



Supplementary Information for
Investors and Analysts

Third quarter 2004
(Unaudited)

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Information on the Internet

DnB NOR's Investor Relations	www.dnbnor.com
DnB NOR's home page	www.dnbnor.com

Financial Calendar 2005

Preliminary results	24 February
Annual general Meeting	21 April
Ex-dividend date	22 April
Payment of dividend	As from mid May
First quarter	3 May
Second quarter	10 August
Third quarter	27 October

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Section 1

DnB NOR- an overview

Financial highlights

DnB NOR – steady progress

January-September:

- o Ordinary income rose by over 2 per cent to NOK 16.1 billion (15.7)
- o Pre-tax operating profits increased by a good 45 per cent to NOK 6.9 billion (4.7)
- o Ordinary cost/income ratio brought down to 55 per cent (57.4) ¹⁾
- o Return on equity: 16.3 per cent (13.3) ¹⁾
- o Earnings per share: NOK 4.16 (3.16) ¹⁾

Figures are comparable by adjusting for the sale of Elcon.

1) Before goodwill amortisation

DnB NOR - Norway's leading financial services group

Banking operations

- Total assets
- Net lending
- Customer deposits

As at 30 Sept. 2004

NOK 718.7 billion
NOK 562.6 billion
NOK 349.7 billion

Assets under management

- Life Insurance and Pensions
- Mutual funds
- Discretionary management
- Total assets under management

NOK 172 billion
NOK 66 billion
NOK 279 billion
NOK 517 billion

Customer base

- Serving more than 2.2 million retail customers throughout Norway with various levels of activity
- More than 150 000 corporate customers
- Some 930 000 individuals are insured

Market shares

Market shares in Norway (in per cent)	31 August 2004	31 Dec. 2003	30 Sept. 2003
Lending to corporate customers ^{1) 2)}	15.0	15.8	15.8
Deposits from corporate customers ²⁾	38.7	38.4	39.9
Lending to retail customers ³⁾	38.6	38,7	38,5
Deposits from retail customers	36.9	37,4	37,6
Residential properties sold, excl. Postbanken	15.0	17,0	20,0
Insurance funds incl. unit-linked products	36.2 ⁴⁾	35.2	35,4
Insurance funds unit-linked products	40.4 ⁴⁾	37.7	36.2
Mutual funds	39.1	42.7	42.8

1) Overall lending includes all credits given to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies, finance companies, bonds, commercial paper and foreign institutions

2) The development in market share of lending should be seen in light of increasing volumes of other credit instruments. The market shares of domestic corporate deposit decreased over the last 12 months partly due to large clients using their liquidity for prepayments on loans.

3) Domestic savings and commercial banks

4) As of 30 June 2004

Source: Norges Bank and DnB NOR

Distribution network

- 240 domestic DnB NOR branches
- 18 Nordlandsbanken branches
- 7 international branches
- 5 international representative offices
- 28 Postbanken sales outlets
- Internet banking
- Electronic banking
- Telephone banking
- Online equities trading to 12 markets
- Online mutual funds trading
- About 300 post office counters ¹⁾
- About 1 200 in-store postal outlets ¹⁾
- About 2 000 rural postmen ¹⁾
- 82 DnB NOR Eiendom sales offices
- 25 Vital sales offices
- 25 Vital agent agreements

1) Provided by Norway Post (the Norwegian postal system)

Credit ratings from international rating agencies

	Moody's		Standard & Poor's	
	Long-term	Short-term	Long-term	Short-term
DnB NOR Bank ASA	Aa3	P-1	A *	A-1

*) Positive outlook

Changes in group structure

Sale of Elcon Finans AS

In the first quarter of 2004, DnB NOR Bank ASA entered into an agreement with Santander Consumer Finance on the sale of Elcon for a total of NOK 3 600 million. The sale provided a gain of NOK 977 million recorded in the first-quarter accounts. A concession for implementing the transaction was granted on 2 July 2004, and the sales price and financing items were settled in early August.

Section 2, Financial results DnB NOR Group, presents restated figures for the past five quarters, excluding profit and loss and balance sheet items relating to Elcon from the group accounts.

Sale of Gjensidige NOR Fondsforsikring AS

In May 2004, DnB NOR ASA signed an agreement with Forsikringsselskabet Danica on the sale of Gjensidige NOR Fondsforsikring AS. Danica is a subsidiary of Danske Bank. A concession for implementing the transaction was granted on 2 July 2004, and the sale was finalised in early August. The sale provided a gain of NOK 35 million in the third quarter accounts.

Sale of Postbanken Eiendomsmegling AS

In June 2004, DnB NOR Bank ASA signed an agreement with Terra-Gruppen AS on the sale of the real estate brokerages Postbanken Eiendomsmegling AS and Aktiv Eiendomsmegling AS. The agreement was approved by the board of directors in Terra-Gruppen in August. The actual takeover will not take place until 3 January 2005. As DnB NOR will carry the risk for and maintain control over operations up till this date, the companies' profits for 2004 will be recorded in the accounts of the DnB NOR Group in the usual manner.

Operations sold in connection with the merger – discontinuing operations

In the accounts for DnB NOR Group, operations in the companies required to be sold are included (see above). To facilitate analysis of operations in DnB NOR after the sales mentioned above, separate accounts for total operations in these companies have been prepared.

Operations in these companies will be included in DnB NOR's accounts until a binding sales agreement has been concluded and all substantial risk has been transferred to the purchaser. The accounts of the companies to be sold are shown below as they have been included in the DnB NOR Group's accounts. In section 3 Business areas, these companies are shown separately under the caption "Discontinuing operations". The accounts presented in section 3 are restated according to the Group's current principles for the distribution of costs and allocation of capital to the business areas. Operations in the 53 branch offices DnB NOR is required to sell are included in the business area accounts as the sale refers only to premises and equipment.

(Pro forma accounting figures prior to 31 December 2003)

Profit and loss accounts

<i>Amounts in NOK million</i>	3Q04	2Q04	3Q03	2Q03	Discontinuing operations 1)	
					Jan.-Sept.	
					2004	2003
Net interest income and credit commissions	9	0	248	230	260	696
Net profit/(loss) from Life Insurance and Pensions	0	2	0	0	0	0
Commissions and fees receivable	0	0	20	20	17	59
Commissions and fees payable	0	0	21	11	25	41
Net gain/(loss) on foreign exchange and financial instruments	0	0	0	-1	-1	7
Sundry ordinary operating income	9	12	28	30	46	85
Gains on the sale of fixed assets	29	0	0	0	1 006	0
Net other operating income	39	14	28	38	1 044	110
Salaries and other ordinary personnel expenses	2	1	72	65	78	208
Administrative expenses	2	5	33	25	35	81
Depreciation	1	1	6	6	8	18
Sundry ordinary operating expenses	3	1	21	27	22	72
Total operating expenses	8	8	132	123	144	379
Pre-tax operating profit before losses	39	6	143	145	1 160	426
Net losses on loans etc.	0	0	47	47	23	131
Pre-tax operating profit	39	6	96	98	1 137	295
Taxes	11	3	27	27	307	82
Profit for the period	28	3	69	71	830	213

