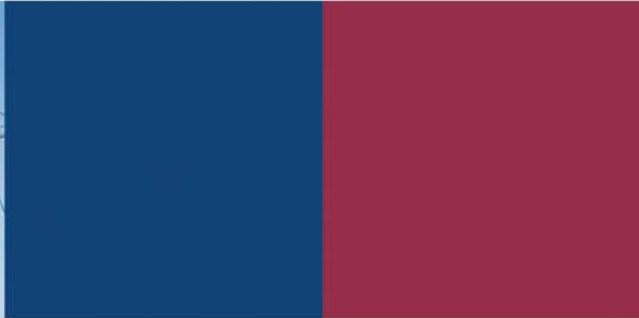


Fourth quarter report 2006

Preliminary and unaudited



Fourth quarter report 2006

Fourth quarter performance 2006

The DnB NOR Group ¹⁾ showed sound financial performance in the fourth quarter of 2006, with a high level of customer activity in all business areas. Total income rose by 13.3 per cent compared with the fourth quarter of 2005, while ordinary operating expenses increased by 20.3 per cent. The increase can be partly ascribed to the fact that DnB NORD was not included in the 2005 figures. In addition, pension expenses were very low in 2005 due to the one-off effect resulting from the restructuring of the pension scheme. Relatively low risk in the loan portfolios resulted in very low write-downs on loans and guarantees in the fourth quarter of 2006.

The DnB NOR Group's pre-tax operating profits came to NOK 3 684 million in the fourth quarter of 2006, up from NOK 3 578 million in the year-earlier period. After taxes, profits totalled NOK 3 394 million, an increase from NOK 2 996 million a year earlier.

Return on equity was 21.5 per cent for the October through December period, unchanged from the fourth quarter of 2005. Earnings per share stood at NOK 2.52 and NOK 2.24 respectively. The ratio of ordinary expenses to income was 50.4 per cent in the fourth quarter of 2006.

Group chief executive Svein Aaser retired on 31 December 2006, and Rune Bjerke assumed the position as new group chief executive for DnB NOR on 1 January 2007.

At year-end 2006, DnB NOR was the fourth largest company listed on Oslo Børs with a market capitalisation of NOK 118 billion, or 6 per cent of the value of all companies listed on the stock exchange. The aggregate return for shareholders in the form of increases in the share value and distributed dividends was 27.8 per cent in 2006.

During the fourth quarter of 2006, DnB NOR entered into an agreement to acquire 76.3 per cent of BISE Bank in Poland through its partially owned subsidiary DnB NORD.

The core capital ratio for the Group was 6.7 per cent as at

¹⁾ The report encompasses the entire DnB NOR Group, DnB NOR ASA. Separate quarterly reports are prepared for DnB NOR Bank ASA and Vital Forsikring ASA including underlying subsidiaries.

31 December 2006. The Board of Directors considers the Group to be well capitalised relative to the risk level of the loan portfolios and other operations.

Income

Income totalled NOK 7 597 million for the October through December period in 2006, an increase of NOK 894 million or 13.3 per cent from the fourth quarter of 2005.

Net interest income

Net interest income was NOK 3 975 million in the fourth quarter of 2006, up NOK 502 million compared with the year-earlier period.

Due to brisk growth in loans and deposits in the fourth quarter of 2006 compared with the year-earlier period, there was an increase in net interest income which more than compensated for narrower spreads.

The table below specifies changes from 2005 according to main items:

Changes in net interest income

<i>Amounts in NOK million</i>	4th quarter 2006	Change	4th quarter 2005
Net interest income	3 975	502	3 473
DnB NORD	220	220	
DnB NOR Monchebank	9	9	
Net interest income, adjusted		273	
Lending and deposit volumes		429	
Lending and deposit spreads		(289)	
Non-interest earning items including equity		206	
Other		(74)	

Net other operating income

Net other operating income amounted to NOK 3 622 million in the fourth quarter of 2006, up NOK 392 million from the corresponding period in 2005. The increase in other income mainly reflected gains on the Group's positions in the interest rate and currency markets. Net other

operating income represented 47.7 per cent of total income in the fourth quarter of 2006, as against 48.2 per cent in the year-earlier period.

The table below specifies changes from 2005 according to main items:

Changes in net other operating income

<i>Amounts in NOK million</i>	4th quarter		4th quarter
	2006	Change	2005
Net other operating income	3 622	392	3 230
DnB NORD	91	91	
DnB NOR Monchebank	4	4	
Net other operating income, adjusted		297	
Net commissions and fees		15	
Net gains on equity investments		36	
Net gains on other financial instruments		301	
Net financial and risk result from Vital		(24)	
Other income		(31)	

Operating expenses

Ordinary operating expenses ²⁾ totalled NOK 3 830 million in the fourth quarter of 2006, up NOK 647 million from the year-earlier period. Excluding operations in DnB NORD and Monchebank, there was a NOK 409 million rise in expenses.

The table below specifies changes from 2005 according to main items:

Changes in ordinary operating expenses

<i>Amounts in NOK million</i>	4th quarter		4th quarter
	2006	Change	2005
Ordinary operating expenses	3 830	647	3 183
DnB NORD	229	229	
DnB NOR Monchebank	9	9	
Ordinary operating expenses, adjusted		409	
Pension expenses		268	
Wage settlements		57	
Performance-based pay		63	
IT development		104	
Synergies		(48)	
Other		(35)	

Net gains on fixed and intangible assets

Net gains on fixed and intangible assets came to NOK 66 million in the fourth quarter of 2006. The gains achieved during the quarter referred mainly to the sale of properties.

Write-downs on commitments

Due to healthy earnings in the business sector and sound household finances, the Group recorded low write-downs on loans in the fourth quarter of 2006. Net reversals on write-downs on loans and guarantees came to NOK 16 million, with individual write-downs of NOK 5 million and reversals on group write-downs of NOK 21 million.

New individual write-downs totalled NOK 225 million, while reversals and recoveries totalled NOK 220 million. In the corresponding period in 2005, new write-downs were NOK 44 million, while reversals and recoveries came to NOK 123 million.

Full year results 2006

The DnB NOR Group maintained a healthy financial performance in 2006. All of the Group's business areas recorded strong profits and brisk growth in both domestic and international operations. In spite of fierce competition, group income increased by 12.5 per cent in 2006

compared with 2005, while ordinary operating expenses were up 12.2 per cent. The cost trend in 2006 reflected the Group's extensive investments in new international operations, product development and new IT systems.

Profits for the year for the DnB NOR Group totalled NOK 11 808 million in 2006, an increase of NOK 1 664 million or 16.4 per cent from the previous year. Return on equity was 19.5 per cent in 2006, up from 18.8 per cent in 2005. Due to strong profits in both 2005 and 2006, return on equity exceeded the Group's long-term target. Earnings per share were NOK 8.74 and NOK 7.59 respectively.

The Board of Directors has proposed a dividend of NOK 4.00 per share for 2006. The dividend for 2005 was NOK 3.50 per share.

Income

Income totalled NOK 28 493 million in 2006, an increase of NOK 3 158 million or 12.5 per cent from 2005.

Net interest income

Net interest income was NOK 15 289 million in 2006, a rise of NOK 1 679 million or 12.3 per cent compared with 2005.

Sound lending and deposit growth in 2006 gave an increase in interest income which more than compensated for narrower spreads. Due to strong competition, the combined spread contracted by 0.09 percentage points in 2006 and was 2.04 per cent in the fourth quarter of the year.

The table below specifies changes from 2005 according to main items:

Changes in net interest income

<i>Amounts in NOK million</i>	2006	Change	2005
Net interest income	15 289	1 679	13 610
DnB NORD	757	757	
DnB NOR Monchebank	30	30	
Net interest income, adjusted		892	
Lending and deposit volumes		1 719	
Lending and deposit spreads		(961)	
Other		134	

Net other operating income

Net other operating income totalled NOK 13 204 million in 2006, up NOK 1 478 million or 12.6 per cent from 2005. The increase reflected a rise in brokerage fees and credit broking income, brisk sales of savings and pension products and high income from the Group's corporate finance activity. Lower gains on equity investments can be explained by the realisation of gains on the sale of Storebrand shares and equity positions in Brazil in 2005.

Net other operating income represented 46.3 per cent of total income in both 2006 and 2005.

The table below specifies changes from 2005 according to main items:

Changes in net other operating income

<i>Amounts in NOK million</i>	2006	Change	2005
Net other operating income	13 204	1 478	11 725
DnB NORD	310	310	
DnB NOR Monchebank	19	19	
Net other operating income, adjusted		1 149	
Net commissions and fees		537	
Net gains on equity investments		(291)	
Net gains on other financial instruments		724	
Net financial and risk result from Vital		172	
Other income		8	

²⁾ Excluding allocations to the employee investment fund

Operating expenses

Ordinary operating expenses totalled NOK 14 263 million in 2006, an increase of NOK 1 552 million from 2005. Excluding operations in DnB NOR and DnB NOR Monchebank, expenses rose by NOK 790 million or 6.2 per cent.

The cost trend in 2006 reflected rising personnel expenses due to higher pension costs, performance-based pay and the result of the annual wage settlements. In 2005, pension expenses were particularly low due to the one-off effect of the restructuring of the pension scheme. 2006 was a period of investment, product development and international start-ups for the Group. The investments will ensure a broader income base and lay a more solid platform for future income growth in DnB NOR.

In 2006, DnB NOR recorded systems development expenses totalling NOK 319 million in the balance sheet, a rise from NOK 219 million in 2005. The balance sheet value of IT systems developed in-house and purchased by the Group is assessed relative to the discounted value of future cash flows. These calculations did not result in any significant write-downs in 2006 or 2005.

The table below shows changes from 2005 according to main items:

Changes in ordinary operating expenses

Amounts in NOK million	2006	Change	2005
Ordinary operating expenses	14 263	1 552	12 711
DnB NOR	728	728	
DnB NOR Monchebank	34	34	
Ordinary operating expenses, adjusted		790	
Pension expenses		511	
Wage settlements		160	
Performance-based pay		275	
IT development		155	
Synergies		(349)	
Other		38	

Net gains on fixed and intangible assets

Net gains on fixed and intangible assets came to NOK 365 million in 2006, as against NOK 775 million in 2005. The sale of bank buildings was a key factor behind the gains in 2006, while the largest gains in 2005 resulted from the sale of holdings in fish farming companies.

