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DNB

Q4

Fact Book

DNB Group

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Financial calendar

2017

9 March	Annual report 2016
25 April	Annual general meeting 2017
26 April	Ex-dividend date 2017
28 April	Q1 2017
as of 5 May	Distribution of dividends 2017
12 July	Q2 2017
26 October	Q3 2017
21 November	Capital markets day 2017

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

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Chapter 1 - Financial results DNB Group

Financial results and key figures

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1.1.1 Income statement - condensed ¹⁾

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	8 372	8 481	8 544	8 713	9 062	8 981	8 728	8 587	8 700
<i>Net commissions and fees</i>	2 136	2 016	2 136	1 991	2 082	2 080	2 489	2 212	2 313
<i>Net gains on financial instruments at fair value ²⁾</i>	1 689	1 411	1 029	2 384	2 164	1 945	1 174	3 400	279
<i>Net financial and risk result, DNB Livsforsikring</i>	232	154	166	112	(681)	69	170	53	185
<i>Net insurance result, DNB Forsikring</i>	181	148	204	115	132	132	166	104	129
<i>Other operating income</i>	(9)	200	1 418	340	129	247	221	361	446
Net other operating income, total ³⁾	4 230	3 929	4 952	4 942	3 825	4 472	4 221	6 130	3 352
Total income	12 602	12 409	13 496	13 655	12 888	13 453	12 949	14 716	12 052
Operating expenses	(5 213)	(5 042)	(5 281)	(5 157)	(5 437)	(5 103)	(5 312)	(5 215)	(5 045)
Restructuring costs and non-recurring effects	19	(1)	(104)	(553)	1 811	(216)	(215)	(223)	(42)
Pre-tax operating profit before impairment	7 409	7 366	8 111	7 945	9 262	8 134	7 422	9 278	6 964
Net gains on fixed and intangible assets	(12)	20	(20)	(6)	(9)	(3)	45	12	42
Impairment of loans and guarantees	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)
Pre-tax operating profit	5 644	5 209	5 770	6 764	7 833	8 523	6 800	8 715	6 184
Tax expense	(290)	(1 130)	(1 190)	(1 529)	(1 077)	(2 139)	(1 702)	(2 131)	(1 236)
Profit from operations held for sale, after taxes	26	1	(10)	(13)	28	(14)	(17)	(47)	16
Profit for the period	5 380	4 080	4 569	5 222	6 784	6 370	5 081	6 537	4 965
Portion attributable to shareholders	5 143	3 952	4 454	5 107	6 658	6 245	4 971	6 523	4 965

1) For more details, see table 1.1.4.

2) See table 1.1.3 "Net gains on financial instruments at fair value" for specification.

3) See table 1.3.1 "Net other operating income" for specification.

1.1.2 Income statement - condensed - adjusted for basis swaps

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	8 372	8 481	8 544	8 713	9 062	8 981	8 728	8 587	8 700
<i>Net commissions and fees</i>	2 136	2 016	2 136	1 991	2 082	2 080	2 489	2 212	2 313
<i>Net gains on financial instruments at fair value</i>	2 402	1 855	1 417	1 381	2 168	1 012	1 228	1 590	(229)
<i>Net financial and risk result, DNB Livsforsikring</i>	232	154	166	112	(681)	69	170	53	185
<i>Net insurance result, DNB Forsikring</i>	181	148	204	115	132	132	166	104	129
<i>Other operating income</i>	(9)	200	1 418	340	129	247	221	361	446
Net other operating income, total	4 943	4 372	5 341	3 939	3 830	3 540	4 275	4 319	2 844
Total income	13 316	12 853	13 884	12 652	12 892	12 521	13 003	12 906	11 544
Operating expenses	(5 213)	(5 042)	(5 281)	(5 157)	(5 437)	(5 103)	(5 312)	(5 215)	(5 045)
Restructuring costs and non-recurring effects	19	(1)	(104)	(553)	1 811	(216)	(215)	(223)	(42)
Pre-tax operating profit before impairment	8 122	7 810	8 499	6 941	9 266	7 201	7 476	7 468	6 456
Net gains on fixed and intangible assets	(12)	20	(20)	(6)	(9)	(3)	45	12	42
Impairment of loans and guarantees	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)
Pre-tax operating profit	6 357	5 653	6 158	5 761	7 837	7 590	6 854	6 905	5 676
Tax expense	(468)	(1 241)	(1 288)	(1 279)	(1 078)	(1 887)	(1 717)	(1 642)	(1 099)
Profit from operations held for sale, after taxes	26	1	(10)	(13)	28	(14)	(17)	(47)	16
Profit for the period	5 915	4 412	4 860	4 470	6 787	5 689	5 121	5 215	4 594
Portion attributable to shareholders	5 678	4 285	4 745	4 355	6 661	5 564	5 011	5 201	4 594

1.1.3 Net gains on financial instruments at fair value

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Customer revenues in DNB Markets	631	583	665	562	628	508	573	622	549
Trading revenues in DNB Markets (excl. CVA/DVA/FVA and credit spread effects)	790	639	671	464	782	474	440	510	94
Financial guarantees	103	187	110	194	187	228	233	227	232
Credit spread effects on bonds in DNB Markets	(24)	296	67	(114)	(235)	(582)	(132)	140	(196)
Basis swaps ¹⁾	(713)	(444)	(388)	1 003	(4)	933	(54)	1 810	508
CVA/DVA/FVA ²⁾	321	328	(533)	(93)	367	(414)	252	(24)	(489)
Other mark-to-market adjustments	580	(178)	438	368	439	798	(139)	115	(419)
Net gains on financial instruments at fair value	1 689	1 411	1 029	2 384	2 164	1 945	1 174	3 400	279

Full year figures

Amounts in NOK million	2016	2015	2014	2013	2012
Customer revenues in DNB Markets	2 441	2 331	1 908	1 810	1 876
Trading revenues in DNB Markets (excl. CVA/DVA/FVA and credit spread effects)	2 563	2 207	1 282	1 895	2 593
Financial guarantees	595	876	879	828	519
Credit spread effects on bonds in DNB Markets	225	(809)	302	134	1 184
Basis swaps ¹⁾	(542)	2 685	394	(1 363)	(1 685)
CVA/DVA/FVA ²⁾	22	181	(597)	-	-
Other mark-to-market adjustments	1 209	1 213	1 149	1 729	(923)
Net gains on financial instruments at fair value	6 513	8 683	5 317	5 032	3 564

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 increase, so will the market value of existing swap contracts. This will give a increase 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) The fair value of derivative instruments is adjusted for the credit risk of the counterparty (Credit Valuation Adjustment, or "CVA") and DNB's own credit risk (Debit Valuation Adjustments, or "DVA"). CVA and DVA are estimated based on the simulated expected exposure, probability of default, and loss given default. Counterparty credit risk is assessed based on market implied default probabilities (observed CDS spreads or indices), as well as the company's own credit models. From the second quarter 2016 the fair value measurement of OTC derivatives also includes the funding valuation adjustment (FVA) for uncollateralized customer transactions. These transactions will be covered in the interbank market, and DNB will be required to provide collateral if the market value is negative. FVA represent the additional funding costs related to this collateral.

1.1.4 Full income statement - quarterly figures

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Total interest income	13 273	12 976	12 880	13 295	13 934	14 348	14 425	14 825	15 533
Total interest expenses	(4 901)	(4 495)	(4 336)	(4 582)	(4 872)	(5 367)	(5 697)	(6 238)	(6 833)
Net interest income	8 372	8 481	8 544	8 713	9 062	8 981	8 728	8 587	8 700
Commission and fee income etc.	2 814	2 851	2 992	2 794	2 916	2 867	3 244	2 936	3 008
Commission and fee expenses etc.	(678)	(835)	(856)	(803)	(834)	(787)	(755)	(724)	(694)
Net gains on financial instruments at fair value ¹⁾	1 689	1 411	1 029	2 384	2 164	1 945	1 174	3 400	279
Net financial result, DNB Livsforsikring	(57)	45	(68)	9	(928)	(151)	(75)	(96)	(115)
Net risk result, DNB Livsforsikring	290	109	234	103	247	220	245	149	300
Net insurance result, DNB Forsikring	181	148	204	115	132	132	166	104	129
Profit from investments accounted for by the equity method	(45)	(0)	1 148	86	(28)	(1)	(74)	30	44
Net gains on investment properties	(7)	(5)	(18)	(5)	122	143	2	2	89
Other income	44	205	287	259	35	105	293	329	313
Net other operating income	4 230	3 929	4 952	4 942	3 825	4 472	4 221	6 130	3 352
Total income	12 602	12 409	13 496	13 655	12 888	13 453	12 949	14 716	12 052
Salaries and other personnel expenses	(2 842)	(2 874)	(2 911)	(3 277)	(1 106)	(2 905)	(2 953)	(2 859)	(2 620)
Other expenses	(1 828)	(1 694)	(1 965)	(1 765)	(1 931)	(1 806)	(2 056)	(1 997)	(1 896)
Depreciation and impairment of fixed and intangible assets	(524)	(475)	(510)	(668)	(590)	(608)	(518)	(583)	(571)
Total operating expenses	(5 194)	(5 043)	(5 385)	(5 711)	(3 626)	(5 319)	(5 527)	(5 438)	(5 088)
Pre-tax operating profit before impairment	7 409	7 366	8 111	7 945	9 262	8 134	7 422	9 278	6 964
Net gains on fixed and intangible assets	(12)	20	(20)	(6)	(9)	(3)	45	12	42
Impairment of loans and guarantees	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)
Pre-tax operating profit	5 644	5 209	5 770	6 764	7 833	8 523	6 800	8 715	6 184
Tax expense	(290)	(1 130)	(1 190)	(1 529)	(1 077)	(2 139)	(1 702)	(2 131)	(1 236)
Profit from operations held for sale, after taxes	26	1	(10)	(13)	28	(14)	(17)	(47)	16
Profit for the period	5 380	4 080	4 569	5 222	6 784	6 370	5 081	6 537	4 965
Portion attributable to shareholders	5 143	3 952	4 454	5 107	6 658	6 245	4 972	6 523	4 965
Portion attributable to additional Tier 1 capital holders	238	128	115	115	126	125	110	14	
Profit for the period	5 380	4 080	4 569	5 222	6 784	6 370	5 081	6 537	4 965
Earnings/diluted earnings per share (NOK)	3.16	2.43	2.74	3.14	4.11	3.83	3.04	4.01	3.05
Earnings per share excluding operations held for sale (NOK)	3.14	2.43	2.74	3.15	4.10	3.84	3.05	4.03	3.04

Average exchange rates in the period:

EUR/NOK	9.05	9.29	9.32	9.52	9.33	9.14	8.57	8.74	8.59
USD/NOK	8.39	8.32	8.26	8.64	8.52	8.21	7.76	7.76	6.88

1) See table 1.1.3 "Net gains on financial instruments at fair value" for specification.

1.1.5 Comprehensive income statement - quarterly figures

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Profit for the period	5 380	4 080	4 569	5 222	6 784	6 370	5 081	6 537	4 965
Actuarial gains and losses	(23)	(122)	0	(39)	31	(220)	863	(1)	(1 072)
Property revaluation	37	7	1	2	(282)	(131)	181	27	108
Items allocated to customers (life insurance)	(37)	(7)	(1)	(2)	282	131	(181)	(27)	(108)
Items that will not be reclassified to the income statement	(23)	(122)	0	(39)	31	(220)	863	(1)	(1 072)
Currency translation of foreign operations	3 562	(4 321)	(1 340)	(4 376)	2 369	5 326	(697)	2 615	6 294
Currency translation reserve reclassified to the income statement	0		(43)						
Hedging of net investments	(2 415)	2 950	843	2 968	(1 578)	(3 411)	402	(1 616)	(3 926)
Investments according to the equity method ¹⁾	4	4		(33)	889				
Investments according to the equity method reclassified to the income statement ¹⁾			(855)						
Items that may subsequently be reclassified to the income statement	1 151	(1 367)	(1 395)	(1 442)	1 680	1 915	(295)	999	2 368
Other comprehensive income for the period (net of tax)	1 128	(1 489)	(1 395)	(1 480)	1 710	1 695	568	998	1 296
Comprehensive income for the period	6 509	2 591	3 173	3 742	8 494	8 066	5 649	7 535	6 261

1) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.1.6 Income statement - five years

Amounts in NOK million	2016	2015	2014	2013	2012
Total interest income	52 424	57 532	61 445	60 404	63 068
Total interest expenses	(18 314)	(22 174)	(28 959)	(30 212)	(35 853)
Net interest income	34 110	35 358	32 487	30 192	27 216
Commission and fee income etc.	11 452	11 963	11 565	10 916	10 433
Commission and fee expenses etc.	(3 172)	(3 101)	(2 597)	(2 379)	(2 337)
Net gains on financial instruments at fair value ¹⁾	6 513	8 683	5 317	5 032	3 910
Net financial result, DNB Livsforsikring	(72)	(1 251)	(79)	554	1 032
Net risk result, DNB Livsforsikring	736	861	688	467	(319)
Net insurance result, DNB Forsikring	648	534	491	418	325
Profit from investments accounted for by the equity method	1 189	(72)	226	362	789
Net gains on investment properties	(35)	269	82	(86)	(340)
Other income	795	762	1 182	1 144	1 007
Net other operating income	18 053	18 648	16 877	16 427	14 501
Total income	52 163	54 006	49 363	46 619	41 717
Salaries and other personnel expenses	(11 904)	(9 822)	(10 872)	(11 307)	(10 987)
Other expenses	(7 251)	(7 790)	(7 645)	(7 850)	(7 451)
Depreciation and impairment of fixed and intangible assets	(2 177)	(2 298)	(2 158)	(2 719)	(2 322)
Total operating expenses	(21 333)	(19 910)	(20 675)	(21 875)	(20 760)
Pre-tax operating profit before impairment	30 830	34 096	28 689	24 744	20 957
Net gains on fixed and intangible assets	(19)	45	52	151	(1)
Impairment of loans and guarantees	(7 424)	(2 270)	(1 639)	(2 185)	(3 179)
Pre-tax operating profit	23 387	31 871	27 102	22 709	17 776
Tax expense	(4 140)	(7 048)	(6 463)	(5 202)	(4 081)
Profit from operations held for sale, after taxes	4	(51)	(22)	4	96
Profit for the period	19 251	24 772	20 617	17 511	13 792
Portion attributable to shareholders	18 656	24 398	20 617	17 511	13 792
Portion attributable to additional Tier 1 capital holders	595	374			
Profit for the period	19 251	24 772	20 617	17 511	13 792
Earnings/diluted earnings per share (NOK)	11.46	14.98	12.67	10.75	8.48
Earnings per share excluding operations held for sale (NOK)	11.46	15.01	12.68	10.75	8.42

Average exchange rates in the period:

EUR/NOK	9.29	8.95	8.36	7.81	7.48
USD/NOK	8.40	8.07	6.30	5.88	5.82

1) See table 1.1.3 "Net gains on financial instruments at fair value" for specification.

1.1.7 Comprehensive income statement - five years

Amounts in NOK million	2016	2015	2014	2013	2012
Profit for the period	19 251	24 772	20 617	17 511	13 792
Actuarial gains and losses	(183)	673	(2 101)	(469)	2 947
Property revaluation	47	(204)	191	124	45
Items allocated to customers (life insurance)	(47)	204	(191)	(124)	(45)
Items that will not be reclassified to the income statement	(183)	673	(2 101)	(469)	2 947
Currency translation of foreign operations	(6 476)	9 612	7 149	3 478	(1 216)
Currency translation reserve reclassified to the income statement	(43)				
Hedging of net investments	4 346	(6 203)	(4 526)	(2 425)	1 006
Investments according to the equity method ¹⁾	(25)	889			
Investments according to the equity method reclassified to the income statement ¹⁾	(855)				
Items that may subsequently be reclassified to the income statement	(3 052)	4 298	2 623	1 053	(210)
Other comprehensive income for the period (net of tax)	(3 236)	4 972	522	584	2 736
Comprehensive income for the period	16 015	29 744	21 138	18 096	16 528

1) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.1.8 Full balance sheet - quarterly figures

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Assets									
Cash and deposits with central banks	208 263	175 212	154 438	166 587	19 317	186 874	158 812	304 558	58 505
Due from credit institutions	176 442	192 931	214 902	180 065	301 216	238 405	247 774	203 499	373 409
Loans to customers	1 509 078	1 484 756	1 542 285	1 534 902	1 542 744	1 531 237	1 491 304	1 476 186	1 438 839
Commercial paper and bonds at fair value	296 642	302 291	300 706	286 273	289 695	303 757	284 088	287 906	268 302
Shareholdings	22 512	21 205	25 626	27 578	19 341	23 041	26 149	26 545	26 870
Financial assets, customers bearing the risk	60 220	56 417	52 893	50 967	49 679	46 344	47 512	45 607	42 866
Financial derivatives	157 940	187 023	198 953	215 743	203 029	217 399	181 834	240 881	235 736
Commercial paper and bonds, held to maturity	94 008	95 963	99 489	100 516	105 224	108 942	111 187	113 611	118 667
Investment properties	15 912	15 493	16 419	15 416	16 734	26 514	28 028	28 422	30 404
Investments accounted for by the equity method	7 768	7 901	7 869	9 715	9 525	8 450	5 957	5 949	5 866
Intangible assets	5 814	5 759	5 903	5 963	6 076	6 123	6 153	6 192	6 286
Deferred tax assets	1 404	943	1 061	1 100	1 151	1 315	1 227	1 251	1 213
Fixed assets	7 949	7 898	8 565	8 717	8 860	11 838	13 717	13 634	13 830
Assets held for sale	52 541	52 482	180	204	200	193	574	678	692
Other assets	36 709	45 210	35 867	35 338	25 739	33 286	37 423	34 962	27 855
Total assets	2 653 201	2 651 484	2 665 157	2 639 081	2 598 530	2 743 717	2 641 739	2 789 880	2 649 341
Liabilities and equity									
Due to credit institutions	212 882	192 979	189 824	160 778	161 537	253 332	228 807	263 201	214 214
Deposits from customers	934 897	917 952	961 138	927 559	944 428	970 023	969 970	963 102	941 534
Financial derivatives	130 161	155 491	156 121	173 398	154 663	169 045	141 055	191 048	184 971
Debt securities issued	765 869	784 953	811 523	829 997	804 928	830 313	775 208	853 410	812 025
Insurance liabilities, customers bearing the risk	60 220	56 417	52 893	50 967	49 679	46 344	47 512	45 607	42 866
Liabilities to life insurance policyholders in DNB Livsforsikring	208 160	210 425	210 027	210 230	208 726	205 257	207 024	206 880	216 577
Insurance liabilities, DNB Forsikring	1 892	2 057	2 108	2 125	1 846	1 921	1 967	1 974	1 737
Payable taxes	8 874	7 093	5 080	4 186	2 093	4 260	3 832	2 983	1 723
Deferred taxes	3 816	7 860	7 950	7 780	7 672	6 723	6 868	6 177	6 130
Other liabilities	44 568	49 806	43 174	44 009	37 675	37 302	50 706	43 997	31 908
Liabilities held for sale	41 243	39 547	59	56	71	55	76	127	100
Provisions	2 094	1 762	1 725	1 570	1 285	1 192	1 172	1 121	1 172
Pension commitments	2 756	3 003	2 757	2 684	2 549	5 077	4 744	5 941	6 006
Subordinated loan capital	29 347	28 202	29 498	29 826	30 953	30 617	28 578	29 542	29 319
Total liabilities	2 446 779	2 457 549	2 473 878	2 445 165	2 408 105	2 561 460	2 467 518	2 615 109	2 490 282
Share capital	16 286	16 288	16 282	16 268	16 257	16 286	16 288	16 285	16 273
Share premium	22 609	22 609	22 609	22 609	22 609	22 609	22 609	22 609	22 609
Additional Tier 1 capital	15 952	9 641	9 559	8 067	8 353	8 251	8 153	8 068	
Other equity	151 576	145 397	142 829	146 972	143 207	135 110	127 171	127 808	120 178
Total equity	206 423	193 935	191 279	193 916	190 425	182 257	174 221	174 770	159 059
Total liabilities and equity	2 653 201	2 651 484	2 665 157	2 639 081	2 598 530	2 743 717	2 641 739	2 789 880	2 649 341

Exchange rates at the end of the period:

EUR/NOK	9.08	8.97	9.31	9.44	9.60	9.53	8.78	8.70	8.98
USD/NOK	8.61	8.00	8.37	8.28	8.80	8.52	7.84	8.10	7.39

1.1.9 Balance sheet - five years

Amounts in NOK million	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012
Assets					
Cash and deposits with central banks	208 263	19 317	58 505	167 171	298 892
Due from credit institutions	176 442	301 216	373 409	180 882	37 136
Loans to customers	1 509 078	1 542 744	1 438 839	1 340 831	1 297 892
Commercial paper and bonds at fair value	296 642	289 695	268 302	277 764	245 738
Shareholdings	22 512	19 341	26 870	29 826	27 300
Financial assets, customers bearing the risk	60 220	49 679	42 866	35 512	28 269
Financial derivatives	157 940	203 029	235 736	130 939	152 024
Commercial paper and bonds, held to maturity	94 008	105 224	118 667	152 883	157 330
Investment properties	15 912	16 734	30 404	32 753	38 857
Investments accounted for by the equity method	7 768	9 525	5 866	5 802	5 276
Intangible assets	5 814	6 076	6 286	6 511	6 718
Deferred tax assets	1 404	1 151	1 213	1 104	1 123
Fixed assets	7 949	8 860	13 830	12 498	10 825
Assets held for sale	52 541	200	692	225	417
Other assets	36 709	25 739	27 855	30 806	21 569
Total assets	2 653 201	2 598 530	2 649 341	2 405 507	2 329 365
Liabilities and equity					
Due to credit institutions	212 882	161 537	214 214	234 219	251 388
Deposits from customers	934 897	944 428	941 534	867 904	810 959
Financial derivatives	130 161	154 663	184 971	111 310	118 714
Debt securities issued	765 869	804 928	812 025	711 555	708 047
Insurance liabilities, customers bearing the risk	60 220	49 679	42 866	35 512	28 269
Liabilities to life insurance policyholders in DNB Livsforsikring	208 160	208 726	216 577	230 906	221 185
Insurance liabilities, DNB Forsikring	1 892	1 846	1 737	1 958	1 780
Payable taxes	8 874	2 093	1 723	3 277	6 831
Deferred taxes	3 816	7 672	6 130	3 205	1 804
Other liabilities	44 568	37 675	31 908	31 934	27 325
Liabilities held for sale	41 243	71	100	53	76
Provisions	2 094	1 285	1 172	1 454	770
Pension commitments	2 756	2 549	6 006	4 001	3 904
Subordinated loan capital	29 347	30 953	29 319	26 276	21 090
Total liabilities	2 446 779	2 408 105	2 490 282	2 263 564	2 202 142
Share capital	16 286	16 257	16 273	16 278	16 269
Share premium	22 609	22 609	22 609	22 609	22 609
Additional Tier 1 capital	15 952	8 353			
Other equity	151 576	143 207	120 178	103 057	88 345
Total equity	206 423	190 425	159 059	141 944	127 223
Total liabilities and equity	2 653 201	2 598 530	2 649 341	2 405 507	2 329 365

Exchange rates at the end of the period:

EUR/NOK	9.08	9.60	8.98	8.37	7.37
USD/NOK	8.61	8.80	7.39	6.07	5.59

1.1.10 Key figures - quarterly figures

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Interest rate analysis									
1 Combined weighted total average spread for lending and deposits (%) ^{1) 2)}	1.29	1.30	1.33	1.35	1.32	1.32	1.32	1.34	1.31
2 Average spread for ordinary lending to customers (%) ^{1) 2)}	1.96	2.03	2.08	2.07	2.11	2.13	2.17	2.28	2.28
3 Average spread for deposits from customers (%) ^{1) 2)}	0.25	0.19	0.18	0.24	0.12	0.08	(0.02)	(0.13)	(0.17)
Rate of return/profitability									
4 Net other operating income, per cent of total income	33.6	31.7	36.7	36.2	29.8	33.2	32.5	41.6	27.8
5 Cost/income ratio (%)	41.2	40.6	39.9	41.8	28.1	39.6	42.8	37.0	42.2
6 Return on equity, annualised (%)	10.9	8.5	9.9	11.2	15.0	14.7	12.1	16.1	12.6
7 RAROC, annualised (%)	10.9	10.9	12.6	10.3	11.6	10.3	11.6	11.4	10.3
8 Average equity including allocated dividend (NOK million)	187 027	184 147	181 177	183 873	176 846	168 905	164 703	164 004	156 352
9 Return on average risk-weighted volume, annualised (%)	1.95	1.49	1.69	1.89	2.31	2.15	1.73	2.33	1.79
Financial strength at end of period									
10 Common Equity Tier 1 capital ratio, transitional rules (%) ³⁾	16.0	15.7	15.2	15.2	14.4	13.1	13.0	12.7	12.7
11 Tier 1 capital ratio, transitional rules (%) ³⁾	17.6	16.8	16.2	16.2	15.3	14.0	13.9	13.5	13.0
12 Capital ratio, transitional rules (%) ³⁾	19.5	18.6	18.2	18.3	17.8	16.3	16.2	15.5	15.2
13 Common equity Tier 1 capital at end of period (NOK million) ³⁾	168 214	163 756	161 982	159 972	162 906	152 778	148 712	145 687	142 108
14 Risk-weighted volume, transitional rules (NOK million)	1 051 498	1 045 272	1 068 585	1 049 367	1 129 373	1 166 293	1 141 331	1 151 601	1 120 659
Loan portfolio and impairment									
15 Individual impairment relative to average net loans to customers, annualised (%) ¹⁾	(0.41)	(0.41)	(0.42)	(0.14)	(0.26)	0.07	(0.21)	(0.15)	(0.25)
16 Impairment relative to average net loans to customers, annualised (%) ¹⁾	(0.45)	(0.56)	(0.61)	(0.31)	(0.37)	0.10	(0.18)	(0.16)	(0.23)
17 Net non-performing and net doubtful loans and guarantees, per cent of net loans ¹⁾	1.49	1.32	1.19	0.88	0.76	0.78	0.77	0.83	0.96
18 Net non-performing and net doubtful loans and guarantees at end of period (NOK million) ¹⁾	25 654	22 589	20 685	14 928	13 982	13 636	13 105	13 856	17 261
Liquidity									
19 Ratio of customer deposits to net loans to customers at end of period (%)	62.0	61.8	62.3	60.4	61.2	63.3	65.0	65.2	65.4
Total assets owned or managed by DNB									
20 Customer assets under management at end of period (NOK billion)	548	538	527	522	563	543	554	554	549
21 Total combined assets at end of period (NOK billion)	2 931	2 920	2 927	2 898	2 901	3 033	2 939	3 089	2 936
22 Average total assets (NOK billion)	2 726	2 779	2 964	2 896	3 053	2 761	2 955	3 017	2 857
23 Customer savings at end of period (NOK billion) ¹⁾	1 519	1 491	1 488	1 450	1 507	1 513	1 524	1 518	1 490
Staff									
24 Number of full-time positions at end of period	11 007	10 883	11 015	11 233	11 380	11 443	11 414	11 563	11 643
The DNB share									
25 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	1 628 799	1 628 799
26 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	1 628 799	1 628 799
27 Earnings per share (NOK)	3.16	2.43	2.74	3.14	4.11	3.83	3.04	4.01	3.05
28 Earnings per share excl. operations held for sale (NOK)	3.14	2.43	2.74	3.15	4.09	3.84	3.05	4.03	3.04
29 Dividend per share (NOK)	-	-	-	-	-	-	-	-	-
30 Total shareholder's return (%)	28.1	10.1	6.1	(10.9)	1.9	(13.0)	3.7	17.2	(5.6)
31 Dividend yield (%)	-	-	-	-	-	-	-	-	-
32 Equity per share incl. allocated dividend at end of period (NOK)	116.94	113.15	111.57	114.10	111.57	106.61	101.74	102.14	97.45
33 Share price at end of period (NOK)	128.40	104.70	99.35	97.85	109.80	110.70	130.80	129.70	110.70
34 Price/earnings ratio	10.17	10.78	9.08	7.79	6.69	7.22	10.75	8.09	9.07
35 Price/book value	1.10	0.93	0.89	0.86	0.98	1.04	1.29	1.27	1.14
36 Market capitalisation (NOK billion)	209.1	170.5	161.8	159.4	178.8	180.3	213.0	211.3	180.3

1) Includes assets and liabilities in the Baltics, reclassified as held for sale in August 2016.

2) As from the first quarter of 2016, interest rate spreads are calculated for customer segments. Figures for previous periods have been restated accordingly.

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

For definitions of selected key figures, see table 1.1.14

1.1.11 Key figures, adjusted for basis swaps

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Return on equity, annualised (%)	12.1	9.3	10.5	9.5	15.0	13.1	12.2	12.9	11.7
Cost/income ratio (%) ¹⁾	39.0	39.2	38.8	45.1	28.1	42.5	42.6	42.2	44.1

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

1.1.12 Key figures - five years

	2016	2015	2014	2013	2012
Interest rate analysis					
1 Combined weighted total average spread for lending and deposits (%)	1.32	1.33	1.31	1.31	1.18
2 Average spread for ordinary lending to customers (%)	2.04	2.17	2.33	2.34	1.97
3 Average spread for deposits from customers (%)	0.21	0.01	(0.25)	(0.31)	(0.14)
Rate of return/profitability					
4 Net other operating income, per cent of total income	34.6	34.5	34.2	35.2	34.8
5 Cost/income ratio (%)	40.9	36.9	41.9	45.7	49.1
6 Return on equity, annualised (%)	10.1	14.5	13.8	13.1	11.7
7 RAROC, annualised (%)	11.1	11.2	12.3	12.8	11.5
8 Average equity including allocated dividend (NOK million)	184 056	168 509	149 460	133 242	118 261
9 Return on average risk-weighted volume, annualised (%)	1.75	2.14	1.89	1.61	1.25
Financial strength at end of period					
10 Common Equity Tier 1 capital ratio, transitional rules (%)	16.0	14.4	12.7	11.8	10.7
11 Tier 1 capital ratio, transitional rules (%)	17.6	15.3	13.0	12.1	11.0
12 Capital ratio, transitional rules (%)	19.5	17.8	15.2	14.0	12.6
13 Common equity Tier 1 capital at end of period (NOK million)	168 214	162 906	142 108	128 072	115 627
14 Risk-weighted volume, transitional rules (NOK million)	1 051 498	1 129 373	1 120 659	1 089 114	1 075 672
Loan portfolio and impairment					
15 Individual impairment relative to average net loans to customers, annualised (%)	(0.34)	(0.13)	(0.14)	(0.18)	(0.22)
16 Impairment relative to average net loans to customers, annualised (%)	(0.48)	(0.15)	(0.12)	(0.17)	(0.24)
17 Net non-performing and net doubtful loans and guarantees, per cent of net loans	1.49	0.76	0.96	1.38	1.50
18 Net non-performing and net doubtful loans and guarantees at end of period (NOK million)	25 654	13 982	17 261	20 749	19 740
Liquidity					
19 Ratio of customer deposits to net loans to customers at end of period (%)	62.0	61.2	65.4	64.7	62.5
Total assets owned or managed by DNB					
20 Customer assets under management at end of period (NOK billion)	548	563	549	519	459
21 Total combined assets at end of period (NOK billion)	2 931	2 901	2 936	2 656	2 537
22 Average total assets (NOK billion)	2 841	2 946	2 712	2 543	2 411
23 Customer savings at end of period (NOK billion)	1 519	1 507	1 490	1 387	1 270
Staff					
24 Number of full-time positions at end of period	11 007	11 380	11 643	12 016	13 291
The DNB share					
25 Number of shares at end of period (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
26 Average number of shares (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
27 Earnings per share (NOK)	11.46	14.98	12.67	10.75	8.48
28 Earnings per share excl. operations held for sale (NOK)	11.46	15.01	12.68	10.75	8.42
29 Proposed dividend for 2016 ¹⁾	5.70	4.50	3.80	2.70	2.10
30 Total shareholder's return (%)	22.2	1.9	4.7	57.6	23.7
31 Dividend yield (%)	4.44	4.10	3.16	2.49	2.98
32 Equity per share incl. allocated dividend at end of period (NOK)	116.94	111.57	97.45	87.15	78.11
33 Share price at end of period (NOK)	128.40	109.80	110.70	108.50	70.40
34 Price/earnings ratio	11.20	7.33	8.74	10.09	8.37
35 Price/book value	1.10	0.98	1.14	1.25	0.90
36 Market capitalisation (NOK billion)	209.1	178.8	180.3	176.7	114.7

1) Proposed dividend for 2016.

For definitions of selected key figures, see next page.

1.1.13 Key figures, adjusted for basis swaps - five years

	2016	2015	2014	2013	2012
Return on equity, annualised (%)	10.4	13.3	13.6	13.9	12.7
Cost/income ratio (%) ¹⁾	40.5	38.8	42.2	44.4	47.2

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

1.1.14 Key figures - definitions

1, 2, 3	Based on customer segments and nominal values and excluding impaired loans. Measured against the 3-month money market rate.
5	Total operating expenses relative to total income.
6	Return on equity represents the shareholders' share of profit for the period relative to average equity excluding additional Tier 1 capital.
7	RAROC (Risk-Adjusted Return On Capital) is defined as risk-adjusted profits (shareholders' share) relative to average equity excluding additional Tier 1 capital. Risk-adjusted profits indicate the level of profits in a normalised situation. Among other things, recorded impairment losses on loans are replaced by normalised losses.
8	Average equity is estimated on the basis of recorded equity including allocated dividend, but excluding additional Tier 1 capital. Thus this amount corresponds to the shareholders' share of equity.
9	The shareholders' share of profit for the period relative to average risk-weighted volume.
20	Total assets under management for external clients in DNB Asset Management, DNB Livsforsikring and DNB Forsikring.
21	Total assets and customer assets under management.
23	Total deposits from customers, assets under management and equity-linked bonds.
25	The Annual General Meeting on 26 April 2016 authorised the Board of Directors of DNB ASA to acquire own shares for a total face value of up to NOK 325 759 772, corresponding to 2 per cent of share capital. The shares shall be purchased in a regulated market. Each share may be purchased at a price between NOK 10 and NOK 200 per share. The authorisation is valid for a period of 12 months from 26 April 2016. 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, Industry and Fisheries 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.
27	The shareholders' share of profits relative to the average number of shares excluding any holdings of own shares.
28	The shareholders' share of profits excluding profits from operations held for sale. Holdings of own shares are not included in calculations of the number of shares.
30	Closing price at end of period less closing price at beginning of period, including dividends reinvested in DNB shares on the dividend payment date, relative to closing price at beginning of period.
32	The shareholders' share of equity, excluding additional Tier 1 capital, at end of period relative to the number of shares.
34	Closing price at end of period relative to annualised earnings per share.
35	Share price at end of period relative to equity per share.
36	Number of shares multiplied by the closing share price at end of period.

1.1.15 Assets and liabilities held for sale

On 25 August 2016 DNB and Nordea announced an agreement to combine their operations in Estonia, Latvia and Lithuania. The transaction is conditional upon regulatory approvals, and is expected to close in the second quarter of 2017. Nordea and DNB will have equal voting rights in the combined bank, while having different economic ownership levels that reflect the relative equity value of their contribution to the combined bank at the time of closing.

Once the transaction has been completed DNB Bank ASA will no longer have full control of its subsidiaries, but will be involved in the financial and operating policy decisions of the new company established together with Nordea. At end-December 2016 all assets and related liabilities were presented as held for sale, while there were no changes in the presentation in the income statement. The capital adequacy reporting was not affected. No impairment loss has been recognised in the income statement following the reclassification. The subsidiaries are part of DNB's Large corporates and international customers segment. Following the completion of the transaction, DNB's ownership will be consolidated on one line in the financial statement according to the equity method.

Reclassification of assets and liabilities in the Baltics as held for sale does not change DNB's risk related to these activities, and figures for the Baltics are included in tables and key figures apart from items that are directly derived from the consolidated balance sheet figures presented for the Group.

The table below shows consolidated balance sheet amounts reclassified as assets and liabilities held for sale at end-December 2016.