Balance sheets

<i>Amounts in NOK million</i>	Discontinuing operations 1)			
	30 Sept. 2004	30 June 2004	31 Dec. 2003	30 Sept. 2003
Assets				
Cash and deposits with central banks	0	0	0	0
Lending to and deposits with credit institutions	20	20	392	273
Gross lending to customers	0	0	27 700	26 787
- Specified loan-loss provisions	0	0	-114	-119
- Unspecified loan-loss provisions	0	0	-181	-184
Net lending to customers	0	0	27 405	26 484
Reposessed assets	0	0	134	127
Shareholdings etc.	0	0	40	33
Investments in Life Insurance and Pensions and associated companies	0	0	0	0
Intangible assets	9	10	152	340
Fixed assets	2	2	23	20
Other assets	1 213	1 171	323	78
Prepayments and accrued income	0	0	92	197
Total assets	1 245	1 203	28 561	27 552
Liabilities and equity				
Loans and deposits from credit institutions	0	0	24 520	23 857
Deposits from customers	0	0	283	375
Other liabilities	2	0	771	324
Accrued expenses and prepaid revenues	307	295	180	189
Provisions for commitments	3	2	23	33
Subordinated loan capital	0	0	350	350
Total liabilities	311	297	26 127	25 128
Total equity	934	906	2 434	2 424
Total liabilities and equity	1 245	1 203	28 561	27 552

1) Includes Elcon, Postbanken Eiendomsmedling and Gjensidige NOR Fondsforsikring as included in the accounts of the DnB NOR Group in addition to the capital gain recorded on the sale of Elcon and Gjensidige NOR Fondsforsikring. As at 31 March and 30 June 2004 Elcon and Gjensidige NOR Fondsforsikring, respectively are no longer consolidated in the group accounts.

Section 2

Financial results DnB NOR Group

(Unless otherwise specified, figures are not adjusted for the sale of Elcon)

Financial highlights

Financial highlights, adjusted for the sale of Elcon

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Pre-tax operating profit before losses	2 353	2 460	2 082	2 072	2 125	6 894	6 187
Pre-tax operating profit	2 498	2 390	1 993	2 032	1 813	6 881	4 733
Profit for the period	1 823	1 745	1 458	1 563	1 333	5 026	3 671
Ordinary cost/income ratio excl. goodwill (per cent)	53.5	53.1	58.5	57.1	56.4	55.0	57.4
Return on equity excl. goodwill (per cent)	16.8	16.8	15.0	15.6	13.9	16.3	13.3
Return on equity (per cent)	15.6	15.5	13.5	14.1	12.5	14.9	11.8
Earnings per share excl. goodwill (NOK)	1.49	1.43	1.23	1.31	1.14	4.16	3.16
Earnings per share (NOK)	1.38	1.32	1.11	1.19	1.02	3.81	2.81
Total combined assets at end of period (NOK billion)	1 222	1 239	1 226	1 185	1 181	1 222	1 181
Core capital ratio at end of period ¹⁾ (per cent)	7.3	7.2	7.1	-	-	7.3	-

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

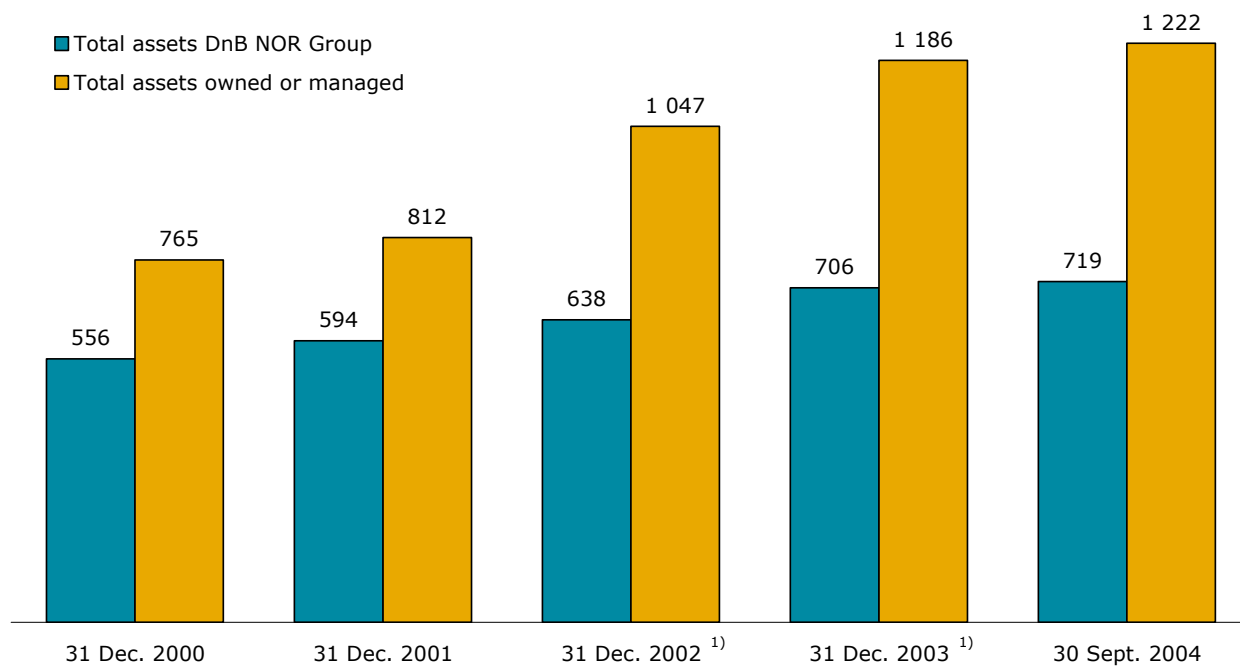
Financial highlights

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Pre-tax operating profit before losses	2 353	2 460	2 199	2 165	2 244	7 012	6 516
Pre-tax operating profit	2 498	2 390	2 078	2 083	1 885	6 966	4 930
Profit for the period	1 823	1 745	1 517	1 570	1 384	5 085	3 808
Ordinary cost/income ratio excl. goodwill (per cent)	53.5	53.1	58.1	57.0	56.1	54.9	57.0
Return on equity excl. goodwill (per cent)	16.8	16.8	15.6	15.7	14.5	16.5	13.7
Return on equity (per cent)	15.6	15.5	14.1	14.2	12.9	15.1	12.2
Earnings per share excl. goodwill (NOK)	1.49	1.43	1.28	1.32	1.18	4.21	3.28
Earnings per share (NOK)	1.38	1.32	1.16	1.20	1.06	3.86	2.91
Total combined assets at end of period (NOK billion)	1 222	1 239	1 226	1 186	1 182	1 222	1 182
Core capital ratio at end of period ¹⁾ (per cent)	7.3	7.2	7.1	6.8	6.6	7.3	6.6