Write-downs on commitments

Due to strong earnings in the business sector and healthy finances among Norwegian households, the Group recorded low write-downs on loans in 2006. Net reversals on write-downs on loans and guarantees came to NOK 258 million. Individual write-downs totalled NOK 160 million and group write-downs were reduced by NOK 418 million, reflecting the positive trend in the Norwegian economy. Corresponding figures for 2005 showed net write-downs of NOK 137 million, with individual write-downs of NOK 234 million and a reduction in group write-downs of NOK 97 million.

After deductions for individual write-downs, net non-performing and impaired commitments came to NOK 3 800 million at end-December 2006, a decline of NOK 951 million from 2005. Net non-performing and impaired commitments represented 0.45 per cent of net lending at year-end 2006, down from 0.63 per cent a year earlier. The reduction reflected sound risk management and the healthy financial trend in the business community and among retail customers.

Taxes

The DnB NOR Group's total tax charge for 2006 was NOK 2 881 million, representing 19.6 per cent of pre-tax operating profits. The low tax charge primarily reflected taxation rules for capital gains on equities. In 2005, the tax charge was NOK 2 965 million or 22.6 per cent of pre-tax

operating profits. The DnB NOR Group anticipates a future normalised tax level of 23 per cent.

Balance sheet and assets under management

At end-December 2006, total combined assets in the DnB NOR Group were NOK 1 692 billion, an increase of NOK 229 billion or 15.7 per cent from a year earlier.

Total assets in the Group's balance sheet were NOK 1 320 billion at year-end 2006, as against NOK 1 081 billion a year earlier.

Net lending to customers rose by NOK 130 billion or 18.7 per cent during the twelve-month period.

Customer deposits rose by NOK 64 billion or 15.5 per cent from 2005.

In order to keep the Group's liquidity risk at a low level, the majority of loans are financed through customer deposits, long-term securities, subordinated loan capital and equity. With respect to short-term funding of the bank, restrictive borrowing limits have been established. DnB NOR has good access to the European, Asian and US capital markets. The ratio of customer deposits to net lending to customers was maintained at a satisfactory level, standing at 57.3 per cent at end-December 2006, down from 58.9 per cent a year earlier. During 2006, the Norwegian Public Limited Companies Act was amended, giving DnB NOR ASA the opportunity to fund group companies through borrowings from DnB NOR Bank ASA. The Board of Directors considers DnB NOR's liquidity situation to be sound.

Securities issued by the Group increased by NOK 90 billion or 38.1 per cent from 2005, totalling NOK 327 billion at end-December 2006. The majority of the securities were issued in international capital markets, and there was a significant increase in the Group's funding in the US capital market in 2006. In October, DnB NOR launched a bond issue of USD 2 billion with a three-year maturity. The issue was very well received in the US market and helped expand the bank's investor base.

The rating agencies' assessments of DnB NOR determine the Group's funding terms. In September 2006, the Canadian rating agency Dominion Bond Rating Service assigned a long-term rating of AA to DnB NOR Bank ASA. DnB NOR Bank already has an Aa3 rating from Moody's and an A+ rating from Standard & Poor's.

Total assets in Vital were NOK 224 billion as at 31 December 2006, compared with NOK 203 billion a year earlier.

Risk and capital adequacy

DnB NOR quantifies risk by measuring risk-adjusted capital. Net risk-adjusted capital requirements increased by NOK 4.9 billion to NOK 40.6 billion at year-end 2006. The increase reflected higher credit volumes, while the risk associated with Vital was reduced. The table below shows developments in the risk-adjusted capital requirement:

Amounts in NOK billion	31 Dec. 2006	31 Dec. 2005
Credit risk	36.0	31.1
Market risk	2.4	1.9
Ownership risk for Vital	7.5	8.7
Operational risk	4.8	4.2
Business risk	2.4	1.6
Gross risk-adjusted capital	53.0	47.6
Diversification effect ¹⁾	(12.3)	(11.8)
Net risk-adjusted capital	40.6	35.7
Diversification effect in per cent of gross risk-adjusted capital ¹⁾	23.3	24.8

¹⁾ The diversification effect refers to the effect achieved by the Group in reducing risk by operating within several risk categories where unexpected losses are unlikely to occur at the same time.

There was brisk credit growth in both the retail and corporate markets in 2006. Growth was particularly strong within shipping and

offshore, and DnB NOR syndicated large volumes to other financial institutions. The Group is a major international syndication arranger in these sectors. Acquisition financing was another growth area in 2006, reflecting the strong dynamics in the corporate sector. Sound corporate earnings, rising housing prices and falling unemployment rates were additional factors in improving portfolio quality in 2006.

The rise in market risk for the Group mainly reflected a favourable price trend for equity investments. Limits for equity positions in DnB NOR Markets were increased somewhat in 2006, though income from customer business accounted for a rising share of profits.

The favourable financial market trend ensured sound value-adjusted profits and stronger financial buffers for Vital in 2006. The securities adjustment reserve increased by NOK 1.5 billion and additional allocations by NOK 2.6 billion. These buffers totalled NOK 15.1 billion at year-end 2006, which made it possible to increase equity investments to NOK 60.4 billion, representing 27 per cent of total assets. A large part of the equity portfolio was hedged against reductions in share prices at year-end 2006. Rising long and short-term interest rates had a positive impact on the risk situation in Vital.

The successful integration of the account systems of the former DnB and Gjensidige NOR during Easter 2006 had a positive effect on the Group's operational risk. There was also a reduction in operational disturbances in the Group's IT systems in 2006. The Group recorded no major operational losses in 2006.

During 2006, the Board of Directors approved a new capitalisation policy for DnB NOR. The level of equity should help the Group reach its Aa level rating target for the bank's ordinary long-term funding. In the longer term, the Group's equity will be structured to ensure that core capital excluding hybrid securities exceeds 4.25 per cent of risk-weighted assets, with the addition of a capital buffer determined on the basis of the prevailing risk situation. Calculations show that the capitalisation of the Group was somewhat above this target. The table below shows developments in the Group's equity relative to the capitalisation target:

<i>Amounts in NOK billion</i>	31 Dec. 2006	31 Dec. 2005
4.25 per cent of risk-weighted assets	37.4	30.3
Capital buffer	13.3	11.6
Core capital target excl. hybrid securities	50.7	42.0
Statutory deduction in core capital	4.4	3.0
Equity target	55.1	45.0
Actual equity according to NGAAP	57.8	49.9
Equity reserve	2.7	4.8

Risk-weighted volume included in the calculation of the formal capital adequacy requirement was NOK 880.3 billion at end-December 2006, up 23.3 per cent from 2005. The core capital ratio was 6.7 per cent, compared with 7.4 per cent in 2005, while the capital adequacy ratio was 10.0 per cent at year-end 2006.

New capital adequacy regulations – Basel II

New capital adequacy regulations (Basel II) entered into force on 1 January 2007. On 30 September 2005, the DnB NOR Group sent an application to Kredittilsynet (the Financial Supervisory Authority of Norway) for permission to use the foundation IRB approach (Internal Ratings Based) for credit risk as from 1 January 2007. Kredittilsynet has granted such permission. In June 2006, the Group applied for permission to use the advanced IRB approach for credit risk as from 1 January 2008. The Group's adaptation to the new capital adequacy regulations is on schedule. Consequently, limitations in transitional rules will determine the impact on risk-weighted volume over the next few years. Primary capital must be minimum 95 per cent of the capital requirement according to previous rules in 2007, 90 per cent in 2008 and 80 per cent in 2009.

Business areas

The activities of DnB NOR are organised in five business areas according to the customer segments served by the Group and the products offered. In addition, DnB NOR is a separate profit centre. All business areas achieved a rise in pre-tax profits from 2005 to 2006.

Corporate Banking and Payment Services recorded pre-tax operating profits of NOK 6 599 million in 2006, up NOK 588 million compared with 2005, while average lending increased by 25.6 per cent in 2006. Growth more than compensated for narrowing spreads due to fierce competition. Sound liquidity among corporate clients ensured a 22.4 per cent rise in average deposits from 2005 to 2006. The quality of the loan portfolios was high, and there were net reversals on write-downs on loans and guarantees. Return on capital was down from 19.3 per cent in 2005 to 18.1 per cent in 2006, whereas the cost/income ratio declined from 37.5 per cent to 36.6 per cent.

Retail Banking recorded pre-tax operating profits of NOK 4 571 million, up NOK 308 million from 2005. Buoyant demand for housing loans, good advisory services and successful sales initiatives boosted lending growth by NOK 39.5 billion or 11.4 per cent compared with 2005. Customer deposits increased by 3.4 per cent. Due to intense competition, lending spreads contracted by 0.24 percentage points. Other operating income increased by NOK 16 million from 2005 to 2006. A rise in income from real estate broking and savings products compensated for the fall in income from payment transfers. Operating expenses were reduced by NOK 139 million or 2.2 per cent. Return on capital was 23.6 per cent in 2006, down from 24.0 per cent in 2005. The cost/income ratio was 56.5 per cent, down from 57.9 per cent in 2005.

DnB NOR Markets achieved pre-tax operating profits of NOK 2 390 million, a NOK 654 million increase from 2005. All activities in DnB NOR Markets experienced strong growth and higher income in 2006. A high level of activity on Oslo Børs during the greater part of 2006 resulted in growth in equity-related earnings, whereas strong demand for investment products and interest rate hedging products also gave a rise in income. Total revenues increased by 30.3 per cent to NOK 3 927 million in 2006. There was a 21.2 per cent rise in costs to NOK 1 537 million, primarily due to higher performance-based pay, reflecting strong income growth and IT investments in 2006. Return on capital was 57.3 per cent in 2006 and 59.6 per cent in 2005, while the cost/income ratio was down from 42.1 per cent to 39.1 per cent.