	31 Dec. 2016
<i>Amounts in NOK million</i>	
Assets	
Cash and deposits with central banks	3 645
Due from credit institutions	229
Loans to customers	45 007
Commercial paper and bonds at fair value	1 713
Shareholdings	47
Financial derivatives	72
Investment properties	607
Intangible assets	78
Deferred tax assets	124
Fixed assets	406
Other assets	375
Total assets	52 302
Liabilities	
Due to credit institutions	3 834
Deposits from customers	36 464
Financial derivatives	402
Payable taxes	21
Other liabilities	439
Provisions	4
Total liabilities	41 164

1.2.1 Net interest income - split by segments

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income from loans to customers ^{1) 2)}	7 239	7 563	7 565	7 560	7 902	7 964	7 894	8 066	8 035
Personal customers	2 895	3 069	3 138	3 075	3 394	3 508	3 573	3 823	3 860
Small and medium-sized enterprises	1 396	1 404	1 377	1 336	1 291	1 303	1 295	1 287	1 312
Large corporates and international customers	2 899	3 035	3 002	3 099	3 159	3 149	2 993	2 931	2 832
Other	50	56	48	50	58	3	33	26	31
Net interest income on deposits from customers	604	459	417	573	290	185	(47)	(295)	(388)
Personal customers	431	345	328	411	236	102	(30)	(268)	(307)
Small and medium-sized enterprises	205	173	166	195	168	147	77	65	22
Large corporates and international customers	(42)	(67)	(77)	(40)	(118)	(64)	(93)	(91)	(104)
Other	11	8	1	7	5	1	0	(0)	1
Equity and non-interest bearing items/Allocated capital	450	396	378	418	404	449	451	433	479
Personal customers	53	45	46	53	67	63	84	89	114
Small and medium-sized enterprises	33	28	27	32	38	40	54	57	80
Large corporates and international customers	112	99	92	110	125	148	161	176	216
Other	252	224	212	222	174	197	153	111	70
Other	79	62	184	163	466	382	430	382	574
Total net interest income	8 372	8 481	8 544	8 713	9 062	8 981	8 728	8 587	8 700

1.2.2 Average volumes - split by segments

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Loans to customers ³⁾	1 485 034	1 511 481	1 512 996	1 522 101	1 519 394	1 494 619	1 461 222	1 440 574	1 397 379
Personal customers ⁴⁾	715 044	705 917	691 674	683 562	689 026	693 179	685 977	676 898	671 891
Small and medium-sized enterprises	228 412	226 746	221 045	218 322	217 551	214 407	211 720	208 937	206 695
Large corporates and international customers	516 701	542 162	542 724	554 633	571 316	573 117	552 267	544 642	511 260
Other	24 877	36 656	57 553	65 583	41 500	13 916	11 258	10 097	7 533
Deposits from customers ³⁾	958 571	1 047 575	1 075 065	1 119 443	1 159 336	1 141 097	1 043 144	1 072 394	1 041 770
Personal customers	397 297	406 373	397 881	395 220	387 053	387 117	373 807	367 949	357 632
Small and medium-sized enterprises	185 176	179 110	173 284	170 165	171 926	174 649	169 822	166 653	167 761
Large corporates and international customers	366 617	374 006	378 136	382 852	402 916	408 418	378 588	379 588	385 027
Other	9 482	88 086	125 764	171 205	197 441	170 913	120 927	158 204	131 350
Equity and non-interest bearing items/Allocated capital	165 655	157 622	152 098	155 003	145 623	138 040	133 955	126 177	117 855
Personal customers	40 194	39 681	40 848	40 298	33 805	33 128	33 610	34 751	29 757
Small and medium-sized enterprises	24 726	24 409	24 411	24 982	20 958	21 620	20 993	21 567	20 035
Large corporates and international customers	86 330	88 693	84 713	86 375	70 868	70 414	69 807	72 490	57 545
Other	14 406	4 838	2 126	3 349	19 991	12 879	9 544	(2 631)	10 518

1.2.3 Interest rate spreads - split by segments ⁵⁾

Per cent	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Total lending - customer segments ²⁾	1.96	2.03	2.08	2.07	2.11	2.13	2.17	2.28	2.28
Personal customers	1.61	1.73	1.82	1.81	1.95	2.01	2.09	2.29	2.28
Small and medium-sized enterprises	2.43	2.46	2.50	2.46	2.35	2.41	2.45	2.50	2.52
Large corporates and international customers	2.23	2.23	2.22	2.25	2.19	2.18	2.17	2.18	2.20
Total deposits - customer segments	0.25	0.19	0.18	0.24	0.12	0.08	(0.02)	(0.13)	(0.17)
Personal customers	0.43	0.34	0.33	0.42	0.24	0.10	(0.03)	(0.30)	(0.34)
Small and medium-sized enterprises	0.44	0.38	0.38	0.46	0.39	0.33	0.18	0.16	0.05
Large corporates and international customers	(0.05)	(0.07)	(0.08)	(0.04)	(0.12)	(0.06)	(0.10)	(0.10)	(0.11)
Combined spread - customer segments - weighted total average ²⁾	1.29	1.30	1.33	1.35	1.32	1.32	1.32	1.34	1.31

1) Excluding impaired loans.

2) Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

3) Average nominal amount, excluding impaired loans.

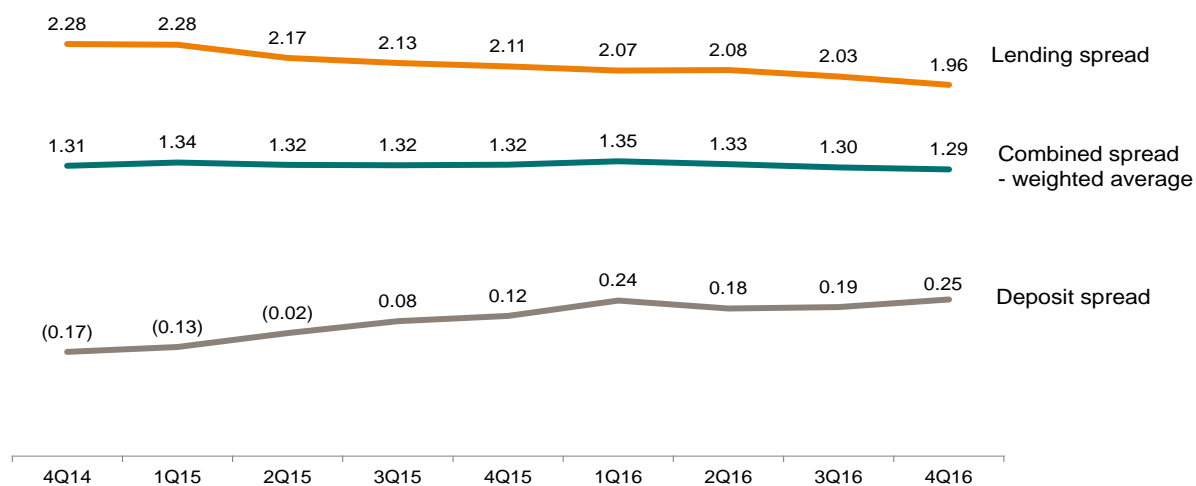
4) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. For more information about the portfolio, see table 2.2.1.

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

1.2.4 Quarterly development in average interest rate spreads

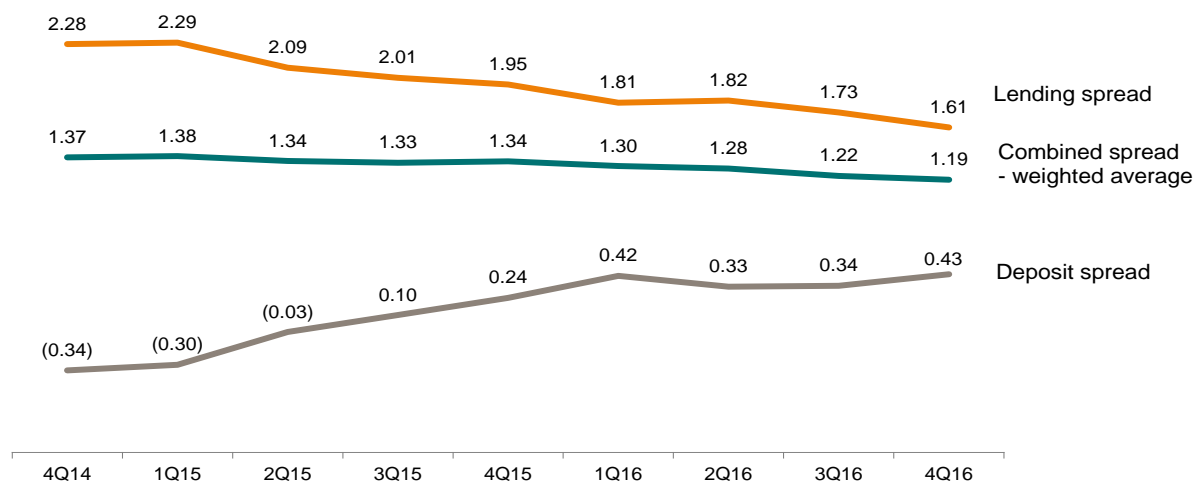
Customer segments

Per cent



Personal customers

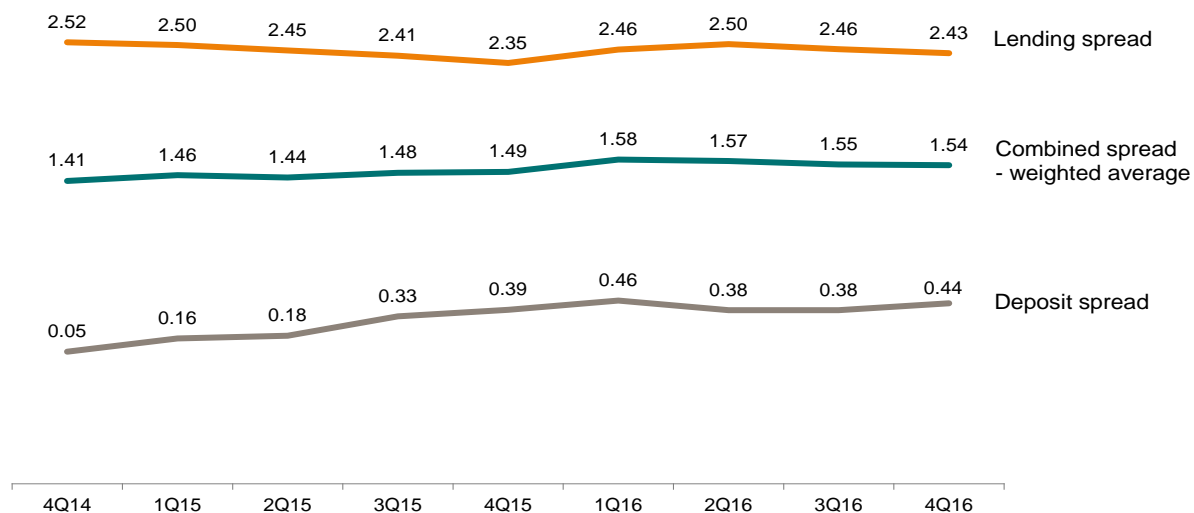
Per cent



Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

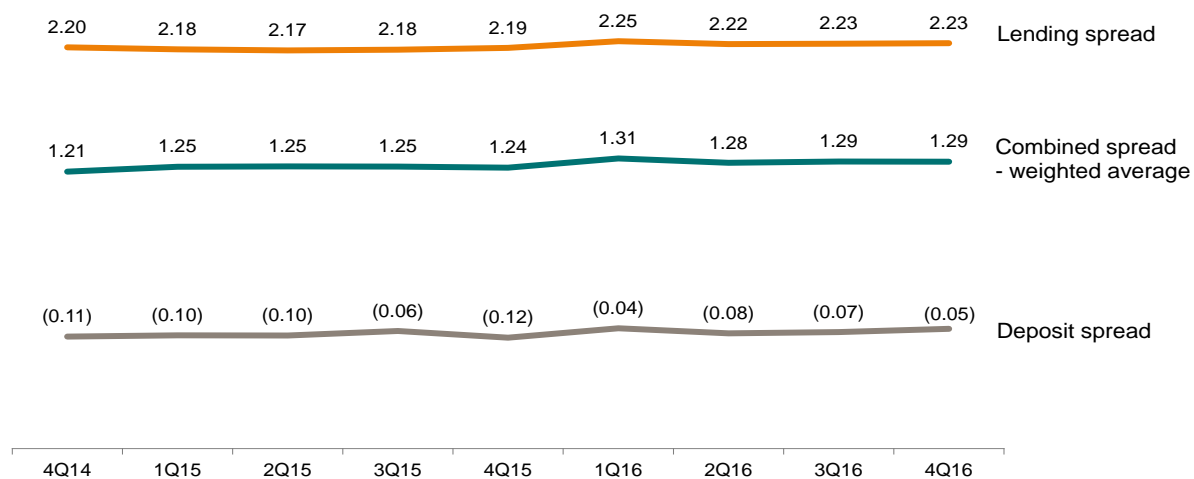
Small and medium-sized enterprises

Per cent



Large corporates and international customers

Per cent



Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

1.2.5 Net interest income

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Interest on amounts due from credit institutions	432	302	159	447	430	421	297	460	502
Interest on loans to customers	10 984	11 078	11 005	11 161	11 660	12 253	12 311	12 504	13 128
Interest on impaired loans and guarantees	317	245	204	145	203	148	137	131	174
Interest on commercial paper and bonds	1 185	1 195	1 119	1 127	1 118	1 155	1 163	1 219	1 201
Front-end fees etc.	81	69	71	73	96	81	81	80	84
Other interest income	274	87	322	342	427	290	436	431	443
Total interest income	13 273	12 976	12 880	13 295	13 934	14 348	14 425	14 825	15 533
Interest on amounts due to credit institutions	(762)	(325)	(303)	(313)	(369)	(314)	(331)	(351)	(401)
Interest on deposits from customers	(1 665)	(1 672)	(1 631)	(1 676)	(1 821)	(2 265)	(2 532)	(2 776)	(3 218)
Interest on debt securities issued	(2 933)	(3 055)	(3 147)	(3 251)	(3 238)	(3 268)	(3 102)	(3 202)	(3 196)
Interest on subordinated loan capital	(131)	(132)	(132)	(137)	(140)	(139)	(146)	(145)	(144)
Guarantee fund levy ¹⁾	(200)	(187)	(187)	(193)	(202)	(231)	(207)	(205)	(189)
Other interest expenses ²⁾	791	875	1 065	988	898	850	620	441	315
Total interest expenses	(4 901)	(4 495)	(4 336)	(4 582)	(4 872)	(5 367)	(5 697)	(6 238)	(6 833)
Net interest income	8 372	8 480	8 544	8 713	9 062	8 981	8 728	8 587	8 700

1) The amounts represent a proportional share of the estimated annual levy.

2) Other interest expenses include interest rate adjustments resulting from interest swaps.

1.2.6 Changes in net interest income

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	8 372	8 481	8 544	8 713	9 062	8 981	8 728	8 587	8 700

Changes from previous quarters:	Changes from 3Q16	Changes from 2Q16	Changes from 1Q16	Changes from 4Q15	Changes from 3Q15	Changes from 2Q15	Changes from 1Q15	Changes from 4Q14
Lending volumes	(39)	99	77	(309)	(100)	50	149	(55)
Deposit volumes	(5)	7	6	(1)	(2)	2	(3)	(4)
Lending spreads	(264)	(188)	20	(117)	(103)	(157)	(377)	(14)
Deposit spreads	148	24	(155)	285	103	227	254	90
Exchange rate movements	(16)	(3)	(86)	76	72	147	(14)	264
Interest days		87		(88)		86	86	(166)
Long term funding	6	(55)	(35)	(8)	(2)	(37)	(6)	(43)
Other net interest income	61	(33)	3	(186)	114	(65)	52	(186)
Total	(108)	(63)	(170)	(349)	81	253	141	(114)

Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

1.3.1 Net other operating income

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Money transfer and interbank transactions	403	520	466	507	443	515	442	492	507
Asset management services	280	319	292	273	311	274	275	258	295
Credit broking	106	99	143	118	125	110	376	142	181
Corporate finance	319	112	171	92	108	83	198	166	204
Real estate broking	260	273	343	245	270	281	370	279	268
Custodial services	38	7	58	40	38	24	54	46	48
Securities broking	161	119	77	82	110	77	83	93	71
Sale of insurance products	530	517	563	606	595	622	632	633	686
Other income from banking services	40	51	22	28	81	94	59	102	54
Net commissions and fees	2 136	2 016	2 136	1 991	2 082	2 080	2 489	2 212	2 313
Net gains on equity investments ¹⁾	108	326	160	(98)	405	28	(56)	(254)	(245)
FX and interest rate instruments	2 294	1 528	1 257	1 479	1 763	984	1 283	1 844	16
Basis swaps	(713)	(444)	(388)	1 003	(4)	933	(54)	1 810	508
Net gains on financial instruments at fair value ²⁾	1 689	1 411	1 029	2 384	2 164	1 945	1 174	3 400	279
Net financial result, DNB Livsforsikring	(57)	45	(68)	9	(928)	(151)	(75)	(96)	(115)
Net risk result, DNB Livsforsikring	290	109	234	103	247	220	245	149	300
Net financial and risk result, DNB Livsforsikring ³⁾	232	154	166	112	(681)	69	170	53	185
Net premium income/insurance claims, DNB Forsikring	181	148	204	115	132	132	166	104	129
Profit from investments accounted for by the equity method ⁴⁾	(45)	(0)	1 148	86	(28)	(1)	(74)	30	44
Net gains on investment properties	(7)	(5)	(18)	(5)	122	143	2	2	89
Other income	44	205	287	259	35	105	293	329	313
Other operating income	(9)	200	1 418	340	129	247	221	361	446
Net other operating income, total	4 230	3 929	4 952	4 942	3 825	4 472	4 221	6 130	3 352
As a percentage of total income	33.6	31.7	36.7	36.2	29.7	33.2	32.6	41.7	27.8

Full year figures

Amounts in NOK million	2016	2015	2014	2013	2012
Money transfer and interbank transactions	1 896	1 893	2 103	2 069	2 008
Asset management services	1 162	1 117	1 033	940	885
Credit broking	465	754	574	371	354
Corporate finance	694	555	740	497	585
Real estate broking	1 121	1 201	1 095	1 144	1 134
Custodial services	143	162	193	187	188
Securities broking	440	363	219	217	92
Sale of insurance products	2 216	2 482	2 668	2 725	2 487
Other income from banking services	142	336	344	387	363
Net commissions and fees	8 280	8 862	8 969	8 537	8 096
Net gains on equity investments ¹⁾	496	123	532	1 143	521
FX and interest rate instruments	6 559	5 874	4 391	5 253	5 076
Basis swaps	(542)	2 685	394	(1 364)	(1 687)
Net gains on financial instruments at fair value ²⁾	6 513	8 683	5 317	5 032	3 910
Net financial result, DNB Livsforsikring ³⁾	(72)	(1 251)	(79)	554	1 032
Net risk result, DNB Livsforsikring	736	861	688	467	(319)
Net financial and risk result, DNB Livsforsikring	664	(389)	609	1 021	714
Net premium income/insurance claims, DNB Forsikring	648	534	491	418	325
Profit from investments accounted for by the equity method ⁴⁾	1 189	(72)	226	362	789
Net gains on investment properties	(35)	269	82	(86)	(340)
Other income	795	762	1 182	1 144	1 007
Other operating income	1 948	959	1 490	1 420	1 456
Net other operating income, total	18 053	18 648	16 877	16 427	14 501
As a percentage of total income	34.6	34.5	34.2	35.2	34.8

1) Includes dividends and equity related derivatives.

2) See table 1.1.3 "Net gains on financial instruments at fair value" for specification.

3) The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015.

4) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.4.1 Operating expenses

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Salaries	(2 004)	(2 073)	(2 031)	(2 082)	(2 070)	(2 100)	(2 055)	(2 043)	(1 938)
Employer's national insurance contributions	(379)	(303)	(297)	(322)	(312)	(298)	(300)	(311)	(291)
Pension expenses ¹⁾	(81)	(321)	(314)	(320)	1 639	(286)	(276)	(278)	(123)
Restructuring expenses	(203)	(22)	(101)	(393)	(142)	(63)	(134)	(50)	(86)
Other personnel expenses	(174)	(156)	(168)	(160)	(220)	(157)	(188)	(177)	(183)
Total salaries and other personnel expenses	(2 842)	(2 874)	(2 911)	(3 277)	(1 106)	(2 905)	(2 953)	(2 859)	(2 620)
Fees ²⁾	(515)	(395)	(407)	(314)	(361)	(341)	(491)	(352)	(365)
IT expenses ²⁾	(417)	(552)	(577)	(561)	(489)	(637)	(619)	(674)	(596)
Postage and telecommunications	(59)	(55)	(61)	(63)	(65)	(74)	(70)	(78)	(72)
Office supplies	(21)	(18)	(19)	(19)	(24)	(21)	(22)	(23)	(29)
Marketing and public relations	(215)	(174)	(245)	(180)	(203)	(197)	(235)	(223)	(178)
Travel expenses	(85)	(45)	(59)	(49)	(99)	(52)	(78)	(55)	(97)
Reimbursement to Norway Post for transactions executed	(48)	(49)	(51)	(51)	(43)	(42)	(44)	(45)	(59)
Training expenses	(23)	(9)	(12)	(18)	(24)	(14)	(17)	(19)	(23)
Operating expenses on properties and premises	(291)	(292)	(300)	(309)	(301)	(246)	(273)	(294)	(279)
Operating expenses on machinery, vehicles and office equipment	(23)	(18)	(30)	(22)	(25)	(31)	(24)	(21)	(27)
Other operating expenses	(132)	(87)	(205)	(180)	(296)	(152)	(184)	(212)	(172)
Total other expenses	(1 828)	(1 694)	(1 965)	(1 765)	(1 931)	(1 806)	(2 056)	(1 997)	(1 896)
Impairment losses for goodwill	(5)								(5)
Depreciation and impairment of fixed and intangible assets ³⁾	(518)	(475)	(510)	(668)	(590)	(608)	(518)	(583)	(566)
Total depreciation and impairment of fixed and intangible assets	(524)	(475)	(510)	(668)	(590)	(608)	(518)	(583)	(571)
Total operating expenses	(5 194)	(5 043)	(5 385)	(5 711)	(3 626)	(5 319)	(5 527)	(5 438)	(5 088)

1) In the fourth quarter of 2015 DNB decided to change the Group's pension scheme from a defined-benefit to a defined contribution scheme with effect from 31 December 2015. The change includes the majority of its employees in Norway who were members of the Group's closed defined-benefit scheme. The change resulted in a one-time effect of NOK 1 969 million which reduced the period's pension cost. In the fourth quarter of 2014, a plan amendment was recorded for the pension scheme in the Norwegian Public Service Pension Fund, which reduced costs by NOK 93 million.

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

3) In consequence of the restructuring process in DNB, provisions of NOK 160 million for onerous contracts related to premises were made in the first quarter of 2016.

1.4.2 Number of employees - full-time positions based on the operational structure of the DNB Group

Full-time positions	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2014	31 Dec. 2014
Personal Banking Norway	2 748	2 736	2 841	3 014	3 060	3 156	3 215	3 256	3 283
Corporate Banking Norway	761	748	756	756	752	728	722	725	752
Large Corporates and International ¹⁾	2 903	2 848	2 873	2 950	2 977	3 004	3 011	3 103	3 128
Markets	694	693	696	687	690	697	693	690	696
Wealth Management	445	457	476	343	382	390	381	386	385
Products	983	976	984	1 164	1 207	1 214	1 215	1 213	1 241
IT and Operations ²⁾	1 735	1 704	1 666	1 664	1 673	1 648	1 544	1 551	1 525
Other entities	738	721	723	655	639	610	633	639	632
Total ordinary operations	11 007	10 883	11 015	11 233	11 380	11 447	11 414	11 563	11 643

1) Large Corporates and International increased the number of full-time positions in the Baltics by 63 in the fourth quarter for 2016. 1 777 full-time positions in the Baltics were included at end-December 2016.

2) IT and Operations increased its operations in Latvia in the fourth quarter of 2016.

1.4.3 IT expenses

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
IT operating expenses	(462)	(577)	(582)	(583)	(521)	(662)	(641)	(705)	(638)
Depreciation	(31)	(31)	(31)	(31)	(36)	(31)	(30)	(28)	(31)
Total IT operating expenses	(493)	(608)	(613)	(614)	(557)	(693)	(672)	(733)	(670)
Systems development expenses	(305)	(197)	(289)	(199)	(190)	(200)	(348)	(216)	(150)
Depreciation	(74)	(69)	(69)	(72)	(80)	(83)	(88)	(91)	(99)
Impairment	(24)	(1)	(3)		(55)	(50)			
Total systems development expenses	(402)	(267)	(361)	(270)	(324)	(333)	(436)	(307)	(249)
Total IT expenses ¹⁾	(895)	(876)	(975)	(885)	(881)	(1 026)	(1 108)	(1 040)	(919)
Capitalised systems development expenses	948	908	951	983	1 042	1 112	1 175	1 226	1 260

1) The figures do not include salaries and indirect expenses.

1.4.4 Ordinary cost/income ratio

<i>Per cent</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Cost/income ratio (%)	41.2	40.6	39.9	41.8	28.1	39.6	42.8	37.0	42.2
- adjusted for basis swaps	39.0	39.2	38.8	45.1	28.1	42.5	42.6	42.2	44.1

1.4.5 Changes in total operating expenses

Amounts in NOK million	4Q16	Change	4Q15	Change in per cent
Total adjusted operating expenses ^{*)}	(5 213)	225	(5 437)	4.1
Expenses directly related to operations				
Pension expenses		49		
Salaries and other personnel expenses (excl. pension and restructuring costs)		159		
Provisions for financial activities tax		(142)		
IT expenses		(36)		
Other costs		194		
Non-recurring effects	19	(1 793)	1 811	
Restructuring costs	(203)	(56)	(148)	
IT restructuring		(9)	9	
Other non-recurring effects	222	(1 728)	1 950	
Operating expenses	(5 194)	(1 568)	(3 626)	(43.2)

^{*)} Of which:

Exchange rate effects for units outside Norway		79		
Currency-adjusted operating expenses	(5 292)	146	(5 437)	2.7

Amounts in NOK million	4Q16	Change	3Q16	Change in per cent
Total adjusted operating expenses ^{*)}	(5 213)	(170)	(5 042)	(3.4)
Expenses directly related to operations				
Pensions		40		
Salaries and other personnel expenses (excl. pension and restructuring costs)		88		
Provisions for financial activities tax		(142)		
Marketing, travel and training expenses		(94)		
Other costs		(62)		
Non-recurring effects	19	20	(1)	
Restructuring costs	(203)	(204)	1	
Other non-recurring effects	222	224	(1)	
Operating expenses	(5 194)	(150)	(5 043)	(3.0)

^{*)} Of which:

Exchange rate effects for units outside Norway		32		
Currency-adjusted operating expenses	(5 245)	(202)	(5 042)	(4.0)

1.5.1 Development in volumes - net loans to customers

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Loans at end of period	1 554	1 531	1 542	1 535	1 543	1 531	1 491	1 476	1 439
Loans adjusted for exchange rate movements	1 519	1 515	1 507	1 498	1 486	1 485	1 479	1 459	1 439

Includes NOK 45 billion in the Baltics at end-December 2016, reclassified as assets held for sale in August 2016. Volumes include accrued interest and fair value adjustments.

1.5.2 Net loans to principal customer groups

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Private individuals	777.6	768.4	758.1	743.9	743.3	733.6	726.1	715.3	709.9
Transportation by sea and pipelines and vessel construction ¹⁾	106.1	103.6	114.3	115.5	126.2	131.6	129.6	136.9	123.7
Real estate	208.1	206.5	207.0	205.5	202.0	201.4	196.9	194.5	194.2
Manufacturing ¹⁾	82.3	88.9	101.5	95.6	95.5	97.4	86.0	80.3	77.5
Services	88.8	82.5	85.9	100.1	97.9	84.4	85.2	89.9	79.0
Trade	42.4	43.3	40.7	40.8	41.0	42.2	43.0	39.5	36.6
Oil and gas ¹⁾	29.1	27.9	30.9	32.7	31.9	33.5	32.2	33.1	28.6
Transportation and communication ¹⁾	64.1	60.5	59.1	59.9	59.3	58.7	53.9	45.8	45.3
Building and construction	53.9	55.4	53.6	52.2	48.7	52.4	51.9	55.4	49.2
Power and water supply	32.3	31.0	31.3	32.0	33.8	37.0	35.9	32.8	35.1
Seafood	17.0	15.5	15.5	15.9	16.3	16.7	14.8	16.3	17.4
Hotels and restaurants	8.1	7.4	7.4	7.7	8.9	5.4	4.6	5.4	7.0
Agriculture and forestry	6.2	6.3	6.3	6.6	6.8	7.1	7.5	7.4	8.4
Central and local government	16.8	15.7	13.8	12.1	14.4	14.1	12.6	14.7	13.0
Other sectors	25.8	22.0	16.8	13.3	15.4	13.1	9.7	6.7	11.1
Total customers	1 558.7	1 535.0	1 542.2	1 533.8	1 541.5	1 528.8	1 489.9	1 473.9	1 436.0
Credit institutions ²⁾	166.7	186.9	195.8	170.2	292.2	228.2	204.4	189.7	360.2
Total net loans	1 725.3	1 721.8	1 738.0	1 704.0	1 833.6	1 757.0	1 694.3	1 663.7	1 796.2

^{*)} Of which repo trading volumes

153.2	172.6	177.8	152.0	278.2	201.0	189.3	170.8	330.3
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¹⁾ In connection with the revision of the Norwegian national accounts for 2014 in 4Q14, the industry "Other services linked to production of crude oil and natural gas" was moved from the category "Oil and gas" to "Manufacturing", and "Supply and other sea transport services" was moved from "Transportation by sea and pipelines and vessel construction" to "Transportation and communication".

Includes NOK 45 billion in the Baltics at end-December 2016, reclassified as assets held for sale in August 2016.

Loans after individual impairment. The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.6.1 Impairment of loans and guarantees per segment

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Personal customers	77	(75)	(106)	432	24	942	(58)	34	67
- Mortgage loans	(4)	(8)	(30)	531	116	10	17	81	141
- Other exposure	81	(67)	(76)	(99)	(92)	932	(75)	(46)	(74)
Small and medium-sized enterprises	(307)	(320)	(181)	(231)	(341)	(129)	(284)	(308)	(450)
Large corporates and international customers	(1 350)	(1 186)	(1 305)	(728)	(686)	(527)	(425)	(256)	(496)
- Nordic Corporates Division	(109)	(114)	(66)	6	12	(6)	5	15	(333)
- International Corporates Division	(105)	15	72	(7)	(72)	(22)	(93)	39	(166)
- Shipping, Offshore and Logistics Division	(844)	(710)	(823)	(610)	(382)	(379)	(302)	(242)	21
- Energy Division	(238)	(348)	(458)	(81)	(173)	(88)	(43)	(12)	(5)
- Baltics and Poland	(34)	(22)	(24)	(36)	(58)	(12)	(47)	(50)	(1)
- Other units	(20)	(6)	(6)	0	(12)	(19)	56	(7)	(13)
Total individual impairment	(1 580)	(1 580)	(1 592)	(528)	(1 002)	285	(767)	(530)	(879)
Total collective impairment of loans	(172)	(596)	(729)	(646)	(418)	106	101	(44)	58
Impairment of loans and guarantees	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)
Total impairment in relation to average volumes, annualised	(0.45)	(0.56)	(0.61)	(0.31)	(0.37)	0.10	(0.18)	(0.16)	(0.23)

Full year figures

Amounts in NOK million	2016	2015	2014	2013	2012
Personal customers	329	942	(118)	(350)	(443)
- Mortgage loans	490	223	129	(77)	(111)
- Other exposure	(161)	719	(247)	(273)	(332)
Small and medium-sized enterprises	(1 040)	(1 062)	(838)	(518)	(540)
Large corporates and international customers	(4 569)	(1 895)	(1 024)	(1 448)	(1 933)
- Nordic Corporates Division	(283)	25	(370)	(136)	21
- International Corporates Division	(25)	(149)	(291)	(228)	(142)
- Shipping, Offshore and Logistics Division	(2 988)	(1 305)	(166)	(500)	(945)
- Energy Division	(1 126)	(317)	(31)	(52)	(230)
- Baltics and Poland	(116)	(168)	(124)	(471)	(635)
- Other units	(31)	18	(42)	(61)	(0)
Total individual impairment	(5 280)	(2 015)	(1 980)	(2 318)	(2 915)
Total collective impairment of loans	(2 144)	(255)	341	133	(265)
Impairment of loans and guarantees	(7 424)	(2 270)	(1 639)	(2 185)	(3 179)
Total impairment in relation to average volumes, annualised ¹⁾	(0.48)	(0.15)	(0.12)	(0.17)	(0.24)

1) Excluding the sale of non-performing loan portfolios, the ratio was minus 0.52 for full year 2016 and minus 0.22 for full year 2015.

1.6.2 Impairment of loans and guarantees for principal customer groups

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Private individuals	109	(57)	(106)	416	(21)	1 046	(53)	23	96
Transportation by sea and pipelines and vessel construction	(346)	(356)	(330)	(515)	(225)	(165)	(226)	(270)	(43)
Real estate	(36)	(13)	5	11	(3)	(126)	(26)	(47)	(243)
Manufacturing	(2)	(368)	(442)	(162)	(268)	(97)	(276)	(178)	(258)
Services	(107)	(26)	17	(66)	11	(113)	(3)	4	(166)
Trade	(40)	(15)	(30)	4	(77)	0	(47)	(31)	(232)
Oil and gas	(227)	(262)	(329)			1	(1)		(6)
Transportation and communication	(579)	(320)	(351)	(262)	(262)	(222)	(44)	19	95
Building and construction	(86)	(142)	(27)	(11)	(110)	(24)	(129)	(45)	(14)
Power and water supply	(257)	(18)	2	53	(43)	(10)	(6)		(34)
Seafood	(4)	1	(1)	(4)	1	(0)	42	(2)	(77)
Hotels and restaurants	(2)	(0)	(4)	6	(9)	2	0	(4)	17
Agriculture and forestry	6	(13)	2	2	3	(6)	(3)	4	(13)
Other sectors	0	0	(0)	1	1	0	1	(1)	(5)
Total customers	(1 580)	(1 580)	(1 592)	(528)	(1 002)	288	(770)	(530)	(883)
Credit institutions						(3)	3		4
Change in collective impairment of loans	(172)	(596)	(729)	(646)	(418)	106	101	(44)	58
Impairment of loans and guarantees ^{*)}	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)
*) Of which individual impairment of guarantees	(105)	(147)	(90)	(2)	0	(0)	(10)	(26)	(1)

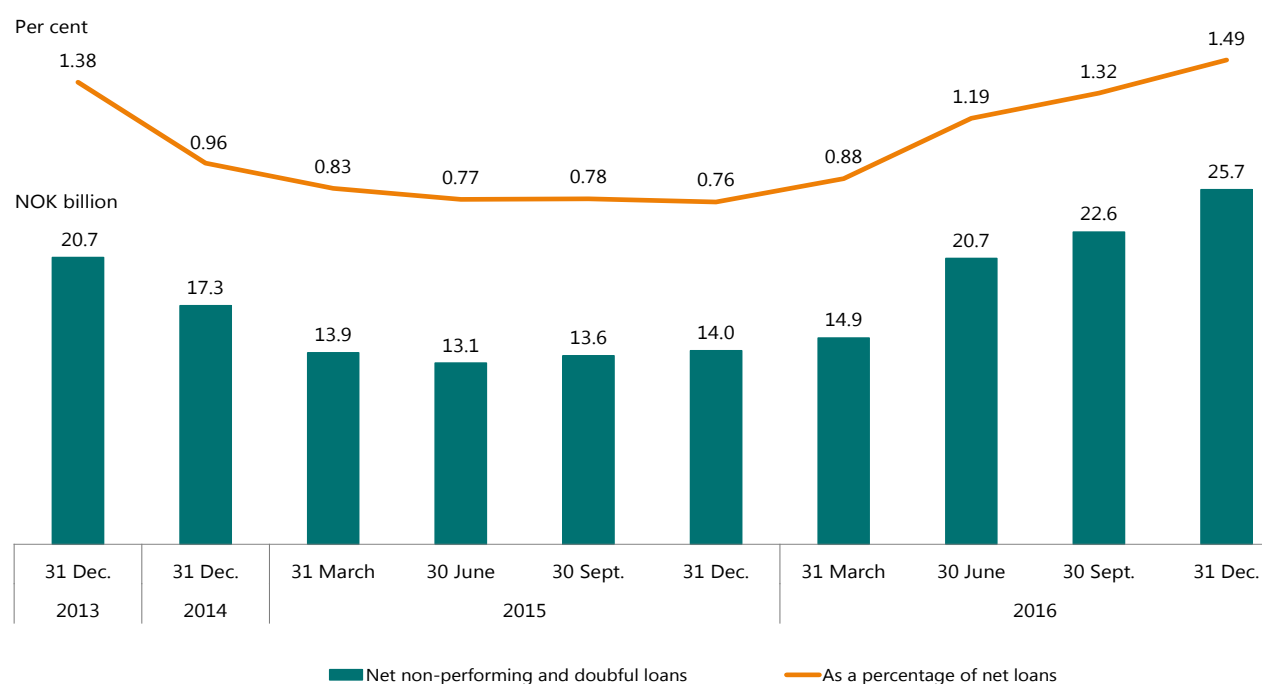
The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.6.3 Impairment of loans and guarantees

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Write-offs	(455)	(103)	(638)	(163)	(748)	(308)	(272)	(119)	(275)
New/increased individual impairment	(1 519)	(1 663)	(1 335)	(1 393)	(672)	(758)	(785)	(1 073)	(1 105)
Total new/increased individual impairment	(1 974)	(1 767)	(1 973)	(1 556)	(1 420)	(1 066)	(1 057)	(1 191)	(1 380)
Reassessed individual impairment previous years	177	113	319	381	217	166	128	467	267
Recoveries on loans and guarantees previously written off	217	74	62	646	200	1 186	162	194	234
Net individual impairment	(1 580)	(1 580)	(1 592)	(528)	(1 002)	285	(767)	(530)	(879)
Change in collective impairment of loans	(172)	(596)	(729)	(646)	(418)	106	101	(44)	58
Impairment of loans and guarantees	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)	392	(667)	(575)	(821)

1.7.1 Net non-performing and net doubtful loans and guarantees

Amounts in NOK million	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Non-performing loans and guarantees subject to individual impairment	15 244	13 968	13 081	13 176	12 542	12 600	12 624	12 769	12 436
Non-performing loans and guarantees not subject to individual impairment	4 322	3 037	3 125	3 123	2 463	1 779	2 401	2 841	3 318
Doubtful loans and guarantees subject to individual impairment	17 214	16 006	13 350	7 513	7 641	9 270	7 928	8 236	11 296
Gross non-performing and gross doubtful loans and guarantees	36 781	33 011	29 556	23 811	22 647	23 649	22 953	23 846	27 051
Individual impairment	(11 127)	(10 422)	(8 871)	(8 883)	(8 665)	(10 012)	(9 848)	(9 990)	(9 790)
Net non-performing and net doubtful loans and guarantees	25 654	22 589	20 685	14 928	13 982	13 636	13 105	13 856	17 261
Collective impairment	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)	(2 058)	(2 099)	(2 210)	(2 139)
Provision ratio (per cent) ¹⁾	42.5	44.3	42.9	50.3	49.4	51.0	52.1	51.2	44.1
Provision ratio (per cent) ²⁾	48.1	48.8	48.0	57.9	55.4	55.2	58.1	58.1	50.3
Collateral for non-performing and doubtful loans and guarantees	24 355	18 438	18 280	11 906	11 674	12 050	12 033	13 238	16 879
Coverage ratio (per cent)	108.7	100.2	104.8	100.3	101.0	102.0	104.5	106.7	106.5



1) Includes individual and collective impairment as a percentage of gross non-performing and gross doubtful loans and guarantees.

