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INVESTOR
RELATIONS



Supplementary
information for
investors and analysts
Second quarter 2011

(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 9078 2843
Per Sagbakken, Head of IR/Long-term Funding	per.sagbakken@dnbnor.no	+47 2248 2072
Thor Tellefsen, IR/Long-term Funding	thor.tellefsen@dnbnor.no	+47 2294 9388
Trond Sannes Marthinsen, IR/Long-term Funding	trond.marthinsen@dnbnor.no	+47 2294 9376
Gunn Gjosæther, 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 22481994

DnB NOR switchboard: +47 915 03000

Information on the Internet

DnB NOR's home page

dnbnor.no

Financial Calendar 2011

Preliminary results 2010 and fourth quarter 2010	10 February
Annual general meeting	28 April
Ex-dividend date	29 April
First quarter 2011	6 May
Distribution of dividends	As of 10 May
Capital Markets Day, Oslo	15 June
Second quarter 2011	12 July
Third quarter 2011	27 October

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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

Income statement	DnB NOR Group				
	2nd quarter 2011	2nd quarter 2010	1st half 2011	1st half 2010	Full year 2010
<i>Amounts in NOK million</i>					
Net interest income	6 048	5 744	12 066	11 305	23 436
<i>Net commissions and fees, operational reporting ¹⁾</i>	<i>2 007</i>	<i>1 814</i>	<i>3 871</i>	<i>3 524</i>	<i>7 293</i>
<i>Net financial items</i>	<i>1 977</i>	<i>2 980</i>	<i>3 581</i>	<i>4 763</i>	<i>8 863</i>
Net other operating income, total	3 984	4 795	7 451	8 288	16 156
Ordinary operating expenses	4 888	4 690	10 187	8 742	17 721
Other expenses	44	614	(462)	677	790
Pre-tax operating profit before write-downs	5 101	5 234	9 793	10 174	21 081
Net gains on fixed and intangible assets	9	(1)	13	9	24
Write-downs on loans and guarantees	457	878	1 349	1 825	2 997
Pre-tax operating profit	4 652	4 355	8 457	8 358	18 108
Taxes	1 116	1 524	2 030	2 605	4 121
Profit from operations and non-current assets held for sale, after taxes	11	(8)	(30)	(13)	75
Profit for the period	3 546	2 823	6 397	5 740	14 062
Profit attributable to shareholders	3 546	3 264	6 397	6 381	14 814
Profit attributable to minority interests	0	(442)	0	(641)	(752)

Balance sheet	30 June 2011	31 Dec. 2010	30 June 2010
<i>Amounts in NOK million</i>			
Total assets	1 853 848	1 861 620	1 992 607
Lending to customers	1 201 961	1 170 341	1 154 491
Deposits from customers	647 880	641 914	621 882
Total equity	111 028	111 196	104 498
Average total assets	2 165 584	1 969 557	1 953 260
Total combined assets	2 119 338	2 140 868	2 253 370

Key figures	2nd quarter 2011	2nd quarter 2010	1st half 2011	1st half 2010	Full year 2010
Average combined weighted spread for lending and deposits (per cent)	1.10	1.15	1.11	1.14	1.15
Cost/income ratio (per cent)	49.2	50.3	49.8	49.9	47.6
Write-downs relative to net lending to customers, annualised (per cent)	0.15	0.31	0.23	0.33	0.26
Return on equity (per cent)	12.6	12.8	11.5	12.6	13.6
Earnings per share (NOK)	2.18	2.01	3.94	3.93	8.66
Dividend per share (NOK)	-	-	-	-	4.00
Tier 1 capital ratio at end of period (per cent) ²⁾	9.8	9.3	9.8	9.3	10.1
Capital adequacy ratio at end of period (per cent) ²⁾	11.7	11.9	11.7	11.9	12.4
Share price at end of period (NOK)	75.20	63.15	75.20	63.15	81.90
Price/book value	1.10	1.00	1.10	1.00	1.20

1) See "Net other operating income" on page 25 for specification.

2) Including 50 per cent of profit for the period, except for the full year figures.

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 30 June 2011

NOK	2 119 billion
NOK	1 854 billion
NOK	1 202 billion
NOK	648 billion
NOK	123 billion

Insurance and Asset Management

• Total assets under management	NOK	524 billion
<u>of which:</u>		
- total assets under management (external clients)	NOK	245 billion
- mutual funds	NOK	64 billion
- discretionary management	NOK	182 billion
- total assets under operations (external clients)	NOK	20 billion
- total assets in Vital	NOK	257 billion
- financial assets, customers bearing the risk	NOK	24 billion
- total assets in DnB NOR Skadeforsikring	NOK	2 billion

Customer base

- Serving 2.1 million private individuals throughout Norway, of whom 1.4 million use one of the Group's Internet banks and 1.3 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
- Approximately 577 000 mutual fund customers in Norway and 268 institutional asset management clients in Norway and Sweden

Market shares

See Section 3 for market shares.

Distribution network

- 162 domestic DnB NOR branches
- 15 Nordlandsbanken branches
- 9 international branches
- 4 international representative offices
- 18 Postbanken sales outlets
- 159 DnB NORD 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
- 179 post office counters ¹⁾
- About 1 250 in-store postal outlets ¹⁾
- About 1 700 rural postmen ¹⁾
- About 1 000 in-store banking outlets ²⁾
- 100 DnB NOR Eiendom sales offices
- 34 Postbanken Eiendom sales offices
- 226 Svensk Fastighetsförmedling sales offices
- 14 Vital sales offices
- 59 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	Aa3	P-1	A+	A-1	AA	R-1 (high)

DnB NOR's strategy

DnB NOR's vision and values are about putting the customers in focus. By having satisfied customers whose needs for financial services are well met, DnB NOR aims to become the leading bank throughout Norway and a leading international player within selected customer segments, products and geographic areas.

Vision and values

An important target for the Group is to achieve even stronger customer orientation in its operations and improve customer satisfaction.

DnB NOR's vision:

Creating value through the art of serving the customer

DnB NOR will create value for customers, owners, employees and society in general.

DnB NOR's values:

Helpful, professional and show initiative

The values reflect what should characterise DnB NOR in meetings with its customers.

Employees who are helpful, professional and show initiative are vital if DnB NOR is to succeed in implementing its strategy.

Strategy

DnB NOR will capitalise on its strengths and unique position. The Group's strategic ambitions are to strengthen and consolidate its position in Norway, achieve profitable international growth and be among the most productive banks in Europe.

Strengthen and consolidate DnB NOR's position in Norway

DnB NOR will build and strengthen long-term relations with high-quality customers by:

- offering extensive distribution – present a uniform corporate image under one brand
- offering a complete range of attractive products which meet customer needs, which includes developing the best mobile phone and online services
- offering competitive prices and products which create value for customers
- engaging in long-term, honest and relevant communication with customers
- meeting the needs of the largest corporate clients in Norway through strong industry expertise and local competitive power

Profitable international growth

DnB NOR will capitalise on its Norwegian expertise to become a leading international player within selected segments and product areas. DnB NOR will build long-term relations with the largest corporate clients and focus on selected industries based on its core competencies.

DnB NOR's target segments are:

- shipping
- energy
- seafood

DnB NOR will further develop its operations in the Baltic region and Poland. The integration of operations and streamlining of the organisation will promote long-term value creation.

Among the most cost-effective market players in Europe

DnB NOR will coordinate group and support functions to ensure consistent deliveries, standardised processes and greater automation.

DnB NOR will give high priority to cost-efficiency by:

- strengthening and coordinating procurement functions in the Group
- coordinating and consolidating IT functions
- standardising and automating products, services and customer service where expedient
- coordinating and rationalising staff and support functions

Long-term ambitions

DnB NOR gives priority to long-term value creation for its shareholders and aims to achieve a return on equity, growth and a market capitalisation which are competitive in relation to its Nordic peers.

DnB NOR's financial target for 2012 remain unchanged, and the Group is well under way to achieving these targets. DnB NOR has set new financial ambitions towards 2015

Financial targets 2012:

- return on equity above 13 per cent
- annual effect of cost saving measures of NOK 2 billion from year-end 2012
- ordinary cost/income ratio below 46 per cent from 2012

New financial ambitions towards 2015:

- return on equity above 14 per cent
- NOK 30 billion in pre-tax operating profit before write-downs
- NOK 1 billion in new cost reductions
- Cost/income ratio below 45 per cent

Capital strategy and dividend policy:

- among the best capitalised financial groups in the Nordic region
- AA level ratings for long-term funding to DnB NOR Bank ASA
- dividend payments representing approximately 50 per cent of annual profits

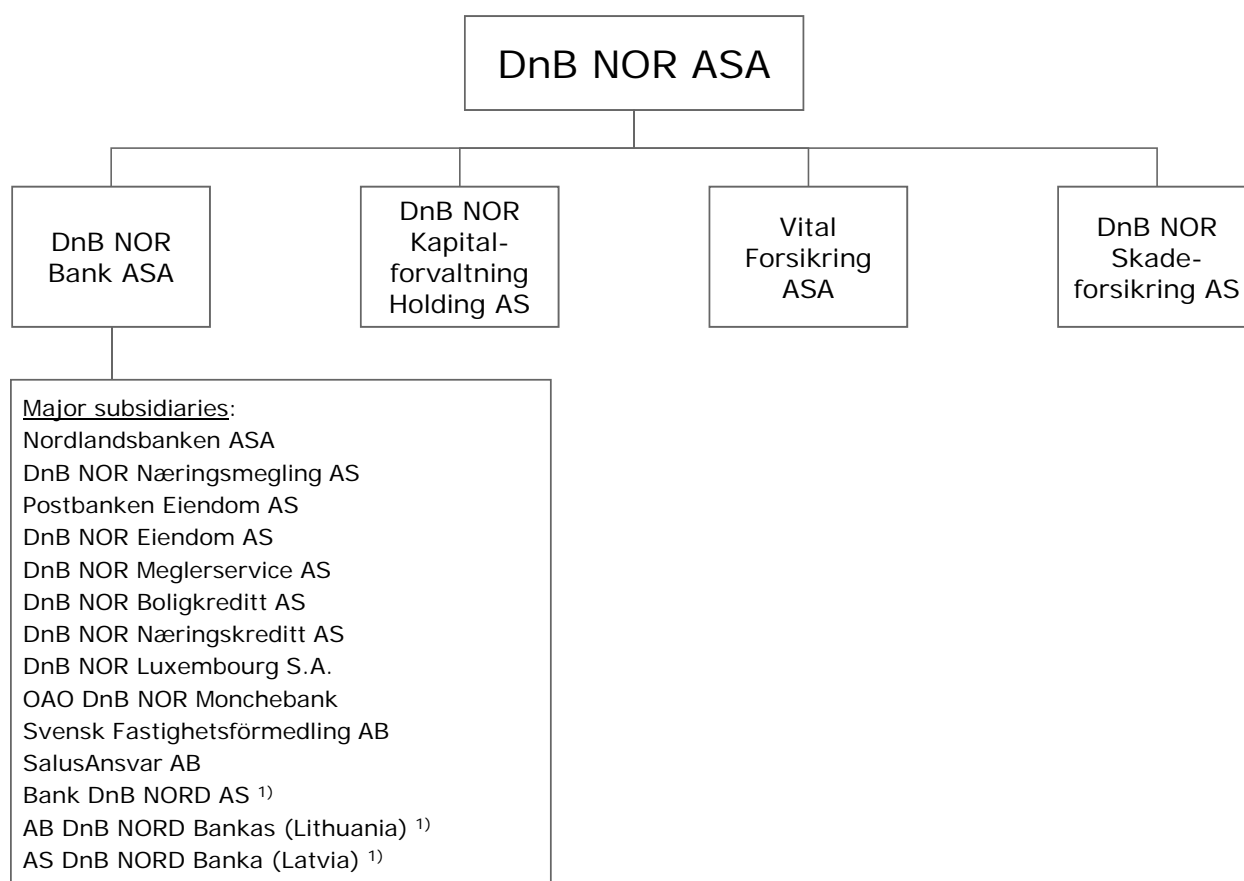
Dividends will be determined on the basis of expected profit levels in a normal situation, external parameters and the need to maintain capital adequacy at a satisfactory level.

Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and 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. DnB NOR Skadeforsikring AS offers non-life insurance products as part of a total product package for retail customers and small and medium-sized companies.

The chart below shows the legal structure of the DnB NOR Group.

DnB NOR Group - legal structure at end-June 2011



1) Operations in DnB NOR will be integrated in DnB NOR and are thus under restructuring. As part of the integration, ownership of the banks in Lithuania and Latvia was transferred to DnB NOR at end-June 2011. Bank DnB NOR in Denmark still owns the operations in Poland and Estonia as well as loan portfolios in Denmark and Finland. Following the restructuring, DnB NOR in Denmark will only engage in pure investment activity.

Group business structure

The activities in DnB NOR are organised in the business areas Retail Banking, Large Corporates and International, DnB NOR Markets and Insurance and Asset Management. The business areas operate as independent profit centres and have responsibility for serving the Group's customers and for the total range of products. DnB NOR's operations are organised as a separate division in Large Corporates and International called the Baltics and Poland Division, but will also in the future be reported as a separate profit centre.

Retail Banking is responsible for serving private customers and small and medium-sized corporate customers in the regional network in Norway. The organisation will enable the Group to utilise its wide range of products and services and expert skills in an optimal manner by coordinating activities in local markets and thus strengthen relations to customers in all Norwegian market segments.

The largest corporate clients in Norway and the international customers are served by the business area *Large Corporates and International*. The business area will concentrate on large corporates and further reinforce sound industry expertise.

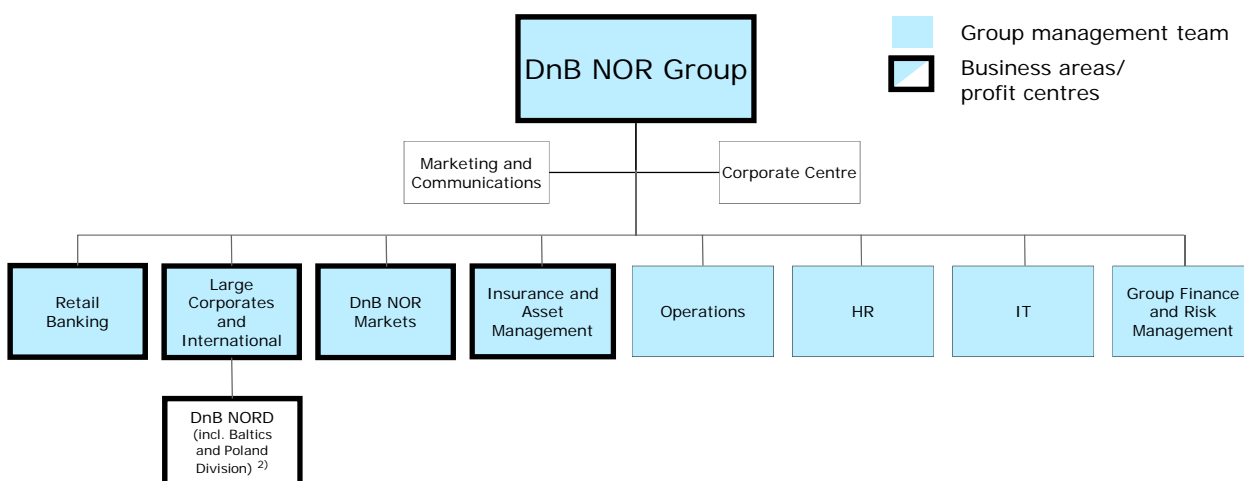
DnB NOR Markets is the Group's investment firm.

Insurance and Asset Management is responsible for life insurance, pension savings, non-life insurance and asset management in the Group.

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. The operational structure is adapted to the Group's business operations and should ensure good customer service, innovative product development and more efficient operations. All activities in subsidiaries fall within the business area relevant to the company's primary operations.

DnB NOR Group - organisation chart at end-June 2011 ¹⁾



1) Reporting structure.

2) In the presentation "DnB NOR" is used as a description of the entire DnB NOR Group, including the Baltics and Poland Division.

Equity-related data

Key figures

	First half 2011	2010	2009	2008	2007
Number of shares at end of period (1 000) ¹⁾	1 628 799	1 628 799	1 628 799	1 332 654	1 332 654
Average number of shares (1 000)	1 628 799	1 628 799	1 335 838	1 332 654	1 333 402
Earnings per share (NOK)	3.94	8.66	6.43	6.91	11.08
Return on equity, annualised (%)	11.5	13.6	10.6	12.4	22.0
RARORAC, annualised (%) ²⁾	19.7	19.0	17.2	13.6	21.6
RORAC, annualised (%) ³⁾	20.0	25.2	12.6	15.3	31.9
Share price at end of period (NOK)	75.20	81.90	62.75	27.00	83.00
Diluted share price at end of period, adjusted for rights issue (NOK)	75.20	81.90	62.75	25.64	78.82
Price/earnings ratio ⁴⁾	9.50	9.50	9.85	3.91	7.49
Price/book value ⁵⁾	1.10	1.20	1.04	0.47	1.51
Dividend per share (NOK)	n/a	4.00	1.75	0.00	4.50
Dividend yield (%)	n/a	4.88	2.79	0.00	5.42
Equity per share including allocated dividend at end of period (NOK)	68.17	68.27	60.56	57.83	55.01

1) The Annual General Meeting on 28 April 2011 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 732 959 487, corresponding to 4.5 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 28 April 2011. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with Norwegian Government/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.

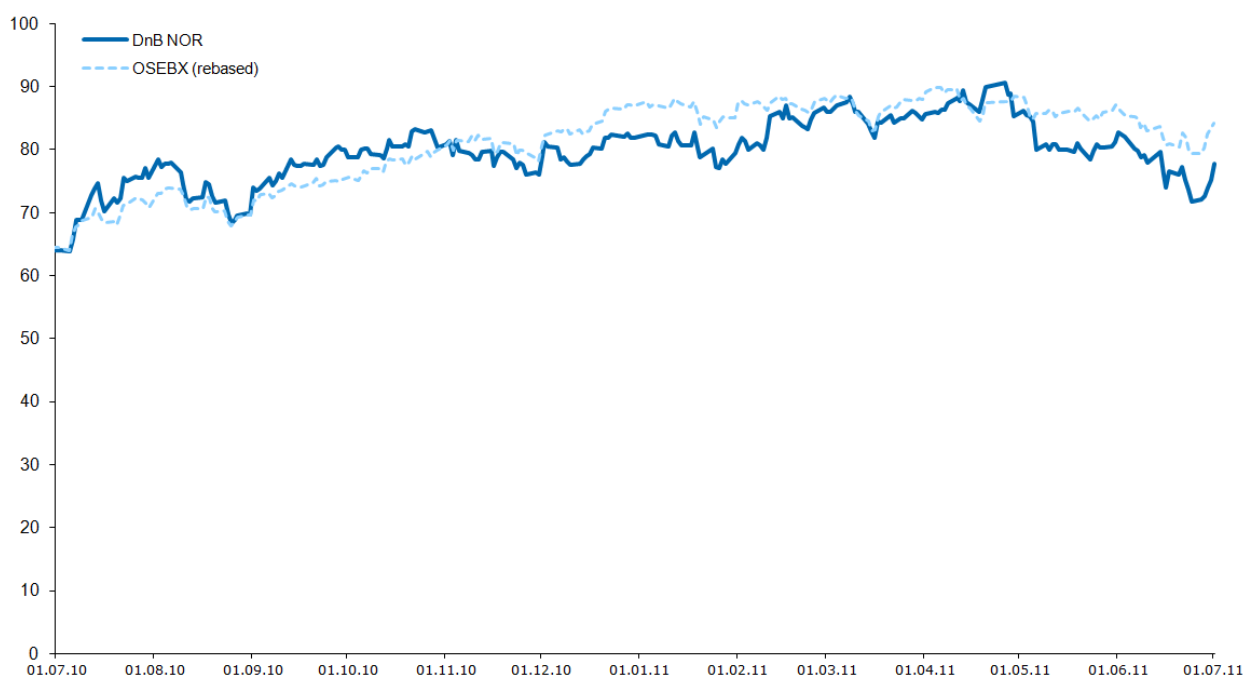
2) RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to the risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation.

3) 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.

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

5) Closing price at end of period relative to recorded equity at end of period.

Share price development – 1 July 2010 to 1 July 2011

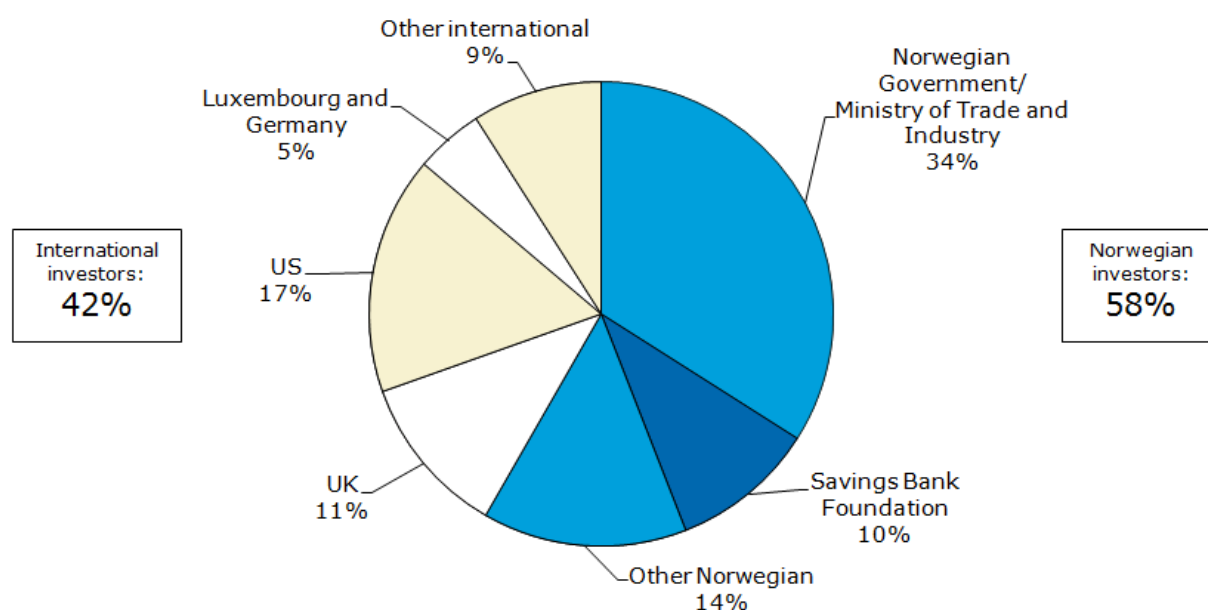


Shareholder structure as at 30 June 2011

Major shareholders

	Shares in 1 000	Ownership in %
Norwegian Government/Ministry of Trade and Industry	553 792	34.00
Sparebankstiftelsen DnB NOR (Savings Bank Foundation)	164 042	10.07
Folketrygdfondet (National Insurance Scheme Fund)	76 211	4.68
Capital Research/Capital International	47 509	2.92
Fidelity Investments	27 172	1.67
Blackrock Investments	26 755	1.64
People's Bank of China	24 652	1.51
Jupiter Asset Management	21 656	1.33
DnB NOR Funds	17 782	1.09
Vanguard Funds	14 937	0.92
Schroder Investment Management	13 081	0.80
Standard Life	13 071	0.80
Newton Investment Management	12 149	0.75
UBS	11 461	0.70
State Street Global Advisors	10 850	0.67
Storebrand Funds	10 435	0.64
The Master Trust Bank of Japan	10 162	0.62
Nordea Funds	9 977	0.61
Threadneedle Investments	9 939	0.61
Saudi Arabian Monetary Agency	9 335	0.57
Total largest shareholders	1 084 967	66.61
Other	543 832	33.39
Total	1 628 799	100.00

Ownership according to investor category



Accounting principles etc.

Accounting principles

The second quarter accounts 2011 have been prepared according to IAS 34 Interim Financial Reporting. A description of the accounting principles applied by the Group is found in the annual report for 2010. The annual and interim accounts are prepared according to IFRS principles as approved by the EU. The Group's accounting principles and calculation methods are essentially the same as those described in the annual report for 2010. No new or amended accounting standards or interpretations entered into force during the second quarter of 2011.

Important accounting 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, liabilities, income and expenses. A more detailed description of important estimates and assumptions is presented in note 1 Important accounting estimates and discretionary assessments in the annual report for 2010.

Section 2

Financial results DnB NOR Group

Financial results

Income statement – condensed ¹⁾

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income	6 048	6 018	6 153	5 978	5 744	12 066	11 305
<i>Net commissions and fees, operational reporting ²⁾</i>	2 007	1 864	1 926	1 843	1 814	3 871	3 524
<i>Net financial items ²⁾</i>	1 977	1 604	2 627	1 472	2 980	3 581	4 763
Net other operating income, total	3 984	3 467	4 553	3 315	4 795	7 451	8 288
Total operating expenses before impairment losses for goodwill and intangible assets	4 931	4 793	4 610	4 482	4 713	9 725	8 828
Impairment losses for goodwill and intangible assets	0	0	0	0	591	0	591
Pre-tax operating profit before write-downs	5 101	4 692	6 096	4 812	5 234	9 793	10 174
Net gains on fixed and intangible assets	9	5	26	(11)	(1)	13	9
Write-downs on loans and guarantees	457	892	529	643	878	1 349	1 825
Pre-tax operating profit	4 652	3 805	5 593	4 157	4 355	8 457	8 358
Taxes	1 116	913	367	1 149	1 524	2 030	2 605
Profit from operations and non-current assets held for sale, after taxes	11	(41)	57	30	(8)	(30)	(13)
Profit for the period	3 546	2 851	5 284	3 038	2 823	6 397	5 740
Profit attributable to shareholders	3 546	2 851	5 349	3 084	3 264	6 397	6 381
Profit attributable to minority interests	0	0	(65)	(46)	(442)	0	(641)

1) For a more detailed income statement, see page 41.

2) As defined on page 25.

Mark-to-market changes on own debt and other items not related to underlying operations and non-recurring items

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Gains Nordito	-	-	-	-	1 170	-	1 170
Net other operating income, other	44	(506)	830	(717)	614	(462)	677
Termination of contractual pension scheme ¹⁾	-	-	-	-	-	-	367
Impairment losses for goodwill and intangible assets	0	0	0	0	591	0	591
Pre-tax operating profit before write-downs	44	(506)	830	(717)	1 193	(462)	1 623

1) The contractual pension scheme for early retirement was terminated during 2010, and excess provisions were reversed in the first quarter of 2010. A new contractual pension scheme has been introduced in 2011.

Balance sheet – condensed ¹⁾

<i>Amounts in NOK billion</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Deposits with central banks	16	242	16	16	10
Lending to and deposits with credit institutions	41	73	48	50	213
Net lending to customers	1 202	1 173	1 170	1 152	1 154
Other assets	595	609	627	645	615
Total assets	1 854	2 097	1 862	1 863	1 993
Loans and deposits from credit institutions	207	385	258	258	339
Deposits from customers	648	678	642	607	622
Short-term debt securities issued	170	186	154	175	220
Long-term debt securities issued	368	381	348	358	356
Other liabilities and provisions	349	354	349	358	352
Equity	111	114	111	107	104
Total liabilities and equity	1 854	2 097	1 862	1 863	1 993
Ratio of deposits to net lending (%)	53.9	57.8	54.8	52.6	53.9
Adjusted ratio of deposits to net lending (%) ²⁾	53.9	55.6	54.7	52.5	53.6
Total combined assets	2 119	2 380	2 141	2 134	2 253

1) For a more detailed balance sheet, see page 41.

2) Excluding short-term money market deposits in DnB NOR New York.

Financial highlights

	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Cost/income ratio (%) ¹⁾	49.2	50.5	43.1	48.2	50.3	49.8	49.9
Return on equity, annualised (%) ²⁾	12.6	10.3	19.6	11.8	12.8	11.5	12.6
Earnings per share (NOK) ²⁾	2.18	1.76	3.25	1.90	2.01	3.94	3.93
Total combined assets at end of period (NOK billion)	2 119	2 380	2 141	2 134	2 253	2 119	2 253
Tier 1 capital ratio at end of period (%) ³⁾	9.8	10.0	10.1	9.7	9.3	9.8	9.3

1) Excluding impairment losses for goodwill, other intangible assets and reversals of provisions for contractual early retirement pensions. Total income excludes a gain resulting from the merger between the payment services company Nordito and the Danish PBS Holding in the second quarter of 2010.

2) The figures for the fourth quarter of 2010 are based on profit for the period without adjustment for minority interests due to the purchase of the remaining shares in DnB NOR.

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

Norwegian and international units

Norwegian units

<i>Per cent</i>	2Q11	1Q11	2Q10
Share of group income ¹⁾	81.6	81.5	83.9
Cost/income ratio ^{1) 2)}	48.2	49.5	48.4
Share of net Group lending to customers	82.4	82.1	80.9
Non-performing and doubtful commitments relative to total commitments	0.8	1.0	1.0
Write-down ratio ³⁾	38.8	34.6	38.7
Individual write-downs in relation to net lending, annualised	0.09	0.14	0.13

International units excl. DnB NORD

<i>Per cent</i>	2Q11	1Q11	2Q10
Share of group income	13.6	13.4	10.9
Cost/income ratio ²⁾	46.2	49.1	55.8
Share of net Group lending to customers	12.7	12.9	13.8
Non-performing and doubtful commitments relative to total commitments	0.3	0.8	2.2
Write-down ratio ³⁾	117.8	73.7	33.8
Individual write-downs in relation to net lending, annualised	0.02	0.82	0.14

DnB NORD

<i>Per cent</i>	2Q11	1Q11	2Q10
Share of group income	4.8	5.1	5.2
Cost/income ratio ²⁾	73.9	71.2	69.4
Share of net Group lending to customers	5.0	5.1	5.3
Non-performing and doubtful commitments relative to total commitments	13.4	13.9	13.9
Write-down ratio ³⁾	40.9	40.4	39.9
Individual write-downs in relation to net lending, annualised	1.24	1.51	4.17

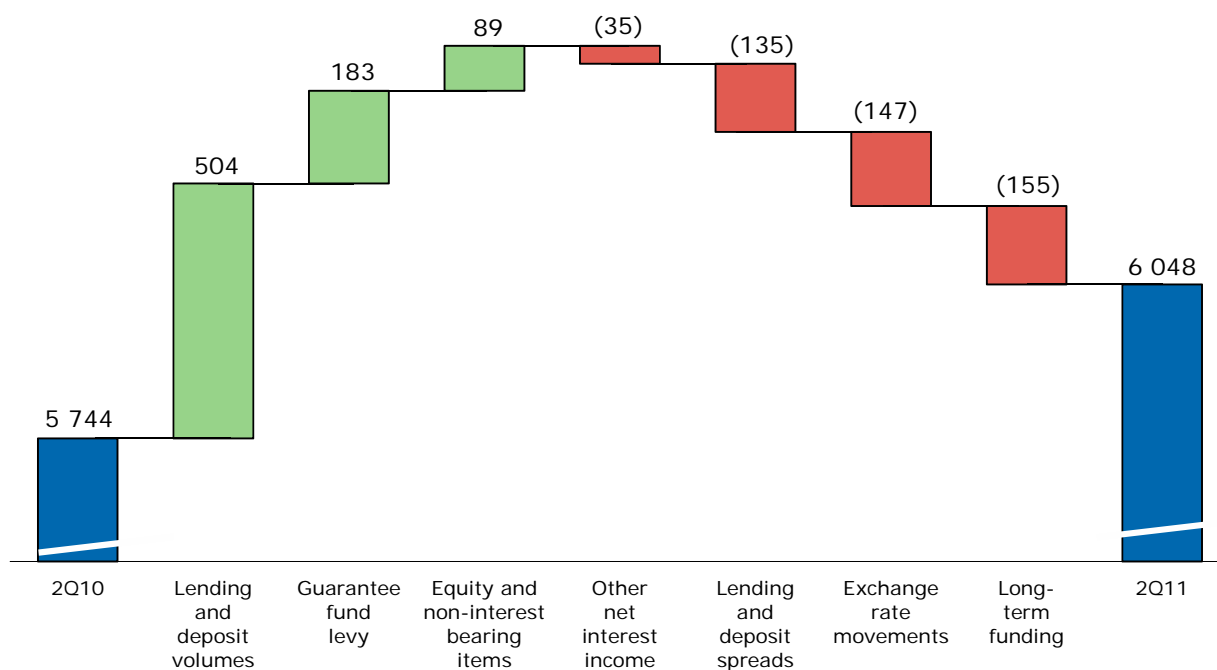
- 1) Excluding a gain from the merger between the payment services company Nordito and the Danish PBS Holding in the second quarter of 2010.
- 2) Excluding impairment losses for goodwill and intangible assets.
- 3) Write-down ratio includes individual and collective write-downs as a percentage of gross non-performing and gross doubtful commitments.

