	2 395	2 316	2 635
Retail Banking ^{1) 3)}	3 883	3 944	3 907	3 883	3 853	4 080
DnB NOR Markets	655	643	641	617	612	562
Operations ¹⁾	1 242	1 263	1 308	1 341	1 382	
Life and Asset Management	1 169	1 193	1 185	1 166	1 130	1 115
DnB NORD ⁴⁾	3 597	3 565	3 460	3 329	3 236	1 989
Staff and support units ¹⁾	964	946	915	917	926	1 444
Total	14 057	14 103	13 919	13 647	13 455	11 824

1) 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.

2) Includes 68 full-time positions in the Norwegian operations of SkandiaBanken Bilfinans, which were acquired on 31 January 2008, and 52 full-time positions in the company's Swedish operations, which were acquired on 29 February 2008.

3) Staff in SalusAnsvar, which was acquired on 31 December 2007, represented 218 full-time positions.

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

IT expenses

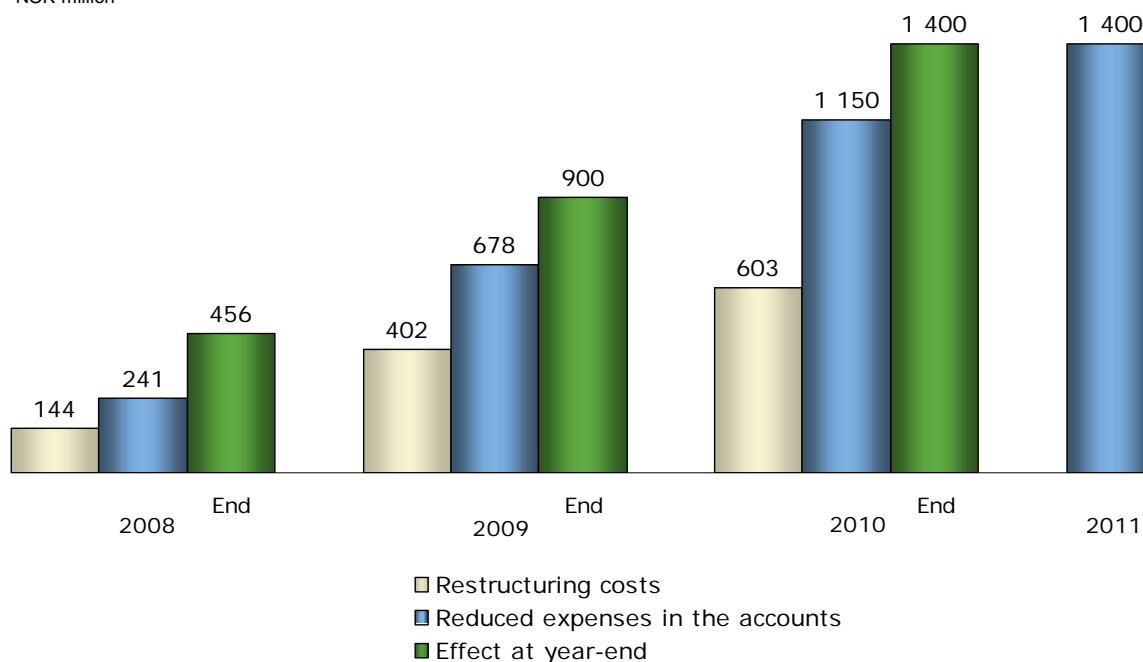
Amounts in NOK million	Full year						
	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
IT operating expenses	404	431	469	427	429	1 731	1 659
Systems development expenses	369	335	285	308	228	1 297	854
IT expenses in Vital, after eliminations	120	119	126	98	245	463	582
Total IT expenses¹⁾	893	885	880	833	903	3 491	3 095

1) Including salaries and indirect costs.

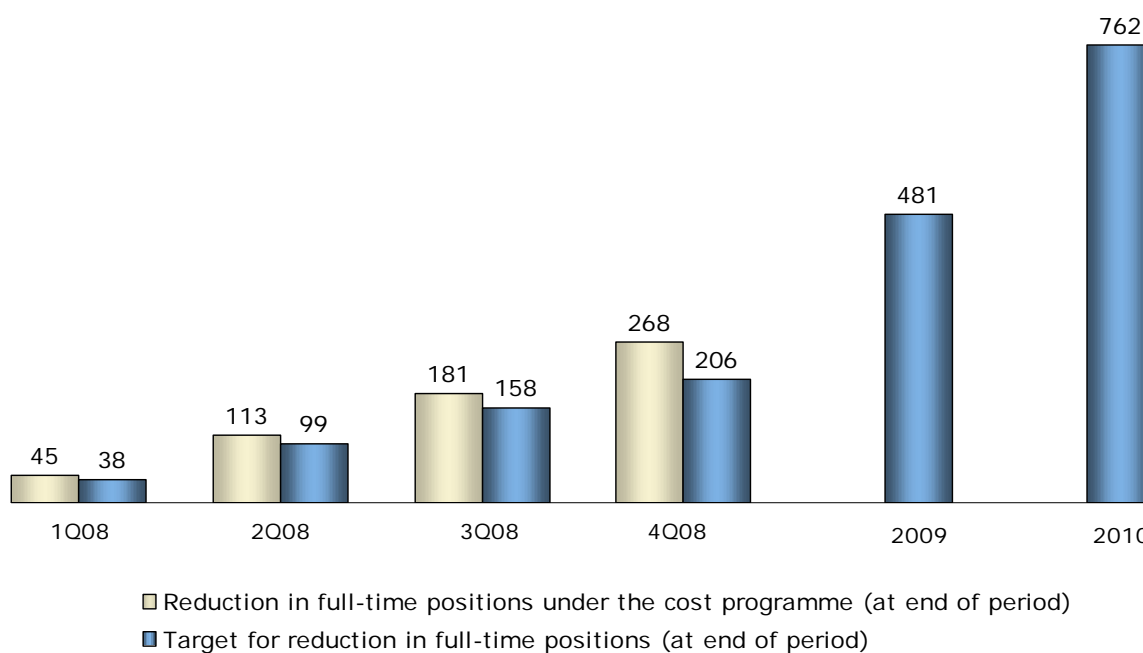
Cost programme

Schedule for cost savings

NOK million

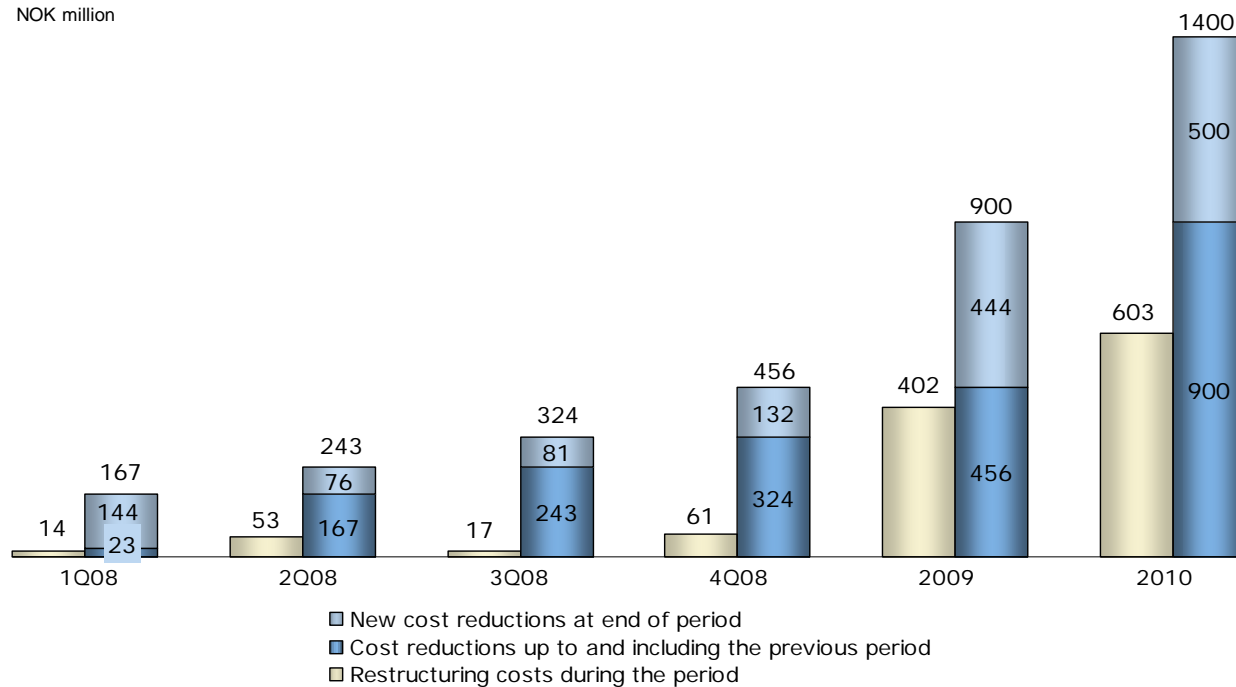


Reduction in full-time positions



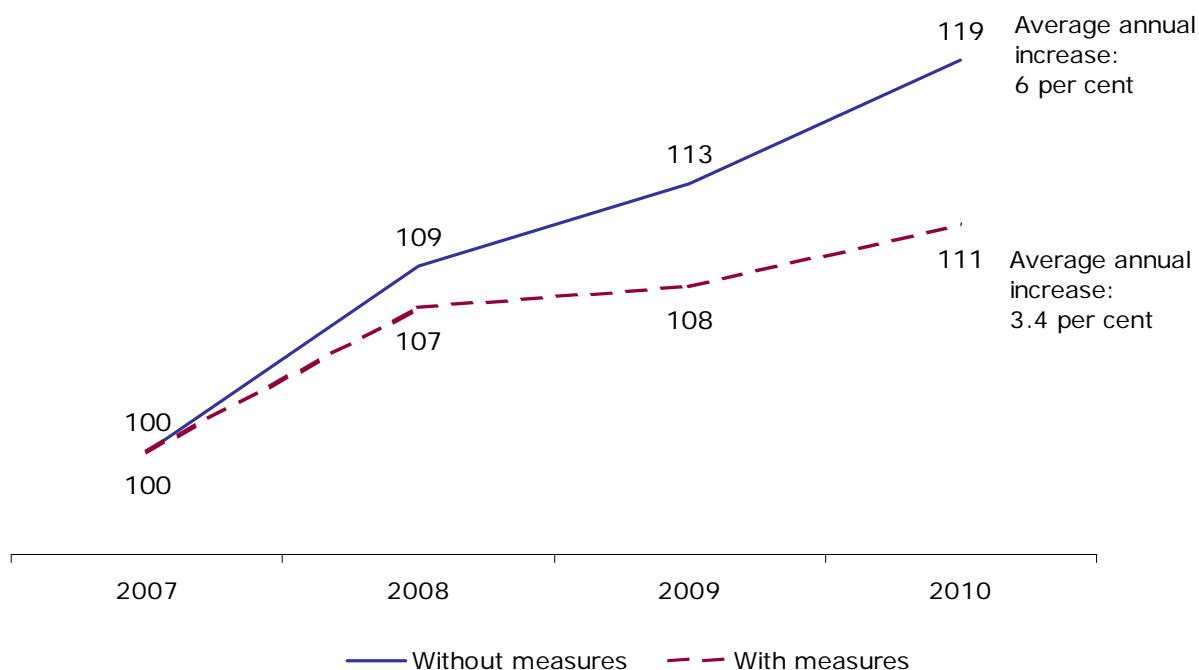
Cost reductions and restructuring

NOK million



Norwegian operations with and without cost-saving measures – illustration ¹⁾

Index from 2007 = 100



1) Before any acquisitions, new business and growth initiatives during the period and excluding restructuring costs.

Write-downs on loans and guarantees

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
New individual write-downs	1 863	733	340	324	314	3 260	1 080
Reassessments and recoveries	164	134	118	165	166	581	658
Total individual write-downs	1 699	599	222	159	148	2 679	422
Change in group write-downs on loans	615	126	52	37	(189)	830	(202)
Write-downs on loans and guarantees ¹⁾	2 314	725	275	195	(41)	3 509	220
Individual write-downs in relation to average volumes, annualised	0.59	0.22	0.09	0.06	0.06	0.25	0.05
- Norwegian units	0.25	0.14	0.08	0.06	0.05	0.13	0.04
- International units excl. DnB NORD	0.54	0.30	0.04	0.01	0.02	0.13	0.01
- DnB NORD	4.14	1.02	0.24	0.18	0.33	1.57	0.20
Total write-downs in relation to average volumes, annualised	0.80	0.27	0.11	0.08	(0.02)	0.33	0.02

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
<i>Individual write-downs</i>							
Corporate Banking and Payment Services:							
- Regional Divisions	349	96	53	24	19	521	74
- International Corporate and Institutions and Nordic Corporate	57	83	2	(5)	(1)	136	(1)
- Shipping Division	3	0	(1)	0	(4)	2	(4)
- DnB NOR Finans	208	58	37	27	15	330	30
Retail Banking	95	182	87	58	71	423	266
Other units	80	(21)	2	27	1	89	(40)
DnB NOR excl. DnB NORD	792	398	180	131	101	1 501	325
DnB NORD	907	201	42	28	47	1 178	97
Total individual write-downs	1 699	599	222	159	148	2 679	422
<i>Group write-downs</i>							
DnB NOR excl. DnB NORD	469	77	42	32	(190)	620	(227)
DnB NORD	146	49	10	5	1	210	25
Total group write-downs on loans	615	126	52	37	(189)	830	(202)
Write-downs on loans and guarantees ¹⁾	2 314	725	275	195	(41)	3 509	220

1) Of which Norwegian units 1 014 374 211 160 (94) 1 760 94

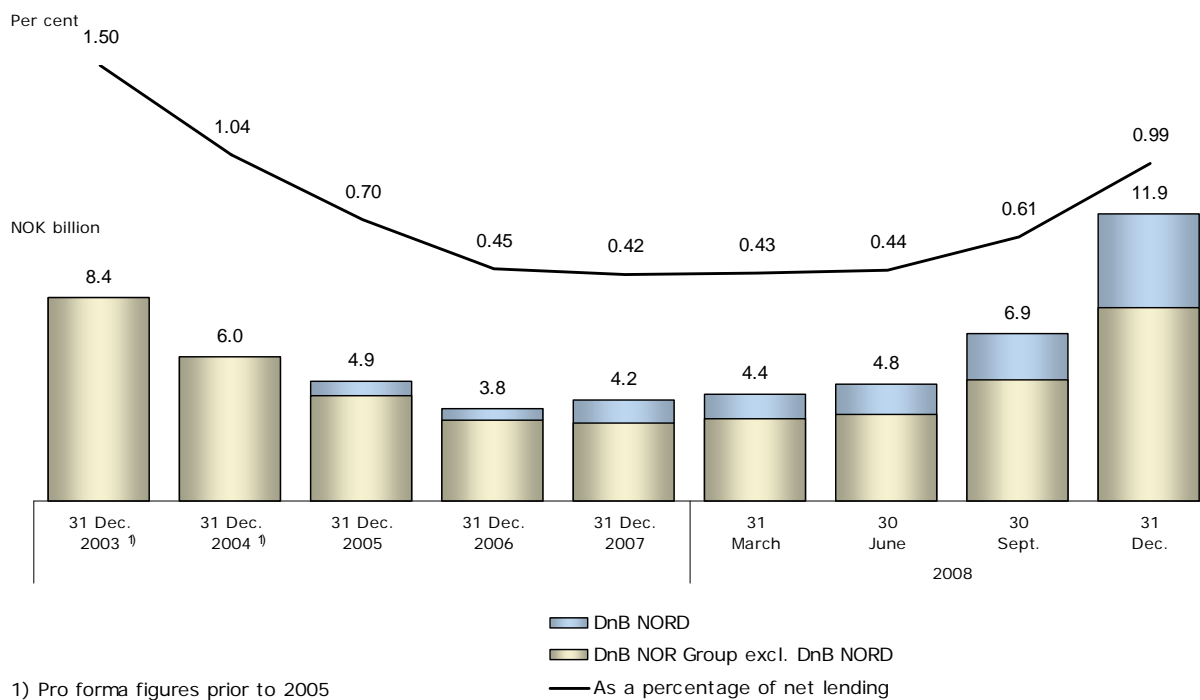
Write-downs on loans and guarantees for principal sectors

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Retail customers	200	267	109	59	100	635	337
International shipping	5	(1)	2	1	(3)	7	(1)
Real estate	723	189	5	9	15	926	(11)
Manufacturing	212	32	25	14	(23)	283	(5)
Services and management	281	34	27	26	19	368	42
Trade	63	6	14	30	24	113	47
Oil and gas	46	79	1	0	1	126	1
Transportation and communication	36	13	3	4	(26)	56	(13)
Building and construction	30	(14)	24	12	27	52	49
Power and water supply	1	0	0	0	0	1	0
Fishing	19	2	2	2	13	25	2
Hotels and restaurants	22	1	1	2	0	26	0
Agriculture and forestry	7	14	3	7	(1)	31	(2)
Other sectors	44	(20)	6	(7)	7	23	(19)
Total customers	1 689	602	222	159	153	2 672	427
Credit institutions	10	(3)	0	0	(5)	7	(5)
Change in group write-downs on loans	615	126	52	37	(189)	830	(202)
Write-downs on loans and guarantees	2 314	725	275	195	(41)	3 509	220
Of which individual write-downs on guarantees	(4)	(29)	4	34	(1)	5	22

Write-down ratio

<i>Amounts in NOK million</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Non-performing commitments (gross)	11 421	7 527	5 845	5 398	5 055	4 334
Impaired commitments (gross)	4 871	2 206	1 262	1 248	1 170	1 434
Gross non-performing and impaired commitments	16 292	9 733	7 107	6 646	6 225	5 768
Individual write-downs	4 370	2 786	2 307	2 211	2 051	1 968
Group write-downs	1 625	896	717	665	712	892
Write-down ratio (per cent)	36.8	37.8	42.5	43.3	44.4	49.6
Collateral for loans	9 789	7 640	6 292	4 992	3 824	2 983
Coverage ratio (per cent)	96.9	116.3	131.1	118.4	105.8	101.3

Net non-performing and impaired commitments



Amounts in NOK million	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Corporate Banking and Payment Services	5 278	2 602	1 581	1 467	1 346	1 621
Retail Banking	2 759	2 445	2 002	1 907	1 899	1 709
DnB NOR	3 885	1 900	1 217	1 061	929	470
Net non-performing and impaired commitments ¹⁾	11 922	6 947	4 801	4 435	4 174	3 800
1) Of which Norwegian units	6 533	4 513	3 382	3 201	3 083	3 224

Lending

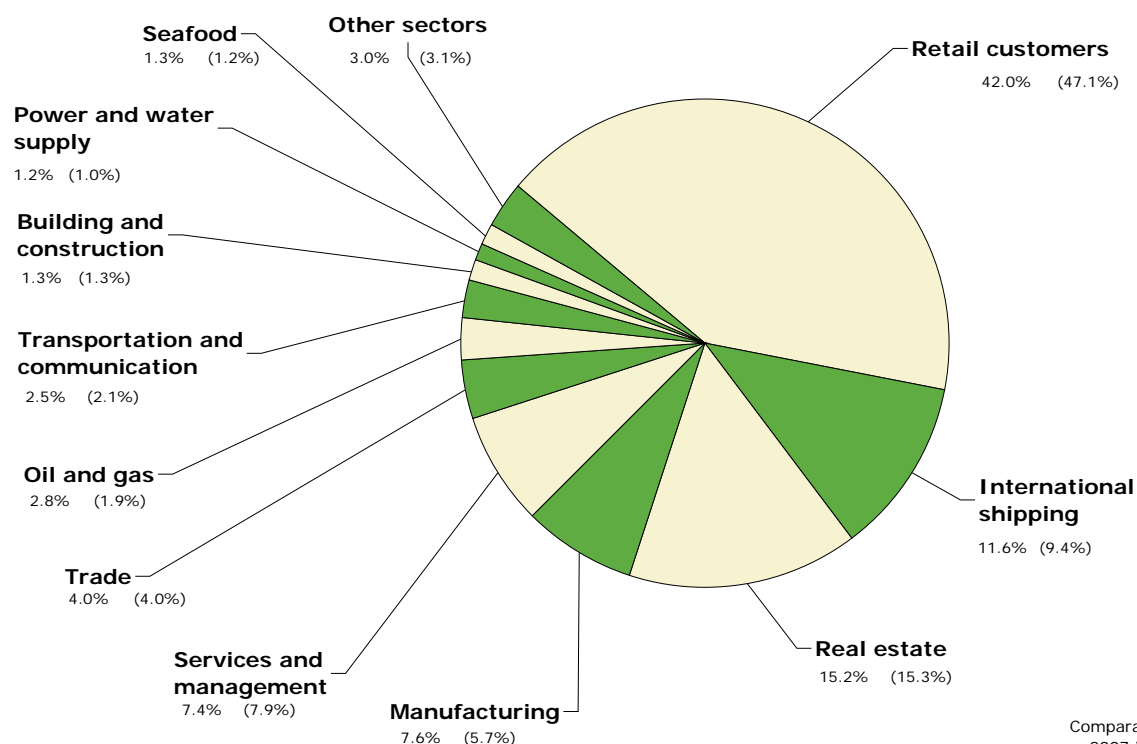
Net lending to principal sectors ^{1) 2)}

Amounts in NOK billion	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Retail customers	498.9	492.1	483.8	470.3	456.1	417.6
International shipping	137.8	112.9	98.8	91.9	91.0	74.2
Real estate	180.3	170.8	164.9	155.1	148.5	116.2
Manufacturing	90.0	78.9	70.2	65.4	55.3	36.7
Services and management	88.0	80.3	77.2	76.5	76.4	64.5
Trade	47.7	45.7	43.8	41.0	38.5	32.1
Oil and gas	33.3	26.7	22.0	18.1	17.9	12.7
Transportation and communication	29.8	28.4	26.0	24.6	20.2	16.7
Building and construction	15.8	16.1	14.9	13.2	12.5	11.2
Power and water supply	14.6	13.4	11.0	9.8	9.9	7.3
Seafood	15.3	13.0	12.1	11.3	11.2	10.1
Hotels and restaurants	5.2	5.3	5.3	4.3	3.8	3.5
Agriculture and forestry	8.2	7.7	7.3	6.9	6.9	7.5
Central and local government	5.8	6.6	8.3	11.2	9.0	7.4
Other sectors	17.0	17.4	14.1	13.4	10.8	8.9
Net lending to customers	1 187.7	1 115.0	1 059.6	1 012.9	968.0	826.7
Of which residential mortgages						
within 80% of collateral value	466.8	456.5	447.4	434.7	425.8	381.9
above 80% of collateral value	13.6	14.2	14.0	13.1	12.8	11.9
Total	480.4	470.7	461.4	447.9	438.5	393.8

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

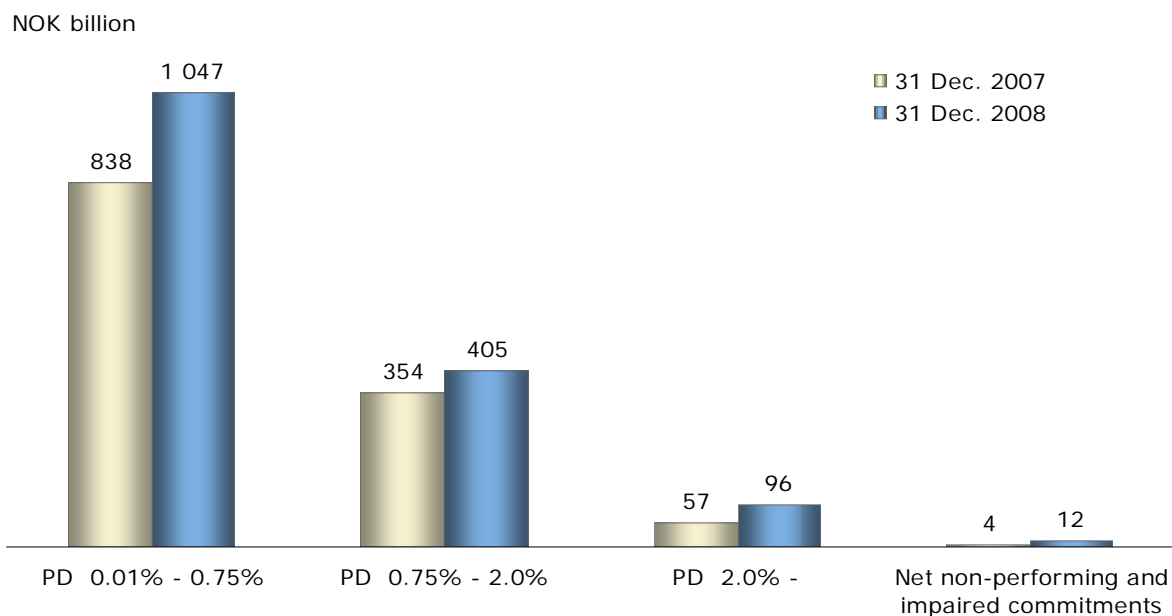
2) Lending after individual write-downs, nominal amounts.

