



First quarter report  
2024

Unaudited

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# Financial highlights

## Income statement

Amounts in NOK million	1st quarter 2024	1st quarter 2023	Full year 2023
Net interest income	15 526	14 600	61 547
Net commissions and fees	2 702	2 634	11 115
Net gains on financial instruments at fair value	1 183	2 464	5 283
Net insurance result	203	154	1 183
Other operating income	783	684	2 569
Net other operating income	4 872	5 936	20 150
Total income	20 398	20 536	81 697
Operating expenses	(7 306)	(6 863)	(28 395)
Restructuring costs and non-recurring effects	22	(113)	(225)
Pre-tax operating profit before impairment	13 113	13 560	53 077
Net gains on fixed and intangible assets	(2)	0	11
Impairment of financial instruments	(323)	79	(2 649)
Pre-tax operating profit	12 789	13 639	50 440
Tax expense	(2 558)	(3 137)	(10 811)
Profit from operations held for sale, after taxes	(29)	(30)	(149)
Profit for the period	10 203	10 472	39 479

## Balance sheet

Amounts in NOK million	31 March 2024	31 Dec. 2023	31 March 2023
Total assets	3 896 408	3 439 724	3 536 919
Loans to customers	2 008 528	1 997 363	2 009 017
Deposits from customers	1 565 992	1 422 941	1 521 390
Total equity	282 605	269 296	263 790
Average total assets	3 990 732	3 687 312	3 669 358
Total combined assets <sup>1</sup>	4 534 759	4 034 568	4 065 699

## Key figures and alternative performance measures

	1st quarter 2024	1st quarter 2023	Full year 2023
Return on equity, annualised (per cent) <sup>1</sup>	15.6	17.2	15.9
Earnings per share (NOK)	6.48	6.59	24.83
Combined weighted total average spreads for lending and deposits (per cent) <sup>1</sup>	1.43	1.40	1.39
Average spreads for ordinary lending to customers (per cent) <sup>1</sup>	1.62	1.61	1.45
Average spreads for deposits from customers (per cent) <sup>1</sup>	1.18	1.14	1.32
Cost/income ratio (per cent) <sup>1</sup>	35.7	34.0	35.0
Ratio of customer deposits to net loans to customers at end of period, customer segments (per cent) <sup>1</sup>	77.3	78.6	74.9
Net loans at amortised cost and financial commitments in stage 2, per cent of net loans at amortised cost <sup>1</sup>	10.04	9.19	9.35
Net loans at amortised cost and financial commitments in stage 3, per cent of net loans at amortised cost <sup>1</sup>	1.07	1.07	1.17
Impairment relative to average net loans to customers at amortised cost, annualised (per cent) <sup>1</sup>	(0.07)	0.02	(0.13)
Common equity Tier 1 capital ratio at end of period (per cent)	19.0	18.6	18.2
Leverage ratio (per cent)	6.2	6.5	6.8
Share price at end of period (NOK)	215.10	187.35	216.00
Book value per share	170.44	158.59	162.92
Price/book value <sup>1</sup>	1.26	1.18	1.33
Dividend per share <sup>2</sup>			16.00

## Sustainability:

Finance and facilitate sustainable activities (NOK billion, accumulated)	603.0	422.5	561.8
Total assets invested in mutual funds with a sustainability profile (NOK billion)	112.6	30.6	124.3
Score from Traction's reputation survey in Norway (points)	55	60	57
Customer satisfaction index, CSI, personal customers in Norway (score)	69.3	73.6	71.4
Female representation at management levels 1-4 (per cent)	39.0	39.5	38.8

<sup>1</sup> Defined as alternative performance measure (APM). APMs are described on ir.dnb.no.

<sup>2</sup> The Board of Directors proposes a dividend of NOK 16.00 per share for 2023.

For additional key figures and definitions, please see the Factbook on ir.dnb.no.

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There has been no full or partial external audit of the quarterly directors' report and accounts, though the report has been reviewed by the Audit Committee.

# Directors' report

The Norwegian economy remains resilient with a low level of unemployment. The inflationary pressure continued to ease during the first quarter, and the key policy rate is now expected to remain at 4.5 per cent until the latter part of 2024, before gradually being lowered. DNB's results for the first quarter remained strong, driven by lag effects from increased interest rates and a diversified fee platform. The capital situation is solid, and the portfolio is well-diversified and robust.

## First quarter financial performance

The Group delivered profits of NOK 10 203 million in the quarter, a decrease of NOK 270 million, or 2.6 per cent, from the corresponding quarter of last year. Compared with the fourth quarter of last year, profits increased by NOK 799 million.

Earnings per share were NOK 6.48, compared with NOK 6.59 in the year-earlier period, and NOK 5.93 in the fourth quarter.

The common equity Tier 1 (CET1) capital ratio was 19.0 per cent at end-March, up from 18.6 per cent a year earlier and 18.2 in the previous quarter.

The leverage ratio was 6.2 per cent at end-March, compared with 6.5 per cent in the year-earlier period and 6.8 per cent at end-December.

Annualised return on equity (ROE) came in at 15.6 per cent in the first quarter, driven by strong results across the Group. The corresponding figures were 17.2 per cent in the first quarter of 2023, and 14.6 per cent in the fourth quarter of 2023.

Net interest income was up NOK 927 million, or 6.3 per cent, from the first quarter of 2023, but down NOK 471 million, or 2.9 per cent, from the previous quarter.

Net other operating income amounted to NOK 4 872 million, down NOK 1 065 million from the corresponding period in 2023. This can be ascribed to lower contribution from mark-to-market adjustments. However, net commissions and fees contributed positively with strong deliveries across product areas. Compared with the previous quarter, net operating income increased by NOK 880 million or 22.0 per cent.

Operating expenses amounted to NOK 7 284 million in the first quarter, up NOK 308 million from the corresponding period a year earlier, due to a further strengthening of core competence. Compared with the previous quarter, operating expenses were down NOK 418 million, reflecting a seasonally lower activity level.

Impairment of financial instruments amounted to NOK 323 million in the first quarter, mainly driven by impairment provisions in stage 3.

## Sustainability

During the first quarter, DNB established a Group project for energy efficiency. The project is intended to help promote the achievement of the goals set in DNB's transition plan, in addition to strengthening DNB's role as a driving force for sustainable transition. Initially, the focus of the project is how to achieve increased energy efficiency in real estate portfolios through sound advice and financing solutions for both corporate customers and personal customers.

DNB's rating for its reporting to CDP (formerly the Carbon Disclosure Project), an organisation that rates companies' efforts relating to climate impact, climate targets and climate risk analyses, was A- for 2023, compared with A for 2022. Despite the slight reduction, the result underscores DNB's engagement relating to climate change.

In March, the Ministry of Finance put forward its proposal for implementing the Corporate Sustainability Reporting Directive (CSRD) in Norwegian law. The Ministry proposed that the requirements should enter into force in Norway in 2024, with reporting for the first time in 2025 for the financial year 2024. This

means that DNB must report in accordance with the CSRD in 2025 for the financial year 2024.

As at end-March, DNB had facilitated a cumulative total of NOK 603 billion in sustainable financing volumes and was on track to reach the target of NOK 1 500 billion by 2030. With regard to the target of NOK 200 billion in assets in mutual funds with a sustainability profile by 2025, NOK 113 billion had been invested as at 31 March 2024.

## Other events in the first quarter

During the first quarter, DNB Bank ASA completed the share buy-back programme announced on 22 December 2023, in line with the authorisation from the Annual General Meeting in April 2023. A total of 7 635 935 shares were purchased in the quarter, and following this, DNB owns a total of 33 054 725 own shares, corresponding to 2.14 per cent of the shares in the company. A proposal will be made at the Annual General Meeting on 29 April 2024 to cancel all these shares. A proposal will also be made to redeem 17 028 192 shares from the Norwegian government, represented by the Ministry of Trade, Industry and Fisheries. The purpose of this is to ensure that the government's ownership interest of 34 per cent remains unchanged.

The technical migration of Sbanken was completed at the end of March. This entailed the transfer of Sbanken's systems, data and services to DNB's platform.

At DNB's annual security seminar in January, the Group presented its annual threat assessment focusing on security and economic crime to the Ministry of Justice and Public Security. This is the first year that DNB has published a comprehensive report covering the areas of cyber security, physical and personnel security, fraud, money laundering and sanctions.

At the end of March, for the first time ever, DNB Asset Management exceeded NOK 1 000 billion in assets under management.

In Traction's reputation survey for the first quarter of 2024, DNB scored 55 points. The goal is a result over 65 points, indicating that DNB is a well-liked bank.

DNB was given another top ranking in the Prospera survey, and customers rank the bank as best in Norway on Trade Finance. The Group was also given the top ranking in the Cash Management category, and first place in the latest Prospera Grand Total Norway.

In March, DNB won two awards at the Euromoney Private Banking Awards: best bank for family office services both in Norway and in the Nordics and Baltics. The awards are a recognition of DNB's efforts within private banking and family office services. The Family Office team in the Private Banking division manages the assets of high-net-worth families with complex and individual needs.

DNB won silver for its Ung-milliarden ('young billion') campaign at the Norwegian advertisers' association awards, ANFO Effekt, and was thus the best-ranked bank. The aim of ANFO Effekt is to showcase top-quality marketing that creates value. Through the Ung-milliarden campaign, more young people have been given the opportunity to enter the housing market, and DNB's market share in the young segment is growing steadily.

## First quarter income statement – main items

### Net interest income

<i>Amounts in NOK million</i>	1Q24	4Q23	1Q23
Lending spreads, customer segments	7 598	7 179	7 381
Deposit spreads, customer segments	4 169	4 680	4 052
Amortisation effects and fees	1 055	1 150	1 038
Operational leasing	800	791	701
Contributions to the deposit guarantee and resolution funds	(344)	(308)	(377)
Other net interest income	2 248	2 504	1 805
Net interest income	15 526	15 997	14 600

Net interest income increased by NOK 927 million, or 6.3 per cent, from the first quarter of 2023. This was mainly due to increased interest rates and subsequent customer repricings, as well as higher interest on equity. The repricings implemented in October and November had full effect in the first quarter, and the repricing from mid-February had partial effect. There was an average increase of NOK 22 billion, or 1.2 per cent, in the healthy loan portfolio compared with the first quarter of 2023. Adjusted for exchange rate effects, volumes were up NOK 7 billion, or 0.4 per cent. During the same period, deposits were down NOK 22 billion, or 1.5 per cent. Adjusted for exchange rate effects, there was a decrease of NOK 35 billion, or 2.5 per cent. Average lending spreads widened by 1 basis point, and average deposit spreads widened by 4 basis points compared with the first quarter of 2023. Volume-weighted spreads for the customer segments widened by 3 basis points.

Compared with the fourth quarter of 2023, net interest income decreased by NOK 471 million, or 2.9 per cent. This was mainly due to fewer interest days in the quarter. There was an average decrease of NOK 17 billion, or 0.9 per cent, in the healthy loan portfolio, and deposits were up NOK 11 billion, or 0.8 per cent. Average lending spreads widened by 12 basis points, and average deposit spreads narrowed by 14 basis points compared with the previous quarter. Volume-weighted spreads for the customer segments widened by 1 basis point.

### Net other operating income

<i>Amounts in NOK million</i>	1Q24	4Q23	1Q23
Net commissions and fees	2 702	2 927	2 634
Basis swaps	(240)	(500)	(4)
Exchange rate effects related to additional Tier 1 capital	543	(392)	527
Net gains on other financial instruments at fair value	880	730	1 941
Net insurance result	203	326	154
Net profit from associated companies	188	274	164
Other operating income	595	626	520
Net other operating income	4 872	3 991	5 936

Net other operating income decreased by NOK 1 065 million, or 17.9 per cent, compared with the first quarter of 2023. This was mainly due to lower contribution from mark-to-market effects on financial instruments. Exchange rate effects related to additional Tier 1 (AT1) capital contributed positively. Net commissions and fees showed solid results with an increase of NOK 68 million, or 2.6 per cent. The increase was driven by a solid result from investment banking services.

