



DNB

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DNB Group
SUPPLEMENTARY INFORMATION
FOR INVESTORS AND ANALYSTS

Third quarter 2012

(UNAUDITED)

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Financial Calendar 2013

Preliminary results 2012 and fourth quarter 2012	7 February
Annual general meeting	30 April
Ex-dividend date	2 May
First quarter 2013	26 April
Second quarter 2013	11 July
Third quarter 2013	24 October

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Statements regarding DNB's relative market positions are, unless otherwise specified, based on internal DNB analyses.

Section 1

DNB – an overview

Financial highlights

					DNB Group
Income statement	3rd quarter	3rd quarter	January-September	Full year	
<i>Amounts in NOK million</i>	2012	2011	2012	2011	2011
Net interest income	6 828	6 394	20 115	18 460	25 252
<i>Net commissions and fees, core business ¹⁾</i>	1 852	1 933	5 615	5 804	7 436
<i>Net financial items ¹⁾</i>	1 776	1 770	4 824	5 351	9 317
Net other operating income, total	3 628	3 703	10 439	11 154	16 754
Ordinary operating expenses	5 106	4 862	15 360	14 587	19 792
Other expenses	85	0	85	0	380
Pre-tax operating profit before write-downs	5 265	5 235	15 109	15 028	21 833
Net gains on fixed and intangible assets	20	6	63	20	19
Write-downs on loans and guarantees	521	1 170	1 990	2 519	3 445
Pre-tax operating profit	4 763	4 072	13 182	12 529	18 407
Taxes	1 256	1 604	3 427	3 633	5 423
Profit from operations held for sale, after taxes	0	25	92	(5)	(5)
Profit for the period	3 507	2 493	9 847	8 890	12 979

Balance sheet	30 Sept.	31 Dec.	30 Sept.
<i>Amounts in NOK million</i>	2012	2011	2011
Total assets	2 369 123	2 126 098	2 183 100
Lending to customers	1 307 047	1 279 259	1 247 477
Deposits from customers	843 340	740 036	752 660
Total equity	124 464	117 815	113 776
Average total assets	2 361 664	2 147 853	2 131 917
Total combined assets	2 638 973	2 394 579	2 445 050

Key figures	3rd quarter	3rd quarter	January-September	Full year	
	2012	2011	2012	2011	2011
Combined weighted total average spread for lending and deposits (per cent)	1.18	1.11	1.17	1.11	1.12
Cost/income ratio (per cent)	48.8	48.2	50.3	49.3	47.1
Write-downs relative to average net lending to customers, annualised	0.16	0.38	0.21	0.28	0.28
Return on equity, annualised (per cent)	11.4	8.8	10.9	10.6	11.4
Earnings per share (NOK)	2.15	1.53	6.05	5.47	7.98
Dividend per share (NOK)	-	-	-	-	2.00
Equity Tier 1 capital ratio at end of period (per cent) ²⁾	10.0	8.8	10.0	8.8	9.4
Tier 1 capital ratio at end of period (per cent) ²⁾	10.6	9.3	10.6	9.3	9.9
Capital ratio at end of period (per cent) ²⁾	12.2	11.0	12.2	11.0	11.4
Share price at end of period (NOK)	70.25	59.40	70.25	59.40	58.55
Price/book value	0.92	0.85	0.92	0.85	0.81

1) See "Net other operating income" on page 24 for specification.

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

DNB – Norway's leading financial services group

DNB Group

As at 30 September 2012

• Total combined assets	NOK	2 639 billion
• Total balance sheet	NOK	2 369 billion
• Net lending to customers	NOK	1 307 billion
• Customer deposits	NOK	843 billion
• Market capitalisation	NOK	114 billion

Insurance and Asset Management

• Total assets under management	NOK	543 billion
<u>of which:</u>		
▪ total assets under management (external clients)	NOK	270 billion
· mutual funds	NOK	63 billion
· discretionary management	NOK	207 billion
▪ total assets in DNB Livsforsikring	NOK	271 billion
· financial assets, customers bearing the risk	NOK	28 billion
▪ total assets in DNB Skadeforsikring	NOK	2 billion

Customer base

- Serving 2.1 million private individuals throughout Norway, of whom 1.6 million use one of the Group's Internet banks and 1.5 million use the Internet in active communication (e-dialogue customers)
- More than 220 000 corporate customers in Norway
- Some 1 000 000 individuals insured in Norway
- Approximately 520 000 mutual fund customers in Norway and 248 institutional asset management clients in Norway and Sweden

Market shares

See Section 3 for market shares.

Distribution network

- | | |
|---|---|
| <ul style="list-style-type: none"> • 170 domestic DNB branches • 15 Nordlandsbanken branches • 9 international branches • 5 international representative offices • 150 DNB Baltics and Poland branches • 6 JSC DNB Bank (Russia) branches • DNB Luxembourg (subsidiary) • Internet banking • Mobile bank and SMS services • Telephone banking | <ul style="list-style-type: none"> • Online equities trading in 16 markets • Online mutual fund trading • 179 post office counters ¹⁾ • About 1 230 in-store postal outlets ¹⁾ • About 1 670 rural postmen ¹⁾ • About 1 070 in-store banking outlets ²⁾ • 123 DNB Eiendom sales offices • 8 Postbanken Eiendom sales offices • 226 Svensk Fastighetsförmedling sales offices • 14 DNB Livsforsikring sales offices • 49 DNB Livsforsikring 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 Bank ASA	A-1 ¹⁾	P-1	A+ ¹⁾	A-1	AA	R-1 (high)

1) Outlook stable

DNB's strategy

DNB's vision and values are about putting the customers in focus. By having satisfied customers whose needs for financial services are well met, DNB 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's vision:

Creating value through the art of serving the customer

DNB will create value for customers, owners, employees and society in general.

DNB's values:

Helpful, professional and show initiative

The values reflect what should characterise DNB in meetings with its customers. Employees who are helpful, professional and show initiative are vital if DNB is to succeed in implementing its strategy.

Strategy

DNB 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's position in Norway

DNB 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 operations

DNB will capitalise on its Norwegian expertise to become a leading international player within selected segments and product areas. DNB will build long-term relations with the largest corporate clients and focus on selected industries based on its core competencies.

DNB will further develop and integrate its operations in the Baltic region and Poland.

Among the most cost-effective market players in Europe

DNB will coordinate group and support functions to ensure consistent deliveries, standardised processes and greater automation.

DNB 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 will give priority to long-term value creation for its shareholders and aims to achieve a return on equity and a market capitalisation which are competitive in relation to its Nordic peers.

Financial targets 2012:

- pre-tax operating profit NOK 22-25 billion in 2012
- return on equity above 13 per cent
- annual effect of cost saving measures of NOK 2.3 billion from year-end 2012
- ordinary cost/income ratio below 46 per cent from year-end 2012

New financial ambitions towards 2015:

- annual growth in net interest income above 6 per cent
- maximum 2 per cent average annual growth in nominal costs including restructuring costs, cost/income ratio below 45 per cent in 2015
- return on equity above 12 per cent in 2015

The financial targets are conditional on relative positive future development in the macroeconomy and in the general framework conditions for the financial services industry.

Capital strategy and dividend policy:

- Core Equity Tier 1 ratio (Basel III) at 12.0-12.5 per cent in 2015
- AA level ratings for long-term funding to DNB Bank ASA
- Long term dividend payments representing approximately 50 per cent of annual profits. Temporary payout ratio 25-50 per cent in 2012- 2014

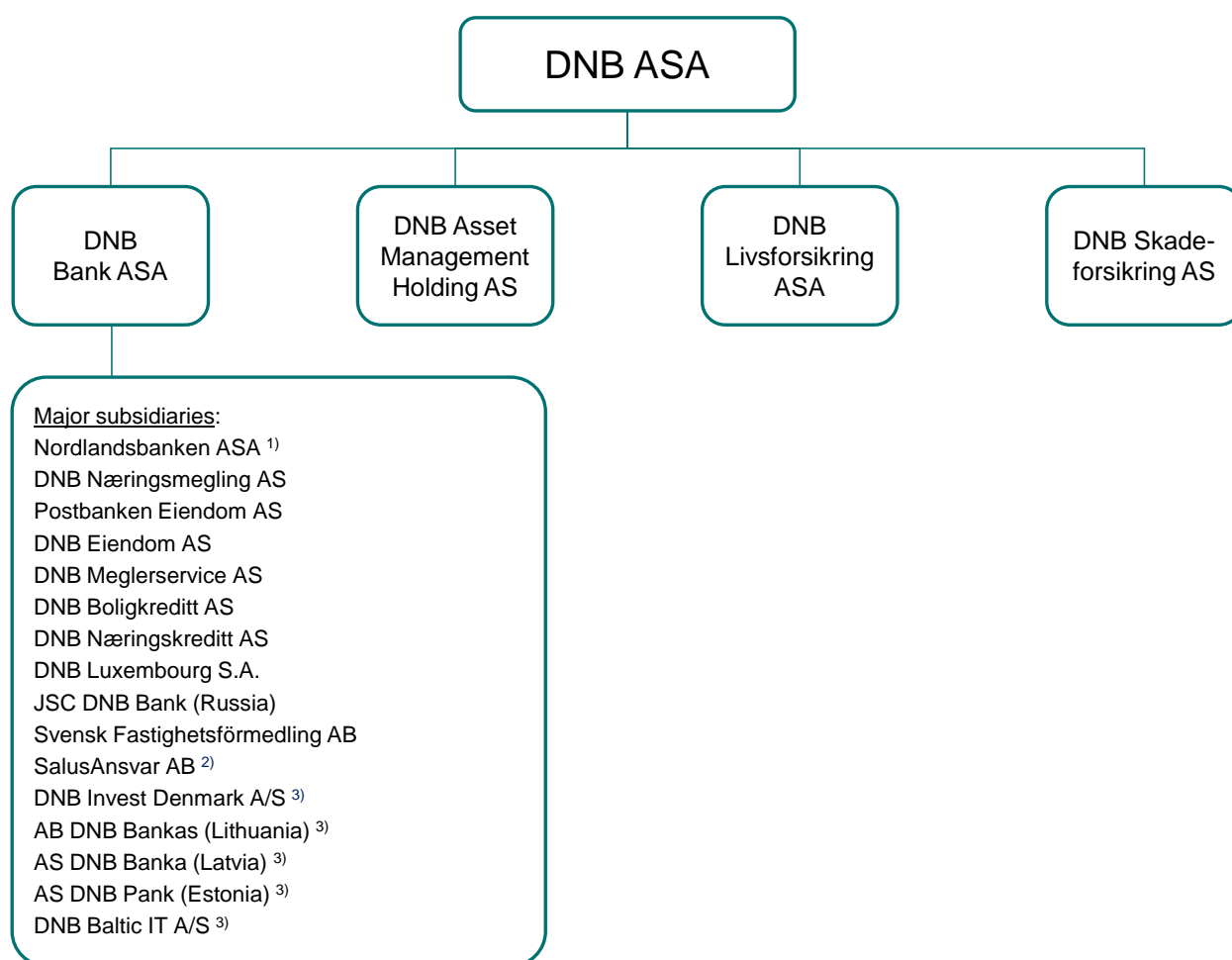
Dividends will be determined on the basis of expected profit levels in a normal situation, external parameters and the need to maintain capital adequacy at a satisfactory level.

Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and insurance activities of the DNB Group are organised in separate limited companies under the holding company DNB ASA. Banking activities are organised in DNB Bank ASA and its subsidiaries. All asset management activities are organised under a common holding company, DNB Asset Management Holding AS. DNB Livsforsikring ASA offers life insurance and pension saving products, both products with guaranteed returns and products with a choice of investment profile. DNB 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 Group.

DNB Group – legal structure at end-September 2012



1) Nordlandsbanken has been merged with DNB Bank with effect from 1 October 2012.

2) During the third quarter of 2012, DNB entered into an agreement to sell SalusAnsvar AB. The sale is subject to approval by the supervisory authorities.

3) Operations in DNB Baltics and Poland are under restructuring. As part of the restructuring, ownership of the banks in Lithuania and Latvia was transferred to DNB at end-June 2011. In the first quarter of 2012 the ownership of AS DNB Liising in Estonia was transferred to Norway. AS DNB Liising has now received a banking licence in Estonia and has thus changed its name to AS DNB Pank and taken over the operations at the branch in Estonia. In the second quarter of 2012 the ownership of DNB Baltic IT A/S was transferred to Norway. DNB Invest Denmark A/S still owns the operations in Poland but the ownership will be transferred to DNB as soon as possible. Following the restructuring, DNB Invest Denmark A/S will only engage in investment activity.

Group business structure

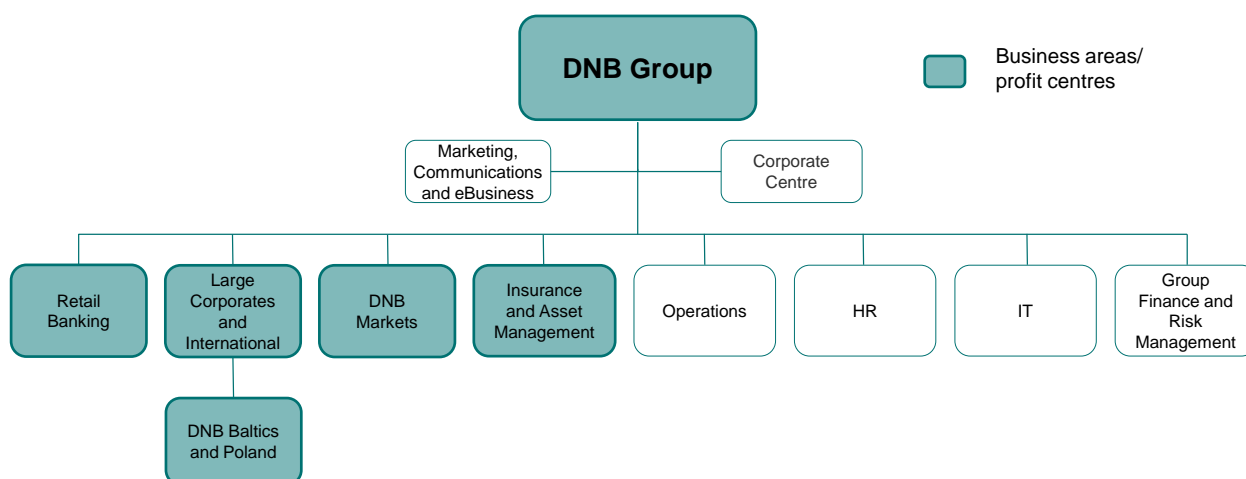
The activities in DNB are organised in the business areas Retail Banking, Large Corporates and International, DNB Markets and Insurance and Asset Management. The business areas operate as independent profit centres and have responsibility for serving the Group's customers and for the total range of products. DNB Baltics and Poland's operations are organised as a separate division in Large Corporates and International, but is 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 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 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 Group – organisation chart at end-September 2012 ¹⁾



1) Reporting structure.

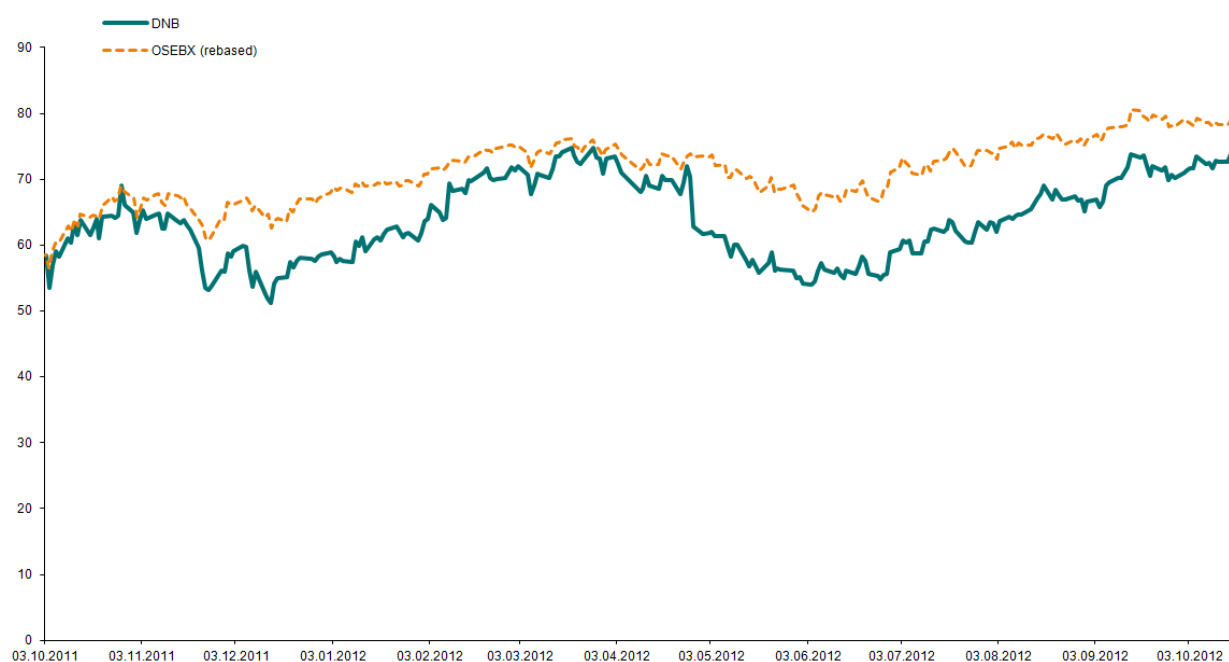
Equity-related data

Key figures

	Jan.-Sept. 2012	2011	2010	2009	2008
Number of shares at end of period (1 000) ¹⁾	1 628 799	1 628 799	1 628 799	1 628 799	1 332 654
Average number of shares (1 000)	1 628 799	1 628 799	1 628 799	1 335 838	1 332 654
Earnings per share (NOK)	6.05	7.98	8.66	6.43	6.91
Return on equity, annualised (%)	10.9	11.4	13.6	10.6	12.4
RARORAC, annualised (%) ²⁾	20.7	16.6	19.0	17.2	13.6
RORAC, annualised (%) ³⁾	19.5	19.1	25.2	12.6	15.3
Share price at end of period (NOK)	70.25	58.55	81.90	62.75	27.00
Diluted share price at end of period, adjusted for rights issue (NOK)	70.25	58.55	81.90	62.75	25.64
Price/earnings ratio ⁴⁾	8.79	7.33	9.50	9.85	3.91
Price/book value ⁵⁾	0.92	0.81	1.20	1.04	0.47
Dividend per share (NOK)	n/a	2.00	4.00	1.75	0.00
Dividend yield (%)	n/a	3.42	4.88	2.79	0.00
Equity per share including allocated dividend at end of period (NOK)	76.41	72.33	68.27	60.56	57.83

- 1) The Annual General Meeting on 25 April 2012 authorised the Board of Directors of DNB 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 25 April 2012. 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 – 3 October 2011 to 18 October 2012

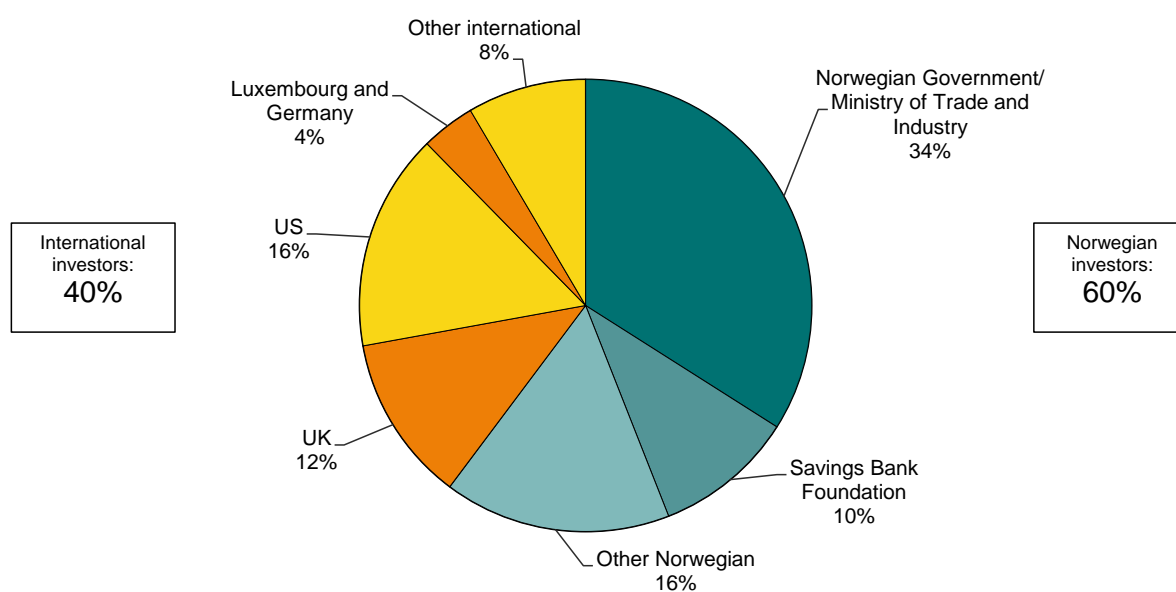


Shareholder structure as at 30 September 2012

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)	163 468	10.04
Folketrygdfondet	93 497	5.74
Capital Research/Capital International	25 580	1.57
People's Bank of China	25 195	1.55
Blackrock Investments	23 546	1.45
Fidelity Investments	22 899	1.41
DNB Funds	19 630	1.21
Newton Investment Management	18 790	1.15
Vanguard Investment Funds	18 257	1.12
Jupiter Asset Management	15 957	0.98
T. Rowe Price International	15 454	0.95
Schroder Investment	13 039	0.80
Saudi Arabian Monetary Agency	12 497	0.77
TIAA-CREF	12 133	0.74
Nordea Funds	11 951	0.73
Kuwait Investment Authority Funds	11 277	0.69
Storebrand Funds	10 904	0.67
Threadneedle Investment Funds	10 360	0.64
Statoil Insurance & Pension	9 591	0.59
Total largest shareholders	1 087 817	66.79
Other	540 982	33.21
Total	1 628 799	100.00

Ownership according to investor category



Accounting principles etc.

Accounting principles

The third quarter accounts 2012 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 2011. The annual and interim accounts for the Group are prepared according to IFRS principles as endorsed by the EU. The statutory accounts of DNB ASA have been prepared according to the Norwegian Ministry of Finance's regulations on annual accounts, Section 1-5, on the use of IFRS, which implies that recognition and measurements are in accordance with IFRS and that the presentation and note information are in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

The Group's accounting principles and calculation methods are essentially the same as those described in the annual report for 2011. With effect from the first quarter of 2012, however, profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the company's internal reporting of business areas. The repossessed operations are included in the Group Centre. The presentation in note 4 Segments in the third quarter report 2012 has been adjusted correspondingly, including comparable figures. The changes are of significance only to the presentation of profits for the individual business areas and have no impact on the presentation of the Group's income statement.

No new or amended accounting standards or interpretations entered into force during the first three quarters of 2012, apart from the amendments to IAS 12 Income Taxes, described below, which have yet to be endorsed by the EU.

Amendments to IAS 12 Income Taxes

The amendments imply that deferred tax on investment property carried at fair value according to IAS 40 Investment Property, as a rule should be determined based on the presumption that the carrying amount of the asset will be recovered through sale rather than use. The amendments also apply to non-depreciable assets recorded at fair value according to the rules in IAS 16 Property, Plant and Equipment. The amendments to IAS 12 entered into force on 1 January 2012 and are expected to be endorsed by the EU in the fourth quarter of 2012. The amendments are not expected to have any significant impact on the Group's use of accounting principles.

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 2011.

Section 2

Financial results DNB Group

Financial results

Income statement – condensed ¹⁾

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net interest income	6 828	6 634	6 653	6 792	6 394	20 115	18 460
<i>Net commissions and fees, core business ²⁾</i>	1 852	2 013	1 750	1 632	1 933	5 615	5 804
<i>Net financial items ²⁾</i>	1 776	3 191	(143)	3 967	1 770	4 824	5 351
Net other operating income, total	3 628	5 204	1 607	5 599	3 703	10 439	11 154
Total operating expenses before impairment losses for goodwill and intangible assets	5 106	5 149	5 105	5 206	4 862	15 360	14 587
Impairment losses for goodwill and intangible assets	85	0	0	380	0	85	0
Pre-tax operating profit before write-downs	5 265	6 689	3 156	6 806	5 235	15 109	15 028
Net gains on fixed and intangible assets	20	37	7	(1)	6	63	20
Write-downs on loans and guarantees	521	685	784	926	1 170	1 990	2 519
Pre-tax operating profit	4 763	6 041	2 378	5 878	4 072	13 182	12 529
Taxes	1 256	1 553	618	1 790	1 604	3 427	3 633
Profit from operations held for sale, after taxes	0	92	0	0	25	92	(5)
Profit for the period	3 507	4 580	1 760	4 089	2 493	9 847	8 890

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

2) See "Net other operating income" on page 24 for specification.

Income statement – condensed – adjusted for basis swaps

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net interest income	6 828	6 634	6 653	6 792	6 394	20 115	18 460
<i>Net commissions and fees, core business</i>	1 852	2 013	1 750	1 632	1 933	5 615	5 804
<i>Net financial items</i>	2 342	2 113	2 290	1 898	372	6 745	4 388
Net other operating income, total	4 195	4 126	4 040	3 530	2 305	12 361	10 192
Total operating expenses before impairment losses for goodwill and intangible assets	5 106	5 149	5 105	5 206	4 862	15 360	14 587
Impairment losses for goodwill and intangible assets	85	0	0	380	0	85	0
Pre-tax operating profit before write-downs	5 831	5 611	5 588	4 737	3 838	17 030	14 066
Net gains on fixed and intangible assets	20	37	7	(1)	6	63	20
Write-downs on loans and guarantees	521	685	784	926	1 170	1 990	2 519
Pre-tax operating profit	5 330	4 963	4 811	3 809	2 675	15 104	11 567
Taxes	1 415	1 251	1 299	1 211	1 213	3 965	3 364
Profit from operations held for sale, after taxes	0	92	0	0	25	92	(5)
Profit for the period	3 915	3 804	3 511	2 599	1 487	11 230	8 197

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

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Fair value of spreads, basis swap agreements ¹⁾	(566)	1 078	(2 432)	2 069	1 398	(1 921)	962
Total income, other	79	76	176	272	1	331	(26)
Impairment losses for goodwill and intangible assets ²⁾	85	0	0	380	0	85	0
Effect on pre-tax operating profit before write-downs	(573)	1 154	(2 256)	1 961	1 398	(1 676)	936

- 1) Basis swaps are derivative contracts entered into by the bank when issuing senior bonds or raising other long-term funding in the international capital markets and converting the relevant currency to Norwegian kroner. The Norwegian bond market is very small and illiquid, which means that there is a great need for international funding hedged by such instruments. In periods of financial market turbulence, there will be stronger demand for "secure" currencies such as the US dollar. Thus, prices will increase for swaps where USD will be supplied on a future date. When prices of new swap contracts decrease, such as in the third quarter of 2012, so will the market value of existing swap contracts. This will give a fall in recorded income. However, such changes in value recorded in a quarter will be reversed in subsequent quarters, either because the market is stabilising or because the maturity date of the derivative contract is approaching.
- 2) Impairment losses for goodwill of NOK 47 million relating to SalusAnsvar and NOK 38 million relating to Pres-Vac were recorded in the third quarter of 2012. Impairment losses for goodwill of NOK 190 million relating to Poland and write-downs of NOK 191 million on the IT solutions in Lithuania were recorded in the fourth quarter of 2011.

Balance sheet – condensed ¹⁾

Amounts in NOK billion	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Deposits with central banks	367	410	433	225	277
Lending to and deposits with credit institutions	42	32	35	29	56
Net lending to customers	1 307	1 309	1 285	1 279	1 247
Other assets	652	621	618	594	603
Total assets	2 369	2 372	2 371	2 126	2 183
Loans and deposits from credit institutions	294	294	353	280	356
Deposits from customers	843	854	806	740	753
Short-term debt securities issued	270	260	272	228	206
Long-term debt securities issued	458	469	445	407	391
Other liabilities and provisions	380	374	374	354	364
Equity	124	121	120	118	114
Total liabilities and equity	2 369	2 372	2 371	2 126	2 183
Ratio of deposits to net lending (%)	64.5	65.3	62.7	57.8	60.3
Adjusted ratio of deposits to net lending (%) ²⁾	60.8	62.3	61.5	57.3	58.3
Total combined assets	2 639	2 633	2 636	2 395	2 445

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

2) Excluding short-term money market deposits in DNB New York.

Funding

DNB Bank ASA issues senior debt and subordinated debt. DNB Boligkreditt AS, which is a wholly owned subsidiary of DNB Bank ASA, issues covered bonds. DNB issues bonds through both large public transactions and private placements.

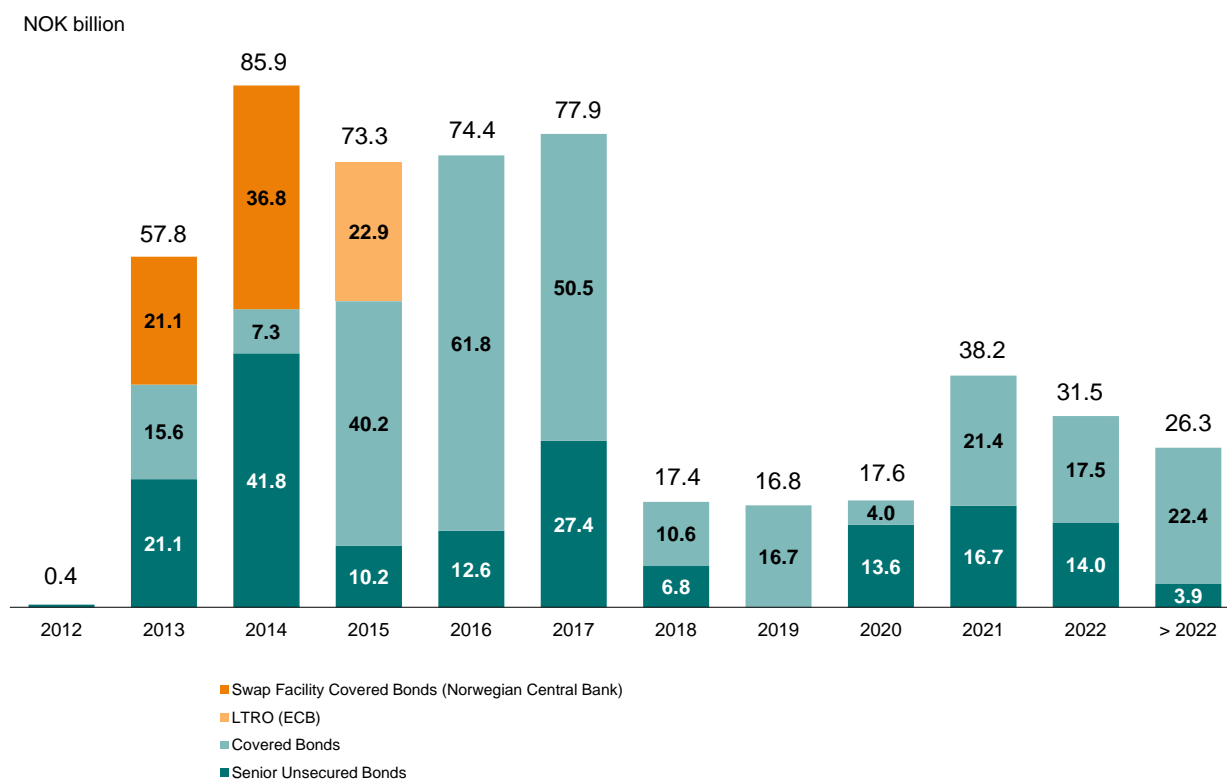
		NOK billion	Maturity	Spread (bp) 3-month Euribor	Spread (bp) 3-month Nibor
2012	Covered bonds	50.6	7.6	66	93
	Senior bonds	43.5	6.9	171	194
	Total	94.1	7.3	115	140
	Subordinated loans ¹⁾	5.6	5.0	340	367
	Total including subordinated loans	99.7	7.2	127	152
	In addition: LTRO funding	9.0	3.0		

2011	Covered bonds	98.3	6.5	53	68
	Senior bonds	27.8	8.8	108	123
	Total	126.1	7.0	65	80
	In addition: LTRO funding	15.7	3.0		

2010	Covered bonds	84.4	7.5	49	
	Senior bonds	32.3	7.3	84	
	Total	116.6	7.5	59	

1) Callable after five years with a total maturity of ten years.

Redemption profile as of 30 September 2012



Financial highlights

	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Cost/income ratio (%) ¹⁾	48.8	43.5	61.8	42.0	48.2	50.3	49.3
Return on equity, annualised (%)	11.4	15.3	6.0	13.8	8.8	10.9	10.6
Earnings per share (NOK)	2.15	2.82	1.08	2.51	1.53	6.05	5.47
Total combined assets at end of period (NOK billion)	2 639	2 633	2 636	2 395	2 445	2 639	2 445
Equity Tier 1 capital ratio at end of period (%) ²⁾	10.0	9.6	9.3	9.4	8.8	10.0	8.8

1) Excluding impairment losses for goodwill and other intangible assets.

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

Financial highlights – adjusted for basis swaps

	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Cost/income ratio (%) ¹⁾	46.3	47.9	47.7	50.4	55.9	47.3	50.9
Return on equity, annualised (%)	12.7	12.7	11.9	8.8	5.2	12.4	9.7
Earnings per share (NOK)	2.40	2.34	2.16	1.60	0.91	6.90	5.04

1) Excluding impairment losses for goodwill and other intangible assets.

Norwegian and international units ¹⁾

Norwegian units

Per cent	3Q12	2Q12	3Q11
Share of Group income	80.2	81.6	81.6
Cost/income ratio	48.3	42.2	47.8
Share of net Group lending to customers	82.4	81.9	81.4
Non-performing and doubtful commitments relative to total commitments	0.7	0.7	0.7
Write-down ratio (per cent) ²⁾	39.1	40.1	40.6
Individual write-downs in relation to net lending, annualised	0.09	0.06	0.11

International units excl. DNB Baltics and Poland/DnB NORD

Per cent	3Q12	2Q12	3Q11
Share of Group income	15.1	13.9	13.2
Cost/income ratio ³⁾	45.4	43.0	44.7
Share of net Group lending to customers	13.4	13.9	13.9
Non-performing and doubtful commitments relative to total commitments	3.3	3.2	0.2
Write-down ratio (per cent) ²⁾	30.4	28.3	138.1
Individual write-downs in relation to net lending, annualised	0.66	0.69	0.31

DNB Baltics and Poland/DnB NORD ⁴⁾

Per cent	3Q12	2Q12	3Q11
Share of Group income	4.7	4.4	5.2
Cost/income ratio	68.7	69.6	62.5
Share of net Group lending to customers	4.1	4.2	4.7
Non-performing and doubtful commitments relative to total commitments	10.5	9.8	11.6
Write-down ratio (per cent) ²⁾	48.2	50.5	47.9
Individual write-downs in relation to net lending, annualised	0.87	0.98	3.49

1) The figures are based on the financial accounts.

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

3) Excluding impairment losses for goodwill in the third quarter of 2012.