Net interest income

Changes in net interest income

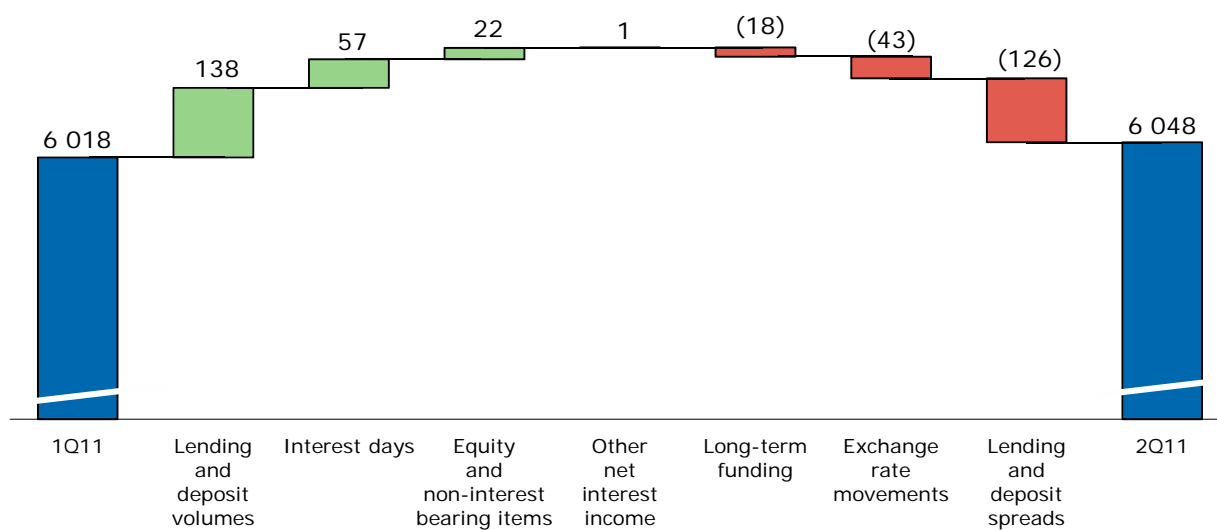
NOK million

From 2nd quarter 2010 to 2nd quarter 2011



NOK million

From 1st quarter 2011 to 2nd quarter 2011



Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income ²⁾		
	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10
Lending to customers ¹⁾	1 174 221	1 160 560	1 118 067	1.55	1.61	1.60	4 547	4 615	4 460
Deposits from customers ¹⁾	671 148	667 778	607 091	0.31	0.29	0.32	520	471	491
Equity and non-interest bearing items	90 111	90 922	84 779	2.70	2.58	2.45	607	578	519
Other							373	353	274
Total net interest income							6 048	6 018	5 744

1) Average nominal amounts, excluding impaired loans.

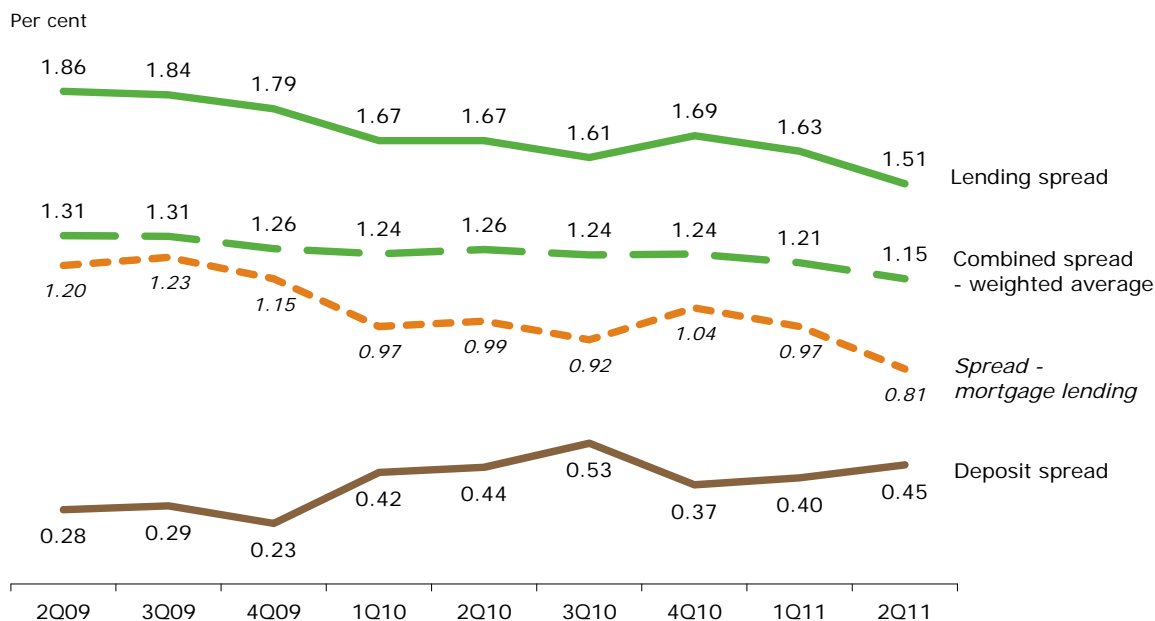
2) Including exchange rate movements.

Segmental interest rate spreads ¹⁾

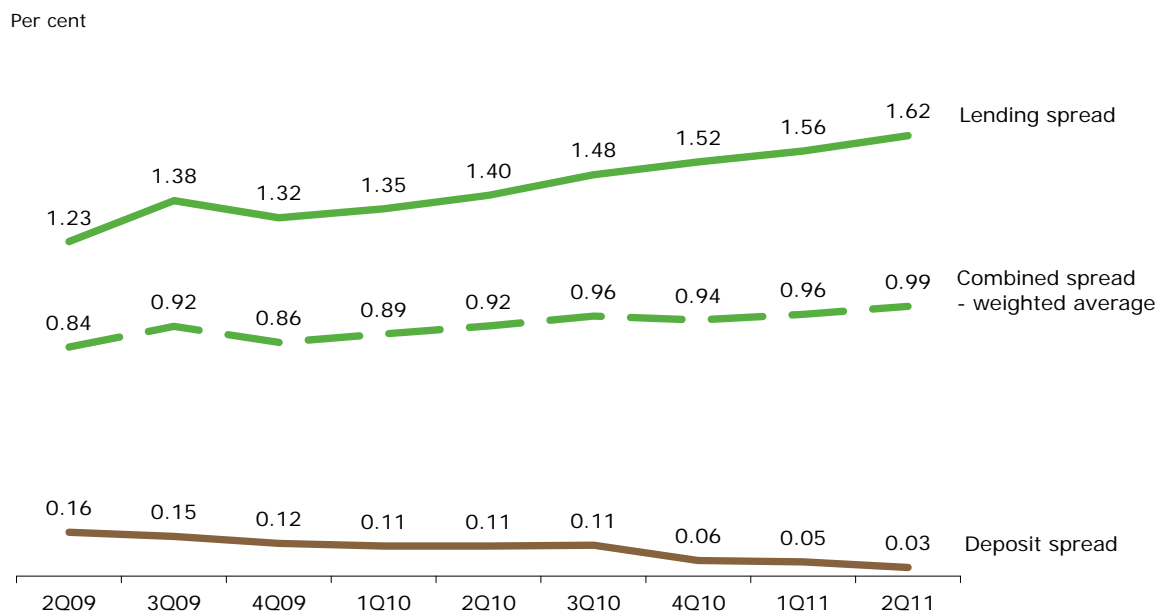
Per cent	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
<i>Lending:</i>							
Retail Banking ^{*)}	1.51	1.63	1.69	1.61	1.67	1.57	1.67
Large Corporates and International	1.62	1.56	1.52	1.48	1.40	1.59	1.38
DnB NOR	1.72	1.65	1.97	1.94	1.86	1.68	1.78
Total	1.55	1.61	1.67	1.57	1.60	1.58	1.59
<i>Deposits:</i>							
Retail Banking	0.45	0.40	0.37	0.53	0.44	0.43	0.43
Large Corporates and International	0.03	0.05	0.06	0.11	0.11	0.04	0.11
DnB NOR	0.79	0.66	0.64	0.62	0.48	0.73	0.56
Total	0.31	0.29	0.27	0.41	0.32	0.30	0.31
<i>Combined spread - lending and deposits:</i>							
Retail Banking	1.15	1.21	1.24	1.24	1.26	1.18	1.25
Large Corporates and International	0.99	0.96	0.94	0.96	0.92	0.98	0.90
DnB NOR	1.43	1.33	1.57	1.56	1.48	1.38	1.46
Weighted total average	1.10	1.13	1.17	1.16	1.15	1.11	1.14
*) of which mortgage lending portfolio	0.81	0.97	1.04	0.92	0.99	0.89	0.98

1) Margins are calculated based on money market rates and do not include additional funding costs related to liquidity measures.

Development in average interest rate spreads – Retail Banking

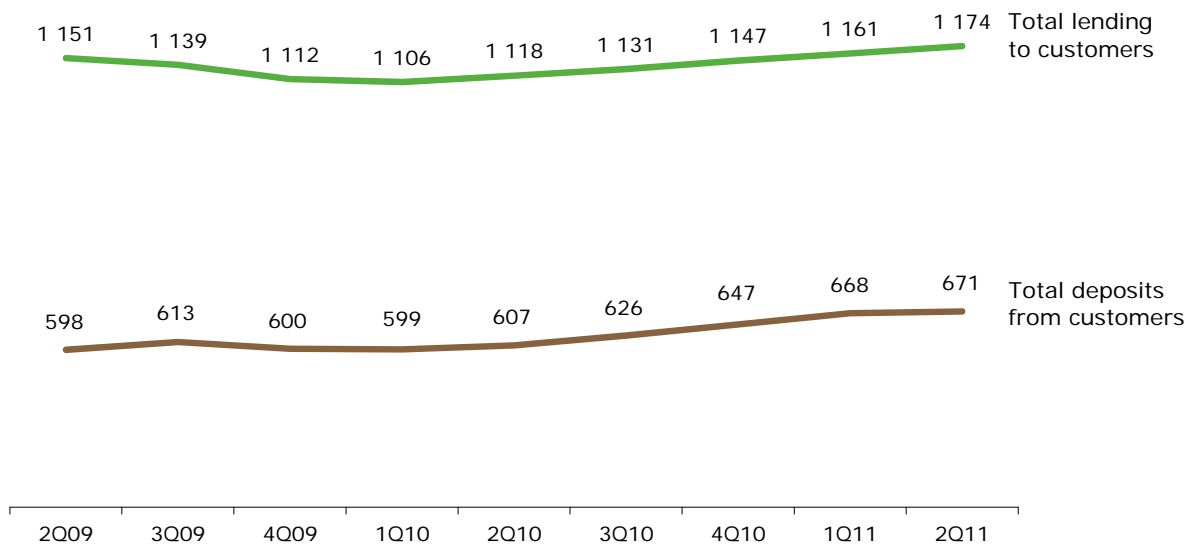


Development in average interest rate spreads – Large Corporates and International



Development in average volumes – lending and deposits ¹⁾

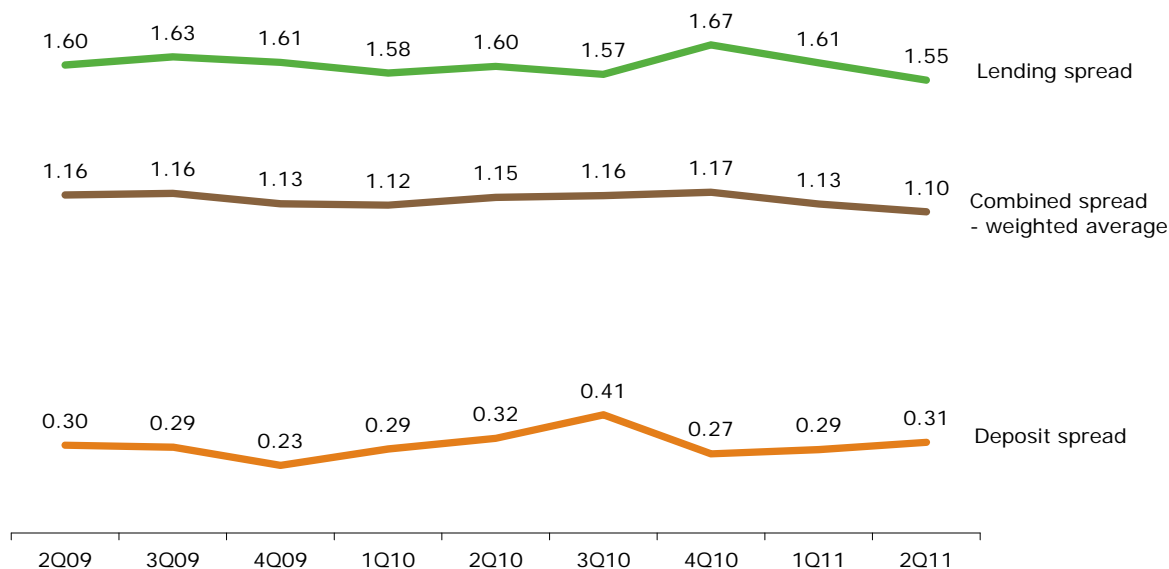
NOK billion



1) Average nominal amounts, excluding impaired loans.

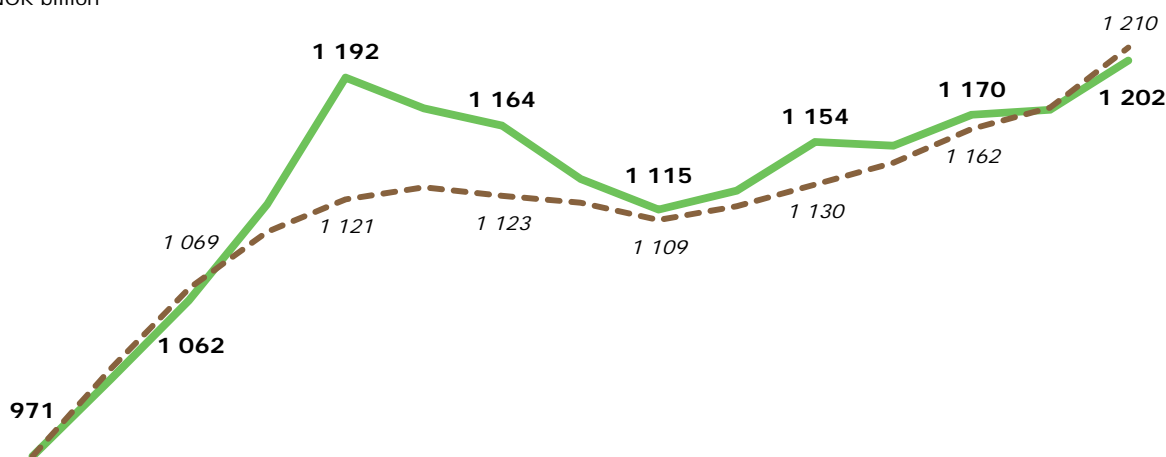
Quarterly development in interest rate spreads

Per cent



Development in volumes – net lending to customers

NOK billion

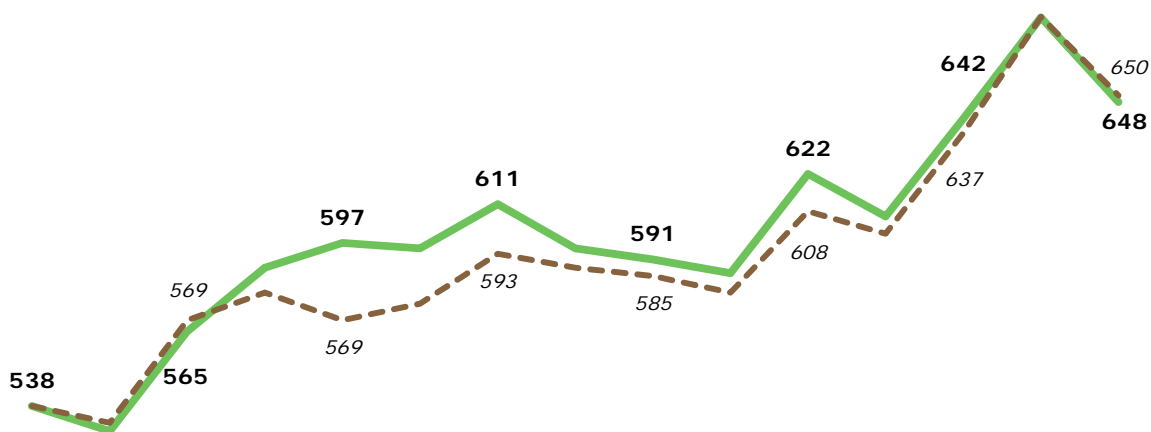


31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June
2007														
	2008				2009				2010				2011	

- Lending at end of period
- - - Lending, adjusted for exchange rate movements

Development in volumes – deposits from customers

NOK billion

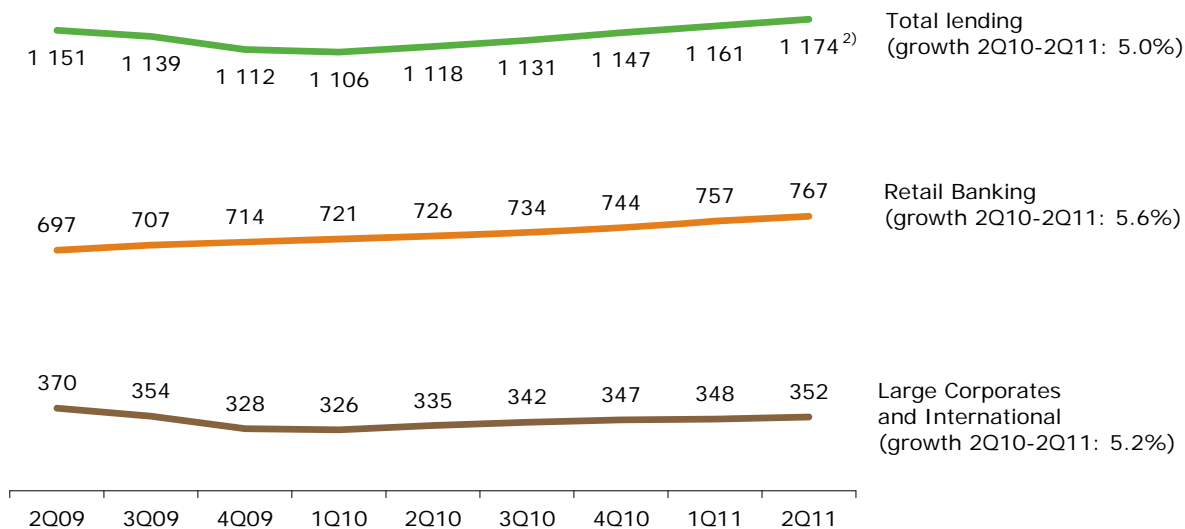


31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June	30 Sept.	31 Dec.	31 March	30 June
2007														
	2008				2009				2010				2011	

- Deposits at end of period
- - - Deposits, adjusted for exchange rate movements

Development in average volumes – lending to customers ¹⁾

NOK billion

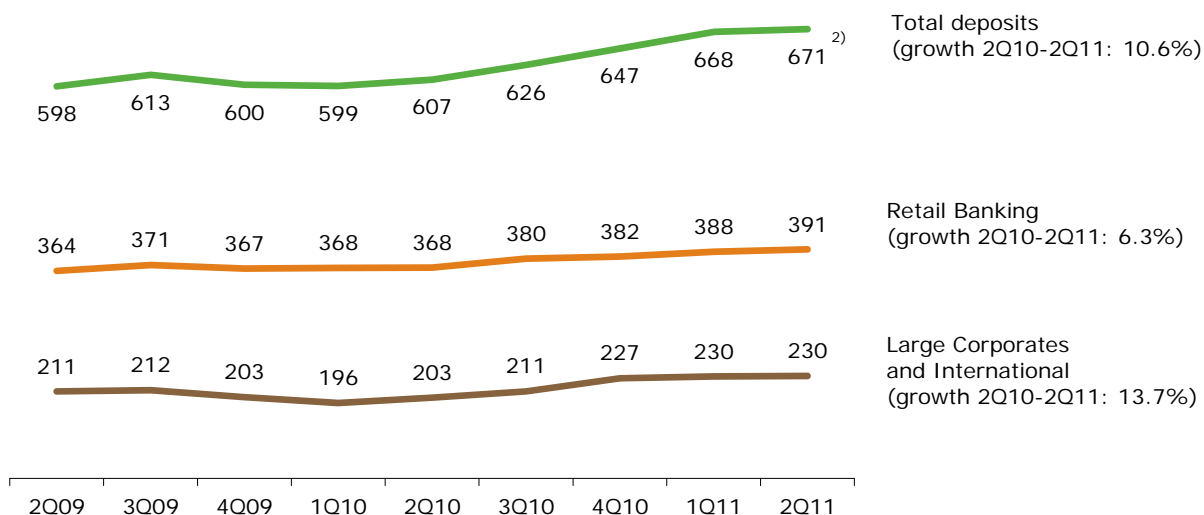


1) Average nominal amounts, excluding impaired loans

2) Of which DnB NOR: NOK 54 billion. Total lending excluding DnB NOR: NOK 1 121 billion (growth: 7.1%)

Development in average volumes – deposits from customers ¹⁾

NOK billion



1) Average nominal amounts

2) Of which DnB NOR: NOK 25 billion. Total deposits excluding DnB NOR: NOK 646 billion (growth: 11.5%)

Net other operating income

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Money transfer and interbank transactions	471	457	387	508	473	928	908
Asset management services	248	261	245	209	268	509	520
Credit broking	116	107	244	76	51	223	106
Real estate broking	301	199	223	220	238	500	418
Custodial services	49	52	50	40	47	101	92
Securities trading	56	76	73	45	46	132	106
Sale of insurance products	647	603	607	643	607	1 251	1 192
Other income from banking services	119	109	97	101	83	227	182
Net commissions and fees, operational reporting	2 007	1 864	1 926	1 843	1 814	3 871	3 524
Net gains on equity investments including dividends	147	152	750	129	(73)	299	90
Corporate finance etc.	107	117	207	157	147	224	244
Profit from companies accounted for by the equity method	(28)	72	72	99	(52)	44	9
Other income ¹⁾	171	197	121	137	1 333	369	1 447
Net financial and risk result from Vital ¹⁾	322	501	519	801	(243)	823	(2)
Net premium income/insurance claims, non-life insurance	53	53	25	54	42	107	13
Customer trading in FX and interest rate instruments, DnB NOR Markets	296	327	391	302	261	623	597
FX and interest rate instruments, DnB NOR Markets	641	640	232	344	568	1 282	925
FX and interest rate instruments, other	267	(458)	311	(550)	997	(191)	1 440
Net financial items	1 977	1 604	2 627	1 472	2 980	3 581	4 763
Net other operating income , total ²⁾	3 984	3 467	4 553	3 315	4 795	7 451	8 288
<i>As a percentage of total income</i>	<i>39.7</i>	<i>36.6</i>	<i>42.5</i>	<i>35.7</i>	<i>45.5</i>	<i>38.2</i>	<i>42.3</i>

*) Of which:

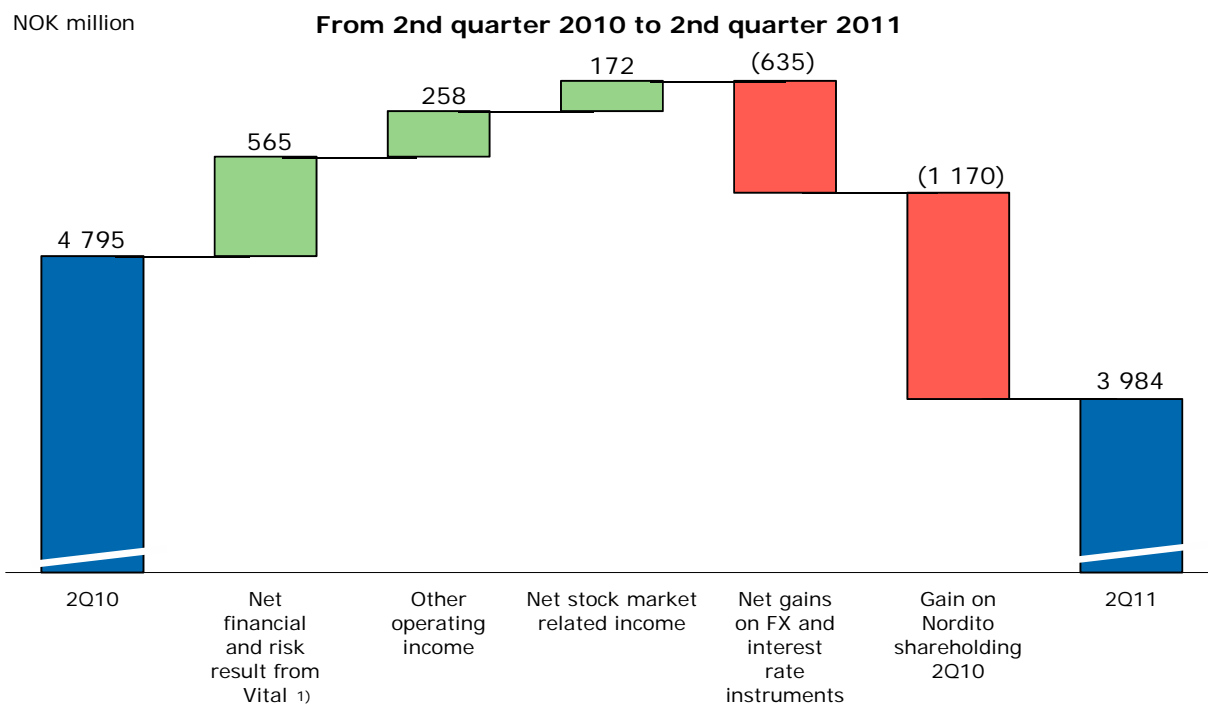
Net gains on assets in Vital	3 342	3 473	6 414	4 152	755	6 815	4 503
Guaranteed returns and allocations to policyholders in Vital	2 884	2 972	5 879	3 324	944	5 856	4 297
Premium income etc. included in the risk result in Vital	1 211	1 226	1 242	1 164	1 173	2 437	2 315
Insurance claims etc. included in the risk result in Vital	1 355	1 234	1 248	1 195	1 226	2 589	2 534
Net financial and risk result in Vital	314	493	528	797	(242)	807	(13)
Eliminations in the group accounts	8	8	(9)	4	(1)	16	11
Net financial and risk result from Vital ²⁾	322	501	519	801	(243)	823	(2)

**) Of which:

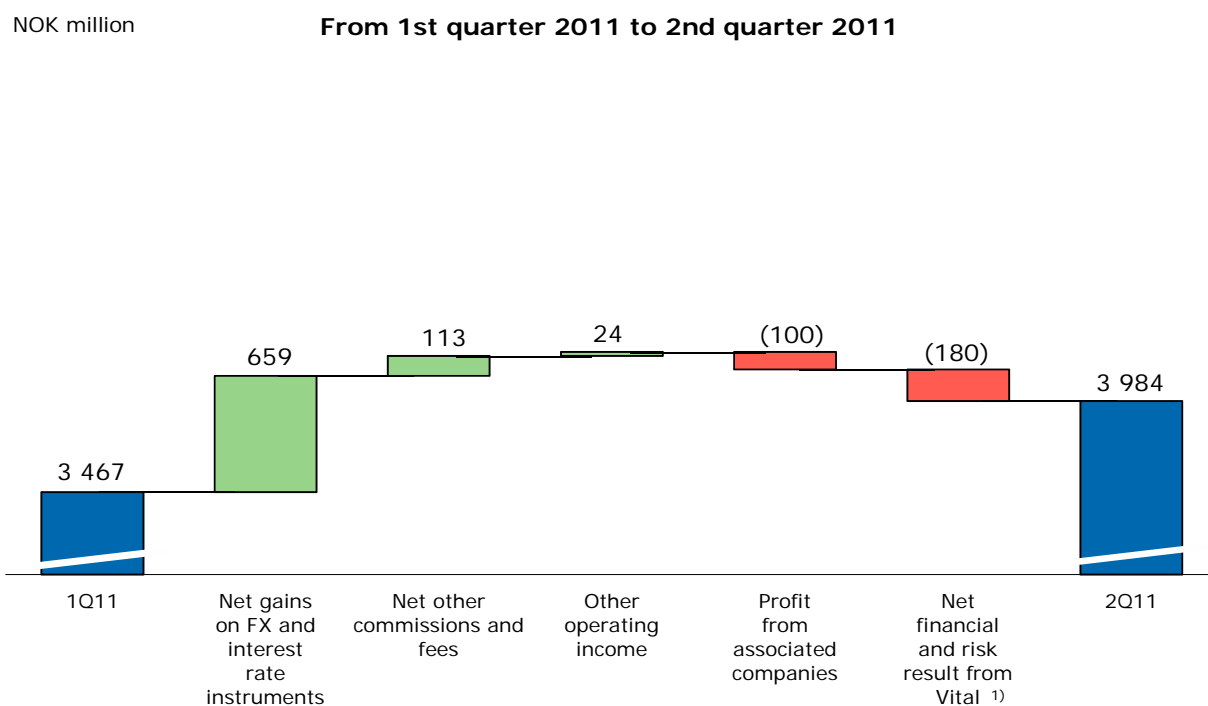
DnB NORD	165	174	120	222	99	340	285
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- 1) Includes a gain of NOK 1 170 million from the merger between the payment services company Nordito and the Danish PBS Holding in the second quarter of 2010.
- 2) For a detailed specification of Vital's income statement, see page 77.

Changes in net other operating income



1) After guaranteed returns and allocations to policyholders



1) After guaranteed returns and allocations to policyholders

Operating expenses

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Salaries	1 920	1 757	1 830	1 772	1 784	3 677	3 469
Employer's national insurance contributions	265	263	260	254	256	528	510
Pension expenses ¹⁾	257	253	158	221	224	510	70
Restructuring expenses	1	2	(19)	13	30	3	42
Other personnel expenses	171	169	209	160	157	340	311
Total salaries and other personnel expenses	2 614	2 444	2 438	2 419	2 452	5 058	4 402
Fees ²⁾	408	407	365	322	406	815	750
IT expenses ²⁾	401	433	345	421	390	835	869
Postage and telecommunications	91	95	98	85	95	186	194
Office supplies	23	23	28	21	25	46	50
Marketing and public relations	252	238	224	166	230	490	421
Travel expenses	70	59	83	52	58	129	108
Reimbursement to Norway Post for transactions executed	44	42	36	51	42	85	64
Training expenses	18	22	26	12	14	39	36
Operating expenses on properties and premises	349	352	308	313	330	701	658
Operating expenses on machinery, vehicles and office equipment	37	36	47	31	36	73	73
Other operating expenses	181	225	123	168	243	405	445
Other expenses	1 874	1 930	1 685	1 641	1 869	3 804	3 668
Impairment losses for goodwill ³⁾	0	0	0	0	194	0	194
Depreciations and write-downs of fixed and intangible assets ⁴⁾	444	419	487	421	789	863	1 155
Total depreciations and write-downs of fixed and intangible assets	444	419	487	421	983	863	1 349
Total operating expenses	4 931	4 793	4 610	4 482	5 304	9 725	9 419
Of which DnB NORD	356	345	342	328	682	701	1 030

1) Pension expenses for the first quarter of 2010 were reduced by NOK 367 million due to the reversal of provisions for contractual early retirement pensions.

2) Fees include system development fees and must be viewed relative to IT expenses.

3) Impairment losses for goodwill of NOK 194 million relating to Svensk Fastighetsförmedling were recorded in the second quarter of 2010.

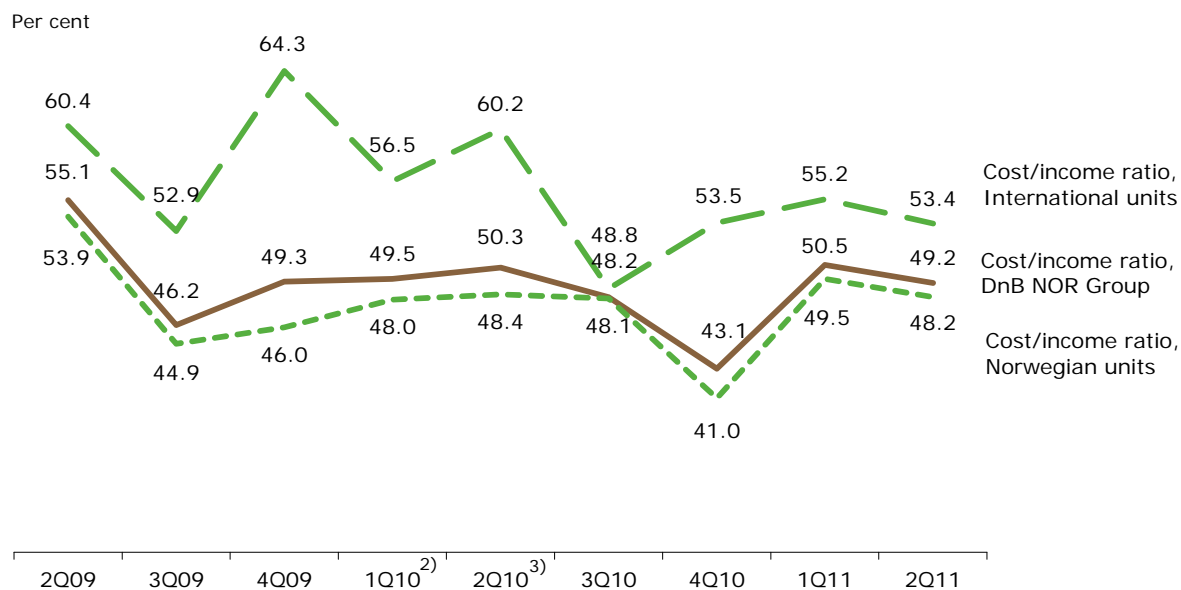
4) Including write-downs on IT investments in DnB NORD of NOK 346 million in the second quarter of 2010.