Net lending to principal sectors as at 31 December 2008



Comparable figures for 2007 in parentheses

Risk classification of portfolio ¹⁾



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 ¹⁾

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

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

Capital adequacy

The DnB NOR Group follows the Basel II regulations for capital adequacy calculations. Valuation rules used in the statutory accounts form the basis for the consolidation, which is subject to special consolidation rules governed by the Consolidation Regulations.

Primary capital	DnB NOR Bank		DnB NOR Bank Group		DnB NOR Group	
	31 Dec. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
<i>Amounts in NOK million</i>						
Share capital	17 514	17 514	17 514	17 514	13 327	13 327
Other equity	51 913	43 659	60 284	48 553	68 263	62 649
Total equity	69 427	61 173	77 798	66 068	81 590	75 976
Deductions						
Pension funds above pension commitments	0	(14)	(1)	(19)	(152)	(171)
Goodwill	(1 657)	(1 653)	(4 737)	(3 880)	(6 854)	(6 689)
Deferred tax assets	(10)	(8)	(306)	(208)	(316)	(215)
Other intangible assets	(516)	(435)	(1 584)	(893)	(1 842)	(1 093)
Dividends payable	0	0	0	0	0	(5 997)
Unrealised gains on fixed assets	0	0	(30)	(30)	(30)	(30)
50 per cent of investments in other financial institutions	(1 070)	(1 045)	(1 070)	(1 045)	0	(2)
50 per cent of expected losses exceeding actual losses, IRB portfolios	(288)	(394)	(339)	(399)	(339)	(399)
Adjustments for unrealised losses/(gains) on liabilities recorded at fair value	(323)	(22)	(2 284)	(164)	(2 284)	(164)
Additions						
Portion of unrecognised actuarial gains/losses, pension costs ¹⁾	555	1 109	594	1 186	608	1 214
Equity Tier 1 capital	66 118	58 713	68 041	60 617	70 381	62 430
Perpetual subordinated loan capital securities ^{2) 3)}	9 742	8 746	9 945	8 962	9 945	8 962
Core capital	75 859	67 459	77 986	69 579	80 325	71 392
Perpetual subordinated loan capital	8 007	6 747	8 007	6 747	8 007	6 747
Term subordinated loan capital ³⁾	23 843	16 755	26 083	17 917	26 083	17 917
Deductions						
50 per cent of investments in other financial institutions	(1 070)	(1 045)	(1 070)	(1 045)	0	(2)
50 per cent of expected losses exceeding actual losses, IRB portfolios	(288)	(394)	(339)	(399)	(339)	(399)
Additions						
45 per cent of unrealised gains on fixed assets	0	0	18	18	18	18
Supplementary capital	30 492	22 063	32 700	23 238	33 770	24 281
Total eligible primary capital ⁴⁾	106 351	89 522	110 686	92 816	114 095	95 673
Risk-weighted volume	964 122	750 206	1 119 490	886 099	1 199 653	991 455
Minimum capital requirement	77 130	60 016	89 559	70 888	95 972	79 316
Equity Tier 1 ratio (%)	6.9	7.8	6.1	6.8	5.9	6.3
Core capital ratio (%)	7.9	9.0	7.0	7.9	6.7	7.2
Capital ratio (%)	11.0	11.9	9.9	10.5	9.5	9.6

- 1) 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 one-fifth of the amount recorded against equity can be included in capital adequacy calculations in 2008.
- 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 31 December 2008, calculations of capital adequacy included a total of NOK 853 million in subordinated loan capital in associated companies, in addition to subordinated loan capital in the balance sheets of the banking group and the DnB NOR Group.
- 4) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the DnB NOR Group's accounts, as associated companies which are assessed according to the equity method in the accounts, are assessed according to the gross method in capital adequacy calculations.

Due to transitional rules, the minimum capital adequacy requirements for 2007, 2008 and 2009 cannot be reduced below 95, 90 and 80 per cent respectively relative to the Basel I requirements.

Basel II implementation - further progress

A major reduction in risk-weighted assets is expected upon full implementation of the IRB system. Below is a time schedule for the implementation of the different reporting methods used for the Group's of portfolios.

Portfolios	2008			2009			2010		
	Approaches			Approaches			Approaches		
	Stand- ardised	Founda- tion IRB	Ad- vanced IRB	Stand- ardised	Founda- tion IRB	Ad- vanced IRB	Stand- ardised	Founda- tion IRB	Ad- vanced IRB
Loans to retail customers in DnB NOR Bank including Postbanken and loans in DnB NOR Boligkreditt secured by residential property			X			X			X
Small and medium-sized corporate customers in Regional Division East and Regional Division Coast		X				X			X
Card credit to retail customers in DnB NOR Kort	X					X			X
Leasing and loans in Norway in DnB NOR Finans excluding the portfolio from SkandiaBanken Bilfinans ¹⁾	X					X			X
Factoring and large customers in Norway in DnB NOR Finans plus the car portfolio in Sweden	X			X					X
Large corporate customers in Norway	X			X					X
International branches/offices excluding DnB NORD	X			X					X
Customers within banking and finance	X			X					X
Nordlandsbanken	X			X					X
Other retail exposures in DnB NOR Bank	X			X			X		
DnB NORD	X			X			X		

1) Will at the earliest be implemented in the fourth quarter 2009.

Taxes

The DnB NOR Group's total tax charge for 2008 was NOK 3 334 million, a rise of NOK 947 million from 2007. Relative to pre-tax operating profits, the tax charge increased from 13.7 to 26.5 per cent from 2007 to 2008, reflecting, among other things, tax rules concerning losses on securities and impairment losses for goodwill, which are not tax-deductible. In 2007, the tax charge was NOK 2 837 million. DnB NOR anticipates a future normalised tax level of 23 per cent.

Financial results DnB NOR Group

Full income statement

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Total interest income	22 675	21 314	19 483	18 482	17 543	81 953	61 746
Total interest expenses	16 496	15 622	14 467	13 459	12 543	60 044	43 880
Net interest income	6 179	5 691	5 016	5 023	5 000	21 910	17 866
Commissions and fees receivable etc.	2 151	2 241	2 440	2 375	2 486	9 207	9 476
Commissions and fees payable etc.	597	543	590	582	616	2 313	2 392
Net gains on financial instruments at fair value	1 351	1 615	1 433	(767)	700	3 631	3 185
Net gains on assets in Vital	2 320	(1 766)	787	(2 043)	3 856	(701)	23 883
Guaranteed returns and allocations to policyholders in Vital	1 641	(1 596)	437	(1 508)	1 117	(1 027)	17 005
Premium income etc. included in the risk result in Vital	1 177	1 227	1 074	1 066	703	4 543	4 249
Insurance claims etc. included in the risk result in Vital	1 312	1 127	1 014	955	2 778	4 407	8 907
Profit from companies accounted for by the equity method	1 305	(377)	102	(294)	(10)	737	9
Other income	257	268	269	316	320	1 111	1 234
Net other operating income	5 012	3 134	4 064	625	3 545	12 834	13 732
Total income	11 191	8 825	9 080	5 648	8 545	34 744	31 598
Salaries and other personnel expenses	2 416	2 425	2 361	2 261	2 875	9 463	9 413
Other expenses	1 802	1 725	1 817	1 696	1 699	7 040	6 005
Depreciation and write-downs of fixed and intangible assets	1 400	315	266	237	335	2 217	1 032
Total operating expenses	5 618	4 464	4 445	4 194	4 908	18 721	16 450
Pre-tax operating profit before write-downs	5 573	4 361	4 635	1 454	3 636	16 023	15 148
Net gains on fixed and intangible assets	5	13	3	31	1 593	52	2 481
Write-downs on loans and guarantees	2 314	725	275	195	(41)	3 509	220
Pre-tax operating profit	3 265	3 649	4 363	1 290	5 269	12 566	17 409
Taxes	1 321	839	1 003	170	193	3 334	2 387
Profit from discontinuing operations after taxes	0	0	0	0	0	0	0
Profit for the period	1 943	2 810	3 360	1 120	5 076	9 233	15 022
Profit attributable to shareholders	2 345	2 829	3 297	1 055	5 017	9 525	14 780
Profit attributable to minority interests	(402)	(20)	63	66	59	(293)	242
Earnings per share (NOK) ¹⁾	1.76	2.12	2.47	0.79	3.76	7.15	11.08
Earnings per share for discontinuing operations (NOK) ¹⁾	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	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Cash and deposits with central banks	51 147	45 792	16 235	13 067	9 816	11 453
Lending to and deposits with credit institutions	59 717	53 608	80 328	71 909	64 379	71 091
Lending to customers	1 191 927	1 118 273	1 062 115	1 015 909	970 504	827 947
Commercial paper and bonds	125 571	89 728	162 322	158 371	161 162	169 944
Shareholdings	36 839	49 231	62 520	61 241	65 122	53 489
Financial assets, customers bearing the risk	16 454	17 330	18 549	18 124	19 868	18 840
Financial derivatives	136 552	78 588	58 716	110 113	65 933	57 999
Commercial paper and bonds, held to maturity	155 156	141 356	53 058	53 386	59 641	62 444
Investment property	32 558	32 796	32 517	33 584	33 078	25 816
Investments in associated companies	2 622	1 314	1 688	1 614	1 435	1 515
Intangible assets	8 480	8 944	8 820	8 793	7 742	6 471
Deferred tax assets	263	180	154	150	136	38
Fixed assets	5 326	4 339	3 950	3 832	3 496	5 478
Discontinuing operations	246	249	241	232	225	27
Other assets	9 236	13 007	15 412	14 675	11 382	7 691
Total assets	1 832 096	1 654 735	1 576 626	1 564 999	1 473 919	1 320 242
Loans and deposits from credit institutions	178 822	161 920	130 028	148 439	144 198	124 372
Deposits from customers	597 242	588 426	565 399	528 740	538 151	474 526
Financial derivatives	95 498	62 246	57 463	104 937	62 741	58 812
Securities issued	606 222	484 720	463 502	421 696	371 784	326 806
Insurance liabilities, customers bearing the risk	16 454	17 330	18 549	18 124	19 868	18 840
Liabilities to life insurance policyholders	184 791	183 595	186 945	190 257	191 626	188 096
Payable taxes	384	2 635	1 904	1 421	1 431	4 091
Deferred taxes	5 539	2 506	2 496	2 213	1 994	730
Other liabilities	15 410	27 452	31 666	32 655	27 717	18 812
Discontinuing operations	0	0	0	0	0	0
Provisions	4 918	5 184	5 259	5 177	5 207	4 768
Subordinated loan capital	45 225	40 676	38 540	33 724	33 226	33 977
Total liabilities	1 750 506	1 576 689	1 501 750	1 487 382	1 397 944	1 253 829
Minority interests	4 253	3 287	3 187	3 137	2 662	2 201
Share capital	13 327	13 327	13 327	13 327	13 327	13 341
Share premium reserve	11 697	11 697	11 697	11 697	11 697	11 963
Other equity	52 313	49 736	46 666	49 458	48 290	38 907
Total equity	81 590	78 046	74 876	77 618	75 976	66 413
Total liabilities and equity	1 832 096	1 654 735	1 576 626	1 564 999	1 473 919	1 320 242

Key figures

						Full year	
	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Interest rate analysis							
1 Combined weighted total average spread for lending and deposits (%)	1.12	1.04	0.98	1.01	1.01	1.04	1.00
2 Spread for ordinary lending to customers (%)	1.34	0.97	0.81	0.88	0.80	1.01	0.84
3 Spread for deposits from customers (%)	0.68	1.16	1.30	1.24	1.38	1.08	1.27
Rate of return/profitability							
4 Net other operating income, per cent of total income	44.8	35.5	44.8	11.1	41.5	36.9	43.5
5 Cost/income ratio (%)	50.2	50.6	49.0	74.3	51.9	53.9	50.6
6 Return on equity, annualised (%)	12.3	15.5	18.1	5.7	28.4	12.9	22.0
7 RARORAC, annualised (%)	26.4	18.2	21.1	2.9	20.7	17.8	21.6
8 RORAC, annualised (%)	13.6	18.5	23.2	6.4	39.8	15.5	31.9
9 Average equity including allocated dividend (NOK million)	76 048	73 224	72 986	73 897	70 767	74 039	67 063
10 Return on average risk-weighted volume, annualised (%)	0.69	1.04	1.31	0.45	2.10	0.82	1.66
Financial strength							
11 Core (Tier 1) capital ratio at end of period (%)	6.7	6.3	6.7	7.0	7.2	6.7	7.2
12 Capital adequacy ratio at end of period (%)	9.5	9.1	9.6	9.4	9.6	9.5	9.6
13 Core capital at end of period (NOK million)	80 325	70 513	69 599	69 696	71 392	80 325	71 392
14 Risk-weighted volume at end of period (NOK million)	1 199 653	1 110 669	1 045 834	1 001 649	991 455	1 199 653	991 455
Loan portfolio and write-downs							
15 Individual write-downs relative to average net lending to customers, annualised	0.59	0.22	0.09	0.06	0.06	0.25	0.05
16 Write-downs relative to average net lending to customers, annualised	0.80	0.27	0.11	0.08	(0.02)	0.33	0.02
17 Net non-performing and impaired commitments, per cent of net lending	0.99	0.61	0.44	0.43	0.42	0.99	0.42
18 Net non-performing and impaired commitments at end of period (NOK million)	11 922	6 947	4 801	4 435	4 174	11 922	4 174
Liquidity							
19 Ratio of customer deposits to net lending to customers at end of period (%)	50.1	52.6	53.2	52.0	55.5	50.1	55.5
Total assets owned or managed by DnB NOR							
20 Customer assets under management at end of period (NOK billion)	510	510	535	549	572	510	572
21 Total combined assets at end of period (NOK billion)	2 141	1 964	1 906	1 906	1 834	2 141	1 834
22 Average total assets (NOK billion)	1 821	1 626	1 574	1 520	1 457	1 635	1 412
23 Customer savings at end of period (NOK billion)	1 108	1 099	1 101	1 079	1 111	1 108	1 111
Staff							
24 Number of full-time positions at end of period	14 057	14 103	13 919	13 647	13 455	14 057	13 455
The DnB NOR share							
25 Number of shares at end of period (1 000)	1 332 654	1 332 654	1 332 654	1 332 654	1 332 654	1 332 654	1 332 654
26 Average number of shares (1 000)	1 332 654	1 332 654	1 332 654	1 332 654	1 332 654	1 332 654	1 333 402
27 Earnings per share (NOK)	1.76	2.12	2.47	0.79	3.76	7.15	11.08
28 Dividend per share (NOK) ¹⁾	-	-	-	-	-	0.00	4.50
29 Total shareholder's return (%)	(39.2)	(31.5)	(16.2)	(6.9)	0.4	(65.6)	(1.7)
30 Dividend yield (%)	-	-	-	-	-	0.00	5.42
31 Equity per share including allocated dividend at end of period (NOK)	58.03	56.10	53.79	55.89	55.01	58.03	55.01
32 Share price at end of period (NOK)	27.00	44.40	64.80	77.30	83.00	27.00	83.00
33 Price/earnings ratio	3.84	5.23	6.55	24.42	5.51	3.78	7.49
34 Price/book value	0.47	0.79	1.20	1.38	1.51	0.47	1.51
35 Market capitalisation (NOK billion)	36.0	59.2	86.4	103.0	110.6	36.0	110.6

1) Proposed dividend for 2008.

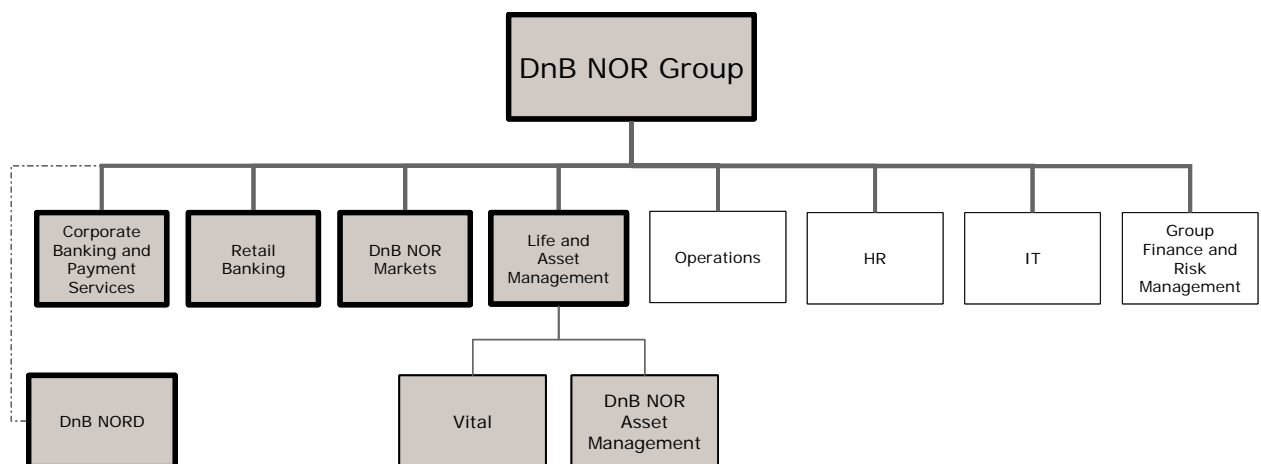
For definitions of selected key figures, see next page.

Definitions to key figures

- 1, 2, 3 Based on nominal values excluding lending to and deposits with credit institutions and impaired loans, measured against the 3-month money market rate.
- 5 Total expenses relative to total income. Expenses exclude allocations to employees.
- 6 Profit for the period, excluding profit attributable to minority interests, adjusted for the period's change in fair value recognised 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 the risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to the risk-adjusted capital requirement. Profits for the period exclude 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.
- 20 Total assets under management for customers in Life and Asset Management.
- 21 Total assets and customer assets under management.
- 23 Total deposits from customers, assets under management and equity-linked bonds.
- 25 The Annual General Meeting on 30 April 2008 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 1 332 653 615, corresponding to 10 per cent of share capital. The shares may be purchased through the stock market. Each share may be purchased at a price between NOK 10 and NOK 150. The authorisation is valid for a period of 12 months from 30 April 2008. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with the Ministry of Trade and Industry for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares. Number of shares in 2006 are excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting. DnB NOR has no outstanding subscription rights for employees.
- 27 Excluding discontinuing operations and profits attributable to minority interests. Holdings of own shares are not included in calculations of the number of shares.
- 29 Closing price at end of period less closing price at beginning of period, including dividends reinvested in DnB NOR shares on the dividend payment date, divided by closing price at beginning of period.
- 31 Equity at end of period excluding minority interests relative to number of shares at end of period.
- 32 Closing price at end of period relative to annualised earnings per share.
- 34 Closing price at end of period relative to recorded equity at end of period.
- 35 Number of shares multiplied by the closing share price at end of period.

Section 3

DnB NOR Group - business areas



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. The business areas are: Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life and Asset Management. In addition, DnB NORD is reported as a separate profit centre.

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 is presented in the descriptions of each area in this section. For Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NORD, 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 and Asset Management (Vital and DnB NOR Asset Management), the calculations are based on average recorded equity.

In addition, return on risk-adjusted capital is presented for each business area. 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 fourth quarter of 2008, such income totalled NOK 617 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>	4Q08	Change 3Q08-4Q08	Change 4Q07-4Q08
Net interest income	6 179	488	1 180
Corporate Banking and Payment Services	3 535	403	929
Retail Banking	2 060	144	(98)
DnB NOR Markets	416	(39)	314
DnB NOR Asset Management	23	(9)	(14)
DnB NORD	464	40	106
Other	(319)	(51)	(57)

Changes in net other operating income

<i>Amounts in NOK million</i>	4Q08	Change 3Q08-4Q08	Change 4Q07-4Q08
Net other operating income	5 012	1 878	1 467
Corporate Banking and Payment Services	1 021	189	160
Retail Banking	835	132	61
DnB NOR Markets	2 127	685	1 387
Life and Asset Management	1 127	571	(81)
- Vital	933	562	4
- DnB NOR Asset Management	194	9	(86)
DnB NORD	276	112	70
Other	(373)	188	(129)

Changes in operating expenses

<i>Amounts in NOK million</i>	4Q08	Change 3Q08-4Q08	Change 4Q07-4Q08
Operating expenses	5 618	1 154	709
Corporate Banking and Payment Services	1 325	105	147
Retail Banking	1 799	150	147
DnB NOR Markets	527	101	108
Life and Asset Management	445	(156)	(244)
- Vital	336	(80)	(168)
- DnB NOR Asset Management	108	(76)	(76)
DnB NORD	543	143	137
Other	981	811	415

Changes in write-downs on loans and guarantees

<i>Amounts in NOK million</i>	4Q08	Change 3Q08-4Q08	Change 4Q07-4Q08
Write-downs on loans and guarantees	2 314	1 589	2 354
Corporate Banking and Payment Services	674	458	645
Retail Banking	95	(87)	24
DnB NORD, including group write-downs on loans	1 053	803	1 004
Unallocated group write-downs on loans	469	392	659
Other	23	23	23

Extracts from income statement, fourth quarter

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NOR D		Other operations/eliminations ¹⁾		DnB NOR Group	
	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	2 834	2 118	1 971	1 962	289	44	(3)	10	394	311	695	555	6 179	5 000
Interest on allocated capital	701	488	89	196	127	58	26	27	71	48	(1 014)	(817)	0	0
Net interest income	3 535	2 606	2 060	2 158	416	101	23	37	464	359	(319)	(262)	6 179	5 000
Net other operating income	1 021	861	835	774	2 127	740	1 127	1 208	276	206	(373)	(244)	5 012	3 545
Total income	4 556	3 467	2 895	2 932	2 543	842	1 150	1 245	740	565	(692)	(506)	11 191	8 545
Operating expenses ^{*)}	1 325	1 178	1 799	1 651	527	419	445	689	543	406	981	565	5 618	4 908
Pre-tax operating profit before write-downs	3 231	2 289	1 096	1 280	2 016	423	705	556	198	159	(1 673)	(1 071)	5 573	3 636
Net gains on fixed and intangible assets	1	7	(2)	44	0	0	0	0	3	2	4	1 539	5	1 593
Write-downs on loans and guarantees	674	30	95	72	1	0	0	0	1 053	48	491	(190)	2 314	(41)
Pre-tax operating profit	2 557	2 267	999	1 253	2 015	423	705	556	(852)	113	(2 160)	658	3 265	5 269

*) of which group overhead 41 31 24 14 8 6 10 4 0 0 (83) (56)

Extracts from income statement, full year

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NOR D		Other operations/eliminations ¹⁾		DnB NOR Group	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	9 544	7 714	7 265	7 015	708	206	6	17	1 411	1 101	2 976	1 813	21 910	17 866
Interest on allocated capital	2 621	1 537	409	641	387	189	113	90	271	154	(3 801)	(2 610)	0	0
Net interest income	12 165	9 251	7 674	7 655	1 095	395	119	107	1 682	1 255	(824)	(797)	21 910	17 866
Net other operating income	3 426	3 091	3 120	3 070	4 671	2 894	2 988	4 567	754	631	(2 125)	(521)	12 834	13 732
Total income	15 590	12 342	10 794	10 725	5 767	3 289	3 107	4 674	2 436	1 886	(2 949)	(1 317)	34 744	31 598
Operating expenses ^{*)}	4 899	4 156	6 851	6 322	1 749	1 517	2 153	2 316	1 704	1 310	1 364	828	18 721	16 450
Pre-tax operating profit before write-downs	10 691	8 185	3 943	4 403	4 017	1 772	953	2 357	732	576	(4 313)	(2 145)	16 023	15 148
Net gains on fixed and intangible assets	28	19	(2)	44	0	(1)	0	0	19	14	7	2 404	52	2 481
Write-downs on loans and guarantees	1 056	76	423	266	1	22	0	0	1 388	121	641	(266)	3 509	220
Pre-tax operating profit	9 663	8 128	3 518	4 181	4 016	1 748	953	2 357	(637)	469	(4 947)	525	12 566	17 409

*) of which group overhead 156 127 94 57 32 25 42 31 0 0 (325) (240)

1) Other operations/eliminations:

	Eliminations of double entries		Other eliminations		Group Centre		Total	
	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07
<i>Amounts in NOK million</i>								
Net interest income - ordinary operations	0	(2)	(30)	(36)	725	593	695	555
Interest on allocated capital			0	0	(1 014)	(817)	(1 014)	(817)
Net interest income	0	(2)	(30)	(36)	(289)	(223)	(319)	(262)
Net other operating income	(617)	(474)	(58)	(12)	301	242	(373)	(244)
Total income	(617)	(476)	(88)	(48)	12	18	(692)	(506)
Operating expenses			(88)	(65)	1 068	631	981	565
Pre-tax operating profit before write-downs	(617)	(476)	0	17	(1 056)	(612)	(1 673)	(1 071)
Net gains on fixed and intangible assets			0	(17)	4	1 556	4	1 539
Write-downs on loans and guarantees			0	0	491	(190)	491	(190)
Pre-tax operating profit	(617)	(476)	0	0	(1 543)	1 134	(2 160)	658

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, Marketing and Communications, Corporate Centre, partially owned company Eksportfinans, 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.