2) Includes individual and collective impairment as a percentage of gross impaired loans and guarantees subject to impairment.

Includes volumes in the Baltics, reclassified as assets held for sale in August 2016, of which net non-performing and net doubtful loans and guarantees totalled NOK 2 256 million at end-December.

1.7.2 Development in net non-performing and net doubtful loans and guarantees

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net non-performing and net doubtful loans and guarantees at beginning of period	22 589	20 685	14 928	13 982	13 636	13 105	13 856	17 261	14 921
Change in gross non-performing and gross doubtful loans and guarantees	3 769	3 455	5 745	1 164	(1 001)	695	(893)	(3 205)	2 793
Change in individual impairment	(705)	(1 551)	12	(218)	1 347	(164)	142	(200)	(453)
Net non-performing and net doubtful loans and guarantees at end of period	25 654	22 589	20 685	14 928	13 982	13 636	13 105	13 856	17 261

Includes volumes in the Baltics, reclassified as assets held for sale in August 2016, of which net non-performing and net doubtful loans and guarantees totalled NOK 2 256 million at end-December.

1.7.3 Net non-performing and net doubtful loans and guarantees for principal customer groups

	Gross non-performing and doubtful loans and guarantees			Accumulated individual impairment			Net non-performing and net doubtful loans and guarantees		
	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Private individuals	3 907	4 162	4 502	(1 617)	(1 694)	(1 841)	2 290	2 469	2 661
Transportation by sea and pipelines and vessel construction	4 995	4 269	3 665	(2 247)	(2 084)	(1 620)	2 748	2 185	2 045
Real estate	2 760	2 941	3 716	(934)	(1 231)	(1 426)	1 826	1 710	2 289
Manufacturing	5 800	5 564	2 643	(1 814)	(1 814)	(1 113)	3 986	3 749	1 530
Services	1 508	1 269	952	(712)	(624)	(593)	797	645	359
Trade	1 255	958	977	(465)	(472)	(502)	790	486	476
Oil and gas	4 368	4 046		(744)	(569)		3 625	3 478	
Transportation and communication	5 528	4 431	1 825	(1 623)	(1 006)	(726)	3 905	3 426	1 099
Building and construction	1 446	1 779	1 020	(697)	(729)	(550)	749	1 051	470
Power and water supply	539	148	394	(154)	(43)	(77)	386	105	317
Seafood	61	21	13	(16)	(11)	(8)	44	10	5
Hotels and restaurants	104	105	167	(43)	(45)	(49)	61	60	118
Agriculture and forestry	157	223	172	(50)	(70)	(63)	107	153	110
Other sectors	30	57	137	(10)	(32)	(96)	19	26	41
Total customers	32 458	29 974	20 184	(11 127)	(10 422)	(8 665)	21 331	19 552	11 519
Credit institutions									
Total impaired loans and guarantees	32 458	29 974	20 184	(11 127)	(10 422)	(8 665)	21 331	19 552	11 519
Non-performing loans and guarantees not subject to impairment	4 322	3 037	2 463	-	-	-	4 322	3 037	2 463
Total non-performing and doubtful loans and guarantees ^{*)}	36 781	33 011	22 647	(11 127)	(10 422)	(8 665)	25 654	22 589	13 982

*) of which Baltics and Poland, Baltics reclassified as assets held for sale in August 2016:

Private individuals	1 356	1 486	1 999	(748)	(827)	(1 082)	608	659	917
Transportation by sea and pipelines and vessel construction									
Real estate	1 112	1 464	2 173	(402)	(697)	(836)	710	767	1 336
Manufacturing	642	670	512	(283)	(298)	(335)	359	372	177
Services	52	60	95	(30)	(36)	(65)	22	24	30
Trade	157	189	229	(95)	(117)	(139)	62	71	90
Oil and gas									
Transportation and communication	89	93	124	(62)	(65)	(79)	27	28	45
Building and construction	263	348	431	(209)	(292)	(297)	54	56	134
Power and water supply	109	112	5	(20)	(16)	(2)	89	95	3
Seafood		0			(0)	(0)			0
Hotels and restaurants	55	55	113	(21)	(21)	(32)	34	34	81
Agriculture and forestry	107	141	61	(22)	(26)	(18)	85	115	42
Other sectors	23	24	26	(8)	(8)	(11)	15	15	16
Total customers	3 965	4 642	5 768	(1 899)	(2 405)	(2 897)	2 066	2 237	2 871
Credit institutions									
Total impaired loans and guarantees	3 965	4 642	5 768	(1 899)	(2 405)	(2 897)	2 066	2 237	2 871
Non-performing loans and guarantees not subject to impairment	398	526	432	-	-	-	398	526	432
Total non-performing and doubtful loans and guarantees	4 363	5 168	6 201	(1 899)	(2 405)	(2 897)	2 464	2 763	3 303

Includes volumes in the Baltics, reclassified as assets held for sale in August 2016, of which net non-performing and net doubtful loans and guarantees totalled NOK 2 256 million at end-December.

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.7.4 Net non-performing and net doubtful loans and guarantees per segment

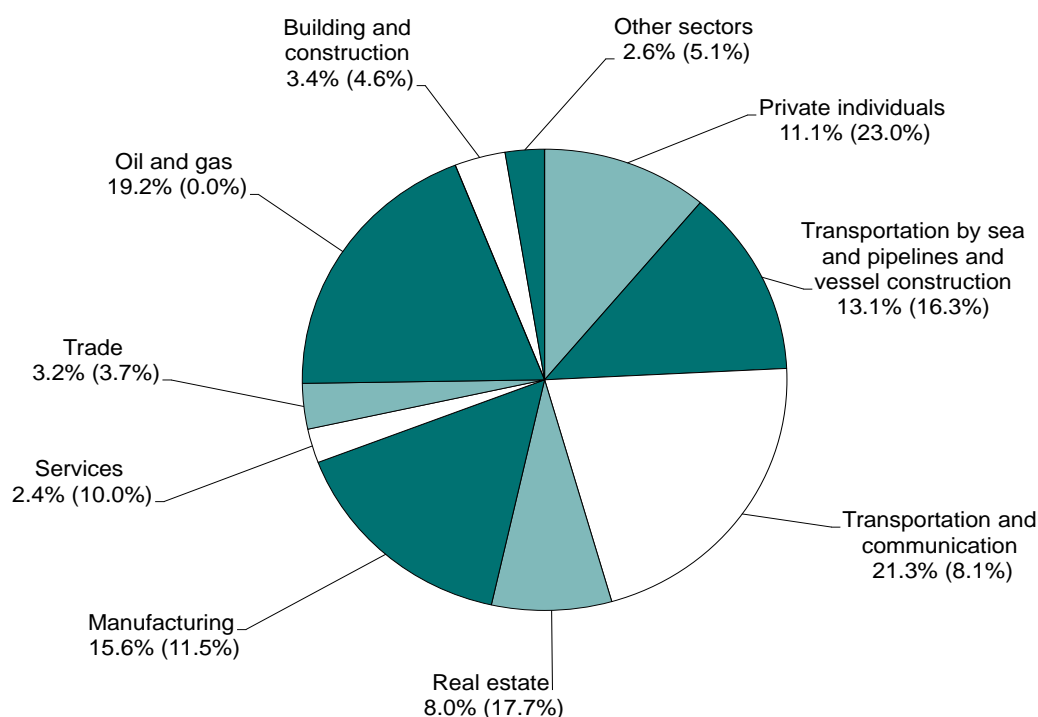
Amounts in NOK million	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Personal customers	2 040	2 193	2 202	1 930	2 084	2 157	2 377	2 438	2 553
Small and medium-sized enterprises	3 393	3 354	2 354	2 607	2 357	2 901	3 044	2 580	3 065
Large corporates and international customers ^{*)}	20 210	17 033	16 126	10 388	9 539	8 579	7 684	8 838	11 643
Traditional pension products	10	9	3	3	1	-	-	-	-
Total net non-performing and net doubtful loans and guarantees ^{**)}	25 654	22 589	20 685	14 928	13 982	13 636	13 105	13 856	17 261
<i>*) Of which Baltics and Poland</i>	<i>2 464</i>	<i>2 763</i>	<i>2 878</i>	<i>3 224</i>	<i>3 303</i>	<i>3 620</i>	<i>3 385</i>	<i>3 592</i>	<i>3 473</i>
<i>**) Of which Norwegian units</i>	<i>15 243</i>	<i>15 334</i>	<i>13 569</i>	<i>7 826</i>	<i>6 615</i>	<i>6 109</i>	<i>6 091</i>	<i>6 322</i>	<i>9 691</i>

Includes volumes in the Baltics, reclassified as assets held for sale in August 2016, of which net non-performing and net doubtful loans and guarantees totalled NOK 2 256 million at end-December.

Including non-performing loans and guarantees and loans and guarantees subject to individual impairment. Accumulated individual impairment is deducted.

1.7.5 Net non-performing and net doubtful loans and guarantees for principal customer groups

NOK 25 654 million as at 31 December 2016 (13 982)



Includes NOK 2 256 million in the Baltics at end-December 2016, reclassified as assets held for sale in August 2016.

Includes non-performing loans and guarantees and loans and guarantees subject to individual impairment. Comparable figures as at 31 December 2015 in parentheses.

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.7.6 Collective impairment per segment

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Personal customers	(208)	(260)	(253)	(268)	(282)	(272)	(290)	(262)	(270)
Small and medium-sized enterprises	(409)	(428)	(409)	(386)	(381)	(360)	(347)	(349)	(364)
Large corporates and international customers									
- Nordic Corporates Division	(182)	(211)	(253)	(230)	(225)	(129)	(128)	(137)	(135)
- International Corporates Division	(159)	(226)	(273)	(271)	(331)	(266)	(275)	(303)	(289)
- Shipping, Offshore and Logistics Division	(2 805)	(2 547)	(1 962)	(1 253)	(823)	(662)	(728)	(828)	(791)
- Energy Division	(540)	(365)	(372)	(446)	(243)	(125)	(95)	(95)	(35)
- Baltics and Poland	(179)	(173)	(178)	(162)	(160)	(169)	(179)	(183)	(196)
- Other units	(111)	(95)	(112)	(81)	(78)	(75)	(57)	(53)	(59)
Traditional pension products	(7)	(3)	(3)	(3)	(3)	-	-	-	-
Baltics - reclassified as assets held for sale	111	99	-	-	-	-	-	-	-
Total collective impairment of loans	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)	(2 058)	(2 099)	(2 210)	(2 139)

1.7.7 Collective impairment for principal customer groups

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Private individuals	(332)	(383)	(388)	(400)	(403)	(405)	(421)	(404)	(441)
Transportation by sea and pipelines and vessel construction	(2 322)	(2 023)	(1 627)	(1 072)	(727)	(661)	(744)	(841)	(835)
Real estate	(81)	(91)	(97)	(89)	(88)	(81)	(84)	(87)	(85)
Manufacturing	(239)	(318)	(347)	(371)	(397)	(364)	(345)	(347)	(330)
Services	(127)	(142)	(154)	(144)	(159)	(132)	(131)	(145)	(133)
Trade	(138)	(150)	(175)	(173)	(174)	(88)	(97)	(91)	(108)
Oil and gas	(1 175)	(988)	(787)	(634)	(368)	(143)	(93)	(99)	(2)
Transportation and communication	(53)	(59)	(79)	(63)	(50)	(45)	(38)	(44)	(42)
Building and construction	(68)	(74)	(77)	(77)	(80)	(86)	(76)	(74)	(80)
Power and water supply	(37)	(51)	(58)	(46)	(26)	(14)	(12)	(15)	(13)
Seafood	(5)	(7)	(8)	(12)	(14)	(16)	(16)	(19)	(18)
Hotels and restaurants	(6)	(6)	(7)	(7)	(15)	(12)	(11)	(9)	(10)
Agriculture and forestry	(6)	(7)	(8)	(8)	(8)	(6)	(10)	(8)	(9)
Other sectors	(9)	(7)	(6)	(5)	(18)	(5)	(21)	(28)	(33)
Total customers	(4 599)	(4 307)	(3 816)	(3 100)	(2 527)	(2 058)	(2 099)	(2 210)	(2 139)
Credit institutions									
Baltics - reclassified as assets held for sale	111	99	-	-	-	-	-	-	-
Total collective impairment of loans	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)	(2 058)	(2 099)	(2 210)	(2 139)

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.8.1 Exposure at default by customer segments as defined in DNB's management reporting

In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. The portfolios have been removed from the reported EAD figures. The loans are reported in DNB Livsforsikring's investment portfolio and included in market risk.

DNB Group ¹⁾

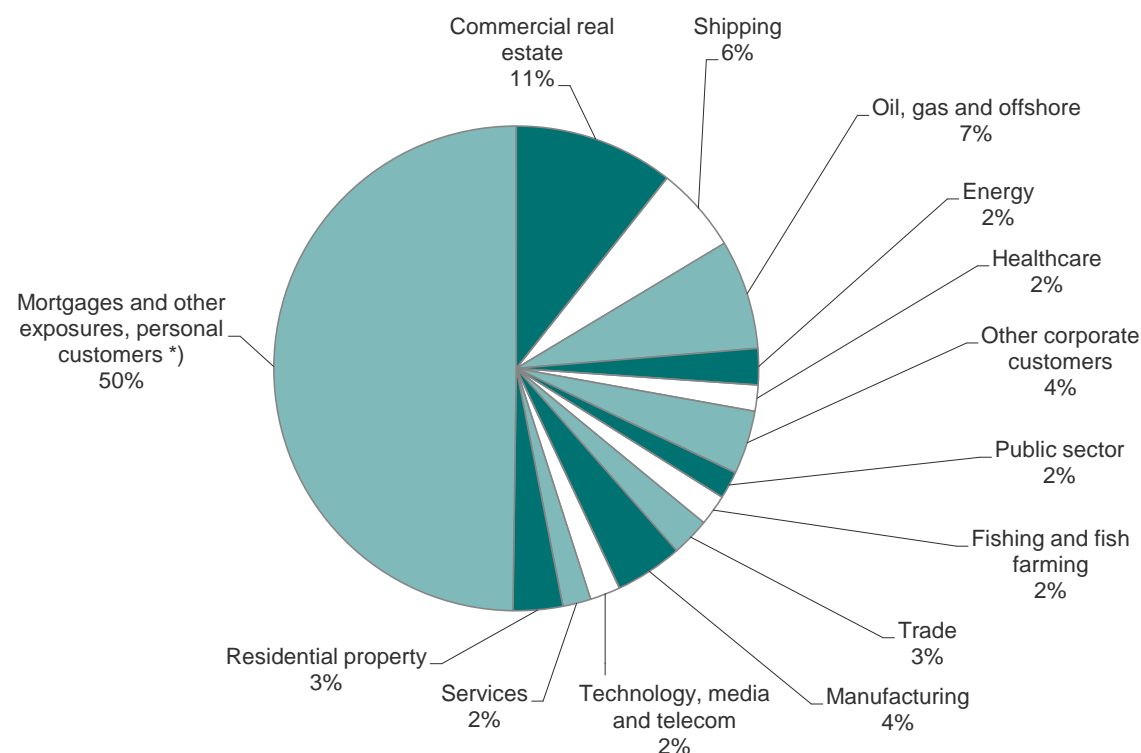
Amounts in NOK billion	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Commercial real estate	202.3	208.9	212.9	209.8	214.7	215.9	207.7	208.6	207.2
Shipping	108.7	109.5	118.3	121.1	133.5	138.1	136.1	149.4	135.5
Oil, gas and offshore	138.1	140.5	150.5	155.2	165.8	167.1	155.5	160.0	151.3
Energy	46.0	43.5	44.2	46.9	49.9	53.3	51.8	55.5	57.4
Healthcare	33.2	34.0	43.8	44.6	38.5	51.3	46.5	37.9	23.9
Other corporate customers	80.4	81.7	76.8	75.8	82.0	80.0	73.8	77.2	82.3
Public sector	34.6	35.5	39.1	37.3	34.6	34.1	31.8	31.2	32.3
Fishing and fish farming	39.1	37.0	36.3	37.2	38.6	37.6	35.3	37.6	40.4
Trade	48.6	48.9	50.9	47.2	49.4	53.4	53.2	56.6	52.7
Manufacturing	85.1	84.5	88.9	86.5	91.0	96.4	91.3	86.1	90.5
Technology, media and telecom	38.6	36.6	35.7	35.8	38.3	38.7	35.9	37.5	33.7
Services	35.6	35.6	36.2	34.8	37.4	43.8	43.3	43.5	42.2
Residential property	62.7	60.8	59.5	58.5	53.3	53.4	53.6	54.4	58.1
Mortgages and other exposures, personal customers ¹⁾	944.4	942.3	922.9	898.9	884.7	906.4	896.0	879.0	873.4
Total customers	1 897.5	1 899.2	1 916.0	1 889.6	1 911.6	1 969.5	1 911.9	1 914.4	1 881.1
Credit institutions	25.3	23.6	23.3	29.1	28.0	29.1	27.3	27.7	28.5
Total net exposure at default	1 922.8	1 922.9	1 939.3	1 918.7	1 939.7	1 998.6	1 939.1	1 942.2	1 909.6

*) Of which:

Mortgages	808.6	806.1	787.1	763.6	749.9	774.2	767.5	752.6	747.6
Other exposures	135.9	136.1	135.7	135.2	134.7	132.2	128.5	126.4	125.8

1) For a breakdown of the different customer segments, see next page.

Distribution of exposure at default by customer segments as at 31 December 2016



Including net non-performing and net doubtful loans and guarantees. Includes portfolio in the Baltics.

Exposures at default are based on full implementation of IRB. The portfolio banks and financial institutions is still subject to final IRB approval from the Norwegian FSA (Finanstilsynet).

*) Of which mortgages 43 per cent.

1.8.2 Risk classification of portfolio

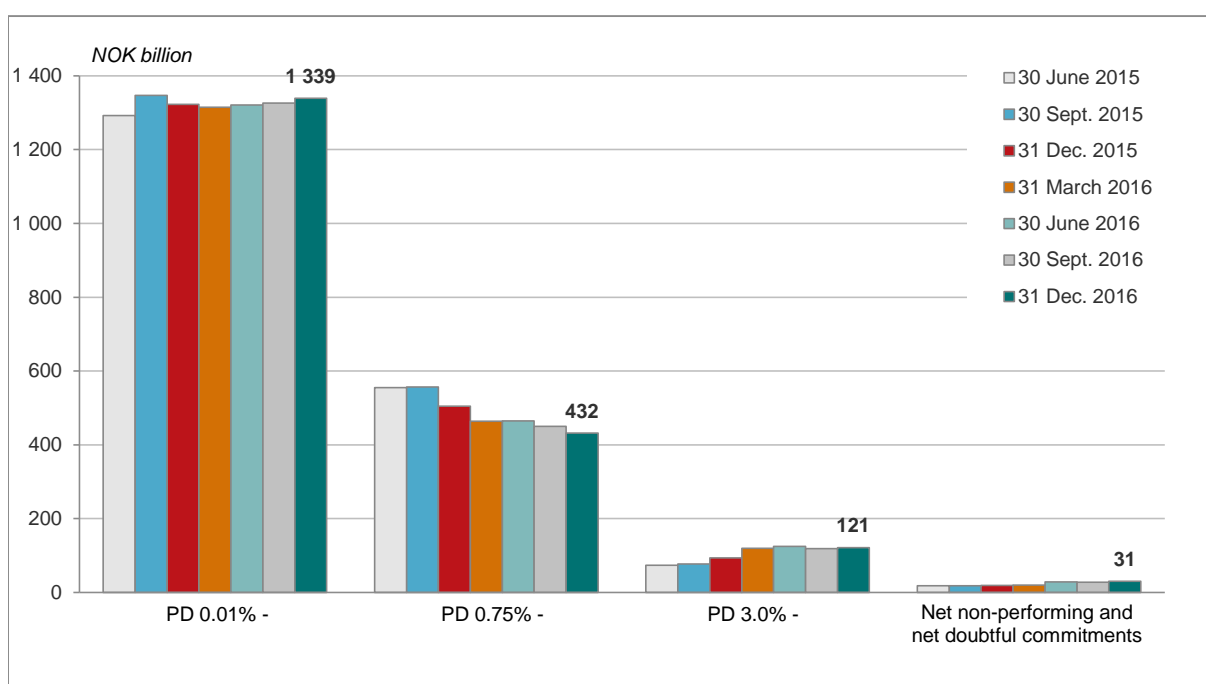
	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
PD 0.01% -									
Personal customers	716.2	706.0	687.1	672.1	655.2	661.7	655.3	646.4	636.3
Small and medium-sized enterprises	161.1	155.1	150.9	147.9	151.6	147.5	139.3	139.0	148.3
Large corporates and international customers ¹⁾	462.1	464.8	482.6	495.0	515.8	537.3	497.8	504.8	489.2
Total DNB Group ¹⁾	1 339.4	1 325.9	1 320.6	1 315.0	1 322.6	1 346.5	1 292.4	1 290.3	1 273.8
PD 0.75% -									
Personal customers	163.0	170.2	168.4	159.2	160.2	171.4	170.6	165.0	164.5
Small and medium-sized enterprises	84.8	84.9	85.5	85.2	88.8	91.8	96.6	90.8	98.0
Large corporates and international customers ¹⁾	183.7	194.8	211.3	219.6	256.2	293.7	288.3	305.1	279.3
Total DNB Group ¹⁾	431.5	449.8	465.3	464.0	505.2	556.8	555.4	560.9	541.8
PD 3.00% -									
Personal customers	17.7	18.3	18.1	18.2	19.2	20.3	21.0	20.8	21.9
Small and medium-sized enterprises	18.9	19.7	19.7	19.4	20.0	21.2	20.1	21.8	24.2
Large corporates and international customers ¹⁾	84.6	81.2	87.1	82.0	54.0	35.2	32.4	30.2	27.3
Total DNB Group ¹⁾	121.2	119.1	125.0	119.5	93.2	76.7	73.5	72.7	73.4
Net non-performing and net doubtful commitments									
Personal customers	2.6	2.7	3.0	2.7	2.7	3.2	3.5	3.4	3.5
Small and medium-sized enterprises	3.8	4.7	3.8	3.6	3.7	4.3	4.3	3.4	3.9
Large corporates and international customers ¹⁾	24.3	20.7	21.7	13.9	12.2	11.0	10.0	11.5	13.2
Total DNB Group ¹⁾	30.7	28.1	28.5	20.3	18.7	18.5	17.8	18.2	20.6
Total Personal customers	899.4	897.1	876.6	852.1	837.4	856.6	850.4	835.5	826.2
Total Small and medium-sized enterprises	268.6	264.3	260.0	256.0	264.0	264.8	260.2	255.0	274.4
Total Large corporates and international customers ¹⁾	754.8	761.5	802.7	810.6	838.3	877.2	828.6	851.6	809.0
Total risk classification of portfolio - DNB Group	1 922.8	1 922.9	1 939.3	1 918.7	1 939.7	1 998.6	1 939.1	1 942.2	1 909.6

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
*) of which international portfolio									
PD 0.01% -	273.5	278.3	292.9	306.4	325.7	336.6	309.8	304.8	301.4
PD 0.75% -	115.8	118.9	130.9	139.3	154.7	181.1	176.7	183.6	166.2
PD 3.00% -	47.5	45.3	45.0	38.7	24.8	15.7	15.7	18.6	17.7
Net non-performing and net doubtful commitments	15.4	12.5	14.4	9.4	9.6	8.9	7.9	8.9	11.0
Total international portfolio	452.2	455.0	483.2	493.8	514.8	542.3	510.1	515.8	496.4
*) of which commercial real estate									
PD 0.01% -	141.7	146.0	148.0	146.7	147.7	143.6	136.3	139.1	135.6
PD 0.75% -	49.2	49.6	52.0	49.4	53.6	60.7	59.9	56.7	58.7
PD 3.00% -	9.3	11.0	10.5	11.0	10.5	8.7	8.7	9.8	9.7
Net non-performing and net doubtful commitments	2.1	2.3	2.4	2.7	2.8	2.9	2.9	3.0	3.3
Total commercial real estate	202.3	208.9	212.9	209.8	214.7	215.9	207.7	208.6	207.2

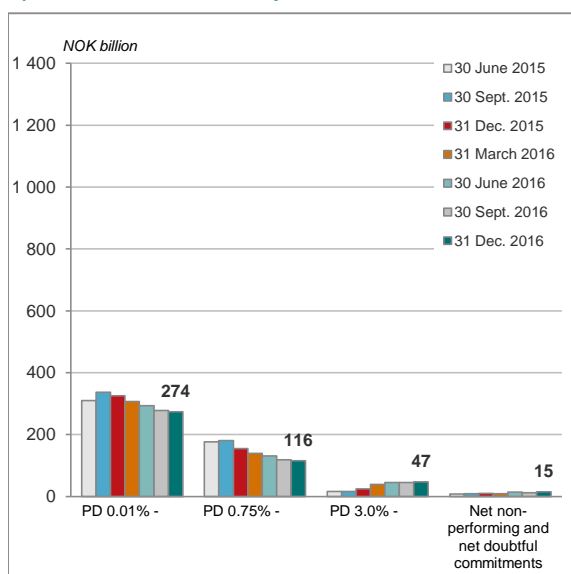
1) For a breakdown into sub-segments, see table 1.8.8.

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default. Includes portfolio in the Baltics.

1.8.3 Risk classification of portfolio - DNB Group ^{*)}

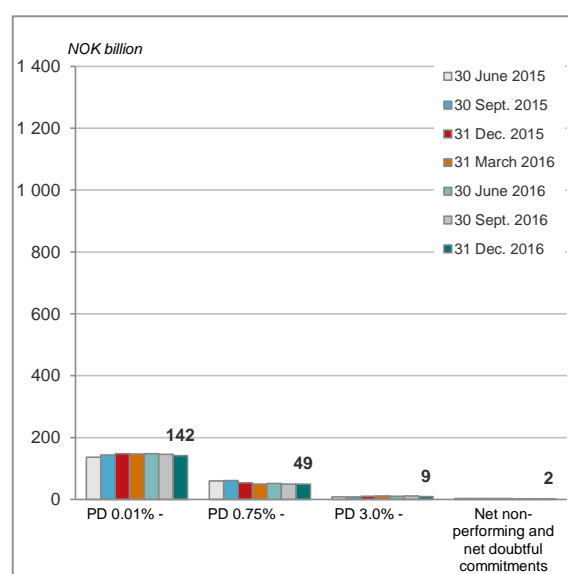


^{*)} of which international portfolio ¹⁾



1) The international portfolio comprises business recorded outside Norway.

^{*)} of which commercial real estate



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default. Includes portfolio in the Baltics.

1.8.4 Segment areas - exposure at default according to sector ^{1) 2) 3)}

Personal customers

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Mortgages	778.8	775.8	755.6	731.5	717.1	735.8	732.0	717.6	711.2
Other exposures	120.6	121.3	121.1	120.6	120.3	120.8	118.4	118.0	115.0
Total customers	899.4	897.1	876.6	852.1	837.4	856.6	850.4	835.5	826.2
Credit institutions									
Total net exposure at default	899.4	897.1	876.6	852.1	837.4	856.6	850.4	835.5	826.2

Small and medium-sized enterprises

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Commercial real estate	109.5	105.9	103.4	98.5	100.6	98.9	97.4	94.1	94.4
Shipping	1.2	0.8	1.1	1.1	1.2	1.2	2.1	2.2	1.1
Oil, gas and offshore	0.5	0.5	0.5	0.5	0.6	0.7	0.5	0.5	0.6
Energy	8.6	7.0	6.8	7.2	7.3	7.1	6.5	6.2	6.4
Health care	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public sector	12.7	13.1	14.0	14.3	14.6	14.7	13.8	14.3	15.3
Fishing and fish farming	15.2	14.5	13.8	13.9	14.0	13.7	13.7	14.1	14.3
Trade	16.0	16.9	17.2	17.3	17.2	18.7	18.9	19.2	20.5
Manufacturing	18.5	19.4	18.8	17.8	18.1	19.5	18.4	18.3	19.1
Technology, media and telecom	1.6	1.7	1.6	1.5	2.0	1.9	1.9	1.8	2.6
Services	10.4	10.4	10.4	10.6	10.3	9.8	9.9	9.9	13.4
Residential property	43.2	43.0	42.9	43.3	42.0	40.9	40.8	40.3	43.1
Mortgages and other exposures, personal customers	1.0	1.1	1.1	1.2	1.2	4.4	4.1	3.8	4.1
Other corporate customers	26.2	25.9	24.3	25.0	25.0	23.5	22.7	22.7	32.8
Total customers	264.7	260.3	256.0	252.3	254.2	255.0	250.7	247.5	267.9
Credit institutions	3.9	4.0	4.0	4.1	4.2	4.5	4.7	3.9	4.3
Total net exposure at default	268.6	264.3	260.0	256.5	258.5	259.5	255.4	251.4	272.2

Large corporates and international customers ¹⁾

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Commercial real estate	92.8	103.0	109.5	111.2	114.1	117.1	110.3	114.5	112.9
Shipping	107.5	108.6	117.2	120.0	132.3	136.9	134.0	147.2	134.4
Oil, gas and offshore	137.6	140.0	150.0	154.7	165.2	166.4	155.0	159.4	150.8
Energy	37.4	36.5	37.4	39.7	42.6	46.3	45.3	49.3	51.0
Healthcare	33.1	33.9	43.7	44.5	38.4	51.2	46.3	37.8	23.7
Public sector	21.9	22.4	25.1	23.0	20.4	19.8	18.3	17.2	17.2
Fishing and fish farming	23.9	22.6	22.5	23.3	24.9	24.1	21.9	23.8	26.2
Trade	32.7	32.0	33.7	30.0	32.8	35.3	34.8	37.8	32.5
Manufacturing	66.6	65.1	70.1	68.7	73.4	77.6	73.3	68.1	71.7
Technology, media and telecom	37.0	34.9	34.2	34.3	36.5	37.0	34.2	35.8	31.2
Services	25.2	25.2	25.8	24.2	28.5	35.3	34.6	34.5	29.3
Residential property	19.5	18.8	17.9	16.6	12.9	14.3	14.5	15.5	17.6
Mortgages and other exposures, personal customers	44.0	43.1	43.8	44.1	44.5	43.6	39.9	38.2	40.4
Other corporate customers	54.3	55.8	52.5	51.2	57.0	56.5	51.1	54.5	49.5
Total customers	733.4	741.8	783.4	785.6	823.4	861.2	813.7	833.7	788.4
Credit institutions	21.3	19.7	19.3	25.0	23.8	24.6	22.6	23.8	24.1
Total net exposure at default	754.8	761.5	802.7	810.6	843.8	882.5	833.3	855.2	811.2

1) For a breakdown into sub-segments, see table 1.8.7.

The breakdown into principal customer groups is based on the internal segmentation in DNB. Exposures at default are based on full implementation of IRB, i.e. some of the IRB reported portfolios are still subject to final IRB approval from the Norwegian FSA (Finanstilsynet). Includes portfolio in the Baltics.

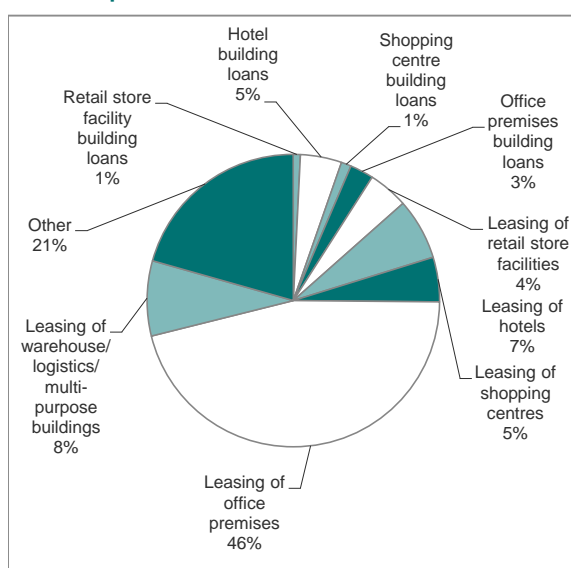
1.8.5 Exposure at default, breakdown of commercial real estate exposure

Amounts in NOK billion	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Retail store facility building loans	1.6	1.8	1.6	1.9	1.7	1.8	1.7	1.7	2.2
Hotel building loans	9.2	8.8	8.9	9.1	5.7	5.6	5.4	5.5	4.2
Shopping centre building loans	2.2	2.3	2.3	2.4	2.3	2.2	2.2	3.2	2.6
Office premises building loans	5.3	4.9	1.7	4.8	4.0	4.6	4.4	4.2	5.3
Leasing of retail store facilities	8.9	9.7	9.7	11.0	10.4	12.0	12.5	13.5	13.8
Leasing of hotels	13.6	15.3	16.1	17.3	20.3	17.4	16.8	19.6	23.1
Leasing of shopping centres	10.0	10.4	10.2	2.7	9.3	12.0	11.5	12.0	13.8
Leasing of office premises	93.0	100.6	102.5	100.0	91.1	97.9	92.4	92.4	84.5
Leasing of warehouse/ logistics/ multi-purpose buildings	16.8	17.4	15.7	17.5	17.7	19.4	20.2	20.6	23.6
Other	41.7	37.6	44.1	43.1	52.3	43.1	40.5	35.8	34.2
Total	202.3	208.9	212.9	209.8	214.7	215.9	207.7	208.6	207.2

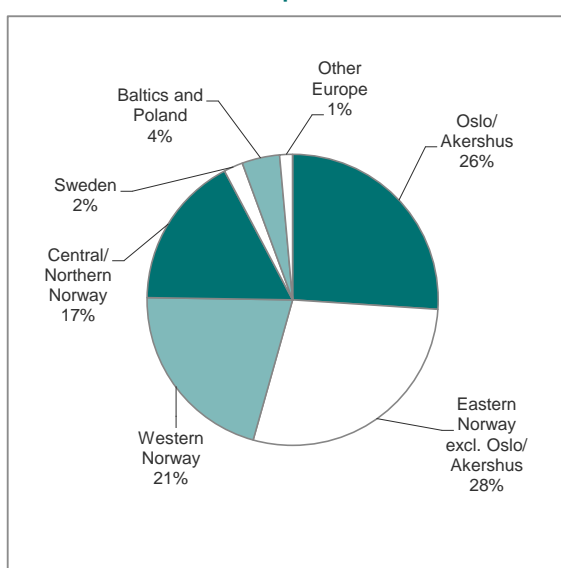
1.8.6 Exposure at default, geographic distribution of commercial real estate exposure

Amounts in NOK billion	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Oslo/ Akershus	52.7	55.0	57.2	56.5	59.9	63.0	59.1	59.7	60.0
Eastern Norway excl. Oslo/ Akershus	57.3	58.3	57.6	49.8	52.3	52.0	50.7	50.5	49.5
Western Norway	42.2	44.6	44.5	45.6	46.2	44.8	44.0	41.1	41.3
Central/ Northern Norway	34.5	34.3	34.8	38.2	38.7	39.1	38.2	37.6	36.7
Sweden	4.3	5.1	6.4	6.7	5.2	4.9	4.1	6.9	6.8
Baltics and Poland	8.4	8.4	8.9	9.3	8.7	8.6	8.2	9.0	9.2
Other Europe	2.9	3.2	3.4	3.7	3.7	3.6	3.5	3.8	3.7
Total	202.3	208.9	212.7	209.8	214.7	215.9	207.7	208.6	207.2

Exposure at default, breakdown of commercial real estate exposure



Exposure at default, geographic distribution of commercial real estate exposure



Exposures at default are based on full implementation of IRB, i.e. some of the IRB reported portfolios are still subject to final IRB approval from the Norwegian FSA (Finanstilsynet). The definition of these segments reflects the actual underlying commercial property risk. Includes portfolio in the Baltics.