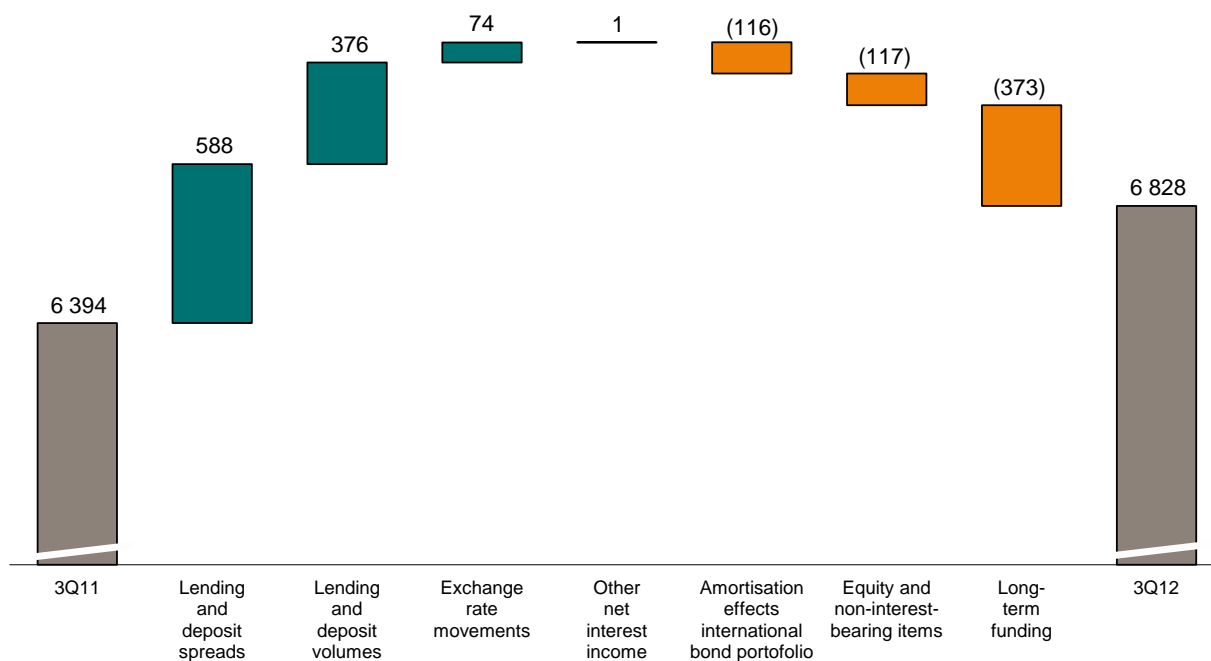
4) Figures prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

Net interest income

Changes in net interest income

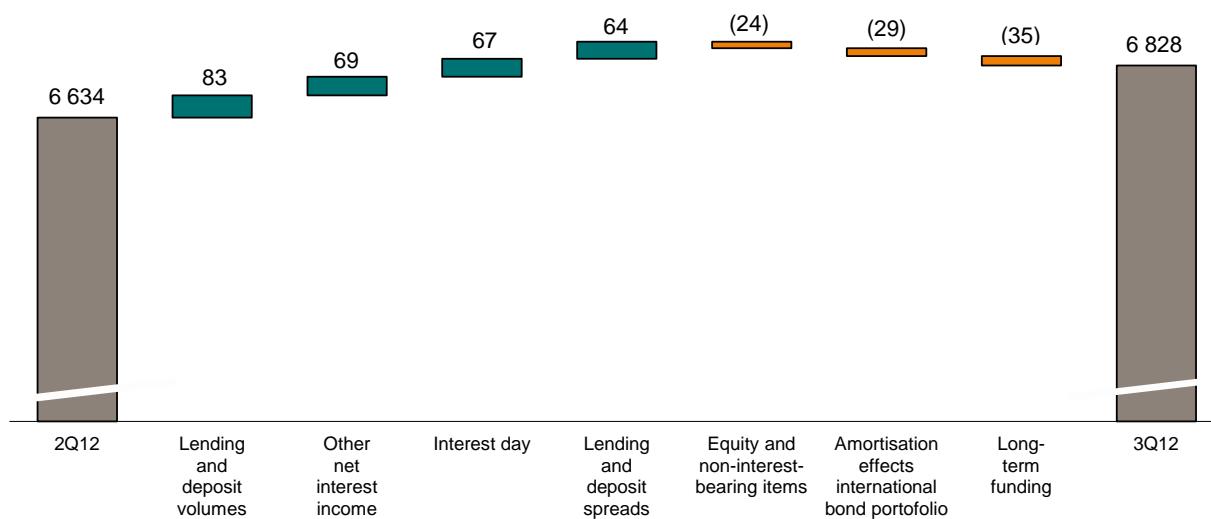
NOK million

From 3rd quarter 2011 to 3rd quarter 2012



NOK million

From 2nd quarter 2012 to 3rd quarter 2012



Net interest income

<i>Amounts in NOK million</i>	Average volumes			Spreads in per cent			Net interest income ²⁾		
	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11
Lending to customers ¹⁾	1 294 090	1 281 200	1 210 766	2.01	1.98	1.55	6 536	6 310	4 727
Deposits from customers ¹⁾	826 412	787 383	691 351	(0.13)	(0.11)	0.33	(261)	(223)	573
Equity and non-interest bearing items	89 402	87 247	82 732	2.21	2.40	2.94	496	521	613
Other							56	25	481
Total net interest income							6 828	6 634	6 394

1) Average nominal amounts, excluding impaired loans.

2) Including exchange rate movements.

Segmental interest rate spreads ¹⁾

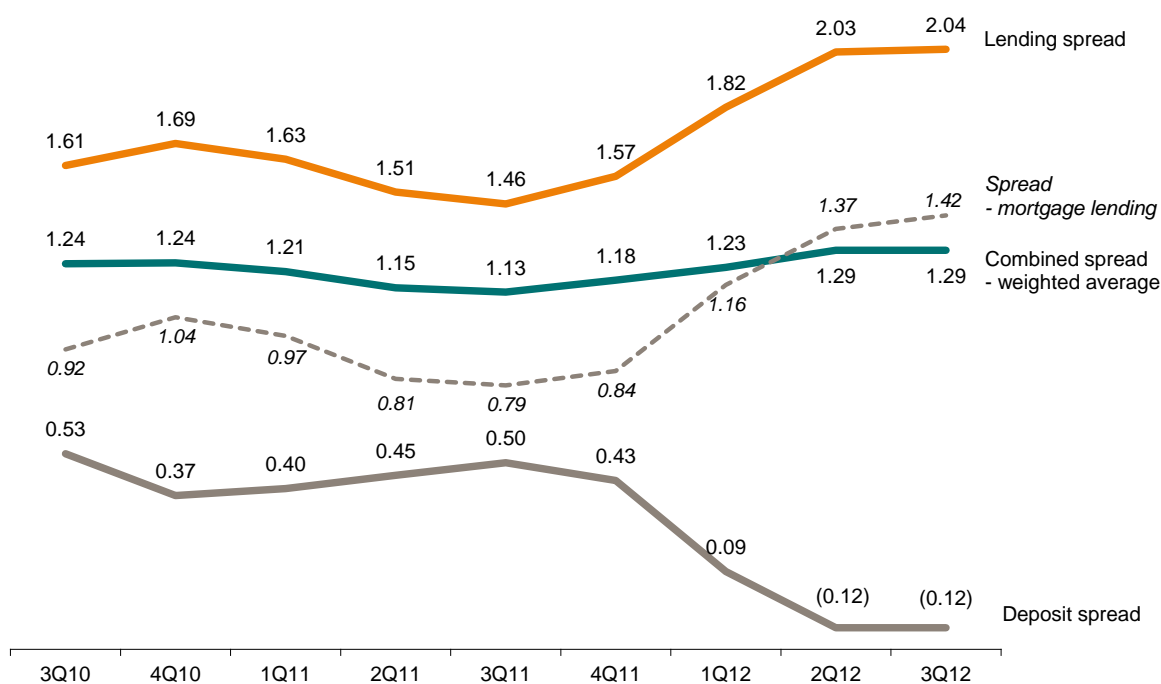
<i>Per cent</i>						Jan.-Sept.	
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Lending:							
Retail Banking ^{*)}	2.04	2.03	1.82	1.57	1.46	1.92	1.53
Large Corporates and International	1.95	1.87	1.81	1.76	1.68	1.88	1.62
DNB Baltics and Poland/DnB NORD ²⁾	1.97	2.11	2.09	1.86	1.80	2.06	1.72
Total	2.01	1.98	1.83	1.64	1.55	1.94	1.57
Deposits:							
Retail Banking	(0.12)	(0.12)	0.09	0.43	0.50	(0.08)	0.45
Large Corporates and International	(0.20)	(0.17)	(0.07)	(0.01)	0.01	(0.15)	0.03
DNB Baltics and Poland/DnB NORD ²⁾	0.31	0.32	0.44	1.07	1.10	0.35	0.84
Total	(0.13)	(0.11)	0.04	0.28	0.33	(0.07)	0.31
Combined spread - lending and deposits:							
Retail Banking	1.29	1.29	1.23	1.18	1.13	1.23	1.16
Large Corporates and International	1.03	1.02	1.06	1.08	1.04	1.04	1.00
DNB Baltics and Poland/DnB NORD ²⁾	1.34	1.44	1.50	1.61	1.59	1.43	1.45
Weighted total average	1.18	1.18	1.16	1.14	1.11	1.17	1.11
*) of which mortgage lending portfolio	1.42	1.37	1.16	0.84	0.79	1.27	0.85

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

2) Figures prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

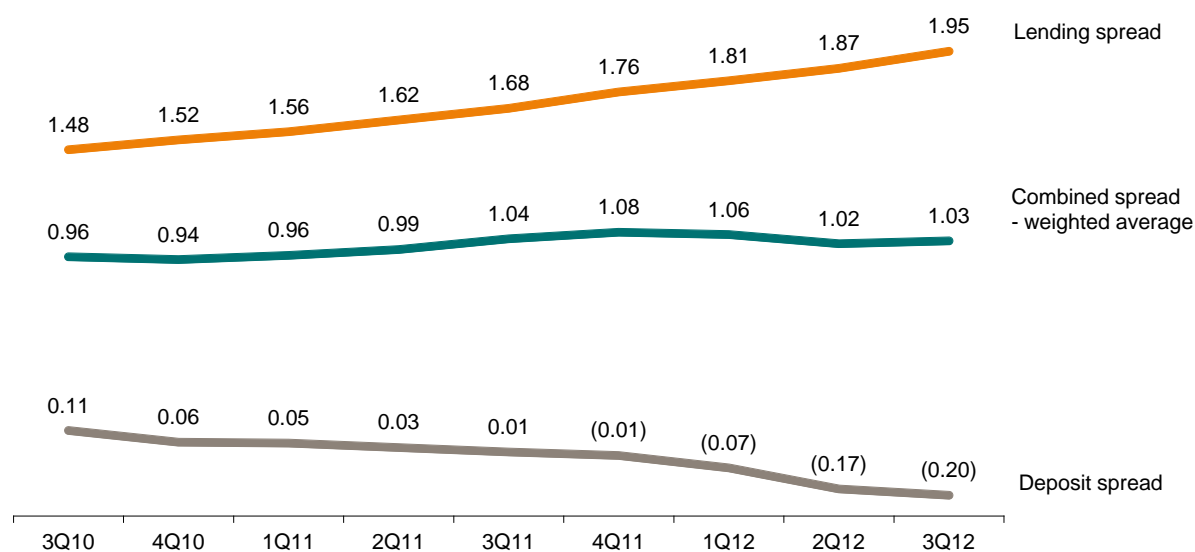
Development in average interest rate spreads – Retail Banking

Per cent

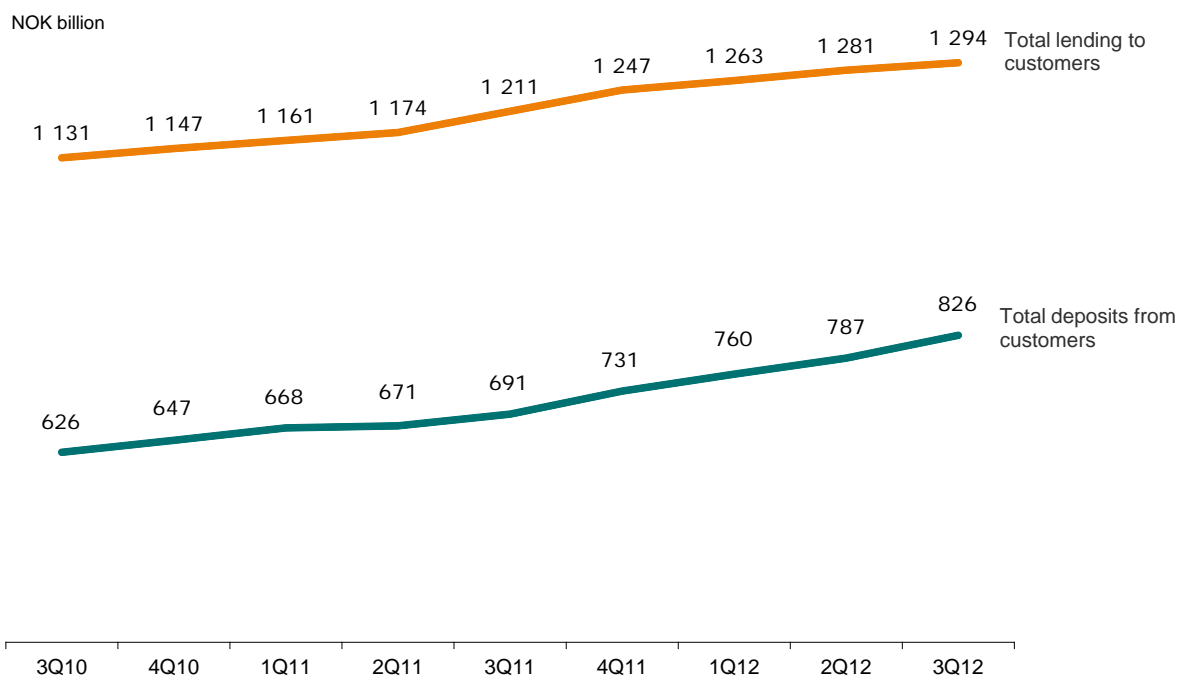


Development in average interest rate spreads – Large Corporates and International

Per cent

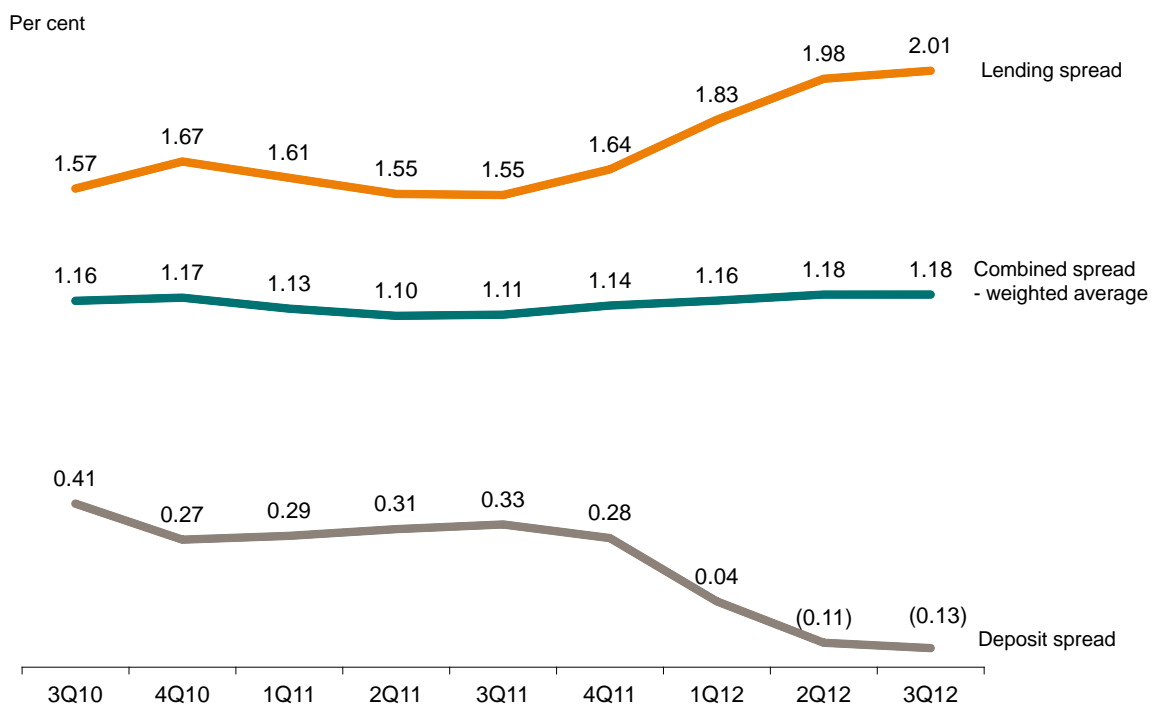


Development in average volumes – lending and deposits ¹⁾

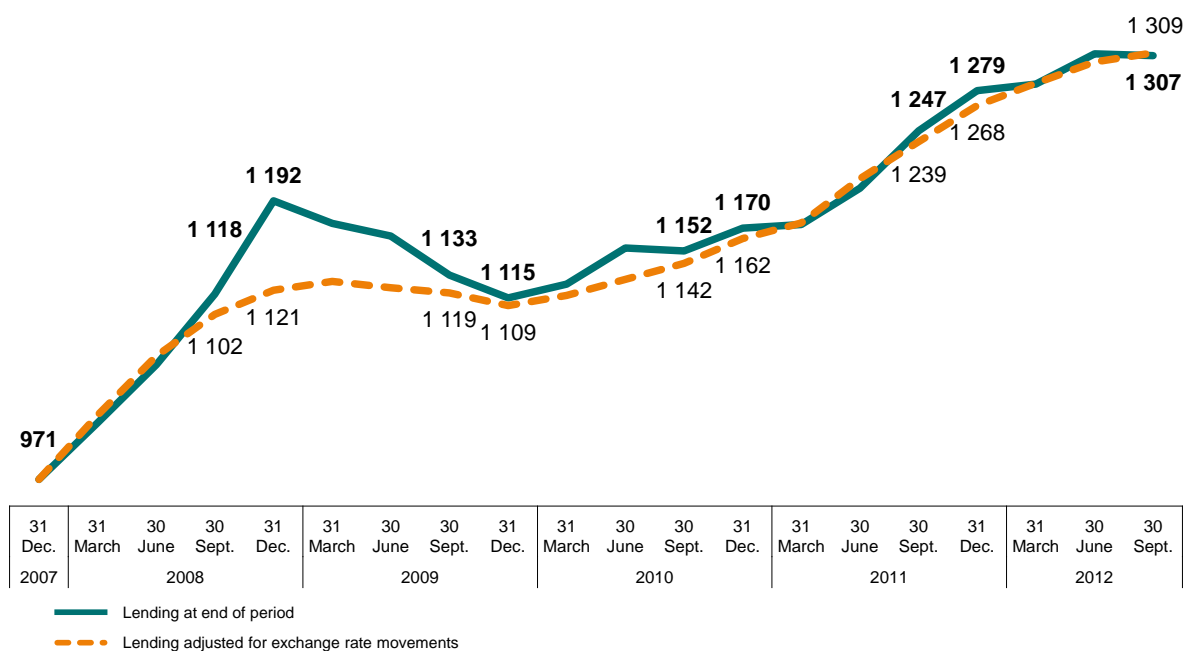


1) Average nominal amounts, excluding impaired loans

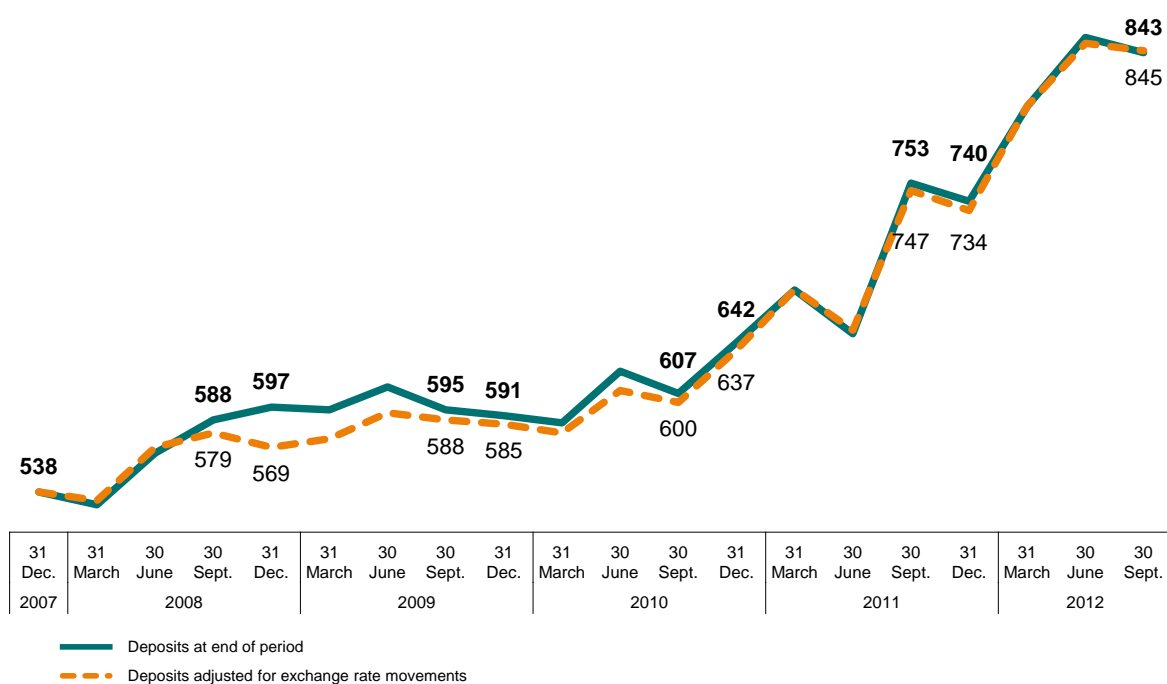
Quarterly development in average interest rate spreads



Development in volumes – net lending to customers

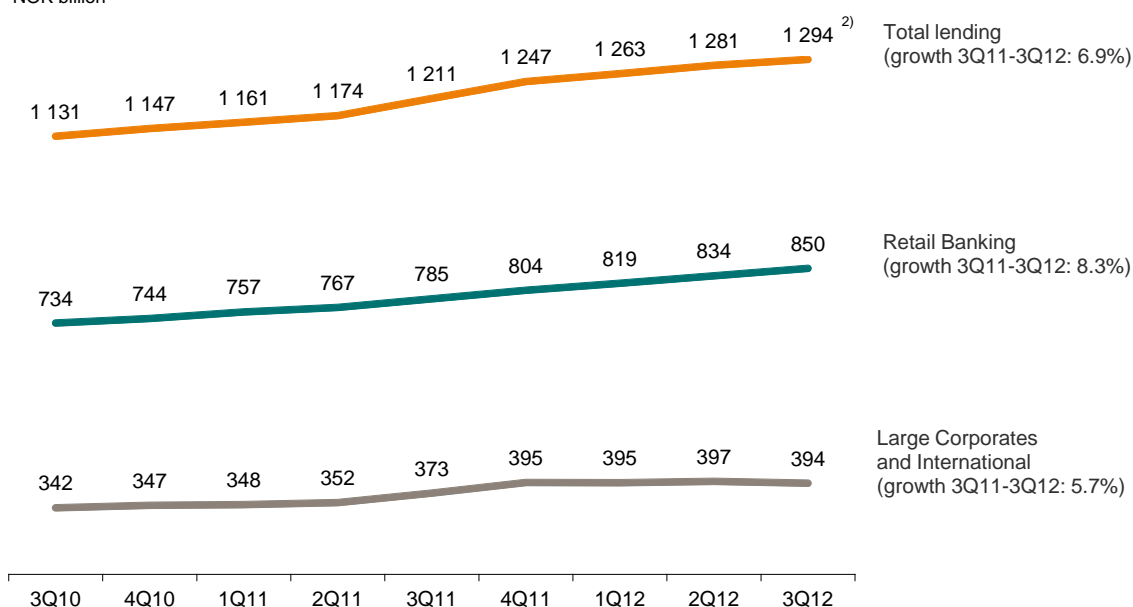


Development in volumes – deposits from customers



Development in average volumes – lending to customers ¹⁾

NOK billion

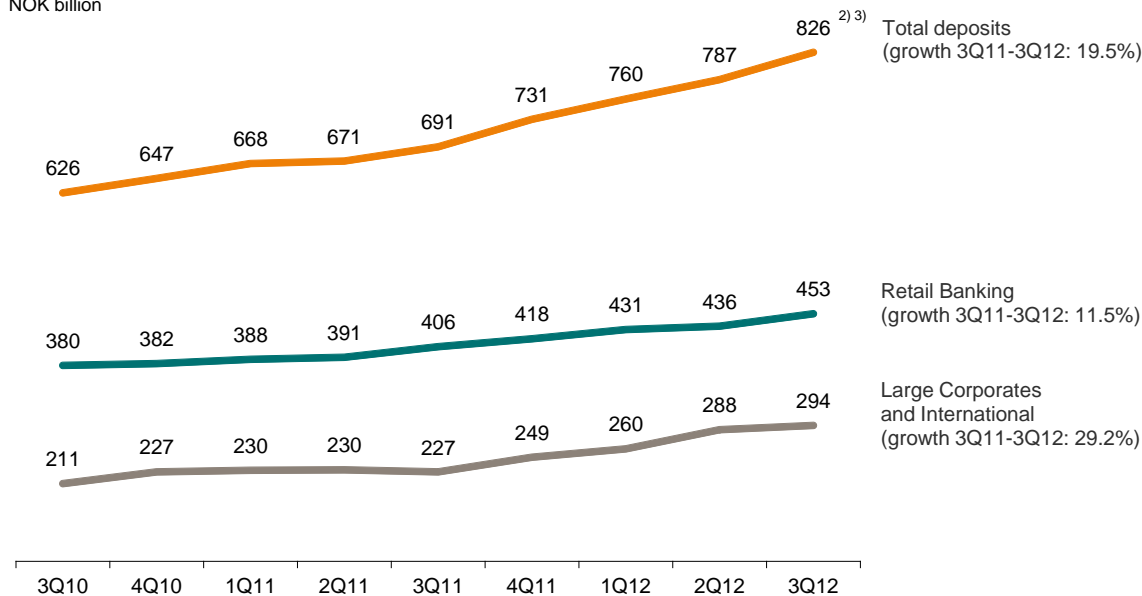


1) Average nominal amounts, excluding impaired loans

2) Of which DNB Baltics and Poland: NOK 48 billion. Total lending excluding DNB Baltics and Poland: NOK 1 247 billion (growth: 7.7%)

Development in average volumes – deposits from customers ¹⁾

NOK billion



1) Average nominal amounts

2) Of which DNB Baltics and Poland: NOK 29 billion. Total deposits excluding DNB Baltics and Poland: NOK 797 billion (growth: 19.2%)

3) Growth in total deposits from 3Q11 to 3Q12 excluding short-term money market deposits: 16.9%

Net other operating income

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Money transfer and interbank transactions	525	490	503	473	497	1 518	1 425
Asset management services	229	211	220	252	221	661	730
Credit broking	37	170	25	4	168	232	391
Real estate broking	263	316	268	260	252	846	752
Custodial services	50	46	40	45	43	137	144
Securities trading	28	23	18	18	27	69	159
Sale of insurance products	627	636	616	472	620	1 880	1 871
Other income from banking services	92	120	61	108	105	273	332
Net commissions and fees, core business	1 852	2 013	1 750	1 632	1 933	5 615	5 804
Net gains on equity investments including dividends	114	74	84	(163)	138	273	437
Corporate finance etc.	108	100	185	123	107	392	331
Profit from companies accounted for by the equity method ¹⁾	246	141	225	111	(79)	612	(34)
Net gains on investment property	4	(184)	(144)	(132)	93	(324)	100
Other income	229	294	254	214	187	777	548
Net financial and risk result from DNB Livsforsikring ¹⁾	178	103	293	190	(862)	574	(38)
Net premium income/insurance claims, DNB Skadeforsikring	105	92	50	63	74	247	181
Customer trading in FX and interest rate instruments, DNB Markets	343	389	403	411	376	1 135	1 000
FX and interest rate instruments, DNB Markets	1 077	775	1 410	755	404	3 262	1 686
FX and interest rate instruments, other	(628)	1 407	(2 902)	2 394	1 331	(2 123)	1 141
Net financial items	1 776	3 191	(143)	3 967	1 770	4 824	5 351
Net other operating income, total ^{**)}	3 628	5 204	1 607	5 599	3 703	10 439	11 154
<i>As a percentage of total income</i>	<i>34.7</i>	<i>44.0</i>	<i>19.5</i>	<i>45.2</i>	<i>36.7</i>	<i>34.2</i>	<i>37.7</i>

*) Of which:

Net gains on assets in DNB Livsforsikring	4 318	1 935	4 548	4 255	(5 275)	10 801	1 540
Guaranteed returns and allocations to policyholders in DNB Livsforsikring	4 077	1 836	4 157	4 124	(4 208)	10 070	1 648
Premium income etc. included in the risk result in DNB Livsforsikring	1 586	991	1 330	1 291	1 213	3 907	3 650
Insurance claims etc. included in the risk result in DNB Livsforsikring	1 617	992	1 442	1 247	1 017	4 051	3 606
Net financial and risk result in DNB Livsforsikring	210	98	279	176	(871)	586	(63)
Eliminations in the group accounts	(32)	6	14	14	9	(12)	25
Net financial and risk result from DNB Livsforsikring ²⁾	178	103	293	190	(862)	574	(38)

**) Of which:

DNB Baltics and Poland/DnB NORD ³⁾	227	235	203	197	188	665	528
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1) Moody's and Standard & Poor's downgrades of Eksportfinans' credit rating in the fourth quarter of 2011 resulted in sizeable unrealised gains on the company's long-term funding. The effect of such unrealised gains on DNB's holding, after tax, represented NOK 11.8 billion in the fourth quarter of 2011. After reviewing the fair value of the company in connection with the closing of the annual accounts, DNB wrote down the value by an amount corresponding to unrealised gains on Eksportfinans' own debt in the fourth quarter. In the first three quarters of 2012, the required rate of return in the market has been reduced, and Eksportfinans has sizeable unrealised losses on own debt. The write-down made by DNB in the fourth quarter of 2011 has been reversed by an amount corresponding to these unrealised losses. The reversal represented just under NOK 5.5 billion of DNB's holding after tax. The write-down in 2011 and the reversal in 2012 have been reported on the line "Profit from companies accounted for by the equity method" along with DNB's share of profits from the company.

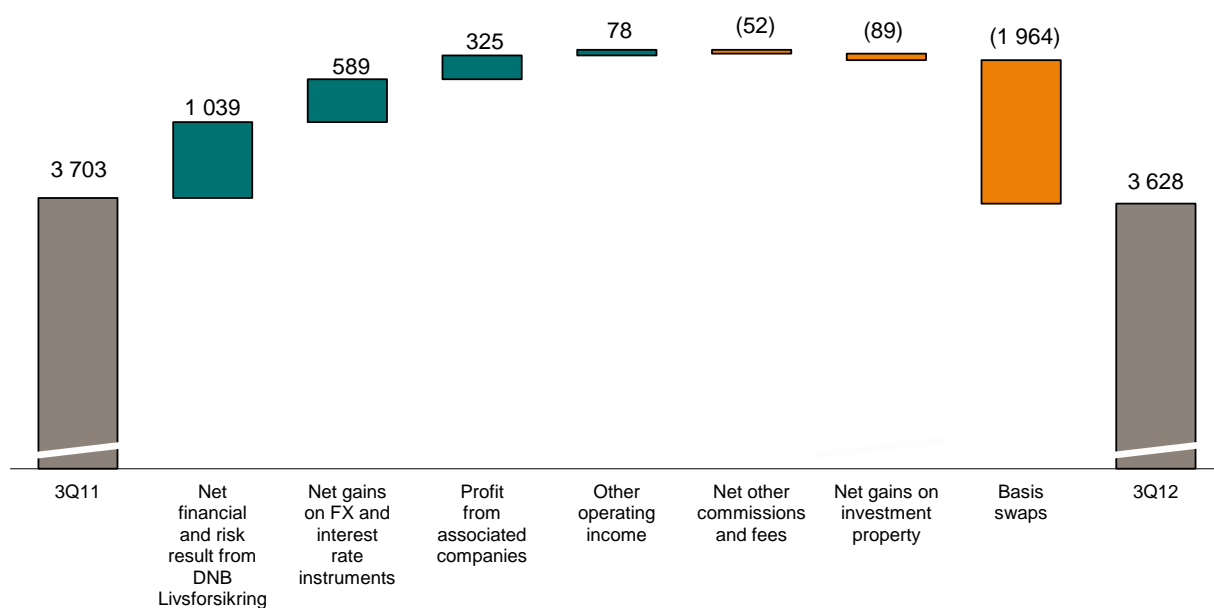
2) For a detailed specification of DNB Livsforsikring's income statement, see page 81.

3) Figures prior to 31 December 2011 include all activities in the former DnB NORD.

Changes in net other operating income

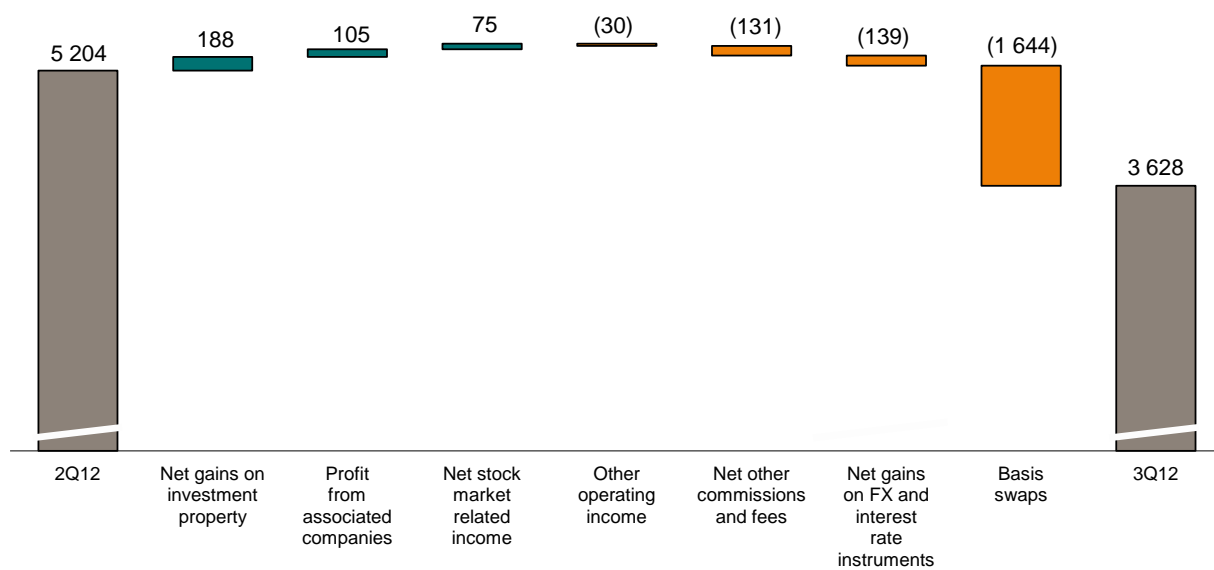
NOK million

From 3rd quarter 2011 to 3rd quarter 2012



NOK million

From 2nd quarter 2012 to 3rd quarter 2012



Operating expenses

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Salaries	2 006	2 002	1 956	1 985	1 931	5 964	5 608
Employer's national insurance contributions	282	290	289	194	263	861	791
Pension expenses	346	329	337	229	250	1 013	760
Restructuring expenses	37	5	1	12	(4)	43	(1)
Other personnel expenses	195	163	186	199	163	544	502
Total salaries and other personnel expenses	2 867	2 789	2 768	2 618	2 603	8 425	7 661
Fees ¹⁾	317	308	291	526	434	915	1 249
IT expenses ¹⁾	454	482	499	404	420	1 436	1 255
Postage and telecommunications	84	91	89	97	87	264	273
Office supplies	18	24	23	38	21	65	67
Marketing and public relations	219	229	252	241	218	700	708
Travel expenses	44	68	59	94	54	171	183
Reimbursement to Norway Post for transactions executed	39	35	31	39	43	104	128
Training expenses	10	13	21	25	11	44	50
Operating expenses on properties and premises	388	330	350	354	328	1 068	1 029
Operating expenses on machinery, vehicles and office equipment	35	39	33	38	36	107	109
Other operating expenses	170	247	260	243	168	677	573
Other expenses	1 779	1 866	1 907	2 098	1 819	5 552	5 623
Impairment losses for goodwill ²⁾	85	0	0	190	0	85	0
Depreciations and write-downs of fixed and intangible assets ³⁾	460	494	430	680	439	1 384	1 302
Total depreciations and write-downs of fixed and intangible assets	545	494	430	870	439	1 469	1 302
Total operating expenses	5 191	5 149	5 105	5 586	4 862	15 445	14 587
Of which DNB Baltics and Poland/DnB NORD ⁴⁾	336	366	332	823	328	1 034	1 029

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

2) Impairment losses for goodwill of NOK 47 million relating to SalusAnsvar and NOK 38 million to Pres-Vac were recorded in the third quarter of 2012. Impairment losses for goodwill of NOK 190 million relating to DNB Baltics and Poland were recorded in the fourth quarter of 2011.