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

Total combined assets

NOK billion



1) Skandia Asset Management is included as from 2002 and Nordlandsbanken as from 2003

Profit and loss accounts

Profit and loss accounts, adjusted for the sale of Elcon

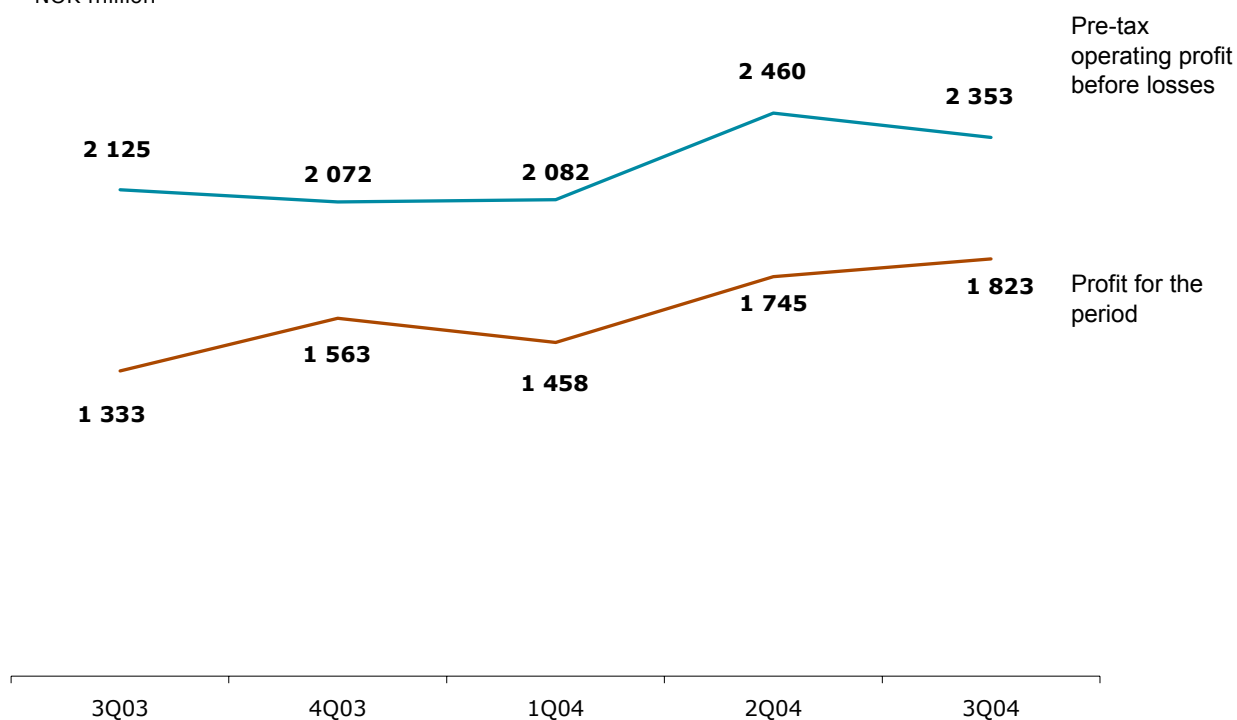
						Jan.-Sept.	
<i>Amounts in NOK million</i>	3Q04	2Q04	1Q04	4Q03	3Q03	2004	2003
Net interest income	3 308	3 293	3 061	3 096	3 280	9 662	9 875
Net other ordinary operating income	1 996	2 214	2 199	2 351	1 995	6 409	5 854
Ordinary operating expenses	2 974	3 062	3 226	3 261	3 123	9 262	9 460
Ordinary operating profit	2 330	2 446	2 033	2 186	2 152	6 809	6 269
Gains on the sale of fixed assets	28	20	979	13	7	1 028	10
Other expenses	5	6	931	127	35	942	92
Pre-tax operating profit before losses	2 353	2 460	2 082	2 072	2 125	6 894	6 187
Net losses/(reversals) on loans etc.	(121)	82	103	234	309	64	1 484
Net gain/(loss) on long-term securities	24	13	15	195	(3)	51	30
Pre-tax operating profit	2 498	2 390	1 993	2 032	1 813	6 881	4 733
Taxes	675	645	535	469	479	1 855	1 062
Profit for the period	1 823	1 745	1 458	1 563	1 333	5 026	3 671

Profit and loss accounts

						Jan.-Sept.	
<i>Amounts in NOK million</i>	3Q04	2Q04	1Q04	4Q03	3Q03	2004	2003
Net interest income	3 308	3 293	3 298	3 299	3 509	9 900	10 490
Net other ordinary operating income	1 996	2 214	2 199	2 361	2 010	6 409	5 918
Ordinary operating expenses	2 974	3 062	3 347	3 381	3 248	9 383	9 811
Ordinary operating profit	2 330	2 446	2 151	2 279	2 271	6 926	6 597
Gains on the sale of fixed assets	28	20	979	13	7	1 028	10
Other expenses	5	6	931	127	35	943	92
Pre-tax operating profit before losses	2 353	2 460	2 199	2 165	2 244	7 012	6 516
Net losses/(reversals) on loans etc.	(121)	82	135	276	356	97	1 615
Net gain/(loss) on long-term securities	24	13	15	195	(3)	51	30
Pre-tax operating profit	2 498	2 390	2 078	2 083	1 885	6 966	4 930
Taxes	675	645	561	513	501	1 881	1 122
Profit for the period	1 823	1 745	1 517	1 570	1 384	5 085	3 808

Profits, adjusted for the sale of Elcon

NOK million



Net interest income

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Interest on loans to and deposits with credit institutions	423	528	475	522	573	1 425	2 251
Interest and credit commissions on instalment loans	4 817	4 744	5 166	5 380	6 439	14 727	21 563
Interest and credit commissions on overdraft and working capital facilities	633	649	642	672	735	1 923	2 469
Interest and credit commissions on building loans	67	64	64	80	97	194	339
Leasing income	125	123	341	314	390	589	1 286
Factoring income	14	13	36	57	39	63	127
Front-end fees, etc.	272	242	231	227	226	745	642
Interest on other loans to customers	78	44	62	89	59	184	93
Total interest income on loans to customers	6 006	5 879	6 541	6 818	7 983	18 426	26 518
Interest on commercial paper and bonds	522	570	425	521	519	1 516	1 701
Other interest income	108	18	22	56	2	149	43
Total interest income	7 059	6 995	7 462	7 916	9 077	21 517	30 514
Interest on loans and deposits from credit institutions	430	432	521	461	503	1 384	1 901
Interest on demand deposits from customers	790	788	969	1 186	1 823	2 547	7 187
Interest on time deposits from customers	53	46	50	55	74	149	318
Interest on special-term deposits from customers	220	250	290	345	591	760	2 479
Total interest expenses on deposits from customers	1 062	1 085	1 308	1 586	2 489	3 456	9 984
Interest on securities issued	1 154	1 049	1 021	1 126	1 150	3 223	3 671
Interest on subordinated loan capital	183	171	175	171	164	530	491
Contribution to the banks' guarantee funds	70	28	111	123	129	209	376
Other interest expenses	852	936	1 027	1 152	1 134	2 815	3 600
Total interest expenses	3 751	3 702	4 164	4 618	5 568	11 617	20 023
Net interest income	3 308	3 293	3 298	3 299	3 509	9 900	10 490