Changes in operating expenses

<i>Amounts in NOK million</i>	2Q11	Change	2Q10
Total operating expenses	4 931	(373)	5 304
<i>Non-recurring costs:</i>			
Impairment losses for goodwill and intangible assets in the second quarter of 2010		(591)	
<i>Income-related costs:</i>			
Operational leasing		26	
København Ejendomme		11	
Performance-based pay		29	
Marketing expenses		22	
<i>Expenses directly related to operations:</i>			
Cost programme		(108)	
Wage and price inflation		152	
Rise in pension expenses		34	
Increase in investments		52	

<i>Amounts in NOK million</i>	2Q11	Change	1Q11
Total operating expenses	4 931	138	4 793
<i>Non-recurring costs:</i>			
Fees related to the acquisition of DnB NOR in the first quarter of 2011		(28)	
<i>Income-related costs:</i>			
Performance-based pay, incl. reversals in the first quarter of 2011		150	
<i>Expenses directly related to operations:</i>			
Cost programme		(21)	
Increase in investments		37	

Ordinary cost/income ratio ¹⁾



- 1) Excluding impairment losses for goodwill and intangible assets.
- 2) Excluding the reversal of provisions for contractual early retirement pensions.
- 3) Excluding a gain from the merger between the payment services company Nordito and the Danish PBS Holding.

Number of employees – full-time positions

Full-time positions	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Retail Banking ^{1) 2)}	4 928	4 845	4 842	4 948	4 938
Large Corporates and International	1 117	1 107	1 103	1 084	1 080
DnB NOR Markets	688	677	668	666	676
Operations	945	946	986	1 022	999
Insurance and Asset Management	1 047	1 055	1 047	1 055	1 062
DnB NORD	3 169	3 155	3 159	3 138	3 136
Staff and support units ²⁾	1 319	1 242	1 217	1 226	1 233
Total ordinary operations	13 212	13 027	13 021	13 140	13 125

- 1) The increase in the number of full-time positions in the second quarter of 2011 was due to higher staff numbers in the Group's contact points with customers.
- 2) In the second quarter of 2011, 65 full-time positions were transferred to Market and Communications from other parts of the Group, of which 36 full-time positions were transferred from Retail Banking.

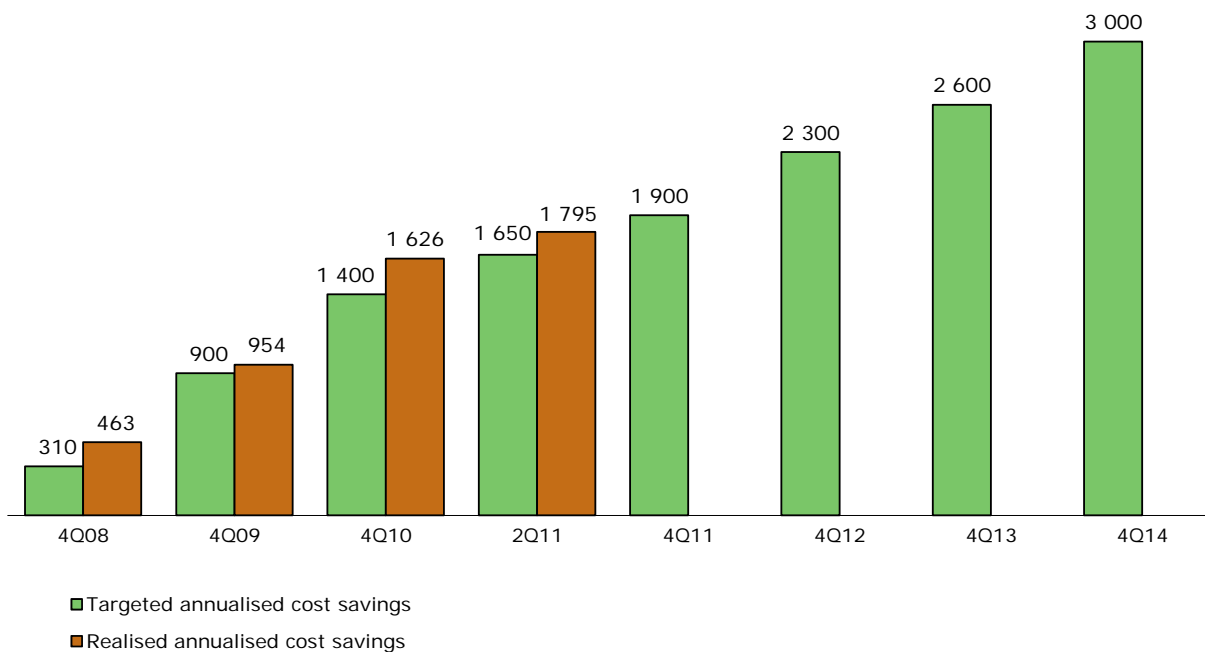
IT expenses

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
IT operating expenses	510	510	484	469	543	1 020	1 031
Systems development expenses ¹⁾	541	526	472	506	480	1 067	980
Total IT expenses ²⁾	1 051	1 036	956	975	1 023	2 087	2 012

- 1) Excluding write-downs on IT investments in DnB NORD of NOK 346 million in the second quarter of 2010.
- 2) Including salaries and indirect costs.

Cost programme

NOK million



Taxes

The DnB NOR Group's tax charge for the second quarter of 2011 was NOK 1 116 million, down from NOK 1 524 million in the year-earlier period. Relative to pre-tax operating profits, the tax charge was reduced from 35 per cent in the second quarter of 2010 to 24 per cent in the second quarter of 2011. The main factor behind the high tax charge in the second quarter of 2010 was losses on equity investments in Vital classified within the tax exemption model and losses in DnB NOR for which no tax value could be calculated. The tax charge in the second quarter of 2011 was in accordance with the long-term guiding.

Lending

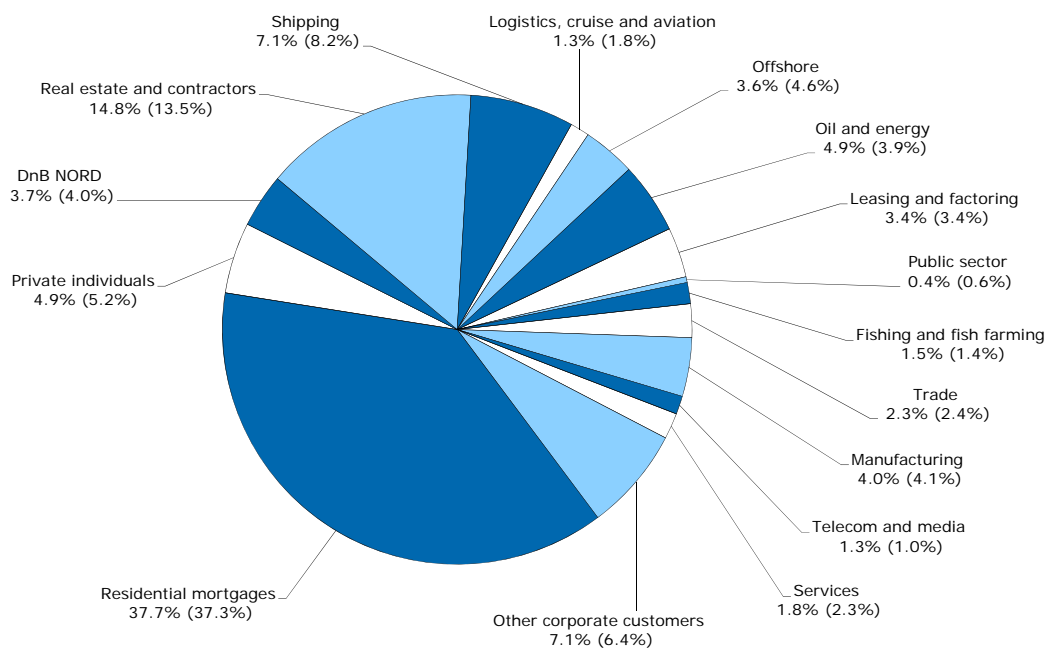
Net lending to principal customer groups ^{1) 2)}

<i>Amounts in NOK billion</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Private individuals	573.1	560.5	559.1	552.5	546.8
Transportation by sea and pipelines, vessel construction	126.3	129.4	133.9	132.4	138.4
Real estate	183.7	180.4	175.8	162.3	161.9
Manufacturing	49.6	52.4	47.7	45.4	48.4
Services and management	82.9	73.0	74.0	95.8	93.9
Trade	37.0	37.2	33.9	36.2	37.4
Oil and gas	15.6	14.4	18.3	13.1	14.5
Transportation and communication	31.4	29.5	29.4	23.6	24.1
Building and construction	38.5	35.3	35.8	34.0	32.8
Power and water supply	22.9	22.8	22.8	18.4	17.7
Seafood	14.5	13.2	13.9	13.5	13.4
Hotels and restaurants	4.2	4.2	5.1	5.1	5.1
Agriculture and forestry	7.3	7.3	7.5	7.5	7.2
Central and local government	7.5	5.5	6.0	6.3	7.0
Other sectors	7.3	7.8	6.7	5.5	5.4
Net lending to customers	1 202.0	1 173.1	1 170.0	1 151.6	1 154.1

1) Lending after individual write-downs, nominal amounts. The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway.

2) In the fourth quarter of 2010, industry codes for the international portfolio were reviewed. Following the review, loans totalling NOK 24 billion were reclassified from services and management to transportation by sea and pipelines, vessel construction, real estate, manufacturing, oil and gas and transportation and communication.

Exposure at default by segments as defined in DnB NOR Management Reporting as at 30 June 2011 ¹⁾

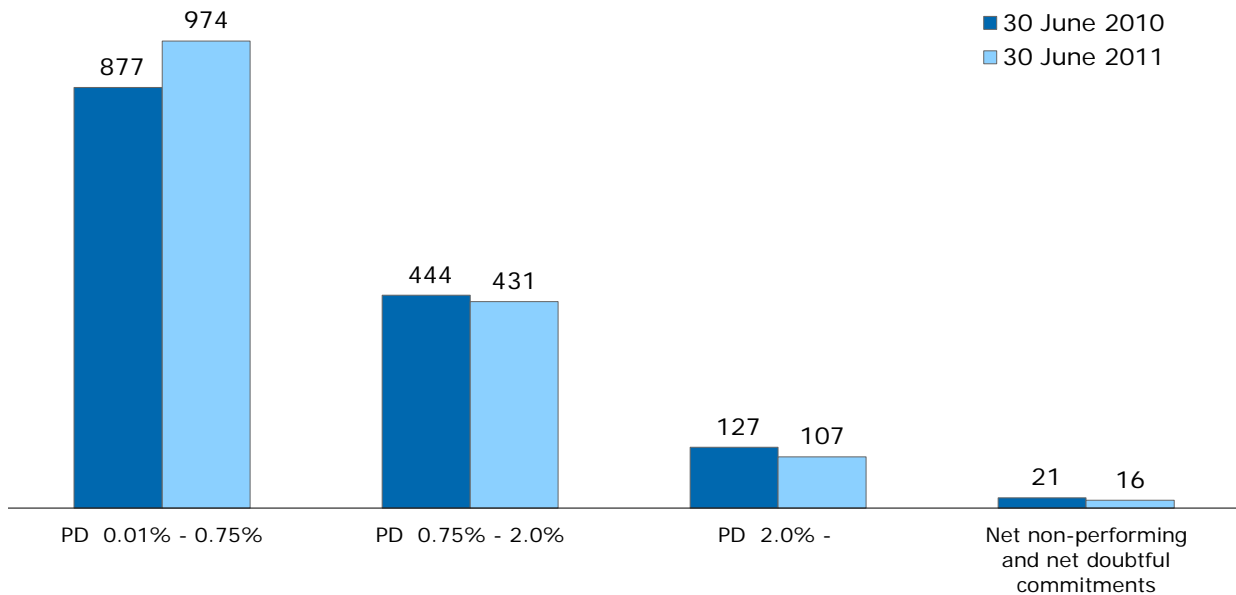


Comparable figures as at 30 June 2010 in parentheses

1) Distribution of exposure at default based on internal segmentation of customers, excluding net non-performing and net doubtful commitments.

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, except for net non-performing and net doubtful commitments which are net recorded exposures in the accounts. 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.

Write-downs on loans and guarantees

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Write-offs ¹⁾	351	43	113	176	145	394	170
New individual write-downs	429	1 308	1 369	948	1 187	1 737	2 824
Total new individual write-downs	780	1 351	1 482	1 124	1 332	2 131	2 994
Reassessed individual write-downs	273	357	361	262	253	630	484
Recoveries on commitments previously written off	100	123	160	85	79	223	173
Net individual write-downs	408	870	961	776	1 000	1 278	2 337
Change in collective write-downs on loans	50	21	(432)	(134)	(122)	71	(512)
Write-downs on loans and guarantees	457	892	529	643	878	1 349	1 825
Total write-downs in relation to average volumes, annualised (%)	0.15	0.31	0.18	0.22	0.31	0.23	0.33
- DnB NOR excl. DnB NORD	0.10	0.25	0.08	0.14	0.07	0.17	0.11
- DnB NORD	1.21	1.45	1.95	1.62	4.46	1.33	3.94

1) The figure for the third quarter of 2010 includes a NOK 98 million adjustment for commitments previously written down.

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
<i>Individual write-downs</i>							
Retail Banking:							
- Private Customer Divisions ¹⁾	58	13	132	146	57	71	8
- Small and medium sized enterprises	(45)	96	182	73	23	50	101
- DnB NOR Finans ²⁾	97	138	49	153	202	235	380
Large Corporates and International:							
- Nordic Corporates Division	145	120	4	66	0	264	(42)
- International Corporates and Institutions Division	(10)	273	196	1	(12)	263	52
- Shipping, Offshore and Logistics Division	(13)	13	3	8	47	0	208
- Energy Division	(11)	0	(10)	0	34	(11)	98
- Other units	3	(4)	(1)	10	(5)	(1)	(5)
DnB NOR excl. DnB NORD	223	649	553	456	347	873	803
DnB NORD	184	221	407	321	653	405	1 534
Total individual write-downs	408	870	961	776	1 000	1 278	2 337
<i>Collective write-downs</i>							
DnB NOR excl. DnB NORD	54	29	(329)	(66)	(168)	83	(233)
DnB NORD	(4)	(8)	(103)	(67)	46	(12)	(279)
Total collective write-downs on loans	50	21	(432)	(134)	(122)	71	(512)
Write-downs on loans and guarantees	457	892	529	643	878	1 349	1 825

1) The figure for the third quarter of 2010 includes a NOK 98 million adjustment for commitments previously written down.

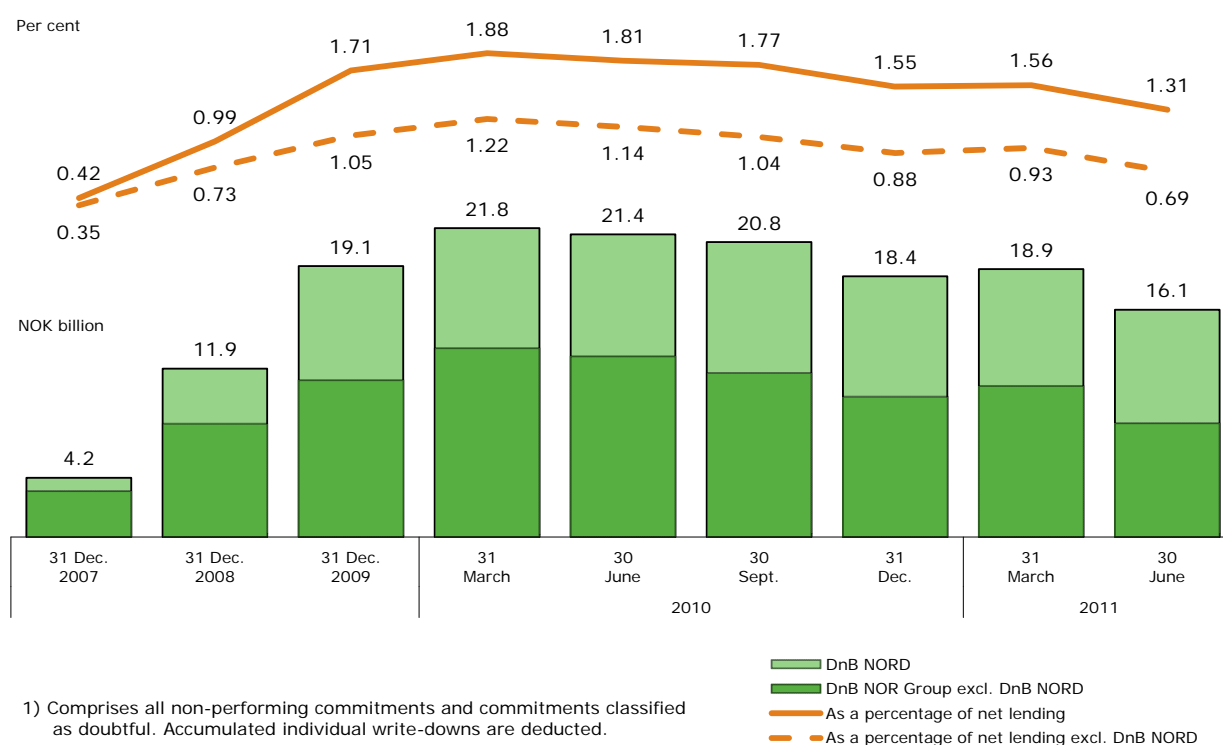
2) Includes leasing, factoring, credit card and consumer financing

Write-downs on loans and guarantees for principal customer groups ¹⁾

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Private individuals ²⁾	214	242	305	377	316	456	732
Transportation by sea and pipelines, vessel construction	(9)	21	36	16	39	12	230
Real estate	119	151	134	51	(11)	270	277
Manufacturing	51	19	249	53	325	70	434
Services and management	(35)	92	(132)	119	57	57	137
Trade	26	20	51	(11)	147	46	200
Oil and gas	0	0	3	0	0	0	0
Transportation and communication	4	8	(32)	85	(30)	13	49
Building and construction	3	309	265	63	38	312	66
Power and water supply	(11)	1	58	15	33	(10)	85
Seafood	(1)	0	(4)	6	6	(1)	7
Hotels and restaurants	3	19	38	11	7	22	27
Agriculture and forestry	(5)	11	12	30	0	6	26
Other sectors	0	0	(13)	(39)	69	0	62
Total customers	360	893	969	776	995	1 253	2 332
Credit institutions	47	(22)	(9)	1	5	25	5
Change in collective write-downs on loans	50	21	(432)	(134)	(122)	71	(512)
Write-downs on loans and guarantees ^{*)}	457	892	529	643	878	1 349	1 825
<i>*) Of which individual write-downs on guarantees</i>	(6)	8	(24)	(16)	29	2	37

- 1) The breakdown into principal customer groups is based on standardised sector and industry categories set up by Statistics Norway.
- 2) The figure for the third quarter of 2010 includes a NOK 98 million adjustment for commitments previously written down.

Net non-performing and net doubtful commitments ¹⁾



Write-down ratio – net non-performing and net doubtful commitments ¹⁾

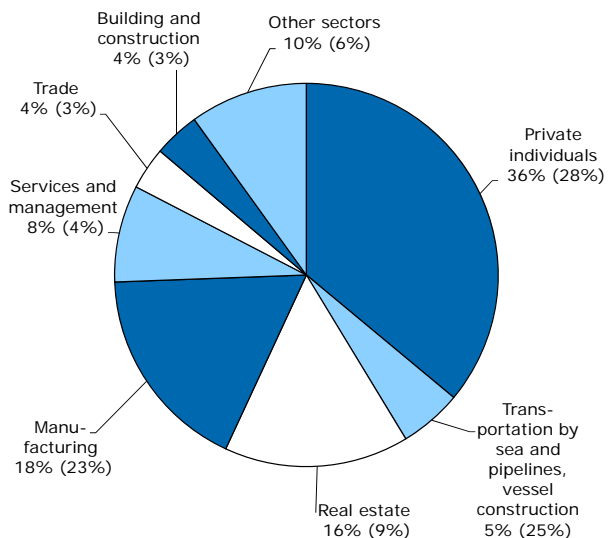
Amounts in NOK million	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Non-performing commitments	16 222	16 787	17 313	19 673	19 129
Doubtful commitments	8 671	11 855	10 369	10 622	11 541
Gross non-performing and gross doubtful commitments	24 893	28 642	27 682	30 295	30 670
Individual write-downs	8 840	9 720	9 273	9 471	9 305
Net non-performing and net doubtful commitments	16 053	18 922	18 409	20 824	21 365
Collective write-downs	1 893	1 866	1 872	2 315	2 494
Write-down ratio (per cent)	43.1	40.5	40.3	38.9	38.5
Collateral for non-performing and doubtful commitments	15 961	18 021	17 793	19 843	20 518
Coverage ratio (per cent)	107.2	103.4	104.5	104.4	105.4

1) Write-down ratio includes individual and collective write-downs as a percentage of gross non-performing and gross doubtful commitments.

Specification of net non-performing and net doubtful commitments ¹⁾

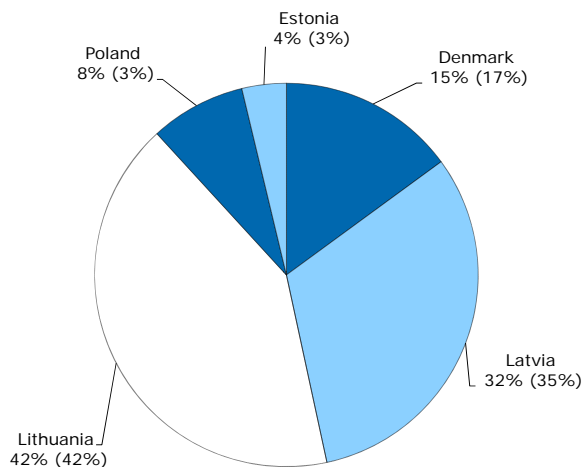
DnB NOR Group excl. DnB NORD ¹⁾

NOK 8 033 million as at 30 June 2011 (12 761)



DnB NORD

NOK 8 020 million as at 30 June 2011 (8 604)



1) Includes non-performing commitments and, in addition, commitments subject to individual write-downs. Comparable figures as at 30 June 2010 in parentheses.

2) The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway.

See pages 88-90 for more details on lending and write-downs in DnB NORD.

Net non-performing and net doubtful commitments ¹⁾

<i>Amounts in NOK million</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Retail Banking	6 416	6 855	7 175	7 296	7 199
Large Corporates and International	1 617	3 827	2 743	4 302	5 562
DnB NOR	8 020	8 240	8 491	9 226	8 604
Net non-performing and net doubtful commitments ¹⁾	16 053	18 922	18 409	20 824	21 365
*) Of which Norwegian units	10 859	9 525	8 258	8 921	9 046

1) Includes non-performing commitments and, in addition, commitments subject to individual write-downs.

Development in net non-performing and net doubtful commitments ¹⁾

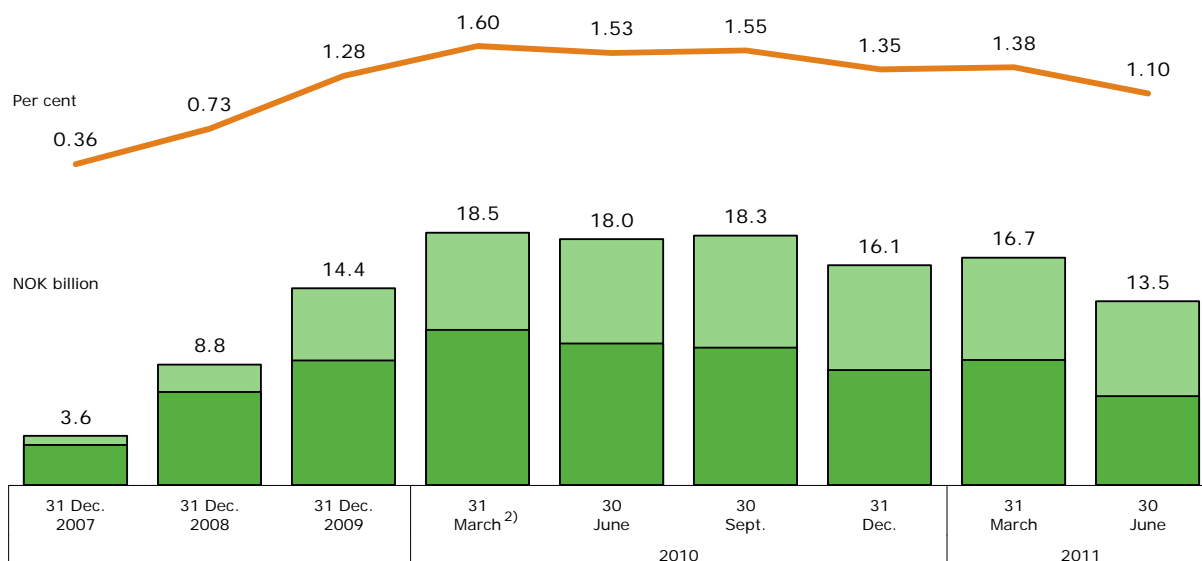
<i>Amounts in NOK million</i>	2Q11		1Q11		4Q10		3Q10		2Q10	
	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers
Net non-performing and net doubtful commitments at beginning of period	5 179	13 743	5 291	13 118	5 553	15 271	5 738	15 627	5 711	16 102
New non-performing and doubtful commitments	817	1 060	863	3 017	848	2 465	856	1 856	1 188	2 065
Transferred to current commitments	917	3 572	913	2 315	878	4 318	826	2 138	1 101	2 404
Write-offs etc. ²⁾	98	159	62	77	232	300	215	74	60	137
Net non-performing and net doubtful commitments at end of period	4 981	11 072	5 179	13 743	5 291	13 118	5 553	15 271	5 738	15 627

1) Of which DnB NOR:

Net non-performing and net doubtful commitments at beginning of period	2 147	6 093	2 196	6 295	2 240	6 986	2 216	6 388	2 224	6 242
New non-performing and doubtful commitments	139	141	139	693	174	400	163	902	368	829
Transferred to current commitments	200	298	184	894	217	1 090	139	304	376	633
Write-offs etc.	0	2	3	0	1	1	0	1	1	49
Net non-performing and net doubtful commitments at end of period	2 086	5 934	2 147	6 093	2 196	6 295	2 240	6 986	2 216	6 388

2) The figure for the third quarter of 2010 includes a NOK 98 million adjustment for commitments previously written down.

Net impaired commitments ¹⁾



1) Includes loans and guarantees on which individual write-downs have been recorded.

2) First quarter 2010 development includes an increase of NOK 817 million due to reclassification of non-performing commitments previously collectively written down in DnB NORD.

■ DnB NORD
■ DnB NOR Group excl. DnB NORD
— As a percentage of net lending

Write-down ratio – net impaired commitments ¹⁾

Amounts in NOK million	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Gross impaired commitments subject to individual write-downs	22 307	26 379	25 370	27 750	27 326
Individual write-downs	8 840	9 720	9 273	9 471	9 305
Net impaired commitments	13 467	16 659	16 097	18 279	18 021
Collective write-downs	1 893	1 866	1 872	2 315	2 494
Write-down ratio (per cent)	48.1	43.9	43.9	42.5	43.2
Collateral for impaired commitments	12 682	14 983	14 678	16 505	17 178
Coverage ratio (per cent)	105.0	100.7	101.8	102.0	106.0

1) Write-down ratio includes individual and collective write-downs as a percentage of gross impaired commitments subject to individual write-downs.

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. The figures as at 30 June are partially based on estimates.

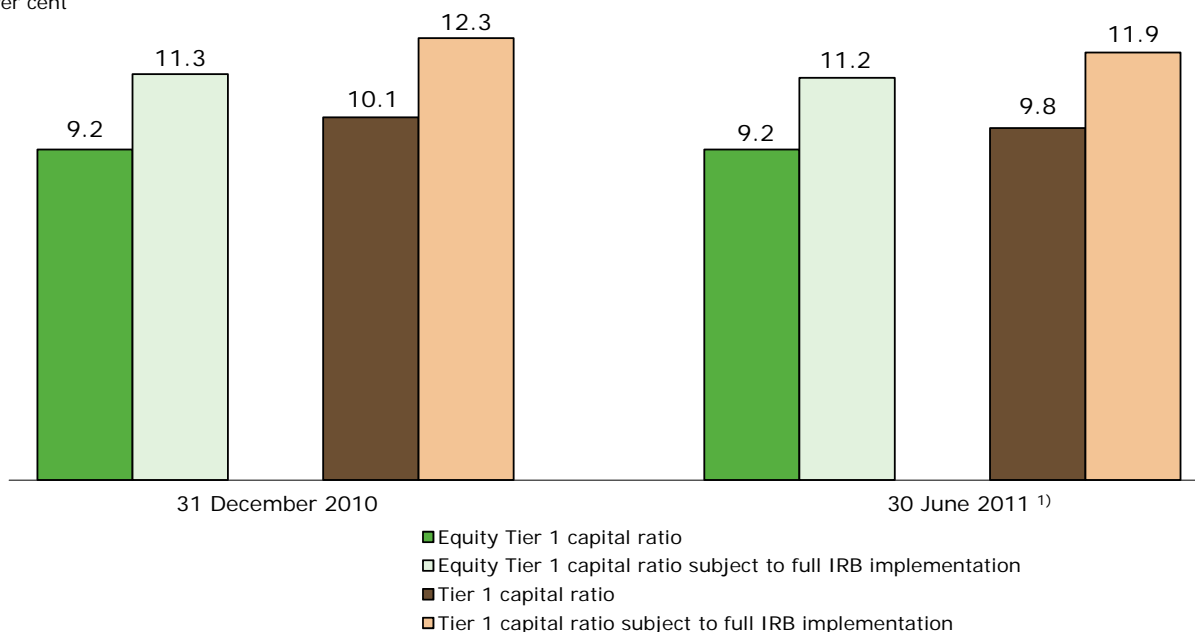
Primary capital	DnB NOR Bank ASA		DnB NOR Bank Group		DnB NOR Group	
	30 June 2011	31 Dec. 2010	30 June 2011	31 Dec. 2010	30 June 2011	31 Dec. 2010
<i>Amounts in NOK million</i>						
Share capital	17 514	17 514	17 514	17 514	16 253	16 232
Other equity	61 368	61 582	66 117	72 344	88 378	94 964
Total equity	78 883	79 096	83 631	89 859	104 631	111 196
Deductions						
Pension funds above pension commitments	0	0	(29)	(16)	(177)	(119)
Goodwill	(2 408)	(2 419)	(3 882)	(3 472)	(5 752)	(5 378)
Deferred tax assets	(516)	(481)	(389)	(324)	(206)	(977)
Other intangible assets	(1 044)	(1 159)	(1 976)	(1 963)	(2 227)	(2 219)
Dividends payable etc.	0	0	0	(6 000)	0	(6 515)
Unrealised gains on fixed assets	0	0	(30)	(30)	(30)	(30)
50 per cent of investments in other financial institutions	(992)	(1 024)	(992)	(1 024)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(932)	(515)	(939)	(666)	(939)	(666)
Adjustments for unrealised losses/(gains) on liabilities recorded at fair value	93	94	(175)	(346)	(175)	(346)
Equity Tier 1 capital	73 084	73 592	75 221	76 018	95 126	94 946
Perpetual subordinated loan capital securities ^{1) 2)}	5 731	8 241	5 903	8 423	5 903	8 423
Tier 1 capital	78 815	81 833	81 124	84 441	101 029	103 368
Perpetual subordinated loan capital	4 368	7 004	4 368	7 004	4 368	7 004
Term subordinated loan capital ²⁾	16 457	17 085	16 941	17 775	16 941	17 775
Deductions						
50 per cent of investments in other financial institutions	(992)	(1 024)	(992)	(1 024)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(932)	(515)	(939)	(666)	(939)	(666)
Additions						
45 per cent of unrealised gains on fixed assets	0	0	18	18	18	18
Tier 2 capital	18 901	22 549	19 396	23 108	20 389	24 132
Total eligible primary capital ³⁾	97 716	104 382	100 520	107 548	121 419	127 500
Risk-weighted volume	775 796	738 194	946 454	918 659	1 064 474	1 028 404
Minimum capital requirement	62 064	59 056	75 716	73 493	85 158	82 272
Equity Tier 1 capital ratio (%)	9.4	10.0	7.9	8.3	8.9	9.2
Tier 1 capital ratio (%)	10.2	11.1	8.6	9.2	9.5	10.1
Capital ratio (%)	12.6	14.1	10.6	11.7	11.4	12.4
Equity Tier 1 capital ratio including 50 per cent of profit for the period (%)	9.8	-	8.2	-	9.2	-
Tier 1 capital ratio including 50 per cent of profit for the period (%)	10.5	-	8.8	-	9.8	-
Capital ratio including 50 per cent of profit for the period (%)	12.9	-	10.9	-	11.7	-

- 1) Perpetual subordinated loan capital securities can represent up to 15 per cent of Tier 1 capital. The excess will qualify as Tier 2 capital.
- 2) As at 30 June 2011, calculations of capital adequacy for the banking group and the DnB NOR Group included a total of NOK 575 million in subordinated loan capital in associated companies.
- 3) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the consolidated accounts since a different consolidation method is used. Associated companies are consolidated gross in the capital adequacy calculations while the equity method is used in the accounts.