3) Including write-downs on IT investments in DNB Baltics and Poland of NOK 191 million in the fourth quarter of 2011 and NOK 54 million related to premature termination of leases in connection with the move to new headquarters in the second quarter of 2012.

4) Figures prior to 31 December 2011 include all activities in the former DnB NORD.

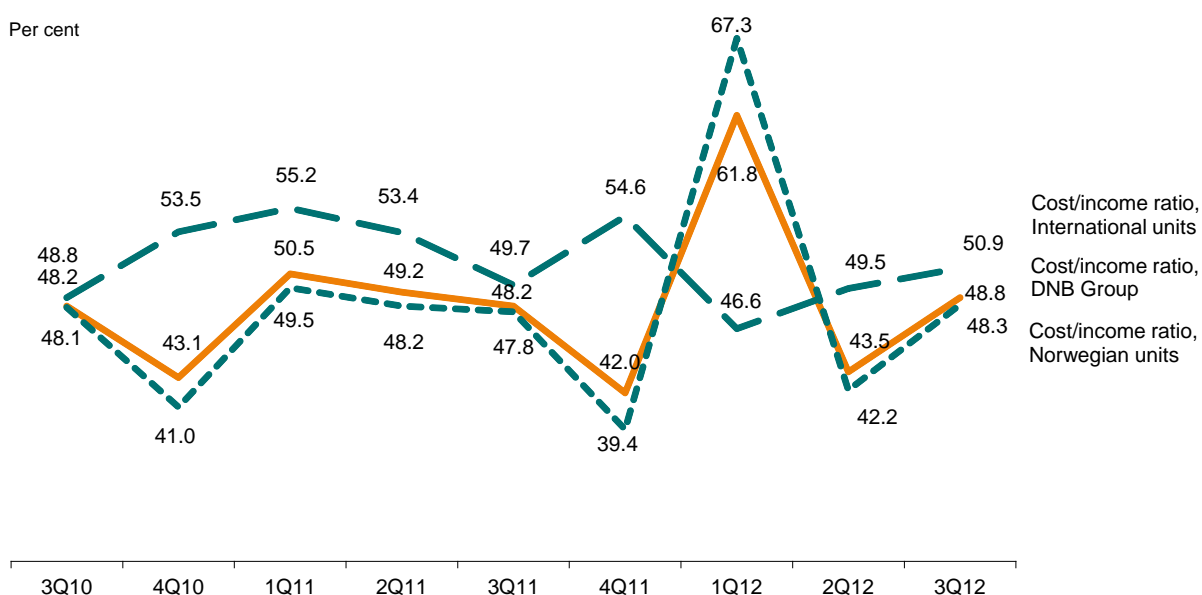
Changes in operating expenses

<i>Amounts in NOK million</i>	3Q12	Change	3Q11	Change in per cent
Total operating expenses	5 191	330	4 862	6.8
Costs for non-core operations		30		
Non-recurring costs				
Impairment losses for goodwill and intangible assets		85		
Restructuring costs		44		
Total adjusted operating expenses	5 025	171	4 854	3.5
Income-related items				
Operational leasing		29		
Performance-based pay		(28)		
Expenses directly related to operations				
Cost programme		(71)		
Wage and price inflation		160		
IT expenses		(52)		
Rise in pension expenses		96		
Other costs		36		

<i>Amounts in NOK million</i>	3Q12	Change	2Q12	Change in per cent
Total operating expenses	5 191	43	5 149	0.8
Non-recurring costs				
Impairment losses for goodwill and intangible assets		85		
Premature termination of leases in connection with the move to new headquarters		(54)		
Restructuring costs		33		
Total adjusted operating expenses	5 068	(21)	5 090	(0.4)
Income-related items				
Performance-based pay		(18)		
Expenses directly related to operations				
Cost programme		(22)		
Rise in pension expenses		17		
Other costs		2		

Ordinary cost/income ratio ¹⁾

Per cent



1) Excluding impairment losses for goodwill and intangible assets.

Number of employees – full-time positions

Full-time positions	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Retail Banking	4 909	4 971	4 993	5 040	5 001
Large Corporates and International	1 144	1 150	1 143	1 174	1 138
DNB Markets	721	717	716	698	693
Operations ¹⁾	968	1 033	1 041	993	991
Insurance and Asset Management	1 035	1 045	1 047	1 060	1 067
DNB Baltics and Poland ²⁾	3 203	3 308	3 321	3 297	3 234
Staff and support units ¹⁾	1 447	1 369	1 374	1 359	1 357
Total ordinary operations	13 426	13 592	13 635	13 620	13 481

1) In the third quarter of 2012 52 full-time positions were transferred from Operations to HR.

2) The reductions of full-time positions in the third quarter of 2012 was mainly due to a new strategy in Poland of changing the Bank's business profile from universal to corporate.

IT expenses

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
IT operating expenses	505	541	521	517	502	1 567	1 522
Systems development expenses ¹⁾	510	500	517	640	565	1 527	1 632
Total IT expenses ²⁾	1 015	1 041	1 038	1 157	1 067	3 094	3 154

1) Excluding write-downs on IT investments in DNB Baltics and Poland of NOK 191 million in the fourth quarter of 2011.

2) Including salaries and indirect costs.

Taxes

The DNB Group's tax charge for the third quarter of 2012 was NOK 1 256 million, down from NOK 1 604 million in the year-earlier period. Relative to pre-tax operating profits, the estimated tax charge was 26 per cent. The tax charge was significantly reduced from approximately 39 per cent in the third quarter of 2011, but on a level with the tax charge in the second quarter of 2012. The main factor behind the high tax charge in the third quarter of 2011 was losses on equities in DNB Livsforsikring classified within the tax exemption method.

The Norwegian government has previously presented draft legislation on changes in tax rules for life insurance companies, and in October, this was confirmed in the National Budget for 2013. With effect from 2012, life insurance companies will no longer be able to use the tax exemption method for returns on equities which are realised in the common portfolio. As these rules had not been approved on the balance sheet date, they did not affect the tax charge for the third quarter of 2012. The changes are expected to entail higher future tax charges for the DNB Group. There is still great uncertainty concerning the final rules, and the Group has to await new regulations to estimate the outcome of the new rules, including possible transitional effects.

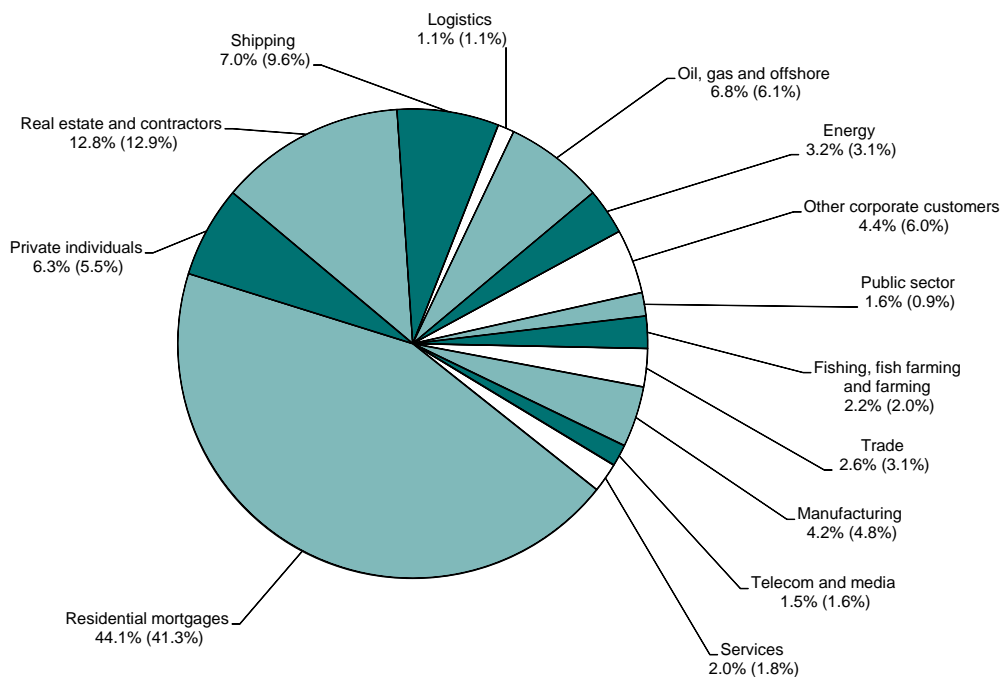
Lending

Net lending to principal customer groups, nominal amounts ¹⁾

<i>Amounts in NOK billion</i>	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Private individuals	636.4	624.6	610.2	599.9	585.9
Transportation by sea and pipelines and vessel construction	130.9	139.5	135.5	143.9	145.1
Real estate	191.2	190.2	189.6	188.0	187.1
Manufacturing	47.9	48.6	50.0	51.6	47.4
Services and management	79.9	83.9	87.6	86.5	86.9
Trade	36.7	39.9	36.3	36.4	36.9
Oil and gas	26.4	27.9	22.7	24.5	16.5
Transportation and communication	31.4	30.5	31.5	34.3	32.6
Building and construction	44.9	43.6	44.7	43.1	41.1
Power and water supply	32.2	31.7	27.7	28.8	26.1
Seafood	17.8	17.7	17.2	16.9	16.3
Hotels and restaurants	4.6	4.3	4.1	4.1	4.3
Agriculture and forestry	9.0	8.7	7.9	8.9	7.8
Central and local government	4.5	4.6	5.6	6.7	6.4
Other sectors	11.5	12.3	13.4	5.2	6.6
Net lending to customers	1 305.2	1 308.0	1 284.1	1 278.9	1 247.1

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

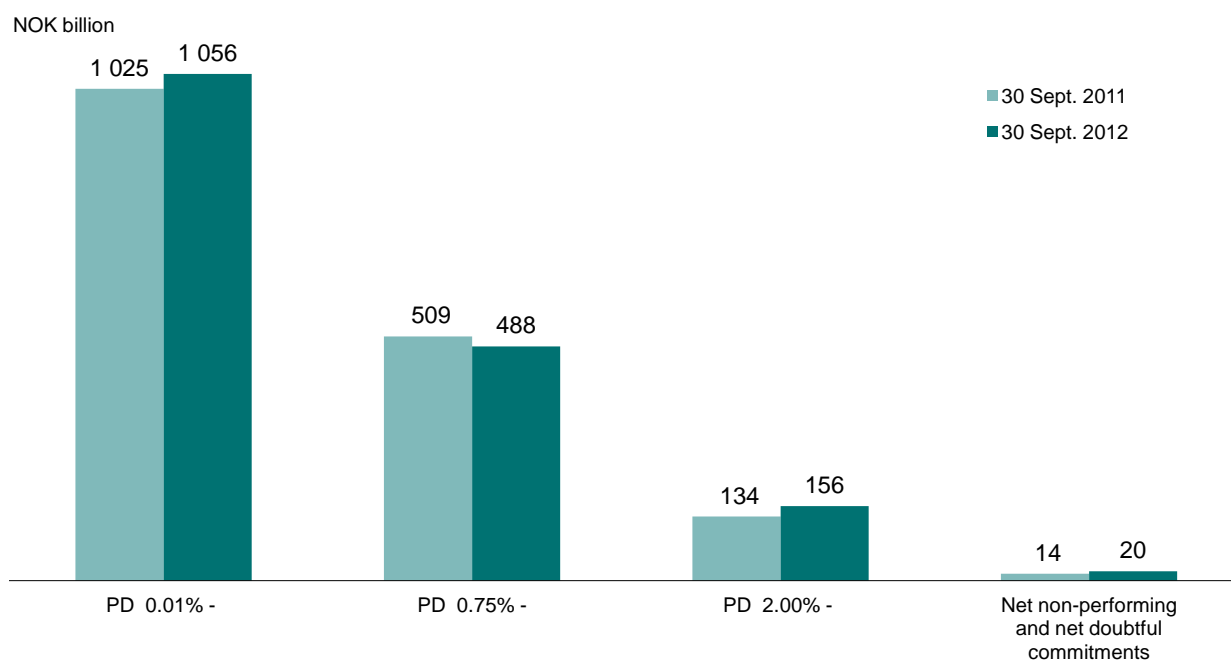
Exposure at default by segments as defined in DNB's management reporting as at 30 September 2012 ^{1) 2)}



1) Distribution of exposure at default based on internal segmentation of customers, excluding net non-performing and net doubtful commitments. Comparable figures as at 30 September 2011 in parentheses.

2) As from 30 June 2012 the internal segmentation of customers has been changed to give a better reflection of the Groups portfolio. Figures for DNB Baltics and Poland are included and comparable figures have been restated.

Risk classification of portfolio ¹⁾²⁾



- 1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. PD = probability of default.
- 2) Figures for the third quarter of 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters to customers have been included in the figures.

DNB'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's risk classification system, where 1 represents the lowest risk and 10 the highest risk.

The Group's exposure to the PIIGS countries as at 30 September 2012

Amounts in NOK million	Government debt	International bond portfolio DNB Markets ¹⁾	Other units in the bank	Corporate portfolio DNB Livsforsikring	Total DNB Group	Common portfolio DNB Livsforsikring	of which investments in Treasury bonds
Portugal	0	1 976	2	0	1 978	1	0
Ireland	0	2 264	181	0	2 445	445	0
Italy	0	2 124	888	0	3 012	1 353	1 200
Greece	0	0	0	0	0	6	0
Spain	0	8 436	2 070	0	10 506	3 280	1 422
Total PIIGS	0	14 800	3 140	0	17 941	5 085	2 622

- 1) Markets' exposure to the PIIGS countries through its international bond portfolio mainly comprises residential mortgage-backed securities (RMBS). The portfolio includes no investments in Treasury bonds.

Write-downs on loans and guarantees

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Write-offs	56	62	82	103	53	200	447
New individual write-downs	920	805	1 005	1 265	1 118	2 730	2 855
Total new individual write-downs	976	867	1 087	1 368	1 171	2 930	3 302
Reassessed individual write-downs	200	163	298	228	157	660	788
Recoveries on commitments previously written off	107	95	102	120	94	304	318
Net individual write-downs	670	609	688	1 020	919	1 966	2 197
Change in collective write-downs on loans	(148)	76	96	(94)	251	23	322
Write-downs on loans and guarantees	521	685	784	926	1 170	1 990	2 519
Total write-downs in relation to average volumes, annualised	0.16	0.21	0.25	0.29	0.38	0.21	0.28
- DNB excl. DNB Baltics and Poland	0.15	0.19	0.24	0.23	0.16	0.19	0.16
- DNB Baltics and Poland	0.43	0.74	0.47	1.56	5.18	0.55	2.66

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
<i>Individual write-downs</i>							
Retail Banking							
- Private Customer Divisions	38	7	59	78	38	104	109
- Small and medium sized enterprises	96	80	160	233	128	335	179
- DNB Finans ¹⁾	68	123	90	29	106	281	341
Large Corporates and International							
- Nordic Corporates Division	(14)	(22)	(12)	144	(3)	(48)	262
- International Corporates and Institutions Division	12	144	4	29	110	160	373
- Shipping, Offshore and Logistics Division	293	142	195	143	17	630	17
- Energy Division	0	0	0	1	2	0	(9)
- Other units ²⁾	60	5	87	1	(1)	151	(2)
DNB excl. former DnB NORD	554	478	582	657	397	1 615	1 269
<i>Former DnB NORD</i>							
DNB Baltics and Poland	115	132	106	237	494	352	866
Other units	0	0	0	126	28	0	62
Total individual write-downs	670	609	688	1 020	919	1 966	2 197
<i>Collective write-downs</i>							
DNB excl. DNB Baltics and Poland	(90)	108	138	(44)	43	156	126
DNB Baltics and Poland	(58)	(32)	(42)	(50)	208	(132)	196
Total collective write-downs on loans	(148)	76	96	(94)	251	23	322
Write-downs on loans and guarantees	521	685	784	926	1 170	1 990	2 519

1) Includes leasing, factoring and credit card and consumer financing.

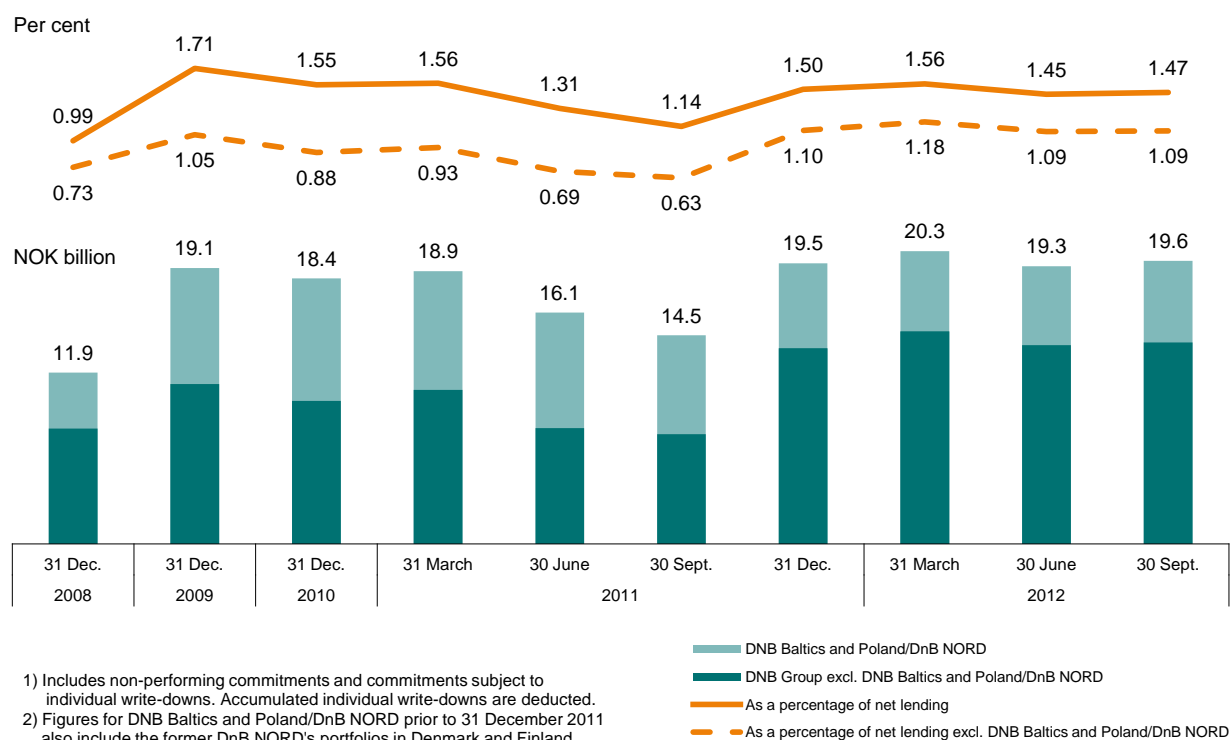
2) Individual write-downs on commitments transferred from the former DnB NORD.

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

<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan-Sept.	
						2012	2011
Private individuals	134	182	164	184	534	479	990
Transportation by sea and pipelines and vessel construction	341	259	197	196	128	797	140
Real estate	101	139	121	279	189	361	459
Manufacturing	(5)	(47)	40	63	38	(12)	108
Services and management	34	(1)	28	40	38	60	95
Trade	73	(63)	48	166	(9)	59	37
Oil and gas	0	0	35	1	0	35	0
Transportation and communication	22	29	13	3	(1)	64	12
Building and construction	(34)	71	43	104	0	80	312
Power and water supply	0	1	1	1	2	2	(8)
Seafood	7	1	(2)	13	(9)	6	(10)
Hotels and restaurants	(8)	23	6	(6)	4	22	26
Agriculture and forestry	6	(2)	(5)	6	4	(1)	10
Other sectors	(2)	17	2	0	2	17	2
Total customers	670	609	691	1 049	920	1 969	2 173
Credit institutions	(1)	1	(3)	(29)	(1)	(3)	24
Change in collective write-downs on loans	(148)	76	96	(94)	251	23	322
Write-downs on loans and guarantees ^{*)}	521	685	784	926	1 170	1 990	2 519
*) Of which individual write-downs on guarantees	4	10	49	40	(16)	63	(14)

1) The breakdown into principal customer groups is based on standardised sector and industry categories set up by Statistics Norway.

Net non-performing and net doubtful commitments ^{1) 2)}



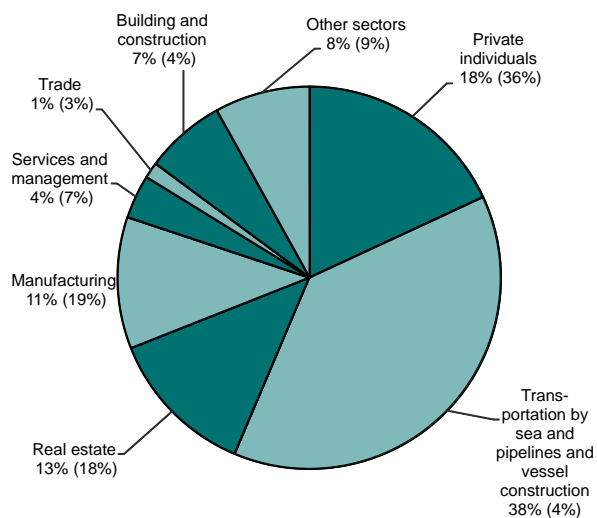
Write-down ratio – net non-performing and net doubtful commitments ¹⁾

Amounts in NOK million	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Non-performing commitments	16 804	16 282	16 965	16 793	14 439
Doubtful commitments	12 436	12 433	12 621	12 296	9 376
Gross non-performing and gross doubtful commitments	29 240	28 715	29 586	29 089	23 815
Individual write-downs	9 614	9 455	9 289	9 624	9 349
Net non-performing and net doubtful commitments	19 626	19 260	20 297	19 465	14 466
Collective write-downs	2 104	2 289	2 175	2 119	2 204
Write-down ratio (per cent)	40.1	40.9	38.7	40.4	48.5
Collateral for non-performing and doubtful commitments	18 455	18 956	19 425	18 209	14 868
Coverage ratio (per cent)	103.2	106.9	104.4	103.0	110.9

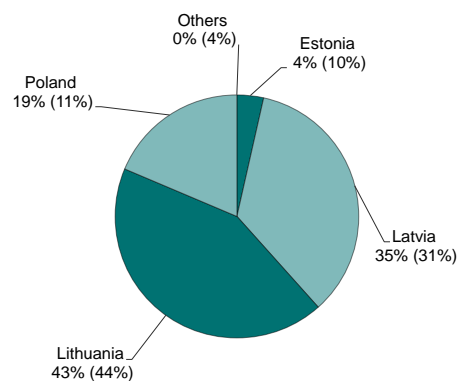
1) Write-down ratio includes individual and collective write-downs as a percentage of gross non-performing and gross doubtful commitments.

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

DNB Group excl. DNB Baltics and Poland/DnB NORD ^{2) 3)}
 NOK 13 974 million as at 30 September 2012 (7 618)



DNB Baltics and Poland/DnB NORD ³⁾
 NOK 5 652 million as at 30 September 2012 (6 847)



1) Includes non-performing commitments and, in addition, commitments subject to individual write-downs. Comparable figures as at 30 September 2011 in parentheses.

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

3) Figures prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

See pages 93-95 for more details on lending and write-downs in DNB Baltics and Poland/DnB NORD.

Net non-performing and net doubtful commitments ¹⁾

<i>Amounts in NOK million</i>	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Retail Banking	5 997	5 968	6 239	6 272	6 195
Large Corporates and International ²⁾	7 977	7 819	8 493	6 432	1 424
DNB Baltics and Poland/DnB NORD ^{2) 3)}	5 652	5 473	5 565	6 762	6 847
Net non-performing and net doubtful commitments ¹⁾	19 626	19 260	20 297	19 465	14 466
*) Of which Norwegian units	8 148	7 842	8 862	7 903	7 326

1) Includes non-performing commitments and commitments subject to individual write-downs. Accumulated individual write-downs are deducted.

2) In the first quarter of 2012, net non-performing and net doubtful commitments totalling NOK 866 million were transferred to Large Corporates and International.

3) Figures prior to 31 March 2012 also include the former DnB NORD's portfolios in Denmark and Finland.

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

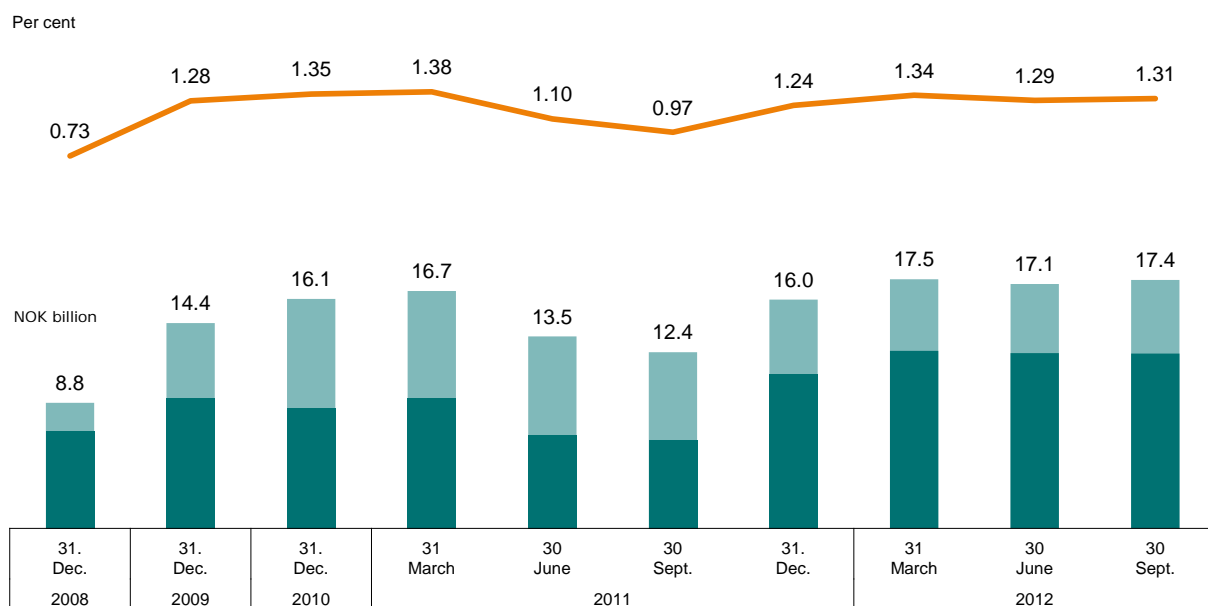
<i>Amounts in NOK million</i>	3Q12		2Q12		1Q12		4Q11		3Q11	
	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers	Private individuals	Corporate customers
Net non-performing and net doubtful commitments at beginning of period	4 304	14 956	4 208	16 089	4 392	15 073	4 510	9 956	4 981	11 072
New non-performing and doubtful commitments	637	2 987	868	3 047	749	3 192	670	8 273	563	2 249
Transferred to current commitments	818	2 236	674	4 134	800	2 108	678	2 934	929	2 801
Write-offs etc.	84	120	98	46	133	68	110	222	106	564
Net non-performing and net doubtful commitments at end of period	4 039	15 587	4 304	14 956	4 208	16 089	4 392	15 073	4 510	9 956

1) Of which DNB Baltics and Poland/DnB NORD: ^{*)}

Net non-performing and net doubtful commitments at beginning of period	1 571	3 902	1 600	3 965	1 636	4 260	1 734	5 113	2 086	5 934
New non-performing and doubtful commitments	41	742	119	187	141	659	60	59	(117)	559
Transferred to current commitments	100	477	148	250	176	954	158	892	235	874
Write-offs etc.	0	27	0	0	1	0	0	20	0	506
Net non-performing and net doubtful commitments at end of period	1 512	4 140	1 571	3 902	1 600	3 965	1 636	4 260	1 734	5 113

*) Figures prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

Net impaired commitments ^{1) 2)}



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

2) Figures for DNB Baltics and Poland/DnB NORD prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

Write-down ratio – net impaired commitments ¹⁾

Amounts in NOK million	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Gross impaired commitments subject to individual write-downs	27 045	26 550	26 772	25 667	21 713
Individual write-downs	9 614	9 455	9 289	9 624	9 349
Net impaired commitments	17 431	17 095	17 483	16 043	12 364
Collective write-downs	2 104	2 289	2 175	2 119	2 204
Write-down ratio (per cent)	43.3	44.2	42.8	45.8	53.2
Collateral for impaired commitments	15 204	15 718	15 061	14 853	11 615
Coverage ratio (per cent)	99.5	103.4	99.1	103.6	106.7

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 Group follows the Basel II regulations for capital adequacy calculations. Valuation rules used in the statutory accounts form the basis for the consolidation, which is subject to special consolidation rules governed by the Consolidation Regulations.

Primary capital	DNB Bank ASA		DNB Bank Group		DNB Group	
	30 Sept. 2012	31 Dec. 2011	30 Sept. 2012	31 Dec. 2011	30 Sept. 2012	31 Dec. 2011
<i>Amounts in NOK million</i>						
Share capital	18 314	18 314	18 314	18 314	16 288	16 260
Other equity	79 233	79 328	85 886	85 990	98 329	101 555
Total equity	97 547	97 643	104 200	104 304	114 617	117 815
Deductions						
Pension funds above pension commitments	0	0	(20)	(22)	(134)	(126)
Goodwill	(2 438)	(2 419)	(3 722)	(3 834)	(5 633)	(5 741)
Deferred tax assets	(3)	(3)	(632)	(644)	(639)	(651)
Other intangible assets	(997)	(1 130)	(1 731)	(2 028)	(1 940)	(2 270)
Dividends payable etc.	0	0	0	0	0	(3 258)
Unrealised gains on fixed assets	0	0	(30)	(30)	(30)	(30)
50 per cent of investments in other financial institutions	(981)	(1 022)	(1 130)	(1 022)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(753)	(648)	(958)	(835)	(958)	(835)
Adjustments for unrealised losses/(gains) on liabilities recorded at fair value	(24)	(24)	(713)	(713)	(713)	(713)
Equity Tier 1 capital	92 350	92 396	95 265	95 177	104 570	104 191
Perpetual subordinated loan capital securities ^{1) 2)}	5 812	5 973	5 997	6 159	5 997	6 159
Tier 1 capital	98 162	98 370	101 262	101 336	110 567	110 350
Perpetual subordinated loan capital	3 966	4 153	3 966	4 153	3 966	4 153
Term subordinated loan capital ²⁾	14 366	12 773	14 720	13 230	14 720	13 230
Deductions						
50 per cent of investments in other financial institutions	(981)	(1 022)	(1 130)	(1 022)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(753)	(648)	(958)	(835)	(958)	(835)
Additions						
45 per cent of unrealised gains on fixed assets	0	0	18	18	18	18
Tier 2 capital	16 598	15 256	16 616	15 544	17 746	16 566
Total eligible primary capital ³⁾	114 760	113 625	117 878	116 879	128 313	126 916
Risk-weighted volume	831 166	874 786	997 151	1 018 586	1 092 354	1 111 574
Minimum capital requirement	66 493	69 983	79 772	81 487	87 388	88 926
Equity Tier 1 capital ratio (%)	11.1	10.6	9.6	9.3	9.6	9.4
Tier 1 capital ratio (%)	11.8	11.2	10.2	9.9	10.1	9.9
Capital ratio (%)	13.8	13.0	11.8	11.5	11.7	11.4
Equity Tier 1 capital ratio including 50 per cent of profit for the period (%)	11.7	-	10.0	-	10.0	-
Tier 1 capital ratio including 50 per cent of profit for the period (%)	12.4	-	10.6	-	10.6	-
Capital ratio including 50 per cent of profit for the period (%)	14.4	-	12.3	-	12.2	-

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 September 2012, calculations of capital adequacy for the banking group and the DNB Group included a total of NOK 537million 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 according to the pro-rata method in the capital adequacy calculations while the equity method is used in the accounts.

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

Basel II implementation - further progress

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

Portfolios	Reporting methods for credit risk in capital adequacy calculations	
	30 Sept. 2012	31 Dec. 2012 ¹⁾
Retail:		
- mortgage loans, DNB Bank and DNB Boligkreditt	IRB ²⁾	IRB ²⁾
- qualifying revolving retail exposures, DNB Bank ³⁾	IRB ²⁾	IRB ²⁾
- mortgage loans, Nordlandsbanken	Standardised	IRB ²⁾
- loans in Norway, DNB Finans, DNB Bank	IRB ²⁾	IRB ²⁾
Corporates:		
- small and medium-sized corporates, DNB Bank	Advanced IRB	Advanced IRB
- large corporate clients (scorecard models), DNB Bank	Advanced IRB	Advanced IRB
- large corporate clients (simulation models), DNB Bank	Standardised	Advanced IRB
- corporate clients, Nordlandsbanken	Standardised	Advanced IRB
- leasing, DNB Bank	Advanced IRB	Advanced IRB
- corporate clients, DNB Næringskreditt	Standardised	Advanced IRB
Securitisation positions:		
- international bond portfolio, DNB Markets	IRB ²⁾	IRB ²⁾
Institutions:		
- banks and financial institutions, DNB Bank	Standardised	Advanced IRB
Exceptions:		
- approved exceptions: government and municipalities, equity positions	Standardised	Standardised
- temporary exceptions: DNB Baltics and Poland, DNB Luxembourg, JSC DNB Bank and various other small portfolios	Standardised	Standardised

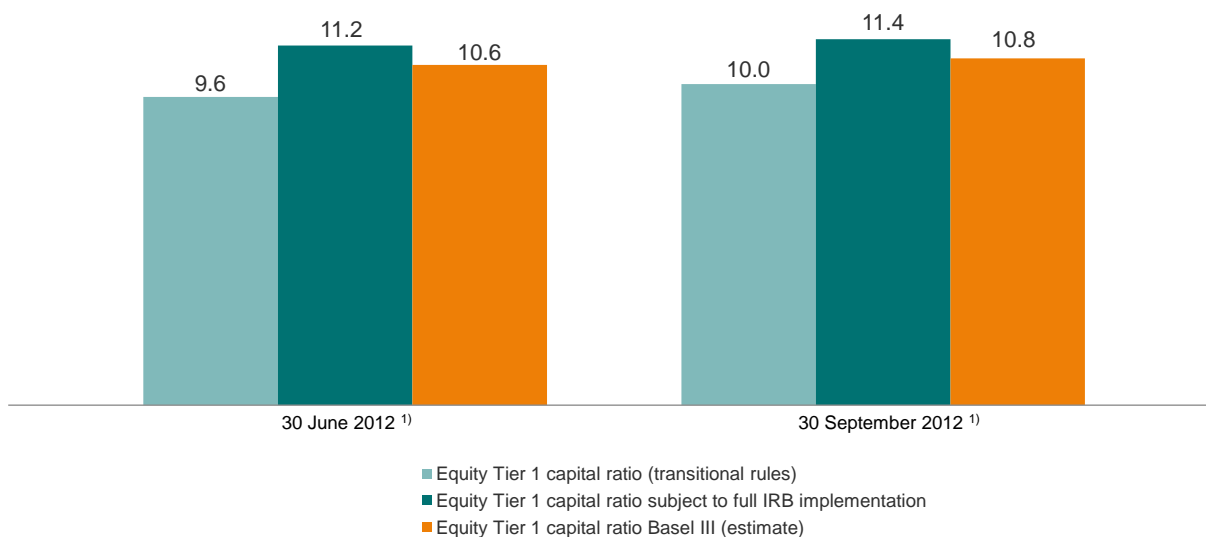
1) As according to implementation plan. The conversion is, however, subject to final approval from the Norwegian FSA.