Main average balance sheet items

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NOR		Other operations/ eliminations		DnB NOR Group	
	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07
<i>Amounts in NOK billion</i>														
Net lending to customers ¹⁾	604.2	449.8	466.6	439.2	7.2	15.2	2.5	0.0	87.8	56.6	(6.7)	(4.6)	1 161.6	956.2
Deposits from customers ¹⁾	340.2	301.3	242.5	222.6	21.3	23.1			23.1	20.8	(18.6)	(12.8)	608.5	555.0
Assets under management ²⁾							531.7	591.7					531.7	591.7

Key figures

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NOR		Other operations		DnB NOR Group	
	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07	4Q08	4Q07
<i>Per cent</i>														
Cost/income ratio ³⁾	29.1	34.0	62.1	56.3	20.7	49.8	38.7	55.3	73.3	71.9			50.2	57.4
Ratio of deposits to lending ^{1) 4)}	56.3	67.0	52.0	50.7					26.4	36.6			52.4	58.0
Return on capital, annualised ^{5) 6)}	15.9	19.0	48.3	26.4	69.4	30.3	9.3	67.1	(41.4)	8.8			12.3	28.4
RORAC, annualised ^{6) 7)}	16.8	20.2	42.1	47.0	80.3	41.6	10.4	82.2	(33.8)	8.0			13.6	39.8
Full-time positions as at 31 Dec. ⁸⁾	2 548	2 316	3 883	3 853	655	612	1 169	1 130	3 597	3 236	2 206	2 308	14 057	13 455

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

2) Assets under management include total assets in Vital.

3) Total operating expenses relative to total income.

4) Deposits from customers relative to net lending to customers.

5) 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 and Asset Management.

6) 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. A tax rate of 20 per cent has been used for DnB NOR, while accounted taxes are applied for Vital.

7) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to the risk-adjusted capital requirement.

8) An increase of 218 full-time positions in Retail Banking resulting from the acquisition of SalusAnsvar in December 2007.

Corporate Banking and Payment Services

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

CBP is organised in nine divisions and four subsidiaries: DnB NOR Finans, Nordlandsbanken, DnB NOR Næringsmegling and DnB NOR Monchebank. Leif Teksum, group executive vice president, heads the business area.

CBP aims to be the customers' best partner, meeting their needs for financial solutions. DnB NOR holds a strong position in all segments of the Norwegian corporate market and is one of the world's leading shipping banks. Norway and Sweden are the main countries where CBP seeks growth through customer acquisition and aims to be a provider of a broad range of everyday banking and financial services. In addition, CBP has growth ambitions internationally within defined industries such as shipping, energy, seafood and other selected sectors where competitive advantages and a substantial knowledge base provide growth potential. Under current market conditions, CBP seeks to consolidate and secure its existing positions.

Financial performance

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income - ordinary operations	2 834	2 424	2 191	2 095	2 118	9 544	7 714
Interest on allocated capital	701	708	647	565	488	2 621	1 537
Net interest income	3 535	3 132	2 838	2 660	2 606	12 165	9 251
Net other operating income	1 021	832	764	810	861	3 426	3 091
Total income	4 556	3 964	3 601	3 470	3 467	15 590	12 342
Operating expenses	1 325	1 220	1 193	1 162	1 178	4 899	4 156
Pre-tax operating profit before write-downs	3 231	2 744	2 408	2 308	2 289	10 691	8 185
Net gains on fixed and intangible assets	1	0	18	9	7	28	19
Write-downs on loans and guarantees	674	216	93	73	30	1 056	76
Pre-tax operating profit	2 557	2 527	2 334	2 244	2 267	9 663	8 128
Net lending to customers (NOK billion) ¹⁾	604.2	544.5	517.4	484.6	449.8	537.9	412.6
Deposits from customers (NOK billion) ¹⁾	340.2	312.1	295.8	303.4	301.3	312.9	286.8
Cost/income ratio (%)	29.1	30.8	33.1	33.5	34.0	31.4	33.7
Ratio of deposits to lending (%)	56.3	57.3	57.2	62.6	67.0	58.2	69.5
Return on capital BIS, annualised (%)	15.9	16.8	16.7	17.2	19.0	16.6	18.9
RORAC, annualised (%)	16.8	18.9	18.6	18.8	20.2	18.2	19.9

1) Average balances. Based on nominal values.

Comments to the financial performance

- CBP recorded a 12.8 per cent increase in pre-tax operating profits from the year-earlier period. Pre-tax operating profits before write-downs increased by 41.1 per cent compared with the fourth quarter of 2007.
- Net interest income from ordinary operations was up NOK 716 million from the fourth quarter of 2007. Lending in the fourth quarter was affected by the financial turmoil, but higher exchange rates for USD and EUR contributed to a relatively strong increase in volumes of 11.0 per cent compared with the third quarter of 2008. Adjusted for exchange rate movements, lending volumes increased by 4.5 per cent compared with the preceding quarter. Growth in deposits picked up somewhat in the fourth quarter, with an increase of 9.0 per cent compared with the third quarter, partly due to exchange rate movements. The increased cost of funding in the Norwegian market put pressure on spreads. The weighted average combined spread increased by 0.10 percentage points compared with the fourth quarter of 2007, to 1.02 per cent in the fourth quarter of 2008. Compared with the third quarter of 2008, the spread increased by 0.05 percentage points.

- Net other operating income increased by NOK 160 million in the fourth quarter of 2008 compared with the year-earlier period. There was an increase in income from guarantees, financial instruments, syndication and payment services, while income from corporate finance activity, custody and real estate broking declined compared with the corresponding period of 2007.
- Operating expenses increased by NOK 147 million in the fourth quarter of 2008 compared with the corresponding period of 2007. International expansion, including the acquisition of SkandiaBanken Bilfinans in Sweden and Norway, resulted in rising staff numbers and increased investments. Growth in operational leasing gave a significant increase in depreciation costs.
- Net write-downs on loans and guarantees increased from a low level in the fourth quarter of 2007 and totalled NOK 674 million in the fourth quarter of 2008.
- Average loans and guarantees to customers increased by NOK 173 billion, and average deposits were up NOK 38.9 billion from the fourth quarter of 2007. Adjusted for exchange rate movements, average loans and guarantees increased by NOK 150 billion. Furthermore, commercial paper and bonds for a total value of NOK 66 billion were issued in the fourth quarter of 2008, of which approximately NOK 45 billion represented bonds for DnB NOR Boligkreditt. Due to market conditions, syndication activity ground to a virtual halt in the fourth quarter of 2008.

Customers and market developments

- DnB NOR is the leading financial institution in the market for large Norwegian corporates. The Group has an international network of branches and representative offices. In addition to the Norwegian and Swedish markets, Corporate Banking and Payment Services is offering services in New York, Houston, Santiago, Rio de Janeiro, London, Singapore, Shanghai, Mumbai, Athens, Copenhagen, Hamburg and Helsinki. DnB NOR is also represented in Murmansk in Russia through the subsidiary DnB NOR Monchebank, which is licensed to engage in banking operations throughout Russia.
- The cooperation between DnB NORD and CBP has strengthened DnB NOR's position in the Baltic area (Lithuania, Latvia and Estonia) and in Poland.
- 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 product and services offering to Swedish corporates. DnB NOR has offices in Stockholm, Gothenburg and Malmö to serve clients in this part of Sweden.
- The strong position in the Norwegian SME market was maintained through the fourth quarter of 2008. A total of 2 266 new clients were acquired during this period. A total of 7 842 new clients were acquired in the course of 2008.
- During the 2008 the loyalty/retention programmes Partner Start, Landbruk, Basis and Pluss in DnB NOR reached a total of 20 077 programmes. This is an increase of 4 450 programmes since 2007.
- CBP aims to be the preferred provider of Internet services to corporate clients. Small and medium-sized companies are increasing their use of electronic services, thus reducing their need for manual services. In 2008, 52 000 companies carried out more than 100 million transactions in DnB NOR's corporate Internet bank.
- 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 ^{1) 2)}

<i>Per cent</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007
Of total lending to corporate clients ³⁾	15.9	15.1	15.3	15.0	15.2
Of deposits from corporate clients ⁴⁾	36.6	36.3	35.8	34.5	35.6

<i>Per cent</i>	30 Sept. 2007	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006
Of total lending to corporate clients ³⁾	15.0	14.8	14.6	15.3	15.1
Of deposits from corporate clients ⁴⁾	37.1	35.7	37.7	37.6	38.4

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>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Loans ¹⁾	604	544	517	485	450	538	413
Guarantees	88	84	78	75	70	82	66
Total loans and guarantees	692	629	596	560	519	620	479
Adjusted for exchange rate movements	692	667	638	593	542	620	471
Commercial paper during the period	14	14	18	13	25	58	67
Syndicated loans during the period ²⁾	0	13	10	12	18	35	56
Bond issues during the period	52	5	21	11	11	88	45

1) Based on nominal values.

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

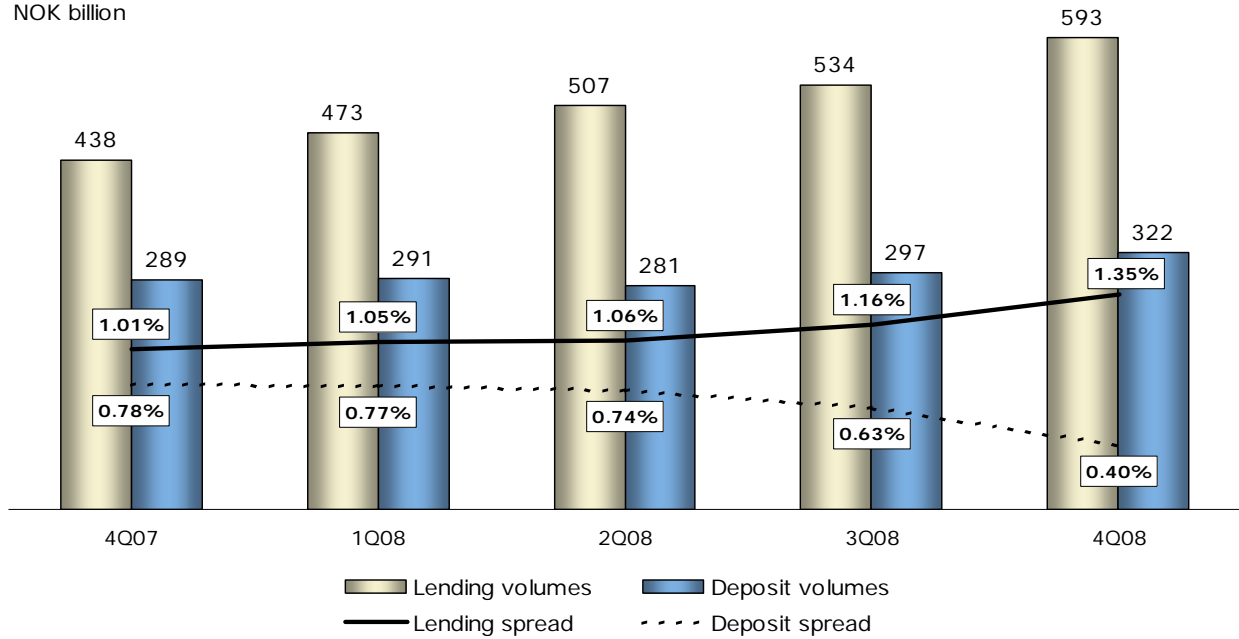
Net interest income

<i>Amounts in NOK million</i>	Average volumes			Spreads in per cent			Net interest income		
	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07
Lending ¹⁾	593 172	533 530	438 256	1.35	1.16	1.01	2 020	1 554	1 120
Deposits ¹⁾	322 288	296 654	288 980	0.40	0.63	0.78	322	471	571
Allocated capital and non-interest bearing items	41 946	39 369	32 176	6.01	6.56	5.81	637	646	461
Other							555	461	454
Total net interest income							3 535	3 132	2 606

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

Developments in average volumes and interest spreads ¹⁾

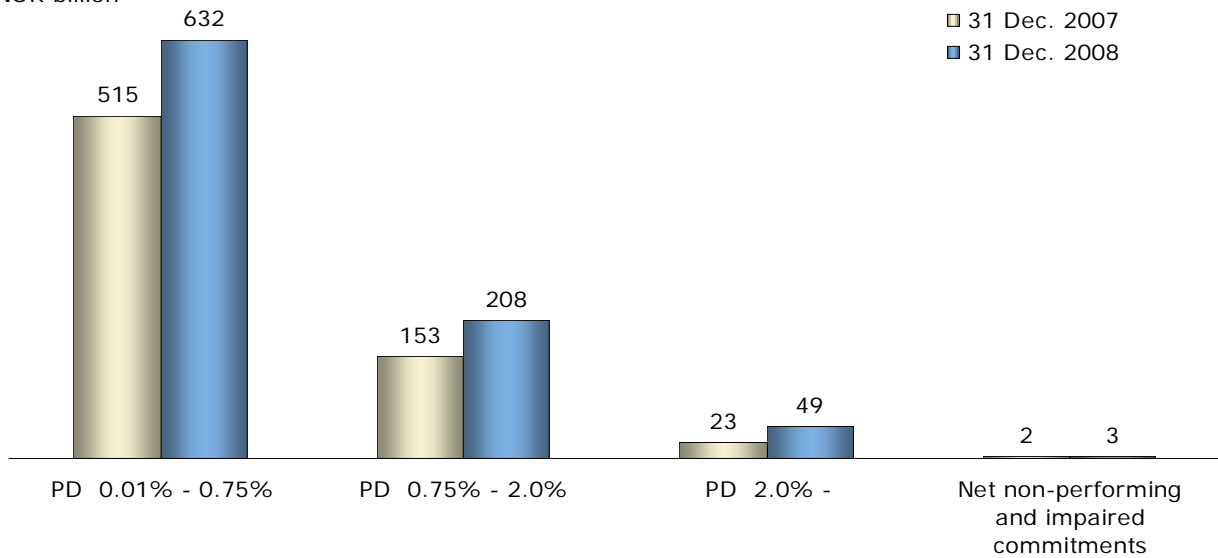
NOK billion



1) Excluding lending to and deposits from credit institutions and impaired loans.

Risk classification of portfolio ¹⁾

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. DnB NOR's operations in USA, Santiago, London, Athens and Asia are organised in this division.
- The Regional Division East and the Regional Division Coast serve SMEs and large companies based on geographical location. International companies within seafood are also served by the Regional Division Coast through the Group's international offices.
- 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 strategic 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

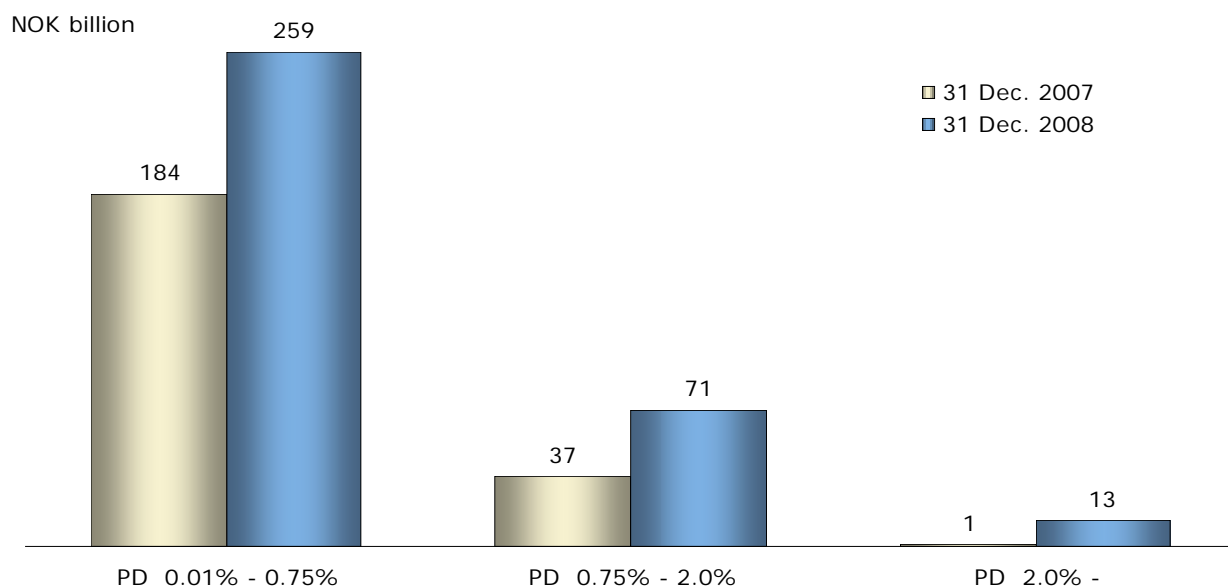
CBP offers customers a broad range of financial services, including lending, bond issues, syndication of loans, deposits, cash management, Trade Finance and Structured Finance, eCommerce products, commercial real estate broking services, FX and interest rate instruments, corporate finance and acquisition finance, life insurance and pension products either directly or in cooperation with DnB NOR Markets or other business areas in the Group.

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

International growth

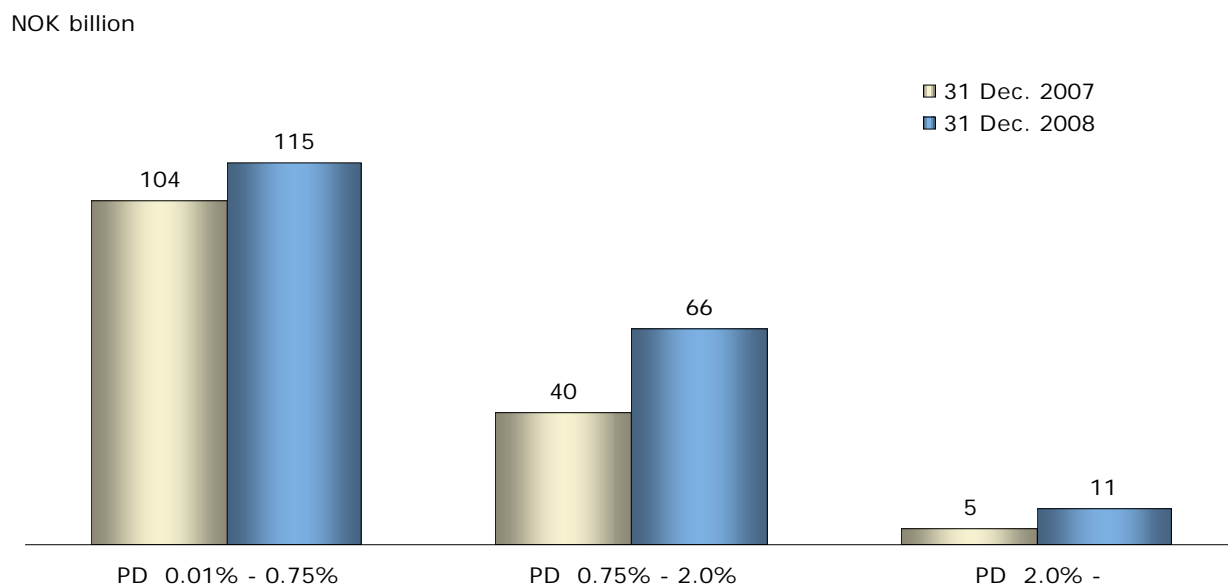
DnB NOR opened a branch office in Santiago and a representative office in Mumbai during the third quarter of 2008. These initiatives will strengthen local presence for existing clients in the shipping, energy and seafood industries, while creating new business opportunities for the Group.

Risk classification of international portfolio ¹⁾



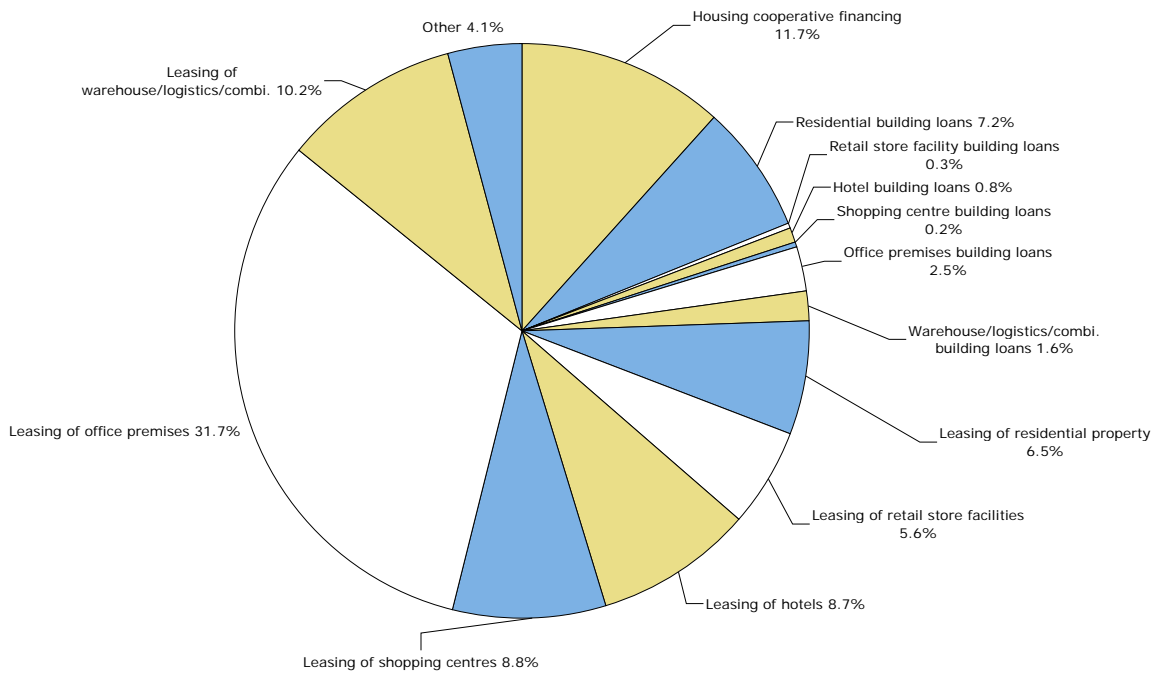
1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

Risk classification of commercial property ¹⁾

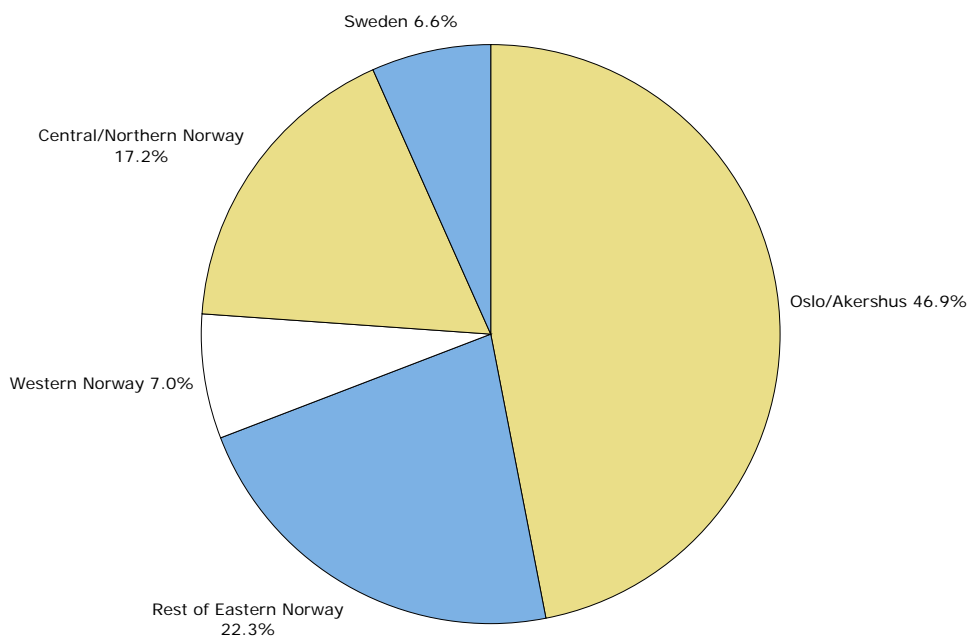


1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

Commercial property exposure according to segment as at 31 December 2008



Geographic commercial property exposure as at 31 December 2008



Employees

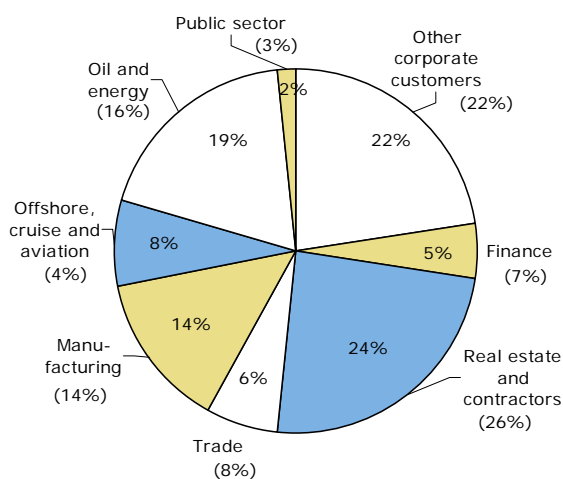
- The considerable expertise of DnB NOR employees within local business, specific industries, credit risk, customer needs and product offerings is an important competitive advantage of CBP in the domestic market. CBP has a broad competence base and is committed to its continuous development. Competence development and training have high priority. Particular emphasis has been placed on systematic specialised training in credit rating and profitability analyses. In addition, there is special emphasis on basic training for new employees.
- Competence has been strengthened in areas that enable CBP staff to offer customers strategic advice, including training programmes in presentation and communication skills.
- To strengthen the skills of employees working in the important SME segment, the 'SME Academy' has been established. This training is continued through on-the-job training based on best practice, and employees can also choose between a range of optional modules for training in sales and customer service.
- The importance of empowerment is stressed, and a training programme called "Wise leadership – My way of being" has been completed. The programme was tailor-made for managers in CBP. Managers are putting their acquired skills into practice, and there are several follow-up activities to ensure that their new skills will benefit the organisation. Other employees are offered a less comprehensive version of the programme called "Thinking Together".
- In order to support the Group's internationalisation, the extensive programme for short and long-term assignments at DnB NOR's international offices will be continued.
- Incentive structures and balanced scorecards are tailored to the goals of the different divisions.
- An employee satisfaction survey is carried out yearly, and managers are requested to discuss its result with the employees to identify potential improvement measures.
- At end December 2008, the business area had a staff of 2 548 full-time positions, with 1 818 in Norway, including 650 in subsidiaries, and 729 in international units.