Due to transitional rules, the minimum capital adequacy requirements for 2010 and 2011 cannot be reduced below 80 per cent relative to the Basel I requirements.

Tier 1 capital ratio

Per cent



1) Including 50 per cent of profit for the period.

Basel II implementation - further progress

A major reduction in risk-weighted assets is expected upon full implementation of the IRB system. The IRB system is defined as the models, work processes, decision-making processes, control mechanisms, IT systems and internal guidelines and routines used to classify and quantify credit risk. Below is a time schedule for the implementation of the different reporting methods used for the Group's portfolios.

Portfolios	Reporting methods for credit risk in capital adequacy calculations	
	30 June 2011	31 Dec. 2011
Retail:		
- mortgage loans, DnB NOR Bank and DnB NOR Boligkreditt	IRB ¹⁾	IRB ¹⁾
- qualifying revolving retail exposures, DnB NOR Bank ²⁾	IRB ¹⁾	IRB ¹⁾
- mortgage loans, Nordlandsbanken	Standardised	IRB ¹⁾
- loans in Norway, DnB NOR Finans, DnB NOR Bank	IRB ¹⁾	IRB ¹⁾
Corporates:		
- small and medium-sized corporates, DnB NOR Bank	Advanced IRB	Advanced IRB
- large corporate clients (scorecard models), DnB NOR Bank	Advanced IRB	Advanced IRB
- large corporate clients (simulation models), DnB NOR Bank	Standardised	Advanced IRB
- corporate clients, Nordlandsbanken	Standardised	Advanced IRB
- leasing DnB NOR Bank	Advanced IRB	Advanced IRB
- corporate clients, DnB NOR Næringskreditt	Standardised	Advanced IRB
Securitisation positions:		
- DnB NOR Markets' liquidity portfolio	IRB ¹⁾	IRB ¹⁾
Institutions:		
- banks and financial institutions, DnB NOR Bank	Standardised	Advanced IRB
Exceptions:		
- approved exceptions: government and municipalities, equity positions	Standardised	Standardised
- temporary exceptions: DnB NOR, DnB NOR Luxembourg, Monchebank and various other portfolios	Standardised	Standardised

1) There is only one IRB approach for retail exposures and securitisation positions.

2) Reported according to the IRB category Retail, other exposures.

Financial results

Income statement

Amounts in NOK million						First half	
	2Q11	1Q11	4Q10	3Q10	2Q10	2011	2010
Total interest income	15 150	14 902	15 168	14 803	13 896	30 052	26 937
Total interest expenses	9 102	8 884	9 015	8 825	8 152	17 986	15 632
Net interest income	6 048	6 018	6 153	5 978	5 744	12 066	11 305
Commissions and fees receivable etc.	2 366	2 314	2 420	2 367	2 311	4 680	4 473
Commissions and fees payable etc.	553	532	511	587	588	1 084	1 122
Net gains on financial instruments at fair value	1 351	662	1 684	225	1 754	2 013	3 052
Net gains on assets in Vital	3 349	3 481	6 404	4 156	754	6 831	4 514
Guaranteed returns and allocations to policyholders in Vital	2 884	2 972	5 879	3 324	944	5 856	4 297
Premium income etc. included in the risk result in Vital	1 211	1 226	1 242	1 164	1 173	2 437	2 315
Insurance claims etc. included in the risk result in Vital	1 355	1 234	1 248	1 195	1 226	2 589	2 534
Premium income non-life insurance	218	295	273	260	242	513	476
Insurance claims etc. non-life insurance	164	242	249	206	200	406	463
Profit from companies accounted for by the equity method	(28)	72	72	99	(52)	44	9
Other income	472	397	343	356	1 571	869	1 865
Net other operating income	3 984	3 467	4 553	3 315	4 795	7 451	8 288
Total income	10 032	9 485	10 706	9 294	10 538	19 518	19 592
Salaries and other personnel expenses	2 614	2 444	2 438	2 419	2 452	5 058	4 402
Other expenses	1 874	1 930	1 685	1 641	1 869	3 804	3 668
Depreciation and write-downs of fixed and intangible assets	444	419	487	421	983	863	1 349
Total operating expenses	4 931	4 793	4 610	4 482	5 304	9 725	9 419
Pre-tax operating profit before write-downs	5 101	4 692	6 096	4 812	5 234	9 793	10 174
Net gains on fixed and intangible assets	9	5	26	(11)	(1)	13	9
Write-downs on loans and guarantees	457	892	529	643	878	1 349	1 825
Pre-tax operating profit	4 652	3 805	5 593	4 157	4 355	8 457	8 358
Taxes	1 116	913	367	1 149	1 524	2 030	2 605
Profit from operations and non-current assets held for sale, after taxes	11	(41)	57	30	(8)	(30)	(13)
Profit for the period	3 546	2 851	5 284	3 038	2 823	6 397	5 740
Profit attributable to shareholders	3 546	2 851	5 349	3 084	3 264	6 397	6 381
Profit attributable to minority interests	0	0	(65)	(46)	(442)	0	(641)
Earnings/diluted earnings per share (NOK)	2.18	1.76	3.25	1.90	2.01	3.94	3.93
Earnings per share excluding operations held for sale (NOK)	2.18	1.78	3.22	1.88	2.02	3.96	3.94

Balance sheet

Amounts in NOK million	30 June	31 March	31 Dec.	30 Sept.	30 June
	2011	2011	2010	2010	2010
Cash and deposits with central banks	15 828	242 242	16 198	16 049	9 807
Lending to and deposits with credit institutions	41 096	72 781	47 792	50 369	213 009
Lending to customers	1 201 961	1 173 213	1 170 341	1 152 001	1 154 491
Commercial paper and bonds	187 293	195 390	204 204	213 326	189 715
Shareholdings	79 154	75 602	75 179	66 534	65 074
Financial assets, customers bearing the risk	23 689	23 875	23 506	21 903	21 149
Financial derivatives	67 627	71 282	78 156	99 179	94 829
Commercial paper and bonds, held to maturity	165 706	173 167	179 461	180 015	181 465
Investment property	41 134	38 997	38 834	34 498	34 012
Investments in associated companies	2 157	2 346	2 307	1 912	1 816
Intangible assets	7 071	7 174	7 164	7 000	6 884
Deferred tax assets	173	1 262	915	227	223
Fixed assets	5 968	5 842	5 793	5 673	5 608
Operations and non-current assets held for sale	1 172	1 326	1 271	1 304	1 310
Other assets	13 818	12 571	10 499	13 467	13 214
Total assets	1 853 848	2 097 070	1 861 620	1 863 457	1 992 607
Loans and deposits from credit institutions	207 494	384 704	257 931	258 063	338 678
Deposits from customers	647 880	678 402	641 914	606 502	621 882
Financial derivatives	51 018	59 165	60 871	69 256	62 553
Debt securities issued	538 314	566 214	501 668	533 313	575 611
Insurance liabilities, customers bearing the risk	23 689	23 875	23 506	21 903	21 149
Liabilities to life insurance policyholders	213 390	212 773	205 550	202 226	198 255
Insurance liabilities, non-life insurance	1 445	900	1 091	1 051	1 042
Payable taxes	2 092	4 577	4 865	3 687	2 594
Deferred taxes	219	185	116	510	629
Other liabilities	25 315	17 437	14 738	18 900	21 814
Operations held for sale	331	350	387	373	376
Provisions	560	586	946	890	927
Pension commitments	3 369	3 365	3 361	3 668	3 658
Subordinated loan capital	27 702	30 503	33 479	35 857	38 941
Total liabilities	1 742 819	1 983 037	1 750 424	1 756 200	1 888 108
Minority interests	0	0	0	1 965	2 011
Share capital	16 253	16 251	16 232	16 233	16 216
Share premium reserve	22 609	22 609	22 609	22 609	22 609
Other equity	72 167	75 173	72 356	66 450	63 663
Total equity	111 028	114 033	111 196	107 257	104 498
Total liabilities and equity	1 853 848	2 097 070	1 861 620	1 863 457	1 992 607

Key figures

						First half	
	2Q11	1Q11	4Q10	3Q10	2Q10	2011	2010
Interest rate analysis							
1 Combined weighted total average spread for lending and deposits (%)	1.10	1.13	1.17	1.16	1.15	1.11	1.14
2 Spread for ordinary lending to customers (%)	1.55	1.61	1.67	1.57	1.60	1.58	1.59
3 Spread for deposits from customers (%)	0.31	0.29	0.27	0.41	0.32	0.30	0.31
Rate of return/profitability							
4 Net other operating income, per cent of total income	39.7	36.6	42.5	35.7	45.5	38.2	42.3
5 Cost/income ratio (%)	49.2	50.5	43.1	48.2	50.3	49.8	49.9
6 Return on equity, annualised (%)	12.6	10.3	19.6	11.8	12.8	11.5	12.6
7 RARORAC, annualised (%)	18.9	20.4	27.8	19.1	17.6	19.7	18.0
8 RORAC, annualised (%)	21.9	17.3	48.2	19.1	20.5	20.0	20.2
9 Average equity including allocated dividend (NOK million)	112 536	112 785	107 173	103 920	102 011	112 660	101 039
10 Return on average risk-weighted volume, annualised (%)	1.36	1.12	2.00	1.11	1.05	1.24	0.87
Financial strength							
11 Tier 1 capital ratio at end of period (%)	9.5	9.8	10.1	9.2	9.0	9.5	9.0
12 Tier 1 capital ratio incl. 50 per cent of profit for the period (%)	9.8	10.0	-	9.7	9.3	9.8	9.3
13 Capital ratio at end of period (%)	11.4	11.8	12.4	11.7	11.6	11.4	11.6
14 Capital ratio incl. 50 per cent of profit for the period (%)	11.7	12.0	-	12.1	11.9	11.7	11.9
15 Tier 1 capital at end of period (NOK million)	101 029	102 349	103 368	98 529	99 491	101 029	99 491
16 Risk-weighted volume at end of period (NOK million)	1 064 474	1 039 491	1 028 404	1 066 639	1 104 417	1 064 474	1 104 417
Loan portfolio and write-downs							
17 Individual write-downs relative to average net lending to customers, annualised	0.14	0.30	0.33	0.27	0.35	0.22	0.42
18 Write-downs relative to average net lending to customers, annualised	0.15	0.31	0.18	0.22	0.31	0.23	0.33
19 Net non-performing and net doubtful commitments, per cent of net lending	1.31	1.56	1.55	1.77	1.81	1.31	1.81
20 Net non-performing and net doubtful commitments at end of period (NOK million)	16 053	18 922	18 409	20 824	21 365	16 053	21 365
Liquidity							
21 Ratio of customer deposits to net lending to customers at end of period (%)	53.9	57.8	54.8	52.6	53.9	53.9	53.9
Total assets owned or managed by DnB NOR							
22 Customer assets under management at end of period (NOK billion)	504	521	509	496	481	504	481
23 Total combined assets at end of period (NOK billion)	2 119	2 380	2 141	2 134	2 253	2 119	2 253
24 Average total assets (NOK billion)	2 166	2 091	1 995	1 987	1 953	2 128	1 948
25 Customer savings at end of period (NOK billion)	1 152	1 199	1 151	1 103	1 103	1 152	1 103
Staff							
26 Number of full-time positions at end of period	13 212	13 027	13 021	13 140	13 125	13 212	13 125
The DnB NOR share							
27 Number of shares at end of period (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
28 Average number of shares (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
29 Earnings per share (NOK)	2.18	1.76	3.25	1.90	2.01	3.94	3.93
30 Earnings per share excluding operations held for sale (NOK)	2.18	1.78	3.22	1.88	2.02	3.96	3.94
31 Dividend per share (NOK)	-	-	-	-	-	-	-
32 Total shareholder's return (%)	(7.2)	3.6	2.3	26.8	(4.6)	(3.9)	3.3
33 Dividend yield (%)	-	-	-	-	-	-	-
34 Equity per share including allocated dividend at end of period (NOK)	68.17	70.01	68.27	64.64	62.92	68.17	62.92
35 Share price at end of period (NOK)	75.20	84.85	81.90	80.05	63.15	75.20	63.15
36 Price/earnings ratio	8.64	11.91	6.36	10.64	7.83	9.50	8.01
37 Price/book value	1.10	1.21	1.20	1.24	1.00	1.10	1.00
38 Market capitalisation (NOK billion)	122.5	138.2	133.4	130.4	102.9	122.5	102.9

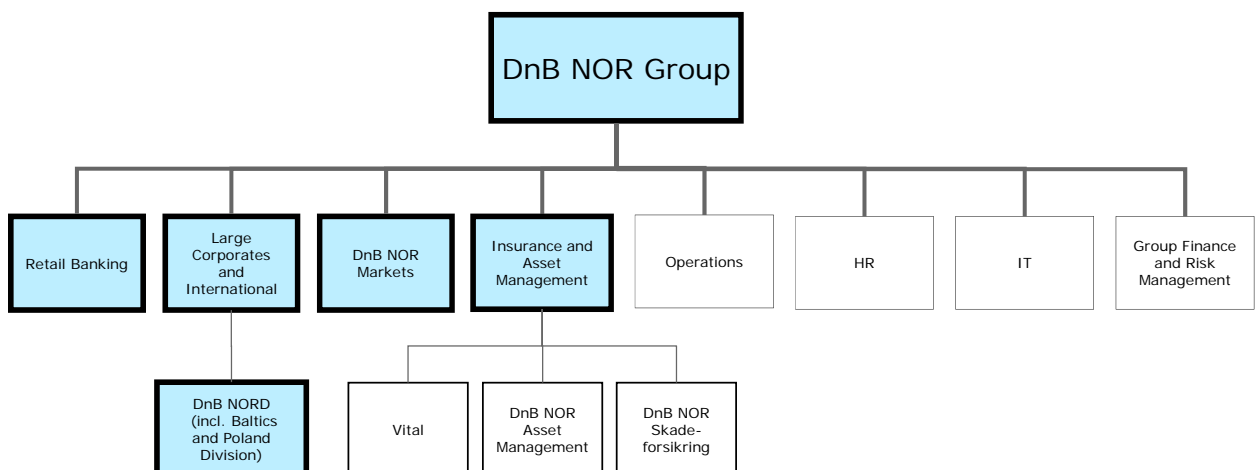
For definitions of selected key figures, see next page.

Definitions to key figures

- 1, 2, 3 Based on nominal values excluding impaired loans, measured against the 3-month money market rate.
- 5 Total operating expenses relative to total income. Expenses exclude impairment losses for goodwill and other intangible assets and reversals of provisions for contractual early retirement pensions. Total income excludes a gain resulting from the merger between the payment services company Nordito and the Danish PBS Holding in the second quarter of 2010.
- 6 Profit for the period, excluding profit attributable to minority interests. Average equity is calculated on the basis of recorded equity excluding minority interests.
- 7 RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation. The risk-adjusted capital requirement is described in further detail in the chapter "Capital management and risk categories" in the DnB NOR Group's annual report for 2010.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to 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.
- 22 Total assets under management for customers in Insurance and Asset Management.
- 23 Total assets and customer assets under management.
- 25 Total deposits from customers, assets under management and equity-linked bonds.
- 27 The Annual General Meeting on 28 April 2011 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 732 959 487, corresponding to 4.5 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 28 April 2011. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with Norwegian Government/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.
- 29 Excluding profits attributable to minority interests. Holdings of own shares are not included in calculations of earnings per share.
- 30 Excluding operations held for sale and profits attributable to minority interests. Holdings of own shares are not included in calculations of the number of shares.
- 32 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, relative to closing price at beginning of period.
- 34 Equity at end of period excluding minority interests relative to number of shares at end of period.
- 36 Closing price at end of period relative to annualised earnings per share.
- 37 Closing price at end of period relative to recorded equity at end of period.
- 38 Number of shares multiplied by the closing share price at end of period.

Section 3

Business areas



Business areas – financial performance

DnB NOR's business areas; Retail Banking, Large Corporates and International, DnB NOR Markets and Insurance and Asset Management are independent profit centres carrying responsibility for customer segments served by the Group and the products offered. In addition, the operations in DnB NOR is reported as a separate profit centre.

The income statement and balance sheet for the business areas 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. Historical figures are restated in accordance with the current organisational structure and the Group's current principles for allocating costs and capital between business areas. The figures for business areas are based on a number of assumptions, estimates and discretionary distributions. Internal transfer rates used between the business areas are determined based on observable market rates, e.g. NIBOR. Additional costs relating to the Group's long-term funding are charged to the business areas. According to the Group's liquidity management policy, 90 per cent of lending is financed through stable deposits and long-term funding. The additional costs thus arising were charged to the business areas. In the management accounts, Retail Banking and Large Corporates and International are measured based on the business areas' ordinary operations. Volatile IFRS effects are not allocated to the business areas.

Return on capital for the business areas are presented in the descriptions of each area in this section. Return on capital is measured as the business area's profits after taxes relative to average risk adjusted capital, and the quarterly figures are annualised. Capital allocated to the business areas corresponds to the areas' risk-adjusted capital requirement based on the risk involved in operations. The capital requirement is measured 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, operating income and expenses relating to some of these customers and transactions are recorded in the accounts of all of the relevant business areas. This refers primarily to income from customer trading in DnB NOR Markets. With effect from 1 January 2010, the internal management reporting has been changed, whereby these double entries are presented gross in the income statement. Income is presented under "Income attributable to product suppliers", appurtenant costs under "Costs attributable to product suppliers" and write-downs under "Write-downs attributable to product suppliers". The net result of such transactions was previously included in other operating income. Double entries now also include income from Insurance and Asset Management. In the second quarter of 2011, net result from such transactions totalled NOK 460 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>	2Q11	Change 1Q11-2Q11	Change 2Q10-2Q11
Net interest income	6 048	30	305
Retail Banking	3 455	(156)	(117)
Large Corporates and International	1 929	106	337
DnB NOR Markets	237	(7)	(13)
Insurance and Asset Management	26	17	4
DnB NORD	317	6	(68)
Other	84	64	162

Changes in net other operating income

<i>Amounts in NOK million</i>	2Q11	Change 1Q11-2Q11	Change 2Q10-2Q11
Net other operating income	3 984	517	(811)
Retail Banking	1 225	49	(25)
Large Corporates and International	809	24	150
DnB NOR Markets	1 332	(68)	121
Insurance and Asset Management	1 081	(176)	595
DnB NORD	165	(9)	67
Other	(629)	696	(1 719)

Changes in operating expenses

<i>Amounts in NOK million</i>	2Q11	Change 1Q11-2Q11	Change 2Q10-2Q11
Operating expenses	4 931	138	(373)
Retail Banking	2 824	117	(148)
Large Corporates and International	783	(23)	67
DnB NOR Markets	500	(28)	17
Insurance and Asset Management	581	(20)	49
DnB NORD	356	11	(326)
Other	(113)	81	(32)

Changes in write-downs on loans and guarantees

<i>Amounts in NOK million</i>	2Q11	Change 1Q11-2Q11	Change 2Q10-2Q11
Write-downs on loans and guarantees	457	(434)	(420)
Retail Banking	100	(152)	(184)
Large Corporates and International	220	(167)	158
DnB NORD, including collective write-downs on loans	180	(34)	(520)
Unallocated collective write-downs on loans ¹⁾	(43)	(82)	125

1) As from 1 January 2011, changes in collective write-downs are also included in the accounts of Retail Banking and Large Corporates and International.

Extracts from income statement, first half

	Retail Banking		Large Corporates and International		DnB NOR Markets		Insurance and Asset Management		DnB NOR D		Other operations/eliminations		DnB NOR Group	
	First half		First half		First half		First half		First half		First half		First half	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	6 780	6 777	3 443	2 776	411	475	(176)	(113)	601	705	1 007	686	12 066	11 305
Interest on allocated capital ²⁾	285	227	310	288	70	67	212	154	26	17	(903)	(754)	0	0
Net interest income	7 065	7 004	3 753	3 064	481	542	36	41	627	721	104	(68)	12 066	11 305
Other operating income	1 793	1 764	590	450	2 732	2 233	2 338	1 335	340	285	(341)	2 221	7 451	8 288
Income attributable to product suppliers	608	651	1 004	820	0	0	0	0	0	0	(1 612)	(1 471)	0	0
Net other operating income	2 401	2 415	1 594	1 270	2 732	2 233	2 338	1 335	340	285	(1 954)	750	7 451	8 288
Total income	9 466	9 419	5 347	4 334	3 213	2 775	2 374	1 376	967	1 006	(1 850)	683	19 518	19 592
Other operating expenses	5 226	5 297	1 170	1 068	1 029	900	1 182	1 103	701	1 030	416	20	9 725	9 419
Cost attributable to product suppliers	304	362	420	346	0	0	0	0	0	0	(724)	(709)	0	0
Operating expenses	5 530	5 660	1 589	1 415	1 029	900	1 182	1 103	701	1 030	(308)	(689)	9 725	9 419
Pre-tax operating profit before write-downs	3 936	3 759	3 758	2 919	2 184	1 874	1 192	273	266	(24)	(1 542)	1 372	9 793	10 174
Net gains on fixed and intangible assets	1	1	0	0	0	0	0	0	7	(14)	5	23	13	9
Write-downs on loans and guarantees ³⁾	353	491	605	312	0	0	0	0	393	1 255	(1)	(233)	1 349	1 825
Write-downs attributable to product suppliers	0	0	2	2	0	0	0	0	0	0	(2)	(2)	0	0
Pre-tax operating profit	3 584	3 270	3 150	2 605	2 184	1 874	1 192	273	(120)	(1 294)	(1 534)	1 629	8 457	8 358

Extracts from income statement, second quarter

	Retail Banking		Large Corporates and International		DnB NOR Markets		Insurance and Asset Management		DnB NOR D		Other operations/eliminations ¹⁾		DnB NOR Group	
	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	3 307	3 452	1 769	1 440	202	214	(90)	(61)	302	377	558	321	6 048	5 744
Interest on allocated capital ²⁾	148	120	160	152	35	36	116	83	15	8	(474)	(399)	0	0
Net interest income	3 455	3 572	1 929	1 593	237	250	26	22	317	385	84	(78)	6 048	5 744
Other operating income	906	910	315	201	1 332	1 211	1 081	486	165	99	184	1 888	3 984	4 795
Income attributable to product suppliers	319	340	494	458	0	0	0	0	0	0	(813)	(798)	0	0
Net other operating income	1 225	1 250	809	659	1 332	1 211	1 081	486	165	99	(629)	1 090	3 984	4 795
Total income	4 680	4 822	2 739	2 252	1 569	1 462	1 107	508	482	483	(545)	1 011	10 032	10 538
Other operating expenses	2 672	2 785	582	521	500	484	581	532	356	682	239	301	4 931	5 304
Cost attributable to product suppliers	151	187	201	195	0	0	0	0	0	0	(352)	(382)	0	0
Operating expenses	2 824	2 972	783	716	500	484	581	532	356	682	(113)	(81)	4 931	5 304
Pre-tax operating profit before write-downs	1 856	1 850	1 956	1 536	1 069	978	526	(24)	126	(198)	(432)	1 093	5 101	5 234
Net gains on fixed and intangible assets	0	1	0	0	0	0	0	0	4	(8)	4	7	9	(1)
Write-downs on loans and guarantees ³⁾	100	284	220	63	0	0	0	0	180	699	(43)	(168)	457	878
Write-downs attributable to product suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-tax operating profit	1 756	1 566	1 735	1 474	1 069	978	526	(24)	(49)	(906)	(385)	1 267	4 652	4 355

1) Other operations/eliminations:

	Eliminations of income/cost attributable to product suppliers		Other eliminations		Group Centre ^{*)}		Total	
	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10
<i>Amounts in NOK million</i>								
Net interest income - ordinary operations	0	0	6	(31)	552	352	558	321
Interest on allocated capital ²⁾	0	0	0	0	(474)	(399)	(474)	(399)
Net interest income	0	0	6	(31)	78	(48)	84	(78)
Other operating income	0	0	(312)	(218)	496	2 107	184	1 888
Income attributable to product suppliers	(813)	(798)	0	0	0	0	(813)	(798)
Net other operating income	(813)	(798)	(312)	(218)	496	2 107	(629)	1 090
Total income	(813)	(798)	(306)	(249)	574	2 059	(545)	1 011
Other operating expenses	0	0	(306)	(249)	545	550	239	301
Cost attributable to product suppliers	(352)	(382)	0	0	0	0	(352)	(382)
Operating expenses	(352)	(382)	(306)	(249)	545	550	(113)	(81)
Pre-tax operating profit before write-downs	(461)	(417)	0	0	29	1 509	(432)	1 093
Net gains on fixed and intangible assets	0	0	0	0	4	7	4	7
Write-downs on loans and guarantees ³⁾	0	0	0	0	(43)	(168)	(43)	(168)
Write-downs attributable to product suppliers	0	0	0	0	0	0	0	0
Pre-tax operating profit	(460)	(417)	0	0	76	1 684	(385)	1 267

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 income/cost attributable to product suppliers 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, Treasury, the partially owned company Eksportfinans, investments in IT infrastructure and shareholder-related costs. In addition, the Group Centre includes that part of the Group's equity that is not allocated to the business areas.

*) <i>Group Centre - pre-tax operating profit in NOK million</i>	2Q11	2Q10
+ Gain on Nordito shareholdings	0	1 170
+ Interest on unallocated equity etc.	245	210
+ Income from equities investments	53	(77)
+ Mark-to-market adjustments Treasury and fair value on lending	(12)	729
+ Eksportfinans AS	68	(40)
+ Net interest income DnB NOR ASA	(28)	(22)
- Unallocated write-downs on loans and guarantees	(43)	(168)
- Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	61	53
- Unallocated pension expenses	23	31
- Impairment losses for intangible assets	0	51
- Funding costs on goodwill	13	12
Other	(195)	(307)
Pre-tax operating profit	76	1 684

- 2) The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.
 3) As from 1 January 2011, changes in collective write-downs are also included in the accounts of Retail Banking and Large Corporates and International.

Main average balance sheet items

<i>Amounts in NOK billion</i>	Retail Banking		Large Corporates and International		DnB NOR Markets		Insurance and Asset Management		DnB NOR		Other operations/ eliminations		DnB NOR Group	
	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10
Net lending to customers ¹⁾	772.7	732.7	352.8	338.9	3.3	1.0	1.0	3.2	59.6	62.9	(2.2)	(4.9)	1 187.3	1 133.9
Deposits from customers ¹⁾	394.0	370.3	230.9	202.9	26.4	18.5			25.0	21.9	(1.3)	(3.1)	675.0	610.5
Assets under management ²⁾							532.5	504.1					532.5	504.1
Allocated capital ³⁾	21.9	19.6	23.8	24.9	5.2	6.0	17.3	13.6	4.2	4.7				

Key figures

<i>Per cent</i>	Retail Banking		Large Corporates and International		DnB NOR Markets		Insurance and Asset Management		DnB NOR		Other operations		DnB NOR Group	
	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10	2Q11	2Q10
Cost/income ratio ⁴⁾	60.3	57.6	28.6	31.8	31.9	33.1	52.5	104.8	73.8	69.5			49.2	50.3
Ratio of deposits to lending ^{1) 5)}	51.0	50.5	65.4	59.9					41.9	34.8			56.9	53.8
Return on allocated capital, annualised ³⁾	23.1	23.1	21.1	17.1	59.1	47.4	11.9	(4.1)	(3.8)	(37.9)			21.9	20.5
Full-time positions as at 30 June ⁶⁾	4 928	4 938	1 117	1 080	688	676	1 047	1 062	3 169	3 136	2 264	2 232	13 212	13 125

- 1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.
 2) The figures include total assets in Vital and was NOK 256.9 billion as at 30 June 2011 and NOK 244.7 billion as at 30 June 2010.
 3) The allocated capital and return on allocated capital are for the business areas calculated on the basis of internal measurement of risk-adjusted capital requirement. Recorded return on capital is used for the Group.
 4) Total operating expenses relative to total income. In 2010 expenses exclude impairment losses for goodwill and intangible assets and income exclude a gain from the merger between the payment services company Nordito and the Danish PBS Holding.
 5) Deposits from customers relative to net lending to customers.
 6) In the second quarter of 2011, 65 full-time positions were transferred to Market and Communications from other parts of the Group, of which 36 full-time positions were transferred from Retail Banking.

Market shares lending and deposits, Norwegian customers

Retail customers ¹⁾

<i>Per cent</i>	31 May 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Total lending to households ^{2) 3)}	27.5	27.4	27.5	27.6	27.8
Bank deposits from households ^{2) 4)}	32.5	32.3	32.4	32.3	32.3

<i>Per cent</i>	31 March 2010	31 Dec. 2009	30 Sept. 2009	30 June 2009	31 March 2009
Total lending to households ^{2) 3)}	27.8	27.8	27.8	27.8	27.7
Bank deposits from households ^{2) 4)}	32.2	32.4	32.4	32.4	32.4

1) Based on nominal values.

2) In previous versions of this table households were defined as employees, pensioners, social security recipients, students etc. In this version, households also include unincorporated private enterprises, quasi-corporate private enterprises and private non-profit institutions serving households.

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

4) Domestic commercial and savings banks.

Source: Norges Bank, DnB NOR

Corporate customers ^{1) 2)}

<i>Per cent</i>	31 May 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Of total lending to corporate clients ³⁾	13.8	13.7	13.8	13.9	14.1
Of deposits from corporate clients ⁴⁾	35.4	34.7	35.3	34.6	35.5

<i>Per cent</i>	31 March 2010	31 Dec. 2009	30 Sept. 2009	30 June 2009	31 March 2009
Of total lending to corporate clients ³⁾	13.9	13.8	14.4	14.8	15.1
Of deposits from corporate clients ⁴⁾	35.2	35.5	36.1	35.7	37.1

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

Retail Banking

Retail Banking aims to maintain its leading market position and stand out as the customers' best financial partner. Karin Bing Orgland, group executive vice president, heads the business area.

Retail Banking includes:

- The retail market activities (private individuals and small and medium sized enterprises) of DnB NOR Bank and Nordlandsbanken.
- DnB NOR Boligkreditt (excluding funding activities)
- DnB NOR Finans
- Residential real estate broking activities in Norway through DnB NOR Eiendom and Postbanken Eiendom
- Residential real estate broking activities in Sweden through Svensk Fastighetsförmedling
- SalusAnsvar

Customers/markets

- Serving 2.1 million private customers and 220 000 corporate customers, of which 790 000 customers have loans
- 1.4 million customers subscribe to loyalty programmes and product packages
- 1.3 million customers have agreed to receive notifications from the bank, such as account statements, via e-mail
- 36 million payment transactions were carried out through the Internet banks in the first half of 2011
- 3.3 million payment transactions were carried out through in-store postal and banking outlets in the first half of 2011
- 25 million SMS messages were received in the first half of 2011
- Brand names
 - DnB NOR
 - Postbanken ¹⁾
 - Nordlandsbanken ²⁾
 - Cresco

1) During 2011 the operations under the brand name Postbanken will gradually be integrated with DnB NOR.

2) In accordance with a resolution from the Finance Ministry 28 June 2011, Nordlandsbanken ASA will be formally integrated into DnB NOR during 2012.

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: 162 DnB NOR and 15 Nordlandsbanken
- Investment Advisory Services for private customers: 41
- Investment Advisory Services for corporate customers: 51
- In-store postal and banking outlets: 2 243
- Postal offices: 179
- Internet and telephone
- Real estate outlets in Norway: 134
- Real estate outlets in Sweden: 226

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. DnB NOR 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. The distribution of standard banking services through in-store banking outlets is based on an agreement between DnB NOR and NorgesGruppen.

Employees

At end-June 2011, the business area had a staff of 4 928 full-time positions, with 4 607 positions in Norway including 736 in Norwegian subsidiaries, and 321 in international units.

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 and Non-life insurance (Insurance and Asset Management)
- Financial instruments (DnB NOR Markets)

Financial performance

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income - ordinary operations	3 307	3 473	3 497	3 369	3 452	6 780	6 777
Interest on allocated capital ¹⁾	148	138	134	135	120	285	227
Net interest income	3 455	3 610	3 631	3 504	3 572	7 065	7 004
Other operating income	906	887	781	956	910	1 793	1 764
Income attributable to product suppliers	319	289	347	265	340	608	651
Net other operating income	1 225	1 176	1 128	1 221	1 250	2 401	2 415
Total income	4 680	4 786	4 760	4 724	4 822	9 466	9 419
Other operating expenses	2 672	2 553	2 490	2 503	2 785	5 226	5 297
Cost attributable to product suppliers	151	153	187	126	187	304	362
Operating expenses	2 824	2 706	2 677	2 628	2 972	5 530	5 660
Pre-tax operating profit before write-downs	1 856	2 080	2 083	2 096	1 850	3 936	3 759
Net gains on fixed and intangible assets	0	1	5	0	1	1	1
Write-downs on loans and guarantees	100	252	362	372	284	353	491
Write-downs attributable to product suppliers	0	0	0	0	0	0	0
Pre-tax operating profit	1 756	1 828	1 725	1 725	1 566	3 584	3 270

Net lending to customers (NOK billion) ²⁾	772.7	763.3	750.1	740.8	732.7	768.0	729.9
Deposits from customers (NOK billion) ²⁾	394.0	389.2	387.7	383.6	370.3	391.6	369.3
Allocated capital (NOK billion) ³⁾	21.9	21.6	21.1	20.0	19.6	21.8	19.5
Cost/income ratio (%)	60.3	56.5	56.2	55.6	57.6	58.4	58.0
Ratio of deposits to lending (%)	51.0	51.0	51.7	51.8	50.5	51.0	50.6
Return on allocated capital, annualised (%) ³⁾	23.1	24.7	23.4	24.6	23.1	23.9	24.3

1) The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.