Changes in net interest income

Amounts in NOK million	3Q04	Change	3Q03
Net interest income	3 308	(201)	3 509
Elcon	-	(229)	229
Net adjusted interest income	3 308	28	3 280
Of which:			
Lending and deposit volumes		240	
Lending and deposit spreads		(167)	
Funding costs on equity, share investments and real estate		(84)	
Contribution to the banks' guarantee funds		59	
Other		(20)	

Changes in net interest income

Amounts in NOK million

	3Q04	Change	2Q04
Net interest income	3 308	15	3 293
Of which:			
Lending and deposit volumes		47	
Lending and deposit spreads		8	
Contribution to the banks' guarantee funds		(42)	
Other		2	

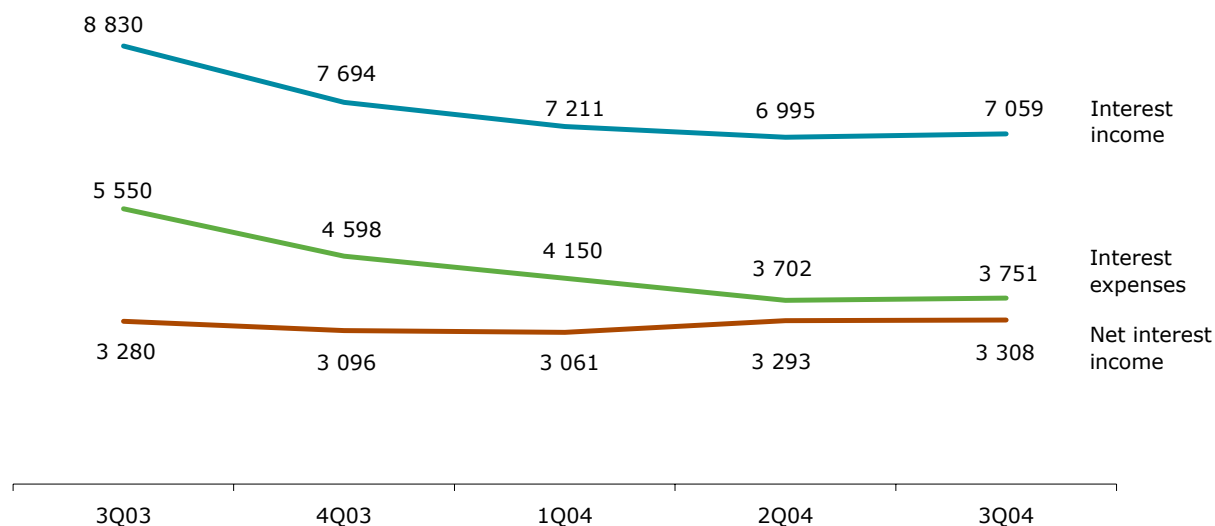
Deposit volumes split by interest rate intervals – end September 2004

Amounts in NOK billion	0-0.25%	0.26-1.00%	1.01-2.00%	>2.00 %	Currency deposits/ other agreements	Total
Retail customers	49	32	80	4	12	177
Corporate customers	23	12	97	6	34	173
Total	73	45	177	10	46	350



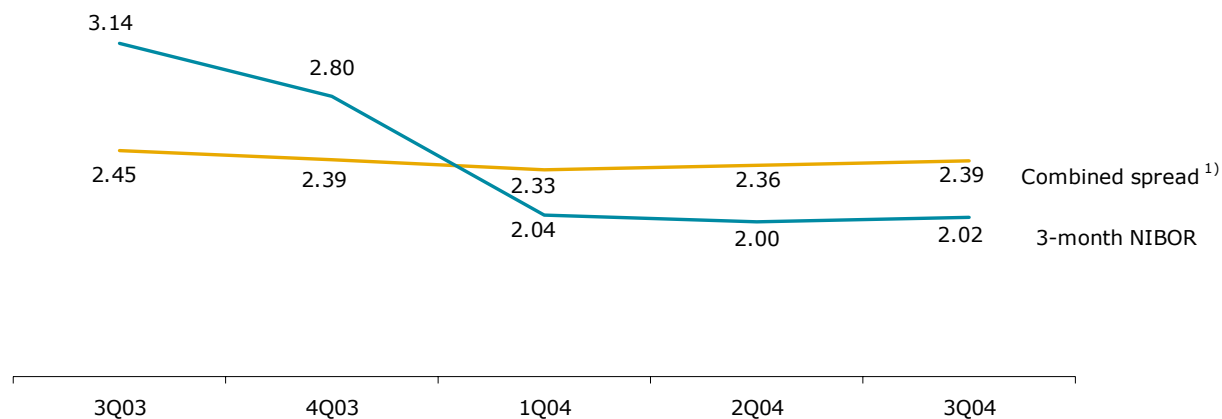
Net interest income, adjusted for the sale of Elcon