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

3) Reported according to the IRB category Retail - other exposures.

Equity Tier 1 capital ratio

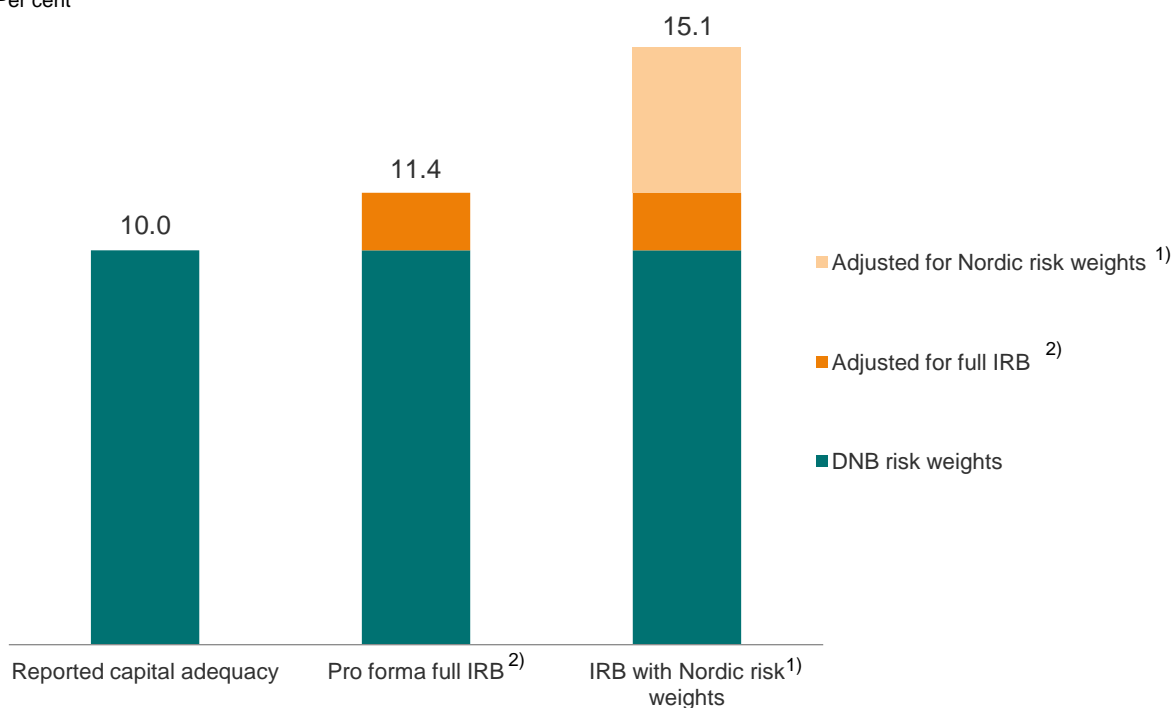
Per cent



¹⁾ Including 50 per cent of profit year to date

Equity Tier 1 Capital according to Nordic rules as at 30 September 2012

Per cent



¹⁾ DNB's risk weights are conservatively set due to the Norwegian FSA's requirements. When calculating the equity Tier 1 capital ratio according to Nordic rules, it is assumed that DNB's risk weights correspond to average observed risk weights reported by Nordic peers on similar portfolios. For home mortgages, the risk weights reflect the average for two major Swedish mortgage lenders, while for corporate exposures the risk weights reflect the level reported by two other banks in the Nordic region which measure their portfolios according to the advanced IRB approach. It should be noted that the differences in risk weights may be explained by two factors: different underlying risks and different measurement/calibration of similar risk. It is difficult to quantify the two factors based on available public information. The figures should therefore be seen as illustrative.

²⁾ Pro forma full IRB reflects what the ratio would have been excluding the transition floor and assuming that portfolios not yet approved by the Norwegian FSA for IRB measurement will be approved according to the application.

Financial results

Income statement

Amounts in NOK million						Jan.-Sept.	
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Total interest income	15 926	16 080	16 060	15 996	15 424	48 066	44 078
Total interest expenses	9 098	9 446	9 407	9 204	9 030	27 951	25 618
Net interest income	6 828	6 634	6 653	6 792	6 394	20 115	18 460
Commissions and fees receivable etc.	2 285	2 377	2 274	2 087	2 368	6 936	7 048
Commissions and fees payable etc.	587	580	607	592	580	1 774	1 664
Net gains on financial instruments at fair value	906	2 646	(1 006)	3 397	2 250	2 547	4 263
Net gains on assets in DNB Livsforsikring	4 286	1 940	4 562	4 269	(5 266)	10 789	1 565
Guaranteed returns and allocations to policyholders in DNB Livsforsikring	4 077	1 836	4 157	4 124	(4 208)	10 070	1 648
Premium income etc. included in the risk result in DNB Livsforsikring	1 586	991	1 330	1 291	1 213	3 907	3 650
Insurance claims etc. included in the risk result in DNB Livsforsikring	1 617	992	1 442	1 247	1 017	4 051	3 606
Premium income, DNB Skadeforsikring	313	310	303	288	292	926	805
Insurance claims etc., DNB Skadeforsikring	207	218	254	225	218	679	624
Profit from companies accounted for by the equity method	246	141	225	111	(79)	612	(34)
Net gains on investment property	4	(184)	(144)	(132)	93	(324)	100
Other income	492	609	522	474	439	1 623	1 300
Net other operating income	3 628	5 204	1 607	5 599	3 703	10 439	11 154
Total income	10 456	11 837	8 261	12 392	10 097	30 554	29 614
Salaries and other personnel expenses	2 867	2 789	2 768	2 618	2 603	8 425	7 661
Other expenses	1 779	1 866	1 907	2 098	1 819	5 552	5 623
Depreciation and write-downs of fixed and intangible assets	545	494	430	870	439	1 469	1 302
Total operating expenses	5 191	5 149	5 105	5 586	4 862	15 445	14 587
Pre-tax operating profit before write-downs	5 265	6 689	3 156	6 806	5 235	15 109	15 028
Net gains on fixed and intangible assets	20	37	7	(1)	6	63	20
Write-downs on loans and guarantees	521	685	784	926	1 170	1 990	2 519
Pre-tax operating profit	4 763	6 041	2 378	5 878	4 072	13 182	12 529
Taxes	1 256	1 553	618	1 790	1 604	3 427	3 633
Profit from operations held for sale, after taxes	0	92	0	0	25	92	(5)
Profit for the period	3 507	4 580	1 760	4 089	2 493	9 847	8 890
Earnings/diluted earnings per share (NOK)	2.15	2.82	1.08	2.51	1.53	6.05	5.47
Earnings per share excluding operations held for sale (NOK)	2.15	2.76	1.08	2.51	1.52	6.00	5.47

Balance sheet

Amounts in NOK million	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Cash and deposits with central banks	367 409	410 135	433 396	224 581	276 593
Lending to and deposits with credit institutions	42 424	32 258	35 018	28 754	56 432
Lending to customers	1 307 047	1 308 599	1 284 526	1 279 259	1 247 477
Commercial paper and bonds at fair value	198 774	196 935	199 431	177 980	157 164
Shareholdings	47 884	49 417	53 024	53 012	72 069
Financial assets, customers bearing the risk	27 600	25 391	25 770	23 776	22 712
Financial derivatives	101 302	90 707	81 555	96 693	110 664
Commercial paper and bonds, held to maturity	190 312	170 499	168 644	166 965	165 849
Investment property	45 060	45 573	43 049	42 796	42 802
Investments in associated companies	2 795	2 552	2 407	2 189	2 050
Intangible assets	7 035	7 097	7 020	7 003	7 151
Deferred tax assets	631	633	640	643	505
Fixed assets	6 966	6 780	6 569	6 336	6 010
Assets held for sale	15	9	1 092	1 054	1 206
Other assets	23 871	25 762	28 811	15 055	14 417
Total assets	2 369 123	2 372 347	2 370 952	2 126 098	2 183 100
Loans and deposits from credit institutions	293 530	294 125	353 395	279 553	356 347
Deposits from customers	843 340	853 877	805 985	740 036	752 660
Financial derivatives	66 207	60 857	56 039	64 365	75 908
Debt securities issued	727 925	729 309	717 598	635 157	596 266
Insurance liabilities, customers bearing the risk	27 600	25 391	25 770	23 776	22 712
Liabilities to life insurance policyholders in DNB Livsforsikring	220 574	218 081	218 093	212 271	209 889
Insurance liabilities, DNB Skadeforsikring	1 914	1 954	1 945	1 589	1 644
Payable taxes	3 267	1 584	356	634	3 729
Deferred taxes	3 860	4 029	4 856	4 897	205
Other liabilities	26 849	32 591	34 342	17 550	19 188
Liabilities held for sale	0	0	361	383	360
Provisions	662	610	525	787	560
Pension commitments	3 133	3 138	3 149	3 123	3 360
Subordinated loan capital	25 799	25 968	29 021	24 163	26 495
Total liabilities	2 244 659	2 251 516	2 251 434	2 008 284	2 069 325
Share capital	16 288	16 261	16 275	16 260	16 273
Share premium reserve	22 609	22 609	22 609	22 609	22 609
Other equity	85 567	81 961	80 634	78 946	74 894
Total equity	124 464	120 831	119 518	117 815	113 776
Total liabilities and equity	2 369 123	2 372 347	2 370 952	2 126 098	2 183 100

Key figures

	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Interest rate analysis							
1 Combined weighted total average spread for lending and deposits (%)	1.18	1.18	1.16	1.14	1.11	1.17	1.11
2 Average spread for ordinary lending to customers (%)	2.01	1.98	1.83	1.64	1.55	1.94	1.57
3 Average spread for deposits from customers (%)	(0.13)	(0.11)	0.04	0.28	0.33	(0.07)	0.31
Rate of return/profitability							
4 Net other operating income, per cent of total income	34.7	44.0	19.5	45.2	36.7	34.2	37.7
5 Cost/income ratio (%)	48.8	43.5	61.8	42.0	48.2	50.3	49.3
6 Return on equity, annualised (%)	11.4	15.3	6.0	13.8	8.8	10.9	10.6
7 RARORAC, annualised (%)	22.2	20.5	19.7	16.2	11.5	20.7	16.7
8 RORAC, annualised (%)	21.2	27.8	9.5	23.3	13.4	19.5	17.7
9 Average equity including allocated dividend (NOK million)	122 865	120 508	118 271	117 766	112 649	120 548	112 656
10 Return on average risk-weighted volume, annualised (%)	1.26	1.64	0.63	1.50	0.92	1.19	1.13
Financial strength							
11 Equity Tier 1 capital ratio at end of period (%)	9.6	9.4	9.3	9.4	8.4	9.6	8.4
12 Equity Tier 1 capital ratio incl. 50 per cent of profit for the period (%)	10.0	9.6	9.3	-	8.8	10.0	8.8
13 Tier 1 capital ratio at end of period (%)	10.1	9.9	9.8	9.9	9.0	10.1	9.0
14 Tier 1 capital ratio incl. 50 per cent of profit for the period (%)	10.6	10.2	9.9	-	9.3	10.6	9.3
15 Capital ratio at end of period (%)	11.7	11.5	11.7	11.4	10.6	11.7	10.6
16 Capital ratio incl. 50 per cent of profit for the period (%)	12.2	11.8	11.8	-	11.0	12.2	11.0
17 Tier 1 capital at end of period (NOK million)	110 567	110 646	110 242	110 350	100 839	110 567	100 839
18 Risk-weighted volume at end of period (NOK million)	1 092 354	1 116 382	1 124 248	1 111 574	1 126 388	1 092 354	1 126 388
Loan portfolio and write-downs							
19 Individual write-downs relative to average net lending to customers, annualised	0.20	0.19	0.22	0.32	0.30	0.20	0.25
20 Write-downs relative to average net lending to customers, annualised	0.16	0.21	0.25	0.29	0.38	0.21	0.28
21 Net non-performing and net doubtful commitments, per cent of net lending	1.47	1.45	1.56	1.50	1.14	1.47	1.14
22 Net non-performing and net doubtful commitments at end of period (NOK million)	19 626	19 260	20 297	19 465	14 466	19 626	14 466
Liquidity							
23 Ratio of customer deposits to net lending to customers at end of period (%)	64.5	65.3	62.7	57.8	60.3	64.5	60.3
Total assets owned or managed by DNB							
24 Customer assets under management at end of period (NOK billion)	520	506	510	506	496	520	496
25 Total combined assets at end of period (NOK billion)	2 639	2 633	2 636	2 395	2 445	2 639	2 445
26 Average total assets (NOK billion)	2 416	2 400	2 269	2 196	2 139	2 362	2 132
27 Customer savings at end of period (NOK billion)	1 363	1 360	1 317	1 246	1 249	1 363	1 249
Staff							
28 Number of full-time positions at end of period	13 426	13 592	13 635	13 620	13 481	13 426	13 481
The DNB share							
29 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
30 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
31 Earnings per share (NOK)	2.15	2.82	1.08	2.51	1.53	6.05	5.47
32 Earnings per share excluding operations held for sale (NOK)	2.15	2.76	1.08	2.51	1.52	6.00	5.47
33 Dividend per share (NOK)	-	-	-	-	-	-	-
34 Total shareholder's return (%)	22.6	(17.2)	25.0	(1.4)	(21.0)	23.4	(24.1)
35 Dividend yield (%)	-	-	-	-	-	-	-
36 Equity per share including allocated dividend at end of period (NOK)	76.41	74.18	73.38	72.33	69.85	76.41	69.85
37 Share price at end of period (NOK)	70.25	58.95	73.20	58.55	59.40	70.25	59.40
38 Price/earnings ratio	8.15	5.34	16.92	5.82	9.78	8.79	8.14
39 Price/book value	0.92	0.79	1.00	0.81	0.85	0.92	0.85
40 Market capitalisation (NOK billion)	114.4	96.0	119.2	95.4	96.8	114.4	96.8

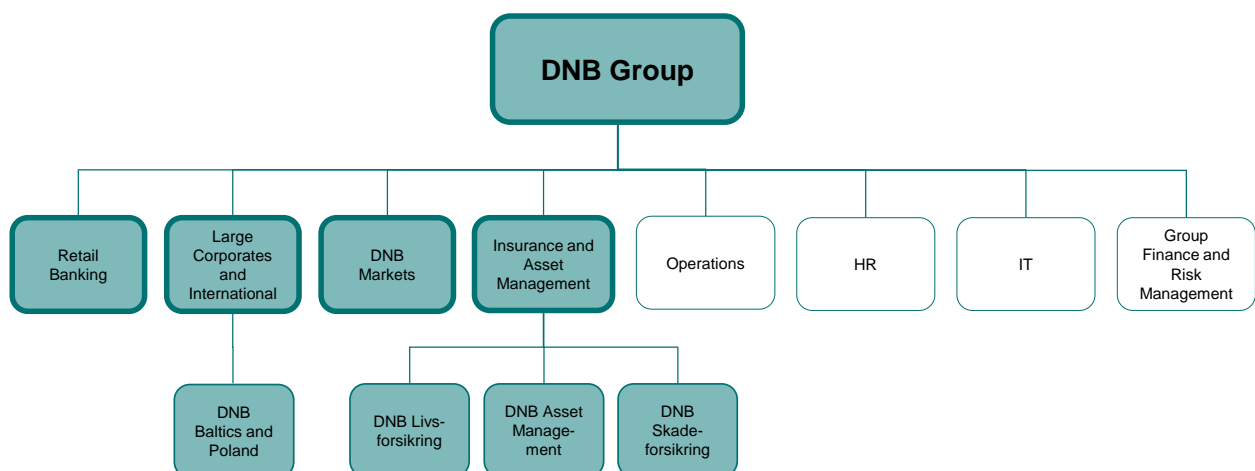
For definitions of selected key figures, see next page.

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. Total expenses exclude impairment losses for goodwill and other intangible assets.
- 6 Average equity is calculated on the basis of recorded equity.
- 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 note 4 Segments in DNB Group's third quarter report 2012.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement. Profits for the period are adjusted 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.
- 24 Total assets under management for customers in Insurance and Asset Management.
- 25 Total assets and customer assets under management.
- 27 Total deposits from customers, assets under management and equity-linked bonds.
- 29 The Annual General Meeting on 25 April 2012 authorised the Board of Directors of DNB 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 25 April 2012. 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.
- 31 Holdings of own shares are not included in calculations of earnings per share.
- 32 Excluding operations held for sale. Holdings of own shares are not included in calculations of the number of shares.
- 34 Closing price at end of period less closing price at beginning of period, including dividends reinvested in DNB shares on the dividend payment date, relative to closing price at beginning of period.
- 36 Equity at end of period relative to number of shares at end of period.
- 38 Closing price at end of period relative to annualised earnings per share.
- 39 Closing price at end of period relative to recorded equity at end of period.
- 40 Number of shares multiplied by the closing share price at end of period.

Section 3

Business areas



Business areas – financial performance

DNB's business areas: Retail Banking, Large Corporates and International, DNB 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, operations in the Baltics and Poland Division are reported as a separate profit centre. DNB took over all the shares in DNB NORD with effect from year-end 2010. The operations in the Baltics have been more closely integrated in DNB during 2011 and 2012, and a new strategy has been prepared for operations in these countries. The strategy for Poland is changed and future operations will focus on the corporate market within the DNB Group's international priority areas.

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 Group into business areas. Figures for the business areas are based on DNB'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, a minimum of 90 per cent of lending should be 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.

With effect from the first quarter of 2012, profits from repossessed operations which are fully consolidated in the DNB Group (included in the Group Centre) are presented net under "Profit from repossessed operations" for each of the business areas. Figures for previous periods have been restated.

Return on capital for the business areas is 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 the required average risk-adjusted capital, and the quarterly figures are annualised. The areas' risk-adjusted capital requirements are based on the risk involved in operations. The capital requirements are measured in accordance with DNB's total risk model.

Internal pricing

DNB'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 the relevant business areas. This refers primarily to income from customer trading in DNB Markets, but also includes income from Insurance and Asset Management. Such double entries are presented under "Income attributable to product suppliers", related costs under "Costs attributable to product suppliers" and write-downs under "Write-downs attributable to product suppliers". In the third quarter of 2012, the net result from such transactions totalled NOK 407 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>	3Q12	Change 2Q12-3Q12	Change 3Q11-3Q12
Net interest income	6 828	194	434
Retail Banking	4 219	309	699
Large Corporates and International	2 308	2	256
DNB Markets	147	(67)	(134)
Insurance and Asset Management	(23)	(17)	(61)
DNB Baltics and Poland	251	(22)	(84)
Other	(74)	(11)	(243)

Changes in net other operating income

<i>Amounts in NOK million</i>	3Q12	Change 2Q12-3Q12	Change 3Q11-3Q12
Net other operating income	3 628	(1 575)	(75)
Retail Banking	1 289	(97)	(88)
Large Corporates and International	842	(102)	42
DNB Markets	1 679	121	506
Insurance and Asset Management	1 013	142	1 165
DNB Baltics and Poland	227	(9)	55
Other	(1 422)	(1 631)	(1 755)

Changes in operating expenses

<i>Amounts in NOK million</i>	3Q12	Change 2Q12-3Q12	Change 3Q11-3Q12
Operating expenses	5 191	43	330
Retail Banking	2 906	66	48
Large Corporates and International	892	61	70
DNB Markets	541	(30)	55
Insurance and Asset Management	564	5	(11)
DNB Baltics and Poland	342	(29)	48
Other	(53)	(30)	120

Changes in write-downs on loans and guarantees

<i>Amounts in NOK million</i>	3Q12	Change 2Q12-3Q12	Change 3Q11-3Q12
Write-downs on loans and guarantees	521	(164)	(649)
Retail Banking	154	(42)	(97)
Large Corporates and International	250	(107)	17
DNB Baltics and Poland	57	(42)	(643)
Other	61	28	73

Extracts from income statement, January-September

	Retail Banking		Large Corporates and International		DNB Markets		Insurance and Asset Management		DNB Baltics and Poland		Other operations/ eliminations		DNB Group	
	Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.	
<i>Amounts in NOK million</i>	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net interest income - ordinary operations	11 609	10 159	6 508	5 332	473	647	(281)	(267)	781	954	1 024	1 636	20 115	18 460
Interest on allocated capital ²⁾	377	426	465	472	126	114	244	342	21	36	(1 233)	(1 390)	0	0
Net interest income	11 986	10 584	6 973	5 805	599	762	(37)	74	801	990	(209)	246	20 115	18 460
Other operating income	3 033	2 790	958	811	5 388	3 905	2 895	2 186	665	537	(2 499)	925	10 439	11 154
Income attributable to product suppliers	837	988	1 710	1 584	0	0	0	0	0	0	(2 547)	(2 572)	0	0
Net other operating income	3 871	3 778	2 668	2 395	5 388	3 905	2 895	2 186	665	537	(5 047)	(1 646)	10 439	11 154
Total income	15 857	14 362	9 641	8 199	5 987	4 667	2 858	2 260	1 466	1 527	(5 255)	(1 401)	30 554	29 614
Other operating expenses	8 178	7 906	1 929	1 758	1 657	1 516	1 711	1 757	1 050	914	919	735	15 445	14 587
Cost attributable to product suppliers	414	482	704	654	0	0	0	0	0	0	(1 118)	(1 136)	0	0
Operating expenses	8 592	8 388	2 633	2 412	1 657	1 516	1 711	1 757	1 050	914	(199)	(400)	15 445	14 587
Pre-tax operating profit before write-downs	7 264	5 974	7 008	5 788	4 330	3 151	1 147	503	416	613	(5 057)	(1 000)	15 109	15 028
Net gains on fixed and intangible assets	(1)	2	0	0	0	0	0	0	3	12	61	6	63	20
Write-downs on loans and guarantees	672	603	1 004	838	0	0	0	0	220	1 063	93	15	1 990	2 519
Write-downs attributable to product suppliers	0	0	0	2	0	0	0	0	0	0	0	(2)	0	0
Profit from repossessed operations	(12)	0	(146)	(60)	0	0	0	0	0	0	158	60	0	0
Pre-tax operating profit	6 579	5 372	5 859	4 888	4 330	3 151	1 147	503	199	(438)	(4 931)	(947)	13 182	12 529

Extracts from income statement, third quarter

	Retail Banking		Large Corporates and International		DNB Markets		Insurance and Asset Management		DNB Baltics and Poland		Other operations/ eliminations ¹⁾		DNB Group	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	4 107	3 379	2 163	1 890	111	236	(88)	(92)	248	321	287	660	6 828	6 394
Interest on allocated capital ²⁾	111	141	145	162	36	44	65	130	3	15	(361)	(492)	0	0
Net interest income	4 219	3 519	2 308	2 052	147	280	(23)	38	251	335	(74)	169	6 828	6 394
Other operating income	1 047	997	313	221	1 679	1 173	1 013	(152)	227	172	(650)	1 293	3 628	3 703
Income attributable to product suppliers	242	380	530	579	0	0	0	0	0	0	(772)	(959)	0	0
Net other operating income	1 289	1 377	842	800	1 679	1 173	1 013	(152)	227	172	(1 422)	333	3 628	3 703
Total income	5 507	4 896	3 150	2 852	1 826	1 454	990	(114)	478	507	(1 496)	502	10 456	10 097
Other operating expenses	2 781	2 680	652	588	541	486	564	575	342	294	312	238	5 191	4 862
Cost attributable to product suppliers	125	177	240	234	0	0	0	0	0	0	(365)	(412)	0	0
Operating expenses	2 906	2 858	892	822	541	486	564	575	342	294	(53)	(173)	5 191	4 862
Pre-tax operating profit before write-downs	2 601	2 038	2 258	2 030	1 285	967	426	(689)	136	213	(1 442)	675	5 265	5 235
Net gains on fixed and intangible assets	0	0	0	0	0	0	0	0	(1)	5	20	1	20	6
Write-downs on loans and guarantees	154	250	250	232	0	0	0	0	57	700	60	(13)	521	1 170
Write-downs attributable to product suppliers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit from repossessed operations	(5)	0	(63)	(60)	0	0	0	0	0	0	68	60	0	0
Pre-tax operating profit	2 442	1 788	1 946	1 737	1 285	967	426	(689)	78	(481)	(1 415)	749	4 763	4 072

1) Other operations/eliminations:	Eliminations of income/cost attributable to product suppliers		Other eliminations		Group Centre ¹⁾		Total	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11
<i>Amounts in NOK million</i>								
Net interest income - ordinary operations	0	0	(26)	(25)	313	685	287	660
Interest on allocated capital ²⁾	0	0	0	0	(361)	(492)	(361)	(492)
Net interest income	0	0	(26)	(25)	(48)	193	(74)	169
Other operating income	0	0	(278)	(282)	(372)	1 575	(650)	1 293
Income attributable to product suppliers	(772)	(959)	0	0	0	0	(772)	(959)
Net other operating income	(772)	(959)	(278)	(282)	(372)	1 575	(1 422)	333
Total income	(772)	(959)	(304)	(307)	(420)	1 768	(1 496)	502
Other operating expenses	0	0	(304)	(307)	616	545	312	238
Cost attributable to product suppliers	(365)	(412)	0	0	0	0	(365)	(412)
Operating expenses	(365)	(412)	(304)	(307)	616	545	(53)	(173)
Pre-tax operating profit before write-downs	(406)	(548)	0	0	(1 036)	1 223	(1 442)	675
Net gains on fixed and intangible assets	0	0	0	0	20	1	20	1
Write-downs on loans and guarantees	0	0	0	0	60	(13)	60	(13)
Write-downs attributable to product suppliers	0	0	0	0	0	0	0	0
Profit from repossessed operations	0	0	0	0	68	60	68	60
Pre-tax operating profit	(407)	(548)	0	0	(1 008)	1 297	(1 415)	749

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 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, Communications and eBusiness, 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. With effect from the first quarter of 2012, profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the business areas. The repossessed operations are included in the Group Centre. Figures for previous periods have been restated.

^{*)} <i>Group Centre - pre-tax operating profit in NOK million</i>	3Q12	3Q11
+ Interest on unallocated equity etc.	195	280
+ Income from equities investments	61	61
+ Gains on fixed and intangible assets	20	1
+ Mark-to-market adjustments Treasury and fair value on lending	(446)	85
+ Basis swaps	(566)	1 198
+ Eksportfinans ASA	232	(27)
- Unallocated write-downs on loans and guarantees	60	(13)
- Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	108	64
- Unallocated pension expenses	76	14
- Unallocated IT expenses	29	23
- Funding costs on goodwill	12	14
- Operating expenses relating to the move to the new head office in Bjørvika	57	0
- Impairment losses for intangible assets	38	0
Other	(124)	(198)
Pre-tax operating profit	(1 008)	1 297

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

Main average balance sheet items

	Retail Banking		Large Corporates and International		DNB Markets		Insurance and Asset Management		DNB Baltics and Poland		Other operations/ eliminations		DNB Group	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11
<i>Amounts in NOK billion</i>														
Net lending to customers ¹⁾	855.8	790.3	399.5	371.2	3.0	2.0	2.0	0.9	52.8	53.7	(2.0)	3.4	1 311.1	1 221.5
Deposits from customers ¹⁾	459.4	411.3	294.7	228.1	57.3	36.5			29.1	22.7	(6.3)	(0.9)	834.2	697.6
Assets under management ²⁾							536.1	525.0					536.1	525.0
Allocated capital ³⁾	20.1	18.8	26.0	21.8	6.6	6.0	12.0	17.7	3.6	3.6				

Key figures

	Retail Banking		Large Corporates and International		DNB Markets		Insurance and Asset Management		DNB Baltics and Poland		Other operations		DNB Group	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11
<i>Per cent</i>														
Cost/income ratio ^{4) 5)}	51.9	58.4	28.3	28.8	29.6	33.5	56.9	(504.2)	71.5	57.9			48.8	48.2
Ratio of deposits to lending ^{1) 6)}	53.7	52.0	73.8	61.4					55.2	42.2			63.6	57.1
Return on allocated capital, annualised ³⁾	34.8	27.2	21.4	22.8	56.1	45.9	16.7	(27.1)	6.9	(42.6)			21.2	13.4
Full-time positions as at 30 Sept. ⁷⁾	4 909	5 001	1 144	1 138	721	693	1 035	1 067	3 203	3 234	2 415	2 348	13 426	13 481

- 1) Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions is 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 DNB Livsforsikring which was NOK 270.5 billion as at 30 September 2012 and NOK 255.7 billion as at 30 September 2011. With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. Figures for previous periods have been restated.
- 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 capital is used for the Group.
- 4) Total operating expenses relative to total income.
- 5) Due to stock market developments, operating income in DNB Livsforsikring was negative at NOK 371 million in the third quarter of 2011. This resulted in negative income for the Insurance and Asset Management business area.
- 6) Deposits from customers relative to net lending to customers.
- 7) Historical figures for DNB Baltics and Poland do not include DnB NORD's operations and branches in Finland and Denmark which have been closed down or transferred to DNB in Oslo.

Market shares lending and deposits, Norwegian customers

Retail customers ¹⁾

<i>Per cent</i>	31 Aug. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Total lending to households ^{2) 3)}	27.8	27.8	27.8	27.9	27.8
Bank deposits from households ^{2) 4)}	32.7	32.7	32.6	32.7	32.5

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

1) Based on nominal values.

2) Households are defined as employees, recipients of property income, pensions and social contributions, students etc., housing cooperatives etc. and unincorporated enterprises within 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: Statistics Norway, DNB

Corporate customers ^{1) 2)}

<i>Per cent</i>	31 Aug. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Of total lending to corporate clients ³⁾	13.9	13.8	13.9	13.8	13.8
Of deposits from corporate clients ⁴⁾	37.0	37.5	37.5	37.4	36.6

<i>Per cent</i>	30 June 2011	31 March 2011	31 Dec. 2010	30 Sept. 2010	30 June 2010
Of total lending to corporate clients ³⁾	13.7	13.6	13.8	13.9	14.1
Of deposits from corporate clients ⁴⁾	34.9	34.7	35.3	34.6	35.5

1) Based on nominal values.

2) Updated according to adjusted data from Statistics Norway.

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: Statistics Norway, DNB

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 Bank and Nordlandsbanken
- DNB Boligkreditt (excluding funding activities)
- DNB Finans
- Residential real estate broking activities in Norway through DNB Eiendom
- Residential real estate broking activities in Sweden through Svensk Fastighetsförmedling
- SalusAnsvar, a company distributing financial services in Sweden.¹⁾

1) A sales agreement has been established, and the company is expected to be formally sold in the fourth quarter 2012.

Customers and markets

- Serving 2.1 million private customers and 221 000 corporate customers, of which 811 000 customers with loans
- 1,5 million customers subscribe to loyalty programmes and product packages
- 1.5 million customers have agreed to receive notifications from the bank, such as account statements, via e-mail
- 57.3 million payment transactions were carried out through the Internet banks in the first three quarters of 2012
- 4.2 million payment transactions were carried out through in-store postal and banking outlets in the first three quarters of 2012
- 47.4 million SMS messages were received in the first three quarters of 2012
- Brand names
 - DNB
 - Nordlandsbanken¹⁾
 - Cresco

1) Nordlandsbanken ASA was formally merged with DNB Bank on 1 October 2012. For a transitional period of up to two years, Nordlandsbanken will be a brand in DNB.

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/private customer service centres: 170 DNB and 15 Nordlandsbanken
- Investment Advisory Services for private customers: 37
- Investment Advisory Services for corporate customers: 63
- In-store postal and banking outlets: 2 308
- Post offices: 179
- Internet and telephone
- Real estate outlets in Norway: 131
- Real estate outlets in Sweden: 226

DNB 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 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 and NorgesGruppen.

Employees

At end-September 2012, the business area had a staff of 4 909 full-time positions, with 4 583 positions in Norway, including 810 in Norwegian subsidiaries, and 326 in international units.

Cooperation with other group entities

Cross selling of products is one of the major strengths of the DNB 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 Markets)

Financial performance

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net interest income - ordinary operations	4 107	3 789	3 712	3 646	3 379	11 609	10 159
Interest on allocated capital ¹⁾	111	121	145	166	141	377	426
Net interest income	4 219	3 910	3 858	3 812	3 519	11 986	10 584
Other operating income	1 047	1 089	897	892	997	3 033	2 790
Income attributable to product suppliers	242	297	298	340	380	837	988
Net other operating income	1 289	1 386	1 196	1 232	1 377	3 871	3 778
Total income	5 507	5 296	5 054	5 044	4 896	15 857	14 362
Other operating expenses	2 781	2 699	2 698	2 752	2 680	8 178	7 906
Cost attributable to product suppliers	125	142	147	176	177	414	482
Operating expenses	2 906	2 841	2 845	2 929	2 858	8 592	8 388
Pre-tax operating profit before write-downs	2 601	2 455	2 208	2 116	2 038	7 264	5 974
Net gains on fixed and intangible assets	0	(1)	0	0	0	(1)	2
Write-downs on loans and guarantees ²⁾	154	196	322	274	250	672	603
Write-downs attributable to product suppliers	0	0	0	0	0	0	0
Profit from repossessed operations ³⁾	(5)	(3)	(4)	0	0	(12)	0
Pre-tax operating profit	2 442	2 255	1 882	1 842	1 788	6 579	5 372

Net lending to customers (NOK billion) ⁴⁾	855.8	840.3	824.4	809.2	790.3	840.2	775.5
Deposits from customers (NOK billion) ⁴⁾	459.4	439.5	432.2	424.4	411.3	443.8	398.3
Allocated capital (NOK billion) ⁵⁾	20.1	20.3	21.4	22.1	18.8	20.6	20.8
Cost/income ratio (%)	51.9	53.6	56.3	58.1	58.4	53.9	58.4
Ratio of deposits to lending (%)	53.7	52.3	52.4	52.5	52.0	52.8	51.4
Return on allocated capital, annualised (%) ⁵⁾	34.8	32.1	25.5	23.8	27.2	30.7	24.9

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

2) Including collective write-downs.

3) With effect from the first quarter of 2012, profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the business areas.

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

5) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement. Allocated capital was adjusted downward in the third quarter of 2011 due to changes in the calculation models.