Nordic Corporate Division and International Corporate and Institutions Division

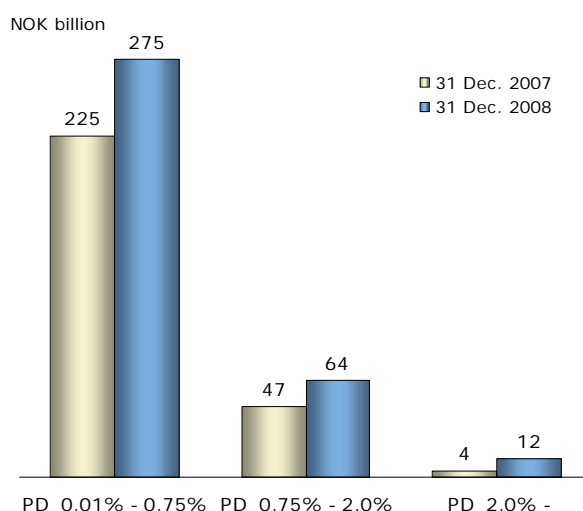
Average volumes

Amounts in NOK billion	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	223	197	188	172	154	195	134
- Adjusted for exchange rate movements	223	210	203	184	161	195	131
Guarantees	62	59	54	51	46	56	44
Customer deposits	147	139	133	132	132	138	124

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 31 December 2008. Percentages as at 31 December 2007 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

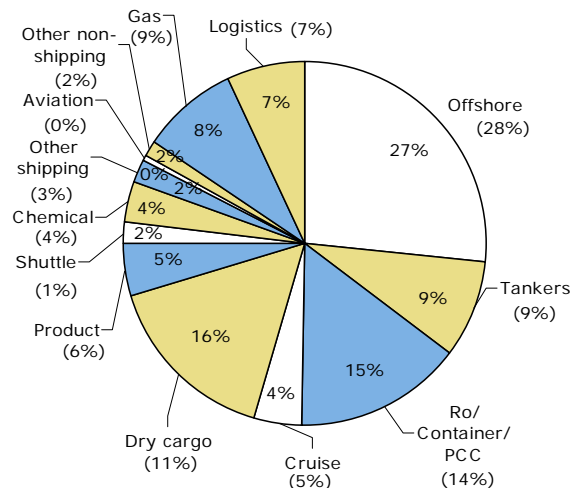
- Serving large Norwegian and Swedish corporates including the public sector, international companies with business in Norway, international customers in the oil and energy, telecom, media and technology, healthcare, and pulp and paper industries as well as financial institutions.
- DnB NOR is market 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 December 2008, exposure amounted to around SEK 62 billion, mainly to large corporates and medium-sized companies.
- Commercial real estate broking services are offered through the subsidiary DnB NOR Næringsmegling.

Shipping, Offshore and Logistics Division

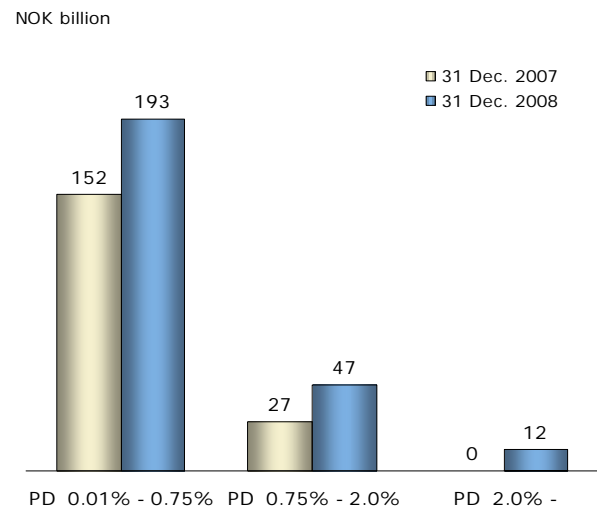
Average volumes

Amounts in NOK billion	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	156	126	115	108	102	126	91
- Adjusted for exchange rate movements	156	148	140	126	115	126	86
Guarantees	11	11	11	11	11	11	10
Customer deposits	73	52	47	53	55	57	51

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 31 December 2008. Percentages as at 31 December 2007 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.
- 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.

The bank's exposure to the dry bulk market is characterised by the following

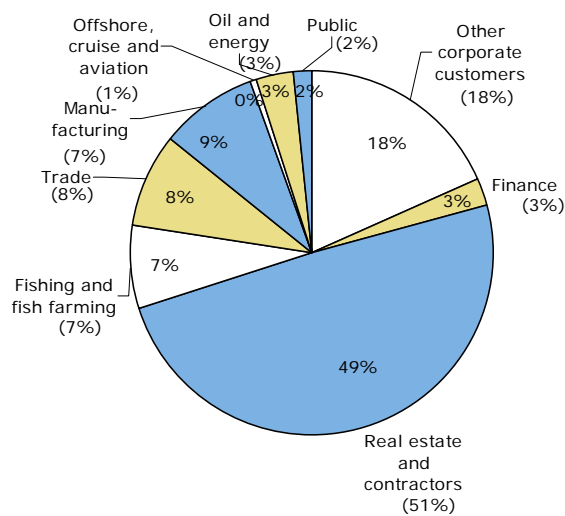
- Clients are large, leading market participants within the segment and have an industrial business strategy.
- DnB NOR has a very limited exposure to small companies operating one to two vessels.
- Many clients are engaged in several shipping segments, not just dry bulk.
- The twenty largest clients within the segment represent approximately 70 per cent of the bank's portfolio.
- These clients have strong balance sheets and sound liquidity and are well equipped to meet an economic downturn.
- The clients' fleets have good contract coverage through 2009.
- DnB NOR primarily funds modern vessels with an expected economic life of approximately 25 years.

Regional Division East and Regional Division Coast

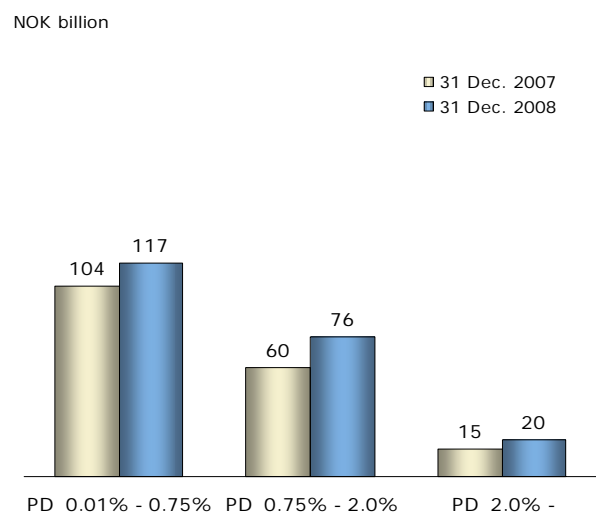
Average volumes

Amounts in NOK billion	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	175	169	165	159	153	167	149
- Adjusted for exchange rate movements	175	172	168	161	155	167	148
Guarantees	13	13	12	12	12	13	11
Customer deposits	115	114	110	113	109	113	106

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 31 December 2008. Percentages as at 31 December 2007 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 83 000 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 officers and advisors, as well as over the telephone and via the Internet.
- Payment services are available through 178 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 seafood industry.

Nordlandsbanken – Corporate Banking

Average volumes

<i>Amounts in NOK billion</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	17	16	15	14	14	16	13
Guarantees	1	1	1	1	1	1	1
Customer deposits	6	5	5	5	5	5	5

Business profile

- Corporate Banking in Nordlandsbanken serves businesses and the public sector in the county of Nordland.
- Nordlandsbanken serves corporate customers through 15 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>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	47	47	46	38	33	44	30

Comments to changes in average volumes

- There was a 37.5 per cent increase in new leasing and lending contracts in 2008 compared with 2007.
- The value of processed factoring invoices was up 9 per cent in 2008 relative to 2007.

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 communication technology (ICT), factoring, motor vehicle financing and Autolease car fleet management.
- 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 both Denmark and Sweden. In Denmark, Autolease is offered, while Autolease, car finance, equipment finance and ICT finance are offered in the Swedish market.
- DnB NOR Finans has purchased SkandiaBanken Bilfinans' operations in Sweden and Norway. The acquisition will strengthen DnB NOR Finans' position in the car finance market and contribute to a market share of close to 30 per cent.

DnB NOR Monchebank

Average volumes

<i>Amounts in NOK billion</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net lending to customers	0.8	0.7	0.6	0.6	0.5	0.7	0.4
Guarantees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Customer deposits	1.0	0.9	0.7	0.7	0.7	0.9	0.6

Business profile

- DnB NOR Monchebank is a regional bank serving corporate and retail customers and has a firm foothold in the Murmansk region in Russia.
- The bank holds a general licence for banking operations throughout Russia.
- The bank will be the fundament for further development of DnB NOR's business in the Murmansk and Arkhangelsk region.

Financial performance

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income	23	20	16	14	17	72	53
Net other operating income	6	2	6	7	8	21	23
Total income	29	21	22	21	25	93	76
Operating expenses	16	12	12	11	17	51	48
Pre-tax operating profit before write-downs	12	10	10	10	8	42	28
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Write-downs on loans and guarantees	6	3	3	1	0	12	5
Pre-tax operating profit	7	7	8	9	8	30	23
Taxes	2	3	3	1	1	9	5
Profit for the period	5	4	5	8	7	22	18
Net lending to customers (NOK billion) ¹⁾	0.8	0.7	0.6	0.6	0.5	0.7	0.4
Deposits from customers (NOK billion) ¹⁾	1.0	0.9	0.7	0.7	0.7	0.8	0.6
Cost/income ratio (%)	57.4	55.3	54.8	51.2	68.0	54.9	63.2
Ratio of deposits to lending (%)	130.8	121.7	118.5	124.5	145.5	124.3	158.8
Return on capital (% p.a.) ²⁾	3.8	9.5	10.8	19.6	16.4	8.9	11.0

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, was head of the business area in 2008. Jarle Mortensen will serve as acting head of Retail Banking from 15 February 2009. Retail Banking aims to maintain its leading market position and stand out as the customers' best financial partner.

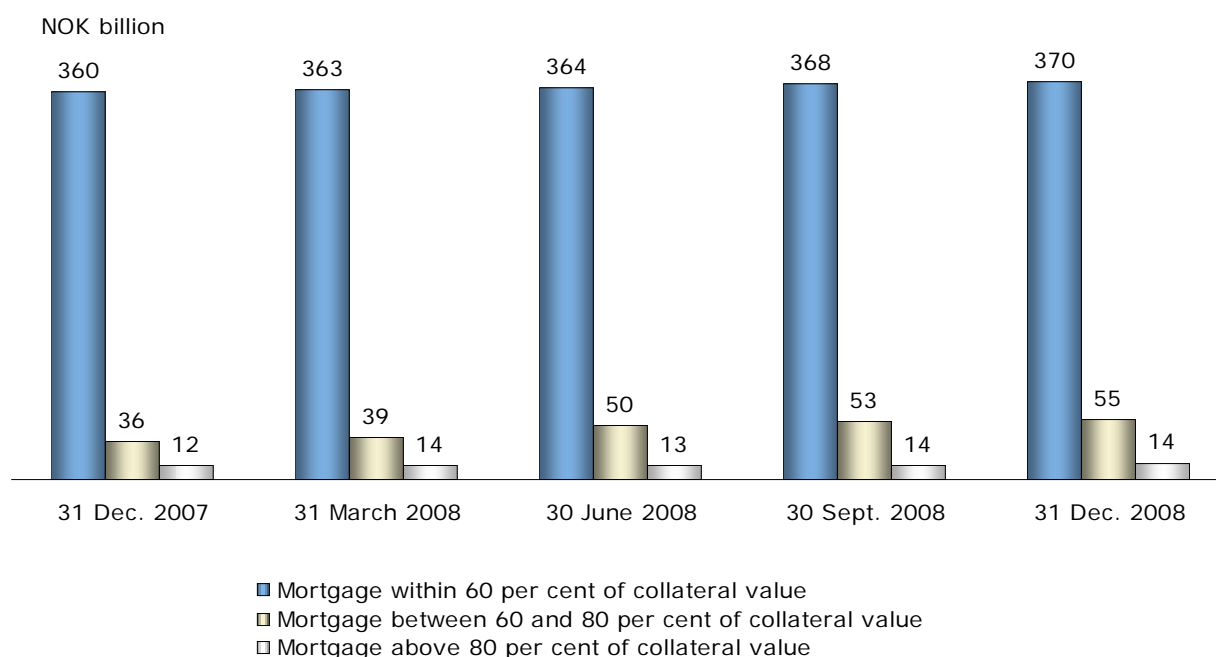
Financial performance

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income - ordinary operations	1 971	1 812	1 692	1 790	1 962	7 265	7 015
Interest on allocated capital	89	104	112	104	196	409	641
Net interest income	2 060	1 916	1 804	1 894	2 158	7 674	7 655
Net other operating income	835	702	797	786	774	3 120	3 070
Total income	2 895	2 618	2 601	2 679	2 932	10 794	10 725
Operating expenses	1 799	1 648	1 731	1 673	1 651	6 851	6 322
Pre-tax operating profit before write-downs	1 096	970	870	1 007	1 280	3 943	4 403
Net gains on fixed and intangible assets	(2)	0	0	0	44	(2)	44
Write-downs on loans and guarantees	95	182	84	62	72	423	266
Pre-tax operating profit	999	788	786	945	1 253	3 518	4 181
Net lending to customers (NOK billion) ¹⁾	466.6	460.5	451.1	443.2	439.2	455.4	425.8
Deposits from customers (NOK billion) ¹⁾	242.5	240.3	232.3	228.3	222.6	235.9	218.9
Cost/income ratio (%)	62.1	63.0	66.6	62.4	56.3	63.5	58.9
Ratio of deposits to lending (%)	52.0	52.2	51.5	51.5	50.7	51.8	51.4
Return on capital BIS, annualised (%)	48.3	36.0	32.6	39.4	26.4	38.8	23.3
RORAC, annualised (%)	42.1	32.6	32.0	39.1	47.0	36.4	40.1

1) Average balances. Based on nominal values.

Comments to the financial performance in the fourth quarter of 2008

- Pre-tax operating profit was NOK 999 million in the fourth quarter of 2008, down NOK 254 million from the corresponding period in 2007. Return on BIS capital increased from 26.4 per cent to 48.3 per cent.
- The weighted interest rate margin, defined as total margin income on loans and deposits relative to average loans and deposits, was 1.19 per cent in the fourth quarter of 2008, up 0.18 percentage points from the fourth quarter of 2007.
- Average lending volume increased by NOK 27 billion or 6.2 per cent to NOK 467 billion, referring primarily to well-secured housing loans. Average customer deposits rose by NOK 20 billion or 8.9 per cent.
- Net other operating income increased by NOK 61 million to NOK 835 million. Income from the sale of funds and life and pension insurance, as well as income from Norwegian real estate broking activities, was reduced compared with the fourth quarter of 2007.
- Operating expenses increased by NOK 147 million to NOK 1 799 million. Acquisitions and operations in Sweden accounted for NOK 127 million of the increase, included an impairment loss for goodwill in Svensk Fastighetsförmedling amounting to NOK 100 million.
- The cost/income ratio increased from 56.3 to 62.1 per cent.
- Write-downs on loans and guarantees increased by NOK 24 million. On a yearly basis write-downs relative to total average lending increased from 0.06 per cent in the fourth quarter of 2007 to 0.08 per cent in the fourth quarter of 2008.
- The volume of net non-performing and impaired commitments increased from NOK 2.0 billion in average in the fourth quarter of 2007 to NOK 2.3 billion, both representing 0.5 per cent of lending volumes.

Residential mortgages ¹⁾

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

Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07
Lending ^{1) 2)}	464 395	458 379	437 190	1.37	0.73	0.55	1 600	841	556
Deposits ¹⁾	242 054	240 482	222 793	0.83	1.64	2.00	505	991	1 122
Allocated capital and non-interest bearing items	4 855	5 206	13 024	6.01	6.43	5.81	73	86	189
Other							(118)	(2)	292
Total net interest income							2 060	1 916	2 158

1) Based on nominal values.

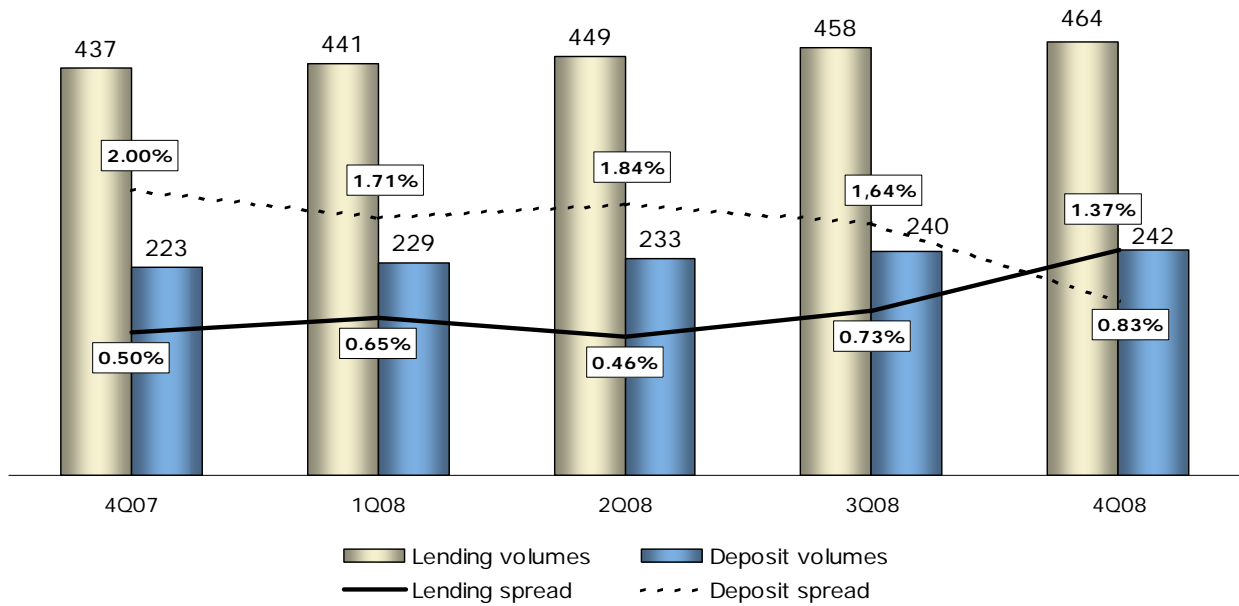
2) Excluding impaired loans.

Development in spreads

- Over the last few years, lending spreads have been inadequate to cover all costs relating to operations, funding and risk.
- Spreads relative to the internal transfer rate (equals the 3-month money market rate) do not give a complete picture of developments. The graphs showing developments in spreads, see page 20 and next page, do not reflect the effect of higher costs for long-term funding or the effects relating to DnB NOR Boligkreditt.
- The spreads in the fourth quarter of 2008 were influenced by a major fall in interest rates during a short period of time. This gave a temporary increase in lending spreads while deposit spreads decreased. The deposit and lending spreads show a diverging trend, which is a logical development and must be viewed in light of intensifying competition for deposits and changes in the risk scenario.

Developments in average volumes and interest spreads ¹⁾

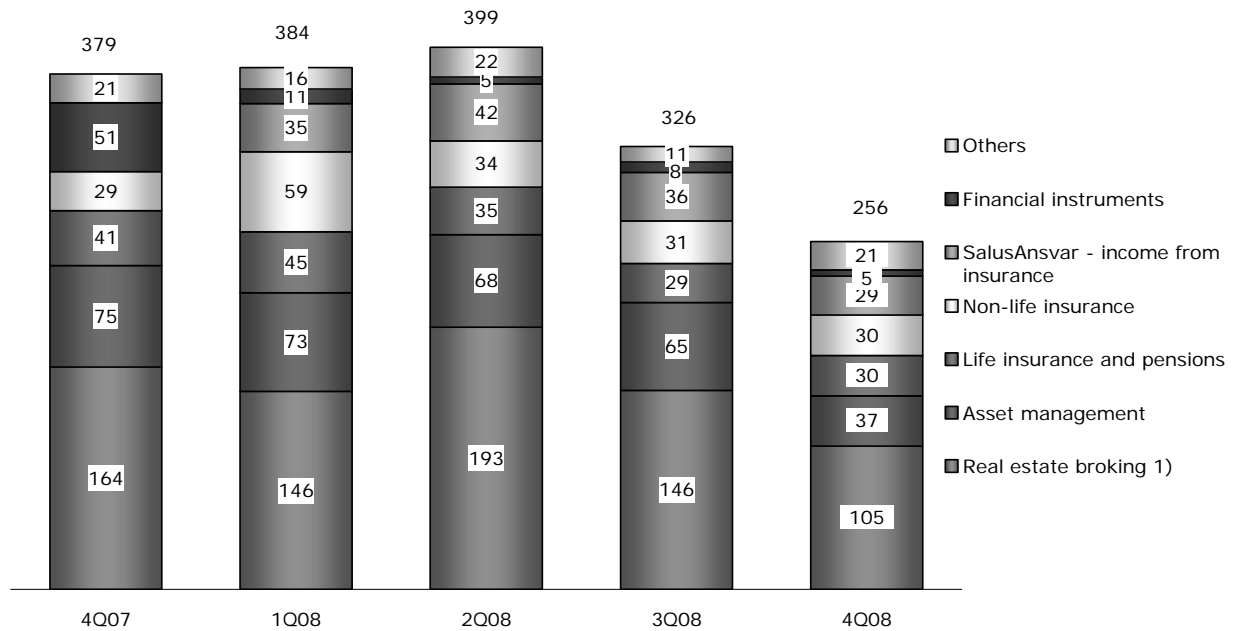
NOK billion



1) Excluding impaired loans

Income from product sales

NOK million



1) Real estate broking includes income in Svensk Fastighetsförmedling in Sweden.