NOK million



Developments in average interest rate spread, adjusted for the sale of Elcon

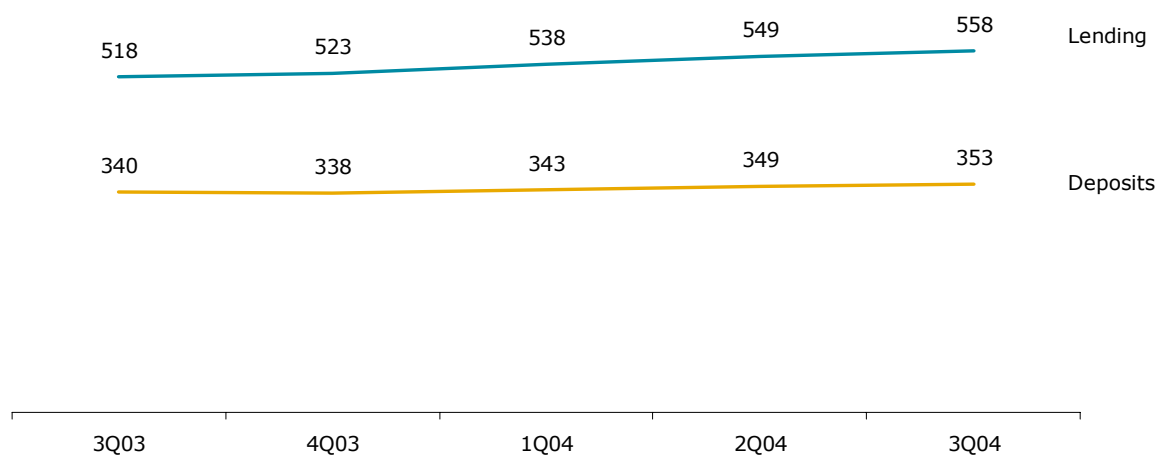
Per cent



1) Combined spread for lending and deposits

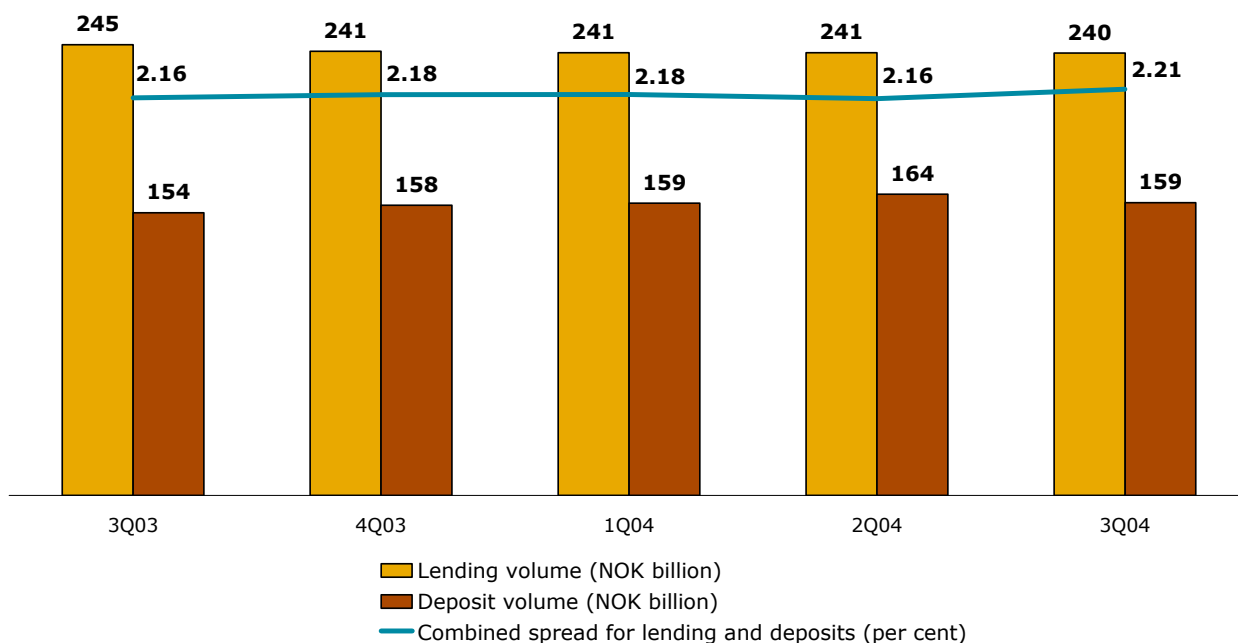
Developments in average volumes, adjusted for the sale of Elcon