Vital recorded pre-tax operating profits of NOK 1 431 million, up NOK 113 million compared with 2005. Vital achieved sound growth in 2006, and total assets at year-end 2006 were NOK 224 billion, up 10.4 per cent from 2005. Vital won the race in the mandatory occupational pension market with a market share of just over 32 per cent. The securities adjustment reserve and additional allocations were increased by a total of NOK 4.2 billion in 2006. Solvency capital totalled 23.5 billion at year-end 2006. Vital's return on equity was 25.0 per cent in 2006, compared with 20.7 per cent in 2005.

DnB NOR Asset Management recorded pre-tax operating profits of NOK 489 million in 2006, up NOK 98 million from 2005. DnB NOR Asset Management is Norway's largest fund manager and has a leading position within discretionary asset management for institutional clients in Norway and Sweden. The company had entered into more than 300 000 savings agreements at year-end 2006, an increase of 10 per cent compared with 2005. Asset management performance improved in 2006. Return on equity rose from 21.6 per cent in 2005 to 22.1 per cent in 2006. The cost/income ratio was down from 62.0 per cent to 59.5 per cent in 2006.

DnB NOR recorded pre-tax operating profits of NOK 274 million in 2006. DnB NOR started its operations in December 2005 and is jointly owned by DnB NOR with 51 per cent and the German bank NORD/LB with 49 per cent. Customer lending totalled NOK 37.6 billion at year-end 2006, up 60.0 per cent compared with pro forma figures for 2005. DnB NOR is established in areas with sound growth, such as the Baltic region and Poland, and expects to grow at least in pace with the market.

Return on capital was 10.5 per cent and the cost/income ratio 68.2 per cent in 2006.

Future prospects

The economic climate in Norway was very favourable in 2006. A high level of optimism and low interest rate levels encouraged healthy growth in corporate investments and high credit demand. The demand for housing loans remained at a very high level throughout 2006 despite a gradual rise in interest rate levels.

Continued growth is expected in the Norwegian economy during 2007, despite the warning from Norges Bank that it will tighten its monetary policy. A high level of optimism, healthy income growth and sound corporate and household finances will help maintain good, but somewhat lower future lending growth. Sizeable corporate profits ensured a strong rise in deposits in 2006. The growth is anticipated to be somewhat subdued in 2007. Rising interest rate levels and real wage growth for Norwegian households are expected to lead to an increase in savings and deposits in 2007.

The Group is determined to exploit in full its size and broad range of products and services. Moreover, productivity and cost awareness will be improved at all levels.

Competition in the housing loan market is expected to become more intense in future, as is competition in the credit card market and within consumer financing. With its wide range of products, extensive distribution network and competence, DnB NOR is well-equipped to meet

the intensifying competition. DnB NOR aims to enhance customer satisfaction in 2007 and to maintain or increase its market shares in Norway.

During 2006, Vital gained a position as a leading player in the Norwegian mandatory occupational pension market, and has thus laid the grounds for an increase in future premium income. New operating parameters will be introduced from 2008, entailing considerable changes for the entire insurance sector in Norway. Changes in parameters will result in new and interesting opportunities for Vital.

DnB NOR expects robust and targeted international growth in 2007. Operations in Sweden and in DnB NORD will be further strengthened over the next few years. The acquisition of BISE Bank in Poland is part of this expansion. Vital has applied for a concession to start life insurance operations in Latvia and Lithuania, scheduled to be launched in the first half of 2007 in close cooperation with DnB NORD. DnB NOR Asset Management is planning to strengthen distribution in Germany via Luxembourg, and distribution channels will be established in the Baltic region and Poland as part of the cooperation with DnB NORD. DnB NOR Monchebank has given the Group an important foothold in North-West Russia, which is an area with sound economic growth. The opening of a branch in China was an important element in DnB NOR's strategy to consolidate its position as one of the world's leading ship finance banks. The Group's international operations will represent an increasing share of profit growth in 2007.

Oslo, 21 February 2007
The Board of Directors of DnB NOR ASA

Olav Hytta
(chairman)

Bjørn Sund
(vice-chairman)

Per Hoffmann

Nina Britt Husebø

Berit Kjøll

Jørn O. Kvilhaug

Bent Pedersen

Heidi M. Petersen

Ingjerd Skjeldrum

Anne Carine Tanum

Per Terje Vold

Rune Bjerke
(group chief executive)

Income statement

		DnB NOR Group				
						Pro forma
<i>Amounts in NOK million</i>	Note	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005	full year 2004 ¹⁾
Total interest income		12 556	8 134	42 381	29 973	28 918
Total interest expenses		8 581	4 661	27 092	16 363	15 611
Net interest income		3 975	3 473	15 289	13 610	13 306
Commissions and fees receivable etc.	3, 4	2 371	2 298	8 963	8 362	7 857
Commissions and fees payable etc.	3, 4	583	565	2 253	2 320	2 267
Net gains on financial instruments at fair value	3	1 150	794	3 610	2 915	2 010
Net gains on assets in Vital	3, 4	6 022	3 925	16 131	14 379	10 138
Guaranteed returns and allocations to policyholders in Vital	3, 4	5 731	3 616	14 584	13 111	8 350
Premium income etc. included in the risk result in Vital	3, 4	1 191	1 594	4 314	3 925	3 439
Insurance claims etc. included in the risk result in Vital	3, 4	1 146	1 542	4 324	3 828	3 745
Net realised gains on investment securities (AFS)	3	0	0	0	167	59
Profit from companies accounted for by the equity method	3	24	1	171	118	98
Other income	3	323	342	1 176	1 117	1 247
Net other operating income	3, 4	3 622	3 230	13 204	11 725	10 486
Total income		7 597	6 703	28 493	25 335	23 792
Salaries and other personnel expenses	4, 5	2 129	1 635	7 967	6 737	6 874
Other expenses	4, 5	1 669	1 536	5 745	5 474	6 567
Depreciation and impairment of fixed and intangible assets	4, 5	196	165	715	653	961
Total operating expenses	4, 5	3 994	3 336	14 427	12 864	14 402
Net gains on fixed and intangible assets	8	66	172	365	775	914
Write-downs on loans and guarantees	9, 10	(16)	(40)	(258)	137	(179)
Pre-tax operating profit		3 684	3 578	14 689	13 109	10 484
Taxes	4	291	582	2 881	2 965	2 322
Profit from discontinuing operations after taxes		0	0	0	0	79
Profit for the period		3 394	2 996	11 808	10 144	8 241
Profit attributable to shareholders		3 366	2 996	11 665	10 131	8 244
Profit attributable to minority interests		28	0	143	13	(3)
Earnings per share (NOK)		2.52	2.24	8.74	7.59	6.25
Diluted earnings per share (NOK)		2.52	2.24	8.74	7.59	6.23
Earnings per share for discontinuing operations (NOK)		0.00	0.00	0.00	0.00	0.06
Diluted earnings per share for discontinuing operations (NOK)		0.00	0.00	0.00	0.00	0.06

1) Pro forma figures including effects resulting from the implementation of IAS 39 and IFRS 4.

Balance sheets

		DnB NOR Group		
		31 Dec.	31 Dec.	1 Jan.
<i>Amounts in NOK million</i>		2006	2005	2005
	Note			
Assets ¹⁾				
Cash and deposits with central banks		11 453	21 229	8 780
Lending to and deposits with credit institutions		71 091	40 854	26 013
Lending to customers	11, 12, 13	827 947	697 579	583 510
Commercial paper and bonds		172 040	145 475	116 990
Shareholdings		51 393	35 980	29 195
Financial assets, customers bearing the risk		18 840	13 136	9 747
Financial derivatives		57 999	33 913	43 164
Shareholdings, available for sale		0	0	303
Commercial paper and bonds, held to maturity		62 444	52 587	55 645
Investment property		25 816	23 143	19 423
Investments in associated companies		1 515	1 402	1 507
Intangible assets	14	6 471	6 042	5 689
Deferred tax assets		38	52	326
Fixed assets		5 478	5 120	5 146
Biological assets		0	0	278
Discontinuing operations		27	27	51
Other assets		7 691	4 889	6 626
Total assets		1 320 242	1 081 428	912 393
Liabilities and equity ¹⁾				
Loans and deposits from credit institutions		124 372	108 056	59 130
Deposits from customers		474 526	410 991	353 084
Financial derivatives		58 812	31 845	44 721
Securities issued		326 806	236 631	192 753
Insurance liabilities, customers bearing the risk		18 840	13 136	9 747
Liabilities to life insurance policyholders		188 096	174 675	152 965
Payable taxes		4 091	943	2 574
Deferred taxes		730	1 759	0
Other liabilities		18 812	14 333	16 612
Discontinuing operations		0	0	24
Provisions		4 768	4 594	5 619
Subordinated loan capital		33 977	26 112	24 654
Total liabilities		1 253 829	1 023 075	861 885
Minority interests		2 201	946	33
Revaluation reserve		0	0	122
Share capital		13 341	13 369	13 271
Other reserves and retained earnings		50 870	44 038	37 082
Total equity		66 413	58 353	50 508
Total liabilities and equity		1 320 242	1 081 428	912 393
Off-balance sheet transactions and contingencies	16			

1) See note 4 for specification of balance sheet items in Vital.