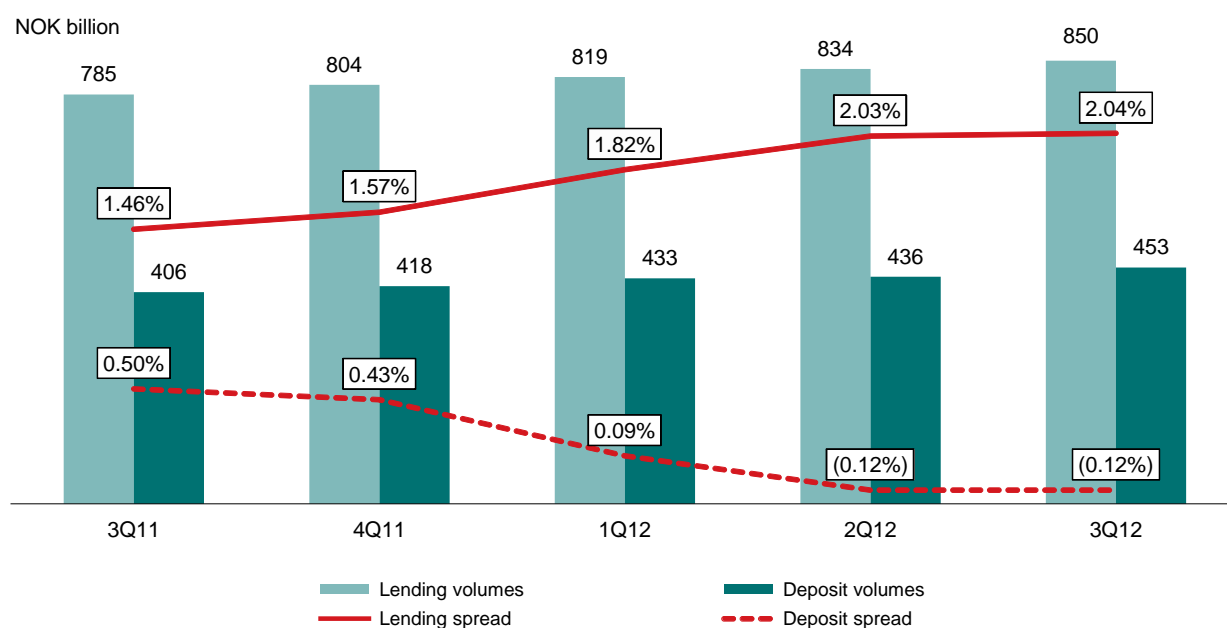
Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11
Lending to customers ^{1) 2)}	850 095	834 342	785 000	2.04	2.03	1.46	4 366	4 205	2 895
Deposits from customers ¹⁾	453 225	435 650	406 314	(0.12)	(0.12)	0.50	(135)	(127)	514
Allocated capital	20 097	20 323	18 790	2.21	2.40	2.94	111	121	141
Other							(124)	(289)	(31)
Total net interest income							4 219	3 910	3 519

1) Based on nominal values.

2) Excluding impaired loans.

Development in average volumes and interest spreads ¹⁾

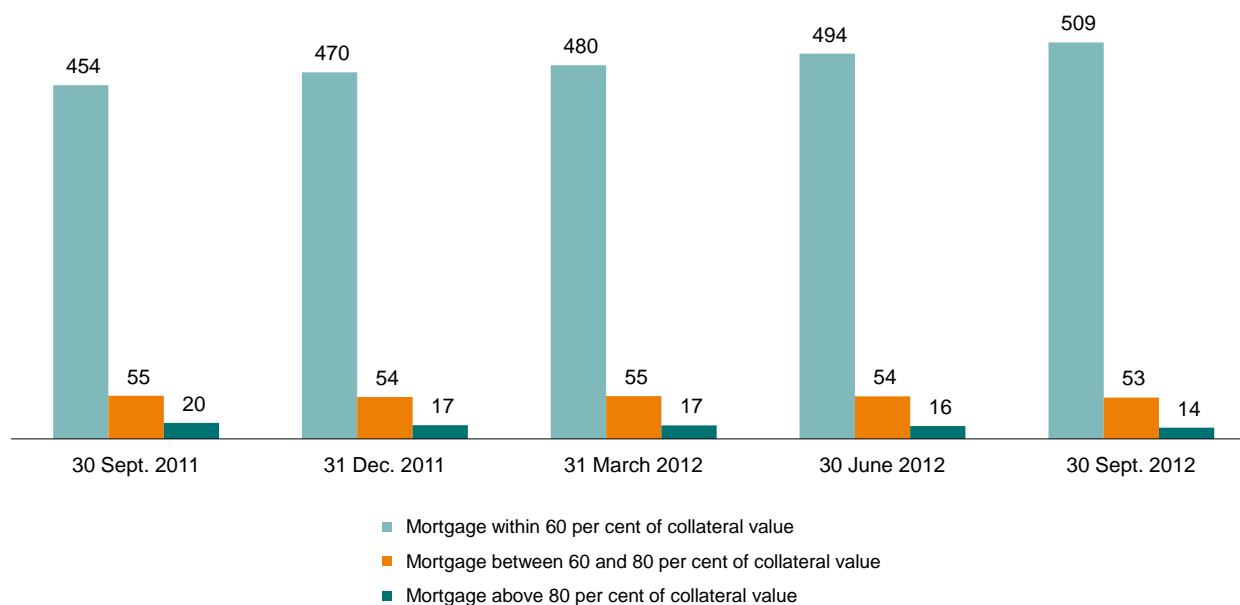


1) Lending to and deposits from customers. Nominal values, excluding impaired loans.

Residential mortgages

Distribution of lending according to collateral value ¹⁾

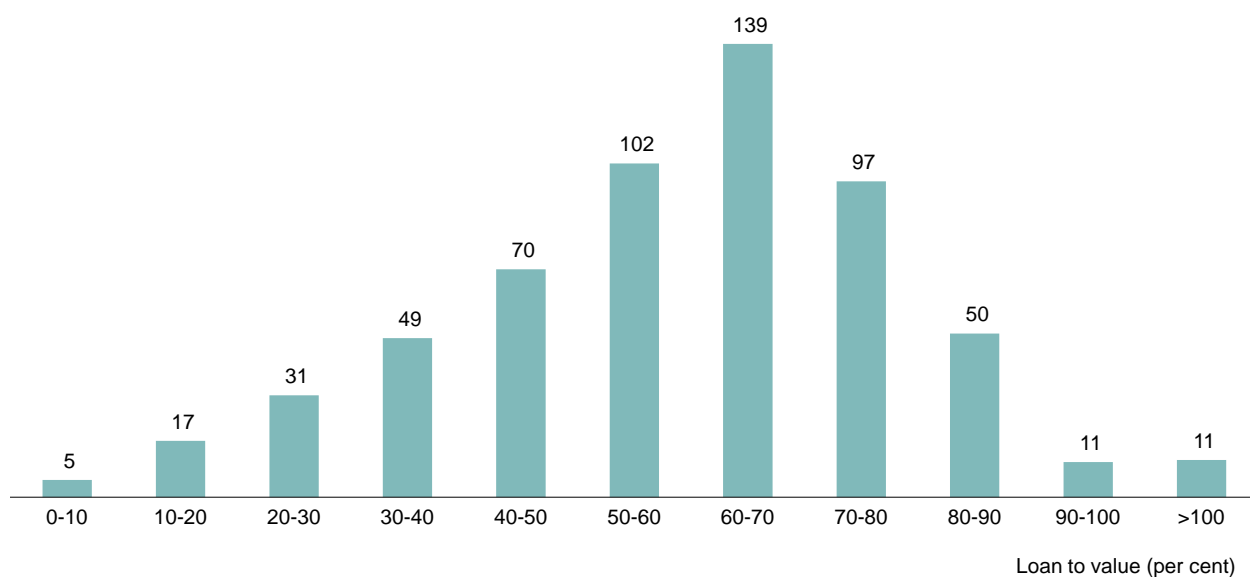
NOK billion



1) Distribution of residential mortgages in the business area Retail Banking within actual collateral categories.

Distribution of loan to value ¹⁾

NOK billion



1) Total residential mortgages in DNB Bank ASA and DNB Boligkreditt AS distributed by collateral value.

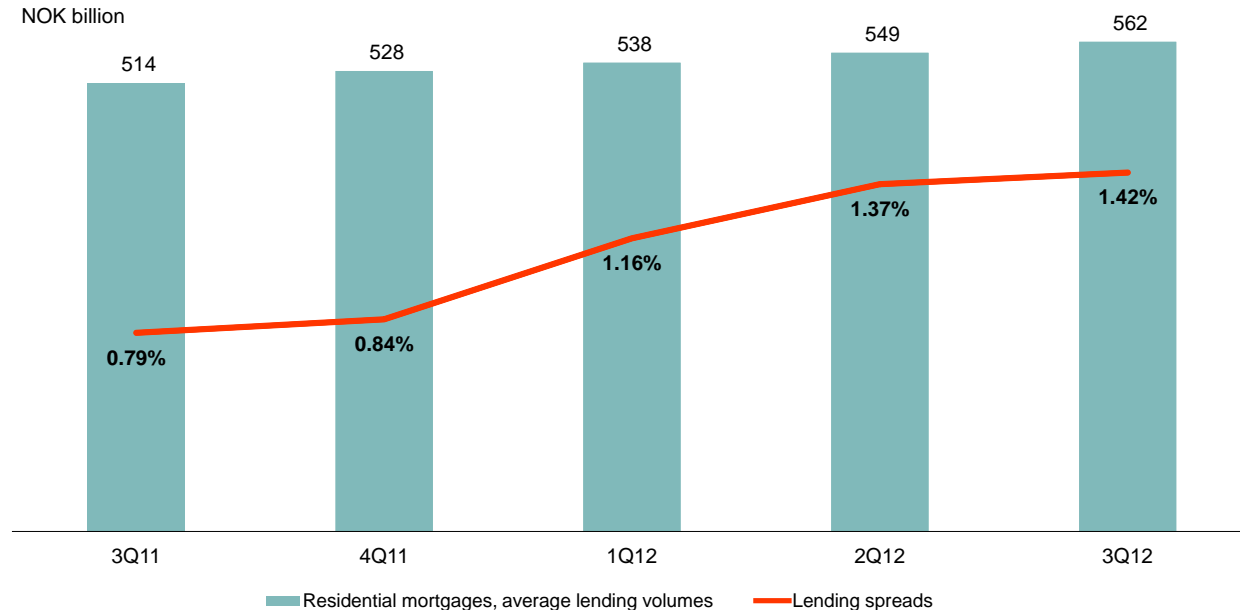
Distribution of loan to value per risk grade ¹⁾

	Risk grade			Total
	1-4	5-7	8-12	
Loan to value in per cent:				
0-40	14.5 %	2.9 %	0.2 %	17.6 %
40-60	22.9 %	6.3 %	0.4 %	29.6 %
60-75	24.4 %	8.9 %	0.7 %	34.0 %
75-85	8.1 %	4.5 %	0.4 %	12.9 %
>85	3.6 %	2.0 %	0.3 %	5.9 %
Total	73.5 %	24.6 %	1.9 %	100.0 %

1) Residential mortgages distributed by collateral value and risk grade.

Average mortgage lending - volumes and spreads ¹⁾

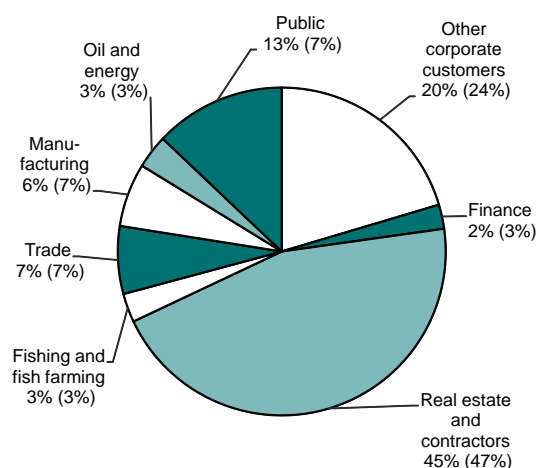
NOK billion



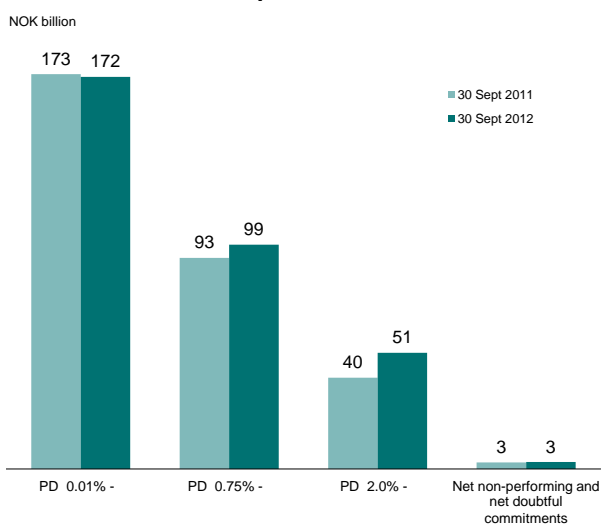
1) Residential mortgages to customers in Norway in the business area Retail Banking.

Corporate customers in Retail Banking

Exposure at default according to sector ¹⁾



Risk classification of portfolio ^{2) 3)}



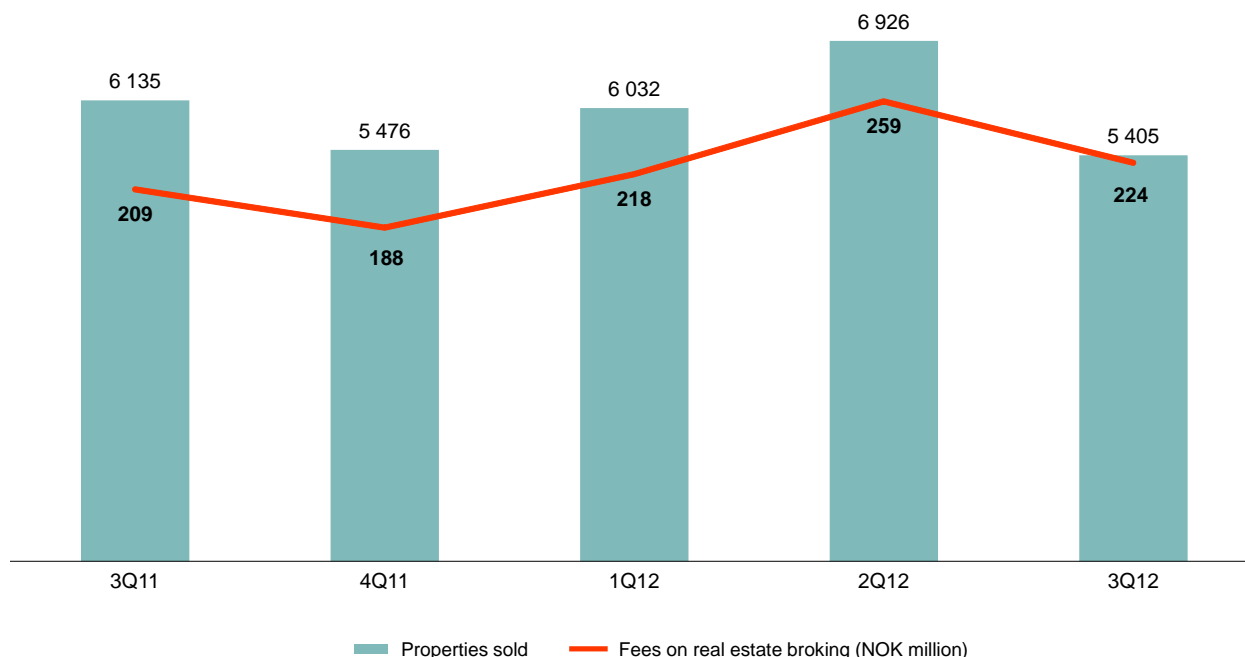
1) Corporate customers. Figures as at 30 September 2012. Percentages as at 30 September 2011 in parentheses.

2) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. PD = probability of default.

Residential real estate broking

Operations in DNB Eiendom and Postbanken Eiendom have been coordinated, a coordination which is in line with the strategy to collect the group's activities in a single brand. DNB is a market leader within the real estate broking business in Norway. DNB is also the largest provider of real estate brokerage services in the Nordic region through the operations in DNB Eiendom and Svensk Fastighetsförmedling. DNB Eiendom had 131 sales offices located in DNB branches at end-September 2012, and Svensk Fastighetsförmedling had 226 outlets in Sweden. 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	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
DNB Eiendom	5 111	6 127	4 762	4 326	4 754	16 000	14 014
Postbanken Eiendom	294	799	1 270	1 150	1 381	2 363	4 121
Total properties sold	5 405	6 926	6 032	5 476	6 135	18 363	18 135
Market shares, per cent ²⁾						19.0	18.7

1) Norwegian operations only.

2) Management's estimates.

DNB Finans

DNB Finans is a division within Retail Banking providing consumer and equipment finance and card based products.

Net lending to customers - average volumes

Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Motor vehicle finance, leasing and factoring	52.2	50.7	50.5	48.8	47.1	51.2	46.7
Consumer finance	17.8	17.9	17.1	16.9	16.3	17.6	16.2
Total net lending to customers	70.0	68.7	67.6	65.6	63.4	68.8	62.9

- There was a 2.6 per cent increase in new leasing and lending contracts in the third quarter of 2012 compared to the corresponding period in 2011.
- The value of processed factoring invoices was up 6.7 per cent.
- Consumer finance activities generated healthy profits in the third quarter of 2012.
- As at 30 September 2012, the entity had issued more than 2.1 million credit and charge cards.

Business profile

DNB Finans is the leading provider of consumer and equipment finance in Norway. DNB Finans coordinates DNB's credit card based products and consumer finance activities, servicing both the bank's own customers and customers acquired through cooperation with vendors. Within asset based finance, DNB Finans offers automotive and equipment leasing and loans to bank and direct customers as well as through vendors. In addition, DNB Finans is the market leader within factoring in Norway, and, through the Autolease brand, a top three player in the Scandinavian market for operational vehicle leasing and fleet management.

DNB Finans' operations in Denmark are concentrated around Autolease. In Sweden there is a broader presence, with both automotive and equipment finance products and services targeted at bank, direct and vendor distribution. Within automotive finance DNB Finans holds a top five position in Sweden, a position which was strengthened through the acquisition of SC Finans AB in December 2011. Lending volume in the acquired entity was SEK 2.3 billion at end-December 2011. Credit card based products are being developed for the Swedish market.

Nordlandsbanken

Average volumes

Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers	42.4	42.3	42.0	40.7	39.5	42.2	38.3
Customer deposits	15.7	15.0	15.3	15.4	14.8	15.3	14.4

Business profile

Nordlandsbanken is a wholly owned subsidiary of DNB Bank ASA. Nordlandsbanken serves private customers, businesses and the public sector through 15 branches in Nordland county. Nordlandsbanken aims to be the leading bank in Nordland county for customers who seek local expertise. Nordlandsbanken ASA was formally merged with DNB Bank on 1 October 2012. For a transitional period of up to two years, Nordlandsbanken will be a brand in DNB.

Large Corporates and International

Large Corporates and International (LCI) aims to offer good solutions to customers and continue to build 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 a product and support division. The global industry divisions develop and maintain the business area's industry strategies and serve the largest Norwegian corporates. The geographic divisions implement the industry strategies and serve customers in their respective local markets.

The presentation of LCI is based on the global industry divisions including related activities in the geographic divisions.

- Global business segment divisions
 - Nordic Corporates
 - International Corporates
 - Energy
 - Shipping, Offshore and Logistics
- Geographical divisions
 - Americas
 - Central Europe, Middle East and Africa
 - Asia
 - Northern Europe
- Product and support division
 - Business Management and Products

The subsidiaries JSC DNB Bank (Russia) and DNB Luxembourg S.A. are separate entities in LCI.

Employees

At end-September 2012, the business area had a staff of 1 144 full-time positions, with 488 positions in Norway and 655 in international units.

Financial performance

Amounts in NOK million						Jan.-Sept.	
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Net interest income - ordinary operations	2 163	2 154	2 192	2 252	1 890	6 508	5 332
Interest on allocated capital ¹⁾	145	152	168	189	162	465	472
Net interest income	2 308	2 306	2 360	2 440	2 052	6 973	5 805
Other operating income	313	322	324	286	221	958	811
Income attributable to product suppliers	530	622	558	516	579	1 710	1 584
Net other operating income	842	944	881	802	800	2 668	2 395
Total income	3 150	3 250	3 241	3 242	2 852	9 641	8 199
Other operating expenses	652	589	689	705	588	1 929	1 758
Cost attributable to product suppliers	240	242	221	219	234	704	654
Operating expenses	892	831	910	924	822	2 633	2 412
Pre-tax operating profit before write-downs	2 258	2 418	2 332	2 318	2 030	7 008	5 788
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Write-downs on loans and guarantees ²⁾	250	357	397	338	232	1 004	838
Write-downs attributable to product suppliers	0	0	0	(2)	0	0	2
Profit from repossessed operations ³⁾	(63)	36	(119)	(136)	(60)	(146)	(60)
Pre-tax operating profit	1 946	2 097	1 816	1 846	1 737	5 859	4 888

Net lending to customers (NOK billion) ⁴⁾	399.5	402.6	397.9	395.0	371.2	400.0	357.9
Deposits from customers (NOK billion) ⁴⁾	294.7	288.5	260.9	249.5	228.1	281.4	229.7
Allocated capital (NOK billion) ⁵⁾	26.0	25.4	24.7	25.2	21.8	25.4	23.0
Cost/income ratio (%)	28.3	25.6	28.1	28.5	28.8	27.3	29.4
Ratio of deposits to lending (%)	73.8	71.7	65.6	63.2	61.4	70.4	64.2
Return on allocated capital, annualised (%) ⁵⁾	21.4	23.9	21.3	20.9	22.8	22.2	20.4

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

2) Including collective write downs from 2011.

3) With effect from the first quarter of 2012, profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the business areas. Figures for previous periods have been restated.

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

5) The allocated capital and return on allocated capital are calculated on the basis of internal measurement of risk-adjusted capital requirement. Allocated capital was adjusted downward in the third quarter of 2011 due to changes in the calculation models.

Average total volumes

Amounts in NOK billion						Jan.-Sept.	
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Loans ¹⁾	400	403	398	395	371	400	358
Guarantees	75	76	74	69	63	75	59
Total loans and guarantees	474	478	471	464	434	475	417
Adjusted for exchange rate movements	474	479	476	468	448	475	426
Commercial paper during the period	17	17	16	17	15	50	37
Syndicated loans during the period ²⁾	0	3	2	2	1	5	12
Bond issues during the period	13	10	19	18	9	42	41

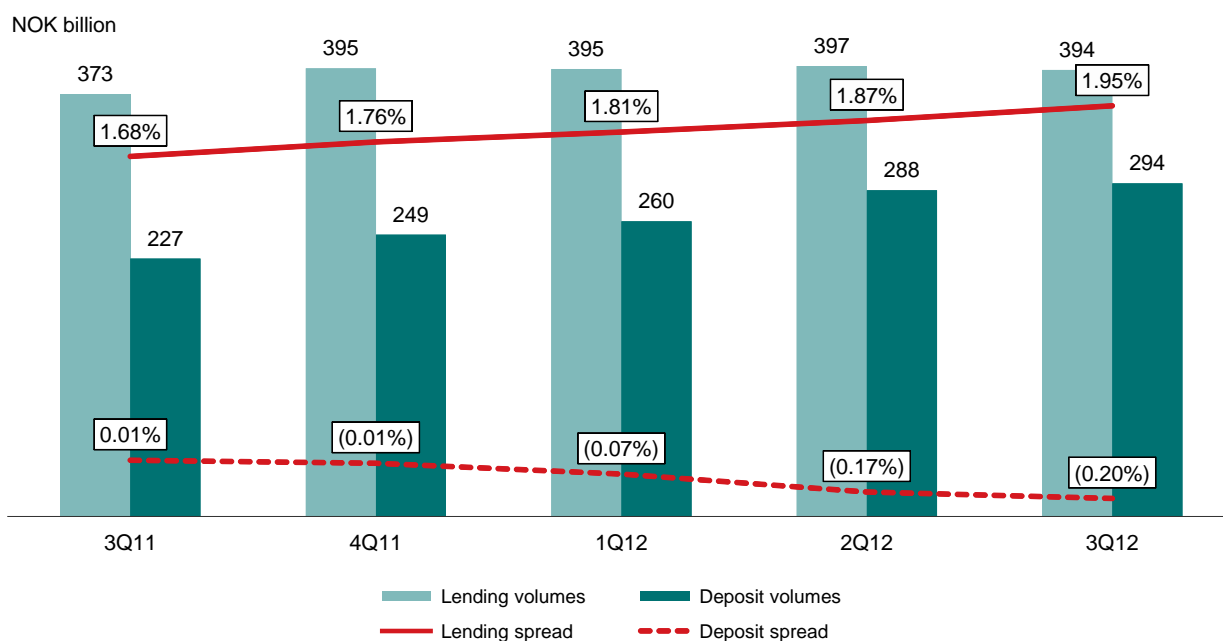
1) Average balances. Lending to customers includes accrued interest and write-downs. Lending to credit institutions is not included.

2) Difference between DNB underwriting and DNB final hold.

Net interest income

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11
Lending to customers ¹⁾	393 820	397 236	372 524	1.95	1.87	1.68	1 934	1 851	1 573
Deposits from customers ¹⁾	293 837	287 763	227 427	(0.20)	(0.17)	0.01	(148)	(119)	5
Allocated capital	26 032	25 378	21 810	2.21	2.40	2.94	145	152	162
Other							377	422	311
Total net interest income							2 308	2 306	2 052

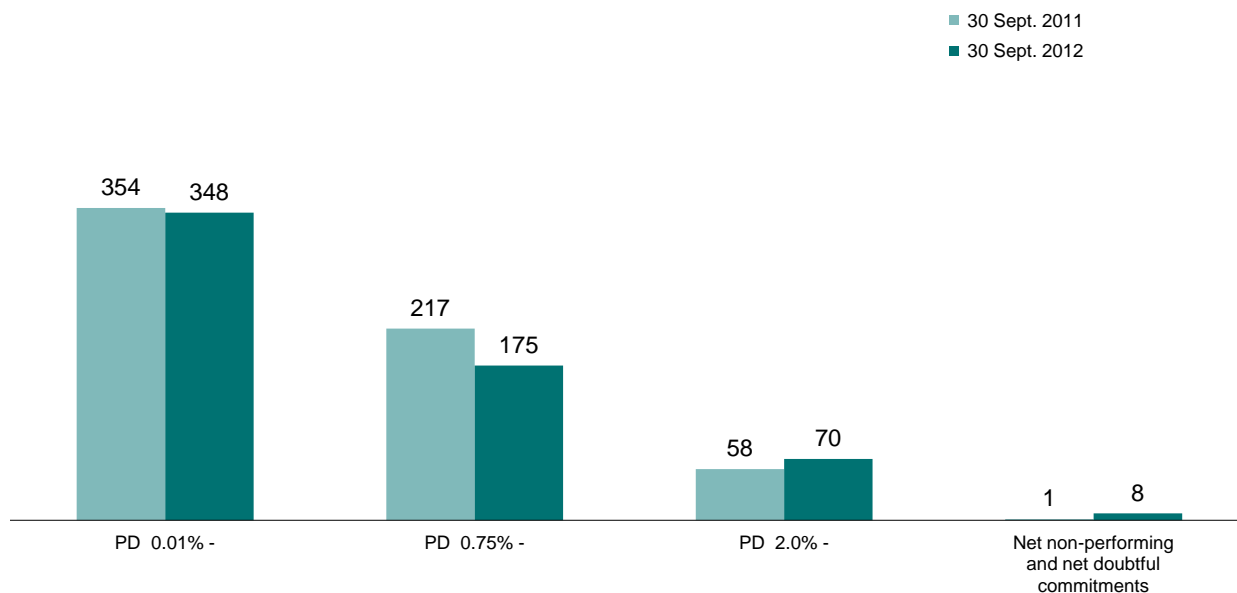
1) Based on nominal values excluding impaired loans.

Development in average volumes and interest spreads ¹⁾

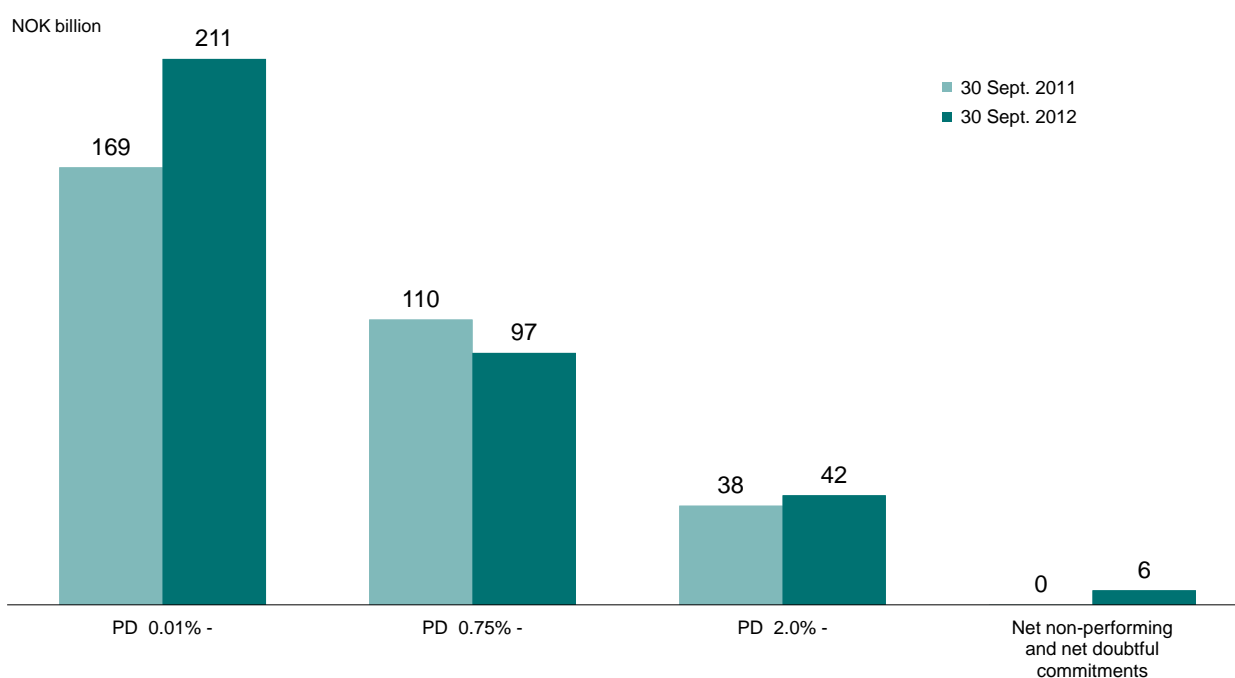
1) Lending to and deposits from customers. Nominal values, excluding impaired loans.

Risk classification of portfolio ¹⁾

NOK billion

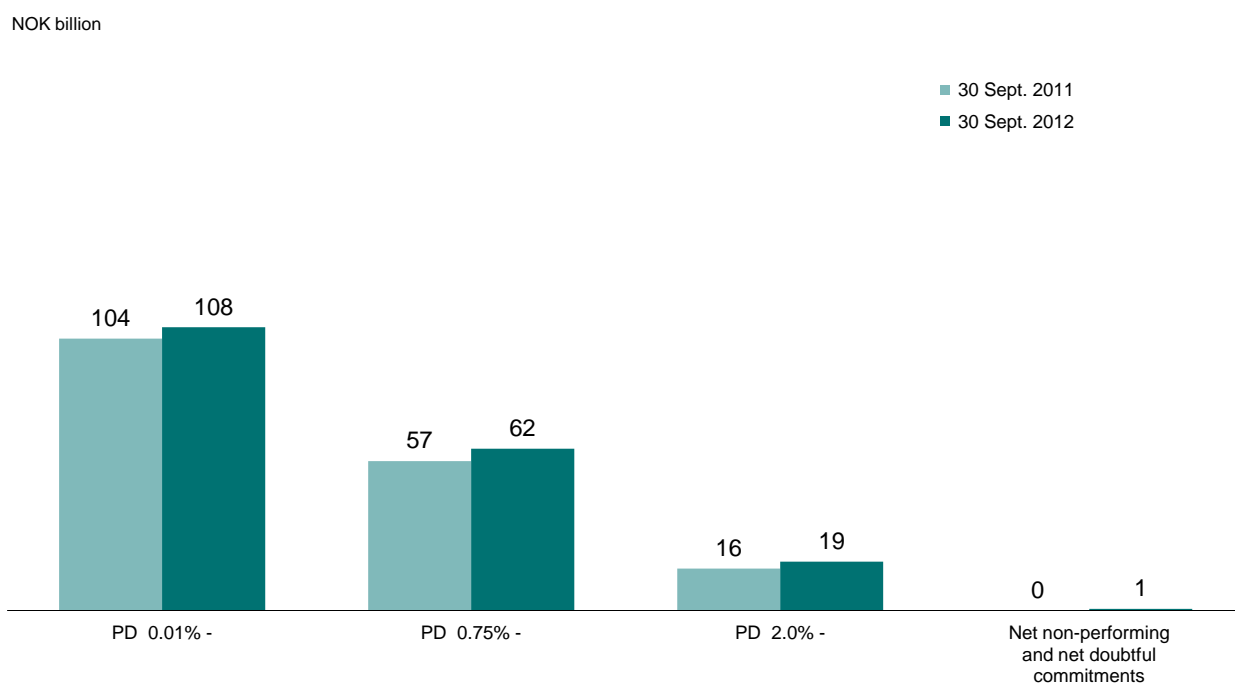


1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

Risk classification of international portfolio ^{1) 2)}

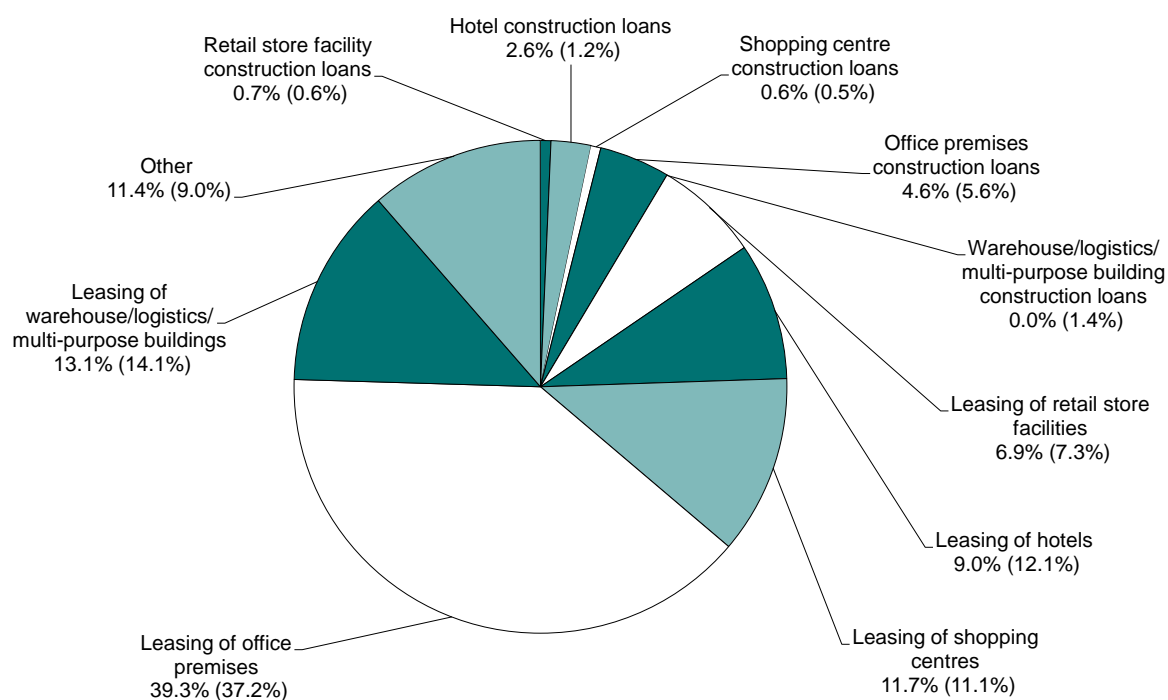
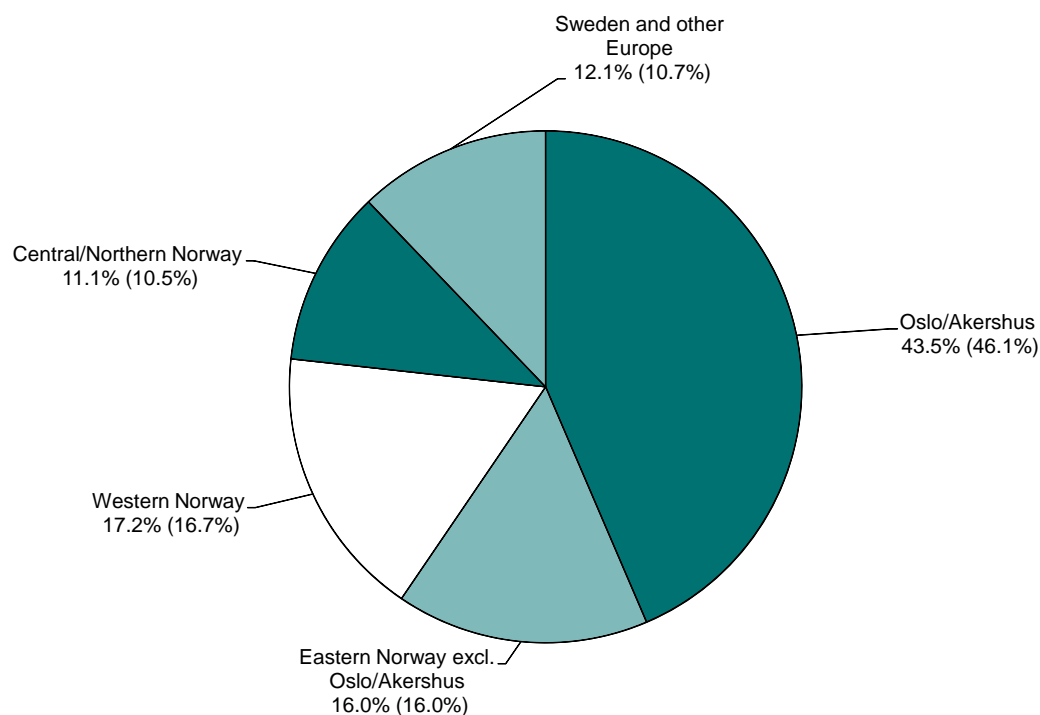
1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

2) The international portfolio comprises business recorded outside Norway.