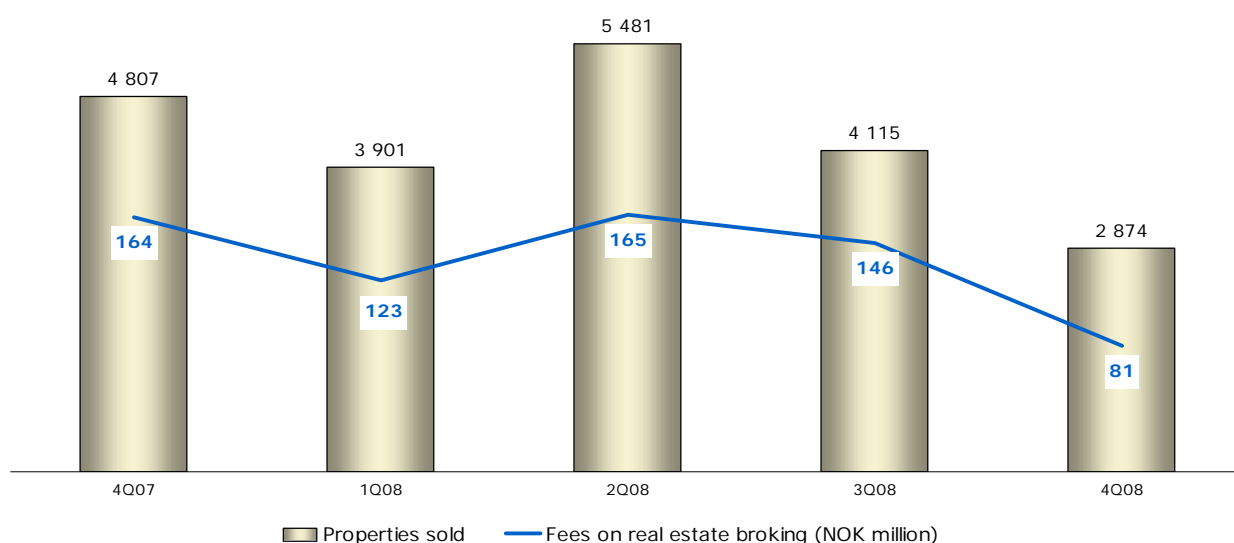
Residential real estate broking

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 97 outlets located in DnB NOR branches at the end of December 2008. Postbanken Eiendom has established 32 real estate broking customer service centres.

After the acquisition of Svensk Fastighetsförmedling DnB NOR became the largest provider of real estate brokerage services in the Nordic region, and the introduction of housing loans for Swedish bank customers is an important step to build a customer portfolio and a long-term income base in the Swedish market. Svensk Fastighetsförmedling had 209 outlets in Sweden at end-December.

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

Real estate broking in Norway



Properties sold and market shares ¹⁾

Properties sold	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
DnB NOR Eiendom	2 286	3 358	4 435	3 268	3 922	13 347	17 056
Postbanken Eiendom	588	757	1 046	633	885	3 024	3 751
Total properties sold	2 874	4 115	5 481	3 901	4 807	16 371	20 807
Market share, per cent ²⁾						16 %	15 %

1) Norwegian operations only

2) 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 12 819 million, from NOK 11 161 million at end-December 2007.
- Consumer finance activities generated healthy profits in the fourth quarter of 2008.
- DnB NOR Kort is Norway's leading card issuer in terms of number of cards issued and lending volume. As at 31 December 2008, the entity had issued more than 1.6 million credit and charge cards.

Non-life insurance

From 2 January 2009 the Group launched its own non-life insurance company DnB NOR Skadeforsikring. The new company will help retail customers with all their insurance requirements, from damage prevention and insurance assessment to damage assistance and claims settlements. The target is a market share of 12 per cent in 2012. DnB NOR Skadeforsikring will continue the insurance policies currently in Vital Skade, ensuring that all customers of Vital Skade will benefit from the offers and services in the new company as and when the policies are renewed upon maturity.

The old company Vital Skade had 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 fourth quarter of 2008 totalled NOK 127 million, an increase of 4 per cent from the corresponding period of 2007. Academic associations account for 36 per cent of total premiums. Sales through the Internet banking application represented total premiums of NOK 72.4 million, up from NOK 64.3 million in the fourth quarter of 2007. Commission income increased by 10 per cent, from NOK 22.1 million in the fourth quarter of 2007 to NOK 24.4 million in the corresponding period of 2008.

Customers/markets

- Serving more than 2.3 million private individuals
- 415 000 housing loan customers
- 784 000 subscribe to DnB NOR loyalty programmes and 450 000 to Postbanken Leve
- 1.5 million clients use the Group's Internet banks
- dnbnor.no and postbanken.no are Norway's largest Internet banks
- 59 million payment transactions were carried out through the Internet banks in 2008
- 1.1 million 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 / DnB NOR Skadeforsikring from 2 January 2009

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:

- Branch offices: 171 DnB NOR, 41 Postbanken and 16 Nordlandsbanken
- The postal network: 286 offices and 1 187 in-store postal outlets
- In-store banking outlets: 870
- Internet and telephone
- Investment Advisory Services: 35

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 in-store postal outlets where customers can carry out everyday banking transactions in their local supermarkets. 4.9 million payment transactions were carried out through these channels in 2008. Norway Post has entered into an agreement with DnB NOR for the purchase and installation of up to 2500 payment terminals for use in post offices and in-store postal outlets.

The distribution of standard banking services through in-store banking outlets is based on an agreement between DnB NOR and NorgesGruppen. 870 in-store banking outlets were established end-December 2008.

Retail Banking market shares ¹⁾

<i>Per cent</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007
Total lending to households ²⁾	28.2	28.4	28.5	28.7	28.9
Bank deposits from households ³⁾	32.7	33.0	32.8	32.8	32.8

<i>Per cent</i>	30 Sept. 2007	30 June 2007	31 March 2007	31 Dec. 2006	30 Sept. 2006
Total lending to households ²⁾	29.1	29.2	29.5	29.7	29.9
Bank deposits from households ³⁾	33.4	33.9	34.1	34.4	34.8

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

News

- DnB NOR is responsible for all banking services at Oslo Airport Gardermoen from 1 January 2009. The agreement will remain in force for five years.
- From 2 January 2009, the Group launched its own DnB NOR Skadeforsikring, a non-life insurance company which handles the entire value chain. The target is a market share of 12 per cent in 2012.
- DnB NOR removed the charge on all of its loyalty programmes for retail customers with effect from 1 May 2008. The number of customers with loyalty programmes has increased by 58 000 during the last eight months, which also contributed to an increase in lending and deposits volumes.
- The launch of the English version of DnB NOR's Internet bank for retail customers has been a success. Between 10 000 and 15 000 customers regularly visit the Internet bank.
- DnB NOR and Telenor are working with MasterCard World Wide to make it possible to use mobile phones as an alternative to cards when making payments in shops.

Employees

At the end of December 2008, Retail Banking staff represented 3 885 full-time positions, including SalusAnsvar, Svensk Fastighetsförmedling and Sweden Retail.

In 2006 DnB NOR started a certification program for all advisers in Retail Banking, to ensure a high level of professional expertise and advisory services of a superior ethical standard. 824 advisors were authorised in 2008, and 568 have started the program and will be authorized during 2009. From 2009 a national authorisation program for financial advisors is established, and this program is replacing DnB NOR's internal program.

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

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/Commodities/Credit
- 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>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income - ordinary operations	289	352	31	37	44	708	206
Interest on allocated capital	127	103	79	77	58	387	189
Net interest income	416	455	111	114	101	1 095	395
Net other operating income	2 127	1 442	1 514	(412)	740	4 671	2 894
Total income	2 543	1 897	1 625	(298)	842	5 767	3 289
Operating expenses	527	426	422	375	419	1 749	1 517
Pre-tax operating profit before write-downs	2 016	1 471	1 203	(673)	423	4 017	1 772
Net gains on fixed and intangible assets	0	0	0	0	0	0	(1)
Write-downs on loans and guarantees	1	0	0	0	0	1	22
Pre-tax operating profit	2 015	1 471	1 203	(673)	423	4 016	1 748
Cost/income ratio (%)	20.7	22.5	26.0	(126.1)	49.8	30.3	46.1
Return on capital BIS, annualised (%)	69.4	66.6	70.2	(37.8)	30.3	46.7	33.0
RORAC, annualised (%)	80.3	85.1	79.3	(64.1)	41.6	58.0	51.2

Comments to the financial performance in the fourth quarter of 2008

- In spite of the global financial turmoil, DnB NOR Markets achieved healthy profits in the fourth quarter of 2008. Total revenues increased to NOK 2 543 million in the fourth quarter of 2008, from NOK 842 million in the year-earlier period.
- Income from customer business was NOK 1 115 million, up 224 million from the year-earlier period. Customer-related income from foreign exchange, interest rate and commodity derivatives compensated for reduced income from equity-related operations.

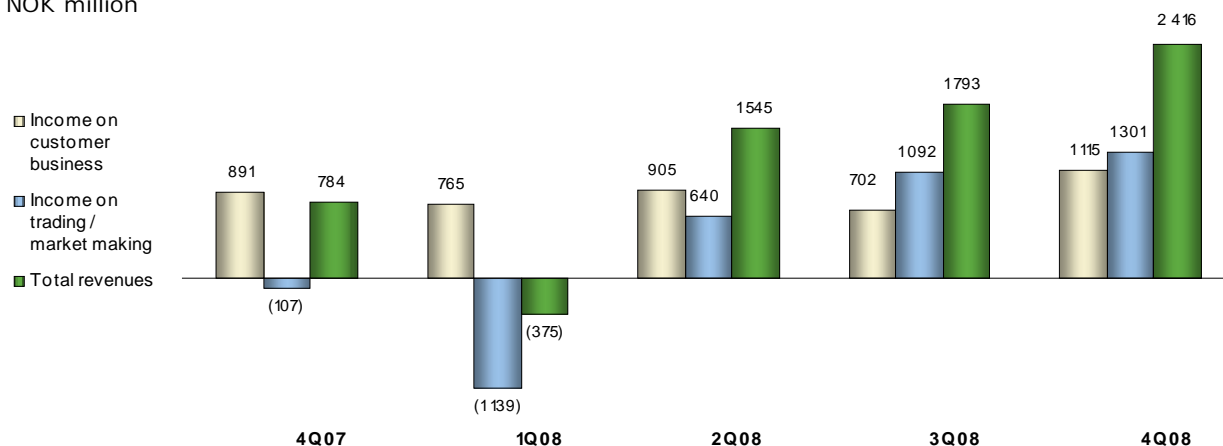
- Income from market making/trading totalled NOK 1 301 million, up NOK 1 408 million compared with the fourth quarter of 2007. There was an increase in income from trading in foreign exchange and interest rate instruments due to unusually wide bid/offer spreads in market making activities and exceptionally large rate changes in favour of the bank. With effect from 1 July 2008, DnB NOR has availed itself of the opportunity to reclassify a bond portfolio of NOK 88 billion from a trading portfolio to held-to-maturity investments. Amortisation of write-downs for previous periods represented NOK 205 million in the fourth quarter. No credit losses are expected in the portfolio.

Products and services

- Currency, interest rate and commodity derivatives.
- Securities and other investment products.
- Debt and equity financing in capital markets, as well as merger and acquisition and other advisory and corporate finance services.
- Custodial and other securities services.

Income distribution

NOK million



	4Q07	1Q08	2Q08	3Q08	4Q08
Total revenues	784	(375)	1 545	1 793	2 416
Interest on allocated capital	58	77	79	103	127
Total income	842	(298)	1 625	1 897	2 543

Revenues within various segments

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07
FX, interest rate and commodities derivatives	724	381	398	434	358
Investment products	176	105	176	117	187
Corporate finance	142	144	228	129	249
Securities services	73	71	104	85	97
Total customer revenues	1 115	702	905	765	891
Changes in credit spreads	-	-	233	(1 566)	(592)
Other market making/trading revenues	1 301	1 092	407	427	485
Total trading revenues	1 301	1 092	640	(1 139)	(107)
Interest income on allocated capital	127	103	79	77	58
Total income	2 543	1 897	1 625	(298)	842

<i>Amounts in NOK million</i>	2008	2007	2006	2005	2004
FX, interest rate and commodities derivatives	1 936	1 332	1 044	970	876
Investment products	574	705	851	797	530
Corporate finance	643	828	695	387	209
Securities services	333	388	316	237	193
Total customer revenues	3 486	3 253	2 907	2 392	1 808
Changes in credit spreads	(1 333)	(1 253)	(9)	7	67
Other market making/trading revenues	3 226	1 100	916	569	600
Total trading revenues	1 893	(153)	906	576	667
Interest income on allocated capital	387	189	93	47	41
Total income	5 767	3 289	3 907	3 015	2 516

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 (Stockholm, London, New York, Houston, Singapore and Shanghai) and 13 regional offices in Norway.
- The Internet and other electronic channels.
- The branches in Singapore, London and Stockholm started with commodities in 2008.

Customer surveys carried out by Greenwich and Prospera show good results within product cross-sales.

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 and commercial paper issues in NOK in the domestic market in 2008. (Source: Stamdata, Bloomberg and DnB NOR Markets)
- Global Finance named DnB NOR as the best FX Bank in Norway for 2009.
- The second largest brokerage house on Oslo Børs with respect to equities trading in the secondary market in 2008.
- The largest brokerage house for derivatives on Oslo Børs. Approximately 47.5 and 78.1 per cent respectively of customer trading in equity options and forward contracts on Oslo Børs was handled by DnB NOR Markets in 2008. (Source: Oslo Børs)
- Leading within domestic securities services. (Source: Norwegian Central Securities Depository)
- DnB NOR was named the best Custody bank for foreign customers by Global Investor.
- 54.6 per cent of limited companies use DnB NOR Markets as registrar in the Norwegian Central Securities Depository. (Source: Norwegian Central Securities Depository)

Employees

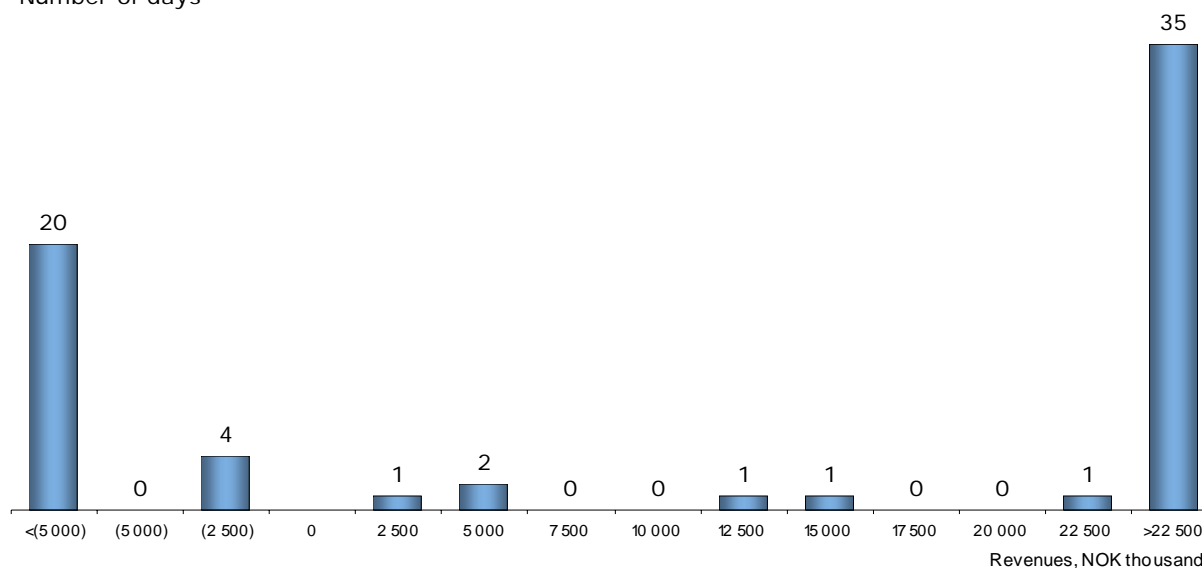
DnB NOR Markets staff located in offices in Norway and abroad represents 655 full-time positions.

Daily revenue statistics

<i>Amounts in NOK thousand</i>	Fourth quarter		Full year	
	2008	2007	2008	2007
Minimum	(369 269)	(37 813)	(369 269)	(37 813)
Maximum	942 453	74 178	942 453	74 178
Average	36 548	12 139	20 691	11 969
Loss days	24	22	82	55
Gain days	41	43	178	204

Daily revenue distribution in the fourth quarter of 2008

Number of days



Total income

<i>Amounts in NOK million</i>	4Q08
Total daily revenues	2 416
Interest on allocated capital	127
Total income	2 543

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.

Value-at-Risk

Market risk arises as a consequence of open positions in foreign exchange, interest rates and equities. The risk is linked to variations in financial results due to fluctuations in market prices or exchange rates. Value-at-Risk increased in the fourth quarter of 2008 due to higher volatility in interest rates and currency prices.

Value-at-Risk ¹⁾

<i>Amounts in NOK thousand</i>	31 Dec. 2008	Fourth quarter 2008		
	Actual	Average	Maximum	Minimum
Currency risk	51 710	34 308	55 630	10 350
Interest rate risk	98 850	106 638	175 000	67 090
Equities	892	1 398	4 563	30
Diversification effects ²⁾	(32 430)	(26 113)		
Total	119 022	116 231		

1) Value-at-Risk is the maximum loss that could be incurred on trading positions from one day to the next at a 99 per cent confidence level.

2) 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 31 December 2008 and market rates at 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
Trading portfolio						
NOK	6	30	197	88	210	39
USD	31	31	130	3	2	135
EURO	9	2	26	9	63	53
GBP	2	7	4	1	0	12
Other currencies	4	30	17	26	16	30
Banking portfolio						
NOK	54	2	89	23	115	49
Total						
NOK	48	31	286	111	325	89
USD	31	31	130	3	2	135
EURO	9	2	26	9	63	53
GBP	2	7	4	1	0	12
Other currencies	4	30	17	26	16	30

Life and Asset Management

Operations in Vital Forsikring ASA and DnB NOR Kapitalforvaltning Holding AS, both with subsidiaries, form one business area, "Life and Asset Management" headed by Tom Rathke, managing director of Vital Forsikring. The merger of DnB NOR Asset Management and Vital into one business area will strengthen initiatives related to long-term savings across the Group.

Life and Asset Management is responsible for life insurance, pension savings and asset management operations and aspires to be the most attractive provider of these services in the Norwegian market. An important instrument in achieving this position is to develop a customer-oriented and cost-effective organisation with strong distribution power. Life and Asset Management will focus on profitable growth while ensuring competitive returns for the owner and customers.

Coordination of operations

The process of integrating the Life and Asset Management business area has been initiated. The business area will cut back costs by between NOK 100 million and NOK 150 million during the 2008 to 2010 period.

Financial performance

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Total income	1 150	588	1 112	256	1 245	3 107	4 674
Operating expenses	445	600	575	533	689	2 153	2 316
Pre-tax operating profit	705	(12)	537	(277)	556	953	2 357
Taxes	457	9	23	24	(1 438)	513	(1 942)
Operating profit	248	(21)	514	(300)	1 994	440	4 299
Assets under management (NOK billion) ¹⁾	533	530	556	569	593	533	593
Return on capital, annualised (%) ²⁾	9.3	(0.8)	18.6	(9.4)	67.1	3.9	38.1
RORAC, annualised (%) ³⁾	30.6	(3.6)	25.0	(16.5)	82.3	8.5	22.4
Cost/income ratio (%)	38.7	102.0	51.7	208.0	55.3	69.3	49.6
Number of full-time positions at end of period ^{*)}	1 169	1 193	1 185	1 166	1 130	1 169	1 130
*) of which Vital	882	898	889	865	827	882	827
of which DnB NOR Asset Management	287	295	296	301	303	287	303

1) Assets at end of period.

2) Calculated on the basis of recorded equity.

3) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement.

Comments to the financial performance in the fourth quarter of 2008

Life and Asset Management recorded pre-tax operating profits of NOK 705 million in the fourth quarter of 2008, which represented an increase of NOK 149 million from the year-earlier period. Vital stood for NOK 596 billion and DnB NOR Asset Management for NOK 109 billion. 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.

Vital comprises Vital Forsikring ASA including subsidiaries. Vital Forsikring provides both products with guaranteed returns and products with a choice of investment profile. Tom Rathke is managing director of Vital Forsikring and group executive vice president in DnB NOR.

Vital aims to be Norway's strongest provider of 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 exploiting the DnB NOR Group distribution network and customer base, 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.

New regulations were introduced for the life insurance industry in Norway as from 1 January 2008. The accounts for Vital for 2008 have been adapted to the new regulations. Figures for previous periods have not been restated.

Financial performance

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Interest result (note 1) ¹⁾	2 432	(1 826)	(1 428)	(1 801)	2 048	(2 623)	15 546
- of which property revaluations	(1 232)	(302)	(861)	0	344	(2 395)	6 962
Application of/(transferred to) additional allocations (note 2)	(1 727)	1 649	1 727	1 344	(3 000)	2 993	(3 000)
Risk result (note 3)	(135)	100	60	111	(2 075)	136	(4 658)
- of which provisions for higher life expectancy	-	-	-	-	(1 792)	-	(4 436)
Administration result (note 4)	(34)	(47)	(45)	(17)	(186)	(143)	(275)
Profit on risk and guaranteed rate of return	116	106	107	108	-	437	-
Transferred from security reserve	(61)	(18)	34	(23)	(33)	(68)	(43)
Profit for distribution in Vital	592	(36)	454	(277)	(3 246)	733	7 570
Allocations to policyholders, products with guaranteed returns ¹⁾	(4)	9	0	84	(3 710)	89	5 661
+ Reversal of goodwill amortisation/ write-downs	0	0	0	0	(39)	0	(22)
Net profit in Vital	596	(45)	454	(361)	424	644	1 886
Tax charge	427	0	0	0	(1 475)	427	(2 074)
Profit from Vital	170	(45)	454	(361)	1 899	218	3 960

1) See table below. For developments in the asset mix and return on assets from products with guaranteed returns, see tables on pages 81 and 77.

Note 1–4: see page 79 for a table that specifies Vital's various profit and loss items included in the DnB NOR Group's income statement.

Comments to the financial performance in the fourth quarter of 2008

- In spite of the significant turbulence in financial markets, the company recorded profits of NOK 596 million in the fourth quarter, one of the best interim profits ever. The falling interest rate levels were the main factor behind the healthy returns during the fourth quarter.
- The value-adjusted and recorded returns in the common portfolio were 1.7 per cent. The value-adjusted return in the corporate portfolio was 2.6 per cent.
- The property portfolio was written down by NOK 1.2 billion in the fourth quarter, primarily due to an anticipated downward adjustment in future rental levels in the office portfolio.
- Valuations of PE investments are based on an internationally accepted method prepared by the European Private Equity & Venture Capital Association, called the "EVCA method". The method is based on collecting valuations from the individual mutual fund/investment companies. Valuations are based on data as at 30 September 2008. However, due to strong volatility in international stock markets during the fourth quarter, Vital wrote down its PE investments by an additional NOK 400 million relative to the write-downs resulting from use of the EVCA method.
- The negative risk result in the fourth quarter reflects provisions made to strengthen premium reserves, including incurred, but not reported claim-generating events (IBNO) relating to disability. The risk result for the full year 2008 was positive.
- In the fourth quarter, Vital decided to wind up its operations in the Baltic region. A total of NOK 4.6 million in costs relating to the wind-up was charged to the administration result in the fourth quarter of 2008. During the third quarter of the year, the company decided to wind up its operations in the Swedish market. There was a positive administration result for guaranteed-rate products, while the result was negative for products with a choice of investment profile.
- Total premium income decline from the fourth quarter of 2007 due to reduced sales of individual market products.
- Solvency capital increased by NOK 4.5 billion during the fourth quarter of 2008. From the beginning of 2008, there was a NOK 4.8 billion reduction in solvency capital, to NOK 17.0 billion. The decline mainly reflected profits and changes in the securities adjustment reserve and additional allocations.
- The capital adequacy ratio was 12.4 per cent at end-December 2008, up from 10.8 per cent at end-September.
- The European Embedded Value (EEV) for Vital has been calculated as at 31 December 2008. The calculations show an EEV for Vital of NOK 13 796 million as at 31 December 2008, compared with NOK 18 395 million at end-December 2007. The decline in Embedded Value is due to a rise in the value of policyholders' guaranteed rate of return and lower income from products subject to profit sharing. The time value of the guaranteed rate of return is increasing due to lower allocations to buffer capital and a lower interest rate level. The lower interest rate level also reduced the share of profits for contracts subject to profit sharing. The EEV for group pensions remains stable, since new legislation ensures stable income also in challenging financial years.