2) Average balances. Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

3) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement.

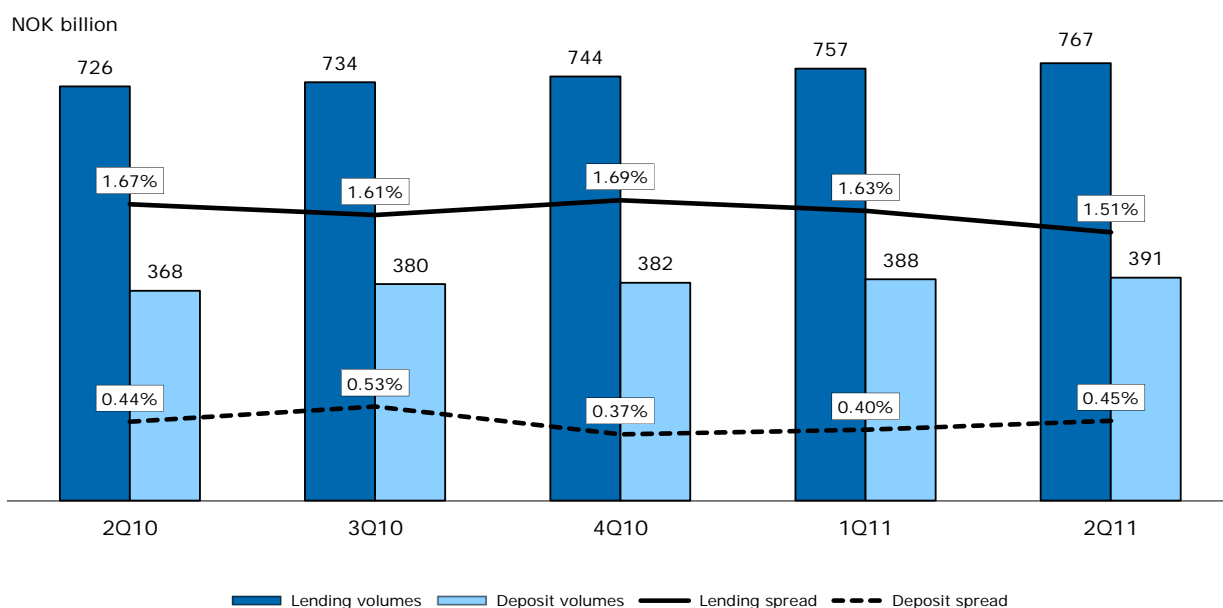
Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10
Lending to customers ^{1) 2)}	767 079	757 455	726 389	1.51	1.63	1.67	2 883	3 042	3 019
Deposits from customers ¹⁾	391 083	388 144	367 943	0.45	0.40	0.44	438	387	408
Allocated capital	21 917	21 622	19 555	2.70	2.58	2.45	148	138	120
Other							(13)	43	25
Total net interest income							3 455	3 610	3 572

1) Based on nominal values.

2) Excluding impaired loans.

Development in average volumes and interest spreads ¹⁾

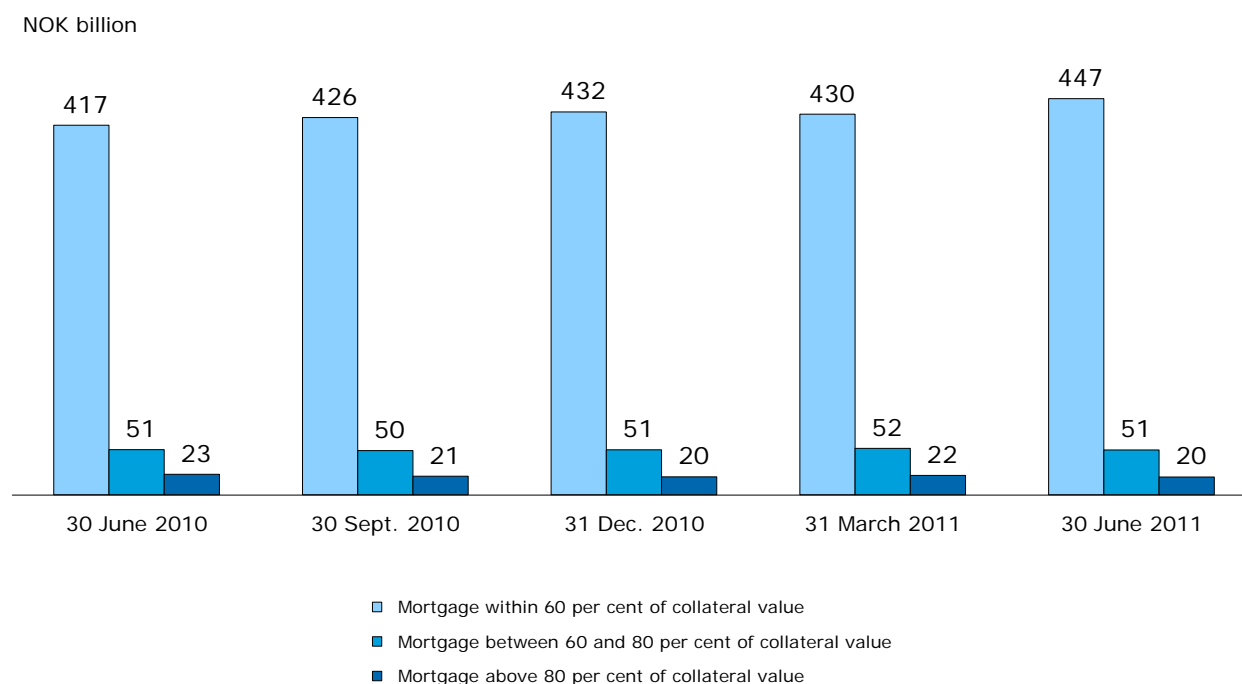


1) Lending to and deposits from customers. Nominal values, excluding impaired loans.

Residential mortgages

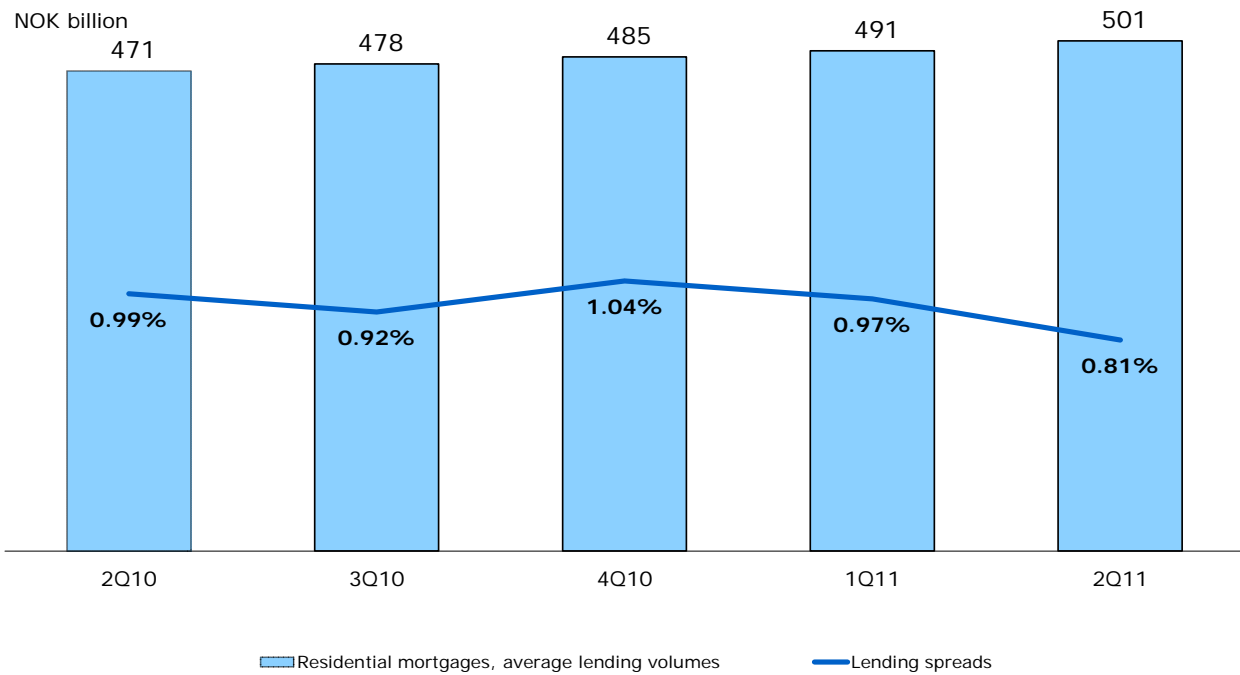
DnB NOR revised its strategy in the Swedish market in 2010 and discontinued the sale of housing loans carried in the bank's balance sheet. With effect from 28 March 2011 DnB NOR's housing loan portfolio of around NOK 6 billion was sold. The development from end-2010 reflects this sale.

Distribution of lending according to collateral value ¹⁾



1) Residential mortgages in the business area Retail Banking based on actual collateral categories

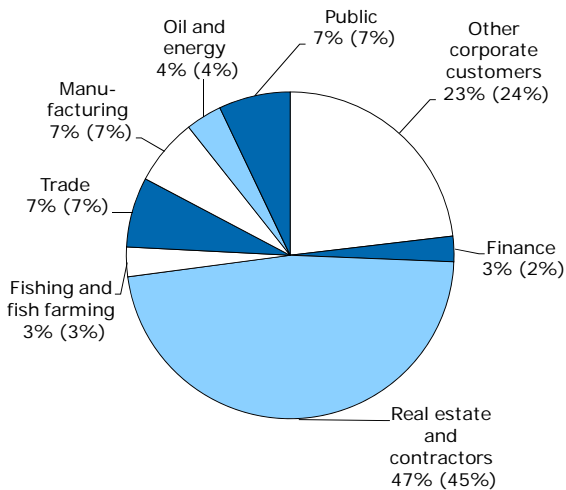
Average mortgage lending - volumes and spreads ¹⁾



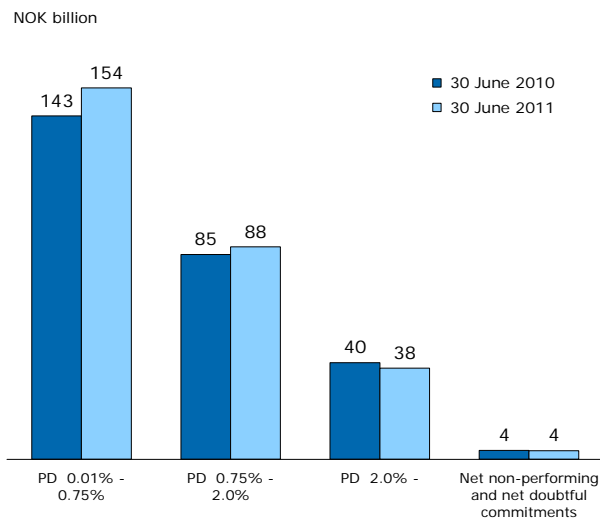
1) Residential mortgages to customers in Norway in the business area Retail Banking.

Corporate customers in Retail Banking

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Corporate customers. Figures as at 30 June 2011. Percentages as at 30 June 2010 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default, except for net non-performing and net doubtful commitments which are net recorded exposure in the accounts.
PD = probability of default.

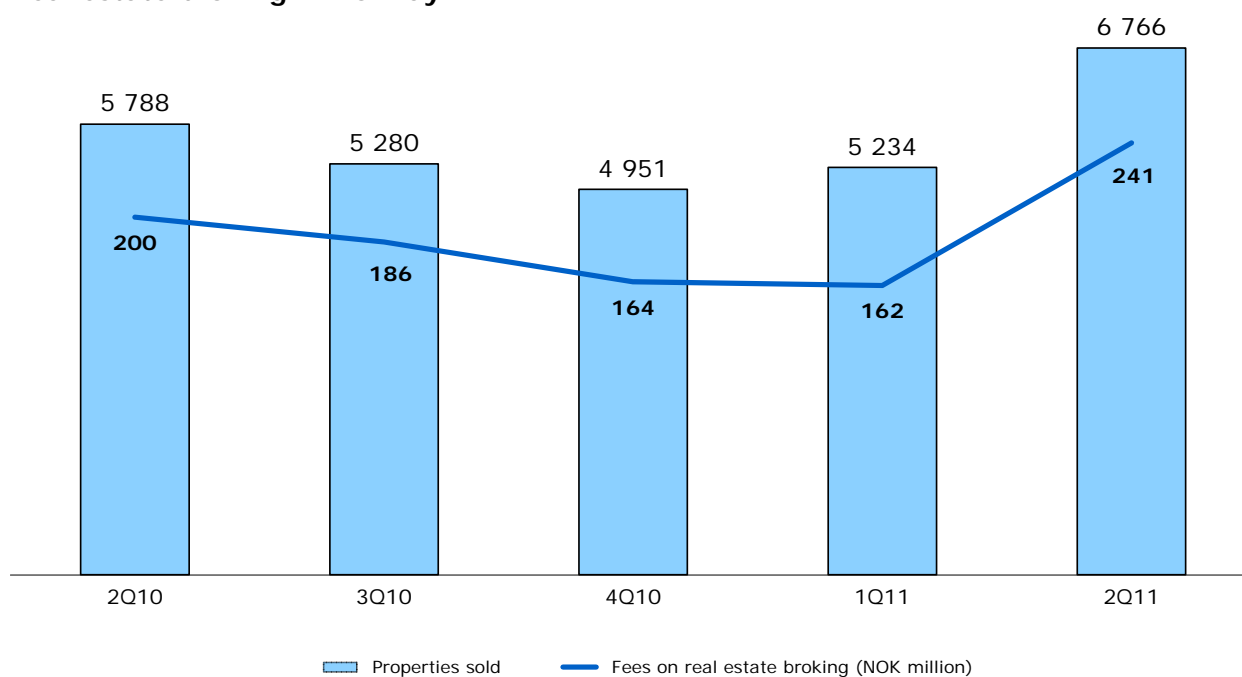
Residential real estate broking

DnB NOR's real estate broking activities are coordinated by DnB NOR Eiendom, a market leader within the real estate broking business in Norway. DnB NOR Eiendom had 100 outlets located in DnB NOR branches at end-June 2011. Postbanken Eiendom has established 34 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. Svensk Fastighetsförmedling had 226 outlets in Sweden at end-June.

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	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
DnB NOR Eiendom	5 226	4 034	3 867	4 155	4 610	9 260	8 144
Postbanken Eiendom	1 540	1 200	1 084	1 125	1 178	2 740	2 058
Total properties sold	6 766	5 234	4 951	5 280	5 788	12 000	10 202
Market shares, per cent ²⁾						18.8	18.3

1) Norwegian operations only.

2) Management's estimates.

DnB NOR Finans

The former operations in DnB NOR Finans AS and DnB NOR Kort are merged into one division in the bank named DnB NOR Finans, organised under Retail Banking.

Net lending to customers - average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Motor vehicle finance, leasing and factoring	46.3	46.3	45.8	45.4	45.2	46.3	45.2
Consumer finance	16.6	16.0	12.4	11.3	13.0	16.3	14.4
Total net lending to customers	62.9	62.3	58.2	56.8	58.2	62.6	59.6

- There was a 16.8 per cent increase in new leasing and lending contracts in the second quarter of 2011 compared to the corresponding period in 2010.
- The value of processed factoring invoices was down 10.3 per cent.
- Consumer finance activities generated healthy profits in the second quarter of 2011.
- As at 30 June 2011, the entity had issued nearly 2.0 million credit and charge cards.

Business profile

DnB NOR Finans is Norway's leading provider of services within the division's lines of business. DnB NOR Finans coordinates DnB NOR's credit card-based services and consumer finance activities as well as providing leasing, factoring, motor vehicle financing and Auto lease (car fleet management services).

DnB NOR Finans has a strong local presence in Norway. In addition, DnB NOR Finans has local representation in Denmark and Sweden. In Denmark the business is concentrated on offering Auto lease services, whereas in Sweden DnB NOR Finans offers a wide range of services, including Auto lease services, car finance, investment and equipment finance and credit cards.

Nordlandsbanken

Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers	37.8	36.6	36.0	35.2	34.5	37.2	34.2
Customer deposits	14.2	13.9	13.6	13.2	12.8	14.0	13.0

Business profile

Nordlandsbanken is a wholly owned subsidiary of DnB NOR ASA. Nordlandsbanken serves private customers, businesses and the public sector through 15 branches in Nordland county.

Nordlandsbanken aim to be the leading bank in Nordland county for customers who seek local expertise. DnB NOR's application to retain Nordlandsbanken as a wholly-owned subsidiary bank has been turned down, and in accordance with the resolution from the Finance Ministry, Nordlandsbanken ASA will be formally integrated into DnB NOR during 2012.

Large Corporates and International

Large Corporates and International (LCI) aims to offer good solutions to the customers and continue building strong customer relationships for the future. Leif Teksum, group executive vice president, heads the business area.

LCI is organised in four global industry divisions, four geographic divisions and two product and support divisions. The global industry divisions develop and maintain our industry strategies and serve our largest Norwegian corporates. The geographic divisions implement our industry strategies and serve our customers locally in their respective geographies.

The presentation of LCI is based on the global industry divisions including related activities in the geographical divisions. As from 2011 the presentation of the global industry divisions also includes the Northern Europe division. Figures for previous periods have been adjusted accordingly.

- Global business segment divisions
 - Nordic Corporates
 - International Corporates and Institutions
 - Energy
 - Shipping, Offshore and Logistics
- Geographical divisions
 - Americas
 - Central Europe, Middle East and Africa
 - Asia
 - Northern Europe
- Product and support divisions
 - Special and Structured Finance
 - Business Development and Cash Management

The subsidiaries DnB NOR Monchebank and DnB NOR Luxembourg are separate entities in LCI.

Employees

At end-June 2011, the business area had a staff of 1 117 full-time positions, with 469 positions in Norway and 648 in international units.

Financial performance

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income - ordinary operations	1 769	1 674	1 616	1 492	1 440	3 443	2 776
Interest on allocated capital ¹⁾	160	150	157	163	152	310	288
Net interest income	1 929	1 823	1 773	1 655	1 593	3 753	3 064
Other operating income	315	275	388	313	201	590	450
Income attributable to product suppliers	494	510	661	525	458	1 004	820
Net other operating income	809	785	1 049	838	659	1 594	1 270
Total income	2 739	2 608	2 822	2 493	2 252	5 347	4 334
Other operating expenses	582	588	533	528	521	1 170	1 068
Cost attributable to product suppliers	201	218	266	194	195	420	346
Operating expenses	783	806	799	721	716	1 589	1 415
Pre-tax operating profit before write-downs	1 956	1 802	2 023	1 772	1 536	3 758	2 919
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Write-downs on loans and guarantees	220	385	191	84	63	605	312
Write-downs attributable to product suppliers	0	2	(1)	1	0	2	2
Pre-tax operating profit	1 735	1 415	1 833	1 687	1 474	3 150	2 605

Net lending to customers (NOK billion) ²⁾	352.8	349.4	350.6	346.1	338.9	351.2	333.7
Deposits from customers (NOK billion) ²⁾	230.9	230.0	228.1	211.2	202.9	230.4	199.6
Allocated capital (NOK billion) ³⁾	23.8	23.5	24.6	24.0	24.9	23.7	24.7
Cost/income ratio (%)	28.6	30.9	28.3	28.9	31.8	29.7	32.6
Ratio of deposits to lending (%)	65.4	65.8	65.1	61.0	59.9	65.6	59.8
Return on allocated capital, annualised (%) ³⁾	21.1	17.6	21.3	20.1	17.1	19.3	15.3

1) The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.

2) Average balances. Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

3) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement.

Average total volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Loans ¹⁾	353	349	351	346	339	351	334
Guarantees	56	57	59	61	62	57	61
Total loans and guarantees	409	406	410	407	401	408	395
Adjusted for exchange rate movements	409	396	394	388	384	408	385
Commercial paper during the period	13	8	11	13	12	22	23
Syndicated loans during the period ²⁾	3	7	2	3	0	10	0
Bond issues during the period	18	13	17	13	15	31	25

1) Average balances. Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included.

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

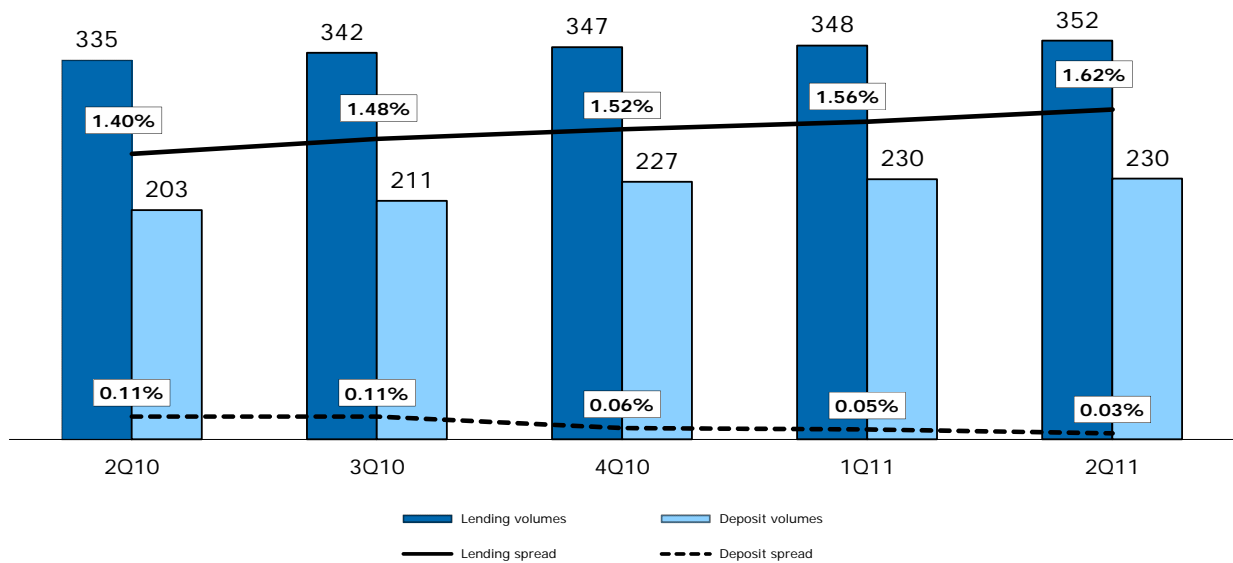
Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10
Lending to customers ¹⁾	352 325	347 993	334 971	1.62	1.56	1.40	1 423	1 341	1 172
Deposits from customers ¹⁾	230 390	229 695	202 611	0.03	0.05	0.11	18	30	57
Allocated capital	23 782	23 529	24 932	2.70	2.58	2.45	160	150	152
Other							328	303	211
Total net interest income							1 929	1 823	1 593

1) Based on nominal values excluding impaired loans.

Development in average volumes and interest spreads ¹⁾

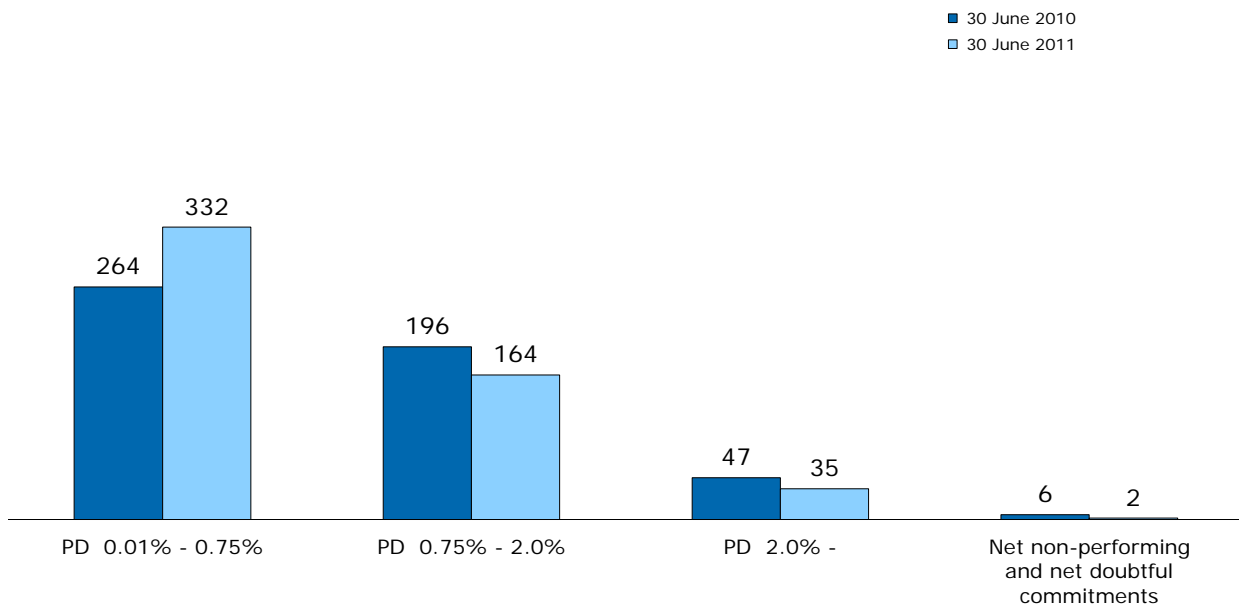
NOK billion



1) Lending to and deposits from customers. Nominal values, excluding impaired loans.

Risk classification of portfolio ¹⁾

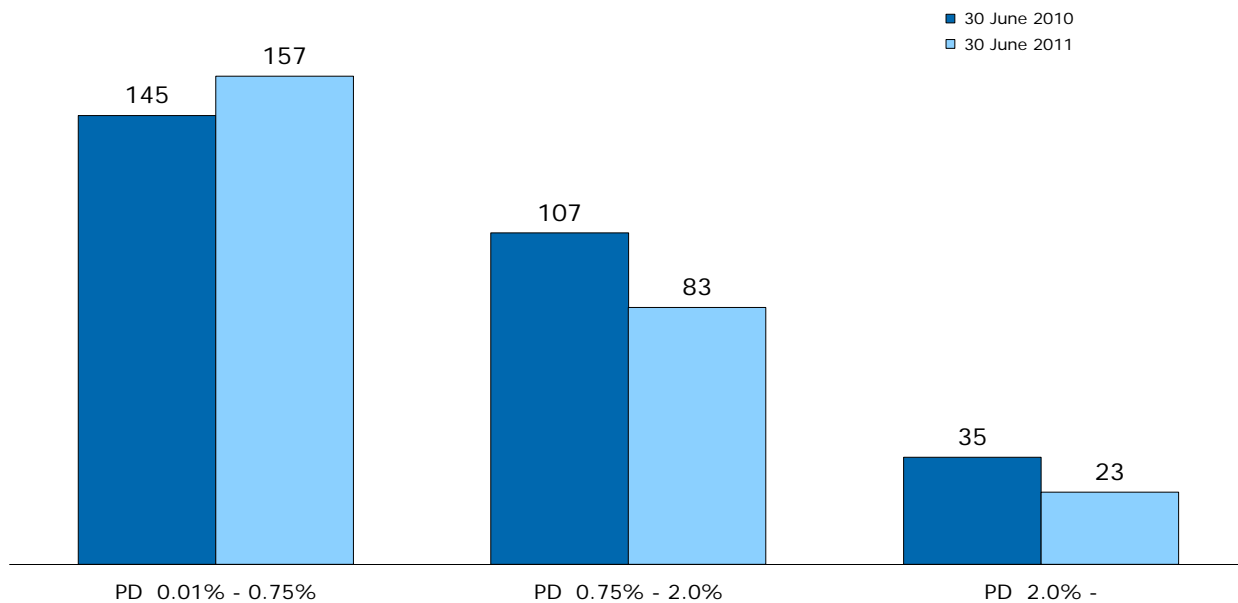
NOK billion



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default, except for net non-performing and net doubtful commitments which are net recorded exposure in the accounts.
 PD = probability of default

Risk classification of international portfolio ¹⁾

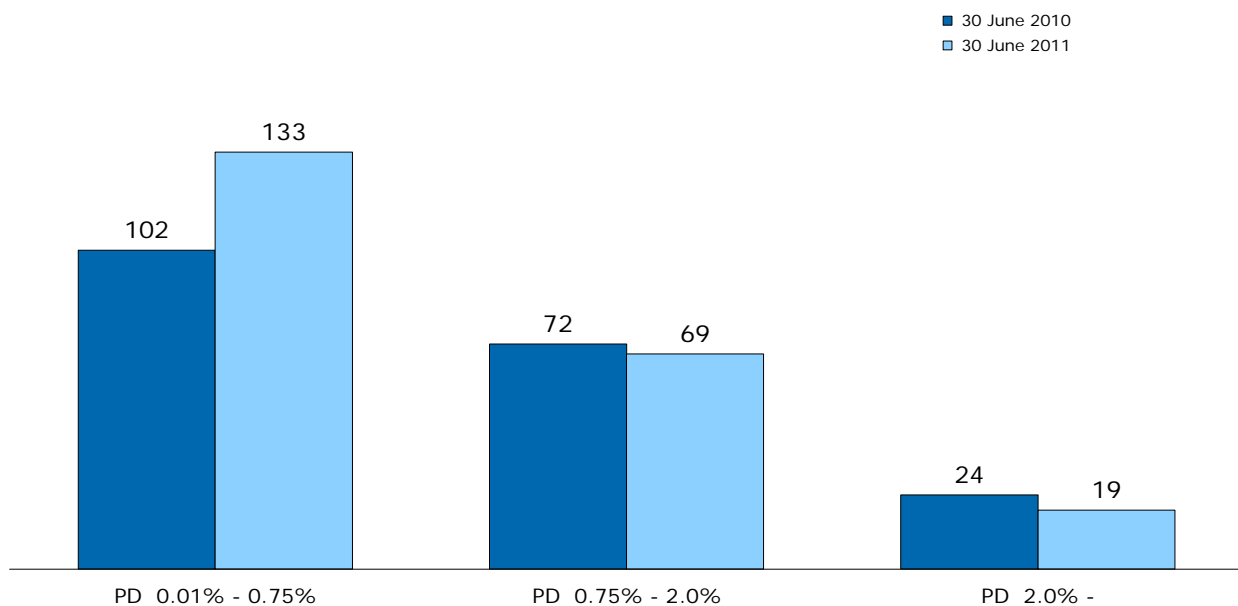
NOK billion



- 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
 The international portfolio comprises business recorded outside Norway

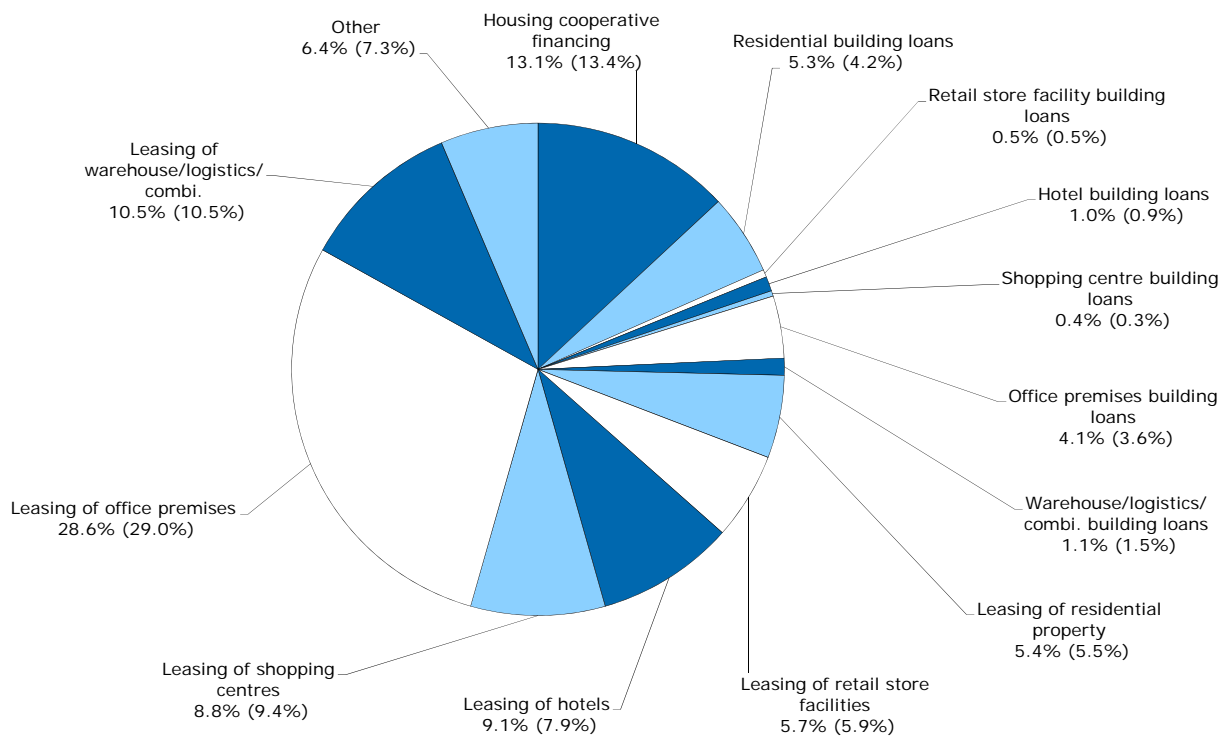
Risk classification of commercial property exposure ^{1) 2)}

NOK billion

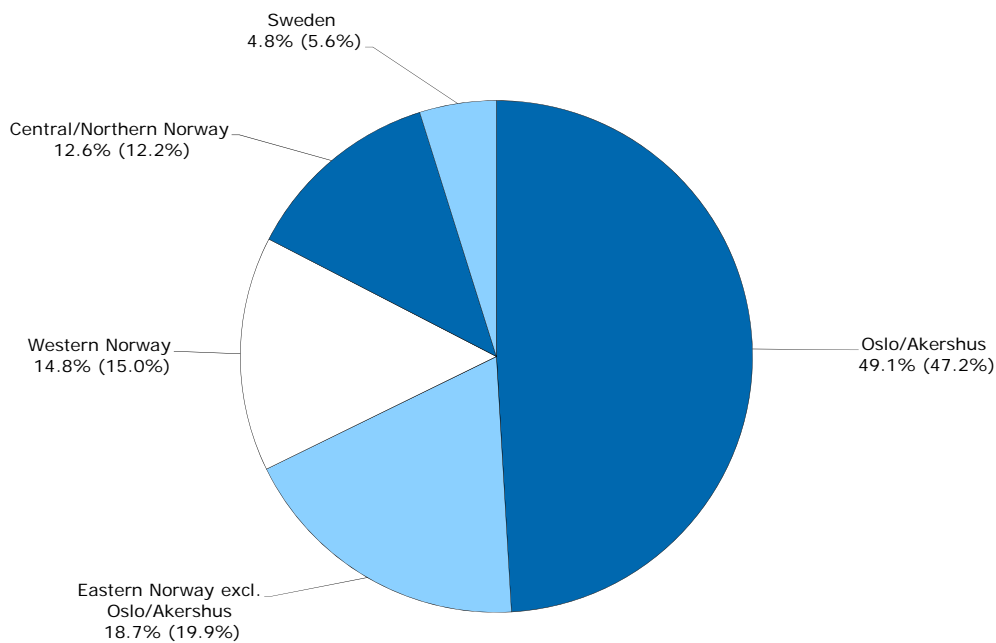


- 1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default.
 PD = probability of default
 2) The numbers are totals for the DnB NOR Group and includes exposure recorded in both LCI and Retail Banking.