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

1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

2) The numbers are totals for the DNB Group excluding DNB Baltics and Poland and include exposure recorded in both LCI and Retail Banking. The definition of this segment was adjusted in the second quarter of 2012 to reflect the actual underlying commercial property risk. Comparable figures have been restated. Figures as at 30 September 2011 do not include the former DnB NORD's portfolios in Denmark and Finland.

Commercial property exposure according to segment as at 30 September 2012 ¹⁾**Geographic distribution of commercial property exposure as at 30 September 2012 ¹⁾**

1) The numbers are totals for the DNB Group excluding DNB Baltics and Poland and include exposure recorded in both LCI and Retail Banking. The definition of this segment was adjusted in the second quarter of 2012 to reflect the actual underlying commercial property risk. Comparable figures as at 30 September 2011 in parentheses have been restated. Figures as at 30 September 2011 do not include the former DnB NORD's portfolios in Denmark and Finland.

Nordic Corporates Division

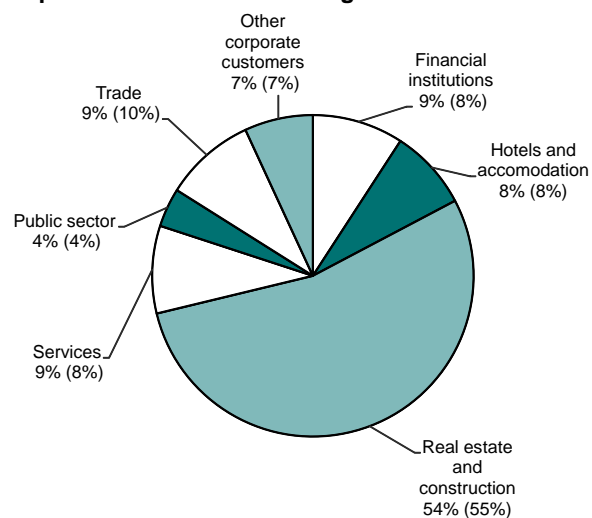
- The Nordic Corporates Division serves the bank's largest Norwegian and Nordic corporate clients within the retail and service industries, commercial real estate and contractors, financial institutions, the public sector and non-government organisations. The division also serves international clients in the same segments.
- DNB has a very strong market position in these segments in Norway. The majority of Norway's largest corporations are banking with DNB.
- Commercial real estate broking services are offered through the subsidiary DNB Næringsmegling AS.

Average volumes

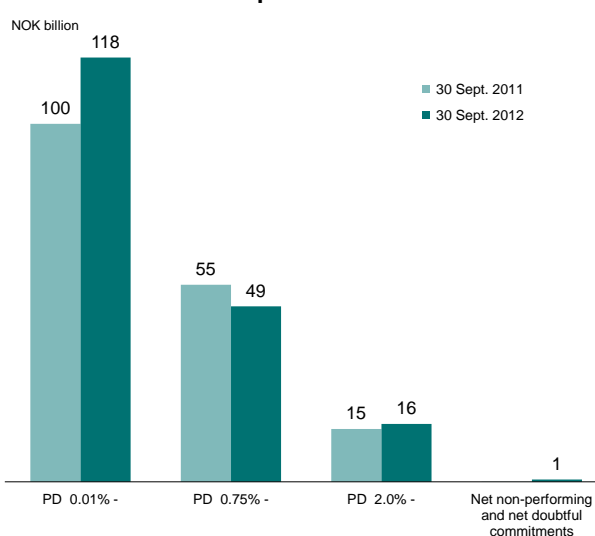
Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ¹⁾	135	138	133	131	127	135	121
- Adjusted for exchange rate movements ¹⁾	135	139	134	132	127	135	121
Guarantees	16	15	16	15	14	16	14
Customer deposits ¹⁾	124	115	97	87	81	112	79

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

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 September 2012. Percentages as at 30 September 2011 in parentheses.

2) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

International Corporates Division

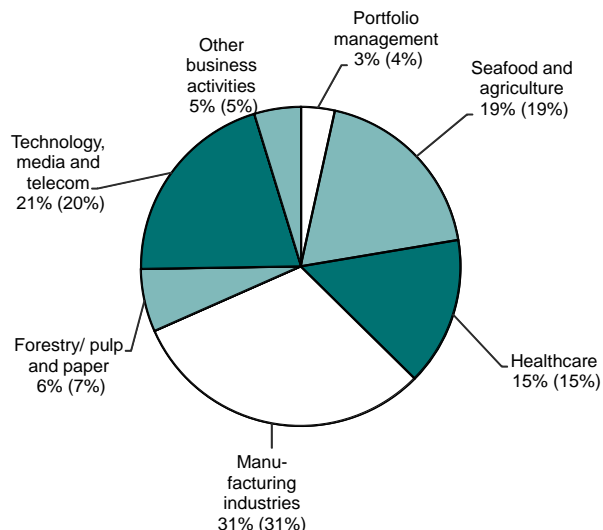
- The International Corporates Division serves large Norwegian corporates, international companies with business in Norway and international customers in the following sectors; foods, telecom, media, technology, healthcare, packaging industry and general manufacturing
- The division serves a majority of the Norwegian companies in the defined industries as lead bank as well as selected corporates internationally within LCI's international sector strategies.

Average volumes

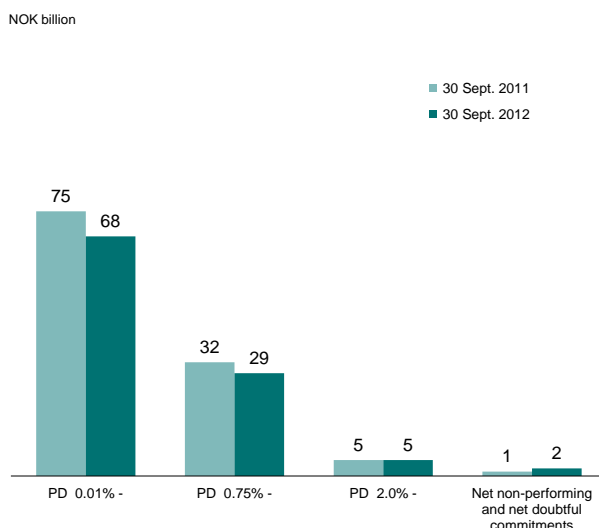
Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ¹⁾	69	72	70	70	64	70	60
- Adjusted for exchange rate movements ¹⁾	69	72	71	70	65	70	61
Guarantees	11	11	10	10	9	11	9
Customer deposits ¹⁾	41	42	32	37	32	39	35

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

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 September 2012. Percentages as at 30 September 2011 in parentheses.

2) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

Energy Division

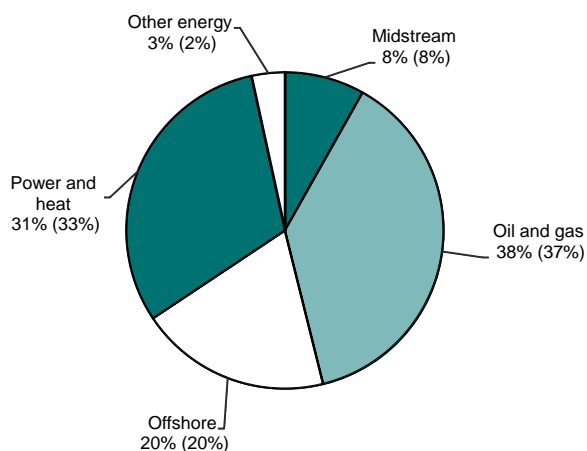
- The Energy Division serves customers in Norway and internationally in the oil and gas, oilfield services, power and renewable industries.
- The oil and gas and oilfield services industries are amongst the largest sectors in the world. Huge investments are needed in order to meet future demand for oil and gas. DNB has been active in these sectors for over 40 years.
- The power and renewable industries are fast growing sectors with focus on low-carbon-emission energy production. Considerable investments are needed in order to meet future ambitions within renewable energy. The bank has a strong focus on renewable energy, with main emphasis on hydro power, but also on wind and solar power.

Average volumes

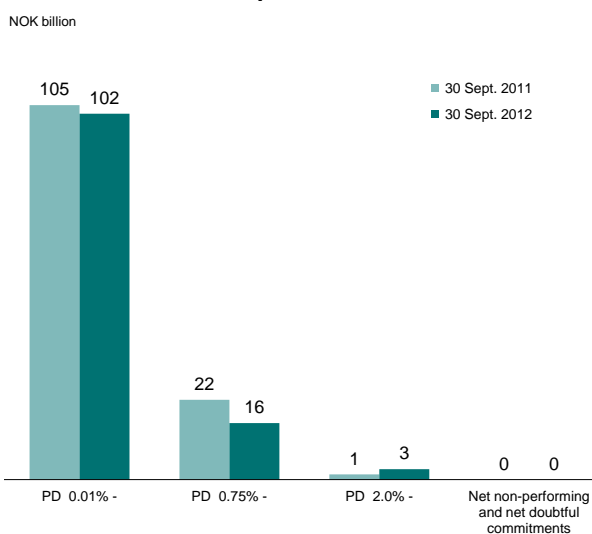
Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ¹⁾	53	51	48	48	44	51	40
- Adjusted for exchange rate movements ¹⁾	53	51	48	48	46	51	41
Guarantees	34	38	38	33	27	37	25
Customer deposits ¹⁾	57	58	58	49	44	57	41

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

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 September 2012. Percentages as at 30 September 2011 in parentheses.

2) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

Shipping, Offshore and Logistics Division

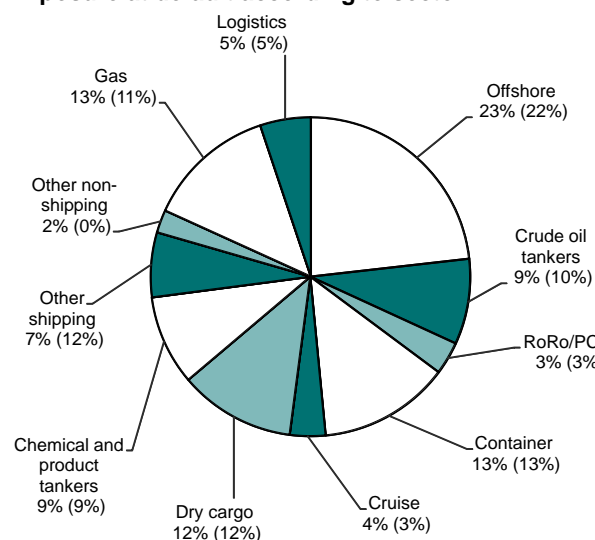
- The Shipping, Offshore and Logistics Division provides commercial and investment banking services to high-quality Norwegian and international shipping, offshore and logistics clients.
- DNB is a world leading arranger of syndicated loans to the shipping and offshore sectors.
- The division aims to 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

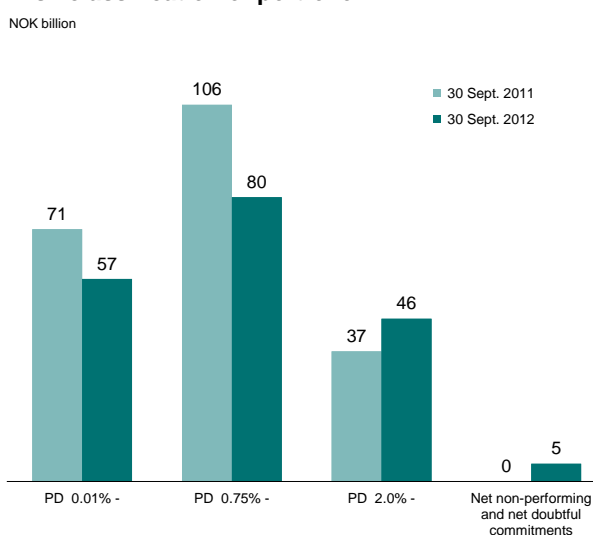
Amounts in NOK billion	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ¹⁾	139	140	141	141	131	140	132
- Adjusted for exchange rate movements ¹⁾	139	141	144	144	140	140	138
Guarantees	10	9	8	10	12	9	10
Customer deposits ¹⁾	67	70	62	65	62	66	66

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

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 September 2012. Percentages as at 30 September 2011 in parentheses.

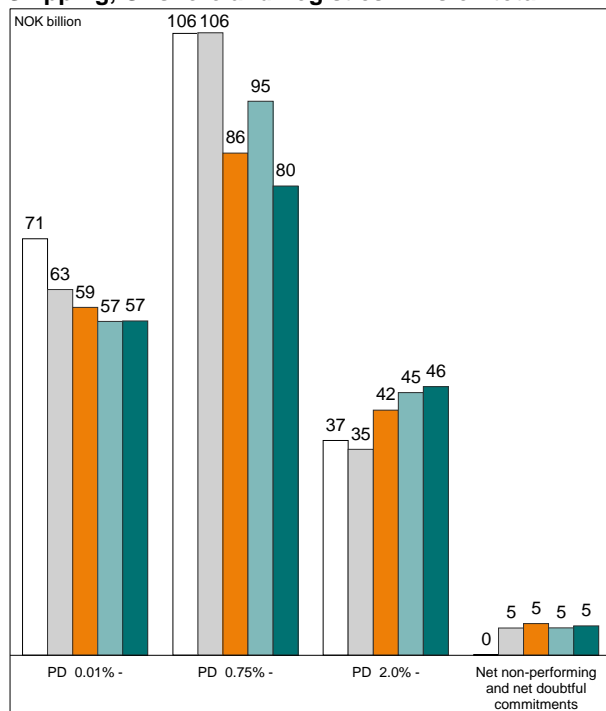
2) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures as at 30 September 2011 have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

Portfolio

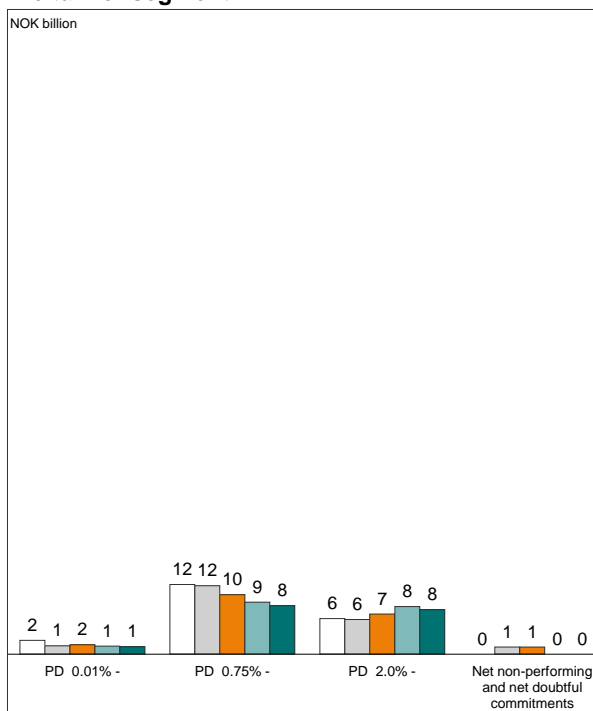
- DNB has a diversified portfolio in the maritime sector, as shown above.
- DNB expects weak dry bulk, container and tanker markets.
- Clients within the dry bulk segment are mainly well-established operators.
- The container portfolio mainly comprises companies that are among the major operators and tonnage providers.
- Within the crude tanker portfolio, clients are mainly leading international tanker owners.

Risk classification of portfolio – according to segment ¹⁾

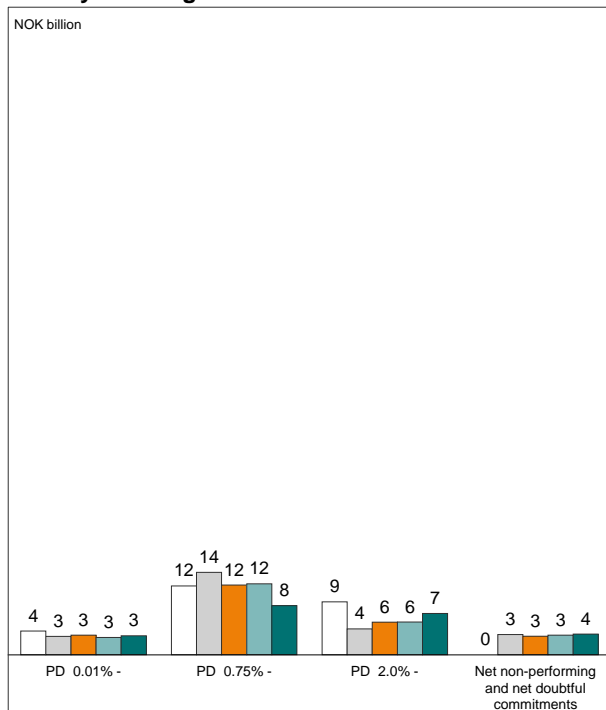
Shipping, Offshore and Logistics Division total



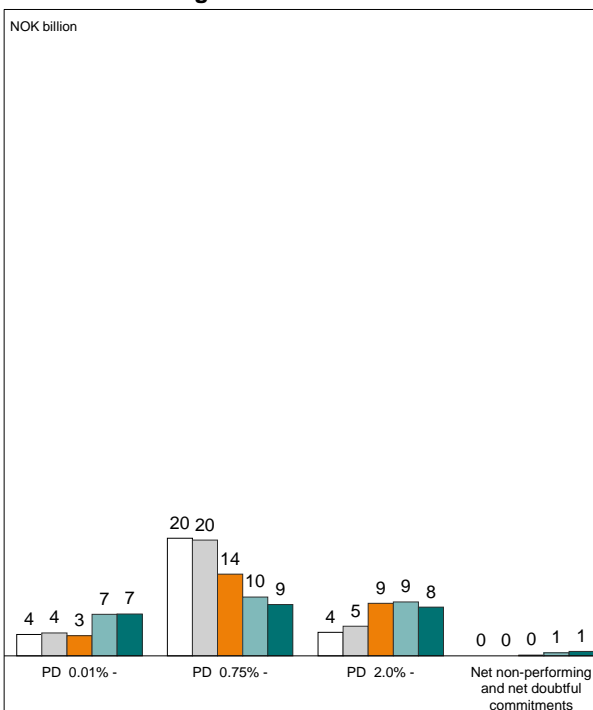
The tanker segment



The dry bulk segment



The container segment



30 Sept. 2011

31 Dec. 2011

31 March 2012

30 June 2012

30 Sept. 2012

1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. Figures for previous periods have been restated in consequence of an upward adjustment of PD for certain large corporate models in line with requirements from Finanstilsynet. In addition, commitment letters have been included in the figures. PD = probability of default.

JSC DNB Bank (Russia)

part of the Business Management and Products Division

JSC DNB Bank (Russia) 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's business in the Murmansk and Arkhangelsk region.

Average volumes

<i>Amounts in NOK billion</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ¹⁾	0.6	0.5	0.5	0.4	0.4	0.5	0.5
Guarantees	-	-	-	-	-	-	-
Customer deposits ¹⁾	0.5	0.5	0.5	0.5	0.6	0.5	0.6

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

DNB Luxembourg S.A.

DNB Luxembourg S.A. is a fully licensed bank with two business areas: Private banking and mortgage-financing of secondary homes outside Norway. The target customer base is Norwegians living outside Norway and/or with international interests.

Average volumes

<i>Amounts in NOK billion</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net lending to customers ^{1) 2)}	1.8	1.8	1.7	2.1	2.9	1.8	3.2
Guarantees	-	-	-	-	-	-	-
Customer deposits ¹⁾	4.4	5.3	4.9	4.5	3.5	4.9	3.2

1) Lending to customers includes accrued interest, write-downs and value adjustments. Correspondingly, deposits from customers include accrued interest.

2) The reduction in lending is partly due to the transfer of bank-guaranteed loans to Norway.

DNB Markets

DNB Markets is Norway's largest provider of securities and investment banking services. Ottar Ertzeid, group executive vice president, is head of DNB Markets.

DNB Markets comprises the following units:

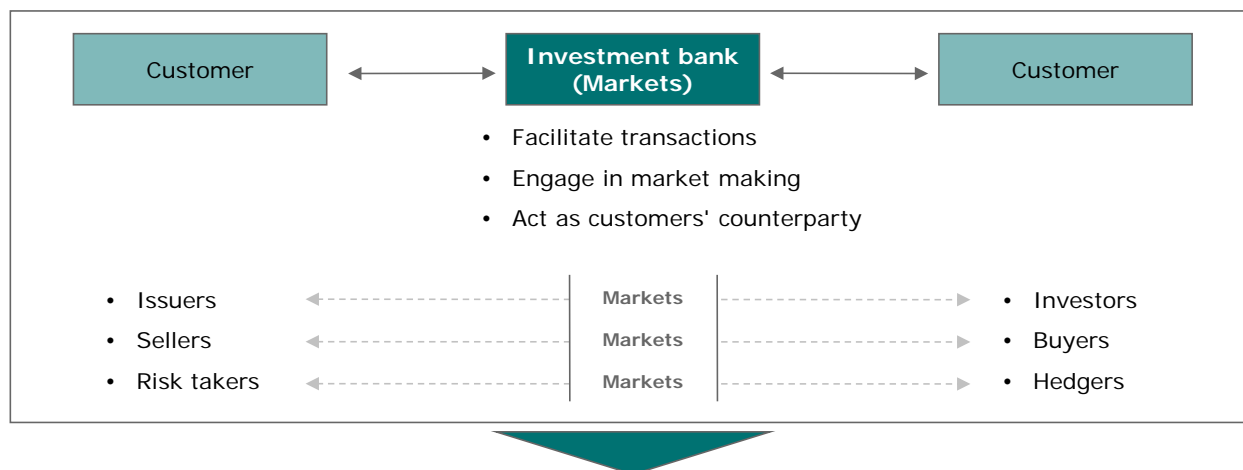
- Fixed Income/Currencies/Commodities
- Equities
- Investment Products
- Corporate Finance
- Securities Services

The Group Treasury is organised within DNB Markets though profits and losses for the unit are not recorded under this business area.

DNB 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 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 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 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 third quarter of 2012 (Source: Stamdata, Bloomberg).
- The largest brokerage house on Oslo Børs within fixed income securities in the secondary market in the third quarter of 2012 (Source: Oslo Stock Exchange).
- Leading within domestic securities services (Source: Oslo Stock Exchange).
- 54.2 per cent of limited companies use DNB Markets as registrar in the Norwegian Central Securities Depository (Source: Norwegian Central Securities Depository).

Employees

DNB Markets staff located in offices in Norway and abroad represents 721 full-time positions.

Financial performance

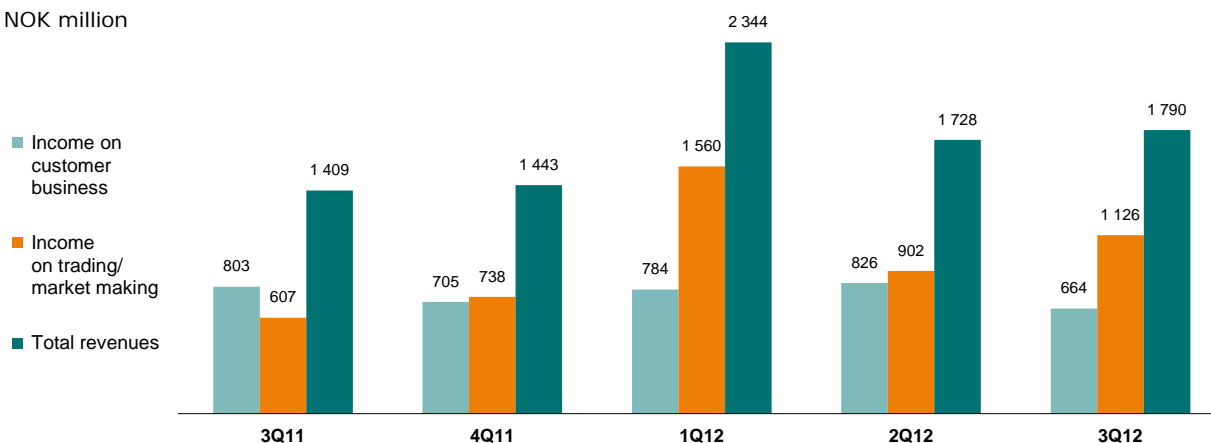
						Jan.-Sept.	
<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Net interest income - ordinary operations	111	169	193	195	236	473	647
Interest on allocated capital ¹⁾	36	45	45	50	44	126	114
Net interest income	147	214	238	245	280	599	762
Net other operating income	1 679	1 558	2 150	1 247	1 173	5 388	3 905
Total income	1 826	1 773	2 388	1 493	1 454	5 987	4 667
Operating expenses	541	571	545	483	486	1 657	1 516
Pre-tax operating profit	1 285	1 202	1 843	1 009	967	4 330	3 151
Allocated capital (NOK billion) ²⁾	6.6	7.4	6.6	6.7	6.0	6.9	5.6
Cost/income ratio (%)	29.6	32.2	22.8	32.4	33.5	27.7	32.5
Return on allocated capital, annualised (%) ²⁾	56.1	46.8	80.9	42.9	45.9	60.7	54.3

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

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

Income distribution

NOK million



Total revenues	1 409	1 443	2 344	1 728	1 790
Interest on allocated capital	44	50	45	45	36
Total income	1 454	1 493	2 388	1 773	1 826

Revenues within various segments, quarterly

Amounts in NOK million

	3Q12	2Q12	1Q12	4Q11	3Q11
FX, interest rate and commodity derivatives	358	419	415	407	433
Investment products	70	107	110	137	91
Corporate finance	177	240	212	106	227
Securities services	59	60	46	55	52
Total customer revenues	664	826	784	705	803
Net income international bond portfolio	714	274	781	51	(1)
Other market making/trading revenues	413	628	779	687	608
Total trading revenues	1 126	902	1 560	738	607
Interest income on allocated capital	36	45	45	50	44
Total income	1 826	1 773	2 388	1 493	1 454

Revenues within various segments, annual

Amounts in NOK million

	2011	2010	2009	2008	2007
FX, interest rate and commodity derivatives	1 476	1 317	1 665	1 936	1 332
Investment products	432	399	766	574	705
Corporate finance	770	903	570	643	828
Securities services	230	218	190	333	388
Total customer revenues	2 908	2 838	3 191	3 486	3 253
Net income international bond portfolio	591	1 151	1 147	(707)	(1 139)
Other market making/trading revenues	2 495	1 337	2 761	2 600	986
Total trading revenues	3 086	2 488	3 908	1 893	(153)
Interest income on allocated capital	165	145	144	305	117
Total income	6 159	5 471	7 243	5 685	3 217

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 Markets. Customers are served through:

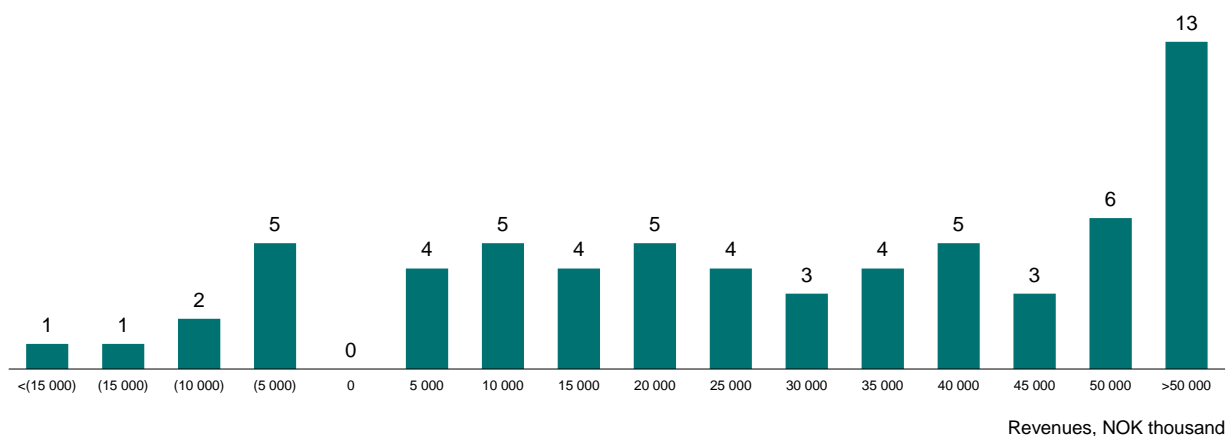
- Central units located in Oslo.
- International offices (Stockholm, London, New York, Houston, Singapore and Shanghai) and 12 regional offices in Norway.
- DNB Markets established a corporate finance unit in Stockholm in the third quarter of 2012.

Daily revenue statistics

<i>Amounts in NOK thousand</i>	Third quarter		Full year	
	2012	2011	2011	2010
Minimum	(25 028)	(123 655)	(123 659)	(82 403)
Maximum	91 979	116 728	116 728	105 172
Average	27 500	21 403	23 695	21 164
Loss days	9	14	34	44
Gain days	56	52	225	216

Daily revenue distribution in the third quarter of 2012

Number of days



Total income

<i>Amounts in NOK million</i>	3Q12
Total daily revenues	1 790
Interest on allocated capital	36
Total income	1 826

Risk profile

DNB 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.

<i>Amounts in NOK thousand</i>	30 Sept. 2012	Third quarter 2012		
	Actual	Average	Maximum	Minimum
Currency risk	13 430	11 252	19 480	4 160
Interest rate risk	37 920	33 178	41 540	26 240
Equities	1 047	4 502	9 962	165
Diversification effects ²⁾	(9 450)	(11 159)		
Total	42 947	37 772		

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 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 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 September 2012 and market rates at the same date.

Potential losses for DNB 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	11	12	108	438	478	44
USD	26	28	80	31	17	12
EUR	9	104	168	5	118	68
GBP	4	11	1	7	2	23
SEK	11	19	3	7	6	31
Other currencies	10	25	10	9	6	43
Banking portfolio						
NOK	306	19	207	93	21	153
EUR	0	0	2	16	3	21
Total						
NOK	317	7	315	345	457	108
USD	26	28	80	31	17	12
EUR	9	103	169	11	115	47
GBP	4	11	1	7	2	23
SEK	11	19	3	7	6	31
Other currencies	10	25	10	9	6	43

Insurance and Asset Management

The business area Insurance and Asset Management consists of DNB Livsforsikring ASA and DNB Asset Management Holding AS and their respective subsidiaries, in addition to DNB Skadeforsikring. The business area is headed by Tom Rathke, managing director of DNB Livsforsikring and group executive vice president in DNB.

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

Amounts in NOK million							Jan.-Sept.
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Total income ¹⁾	990	865	1 003	831	(114)	2 858	2 260
Operating expenses	564	558	589	576	575	1 711	1 757
Pre-tax operating profit ²⁾	426	307	414	255	(689)	1 147	503
Taxes	(75)	(41)	(95)	(122)	519	(211)	304
Operating profit	501	348	509	377	(1 208)	1 357	199
Assets under management (NOK billion) ²⁾	543	529	534	529	520	543	520
Allocated capital (NOK billion) ³⁾	12.0	14.2	13.7	15.2	17.7	13.3	16.7
Return on allocated capital, annualised (%) ³⁾	16.7	9.8	14.9	9.8	(27.1)	13.6	1.6
Cost/income ratio (%) ⁴⁾	56.9	64.6	58.7	69.3	(504.2)	59.9	77.8
Number of full-time positions at end of period	1 035	1 045	1 047	1 060	1 067	1 035	1 067
of which DNB Livsforsikring	703	718	716	733	740	703	740
of which DNB Asset Management	208	211	212	215	216	208	216
of which DNB Skadeforsikring	124	116	119	112	112	124	112

*) of which DNB Livsforsikring:							
Pre-tax operating profit including interest on allocated capital	319	215	381	141	(727)	915	328
Difference between recorded equity and allocated capital	(29)	(14)	(17)	0	29	(60)	54
Recorded pre-tax operating profit	348	229	398	141	(756)	975	274

*) of which DNB Asset Management:							
Pre-tax operating profit	51	39	42	78	36	131	156

*) of which DNB Skadeforsikring:							
Pre-tax operating profit including interest on allocated capital	57	52	(9)	36	2	100	18
Difference between recorded equity and allocated capital	2	2	4	4	4	8	11
Recorded pre-tax operating profit	55	50	(12)	32	(2)	93	7

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.

4) Due to stock market developments, operating income in DNB Livsforsikring was negative at NOK 371 million in the third quarter of 2011. This resulted in negative income for the Insurance and Asset Management business area.

Descriptions of the financial performance of DNB Livsforsikring, DNB Asset Management and DNB Skadeforsikring are divided into three separate sections on the next pages.

DNB Livsforsikring

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

DNB Livsforsikring aims to be Norway's strongest provider of pension savings. DNB Livsforsikring 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 Group's distribution network and serving as an attractive entry portal for customers into the DNB Group will be instrumental in reaching these targets.

Business model

DNB Livsforsikring's products fall into three main categories:

- Guaranteed products without profit sharing, where the company's main source of income is advance premium payments which cover the guaranteed rate of return and the insurance risk
- Fee-based products without interest guarantees
- Guaranteed products where the total profit is split between policyowners 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 products with guarantee	Corporate sector - defined benefit	68	3.0
	Public sector - defined benefit	38	2.8
	Individual sector - defined benefit	8	2.0
Fee-based products without guarantee	Unit linked - individual	9	
	Defined contribution - corporate	19	
	Risk products - individual	1	
	Risk products - corporate	1	
Profit sharing with guarantee	Paid-up policies (profit sharing 20/80) ¹⁾	61	3.5
	Previously established individual products (profit sharing 35/65) ²⁾	44	3.5
Corporate portfolio		21	

1) The owner's shares of the positive interest result and the risk result are 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.
- 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 Group, including mutual funds from DNB Asset Management and equity-linked bonds from DNB Markets.

Organisation and markets

The business area is represented in most parts of Norway through sales offices and also provides services through DNB's distribution networks and independent agents, as well as via the Internet.