Result

	4Q08		3Q08		2Q08		1Q08		Full year 2008	
		return in %		return in %		return in %		return in %		return in %
<i>Amounts in NOK million</i>										
Profit on risk and guaranteed rate of return	116		106		107		108		437	
Return on corporate portfolio	229		33		110		118		490	
Owner's share of interest result, common portfolio	(107)		57		39		61		50	
Income based on new regulations	238		196		256		287		977	
Inadequate additional allocations										
Previously established individual products	5		(42)						(37)	
Paid-up policies	(13)		(25)		(10)				(48)	
Common portfolio with low risk	8		(8)						-	
Common portfolio with moderate risk	34		(46)						(12)	
Common portfolio with high risk	(14)		(4)						(18)	
Total inadequate additional allocations	20		(125)		(10)		0		(115)	
Negative return										
Previously established individual products	36	2.2%	(36)	(0.2%)		0.0%		0.3%	-	1.9%
Paid-up policies	145	1.6%	196	0.4%	68	0.1%	(409)	(0.9%)	-	1.4%
Common portfolio with low risk		3.8%		0.6%		(0.1%)		1.0%	-	4.6%
Common portfolio with moderate risk		1.9%		0.0%		0.1%		0.2%	-	2.2%
Common portfolio with high risk	235	1.3%	(246)	(1.5%)	182	0.9%	(212)	(0.9%)	(41)	(0.2%)
Total negative return	416		(86)		250		(621)		(41)	
Administration result, common portfolio	35		33		23		14		105	
Unit linked products	(86)		(99)		(39)		(40)		(264)	
Risk products	(26)		1		(29)		1		(53)	
Other items	(2)		35		3		(1)		35	
Pre-tax operating profit	596		(45)		454		(361)		644	

Effects of new regulations

	4Q08	3Q08	2Q08	1Q08	Full year
					2008
<i>Amounts in NOK million</i>					
Profits according to former regulations	(89)	(221)	197	(121)	(233)
Increased loss in sub-portfolios	239	(55)	40	(380)	(156)
Return on the corporate portfolio	229	33	110	118	490
Advanced pricing of risk and guaranteed rate of return	116	106	107	108	437
Changes in allocations to policyholders	100	90	0	(84)	106
Profits according to new regulations	596	(45)	454	(361)	644

Interest result

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net result from equities	561	(1 915)	811	(6 805)	(575)	(7 348)	2 032
Net result from other asset classes ¹⁾	3 356	1 720	(587)	3 270	2 342	7 759	16 631
Value-adjusted financial result ¹⁾	3 917	(195)	224	(3 535)	1 767	411	18 663
Guaranteed return on policyholders' funds	1 484	1 632	1 652	1 608	1 654	6 376	6 807
Financial result after guaranteed returns	2 432	(1 826)	(1 428)	(5 143)	113	(5 965)	11 856
+ From securities adjustment reserve	0	0	0	3 342	1 935	3 342	3 690
Recorded interest result before the application of/ (transfers to) additional allocations	2 432	(1 826)	(1 428)	(1 801)	2 048	(2 623)	15 546
Application of/(transfers to) additional allocations	(1 727)	1 649	1 727	1 344	(3 000)	2 993	(3 000)
Recorded interest result	705	(177)	299	(457)	(952)	370	12 546
*) of which property revaluations	(1 232)	(302)	(861)	0	344	(2 395)	6 962

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

Extracts from balance sheets and key figures

<i>Amounts in NOK million</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Total liabilities, products with guaranteed returns ¹⁾	184 791	188 306	187 063	190 257	191 626	188 096
of which group pensions - defined benefit	129 769	131 211	128 019	128 609	127 425	119 211
Insurance liabilities, products with a choice of investment profile	16 454	17 330	18 549	18 124	19 868	18 840
of which group pensions - defined contribution	5 012	4 520	4 216	3 939	3 665	2 214

1) Of which NOK 10 billion represented investment choice products with guaranteed rates of return.

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Solvency capital ¹⁾	16 953	12 444	13 907	17 173	21 788	16 953	21 788
Return on capital, annualised (%) ²⁾	7.6	(2.0)	19.7	(13.2)	75.7	2.3	41.9
RORAC, annualised (%) ³⁾	7.9	(4.5)	24.7	(20.2)	84.8	1.2	44.0
Expenses in per cent of insurance provisions ⁴⁾	0.92	0.95	0.93	0.94	1.21	0.95	1.02

1) For the composition of solvency capital, see table on page 83.

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

3) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to the risk-adjusted capital requirement.

4) The figures are annualised.

Value-adjusted return on assets

<i>Per cent</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Return - common portfolio ¹⁾							
Financial assets							
Norwegian equities	(21.1)	(26.3)	13.2	(15.7)	(0.4)	(50.9)	16.6
International equities	4.0	(1.1)	2.5	(14.7)	(3.7)	(21.6)	3.9
Norwegian bonds	6.7	3.5	(1.7)	2.5	2.4	11.0	3.6
International bonds	10.1	2.3	(2.5)	2.4	1.7	9.4	3.5
Money market instruments	3.3	1.5	1.2	1.3	1.4	7.3	4.6
Bonds held to maturity	1.2	1.4	1.2	1.2	1.3	5.0	5.3
Investment property	(2.0)	0.2	(1.4)	1.5	2.9	(1.7)	34.0
Value-adjusted return on assets I ²⁾	1.7	(0.1)	0.1	(1.8)	0.9	0.0	9.5
Value-adjusted return on assets II ³⁾	3.2	0.1	(0.9)	(1.6)	0.9	0.8	8.8
Recorded return on assets ⁴⁾	1.7	(0.1)	0.1	(0.1)	1.8	1.7	11.8
Value-adjusted return on assets I, annualised ²⁾	6.9	(0.3)	0.5	(7.1)	3.5	0.0	9.5
Value-adjusted return on assets II, annualised ³⁾	10.3	0.2	(3.5)	(6.3)	3.8	0.8	8.8
Return - corporate portfolio							
Value-adjusted return on assets I ²⁾	2.6	0.7	1.2	1.3		5.8	

1) Refers to the common portfolio as from 1 January 2008. Figures prior to 1 January 2008 refer to the total return for Vital. Returns are calculated on a quarterly basis and there may be differences to the full year figures.

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

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

4) Excluding changes in unrealised gains on financial instruments.

Premium income

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Total premiums due ^{1) 2)}	3 640	4 406	2 601	6 585	3 793	17 232	19 298
Inflow of reserves	26	248	551	2 687	691	3 512	3 562
Outflow of reserves	661	826	603	1 290	3 216	3 380	6 896
Net premiums paid	3 005	3 828	2 549	7 982	1 268	17 364	15 964
Outflow of reserves	661	826	603	1 290	3 216	3 380	6 896
Total premium income	3 666	4 654	3 152	9 272	4 484	20 744	22 860

1) Of which group pensions - defined benefit

1 811 2 942 1 171 4 577 1 372 10 501 9 517

2) Of which group pensions - defined contribution

718 716 433 518 473 2 385 1 625

Income statement ¹⁾

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Total interest income							
Total interest expenses							
Net interest income							
Commissions and fees receivable etc. (note 4)	551	551	552	583	443	2 237	1 810
Commissions and fees payable etc. (note 4)	132	77	105	142	125	456	560
Net gains on financial instruments at fair value							
Net gains on assets in Vital (note 1) ^{*)}	2 288	(1 798)	767	(2 070)	3 802	(813)	23 824
Guaranteed returns and allocations to policyholders in Vital (note 2)	1 641	(1 596)	437	(1 508)	1 117	(1 027)	17 005
Premium income etc. included in the risk result in Vital (note 3)	1 177	1 227	1 074	1 066	703	4 543	4 249
Insurance claims etc. included in the risk result in Vital (note 3)	1 312	1 127	1 014	955	2 778	4 407	8 907
Net realised gains on investment securities (AFS)							
Profit from companies accounted for by the equity method							
Other income							
Net other operating income	933	371	837	(10)	929	2 132	3 411
Total income	933	371	837	(10)	929	2 132	3 411
Salaries and other personnel expenses	178	168	190	179	216	714	766
Other expenses	173	181	169	159	201	682	595
Depreciation and write-downs of fixed and intangible assets	(15)	68	24	13	89	90	164
Total operating expenses (note 4)	336	416	383	351	505	1 487	1 525
Net gains on fixed and intangible assets							
Write-downs on loans and guarantees							
Pre-tax operating profit	596	(45)	454	(361)	424	644	1 886
Taxes	427	0	0	0	(1 475)	427	(2 074)
Profit from discontinuing operations after taxes							
Profit for the period ²⁾	170	(45)	454	(361)	1 899	218	3 960

*) Of which

Net gains on assets, corporate portfolio	754	(489)	111	117		493	
Net gains on assets, common portfolio	3 118	287	136	(327)		3 215	
Net gains on assets, investment choice portfolio	(1 584)	(1 596)	520	(1 860)		(4 520)	
Net gains on assets in Vital	2 288	(1 798)	767	(2 070)		(813)	

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 73.

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.

Income in Vital from the owner's perspective

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	Full year	
					2008	
Interest result not covered by additional allocations, common portfolio	243	(304)	182	(212)		(91)
Owner's share of risk result, common portfolio	(23)	46	43	32		98
Owner's share of administration result, common portfolio	15	8	14	3		39
Profit on risk and guaranteed rate of return	116	106	107	108		437
Contribution from portfolios subject to profit sharing	121	163	70	(369)		(15)
Owner's share of profits, common portfolio	472	20	413	(437)		468
Income from the corporate portfolio	232	32	110	116		490
Profits from the investment choice portfolio and risk products	(108)	(98)	(68)	(40)		(314)
Pre-tax operating profit	596	(45)	454	(361)		644

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.

Note 1	Full year						
	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Interest result ¹⁾	2 432	(1 826)	(1 428)	(1 801)	2 048	(2 623)	15 546
+ Guaranteed returns to policyholders	1 484	1 632	1 652	1 608	1 654	6 376	6 807
+ Allocations to policyholders, products with a choice of investment profile	(1 567)	(1 586)	512	(1 856)	172	(4 498)	1 536
+ Transferred from security reserve in Vital	(61)	(18)	34	(23)	(33)	(68)	(43)
+ Other items recorded as net gains on financial instruments, including reclassifications	0	0	0	0	(39)	0	(22)
Net gains on assets in Vital	2 288	(1 798)	767	(2 070)	3 802	(813)	23 824

Note 2	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Application of/(transfers to) additional allocations, products with guaranteed returns	(1 728)	1 649	1 727	1 344	(3 000)	2 993	(3 000)
Allocations to policyholders, products with guaranteed returns	(4)	9	0	84	(3 710)	89	5 661
Allocations to policyholders, products with a choice of investment profile	(1 567)	(1 586)	512	(1 856)	172	(4 498)	1 536
Total allocations to policyholders	156	(3 227)	(1 215)	(3 116)	(537)	(7 402)	10 198
Guaranteed return on policyholders' funds	1 484	1 632	1 652	1 608	1 654	6 376	6 807
Guaranteed returns and allocations to policyholders in Vital	1 641	(1 596)	437	(1 508)	1 117	(1 027)	17 005

Net financial result in Vital	648	(203)	330	(562)	2 685	214	6 819
--------------------------------------	------------	--------------	------------	--------------	--------------	------------	--------------

Note 3	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Premium income etc. included in the risk result in Vital	1 177	1 227	1 074	1 066	703	4 543	4 249
Insurance claims etc. included in the risk result in Vital	1 312	1 127	1 014	955	2 778	4 407	8 907
Total risk result in Vital	(135)	100	60	111	(2 075)	136	(4 658)

Note 4	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Administration result Vital	(34)	(47)	(45)	(17)	(186)	(143)	(275)
Profit element for risk and Vital's interest rate guarantee	116	106	107	108	437	437	437
Administration result including profit for risk and guaranteed rate of return	83	59	63	89	(186)	295	(275)
Commissions and fees receivable	551	551	552	583	443	2 237	1 810
Commissions and fees payable	132	77	105	142	125	456	560
Operating expenses	336	416	383	351	505	1 487	1 525
Administration result including profit for risk and guaranteed rate of return	83	59	63	89	(186)	295	(275)
Pre-tax operating profit from Vital	596	(45)	454	(361)	424	644	1 886
Taxes	427	0	0	0	(1 475)	427	(2 074)
Profit for the period	170	(45)	454	(361)	1 899	218	3 960

1) Before changes in unrealised gains.

The owner's share of the net financial and risk result from Vital ¹⁾

Amounts in NOK million	Jan. - Sept.						
	4Q08	3Q08	2Q08	1Q08	4Q07	2008	2007
Net gains on assets in Vital	2 288	(1 798)	767	(2 070)	3 802	(813)	23 824
Guaranteed returns and allocations to policyholders in Vital	1 641	(1 596)	437	(1 508)	1 117	(1 027)	17 005
Premium income etc. included in the risk result in Vital	1 177	1 227	1 074	1 066	703	4 543	4 249
Insurance claims etc. included in the risk result in Vital	1 312	1 127	1 014	955	2 778	4 407	8 907
Net financial and risk result in Vital	513	(103)	390	(450)	610	350	2 161
Eliminations in the group accounts	32	32	20	28	54	112	58
Net financial and risk result from Vital	545	(71)	410	(423)	665	462	2 220

1) For a specification of net other operating income in the DnB NOR Group, see page 23.

Balance sheets ¹⁾

<i>Amounts in NOK million</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Cash and deposits with central banks						
Lending to and deposits with credit institutions	6 723	10 335	9 009	12 905	12 152	7 185
Lending to customers	2 623	2 027				
Commercial paper and bonds	72 841	58 358	52 016	49 912	46 620	55 741
Shareholdings	26 964	37 952	52 376	50 280	55 802	49 387
Financial assets, customers bearing the risk	16 454	17 330	18 549	18 124	19 868	18 840
Financial derivatives	5 644	4 952	2 717	3 650	1 488	1 654
Commercial paper and bonds, held to maturity	57 089	53 330	53 058	53 386	59 641	62 444
Investment property ²⁾	32 392	32 620	32 350	33 422	32 908	25 668
Investments in associated companies	19	19	19	19	19	16
Intangible assets	243	219	218	217	184	294
Deferred tax assets				1 164	1 164	185
Fixed assets	45	36	38	33	46	75
Discontinuing operations						
Other assets	3 093	3 927	6 638	5 463	2 688	2 161
Total assets	224 129	221 104	226 987	228 574	232 579	223 650
Loans and deposits from credit institutions						
Deposits from customers						
Financial derivatives	7 950	3 518	3 588	1 461	1 010	1 166
Securities issued						
Insurance liabilities, customers bearing the risk	16 454	17 330	18 549	18 124	19 868	18 840
Liabilities to life insurance policyholders	184 791	183 595	186 945	190 257	191 626	188 096
Payable taxes	28					
Deferred taxes	584	644	644			
Other liabilities	2 851	4 771	6 010	4 859	6 030	3 259
Discontinuing operations						
Provisions	157	154	154	154	154	124
Subordinated loan capital	2 575	2 522	2 481	2 476	2 500	2 556
Total liabilities	215 389	212 534	218 372	217 330	221 188	214 040
Minority interests						
Share capital	1 321	1 321	1 321	1 321	1 321	1 310
Other reserves and retained earnings	7 420	7 250	7 295	9 923	10 070	8 300
Total equity	8 740	8 571	8 616	11 244	11 391	9 610
Total liabilities and equity	224 129	221 104	226 987	228 574	232 579	223 650

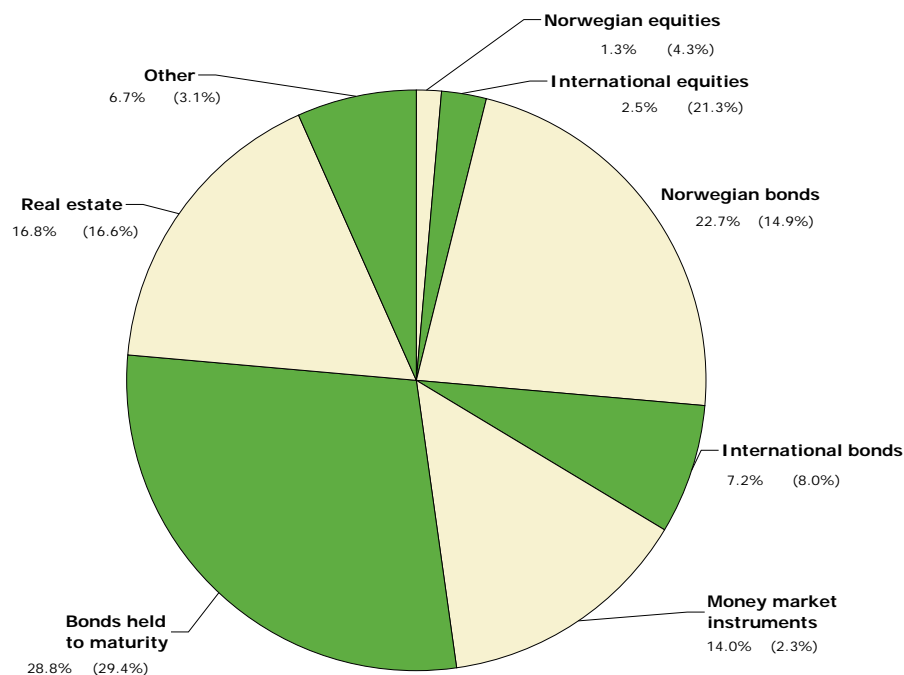
1) The figures encompass Vital Forsikring ASA including subsidiaries as included in the DnB NOR Group accounts before eliminations for intra-group transactions and balances.

2) The value of investment properties was written down by NOK 1.2 billion in the fourth quarter.

Changes in equity

<i>Amounts in NOK million</i>	Share capital	Share premium reserve	Other equity	Total other reserves and retained earnings	Total equity
Balance sheet as at 31 December 2007	1 321	1 175	8 895	10 070	11 391
Effects of changes in accounting principles ¹⁾			160	160	160
Balance sheet as at 1 January 2008	1 321	1 175	9 055	10 230	11 551
Profit for the period			218	218	218
Dividends/group contributions 2007			(3 028)	(3 028)	(3 028)
Balance sheet as at 31 December 2008	1 321	1 175	6 245	7 420	8 740

1) In consequence of new regulations, the share of the security reserve that refers to group defined-benefit pensions was transferred to the risk equalisation fund as at 1 January 2008.

Balance sheet structure as at 31 December 2008 for the common portfolio ^{1) 2)}

1) The figures represent net exposure after derivative contracts.

2) Comparable figures as at 1 January 2008 are shown in parentheses.

Changes in assets under management

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Assets under management at beginning of period	221 104	226 987	228 574	232 579	232 315	232 579	223 650
Premiums due	3 640	4 406	2 601	6 585	3 793	17 232	19 298
Net transfers	(431)	(496)	17	1 445	(2 421)	535	(3 087)
Surrenders	(2 313)	(2 398)	(2 558)	(3 076)	(1 888)	(10 345)	(15 955)
Claims paid	(2 235)	(2 460)	(2 312)	(2 397)	(2 188)	(9 404)	(8 792)
Net insurance operations	(1 340)	(948)	(2 252)	2 557	(2 705)	(1 983)	(8 536)
Net financial assets ¹⁾	2 292	(1 780)	567	(5 263)	3 064	(4 184)	19 931
Other ²⁾	2 074	(3 155)	99	(1 300)	(96)	(2 282)	(2 465)
Changes in assets under management	3 025	(5 883)	(1 587)	(4 005)	264	(8 450)	8 930
Assets under management at end of period	224 129	221 104	226 987	228 574	232 579	224 129	232 579

1) Of which property revaluations (1 232) (302) (861) 0 344 (2 395) 6 962

2) Other includes changes in short-term debt, the premium fund and costs for the period.

Products

- Group pension schemes to businesses, adapted to customer needs for defined-benefit and defined-contribution schemes. In addition, Vital offers employer's liability insurance in the corporate market.
- Long-term savings alternatives in the form of individual pension agreements and annuities in the retail market.
- Products are offered with guaranteed returns or with a choice of investment profile.
- Risk products in both the corporate and individual markets.
- 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.
- Vital launched new products for individual tax-incentive pension savings in June 2008.

Organisation and 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.

Following an overall evaluation of Vital's strategy, which places primary focus on Norway, the company decided to wind up its operations in Sweden and the Baltic states in 2008. The process of finding a buyer for the portfolios in the relevant countries will continue in 2009.

Market shares in Norway

Per cent	30 Sept. 2008	31 Dec. 2007	30 Sept. 2007
Of insurance funds including products with a choice of investment profile	32.8	33.6	34.5
- Corporate market	42.1	43.4	44.4
- Public market	10.4	9.8	10.0
- Retail market	53.9	51.8	52.0

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

New regulations

New regulations were introduced for the life insurance industry as from 1 January 2008. The objectives behind the new Insurance Act are threefold: a clearer distinction between policyholders' funds and company funds, a clearer division of risk between policyholders and the company and more transparent pricing of life insurance products.

Main issues of the new regulations are:

- Policyholders' funds are separated from the company's funds.
- Individual products established before 1 January 2008 will be subject to the same profit sharing as earlier (maximum 35 per cent of the company's total risk result, administration result and interest result). Paid-up policies will be subject to modified profit sharing (maximum 20 per cent of the company's interest result).
- For corporate and municipal group pensions, all returns on capital in excess of the guaranteed rate of return are returned to the policyholders. The price of the guaranteed rate of return and profits of risk business and operations are fixed in advance. Any risk premium is either returned in its entirety to the policyholders, or the company may retain up to 50 per cent of profits as allocations to the risk equalisation fund. New individual contracts are treated in the same way.
- The regulations entail no changes for risk products and investment choice products.
- According to the new regulations, the company may offer group pension products with investment choice.

In the longer term, the new regulations will have a positive effect on company earnings and make it easier to adapt products to meet customer needs.

Employees

Vital gives priority to retaining and developing a high level of expertise within insurance products, management and other relevant areas of competence. At end-December 2008, Vital had a staff of 882 full-time positions.

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 fourth quarter of 2008, other business areas accounted for 21.7 per cent of the sales of Vital's products in the retail market, compared with 51.1 per cent in the corresponding period of 2007.

Solvency capital ^{1) 2) 3)}

<i>Amounts in NOK million</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Interim profit, accumulated	-	(4 580)	(2 894)	(1 621)	0	-
Securities adjustment reserve	0	0	0	0	3 342	7 032
Additional allocations	5 341	8 428	8 505	8 541	8 632	6 429
Security reserve	97	76	67	55	255	205
Equity	8 740	8 523	8 523	8 576	8 363	7 155
Subordinated loan capital and perpetual subordinated loan capital securities	2 575	2 522	2 481	2 476	2 500	2 461
Unrealised gains on long-term securities	200	(2 525)	(2 774)	(855)	(1 304)	222
Solvency capital	16 953	12 444	13 907	17 173	21 788	23 504
Buffer capital ⁴⁾	8 274	6 141	7 322	8 722	13 785	15 144

1) According to prevailing regulations for the statutory accounts of life insurance companies.

2) The table 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.

3) Products with a choice of investment profile are included from 1 January 2007.

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

Capital adequacy and solvency margin capital ^{1) 2)}

<i>Amounts in NOK million</i>	31 Dec. 2008	30 Sept. 2008	30 June 2008	31 March 2008	31 Dec. 2007	31 Dec. 2006
Capital adequacy ³⁾						
Total eligible primary capital	10 524	10 389	10 327	10 449	10 531	9 240
Capital adequacy ratio (%)	12.4	10.8	9.6	9.7	9.7	9.8
Core capital	8 404	8 269	8 256	8 375	8 266	7 004
Core capital (%)	9.9	8.6	7.7	7.7	7.6	7.4
Risk-weighted assets	84 734	96 468	107 698	108 100	109 044	94 272
Solvency margin capital ⁴⁾						
Solvency margin capital	13 318	12 347	13 171	14 745	14 958	12 546
Solvency margin capital exceeding minimum requirement	5 171	4 485	4 921	6 798	7 448	4 898
Solvency margin capital in per cent of solvency margin capital requirement (%)	163	157	160	186	199	164

1) Prepared in accordance with prevailing regulations for life insurance companies. New regulations are expected upon the introduction of Solvency II.