Compared with the previous quarter, net other operating income increased by NOK 880 million, or 22.0 per cent, mainly due to basis swaps and exchange rate effects related to AT1 capital. Net commissions and fees were strong, as a result of a robust fee platform, despite a slight decrease of NOK 225 million, or 7.7 per cent.

### Operating expenses

<i>Amounts in NOK million</i>	1Q24	4Q23	1Q23
Salaries and other personnel expenses	(4 251)	(4 413)	(3 924)
Restructuring expenses	(10)	(15)	(18)
Other expenses	(2 148)	(2 298)	(2 055)
Depreciation of fixed and intangible assets	(908)	(929)	(885)
Impairment of fixed and intangible assets	32	(49)	(95)
Total operating expenses	(7 284)	(7 703)	(6 976)

Operating expenses were up NOK 308 million, or 4.4 per cent, compared with the first quarter of 2023. This was due to a higher number of full-time employees, relating to a further strengthening of core competence, as well as an increase in IT expenses. In addition, there were higher pension expenses compared with the first quarter of last year, due to the increased return on the closed defined-benefit pension scheme. The scheme is partly hedged, and a corresponding gain was recognised in net gains on financial instruments.

Compared with the fourth quarter of 2023, operating expenses were down NOK 418 million, or 5.4 per cent, reflecting a seasonally lower activity-driven expenses, as well as a decrease in fees and IT expenses.

The cost/income ratio was 35.7 per cent in the first quarter.

### Impairment of financial instruments by industry segment

<i>Amounts in NOK million</i>	1Q24	4Q23	1Q23
Personal customers	(111)	(117)	(70)
Commercial real estate	64	(122)	45
Residential property	(79)	(67)	23
Power and renewables	(18)	(88)	11
Oil, gas and offshore	(14)	(45)	515
Other	(165)	(482)	(445)
Total impairment of financial instruments	(323)	(920)	79

Impairment of financial instruments amounted to NOK 323 million in the quarter. Impairment provisions amounted to NOK 111 million in the personal customers industry segment. The corporate customers industry segments saw impairment provisions amounting to NOK 211 million. The impairment provisions for the quarter could primarily be ascribed to specific customers in stage 3, spread across various industry segments. Net stage 3 loans and financial commitments amounted to NOK 21 billion at end-March 2023, which was a decrease of NOK 2 billion from the previous quarter and at the same level as the corresponding period of 2023. The decrease in the quarter was driven by a few specific customers in various segments primarily relating to restructuring.

### Taxes

The DNB Group's tax expense for the first quarter is estimated at NOK 2 558 million, or 20.0 per cent of the pre-tax operating profit. The tax expense is affected by the estimated debt interest distribution, which is expected to reduce the tax expense for the Group in 2024.

## Financial performance – segments

Financial governance in DNB is adapted to the different customer segments. Reported figures reflect total sales of products and services to the relevant segments.

### Personal customers

Income statement in NOK million	1Q24	4Q23	1Q23
Net interest income	5 526	5 703	5 245
Net other operating income	1 358	1 186	1 296
Total income	6 884	6 889	6 541
Operating expenses	(2 811)	(2 911)	(2 695)
Pre-tax operating profit before impairment	4 072	3 978	3 845
Impairment of financial instruments	(67)	(149)	(147)
Pre-tax operating profit	4 005	3 829	3 699
Tax expense	(1 001)	(957)	(925)
Profit for the period	3 004	2 872	2 774

### Average balance sheet items in NOK billion

Loans to customers	948.1	957.6	954.5
Deposits from customers	573.2	582.4	581.5

### Key figures in per cent

Lending spreads <sup>1</sup>	0.96	0.74	0.91
Deposit spreads <sup>1</sup>	1.91	2.21	1.82
Return on allocated capital	19.6	18.5	18.1
Cost/income ratio	40.8	42.2	41.2
Ratio of deposits to loans	60.5	60.8	60.9

<sup>1</sup> Calculated relative to the 3-month money market rate. See [ir.dnb.no](https://ir.dnb.no) for additional information on alternative performance measures (APMs).

The personal customers segment delivered strong profits and an increase in return on allocated capital of 1.5 percentage points from the first quarter last year, and 1.1 percentage points from the previous quarter.

Average loans to customers fell by 0.7 per cent from the first quarter of 2023. The mortgage portfolio decreased by 0.6 per cent. Average lending was down 1.0 per cent compared with the previous quarter. Deposits from customers fell by 1.4 per cent from the corresponding period last year, and by 1.6 per cent from the previous quarter. The ratio of deposits to loans declined by 0.5 percentage point, to 60.5 per cent. Combined spreads on loans and deposits widened by 6 basis points from the first quarter of 2023, and by 2 basis points compared with the previous quarter.

Net other operating income increased by 4.7 per cent from the corresponding quarter of last year. A positive development in income from long-term savings products was partly offset by a decrease in income from payment services and real estate broking. Compared with the previous quarter, there was a positive development in income from pension products in DNB Livsforsikring, as well as seasonal variations in income from payment services and real estate broking activities.

Operating expenses increased by 4.3 per cent from the corresponding quarter of last year, mainly due to high IT activity. From the previous quarter, operating expenses declined by 3.4 per cent, mainly due to several non-recurring costs in the fourth quarter of last year. This effect was partly offset by seasonally high activity in DNB Eiendom.

Impairment provisions amounted to NOK 67 million in the personal customers segment in the quarter, compared with impairment provisions of NOK 147 million and NOK 149 million in the corresponding quarter of 2023 and the fourth quarter of 2023, respectively. The impairment provisions were mainly in stage 3. Overall, the credit portfolio remained robust.

DNB's market share of credit to households in Norway was 23.2 per cent at end-February 2024. The market share of total household savings was 29.8 per cent at the same point in time, while the market share of savings in mutual funds amounted to 34.2 per cent. DNB Eiendom had a market share of 15.1 per cent in the first quarter.

## Corporate customers

Income statement in NOK million	1Q24	4Q23	1Q23
Net interest income	9 247	9 896	8 884
Net other operating income	2 558	3 104	2 814
Total income	11 805	13 000	11 697
Operating expenses	(4 226)	(4 328)	(4 031)
Pre-tax operating profit before impairment	7 579	8 672	7 666
Net gains on fixed and intangible assets	0	0	(0)
Impairment of financial instruments	(254)	(770)	225
Profit from repossessed operations	(43)	(111)	132
Pre-tax operating profit	7 282	7 791	8 023
Tax expense	(1 821)	(1 948)	(2 006)
Profit for the period	5 462	5 843	6 017

### Average balance sheet items in NOK billion

Loans to customers	956.4	964.2	926.7
Deposits from customers	857.4	844.5	867.9

### Key figures in per cent

Lending spreads <sup>1</sup>	2.29	2.26	2.34
Deposit spreads <sup>1</sup>	0.69	0.70	0.68
Return on allocated capital	19.7	21.0	22.9
Cost/income ratio	35.8	33.3	34.5
Ratio of deposits to loans	89.6	87.6	93.7

<sup>1</sup> Calculated relative to the 3-month money market rate. See [ir.dnb.no](https://ir.dnb.no) for additional information on alternative performance measures (APMs).

The corporate customers segment delivered a satisfactory profit and a return on allocated capital of 19.7 per cent in the first quarter, down from 22.9 per cent in the corresponding quarter of 2023 and from 21.0 per cent in the previous quarter. The reduction in the return on allocated capital compared with the fourth quarter of 2023 was mainly due to lower net interest income and net other operating income.

Net interest income increased by NOK 363 million compared with the first quarter of 2023, but was down NOK 649 million compared with the previous quarter. Lending volumes were up 3.2 per cent compared with the corresponding quarter of last year. Adjusted for exchange rate effects, volumes increased by 2.1 per cent. Compared with the previous quarter, lending volumes were down 0.8 per cent, but up 0.3 per cent adjusted for exchange rate effects. Lending spreads widened by 3 basis points in the first quarter of 2024 compared with the previous quarter, but narrowed by 5 basis points compared with the corresponding quarter of 2023. Deposit volumes were down 1.2 per cent compared with the corresponding quarter of 2023, or 2.8 per cent adjusted for exchange rate effects. Compared with the previous quarter, deposit volumes were up 1.5 per cent, or 2.9 per cent adjusted for exchange rate effects. Deposit spreads narrowed by 1 basis point in the first quarter of 2024. The ratio of deposits to loans has remained high for some time, but in the longer term it is expected to gradually decrease.

Net other operating income amounted to NOK 2 558 million in the first quarter, down NOK 256 million from the first quarter of 2023, and down NOK 546 million compared with the previous quarter. Net gains on financial instruments at fair value amounted to NOK 85 million in the first quarter, compared with net gains of NOK 326 million in the corresponding quarter of 2023, and a net negative result of NOK 16 million in the previous quarter. Income from net commissions and fees increased by NOK 48 million from the corresponding quarter of last year, but was down NOK 147 million from the previous quarter. Income from Markets activities was down NOK 45 million from the corresponding quarter of last year and NOK 245 million from the previous quarter. Total income for the quarter ended at NOK 11 805 million, an increase of 0.9 per cent compared with the first quarter of 2023, but a decrease of 9.2 per cent compared with the previous quarter.

Operating expenses were up 4.8 per cent from the first quarter of last year, primarily driven by higher IT expenses. Compared with the previous quarter, operating expenses were down 2.4 per cent.

There were impairment provisions of NOK 254 million in the corporate customers segment, which were mainly driven by specific customers in stage 3, spread across various industry segments. This is a decrease of NOK 515 million from the previous quarter.

DNB is well positioned for continued profitable growth in the large corporate customers segment and for building further on its market-leading position in the SME segment. The corporate customers segment has embedded DNB's net-zero ambition into key sectoral strategies, and through a wide range of advisory products and services the Group assists its customers in their green transition to more sustainable value creation.

### Other operations

This segment includes the results from risk management in DNB Markets and from traditional pension products with a guaranteed rate of return. In addition, the other operations segment includes Group items not allocated to the customer segments.

<i>Income statement in NOK million</i>	1Q24	4Q23	1Q23
Net interest income	753	398	471
Net other operating income	998	(571)	1 651
Total income	1 750	(174)	2 122
Operating expenses	(288)	(191)	(74)
Pre-tax operating profit before impairment	1 462	(364)	2 048
Net gains on fixed and intangible assets	(2)	(0)	0
Impairment of financial instruments	(1)	(1)	1
Profit from repossessed operations	43	111	(132)
Pre-tax operating profit	1 501	(254)	1 918
Tax expense	264	1 081	(207)
Profit from operations held for sale, after taxes	(29)	(138)	(30)
Profit for the period	1 737	688	1 681
<b>Average balance sheet items in NOK billion</b>			
Loans to customers	104.7	108.4	108.0
Deposits from customers	131.0	53.1	50.7

The profit for the other operations segment was NOK 1 737 million in the first quarter.

Risk management income was down from NOK 689 million in the corresponding quarter of last year, to NOK 571 million this quarter. The interest-rate trading performance was strong in the first quarter, although the income was slightly lower than in the corresponding quarter of last year. The bond portfolio's performance improved, as a result of narrowing credit spreads. The change in risk management income could mainly be attributed to valuation adjustments (XVA). Compared with the fourth quarter of 2023, risk management income was up NOK 325 million, mainly due to higher income from increased interest rates.

The pre-tax profit for guaranteed pension products was NOK 483 million in the first quarter, compared with NOK 429 million in the first quarter of 2023, and NOK 442 million in the last quarter of 2023. This increase can primarily be ascribed to the increased interest rates. The solvency margin without transitional rules was 257 per cent as of 31 March 2024, an increase from 189 per cent as at 31 March 2023, and an increase from 248 per cent at the end of the fourth quarter. Higher interest rates are the main driver for this increase. Somewhat increased market risk in the common portfolio has made a negative contribution to the solvency margin. At the current interest rate level, the transitional rules for technical insurance provisions have no effect, and the solvency margins with and without transitional rules are equal.