Statement of changes in equity

DnB NOR Group

<i>Amounts in NOK million</i>	Minority interests ¹⁾	Revaluation reserve	Share capital	Share premium reserve	Other equity ¹⁾	Total other reserves and retained earnings	Total equity
Balance sheet as at 1 January 2005	33	122	13 271	11 741	25 341	37 082	50 508
Net change in shares available for sale		(122)					(122)
Net change in currency translation reserve	0				11	11	11
Total valuation changes not recognised in profit and loss		(122)			11	11	(111)
Profit for the period	13				10 131	10 131	10 144
Net income for the period	13	(122)			10 142	10 142	10 033
Share issue, employee subscription rights programme ²⁾			97	222		222	320
Dividends 2004					(3 410)	(3 410)	(3 410)
Minority interests DnB NOR	940						940
Other minority interests	(40)						(40)
Balance sheet as at 31 December 2005	946	0	13 369	11 963	32 075	44 038	58 353
Net change in currency translation reserve	44				32	32	76
Profit for the period	143				11 665	11 665	11 808
Net income for the period	187				11 698	11 698	11 884
Dividends 2005					(4 680)	(4 680)	(4 680)
Repurchases of own shares			(28)		(184)	(184)	(212)
Minority interests DnB NOR	1 071						1 071
Other minority interests	(3)				(1)	(1)	(4)
Balance sheet as at 31 December 2006	2 201	0	13 341	11 963	38 907	50 870	66 413

1) Of which currency translation reserve:

<i>Balance sheet as at 1 January 2005</i>	<i>0</i>				<i>(87)</i>		<i>(87)</i>
<i>Net change in currency translation reserve</i>	<i>0</i>				<i>11</i>		<i>11</i>
<i>Balance sheet as at 31 December 2005</i>	<i>0</i>				<i>(76)</i>		<i>(76)</i>
<i>Net change in currency translation reserve</i>	<i>44</i>				<i>32</i>		<i>76</i>
<i>Balance sheet as at 31 December 2006</i>	<i>44</i>				<i>(44)</i>		<i>0</i>

2) In accordance with the subscription rights programme, employees subscribed for 9 736 376 shares at NOK 32.83 per share in 2005.

Cash flow statements

DnB NOR Group

<i>Amounts in NOK million</i>	Note	Full year 2006	Full year 2005
OPERATIONS			
Net payments on loans to customers		(135 673)	(86 045)
Net receipts on deposits from customers		66 315	45 478
Interest received from customers		40 136	25 572
Interest paid to customers		(9 065)	(6 421)
Net payments on sales of financial assets for investment or trading		(33 948)	(22 547)
Net receipts on commissions and fees		9 243	8 689
Payments to operations		(15 726)	(14 918)
Taxes paid		(1 683)	(1 848)
Receipts on premiums		17 442	17 803
Net receipts/payments on premium reserve transfers		(2 209)	1 704
Payments of insurance settlements		(11 942)	(8 017)
Other receipts		1 107	1 078
Net cash flow relating to operations		(76 001)	(39 472)
INVESTMENT ACTIVITY			
Net payments on the acquisition of fixed assets	Note 14	(932)	(242)
Receipts on the sale of long-term investments in shares	Note 8	212	1 291
Payments on the acquisition of long-term investments in shares	Note 8	(167)	(1 349)
Dividends received on long-term investments in shares		43	59
Net cash flow relating to investment activity		(844)	(241)
FUNDING ACTIVITY			
Net receipts/payments on loans from credit institutions		(8 215)	19 543
Net receipts/payments on other short-term liabilities		(1 644)	2 463
Net issue of bonds and commercial paper ¹⁾		95 281	37 685
Issue of subordinated loan capital		10 302	1 594
Redemptions of subordinated loan capital		(2 433)	(952)
Repurchase of own shares/share issue	Statement of changes in equity	(212)	320
Dividend payments	Statement of changes in equity	(4 680)	(3 410)
Net interest payments on funding activity		(17 674)	(7 413)
Net cash flow from funding activity		70 725	49 830
Net cash flow		(6 120)	10 116
Cash as at 1 January		24 714	14 597
Net receipts/payments on cash		(6 120)	10 116
Cash as at 31 December		18 594	24 714

The cash flow statement shows receipts and payments of cash and cash equivalents during the year. The statement has been prepared in accordance with the direct method and has been adjusted for items that do not generate cash flows, such as depreciation and write-downs on loans and guarantees. Cash flows are classified as operating activities, investment activities or funding activities. Balance sheet items are adjusted for the effects of exchange rate movements. Cash is defined as cash and deposits with central banks, and deposits with credit institutions with no agreed period of notice.

1) A significant share of the Group's operations was during 2005 and 2006 funded by issuing bonds and commercial paper.

Key figures ¹⁾

	DnB NOR Group				
	4th quarter	4th quarter	Full year	Full year	Pro forma
	2006	2005	2006	2005	full year
					2004
Interest rate analysis					
1. Combined average spread for lending and deposits (%)	2.04	2.12	2.10	2.19	2.37
2. Spread for ordinary lending to customers (%)	1.15	1.40	1.28	1.49	1.67
3. Spread for deposits from customers (%)	0.89	0.72	0.82	0.70	0.70
Rate of return/profitability					
4. Net other operating income, per cent of total income	47.7	48.2	46.3	46.3	44.1
5. Cost/income ratio (%)	50.4	47.5	50.1	50.2	56.0
6. Return on equity, annualised (%)	21.5	21.5	19.5	18.8	17.7
7. RARORAC, annualised (%)	22.8	25.0	22.0	24.1	23.9
8. RORAC, annualised (%)	25.4	29.6	26.4	29.8	28.5
9. Average equity including allocated dividend (NOK million)	62 527	55 816	59 862	53 111	46 775
10. Return on average risk-weighted volume, annualised (%)	1.56	1.74	1.50	1.58	1.41
Financial strength					
11. Core (Tier 1) capital ratio at end of period (%)	6.7	7.4	6.7	7.4	7.6
12. Core (Tier 1) capital ratio incl. 50 per cent of profit for the period (%)	-	-	-	-	-
13. Capital adequacy ratio at end of period (%)	10.0	10.2	10.0	10.2	10.7
14. Capital adequacy ratio incl. 50 per cent of profit for the period (%)	-	-	-	-	-
15. Core capital at end of period (NOK million)	59 054	52 523	59 054	52 523	45 059
16. Risk-weighted volume at end of period (NOK million)	880 292	714 039	880 292	714 039	591 906
Loan portfolio and write-downs					
17. Write-downs relative to net lending to customers, annualised	(0.01)	(0.02)	(0.03)	0.02	(0.03)
18. Net non-performing and impaired commitments, per cent of net lending	0.45	0.63	0.45	0.63	0.97
19. Net non-performing and impaired commitments at end of period (NOK million)	3 800	4 751	3 800	4 751	5 726
Liquidity					
20. Ratio of customer deposits to net lending to customers at end of period (%)	57.3	58.9	57.3	58.9	60.5
Total assets owned or managed by DnB NOR					
21. Assets under management at end of period (NOK billion)	579	570	579	570	496
22. Total combined assets at end of period (NOK billion)	1 692	1 463	1 692	1 463	1 244
23. Customer savings at end of period (NOK billion)	1 056	987	1 056	987	856
Staff					
24. Number of full-time positions at end of period	11 824	11 334	11 824	11 334	9 966
The DnB NOR share					
25. Number of shares at end of period (1 000)	1 334 089	1 336 875	1 334 089	1 336 875	1 327 139
26. Average number of shares (1 000)	1 334 089	1 336 875	1 335 449	1 334 474	1 317 744
27. Earnings per share (NOK)	2.52	2.24	8.74	7.59	6.25
28. Total shareholders' return (%)	15.2	6.7	27.8	25.3	40.7
29. Dividend yield (%)	-	-	4.52	4.86	4.27
30. Equity per share including allocated dividend at end of period (NOK)	48.13	42.94	48.13	42.94	38.03
31. Share price at end of period (NOK)	88.50	72.00	88.50	72.00	59.75
32. Price/book value	1.84	1.68	1.84	1.68	1.57
33. Market capitalisation (NOK billion)	118.1	96.3	118.1	96.3	79.3

1) Comparable figures excluding DnB NOR and DnB NOR Monchebank.

Definitions

- 1, 2, 3 Based on nominal values excluding lending to / deposits with credit institutions and impaired loans.
- 5 Total ordinary expenses relative to total income. Ordinary expenses are excluding allocations to DnB NOR's employee funds.
- 6 Profits for the period are exclusive of profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity. Average equity is calculated on the basis of recorded equity excluding minority interests.
- 7 RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital. Risk-adjusted profits indicate the level of profits in a normalized situation.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital. Profits for the period are exclusive of profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity and for the difference between recorded interest on average equity and interest on risk-adjusted capital.
- 10 Profit for the period divided by average risk-weighted volume.
- 21 Total assets under management for customers in DnB NOR Asset Management and Vital.
- 22 Total assets and assets under management.
- 23 Total deposits from customers, assets under management and equity-linked bonds.
- 25 Excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting.
- 27 Excluding discontinuing operations and profits attributable to minority interests. Holdings of own shares are not included in calculations of the number of shares.
- 28 Closing price at end of period less closing price at beginning of period, included dividends reinvested in DnB NOR shares on the dividend payment date, divided by closing price at beginning of period.
- 30 Equity at end of period excluding minority interests divided by number of shares at end of period.
- 32 The last quoted share price on Oslo Børs at end of period relative to recorded equity at end of period.
- 33 Number of shares multiplied by the closing share price at end of period.

Note 1 – Accounting principles etc.

Accounting principles

The fourth quarter accounts have been prepared according to IFRS principles, including IAS 34 - Interim Financial Reporting. A description of accounting principles applied by the Group in preparing the accounts is found in the annual report for 2005, except for financial guarantee contracts issued. In the fourth quarter 2006 the DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts with effect from 1 January 2006. Under the new principles financial guarantee contracts issued are initially recorded in the balance sheet at fair value and subsequently at the highest of fair value adjusted for any cumulative amortisation of commissions or the implicit liability in the contract. Except for individually identified impaired commitments, any changes in the value of financial guarantee contracts issued including amortisation of commissions are recorded as "Net gains on financial instruments at fair value". Changes in the value of financial guarantee contracts issued included in individually identified impaired commitments are recorded under "Write-downs on loans and guarantees". The fair values of financial guarantee contracts issued are recorded under "Provisions" in the balance sheet.

Comparable figures

Comparable figures are based on IFRS. Comparable figures have not been restated as a result of the establishment of DnB NOR and purchase of Monchebank.

Previously reported accounting figures have been restated in accordance with new accounting principles for financial guarantee contracts issued. The effects of changes in figures presented earlier are shown in the tables below.