1.8.7 Sub-segments in Large corporates and international customers - exposure at default according to sector

Nordic Corporates Division	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Financial institutions	16.7	15.2	11.4	17.1	17.5	17.8	14.2	17.9	17.1
Hotels and accommo-dation	25.9	25.6	25.2	26.9	25.9	21.0	19.4	21.9	26.6
Commercial real estate	64.5	72.7	77.0	77.7	81.1	86.8	82.2	83.9	82.1
Residential real estate	19.5	18.7	17.1	16.5	12.7	14.2	14.4	15.4	17.4
Construction	6.4	7.6	8.1	7.5	6.7	7.5	7.6	7.7	8.4
Services	19.3	20.3	20.5	19.4	22.2	27.5	25.8	25.2	24.7
Public sector	17.4	17.2	17.7	16.5	13.6	12.8	11.3	10.4	11.1
Trade	21.1	20.6	21.6	20.2	20.5	22.5	22.9	24.7	21.7
Other corporate customers	10.7	9.0	14.0	12.8	14.1	11.9	11.1	11.4	10.9
Total	201.4	207.0	212.7	214.6	214.3	221.8	208.9	218.5	220.1

International Corporates Division	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Seafood and agriculture	17.4	16.4	16.1	16.8	18.0	17.8	16.2	17.5	20.0
Healthcare	32.7	33.5	43.4	44.2	38.0	50.6	42.3	36.8	35.8
Branded goods	10.6	10.0	10.6	9.8	9.7	9.8	8.9	8.7	7.3
Forestry/ pulp and paper	14.5	13.0	13.1	14.1	14.8	14.3	12.5	13.1	14.0
Other manu-facturing industries	22.2	24.0	25.1	23.6	25.2	28.8	23.6	24.2	28.0
Technology, media and telecom	32.3	30.6	31.1	31.1	33.1	33.6	30.5	31.4	27.6
Other business activities	16.3	17.7	18.2	15.2	16.7	18.4	26.2	21.6	18.2
Total	146.0	145.4	157.5	154.8	155.4	173.4	160.3	153.4	151.0

Energy Division	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Midstream	18.7	19.2	20.1	22.0	23.5	20.3	14.1	14.9	17.7
Oil and gas	40.9	41.8	45.5	46.8	58.7	60.8	62.4	65.8	55.5
Oilfield services	24.1	24.7	28.0	28.8	22.7	23.9	22.5	25.6	26.4
Power and heat	33.3	33.8	34.8	37.0	37.5	41.5	41.1	42.4	42.5
Other energy	6.9	7.1	6.5	7.2	10.2	14.9	16.2	14.2	14.0
Total	123.9	126.6	134.9	141.9	152.6	161.5	156.3	162.8	156.1

Shipping, Offshore and Logistics Division	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Chemical and product tankers	13.7	12.4	14.8	16.2	18.5	18.2	17.6	19.1	15.0
Container	16.9	17.9	20.2	21.0	22.7	22.8	22.3	25.6	24.3
Crude oil tankers	23.5	23.5	22.3	20.7	24.2	26.0	24.4	23.8	22.3
Cruise	9.8	9.0	9.6	9.8	10.5	11.5	10.6	10.3	11.0
Dry cargo	21.2	20.2	21.4	21.6	24.6	27.2	25.9	27.1	24.4
Gas	19.8	20.4	23.4	22.8	24.1	24.1	26.2	30.8	27.1
Logistics	6.6	6.7	7.1	7.3	8.7	9.1	5.5	8.7	8.6
Offshore	53.4	53.2	56.2	56.8	62.2	63.0	56.5	57.5	51.9
RoRo/PCC	3.7	2.9	3.1	3.7	6.1	5.7	7.6	5.5	5.3
Other shipping	6.4	8.8	9.6	12.2	10.7	11.1	12.2	6.0	5.7
Other non-shipping	3.7	3.7	4.1	4.2	5.4	5.4	4.7	14.7	15.5
Total	178.7	178.6	191.8	196.2	217.7	224.1	213.5	229.0	211.2

Baltics and Poland	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
Mortgages and other exposures, personal customers	31.2	30.7	31.7	32.0	32.7	32.5	30.0	29.8	30.8
Real estate	6.8	7.1	7.4	7.7	7.8	7.7	7.3	7.4	7.8
Manufacturing	6.9	7.3	7.7	8.0	8.2	8.2	7.7	7.7	7.9
Services	4.3	4.1	3.7	3.7	3.9	3.8	3.9	3.6	3.9
Trade	5.6	5.5	5.0	4.4	4.8	5.3	4.9	5.1	5.1
Agriculture and forestry	3.2	3.3	2.8	2.7	2.8	2.9	2.5	2.4	2.5
Central and local government	4.7	5.5	5.5	5.2	5.3	5.5	5.3	5.3	5.2
Other sectors	5.1	5.0	6.2	6.1	6.3	5.7	5.2	5.4	5.7
Total	67.8	68.4	70.0	69.7	71.8	71.5	66.9	66.7	68.6

Exposures at default are based on full implementation of IRB, i.e. some of the IRB reported portfolios are still subject to final IRB approval from the Norwegian FSA (Finanstilsynet). Includes portfolio in the Baltics.

1.8.8 Sub-segments in Large corporates and international customers - risk classification of portfolio

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
PD 0.01% -									
Nordic Corporates Division	164.4	168.2	165.8	171.1	170.1	167.1	150.7	157.2	159.0
International Corporates Division	111.7	107.7	118.5	115.7	112.5	125.5	113.1	103.0	98.7
Energy Division	86.3	87.0	93.3	100.1	115.8	125.9	121.6	129.9	129.5
Shipping, Offshore and Logistics Division ^{*)}	33.5	36.3	38.4	44.1	55.3	67.5	66.0	70.7	71.2
Baltics and Poland	41.3	41.3	42.3	42.0	43.3	33.8	30.9	29.4	29.7
Total Large corporates and international customers	437.1	440.6	458.3	473.0	496.9	519.9	482.3	490.4	488.1
PD 0.75% -									
Nordic Corporates Division	27.7	29.4	35.7	31.1	33.1	44.9	49.7	53.3	54.4
International Corporates Division	27.2	30.4	26.8	29.3	31.9	41.8	41.7	43.4	44.7
Energy Division	18.4	21.1	21.6	23.5	28.7	29.1	31.0	30.7	25.2
Shipping, Offshore and Logistics Division ^{*)}	80.8	84.9	98.0	106.9	135.8	142.6	132.5	143.5	124.5
Baltics and Poland	20.0	20.0	20.2	19.7	20.6	29.0	27.6	28.5	29.5
Total Large corporates and international customers	174.1	185.7	202.3	210.5	250.0	287.5	282.5	299.5	278.4
PD 3.00% -									
Nordic Corporates Division	7.4	7.4	9.4	10.7	9.8	8.3	7.0	5.7	4.8
International Corporates Division	6.6	6.9	11.8	9.4	10.4	5.5	4.8	6.2	6.3
Energy Division	14.6	14.4	15.1	15.6	5.1	5.4	3.5	1.9	1.3
Shipping, Offshore and Logistics Division ^{*)}	50.1	46.3	44.3	39.8	23.4	10.4	11.7	10.9	9.7
Baltics and Poland	3.8	4.1	4.1	4.4	4.2	4.5	4.3	4.6	5.0
Total Large corporates and international customers	82.5	79.2	84.7	79.9	52.8	34.1	31.3	29.3	27.3
Net non-performing and net doubtful commitments									
Nordic Corporates Division	1.9	2.0	1.9	1.7	1.4	1.6	1.5	2.2	1.9
International Corporates Division	0.5	0.4	0.4	0.3	0.6	0.5	0.7	0.7	1.2
Energy Division	4.6	4.1	4.8	2.7	3.0	1.0	0.2	0.3	0.0
Shipping, Offshore and Logistics Division ^{*)}	14.4	11.1	11.1	5.5	3.3	3.6	3.3	3.9	5.7
Baltics and Poland	2.7	3.0	3.4	3.6	3.8	4.1	4.1	4.2	4.4
Total Large corporates and international customers	24.0	20.6	21.5	13.7	12.1	10.8	9.9	11.2	13.2

***) Breakdown into sub-segments in the Shipping, Offshore and Logistics Division:**

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
PD 0.01% -									
Shipping portfolio - crude oil sector	1.1	5.0	4.6	2.4	4.8	4.7	1.2	1.8	1.9
Shipping portfolio - dry bulk sector	0.5	0.5	0.9	0.6	0.6	0.9	0.9	0.7	0.6
Shipping portfolio - container sector	2.7	2.7	2.5	7.0	7.9	8.0	7.9	8.1	8.5
Other	29.2	28.2	30.5	34.1	42.0	53.9	56.1	60.2	60.2
Total Shipping, Offshore and Logistics Division	33.5	36.3	38.4	44.1	55.3	67.5	66.0	70.7	71.2
PD 0.75% -									
Shipping portfolio - crude oil sector	18.9	15.0	14.7	18.1	18.7	21.0	22.8	20.3	17.7
Shipping portfolio - dry bulk sector	12.7	13.3	15.3	16.3	19.1	21.9	21.5	22.4	19.8
Shipping portfolio - container sector	10.2	11.0	12.7	10.1	11.5	14.4	11.8	13.0	11.1
Other	38.9	45.6	55.4	62.4	86.6	85.3	76.5	87.8	75.9
Total Shipping, Offshore and Logistics Division	80.8	84.9	98.0	106.9	135.8	142.6	132.5	143.5	124.5
PD 3.00% -									
Shipping portfolio - crude oil sector	3.4	3.5	3.1	0.2	0.8	0.3	0.5	1.7	2.7
Shipping portfolio - dry bulk sector	6.8	5.2	3.9	3.3	3.5	2.9	2.3	2.8	2.5
Shipping portfolio - container sector	3.3	3.1	4.2	3.5	3.2	0.1	2.2	3.8	2.1
Other	36.6	34.5	33.1	32.8	16.0	7.1	6.7	2.7	2.5
Total Shipping, Offshore and Logistics Division	50.1	46.3	44.3	39.8	23.4	10.4	11.7	10.9	9.7
Net non-performing and net doubtful commitments									
Shipping portfolio - crude oil sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shipping portfolio - dry bulk sector	1.2	1.2	1.3	1.3	1.3	1.5	1.2	1.2	1.4
Shipping portfolio - container sector	0.7	1.0	0.9	0.4	0.2	0.2	0.5	0.8	2.7
Other	12.4	8.9	8.9	3.8	1.8	1.8	1.7	1.8	1.6
Total Shipping, Offshore and Logistics Division	14.4	11.1	11.1	5.5	3.3	3.6	3.3	3.9	5.7
Total risk classification portfolio - Shipping, Offshore and Logistics Division	178.7	178.6	191.8	196.2	217.7	224.1	213.5	229.0	211.2

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default. Includes portfolio in the Baltics.

1.8.8 Sub-segments in Large corporates and international customers - risk classification of portfolio (continued)

Breakdown into oil related segments	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK billion</i>									
PD 0.01% -									
The oil segment portfolio - Oil and gas sector	40.3	40.4	43.3	47.3	57.9	60.5	57.9	61.8	63.2
The oil segment portfolio - Offshore sector	3.2	2.4	2.1	5.0	10.5	18.7	16.4	16.1	18.5
The oil segment portfolio - Oilfield services sector	12.8	13.0	15.0	16.1	14.0	16.5	15.9	17.6	19.7
Total	56.3	55.7	60.4	68.5	82.4	95.6	90.2	95.6	101.4
PD 0.75% -									
The oil segment portfolio - Oil and gas sector	9.1	12.3	12.6	13.6	15.6	15.0	14.4	15.0	10.0
The oil segment portfolio - Offshore sector	8.0	11.7	16.5	19.7	38.8	38.7	35.0	39.8	32.3
The oil segment portfolio - Oilfield services sector	4.7	5.4	5.8	6.3	6.4	5.9	6.4	7.4	6.9
Total	21.9	29.4	34.9	39.6	60.7	59.6	55.8	62.2	49.3
PD 3.00% -									
The oil segment portfolio - Oil and gas sector	9.0	7.5	7.7	7.5	1.2	0.5	1.0	0.3	0.3
The oil segment portfolio - Offshore sector	30.3	30.6	29.2	29.0	11.9	4.3	4.0	0.3	0.3
The oil segment portfolio - Oilfield services sector	4.8	4.8	5.3	5.6	1.3	1.9	0.6	0.7	0.1
Total	44.0	42.8	42.2	42.1	14.3	6.6	5.6	1.3	0.7
Net non-performing and net doubtful commitments									
The oil segment portfolio - Oil and gas sector	2.1	2.0	2.3	0.8	0.8	0.8	0.0	0.0	0.0
The oil segment portfolio - Offshore sector	11.8	8.5	8.3	3.1	1.1	1.4	1.2	1.3	1.2
The oil segment portfolio - Oilfield services sector	2.0	2.0	2.3	1.1	1.4	0.1	0.0		
Total	15.9	12.5	12.9	5.0	3.3	2.3	1.2	1.3	1.2

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default. Includes portfolio in the Baltics.

1.8.9 DNB's risk classification

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

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

1.9.1 Development in volumes - deposits from customers

<i>Amounts in NOK billion</i>	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Deposits at end of period	971	953	961	928	944	970	970	963	942
Deposits adjusted for exchange rate movements	946	940	935	899	904	936	961	950	942
Deposits adjusted for short-term money market investments	962	938	959	926	934	968	960	946	914
Deposits adjusted for short-term money market investments and exchange rate movements	937	925	933	897	893	934	952	933	914

Includes NOK 36 billion in the Baltics at end-December 2016, reclassified as liabilities held for sale in August 2016.

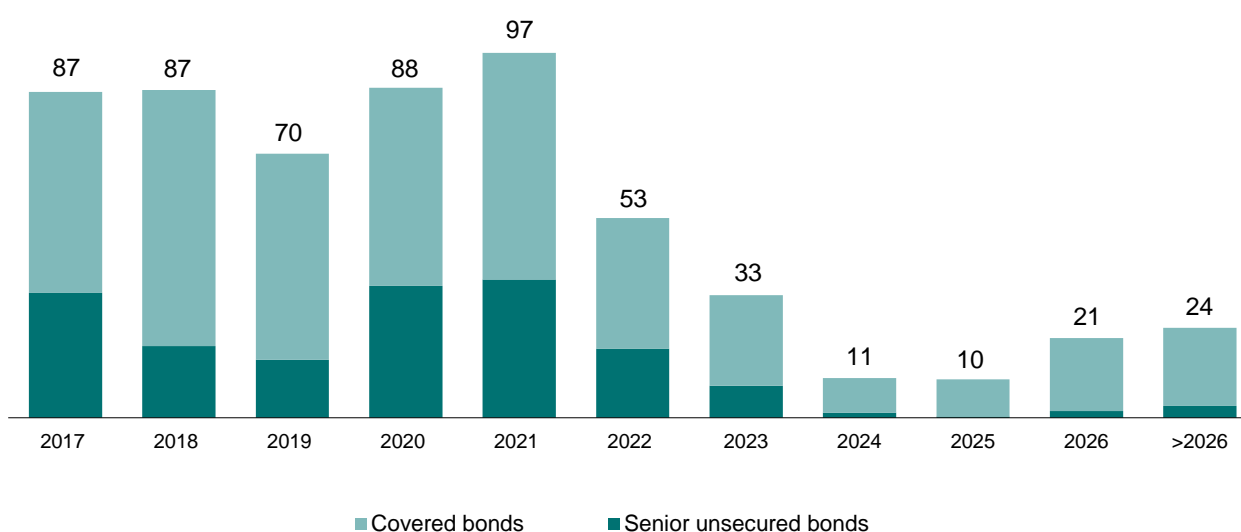
1.9.2 Funding

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 large public transactions and private placements.

		NOK billion	Maturity (years)
2016	Covered bonds	63.5	7.7
	Senior bonds	25.2	5.7
	Total	88.7	7.1
	Additional Tier 1 capital and Tier 2 loans	8.3	
	Total including Tier 1 capital and Tier 2 loans	97.0	
2015	Covered bonds	48.9	6.0
	Senior bonds	17.7	5.0
	Total	66.6	5.7
	Additional Tier 1 capital and Tier 2 loans	12.9	
	Total including Tier 1 capital and Tier 2 loans	79.5	
	In addition: LTRO funding	3.6	3.0
2014	Covered bonds	51.4	6.3
	Senior bonds	15.3	5.4
	Total	66.7	6.1

1.9.3 Redemption profile as at 31 December 2016

NOK billion	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	>2026
Senior unsecured bonds	33.3	19.2	15.5	35.2	36.9	18.4	8.6	1.4	0.4	1.8	3.2
Covered bonds	53.5	68.2	54.9	52.8	60.3	34.8	24.1	9.2	9.8	19.4	20.8
Total	86.8	87.4	70.4	87.9	97.2	53.2	32.7	10.6	10.2	21.3	24.0



A total overview of subordinated loans as at 31 December 2016 can be found in the appendix on page 94-97.

1.9.4 Asset encumbrance as at 31 December 2016

Distribution by type of liability (rows) and encumbered asset (columns)

<i>Amounts in NOK million</i>	Government/ guaranteed debt instru- ments	Supra- national debt instru- ments	Covered bonds	Debt issued by credit instru- tions	Debt issued by corporate and other issuers	Home mortgages	Commercial real estate loans	Asset- backed securities (ABS)	Total ¹⁾
Due to central banks								3 837	3 837
Repurchase agreements	10 674		1 004	450				1 939	14 067
Derivatives									0
Covered bonds issued						436 031	1 296		437 326
Total	10 674	0	1 004	450	0	436 031	1 296	5 777	455 230

^{*)} Total figures per quarter

<i>Amounts in NOK million</i>	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Due to central banks	3 837	3 624	5 390	4 394	3 560	3 531	3 011	2 980	
Repurchase agreements	14 067	3 368	19 189	19 809	25 822	18 325	19 802	10 997	16 823
Derivatives		2 735	31 289	38 476	55 368	59 176	48 236	60 973	56 718
Covered bonds issued	437 326	455 062	461 417	448 813	467 644	394 269	440 618	453 894	448 448
Total	455 230	464 788	517 284	511 493	552 394	475 302	511 667	528 844	521 989

1.9.5 Additional assets available for secured funding as at 31 December 2016

<i>Amounts in NOK million</i>	Government/ guaranteed debt instru- ments	Supra- national debt instru- ments	Covered bonds	Debt issued by credit instru- tions	Debt issued by corporate and other issuers	Home mortgages	Commercial real estate loans	Asset- backed securities (ABS)	Total ¹⁾
Securities ¹⁾	107 607	19 173	79 379	5 200	1 957			11 474	224 790
Retained covered bonds						7 887	869		8 755
Cover pool overcollateralisation ²⁾						165 937	24 749		190 687
Cover pool eligible assets ³⁾							15 000		15 000
Total	107 607	19 173	79 379	5 200	1 957	173 824	40 618	11 474	439 232

^{*)} Total figures per quarter

<i>Amounts in NOK million</i>	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Securities	224 790	219 408	227 479	292 932	404 064	352 997	360 910	349 624	474 842
Retained covered bonds	8 755	3 856	3 991	5 611	8 462	33 430	32 725	34 659	27 508
Cover pool overcollateralisation ¹⁾	190 687	190 415	193 083	193 775	193 329	278 470	187 747	164 844	173 150
Cover pool eligible assets ²⁾	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Total	439 232	428 679	439 553	507 318	620 855	679 896	596 382	564 127	690 501

1) Including available repo collateral.

2) Collateralisation in excess of the regulatory minimum. Uncommitted, rating-supportive overcollateralisation forms part of this volume.

3) Estimate.

1.9.6 Liquid assets as at 31 December 2016 ¹⁾

Amounts in NOK million	NOK	EUR	USD	Other	Total ^{*)}
Cash and deposits with central banks	15 823	141 695	237	43 422	201 176
Deposits with other banks ²⁾	36 937	19 868	111 855	22 485	191 145
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks ³⁾	66 031	16 459	29 410	3 265	115 165
Securities issued or guaranteed by municipalities or public sector entities	1 315	880	7 832	1 398	11 425
Covered bonds					
- issued by other institutions	39 646	7 958	17 216	13 807	78 626
- own issued	8 755				8 755
Securities issued by non-financial corporates	542	11	26	278	858
Securities issued by financial corporates and ABS ³⁾	5 385	9 027	2 714	1 591	18 717
Total	174 434	195 898	169 289	86 246	625 867

*) Total figures per quarter

Amounts in NOK million	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015
Cash and deposits with central banks	201 176	171 376	145 905	163 494	19 317	182 882	187 264	304 557
Deposits with other banks ²⁾	191 145	187 796	191 782	173 531	212 763	192 163	191 523	115 464
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks ³⁾	115 165	108 499	110 796	100 455	90 074	96 449	81 966	89 792
Securities issued or guaranteed by municipalities or public sector entities	11 425	10 829	10 804	12 168	10 779	6 830	9 957	4 902
Covered bonds								
- issued by other institutions	78 626	80 981	83 381	83 196	86 022	93 225	90 313	73 754
- own issued	8 755	3 856	3 991	12 650	8 462	33 855	33 300	34 659
Securities issued by non-financial corporates	858	899	1 327	1 295	1 637	1 847	3 026	2 167
Securities issued by financial corporates and ABS ³⁾	18 717	18 200	21 422	28 044	27 147	31 089	31 625	34 712
Total	625 867	582 437	569 408	574 832	456 202	638 339	628 974	660 008

1) Excluding assets in DNB Livsforsikring and encumbered securities. Including trading portfolio.

2) Including netting of repo transactions.

3) Including hold-to-maturity portfolio.

1.9.7 Liquidity Coverage Ratio

Per cent	EUR	USD	NOK	Total
31 December 2016	562	190	59	138
30 September 2016	336	185	75	140

1.10.1 Primary capital - DNB Group

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRD IV/CRR). On 18 December 2015, the Ministry of Finance approved new regulations on consolidation etc. in cross-sectoral groups. The changes became effective on 31 January 2016 and are adapted to the EU regulations, reflecting the entry into force of Solvency II on 1 January 2016. The regulatory consolidation deviates from consolidation in the accounts and comprises the parent company, subsidiaries and associated companies within the financial sector, excluding insurance companies. Associated companies are consolidated pro rata.

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Total equity excluding interim profits	206 423	180 422	181 718	188 809	190 078	164 181	162 390	167 910	158 723
50 per cent of interim profits for the year to date		6 744	4 593	2 447		7 978	5 712	3 264	
Effect from regulatory consolidation	(5 795)	(4 915)	(5 038)	(6 083)	(541)	(274)	(249)	(273)	149
Non-eligible capital, insurance					(403)	(1 249)	(1 335)	(1 253)	(1 253)
Net additional Tier 1 capital instruments included in total equity	(15 858)	(9 594)	(9 532)	(8 064)	(8 272)	(8 198)	(8 126)	(8 064)	
Total equity for capital adequacy purpose	184 770	172 657	171 741	177 109	180 863	162 438	158 391	161 584	157 619
Deductions	(16 555)	(8 901)	(9 759)	(17 138)	(17 957)	(9 660)	(9 680)	(15 898)	(15 511)
Common equity Tier 1 capital	168 214	163 756	161 982	159 972	162 906	152 778	148 712	145 687	142 108
Additional Tier 1 capital instruments	17 295	11 351	11 351	9 951	10 267	10 267	10 267	10 267	4 028
Tier 1 capital	185 509	175 107	173 333	169 922	173 173	163 045	158 978	155 954	146 136
Tier 2 capital, net	19 661	19 671	21 196	21 633	27 887	27 418	25 416	22 084	24 115
Total eligible capital	205 170	194 778	194 529	191 555	201 060	190 463	184 395	178 037	170 251
Risk-weighted volume, basis for transitional rule, Basel I	1 314 372	1 306 590	1 335 732	1 311 709	1 310 727	1 353 169	1 321 019	1 333 040	1 294 135
80 per cent of RWA, transitional rule	1 051 498	1 045 272	1 068 585	1 049 367	1 048 582	1 082 535	1 056 815	1 066 432	1 035 308
Net risk-weighted volume, insurance					80 791	83 758	84 516	85 169	85 351
Risk-weighted volume, transitional rules	1 051 498	1 045 272	1 068 585	1 049 367	1 129 373	1 166 293	1 141 331	1 151 601	1 120 659
Minimum capital requirement, transitional rules	84 120	83 622	85 487	83 949	90 350	93 303	91 306	92 128	89 653
Common equity Tier 1 capital ratio, transitional rules (%)	16.0	15.7	15.2	15.2	14.4	13.1	13.0	12.7	12.7
Tier 1 capital ratio, transitional rules (%)	17.6	16.8	16.2	16.2	15.3	14.0	13.9	13.5	13.0
Capital ratio, transitional rules (%)	19.5	18.6	18.2	18.3	17.8	16.3	16.2	15.5	15.2

Basel III

Risk-weighted volume, Basel III	957 726	950 425	984 220	941 883	1 016 454	1 076 948	1 065 757	1 095 745	1 026 489
Minimum capital requirement, Basel III	76 618	76 034	78 738	75 351	81 316	86 156	85 261	87 660	82 119
Common equity Tier 1 capital ratio, Basel III (%)	17.6	17.2	16.5	17.0	16.0	14.2	14.0	13.3	13.8
Tier 1 capital ratio, Basel III (%)	19.4	18.4	17.6	18.0	17.0	15.1	14.9	14.2	14.2
Capital ratio, Basel III (%)	21.4	20.5	19.8	20.3	19.8	17.7	17.3	16.2	16.6

Leverage ratio, Basel III (%)	7.3	6.9	6.8	6.7	6.7	6.0	6.0	5.9	6.0
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As from the first quarter of 2016, DNB Livsforsikring and DNB Forsikring are not included in the regulatory consolidation for the DNB Group. With effect from the first quarter of 2016, deductions are also made for significant investments in financial sector entities if they each exceed 10 per cent of common equity Tier 1 capital. The amounts that are not deducted receive a risk-weight of 250 per cent. In addition, the holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring are deducted from the Group's Tier 2 capital.

Capital adequacy figures include 50 per cent of interim profits in all quarters. Annual figures are exclusive of dividend payments.

Due to transitional rules, the minimum capital adequacy requirements cannot be reduced below 80 per cent of the corresponding figure calculated according to the Basel I regulations.

Basel III

The majority of the credit portfolios are reported according to the IRB approach. However, one portfolio, banks and financial institutions (DNB Bank), is still subject to final IRB approval from Finanstilsynet. The portfolio Large corporate clients rated by simulation models (DNB Bank) was approved in December 2015.

1.10.2 Leverage ratio

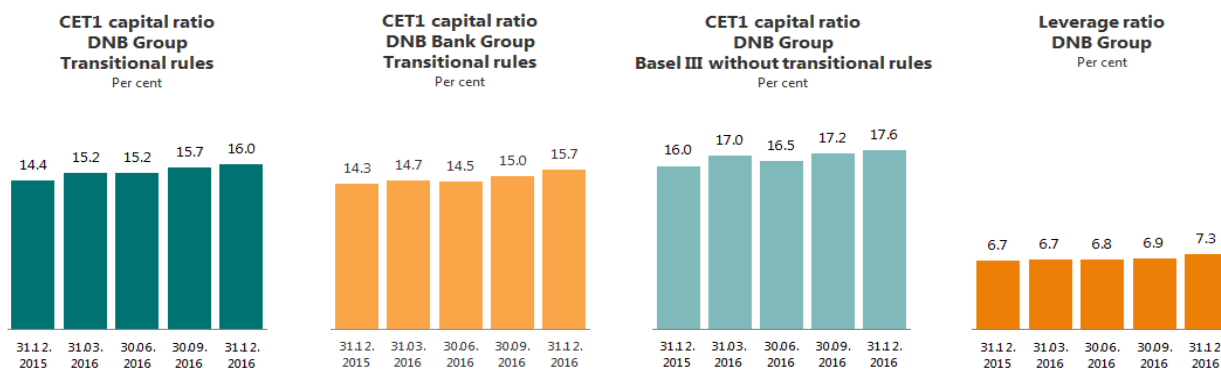
	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015
<i>Amounts in NOK million</i>							
Tier 1 capital	185 509	175 107	173 333	169 922	173 173	163 045	158 978
Leverage exposure							
Securities financing transactions (SFTs)	196 891	208 682	210 408	198 756	318 513	216 534	203 299
Derivatives market value	54 155	62 028	76 297	75 909	79 626	92 231	68 617
Potential future exposure on derivatives	32 079	31 812	26 246	32 936	35 774	36 447	28 449
Eligible cash variation margin	(15 383)	(17 305)	(18 783)	(17 716)	(17 432)	(27 094)	(16 706)
Off balance sheet commitments	242 183	238 979	240 239	236 212	250 749	252 189	255 502
Loans and advances and other assets	2 043 384	2 014 744	2 028 211	2 007 429	1 867 764	2 099 200	2 055 651
Deductions	(6 644)	(8 034)	(8 774)	(9 808)	(10 382)	(9 454)	(9 430)
Total exposure	2 546 664	2 530 905	2 553 843	2 523 718	2 524 612	2 660 054	2 585 382
Leverage ratio, Basel III (%)	7.3	6.9	6.8	6.7	6.7	6.0	6.0

1.10.3 Specification of capital requirements

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
IRB approach									
Corporate	32 619	32 551	34 162	31 716	33 421	29 402	28 367	29 545	29 699
Specialised lending (SL)	356	354	355	505	468	183	210	176	179
Retail - mortgages	12 465	12 358	12 507	12 403	12 241	12 922	13 073	12 947	8 705
Retail - other exposures	1 901	1 908	1 953	1 966	1 965	2 001	2 015	2 030	2 016
Securitisation	937	952	1 045	1 117	1 201	1 695	1 452	1 536	1 820
Total credit risk, IRB approach	48 279	48 123	50 023	47 707	49 295	46 202	45 116	46 234	42 419
Standardised approach									
Central government	7	5	12	25	33	6	18	18	18
Institutions	1 989	2 126	2 317	2 225	2 230	2 803	2 551	2 559	2 730
Corporate	8 767	8 668	8 883	8 430	9 657	16 687	16 537	17 883	16 153
Retail - mortgages	1 805	1 756	1 730	1 774	1 764	1 735	1 595	1 618	1 657
Retail - other exposures	2 939	3 009	3 348	2 757	2 642	2 821	3 029	2 875	2 757
Equity positions	3 584	3 450	3 464	3 453	276	188	207	244	241
Securitisation	41	52	65	67	60	64	61	65	66
Other assets	848	599	718	689	535	306	771	829	674
Total credit risk, standardised approach	19 979	19 664	20 536	19 421	17 195	24 611	24 769	26 090	24 297
Total credit risk ¹⁾	68 258	67 787	70 558	67 128	66 490	70 813	69 886	72 324	66 715
Market risk									
Position risk, debt instruments	1 169	1 097	1 141	1 080	1 141	1 380	1 448	1 367	1 380
Position risk, equity instruments	25	18	23	19	36	20	26	20	39
Currency risk									
Commodity risk	6	1	0	1	3	4	4	9	9
Credit value adjustment risk (CVA)	490	460	344	452	513	692	588	580	601
Total market risk	1 690	1 576	1 509	1 552	1 693	2 095	2 067	1 975	2 029
Operational risk	6 670	6 670	6 670	6 670	6 670	6 546	6 546	6 546	6 546
Net insurance, after eliminations					6 463	6 701	6 761	6 814	6 828
Deductions									
Total capital requirements according to Basel III	76 618	76 034	78 738	75 351	81 317	86 156	85 261	87 660	82 119
Additional capital requirements according to transitional rules	7 502	7 588	6 749	8 599	9 033	7 148	6 046	4 469	7 534
Total capital requirements according to transitional rules	84 120	83 622	85 487	83 949	90 350	93 303	91 306	92 128	89 653

1) See next page for further details.

1.10.4 Common equity Tier 1 capital ratio



All figures include 50 per cent of interim profits, apart from the figures as at 31 December, which are exclusive of dividend payments.

1.10.5 Specification of capital requirements for credit risk

As at 31 December 2016

	Nominal exposure	EAD, exposure at default	Average risk weights (per cent)	Risk-weighted volume	Capital requirements
<i>Amounts in NOK million</i>					
IRB approach					
Corporate	1 039 384	842 921	48.4	407 740	32 619
Specialised Lending (SL)	8 825	8 517	52.3	4 456	356
Retail - mortgages	706 195	706 195	22.1	155 814	12 465
Retail - other exposures	112 484	92 484	25.7	23 759	1 901
Securitisation	12 760	12 760	91.8	11 718	937
Total credit risk, IRB approach	1 879 648	1 662 878	36.3	603 487	48 279
Standardised approach					
Central government	55 426	69 760	0.1	84	7
Institutions	147 549	99 864	24.9	24 858	1 989
Corporate	160 608	127 538	85.9	109 582	8 767
Retail - mortgages	51 665	49 631	45.5	22 559	1 805
Retail - other exposures	122 926	48 737	75.4	36 742	2 939
Equity positions	19 225	19 224	233.1	44 804	3 584
Securitisation	1 760	1 160	44.6	518	41
Other assets	15 210	15 210	69.7	10 594	848
Total credit risk, standardised approach	574 370	431 124	57.9	249 741	19 979
Total credit risk	2 454 018	2 094 002	40.7	853 228	68 258

As at 30 September 2016

	Nominal exposure	EAD, exposure at default	Average risk weights (per cent)	Risk-weighted volume	Capital requirements
<i>Amounts in NOK million</i>					
IRB approach					
Corporate	1 036 066	844 265	48.2	406 887	32 551
Specialised Lending (SL)	10 603	10 198	43.3	4 421	354
Retail - mortgages	700 276	700 276	22.1	154 476	12 358
Retail - other exposures	112 649	92 596	25.8	23 851	1 908
Securitisation	13 185	13 185	90.3	11 902	952
Total credit risk, IRB approach	1 872 780	1 660 520	36.2	601 537	48 123
Standardised approach					
Central government	46 522	56 220	0.1	59	5
Institutions	215 329	103 824	25.6	26 569	2 126
Corporate	159 433	127 391	85.1	108 353	8 668
Retail - mortgages	49 852	47 772	46.0	21 952	1 756
Retail - other exposures	130 513	49 940	75.3	37 612	3 009
Equity positions	18 600	18 600	231.9	43 131	3 450
Securitisation	1 998	1 398	46.2	646	52
Other assets	13 004	13 004	57.5	7 484	599
Total credit risk, standardised approach	635 251	418 150	58.8	245 805	19 664
Total credit risk	2 508 031	2 078 670	40.8	847 341	67 787

1.10.6 Primary capital - including DNB Bank ASA and DNB Bank Group

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRD IV/CRR). On 18 December 2015, the Ministry of Finance approved new regulations on consolidation etc. in cross-sectoral groups. The changes became effective on 31 January 2016 and are adapted to the EU regulations, reflecting the entry into force of Solvency II on 1 January 2016. The regulatory consolidation deviates from consolidation in the accounts and comprises the parent company, subsidiaries and associated companies within the financial sector, excluding insurance companies. Associated companies are consolidated pro rata.

	DNB Bank ASA			DNB Bank Group			DNB Group		
	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015	31 Dec. 2016	30 Sept. 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Total equity excluding profit for the period	168 104	152 501	151 533	190 078	165 362	173 412	206 423	180 422	190 078
Effect from regulatory consolidation				(181)	(474)	(541)	(5 795)	(4 915)	(541)
Non-eligible capital, DNB Livsforsikring									(403)
Additional Tier 1 capital instruments included in total equity	(15 574)	(9 453)	(8 053)	(15 574)	(9 453)	(8 053)	(15 574)	(9 453)	(8 053)
Net accrued interest on additional Tier 1 capital instruments	(284)	(141)	(219)	(284)	(141)	(219)	(284)	(141)	(219)
Total equity	152 246	142 907	143 261	174 039	155 294	164 599	184 770	165 913	180 863
Deductions									
Pension funds above pension commitments		(40)	(38)		(40)	(38)		(40)	(38)
Goodwill	(2 900)	(2 932)	(3 012)	(2 951)	(2 961)	(3 029)	(4 656)	(4 666)	(4 763)
Deferred tax assets that are not due to temporary differences	(224)	(195)	(195)	(482)	(641)	(640)	(482)	(641)	(640)
Other intangible assets	(699)	(625)	(663)	(946)	(886)	(1 075)	(946)	(886)	(1 241)
Dividends payable etc.				(5 084)		(5 000)	(9 284)		(7 330)
Significant investments in financial sector entities								(674)	
Expected losses exceeding actual losses, IRB portfolios	(6)	(192)	(1 383)	(153)	(546)	(2 309)	(153)	(546)	(2 309)
Value adjustments due to the requirements for prudent valuation (AVA)	(479)	(515)	(671)	(786)	(868)	(1 055)	(786)	(868)	(1 055)
Adjustments for unrealised losses/(gains) on debt recorded at fair value	107	(16)	(15)	(90)	(414)	(412)	(90)	(414)	(412)
Adjustments for unrealised losses/(gains) arising from the institution's own credit risk related to derivative liabilities	(580)	(834)	(785)	(159)	(166)	(150)	(159)	(165)	(150)
Minimum requirement reinsurance allocation									(17)
Common Equity Tier 1 capital	147 467	137 560	136 499	163 388	148 772	150 889	168 214	157 012	162 906
Common Equity Tier 1 capital incl. 50 per cent of profit for the period		142 463			155 498			163 756	
Additional Tier 1 capital instruments	17 471	11 351	10 267	17 471	11 351	10 267	17 471	11 351	10 267
Non-eligible Tier 1 capital, DNB Group ¹⁾							(176)		
Tier 1 capital	164 938	148 911	146 766	180 860	160 122	161 156	185 509	168 362	173 173
Tier 1 capital incl. 50 per cent of profit for the period		153 814			166 849			175 107	
Perpetual subordinated loan capital	5 602	5 310	5 702	5 602	5 310	5 702	5 602	5 310	5 702
Term subordinated loan capital	21 249	20 161	22 185	21 249	20 161	22 185	21 249	20 161	22 185
Deduction of holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring							(5 750)	(5 800)	
Non-eligible Tier 2 capital, DNB Group ¹⁾							(1 440)		
Tier 2 capital	26 851	25 471	27 887	26 851	25 471	27 887	19 661	19 671	27 887
Total eligible capital	191 789	174 381	174 653	207 711	185 593	189 043	205 170	188 033	201 060
Total eligible capital incl. 50 per cent of profit for the period		179 285			192 320			194 778	
Risk-weighted volume, transitional rules	773 244	773 358	906 084	1 040 888	1 034 684	1 056 731	1 051 498	1 045 272	1 129 373
Minimum capital requirement	61 860	61 869	72 487	83 271	82 775	84 539	84 120	83 622	90 350
Common equity Tier 1 capital ratio, transitional rules (%)	19.1	18.4	15.1	15.7	15.0	14.3	16.0	15.7	14.4
Tier 1 capital ratio, transitional rules (%)	21.3	19.9	16.2	17.4	16.1	15.3	17.6	16.8	15.3
Capital ratio, transitional rules (%)	24.8	23.2	19.3	20.0	18.6	17.9	19.5	18.6	17.8
Common equity Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		17.8			14.4			15.0	
Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		19.3			15.5			16.1	
Capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		22.5			17.9			18.0	

1) Tier 1 and Tier 2 capital in DNB Bank ASA not included in consolidated own funds, in accordance with Articles 85–88 of the CRR.