DNB's share of the profit in associated companies (most importantly Luminor, Vipps and Fremtind) is included in this segment. There was an increase in profit from these companies of NOK 24 million compared with the first quarter of 2023. Compared with the previous quarter, profit decreased by NOK 90 million mainly due to a somewhat reduced profit in Fremtind.

## Funding, liquidity and balance sheet

There is still a good level of interest in the bank's issues under the short-term funding programmes, from investors in both Europe and the US. Interest rate expectations indicate lower interest rates in the medium term, which has resulted in considerable interest in all maturities of up to a year. The bank has had large liquidity buffers for some time now, so issuing activity has been slightly lower in the first quarter compared with activity last autumn. This means that there is a good level of capacity under all programmes, as well as substantial investor interest.

The bank expects to increase its issuing activity gradually in the time ahead, through issues in EUR, GBP and USD. Emphasis is being placed on issues under all the short-term funding programmes, to maintain good capacity and ensure diversification. The US Commercial Paper (USCP) programme is still expected to be the largest, most important and most liquid short-term funding programme.

There was a high level of activity in the market for long-term funding from financial institutions in the first quarter. Market conditions were good throughout the quarter, driven by strong liquidity among investors and the fact that the leading economies globally have published macro figures showing a continued high level of activity, despite increased interest rates and high inflation. This has led to greater expectations in the market that a hard landing with a recession will be avoided, while at the same time the expectation of a reduction in central bank rates has been pushed somewhat further into the future, and long-term government rates have increased.

A particularly high volume of new issues in January meant that credit risk premiums remained at the same level as at the end of 2023, and issuers had to pay a higher premium to make new issues compared with the pricing in the secondary market. However, the favourable market conditions resulted in significantly lower credit risk premiums later in the quarter.

DNB obtained long-term funding amounting to a total of around NOK 44 billion in the quarter. This volume was mainly obtained through DNB Boligkreditt AS issuing covered bonds in EUR, SEK and NOK corresponding to a total of NOK 41 billion, with the remaining volume being made up of additional Tier 1 capital (AT1) issued in SEK.

The total nominal value of long-term debt securities issued by the Group was NOK 526 billion at end-March, compared with NOK 567 billion a year earlier. The average remaining term to maturity for long-term debt securities issued was 3.7 years, compared with 3.5 years a year earlier.

The short-term liquidity requirement, the Liquidity Coverage Ratio (LCR), remained stable at above 100 per cent throughout the quarter and stood at 139 per cent at the end of March. The net long-term stable funding ratio, NSFR, was 119 per cent, which was well above the minimum requirement of 100 per cent for stable and long-term funding.

Total combined assets in the DNB Group were NOK 4 535 billion at the end of March, up from NOK 4 066 billion a year earlier. Total assets in the Group's balance sheet were NOK 3 896 billion at end-March 2024, compared with NOK 3 537 billion at end-March 2023.

Loans to customers were at the same level as a year earlier. Customer deposits were up NOK 45 billion, or 2.9 per cent, during the same period. The ratio of customer deposits to net loans to customers was 77.3 per cent, down from 78.6 per cent a year earlier.

## Capital position

The common equity Tier 1 (CET1) capital ratio was 19.0 per cent at end-March, up from 18.6 per cent a year earlier and 18.2 at end-December 2023.

Retained earnings in the period contributed to a 31 basis-point increase in the CET1 capital ratio, while dividends from DNB Livsforsikring had a positive effect of 8 basis points.

The CET1 capital ratio requirement for DNB at end-March was 15.6 per cent, while the expectation from the supervisory authorities was 16.8 per cent including Pillar 2 Guidance. The Group thus had a solid 2.1 percentage-point headroom above the current supervisory authorities' capital level expectation.

The risk exposure amount decreased by NOK 11 billion from end-December to NOK 1 089 billion at end-March.

The leverage ratio was 6.2 per cent at end-March, down from 6.5 per cent in the year-earlier period and 6.8 per cent at end-December.

## Capital adequacy

The capital adequacy regulations specify a minimum requirement for own funds based on a risk exposure amount that includes credit risk, market risk and operational risk. In addition to meeting the Pillar 1 minimum requirement, DNB must meet the Pillar 2 requirements and the combined buffer requirements under Pillar 1.

## Capital and risk

	1Q24	4Q23	1Q23
CET1 capital ratio, per cent	19.0	18.2	18.6
Tier 1 capital ratio, per cent	21.1	20.0	20.2
Capital ratio, per cent	23.6	22.5	22.0
Risk exposure amount, NOK billion	1 089	1 100	1 080
Leverage ratio, per cent	6.2	6.8	6.5

As the DNB Group consists of both a credit institution and a life insurance company, DNB has to satisfy a cross-sectoral calculation test to demonstrate that it complies with sectoral requirements: the capital adequacy requirement, in accordance with the CRR/CRD, and the Solvency II requirement. At end-March, DNB complied with these requirements by a good margin, with excess capital of NOK 51.1 billion.

## New regulatory framework

### Finanstilsynet's advice on systemically important institutions

Under Section 31 of the Norwegian Regulations on capital requirements and national adaptation of CRR/CRD IV (CRR/CRD IV Regulations), Finanstilsynet (the Financial Supervisory Authority of Norway) must, by the end of the first quarter each year, give the Norwegian Ministry of Finance qualified advice on which institutions should be regarded as systemically important in Norway and be required to meet a special buffer requirement of 1 or 2 per cent. According to the Regulations, systemically important institutions are to be subject to institution-specific buffer requirements.

Finanstilsynet's advice is that DNB Bank ASA should have a special buffer requirement of 2 per cent, and that KBN (the Norwegian Agency for Local Governments), Nordea Eiendomskreditt AS and Sparebank 1 SR-bank ASA should have a buffer requirement of 1 per cent.

## Proposition to the Starting on compulsory means of payment (cash)

The Norwegian government has proposed amendments to the provisions of the Norwegian Financial Contracts Act on consumers' right to pay with cash. According to the proposition, a consumer must be given the opportunity to pay with cash in a retail premises where a business owner on a regular basis sells goods or services to consumers, if it is possible to pay for the goods or services with other payment solutions in or in immediate connection with the retail premises. A limit of NOK 20 000 is proposed, with exemptions for the sale of goods from vending machines, sales in unstaffed retail premises and sales in premises to which only a limited circle of persons have access. Legal authority in regulations is proposed, so that special rules can be laid down for passenger transport services. The proposition also proposes an expansion of the scope of the rules on payment settlement and monetary claims in the Financial Contracts Act.

## Macroeconomic developments

The Norwegian economy has experienced slow growth during the last part of 2023 and into this year. In particular, fluctuations in the production and distribution of electricity, and in activity within fishing and aquaculture have contributed to this. If the contributions from the two industries mentioned are excluded, mainland GDP rose by 0.3 per cent from the period September–November 2023, to the period December 2023–February 2024. On the demand side, household consumption growth has been slow and housing investment has fallen markedly. However, other investments, from mainland companies, the public sector and oil and gas companies, rose markedly last year.

Despite weak growth, registered unemployment has remained low and stable. The number of registered unemployed, adjusted for seasonal variations, was 1.9 per cent of the labour force in all months from August last year to March this year.

In March, the consumer price index rose by 3.9 per cent compared with the same month a year earlier. Core inflation, as measured by the CPI-ATE All-item index, declined to 4.5 per cent in March. In recent months, it was particularly price growth for imported goods that slowed, while price growth for other goods and services remained at the same level. In the housing market, seasonally adjusted prices rose by an average of 0.7 per cent month on month for the first three months of this year. This was higher than, for instance, the projections of Norges Bank, and current developments indicate house price growth of around 3 per cent this year.

Norges Bank kept the key policy rate unchanged at its January monetary policy meeting. As in December, it announced that the rate will most likely remain at 4.50 per cent for some time. This was reiterated at the monetary policy meeting in March, but there, the Governor of Norges Bank stated that the key policy rate would most likely be reduced in September this year. The interest rate path presented at the meeting indicated the same trend. The prospects of interest rate cuts are linked to expectations that inflation will fall further and that unemployment will rise somewhat. The interest rate path reflects Norges Bank's attempts to strike a balance between the objective of curbing inflation on the one hand, and the objective of avoiding an excessive rise in unemployment on the other.



## Future prospects

The Group's overriding financial target is a return on equity (ROE) above 13 per cent.

Norges Bank's stepwise increase of the key policy rate, from 2.75 per cent to 4.50 per cent during 2023, followed by DNB's repricing announcements, had full effect from the beginning of 2024, except for the most recently announced 25 basis-point increase, which had effect from February 2024.

The following factors will also contribute to the Group reaching its ROE target: growth in loans and in commissions and fees from capital-light products, combined with cost-control measures. The annual organic loan growth for the Group is expected to be between 3 and 4 per cent over time, but could be lower or higher in certain years. Loan growth is expected to remain muted for the first half of 2024.

DNB has an ambition to increase net commissions and fees by between 4 and 5 per cent annually, and to maintain a cost/income ratio below 40 per cent.

The tax rate going forward is expected to be 23 per cent. Due to debt interest distribution in Norwegian taxation, the tax rate is estimated to 20 per cent for 2024.

The supervisory expectation for the common equity Tier 1 (CET1) capital ratio for DNB is above 16.8 per cent. In its capital planning, DNB has set the supervisory expectation plus some headroom as its target capital level. The headroom will reflect market-driven fluctuations, including in foreign exchange, and potential minor regulatory changes. The actual ratio achieved in the first quarter was 19.0 per cent.

The Group's dividend policy remains unchanged, with a payout ratio of more than 50 per cent in cash dividends and an ambition to increase the nominal dividend per share each year. In addition to dividend payments, repurchases of own shares are being used as a flexible tool for allocating excess capital to DNB's owners. The Board of Directors has proposed a dividend for 2023 of NOK 16.00 per share, or a total of NOK 24 153 million, corresponding to a payout ratio of 63 per cent. The Board will again this year ask the Annual General Meeting for authorisation to repurchase 3.5 per cent of outstanding shares for 2024. DNB will need approvals from Finanstilsynet before announcing its share buy-back programmes.