Changes in income statement

<i>Amounts in NOK million</i>	DnB NOR Group				
	3rd quarter 2006	2nd quarter 2006	1st quarter 2006	4th quarter 2005	Full year 2005
Commissions and fees receivable etc.	(92)	(89)	(84)	(80)	(303)
Commissions and fees payable etc.	(2)	(1)	(1)	(1)	(3)
Net gains on financial instruments at fair value	109	67	69	87	304
Net other operating income	19	(20)	(14)	8	4
Write-downs on loans and guarantees	19	(20)	(14)	8	4
Profit for the period	0	0	0	0	0

Changes in balance sheet figures

<i>Amounts in NOK million</i>	DnB NOR Group				
	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005	1 Jan. 2005
Lending to customers	90	109	89	75	79
Total assets	90	109	89	75	79
Other liabilities	(27)	(26)	(26)	(24)	(17)
Provisions	117	135	115	99	96
Total liabilities and equity	90	109	89	75	79

Business areas

The operational structure of DnB NOR includes five business areas and four staff and support units. In addition, DnB NOR, which was incorporated in the Group from year-end 2005, is reported as a separate profit centre. The business areas carry responsibility for customer segments served by the Group, as well as the products offered.

The profit and loss accounts and balance sheets for segments have been prepared on the basis of internal financial reporting for the functional organisation of the DnB NOR Group into business areas. Figures for the business areas are based on DnB NOR's management model and the Group's accounting principles. The figures are based on a number of assumptions, estimates and discretionary distribution. See note 2 Business areas.

Note 2 – Business areas

Income statement, fourth quarter ¹⁾													DnB NOR Group	
	Corporate Banking and Payment Services 4th quarter		Retail Banking 4th quarter		DnB NOR Markets 4th quarter		Vital 4th quarter		DnB NOR Asset Management 4th quarter		DnB NORD ²⁾ 4th quarter		Other operations/ eliminations 4th quarter	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	1 777	1 474	1 718	1 894	57	64	0	0	0	(19)	197		225	60
Interest on allocated capital	256	147	129	82	30	14	0	0	16	8	23		(454)	(252)
Net interest income	2 033	1 621	1 847	1 976	87	78	0	0	16	(10)	220		(229)	(193)
Net other operating income	791	606	757	903	1 132	784	674	664	319	302	91		(142)	(29)
Total income	2 824	2 227	2 604	2 880	1 219	862	674	664	335	292	311		(370)	(222)
Operating expenses ^{*)}	1 050	868	1 551	1 634	443	340	338	291	184	147	229		200	56
Pre-tax operating profit before write-downs	1 774	1 359	1 054	1 246	777	522	336	373	151	145	82		(570)	(278)
Net gains on fixed and intangible assets	(4)	16	9	0	0	0	0	0	0	0	2		59	157
Write-downs on loans and guarantees	(39)	(145)	(32)	67	0	0	0	0	0	0	38		17	39
Pre-tax operating profit	1 810	1 521	1 094	1 179	777	522	336	373	151	145	45		(528)	(160)
<i>*) Of which group overhead</i>	19	16	12	9	5	3	3	6	2	1	0		(42)	(34)

Income statement, full year ¹⁾													DnB NOR Group	
	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Vital		DnB NOR Asset Management		DnB NORD ²⁾		Other operations/ eliminations ³⁾	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	6 594	5 700	7 216	7 363	251	235	0	0	(4)	(21)	689		544	334
Interest on allocated capital	814	501	433	286	93	47	0	0	49	29	68		(1 459)	(863)
Net interest income	7 408	6 201	7 649	7 649	344	282	0	0	45	8	757		(915)	(530)
Net other operating income	2 717	2 554	3 100	3 084	3 582	2 733	2 686	2 423	1 162	1 028	310		(353)	(97)
Total income	10 125	8 755	10 749	10 733	3 927	3 015	2 686	2 423	1 207	1 036	1 067		(1 268)	(626)
Operating expenses ^{*)}	3 704	3 284	6 076	6 215	1 537	1 268	1 254	1 105	718	642	728		410	350
Pre-tax operating profit before write-downs	6 421	5 471	4 673	4 518	2 390	1 747	1 431	1 318	489	393	339		(1 678)	(976)
Net gains on fixed and intangible assets	134	511	9	(1)	0	0	0	0	0	(2)	9		212	267
Write-downs on loans and guarantees	(43)	(28)	111	254	0	10	0	0	0	0	74		(400)	(100)
Pre-tax operating profit	6 599	6 011	4 571	4 263	2 390	1 736	1 431	1 318	489	391	274		(1 065)	(610)
<i>*) Of which group overhead</i>	95	61	49	35	21	14	27	23	10	3	0		(202)	(136)

1) Figures for the business areas are based in internal management reporting. The figures have been restated in accordance with the Group's current principles for allocating costs and capital between business areas.

2) Included in the balance sheet of the DnB NOR Group as of 31 December 2005.

Note 2 – Business areas (continued)

3) Other operations/ eliminations:	Elimination of double entries		Other eliminations		Group Centre ^{*)}	
	4th quarter		4th quarter		4th quarter	
Amounts in NOK million	2006	2005	2006	2005	2006	2005
Net interest income - ordinary operations	(2)	(3)	(49)	(35)	277	98
Interest on allocated capital					(454)	(252)
Net interest income	(2)	(3)	(49)	(35)	(177)	(154)
Net other operating income	(401)	(297)	55	101	204	167
Total income	(403)	(300)	6	66	27	13
Operating expenses			28	86	172	(30)
Pre-tax operating profit before write-downs	(403)	(300)	(22)	(20)	(145)	43
Net gains on fixed and intangible assets			0	0	59	157
Write-downs on loans and guarantees			0	0	17	39
Pre-tax operating profit	(403)	(300)	(22)	(20)	(103)	160

The Group Centre includes Human Resources and Group Services, Finance/Group Staff, Risk Management and IT, Corporate Communications, 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. The eliminations refer mainly to internal services from support units to business areas and between business areas. Further, intra-group company transactions and gains and losses on transactions between companies in the Group are eliminated. The elimination of double entries 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.

*) Group Centre - pre-tax operating profit in NOK million	4th quarter	
	2006	2005
Income on equities	168	107
Net gains on fixed and intangible assets	59	157
Group write-downs	21	(31)
Allocation to employee funds (concerns employees in the Group Centre)	(22)	(20)
Funding costs on goodwill	(42)	(30)
Portfolio hedging, Treasury	(87)	(78)
Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	(46)	(52)
Unallocated	(73)	58
Other	(80)	49
Pre-tax operating profit	(103)	160

Main average balance sheet items ¹⁾

Amounts in NOK billion	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Vital ²⁾		DnB NOR Asset Management		DnB NOR ³⁾		DnB NOR Group Other operations/ eliminations	
	4th quarter		4th quarter		4th quarter		4th quarter		4th quarter		4th quarter		4th quarter	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net lending to customers ⁴⁾	382.9	304.2	404.3	362.8	9.3	3.6					37.2		2.3	(34.9)
Customer deposits ⁴⁾	257.1	216.3	211.0	199.5	11.4	14.5					11.9		(12.7)	(43.7)
Assets under management							218.6	198.1	541.6	529.8			(174.7)	(165.1)

Key figures ¹⁾

Per cent	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Vital		DnB NOR Asset Management		DnB NOR ³⁾		DnB NOR Group Other operations	
	4th quarter		4th quarter		4th quarter		4th quarter		4th quarter		4th quarter		4th quarter	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Cost/income ratio	37.2	39.0	59.5	56.7	36.3	39.5			55.0	50.4	73.6			
Ratio of deposits to lending ⁴⁾	67.2	71.1	52.2	55.0							32.1			
Return on capital BIS ^{5) 6)}	18.3	18.9	22.1	26.2	66.4	65.9	48.7	31.3	25.0	31.7	5.7			
Full-time positions ⁷⁾	2 635	2 356	4 080	4 103	562	538	815	756	300	285	1 989	1 754	1 444	1 542

- 1) Figures for the business areas are based in internal management reporting. The figures have been restated in accordance with the Group's current principles for allocating costs and capital between business areas.
- 2) Assets under management include total assets.
- 3) Included in the balance sheet of the DnB NOR Group as of 31 December 2005.
- 4) Based on nominal values and includes lending to credit institutions.
- 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 Vital and DnB NOR 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. the expected tax rate for DnB NOR is 15 per cent while accounted taxes are applied for Vital.
- 7) Figures are as at 31 December. An increase of 250 full-time positions in Corporate Banking and Payment Services resulting from the acquisition of Monchebank in January 2006.

Note 3 – Net other operating income

<i>Amounts in NOK million</i>	DnB NOR Group			
	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Money transfer fees receivable	707	771	2 852	3 057
Fees on asset management services	357	348	1 325	1 178
Fees on custodial services	97	90	370	309
Fees on securities broking	87	103	427	370
Corporate finance	184	142	548	415
Interbank fees	33	46	148	185
Credit broking commissions	92	66	290	190
Sales commissions on insurance products	558	516	2 000	1 802
Sundry commissions and fees receivable on banking services	256	216	1 003	855
Total commissions and fees receivable etc.	2 371	2 298	8 963	8 362
Money transfer fees payable	219	259	936	1 048
Commissions payable on fund management services	41	18	128	102
Fees on custodial services payable	24	21	119	94
Interbank fees	49	66	219	259
Credit broking commissions	10	38	34	197
Commissions payable on the sale of insurance products	61	69	236	207
Sundry commissions and fees payable on banking services	179	95	582	412
Total commissions and fees payable etc.	583	565	2 253	2 320
Net gains on financial instruments at fair value	1 150	794	3 610	2 915
Net gains on assets in Vital	6 022	3 925	16 131	14 379
Guaranteed returns and allocations to policyholders in Vital	5 731	3 616	14 584	13 111
Premium income etc. included in the risk result in Vital	1 191	1 594	4 314	3 925
Insurance claims etc. included in the risk result in Vital	1 146	1 542	4 324	3 828
Net realised gains on investment securities (AFS)	0	0	0	167
Profit from companies accounted for by the equity method	24	1	171	118
Income from owned/leased premises	29	21	108	96
Fees on real estate broking	194	175	746	645
Net unrealised gains on investment property	0	(11)	0	(9)
Miscellaneous operating income	100	156	322	384
Total other income	323	342	1 176	1 117
Net other operating income	3 622	3 230	13 204	11 725