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

3) 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.

4) 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.

European Embedded Value at 31 December 2008

The European Embedded Value (EEV) of Vital Forsikring as at 31 December 2008 has been calculated. EEV is a value calculation of the company based on the present value of future cash flows to shareholders from the portfolio at the balance sheet date, in addition to recorded equity. The costs of binding equity in the company are deducted.

The calculations show an EEV for Vital as at 31 December 2008 of NOK 13 796 million (18 395), a reduction of NOK 4 599 million. The EEV reduction is a result of higher values of options and guarantees (TVOG) and lower present value of in-force business (VIF). Higher TVOG is caused by lower future interest rate assumptions and reduced buffers. Lower interest rate will also affect profit from contracts with profit sharing of investment returns. The EEV for group contracts is stable, as new legislation from 1 January 2008 enables shareholder to receive stable earnings also in weak financial years.

For more comprehensive information about Vital's EEV calculations, see the report "European Embedded Value 2008, Supplementary Information – 12 February 2009", published on Vital's web pages.

European Embedded Value

<i>Amounts in NOK million</i>	31 Dec. 2008	31 Dec. 2007	31 Dec. 2006
Adjusted net asset value:			
Required capital	9 597	9 800	7 989
Free surplus	(857)	(1 415)	(418)
Cost of capital	(2 313)	(2 019)	(1 215)
Adjusted net asset value	6 427	6 366	6 356
Value of in-force:			
Active contracts	8 120	6 501	
Paid-ups	904	2 423	
Group pension defined benefit	9 023	8 924	7 099
Group pension defined contribution	1 164	1 034	819
Risk products	137		
Group contracts	10 324	9 958	7 918
Guaranteed products, old legislation	1 696	2 353	2 127
Guaranteed products, new legislation	113		
Unit Link contracts	334	659	947
Individual contracts	2 143	3 012	3 074
Aggregate reserves	362	399	846
Time value of options and guarantees	(5 460)	(1 339)	(1 989)
Value of in-force	7 369	12 030	9 849
EEV Vital Forsikring	13 796	18 395	16 205

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.

Financial performance

<i>Amounts in NOK million</i>	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income - ordinary operations	(3)	2	6	1	10	6	17
Interest on allocated capital ¹⁾	26	31	30	27	27	113	90
Net interest income	23	32	35	28	37	119	107
Net commission income							
- from retail customers	37	61	92	90	133	280	532
- from institutional clients	143	125	145	140	141	553	625
Other income	14	(2)	3	8	5	23	(1)
Total income	217	217	275	266	317	975	1 262
Operating expenses	108	184	192	182	184	666	791
Pre-tax operating profit before write-downs	109	33	83	84	132	309	471
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Pre-tax operating profit	109	33	83	84	132	308	471
Assets under management (NOK billion) ²⁾							
Institutional	441	431	448	463	478	441	478
- of which Vital ³⁾	169	161	167	171	176	169	176
Retail	37	44	52	53	63	37	63
Total	478	475	501	516	541	478	541
Key figures							
Cost/income ratio (%)	49.9	84.9	69.8	68.5	58.2	68.4	62.7
Return on capital, annualised (%) ¹⁾	18.0	5.1	13.0	13.5	20.5	12.3	18.7
RORAC, annualised (%)	41.1	5.7	27.8	29.0	48.7	25.9	44.5

1) Calculated on the basis of recorded equity.

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

3) Managed on behalf of Vital Forsikring.

Comments to the financial performance in the fourth quarter of 2008

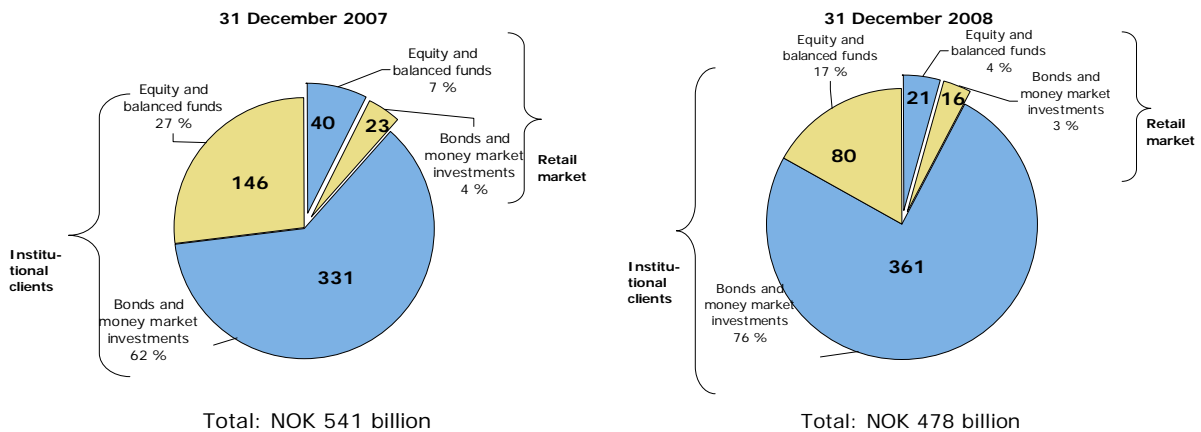
- Commission income decreased by NOK 95 million from the fourth quarter of 2007 to the fourth quarter of 2008. This was mainly due to a new distribution agreement with DnB NOR Bank, reduced assets under management and reduced performance fees.
- Operating expenses in the fourth quarter of 2008 were NOK 108 million, down NOK 76 million from the fourth quarter of 2007.

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

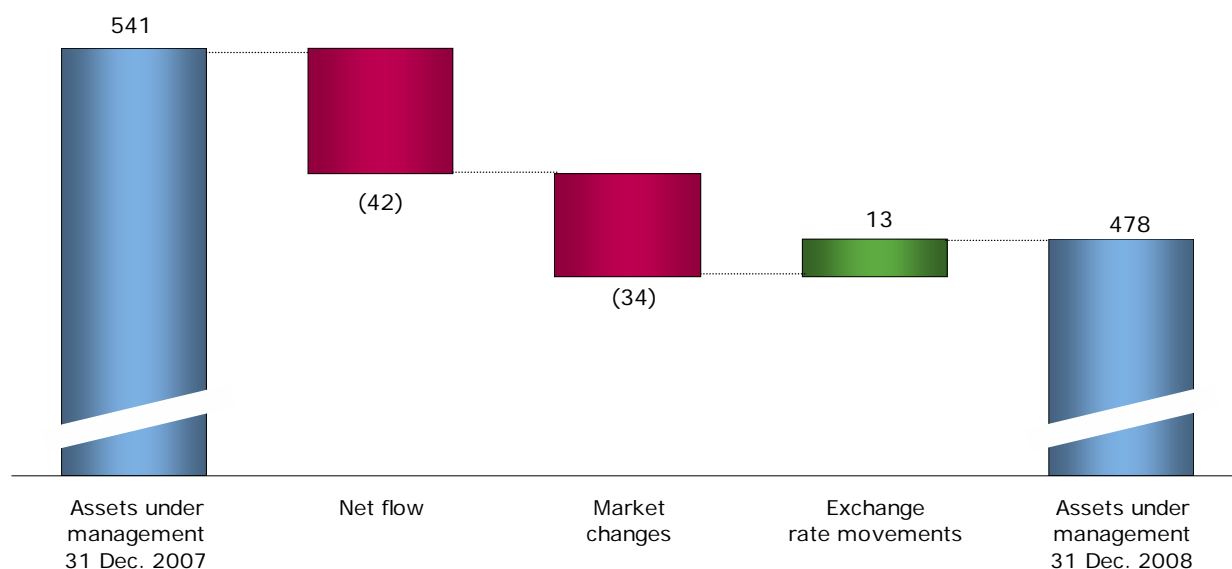
Amounts in NOK million	4Q08	3Q08	2Q08	1Q08 ¹⁾	4Q07	Full year	
						2008 ¹⁾	2007 ²⁾
Retail market	(2 984)	(2 357)	(1 997)	(3 600)	567	(10 937)	1 288
Institutional clients	(8 774)	(5 793)	(12 620)	(3 463)	6 321	(30 650)	(5 118)
Total	(11 758)	(8 150)	(14 617)	(7 063)	6 888	(41 588)	(3 831)

1) Excluding dividends of NOK 2 700 million, of which NOK 872 million refers to retail and NOK 1 828 million to institutional clients.

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

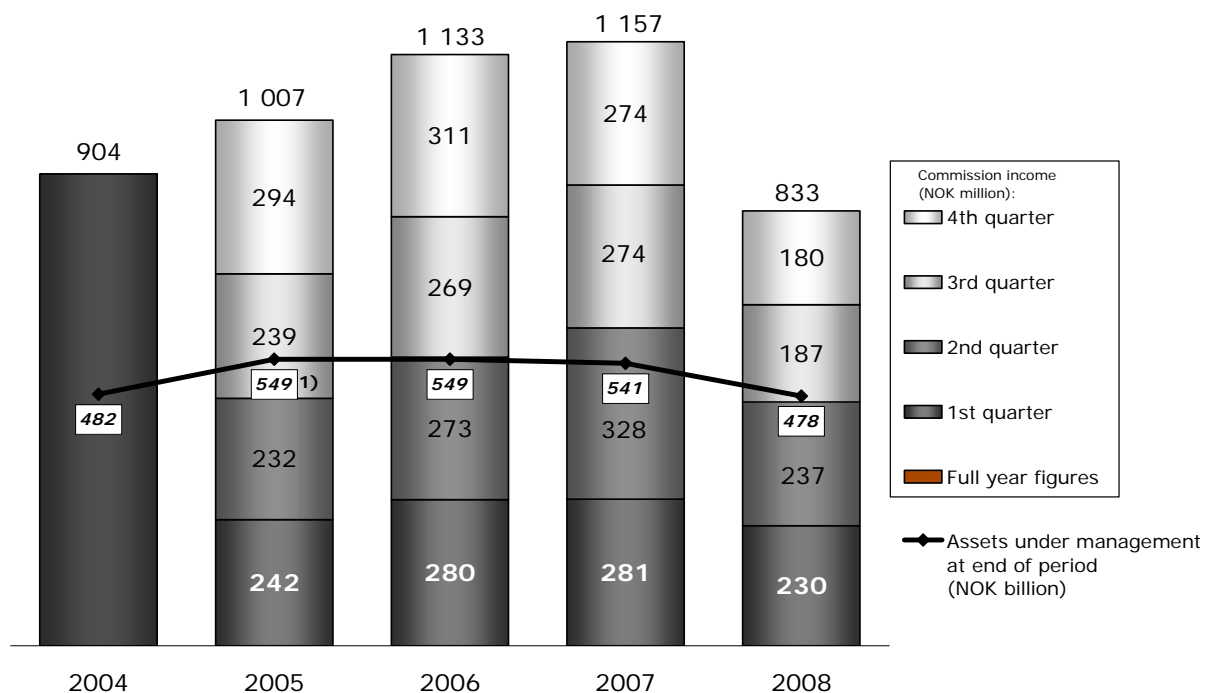
Changes in assets under management

NOK billion

**Comments to changes in assets under management as from 31 December 2007**

- Assets under management were reduced by NOK 63 billion or 11.6 per cent.
 - Net flow:
 - There was a net outflow of funds from institutional clients of NOK 30.7 billion or 5.7 per cent.
 - New institutional mandates were obtained in both Sweden and Norway.
 - There was a net outflow of funds from the retail market of NOK 10.9 billion or 2.0 per cent.
 - Market changes:
 - Market developments led to a NOK 33.9 billion decrease in assets under management, representing 6.3 per cent measured in clients' base currencies.
 - During the last four quarters, Morgan Stanley's global equity index fell by 40.7 per cent measured in USD and decreased by 23.6 per cent measured in NOK.
 - Prices on the stock exchange in Stockholm (OMX) decreased by 38.8 per cent, and the stock exchange in Oslo (OSEBX) experienced a 54.1 per cent fall 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 12.6 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

- Returns on a number of major client portfolios and funds outperformed relevant benchmarks.
- Fund managers' specialisation has led to strong relative performance for several funds (return in excess of benchmark):
 - DnB NOR Nordic Technology (17.4 per cent)
 - DnB NOR Grønt Norden (3.2 per cent)
 - DnB NOR Øst-Europa (2.8 per cent)

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 283 institutional clients. The largest clients are Skandia Liv and Vital.
- The number of mutual fund clients in Norway was more than 598 000 at the end of December 2008. The number of active savings schemes reached more than 317 000. Mutual fund packages, the 'Spar Smart' concept, alone included more than 55 000 savings schemes.
- Market shares:
 - DnB NOR Kapitalforvaltning (retail mutual funds in Norway) 38.0 per cent ¹⁾
 - Carlson Fonder (total mutual funds in Sweden) ≈ 1.1 per cent
 - Institutional market in Norway > 28 per cent
 - Institutional market in Sweden > 20 per cent

1) Source: Norwegian Mutual Fund Association.

Retail: Fund capital and market shares in Norway

	31 December 2008		31 December 2007		31 December 2006	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>						
Equity funds	12 962	25.7	24 527	27.8	24 690	26.9
Balanced funds	5 948	70.4	8 915	71.9	9 298	74.9
Fixed-income funds	15 106	49.4	21 431	52.4	20 541	54.1
Total mutual funds	34 017	38.0	54 873	38.7	54 529	38.3

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, Hong Kong and Chennai.
- 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 cuts corresponding to eight full-time position in the fourth quarter of 2008.
- 287 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 NORD

DnB NORD was established in December 2005 and is owned 51 per cent by DnB NOR. The bank is headquartered in Copenhagen.

DnB NORD has a strong market position as the third largest bank in Lithuania and the fourth largest in Latvia. The bank was number five in Estonia in terms of total lending. DnB NORD is also represented in Finland and Denmark, benefiting from the corporate portfolio brought into DnB NORD by DnB NOR and NORD/LB and provides a full service operation for corporate banking.

Financial performance

Amounts in NOK million	4Q08	3Q08	2Q08	1Q08	4Q07	Full year	
						2008	2007
Net interest income - ordinary operations	394	347	341	329	311	1 411	1 101
Interest on allocated capital (BIS) ¹⁾	71	77	68	55	48	271	154
Net interest income	464	424	409	384	359	1 682	1 255
Net other operating income	276	164	165	149	206	754	631
Total income	740	588	574	533	565	2 436	1 886
Operating expenses	543	400	397	365	406	1 704	1 310
Pre-tax operating profit before write-downs	198	188	178	168	159	732	576
Net gains on fixed and intangible assets	3	9	1	6	2	19	14
Write-downs on loans and guarantees	1 053	250	53	32	48	1 388	121
Pre-tax operating profit	(852)	(53)	126	142	113	(637)	469
Net lending to customers (NOK billion) ²⁾	87.8	78.6	71.4	62.6	56.6	75.1	49.5
Deposits from customers (NOK billion) ²⁾	23.1	22.9	21.1	21.3	20.8	22.1	19.5
Cost/income ratio (%)	73.3	68.1	69.1	68.4	71.9	70.0	69.5
Ratio of deposits to lending (%)	26.4	29.1	29.5	34.1	36.6	29.4	39.4
Return on capital BIS, annualised (%)	(41.4)	(2.8)	7.2	9.2	8.8	(8.8)	10.6
RORAC, annualised (%)	(33.8)	(2.1)	7.0	8.8	8.0	(7.4)	10.1

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 fourth quarter of 2008

- Pre-tax operating profit before write-downs was NOK 198 million, up 24.3 per cent from the fourth quarter of 2007.
- Total income increased by 31.1 per cent to NOK 740 million.
- Operating expenses increased by NOK 137 million to NOK 543 million of which impairment loss for goodwill related to the bank in Lithuania amounted to NOK 133 million.
- Cost/income ratio was 73.3 per cent in the fourth quarter of 2008 compared to 71.9 per cent in the corresponding period last year. Excluding impairment of goodwill the cost/income ratio was 55.3 per cent.
- The development in the third quarter of 2008 was influenced by higher funding costs, reduced growth and high write-downs due to the economic slow down and turmoil in the financial markets.
- The write-downs on loans increased primarily in Denmark, Latvia and Lithuania. On an annual basis net write-downs on loans relative to average net lending in fourth quarter of 2008 was equivalent to 4.77 per cent, up from 0.34 per cent last year. The most pronounced increase in write-downs refers to commercial property, especially in Denmark. Total write-downs on real estate in DnB NORD were NOK 591 million.
- The bank has revaluated part of its bond portfolio using a mark-to-model approach with a positive effect on other operating income.

- Average lending increased by NOK 31.1 billion or 55.0 per cent from the fourth quarter of 2007. Deposits increased by NOK 2.4 billion or 11.5 per cent from the fourth quarter of 2007.
- Net non-performing and impaired commitments increased from NOK 0.9 billion at end-December 2007 to NOK 3.9 billion.

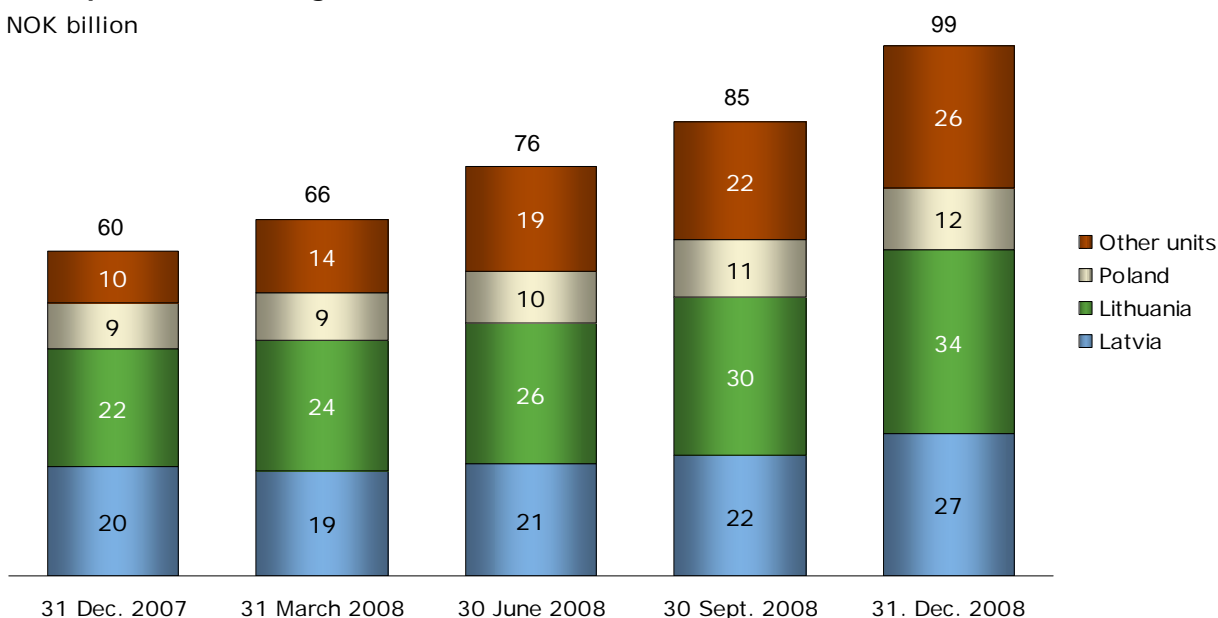
Net interest income ¹⁾

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07	4Q08	3Q08	4Q07
Lending	85 730	77 642	55 456	1.06	1.11	1.30	229	217	181
Deposits	22 358	22 121	19 847	2.98	2.45	3.00	167	136	150
Allocated capital and non-interest bearing items	7 687	3 688	1 636	4.24	5.01	4.72	87	51	19
Other							27	21	9
Total net interest income							509	424	359

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

Development in lending volumes

NOK billion

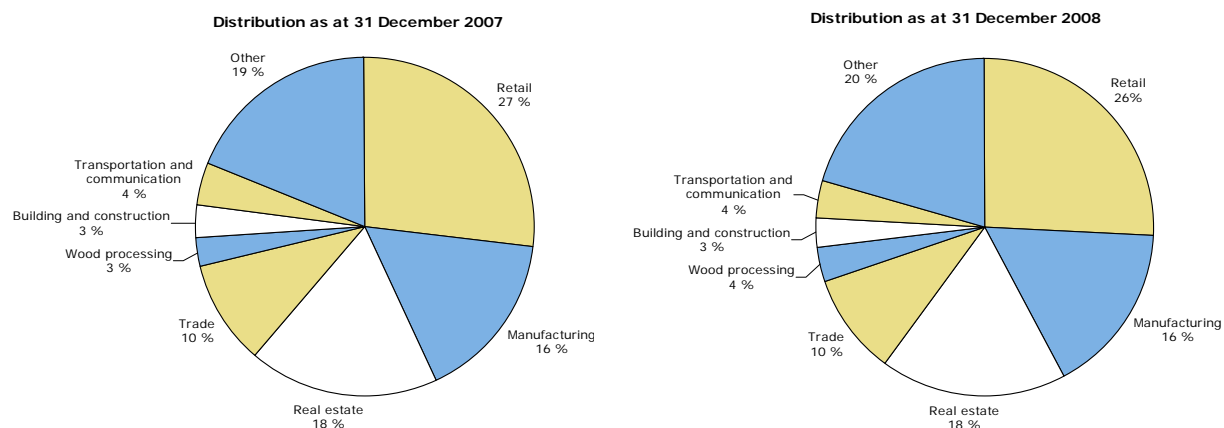


Lending growth was still high compared to the one year-earlier period, with an increase of 63 per cent, however growth is slowing down in the Baltic States. The growth in lending from end-September to end-December 2008 was influenced by the weakening of the Norwegian kroner against the euro and showed an increase of 16.7 per cent in NOK. Measured in euro the lending decreased by 0.6 per cent.

Lending volumes and write-downs

Amounts in NOK million	Net lending 31 Dec. 2008	Net individual write-downs 2008	Group write-downs 2008	Total write-downs 2008
Denmark	12 865	673	159	832
Latvia	26 430	228	(10)	218
Lithuania	34 056	218	23	241
Poland	11 622	35	19	54
Estonia	3 728	24	17	41
Finland	9 821	-	2	2
Total DnB NORD	98 522	1 178	210	1 388

Exposure at default according to customer sector



Organisation and market

- DnB NORD serves more than 870 000 retail and corporate clients through 180 branches and offices in six countries: Denmark, Finland, Estonia, Latvia, Lithuania and Poland.
- DnB NORD's staff represented 3 597 full-time positions at year-end 2008.
- At year-end 2008, DnB NORD was the third largest bank in Lithuania and number four in Latvia measured by total assets. In Estonia, the bank was number five in terms of total lending.

Over the last several years, the Baltic region has experienced strong economic growth and development. However, the region has experienced a significant slowdown during the last quarters. Economic growth in the Baltic countries is expected to remain sluggish through 2009, and DnB NORD expects a continuing rise in write-downs for these operations. Developments in Denmark represent a challenge, particularly regarding the bank's portfolio of property loans.

In spite of the economic slowdown, there are some positive signals. The measures taken by the Latvian government and the Central Bank of Latvia, together with the EU and IMF, to stimulate the Latvian financial system and the Latvian economy will have a positive impact. DnB NORD continues to position itself for a modest level of growth in Poland based on the continued relative stability of the Polish economy and Polish financial sector. DnB NORD continues to closely monitor the situation in the different markets.