Oslo, 22 April 2024  
The Board of Directors of DNB Bank ASA



Olaug Svarva  
(Chair of the Board)



Lillian Hattrem



Jens Petter Olsen  
(Vice Chair of the Board)



Stian Tegler Samuelson



Gro Bakstad



Jannicke Skaanes



Christine Bosse



Kim Wahl



Petter-Børre Furberg



Julie Galbo



Kjerstin R. Braathen  
(Group Chief Executive Officer, CEO)

# Accounts for the DNB Group

## G – INCOME STATEMENT

<i>Amounts in NOK million</i>	1st quarter 2024	1st quarter 2023	Full year 2023
Interest income, effective interest method	46 268	32 418	153 550
Other interest income	2 073	1 737	7 095
Interest expenses, effective interest method	(33 163)	(19 906)	(101 757)
Other interest expenses	348	350	2 658
<b>Net interest income</b>	<b>15 526</b>	<b>14 600</b>	<b>61 547</b>
Commission and fee income	3 636	3 541	14 772
Commission and fee expenses	(934)	(907)	(3 658)
Net gains on financial instruments at fair value	1 183	2 464	5 283
Net insurance result	203	154	1 183
Profit from investments accounted for by the equity method	188	164	449
Net gains on investment properties	3	(1)	43
Other income	592	521	2 077
<b>Net other operating income</b>	<b>4 872</b>	<b>5 936</b>	<b>20 150</b>
<b>Total income</b>	<b>20 398</b>	<b>20 536</b>	<b>81 697</b>
Salaries and other personnel expenses	(4 261)	(3 941)	(16 320)
Other expenses	(2 148)	(2 055)	(8 506)
Depreciation and impairment of fixed and intangible assets	(875)	(979)	(3 794)
<b>Total operating expenses</b>	<b>(7 284)</b>	<b>(6 976)</b>	<b>(28 620)</b>
<b>Pre-tax operating profit before impairment</b>	<b>13 113</b>	<b>13 560</b>	<b>53 077</b>
Net gains on fixed and intangible assets	(2)	0	11
Impairment of financial instruments	(323)	79	(2 649)
<b>Pre-tax operating profit</b>	<b>12 789</b>	<b>13 639</b>	<b>50 440</b>
Tax expense	(2 558)	(3 137)	(10 811)
Profit from operations held for sale, after taxes	(29)	(30)	(149)
<b>Profit for the period</b>	<b>10 203</b>	<b>10 472</b>	<b>39 479</b>
Portion attributable to shareholders	9 789	10 192	38 166
Portion attributable to non-controlling interests	(1)	0	2
Portion attributable to additional Tier 1 capital holders	414	280	1 312
<b>Profit for the period</b>	<b>10 203</b>	<b>10 472</b>	<b>39 479</b>
Earnings/diluted earnings per share (NOK)	6.48	6.59	24.83
Earnings per share excluding operations held for sale (NOK)	6.50	6.61	24.93

## G – COMPREHENSIVE INCOME STATEMENT

<i>Amounts in NOK million</i>	1st quarter 2024	1st quarter 2023	Full year 2023
<b>Profit for the period</b>	<b>10 203</b>	<b>10 472</b>	<b>39 479</b>
Actuarial gains and losses			(291)
Property revaluation			2
Financial liabilities designated at FVTPL, changes in credit risk	(30)	37	(102)
Tax	8	(9)	99
Items that will not be reclassified to the income statement	(23)	28	(292)
Currency translation of foreign operations	3 991	6 118	4 950
Currency translation reserve reclassified to the income statement			
Hedging of net investment	(3 188)	(5 056)	(3 845)
Hedging reserve reclassified to the income statement			
Financial assets at fair value through OCI	449	14	(147)
Tax	685	1 257	998
Items that may subsequently be reclassified to the income statement	1 937	2 334	1 955
<b>Other comprehensive income for the period</b>	<b>1 914</b>	<b>2 361</b>	<b>1 663</b>
<b>Comprehensive income for the period</b>	<b>12 117</b>	<b>12 834</b>	<b>41 142</b>

## G – BALANCE SHEET

<i>Amounts in NOK million</i>	Note	31 March 2024	31 Dec. 2023	31 March 2023
<b>Assets</b>				
Cash and deposits with central banks		821 623	331 408	567 523
Due from credit institutions		123 057	94 259	47 560
Loans to customers	G4, G5, G6, G7	2 008 528	1 997 363	2 009 017
Commercial paper and bonds	G7	472 983	569 464	447 317
Shareholdings	G7	29 525	22 281	34 133
Assets, customers bearing the risk	G7	179 450	166 722	146 460
Financial derivatives	G7	164 442	178 263	170 761
Investment properties		9 206	9 454	12 870
Investments accounted for by the equity method		18 953	19 100	19 327
Intangible assets		10 452	10 456	10 376
Deferred tax assets		395	388	553
Fixed assets		21 832	21 439	21 554
Assets held for sale		1 220	1 195	1 778
Other assets		34 742	17 932	47 690
<b>Total assets</b>		<b>3 896 408</b>	<b>3 439 724</b>	<b>3 536 919</b>
<b>Liabilities and equity</b>				
Due to credit institutions		429 290	206 714	255 387
Deposits from customers	G7	1 565 992	1 422 941	1 521 390
Financial derivatives	G7	171 909	189 178	175 293
Debt securities issued	G7, G8	853 808	807 928	803 554
Insurance liabilities, customers bearing the risk		179 450	166 722	146 460
Insurance liabilities		193 121	195 319	200 147
Payable taxes		10 496	9 488	5 164
Deferred taxes		2 746	2 722	2 037
Other liabilities		61 745	22 583	49 337
Liabilities held for sale		451	540	395
Provisions		1 315	1 146	1 167
Pension commitments		5 585	5 343	4 842
Senior non-preferred bonds	G8	103 730	99 848	75 922
Subordinated loan capital	G7, G8	34 168	39 957	32 035
<b>Total liabilities</b>		<b>3 613 803</b>	<b>3 170 428</b>	<b>3 273 129</b>
Additional Tier 1 capital		25 259	22 004	18 545
Non-controlling interests		167	168	227
Share capital		18 862	18 960	19 312
Share premium		18 733	18 733	18 733
Other equity		219 584	209 431	206 973
<b>Total equity</b>		<b>282 605</b>	<b>269 296</b>	<b>263 790</b>
<b>Total liabilities and equity</b>		<b>3 896 408</b>	<b>3 439 724</b>	<b>3 536 919</b>

## G – STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK million</i>	Non-controlling interests	Share capital <sup>1</sup>	Share premium	Additional Tier 1 capital	Net currency translation reserve	Liability credit reserve	Other equity <sup>1</sup>	Total equity <sup>1</sup>
<b>Balance sheet as at 1 January 2023</b>	<b>227</b>	<b>19 378</b>	<b>18 733</b>	<b>16 089</b>	<b>5 200</b>	<b>150</b>	<b>190 063</b>	<b>249 840</b>
Profit for the period	0			280			10 192	10 472
Financial assets at fair value through OCI							14	14
Financial liabilities designated at FVTPL, changes in credit risk						37		37
Currency translation of foreign operations					6 118			6 118
Hedging of net investment					(5 056)			(5 056)
Tax on other comprehensive income					1 264	(9)	(7)	1 248
Comprehensive income for the period	0			280	2 326	28	10 200	12 834
Interest payments AT1 capital				(113)				(113)
AT1 capital issued				2 300				2 300
Purchase of own AT1 instrument				(10)				(10)
Net purchase of treasury shares		(2)					(28)	(30)
Share buy-back programme		(64)					(965)	(1 029)
<b>Balance sheet as at 31 March 2023</b>	<b>227</b>	<b>19 312</b>	<b>18 733</b>	<b>18 545</b>	<b>7 526</b>	<b>177</b>	<b>199 269</b>	<b>263 790</b>
<b>Balance sheet as at 31 December 2023</b>	<b>168</b>	<b>18 960</b>	<b>18 733</b>	<b>22 004</b>	<b>7 266</b>	<b>73</b>	<b>202 092</b>	<b>269 296</b>
Profit for the period	(1)			414			9 789	10 203
Financial assets at fair value through OCI							449	449
Financial liabilities designated at FVTPL, changes in credit risk						(30)		(30)
Currency translation of foreign operations					3 991			3 991
Hedging of net investment					(3 188)			(3 188)
Tax on other comprehensive income					797	8	(112)	693
Comprehensive income for the period	(1)			414	1 600	(23)	10 126	12 117
Interest payments AT1 capital				(227)				(227)
AT1 capital issued <sup>2</sup>				3 168				3 168
AT1 capital redeemed <sup>3</sup>				(100)				(100)
Net purchase of treasury shares <sup>1</sup>		(8)					(114)	(122)
Share buy-back programme		(91)					(1 437)	(1 528)
<b>Balance sheet as at 31 March 2024</b>	<b>167</b>	<b>18 862</b>	<b>18 733</b>	<b>25 259</b>	<b>8 866</b>	<b>51</b>	<b>210 667</b>	<b>282 605</b>

1 Of which treasury shares held by DNB Markets for trading purposes:

<i>Balance sheet as at 31 December 2023</i>			
Net purchase of treasury shares	(8)	(114)	(122)
Reversal of fair value adjustments through the income statement		(9)	(9)
<b>Balance sheet as at 31 March 2024</b>	<b>(8)</b>	<b>(123)</b>	<b>(130)</b>

2 The DNB Group's parent, DNB Bank ASA, has issued two additional Tier 1 capital instruments in the first quarter of 2024. The first was issued in February, has a nominal value of SEK 1 100 million and is perpetual with a floating interest of 3-month STIBOR plus 3.1 per cent p.a. The second was issued in February, has a nominal value of SEK 2 000 million and is perpetual with an interest rate of 5.89 per cent p.a. until 27 August 2029. Thereafter 3-month STIBOR plus 3.1 per cent.

3 An additional Tier 1 capital instrument of NOK 100 million, issued by Sbanken ASA in 2019, was redeemed in the first quarter of 2024.

## G – CASH FLOW STATEMENT

<i>Amounts in NOK million</i>	Jan.-March 2024	Jan.-March 2023	Full year 2023
<b>Operating activities</b>			
Net receipts/(payments) on loans to customers	6 602	(16 949)	(13 895)
Net receipts on deposits from customers	110 151	92 183	6 476
Receipts on issued bonds and commercial paper	234 300	463 929	1 566 536
Payments on redeemed bonds and commercial paper	(220 684)	(440 791)	(1 511 124)
Net receipts/(payments) on loans to credit institutions	214 497	66 611	(38 759)
Interest received	48 150	33 356	157 263
Interest paid	(23 069)	(15 564)	(94 298)
Net receipts on commissions and fees	2 555	2 991	10 577
Net receipts/(payments) on the sale of financial assets in liquidity or trading portfolio	136 548	69 459	(52 503)
Payments to operations	(8 635)	(8 140)	(23 960)
Taxes paid	(663)	(1 024)	(2 956)
Receipts on premiums	5 181	4 778	18 852
Net payments on premium reserve transfers	(776)	(917)	(1 496)
Payments of insurance settlements	(4 013)	(3 980)	(15 270)
Other net receipts/(payments)	(4 833)	1 624	(1 319)
<b>Net cash flow from operating activities</b>	<b>495 310</b>	<b>247 566</b>	<b>4 124</b>
<b>Investing activities</b>			
Net payments on the acquisition or disposal of fixed assets	(869)	(1 382)	(4 081)
Receipts on investment properties	21	921	2 616
Payments on and for investment properties	(4)	(20)	(16)
Investment in long-term shares			(407)
Disposals of long-term shares			117
Dividends received on long-term investments in shares	684		14
<b>Net cash flow from investing activities</b>	<b>(168)</b>	<b>(480)</b>	<b>(1 756)</b>
<b>Financing activities</b>			
Receipts on issued senior non-preferred bonds	(0)	12 189	34 685
Payments on redeemed senior non-preferred bonds	(98)	(808)	(80)
Receipts on issued subordinated loan capital		3 946	11 788
Redemptions of subordinated loan capital	(5 848)	(10 026)	(10 030)
Receipts on issued AT1 capital	3 168	2 300	5 829
Redemptions of AT1 capital	(100)	(10)	
Interest payments on AT1 capital	(227)	(119)	(1 225)
Lease payments	(197)	(78)	(559)
Net purchase of own shares	(1 650)	(1 059)	(6 916)
Dividend payments			(19 316)
<b>Net cash flow from financing activities</b>	<b>(4 952)</b>	<b>6 334</b>	<b>14 176</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>12 836</b>	<b>8 443</b>	<b>1 913</b>
<b>Net cash flow</b>	<b>503 025</b>	<b>261 863</b>	<b>18 458</b>
Cash as at 1 January	335 580	317 123	317 123
Net receipts of cash	503 025	261 863	18 458
Cash at end of period <sup>1</sup>	838 606	578 986	335 580

*) Of which: Cash and deposits with central banks	821 623	567 523	331 408
Deposits with credit institutions with no agreed period of notice <sup>1</sup>	16 982	11 463	4 172

<sup>1</sup> Recorded under "Due from credit institutions" in the balance sheet.