Employees

DNB Livsforsikring gives priority to retaining and developing a high level of expertise within insurance products, management and other relevant areas of competence. At end-September 2012, DNB Livsforsikring's staff included 703 permanent full-time positions and 42 temporary employees.

Financial performance

Amounts in NOK million							Jan.-Sept.
	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Net result from equities	837	(966)	1 504	2 199	(6 600)	1 375	(6 979)
Net result from other asset classes ^{*)}	2 866	2 808	2 869	1 536	2 652	8 543	7 845
Value-adjusted financial result ^{1) 2)}	3 703	1 842	4 373	3 735	(3 948)	9 918	866
Guaranteed return on policyholders' funds	1 740	1 767	1 714	1 756	1 693	5 221	5 100
Financial result after guaranteed returns	1 963	75	2 658	1 979	(5 641)	4 697	(4 235)
+ From market value adjustment reserve	(1 033)	1 175	(1 309)	(409)	101	(1 168)	2 591
Recorded interest result before the application of/ (transfers to) additional allocations	930	1 250	1 349	1 570	(5 540)	3 529	(1 644)
Application of/(transfers to) additional allocations	0	0	0	(1 062)	1 586	0	1 586
Recorded interest result	930	1 250	1 349	508	(3 954)	3 529	(58)
Risk result ³⁾	(26)	(6)	(102)	62	202	(134)	67
Administration result	2	(6)	(12)	(162)	(8)	(17)	(30)
Upfront pricing of risk and guaranteed rate of return	146	146	142	136	132	434	395
Transferred from/(to) security reserve	(6)	5	(10)	(18)	(6)	(11)	(22)
Provisions for higher life expectancy and proposed allocations to policyholders ⁴⁾	699	1 160	969	385	(2 877)	2 828	78
Net profit	348	229	398	141	(756)	975	274
Taxes	(105)	(66)	(104)	(154)	508	(276)	255
Profit	453	295	502	294	(1 264)	1 250	19
Return on allocated capital, annualised ⁵⁾	15.8	8.7	15.8	8.5	(30.2)	13.3	0.6

*) Of which property revaluation ⁶⁾ (4) 42 70 225 405 107 720

1) Excluding 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 82 and 79.

3) The risk result includes an increase in premium reserves for individual pensions. See the table "Provisions for higher life expectancy" on page 78.

4) Allocations to policyholders include a proposed increase in premium reserves for group pensions to reflect higher life expectancy, totalling NOK 663 million in the third quarter of 2012 and NOK 2 394 million in the first three quarters of 2012. The provisions, which are preliminary, are financed through the interest result and will be finally determined at year-end. See the table "Provisions for higher life expectancy" on page 78.

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

6) Changes in the value of directly owned properties, DNB Scandinavian Property Fund and properties owned through joint ventures. The total value of investment properties was NOK 39.9 billion as at 30 September 2012.

Result

<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Upfront pricing of risk and guaranteed rate of return	146	146	142	136	132	434	395
Return on corporate portfolio	159	44	211	(6)	(380)	413	(2)
Total inadequate additional allocations ¹⁾	0	0	0	35	(53)	(0)	(53)
Owner's share of interest result, common portfolio ^{2) 3)}	17	86	87	-	(476)	189	0
Owner's share of risk result, common portfolio ^{3) 4)}	12	16	(80)	(25)	6	(52)	(2)
Administration result, common portfolio + unit linked ⁵⁾	(10)	(26)	(32)	(52)	26	(68)	(38)
Risk result and interest result, unit linked ⁶⁾	4	0	0	(8)	12	4	(1)
Risk products ⁷⁾	21	(37)	71	60	(22)	55	(26)
Pre-tax operating profit	348	229	398	141	(756)	975	274

- 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 shares of the positive interest result from paid-up policies and previously established individual products are 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 is required to cover more than 35 per cent of the increase in reserves.
- 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 were 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.

Provisions for higher life expectancy

As Norwegian life insurance companies offer life-long pension payments, higher life expectancy in the population is one of many risk factors.

<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.		Full year		
						2012	2011	2011	2010	2009
Group pension ¹⁾	663	998	733	464	-	2 394	-	464	-	-
Individual pension ^{2) *)}	100	83	118	75	33	301	225	300	973	177
Total	763	1 080	851	539	33	2 694	225	764	973	177

*) Of which attributable to the owner

35 29 41 75 158 105 225 300 341 62

- 1) Provisions representing 5-7 per cent of the premium reserve within group pension schemes may be required over the next few years, depending on whether Statistics Norway's low or medium alternative for life expectancy is used. The company expects to be able to finance the increase through a positive interest result, though the length of the escalation plan and the contribution from equity remain to be clarified. As part of the upward adjustment of life expectancy, provisions for group pension insurance were increased by NOK 2 394 million in the first three quarters of 2012. The increase in provisions, which is preliminary, is financed through the interest result and will be finally determined at year-end 2012.
- 2) DNB Livsforsikring strengthened its reserves during 2009 to 2011 in order to reflect higher life expectancy for individual pension insurance. At the start of 2012, the remaining required increase in reserves was estimated at NOK 470 million, all of which will be built up during 2012. A revised estimate of NOK 400 million was calculated at the end of the first half of 2012.

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

<i>Amounts in NOK million</i>	Jan.-Sept.	Full year				
	2012	2011	2010	2009	2008	2007
Tax charge	(276)	101	(672)	(175)	427	(2 074)

- 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. However, the Ministry of Finance proposed to limit the use of the exemption model to returns which accrue to the owner with effect from 1 January 2012. If the proposal is approved, it will result in higher tax costs, which in turn will entail higher product prices and higher-priced pension schemes for customers.

Value-adjusted return on assets

						Jan.-Sept.	
<i>Per cent</i>	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Return - common portfolio ¹⁾							
Financial assets							
Norwegian equities	6.8	(4.2)	11.4	11.3	(17.4)	14.0	(20.8)
International equities ²⁾	5.0	(5.2)	10.0	9.2	(15.7)	9.5	(14.2)
Norwegian bonds	2.7	1.7	1.5	0.9	2.8	5.9	4.9
International bonds	2.6	2.7	2.3	0.0	4.4	7.8	7.2
Money market instruments	0.6	0.6	0.7	0.9	0.9	1.9	2.2
Bonds held to maturity	1.2	1.3	1.2	1.3	1.3	3.7	3.8
Investment property	1.3	1.5	1.5	2.0	2.4	4.3	5.9
Value-adjusted return on assets I ³⁾	1.6	0.8	1.9	1.7	(1.7)	4.5	0.4
Value-adjusted return on assets II ⁴⁾	2.5	0.9	2.2	1.6	(0.9)	5.7	1.2
Recorded return on assets ^{5) *)}	1.2	1.4	1.3	1.5	(1.6)	4.0	1.7
Value-adjusted return on assets I, annualised ³⁾	6.8	3.4	8.1	7.2	(6.5)	6.2	5.5
Value-adjusted return on assets II, annualised ⁴⁾	10.4	3.6	9.4	6.7	(3.7)	7.9	6.7
Return - corporate portfolio							
Value-adjusted return on assets I ³⁾	0.9	0.3	1.2	0.7	(2.2)	2.4	0.4

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

Previously established individual products	0.9	1.3	1.4	1.6	(2.1)	3.7	1.3
Paid-up policies							
- with low risk	1.1	1.7	1.1	1.4	(1.3)	3.8	1.9
- with moderate risk	1.2	1.5	1.2	1.5	(1.6)	3.9	1.7
- with high risk	1.3	1.6	1.3	1.6	(2.9)	4.2	0.4
Common portfolio							
- with low risk	1.1	1.4	1.2	1.2	(0.7)	3.7	2.2
- with moderate risk	1.3	1.3	1.5	1.5	(1.3)	4.1	1.9
- with high risk	1.5	1.2	1.8	1.6	(2.1)	4.6	1.1
Public market ⁶⁾	1.2	1.4	1.2			3.9	
Recorded return on assets	1.2	1.4	1.3	1.5	(1.6)	4.0	1.7

1) Returns are calculated on a quarterly basis.

2) International equities include DNB Livsforsikring'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.

6) At year-end 2011, DNB Livsforsikring chose to establish a separate portfolio for public sector customers. The portfolio will carry lower risk, and prices will be adapted to the public market.

Key figures per sub-portfolio as at 30 September 2012

	Corporate portfolio	Common portfolio								
		Total common portfolio	Advance pricing of guaranteed rate of return				Profit sharing			
			Common portfolio with			Public market	Paid-up policies with			Previously established individual products
			low risk	moderate risk	high risk		low risk	moderate risk	high risk	
Recorded return on assets	2.4	4.0	3.7	4.1	4.6	3.9	3.8	3.9	4.2	3.7
Value-adjusted return on assets	2.4	4.5	4.2	4.6	5.1	4.4	4.4	4.5	4.7	4.2
Asset class breakdown: ¹⁾										
- Equity exposure	3.5	7.1	6.1	9.2	13.2	7.8	4.8	6.3	8.1	3.6
- Money market instruments	83.9	16.6	21.4	18.3	14.2	19.7	9.4	7.8	6.0	23.9

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

						Jan.-Sept.	
<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	2012	2011
Total premiums due ^{1) 2)}	4 320	2 838	7 756	3 008	4 972	14 914	15 195
Inflow of reserves	433	703	675	566	1 051	1 811	4 495
Outflow of reserves	458	596	1 534	705	695	2 588	2 437
Net premiums paid	4 295	2 945	6 896	2 870	5 328	14 137	17 252
Outflow of reserves	458	596	1 534	705	695	2 588	2 437
Total premium income	4 753	3 541	8 430	3 575	6 023	16 725	19 689

1) Of which group pensions - defined benefit

2 705 1 345 5 278 1 128 2 923 9 328 8 732

2) Of which group pensions - defined contribution

862 810 846 795 773 2 518 2 273

Reconciliation of DNB Livsforsikring's and the Group's income statement

The table below shows how items on DNB Livsforsikring's income statement are included in the Group's income statement.

	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
<u>DNB Group:</u>							
Net gains on assets in DNB Livsforsikring	4 318	1 935	4 548	4 255	(5 275)	10 801	1 540
Guaranteed returns and allocations to policyholders in DNB Livsforsikring	4 077	1 836	4 157	4 124	(4 208)	10 070	1 648
Premium income etc. included in the risk result in DNB Livsforsikring	1 586	991	1 330	1 291	1 213	3 907	3 650
Insurance claims etc. included in the risk result in DNB Livsforsikring	1 617	992	1 442	1 247	1 017	4 051	3 606
Net financial and risk result in DNB Livsforsikring	210	98	279	176	(871)	586	(63)
<u>DNB Livsforsikring:</u>							
Recorded interest result	930	1 250	1 349	508	(3 954)	3 529	(58)
Allocations to policyholders, products with guaranteed returns	699	1 160	969	385	(2 877)	2 828	78
Risk result	(26)	(6)	(102)	62	202	(134)	67
Transferred from/(to) security reserve	(6)	5	(10)	(18)	(6)	(11)	(22)
+ Costs from subsidiaries which are fully consolidated in DNB Livsforsikring's accounts	10	9	11	8	9	29	28
Net financial and risk result in DNB Livsforsikring	210	98	279	176	(871)	586	(63)

<u>DNB Group:</u>							
Commissions and fees receivable	584	576	569	426	567	1 729	1 735
Commissions and fees payable	84	84	84	78	74	252	237
Other income	8	7	8	9	5	23	20
Operating expenses	370	368	374	392	384	1 112	1 181
Administration result including upfront pricing of risk and guaranteed rate of return	138	131	119	(34)	115	388	338
<u>DNB Livsforsikring:</u>							
Upfront pricing of risk and guaranteed rate of return	146	146	142	136	132	434	395
Administration result	2	(6)	(12)	(162)	(8)	(17)	(30)
- Costs from subsidiaries which are fully consolidated in DNB Livsforsikring's accounts	10	9	11	8	9	29	28
Administration result including upfront pricing of risk and guaranteed rate of return	138	131	119	(34)	115	388	338

Balance sheets ¹⁾

Amounts in NOK million	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Lending to and deposits with credit institutions	5 543	5 669	5 588	4 999	7 532
Lending to customers	1 927	2 044	1 926	1 858	996
Commercial paper and bonds	62 688	60 169	66 550	72 810	52 284
Shareholdings	39 072	39 328	41 925	40 607	58 974
Financial assets, customers bearing the risk	27 600	25 391	25 770	23 776	22 712
Financial derivatives	1 548	1 350	1 246	1 470	1 505
Commercial paper and bonds, held to maturity	88 493	88 308	83 528	73 954	69 677
Investment property	39 935	40 396	37 764	37 632	37 494
Investments in associated companies	17	16	16	16	16
Intangible assets	208	213	219	240	246
Deferred tax assets	200	77	0	0	69
Fixed assets	6	7	9	10	12
Other assets	3 293	3 636	2 828	1 460	4 135
Total assets	270 529	266 605	267 368	258 831	255 653
Financial derivatives	1 161	1 096	1 183	2 322	2 282
Insurance liabilities, customers bearing the risk ²⁾	27 600	25 391	25 770	23 776	22 712
Liabilities to life insurance policyholders in DNB Livsforsikring ²⁾	220 574	218 081	218 093	212 271	209 889
Payable taxes	20	2	41	214	1 085
Deferred taxes	0	0	279	382	0
Other liabilities	2 703	4 009	4 300	2 646	5 724
Pension commitments	231	223	222	224	223
Subordinated loan capital	2 502	2 516	2 491	2 509	2 505
Total liabilities	254 791	251 320	252 378	244 343	244 420
Share capital	1 621	1 621	1 621	1 621	1 321
Share premium reserve	3 875	3 875	3 875	3 875	1 175
Other equity	10 242	9 789	9 494	8 992	8 737
Total equity	15 738	15 285	14 990	14 488	11 233
Total liabilities and equity	270 529	266 605	267 368	258 831	255 653

*) Of which group pensions - defined contribution

18 984

17 021

16 609

14 821

13 544

**) Of which group pensions - defined benefit

166 573

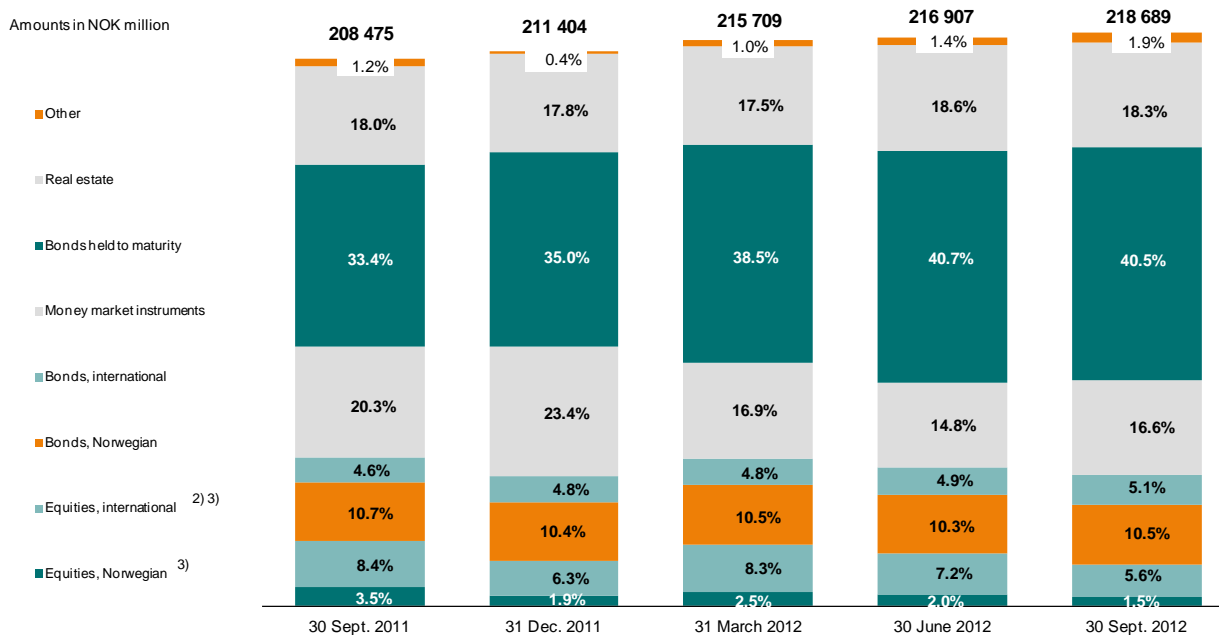
164 045

163 479

158 561

156 248

1) The figures encompass DNB Livsforsikring ASA including subsidiaries as included in the DNB Group accounts before eliminations of intra-group transactions and balances.

Financial exposure - common portfolio ¹⁾

1) The figures represent net exposure after derivative contracts.

2) International equities include DNB Livsforsikring's exposure in hedge funds, private equities and real estate funds.

3) Equity exposure per sub-portfolio in the common portfolio, see table on page 80.

Financial exposure per sub-portfolio as at 30 September 2012

<i>Amounts in NOK million</i>	Common portfolio with			Public market	Paid-up policies with			Previously established individual products	Total common portfolio	Corporate portfolio	Total
	Low risk	Moderate risk	High risk		Low risk	Moderate risk	High risk				
Equities, Norwegian	47	1 079	692	648	340	285	47	248	3 386	717	4 103
Equities, international	178	3 647	2 202	2 296	1 394	1 058	163	1 307	12 245	0	12 245
Bonds, Norwegian	390	5 414	2 303	3 993	3 841	2 242	272	4 593	23 048	87	23 135
Bonds, international	190	2 633	1 120	1 942	1 868	1 090	132	2 233	11 208	0	11 208
Money market instruments	790	9 369	3 102	7 450	3 403	1 656	154	10 402	36 326	17 200	53 526
Bonds held to maturity	1 361	18 898	8 039	13 937	18 269	10 663	1 293	16 032	88 492	0	88 492
Real estate	676	9 380	3 990	6 917	6 654	3 884	471	7 957	39 929	6	39 935
Other	69	953	405	702	676	394	48	808	4 055	2 492	6 547
Total	3 701	51 373	21 853	37 885	36 445	21 272	2 580	43 580	218 689	20 502	239 191

Market shares in Norway

<i>Per cent</i>	30 June 2012	31 Dec. 2011	30 June 2011
Of insurance funds including products with a choice of investment profile	28.3	28.9	29.7
- Corporate market	38.6	39.2	39.6
- Public market	10.1	10.5	10.8
- Retail market	51.9	52.2	53.0

Source: Finance Norway (FNO)

Cooperation with other group entities

- By taking advantage of the strength of the DNB Group's total distribution network, DNB Livsforsikring is well positioned to enjoy continued market growth.
- In the third quarter of 2012, other business areas accounted for 56.5 per cent of the sales of DNB Livsforsikring's products in the retail market, compared with 71.0 per cent in the corresponding period of 2011.

Solvency capital ^{1) 2)}

<i>Amounts in NOK million</i>	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Interim profit, accumulated	3 803	2 756	1 367	0	352
Market value adjustment reserve	1 577	544	1 719	409	0
Additional allocations	4 959	4 996	5 132	5 171	3 775
Security reserve	207	200	206	196	177
Risk equalisation fund	821	821	821	821	661
Equity ³⁾	13 667	13 667	13 667	13 667	10 552
Subordinated loan capital and perpetual subordinated loan capital securities	2 485	2 508	2 484	2 503	2 485
Unrealised gains on long-term securities	5 137	3 226	3 121	2 444	2 655
Solvency capital ³⁾	32 654	28 719	28 516	25 211	20 658
Buffer capital ⁴⁾	15 625	13 749	13 680	11 527	6 278

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) In order to increase the level of solvency capital, DNB Livsforsikring received a NOK 3 billion equity injection from DNB ASA in October 2011. The increase in capital is part of the process to adapt to new capital requirements under the Solvency II regulations which will be introduced from 2013.

4) Buffer capital represents the sum of equity and subordinated loan capital 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 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Capital adequacy ²⁾					
Total eligible primary capital	14 647	14 597	14 633	14 869	11 688
Capital adequacy ratio (%)	14.7	14.3	14.0	15.3	9.8
Core capital	13 492	13 414	13 474	13 521	10 297
Core capital (%)	13.6	13.1	12.9	13.9	8.6
Risk-weighted assets	99 403	102 183	104 615	97 133	119 201
Solvency margin capital ³⁾					
Solvency margin capital	17 630	17 596	17 703	17 953	14 123
Solvency margin capital exceeding minimum requirement	7 859	8 041	8 121	8 621	4 938
Solvency margin capital in per cent of solvency margin capital requirement (%)	180	184	185	192	154

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 Asset Management

DNB 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 Asset Management.

DNB 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 Asset Management 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's extensive network of branches and regional financial service 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, also through cooperation with Large Corporates and International

Employees

DNB Asset Management totalled 208 full-time positions at the end of the quarter.

Financial performance

<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net interest income - ordinary operations	(9)	(8)	(9)	(10)	(10)	(26)	(29)
Interest on allocated capital ¹⁾	3	3	4	4	4	11	11
Net interest income	(6)	(4)	(5)	(5)	(6)	(16)	(18)
Net commission income							
- from retail customers	64	69	73	78	79	207	272
- from institutional clients	135	120	125	138	107	380	340
Other income	4	4	3	4	5	11	8
Total income	197	190	196	215	184	582	603
Operating expenses	146	151	154	137	149	450	446
Pre-tax operating profit before write-downs	51	39	42	78	36	131	156
Net gains on fixed and intangible assets	0	0	0	0	0	0	0
Pre-tax operating profit	51	39	42	78	36	131	156

Assets under management (NOK billion) ^{2) 3)}							
Institutional	458	443	448	443	432	458	432
- of which DNB Livsforsikring ⁴⁾	222	215	218	210	204	222	204
Retail	35	34	36	37	36	35	36
Total	493	477	484	480	468	493	468

Key figures							
Cost/income ratio (%)	74.2	79.4	78.7	63.6	80.5	77.4	74.1
Return on allocated capital, annualised (%) ⁵⁾	25.1	19.4	21.0	38.2	19.1	21.8	28.1

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

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

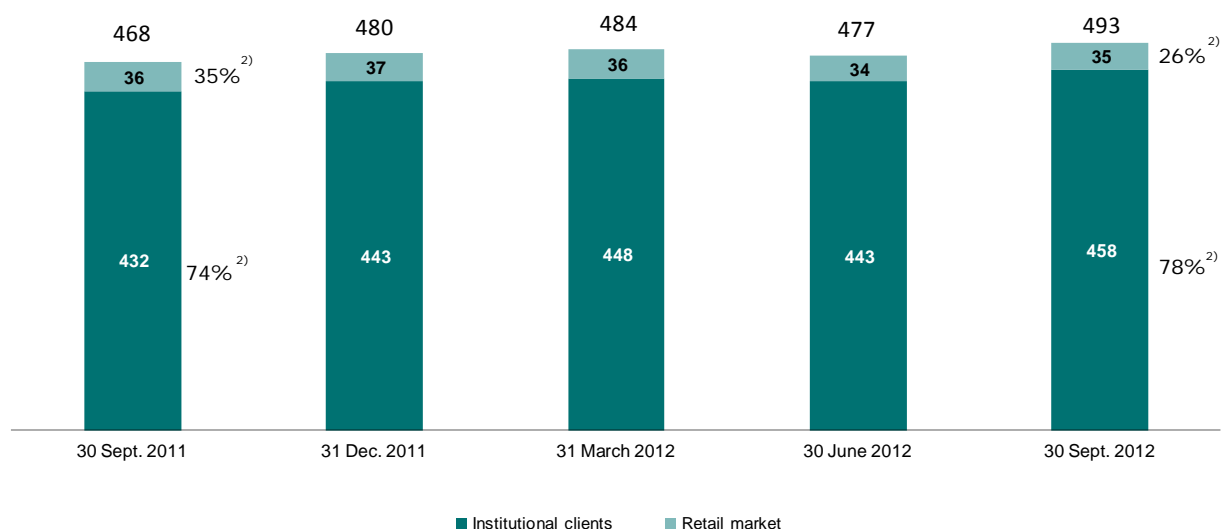
3) With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. Figures for previous periods have been restated.

4) Managed on behalf of DNB Livsforsikring.

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

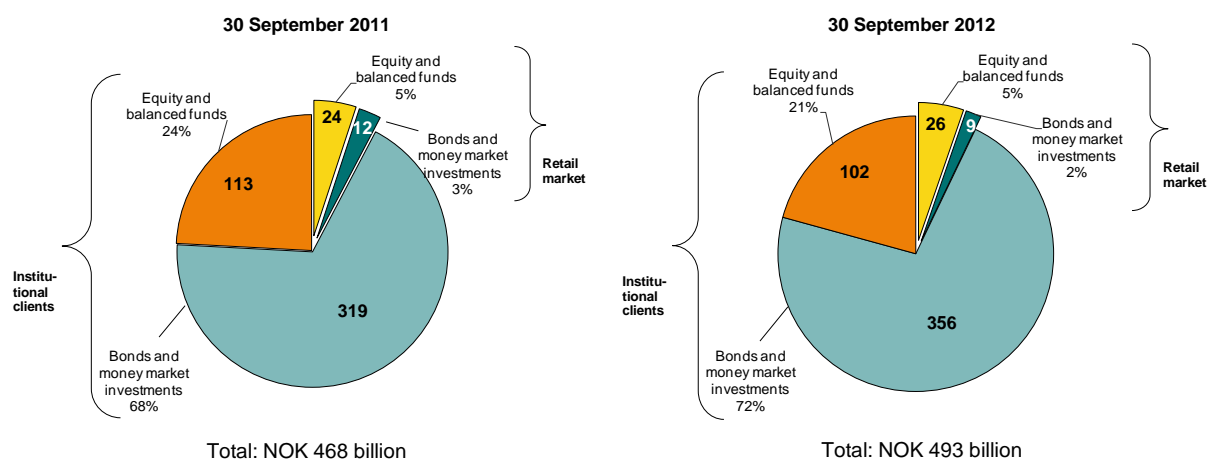
Assets under management - distribution by market segment ¹⁾

NOK billion



1) With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. 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) With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. Figures for previous periods have been restated.

Changes in assets under management - net inflow

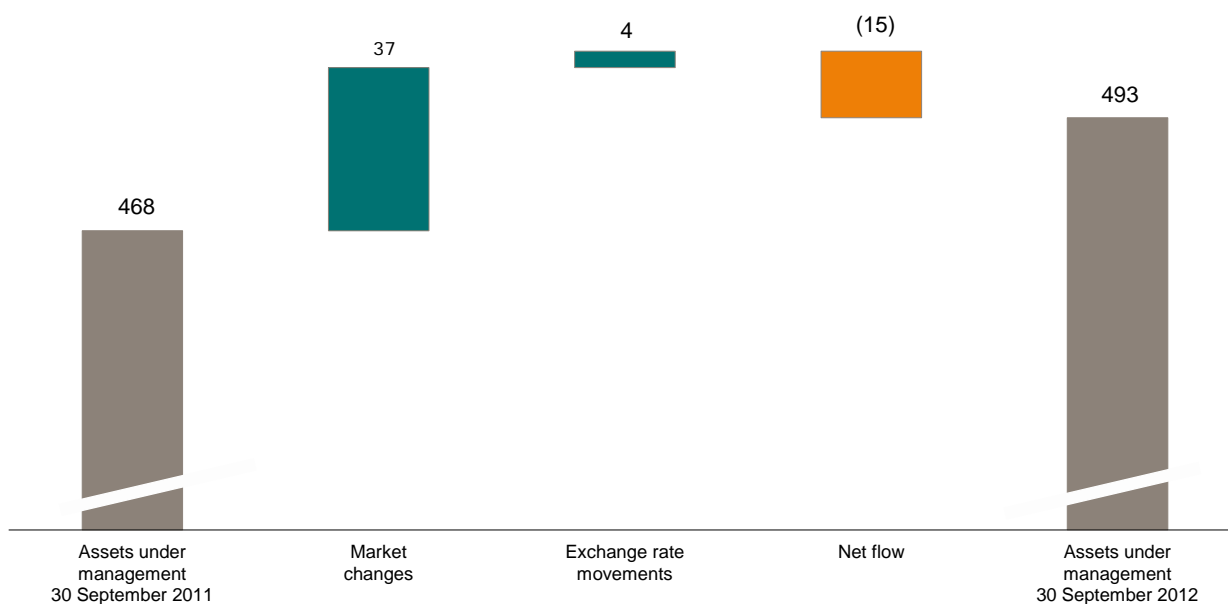
Amounts in NOK million	3Q12	2Q12	1Q12 ¹⁾	4Q11	3Q11	Jan.-Sept.	
						2012 ¹⁾	2011 ²⁾
Retail market	(430)	(590)	(2 708)	(1 044)	(1 085)	(3 729)	(2 151)
Institutional clients	(1 049)	(2 196)	(7 306)	288	3 160	(10 551)	466
Total	(1 480)	(2 786)	(10 014)	(756)	2 075	(14 280)	(1 685)

1) Excluding dividends of NOK 2 252 million, of which NOK 312 million refers to retail and NOK 1 940 million to institutional clients.

2) Excluding dividends of NOK 1 932 million, of which NOK 357 million refers to retail and NOK 1 575 million to institutional clients.

Changes in assets under management ¹⁾

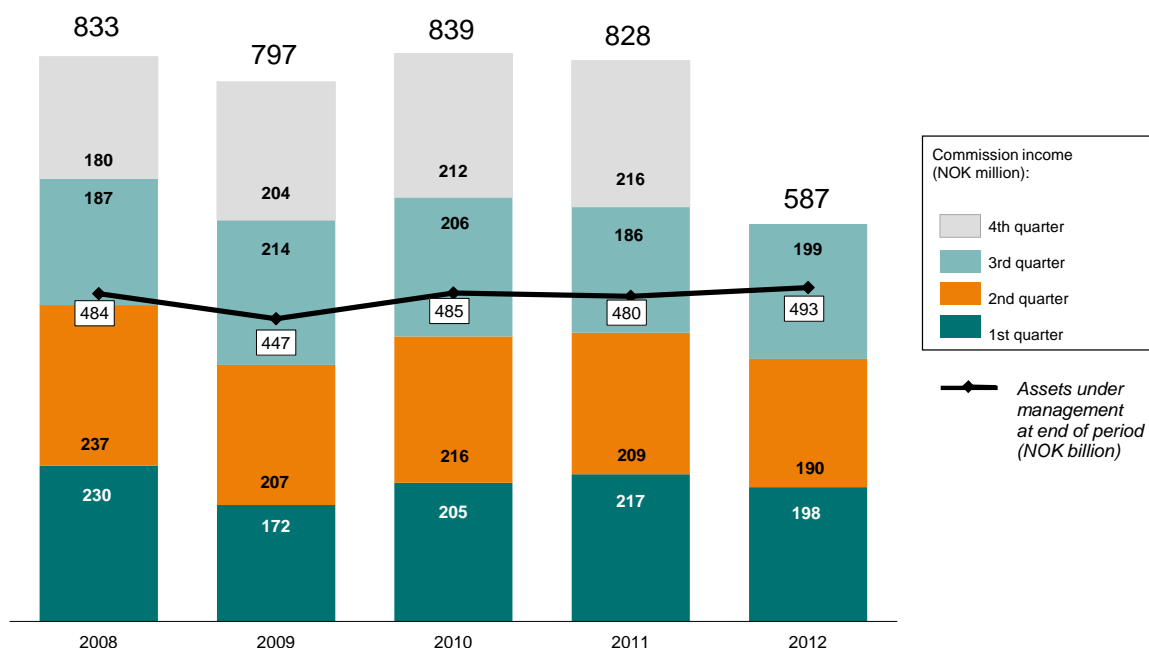
NOK billion



1) With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. Figures for previous periods have been restated.

Comments to changes in assets under management as from 30 September 2011

- Assets under management increased by NOK 25.5 billion or 5.5 per cent.
Net flow:
 - There was a net outflow of funds from institutional clients of NOK 10.3 billion or 2.2 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 4.8 billion or 1.0 per cent.
- Market changes:
 - Market developments led to a NOK 36.9 billion increase in assets under management, representing 7.9 per cent measured in clients' base currencies.
 - During the last four quarters, Morgan Stanley's global equity index decreased by 21.6 per cent measured in USD and increased by 18.6 per cent measured in NOK.
 - Prices on the stock exchange in Stockholm (OMX) increased by 17.8 per cent, and the stock exchange in Oslo (OSEBX) experienced a 28.0 per cent increase in prices during the last four quarters.
- Exchange rate movements:
 - The appreciation of NOK against other currencies, especially SEK, decreased assets under management by NOK 3.7 billion.

Development in commission income and assets under management ¹⁾

1) With effect from 2012, total assets in DNB Private Equity, totalling NOK 5.9 billion, have been included. Figures for previous periods have been restated.

Investment returns on assets under management as from 30 September 2011

- 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 Miljøinvest 9.6 per cent
 - DNB Nordic Technology 8.5 per cent
 - DNB SMB 5.8 per cent
 - Money market funds:
 - DNB Likviditet 20 (V) 2.1 per cent
 - DNB Pengemarked (I) 1.6 per cent
 - Bond funds:
 - DNB AM Obligasjon 4 4.8 per cent
 - DNB Obligasjon 20 (IV) 4.2 per cent

Clients/markets

- DNB Asset Management serves the Nordic and European savings markets, offering domestic and international asset management services.
- Brand names:
 - DNB Asset Management in all markets.
- A leading position in the institutional market in both Norway and Sweden with 248 institutional clients. The largest clients are DNB Livsforsikring and Skandia Liv.
- The number of mutual fund clients in Norway was approximately 520 000 at the end of September 2012. The number of active savings schemes reached nearly 243 000.
- Market shares at the end of September:
 - Retail mutual funds in Norway 28.6 per cent ¹⁾
 - Total mutual funds in Sweden and Luxembourg ≈ 1.4 per cent
 - Institutional market in Norway (mutual funds in Norway) 17.7 per cent ¹⁾
 - Institutional market in Sweden > 15 per cent

1) Source: Norwegian Mutual Fund Association.

Retail: Fund capital and market shares in Norway

	30 September 2012		31 December 2011		31 December 2010	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>						
Equity funds	25 678	26.0	23 210	25.8	23 306	22.2
Balanced funds	7 776	52.6	7 266	53.1	7 753	56.3
Fixed-income funds	12 455	26.5	14 143	31.1	15 979	38.0
Total mutual funds	45 910	28.6	44 619	29.9	47 039	29.3

Source: Norwegian Mutual Fund Association

Cooperation with other group entities

- DNB's extensive network represents the major distribution channel in the Norwegian retail market.
- DNB Asset Management cooperates with Large Corporates and International and Retail Banking in providing a complete range of financial services to corporate clients.
- DNB Asset Management manages DNB Livsforsikring's equity and bond portfolios.
- DNB Asset Management cooperates with other group entities in developing products adapted to the various markets.

DNB Skadeforsikring

DNB Skadeforsikring primarily offers non-life insurance products to the retail market. Hans Petter Madsen is head of DNB Skadeforsikring.

DNB Skadeforsikring is in an expansion phase. The company is well positioned to become an important player in the Norwegian market in the longer term.

Products:

- private house and contents insurance
- car insurance
- travel insurance etc.

Customers and markets shares

- Non-life insurance products are sold mainly through the bank's distribution network, and special initiatives in the large cities have produced good results. At end-September 2012, gross premiums written came to NOK 1 296 million. The number of policyholders increased by 10 100 from end-December 2011, to approximately 184 000 at end-September 2012
- DNB's share of the total non-life insurance market (DNB Skadeforsikring and non-life insurance products in DNB Livsforsikring) was estimated to be 5.2 per cent at end-September 2012.