Note 3 – Net other operating income (continued)

Last five quarters	DnB NOR Group				
	4th quarter 2006	3rd quarter 2006	2nd quarter 2006	1st quarter 2006	4th quarter 2005
<i>Amounts in NOK million</i>					
Money transfer fees receivable	707	719	710	717	771
Fees on asset management services	357	311	322	335	348
Fees on custodial services	97	84	99	89	90
Fees on securities broking	87	81	126	133	103
Corporate finance	184	52	96	217	142
Interbank fees	33	40	36	39	46
Credit broking commissions	92	58	103	36	66
Sales commissions on insurance products	558	443	488	512	516
Sundry commissions and fees receivable on banking services	256	263	236	249	216
Total commissions and fees receivable etc.	2 371	2 050	2 215	2 328	2 298
Money transfer fees payable	219	243	237	236	259
Commissions payable on fund management services	41	27	30	30	18
Fees on custodial services payable	24	27	35	34	21
Interbank fees	49	57	54	59	66
Credit broking commissions	10	7	10	7	38
Commissions payable on the sale of insurance products	61	47	67	61	69
Sundry commissions and fees payable on banking services	179	122	133	148	95
Total commissions and fees payable etc.	583	530	566	574	565
Net gains on financial instruments at fair value	1 150	705	739	1 015	794
Net gains on assets in Vital	6 022	2 723	2 445	4 941	3 925
Guaranteed returns and allocations to policyholders in Vital	5 731	2 392	2 008	4 453	3 616
Premium income etc. included in the risk result in Vital	1 191	1 001	1 059	1 063	1 594
Insurance claims etc. included in the risk result in Vital	1 146	960	1 121	1 097	1 542
Net realised gains on investment securities (AFS)	0	0	0	0	0
Profit from companies accounted for by the equity method	24	94	24	29	1
Income from owned/leased premises	29	16	34	29	21
Fees on real estate broking	194	198	197	158	175
Net unrealised gains on investment property	0	0	(1)	1	(11)
Miscellaneous operating income	100	48	73	102	156
Total other income	323	262	302	290	342
Net other operating income	3 622	2 951	3 090	3 541	3 230

Note 4 – Vital

The business area Vital in DnB NOR comprises Vital Forsikring ASA including subsidiaries and the sister company Vital Link AS. Vital Forsikring ASA including subsidiaries and Vital Link AS are fully consolidated in the DnB NOR Group's accounts. Profit sharing between policyholders and the owner in life insurance companies is based on special accounting regulations for such operations stipulated by the Norwegian Ministry of Finance. Regulations relating to profit sharing between the owner and policyholders in life insurance companies limit the DnB NOR Group's access to revenues and assets from life insurance operations.

Below, the income statement and balance sheets for Vital as included in the DnB NOR Group's accounts, are described.

Income statement ¹⁾	Vital			
<i>Amounts in NOK million</i>	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Total interest income				
Total interest expenses				
Net interest income				
Commissions and fees receivable etc.	498	500	1 836	1 630
Commissions and fees payable etc.	172	185	673	562
Net gains on financial instruments at fair value				
Net gains on assets in Vital	6 033	3 913	16 117	14 369
Guaranteed returns and allocations to policyholders in Vital	5 731	3 616	14 584	13 111
Premium income etc. included in the risk result in Vital	1 191	1 595	4 314	3 925
Insurance claims etc. included in the risk result in Vital	1 146	1 542	4 324	3 828
Net realised gains on investment securities (AFS)				
Profit from companies accounted for by the equity method				
Other income				
Net other operating income	674	664	2 686	2 423
Total income	674	664	2 686	2 423
Salaries and other personnel expenses	183	151	676	575
Other expenses	137	116	501	434
Depreciation and impairment of fixed and intangible assets	19	24	77	97
Total operating expenses	338	291	1 254	1 105
Net gains on fixed and intangible assets				
Write-downs on loans and guarantees				
Pre-tax operating profit	336	373	1 431	1 318
Taxes	(765)	(306)	(771)	(331)
Profit from discontinuing operations after taxes				
Profit for the period ²⁾	1 101	679	2 202	1 649

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

Note 4 – Vital (continued)

2) Breakdown of income statement

<i>Amounts in NOK million</i>	4th quarter	4th quarter	Full year	Vital
	2006	2005	2006	2005
Interest result	2 975	1 912	7 080	6 053
Risk result	46	52	(8)	94
Administration result	12	(15)	(51)	(83)
Pension costs ^{a)}	0	380	0	380
Total result within life insurance	3 033	1 569	7 021	5 684
Transferred from security reserve	(3)	2	(3)	(4)
Profit for distribution within life insurance ^{*)}	3 030	1 571	7 018	5 680
Transferred to additional allocations	2 740	1 500	2 740	1 500
Funds transferred to policyholders	(51)	(164)	2 838	3 008
Pre-tax operating profit - life insurance	341	235	1 439	1 172
Pre-tax operating profit - unit linked	(12)	(14)	(31)	(6)
Taxes	(765)	(426)	(771)	(452)
Profit for the period in Vital	1 095	647	2 179	1 618
Adjustments in the Group accounts ^{a)}	5	31	22	31
Result for the period in Vital in the Group accounts	1 100	679	2 202	1 649

*) Specification of profits for distribution within life insurance

Of which profit for operations subject to profit sharing	3 034	1 547	7 007	5 648
- funds transferred to policyholders	(51)	(164)	2 838	3 008
- funds transferred to additional allocations	2 740	1 500	2 740	1 500
- profits for allocation to the owner and taxes	345	211	1 428	1 140
Of which profit from operations not subject to profit sharing	(4)	24	11	32

Profits for allocation to the owner and taxes for life insurance operations subject to profit sharing include:

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

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

- a) Increase in pension costs after transition to IFRS for pensions in Vital in 2005. The effect for the owner of the transition after taxes, NOK 31 million, was reflected in the DnB NOR Group's opening balance sheet as at 1 January 2004. Reversal of goodwill amortisation represented NOK 5 million and NOK 22 million respectively in the accounts for the fourth quarter and for the January through December period of 2006.

Note 4 – Vital (continued)

Balance sheets ¹⁾	Vital	
<i>Amounts in NOK million</i>	31 Dec. 2006	31 Dec. 2005
Assets		
Cash and deposits with central banks		
Lending to and deposits with credit institutions	7 185	11 527
Lending to customers		
Commercial paper and bonds	57 838	67 457
Shareholdings	47 291	32 445
Financial assets, customers bearing the risk	18 840	13 136
Financial derivatives	1 654	786
Commercial paper and bonds, held to maturity	62 444	52 587
Investment property	25 668	22 872
Investments in associated companies	16	14
Intangible assets	294	252
Deferred tax assets	185	
Fixed assets	75	50
Discontinuing operations		
Other assets	2 161	1 533
Total assets	223 650	202 659
Liabilities and equity		
Loans and deposits from credit institutions		
Deposits from customers		
Financial derivatives	1 166	1 080
Securities issued		
Insurance liabilities, customers bearing the risk	18 840	13 136
Liabilities to life insurance policyholders	188 096	174 675
Payable taxes		
Deferred taxes		99
Other liabilities	3 259	1 991
Discontinuing operations		
Provisions	124	133
Subordinated loan capital	2 556	2 594
Total liabilities	214 040	193 708
Minority interests		
Revaluation reserve		
Share capital	1 310	1 307
Other reserves and retained earnings	8 300	7 643
Total equity	9 610	8 951
Total liabilities and equity	223 650	202 659

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

Note 4 – Vital (continued)

Key figures

<i>Per cent</i>	4th quarter	4th quarter	Full year	Vital
	2006	2005	2006	2005
Recorded return, excluding unrealised gains on financial instruments ¹⁾	2.6	2.1	7.5	7.3
Value-adjusted return, excluding changes in unrealised gains on commercial paper and bonds held to maturity ¹⁾	3.6	2.4	8.1	8.3
Value-adjusted return, including changes in unrealised gains on commercial paper and bonds held to maturity and unrealised gains on current assets ¹⁾	2.8	2.1	6.4	7.7
Return on capital after taxes ^{2) 3)}	48.7	31.3	25.0	20.7
Expenses in per cent of policyholders' funds ^{1) 2) 4)}	0.84	1.03	0.84	0.90
Capital adequacy ratio at the end of the period ^{1) 5)}	9.8	11.7	9.8	11.7
Core capital ratio at the end of the period ^{1) 5)}	7.4	8.9	7.4	8.9
Policyholders funds, life insurance, at the end of the period (NOK billion)	188	175	188	175
Policyholders funds unit linked at the end of the period (NOK billion)	19	13	19	13
Solvency margin capital in per cent of requirement at the end of the period ^{1) 5) 6)}	164	158	164	158
Number of employees calculated on a full-time basis at end of period	815	756	815	756

1) Vital Forsikring ASA including subsidiaries.

2) Figures are annualised.

3) Calculated on the basis of recorded equity.

4) Expenses charged to the administration result within life insurance. Calculated according to NGAAP.

5) Kredittilsynet (the Financial Supervisory Authority of Norway) and the Ministry of Finance have not adapted solvency capital or capital adequacy regulations to IFRS.