NOK billion



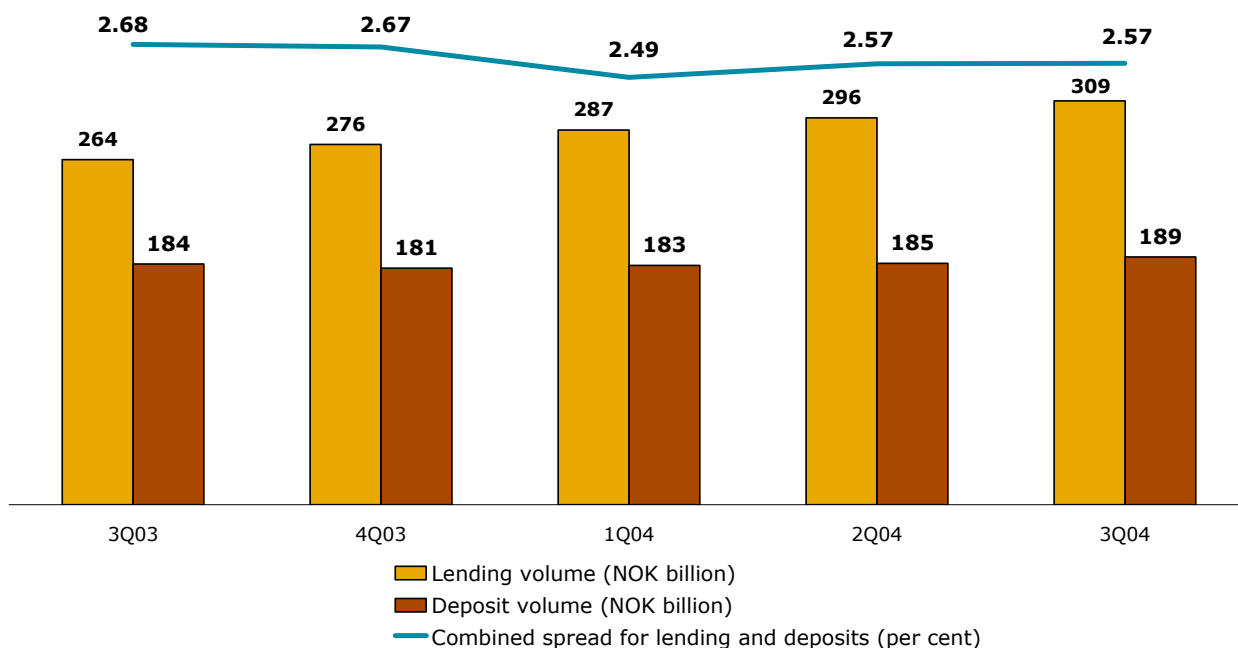
Lending and deposit volumes

Corporate Banking, adjusted for the sale of Elcon ¹⁾



1) Excluding loans to and deposits with credit institutions

Retail Banking



Net other operating income

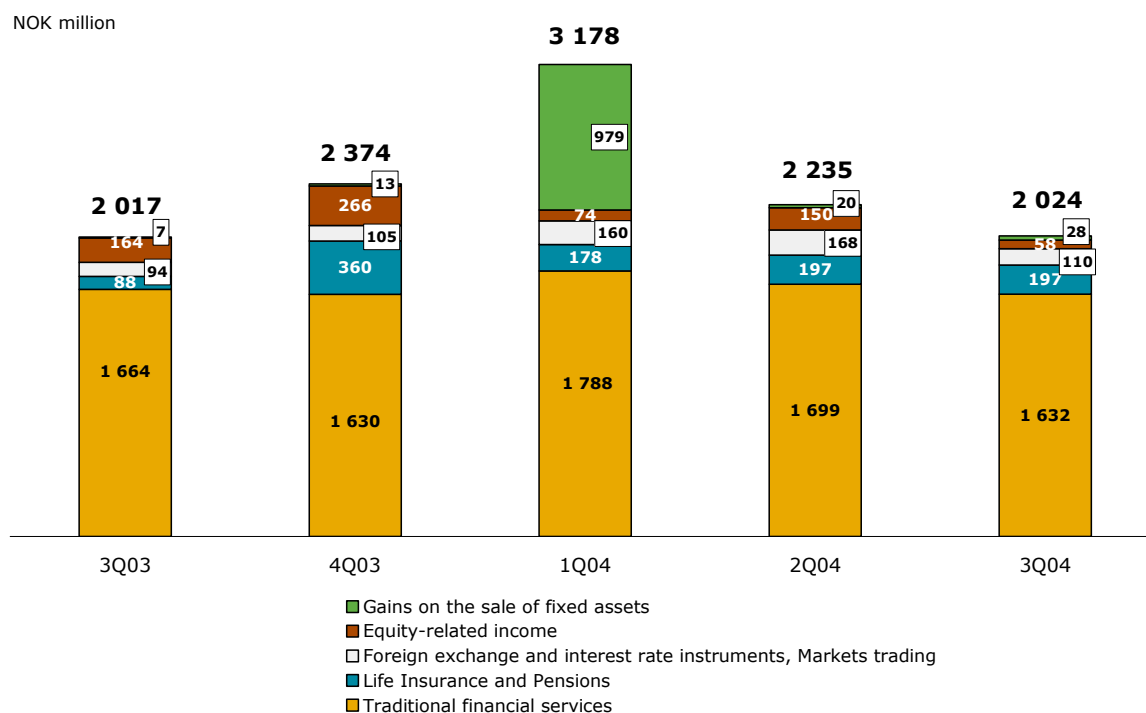
Net operating income split by nature of business ¹⁾

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Money transfer and interbank transactions	525	499	455	459	504	1 479	1 400
Asset management services	251	251	260	258	228	763	628
Credit broking, guarantees etc.	90	87	79	79	92	256	284
Real estate broking	145	174	146	160	161	465	435
Custodial services	40	39	41	42	37	120	117
Securities trading	49	41	89	26	26	179	113
Insurance sales	59	59	86	72	60	204	149
Other from banking services	84	101	114	99	101	299	303
Share of profit in associated companies	43	81	58	20	41	183	138
FX and interest rate instruments trading with customers, Markets	209	219	250	259	255	679	908
FX and interest rate instruments trading with customers, other entities	28	27	24	42	65	79	163
Miscellaneous ²⁾	109	118	185	115	94	412	291
Traditional financial services	1 632	1 699	1 788	1 630	1 664	5 119	4 930
<i>As a percentage of net ordinary operating income</i>	<i>81.8</i>	<i>76.7</i>	<i>81.3</i>	<i>69.1</i>	<i>82.8</i>	<i>79.9</i>	<i>83.3</i>
Life Insurance and Pensions	197	197	178	360	88	571	400
<i>As a percentage of net ordinary operating income</i>	<i>9.9</i>	<i>8.9</i>	<i>8.1</i>	<i>15.3</i>	<i>4.4</i>	<i>8.9</i>	<i>6.8</i>
Foreign exchange and interest rate instruments, Markets trading	110	168	160	105	94	438	208
<i>As a percentage of net ordinary operating income</i>	<i>5.5</i>	<i>7.6</i>	<i>7.3</i>	<i>4.4</i>	<i>4.7</i>	<i>6.8</i>	<i>3.5</i>
Dividends	18	89	14	47	27	121	165
Corporate finance etc.	42	82	41	133	57	164	138
Short-term shareholdings	(3)	(20)	20	86	81	(3)	77
Equity-related income	58	150	74	266	164	282	380
<i>As a percentage of net ordinary operating income</i>	<i>2.9</i>	<i>6.8</i>	<i>3.4</i>	<i>11.3</i>	<i>8.2</i>	<i>4.4</i>	<i>6.4</i>
Net ordinary operating income	1 996	2 214	2 198	2 361	2 010	6 409	5 918
Gains on the sale of fixed assets ³⁾	28	20	979	13	7	1 028	10
Net other operating income	2 024	2 235	3 178	2 374	2 017	7 437	5 928

1) Presented net of related costs

2) Total external income from operations in Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte are included in these line items as from the first quarter of 2004

3) Of which NOK 977 million represented gains on the sale of Elcon in the first quarter of 2004 and NOK 35 million gains on the sale of Gjensidige NOR Fondsforsikring in the third quarter of 2004