Commercial property exposure according to segment as at 30 June 2011 ¹⁾



Geographic distribution of commercial property exposure as at 30 June 2011 ¹⁾



1) The numbers are totals for the DnB NOR Group and includes exposure recorded in both LCI and Retail Banking. Comparable figures as at 30 June 2010 in parentheses.

Nordic Corporate Division

- The Nordic Corporates Division serves the bank's largest Norwegian and Nordic corporate clients within the retail and service industries, commercial real estate and contractors, financial institutions, the public sector and non-government organisations. The Division also serves international clients in the same segments while international banks and financial institutions are served by the International Corporates and Institutions Division.
- DnB NOR has a very strong market position in these segments in Norway. The majority of Norway's largest corporations are banking with DnB NOR.
- Commercial real estate broking services are offered through the subsidiary DnB NOR Næringsmegling AS.

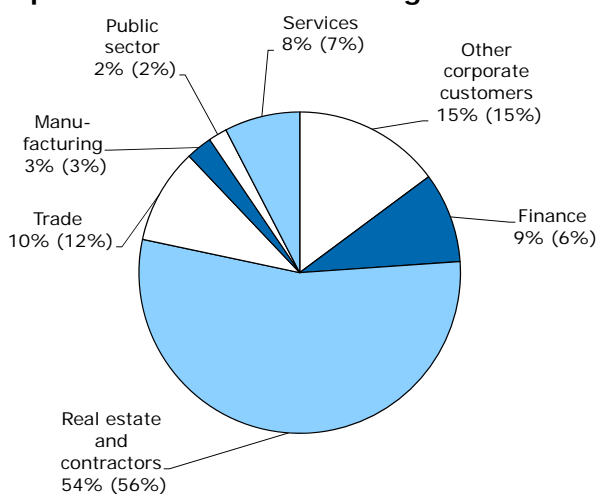
Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	123	115	108	105	105	119	103
- Adjusted for exchange rate movements ¹⁾	123	113	106	102	103	119	102
Guarantees	14	14	14	13	14	14	14
Customer deposits ¹⁾	82	74	73	69	71	78	70

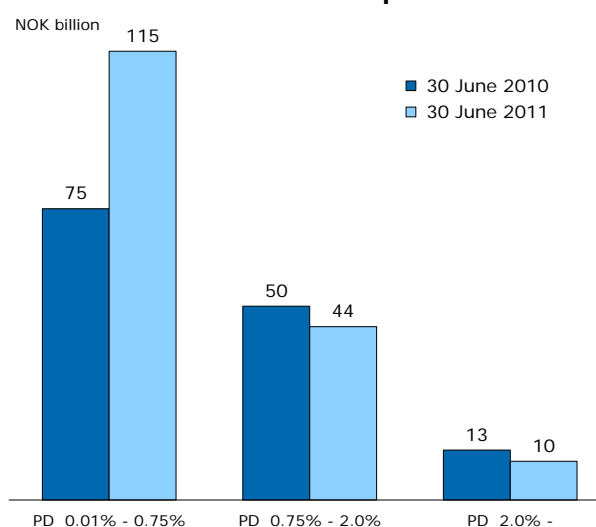
1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

Adjusted to include volumes previously reported under the Northern Europe division.

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2011. Percentages as at 30 June 2010 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

Adjusted to include volumes previously reported under the Northern Europe division.

International Corporate and Institutions Division

- The International Corporates and Institutions Division serves large Norwegian corporates, international companies with business in Norway, international customers in the following sectors; seafood, telecom, media, technology, healthcare, forest industry, general manufacturing and international financial institutions.
- The division serves a majority of the Norwegian companies in the defined industries as their lead banker. In addition there is a broad interaction with a majority of the other corporates in these segments in Norway, as well as with selected corporates within LCI's strategy internationally.

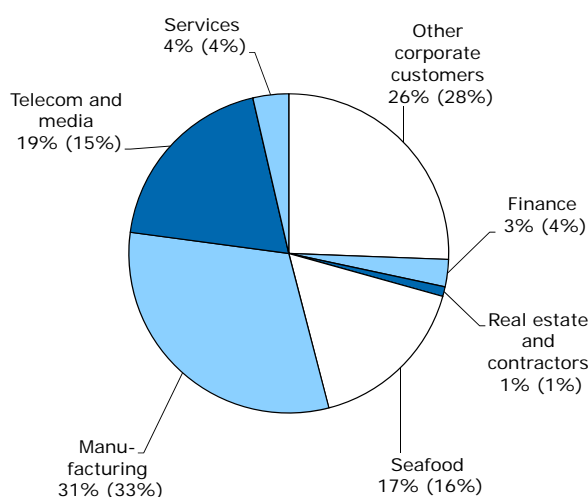
Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	58	57	55	52	50	58	51
- Adjusted for exchange rate movements ¹⁾	58	56	53	50	49	58	50
Guarantees	8	8	11	11	11	8	12
Customer deposits ¹⁾	36	38	36	33	31	37	31

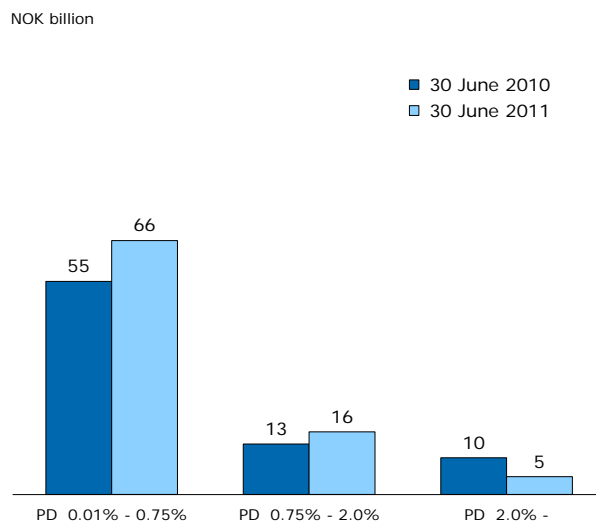
1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

Adjusted to include volumes previously reported under the Northern Europe Division.

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2011. Percentages as at 30 June 2010 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

Adjusted to include volumes previously reported under the Northern Europe Division.

Energy Division

- The Energy Division serves customers in Norway and internationally in the oil and gas, offshore contractors and oilfield services, power and renewables industries.
- The oil and gas and the offshore contractors and oilfield services industries are amongst the largest sectors in the world. Huge investments are needed in order to meet future demand for oil and gas.
- The power and renewables industries are fast growing sectors with focus on low carbon emissions energy production. Increasing commitment to reduce greenhouse gases paves the way for environmentally friendly energy production. The bank has a strong global focus on renewable energy, with main emphasis on hydro, wind and solar technologies. Considerable investments are needed in order to meet future ambitions within renewable energy.

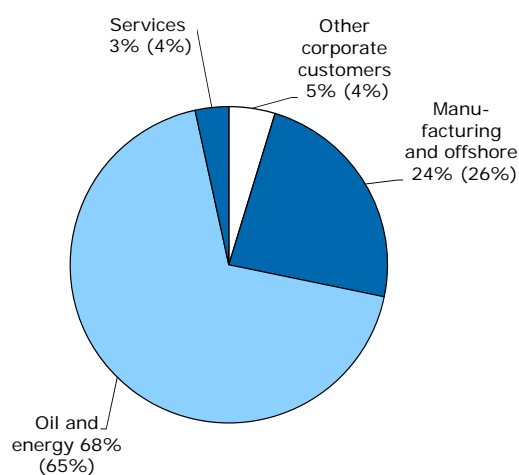
Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	37	37	37	35	34	37	34
- Adjusted for exchange rate movements ¹⁾	37	36	36	33	32	37	33
Guarantees	24	23	23	23	23	23	23
Customer deposits ¹⁾	39	39	37	34	30	39	29

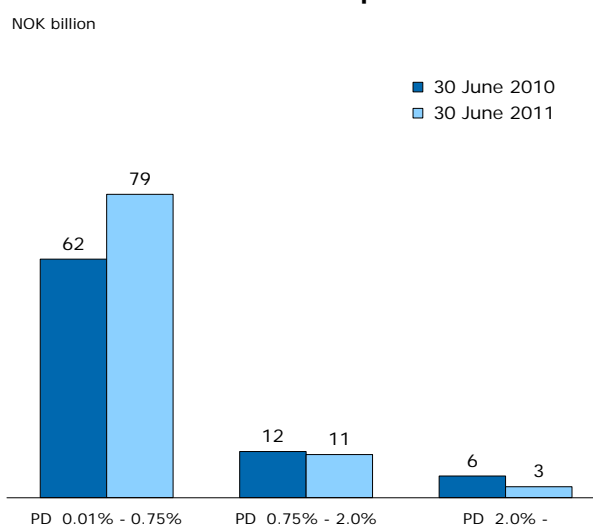
1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

Adjusted to include volumes previously reported under the Northern Europe Division.

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2011. Percentages as at 30 June 2010 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

Adjusted to include volumes previously reported under the Northern Europe division.

Shipping, Offshore and Logistics Division

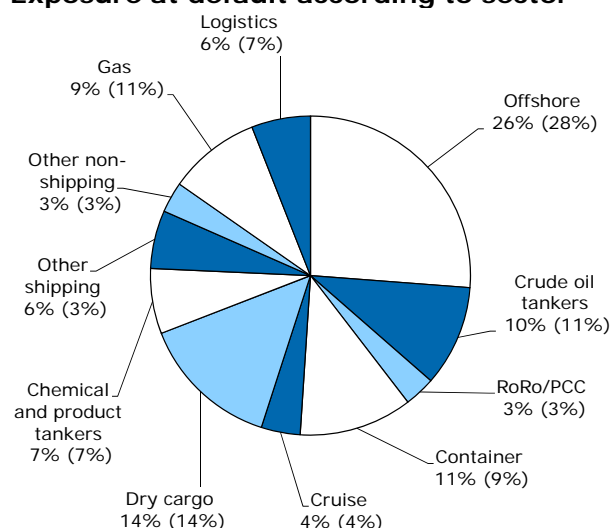
- The Shipping, Offshore and Logistics Division provides commercial and investment banking services to high-quality Norwegian and international shipping, offshore and logistics clients.
- The division aims to achieve satisfactory growth in risk-adjusted profitability by being one of the leading international shipping banks.
- The division aims to be the preferred strategic discussion partner for clients.
- The division focuses on competence development to further improve the quality and range of client services.

Average volumes

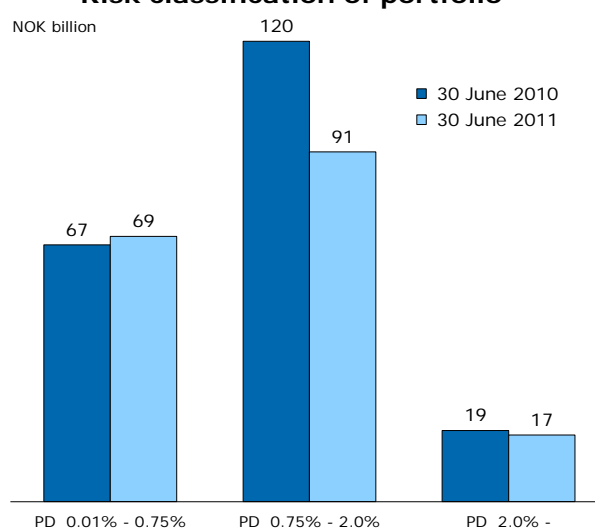
Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	130	135	140	145	140	132	137
- Adjusted for exchange rate movements ¹⁾	130	129	129	130	127	132	129
Guarantees	9	10	11	11	12	10	11
Customer deposits ¹⁾	66	71	77	71	67	68	65

1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2011. Percentages as at 30 June 2010 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

Portfolio

- DnB NOR has a diversified portfolio in the maritime sector, as shown above.
- Lessons are learned from previous downturns, and internal credit analysis has been based on low rate estimates.
- Clients within the dry bulk segment are mainly well-established operators with good contract coverage.
- The container portfolio is characterised by companies that are among the major operators and tonnage providers.
- Within the crude tanker portfolio, clients are mainly leading international tanker owners.
- In the first half of 2011 DnB NOR was world leader in syndication to the shipping and offshore sectors according to a survey by Dealogic.
- After a very strong year in the container segment, we expect somewhat weaker market conditions in 2011. The dry bulk and tanker markets remain volatile. The supply/demand balance will continue to be an issue going forward.

DnB NOR Monchebank (part of the Business Development and Cash Management Division)

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.

Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	0.4	0.5	0.5	0.5	0.6	0.5	0.6
Guarantees	-	-	-	-	-	-	-
Customer deposits ¹⁾	0.6	0.7	0.8	0.9	0.8	0.6	0.8

1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

DnB NOR Luxembourg

DnB NOR Luxembourg S.A. is a fully licensed bank with two business areas: Private banking and mortgage-financing of secondary homes outside Norway; target customer base is Norwegians living outside Norway and/or with international interests.

Average volumes

Amounts in NOK billion	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net lending to customers ¹⁾	3.2	3.6	4.1	4.2	4.0	3.4	4.0
Guarantees	-	-	-	-	-	-	-
Customer deposits ¹⁾	3.4	2.7	1.9	1.6	1.5	3.1	1.4

1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.

DnB NOR Markets

DnB NOR Markets is Norway's largest provider of a wide range of securities and investment banking services. Ottar Ertzeid, group executive vice president, is head of DnB NOR Markets.

DnB NOR Markets comprises the following units:

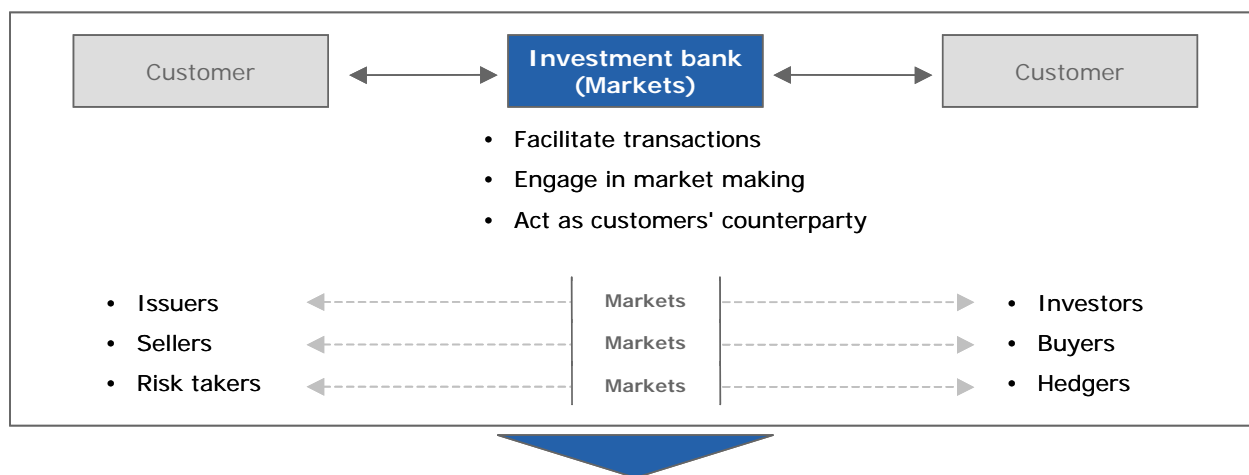
- Fixed Income/Currencies/Commodities
- Equities
- Investment Products
- Corporate Finance
- Securities Services

The Group Treasury is organised within DnB NOR Markets though profits and losses for the unit are not recorded under this business area.

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, energy and seafood clients.

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



Through its diversified business and products, DnB NOR Markets is well positioned to capitalise on the Group's customer base and interest rate and currency positions.

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.

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.
- Manager for the greatest number of Norwegian kroner bond and commercial paper issues in NOK in the domestic market in the second quarter of 2011 (Source: Stamdata, Bloomberg).
- The largest brokerage house on Oslo Børs within fixed income securities in the secondary market in the second quarter of 2011 (Source: Oslo Stock Exchange).
- Leading within domestic securities services (Source: Oslo Stock Exchange).
- 54.2 per cent of limited companies use DnB NOR Markets as registrar in the Norwegian Central Securities Depository (Source: Norwegian Central Securities Depository).
- Global Finance Magazine named DnB NOR 'Best Debt Bank' in the Nordic region.

Employees

DnB NOR Markets staff located in offices in Norway and abroad represents 688 full-time positions.

Financial performance

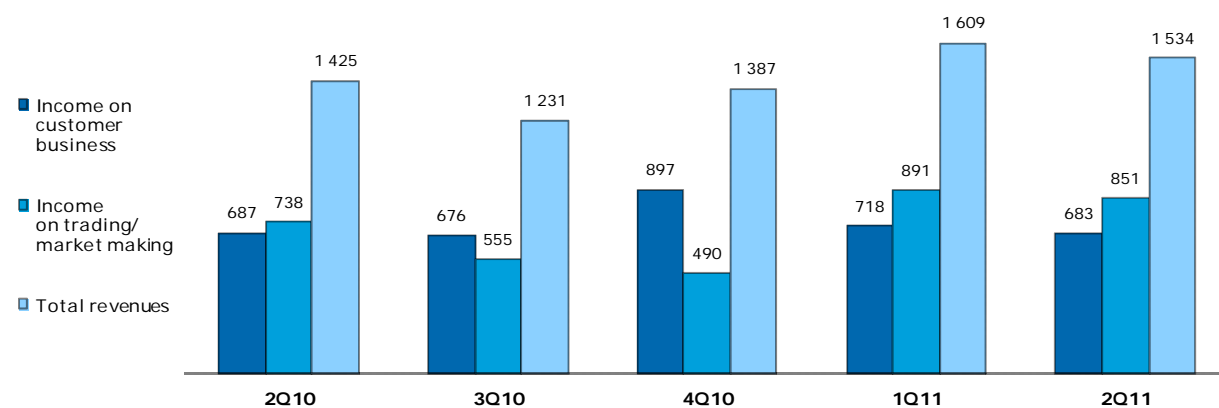
<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income - ordinary operations	202	209	224	230	214	411	475
Interest on allocated capital ¹⁾	35	35	35	43	36	70	67
Net interest income	237	244	259	273	250	481	542
Net other operating income	1 332	1 400	1 164	1 002	1 211	2 732	2 233
Total income	1 569	1 644	1 422	1 274	1 462	3 213	2 775
Operating expenses	500	529	467	466	484	1 029	900
Pre-tax operating profit	1 069	1 115	955	808	978	2 184	1 874
Allocated capital (NOK billion) ²⁾	5.2	5.5	5.5	6.4	6.0	5.4	5.8
Cost/income ratio (%)	31.9	32.2	32.8	36.6	33.1	32.0	32.5
Return on allocated capital, annualised (%) ²⁾	59.1	59.2	49.6	36.2	47.4	59.1	47.2

1) The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.

2) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement.

Income distribution

NOK million



Total revenues	1 425	1 231	1 387	1 609	1 534
Interest on allocated capital	36	43	35	35	35
Total income	1 462	1 274	1 422	1 644	1 569

Revenues within various segments, quarterly

Amounts in NOK million						First half	
	2Q11	1Q11	4Q10	3Q10	2Q10	2011	2010
FX, interest rate and commodity derivatives	309	327	387	308	331	636	623
Investment products	82	123	85	101	99	205	213
Corporate finance	230	207	365	216	201	437	322
Securities services	62	61	60	51	57	123	106
Total customer revenues	683	718	897	676	687	1 401	1 264
Net income liquidity portfolio	262	279	291	292	265	541	569
Other market making/trading revenues	589	612	199	264	474	1 201	875
Total trading revenues	851	891	490	555	738	1 742	1 443
Interest income on allocated capital	35	35	35	43	36	70	67
Total income	1 569	1 644	1 422	1 274	1 462	3 213	2 775

Revenues within various segments, annual

Amounts in NOK million	2010	2009	2008	2007	2006
FX, interest rate and commodity derivatives	1 317	1 665	1 936	1 332	1 044
Investment products	399	766	574	705	851
Corporate finance	903	570	643	828	695
Securities services	218	190	333	388	316
Total customer revenues	2 838	3 191	3 486	3 253	2 907
Net income liquidity portfolio	1 151	1 147	(707)	(1 139)	98
Other market making/trading revenues	1 337	2 761	2 600	986	808
Total trading revenues	2 488	3 908	1 893	(153)	906
Interest income on allocated capital	145	144	305	117	59
Total income	5 471	7 243	5 685	3 217	3 872

Distribution and cooperation with other entities

Maintaining a broad distribution network and effective cooperation with other business areas within the Group is a key priority for DnB NOR Markets. Customers are served through:

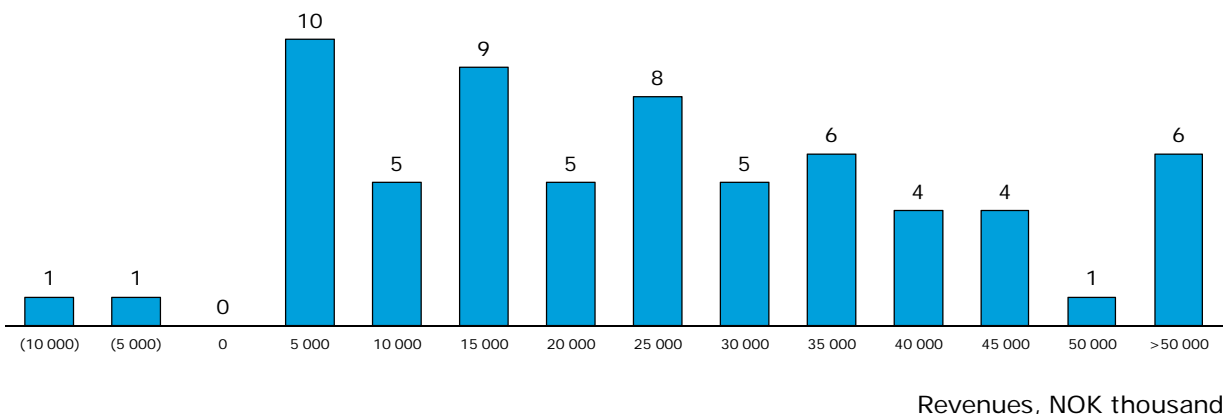
- Central units located in Oslo.
- International offices (Stockholm, London, New York, Singapore and Shanghai) and 13 regional offices in Norway.
- DnB NOR Markets established a Debt Capital Markets unit in Singapore during the second quarter of 2011.

Daily revenue statistics

<i>Amounts in NOK thousand</i>	Second quarter		Full year	
	2011	2010	2010	2009
Minimum	(10 591)	(83 078)	(82 403)	(67 096)
Maximum	112 525	81 047	105 172	231 705
Average	23 604	21 883	21 164	27 411
Loss days	2	12	44	43
Gain days	63	53	216	216

Daily revenue distribution in the second quarter of 2011

Number of days



Revenues, NOK thousand

Total income

<i>Amounts in NOK million</i>	2Q11
Total daily revenues	1 534
Interest on allocated capital	35
Total income	1 569

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 ¹⁾

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. Average value-at-risk decreased due to lower interest rate risk during the second quarter of 2011.

<i>Amounts in NOK thousand</i>	30 June 2011	Second quarter 2011		
	Actual	Average	Maximum	Minimum
Currency risk	14 410	15 843	26 420	11 530
Interest rate risk	15 070	15 635	20 060	11 590
Equities	1 086	2 451	8 681	405
Diversification effects ²⁾	(8 600)	(9 403)		
Total	21 966	24 526		

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 30 June 2011 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	22	32	298	101	225	120
USD	7	6	86	14	8	92
EUR	9	55	107	0	91	30
GBP	1	1	1	1	1	3
SEK	2	42	4	21	4	11
Other currencies	7	18	7	16	12	38
Banking portfolio						
NOK	294	76	20	200	2	189
EUR	0	0	14	14	0	0
SEK	0	4	14	14	0	4
Total						
NOK	316	109	278	301	223	69
USD	7	6	86	14	8	92
EUR	9	55	121	14	91	30
GBP	1	1	1	1	1	3
SEK	2	38	10	34	4	7
Other currencies	7	18	7	16	12	38

Insurance and Asset Management

The business area Insurance and Asset Management consists of Vital Forsikring ASA and DnB NOR Kapitalforvaltning Holding AS and their respective subsidiaries, in addition to DnB NOR Skadeforsikring. The business area is headed by Tom Rathke, managing director of Vital Forsikring and group executive vice president in DnB NOR.

Insurance and Asset Management is responsible for life insurance, pension savings, non-life insurance 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. Insurance and Asset Management will focus on profitable growth while ensuring competitive returns for the owner and customers.

Financial performance

Insurance and Asset Management							First half	
<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	2011	2010	
Total income ¹⁾	1 107	1 267	1 260	1 565	508	2 374	1 376	
Operating expenses	581	601	628	557	532	1 182	1 103	
Pre-tax operating profit ^{*) **)}	526	666	632	1 008	(24)	1 192	273	
Taxes	11	(226)	(663)	(54)	115	(215)	86	
Operating profit	515	892	1 295	1 062	(140)	1 406	187	
Assets under management (NOK billion) ²⁾	524	541	528	517	507	524	507	
Allocated capital (NOK billion) ³⁾	17.3	15.0	14.2	13.9	13.6	16.1	13.3	
Return on allocated capital, annualised (%) ³⁾	11.9	24.1	36.2	30.3	(4.1)	17.6	2.8	
Cost/income ratio (%)	52.5	47.4	49.8	35.6	104.8	49.8	80.1	
Number of full-time positions at end of period ^{***)}	1 047	1 055	1 047	1 055	1 062	1 047	1 062	

*) of which Vital:

Pre-tax operating profit including interest on allocated capital	455	601	600	931	(90)	1 055	235
Difference between recorded equity and allocated capital	21	4	8	13	12	25	20
Recorded pre-tax operating profit	434	596	591	918	(102)	1 030	214

***) of which DnB NOR Asset Management:

Pre-tax operating profit	61	60	67	75	82	120	135
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***) of which:

Vital	726	735	726	732	730	726	730
DnB NOR Asset Management	216	216	218	217	224	216	224
DnB NOR Skadeforsikring	105	103	102	105	107	105	107

1) Total income includes interest on allocated capital. The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.

2) Assets at end of period.

3) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement.

Descriptions of the financial performance of Vital, DnB NOR Asset Management and DnB NOR Skadeforsikring are divided into three separate sections on the next pages.

Vital

Vital comprises Vital Forsikring ASA including subsidiaries. Vital Forsikring provides both products with guaranteed returns and products with a choice of investment profile.

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 serving as an attractive entry portal for customers into the DnB NOR Group will be instrumental in reaching these targets.

Business model

Vital's products fall into three main categories:

- Guaranteed products without profit sharing, where the company's main source of income is fee charged based on guaranteed investment return and insurance risk covered
- Fee based products without interest guarantees
- Guaranteed products where total profit is split between policy owners and the company.

In addition, the corporate portfolio (i.e. shareholders' equity, subordinated loans etc) is managed as a separate investment portfolio.

	Reserves (NOK billion)	Annual guaranteed return on policyholders' funds (In per cent)	
Fee - based with guarantee	Corporate sector - defined benefit	67	3.0
	Municipal sector - defined benefit	35	2.8
	Individual sector - defined benefit	7	1.9
Fee - based without guarantee	Unit linked - individual	10	
	Defined contribution - corporate	13	
	Risk products - individual/corporate	1	
Profit sharing with guarantee	Paid-up policies (profit sharing 20/80) ¹⁾	56	3.6
	Previously established individual products (profit sharing 35/65) ²⁾	47	3.5
Corporate portfolio	17		

1) The owner's share of the positive interest result and risk result is 20 and 50 per cent, respectively. The entire administration result accrues to the owner.

2) Previously established individual products are products sold prior to 1 January 2008, when new regulations for insurance companies entered into force. The owner's share of the positive result is 35 per cent.

Products

- Group pension schemes to businesses and the public sector, the most important products being defined-benefit and defined-contribution occupational pension schemes.
- Employer's Liability Insurance to the corporate market.
- Group pension schemes to businesses, adapted to customer needs for defined-benefit and defined-contribution schemes.
- 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.

Organisation and markets

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

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-June 2011, Vital's staff included 726 permanent full-time positions and 76 temporary employees.

Financial performance

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net result from equities	(1 145)	766	3 937	3 124	(3 019)	(379)	(2 180)
Net result from other asset classes ¹⁾	3 055	2 137	1 841	2 299	2 135	5 192	4 891
Value-adjusted financial result ^{1) 2)}	1 911	2 903	5 778	5 422	(884)	4 814	2 711
Guaranteed return on policyholders' funds	1 701	1 707	1 725	1 593	1 633	3 408	3 276
Financial result after guaranteed returns	209	1 197	4 053	3 829	(2 517)	1 406	(565)
+ From market value adjustment reserve	1 940	550	(831)	(1 759)	1 850	2 490	1 306
Recorded interest result before the application of/ (transfers to) additional allocations	2 149	1 747	3 222	2 070	(667)	3 896	741
Application of/(transfers to) additional allocations	0	0	(407)	(38)	38	0	38
Recorded interest result	2 149	1 747	2 815	2 031	(629)	3 896	779
Risk result ^{**)}	(137)	2	(9)	(22)	(46)	(135)	(211)
Administration result	(4)	(18)	(62)	(11)	8	(21)	(31)
Upfront pricing of risk and guaranteed rate of return	133	130	135	141	138	263	275
Transferred from security reserve	(7)	(10)	2	(9)	4	(17)	(8)
Allocations to policyholders, products with guaranteed returns	1 700	1 255	2 290	1 213	(423)	2 955	590
Net profit in Vital	434	596	591	918	(102)	1 030	214
Tax charge	(9)	(244)	(672)	(75)	97	(253)	75
Profit from Vital	443	840	1 263	993	(199)	1 283	139
Return on allocated capital, annualised ³⁾	11.7	25.1	38.9	31.3	(6.0)	17.8	2.6
*) Of which property revaluation ⁴⁾	227	88	300	8	28	316	33
**) Of which provisions for higher life expectancy ⁵⁾	(97)	(96)	(244)	(243)	(243)	(193)	(486)

1) Before unrealised gains on long-term securities.

2) See table below. For developments in the asset mix and return on assets from products with guaranteed returns, see tables on pages 78 and 76.

3) The return on allocated capital is calculated on the basis of internal measurement of risk-adjusted capital requirement.

4) Changes in the value of directly owned properties, Vital Eiendomsfond and properties owned through joint ventures. The total value of investment properties was NOK 36.1 billion as at 30 June 2011.

5) As Norwegian life insurance companies offer life-long pension payments, higher life expectancy in the population is one of many risk factors. Vital strengthened its reserves in 2009 and 2010 to reflect higher life expectancy for individual pension insurance. The remaining required increase in reserves is NOK 770 million, which will be covered in 2011 and 2012.