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

Note 5 – Operating expenses

<i>Amounts in NOK million</i>	DnB NOR Group			
	4th quarter	4th quarter	Full year	Full year
	2006	2005	2006	2005
Ordinary salaries	1 559	1 378	5 814	5 179
Employer's national insurance contributions	223	174	818	752
Pension expenses	233	(36)	913	400
Social expenses	115	119	421	407
Total salaries and other personnel expenses	2 129	1 635	7 967	6 737
Fees	247	140	781	652
EDP expenses	413	364	1 493	1 439
Postage and telecommunications	97	126	410	491
Office supplies	33	30	113	110
Marketing and public relations	177	147	599	506
Travel expenses	76	64	232	197
Reimbursement to Norway Post for transactions executed	36	156	269	555
Training expenses	30	18	77	51
Operating expenses on properties and premises	199	214	855	854
Operating expenses on machinery, vehicles and office equipment taken to expense	38	26	121	89
Allocations to employee funds	164	153	164	153
Restructuring expenses	61	0	73	0
Other operating expenses	97	98	558	377
Other expenses	1 669	1 536	5 745	5 474
Depreciation and impairment of fixed and intangible assets	196	165	715	653
Total operating expenses	3 994	3 336	14 427	12 864

Note 5 – Operating expenses (continued)

Last five quarters	DnB NOR Group				
	4th quarter 2006	3rd quarter 2006	2nd quarter 2006	1st quarter 2006	4th quarter 2005
<i>Amounts in NOK million</i>					
Ordinary salaries	1 559	1 438	1 393	1 424	1 378
Employer's national insurance contributions	223	198	193	204	174
Pension expenses ¹⁾	233	248	229	203	(36)
Social expenses	115	102	112	93	119
Total salaries and other personnel expenses	2 129	1 985	1 927	1 925	1 635
Fees	247	161	181	192	140
EDP expenses	413	336	386	358	364
Postage and telecommunications	97	99	110	104	126
Office supplies	33	26	26	27	30
Marketing and public relations	177	133	155	134	147
Travel expenses	76	51	55	51	64
Reimbursement to Norway Post for transactions executed	36	76	73	83	156
Training expenses	30	14	16	17	18
Operating expenses on properties and premises	199	211	213	232	214
Operating expenses on machinery, vehicles and office equipment taken to expense	38	28	23	32	26
Allocations to employee funds	164	0	0	0	153
Restructuring expenses	61	13	0	0	0
Other operating expenses	97	174	141	145	98
Other expenses	1 669	1 323	1 379	1 375	1 536
Depreciation and impairment of fixed and intangible assets	196	183	177	159	165
Total operating expenses	3 994	3 491	3 483	3 459	3 336

1) The low pension expenses in the fourth quarter of 2005 are due to the fact that changes in the subsidiaries' pension schemes had a much greater impact than previously estimated.

Note 6 – Restructuring provisions

Amounts in NOK million	DnB NOR Group		
	31 Dec. 2006 ¹⁾	Accrued expenses 2006	31 Dec. 2005 ²⁾
DnB NOR merger	30	205	235
<i>Of which: IT</i>		72	
Staff cuts		118	
Real estate		15	

1) The remaining restructuring provisions concerns restructuring measures not yet implemented in DnB NOR Asset Management.

2) In connection with the merger between DnB and Gjensidige NOR, a total of NOK 1 860 million was allocated to restructuring measures.

Note 7 – Number of employees/full-time positions ¹⁾

	DnB NOR Group			
	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Number of employees at end of period	12 187	11 716	12 187	11 716
Number of employees calculated on a full-time basis at end of period	11 824	11 334	11 824	11 334
Average number of employees	12 127	10 233	11 993	10 148
Average number of employees calculated on a full-time basis	11 752	9 867	11 616	9 766

1) Including fully consolidated units, but not units consolidated according to equity method.

Note 8 – Net gains on fixed and intangible assets

<i>Amounts in NOK million</i>	DnB NOR Group			
	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Development area, Oppegård			47	
Lodalen Utvikling			44	
Kirkegaten 17, Oslo	9		31	
Scanrope			16	
Exporama			30	
Bogstadveien 45, Oslo			61	
Haraldsgate 125, Haugesund		52		52
Søndregate 12, Trondheim		46		46
Follalaks				107
Helgelandske				16
Pan Fish				314
Aurora Salmon		4		63
Akersgt. 64-67, Oslo		24		88
Postbanken Eiendomsmegling		2		18
Other	57	44	136	71
Net gains on fixed and intangible assets	66	172	365	775

Note 9 – Write-downs on loans and guarantees

<i>Amounts in NOK million</i>	DnB NOR Group			
	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Write-offs	78	118	227	445
New individual write-downs	147	(74)	692	432
Total new individual write-downs	225	44	919	877
Reassessed individual write-downs	127	47	371	323
Total individual write-downs	98	(3)	548	554
Recoveries on commitments previously written off	93	76	388	320
Change in group write-downs on loans ¹⁾	(21)	39	(418)	(97)
Write-downs on loans and guarantees	(16)	(40)	(258)	137
<i>Of which individual write-downs on guarantees</i>	<i>(2)</i>	<i>13</i>	<i>(13)</i>	<i>13</i>
Write-offs covered by individual write-downs made in previous years	241	877	699	1 638

1) The DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts as from 1 January 2006. The figures have been restated accordingly, see note 1 Accounting principles.

Note 10 – Write-downs on loans and guarantees for principal sectors ¹⁾

<i>Amounts in NOK million</i>	DnB NOR Group			
	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Retail customers	(78)	56	48	270
International shipping	17	(15)	18	7
Real estate	(7)	(25)	(31)	(36)
Manufacturing	11	0	22	29
Services and management	19	(71)	13	(101)
Trade	(2)	(9)	28	25
Oil and gas	(5)	(1)	(7)	(5)
Transportation and communication	10	2	39	12
Building and construction	(5)	5	(4)	11
Power and water supply	1	(1)	0	1
Fishing	3	38	11	4
Hotels and restaurants	0	2	(7)	(4)
Agriculture and forestry	9	(1)	11	1
Other sectors	33	(13)	20	(18)
Total customers	6	(33)	161	196
Credit institutions	(1)	(46)	(1)	38
Change in group write-downs on loans ²⁾	(21)	39	(418)	(97)
Write-downs on loans and guarantees	(16)	(40)	(258)	137
<i>Of which individual write-downs on guarantees</i>	<i>(2)</i>	<i>13</i>	<i>(13)</i>	<i>13</i>

- 1) The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway. Customers are classified according to their main line of business.
- 2) The DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts as from 1 January 2006. The figures have been restated accordingly, see note 1 Accounting principles.

Note 11 – Lending to customers

<i>Amounts in NOK million</i>	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
Lending to customers, nominal amount	692 207	558 682
Individual write-downs	1 820	2 185
Lending to customers, after individual write-downs	690 387	556 497
+ Accrued interest	2 396	2 191
– Amortisation (fees etc.)	350	453
– Individual write-downs of accrued interest and amortisation	399	659
– Group write-downs ¹⁾	892	1 344
Lending to customers, at amortised cost	691 142	556 232
Lending to customers, nominal amount ²⁾	136 271	139 580
+ Accrued interest	681	664
+ Adjustment to fair value	(147)	1 103
Lending to customers, fair value	136 805	141 347
Lending to customers	827 947	697 579

- 1) The DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts as from 1 January 2006. The figures have been restated accordingly, see note 1 Accounting principles.
- 2) Including lending with interest fixing period recorded at fair value.

Note 12 – Net lending to principal sectors ¹⁾

<i>Amounts in NOK million</i>	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
Retail customers	417 580	374 115
International shipping	74 098	53 696
Real estate	116 161	98 908
Manufacturing	36 663	23 977
Services and management	64 468	47 248
Trade	32 041	27 074
Oil and gas	12 704	7 486
Transportation and communication	16 682	15 842
Building and construction	11 217	9 027
Power and water supply	7 304	6 148
Fishing	10 058	8 992
Hotels and restaurants	3 542	3 716
Agriculture and forestry	7 527	6 444
Central and local government	7 394	3 401
Other sectors	8 869	9 549
Total customers, after individual write-downs	826 308	695 624
– Group write-downs, customers ²⁾	892	1 344
+ Other adjustments	2 531	3 299
Lending to customers	827 947	697 579
Credit institutions, after individual write-downs	70 383	40 776
+ Other adjustments	708	77
Lending to and deposits with credit institutions	71 091	40 854

1) The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway. Customers are classified according to their main line of business.

2) The DnB NOR Group implemented IAS 39 - Financial Guarantee Contracts as from 1 January 2006. The figures have been restated accordingly, see note 1 Accounting principles.

Note 13 – Net impaired commitments for principal sectors

<i>Amounts in NOK million</i>	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
Retail customers	1 888	2 058
International shipping	(10)	(2)
Real estate	384	816
Manufacturing	542	411
Services	306	286
Trade	152	138
Oil and gas	1	9
Transportation and communication	132	107
Building and construction	119	111
Power and water supply	0	2
Fishing	86	186
Hotels and restaurants	71	69
Agriculture and forestry	119	61
Central and local government	0	6
Other sectors	10	469
Total customers	3 800	4 727
Credit institutions	0	24
Total	3 800	4 751

Note 14 – Intangible assets

	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
<i>Amounts in NOK million</i>		
Goodwill	5 823	5 623
Systems development	520	311
Postbanken brand name	51	51
Other intangible assets	77	57
Total intangible assets	6 471	6 042

Note 15 – Capital adequacy according to NGAAP ¹⁾

	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
<i>Amounts in NOK million</i>		
Share capital	13 341	13 369
Other equity	44 492	36 491
Total equity ¹⁾	57 833	49 859
Perpetual subordinated loan capital securities ^{2) 3)}	5 603	5 698
Deductions		
Pension funds above pension commitments	(182)	(165)
Goodwill	(4 454)	(4 673)
Deferred tax assets	(671)	(111)
Other intangible assets	(884)	(499)
Additions		
Portion of unrecognised actuarial gains/losses ⁴⁾	1 810	2 413
Core capital	59 054	52 523
Perpetual subordinated loan capital ^{2) 3)}	7 602	5 770
Term subordinated loan capital ³⁾	20 969	14 868
Supplementary capital	28 571	20 638
Deductions	0	0
Total eligible primary capital ⁵⁾	87 625	73 161
Total risk-weighted volume	880 292	714 039
Core capital ratio (per cent)	6.7	7.4
Capital ratio (per cent)	10.0	10.2