## NOTE G1 BASIS FOR PREPARATION

The quarterly financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board and as adopted by the European Union. When preparing the consolidated financial statements, the management makes estimates, judgements and assumptions that affect the application of the accounting principles, as well as income, expenses, and the carrying amount of assets and liabilities. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the accounting policies, significant estimates, and areas where judgement is applied by the Group, can be found in Note G1 Accounting principles in the annual report for 2023. In the interim report, the accounting policies, significant estimates, and areas where judgement is applied by the Group are in conformity with those described in the annual report.

## NOTE G2 SEGMENTS

According to DNB's management model, the operating segments are independent profit centres that are fully responsible for their profit after tax and for achieving the targeted returns on allocated capital. DNB has the following operating segments: Personal customers, Corporate customers, Risk management and Traditional pension products (with guaranteed rate of return). The Risk management and Traditional pension products segments are included in Other operations. DNB's share of profit in major associated companies (most importantly Luminor, Vipps and Fremtind) is included in Other operations.

### Income statement, first quarter

Amounts in NOK million	Personal customers		Corporate customers		Other operations		Eliminations		DNB Group	
	1st quarter		1st quarter		1st quarter		1st quarter		1st quarter	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net interest income	5 526	5 245	9 247	8 884	753	471			15 526	14 600
Net other operating income	1 358	1 296	2 558	2 814	998	1 651	(41)	175	4 872	5 936
Total income	6 884	6 541	11 805	11 697	1 750	2 122	(41)	175	20 398	20 536
Operating expenses	(2 811)	(2 695)	(4 226)	(4 031)	(288)	(74)	41	(175)	(7 284)	(6 976)
Pre-tax operating profit before impairment	4 072	3 845	7 579	7 666	1 462	2 048			13 113	13 560
Net gains on fixed and intangible assets	0	0	0	(0)	(2)	0			(2)	0
Impairment of financial instruments	(67)	(147)	(254)	225	(1)	1			(323)	79
Profit from repossessed operations			(43)	132	43	(132)				
Pre-tax operating profit	4 005	3 699	7 282	8 023	1 501	1 918			12 789	13 639
Tax expense	(1 001)	(925)	(1 821)	(2 006)	264	(207)			(2 558)	(3 137)
Profit from operations held for sale, after taxes					(29)	(30)			(29)	(30)
Profit for the period	3 004	2 774	5 462	6 017	1 737	1 681			10 203	10 472

## NOTE G3 CAPITAL ADEQUACY

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD). The regulatory consolidation deviates from consolidation in the accounts and comprises the parent company, subsidiaries and associated companies, excluding insurance companies. Associated companies are consolidated pro rata.

### Own funds

<i>Amounts in NOK million</i>	31 March 2024	31 Dec. 2023	31 March 2023
Total equity	282 605	269 296	263 790
Effect from regulatory consolidation	3 318	2 835	2 429
Adjustment to retained earnings for foreseeable dividends	(5 938)		(4 554)
Additional Tier 1 capital instruments included in total equity	(24 849)	(21 803)	(18 274)
Net accrued interest on additional Tier 1 capital instruments	(410)	(201)	(271)
Common equity Tier 1 capital instruments	254 726	250 127	243 120
Regulatory adjustments			
Pension funds above pension commitments	(46)	(44)	
Goodwill	(9 520)	(9 516)	(9 481)
Deferred tax assets that rely on future profitability, excluding temporary differences	(306)	(306)	(408)
Other intangible assets	(2 501)	(2 355)	(2 500)
Dividends payable and group contributions <sup>1</sup>	(24 153)	(24 153)	(19 316)
Share buy-back program	(3 589)	(5 165)	(494)
Deduction for investments in insurance companies <sup>2</sup>	(3 681)	(4 277)	(4 641)
IRB provisions shortfall	(2 797)	(2 876)	(2 894)
Additional value adjustments (AVA)	(940)	(939)	(1 232)
Insufficient coverage for non-performing exposures	(517)	(362)	(657)
(Gains) or losses on liabilities at fair value resulting from own credit risk	(51)	(73)	(177)
(Gains) or losses on derivative liabilities resulting from own credit risk (DVA)	(149)	(134)	(231)
Common equity Tier 1 capital	206 476	199 927	201 091
Additional Tier 1 capital instruments	24 849	21 803	18 274
Deduction of holdings of Tier 1 instruments in insurance companies <sup>3</sup>	(1 500)	(1 500)	(1 500)
Non-eligible Tier 1 capital, DNB Group <sup>4</sup>			(102)
Additional Tier 1 capital instruments	23 349	20 303	16 673
Tier 1 capital	229 825	220 230	217 764
Term subordinated loan capital	33 219	32 772	25 533
Deduction of holdings of Tier 2 instruments in insurance companies <sup>3</sup>	(5 588)	(5 588)	(5 588)
Non-eligible Tier 2 capital, DNB Group <sup>4</sup>			(102)
Additional Tier 2 capital instruments	27 631	27 184	19 843
Own funds	257 456	247 414	237 606
Total risk exposure amount	1 089 131	1 099 949	1 080 106
Minimum capital requirement	87 130	87 996	86 408
Capital ratios:			
Common equity Tier 1 capital ratio	19.0	18.2	18.6
Tier 1 capital ratio	21.1	20.0	20.2
Total capital ratio	23.6	22.5	22.0

1 The Board proposes a dividend of NOK 16.00 per share for 2023.

2 Deductions are made for significant investments in financial sector entities when the total value of the investments exceeds 10 per cent of common equity Tier 1 capital. The amounts that are not deducted are given a risk weight of 250 per cent.

3 Investments in Tier 1 and Tier 2 instruments issued by the Group's insurance companies are deducted from the Group's Tier 1 and Tier 2 capital.

4 Tier 1 and Tier 2 capital in subsidiaries not included in consolidated own funds in accordance with Articles 85-88 of the CRR.

## NOTE G3 CAPITAL ADEQUACY (continued)

The majority of the credit portfolios are reported according to the IRB approach. Exposures to central and regional governments, institutions, equity positions and other assets are, however, reported according to the standardised approach.

### Specification of exposures

	Original exposure 31 March 2024	Exposure at default (EAD) 31 March 2024	Average risk weight in per cent 31 March 2024	Risk exposure amount (REA) 31 March 2024	Capital requirement 31 March 2024	Capital requirement 31 Dec. 2023
<i>Amounts in NOK million</i>						
IRB approach						
Corporate exposures	1 240 025	997 374	41.4	412 530	33 002	33 912
<i>of which specialised lending (SL)</i>	6 788	6 474	31.9	2 065	165	188
<i>of which small and medium-sized enterprises (SME)</i>	214 362	195 973	39.9	78 168	6 253	7 363
<i>of which other corporates</i>	1 018 875	794 927	41.8	332 297	26 584	26 362
Retail exposures	1 002 008	987 667	22.5	221 800	17 744	17 788
<i>of which secured by mortgages on immovable property</i>	919 614	919 614	21.8	200 704	16 056	16 137
<i>of which other retail</i>	82 394	68 054	31.0	21 096	1 688	1 651
Total credit risk, IRB approach	2 242 033	1 985 042	32.0	634 329	50 746	51 700
Standardised approach						
Central government and central banks	864 293	863 631	0.0	91	7	7
Regional government or local authorities	51 506	44 928	1.2	526	42	58
Public sector entities	92 717	90 833	0.0	19	2	1
Multilateral development banks	59 979	59 979				48
International organisations	977	977				
Institutions	95 220	67 451	28.9	19 465	1 557	1 494
Corporate	189 770	166 138	65.6	108 913	8 713	9 165
Retail	160 804	71 109	74.6	53 059	4 245	4 053
Secured by mortgages on immovable property	142 235	133 379	40.7	54 331	4 347	4 307
Exposures in default	4 287	2 978	131.8	3 924	314	325
Items associated with particular high risk	747	743	150.0	1 115	89	88
Covered bonds	59 172	59 172	10.0	5 922	474	432
Collective investment undertakings	1 374	1 374	14.6	201	16	45
Equity positions	24 054	24 053	231.1	55 587	4 447	4 287
Other assets	32 899	32 899	59.4	19 554	1 564	1 299
Total credit risk, standardised approach	1 780 033	1 619 644	19.9	322 706	25 817	25 609
Total credit risk	4 022 066	3 604 685	26.5	957 036	76 563	77 309
Settlement risk				12	1	0
Market risk						
Position and general risk, debt instruments				6 531	522	651
Position and general risk, equity instruments				870	70	61
Currency risk				0	0	0
Commodity risk				158	13	0
Total market risk				7 560	605	712
Credit value adjustment risk (CVA)				3 333	267	280
Operational risk				121 190	9 695	9 695
Total risk exposure amount				1 089 131	87 130	87 996



## NOTE G4 DEVELOPMENT IN GROSS CARRYING AMOUNT AND MAXIMUM EXPOSURE

### Loans to customers at amortised cost

Amounts in NOK million	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount as at 1 Jan.</b>	<b>1 791 350</b>	<b>145 406</b>	<b>26 283</b>	<b>1 963 040</b>	<b>1 750 560</b>	<b>142 273</b>	<b>27 499</b>	<b>1 920 333</b>
Transfer to stage 1	22 428	(21 372)	(1 056)		98 766	(95 121)	(3 644)	
Transfer to stage 2	(39 264)	40 265	(1 001)		(146 983)	151 640	(4 657)	
Transfer to stage 3	(807)	(2 935)	3 742		(5 174)	(8 846)	14 020	
Originated and purchased	137 414	3 219	750	141 384	459 375	10 524	2 735	472 634
Derecognition	(126 673)	(5 324)	(4 353)	(136 350)	(377 292)	(55 901)	(9 891)	(443 084)
Exchange rate movements	7 418	406	102	7 926	12 424	1 166	232	13 823
Other <sup>1</sup>					(325)	(329)	(10)	(665)
<b>Gross carrying amount as at end of period</b>	<b>1 791 867</b>	<b>159 665</b>	<b>24 467</b>	<b>1 976 000</b>	<b>1 791 350</b>	<b>145 406</b>	<b>26 283</b>	<b>1 963 040</b>

### Financial commitments

Amounts in NOK million	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Maximum exposure as at 1 Jan.</b>	<b>747 287</b>	<b>38 506</b>	<b>3 091</b>	<b>788 885</b>	<b>686 122</b>	<b>36 127</b>	<b>3 194</b>	<b>725 444</b>
Transfer to stage 1	4 458	(4 395)	(62)		21 467	(20 835)	(631)	
Transfer to stage 2	(8 465)	8 527	(62)		(31 434)	31 560	(126)	
Transfer to stage 3	(79)	(69)	148		(686)	(1 933)	2 619	
Originated and purchased	194 593	538	199	195 330	425 524	3 608	88	429 219
Derecognition	(195 785)	(4 471)	(3)	(200 259)	(362 389)	(10 246)	(2 063)	(374 697)
Exchange rate movements	7 719	307	8	8 034	8 683	225	11	8 919
<b>Maximum exposure as at end of period</b>	<b>749 728</b>	<b>38 943</b>	<b>3 319</b>	<b>791 990</b>	<b>747 287</b>	<b>38 506</b>	<b>3 091</b>	<b>788 885</b>

<sup>1</sup> The reduction of the gross carrying value is related to a legacy foreign currency portfolio in Poland. See note G50 Contingencies in DNB Group's annual report 2023.