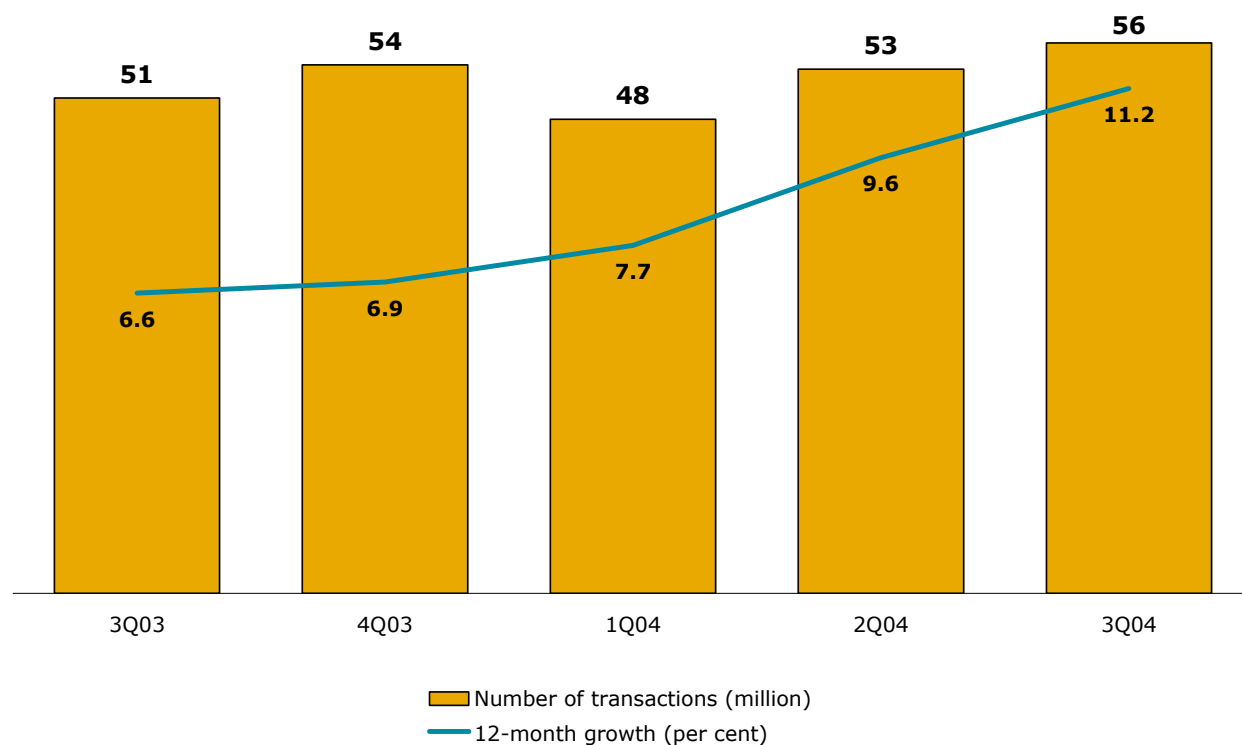


Changes in net other operating income

Amounts in NOK million

	3Q04	Change	3Q03
Net other operating income	2 024	7	2 017
Elcon	-	(15)	15
Driftspartner and Markedsstøtte	60	60	-
Net adjusted other operating income	1 964	(38)	2 002
Of which:			
Income from traditional financial services, adjusted		(77)	
Net profit from Life Insurance and Pensions		109	
Trading income on foreign exchange and interest rate instruments, DnB NOR Markets		15	
Equity-related income		(106)	
Gains on the sale of fixed assets		21	

Number of "point-of-sale" transactions



(Pro forma accounting figures prior to 31 December 2003)

Net other operating income, gross figures

<i>Amounts in NOK million</i>	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Dividends	18	89	14	47	27	121	165
Net profit from Life Insurance and Pensions	197	197	178	360	88	571	400
Money transfer fees receivable	830	810	747	780	797	2 387	2 288
Fees on asset management services	279	296	295	276	267	870	710
Fees on custodial services	40	39	41	42	37	120	117
Fees on securities trading (incl. corporate finance)	100	132	144	169	96	376	284
Guarantee commissions	90	104	96	96	92	290	282
Interbank fees	44	46	48	55	52	138	159
Credit broking commissions	39	28	23	33	29	90	84
Sales commissions on insurance products	61	63	89	70	62	214	156
Sundry commissions and fees receivable on banking services	168	165	203	212	190	536	522
Total commissions and fees receivable	1 652	1 683	1 687	1 733	1 623	5 023	4 602
Money transfer fees payable	289	295	280	310	282	864	856
Interbank fees	61	62	60	66	64	183	191
Sundry commissions and fees payable on banking services	160	166	183	200	176	509	431
Total commissions and fees payable	510	523	523	577	521	1 556	1 479
Net gain/(loss) on short-term shareholdings	(3)	(20)	20	86	81	(3)	77
Net gain/(loss) on commercial paper and bonds	153	(256)	242	4	58	138	518
Net gain on trading in foreign exchange and financial derivatives ¹⁾	474	1 524	306	280	456	2 304	1 215
Net gain/(loss) on other short-term interest rate instruments ¹⁾	(281)	(852)	(114)	121	(99)	(1 247)	(455)
Net gain on foreign exchange and financial instruments	344	395	453	492	496	1 192	1 355
Operating income on real estate	11	9	17	15	15	37	46
Rental income ²⁾	23	41	50	16	12	114	46
Fees on real estate broking	145	172	146	160	161	463	435
Share of profit in associated companies	43	81	58	20	41	183	138
Remunerations	(3)	(1)	1	11	2	(3)	10
Miscellaneous operating income ²⁾	74	71	118	83	67	263	199
Total sundry ordinary operating income	294	373	390	306	298	1 058	875
Gains on the sale of fixed assets ³⁾	28	20	979	13	7	1 028	10
Net other operating income	2 024	2 235	3 178	2 374	2 017	7 437	5 928
<i>As a percentage of total income ⁴⁾</i>	<i>38.0</i>	<i>40.4</i>	<i>40.1</i>	<i>41.9</i>	<i>36.5</i>	<i>39.5</i>	<i>36.1</i>

1) As these activities are managed collectively, the items must be evaluated together and relative to interest income on the same activities.

2) Total external income from the operations of Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte are included in these line items as from the first quarter of 2004, representing NOK 60 million per quarter.

3) Of which NOK 977 million represented gains on the sale of Elcon in the first quarter of 2004 and NOK 35 million gains on the sale of Gjensidige NOR Fondsforsikring in the third quarter of 2004.

4) Gains on the sale of Elcon are not included in the calculation for the first three quarters of 2004.

Net gain on foreign exchange and financial instruments

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net gain/(loss) on short-term shareholdings	(3)	(20)	20	86	81	(3)	77
Net gain/(loss) on commercial paper and bonds	153	(256)	242	4	58	138	518
Net gain on trading in foreign exchange and financial derivatives	474	1 524	306	280	456	2 304	1 215
Net gain/(loss) on other short-term interest rate instruments	(281)	(852)	(114)	121	(99)	(1 247)	(455)
Net gain on foreign exchange and financial instruments	344	395	453	492	496	1 192	1 355
Of which:							
DnB NOR Markets	331	384	420	380	339	1 135	1 105
Banking portfolio, equity investments	(15)	(17)	10	82	87	(22)	74
Banking portfolio, other	28	28	24	30	70	79	177

Total income in DnB NOR Markets

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net gain on trading in foreign exchange and financial instruments	331	384	420	380	339	1 135	1 105
Net interest income	68	57	58	48	100	183	332
Other income	153	158	166	163	121	476	388
Total	552	599	644	590	560	1 795	1 825
Interest on allocated capital	9	9	11	13	18	29	72
Total income DnB NOR Markets	561	608	655	604	578	1 824	1 897

Market value above book value, banking portfolio ¹⁾

Amounts in NOK million	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003	31 Dec. 2002
Commercial paper and bonds	15	12	49	57	42	12
Short-term shareholdings	65	94	126	45	0	0

1) Unrealised gains have not been included in the profit and loss accounts

Short-term investments in securities ¹⁾

<i>Amounts in NOK million</i>	30 Sept. 2004		31 Dec. 2003	
	Book value	Market value	Book value	Market value
Commercial paper and bonds				
Trading portfolio	38 998	38 998	33 735	33 735
Banking portfolio	26 367	26 382	25 663	25 720
Total commercial paper and bonds	65 365	65 380	59 398	59 455
Short-term shareholdings				
Trading portfolio	808	808	271	271
Banking portfolio	2 755	2 820	2 780	2 825
Total short-term shareholdings	3 563	3 628	3 051	3 096

1) Excluding securities held by Life Insurance and Pensions

Major short-term shareholdings as at 30 September 2004 ¹⁾

<i>Amounts in NOK million</i>	Book value	Market value
IT Fornebu Eiendom	141	109
OVDs	84	105
Elkem	77	103
Troms Fylkes Dampskibsselskap	55	46
Cape Investments	50	82
Viking Ship Finance	39	69
Euroclear	37	37
Helgelandske	31	44
Lerøy Seafood	25	29
Whitecliff	24	22
Orkla	23	74
KS Venturos Technology III	21	5
EFD-Elva Fritz Dusseldorf	20	20
Tomra Systems	20	9
Acta Holding	19	9
Industrifinans SMB III	19	11
iTeT	17	1
Equity funds, total	1 664	1 680
Other, banking portfolio	387	365
Value adjustment	0	-
Total banking portfolio	2 755	2 820
Trading portfolio	808	808
Total	3 563	3 628