As from the first quarter of 2016, DNB Livsforsikring and DNB Forsikring are not included in the regulatory consolidation for the DNB Group. With effect from the first quarter of 2016, deductions are also made for significant investments in financial sector entities if they each exceed 10 per cent of common equity Tier 1 capital. The amounts that are not deducted receive a risk-weight of 250 per cent. In addition, the holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring are deducted from the Group's Tier 2 capital.

Due to transitional rules, the minimum capital adequacy requirements cannot be reduced below 80 per cent of the corresponding figure calculated according to the Basel I regulations.

Chapter 2 - Segmental reporting

Financial performance

Personal customers

Small and medium-sized enterprises

Large corporates and international customers

Trading

Other operations/eliminations

Traditional pension products

Main subsidiaries and product units

2.1.1 Development - reporting segments

Changes in net interest income

<i>Amounts in NOK million</i>	4Q16	Change 3Q16-4Q16	Change 4Q15-4Q16
Net interest income	8 372	(108)	(690)
Personal customers	3 228	(74)	(268)
Small and medium-sized enterprises	1 638	48	28
Large corporates and international customers	3 668	160	(261)
Trading	1	(18)	(3)
Other	(163)	(225)	(187)

Changes in net other operating income

<i>Amounts in NOK million</i>	4Q16	Change 3Q16-4Q16	Change 4Q15-4Q16
Net other operating income	4 230	301	405
Personal customers	1 145	(136)	26
Small and medium-sized enterprises	556	114	107
Large corporates and international customers	1 519	(152)	161
Trading	817	(317)	21
Traditional pension products	280	(0)	801
Other	(87)	791	(711)

Changes in operating expenses

<i>Amounts in NOK million</i>	4Q16	Change 3Q16-4Q16	Change 4Q15-4Q16
Operating expenses	(5 194)	(150)	(1 568)
Personal customers	(2 024)	(22)	133
Small and medium-sized enterprises	(898)	(94)	(91)
Large corporates and international customers	(1 976)	(54)	225
Trading	(159)	(32)	(62)
Traditional pension products	(96)	(4)	(22)
Other ¹⁾	(41)	55	(1 752)

Changes in impairment of loans and guarantees

<i>Amounts in NOK million</i>	4Q16	Change 3Q16-4Q16	Change 4Q15-4Q16
Impairment of loans and guarantees	(1 753)	424	(332)
Personal customers	129	207	113
Small and medium-sized enterprises	(289)	50	71
Large corporates and international customers	(1 586)	172	(507)
Other	(6)	(5)	(10)

1) Of which an unallocated non-recurring effect on pension expenses of NOK 1 778 million in 2015.

2.1.2 Extracts from income statement

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products ¹⁾		Other operations/eliminations ²⁾		DNB Group	
<i>Amounts in NOK million</i>	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15
Net interest income	3 228	3 496	1 638	1 610	3 668	3 929	1	3			(163)	24	8 372	9 062
Net other operating income	1 145	1 120	556	449	1 519	1 358	817	796	280	(522)	(87)	624	4 230	3 825
Total income	4 374	4 616	2 194	2 059	5 187	5 287	818	799	280	(522)	(250)	648	12 602	12 888
Operating expenses	(2 024)	(2 157)	(898)	(807)	(1 976)	(2 202)	(159)	(97)	(96)	(74)	(41)	1 711	(5 194)	(3 626)
Pre-tax operating profit before impairment	2 350	2 459	1 296	1 252	3 211	3 086	659	702	184	(596)	(291)	2 359	7 409	9 262
Net gains on fixed and intangible assets		0	(0)	(0)	(4)	5					(8)	(13)	(12)	(9)
Impairment of loans and guarantees	129	15	(289)	(360)	(1 586)	(1 079)					(6)	3	(1 753)	(1 420)
Profit from repossessed operations			40	35	7	(6)					(47)	(30)		
Pre-tax operating profit	2 479	2 474	1 047	927	1 628	2 006	659	702	184	(596)	(352)	2 319	5 644	7 833
Tax expense	(620)	(668)	(262)	(250)	(439)	(582)	(165)	(183)	49	705	1 147	(100)	(290)	(1 077)
Profit from operations held for sale, after taxes	0	(1)			(0)						26	29	26	28
Profit for the period	1 859	1 805	785	677	1 188	1 424	494	520	233	109	821	2 248	5 380	6 783

1) For more information about Traditional pension products, see tables 2.7.1, 2.7.2 and 2.8.4.

2) For more information about other operations/eliminations, see table below.

2.1.3 Other operations/eliminations

Other operations/eliminations include IT and Operations, HR (Human Resources), Group Finance including Group Treasury, Group Risk Management, Corporate Communications, the partially owned company Eksportfinans, investments in IT infrastructure and shareholder-related costs. In addition, Other operations/eliminations include that part of the Group's equity that is not allocated to the segments. Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the internal reporting of segments. The acquired companies and all intra-group eliminations are included in Other operations/eliminations.

Pre-tax operating profit

<i>Amounts in NOK million</i>	4Q16	4Q15
Unallocated interest income	(294)	(40)
Income from equity investments	77	288
Mark-to-market adjustments on financial instruments	681	195
Basis swaps	(713)	(4)
Profit from associated companies	(45)	(5)
Net gains on investment properties	15	167
Profit from repossessed operations	(47)	(30)
Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	(115)	(101)
Unallocated personnel expenses ¹⁾	50	1 633
Unallocated IT and Operations expenses	63	114
IT restructuring	(2)	9
Reversal of provisions	24	46
Impairment of fixed assets and value adjustments on investment properties		(5)
Other	(47)	51
Pre-tax operating profit	(352)	2 319

1) Of which an unallocated non-recurring effect on pension expenses of NOK 1 778 million in 2015.

2.1.4 Main average balance sheet items and key figures

Main average balance sheet items

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/eliminations		DNB Group	
<i>Amounts in NOK billion</i>	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15
Loans to customers ^{1) 2)}	718.2	695.7	231.9	220.3	531.1	579.3	24.4	28.3	32.5	13.0	(33.1)	2.6	1 505.1	1 539.3
Deposits from customers ^{1) 2)}	399.4	391.1	185.7	172.8	367.0	403.5	54.5	203.7			(44.9)	(6.0)	961.7	1 165.2
Assets under management	78.0	75.2	77.0	64.1	180.9	222.7			202.8	200.3	22.1	15.2	560.8	577.4
Allocated capital ³⁾	40.2	33.8	24.7	21.0	86.3	70.9	7.2	7.3	19.9	18.2				

Key figures

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations		DNB Group	
<i>Per cent</i>	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15	4Q16	4Q15
Cost/income ratio ⁴⁾	46.3	46.7	40.9	39.2	38.1	41.6	19.5	12.1	34.3	(14.3)			41.2	28.1
Ratio of deposits to loans ^{2) 4)}	55.6	56.2	80.1	78.5	69.1	69.6							63.9	75.7
Return on allocated capital, annualised ³⁾	18.4	21.2	12.6	12.8	5.5	8.0	27.2	28.4	4.7	2.4			10.9	15.0

1) Loans to and deposits from customers in the Baltics are included under Large corporates and international customers in spite of being reclassified as assets and liabilities held for sale in August 2016. The reclassification is reflected under Other operations/eliminations. Reclassified loans amounted to NOK 46.5 billion and deposits to NOK 36.7 billion.

2) Loans to customers include accrued interest, impairment and value adjustments. Correspondingly, deposits from customers include accrued interest and value adjustments. In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring.

3) Allocated capital for the segments is calculated based on the external capital adequacy requirement (Basel III) which must be met by the Group. The capital allocated in 2016 corresponds to a common equity Tier 1 capital ratio of 17.2 per cent compared to 14.5 per cent in 2015. Recorded capital is used for the Group.

4) Total operating expenses relative to total income.

5) Deposits from customers relative to loans to customers. Calculated on the basis of average balance sheet items.

2.1.5 Key figures - Norwegian and international units

Norwegian units

Per cent	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Share of group income	78.3	77.6	79.2	77.8	73.9	77.4	77.2	80.3	76.9
Cost/income ratio	40.9	40.9	39.4	42.8	24.1	39.4	43.7	35.5	40.9
Share of net group loans to customers	83.1	82.7	81.4	81.6	81.0	80.2	81.1	80.8	81.3
Non-performing and doubtful loans and guarantees relative to total loans	1.1	1.1	0.9	0.6	0.4	0.4	0.4	0.5	0.6
Provision ratio (per cent) ¹⁾	41.9	39.9	37.9	49.9	51.6	54.1	53.7	53.2	40.2
Individual impairment in relation to net loans, annualised	(0.31)	(0.37)	(0.33)	0.02	(0.14)	0.26	(0.15)	(0.04)	(0.21)

International units ²⁾

Per cent	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Share of group income	21.7	22.4	20.8	22.2	26.1	22.6	22.8	19.7	23.1
Cost/income ratio	42.5	39.7	41.7	38.3	39.3	40.2	39.7	42.8	46.5
Share of net group loans to customers	16.9	14.4	18.6	18.4	19.0	19.8	18.9	19.2	18.7
Non-performing and doubtful loans and guarantees relative to total loans	3.9	2.1	2.5	2.5	2.4	2.4	2.5	2.6	2.8
Provision ratio (per cent) ¹⁾	44.0	58.7	50.8	50.8	47.6	48.6	50.7	49.6	48.3
Individual impairment in relation to net loans, annualised	(0.87)	(0.69)	(0.80)	(0.85)	(0.75)	(0.66)	(0.46)	(0.60)	(0.41)

1) The provision ratio includes individual and collective impairment as a percentage of gross non-performing and gross doubtful loans and guarantees.

2) Includes volumes in the Baltics, reclassified as assets held for sale in August 2016, of which net non-performing and net doubtful loans and guarantees totalled NOK 2 256 million at end-December.

2.2.1 Personal customers - Financial performance

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income ¹⁾	3 228	3 303	3 331	3 407	3 496	3 445	3 421	3 336	3 400
Net other operating income	1 145	1 281	1 356	1 138	1 120	1 295	1 311	1 169	1 141
Total income	4 374	4 584	4 686	4 545	4 616	4 739	4 732	4 505	4 540
Operating expenses	(2 024)	(2 002)	(2 127)	(2 546)	(2 157)	(2 274)	(2 287)	(2 158)	(2 107)
Pre-tax operating profit before impairment	2 350	2 582	2 559	1 999	2 459	2 465	2 445	2 347	2 434
Net gains on fixed and intangible assets		(0)	0	0	0	(3)	3		1
Impairment losses on loans and guarantees ¹⁾	129	(78)	(88)	430	15	963	(84)	45	80
Pre-tax operating profit	2 479	2 503	2 471	2 429	2 474	3 425	2 363	2 393	2 514
Tax expense	(620)	(626)	(618)	(607)	(668)	(925)	(638)	(646)	(679)
Profit from operations held for sale, after taxes	0	0	(0)	(1)	(1)	2	(0)	0	
Profit for the period	1 859	1 878	1 853	1 821	1 805	2 503	1 725	1 747	1 835
Average balance sheet items in NOK billion:									
Loans to customers ²⁾	718.2	706.9	694.3	687.1	695.7	697.2	689.0	679.9	674.8
Deposits from customers ²⁾	399.4	407.9	398.8	395.6	391.1	390.4	375.9	368.7	363.8
Assets under management	78.0	75.7	74.9	74.1	75.2	75.4	76.2	69.1	68.1
Allocated capital ³⁾	40.2	39.7	40.8	40.3	33.8	33.1	33.6	34.8	29.8
Key figures in per cent:									
Cost/income ratio	46.3	43.7	45.4	56.0	46.7	48.0	48.3	47.9	46.4
Ratio of deposits to loans	55.6	57.7	57.4	57.6	56.2	56.0	54.6	54.2	53.9
Return on allocated capital, annualised ³⁾	18.4	18.8	18.2	18.2	21.2	30.0	20.6	20.4	24.5

*) Loans to personal customers including loans transferred to DNB Livsforsikring

In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. Personal Banking Norway will continue to manage the portfolio on behalf of DNB Livsforsikring. See specification of the effects of the transfer on net interest income and loans to customers in the table below:

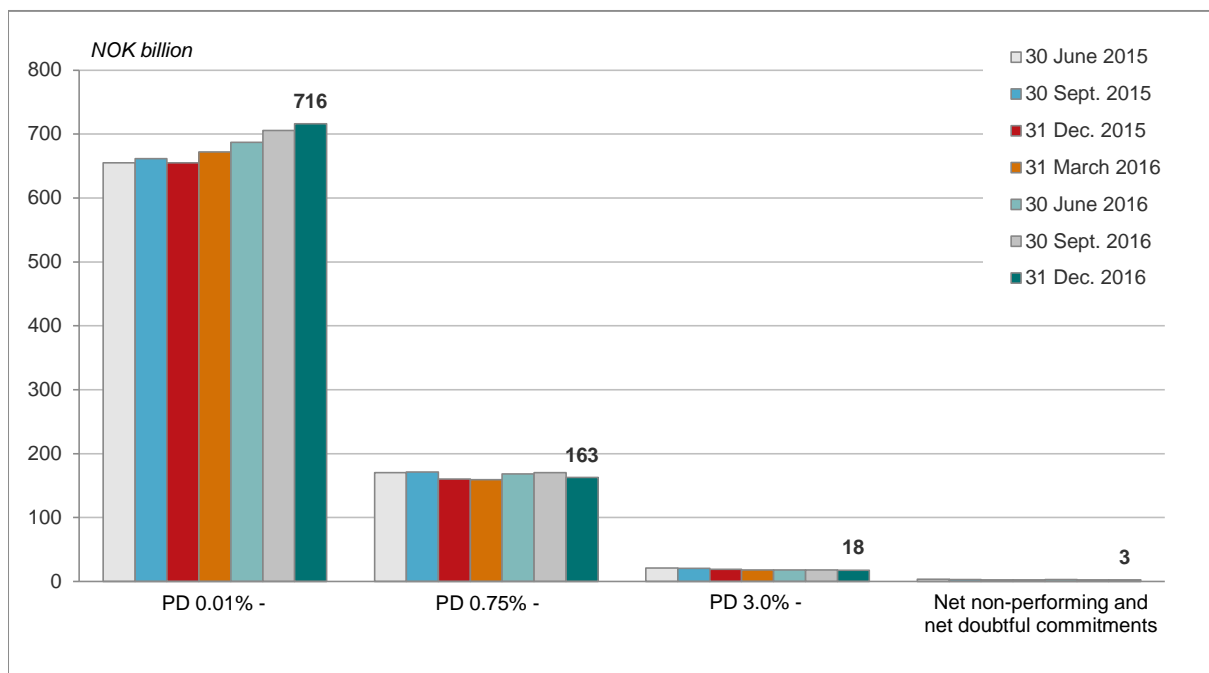
Amounts in NOK billion	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Loans to customers ²⁾	718.2	706.9	694.3	687.1	695.7	697.2	689.0	679.9	674.8
Home mortgages transferred to DNB Livsforsikring - assets under management	19.6	18.0	18.5	19.1	8.0				
Loans to personal customers	737.8	724.9	712.9	706.2	703.7	697.2	689.0	679.9	674.8
Net interest income on the transferred portfolio (NOK million)	32	30	31	33	10				

1) Including collective impairment.

2) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

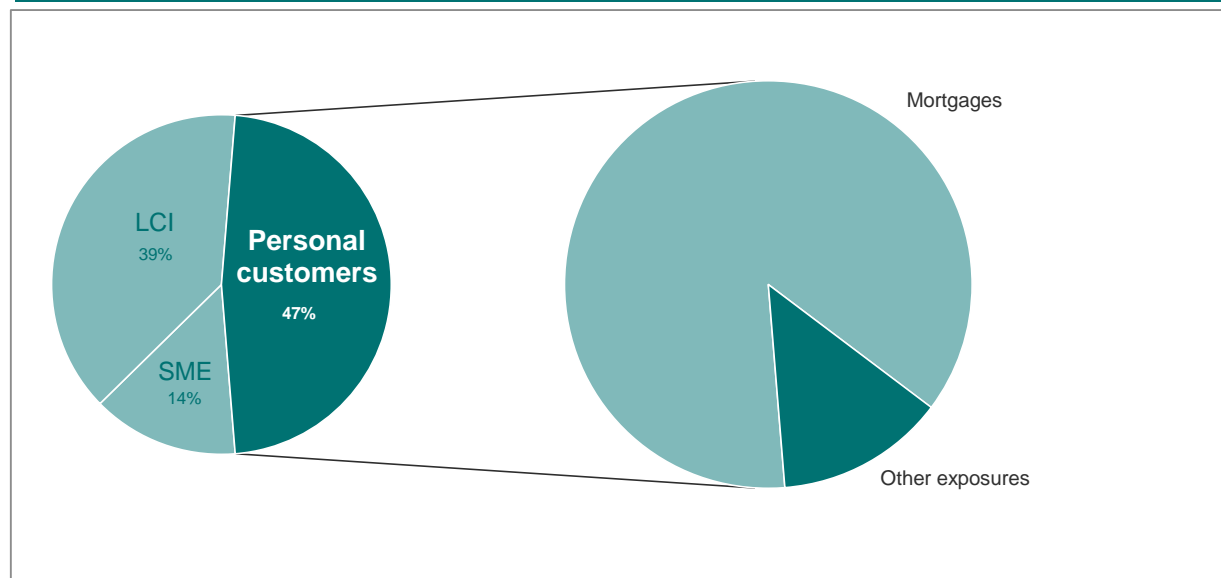
3) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.2.2 Personal customers - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.2.3 Personal customers - Exposure at default according to sector as at 31 Dec. 2016



2.2.4 Personal customers - Development in average volumes and interest rate spreads

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Volumes (NOK billion):									
Loans to customers ^{1) 2)}	715	706	692	684	689	693	686	677	672
Deposits from customers ¹⁾	397	406	398	395	387	387	374	368	358
Spread income (NOK million):									
Lending spreads ³⁾	2 895	3 069	3 138	3 075	3 394	3 508	3 573	3 823	3 860
Deposit spreads	431	345	328	411	236	102	(30)	(268)	(307)
Spreads in per cent:									
Lending spreads ³⁾	1.61	1.73	1.82	1.81	1.95	2.01	2.09	2.29	2.28
Deposit spreads	0.43	0.34	0.33	0.42	0.24	0.10	(0.03)	(0.30)	(0.34)

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

2) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing additional NOK 5 billion were sold. As of the same date, the portfolios was transferred from the Personal customers segment to the Traditional pension products segment. Personal Banking Norway will continue to manage the portfolio on behalf of DNB Livsforsikring.

3) Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

2.2.5 Personal customers - Distribution of loan to value

Loan to value per risk grade as at 31 December 2016

	Risk grade			Total	Share of loan to value in per cent ¹⁾
	Low	Moderate	High		
Loan to value in NOK billion ¹⁾					
0-40	104	17	1	122	16.8 %
40-60	186	40	2	228	31.4 %
60-75	195	46	3	244	33.6 %
75-85	68	23	2	93	12.8 %
>85	28	11	1	40	5.5 %
Total exposure at default	580	138	9	726	100.0 %

*) Development in loan to value

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Loan to value in per cent ^{1) 2)}									
0-40	16.8 %	16.2 %	16.3 %	14.9 %	15.1 %	16.2 %	15.8 %	14.3 %	14.6 %
40-60	31.4 %	30.5 %	30.8 %	28.1 %	28.3 %	30.6 %	29.9 %	26.9 %	27.2 %
60-75	33.6 %	34.0 %	33.8 %	34.2 %	34.5 %	33.2 %	33.5 %	33.6 %	33.2 %
75-85	12.8 %	13.6 %	13.5 %	15.1 %	14.8 %	13.2 %	13.8 %	16.3 %	16.2 %
>85	5.5 %	5.8 %	5.6 %	7.8 %	7.3 %	6.7 %	7.0 %	8.9 %	8.8 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Average loan to value	59.9 %	59.9 %	59.7 %	61.7 %	61.3 %	60.0 %	60.8 %	62.9 %	62.9 %
Total exposure at default (NOK billion)	726	720	707	691	685	703	693	680	667
Total drawn amount (NOK billion)	659	655	644	631	627	646	638	627	616

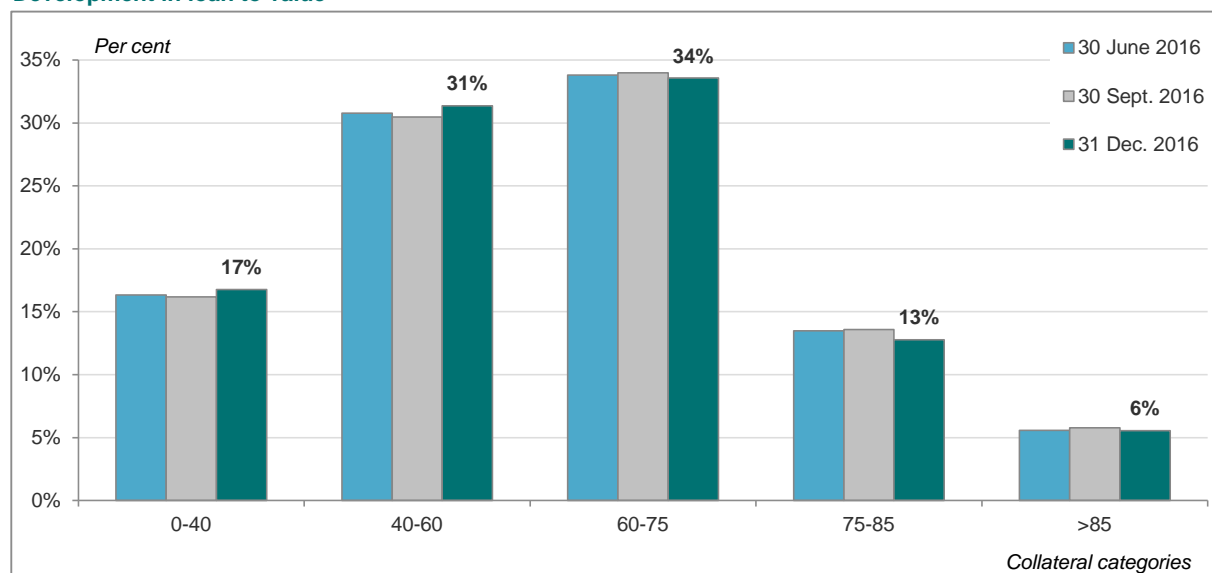
1) The total exposure (EAD) is included in the actual collateral category.

2) The sale of a portfolio of home mortgages amounting to approximately NOK 20 billion from DNB Boligkreditt to DNB Livsforsikring in November 2015 and additional NOK 5 billions in November 2016 affected the relative distribution of the remaining loans, as the transferred loans were within low risk grades and had a low loan to value. More than 90 per cent of the portfolio transferred had a loan to value at end-December 2015 in the interval 0-60 per cent.

Distribution of home mortgages, recalibrated, in the personal customers segment within actual collateral categories. The volumes represent the IRB-approved mortgage portfolio and are the expected outstanding amount in the event of default.

2.2.5 Personal customers - Distribution of loan to value (continued)

Development in loan to value



2.2.6 DNB Boligkreditt - Average mortgage lending - volumes and spreads

Amounts in NOK billion	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Average loans to customers	600	590	577	567	572	573	564	555	550
Portfolio transferred to DNB Livsforsikring ¹⁾	20	18	19	19	8				
Average loans to customers including transferred loans	620	608	595	586	580	573	564	555	550
Spreads measured against actual funding costs (per cent)	0.53	0.66	0.78	0.82	0.95	1.08	1.10	1.31	1.31

¹⁾ In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing additional NOK 5 billion were sold. As of the same date, the portfolio was transferred from the Personal customers segment to the Traditional pension products segment. Personal Banking Norway will continue to manage the portfolio on behalf of DNB Livsforsikring.

2.2.7 DNB Eiendom - Residential real estate broking in Norway

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Number of properties sold	5 325	5 942	7 311	5 400	5 035	5 877	7 529	6 066	5 159
Fees on real estate broking (NOK million)	242	282	348	248	236	279	354	279	234
Market shares (per cent) ¹⁾	19.2	18.4	18.8	19.9	19.3	19.2	19.7	19.8	19.1

¹⁾ Management's estimates.

2.3.1 Small and medium-sized enterprises (SME) - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	1 638	1 590	1 570	1 561	1 610	1 551	1 515	1 455	1 555
Net other operating income	556	441	517	454	449	396	422	461	477
Total income	2 194	2 031	2 087	2 015	2 059	1 947	1 937	1 917	2 032
Operating expenses	(898)	(804)	(837)	(817)	(807)	(740)	(773)	(758)	(775)
Pre-tax operating profit before impairment	1 296	1 227	1 250	1 198	1 252	1 207	1 164	1 159	1 258
Net gains on fixed and intangible assets	(0)	0	(1)	3	(0)	(1)	(0)	(1)	43
Impairment losses on loans and guarantees ¹⁾	(289)	(339)	(204)	(251)	(360)	(138)	(280)	(290)	(462)
Profit from repossessed operations ²⁾	40	(6)	(12)	(17)	35	(21)	(11)	0	16
Pre-tax operating profit	1 047	883	1 033	933	927	1 047	872	869	854
Tax expense	(262)	(221)	(258)	(233)	(250)	(283)	(235)	(234)	(231)
Profit for the period	785	662	775	700	677	764	637	634	624
Average balance sheet items in NOK billion:									
Loans to customers ³⁾	231.9	227.1	223.8	221.3	220.3	217.8	214.2	211.7	209.6
Deposits from customers ³⁾	185.7	179.5	173.5	170.3	172.8	175.4	170.4	166.9	169.3
Assets under management	77.0	72.4	69.4	67.7	64.1	61.6	60.7	52.5	53.8
Allocated capital ⁴⁾	24.7	24.4	24.4	25.0	21.0	21.6	21.0	21.6	20.0
Key figures in per cent:									
Cost/income ratio	40.9	39.6	40.1	40.6	39.2	38.0	39.9	39.5	38.1
Ratio of deposits to loans	80.1	79.0	77.5	77.0	78.5	80.5	79.5	78.9	80.8
Return on allocated capital, annualised ⁴⁾	12.6	10.8	12.8	11.3	12.8	14.0	12.2	11.9	12.4

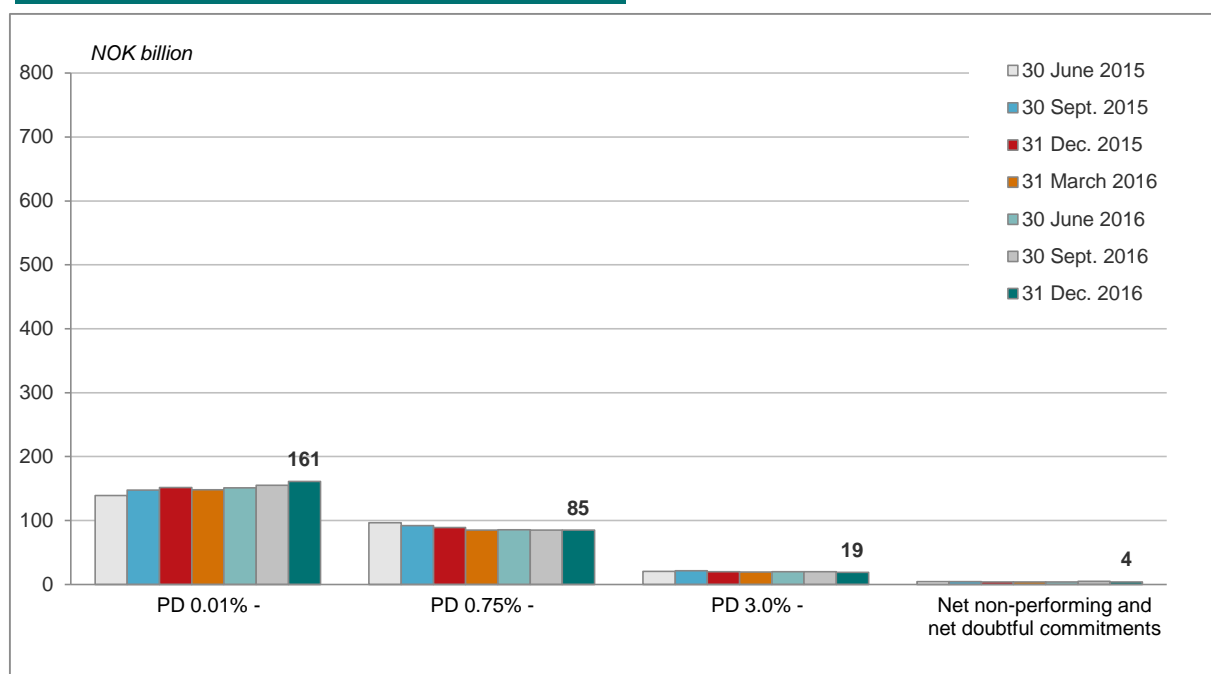
1) Including collective impairment.

2) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the various segments.

3) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

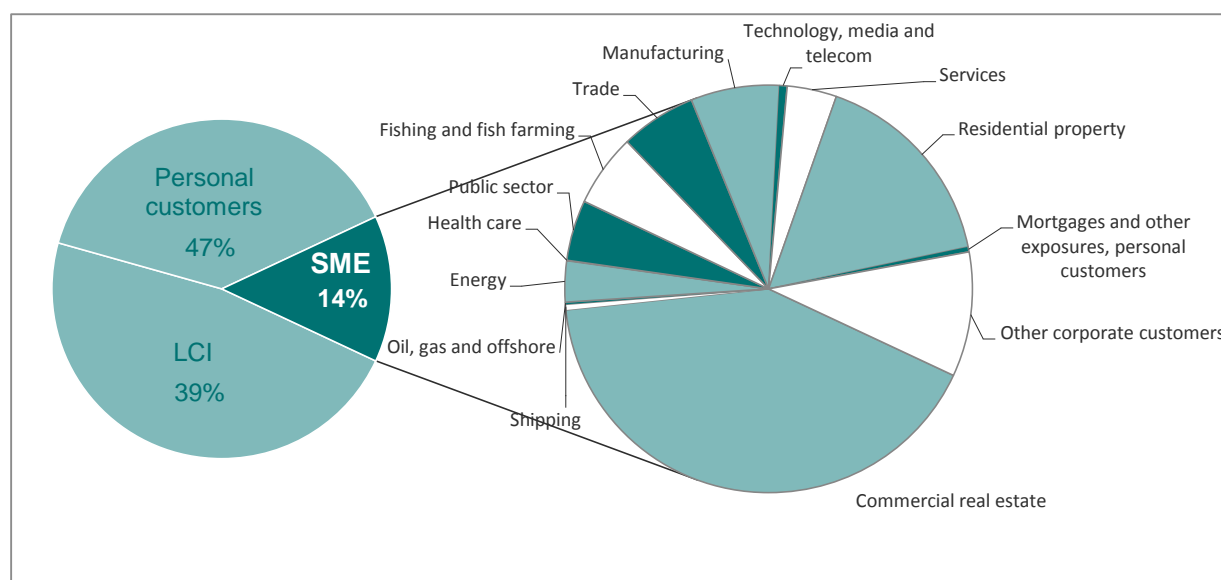
4) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.3.2 SME - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.3.3 SME - Exposure at default according to sector as at 31 December 2016



2.3.4 SME - Development in average volumes and interest rate spreads

	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Volumes (NOK billion):									
Loans to customers ¹⁾	228	227	221	218	218	214	212	209	207
Deposits from customers ¹⁾	185	179	173	170	172	175	170	167	168
Spread income (NOK million):									
Lending spreads ²⁾	1 396	1 404	1 377	1 336	1 291	1 303	1 295	1 287	1 312
Deposit spreads	205	173	166	195	168	147	77	65	22
Spreads in per cent:									
Lending spreads ²⁾	2.43	2.46	2.50	2.46	2.35	2.41	2.45	2.50	2.52
Deposit spreads	0.44	0.38	0.38	0.46	0.39	0.33	0.18	0.16	0.05

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

²⁾ Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

2.4.1 Large corporates and international customers (LCI) - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	3 668	3 508	3 484	3 641	3 929	3 908	3 749	3 611	3 726
Net other operating income	1 519	1 670	1 645	1 309	1 358	1 429	1 762	1 533	1 567
Total income	5 187	5 178	5 129	4 950	5 287	5 337	5 511	5 145	5 292
Operating expenses	(1 976)	(1 922)	(1 945)	(2 013)	(2 202)	(2 043)	(1 892)	(1 917)	(1 914)
Pre-tax operating profit before impairment	3 211	3 256	3 184	2 937	3 086	3 295	3 619	3 228	3 378
Net gains on fixed and intangible assets	(4)	19	5	4	5	1	42	6	9
Impairment losses on loans and guarantees ¹⁾	(1 586)	(1 758)	(2 033)	(1 356)	(1 079)	(433)	(284)	(312)	(465)
Profit from repossessed operations ²⁾	7	4	(5)	1	(6)	1	(5)	(57)	(14)
Pre-tax operating profit	1 628	1 521	1 151	1 586	2 006	2 863	3 371	2 865	2 909
Tax expense	(439)	(411)	(311)	(428)	(582)	(830)	(978)	(831)	(902)
Profit from operations held for sale, after taxes	(0)	(0)	(0)	3					2
Profit for the period	1 188	1 110	840	1 161	1 424	2 033	2 394	2 034	2 009
Average balance sheet items in NOK billion:									
Loans to customers ³⁾	531.1	553.6	554.0	563.1	579.3	582.7	557.9	552.1	520.8
Deposits from customers ³⁾	367.0	374.4	378.5	383.2	403.5	408.9	379.1	380.0	385.7
Assets under management	180.9	181.8	180.6	205.0	222.7	218.7	222.5	209.9	211.8
Allocated capital ⁴⁾	86.3	88.7	84.7	86.4	70.9	70.4	69.8	72.5	57.5
Key figures in per cent:									
Cost/income ratio	38.1	37.1	37.9	40.7	41.6	38.3	34.3	37.3	36.2
Ratio of deposits to loans	69.1	67.6	68.3	68.1	69.6	70.2	67.9	68.8	74.1
Return on allocated capital, annualised ⁴⁾	5.5	5.0	4.0	5.4	8.0	11.5	13.8	11.4	13.8

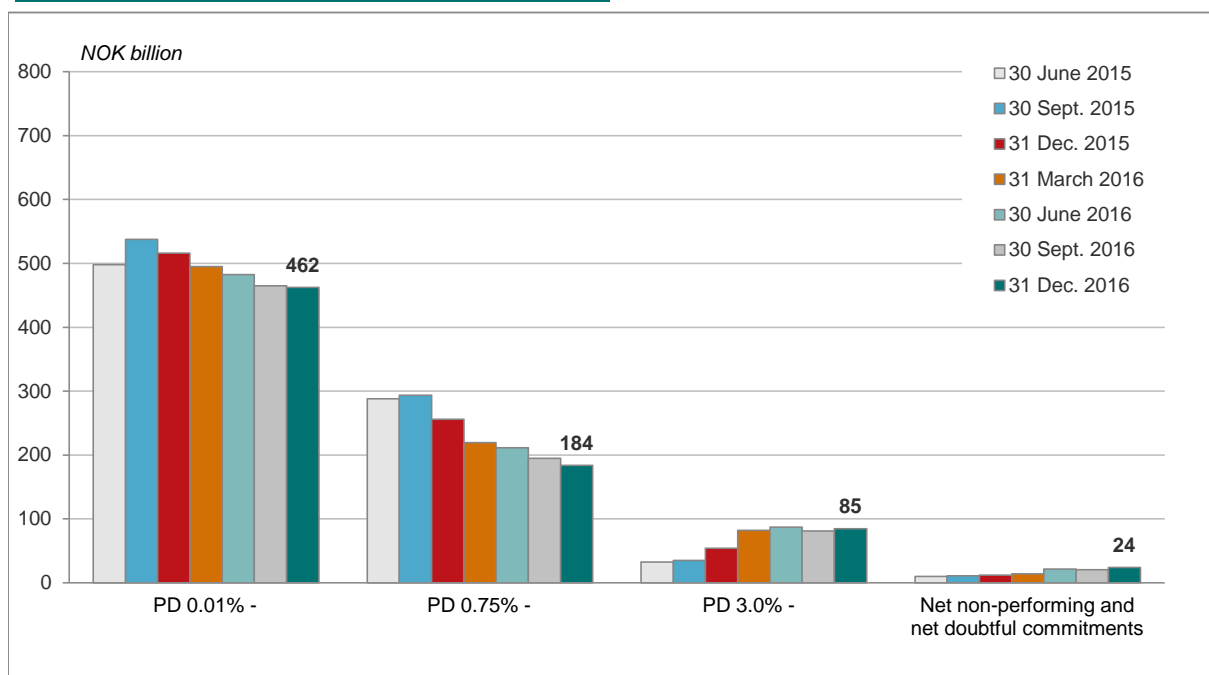
1) Including collective impairment.

2) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the various segments.

3) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

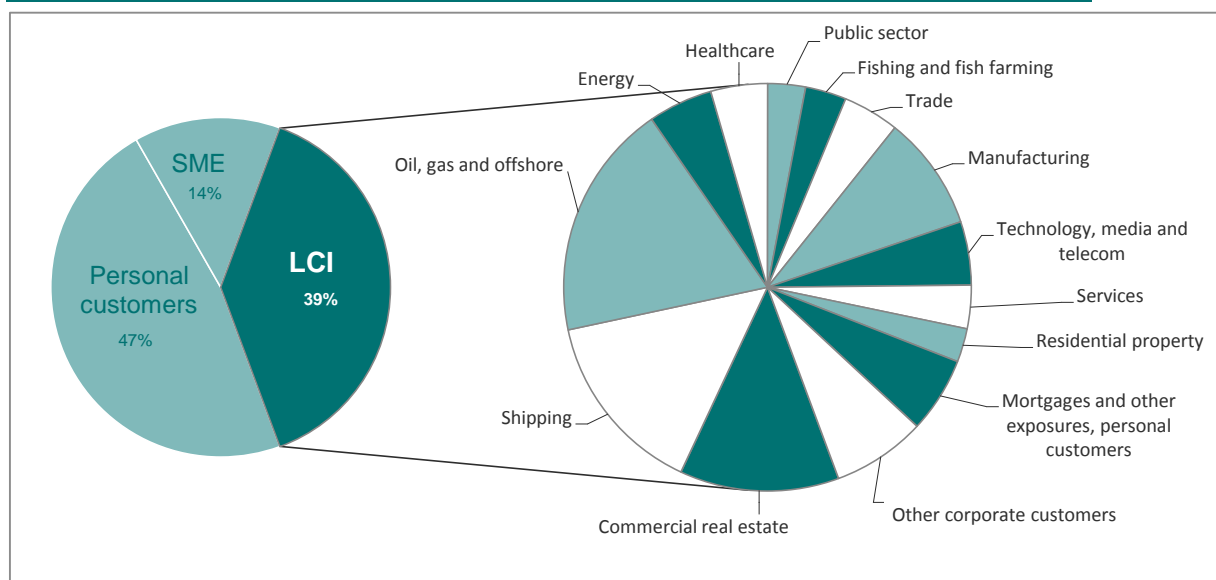
4) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.4.2 LCI - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.4.3 LCI - Exposure at default according to sector as at 31 December 2016



2.4.4 LCI - Average volumes

Amounts in NOK billion	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Loans to customers ¹⁾									
Nordic Corporates Division	149	153	153	150	154	157	156	154	156
International Corporates Division	97	104	101	100	103	104	95	91	82
Energy Division	61	65	68	69	72	73	72	71	64
Shipping, Offshore and Logistics Division	131	135	142	150	157	158	151	150	134
Baltics	46	47	47	47	46	45	43	44	43
Other ³⁾	48	49	44	47	48	45	42	41	41
Total Large corporates and international customers	531	554	554	563	579	583	558	552	521
Guarantees									
Nordic Corporates Division	15	16	17	17	17	17	15	15	15
International Corporates Division	14	14	14	13	14	13	13	14	13
Energy Division	23	22	23	26	27	27	29	31	33
Shipping, Offshore and Logistics Division	16	14	13	12	13	12	12	15	12
Baltics	4	1	1	1	1	2	2	2	1
Other ³⁾	10	7	7	9	9	7	8	7	6
Total Large corporates and international customers	82	75	75	78	81	78	78	83	80
Total loans and guarantees									
Nordic Corporates Division	164	169	170	167	171	173	171	170	171
International Corporates Division	111	118	114	114	116	117	108	105	96
Energy Division	84	87	91	94	99	101	101	103	97
Shipping, Offshore and Logistics Division	146	148	155	163	169	170	163	166	147
Baltics	50	48	48	48	48	47	43	44	43
Other ³⁾	58	57	51	56	57	52	50	48	47
Total Large corporates and international customers	613	628	629	641	661	661	636	635	601
Deposits from customers ²⁾									
Nordic Corporates Division	133	136	136	134	142	138	127	124	133
International Corporates Division	51	54	55	52	62	63	59	48	49
Energy Division	65	60	63	66	65	73	71	77	77
Shipping, Offshore and Logistics Division	68	70	77	81	86	89	82	84	80
Baltics	36	35	41	36	36	33	31	31	30
Other ³⁾	14	19	7	13	12	12	10	17	17
Total Large corporates and international customers	367	374	379	383	403	409	379	380	386
Commercial paper issues during the period	20	17	23	20	23	17	18	17	16
Syndicated loans during the period	2	9	2	4	1		4	26	6
Bond issues during the period	21	18	20	16	15	12	17	17	16

1) Loans to customers include accrued interest and impairment losses. Amounts due from credit institutions are not included.

2) Deposits from customers include accrued interest. Amounts due to credit institutions are not included.

3) Including Poland.

2.4.5 LCI - Development in average volumes and interest rate spreads

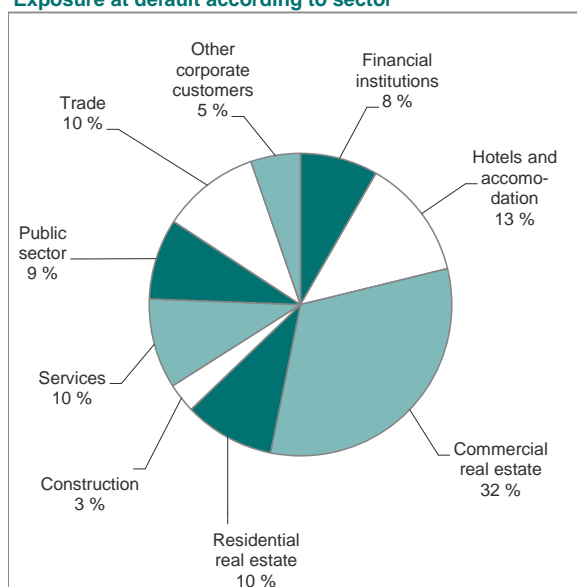
	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Volumes (NOK billion):									
Loans to customers ¹⁾	517	542	543	555	571	573	552	545	511
Deposits from customers ¹⁾	367	374	378	383	403	408	379	380	385
Spread income (NOK million):									
Lending spreads ²⁾	2 899	3 035	3 002	3 099	3 159	3 149	2 993	2 931	2 832
Deposit spreads	(42)	(67)	(77)	(40)	(118)	(64)	(93)	(91)	(104)
Spreads in per cent:									
Lending spreads ²⁾	2.23	2.23	2.22	2.25	2.19	2.18	2.17	2.18	2.20
Deposit spreads	(0.05)	(0.07)	(0.08)	(0.04)	(0.12)	(0.06)	(0.10)	(0.10)	(0.11)

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

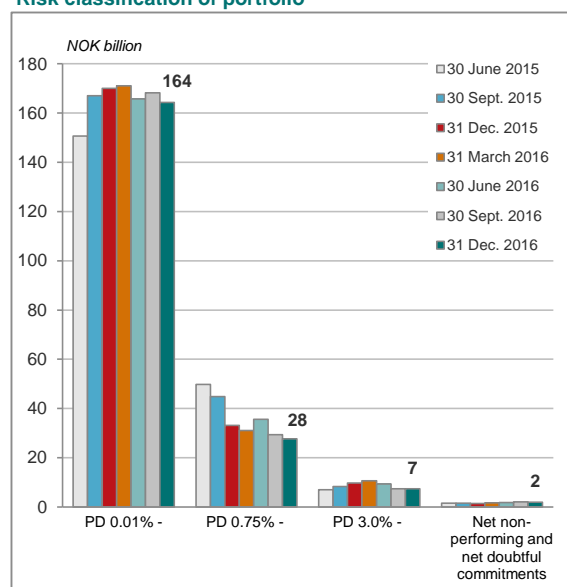
2) Margin calculations for finance leases were adjusted in the third quarter of 2015. Figures for previous periods have been restated accordingly.

2.4.6 LCI - Nordic Corporates Division

Exposure at default according to sector

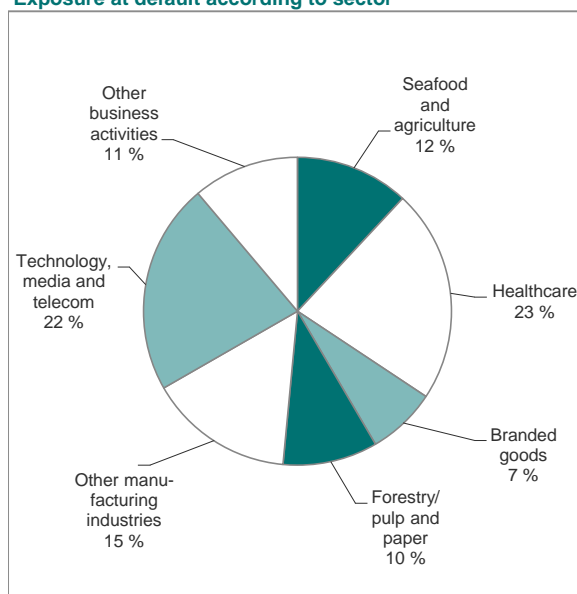


Risk classification of portfolio ¹⁾

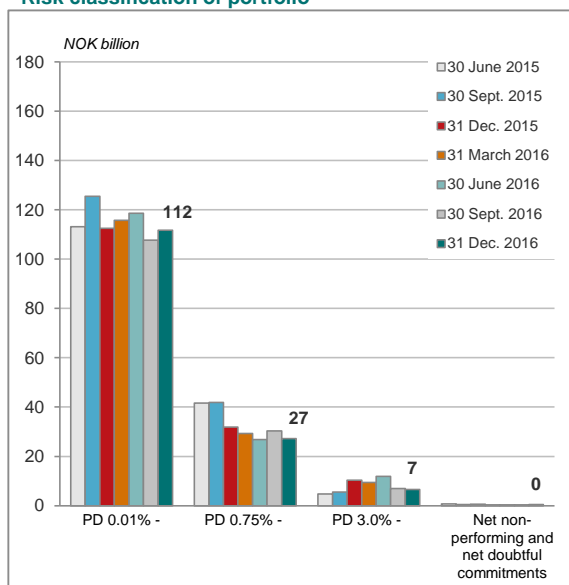


2.4.7 LCI - International Corporates Division

Exposure at default according to sector



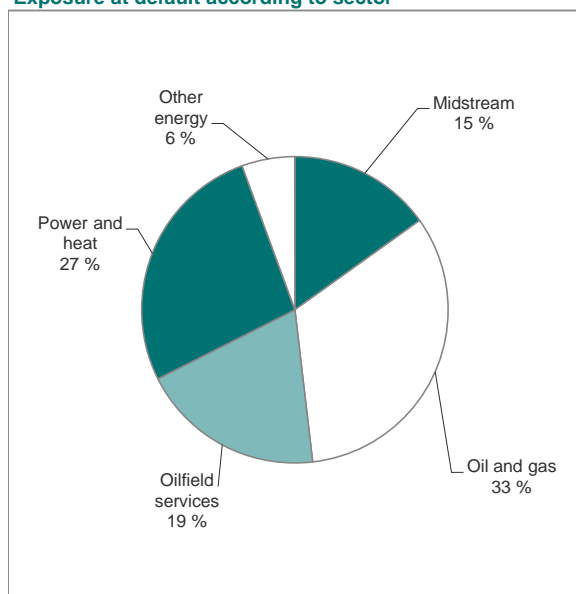
Risk classification of portfolio ¹⁾



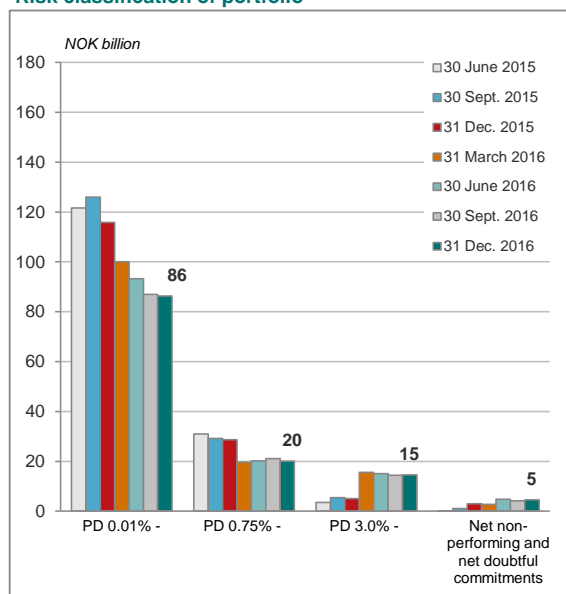
1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.4.8 LCI - Energy Division

Exposure at default according to sector

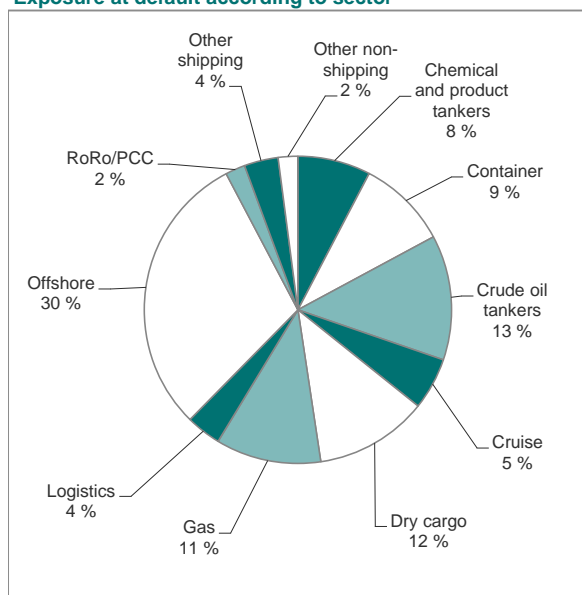


Risk classification of portfolio ¹⁾

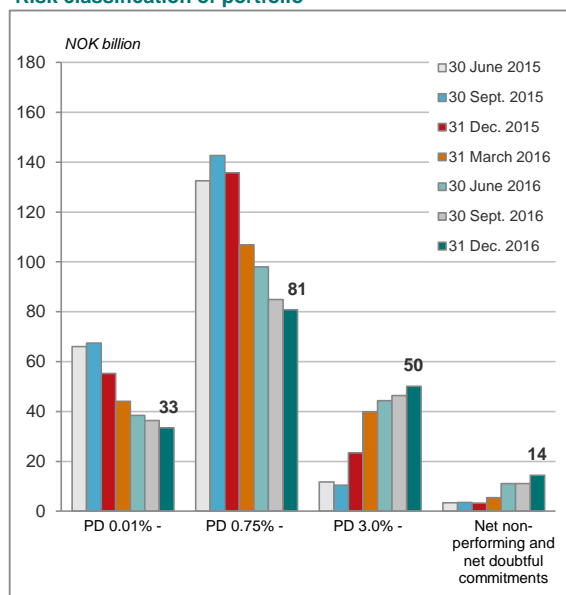


2.4.9 LCI - Shipping, Offshore and Logistics Division

Exposure at default according to sector



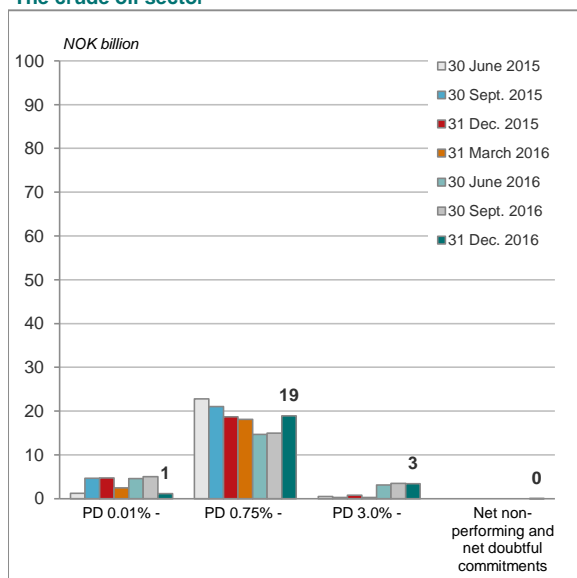
Risk classification of portfolio ¹⁾



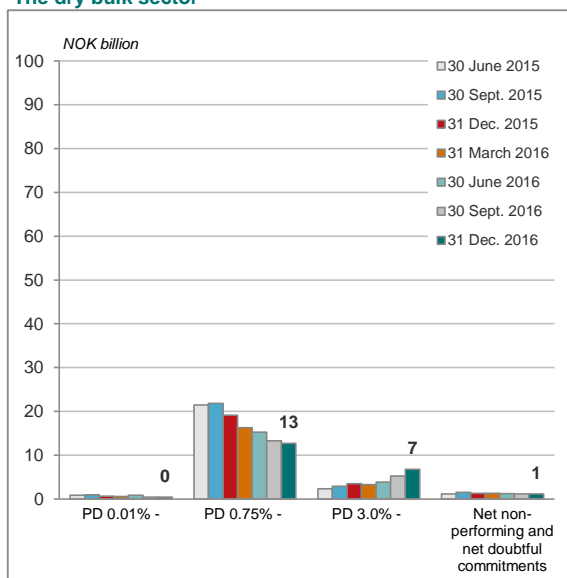
1) Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.4.10 LCI - Risk classification of portfolio according to sub-segments in the Shipping, Offshore and Logistics Division (SOL)

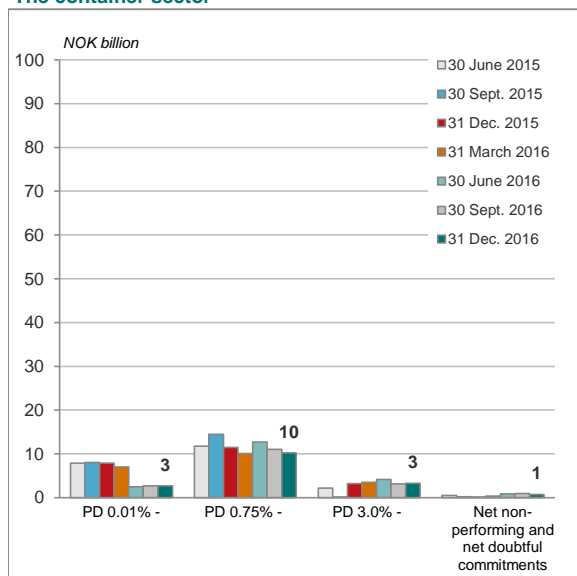
The crude oil sector



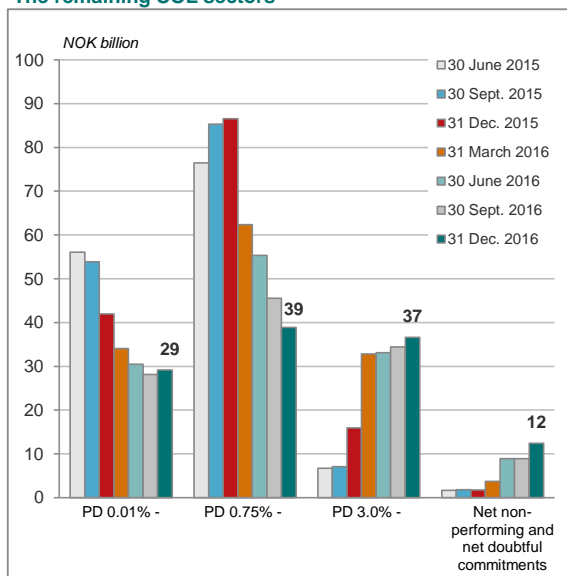
The dry bulk sector



The container sector



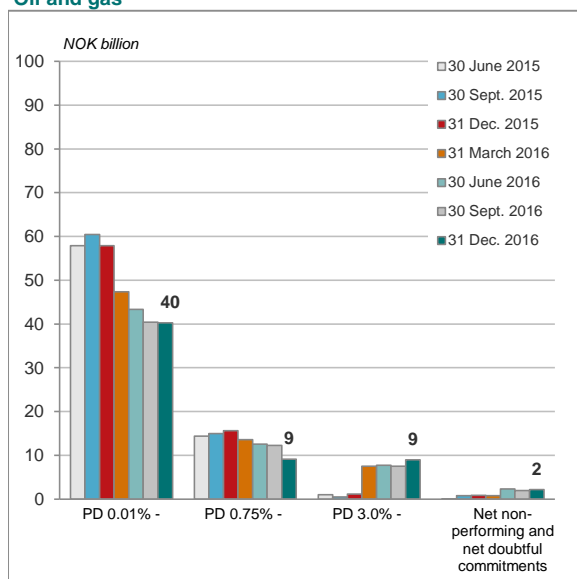
The remaining SOL sectors



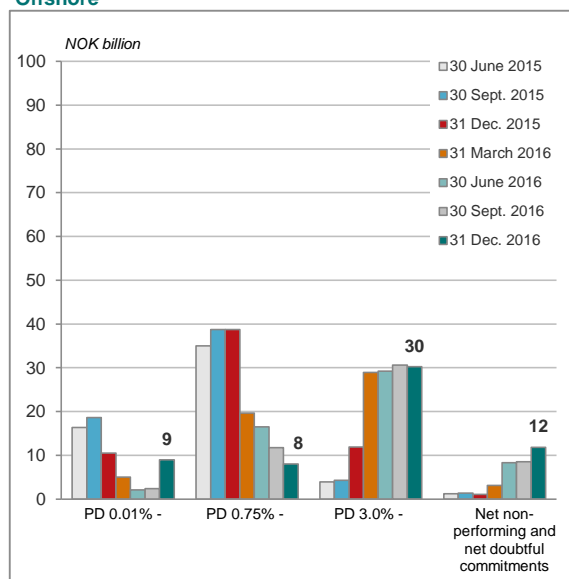
Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.4.11 LCI - Risk classification of portfolio according to sub-segments in the oil related segments

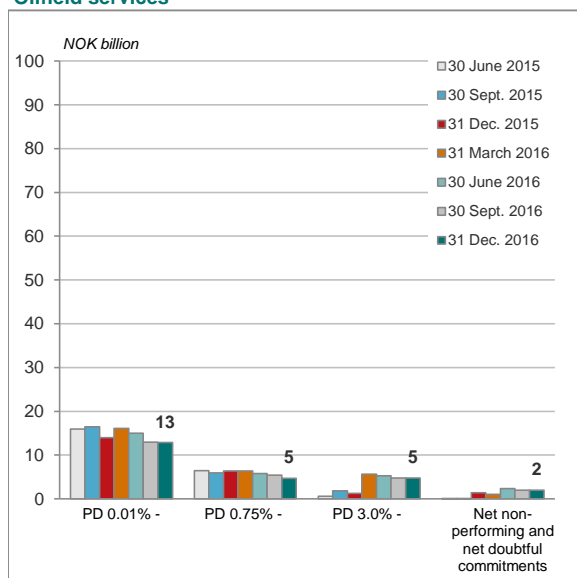
Oil and gas



Offshore



Oilfield services



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.5.1 Trading - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	1	19	3	6	3	(106)	88	104	128
Net other operating income	817	1 134	688	337	796	(342)	581	468	(102)
Total income	818	1 153	690	343	799	(448)	669	572	26
Operating expenses	(159)	(127)	(131)	(131)	(97)	(155)	(155)	(98)	(132)
Pre-tax operating profit before impairment	659	1 025	560	211	702	(604)	514	474	(105)
Net gains on fixed and intangible assets									(0)
Impairment losses on loans and guarantees			(0)	0					
Pre-tax operating profit	659	1 025	560	211	702	(604)	514	474	(105)
Tax expense	(165)	(256)	(140)	(53)	(183)	157	(134)	(123)	28
Profit for the period	494	769	420	159	520	(447)	380	351	(77)
Average balance sheet items in NOK billion:									
Allocated capital ¹⁾	7.2	7.2	7.4	7.2	7.3	7.0	7.1	7.4	6.3
Key figures in per cent:									
Cost/income ratio	19.5	11.0	18.9	38.3	12.1	(34.7)	23.2	17.1	497.7
Return on allocated capital, annualised ¹⁾	27.2	42.7	22.8	8.9	28.4	(25.4)	21.4	19.1	(4.9)

1) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.6.1 Other operations/eliminations - Financial performance

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	(163)	62	157	98	24	183	(45)	80	(108)
Net other operating income ¹⁾	(87)	(879)	432	1 365	624	1 411	(374)	2 155	(209)
Total income	(250)	(817)	588	1 463	648	1 594	(419)	2 236	(317)
Operating expenses ²⁾	(41)	(96)	(227)	(74)	1 711	19	(288)	(362)	5
Pre-tax operating profit before impairment	(291)	(913)	361	1 389	2 359	1 613	(706)	1 874	(312)
Net gains on fixed and intangible assets	(8)	1	(24)	(13)	(13)	(1)	1	6	(11)
Impairment losses on loans and guarantees ³⁾	(6)	(1)	4	3	3	1	(18)	(18)	26
Profit from repossessed operations ⁴⁾	(47)	1	16	15	(30)	20	17	57	(2)
Pre-tax operating profit	(352)	(911)	358	1 394	2 319	1 633	(707)	1 919	(300)
Tax expense ¹⁾	1 147	390	167	(201)	(100)	(342)	339	(330)	423
Profit from operations held for sale, after taxes	26	1	(10)	(15)	29	(17)	(17)	(47)	15
Profit for the period	821	(521)	515	1 178	2 248	1 274	(385)	1 541	138

1) Changes in the regulations of annual accounts for insurance companies due to the introduction of Solvency II as of 1 of January 2016 has necessitated an adjustment of income and taxes in comparable figures for 2015. See note 1 Basis for preparation in the first quarter report for 2016. The changes are reported as part of "Other operations/eliminations" since the effects are immaterial. Operations affected by the changes are reported in the business areas. DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

2) In the fourth quarter of 2015 DNB decided to change the Groups pension scheme from a defined-benefit to a defined contribution scheme with effect from 31 December 2015. The change includes the majority of its employees in Norway who were members of the Groups closed defined-benefit scheme. The change resulted in an unallocated non-recurring effect on pension expenses of NOK 1 778 million. In the fourth quarter of 2014, a plan amendment was recorded for the pension scheme in the Norwegian Public Service Pension Fund, which reduced costs by NOK 93 million.

3) Including collective impairment.

4) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the relevant segments.

2.7.1 Traditional pension products - Financial performance

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income									
Net other operating income ¹⁾	280	280	315	339	(522)	284	518	342	478
Total income	280	280	315	339	(522)	284	518	342	478
Operating expenses	(96)	(92)	(118)	(129)	(74)	(126)	(131)	(145)	(165)
Pre-tax operating profit ²⁾	184	188	197	210	(596)	158	387	197	312
Tax expense	49	(7)	(31)	(7)	705	84	(56)	33	123
Profit for the period	233	181	166	204	109	242	330	230	436
Average balance sheet items in NOK billion:									
Loans to customers ²⁾	32.5	27.4	27.9	28.8	13.0	4.2	3.7	3.0	2.4
Assets under management	202.8	203.7	203.6	202.8	200.3	199.2	200.5	212.4	212.9
Allocated capital ³⁾	19.9	19.6	19.4	18.6	18.2	17.9	17.4	17.2	17.4
Key figures in per cent:									
Cost/income ratio	34.3	32.9	37.5	38.1	(14.3)	44.4	25.4	42.5	34.6
Return on allocated capital, annualised ³⁾	4.7	3.7	3.4	4.4	2.4	5.4	7.6	5.4	10.0
*) of which:									
Upfront pricing of risk and guaranteed rate of return	56	68	81	83	137	131	133	133	173
Owner's share of administration result	79	40	39	83	78	61	29	35	48
Owner's share of risk result	101	50	(2)	29	82	92	107	(24)	121
Owner's share of interest result ^{1) 4)}	(168)	(66)	(65)	(67)	(1 001)	(107)	(71)	(172)	(121)
Return on corporate portfolio	116	96	145	82	107	(20)	189	224	91

1) The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015.

2) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring.

3) Allocated capital corresponds to the segment's share of the recorded equity in DNB Livsforsikring. Capital is allocated to the various product areas based on estimated capital requirements according to Solvency II.

4) Including the owner's share of provisions for higher life expectancy.

2.7.2 Traditional pension products - 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.

Amounts in NOK million	Accumulated balance 31 Dec.	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
	2016								
Paid-up policies	8 792	(251)	(363)	(481)	(40)	(2 173)	49	(209)	(91)
Defined benefit	2 046	(182)	(40)	(69)	(27)	(332)	113	(401)	(98)
Total group pension ^{1) *) **)}	10 838	(433)	(403)	(550)	(67)	(2 505)	162	(610)	(189)
*) Of which attributable to the owner	2 238	(281)	(152)	(149)	(67)	(440)	(65)	(126)	(189)
***) Of which transferred from risk equalisation fund						(980)			

1) In consequence of the upward adjustment of life expectancy assumptions, it will be necessary to strengthen the premium reserve for group pensions. The total required increase in reserves for the portfolio as at 31 December 2016 was NOK 11.4 billion. It will be possible to use returns in excess of the guaranteed rates of return, in addition to the risk result, to cover the required increase in reserves. However, it will not be possible to use excess returns on one contract to strengthen reserves on other contracts. The shareholder contribution will be affected by the average return achieved during the 2014-2020 period. Provided that the expected return is achieved, DNB will have to cover approximately 20 per cent of the total required increase in reserves. DNB's share will represent approximately NOK 2.7 billion, of which NOK 2.6 billion had been charged to the accounts by end-December 2016. In the corporate market, the owner's share of the required increase in reserves is fully financed.

2.8.1 Total DNB Markets activity - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	41	51	31	34	40	(30)	114	129	152
Net fees and commissions	691	338	470	338	390	325	633	445	511
Net financial items	1 418	1 729	1 366	925	1 447	186	1 164	1 090	455
Total income	2 149	2 119	1 867	1 298	1 877	481	1 911	1 663	1 118
Operating expenses	(734)	(663)	(693)	(662)	(680)	(673)	(671)	(643)	(586)
Pre-tax operating profit before impairment	1 416	1 456	1 175	635	1 197	(192)	1 240	1 021	532
Net gains on fixed and intangible assets					(1)				(0)
Impairment losses on loans and guarantees		(0)	(0)	0					
Pre-tax operating profit	1 416	1 456	1 175	635	1 196	(192)	1 240	1 021	532
Tax expense	(354)	(364)	(294)	(159)	(311)	50	(322)	(265)	(144)
Profit for the period	1 062	1 092	881	477	885	(142)	917	755	389
Average balance sheet items in NOK billion:									
Allocated capital ¹⁾	15.3	16.1	15.5	15.5	16.0	15.4	17.1	16.7	12.1
Key figures in per cent:									
Cost/income ratio	34.1	31.3	37.1	51.0	36.2	139.9	35.1	38.6	52.4
Return on allocated capital, annualised ¹⁾	27.5	27.0	22.9	12.4	22.0	(3.7)	21.6	18.4	12.8

1) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.8.2 Total DNB Markets activity - Revenues within various segments

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
FX, interest rate and commodity derivatives	555	523	586	509	547	465	464	554	442
Investment products	155	99	152	130	148	131	115	127	143
Corporate finance	523	247	340	229	290	243	551	316	407
Securities services	87	85	90	76	75	70	86	70	75
Interest income on allocated capital, customer activity	12	11	10	12	18	21	26	25	24
Total customer revenues	1 331	966	1 177	955	1 077	929	1 242	1 092	1 092
Net income international bond portfolio	93	404	186	17	(14)	(202)	11	338	46
Other market making/trading revenues	715	739	496	315	799	(263)	639	213	(45)
Interest income on allocated capital, trading	11	9	9	10	15	17	19	20	25
Total trading revenues	818	1 153	691	343	799	(448)	669	572	26
Total income	2 149	2 119	1 867	1 298	1 877	481	1 911	1 663	1 118

2.8.3 Total DNB Markets activity - Value-at-Risk

<i>Amounts in NOK thousand</i>	31 Dec. 2016	Fourth quarter 2016		
	Actual	Average	Maximum	Minimum
Currency risk	2 360	7 165	16 170	1 810
Interest rate risk	17 160	19 900	29 400	12 920
Equities	6 498	2 919	6 498	1 123
Diversification effects ¹⁾	(2 480)	(5 483)		
Total	23 538	24 500		

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

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.

2.8.4 DNB Livsforsikring Group - Financial performance

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Value-adjusted financial result ¹⁾	1 874	2 361	2 002	1 736	4 127	451	1 698	2 473	2 614
Guaranteed return on policyholders' funds	(1 480)	(1 520)	(1 528)	(1 517)	(1 500)	(1 547)	(1 540)	(1 681)	(1 378)
Financial result after guaranteed returns	395	842	474	219	2 628	(1 097)	159	792	1 236
+ From market value adjustment reserve	241	(178)	724	(780)	90	786	569	(909)	(745)
Recorded interest result before the application of/(transfers to) additional allocations	636	664	1 198	(561)	2 717	(310)	728	(117)	491
Application of/(transfers to) additional allocations	(753)	(27)	(539)	566	(863)	7	(186)	187	(844)
Recorded interest result	(117)	637	659	5	1 854	(303)	542	70	(353)
Risk result	179	66	142	61	166	142	186	105	214
Administration result	76	62	83	105	99	74	63	55	49
Upfront pricing of risk and guaranteed rate of return	56	68	81	83	137	131	133	133	173
Provisions for higher life expectancy, group pension ²⁾	(433)	(403)	(544)	(72)	(2 505)	162	(610)	(189)	82
Allocations to policyholders, products with guaranteed rates of return ²⁾	307	(338)	(370)	(55)	(455)	(28)	(116)	(203)	57
Return on corporate portfolio	116	96	145	82	107	(20)	189	224	91
I Pre-tax operating profit - traditional pension products ³⁾	184	188	197	210	(596)	158	387	196	312
Recorded interest result	(160)	149	105	16	60	2	133	108	72
Risk result	68	17	69	11	53	42	37	16	57
Administration result	42	44	21	35	52	34	27	48	45
Upfront pricing of risk and guaranteed rate of return	31	32	32	31	32	32	31	29	28
Transferred from/(to) security reserve	-	-	-	-	-	-	-	-	5
Allocations to policyholders, products with guaranteed rates of return	184	(128)	(91)	(3)	(28)	16	(108)	(87)	(25)
Interest on allocated capital	10	8	13	7	10	(4)	14	26	8
II Pre-tax operating profit - new pension products ³⁾	175	122	149	97	178	120	133	141	190
Recorded interest result	6	4	4	3	7	5	7	6	5
Risk result	43	26	24	31	9	41	34	30	25
Administration result	(0)	(2)	(5)	(2)	3	(10)	(1)	(8)	(9)
Transferred from/(to) security reserve	-	-	-	-	-	-	-	-	(2)
Interest on allocated capital	1	2	(0)	0	0	(0)	1	2	1
III Pre-tax operating profit - risk products ³⁾	48	30	23	32	21	36	40	29	19
Pre-tax operating profit (I + II + III)	408	339	369	339	(398)	314	561	366	522
Tax expense	3	(40)	(72)	(34)	735	57	(98)	(2)	65
Profit	410	299	296	305	337	371	463	364	587

1) Excluding unrealised gains on long-term securities.

2) In consequence of the upward adjustment of life expectancy assumptions, it will be necessary to strengthen the premium reserve for group pensions. It will be possible to use returns in excess of the guaranteed rate of return to cover the required increase in reserves. However, it will not be possible to use excess returns on one contract to strengthen reserves on other contracts. The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015.

3) The product categories were changed with effect from the first quarter of 2016. Employer's liability insurance has been moved from risk products to new pension products. Comparable figures have been restated correspondingly.

2.8.4 DNB Livsforsikring Group - Financial performance (continued)

Amounts in NOK million	2016	2015	2014	2013	2012
Value-adjusted financial result ¹⁾	7 973	8 749	10 826	10 458	11 341
Guaranteed return on policyholders' funds	(6 044)	(6 268)	(6 710)	(6 885)	(6 801)
Financial result after guaranteed returns	1 929	2 481	4 116	3 573	4 539
+ From market value adjustment reserve	8	537	(235)	(1 497)	(636)
Recorded interest result before the application of/(transfers to) additional allocations	1 937	3 018	3 882	2 077	3 904
Application of/(transfers to) additional allocations	(753)	(855)	(844)	(10)	
Recorded interest result	1 185	2 163	3 038	2 066	3 904
Risk result	448	599	468	321	(105)
Administration result	327	291	228	124	18
Upfront pricing of risk and guaranteed rate of return	288	535	647	682	500
Provisions for higher life expectancy, group pension	(1 452)	(3 141)	(2 909)	(1 798)	(3 323)
Allocations to policyholders, products with guaranteed rates of return	(455)	(802)	(913)	(355)	(324)
Return on corporate portfolio	439	500	652	559	511
I Pre-tax operating profit - traditional pension products	779	145	1 212	1 599	1 181
Recorded interest result	110	303	568	332	447
Risk result	165	148	186	80	(140)
Administration result	141	167	123	107	(5)
Upfront pricing of risk and guaranteed rate of return	126	123	104	106	80
Transferred from/(to) security reserve	-	-	(16)	4	(16)
Allocations to policyholders, products with guaranteed rates of return	(38)	(207)	(442)	(231)	(339)
Interest on allocated capital	38	45	52	36	33
II Pre-tax operating profit - new pension products ²⁾	543	579	575	435	59
Recorded interest result	16	26	31	31	36
Risk result	123	114	51	51	(54)
Administration result	(9)	(23)	(27)	5	11
Transferred from/(to) security reserve	-	-	(2)	10	(3)
Allocations to policyholders, products with guaranteed rates of return	-	-	-	(2)	45
Interest on allocated capital	2	3	4	3	3
III Pre-tax operating profit - risk products ²⁾	133	119	57	98	39
Pre-tax operating profit (I + II + III)	1 455	843	1 844	2 132	1 279
Tax expense	(144)	692	(252)	(256)	355
Profit	1 311	1 535	1 592	1 876	1 634

1) Excluding unrealised gains on long-term securities.