## NOTE G5 DEVELOPMENT IN ACCUMULATED IMPAIRMENT OF FINANCIAL INSTRUMENTS

### Loans to customers at amortised cost

<i>Amounts in NOK million</i>	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Accumulated impairment as at 1 Jan.</b>	<b>(680)</b>	<b>(834)</b>	<b>(6 261)</b>	<b>(7 775)</b>	<b>(637)</b>	<b>(793)</b>	<b>(6 544)</b>	<b>(7 974)</b>
Transfer to stage 1	(76)	59	17		(354)	262	92	
Transfer to stage 2	28	(32)	3		91	(116)	26	
Transfer to stage 3	1	41	(42)		7	51	(58)	
Originated and purchased	(130)	(62)		(192)	(237)	(50)	(1)	(288)
Increased expected credit loss	(90)	(219)	(2 416)	(2 726)	(374)	(884)	(4 892)	(6 150)
Decreased (reversed) expected credit loss	218	125	1 989	2 332	799	488	3 299	4 586
Write-offs			246	246			1 556	1 556
Derecognition	10	84	92	187	31	217	297	546
Exchange rate movements	(3)	(2)	(23)	(27)	(6)	(10)	(35)	(51)
Other								
<b>Accumulated impairment as at end of period</b>	<b>(723)</b>	<b>(840)</b>	<b>(6 393)</b>	<b>(7 956)</b>	<b>(680)</b>	<b>(834)</b>	<b>(6 261)</b>	<b>(7 775)</b>

### Financial commitments

<i>Amounts in NOK million</i>	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Accumulated impairment as at 1 Jan.</b>	<b>(245)</b>	<b>(228)</b>	<b>(205)</b>	<b>(679)</b>	<b>(194)</b>	<b>(195)</b>	<b>(204)</b>	<b>(593)</b>
Transfer to stage 1	(16)	15			(113)	111	2	
Transfer to stage 2	13	(14)			22	(25)	3	
Transfer to stage 3		1	(1)		1	14	(14)	
Originated and purchased	(65)	(6)		(71)	(209)	(110)		(319)
Increased expected credit loss	(12)	(42)	(409)	(463)	(66)	(202)	(110)	(378)
Decreased (reversed) expected credit loss	70	17	310	397	315	82	113	510
Derecognition	2	16		17	1	98	6	105
Exchange rate movements	(2)	(3)		(5)	(2)	(1)		(3)
Other								
<b>Accumulated impairment as at end of period</b>	<b>(255)</b>	<b>(244)</b>	<b>(305)</b>	<b>(803)</b>	<b>(245)</b>	<b>(228)</b>	<b>(205)</b>	<b>(679)</b>

For explanatory comments about the impairment of financial instruments, see the directors' report.

## NOTE G6      LOANS AND FINANCIAL COMMITMENTS TO CUSTOMERS BY INDUSTRY SEGMENT

### Loans to customers as at 31 March 2024

<i>Amounts in NOK million</i>	Gross carrying amount	Accumulated impairment			Loans at fair value	Total
		Stage 1	Stage 2	Stage 3		
Bank, insurance and portfolio management	110 484	(20)	(16)	(42)		110 407
Commercial real estate	234 353	(163)	(65)	(537)	92	233 680
Shipping	33 867	(16)	(1)	(219)		33 631
Oil, gas and offshore	36 389	(10)	(1)	(1 012)		35 365
Power and renewables	59 806	(24)	(16)	(834)		58 932
Healthcare	32 859	(12)	(10)	(12)		32 826
Public sector	2 425	(0)	(0)	(0)		2 425
Fishing, fish farming and farming	77 330	(12)	(40)	(143)	86	77 221
Retail industries	56 130	(52)	(93)	(401)	1	55 586
Manufacturing	49 246	(32)	(43)	(188)	(0)	48 983
Technology, media and telecom	33 300	(11)	(10)	(197)	1	33 083
Services	85 529	(82)	(150)	(451)	22	84 870
Residential property	130 188	(76)	(40)	(454)	277	129 895
Personal customers	961 438	(129)	(217)	(521)	39 993	1 000 563
Other corporate customers	72 657	(85)	(140)	(1 383)	11	71 060
<b>Total<sup>1</sup></b>	<b>1 976 000</b>	<b>(723)</b>	<b>(840)</b>	<b>(6 393)</b>	<b>40 484</b>	<b>2 008 528</b>

<sup>1</sup> Of which NOK 62 695 million in repo trading volumes.

### Loans to customers as at 31 December 2023

<i>Amounts in NOK million</i>	Gross carrying amount	Accumulated impairment			Loans at fair value	Total
		Stage 1	Stage 2	Stage 3		
Bank, insurance and portfolio management	107 209	(20)	(18)	(46)		107 125
Commercial real estate	234 327	(163)	(71)	(572)	78	233 598
Shipping	33 972	(17)	(1)	(206)		33 749
Oil, gas and offshore	32 931	(8)	(4)	(1 099)		31 820
Power and renewables	59 366	(25)	(17)	(766)		58 558
Healthcare	30 411	(9)	(6)	(12)		30 384
Public sector	1 820	(0)	(0)	(0)		1 820
Fishing, fish farming and farming	77 590	(13)	(46)	(120)	87	77 498
Retail industries	52 363	(40)	(105)	(395)	1	51 824
Manufacturing	45 632	(33)	(37)	(156)		45 405
Technology, media and telecom	31 316	(11)	(9)	(315)	1	30 981
Services	85 517	(84)	(139)	(427)	16	84 882
Residential property	127 397	(70)	(29)	(387)	269	127 179
Personal customers	972 110	(110)	(210)	(563)	41 635	1 012 862
Other corporate customers	71 081	(76)	(142)	(1 197)	12	69 677
<b>Total<sup>1</sup></b>	<b>1 963 040</b>	<b>(680)</b>	<b>(834)</b>	<b>(6 261)</b>	<b>42 099</b>	<b>1 997 364</b>

<sup>1</sup> Of which NOK 66 698 million in repo trading volumes.

## NOTE G6      LOANS AND FINANCIAL COMMITMENTS TO CUSTOMERS BY INDUSTRY SEGMENT (continued)

### Financial commitments as at 31 March 2024

<i>Amounts in NOK million</i>	Maximum exposure	Accumulated impairment			Total
		Stage 1	Stage 2	Stage 3	
Bank, insurance and portfolio management	32 042	(14)	(4)		32 024
Commercial real estate	28 152	(19)	(3)	(11)	28 119
Shipping	17 178	(5)	0		17 173
Oil, gas and offshore	71 251	(14)	(6)	(0)	71 230
Power and renewables	74 782	(32)	(8)		74 742
Healthcare	31 835	(6)	(33)		31 796
Public sector	13 898	(0)	(0)		13 898
Fishing, fish farming and farming	28 401	(4)	(3)	(0)	28 394
Retail industries	31 809	(24)	(35)	(19)	31 731
Manufacturing	58 544	(26)	(18)	(4)	58 496
Technology, media and telecom	33 357	(8)	(3)	(106)	33 240
Services	26 498	(25)	(58)	(6)	26 408
Residential property	24 651	(29)	(13)	(9)	24 600
Personal customers	283 640	(22)	(24)	(37)	283 558
Other corporate customers	35 952	(25)	(35)	(113)	35 779
<b>Total</b>	<b>791 990</b>	<b>(255)</b>	<b>(244)</b>	<b>(305)</b>	<b>791 187</b>

### Financial commitments as at 31 December 2023

<i>Amounts in NOK million</i>	Maximum exposure	Accumulated impairment			Total
		Stage 1	Stage 2	Stage 3	
Bank, insurance and portfolio management	37 177	(20)	(4)	(0)	37 153
Commercial real estate	29 480	(21)	(2)	(2)	29 455
Shipping	21 452	(7)	(0)		21 445
Oil, gas and offshore	79 394	(10)	(6)	(0)	79 378
Power and renewables	64 615	(20)	(8)		64 587
Healthcare	25 220	(6)	(30)		25 184
Public sector	13 416	(0)	(0)		13 416
Fishing, fish farming and farming	26 280	(4)	(3)	(0)	26 273
Retail industries	37 602	(29)	(42)	(12)	37 519
Manufacturing	59 176	(34)	(15)	(4)	59 122
Technology, media and telecom	38 685	(9)	(5)	(30)	38 641
Services	26 787	(25)	(51)	(9)	26 702
Residential property	25 178	(25)	(9)	(9)	25 135
Personal customers	269 591	(11)	(23)	(3)	269 554
Other corporate customers	34 832	(23)	(29)	(135)	34 644
<b>Total</b>	<b>788 885</b>	<b>(245)</b>	<b>(228)</b>	<b>(205)</b>	<b>788 206</b>

## NOTE G7 FINANCIAL INSTRUMENTS AT FAIR VALUE

<i>Amounts in NOK million</i>	Level 1	Level 2	Level 3	Total
<b>Assets as at 31 March 2024</b>				
Loans to customers			40 484	40 484
Commercial paper and bonds	16 291	438 563	571	455 424
Shareholdings	5 317	9 721	14 487	29 525
Assets, customers bearing the risk		179 450		179 450
Financial derivatives	1 354	160 281	2 808	164 442
<b>Liabilities as at 31 March 2024</b>				
Deposits from customers		49 384		49 384
Debt securities issued		3 993		3 993
Senior non-preferred bonds		1 667		1 667
Subordinated loan capital		1 076		1 076
Financial derivatives	1 629	167 893	2 387	171 909
Other financial liabilities <sup>1</sup>	5 695			5 695
<b>Assets as at 31 December 2023</b>				
Loans to customers			42 099	42 099
Commercial paper and bonds	29 801	521 952	385	552 138
Shareholdings	4 122	4 144	14 015	22 281
Assets, customers bearing the risk		166 722		166 722
Financial derivatives	1 172	174 339	2 752	178 263
<b>Liabilities as at 31 December 2023</b>				
Deposits from customers		44 308		44 308
Debt securities issued		4 493		4 493
Senior non-preferred bonds		1 757		1 757
Subordinated loan capital		1 093		1 093
Financial derivatives	1 653	185 180	2 345	189 178
Other financial liabilities <sup>1</sup>	3 036	0		3 036

<sup>1</sup> Short positions, trading activities.

For a further description of the instruments and valuation techniques, see the annual report for 2023.

### Financial instruments at fair value, level 3

<i>Amounts in NOK million</i>	Financial assets				Financial liabilities
	Loans to customers	Commercial paper and bonds	Shareholdings	Financial derivatives	Financial derivatives
<b>Carrying amount as at 1 January 2023</b>	<b>49 105</b>	<b>847</b>	<b>16 744</b>	<b>3 431</b>	<b>3 129</b>
Net gains recognised in the income statement	492	8	948	108	(21)
Additions/purchases	4 368	1 045	1 830	1 353	1 294
Sales		(1 021)	(4 309)		
Settled	(11 866)			(2 141)	(2 057)
Transferred from level 1 or level 2		241			
Transferred to level 1 or level 2		(728)	(1 096)		
Other		(8)	(103)	1	
<b>Carrying amount as at 31 December 2023</b>	<b>42 099</b>	<b>385</b>	<b>14 015</b>	<b>2 752</b>	<b>2 345</b>
Net gains recognised in the income statement	(181)	2	591	(72)	(167)
Additions/purchases	747	285	259	338	419
Sales		(102)	(371)		
Settled	(2 182)			(210)	(211)
Transferred from level 1 or level 2		14			
Transferred to level 1 or level 2		(22)	(7)		
Other		9			
<b>Carrying amount as at 31 March 2024</b>	<b>40 484</b>	<b>571</b>	<b>14 487</b>	<b>2 808</b>	<b>2 387</b>

### Sensitivity analysis, level 3

An increase in the discount rate on fixed-rate loans by 10 basis points will decrease the fair value by NOK 104 million. The effects on other Level 3 financial instruments are insignificant.

## NOTE G8 DEBT SECURITIES ISSUED, SENIOR NON-PREFERRED BONDS AND SUBORDINATED LOAN CAPITAL

As an element in liquidity management, the DNB Group issues and redeems own securities issued by DNB Bank ASA and DNB Boligkreditt AS (bond debt only).