Financial performance

<i>Amounts in NOK million</i>	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Premium income for own account	311	308	302	287	291	921	806
Cost of claims for own account ¹⁾	222	227	269	242	235	718	675
Insurance-related operating expenses for own account ¹⁾	48	38	47	42	42	133	133
Technical insurance profits	41	43	(14)	3	13	70	(1)
Net investment income	16	12	13	28	(20)	41	(6)
Security reserve	4	6	4	6	0	14	8
Other income and costs	1	2	(8)	7	4	5	21
Pre-tax profit	55	50	(12)	32	(2)	103	7
Taxes	15	14	(1)	13	(1)	29	(3)
Profit for the period	39	36	(12)	19	(1)	74	10
Claims ratio for own account	71.2	73.7	89.1	84.3	80.9	77.9	83.7
Cost ratio for own account	15.5	12.5	15.5	14.6	14.5	14.5	16.4
Combined ratio for own account (per cent)	86.7	86.2	104.6	98.9	95.4	92.4	100.1

1) Due to new regulation, claims-handling costs are included in Cost of claims for own account. Insurance-related operating expenses are equally decreased. All figures are adjusted according to the new principal.

The combined ratio for own account at end-September 2012 had decreased by 7.7 per cent compared to end-September 2011, and has reached a profitable level.

DNB Baltics and Poland

DNB's operations in the Baltics and Poland are organised under the Large Corporates and International business area. The Baltics division is headed by Terje Turnes. DNB Baltics' core markets are Estonia, Latvia and Lithuania, where the bank has either 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. The strategy in Poland has been changed, whereby future operations will focus on the corporate market within the DNB Group's international priority areas.

Organisation and market

- DNB Baltics serves around 1 million retail and corporate clients.
- At end-September 2012 DNB Baltics had 113 branches and offices in the three countries.
- DNB Baltics and Poland's staff represented 3 203 full-time positions at end-September 2012, of which 2 329 in the Baltic Division.
- DNB was the third largest bank in Lithuania and number four in Latvia, measured by lending to customers. In these countries DNB 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. In spite of reduced lending volumes, DNB has increased its market shares in all the Baltic States.
- The macroeconomic situation in the Baltics has improved, but investments and credit demand are still low, giving a reduction in lending volumes. Due to economic recovery in the Baltic States, DNB expects the level of write-downs on loans to decrease in coming years, but there is still uncertainty regarding the home mortgage portfolio and repossessed properties in Latvia.
- DNB Baltics continues to concentrate on consolidating operations, including a closer integration of the operations with DNB, following up high-risk commitments and improving cost efficiency.
- In Poland operations will focus on the corporate market within the DNB Group's international priority areas. An agreement has been entered into on the sale of the branch network in Poland, including the appurtenant customer relationships with personal customers and small and medium-sized companies. The sale is subject to approval by the authorities and must also be approved by a significant percentage of the Polish customers.

Financial performance

Amounts in NOK million	3Q12	2Q12	1Q12	4Q11	3Q11	Jan.-Sept.	
						2012	2011
Net interest income - ordinary operations	248	267	266	315	321	781	954
Interest on allocated capital ¹⁾	3	7	11	15	15	21	36
Net interest income	251	274	277	329	335	801	990
Net other operating income	227	235	203	226	172	665	537
Total income	478	509	480	555	507	1 466	1 527
Operating expenses ²⁾	342	371	338	570	294	1 050	914
Pre-tax operating profit before write-downs	136	138	142	(15)	213	416	613
Net gains on fixed and intangible assets	(1)	2	2	(4)	5	3	12
Write-downs on loans and guarantees	57	99	64	217	700	220	1 063
Pre-tax operating profit	78	41	80	(236)	(481)	199	(438)
Net lending to customers (NOK billion) ³⁾	52.8	53.7	54.5	54.6	53.7	53.6	53.4
Deposits from customers (NOK billion) ³⁾	29.1	28.8	27.4	22.3	22.7	28.5	24.4
Allocated capital (NOK billion) ⁴⁾	3.6	4.0	4.1	3.8	3.6	3.9	3.4
Cost/income ratio (%)	71.5	72.8	70.5	68.4	57.9	71.6	59.9
Ratio of deposits to lending (%)	55.2	53.6	50.4	40.9	42.2	53.1	45.6
Return on allocated capital, annualised (%) ⁴⁾	6.9	3.3	6.3	(19.9)	(42.6)	5.5	(13.6)

1) Interest on allocated capital is calculated according to internal DNB capital allocation rules. "Net interest income - ordinary operations" does not include interest on equity.

2) In the fourth quarter of 2011 operating expenses included an impairment of intangible assets of NOK 191 million related to IT infrastructure.

3) Average balances. Lending to customers includes accrued interest, write-downs and value adjustments. Lending to credit institutions is not included. Correspondingly, deposits from customers include accrued interest. 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 the risk-adjusted capital requirement.

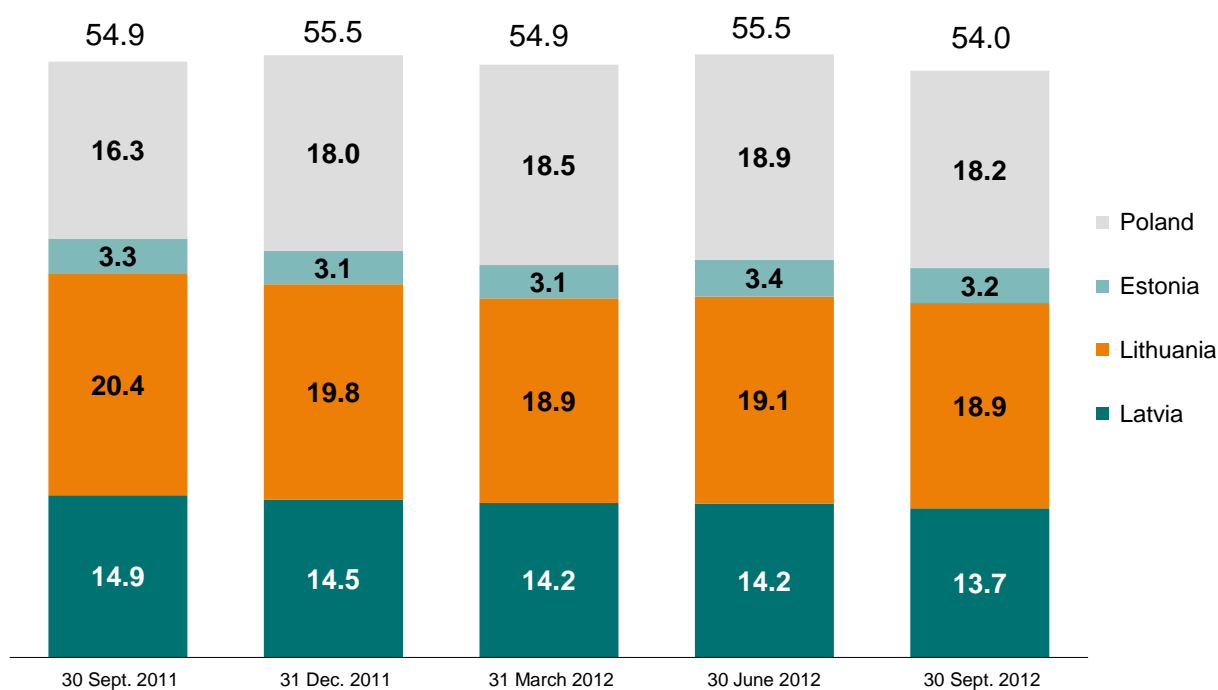
Net interest income ¹⁾

Amounts in NOK million	Average volumes			Spreads in per cent			Net interest income		
	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11	3Q12	2Q12	3Q11
Lending to customers ¹⁾	47 542	48 429	47 260	1.97	2.11	1.80	235	254	244
Deposits from customers ¹⁾	29 029	28 720	22 660	0.31	0.32	1.10	22	23	63
Allocated capital	3 602	3 977	3 586	0.37	0.70	1.57	3	7	15
Other							(9)	(10)	14
Total net interest income							251	274	335

1) Based on nominal values excluding impaired loans.

Development in lending volumes

NOK billion



- Measured in NOK, lending volumes in the Baltics and Poland decreased by 1.6 per cent from end-September 2011 to end-September 2012.
- Lending volumes continued to decrease in the Baltics, with a reduction of 7.0 per cent from end-September 2011.

Lending and write-downs

<i>Amounts in NOK million</i>	Net lending 30 Sept. 2012	<i>Of which net non-performing and net doubtful commitments</i>		Individual write-downs 3Q12	Collective write-downs 3Q12	Total write-downs 3Q12
		<i>NOK million</i>	<i>As a percentage of net lending</i>			
Latvia	13 736	1 970	14.3	69	(45)	24
Lithuania	18 916	2 430	12.8	23	(11)	12
Estonia	3 202	200	6.2	1	(7)	(6)
Poland	18 185	1 052	5.8	22	5	27
DNB Baltics and Poland	54 040	5 652	10.5	115	(58)	57

Write-down ratio – net non-performing and net doubtful commitments ^{1) 2)}

<i>Amounts in NOK million</i>	30 Sept. 2012	30 June 2012	31 March 2012	31 Dec. 2011	30 Sept. 2011
Non-performing commitments	7 370	7 654	7 777	8 706	8 262
Doubtful commitments	2 871	2 582	2 498	1 600	3 848
Gross non-performing and gross doubtful commitments	10 241	10 236	10 275	10 306	12 110
Individual write-downs	4 589	4 763	4 711	4 410	5 263
Net non-performing and net doubtful commitments	5 652	5 473	5 565	5 896	6 847
Collective write-downs	343	409	433	482	537
Write-down ratio (per cent)	48.2	50.5	50.1	47.5	47.9
Non-performing and doubtful commitments relative to total commitments (per cent)	10.5	9.9	10.2	10.6	11.6
Collateral for non-performing and doubtful commitments	6 301	6 873	6 996	8 032	8 318
Coverage ratio (per cent)	109.7	117.7	118.1	125.4	116.6

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

2) Figures prior to 31 December 2011 also include the former DnB NORD's portfolios in Denmark and Finland.

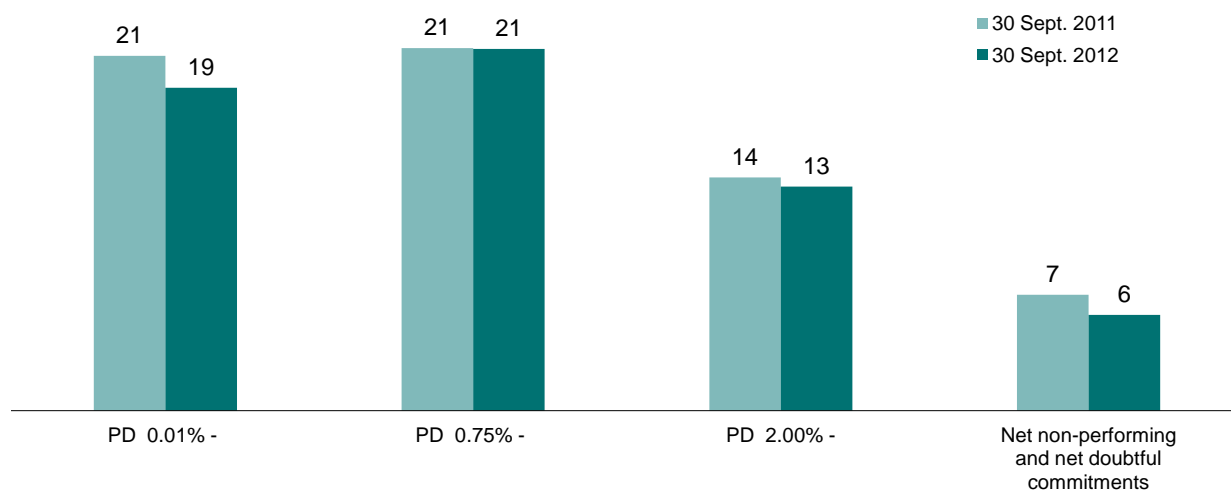
Write-down ratio – net non-performing and net doubtful commitments as at 30 September 2012 ¹⁾

<i>Amounts in NOK million</i>	Estonia	Latvia	Lithuania	Poland
Non-performing commitments	190	3 392	3 045	744
Doubtful commitments	168	889	954	860
Gross non-performing and gross doubtful commitments	358	4 281	3 999	1 604
Individual write-downs	158	2 311	1 569	552
Net non-performing and net doubtful commitments	200	1 970	2 430	1 052
Collective write-downs	11	211	55	66
Write-down ratio (per cent)	47.1	58.9	40.6	38.5
Non-performing and doubtful commitments relative to total commitments (per cent)	6.2	14.3	12.8	5.8
Collateral for non-performing and doubtful commitments	175	2 309	3 393	424
Coverage ratio (per cent)	96.0	112.9	125.5	65.0

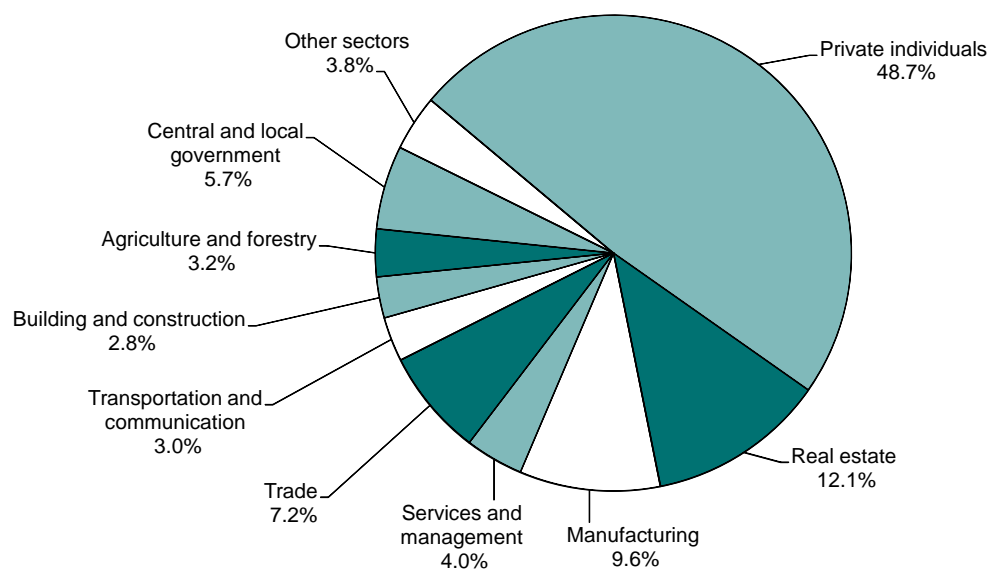
1) Write-down ratio includes individual and collective write-downs as a percentage of gross non-performing and gross doubtful commitments.

Risk classification of portfolio ¹⁾

NOK billion



1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default, apart from net non-performing and net doubtful commitments, which represent the net exposures recorded in the accounts. PD = probability of default.

Net lending to principal customer groups as at 30 September 2012 ^{1) 2)}

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

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

Section 4

The Norwegian economy

Basic information about Norway

Area	385 199 square kilometres
Population	5.0 million
Fertility rate	1.9
Life expectancy	M: 78.9 F: 83.2
Work participation rate, per cent 15–74 years	71.4 (M: 74.1 F: 68.7)
Gross domestic product 2011	USD 485.8 billion
GDP per capita 2011	USD 97 400
Rating	AAA, Aaa
Currency exchange rate used	5.60 USD/NOK (Average 2011)
Current balance 2011	USD 70.7 billion or 14.6 per cent of GDP

Source: Statistics Norway

Key macro-economic indicators, Norway

Per cent	2010	2011	F 2012	F 2013	F 2014	F 2015
GDP growth						
- mainland Norway	1.9	2.4	3.7	2.5	2.3	2.3
- Norway, total	0.7	1.4	4.1	2.2	1.8	1.9
Private consumption	3.7	2.4	3.5	3.5	3.2	3.1
Gross fixed investment	(5.2)	6.4	7.5	4.1	3.0	1.5
Inflation (CPI)	2.4	1.3	0.6	1.1	1.9	2.1
Savings ratio ¹⁾	6.3	8.2	10.1	10.0	9.4	8.3
Unemployment rate	3.6	3.3	3.2	3.3	3.4	3.7

1) Per cent of disposable income. Households

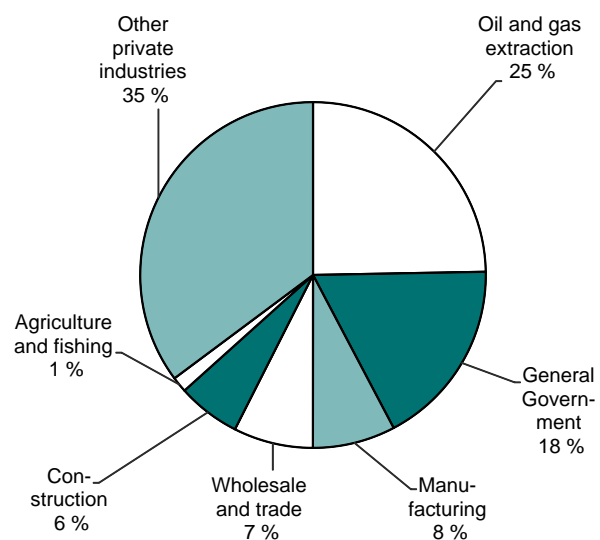
Source: Statistics Norway and DNB Markets

Contribution to volume growth in GDP, mainland Norway

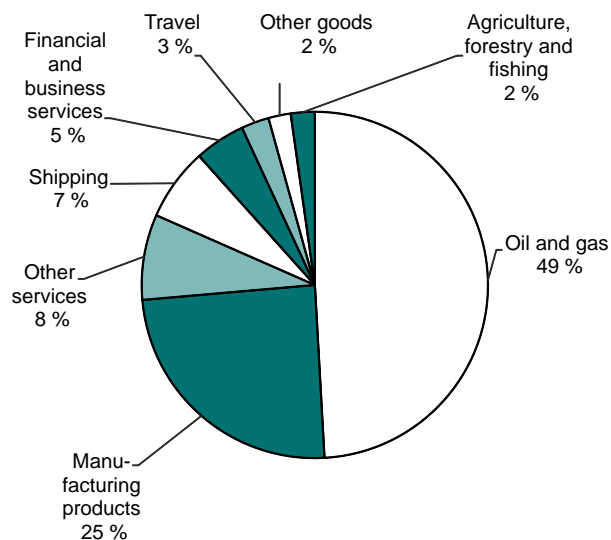
Per cent	2010	2011	F 2012	F 2013	F 2014	F 2015
Household demand	1.9	2.4	2.3	2.3	2.0	1.9
Gross fixed capital formation, mainland companies	0.0	0.2	0.0	0.1	0.1	0.1
Gross fixed capital formation, petroleum activity	(0.8)	(0.5)	1.4	0.5	0.3	0.0
Public sector demand	0.2	0.6	0.5	0.7	0.6	0.7
Exports, mainland Norway	1.6	0.0	0.6	0.4	0.6	0.8
Imports, mainland Norway	(3.3)	(0.7)	(1.2)	(1.5)	(1.4)	(1.3)
Changes in stocks and statistical discrepancies	2.4	0.4	0.2			
GDP, mainland Norway	1.9	2.4	3.7	2.5	2.3	2.3

Source: Statistics Norway and DNB Markets

Composition of GDP in 2011

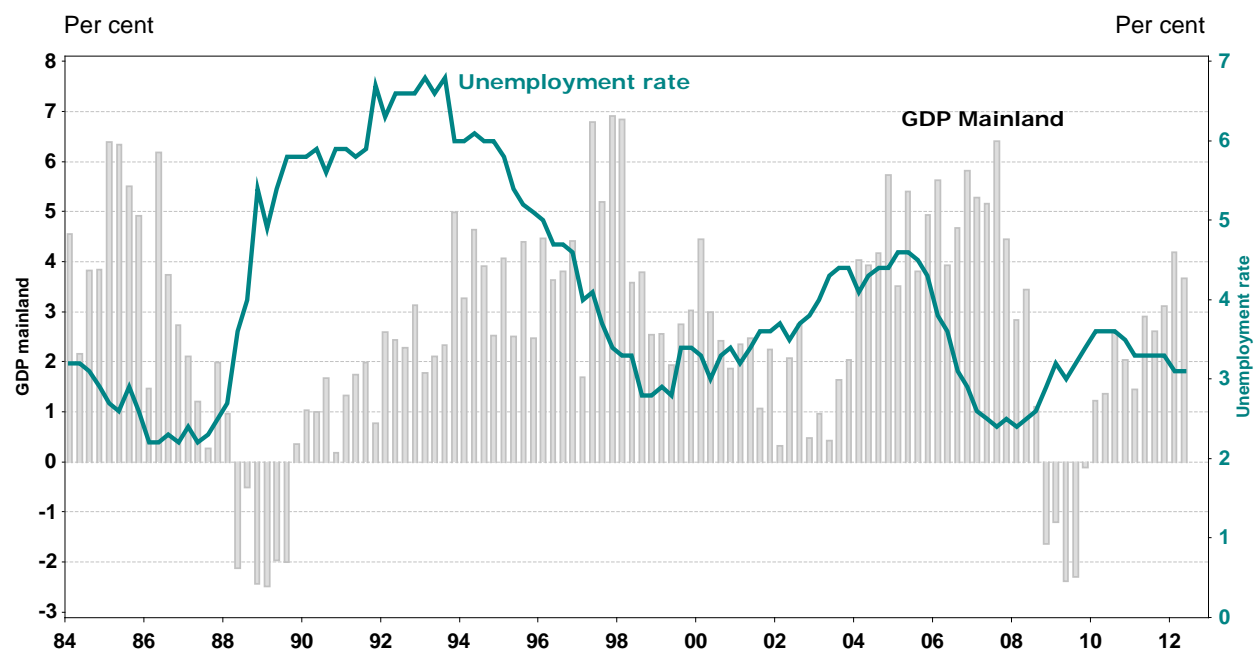


Composition of exports in 2011



Source: Statistics Norway

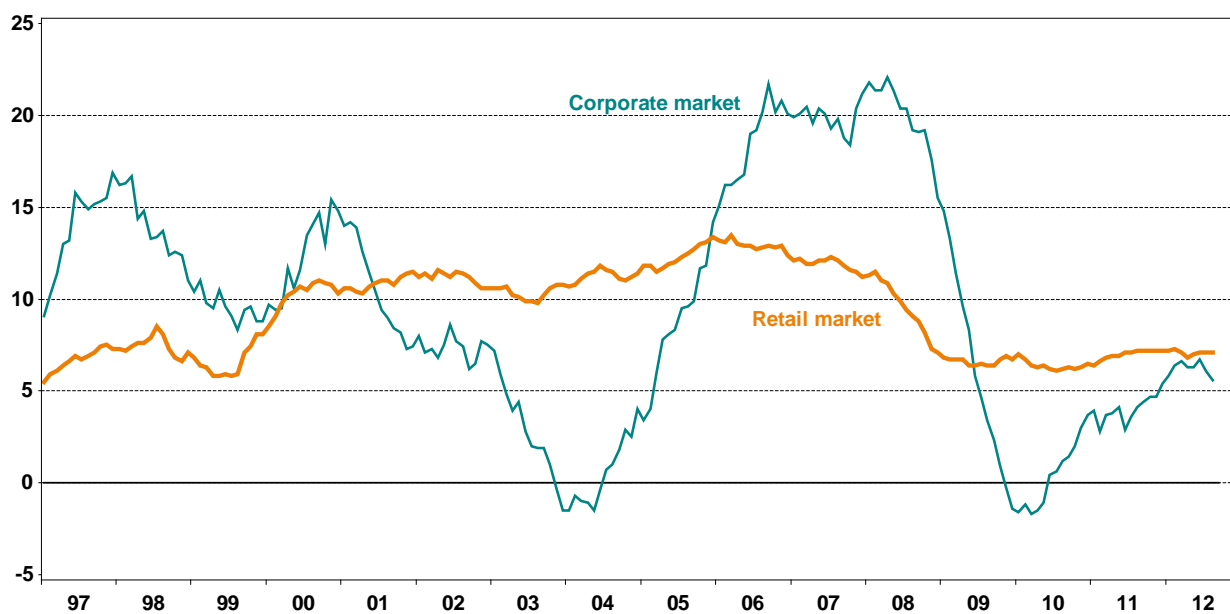
GDP growth mainland Norway and unemployment rate



Source: Statistics Norway

Credit market, 12 month percentage growth

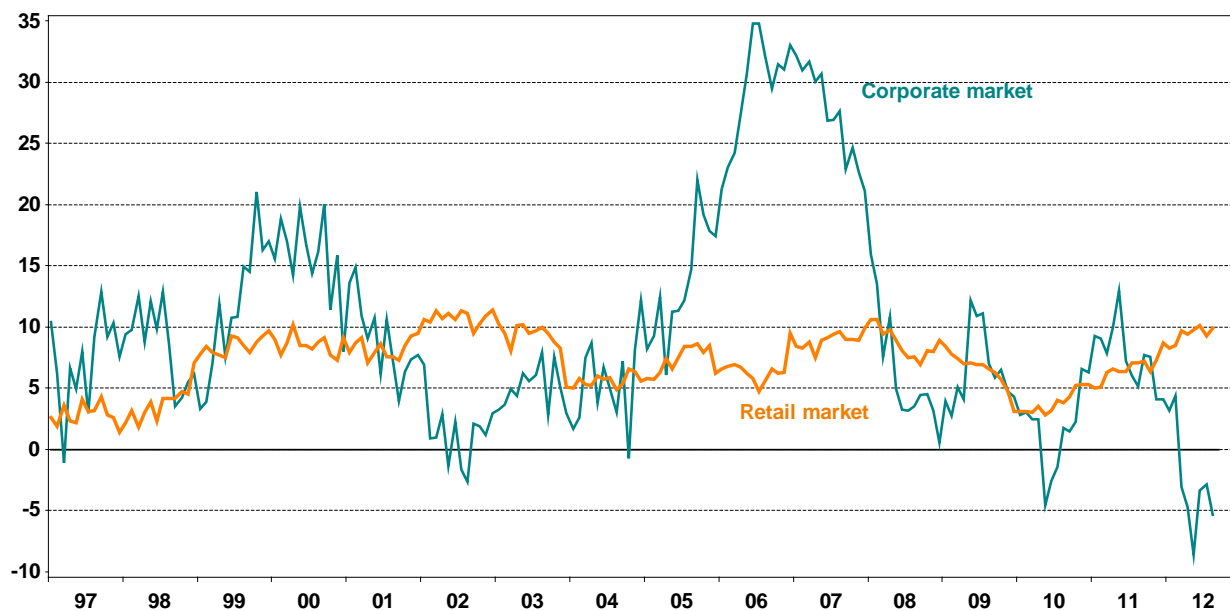
Per cent



Source: Statistics Norway

Deposit market, 12 month percentage growth

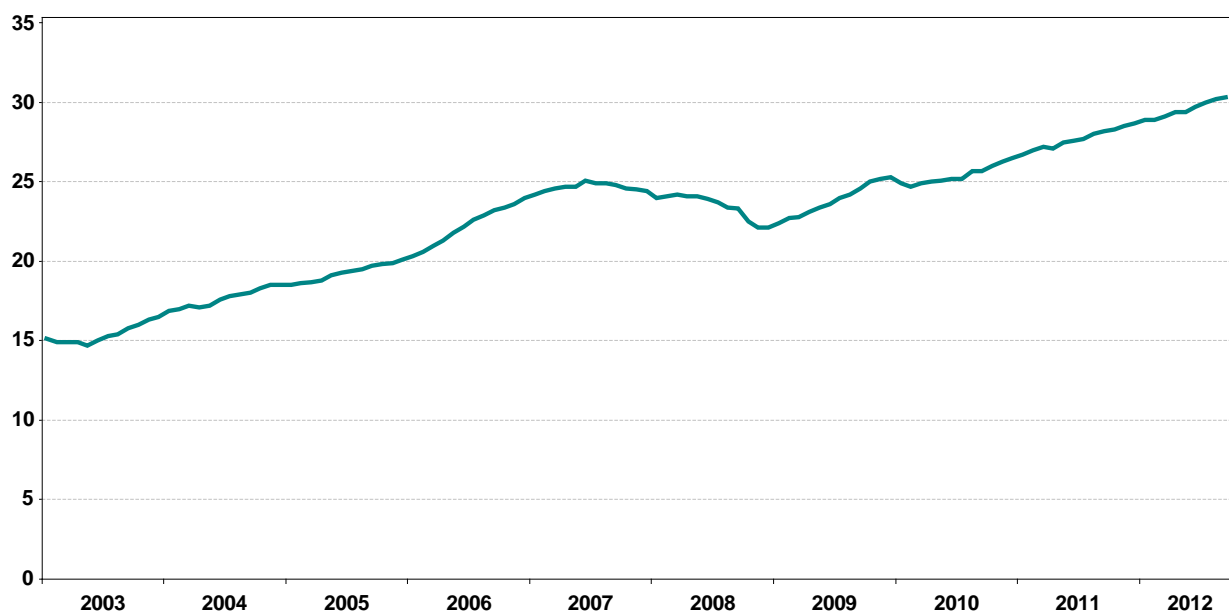
Per cent



Source: Statistics Norway

House prices, per square metre, seasonally adjusted

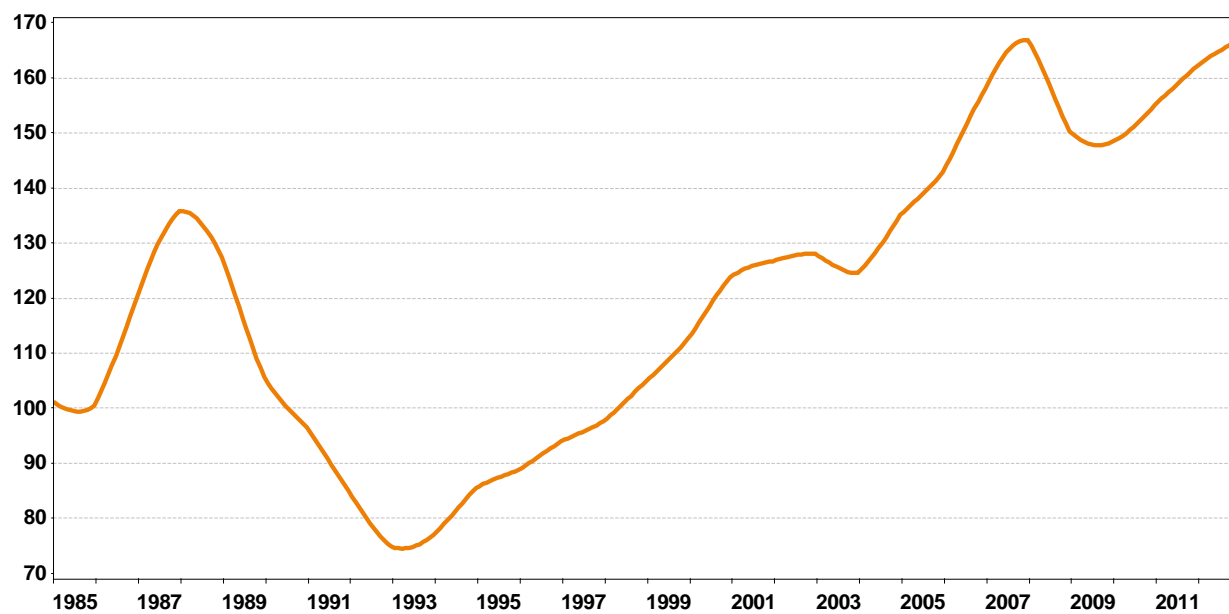
NOK 1 000



Source: Association of Norwegian Real Estate Agents, Finn.no and Econ Poyry

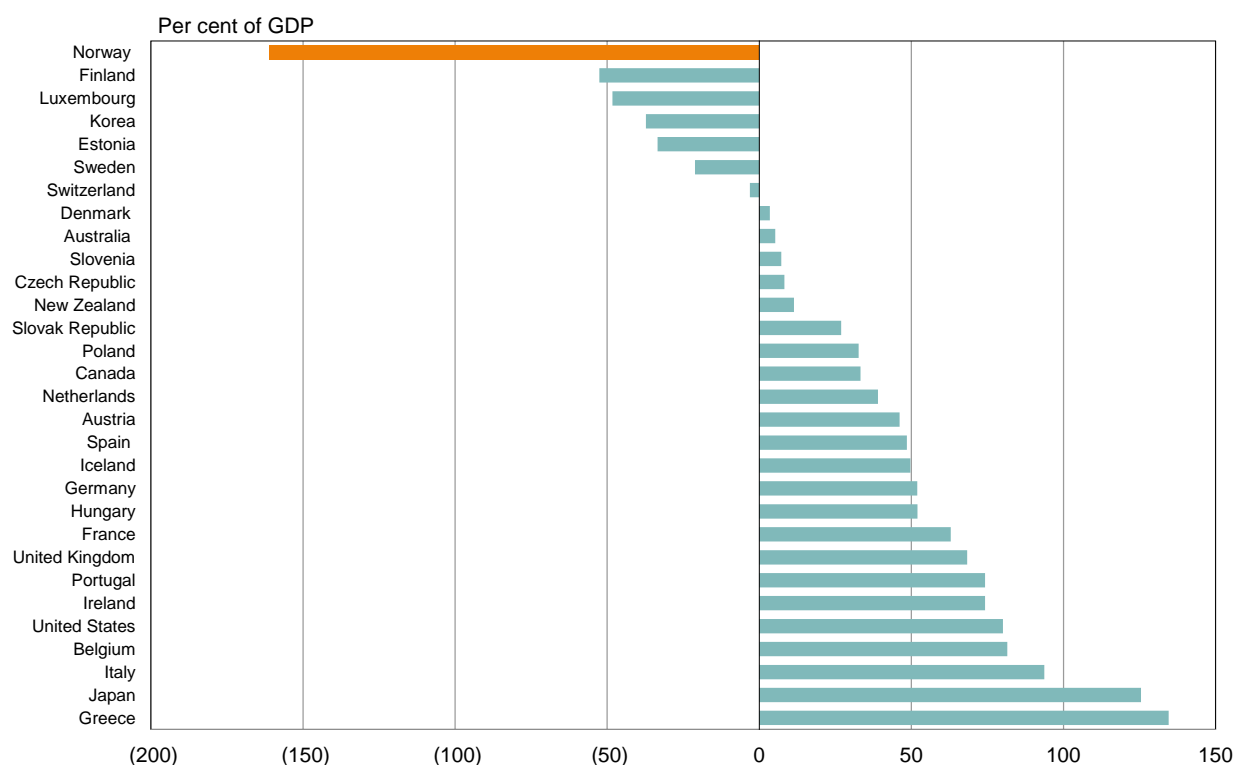
House prices, deflated by wage income

Indices: 1985=100



Source: Statistics Norway

Government net financial liabilities 2011



Source: OECD Economic Outlook No. 91, May 2012

Key macro-economic indicators, Baltics and Poland

Percentage change from previous year	2010	2011	F 2012	F 2013
Estonia				
GDP	2.3	8.3	2.2	2.8
Private consumption	(2.4)	3.6	3.0	3.3
Gross fixed investments	(7.4)	25.9	11.4	5.3
Inflation (CPI)	3.0	5.0	3.9	3.4
Latvia				
GDP	(0.9)	5.5	3.9	2.8
Private consumption	2.4	4.5	4.2	3.0
Gross fixed investments	(18.1)	27.9	14.8	7.1
Inflation (CPI)	(1.1)	4.4	2.3	2.4
Lithuania				
GDP	1.5	5.9	2.6	2.8
Private consumption	(4.8)	6.3	3.7	3.1
Gross fixed investments	1.9	18.3	4.2	4.9
Inflation (CPI)	1.2	4.1	3.0	2.8
Poland				
GDP	3.8	4.3	2.4	2.1
Private consumption	3.2	3.1	1.7	1.8
Gross fixed investments	(0.4)	8.1	2.6	1.7
Inflation (CPI)	2.6	4.3	3.7	2.7

Source: Consensus Economics Inc

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