2) The product categories were changed with effect from the first quarter of 2016. Employer's liability insurance has been moved from risk products to new pension products. Comparable figures have been restated correspondingly.

2.8.5 Reconciliation of the DNB Livsforsikring Group's and the DNB Group's financial statements

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
<u>DNB Group:</u>									
Net financial result, DNB Livsforsikring	(83)	29	(80)	(11)	(951)	(166)	53	(35)	(56)
Net risk result, DNB Livsforsikring	290	109	234	103	228	225	258	151	300
Net financial and risk result in DNB Livsforsikring Group	206	138	155	92	(723)	59	311	116	243
Eliminations in the group accounts	26	15	12	20	42	9	(141)	(63)	(59)
Net financial and risk result from DNB Livsforsikring Group	232	154	166	112	(681)	69	170	53	185
<u>DNB Livsforsikring Group:</u>									
Recorded interest result	(272)	790	769	24	1 921	(296)	682	184	(276)
Return on corporate portfolio	127	106	158	89	117	(24)	203	252	99
- Administration result - corporate portfolio	(4)	(4)	7	4	5	3	5	2	1
Provisions for higher life expectancy, group pension	(433)	(403)	(544)	(72)	(2 505)	162	(610)	(189)	82
Allocations to policyholders, products with guaranteed rates of return	491	(466)	(460)	(58)	(483)	(13)	(224)	(289)	31
Risk result	290	109	234	103	228	225	258	151	296
Transferred from/(to) security reserve	-	-	-	-	-	-	-	-	3
- Costs from subsidiaries which are fully consolidated in DNB Livsforsikring Group's accounts	-	-	(5)	(9)	(3)	(9)	(8)	(9)	(9)
Net financial and risk result in DNB Livsforsikring Group	206	138	155	92	(723)	59	311	116	243
Eliminations in the group accounts	26	15	12	20	42	9	(141)	(63)	(59)
Net financial and risk result from DNB Livsforsikring Group	232	154	166	112	(681)	69	170	53	185
<u>DNB Group:</u>									
Commission and fee income etc. ¹⁾	522	510	572	600	606	605	640	648	699
Commission and fee expenses etc. ²⁾	(87)	(91)	(108)	(84)	(99)	(80)	(110)	(101)	(112)
Other income	5	1	13	7	5	6	6	6	5
Operating expenses	(240)	(220)	(262)	(277)	(187)	(275)	(287)	(301)	(314)
Administration result including upfront pricing of risk and guaranteed rate of return	201	200	215	247	325	255	249	251	278
<u>DNB Livsforsikring Group:</u>									
Upfront pricing of risk and guaranteed rate of return	87	101	112	114	169	163	164	162	202
Administration result	118	104	100	138	155	97	88	95	85
+ Administration result - corporate portfolio	(4)	(4)	7	4	5	3	5	2	1
+ Costs from subsidiaries which are fully consolidated in DNB Livsforsikring Group's accounts	-	-	(5)	(9)	(3)	(9)	(8)	(9)	(9)
Administration result including upfront pricing of risk and guaranteed rate of return	201	201	215	247	325	255	249	251	278

2.8.5 Reconciliation of the DNB Livsforsikring Group's and the DNB Group's financial statements (continued)

*) Details on commissions and fee income etc. for product groups

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
New pension products ¹⁾									
- administration income	205	193	191	193	187	191	207	221	210
- upfront pricing	31	32	32	31	32	32	31	29	28
Risk products ¹⁾									
- administration income	29	28	36	33	32	25	33	29	26
Traditional pension products ¹⁾									
Defined benefit:									
- administration income	60	43	87	102	74	70	76	84	87
- upfront pricing	57	68	77	81	135	131	130	130	155
Paid-up policies:									
- administration income	79	76	61	69	66	64	66	58	62
Previously established individual products:									
- administration income	63	69	70	72	68	77	81	77	75
Public market:									
- administration income	(2)	-	9	7	6	6	5	8	29
- upfront pricing	(1)	-	3	3	2	1	3	3	18
Commissions and fee income etc. excl. DNB Pensjonstjenester	522	510	567	591	603	596	632	638	691
Income DNB Pensjonstjenester ²⁾			5	9	3	9	8	9	9
Total commissions and fee income etc.	522	510	572	600	606	605	640	648	699

***) Details on commission and fee expenses etc. for product groups

Amounts in NOK million	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
New pension products ¹⁾	(43)	(44)	(48)	(40)	(42)	(34)	(51)	(47)	(43)
Risk products ¹⁾	(8)	(8)	(19)	(8)	(10)	(9)	(9)	(8)	(10)
Traditional pension products ¹⁾									
Defined benefit	(9)	(10)	(8)	(10)	(11)	(7)	(12)	(11)	(13)
Paid-up policies	(14)	(16)	(18)	(11)	(12)	(8)	(13)	(12)	(12)
Previously established individual products	(10)	(10)	(11)	(10)	(20)	(17)	(21)	(20)	(20)
Public market	(0)	-	1	(1)	(1)	(1)	(2)	(1)	(8)
Corporate portfolio	(2)	(4)	(4)	(3)	(4)	(2)	(3)	(3)	(4)
Total commission and fee expenses etc.	(87)	(91)	(108)	(84)	(100)	(80)	(110)	(101)	(112)

1) The product categories were changed with effect from the first quarter of 2016. Employer's liability insurance has been moved from risk products to new pension products. Comparable figures have been restated correspondingly.

2) DNB Pensjonstjenester was sold to Gabler in July 2016.

2.8.6 DNB Livsforsikring Group - Value-adjusted return on assets

Per cent	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Return - common portfolio ¹⁾									
Financial assets									
Norwegian equities	9.66	5.03	4.10	(3.59)	6.01	(8.26)	5.36	3.02	(4.82)
International equities ²⁾	3.00	5.60	1.21	(1.17)	5.73	(9.11)	(0.26)	4.06	1.39
Norwegian bonds	(0.36)	0.04	0.93	1.91	0.35	0.88	(0.58)	0.15	2.74
International bonds	(1.14)	1.92	1.96	2.95	0.74	0.57	(1.48)	1.64	1.70
Money market instruments	0.32	0.46	0.44	0.61	0.37	(0.03)	0.39	0.37	0.46
Bonds held to maturity	1.00	1.16	1.12	1.12	1.20	1.18	1.13	1.17	1.19
Investment properties	3.30	1.90	1.50	1.30	6.70	2.90	2.50	1.40	2.60
Value-adjusted return on assets I ³⁾	0.99	1.26	1.04	0.91	2.19	0.21	0.89	1.31	1.31
Recorded return on assets ^{4) *)}	1.12	1.18	1.41	0.49	2.27	0.64	1.20	0.86	0.97
Value-adjusted return on assets I, annualised ³⁾	4.05	5.16	4.27	3.72	9.18	0.83	3.60	5.40	5.40
Return - corporate portfolio									
Value-adjusted return on assets I ³⁾	0.60	0.53	0.70	0.54	0.52	(0.04)	0.91	1.15	0.37

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

Previously established individual products	1.22	1.41	1.34	0.31	2.54	0.49	1.15	1.00	1.06
Paid-up policies									
Paid-up policies, build-up of reserves completed	1.05	1.01	1.45	0.49	1.65	0.83	1.21	0.70	0.75
Paid-up policies, build-up of reserves in progress	1.22	1.21	1.54	0.58	2.47	0.75	1.33	0.91	0.93
Common portfolio									
- with low risk	0.92	0.89	1.36	0.38	2.11	0.76	1.17	0.65	0.86
- with moderate risk	1.08	1.10	1.43	0.62	2.15	0.62	1.16	0.69	0.86
Guaranteed products for retail customers	0.89	1.19	1.12	0.30	2.35	0.28	1.06	1.05	1.23
Risk products - defined contribution	0.67	0.99	0.96	0.63	1.74	1.03	1.09	0.81	1.01
Risk products	0.77	0.69	0.60	0.41	0.98	0.73	0.68	0.70	0.84
Public market	-	-	0.85	0.84	2.06	0.94	0.79	1.15	1.28
Recorded return on assets	1.12	1.18	1.41	0.49	2.27	0.64	1.20	0.86	0.97

1) Returns are calculated on a quarterly basis.

2) International equities include DNB Livsforsikring Group'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) Excluding unrealised gains on financial instruments.

2.8.7 DNB Livsforsikring Group - Financial exposure per sub-portfolio as at 31 December 2016

Amounts in NOK million	Equities, Norwegian	Equities, inter- national ¹⁾	Bonds, Norwegian	Bonds, inter- national	Money market instruments	Bonds held to maturity	Loans and receivables	Real estate	Other	Total
Common portfolio										
- with low risk	38	595	1 162	315	3 084	3 566	2 572	782	90	12 203
- with moderate risk	116	1 217	2 054	558	4 526	6 307	4 755	1 890	159	21 581
Guaranteed products for retail customers	166	1 459	2 016	902	1 900	4 524	2 808	1 588	52	15 416
Paid-up policies, build-up of reserves completed	108	1 431	2 490	676	3 180	11 151	5 687	1 238	193	26 154
Paid-up policies, build-up of reserves in progress	544	5 956	8 808	2 391	10 953	39 447	14 668	9 176	682	92 623
Risk products - defined contribution	6	132	425	221	1 257	1 089	670			3 801
Risk products					722	866	400	109	104	2 201
Previously established individual products	250	2 673	4 730	2 068	3 180	12 588	3 864	4 791	158	34 303
Total common portfolio	1 228	13 463	21 684	7 131	28 802	79 537	35 423	19 575	1 438	208 282
Corporate portfolio	1 013	3			23 270	3 120	1 857	6	720	29 989
Total	2 241	13 466	21 684	7 131	52 072	82 657	37 280	19 581	2 158	238 270

2.8.8 DNB Livsforsikring Group - Financial exposure - common portfolio

Amounts in NOK million	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Equities, Norwegian ²⁾	1 228	1 121	1 834	1 766	987	1 356	1 479	1 406	2 738
Equities, international ^{1) 2)}	13 463	13 281	17 766	17 669	18 229	21 678	22 589	23 003	21 024
Bonds, Norwegian	21 684	21 769	21 666	21 521	15 615	20 847	20 645	20 881	21 001
Bonds, international	7 131	7 283	7 148	7 164	4 267	9 708	9 640	9 790	9 637
Money market instruments	28 802	39 761	33 439	35 261	40 268	35 182	36 690	33 753	43 371
Bonds held to maturity	79 537	81 159	84 268	82 141	84 494	85 312	85 736	86 055	86 722
Loans and receivables ³⁾	35 423	23 628	21 593	23 923	24 377	1 341	1 328	844	
Real estate	19 575	19 318	20 459	18 993	20 199	30 283	28 827	29 128	31 176
Other	1 438	1 001	2 344	1 296	555	5 130	6 687	6 114	4 517
Total	208 282	208 321	210 517	209 734	208 993	210 837	213 621	210 974	220 185

Per cent	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Equities, Norwegian ²⁾	0.6	0.5	0.9	0.8	0.5	0.6	0.7	0.7	1.2
Equities, international ^{1) 2)}	6.5	6.4	8.4	8.4	8.7	10.3	10.6	10.9	9.5
Bonds, Norwegian	10.4	10.4	10.3	10.3	7.5	9.9	9.7	9.9	9.5
Bonds, international	3.4	3.5	3.4	3.4	2.0	4.6	4.5	4.6	4.4
Money market instruments	13.8	19.1	15.9	16.8	19.3	16.7	17.2	16.0	19.7
Bonds held to maturity	38.2	39.0	40.0	39.2	40.4	40.5	40.1	40.8	39.4
Loans and receivables	17.0	11.3	10.3	11.4	11.7	0.6	0.6	0.4	
Real estate	9.4	9.3	9.7	9.1	9.7	14.4	13.5	13.8	14.2
Other	0.7	0.5	1.1	0.6	0.3	2.4	3.1	2.9	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

2) Equity exposure per sub-portfolio in the common portfolio, see table above.

3) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring.

The figures represent net exposure after derivative contracts.

2.8.9 DNB Livsforsikring Group - Balance sheets

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Due from credit institutions	3 549	3 055	6 828	3 979	8 938	4 946	5 222	5 271	21 703
Loans to customers ¹⁾	38 909	27 224	27 716	28 522	28 475	4 245	4 061	3 536	2 558
Commercial paper and bonds	76 920	87 984	79 760	80 930	80 896	91 489	86 345	85 295	78 781
Shareholdings	15 992	15 600	19 966	19 996	10 552	16 003	17 719	17 930	16 992
Financial assets, customers bearing the risk	60 220	56 417	52 893	50 967	49 679	46 344	47 512	45 607	42 866
Financial derivatives	334	722	354	659	400	523	445	684	656
Commercial paper and bonds, held to maturity	82 664	84 203	85 413	85 244	87 599	87 398	87 851	87 657	88 330
Investment properties	15 565	15 097	15 196	14 087	15 195	25 242	29 173	29 651	31 414
Investments in associated companies	4 198	4 305	4 280	5 493	5 434	5 219	2 717	2 636	2 591
Intangible assets	57	70	78	87	98	111	120	126	131
Deferred tax assets									
Fixed assets	4	5	5	5	5	6	6	7	7
Other assets	991	1 175	1 385	1 242	779	927	1 523	1 252	931
Total assets	299 403	295 857	293 875	291 212	288 051	282 454	282 692	279 652	286 962
Financial derivatives	255	223	305	288	694	1 278	704	641	1 520
Insurance liabilities, customers bearing the risk	60 220	56 417	52 893	50 967	49 679	46 344	47 512	45 607	42 866
Liabilities to life insurance policyholders	208 160	210 425	210 027	210 230	208 726	205 257	207 024	206 880	216 799
Payable taxes	5	54	2	0	27	27	7	9	10
Deferred taxes	1 382	1 357	1 381	855	764	1 683	1 770	1 349	1 286
Other liabilities	1 649	47	2 240	2 135	1 735	1 661	3 899	3 823	3 639
Pension commitments	170	198	173	173	173	283	247	359	418
Subordinated loan capital	5 505	5 505	5 505	5 511	5 505	5 505	1 464	1 469	1 439
Total liabilities	277 347	274 226	272 526	270 159	267 304	262 038	262 626	260 136	267 977
Share capital	1 750	1 750	1 750	1 750	1 750	1 750	1 750	1 686	1 621
Share premium reserve	6 016	6 016	6 016	6 016	6 016	6 016	6 016	3 875	3 875
Other equity	14 291	13 865	13 584	13 286	12 981	12 650	12 300	13 955	13 489
Total equity	22 057	21 631	21 349	21 052	20 747	20 415	20 066	19 516	18 985
Total liabilities and equity	299 403	295 857	293 875	291 212	288 051	282 454	282 692	279 652	286 962
<u>Insurance liabilities sub-portfolio:</u>									
New pension products	80 911	77 499	73 823	72 335	68 986	65 808	66 918	63 570	59 801
Risk products	842	888	877	902	2 382	2 334	2 371	2 398	2 380
Traditional pension products	186 627	188 455	188 220	187 961	187 227	183 700	185 483	186 742	197 485
Total insurance liabilities	268 380	266 842	262 920	261 197	258 595	251 842	254 772	252 710	259 666

1) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring.

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

2.8.10 DNB Livsforsikring Group - Solvency capital

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>									
Interim profit, accumulated		3 051	1 843	469		2 385	2 225	843	
Market value adjustment reserve	2 424	2 657	2 454	3 193	2 294	2 393	3 292	3 903	2 930
Additional allocations	6 752	6 034	6 009	5 418	6 089	5 128	5 146	4 935	5 413
Security reserve					223	237	232	220	222
Risk equalisation fund	407	319	319	319	319	1 166	1 166	1 253	1 253
Equity	22 165	20 913	20 930	20 930	20 763	18 484	18 506	18 332	18 332
Subordinated loan capital and perpetual subordinated loan capital securities	5 500	5 500	5 500	5 500	5 500	5 500	1 461	1 462	1 435
Unrealised gains on long-term securities	8 975	10 896	11 990	11 894	10 319	10 856	9 427	12 078	12 568
Solvency capital	46 223	49 371	49 046	47 724	45 506	46 149	41 455	43 025	42 153
Buffer capital ¹⁾					24 156	23 986	20 976	19 965	19 114

1) 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.

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

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.

2.8.11 DNB Livsforsikring Group - Capital adequacy and solvency margin capital

Discontinued table

	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
<i>Amounts in NOK million</i>					
Capital adequacy ¹⁾					
Total eligible primary capital	25 861	23 527	19 831	19 654	19 498
Capital adequacy ratio (%)	31.3	25.9	21.3	21.7	21.9
Core capital	20 361	18 027	18 595	18 418	18 288
Core capital (%)	24.6	19.9	20.0	20.3	20.5
Risk-weighted assets	82 714	90 833	93 092	90 685	89 085
Solvency margin capital ²⁾					
Solvency margin capital	29 166	26 785	23 092	22 941	22 931
Solvency margin capital exceeding the minimum requirement	18 918	16 754	12 990	12 943	13 578
Solvency margin capital in per cent of the solvency margin capital requirement (%)	285	267	229	229	245

Solvency II margin

	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015
<i>Per cent</i>						
Solvency II margin with transitional rules ³⁾	209	208	202	201	192	171
Solvency II margin without transitional rules	152	119	96	90	113	86
Interest rate level						
1-year swap rate	1.11	1.06	0.82	0.78	0.87	0.92
5-year swap rate	1.56	1.25	0.94	0.95	1.26	1.28
10-year swap rate	1.95	1.47	1.34	1.14	1.87	1.92

1) 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.

2) 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.

3) The transitional rules imply that technical insurance reserves in solvency capital calculations are carried at book value, whereby insurance liabilities are calculated based on the contracts' guaranteed rate of return. There will be a 16-year linear phase-in period for technical insurance reserves measured at fair value up to 2032. In addition, the transitional rules imply that the stress factor for equities acquired prior to 1 January 2016 will be increased from 22 to 39 per cent over a seven-year period. Government bonds issued in their domestic currency do not attract a spread risk charge. During a transitional period, this also applies to issues in other EEA currencies. The exemption applies up to and including 2018, whereafter there will be an escalation period up to year-end 2019.

2.8.12 DNB Asset Management - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Net interest income	1	0	0	0	20	(9)	(5)	(5)	(2)
Net commission income									
- from retail customers	80	80	76	73	79	78	83	84	80
- from institutional clients	130	178	155	135	159	131	148	132	171
Other income	(9)	2	3	31	2	0	2	3	5
Total income	202	260	234	239	259	200	228	213	254
Operating expenses	(87)	(122)	(115)	(115)	(155)	(130)	(129)	(128)	(129)
Pre-tax operating profit	114	138	119	124	104	70	99	85	125
Tax expense	(31)	(37)	(32)	(34)	(28)	(19)	(27)	(23)	(34)
Profit for the period	83	101	87	91	76	51	73	62	91

Assets under management (NOK billion) ¹⁾									
Institutional	462	466	458	455	492	486	488	491	489
- of which DNB Livsforsikring Group ²⁾	251	261	257	253	248	252	248	249	253
Retail	68	67	63	59	60	57	60	60	53
Total	531	532	521	514	552	543	547	551	542

Key figures									
Cost/income ratio (%)	43.3	47.0	49.1	48.0	59.9	64.8	56.4	60.0	50.8

Assets under management - net inflow ^{*)}									
Changes from previous quarters (NOK million)									
Retail market	1 256	1 493	(802)	607	154	(484)	(148)	3 267	522
Institutional clients	(15 055)	1 145	758	(31 757)	(12 578)	4 388	825	(16 229)	2 403
Total	(13 798)	2 638	(45)	(31 150)	(12 424)	3 905	677	(12 962)	2 925
*) Excluding dividends:									
Retail market	-	-	-	312	-	-	-	295	-
Institutional clients	-	-	-	3 097	-	-	-	2 897	-
Total	-	-	-	3 409	-	-	-	3 192	-

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

2) Managed on behalf of the DNB Livsforsikring Group.

2.8.13 DNB Forsikring - Financial performance

<i>Amounts in NOK million</i>	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15	4Q14
Premium income for own account	533	523	521	489	492	484	471	459	492
Cost of claims for own account	(360)	(384)	(323)	(379)	(365)	(353)	(313)	(361)	(346)
Insurance-related operating expenses for own account	(98)	(94)	(90)	(84)	(76)	(84)	(84)	(85)	(83)
Technical insurance profits	75	45	108	27	51	47	74	13	63
Net investment income	6	13	15	21	10	6	8	10	19
Security reserve	-	-	-	-	-	-	-	-	(22)
Other income and costs	(6)	10	0	3	1	(20)	4	4	10
Pre-tax profit	75	67	124	50	62	32	85	26	71
Tax expense	(17)	(17)	(31)	(13)	(15)	(9)	(23)	(7)	(14)
Profit for the period	58	50	93	38	47	24	63	19	57
Balance sheets									
Financial assets	2 383	2 355	2 275	2 374	2 163	2 168	2 071	2 234	2 124
Reinsurance assets	28	59	43	61	44	57	57	79	70
Insurance receivables	752	858	932	864	753	806	921	869	724
Reinsurance receivables	105	64	56	53	62	43	32	28	38
Total assets	3 268	3 336	3 306	3 353	3 022	3 074	3 082	3 210	2 955
Equity	704	834	984	891	853	914	890	827	638
Premium reserve	847	975	1 101	1 076	836	927	1 018	1 036	821
Claims reserve	990	1 028	946	989	982	958	900	907	883
Security reserve	-	-	-	-	-	-	-	-	220
Reinsurance liabilities	0	3	18	18	(0)	2	14	8	6
Other liabilities	727	496	258	378	351	273	259	432	387
Total equity and liabilities	3 268	3 336	3 306	3 353	3 022	3 074	3 082	3 210	2 955
Key figures									
Claims ratio for own account	67.5	73.4	62.0	77.5	74.2	72.9	66.4	78.6	70.3
Cost ratio for own account	18.4	18.0	17.2	17.1	15.4	17.4	17.9	18.5	16.8
Combined ratio for own account (per cent)	86.0	91.4	79.3	94.6	89.6	90.3	84.3	97.1	87.1

Chapter 3 - About DNB

DNB - Norway's leading financial services group

DNB's market shares in Norway

Group business structures and financial governance

Shareholder structure

3.1.1 DNB Group

Amounts in NOK billion	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Total balance sheet	2 653	2 651	2 665	2 639	2 599
Loans to customers	1 509	1 485	1 542	1 535	1 543
Deposits from customers	935	918	961	928	944
Market capitalisation	209	171	162	159	179

Due to changes in principles, some comparative figures have been restated. See further details in Accounting principles in the annual report for 2015.

3.1.2 Assets under management in DNB Asset Management, DNB Livsforsikring and DNB Forsikring

Amounts in NOK billion	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Total assets under management	580	568	560	553	593
of which:					
total assets under management (external clients)	278	269	263	259	302
mutual funds	103	101	97	94	108
discretionary management	175	168	166	165	194
total assets in DNB Livsforsikring	299	296	294	291	288
financial assets, customers bearing the risk	60	56	53	51	50
total assets in DNB Forsikring	3	3	3	3	3

3.1.3 Customer base

Serving 2.1 million private individuals throughout Norway, of whom 1.3 million used the internet bank and 715 000 the mobile bank during the fourth quarter of 2016. There were 2.1 million users of the Vipps payment app as at 31 December 2016.

Some 230 000 corporate customers in Norway

Some 1 200 000 life and pension insurance customers in Norway

Approximately 480 000 mutual fund customers in Norway and 103 institutional asset management clients in Norway and Sweden

3.1.4 Distribution network

57 domestic branches	Online equities trading in 16 markets
9 international branches	Online mutual fund trading
4 international representative offices	Provided by Norway Post (the Norwegian postal system):
61 branches in the Baltics	58 post office counters
DNB Bank Polska (subsidiary)	About 1 320 in-store postal outlets
DNB Luxembourg (subsidiary)	About 1 500 rural postmen
Internet and mobile banking	About 1 160 in-store banking outlets, provided by NorgesGruppen
Vipps and SMS services	132 DNB Eiendom sales offices
Telephone banking	12 sales offices for life and pension insurance
	27 insurance agents

3.1.5 DNB Bank ASA - 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
	Bank deposits	Senior unsecured debt					
As at 31 December 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 30 September 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 30 June 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 31 March 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 31 December 2015	Aa2 ²⁾	Aa3 ²⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 30 September 2015	Aa2 ²⁾	Aa3 ²⁾	P-1	A+ ¹⁾	A-1	AA (low) ²⁾	R-1 (middle)
As at 30 June 2015	Aa2 ²⁾	Aa3 ²⁾	P-1	A+ ¹⁾	A-1	AA ¹⁾	R-1 (high)
As at 31 March 2015	A1 ³⁾	A1 ³⁾	P-1	A+ ²⁾	A-1	AA ²⁾	R-1 (high)
As at 31 December 2014	A1 ¹⁾	A1 ¹⁾	P-1	A+ ²⁾	A-1	AA ²⁾	R-1 (high)

1) Negative outlook.

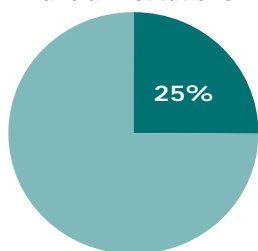
2) Stable outlook.

3) Positive outlook.

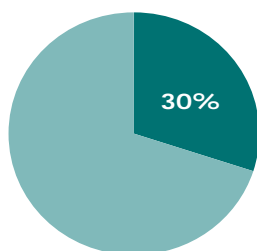
3.2.1 DNB's market shares in Norway as at 30 September 2016

Retail market

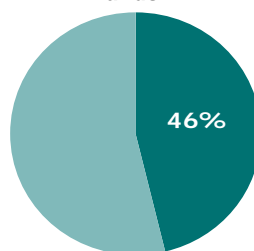
Loans from
financial institutions



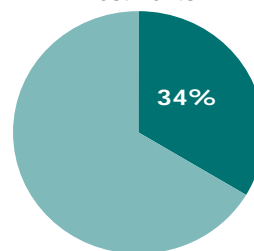
Deposits



Policyholders'
funds

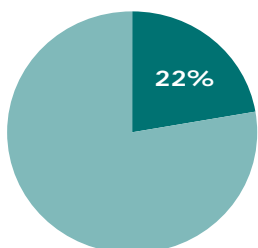


Mutual fund
investments

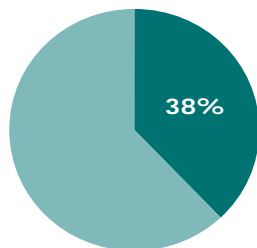


Corporate market

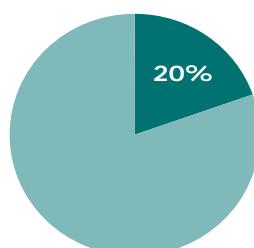
Loans from
financial institutions



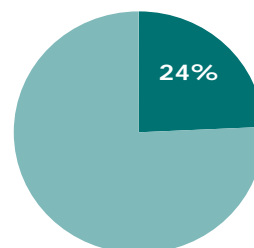
Deposits




Policyholders'
funds ¹⁾



Mutual fund
investments



 DNB's market shares

1) Includes the public sector.

Source: Statistics Norway and Finance Norway

3.2.2 Development in market shares, loans and deposits

Retail customers

Per cent	30 Nov. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Total loans to households ^{1) 2)}	25.1	25.1	25.2	25.2	25.4	25.6	25.8	25.9	26.0
Bank deposits from households ^{1) 3)}	30.0	30.0	30.2	30.2	30.6	30.7	30.9	30.7	30.9

Corporate customers

Per cent	30 Nov. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Total loans to corporate customers ⁴⁾	10.6	10.6	10.7	10.7	10.6	11.0	11.0	11.2	11.3
Deposits from corporate customers ⁵⁾	37.8	37.9	37.7	39.0	38.3	38.8	39.4	38.5	38.1

Based on nominal values.

1) Households are defined as employees, recipients of property income, pensions and social contributions, students etc., housing cooperatives etc., unincorporated enterprises within households and non-profit institutions serving households.

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

3) Domestic commercial and savings banks.

4) Total loans include 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 loans to financial institutions, central government and social security services.

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

Source: Statistics Norway and DNB

3.2.3 DNB Livsforsikring - market shares

Per cent	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014	30 Sept. 2014
Insurance funds including products with a choice of investment profile	22.5	22.7	23.0	23.0	22.9	23.1	23.3	24.5	24.9
Corporate market - defined benefit	40.4	40.6	40.7	40.7	40.3	40.1	40.2	40.2	40.0
Corporate market - defined contribution	27.3	27.1	26.9	26.9	27.0	27.5	27.3	27.9	28.4
Retail market	47.5	47.9	48.5	48.1	49.9	50.1	50.0	50.1	52.1

Source: Finance Norway (FNO)

3.2.4 DNB Asset Management - market shares retail market

Per cent	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014
Equity funds	28.8	28.6	28.4	28.2	27.8	27.2	27.6	25.8	25.5
Balanced funds ¹⁾	39.6	39.5	39.6	40.1	40.0	40.5	39.2	40.5	42.9
Fixed-income funds	24.6	24.0	23.6	23.4	22.3	22.0	19.7	19.4	20.7
Total mutual funds	29.0	28.7	28.4	28.4	27.9	27.6	27.0	26.0	26.2

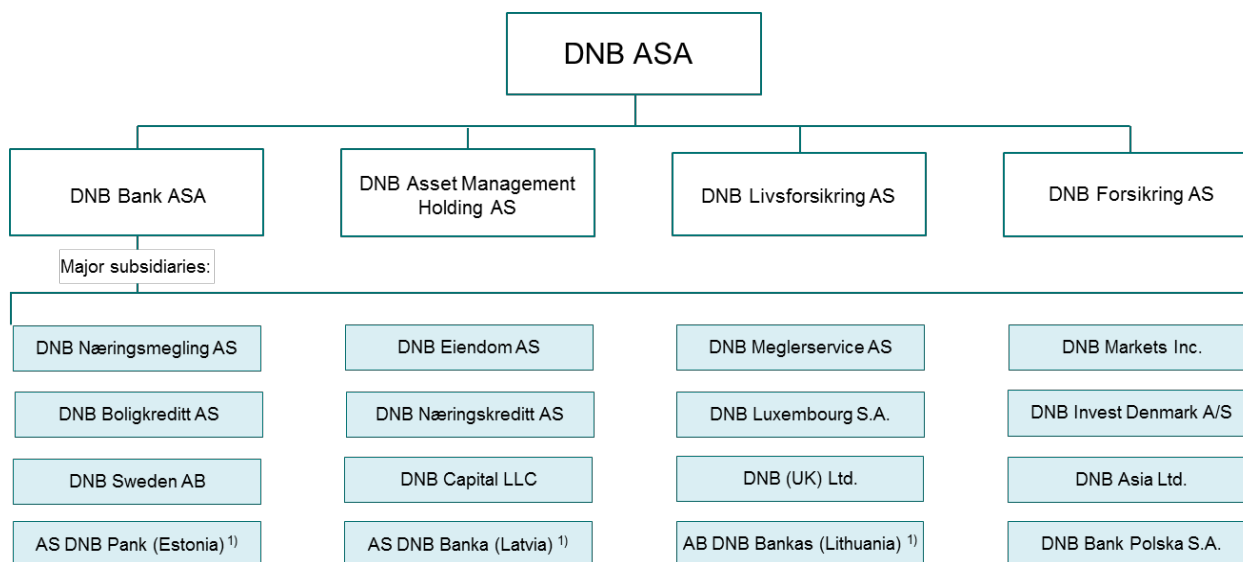
1) Include hedge funds.

Source: Norwegian Mutual Fund Association

3.3.1 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. Asset management activities are organised under DNB Asset Management Holding AS. DNB Livsforsikring AS offers life insurance and pension saving products. DNB Forsikring AS offers non-life insurance products as part of a total product package for retail customers.

The chart below shows the legal structure of the DNB Group.



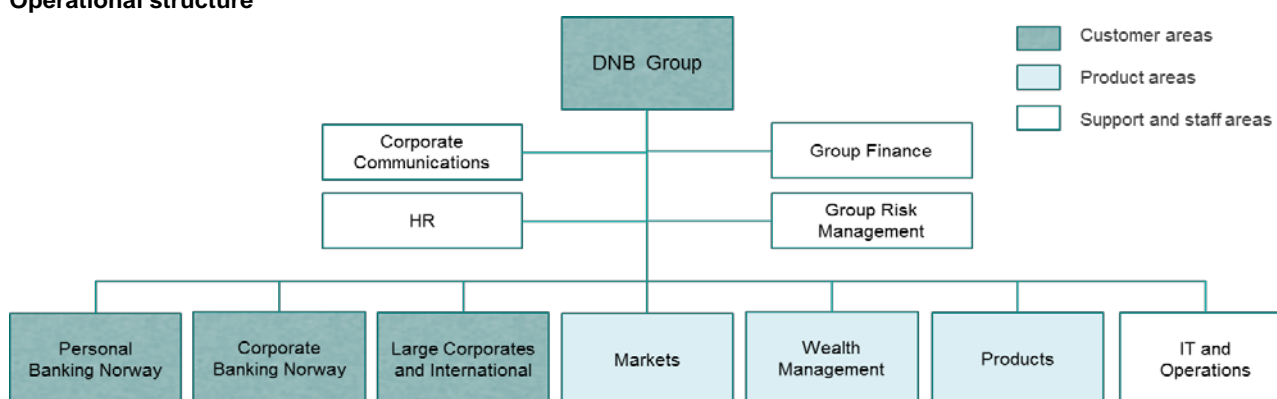
¹⁾ On 25 August 2016 DNB and Nordea announced an agreement to combine their operations in Estonia, Latvia and Lithuania. The transaction is conditional upon regulatory approvals, and is expected to close in the second quarter of 2017. See 1.1.15 Assets and liabilities held for sale for further description.

3.3.2 Operational structure

The operational structure of DNB deviates from its legal structure. The operational structure is adapted to the Group's business operations and aims to ensure high-quality customer service and products as well as efficient operations.

DNB's operational structure aims to ensure efficient adaption to changes in customer behaviour and the development of products and services tailored to customer needs. Customer areas are responsible for customer relationships and customer service, while product areas are responsible for the development of key products. Operational tasks and group services are carried out by the Group's support and staff units, which provide infrastructure and cost-efficient services for the business units. All activities in subsidiaries fall within the area relevant to the company's primary operations.

Operational structure

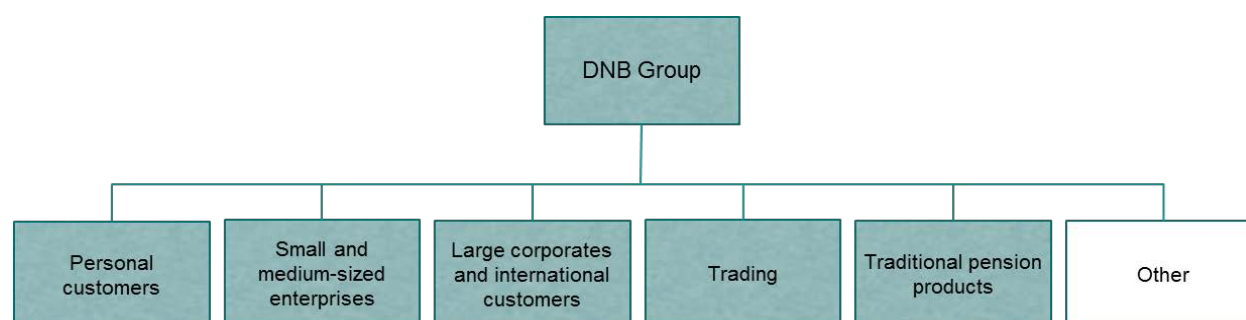


- **Personal Banking Norway** is responsible for product sales and advisory services to Norwegian consumers and households. DNB offers a wide range of products through Norway's largest distribution network, comprising branches, telephone banking (24/7), digital banking, real estate broking as well as external channels (post offices and in-store postal and banking outlets).
- **Corporate Banking Norway** is responsible for product sales and advisory services to small and medium-sized enterprises in Norway. Customers in this segment range from small businesses and start-up companies to relatively large corporate customers, and the product offerings are adapted to the customers' different needs. Corporate Banking is represented through a broad physical distribution network throughout Norway as well as digital and telephone banking (24/7).
- **Large Corporates and International (LCI)** serves the bank's largest corporate customers and is responsible for DNB's international banking operations. DNB serves its customers with emphasis on industry expertise and relationship management. LCI is recognised for its long-term customer relationships based on sound industry and product expertise and strong skills within complex international transactions. LCI also includes DNB's operations in the Baltics, mainly serving personal and small business customers.
- **Markets** offers all of the Group's customers risk management, investment and financing products and services in the capital markets. Products and solutions are provided by customer teams in cooperation with the customer areas, and Markets gives advice and develops tailor-made products for the different customer segments. Markets' market making and other trading activities support customer activities with products and prices.
- **Wealth Management** is responsible for the Group's private banking activities and aims to strengthen DNB's position in the fast-growing high-net-worth segment and in the market for long-term saving products and asset management. Wealth Management is responsible for the further development of the Group's savings products and delivers defined-contribution and investment choice pension products to all of DNB's customers in close cooperation with the customer areas.
- **Products** develops and manages products in close cooperation with the customer areas. The area offers a wide range of products within life insurance, non-life insurance, factoring, leasing and other asset finance. The products are offered to all customer segments and are mainly distributed through the bank's distribution channels.

3.3.3 Financial governance and reporting structure

DNB's financial governance is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding on where to allocate the Group's resources. Reported figures for the different segments will reflect the Group's total sales of products and services to the relevant segment.