### Debt securities issued 2024

<i>Amounts in NOK million</i>	Balance sheet 31 March 2024	Issued 2024	Matured/ redeemed 2024	Exchange rate movements 2024	Other changes 2024	Balance sheet 31 Dec. 2023
Commercial papers issued, nominal amount	451 534	193 628	(182 086)	17 523		422 469
Bond debt, nominal amount <sup>1</sup>	100 334	6	(23 576)	5 019		118 885
Covered bonds, nominal amount <sup>1</sup>	319 059	40 667	(15 023)	8 557		284 857
Value adjustments <sup>2</sup>	(17 119)		(268)	27	1 406	(18 284)
<b>Debt securities issued</b>	<b>853 808</b>	<b>234 300</b>	<b>(220 952)</b>	<b>31 127</b>	<b>1 406</b>	<b>807 928</b>
DNB Bank ASA	547 671	193 634	(205 930)	22 569	2 474	534 923

### Debt securities issued 2023

<i>Amounts in NOK million</i>	Balance sheet 31 Dec. 2023	Issued 2023	Matured/ redeemed 2023	Exchange rate movements 2023	Other changes 2023	Balance sheet 31 Dec. 2022
Commercial papers issued, nominal amount	422 469	1 514 109	(1 361 699)	(22 403)		292 462
Bond debt, nominal amount	118 885	14 418	(63 953)	9 309		159 111
Covered bonds, nominal amount	284 857	38 008	(85 473)	19 197		313 125
Value adjustments <sup>2</sup>	(18 284)			33	8 496	(26 812)
<b>Debt securities issued</b>	<b>807 928</b>	<b>1 566 536</b>	<b>(1 511 124)</b>	<b>6 135</b>	<b>8 496</b>	<b>737 886</b>
DNB Bank ASA	534 923	1 528 531	(1 425 329)	(13 063)	2 879	441 903

### Senior non-preferred bonds 2024

<i>Amounts in NOK million</i>	Balance sheet 31 March 2024	Issued 2024	Matured/ redeemed 2024	Exchange rate movements 2024	Other changes 2024	Balance sheet 31 Dec. 2023
Senior non-preferred bonds, nominal amount	106 613		(98)	4 557		102 153
Value adjustments <sup>2</sup>	(2 883)				(578)	(2 305)
<b>Senior non-preferred bonds</b>	<b>103 730</b>	<b>0</b>	<b>(98)</b>	<b>4 557</b>	<b>(578)</b>	<b>99 848</b>
DNB Bank ASA	103 730		(98)	4 557	(578)	99 848

### Senior non-preferred bonds 2023

<i>Amounts in NOK million</i>	Balance sheet 31 Dec. 2023	Issued 2023	Matured/ redeemed 2023	Exchange rate movements 2023	Other changes 2023	Balance sheet 31 Dec. 2022
Senior non-preferred bonds, nominal amount	102 153	34 685	(80)	2 363		65 185
Value adjustments <sup>2</sup>	(2 305)				3 178	(5 483)
<b>Senior non-preferred bonds</b>	<b>99 848</b>	<b>34 685</b>	<b>(80)</b>	<b>2 363</b>	<b>3 178</b>	<b>59 702</b>
DNB Bank ASA	99 848	34 675	(4)	2 363	5 068	57 746

## NOTE G8 DEBT SECURITIES ISSUED, SENIOR NON-PREFERRED BONDS AND SUBORDINATED LOAN CAPITAL (continued)

### Subordinated loan capital and perpetual subordinated loan capital securities 2024

	Balance sheet 31 March 2024	Issued 2024	Matured/ redeemed 2024	Exchange rate movements 2024	Other changes 2024	Balance sheet 31 Dec. 2023
<i>Amounts in NOK million</i>						
Term subordinated loan capital, nominal amount	33 219		(125)	572		32 772
Perpetual subordinated loan capital, nominal amount	712		(5 723)	(3)		6 439
Value adjustments <sup>2</sup>	237		(1)		(508)	746
<b>Subordinated loan capital and perpetual subordinated loan capital securities</b>	<b>34 168</b>	<b>0</b>	<b>(5 849)</b>	<b>568</b>	<b>(508)</b>	<b>39 957</b>

DNB Bank ASA	34 165		(5 849)	568	(511)	39 957
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### Subordinated loan capital and perpetual subordinated loan capital securities 2023

	Balance sheet 31 Dec. 2023	Issued 2023	Matured/ redeemed 2023	Exchange rate movements 2023	Other changes 2023	Balance sheet 31 Dec. 2022
<i>Amounts in NOK million</i>						
Term subordinated loan capital, nominal amount	32 772	11 788	(10 030)	418		30 596
Perpetual subordinated loan capital, nominal amount	6 439			133		6 306
Value adjustments <sup>2</sup>	746		(4)		864	(114)
<b>Subordinated loan capital and perpetual subordinated loan capital securities</b>	<b>39 957</b>	<b>11 788</b>	<b>(10 034)</b>	<b>551</b>	<b>864</b>	<b>36 788</b>

DNB Bank ASA	39 957	11 788	(10 034)	551	1 774	35 877
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<sup>1</sup> Excluding own bonds. The total nominal amount of outstanding covered bonds in DNB Boligkreditt was NOK 430.5 billion as at 31 March 2024. The market value of the cover pool represented NOK 698.4 billion.

<sup>2</sup> Including accrued interest, fair value adjustments and premiums/discounts.

## NOTE G9 CONTINGENCIES

Due to its extensive operations in Norway and abroad, the DNB Group is regularly a party to various legal actions and tax-related disputes. None of the current disputes are expected to have any material impact on the Group's financial position.

See note G24 Taxes and G50 Contingencies in the annual report for 2023.

# Accounts for DNB Bank ASA

## P – INCOME STATEMENT

<i>Amounts in NOK million</i>	1st quarter 2024	1st quarter 2023	Full year 2023
Interest income, effective interest method	39 396	26 487	130 687
Other interest income	3 173	2 352	10 507
Interest expenses, effective interest method	(30 872)	(18 301)	(94 694)
Other interest expenses	497	965	3 175
<b>Net interest income</b>	<b>12 194</b>	<b>11 502</b>	<b>49 675</b>
Commission and fee income	2 513	2 432	10 587
Commission and fee expenses	(792)	(750)	(3 203)
Net gains on financial instruments at fair value	1 498	2 503	5 665
Other income	1 029	157	10 099
<b>Net other operating income</b>	<b>4 248</b>	<b>4 342</b>	<b>23 149</b>
<b>Total income</b>	<b>16 443</b>	<b>15 845</b>	<b>72 824</b>
Salaries and other personnel expenses	(3 658)	(3 254)	(13 795)
Other expenses	(2 047)	(1 800)	(7 861)
Depreciation and impairment of fixed and intangible assets	(893)	(971)	(4 346)
<b>Total operating expenses</b>	<b>(6 599)</b>	<b>(6 024)</b>	<b>(26 002)</b>
<b>Pre-tax operating profit before impairment</b>	<b>9 844</b>	<b>9 820</b>	<b>46 822</b>
Net gains on fixed and intangible assets	(2)	0	36
Impairment of financial instruments	(515)	100	(848)
<b>Pre-tax operating profit</b>	<b>9 328</b>	<b>9 921</b>	<b>46 010</b>
Tax expense	(1 866)	(2 282)	(6 695)
<b>Profit for the period</b>	<b>7 462</b>	<b>7 639</b>	<b>39 316</b>
Portion attributable to shareholders of DNB Bank ASA	7 048	7 370	38 019
Portion attributable to additional Tier 1 capital holders	414	269	1 297
<b>Profit for the period</b>	<b>7 462</b>	<b>7 639</b>	<b>39 316</b>

## P – COMPREHENSIVE INCOME STATEMENT

<i>Amounts in NOK million</i>	1st quarter 2024	1st quarter 2023	Full year 2023
<b>Profit for the period</b>	<b>7 462</b>	<b>7 639</b>	<b>39 316</b>
Actuarial gains and losses			(274)
Financial liabilities designated at FVTPL, changes in credit risk	(9)	21	(24)
Tax	2	(5)	75
Items that will not be reclassified to the income statement	(7)	15	(223)
Currency translation of foreign operations	82	163	135
Currency translation reserve reclassified to the income statement			
Financial assets at fair value through OCI	440	9	(196)
Tax	(110)	(2)	49
Items that may subsequently be reclassified to the income statement	412	170	(12)
<b>Other comprehensive income for the period</b>	<b>405</b>	<b>185</b>	<b>(235)</b>
<b>Comprehensive income for the period</b>	<b>7 867</b>	<b>7 824</b>	<b>39 081</b>



## P – BALANCE SHEET

<i>Amounts in NOK million</i>	Note	31 March 2024	31 Dec. 2023	31 March 2023
<b>Assets</b>				
Cash and deposits with central banks		820 416	330 263	566 516
Due from credit institutions		543 995	547 958	521 581
Loans to customers	P3, P4	1 138 670	1 128 358	1 048 909
Commercial paper and bonds	P4	415 180	503 075	380 363
Shareholdings	P4	6 214	5 052	6 559
Financial derivatives	P4	190 753	203 041	199 979
Investments in associated companies		10 700	10 697	10 232
Investments in subsidiaries		130 791	127 604	138 535
Intangible assets		8 236	8 231	3 693
Deferred tax assets		1 026	1 089	101
Fixed assets		17 862	17 578	15 712
Other assets		38 535	22 334	42 657
<b>Total assets</b>		<b>3 322 379</b>	<b>2 905 278</b>	<b>2 934 836</b>
<b>Liabilities and equity</b>				
Due to credit institutions		518 828	296 319	359 932
Deposits from customers	P4	1 559 674	1 419 130	1 448 542
Financial derivatives	P4	213 293	221 388	213 336
Debt securities issued	P4	547 671	534 923	506 920
Payable taxes		9 616	7 746	3 753
Deferred taxes		958	937	2 294
Other liabilities		92 172	52 146	66 336
Provisions		839	727	754
Pension commitments		4 941	4 723	4 264
Senior non-preferred bonds		103 730	99 848	74 766
Subordinated loan capital	P4	34 165	39 957	31 125
<b>Total liabilities</b>		<b>3 085 887</b>	<b>2 677 845</b>	<b>2 712 023</b>
Additional Tier 1 capital		25 259	22 004	17 852
Share capital		18 862	18 960	19 312
Share premium		18 733	18 733	18 733
Other equity		173 638	167 736	166 916
<b>Total equity</b>		<b>236 492</b>	<b>227 433</b>	<b>222 813</b>
<b>Total liabilities and equity</b>		<b>3 322 379</b>	<b>2 905 278</b>	<b>2 934 836</b>

## P – STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK million</i>	Share capital <sup>1</sup>	Share premium	Additional Tier 1 capital	Net currency translation reserve	Liability credit reserve	Other equity <sup>1</sup>	Total equity <sup>1</sup>
<b>Balance sheet as at 31 December 2022</b>	<b>19 378</b>	<b>18 733</b>	<b>15 386</b>	<b>506</b>	<b>50</b>	<b>159 798</b>	<b>213 851</b>
Profit for the period			269			7 370	7 639
Financial assets at fair value through OCI						9	9
Financial liabilities designated at FVTPL, changes in credit risk					21		21
Currency translation of foreign operations				163			163
Tax on other comprehensive income					(5)	(2)	(7)
Comprehensive income for the period			269	163	15	7 377	7 824
Interest payments AT1 capital			(102)				(102)
AT1 capital issued			2 300				2 300
Net purchase of treasury shares	(2)					(28)	(30)
Share buy-back programme	(64)					(965)	(1 029)
<b>Balance sheet as at 31 March 2023</b>	<b>19 312</b>	<b>18 733</b>	<b>17 852</b>	<b>669</b>	<b>66</b>	<b>166 181</b>	<b>222 813</b>
<b>Balance sheet as at 31 December 2023</b>	<b>18 960</b>	<b>18 733</b>	<b>22 004</b>	<b>641</b>	<b>33</b>	<b>167 063</b>	<b>227 433</b>
Profit for the period			414			7 048	7 462
Financial assets at fair value through OCI						440	440
Financial liabilities designated at FVTPL, changes in credit risk					(9)		(9)
Currency translation of foreign operations				82			82
Tax on other comprehensive income					2	(110)	(108)
Comprehensive income for the period			414	82	(7)	7 378	7 867
Interest payments AT1 capital			(227)				(227)
AT1 capital issued <sup>2</sup>			3 168				3 168
AT1 capital redeemed <sup>3</sup>			(100)				(100)
Net purchase of treasury shares <sup>1</sup>	(8)					(114)	(122)
Share buy-back programme	(91)					(1 437)	(1 528)
<b>Balance sheet as at 31 March 2024</b>	<b>18 862</b>	<b>18 733</b>	<b>25 259</b>	<b>723</b>	<b>26</b>	<b>172 889</b>	<b>236 492</b>

1 Of which treasury shares held by DNB Markets for trading purposes:

<i>Balance sheet as at 31 December 2023</i>							
Net purchase of treasury shares	(8)					(114)	(122)
Reversal of fair value adjustments through the income statement						(9)	(9)
<i>Balance sheet as at 31 March 2024</i>	<i>(8)</i>					<i>(123)</i>	<i>(130)</i>

2 DNB Bank ASA has issued two additional Tier 1 capital instruments in the first quarter of 2024. The first was issued in February, has a nominal value of SEK 1 100 million and is perpetual with a floating interest of 3-month STIBOR plus 3.1 per cent p.a. The second was issued in February, has a nominal value of SEK 2 000 million and is perpetual with an interest rate of 5.89 per cent p.a. until 27 August 2029. Thereafter 3-month STIBOR plus 3.1 per cent.