^{*)} *Equity - connection between capital adequacy and the accounts:*

	31 Dec. 2006
<i>Amounts in NOK million</i>	
Equity in the capital adequacy calculations	57 833
Repurchase of capital ⁶⁾	105
Equity according to NGAAP	57 938
IFRS effects:	
Dividends, retained in equity until disbursement	5 336
Exclusion of goodwill amortisation	1 269
Extended use of fair value of financial instruments	1 262
Market value of buildings for own use upon transition to IFRS	529
Other	79
Equity according to IFRS	66 413

- 1) Kredittilsynet has not adapted Norwegian capital adequacy regulations to IFRS. For the time being, capital adequacy calculations are based on special consolidation rules for the statutory accounts, which thus far are not allowed to be restated according to IFRS.
- 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) Calculations of capital adequacy include a total of NOK 744 million in subordinated loan capital in associated companies, in addition to subordinated loan capital in the Group's balance sheet.
- 4) Upon implementation of NRS 6A (IAS 19) in 2005, unrecognised actuarial gains/losses for pension commitments were charged to equity in the accounts. The Ministry of Finance has established a transitional rule whereby three-fifths of the amount recorded against equity can be included in capital adequacy calculations as at 31 December 2006. This effect will be reduced by one-fifth yearly.
- 5) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the DnB NOR Group's accounts as a different consolidation method ("pro rata consolidation") is used in calculating capital adequacy in relation to associated companies.
- 6) In connection with DnB NOR's repurchase of own shares, and in accordance with an agreement with the Norwegian Government, represented by the Ministry of Trade and Industry, a proportional share of government holdings has been redeemed to ensure that the government's percentage of ownership in DnB NOR is maintained at 34 per cent.

All figures are presented in accordance with rules prevailing at the time in question.

Note 16 – Off-balance sheet transactions and contingencies

Off-balance sheet transactions and additional information	DnB NOR Group	
	31 Dec. 2006	31 Dec. 2005
<i>Amounts in NOK million</i>		
Unutilised ordinary credit lines	245 827	186 328
Documentary credit commitments	15 705	9 115
Other commitments	447	1 654
Total commitments	261 979	197 097
Performance guarantees	21 702	14 764
Payment guarantees	18 010	14 519
Loan guarantees	6 302	4 013
Guarantees for taxes etc.	3 948	3 077
Other guarantee commitments	4 791	5 163
Total guarantee commitments	54 753	41 537
Support agreements	5 267	4 995
Total guarantee commitments etc. *)	60 020	46 531
*) Of which:		
Counter-guaranteed by financial institutions	1 584	1 498
Joint and several liabilities	0	0
Securities	75 931	49 669
are pledged as security for:		
Loans	75 816	49 558
Other activities	115	111

Contingencies

Due to its extensive operations in Norway and abroad, the DnB NOR Group will regularly be party to a number of legal actions. None of the current disputes are expected to have any material impact on the Group's financial position.

Lloyd's Underwriters has announced an action for damages against Vital Skade AS, maintaining that the company has been wrongfully involved in an insurance claim of up to NOK 200 million by Vital Skade. The claim is contested.

In 2004, DnB NOR Bank issued a writ against the Norwegian government, represented by the Central Tax Office for Large Companies, requiring that the tax assessment for 2002 be invalidated. The bank claimed that the tax authorities made incorrect use of the realisation principle with respect to interest rate and currency swaps, as no tax credit was awarded for net losses in the tax assessment. In 2006, the bank lost the case in the District Court. The outcome will have no material effect on the result for the DnB NOR group. The decision has been appealed.

Note 17 – Profit and balance sheet trends

Income statement	DnB NOR Group				
	4th quarter 2006	3rd quarter 2006	2nd quarter 2006	1st quarter 2006	4th quarter 2005
<i>Amounts in NOK million</i>					
Total interest income	12 556	10 961	10 001	8 864	8 134
Total interest expenses	8 581	7 049	6 219	5 242	4 661
Net interest income	3 975	3 911	3 781	3 622	3 473
Commissions and fees receivable etc.	2 371	2 050	2 215	2 328	2 298
Commissions and fees payable etc.	583	530	566	574	565
Net gains on financial instruments at fair value	1 150	705	739	1 015	794
Net gains on assets in Vital	6 022	2 723	2 445	4 941	3 925
Guaranteed returns and allocations to policyholders in Vital	5 731	2 392	2 008	4 453	3 616
Premium income etc. included in the risk result in Vital	1 191	1 001	1 059	1 063	1 594
Insurance claims etc. included in the risk result in Vital	1 146	960	1 121	1 097	1 542
Net realised gains on investment securities (AFS)	0	0	0	0	0
Profit from companies accounted for by the equity method	24	94	24	29	1
Other income	323	262	302	290	342
Net other operating income	3 622	2 951	3 090	3 541	3 230
Total income	7 597	6 863	6 871	7 163	6 703
Salaries and other personnel expenses	2 129	1 985	1 927	1 925	1 635
Other expenses	1 669	1 323	1 379	1 375	1 536
Depreciation and impairment of fixed and intangible assets	196	183	177	159	165
Total operating expenses	3 994	3 491	3 483	3 459	3 336
Net gains on fixed and intangible assets	66	135	151	12	172
Write-downs on loans and guarantees	(16)	(51)	(165)	(26)	(40)
Pre-tax operating profit	3 684	3 558	3 703	3 743	3 578
Taxes	291	844	853	894	582
Profit from discontinuing operations after taxes	0	0	0	0	0
Profit for the period	3 394	2 714	2 851	2 849	2 996
Earnings per share (NOK)	2.52	2.00	2.11	2.11	2.24
Diluted earnings per share (NOK)	2.52	2.00	2.11	2.11	2.24

Note 17 – Profit and balance sheet trends (continued)

Balance sheets	DnB NOR Group				
	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
<i>Amounts in NOK million</i>					
Assets					
Cash and deposits with central banks	11 453	15 474	14 022	2 742	21 229
Lending to and deposits with credit institutions	71 091	69 116	90 282	67 955	40 854
Lending to customers	827 947	801 747	764 766	727 571	697 579
Commercial paper and bonds	172 040	161 954	154 927	151 725	145 475
Shareholdings	51 393	45 781	42 868	43 510	35 980
Financial assets, customers bearing the risk	18 840	16 005	14 800	15 143	13 136
Financial derivatives	57 999	51 539	34 085	30 468	33 913
Commercial paper and bonds, held to maturity	62 444	62 478	60 898	56 518	52 587
Investment property	25 816	25 173	24 042	23 583	23 143
Investments in associated companies	1 515	1 457	1 425	1 440	1 402
Intangible assets	6 471	6 446	6 264	6 159	6 042
Deferred tax assets	38	42	40	53	52
Fixed assets	5 478	5 244	5 152	5 121	5 120
Discontinuing operations	27	43	67	0	27
Other assets	7 691	5 460	8 376	6 407	4 889
Total assets	1 320 242	1 267 961	1 222 016	1 138 395	1 081 428
Liabilities and equity					
Loans and deposits from credit institutions	124 372	121 100	133 036	110 518	108 056
Deposits from customers	474 526	457 485	459 734	420 836	410 991
Financial derivatives	58 812	46 533	33 217	31 280	31 845
Securities issued	326 806	316 466	281 508	261 847	236 631
Insurance liabilities, customers bearing the risk	18 840	16 005	14 800	15 143	13 136
Liabilities to life insurance policyholders	188 096	182 181	182 208	182 838	174 675
Payable taxes	4 091	3 331	2 457	1 687	943
Deferred taxes	730	1 740	1 819	1 832	1 759
Other liabilities	18 812	20 031	18 039	18 090	14 333
Discontinuing operations	0	0	0	0	0
Provisions	4 768	4 399	4 355	4 412	4 594
Subordinated loan capital	33 977	36 199	31 235	28 215	26 112
Total liabilities	1 253 829	1 205 469	1 162 409	1 076 695	1 023 075
Minority interests	2 201	1 650	1 551	1 520	946
Revaluation reserve	0	0	0	0	0
Share capital	13 341	13 341	13 342	13 369	13 369
Other reserves and retained earnings	50 870	47 501	44 715	46 811	44 038
Total equity	66 413	62 492	59 607	61 699	58 353
Total liabilities and equity	1 320 242	1 267 961	1 222 016	1 138 395	1 081 428

Income statement DnB NOR ASA

According to NGAAP ¹⁾

<i>Amounts in NOK million</i>	4th quarter 2006	4th quarter 2005	Full year 2006	Full year 2005
Interest income	37	47	132	173
Interest expenses	51	47	185	186
Net interest income	(14)	0	(53)	(13)
Dividends from group companies/group contributions	9 904	5 532	9 904	5 532
Net gains on foreign exchange and financial instruments	0	(3)	0	(9)
Commissions and fees payable etc.	1	1	6	6
Net other operating income	9 903	5 527	9 898	5 517
Salaries and other ordinary personnel expenses	2	13	2	38
Administrative expenses	44	38	179	160
Sundry ordinary operating expenses	0	0	3	4
Total operating expenses	46	52	185	202
Pre-tax operating profit before write-downs	9 843	5 476	9 661	5 302
Net gains on long-term securities	0	0	11	0
Pre-tax operating profit	9 843	5 476	9 672	5 302
Taxes	2 311	595	2 311	595
Profit for the period	7 531	4 882	7 360	4 708

Balance sheets DnB NOR ASA

According to NGAAP ¹⁾

<i>Amounts in NOK million</i>	31 Dec. 2006	31 Dec. 2005
Assets		
Deposits with DnB NOR Bank ASA	3 617	3 808
Lending to other group companies	225	225
Investments in group companies	48 642	48 612
Other receivables due from group companies	12 656	6 992
Other assets	0	45
Total assets	65 140	59 682
Liabilities and equity		
Loans from DnB NOR Bank ASA	5 719	5 936
Loans from other group companies	4 227	2 249
Other liabilities and provisions	6 582	4 697
Paid-in capital	25 275	25 303
Retained earnings	23 337	21 497
Total liabilities and equity	65 140	59 682

1) See description under accounting principles for DnB NOR ASA in the 2005 annual report for the DnB NOR Group.

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