Section 4

The Norwegian economy

Basic information

Area	385 199 square kilometres
Population	4.7 million
Fertility rate	1.9
Life expectancy	M: 78.1 F: 82.7
Work participation rate, per cent 16–74 years	72.8 (M: 76.0 F:69.5)
Gross domestic product 2007	USD 390.6 billion
GDP per capita 2007	USD 82 400
Rating	AAA, Aaa
Currency exchange rate used	5.86 USD/NOK (average 2007)
Current balance 2007	USD 66.7 billion or 17.0 per cent of GDP

Source: Statistics Norway

Key macro-economic indicators ¹⁾

Per cent	2007	2008	F 2009	F 2010	F 2011
GDP growth					
- Norway, total	3.1	1.6	(1.4)	1.1	2.2
- Mainland Norway	6.1	2.4	(0.5)	1.5	3.0
Private consumption	6.0	1.5	(1.8)	1.5	3.0
Gross fixed investment	8.4	3.5	(6.9)	(1.8)	1.8
Inflation (CPI)	0.8	3.8	1.9	1.9	1.4
Savings ratio ²⁾	0.4	(0.1)	4.8	5.1	5.6
Unemployment rate	2.6	2.6	4.0	5.1	4.9
Current account ³⁾	15.7	17.4	10.8	9.8	12.3
General government budget balance ^{3) 4)}	18.5	17.5	20.1	16.4	

1) Source: DnB NOR Markets, Economic Outlook 1/2009 if not otherwise specified

2) Per cent of disposable income. Households

3) Per cent of GDP

4) Source: Ministry of Finance, National Budget 2009

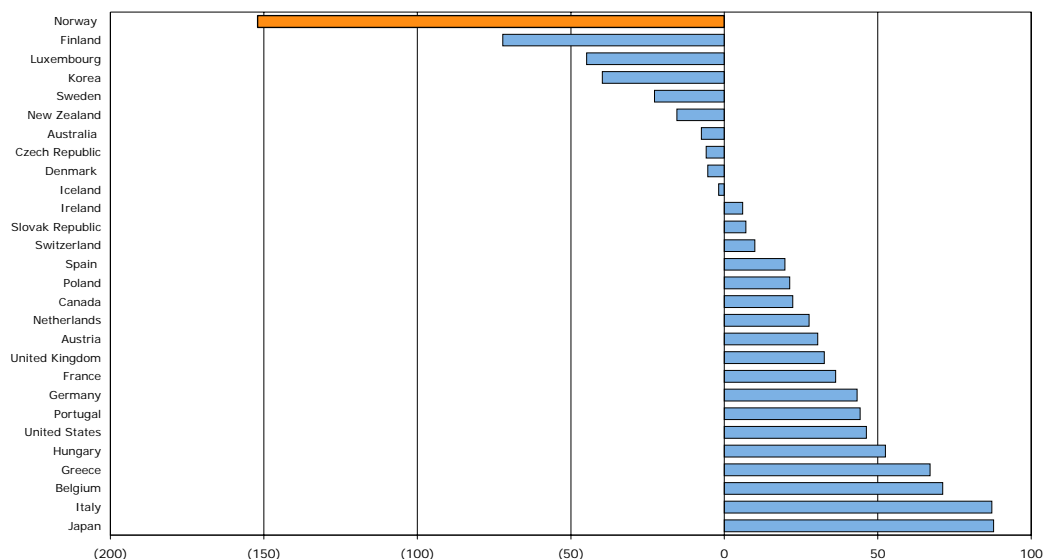
Contribution to volume growth in GDP, mainland Norway

Per cent	2007	2008	2009	2010	2011
Household demand	3.7	0.3	(1.6)	0.7	1.7
Gross fixed capital formation, mainland companies	1.2	0.9	(1.8)	(1.0)	0.1
Gross fixed capital formation, petroleum activity	1.4	(0.8)	0.1	(0.3)	0.2
Public sector demand	1.2	1.1	2.2	2.6	0.9
Exports, mainland Norway	2.1	1.2	(0.8)	0.1	1.1
Imports, mainland Norway	(2.5)	(1.7)	0.7	(0.6)	(1.1)
Changes in stocks and statistical discrepancies	(0.9)	1.4	0.5		
GDP, mainland Norway	6.1	2.4	(0.5)	1.5	3.0

Source: Statistics Norway and DnB NOR Markets

Government net financial liabilities 2008

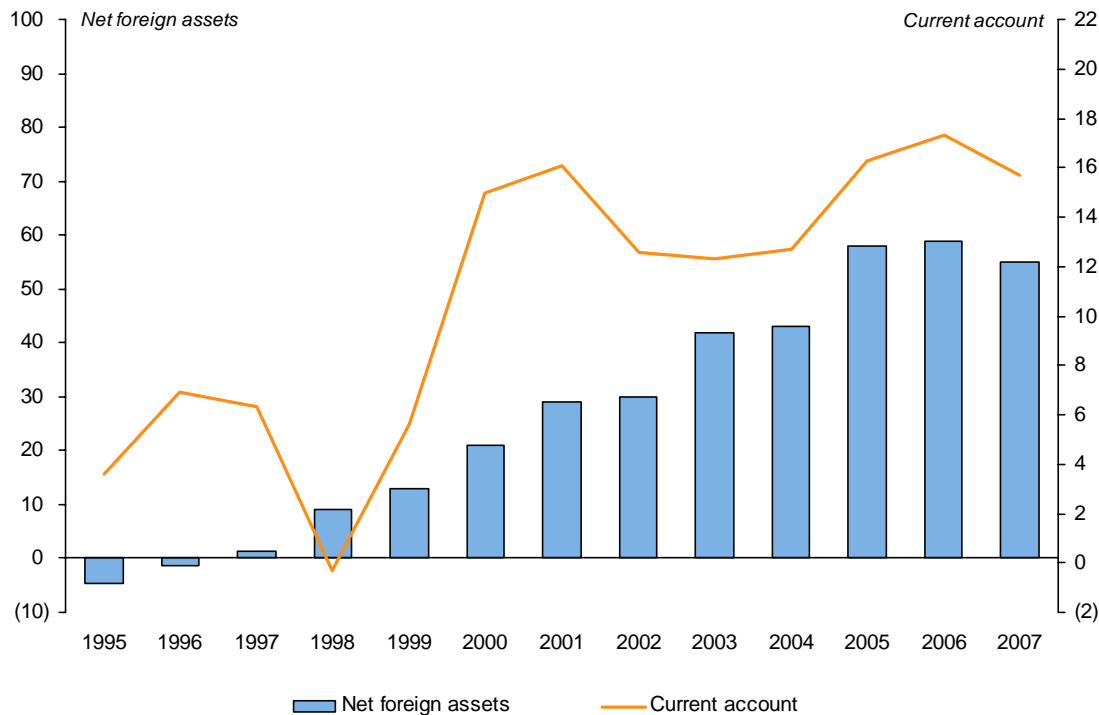
Per cent of GDP



Source: OECD Economic Outlook No. 84 December 2008

Current account and net foreign assets (incl. private sector)

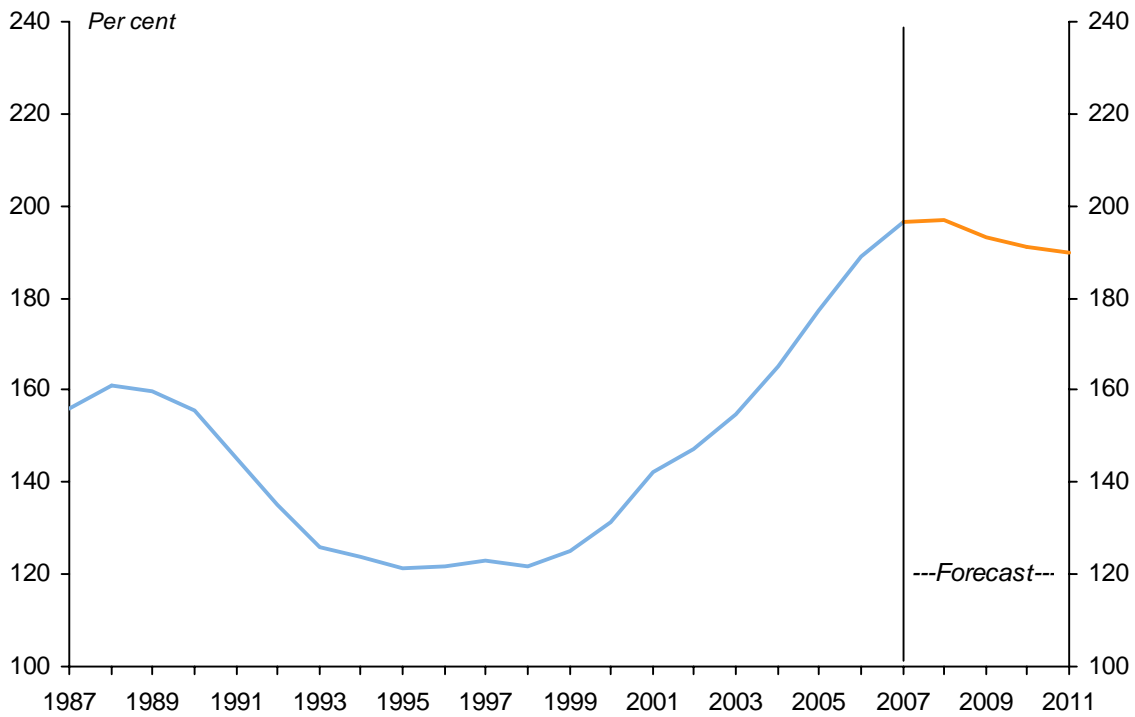
Per cent of GDP



Source: Statistics Norway

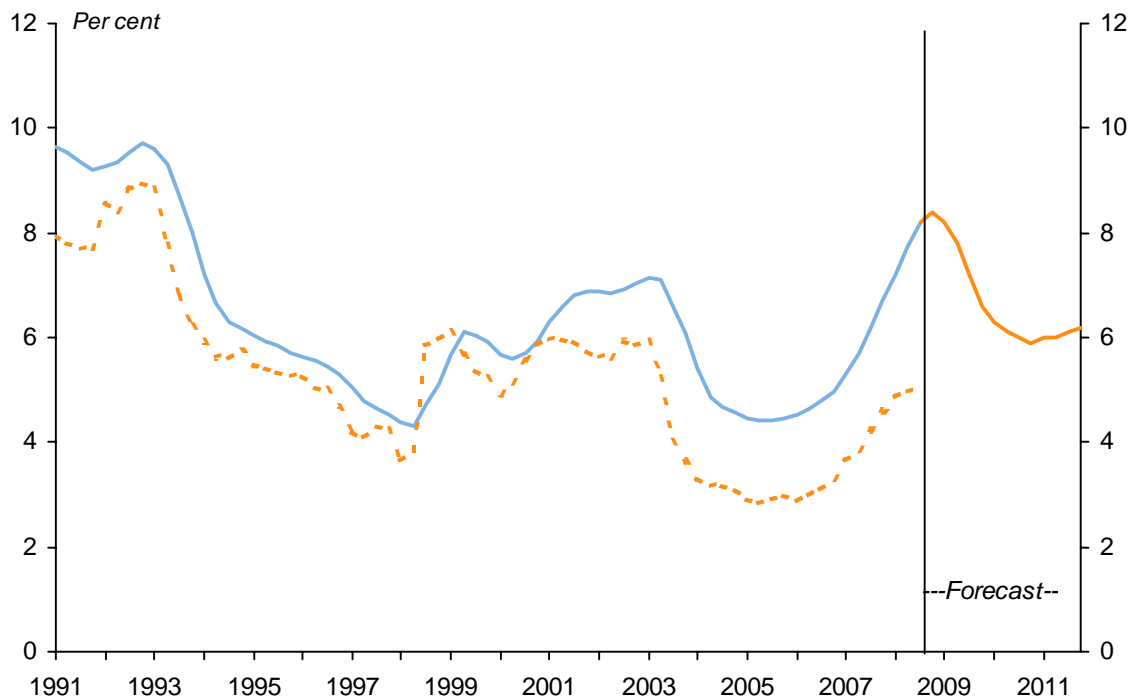
Household debt burden

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



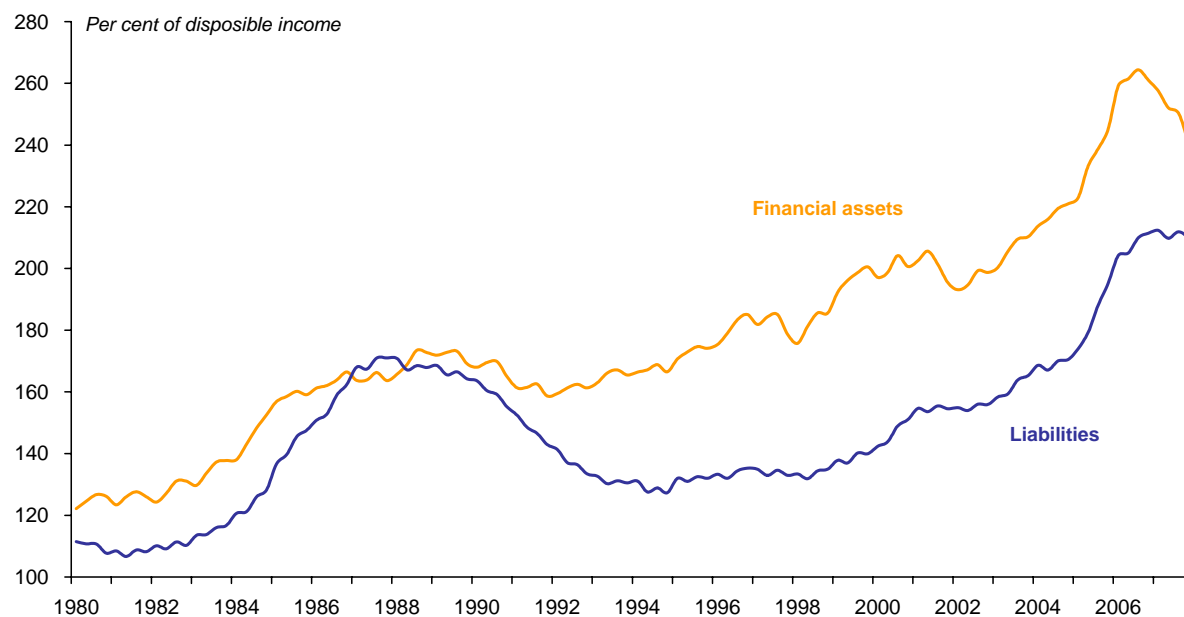
Source: Norges Bank, Financial Stability 2/08

Household interest burden



Source: Norges Bank, Financial Stability 2/08

Household financial assets and liabilities



Source: EcoWin

Financial market growth

Percentage change from previous year	31 Dec. 2005	31 Dec. 2006	31 Dec. 2007	30 Nov. 2008
Credit ¹⁾				
Total	13.0	14.4	14.3	10.9
- of which commercial and savings banks	18.0	19.1	13.5	3.1
- of which commercial and savings banks, mortgage institutions and finance companies	15.6	16.3	15.7	11.5
Total retail market	13.4	12.4	11.3	7.5
Total corporate market	14.2	20.0	21.2	17.4
Savings				
Total ²⁾	15.5	16.7	12.4	0.9 ⁴⁾
- of which commercial and savings banks	9.9	18.3	14.1	5.8
Total retail market ²⁾	18.2	8.1	3.9	(3.5) ⁴⁾
Total corporate market ³⁾	13.3	23.9	18.7	3.8 ⁴⁾

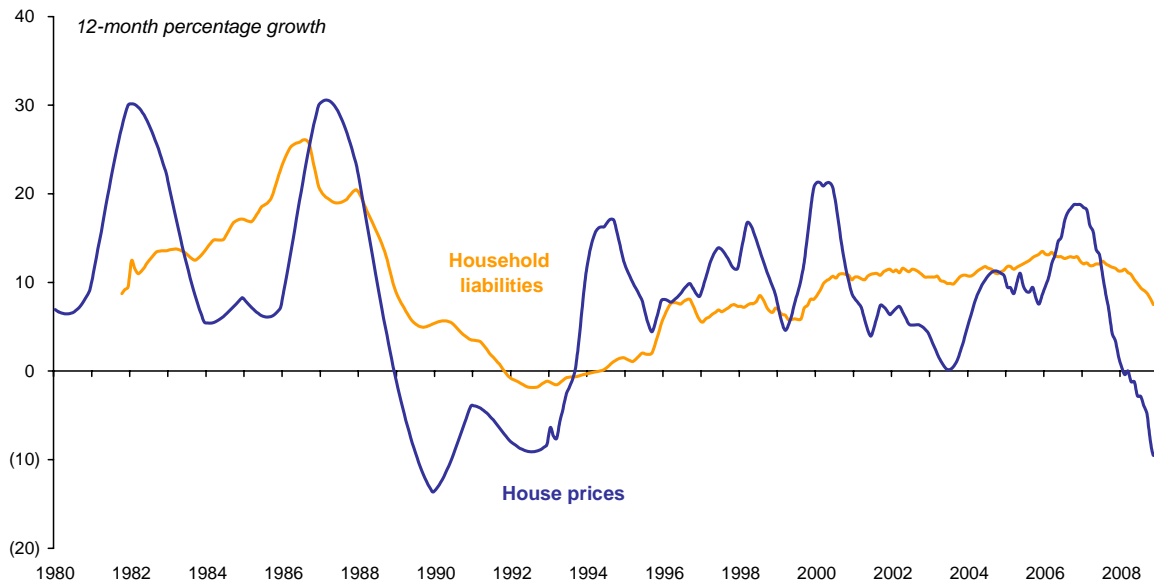
1) Commercial and savings banks, state banks, insurance companies, mortgage institutions, finance companies, bonds, commercial paper.

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.

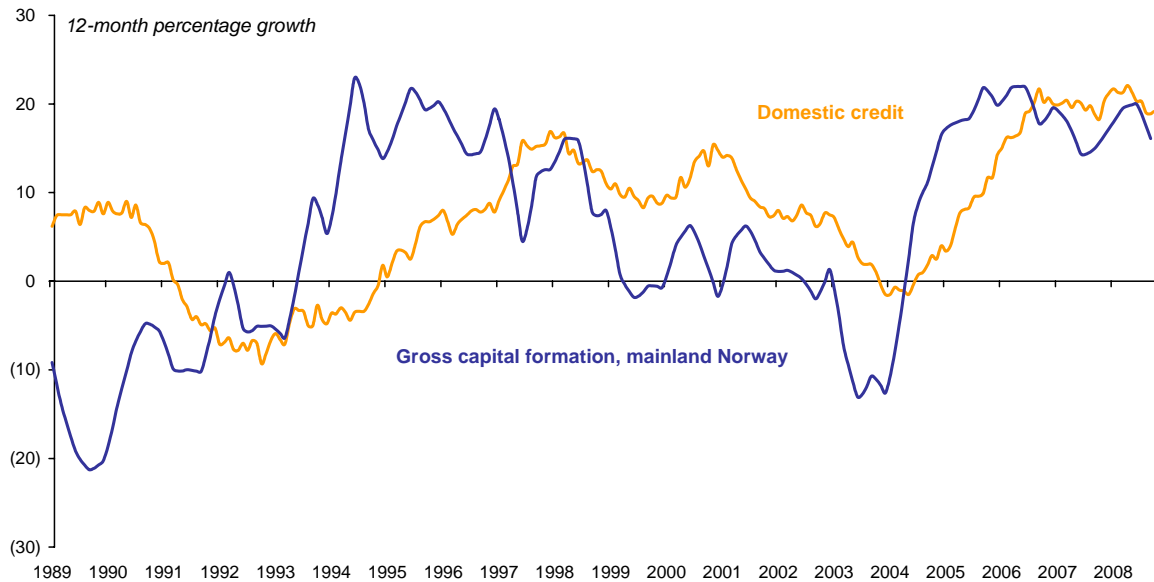
4) As at 30 September 2008

House prices and household liabilities



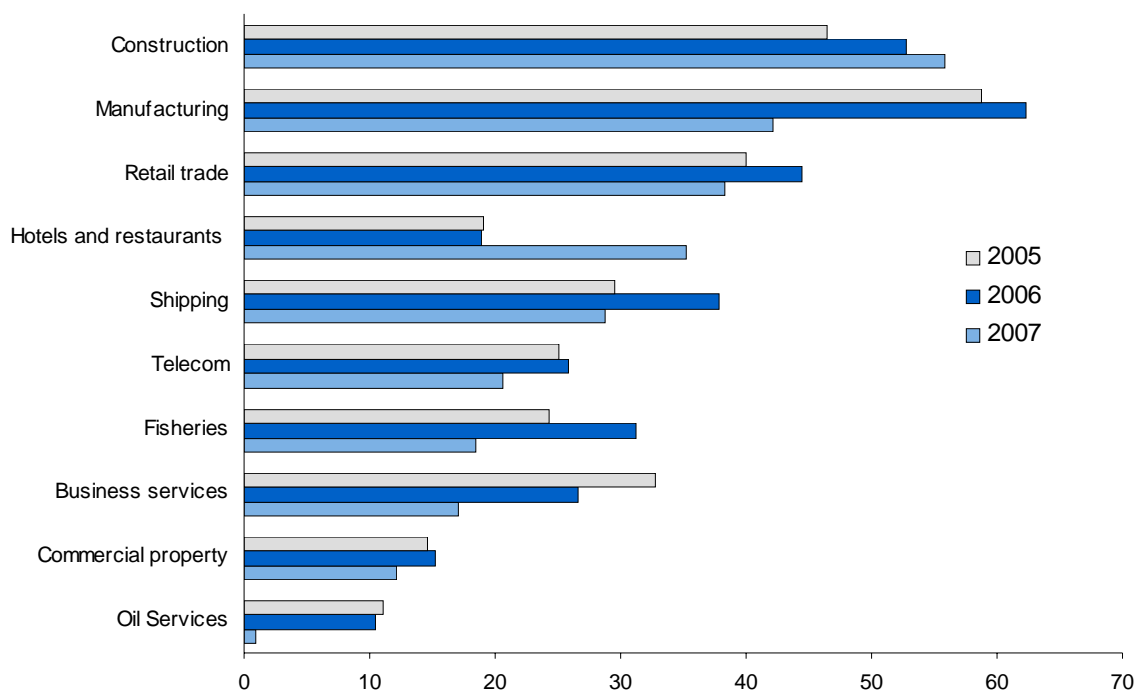
Source: Statistics Norway and Norges Bank

Corporates: domestic credit and gross capital formation, mainland Norway



Source: Statistics Norway and Norges Bank

Debt-servicing capacity for different industries ¹⁾



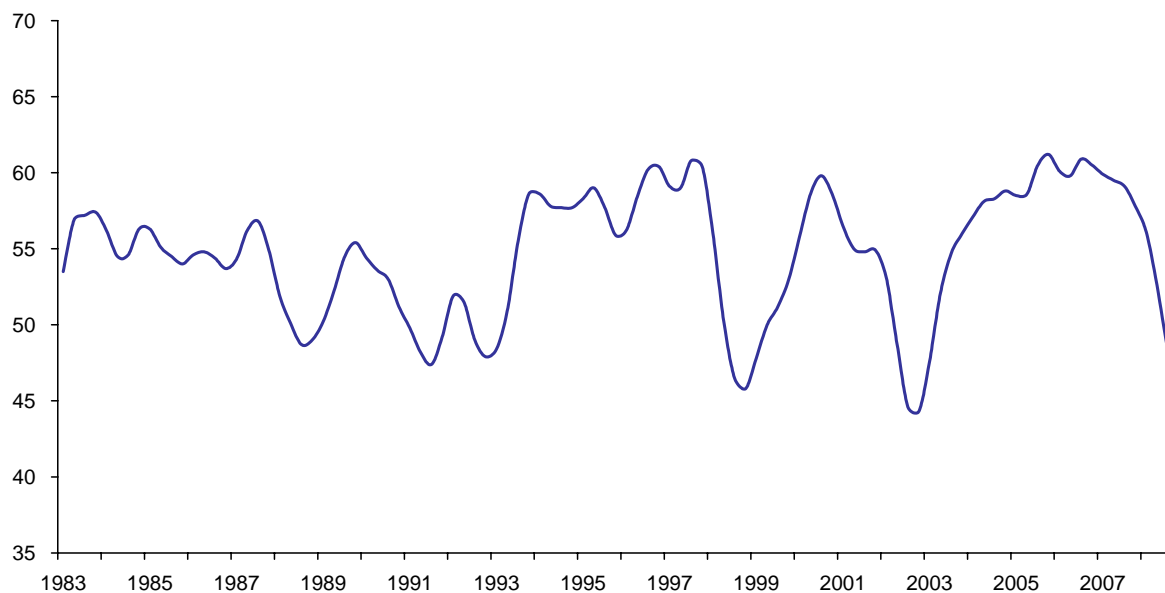
Source: Norges Bank, *Financial Stability 2/08*

Per cent

1) Ordinary results before tax, write-downs and depreciation as a percentage of bank debt and bonds. Non-financial firms, mainland Norway. Group-financed firms are not included.

Business surveys, manufacturing sector

General assessment of outlook 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' assessment of the general business situation and the outlook for a fixed set of variables e.g. production, new orders etc.

www.dnbnor.com