3 An additional Tier 1 capital instrument of NOK 100 million, issued by Sbanken ASA in 2019, was redeemed in the first quarter of 2024.

## NOTE P1 BASIS FOR PREPARATION

DNB Bank ASA has prepared the financial statements according to the Norwegian Ministry of Finance's regulations on annual accounts. A description of the accounting principles applied by the company when preparing the financial statements can be found in Note 1 Accounting principles in the annual report for 2023. In the interim report, the accounting policies, significant estimates, and areas where judgement is applied by the company are in conformity with those described in the annual report.

See note G8 to the consolidated accounts for information about debt securities issued, senior non-preferred bonds and subordinated loan capital, and note G9 for information about contingencies.

## NOTE P2 CAPITAL ADEQUACY

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD).

### Own funds

<i>Amounts in NOK million</i>	31 March 2024	31 Dec. 2023	31 March 2023
Total equity	236 492	227 433	222 813
Adjustment to retained earnings for foreseeable dividends	(4 460)		(3 685)
Additional Tier 1 capital instruments included in total equity	(24 849)	(21 803)	(17 574)
Net accrued interest on additional Tier 1 capital instruments	(410)	(201)	(278)
Common equity Tier 1 capital instruments	206 773	205 430	201 276
Regulatory adjustments			
Pension funds above pension commitments	(46)	(44)	
Goodwill	(6 439)	(6 435)	(2 410)
Deferred tax assets that rely of future profitability, excluding temporary differences	(14)	(14)	(24)
Other intangible assets	(1 601)	(1 429)	(1 118)
Share buy-back program	(3 589)	(5 165)	(494)
IRB provisions shortfall	(1 467)	(1 553)	(1 531)
Additional value adjustments (AVA)	(906)	(933)	(1 110)
Insufficient coverage for non-performing exposures	(441)	(316)	(611)
(Gains) or losses on liabilities at fair value resulting from own credit risk	(26)	(33)	(66)
(Gains) or losses on derivative liabilities resulting from own credit risk (DVA)	(433)	(380)	(543)
Common equity Tier 1 capital	191 811	189 129	193 371
Additional Tier 1 capital instruments	24 849	21 803	17 574
Tier 1 capital	216 660	210 932	210 945
Term subordinated loan capital	33 219	32 772	24 633
Additional Tier 2 capital instruments	33 219	32 772	24 633
Own funds	249 879	243 704	235 578
Total risk exposure amount	955 036	966 418	920 105
Minimum capital requirement	76 403	77 313	73 608
Capital ratios:			
Common equity Tier 1 capital ratio	20.1	19.6	21.0
Tier 1 capital ratio	22.7	21.8	22.9
Total capital ratio	26.2	25.2	25.6

## NOTE P3 DEVELOPMENT IN ACCUMULATED IMPAIRMENT OF FINANCIAL INSTRUMENTS

### Loans to customers at amortised cost

<i>Amounts in NOK million</i>	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Accumulated impairment as at 1 Jan.</b>	<b>(569)</b>	<b>(761)</b>	<b>(5 441)</b>	<b>(6 771)</b>	<b>(483)</b>	<b>(617)</b>	<b>(5 806)</b>	<b>(6 905)</b>
Transfer to stage 1	(64)	48	17		(309)	221	88	
Transfer to stage 2	25	(27)	3		79	(103)	24	
Transfer to stage 3	1	41	(41)		5	50	(54)	
Originated and purchased	(92)	(20)		(112)	(163)	(49)		(212)
Increased expected credit loss	(83)	(197)	(2 190)	(2 469)	(272)	(717)	(3 307)	(4 296)
Decreased (reversed) expected credit loss	178	118	1 589	1 884	558	354	2 875	3 787
Write-offs			222	222			952	952
Derecognition (including repayments)	10	73	84	167	31	149	44	224
Merger Sbanken ASA					(12)	(46)	(252)	(309)
Exchange rate movements		(1)	(1)	(2)	(2)	(3)	(5)	(10)
<b>Accumulated impairment as at end of period</b>	<b>(596)</b>	<b>(726)</b>	<b>(5 760)</b>	<b>(7 082)</b>	<b>(569)</b>	<b>(761)</b>	<b>(5 442)</b>	<b>(6 771)</b>

### Financial commitments

<i>Amounts in NOK million</i>	Jan.-March 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Accumulated impairment as at 1 Jan.</b>	<b>(210)</b>	<b>(181)</b>	<b>(205)</b>	<b>(596)</b>	<b>(165)</b>	<b>(173)</b>	<b>(203)</b>	<b>(540)</b>
Transfer to stage 1	(14)	13			(94)	92	2	
Transfer to stage 2	11	(12)			20	(22)	3	
Transfer to stage 3		1	(1)		1	13	(14)	
Originated and purchased	(61)	(6)		(67)	(178)	(95)		(273)
Increased expected credit loss	(10)	(38)	(326)	(375)	(62)	(171)	(110)	(343)
Decreased (reversed) expected credit loss	63	15	268	346	268	85	112	465
Derecognition	2	12		14	3	92	7	102
Merger Sbanken ASA					(2)	(2)	(1)	(5)
Exchange rate movements				(1)	(1)	(1)		(2)
Other								
<b>Accumulated impairment as at end of period</b>	<b>(219)</b>	<b>(195)</b>	<b>(264)</b>	<b>(678)</b>	<b>(210)</b>	<b>(181)</b>	<b>(205)</b>	<b>(596)</b>

For explanatory comments about the impairment of financial instruments, see the directors' report.

## NOTE P4 FINANCIAL INSTRUMENTS AT FAIR VALUE

<i>Amounts in NOK million</i>	Level 1	Level 2	Level 3	Total
<b>Assets as at 31 March 2024</b>				
Loans to customers		228 118	9 333	237 450
Commercial paper and bonds	13 094	401 661	425	415 180
Shareholdings	4 356	1 067	792	6 214
Financial derivatives	1 354	186 592	2 808	190 753
<b>Liabilities as at 31 March 2024</b>				
Deposits from customers		49 384		49 384
Debt securities issued		115		115
Senior non-preferred bonds		1 667		1 667
Subordinated loan capital		1 076		1 076
Financial derivatives	1 629	209 278	2 387	213 293
Other financial liabilities <sup>1</sup>	5 695			5 695
<b>Assets as at 31 December 2023</b>				
Loans to customers		229 137	10 064	239 201
Commercial paper and bonds	26 770	476 057	248	503 075
Shareholdings	3 315	962	775	5 052
Financial derivatives	1 172	199 117	2 752	203 041
<b>Liabilities as at 31 December 2023</b>				
Deposits from customers		44 308		44 308
Debt securities issued		117		117
Senior non-preferred bonds		1 757		1 757
Subordinated loan capital		1 093		1 093
Financial derivatives	1 653	217 390	2 345	221 388
Other financial liabilities <sup>1</sup>	3 036	0		3 036

<sup>1</sup> Short positions, trading activities.

Loans with floating interest rate measured at fair value through other comprehensive income are categorised within level 2, since the valuation is mainly based on observable inputs. This portfolio has increased as a result of the Sbanken merger. The corresponding loans are measured at amortised cost in the Group, due to a hold to collect business model.

For a further description of the instruments and valuation techniques, see the annual report for 2023.

## NOTE P5 INFORMATION ON RELATED PARTIES

### DNB Boligkreditt AS

In the first quarter of 2024, loan portfolios representing NOK 2.5 billion (NOK 0.8 billion in 2023) were transferred from the bank to DNB Boligkreditt in accordance with the "Agreement relating to transfer of loan portfolio between DNB Bank ASA and DNB Boligkreditt AS".

At end-March 2024, the bank had invested NOK 111.8 billion in covered bonds issued by DNB Boligkreditt.

The servicing agreement between DNB Boligkreditt and DNB Bank ensures DNB Boligkreditt a minimum margin achieved on loans to customers. A margin below the minimum level will be at DNB Bank's risk, resulting in a negative management fee (payment from DNB Bank to DNB Boligkreditt). The management fee paid to the bank for purchased services amounted to a negative NOK 209 million in the first quarter of 2024 (a negative NOK 406 million in the first quarter of 2023).

In the first quarter of 2024, DNB Boligkreditt entered into reverse repurchasing agreements (reverse repos) with the bank as counterparty. The value of the repos amounted to NOK 13.3 billion at end-March 2024.

DNB Boligkreditt has a long-term overdraft facility in DNB Bank with a limit of NOK 325 billion.

# Information about DNB

## Organisation number

Register of Business Enterprises NO 984 851 006 MVA

## Board of Directors

Olaug Svarva	Chair of the Board
Jens Petter Olsen	Vice Chair of the Board
Gro Bakstad	
Christine Bosse	
Petter-Børre Furberg	
Julie Galbo	
Lillian Hattrem	
Stian Tegler Samuelsen	
Jannicke Skaanes	
Kim Wahl	

## Group Management

Kjerstin R. Braathen	Group Chief Executive Officer (CEO)
Ida Lerner	Group Chief Financial Officer (CFO)
Ingjerd Blekeli Spiten	Group Executive Vice President of Personal Banking
Harald Serck-Hanssen	Group Executive Vice President of Corporate Banking
Håkon Hansen	Group Executive Vice President of Wealth Management
Alexander Opstad	Group Executive Vice President of Markets
Per Kristian Næss-Fladset	Group Executive Vice President of Products & Innovation
Fredrik Berger	Group Chief Compliance Officer (CCO)
Sverre Krog	Group Chief Risk Officer (CRO)
Maria Ervik Løvold	Group Executive Vice President of Technology & Services and Chief Operating Officer (COO)
Anne Sigrun Moen	Group Executive Vice President of People
Even Graff Westerveld	Group Executive Vice President of Communications & Sustainability

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## Financial calendar

### 2024

29 April	Annual General Meeting
30 April	Ex-dividend date
8 May	Distribution of dividends
11 July	Q2 2024
22 October	Q3 2024

### 2025

5 February	Q4 2024
19 March	Annual report 2024
29 April	Annual General Meeting
30 April	Ex-dividend date
9 May	Distribution of dividends
7 May	Q1 2025
11 July	Q2 2025
22 October	Q3 2025

## Other sources of information

Separate annual and quarterly reports are prepared for DNB Boligkreditt and DNB Livsforsikring. The reports and the Factbook are available on [ir.dnb.no](http://ir.dnb.no). Annual and quarterly reports can be ordered by sending an e-mail to Investor Relations.

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