Result

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Upfront pricing of risk and guaranteed rate of return	133	130	135	141	138	263	275
Return on corporate portfolio	121	258	226	221	(51)	378	38
Total inadequate additional allocations ¹⁾	0	0	0	0	0	0	0
Total negative return ¹⁾	0	0	0	0	0	0	0
Owner's share of interest profit, common portfolio ^{2) 3)}	269	207	319	367	(185)	476	(23)
Owner's share of risk result, common portfolio ^{3) 4)}	(28)	21	(42)	134	(1)	(7)	(23)
Administration result, common portfolio + unit linked ⁵⁾	(27)	(36)	(54)	(22)	6	(63)	(28)
Risk result and interest profit, unit linked ⁶⁾	(3)	(10)	(1)	13	(2)	(13)	3
Risk products ⁷⁾	(30)	27	9	65	(7)	(3)	(27)
Pre-tax operating profit	434	596	591	918	(102)	1 030	214

- 1) The owner must cover any negative return on financial assets. If the return on financial assets is between nil and the guaranteed rate of return, the owner must cover the difference for contracts for which no or inadequate additional allocations have been made.
- 2) Including the owner's share of the interest result from paid-up policies and previously established individual products. The owner's share of the positive interest result from paid-up policies and previously established individual products is 20 and 35 per cent, respectively. Previously established individual products are products sold prior to 1 January 2008, when new regulations for insurance activity entered into force.
- 3) 35 per cent of the increase in reserves to cover higher life expectancy within individual annuity and pension insurance will be charged to the owner. This charge is included under 'Owner's share of risk result'. If there is a negative result within individual annuity and pension insurance, the owner has been required to cover more than 35 per cent of the increase in reserves. Charges in excess of 35 per cent will be included under 'Owner's share of interest result'.
- 4) For parts of the common portfolio, including paid-up policies, 50 per cent of the positive risk result may be allocated to the risk equalisation fund. The positive risk result for previously established individual products will be allocated to the owner according to the profit sharing model, i.e. by 35 per cent. A negative result will be charged to the owner.
- 5) The administration result from the low, moderate and high-risk portfolios and from paid-up policies will be allocated to the owner. If the overall result for previously established individual products shows a profit, the administration result will be divided between policyholders and the owner (65/35). A negative result will be charged to the owner.
- 6) The risk result and interest result from unit linked products was previously shown under Administration result, common portfolio + unit linked. Figures for previous periods have been restated accordingly.
- 7) Includes employer's liability insurance and group life insurance.

Tax charge in Vital after the introduction of the "exemption model" ¹⁾

<i>Amounts in NOK million</i>	First half	Full year				
	2011	2010	2009	2008	2007	2006
Tax charge	(253)	(672)	(175)	427	(2 074)	(771)

- 1) With effect from the 2004 fiscal year, new rules were introduced for the taxation of dividends and income from shares for corporate shareholders, the so-called "exemption model". This model implies that as a rule, corporate shareholders will only be subject to a limited tax on dividends and income from shares etc. Correspondingly, there will be no tax deduction for losses upon the realisation of shares.

Value-adjusted return on assets

Per cent	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Return - common portfolio ¹⁾							
Financial assets							
Norwegian equities	(4.7)	0.6	18.1	13.8	(13.5)	(4.1)	(11.6)
International equities ²⁾	(1.0)	2.6	8.7	10.4	(10.7)	1.6	(7.6)
Norwegian bonds	2.2	(0.2)	(0.3)	1.4	2.3	2.1	4.8
International bonds	2.6	0.1	(2.1)	3.7	3.0	2.7	5.7
Money market instruments	0.7	0.7	0.7	0.8	0.6	1.4	1.3
Bonds held to maturity	1.3	1.2	1.3	1.2	1.3	2.5	2.5
Investment property	2.0	1.5	2.2	1.3	1.5	3.5	2.8
Value-adjusted return on assets I ³⁾	0.8	1.3	2.7	2.6	(0.4)	2.1	1.4
Value-adjusted return on assets II ⁴⁾	1.3	0.8	1.9	2.8	(0.1)	2.1	2.0
Recorded return on assets ^{5) *)}	1.8	1.5	2.3	1.7	0.5	3.3	2.1
Value-adjusted return on assets I, annualised ³⁾	3.4	5.2	11.4	10.9	(1.6)	2.8	5.6
Value-adjusted return on assets II, annualised ⁴⁾	5.5	3.1	8.1	11.7	(0.2)	4.9	10.0
Return - corporate portfolio							
Value-adjusted return on assets I ³⁾	0.9	1.8	2.0	1.9	(0.2)	2.6	0.7

*) Recorded return broken down on sub-portfolios in the common portfolio

Previously established individual products	1.8	1.7	2.3	1.9	0.4	3.5	2.0
Paid-up policies	1.8	1.5	2.4	1.6	0.8	3.3	2.3
Common portfolio with low risk	1.8	1.1	1.8	1.0	1.3	2.9	2.7
Common portfolio with moderate risk	1.8	1.4	2.2	1.6	0.5	3.3	2.1
Common portfolio with high risk	1.7	1.6	2.7	2.3	(0.4)	3.3	1.3
Recorded return on assets	1.8	1.5	2.3	1.7	0.5	3.3	2.1

- 1) Returns are calculated on a quarterly basis and there may be differences to the full year figures.
2) International equities include Vital's exposure in hedge funds, private equities and real estate funds.
3) Excluding changes in value of commercial paper and bonds held to maturity.
4) Including unrealised gains on commercial paper and bonds held to maturity.
5) Excluding unrealised gains on financial instruments.

Key figures per sub-portfolio as at 30 June 2011

Per cent	Corporate portfolio	Common portfolio					
		Total common portfolio	Advance pricing of guaranteed rate of return			Profit sharing	
			Common portfolio with low risk	Common portfolio with moderate risk	Common portfolio with high risk	Paid-up policies	Previously established individual products
Recorded return on assets	2.6	3.3	2.9	3.3	3.3	3.3	3.5
Value-adjusted return on assets	2.6	2.1	1.7	2.0	2.1	2.1	2.3
Asset class breakdown: ¹⁾							
- Equity exposure	16.4	21.6	15.4	19.5	24.2	21.4	25.1
- Money market instruments	75.9	11.2	17.4	13.3	8.6	11.4	7.7

- 1) The only differences between the portfolios are their respective exposures to equities and money markets instruments. The equity exposure includes financial derivatives and exposure in private equity, hedge funds and property funds.

Premium income

Amounts in NOK million	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Total premiums due ^{1) 2)}	3 410	6 813	2 847	4 119	2 562	10 222	9 160
Inflow of reserves	400	3 044	457	849	178	3 444	2 446
Outflow of reserves	1 017	725	563	753	607	1 742	1 855
Net premiums paid	2 793	9 131	2 741	4 215	2 132	11 924	9 752
Outflow of reserves	1 017	725	563	753	607	1 742	1 855
Total premium income	3 810	9 856	3 304	4 968	2 739	13 666	11 607
1) Of which group pensions - defined benefit	1 139	4 669	1 156	2 666	876	5 809	5 362
2) Of which group pensions - defined contribution	716	784	696	680	646	1 499	1 318

Reconciliation of Vital's and the Group's income statement

The table below shows how lines in Vital's income statement are included in the Group's income statement.

	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
<u>DnB NOR Group:</u>							
Net gains on assets in Vital	3 342	3 473	6 414	4 152	755	6 815	4 503
Guaranteed returns and allocations to policyholders in Vital	2 884	2 972	5 879	3 324	944	5 856	4 297
Premium income etc. included in the risk result in Vital	1 211	1 226	1 242	1 164	1 173	2 437	2 315
Insurance claims etc. included in the risk result in Vital	1 355	1 234	1 248	1 195	1 226	2 589	2 534
Net financial and risk result in Vital	314	493	528	797	(242)	807	(13)
<u>Vital:</u>							
Recorded interest result	2 149	1 747	2 815	2 031	(629)	3 896	779
Allocations to policyholders, products with guaranteed returns	1 700	1 255	2 290	1 213	(423)	2 955	590
Risk result	(137)	2	(9)	(22)	(46)	(135)	(211)
Transferred from security reserve	(7)	(10)	2	(9)	4	(17)	(8)
+ Costs from subsidiaries which are fully consolidated in Vital's accounts	9	10	10	10	7	19	17
Net financial and risk result in Vital	314	493	528	797	(242)	807	(13)

<u>DnB NOR Group:</u>							
Commissions and fees receivable	589	579	585	579	584	1 168	1 140
Commissions and fees payable	84	79	90	87	88	163	180
Other income	7	8	0	0	0	14	0
Operating expenses	392	405	431	371	357	797	733
Administration result including upfront pricing of risk and guaranteed rate of return	120	103	63	121	139	223	227
<u>Vital:</u>							
Upfront pricing of risk and guaranteed rate of return	133	130	135	141	138	263	275
Administration result	(4)	(18)	(62)	(11)	8	(21)	(31)
- Costs from subsidiaries which are fully consolidated in Vital's accounts	9	10	10	10	7	19	17
Administration result including upfront pricing of risk and guaranteed rate of return	120	103	63	121	139	223	227

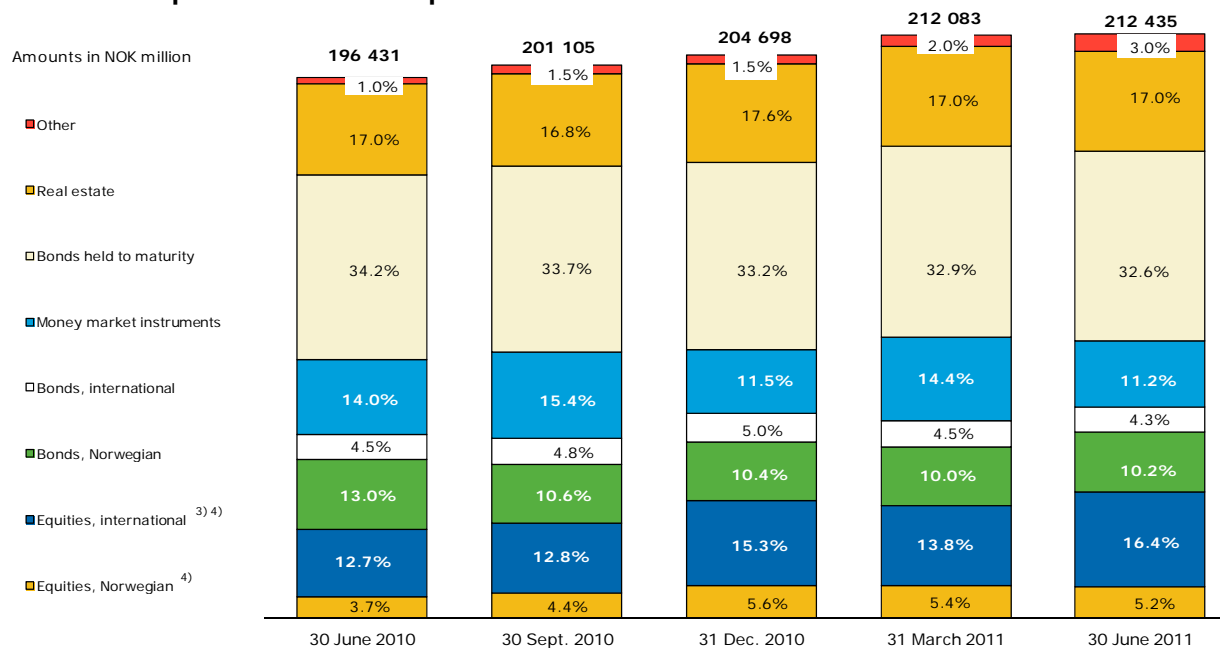
Balance sheets ¹⁾

Amounts in NOK million	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Lending to and deposits with credit institutions	6 476	3 624	4 730	5 932	13 609
Lending to customers	972	1 345	2 833	2 980	3 285
Commercial paper and bonds	50 002	53 235	46 574	54 812	53 238
Shareholdings	64 697	61 301	60 443	51 864	49 175
Financial assets, customers bearing the risk	23 689	23 875	23 506	21 903	21 149
Financial derivatives	2 291	1 943	2 445	2 245	1 139
Commercial paper and bonds, held to maturity	69 285	69 708	68 038	67 853	66 707
Investment property	36 143	36 034	35 961	33 784	33 327
Investments in associated companies	17	16	16	17	17
Intangible assets	248	253	256	262	287
Deferred tax assets	0	873	629	52	15
Fixed assets	17	19	21	27	31
Other assets	3 052	3 942	1 654	3 114	2 769
Total assets	256 889	256 169	247 107	244 844	244 745
Financial derivatives	928	752	1 299	1 347	2 214
Insurance liabilities, customers bearing the risk ^{*)}	23 689	23 875	23 506	21 903	21 149
Liabilities to life insurance policyholders ^{**)}	213 390	212 773	205 550	202 226	198 255
Payable taxes	263	27	27	16	51
Deferred taxes	243	0	0	0	0
Other liabilities	3 178	2 783	1 591	5 477	10 152
Pension commitments	224	224	224	222	222
Subordinated loan capital	2 477	2 481	2 497	2 503	2 545
Total liabilities	244 392	242 915	234 693	233 694	234 588
Share capital	1 321	1 321	1 321	1 321	1 321
Share premium reserve	1 175	1 175	1 175	1 175	1 175
Other equity	10 001	10 758	9 918	8 654	7 661
Total equity	12 497	13 254	12 413	11 150	10 157
Total liabilities and equity	256 889	256 169	247 107	244 844	244 745

*) Of which group pensions - defined contribution

***) Of which group pensions - defined benefit

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.

Financial exposure - common portfolio ^{1) 2)}

1) The figures represent net exposure after derivative contracts.

2) Figures for previous periods have been restated in accordance with Regulations on the calculation of return on capital in life insurance companies.

3) International equities include Vital's exposure in hedge funds, private equities and real estate funds.

4) Equity exposure per sub-portfolio in the common portfolio, see table on page 76.

Market shares in Norway

<i>Per cent</i>	31 March 2011	31 Dec. 2010	31 March 2010
Of insurance funds including products with a choice of investment profile	29.8	29.6	30.3
- Corporate market	39.5	40.6	41.5
- Public market	10.9	9.8	9.6
- Retail market	53.1	52.2	53.0

Source: Finance Norway (FNO)

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.
- In the second quarter of 2011, other business areas accounted for 68.6 per cent of the sales of Vital's products in the retail market, compared with 37.1 per cent in the corresponding period of 2010.

Solvency capital ^{1) 2)}

<i>Amounts in NOK million</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Interim profit, accumulated	3 985	1 851	0	2 936	805
Market value adjustment reserve	101	2 041	2 591	1 760	0
Additional allocations	5 389	5 574	5 694	5 271	5 248
Security reserve	177	168	158	160	153
Equity	11 214	12 414	12 414	10 018	10 018
Subordinated loan capital and perpetual subordinated loan capital securities	2 472	2 476	2 492	2 498	2 541
Unrealised gains on long-term securities	1 105	51	1 100	2 597	2 196
Solvency capital	24 443	24 575	24 448	25 239	20 961
Buffer capital ³⁾	9 117	10 512	11 172	8 362	8 521

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

2) The table 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) Buffer capital represents the sum of equity in excess of the minimum statutory capital requirement, interim profits, additional allocations and the market value adjustment reserve.

Capital adequacy and solvency margin capital ¹⁾

<i>Amounts in NOK million</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Capital adequacy ²⁾					
Total eligible primary capital	11 730	12 324	12 552	10 969	11 030
Capital adequacy ratio (%)	9.6	10.3	11.0	10.1	10.3
Core capital	10 348	10 938	10 980	9 333	9 344
Core capital (%)	8.5	9.1	9.7	8.6	8.7
Risk-weighted assets	122 164	119 926	113 607	109 058	107 063
Solvency margin capital ³⁾					
Solvency margin capital	14 835	15 517	15 800	13 808	13 876
Solvency margin capital exceeding minimum requirement	5 637	6 325	6 962	5 041	5 204
Solvency margin capital in per cent of solvency margin capital requirement (%)	161	169	179	158	160

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

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

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

DnB NOR Asset Management

DnB NOR Asset Management provides mutual funds and discretionary portfolio management services to Norwegian, Nordic and European corporate clients, the public sector, private pension funds and retail clients. Torkild Varran is head of DnB NOR Asset Management.

DnB NOR Asset Management seeks to provide first-class returns on customer funds within the preferred risk profile and investment horizon. The company 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.

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 major 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 Hong Kong and Chennai.
- A combination of regional and sector-oriented management teams.
- 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
 - Postal 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 Retail Banking

Employees

DnB NOR Asset Management totalled 216 full-time positions at the end of the quarter.

Financial performance

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income - ordinary operations	(10)	(9)	(5)	(1)	1	(19)	2
Interest on allocated capital ¹⁾	4	3	3	3	3	7	6
Net interest income	(6)	(5)	(1)	2	5	(12)	8
Net commission income							
- from retail customers	95	98	90	92	85	193	175
- from institutional clients	114	119	122	113	132	233	246
Other income	2	1	4	13	(1)	4	3
Total income	205	213	214	221	220	418	432
Operating expenses	144	154	147	146	138	298	298
Pre-tax operating profit before write-downs	61	60	67	75	82	120	135
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Pre-tax operating profit	61	60	67	75	82	120	135

Assets under management (NOK billion) ²⁾							
Institutional	433	446	436	425	411	433	411
- of which Vital ³⁾	206	205	199	196	192	206	192
Retail	41	43	44	43	43	41	43
Total	473	489	479	468	454	473	454

Key figures							
Cost/income ratio (%)	70.4	72.0	68.8	66.2	62.6	71.2	68.8
Return on allocated capital, annualised (%) ⁴⁾	32.7	32.4	35.7	41.7	47.3	32.6	37.8

1) The interest is calculated on the basis of internal measurement of risk-adjusted capital requirement.

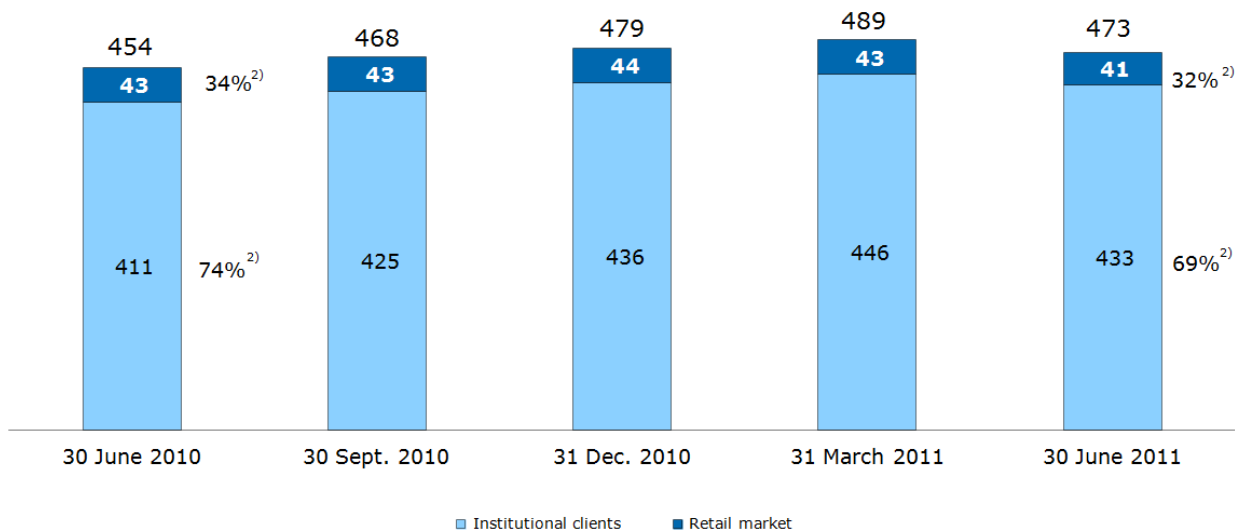
2) Assets under management and assets under operation at end of period. During the first quarter of 2011, portfolio values were redistributed between the retail and institutional segments. This was primarily due to the transfer of portfolio values related to the SME market from the retail to the institutional segment. Figures for previous periods have been restated.

3) Managed on behalf of Vital Forsikring.

4) The return on allocated capital is calculated on the basis of internal measurement of risk-adjusted capital requirement.

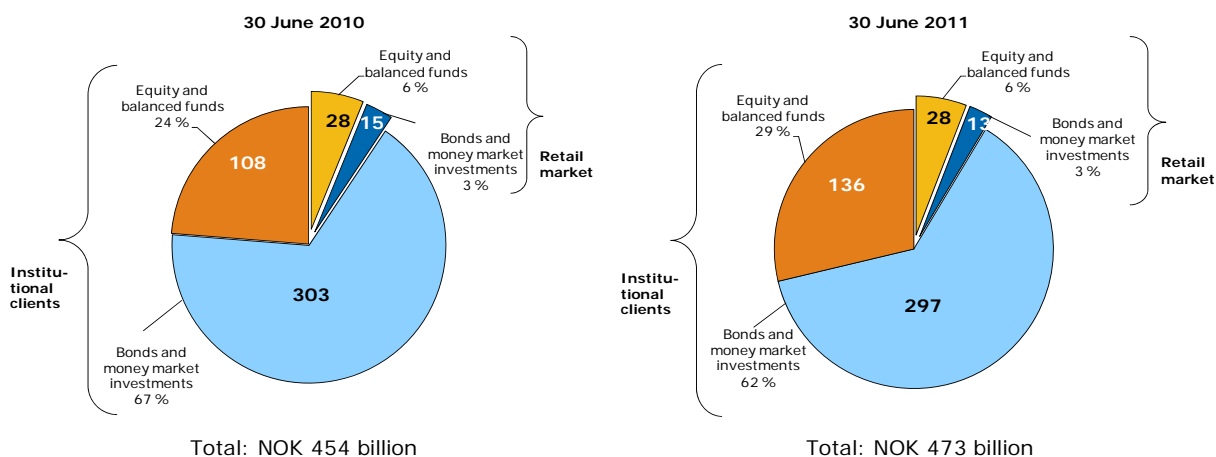
Assets under management - distribution by market segment ¹⁾

NOK billion



- 1) During the first quarter of 2011, portfolio values were redistributed between the retail and institutional segments. This was primarily due to the transfer of portfolio values related to the SME market from the retail to the institutional segment. Figures for previous periods have been restated.
- 2) 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 ¹⁾



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

- 1) During the first quarter of 2011, portfolio values were redistributed between the retail and institutional segments. This was primarily due to the transfer of portfolio values related to the SME market from the retail to the institutional segment. Figures for previous periods have been restated.

Changes in assets under management - net inflow

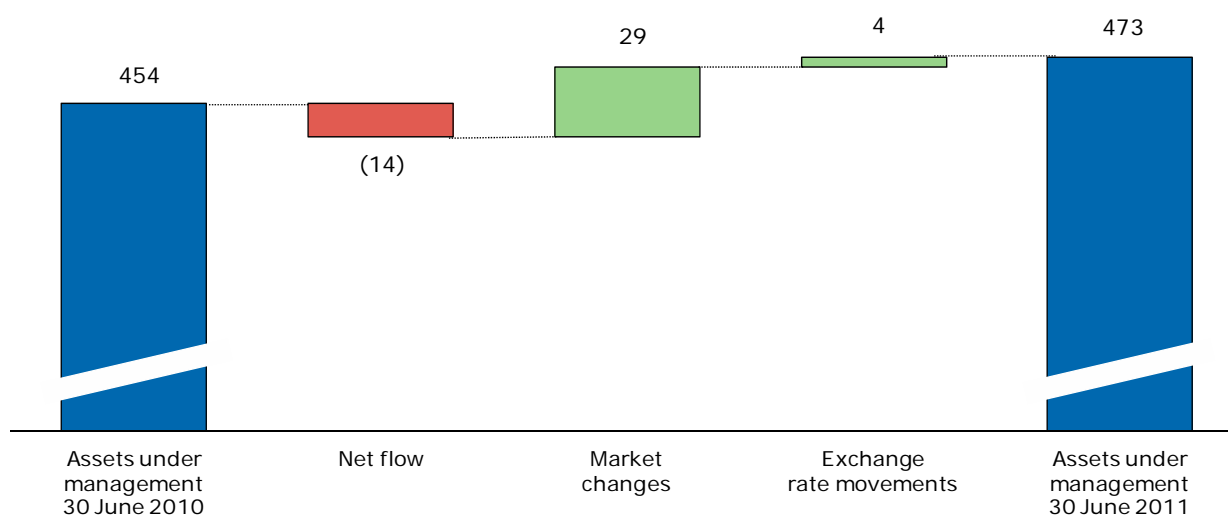
Amounts in NOK million	2Q11	1Q11 ¹⁾	4Q10	3Q10	2Q10	First half	
						2011 ¹⁾	2010 ²⁾
Retail market	(794)	(272)	840	(1 070)	(1 414)	(1 066)	(811)
Institutional clients	(9 132)	6 438	(3 072)	(6 551)	1 722	(2 694)	3 530
Total	(9 926)	6 166	(2 233)	(7 621)	309	(3 760)	2 719

1) Excluding dividends of NOK 1 932 million, of which NOK 328 million refers to retail and NOK 1 604 million to institutional clients

2) Excluding dividends of NOK 2 450 million, of which NOK 537 million refers to retail and NOK 1 913 million to institutional clients

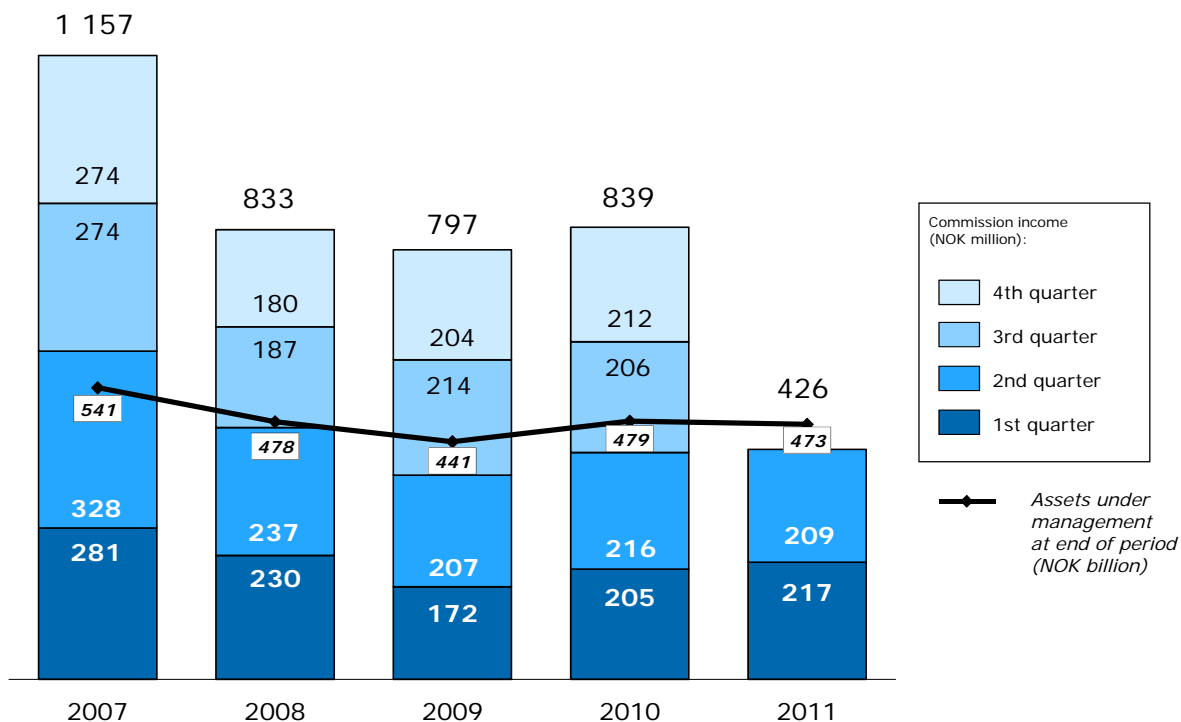
Changes in assets under management

NOK billion

**Comments to changes in assets under management as from 30 June 2010**

- Assets under management increased by NOK 19.2 billion or 4.2 per cent.
Net flow:
 - There was a net outflow of funds from institutional clients of NOK 12.3 billion or 2.7 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 1.3 billion or 0.3 per cent.
- Market changes:
 - Market developments led to a NOK 28.7 billion increase 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 increased by 30.5 per cent measured in USD and increased by 7.7 per cent measured in NOK.
 - Prices on the stock exchange in Stockholm (OMX) increased by 10.9 per cent, and the stock exchange in Oslo (OSEBX) experienced 28.4 per cent growth in prices during the last four quarters.
- Exchange rate movements:
 - The appreciation of NOK against other currencies, especially SEK, increased assets under management by NOK 4 billion.

Development in commission income and assets under management



Investment returns on assets under management as from 30 June 2010

- 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):
 - Equity funds:
 - DnB NOR Private Equity (14.6 per cent)
 - DnB NOR Nordic Technology (13.6 per cent)
 - DnB NOR Miljøinvest (10.0 per cent)
 - DnB NOR Renewable Energy (8.7 per cent)
 - DnB NOR SMB (8.1 per cent)
 - Money Market funds:
 - DnB NOR Likviditet 20 (V) (1.0 per cent)
 - DnB NOR Likviditet (I) (0.8 per cent)
 - Bond funds:
 - DnB NOR Obligasjon (III) (2.7 per cent)
 - DnB NOR Kredittobligasjon (2.5 per cent)

Clients/markets

- DnB NOR Asset Management serves the Nordic and European 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.
 - DnB NOR Asset Management and Carlson in the European institutional and retail markets, respectively.
- A leading position in the institutional market in both Norway and Sweden with 268 institutional clients. The largest clients are Vital Forsikring and Skandia Liv.
- The number of mutual fund clients in Norway was approximately 577 000 at the end of June 2011. The number of active savings schemes reached nearly 272 000.
- Market shares:
 - DnB NOR Kapitalforvaltning (retail mutual funds in Norway) 30.1 per cent ¹⁾
 - Carlson Fonder (total mutual funds in Sweden and Luxembourg) ≈ 1.5 per cent
 - Institutional market in Norway (mutual funds in Norway) 19.9 per cent ¹⁾
 - Institutional market in Sweden > 15 per cent

1) Source: Norwegian Mutual Fund Association.

Retail: Fund capital and market shares in Norway

	31 May 2011		31 December 2010		31 December 2009	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>						
Equity funds	26 966	25.2	23 306	22.2	21 098	26.2
Balanced funds	7 792	51.3	7 753	56.3	6 802	60.3
Fixed-income funds	15 316	34.9	15 979	38.0	14 693	45.8
Total mutual funds	50 074	30.1	47 039	29.3	42 593	34.4

Source: Norwegian Mutual Fund Association

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 Retail Banking 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.

Non-life insurance

DnB NOR Skadeforsikring primarily offers non-life insurance products to the retail market (private house and contents insurance, car insurance, travel insurance etc.). These products are sold mainly through the bank's distribution network.

DnB NOR Skadeforsikring is in an expansion phase. Sales in the January through June period increased by 37 per cent compared with the year-earlier period. A reduced claims frequency and a reinsurance programme which to a greater extent neutralises seasonal variations contributed to improved profit performance in the first half of 2011.

DnB NOR Skadeforsikring is well positioned to become an important player in the Norwegian market in the longer term.

DnB NORD (including Baltics and Poland Division)

DnB NORD's core markets are Estonia, Latvia, Lithuania and Poland, where the bank has a strong market position or a long-term growth potential. The bank provides a broad range of products to both the retail and corporate markets and is committed to developing a strong brand as a full-service bank.

DnB NORD became wholly owned by DnB NOR from year-end 2010. Operations in the Baltic States and Poland will continue as a separate profit centre organised under the Large Corporates and International business area. The division is headed by Terje Turnes.

Organisation and market

- DnB NORD serves more than 930 000 retail and corporate clients.
- At end-June 2011 DnB NORD had 159 branches and offices in four countries in the Baltics and Poland.
- DnB NORD's staff represented 3 169 full-time positions at end-June 2010.
- DnB NORD was the third largest bank in Lithuania and number four in Latvia, measured by lending to customers. DnB NORD is providing a full range of services to individual and corporate customers. In Estonia, the bank was number five in terms of total lending and the main focus is on corporate lending.
- DnB NORD in Poland is providing financial services to individual and corporate customers and is among the leading banks in providing new mortgage loans in the Polish market.
- In the Baltic States the serious economic cool-down from end-2008 and in 2009 was followed by signs of stabilisation and a moderate growth towards the end of 2010. Forecast for the macro economic development in 2011 also shows a moderate GDP growth. In general, the Baltic States saw a normalisation of money and capital markets in the first half of 2010. Due to beginning economic recovery, DnB NORD expects the level of write-downs on loans to decrease in coming years.
- DnB NORD continues to concentrate on consolidating operations, including a closer integration of the operations with DnB NOR, following up high-risk commitments and improving cost efficiency.