Reporting structure – business segments



Personal customers: includes the Group's total sales of products and services to personal customers in Norway, both digital and physical, with the exception of home mortgages recorded under Traditional pension products, where returns accrue to the policyholders.

Small and medium-sized enterprises: includes the Group's total sales of products and services to small and medium-sized enterprises in Norway.

Large corporates and international customers: includes total sales of products to large corporate customers in Norway and in international units. The segment also includes personal and small business customers in the Baltics, Sweden and Denmark.

Trading: includes the Group's market making and proprietary trading activities in Markets.

Traditional pension products: includes traditional defined-benefit pension products and assets related to these products. DNB no longer offers such products to new customers.

The income statements and balance sheets for the segments are presented in accordance with internal financial reporting principles and DNB's financial governance model. The reporting is based on a number of assumptions, estimates and discretionary distributions. The principles imply allocating revenues, costs and capital requirements to the segments.

Margin income on loans and deposits is calculated using internal transfer rates based on observable market rates, which in most cases roughly correspond to NIBOR. Additional costs relating to the Group's long-term funding are also charged to the segments.

Services provided by staff and support units will as far as possible be scaled and priced according to use. The pricing of such intra-group transactions is regulated by internal agreements based on market terms. Joint expenses incurred by group staff units and other group expenditures that cannot be debited according to use, are charged on the basis of relevant distribution formulas. Costs relating to the Group's equity transactions, including strategic investments, and direct shareholder-related expenses and costs related to the Group's governing bodies are not charged to the segments.

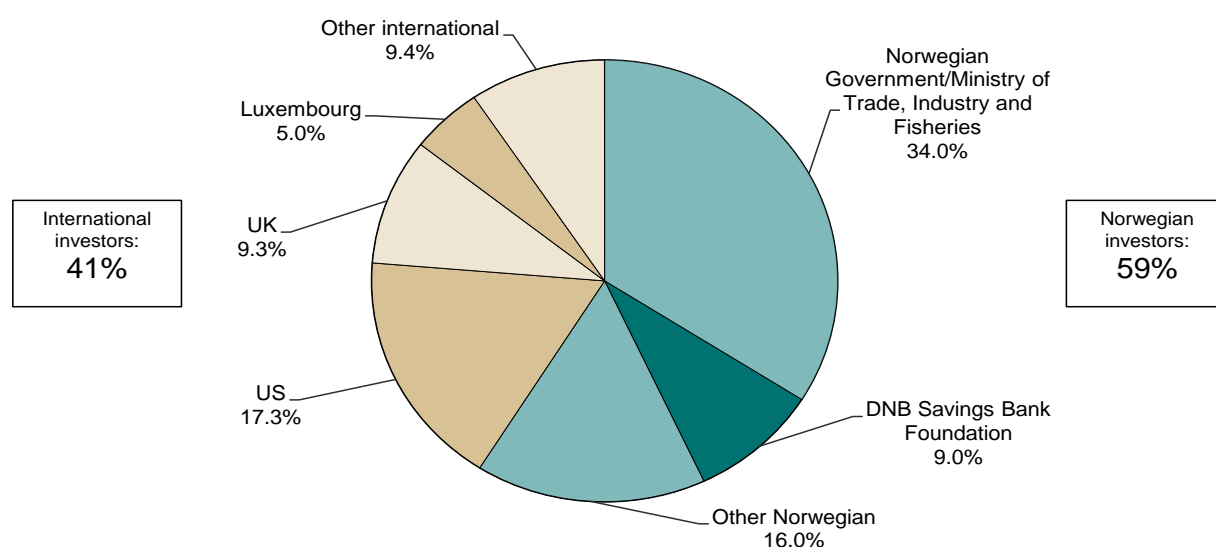
The Group's total common equity Tier 1 capital is allocated to the segments. Allocated capital reflects the Group's long-term capitalisation ambition, and the distribution formula is based on an adaption to the Basel III regulations. Return on allocated capital represents profits after tax relative to average allocated capital.

3.4.1 Major shareholders as at 31 December 2016

	Shares in 1 000	Ownership in per cent
Norwegian Government/Ministry of Trade, Industry and Fisheries	553 792	34.00
DNB Savings Bank Foundation	146 541	9.00
Folketrygdfondet	100 470	6.17
Fidelity International Limited (FIL)	43 129	2.65
BlackRock	37 303	2.29
Schroder Investment	27 111	1.66
T. Rowe Price Group	26 898	1.65
The Vanguard Group	24 377	1.50
MFS Investment Management	24 310	1.49
Newton Investment Management / BNY Mellon	23 630	1.45
State Street Global Advisors	23 043	1.41
Deutsche Asset Management	21 701	1.33
AXA / AllianceBernstein	17 435	1.07
BNP Paribas Investment / Alfred Berg	15 823	0.97
KLP Asset Management	15 745	0.97
Storebrand Asset Management	15 615	0.96
Danske Capital	15 371	0.94
DNB Asset Management	15 347	0.94
SAFE Investment Company	13 506	0.83
Columbia Threadneedle Investments	12 813	0.79
Total largest shareholders	1 173 959	72.08
Other shareholders	454 840	27.92
Total	1 628 799	100.00

The owners of shares in nominee accounts are determined on the basis of third-party analysis.

3.4.2 Ownership according to investor category as at 31 December 2016



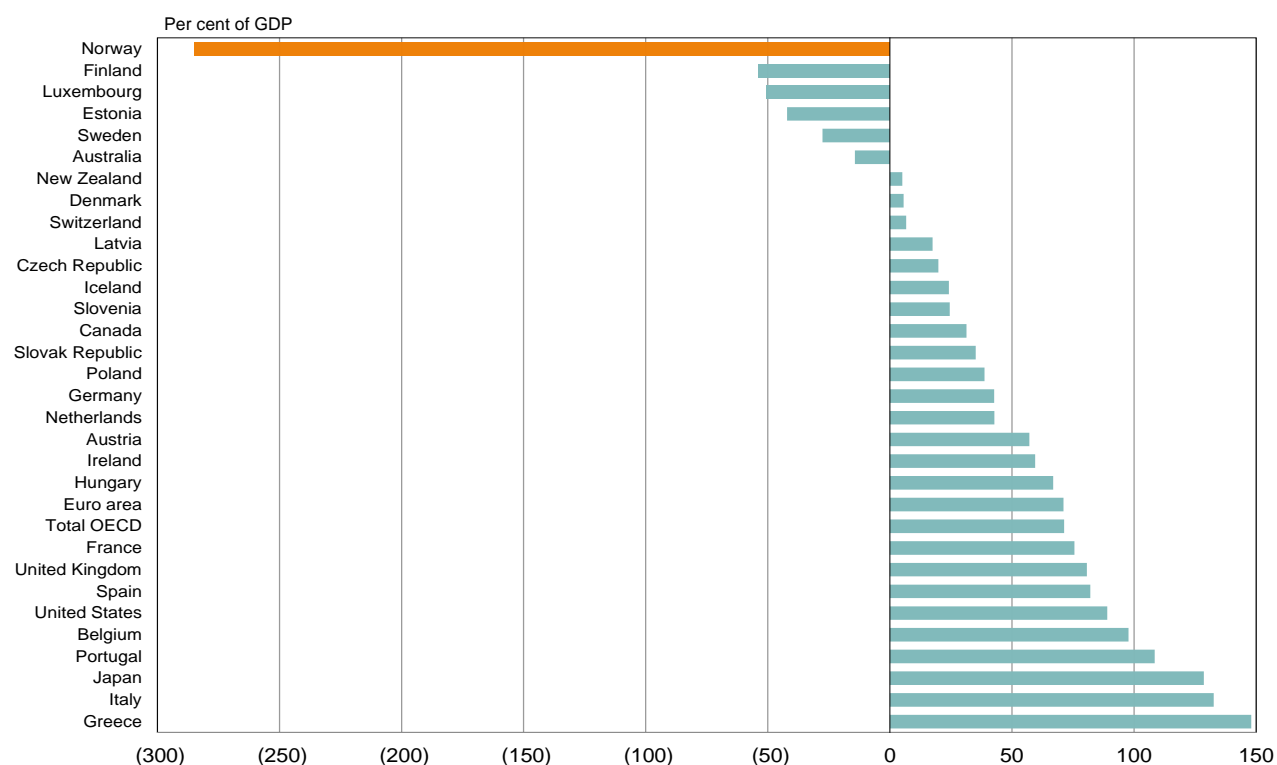
Chapter 4 - The Norwegian economy

4.1.1 Basic information about Norway

Area	385 199 square kilometres
Population	5.3 million
Fertility rate	1,7
Life expectancy	M: 80.4 F: 84.2
Work participation rate, per cent 15-74 years	71.2 (M: 73.8 F:68.4)
Gross domestic product 2015	USD 387.8 billion
GDP per capita 2015	USD 74 724
Rating	AAA, Aaa
Currency exchange rate used	8.07 USD/NOK (Average 2015)
Current balance 2015	USD 33.8 billion or 9.0 per cent of GDP

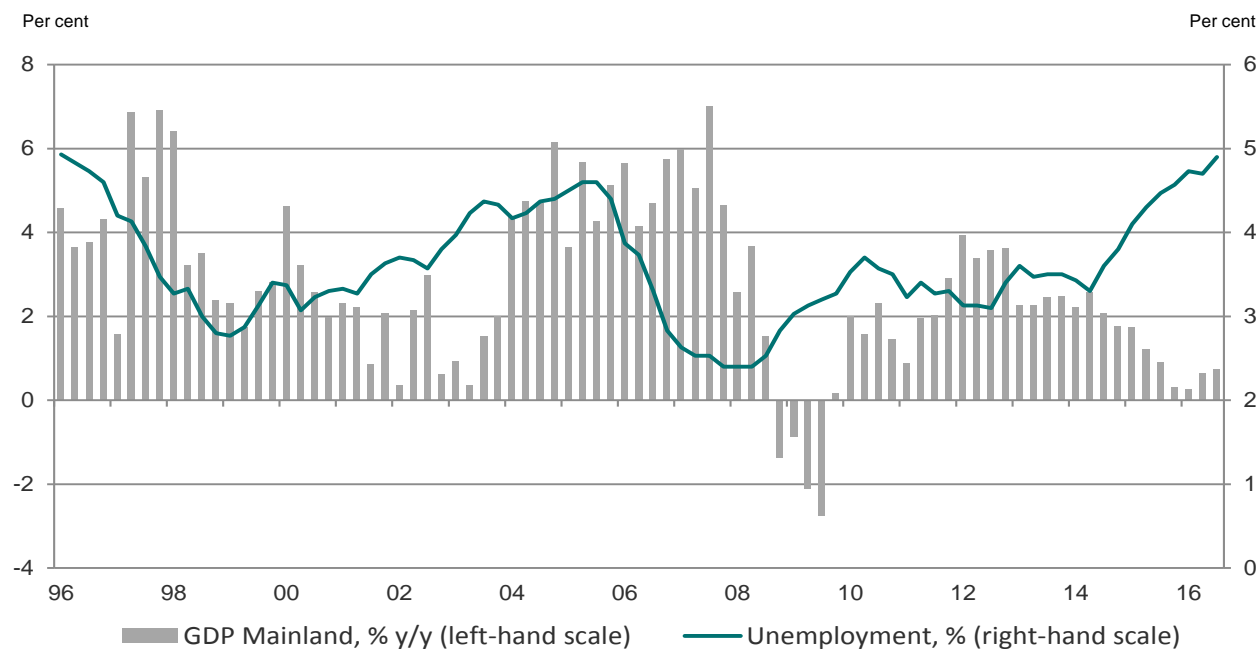
Source: Statistics Norway

4.1.2 Government net financial liabilities 2015



Source: OECD Economic Outlook No. 100 database, November 2016

4.1.3 GDP growth mainland Norway and unemployment rate



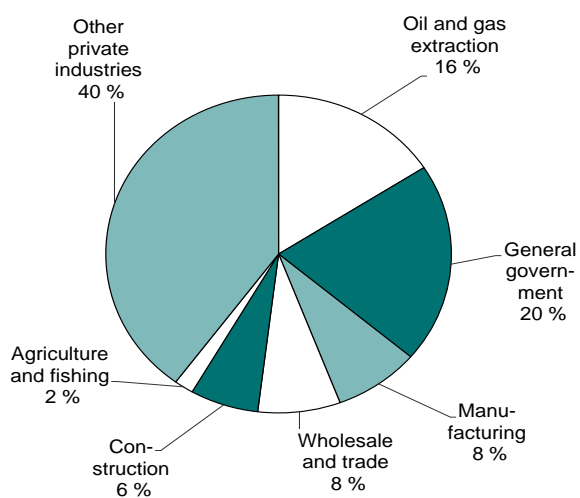
Source: Thomson Datastream, Statistics Norway

4.1.4 Contribution to volume growth in GDP, mainland Norway

Per cent	2015	F 2016	F 2017	F 2018	F 2019	F 2020
Household demand	1.1	1.3	1.1	1.1	1.2	1.3
Gross fixed capital formation, mainland companies	(0.1)	0.1	(0.0)	0.1	0.2	0.2
Gross fixed capital formation, petroleum activity	(1.5)	(0.8)	(0.3)	(0.1)	0.3	0.3
Public sector demand	0.7	1.1	0.9	0.8	0.7	0.7
Exports, mainland Norway	1.3	(1.4)	0.4	0.7	0.8	0.9
Imports, mainland Norway	0.7	0.0	(0.1)	0.9	1.2	1.3
Changes in stocks and statistical discrepancies	0.3	0.4	(0.9)			
GDP, mainland Norway	1.1	0.7	1.3	1.6	2.0	2.1

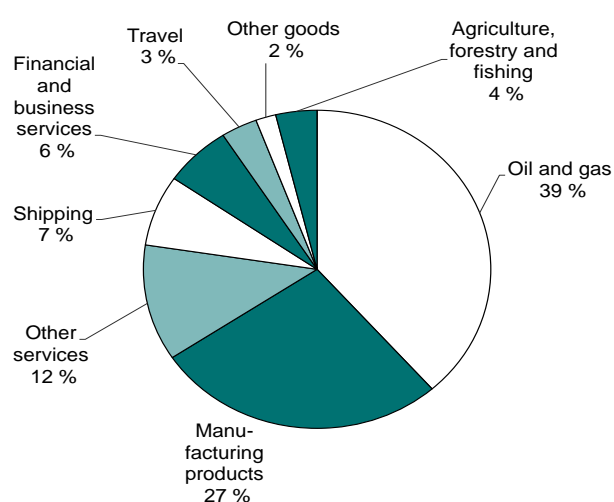
Source: Statistics Norway and DNB Markets

4.1.5 Composition of GDP in 2015



Source: Statistics Norway, annual national accounts 31 August 2016

4.1.6 Composition of exports in 2015



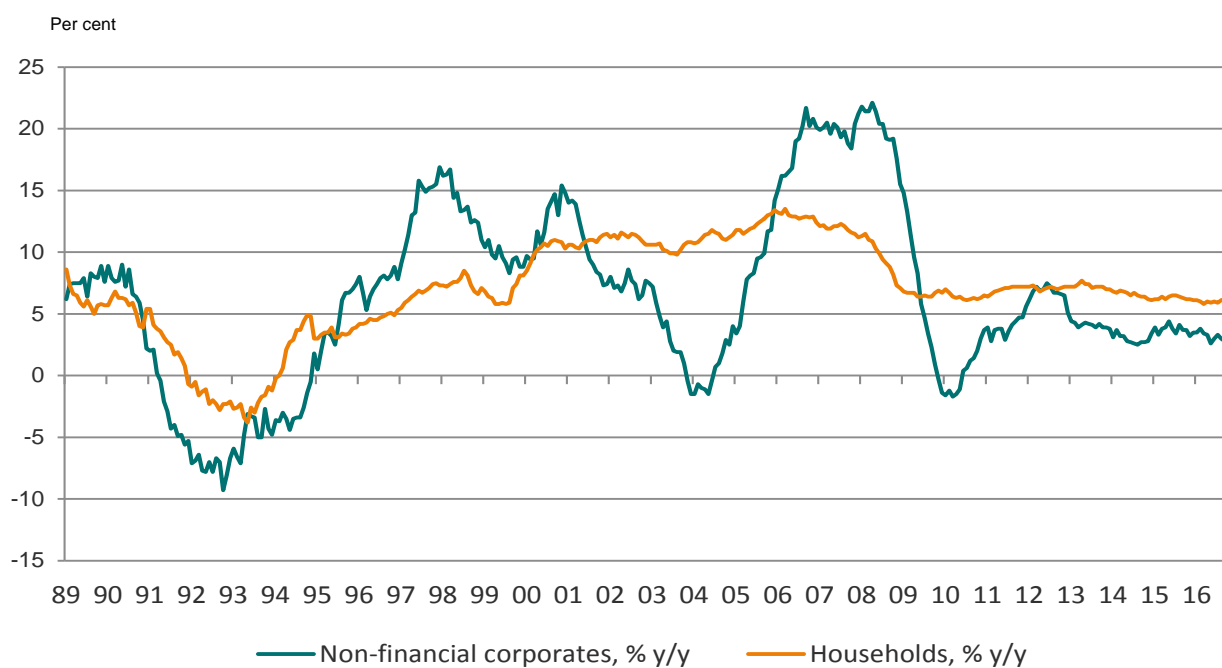
4.1.7 Key macro-economic indicators, Norway

Per cent	2015	F 2016	F 2017	F 2018	F 2019	F 2020
GDP growth						
- mainland Norway	1.1	0.7	1.3	1.6	2.0	2.1
- Norway, total	1.6	0.6	0.7	1.4	1.6	1.6
Private consumption	2.1	1.4	1.9	2.3	2.5	2.6
Gross fixed investment	(3.8)	0.1	(0.3)	0.9	1.7	2.3
Inflation (CPI)	2.2	3.6	2.6	1.8	1.5	1.4
Savings ratio ¹⁾	10.8	8.5	8.5	8.5	8.5	8.5
Unemployment rate	4.4	4.8	4.9	5.0	5.0	4.8

1) Per cent of household disposable income.

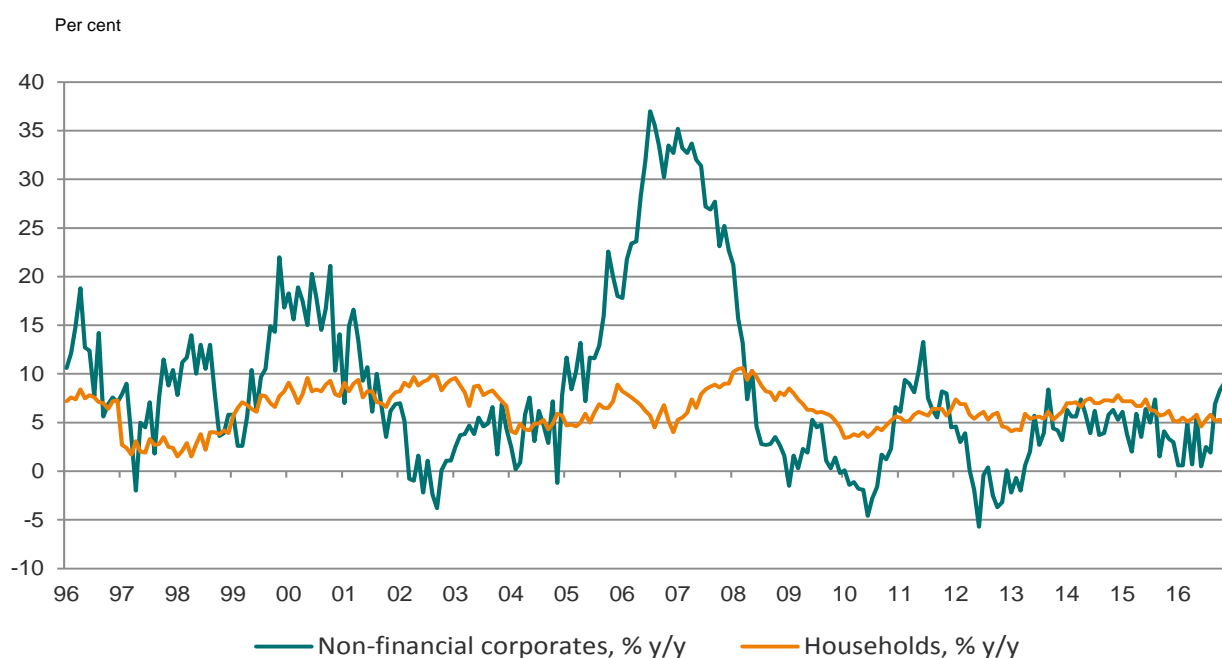
Source: Statistics Norway and DNB Markets

4.1.8 Credit market, 12 month percentage growth



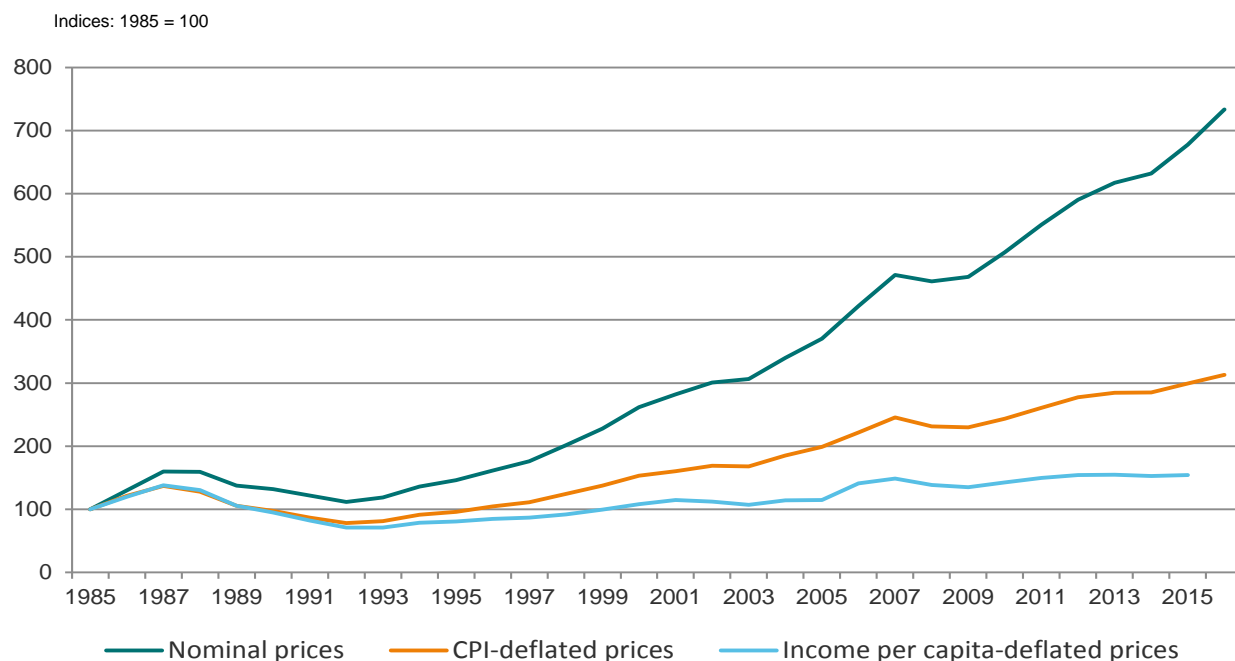
Source: Thomson Datastream, Statistics Norway

4.1.9 Deposit market, 12 month percentage growth



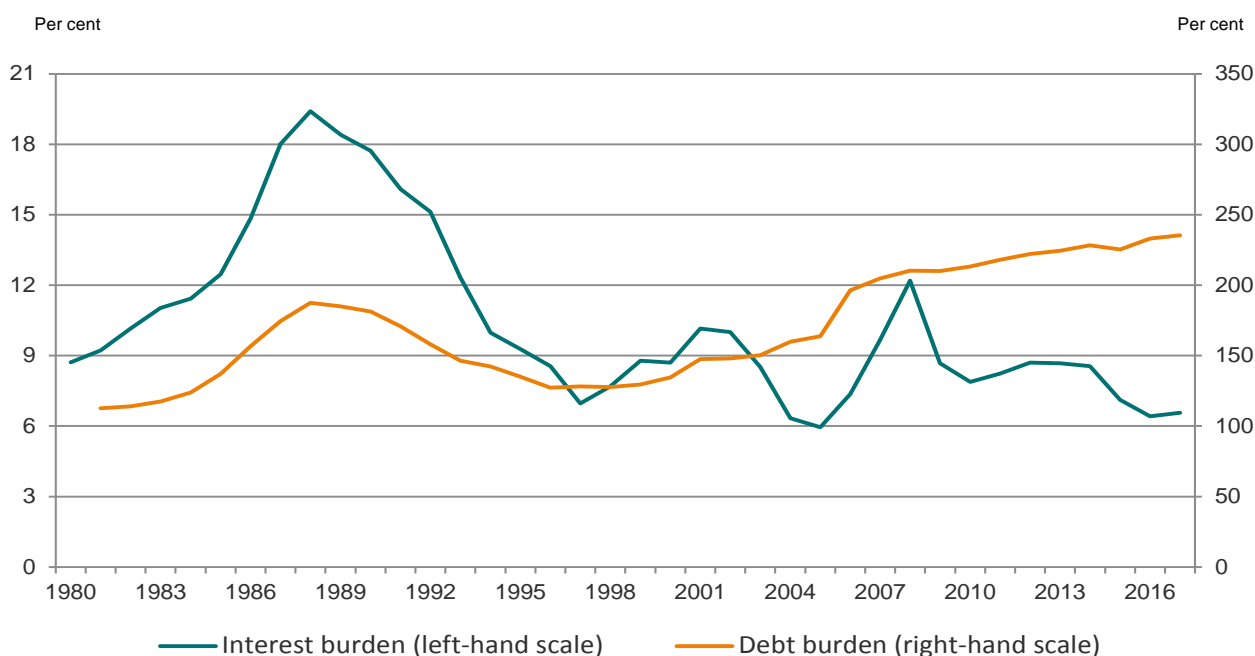
Source: Thomson Datastream, Statistics Norway

4.1.10 House prices



Source: Real Estate Norway, Finn.no, Eiendomsverdi AS, NEF, Statistics Norway and DNB Markets

4.1.11 Household interest burden ¹⁾ and debt burden ²⁾



1) Interest expenses after tax as a percentage of disposable income.

2) Loan debt as a percentage of disposable income.

Source: Statistics Norway, DNB Markets

Appendix

Disclosure for main features of regulatory capital instruments

Disclosure of main features of regulatory capital instruments as at 31 December 2016

	Ordinary shares	Additional Tier 1 capital				USD Notes
		GBP Notes	NOK Notes	NOK Notes	USD Notes	
1. Issuer	DNB Group	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	N00010031479	XS285087358	N00010730708	N00010767957	XS1207306652	XS1506066676
3. Governing law for the instrument	Norway	English ¹⁾	English ²⁾	English ³⁾	English ⁴⁾	English ⁵⁾
Regulatory treatment						
4. Transitional rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
5. Post-transitional rules	Common Equity Tier 1	Tier 2	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
6. Eligible at ind. company/group & ind. company level	Group	Group	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group
7. Instrument type	Common shares	Other Additional Tier 1	Other additional Tier 1	Other additional Tier 1	Other additional Tier 1	Other additional Tier 1
8. Amount recognised in regulatory capital (in NOK million as at 31 December 2016)	38 895	3 732	2 150	1 400	5 903	6 120
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	N/A	GBP 350, NOK 4 294	NOK 2 150	NOK 1 400	USD 750, NOK 5 903	USD 750, NOK 6 120
9a. Issue price	Various	100	100	100	100	100
9b. Redemption price	N/A	100	100	100	100	100
10. Accounting classification	Shareholder's equity	Subordinated loan capital - amortised cost	Equity	Equity	Equity	Equity
11. Original date of issuance	N/A	31 January 2007	26 February 2015	27 June 2016	26 March 2015	18 October 2016
12. Perpetual or dated	N/A	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13. Original maturity date	N/A	NA	NA	NA	NA	NA
14. Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	N/A	29 March 2017. The issuer has the right to call at par	26 February 2020 at par	27 June 2021 at par	26 March 2020 at par	26 March 2022 at par
16. Subsequent call dates, if applicable	N/A	The issuer has the right to call at every coupon payment date thereafter	The issuer has the right to call at every interest payment date thereafter ²⁾	The issuer has the right to call at every interest payment date thereafter ³⁾	The issuer has the right to call at every interest payment date thereafter ⁴⁾	The issuer has the right to call at every interest payment date thereafter ⁵⁾
Coupons/dividends						
17. Fixed or floating dividend/coupon	Floating	Fixed to floating	Floating	Floating	Fixed	Fixed
18. Coupon rate and any related index	N/A	6.0116%. Thereafter 3m Sterling Libor + 169.5 bp	3m Nibor +325	3m Nibor +525	5.75%. Fixed interest reset every 5 years at 5y USD MS + 407.5	6.500%. Fixed interest reset every 5 years at 5y USD MS + 508.0
19. Existence of a dividend stopper	Yes	No	No	No	No	No
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Mandatory ³⁾	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory ³⁾	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21. Existence of a step-up or other incentive to redeem	N/A	Yes	No	No	No	No
22. Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible						
23. Convertible or non-convertible ⁴⁾	N/A	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25. If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26. If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29. If convertible, specify issuer of instrument it converts into	No	Yes	Yes	Yes	Yes	Yes
30. Write-down features	N/A	Yes	Yes	Yes	Yes	Yes
31. If write-down, write-down trigger (s)	N/A	Full and partial	Either full or partial	Either full or partial	Either full or partial	Either full or partial
32. If write-down, full or partial	N/A	Full and partial	Either full or partial	Either full or partial	Either full or partial	Either full or partial
33. If write-down, permanent or temporary	N/A	Temporary	Temporary	Temporary	Temporary	Temporary
34. If temporary write-down, description of revaluation mechanism	N/A	See footnote 5	See footnote 10	See footnote 10	See footnote 10	See footnote 10
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	Subordinated loans	Subordinated loans	Subordinated loans	Subordinated loans	Subordinated loans
36. Non-compliant transitioned features	No	Yes	Yes	Yes	Yes	Yes
37. If yes, specify non-compliant features	N/A	Issued before 31 December 2011				

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments as at 31 December 2016

	Subordinated loans						
	EUR loan 2012	EUR loan 2013	NOK loan	SEK loan	SEK loan	JPY loan	
1. Issuer	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	XS0754846235	XS0974373515	N00010682511	XS1239410043	XS1239410712		
3. Governing law for the instrument	English ²⁾	English ²⁾	English ²⁾	English ²⁾	English ²⁾	English ²⁾	
Regulatory treatment							
4. Transitional rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	
5. Post-transitional rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	
6. Eligible at ind. company/group & ind. company level	Group	Group	Group	Group	Group	Group	
7. Instrument type	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	
8. Amount recognised in regulatory capital (in NOK million as at 31 December 2016)	6 812	6 812	1 250	2 852	951	738	
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	EUR 750, NOK 5 572	EUR 750, NOK 5 898	EUR 750, NOK 5 898	SEK 3000	SEK 1000	JPY 10 000, NOK 793	
9a. Issue price	99.756	99.543	100	100	100	100	
9b. Redemption price	Redemption at par	Redemption at par	Redemption at par	Redemption at par	Redemption at par	Redemption at par	
10. Accounting classification	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost	Subordinated loan capital - value option	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost	
11. Original date of issuance	8 March 2012	26 September 2013	18 June 2013	28 May 2015	28 May 2015	4 November 2016	
12. Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated	
13. Original maturity date	8 March 2022	26 September 2023	18 June 2023	28 May 2025	Interest date falling in or nearest to May 2025	4 November 2026	
14. Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	
15. Optional call date, contingent call dates and redemption amount	8 March 2017. Call at par	26 September 2018. Call at par	The interest payment date in June 2018	28 May 2020. Call at par.	28 May 2020. Call at par.	4 November 2021	
16. Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	Annual call thereafter	
Coupons/dividends							
17. Fixed or floating dividend/coupon	Fixed	Fixed	Floating	Floating	Fixed	Fixed to floating	
18. Coupon rate and any related index	4.75%. Thereafter/ Reset period: EURO MS+ 325	3%. Thereafter/ Reset period: EURO MS + 177	3-month NIBOR + 170	3-month STIBOR + 140	1.97 %	Reset/ after first call date: 6-month JPY LIBOR + 0.97 per cent	
19. Existence of a dividend stopper	No	No	No	No	No	No	
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	
21. Existence of a step-up or other incentive to redeem	No	No	No	No	No	No	
22. Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	
Convertible or non-convertible ⁴⁾							
23. Convertible or non-convertible ⁴⁾	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	
25. If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	
26. If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	
29. If convertible, specify issuer of instrument it converts into	No	No	No	No	No	No	
30. Write-down features	N/A	N/A	N/A	N/A	N/A	N/A	
31. If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A	N/A	N/A	
32. If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A	
33. If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A	
34. If temporary write-down, description of revaluation mechanism	N/A	N/A	N/A	N/A	N/A	N/A	
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior bonds	Senior bonds	Senior bonds	Senior bonds	Senior bonds	Senior bonds	
36. Non-compliant transitioned features	No	No	No	No	No	No	
37. If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments as at 31 December 2016

	Perpetual loans			
	USD loan	USD loan	USD loan	YEN loan
1. Issuer	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	LU0001344653	GB0040940875	GB0042636166	NA
3. Governing law for the instrument	English ⁴⁾	English ⁴⁾	English ⁴⁾	English ¹⁾
Regulatory treatment				
4. Transitional rules	Tier 2	Tier 2	Tier 2	Tier 2
5. Post-transitional rules	Tier 2	Tier 2	Tier 2	Tier 2
6. Eligible at ind. company/group & ind. company level	Group	Group	Group	Group
7. Instrument type	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt
8. Amount recognised in regulatory capital (in NOK million as at 31 December 2016)	1 851	1 722	1 291	771
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	USD 215, NOK 1 692	USD 200, NOK 1 331	USD 150, NOK 1 769	JPY 10 000, NOK 655
9a. Issue price	99.15	100	100	100
9b. Redemption price	100	100	100	100
10. Accounting classification	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost
11. Original date of issuance	18 November 1985	28 August 1986	21 August 1986	25 February 1999
12. Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual
13. Original maturity date				
14. Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	November 1990	August 1991	5 years after issue	February 2029
16. Subsequent call dates, if applicable	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter
Coupons/dividends				
17. Fixed or floating dividend/coupon	Floating	Floating	Floating	Fixed
18. Coupon rate and any related index	3m USD Libor + 25	6m USD Libor + 13	6m USD Libor + 15	4.51%, From Feb. 2029 6m YEN Libor + 1.65% p.a.
19. Existence of a dividend stopper	No	No	No	Yes
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21. Existence of a step-up or other incentive to redeem	No	No	No	Yes ⁷⁾
22. Non-cumulative or cumulative	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾
Convertible or non-convertible				
23. Convertible or non-convertible ⁴⁾	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25. If convertible, fully or partially	N/A	N/A	N/A	N/A
26. If convertible, conversion rate	N/A	N/A	N/A	N/A
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29. If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30. Write-down features	No	No	No	No
31. If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A
32. If write-down, full or partial	N/A	N/A	N/A	N/A
33. If write-down, permanent or temporary	N/A	N/A	N/A	N/A
34. If temporary write-down, description of revaluation mechanism	N/A	N/A	N/A	N/A
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior bonds	Senior bonds	Senior bonds	Senior bonds
36. Non-compliant transitioned features	Yes	Yes	Yes	Yes
37. If yes, specify non-compliant features	Issued before 31 December 2011	Issued before 31 December 2011	Issued before 31 December 2011	Issued before 31 December 2011

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments as at 31 December 2016 - Footnotes

- 1) Except for the subordination provisions and certain provisions relating to the payment of interest and principal, which will be governed by the laws of Norway.
- 2) Except for status and subordination which will be governed by the laws of Norway.
- 3) Under certain circumstances there will be no coupon payment if capital requirements are breached.
- 4) All subordinated debt might be written down or converted according to the Guarantee Schemes Act.
- 5) Subject to the availability of Available Distributable Funds, the Issuer undertakes to reinstate all Converted Amounts as Notes upon the occurrence of any of the following events: (i) the Issuer or DNB ASA declares or makes a dividend (in the form of cash, stock or another instrument), an interest payment or any other payment on any share capital or any obligations of the Issuer ranking or expressed to rank junior to the Notes; or (ii) the Issuer or DNB ASA (as applicable) redeems, repurchases or otherwise acquires any of its respective share capital, or any Parity Tier 1 Securities or any obligations of the Issuer ranking or expressed to rank junior to the Notes or payor makes available any moneys to a sinking fund or for redemption of any such share capital, Parity Tier 1 Securities or obligations other than as set out in Condition 3 of the "Terms and Conditions of the Notes".
- 6) Non-cumulative but cumulative under certain circumstances, e.g. dividend payment.
- 7) The borrower undertakes not to make any distribution to Holders of Primary Capital certificates of the Borrower or to other creditors ranking junior to the Lender while any arrears of interest (including any corresponding additional interest amount) remains outstanding in respect of the loan.
- 8) Subject to the outstanding principal amount of the notes being equal to their original principal amount.
- 9) The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law except that (i) the provisions relating to subordination, Write-Down and Discretionary Reinstatement and any non-contractual obligations arising out of or in connection with such provisions and (ii) any other write-down or conversion of the Notes in accordance with Norwegian law and regulation applicable to the Bank from time to time, will in each case be governed by, and construed in accordance with, Norwegian law.
- 10) Fully discretionary reinstatement pro rata with any written-down AT1 instruments that are to be reinstated out of the same profits. Subject to the maximum write-up amount and to the MDA.

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DNB

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