Financial performance

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10	3Q10	2Q10	First half	
						2011	2010
Net interest income - ordinary operations	302	299	344	334	377	601	705
Interest on allocated capital ¹⁾	15	12	12	10	8	26	17
Net interest income	317	311	355	345	385	627	721
Net other operating income	165	174	120	222	99	340	285
Total income	482	485	475	567	483	967	1 006
Operating expenses ²⁾	356	345	342	328	682	701	1 030
Pre-tax operating profit before write-downs	126	140	133	240	(198)	266	(24)
Net gains on fixed and intangible assets	4	3	13	(14)	(8)	7	(14)
Write-downs on loans and guarantees	180	213	304	253	699	393	1 255
Pre-tax operating profit	(49)	(70)	(159)	(28)	(906)	(120)	(1 294)

Net lending to customers (NOK billion) ³⁾	59.6	59.4	62.1	62.1	62.9	59.5	64.3
Deposits from customers (NOK billion) ³⁾	25.0	25.5	23.5	22.3	21.9	25.2	20.6
Allocated capital (NOK billion) ⁴⁾	4.2	4.3	4.5	4.6	4.7	4.3	5.0
Cost/income ratio (%) ⁵⁾	73.8	71.2	72.2	57.9	69.5	72.5	68.0
Ratio of deposits to lending (%)	41.9	42.8	37.8	35.9	34.8	42.4	32.1
Return on allocated capital, annualised (%) ⁴⁾	(3.8)	(5.3)	(11.2)	(2.0)	(37.9)	(4.5)	(30.6)

- 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) In the second quarter of 2010 operating expenses included impairment of intangible assets of NOK 346 million related to the development of a new IT infrastructure for joint solutions across national borders.
- 3) Average balances. Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions are not included. Correspondingly, deposits from customers include accrued interest and value adjustments. Deposits from credit institutions are not included.
- 4) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement.
- 5) Total operating expenses excluding impairment losses for goodwill and intangible assets relative to total income.

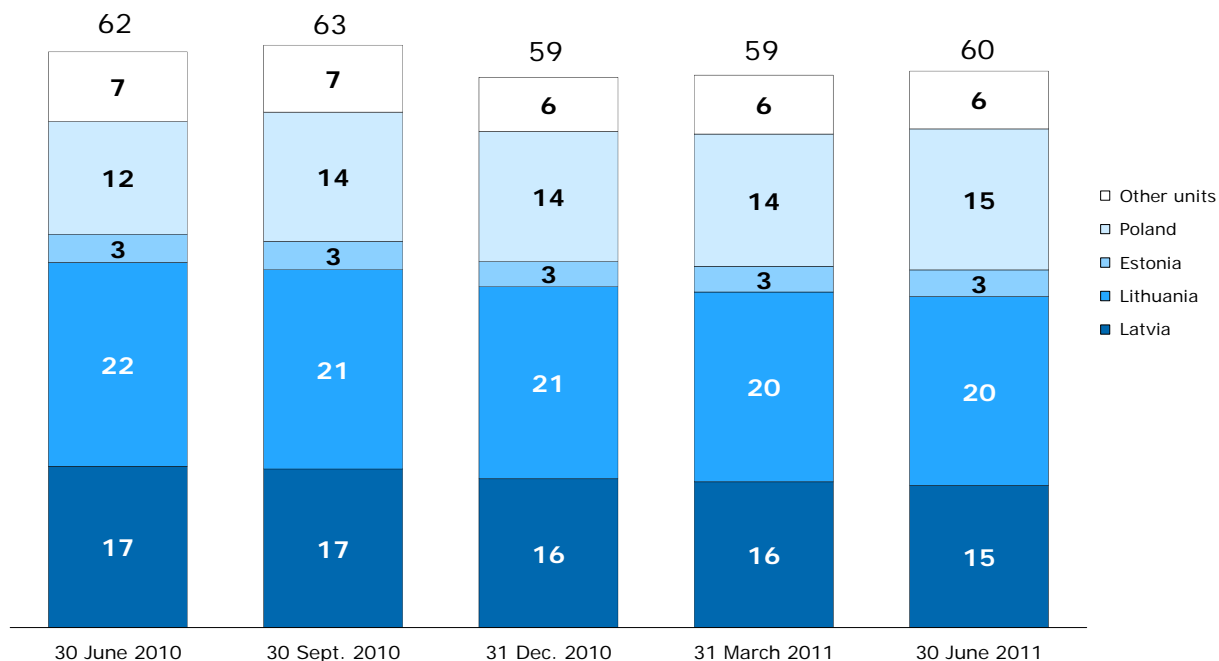
Net interest income ¹⁾

<i>Amounts in NOK million</i>	Average volumes			Spreads in per cent			Net interest income		
	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10	2Q11	1Q11	2Q10
Lending to customers ¹⁾	53 715	53 277	56 748	1.72	1.65	1.86	230	217	264
Deposits from customers ¹⁾	24 904	25 379	21 764	0.79	0.66	0.48	49	41	26
Allocated capital	4 214	4 294	4 745	1.40	1.10	0.69	15	12	8
Other							23	41	87
Total net interest income							317	311	385

- 1) Based on nominal values excluding impaired loans.

Development in lending volumes

NOK billion



- Measured in NOK, lending volumes declined by 3.3 per cent from end-June 2010 to end-June 2011, but increased by 1.1 per cent compared with year-end 2010.
- Poland was the only unit showing an increase in lending from end-June 2010 with 24.9 per cent.
- The market activities and branches in Denmark and Finland were closed down in 2009. The portfolio is in a run-off situation, explaining the decrease in net lending in other units by 16.6 per cent from end-June 2010 to end-June 2011.

Lending and write-downs

Amounts in NOK million	Net lending 30 June 2011	Of which net non-performing and net doubtful commitments		Net individual write-downs 2Q11	Collective write-downs 2Q11	Total write-downs 2Q11
		NOK million	As a percentage of net lending			
Latvia	15 252	2 539	16.6	104	(9)	95
Lithuania	20 289	3 335	16.4	39	13	52
Estonia	2 865	300	10.5	5	(6)	(1)
Poland	15 151	647	4.3	21	6	27
Total Baltic States and Poland	53 557	6 821	12.7	169	4	173
Other	6 219	1 199	19.3	15	(8)	7
Total DnB NORD	59 776	8 020	13.4	184	(4)	180

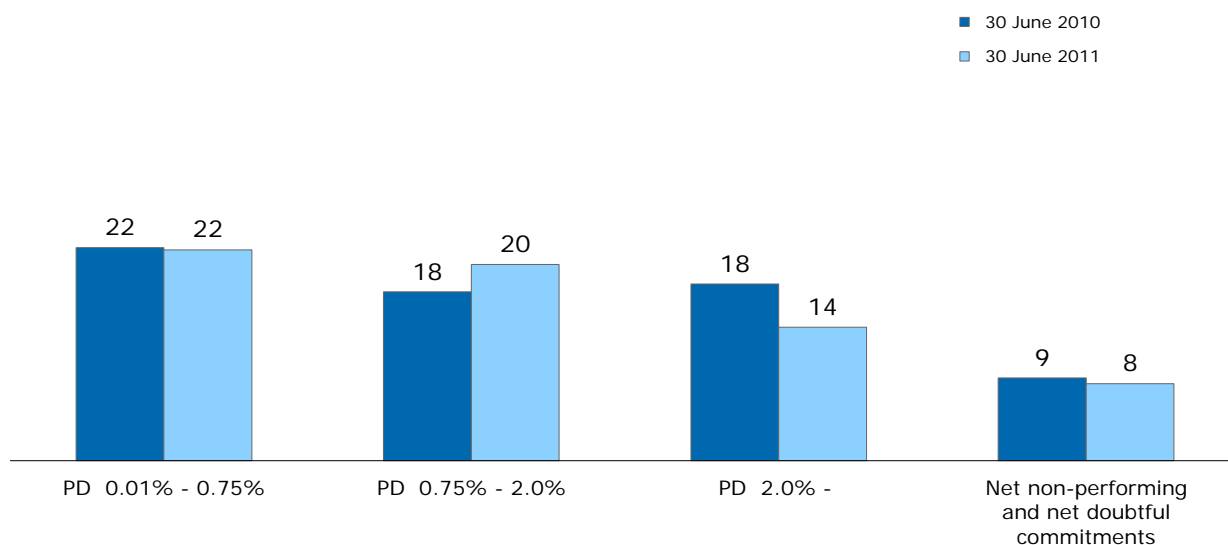
Write-down ratio – net non-performing and net doubtful commitments

<i>Amounts in NOK million</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010 ¹⁾
Non-performing commitments	8 481	8 466	8 559	8 937	8 386
Doubtful commitments	4 539	4 800	5 041	5 330	5 079
Gross non-performing and gross doubtful commitments	13 020	13 266	13 600	14 267	13 466
Individual write-downs	4 999	5 026	5 109	5 042	4 862
Net non-performing and net doubtful commitments	8 020	8 240	8 491	9 226	8 604
Collective write-downs	327	333	341	451	516
Write-down ratio (per cent)	40.9	40.4	40.1	38.5	39.9
Non-performing and doubtful commitments relative to total commitments (per cent)	13.4	13.9	14.4	14.7	13.9
Collateral for non-performing and doubtful commitments	10 906	10 504	11 518	11 967	12 477
Coverage ratio (per cent)	124.7	119.6	124.8	122.4	132.6

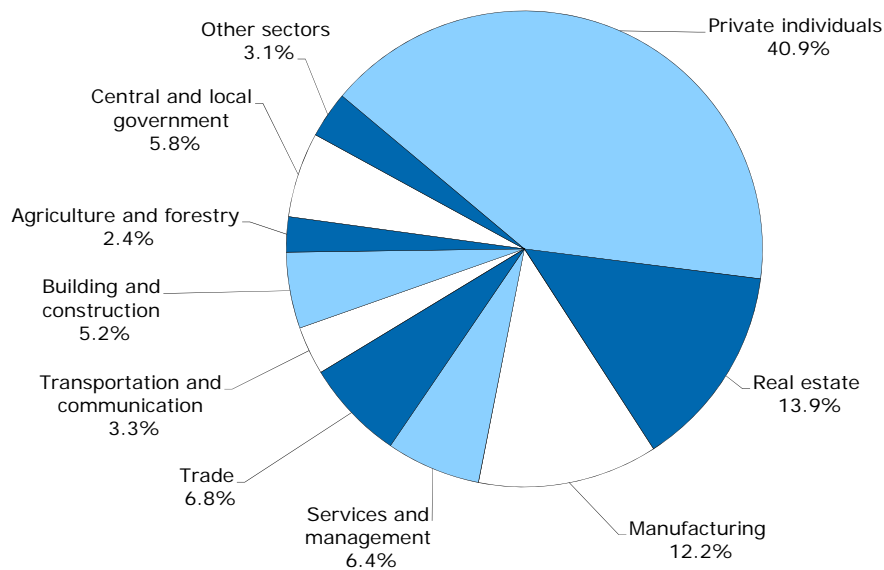
1) Collateral for non-performing and doubtful commitments restated due to updated estimates.

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, except for net non-performing and net doubtful commitments which are net recorded exposure in the accounts.
PD = probability of default

Net lending to principal customer groups as at 30 June 2011 ^{1) 2)}

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

2) The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway.

The Baltics and Poland Division

The activities in the new division will include the subsidiaries in the Baltic countries and in Poland. The division management will be located in Oslo and the division will be a part of the business area Large Corporates and International. The future strategy in Poland is being assessed. One of the alternatives under consideration is the sale of the Polish operation.

Estimated financial performance - Baltics and Poland Division

The figures do not include portfolios, activities or expenses at DnB NORD's head-office in Denmark, but estimated expenses at division management in Oslo are included.

<i>Amounts in NOK million</i>	2Q11	1Q11	4Q10
Net interest income	333	328	369
Net other operating income	175	190	140
Total income	508	518	509
Operating expenses ¹⁾	316	305	301
Pre-tax operating profit before write-downs	192	213	208
Write-downs on loans and net gains on fixed assets	170	187	225
Pre-tax operating profit	22	26	(17)
Net lending to customers (NOK billion) ²⁾	53.6	53.0	53.3
Deposits from customers (NOK billion) ²⁾	24.5	25.6	24.8

1) Excluding expenses at head-office in Copenhagen, including estimated expenses at division management in Oslo.

2) Balances at end-period.

Section 4

The Norwegian economy

Basic information about Norway

Area	385 199 square kilometres
Population	4.9 million
Fertility rate	2.0
Life expectancy	M: 76.8 F: 81.8
Work participation rate, per cent 15–74 years	71.9 (M: 75.0 F: 68.7)
Gross domestic product 2010	USD 413.3 billion
GDP per capita 2010	USD 84 000
Rating	AAA, Aaa
Currency exchange rate used	6.04 USD/NOK (Average 2010)
Current balance 2010	USD 51.3 billion or 12.4 per cent of GDP

Source: Statistics Norway

Key macro-economic indicators, Norway

Per cent	2009	2010	F 2011	F 2012	F 2013	F 2014
GDP growth						
- Norway, total	(1.7)	0.3	2.7	3.1	2.4	2.4
- Mainland Norway	(1.8)	2.1	3.1	3.9	3.2	3.0
Private consumption	0.2	3.7	3.0	4.0	3.0	2.5
Gross fixed investment	(6.8)	(7.4)	6.7	6.0	5.2	5.4
Inflation (CPI)	2.2	2.4	1.3	1.6	2.4	2.6
Savings ratio ¹⁾	7.5	7.4	7.6	7.2	6.8	6.6
Unemployment rate	3.1	3.5	3.1	2.7	2.6	2.6
Current account ²⁾	11.8	12.5	18.7	20.6	19.6	20.6

1) Per cent of disposable income. Households.

2) Per cent of GDP.

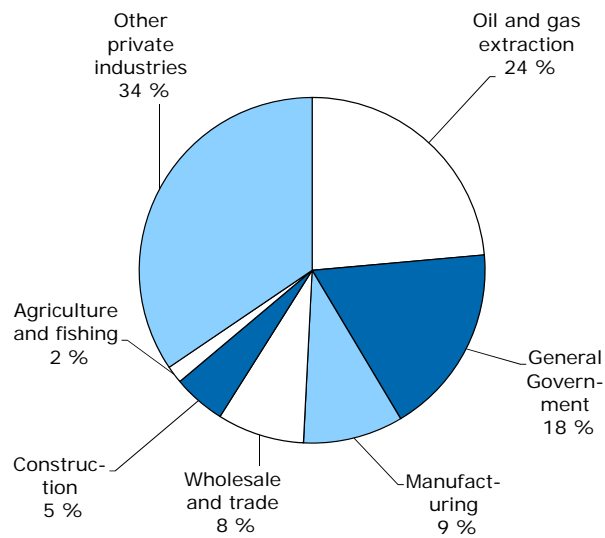
Source: Statistics Norway and DnB NOR Markets

Contribution to volume growth in GDP, mainland Norway

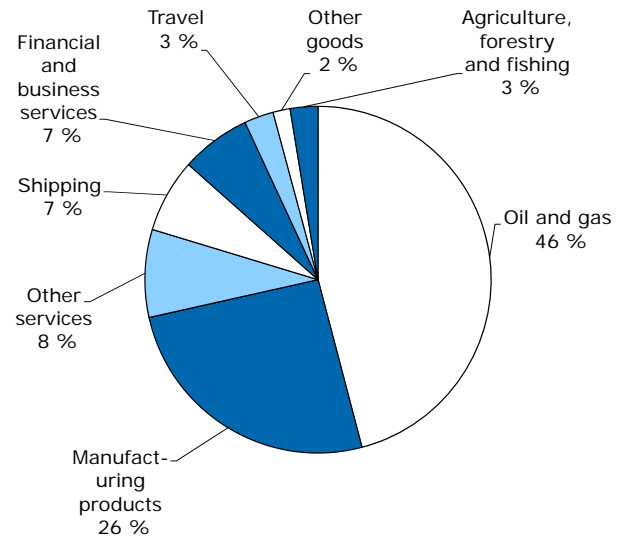
Per cent	2009	2010	F 2011	F 2012	F 2013	F 2014
Household demand	(0.8)	1.9	2.1	2.8	2.1	1.9
Gross fixed capital formation, mainland companies	(1.7)	(0.1)	0.3	0.4	0.4	0.4
Gross fixed capital formation, petroleum activity	0.5	(1.4)	(0.5)	0.5	0.5	0.2
Public sector demand	1.6	0.2	1.2	0.7	0.8	0.8
Exports, mainland Norway	(1.2)	0.4	1.2	1.5	1.2	1.2
Imports, mainland Norway	3.9	(3.2)	(1.5)	(2.0)	(1.7)	(1.5)
Changes in stocks and statistical discrepancies	(4.1)	4.2	0.3	0.0	0.0	0.0
GDP, mainland Norway	(1.8)	2.1	3.1	3.9	3.2	3.0

Source: Statistics Norway and DnB NOR Markets

Composition of GDP in 2010

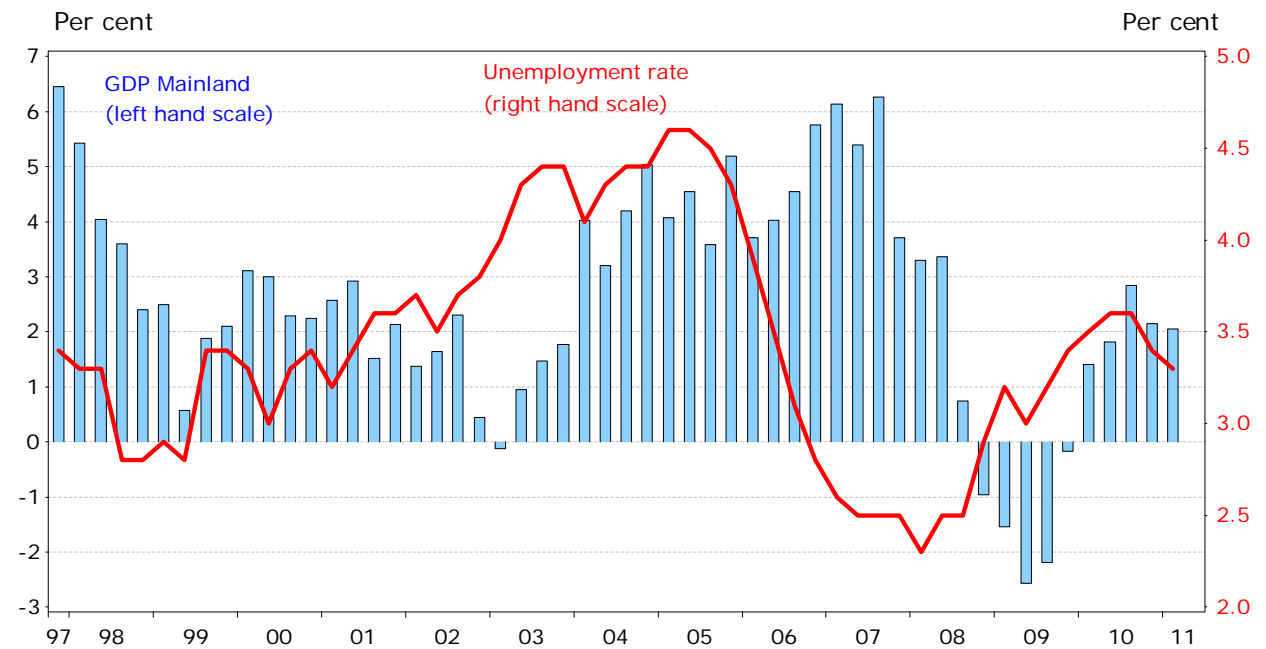


Composition of export in 2010



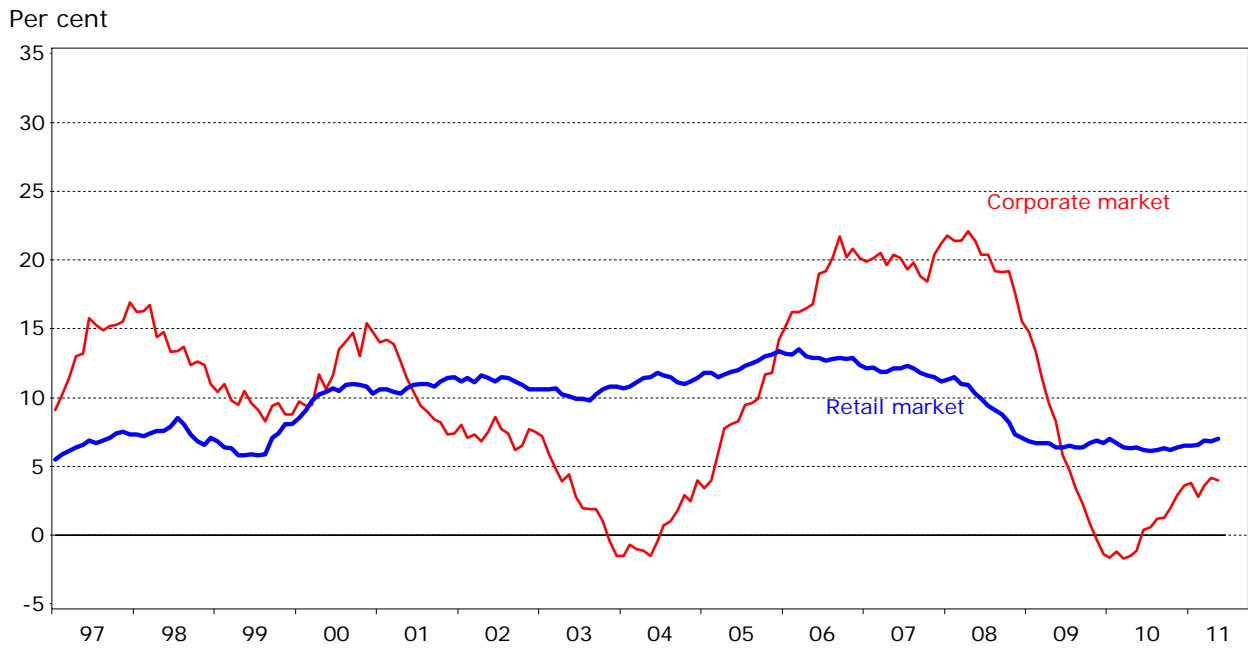
Source: Statistics Norway

GDP-growth mainland Norway and unemployment rate



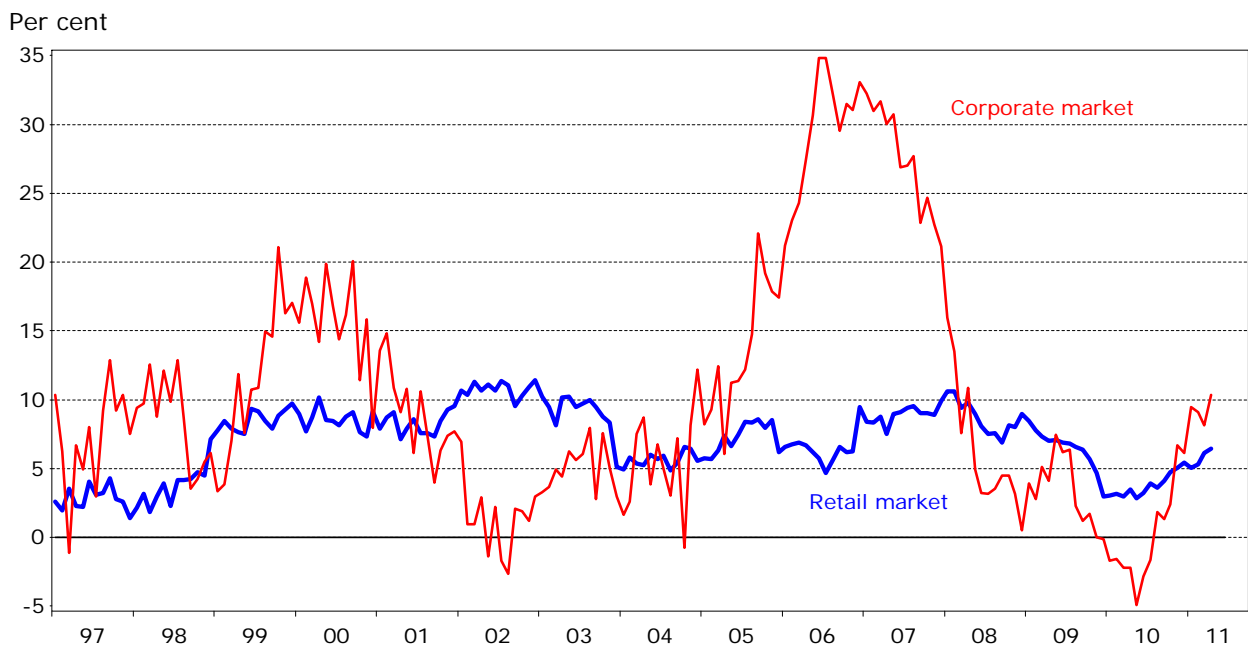
Source: Statistics Norway

Credit market, 12 month percentage growth



Source: Statistics Norway

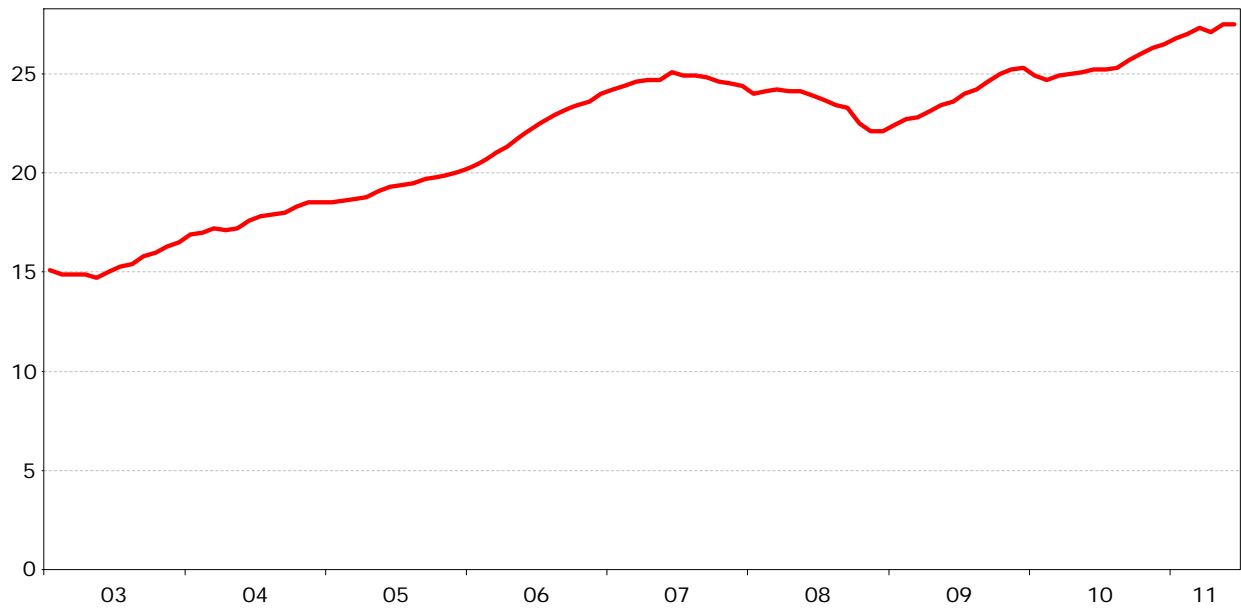
Deposit market, 12 month percentage growth



Source: Statistics Norway

House prices, per square meter Seasonally adjusted

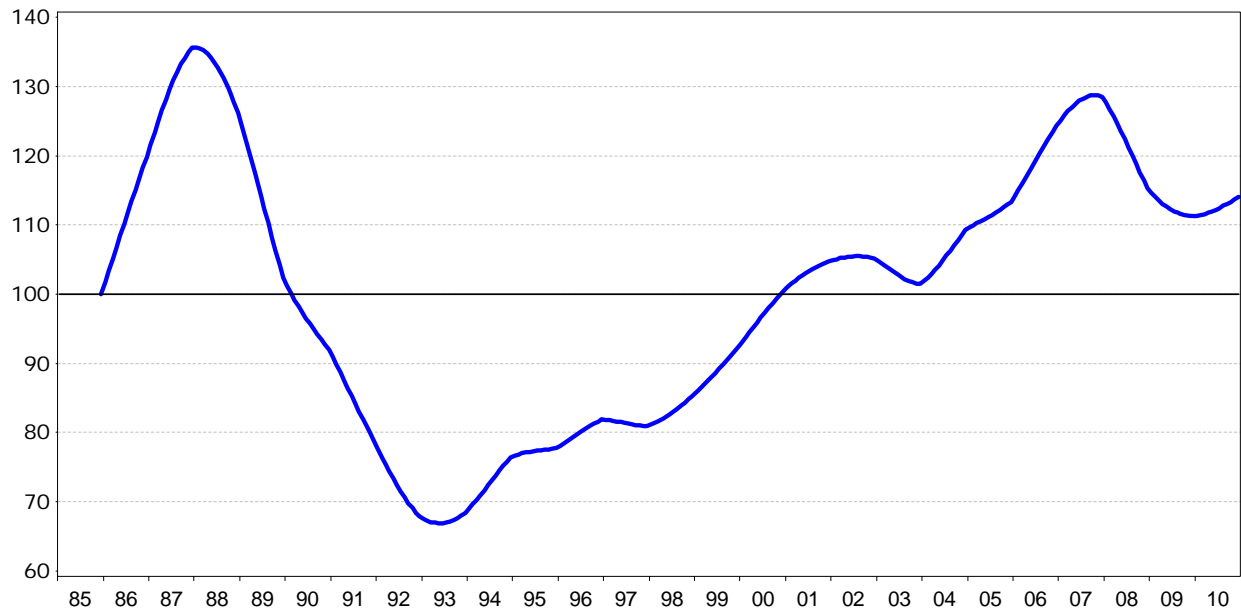
NOK 1 000



Source: Association of norwegian real estate agents, Finn.no and Econ Poyry

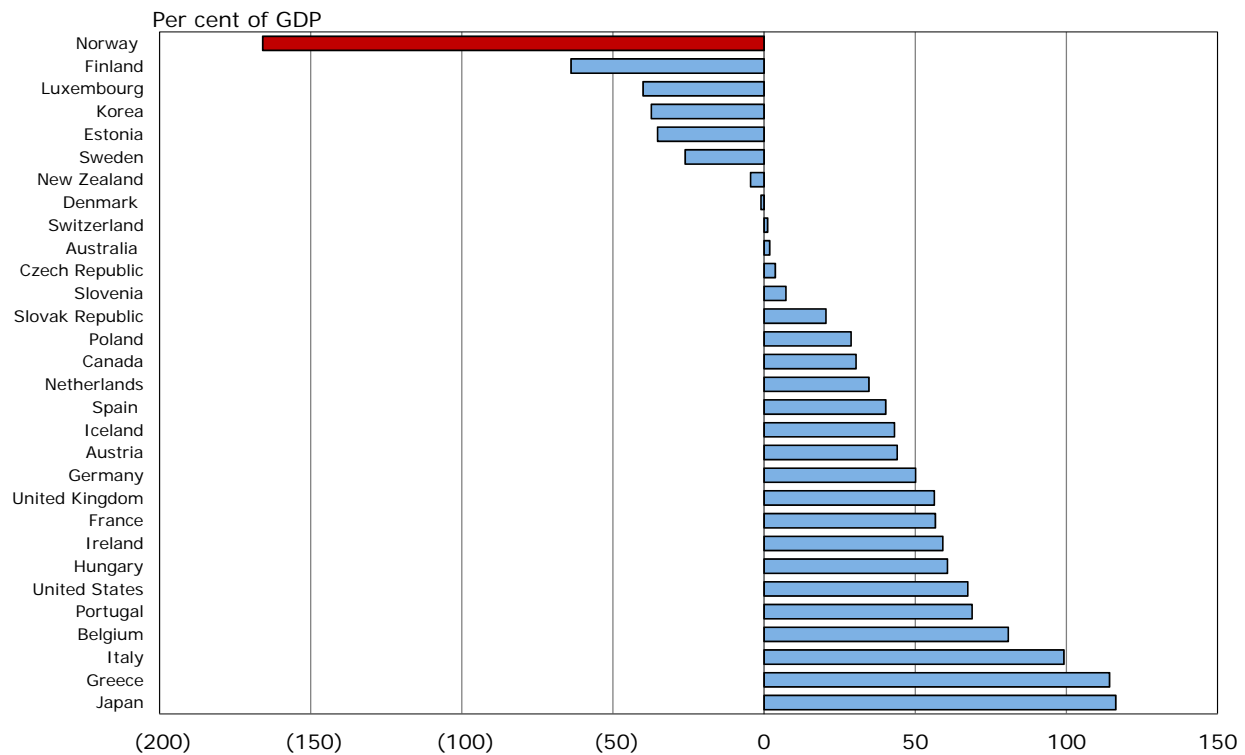
House prices, deflated by income

Indices: 1985=100



Source: Norges Bank

Government net financial liabilities 2010



Source: OECD Economic Outlook No. 89, May 2011

Key macro-economic indicators, Poland and the Baltic states

Percentage change from previous year	2009	2010	F 2011	F 2012
Poland				
GDP	1.6	3.8	4.1	4.1
Private consumption	2.1	3.2	3.8	4.1
Gross fixed investments	(1.2)	(2.0)	7.4	7.1
Inflation (CPI)	3.5	2.7	4.2	3.1
Estonia				
GDP	(13.9)	3.1	5.4	4.2
Private consumption	(18.8)	(1.9)	3.8	3.9
Gross fixed investments	(33.0)	(9.1)	12.1	9.2
Inflation (CPI)	(0.1)	3.0	4.7	3.3
Latvia				
GDP	(18.0)	(0.3)	3.6	3.8
Private consumption	(24.1)	(0.1)	3.2	3.5
Gross fixed investments	(37.3)	(19.5)	9.4	8.6
Inflation (CPI)	3.5	(1.1)	4.1	3.1
Lithuania				
GDP	(14.7)	1.3	4.7	3.8
Private consumption	(17.7)	(4.5)	3.8	4.3
Gross fixed investments	(40.0)	0.0	11.9	7.7
Inflation (CPI)	4.2	1.2	3.8	2.9

Source: Consensus Economics