1) Excluding shares held by Life Insurance and Pensions

Operating expenses

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Ordinary salaries ¹⁾	1 114	1 100	1 218	1 261	1 222	3 432	3 575
Employer's national insurance contributions	165	184	205	149	186	553	563
Pension expenses	166	162	182	230	152	510	436
Social expenses	75	56	74	122	81	204	240
Total salaries and other ordinary personnel expenses	1 519	1 501	1 679	1 762	1 642	4 699	4 815
Fees	126	118	136	162	88	379	364
EDP expenses ²⁾	331	357	358	294	362	1 046	1 067
Postage, telecommunications and office supplies ¹⁾	139	152	188	160	165	480	511
Marketing and public relations	83	99	102	115	100	284	336
Travel expenses	39	50	42	57	39	131	137
Reimbursement to Norway Post for transactions executed ³⁾	145	144	125	180	141	414	383
Training expenses	7	13	13	9	10	32	37
Sundry administrative expenses	35	49	40	34	37	124	135
Total administrative expenses	905	981	1 004	1 012	942	2 891	2 970
Goodwill amortisation	123	123	140	140	139	386	410
Other depreciation	132	138	150	163	158	420	486
Total depreciation	255	261	290	304	297	806	896
Operating expenses on properties and premises ¹⁾	227	225	256	187	227	708	691
Operating expenses on machinery, vehicles and office equipment	15	15	22	37	22	53	65
Miscellaneous ordinary operating expenses	52	79	97	79	117	227	374
Total sundry ordinary operating expenses	294	319	374	303	366	988	1 130
Allocations to employee funds	0	0	0	85	21	0	29
Restructuring expenses	0	0	930	13	8	930	24
Losses on the sale of fixed assets	1	6	1	5	2	8	23
Write-downs on rental contracts and fixed assets	5	0	0	24	4	4	16
Total other expenses	5	6	931	127	35	943	92
Total operating expenses	2 979	3 068	4 278	3 508	3 282	10 325	9 902

Adjustments for total other expenses:

÷ Total other expenses	5	6	931	127	35	943	92
Total ordinary expenses, adjusted	2 974	3 062	3 347	3 381	3 248	9 383	9 811
Change from the previous period (per cent)	(2.88)	(8.51)	(1.00)	4.10	(0.48)	(4.36)	-

Adjustments for goodwill amortisation:

÷ Goodwill amortisation	123	123	140	140	139	386	410
Total ordinary expenses before goodwill amortisation	2 851	2 939	3 207	3 240	3 108	8 996	9 401
Change from the previous period (per cent)	(2.99)	(8.38)	(1.02)	4.24	(0.57)	(4.30)	-

Adjustments for acquisitions and sales:

Including Driftspartner	-	-	-	58	58	-	174
Including Markedsstøtte	-	-	-	2	2	-	6
Excluding Elcon	-	-	115	114	119	115	333
Total comparable ordinary expenses before goodwill amortisation	2 851	2 939	3 093	3 186	3 050	8 882	9 247
Change from the previous period (per cent)	(2.99)	(4.98)	(2.94)	4.49	(0.97)	(3.95)	-

1) Total expenses from operations in Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte are included in these line items as from the first quarter of 2004, representing NOK 60 million per quarter.

2) These expenses concern the purchase, operation and maintenance of computers and software including depreciation. The Group's total IT expenses are shown on page 29, which in addition to EDP expenses include systems development, remuneration to external consultants, as well as salaries and other operating expenses relating to the Group's IT operations

3) Further reimbursement to the Norwegian postal system is included in interest expenses and fees payable on banking services

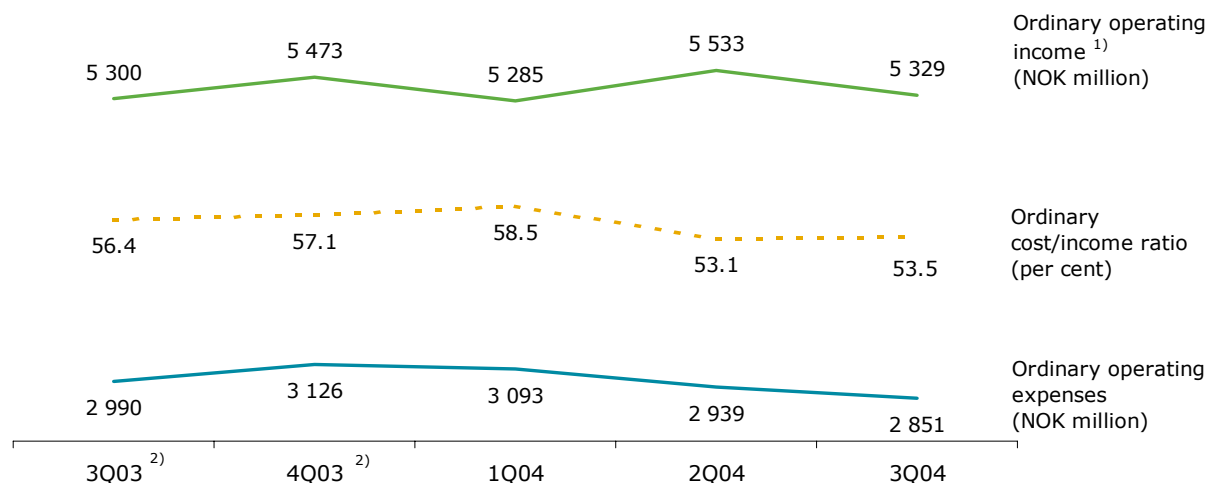
Operating expenses, adjusted for the sale of Elcon

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Ordinary salaries and other personnel expenses	1 519	1 501	1 606	1 679	1 570	4 626	4 614
Administrative expenses	905	981	980	1 006	916	2 866	2 904
Depreciation	255	261	279	293	287	795	866
Sundry ordinary operating expenses	294	319	362	284	350	975	1 076
Other expenses	5	6	931	127	35	942	92
Total operating expenses	2 979	3 068	4 157	3 388	3 157	10 205	9 551

Changes in total operating expenses

Amounts in NOK million	3Q04	Change	3Q03
Total operating expenses	2 979	(303)	3 282
Other expenses	5	(30)	35
Elcon	-	(125)	125
Driftspartner and Markedsstøtte	60	60	-
Total adjusted ordinary operating expenses	2 914	(208)	3 122
Of which:			
Wage settlements and pension expenses		53	
External distribution		13	
Merger synergies		(178)	
Streamlining of operations		(96)	
			(274)

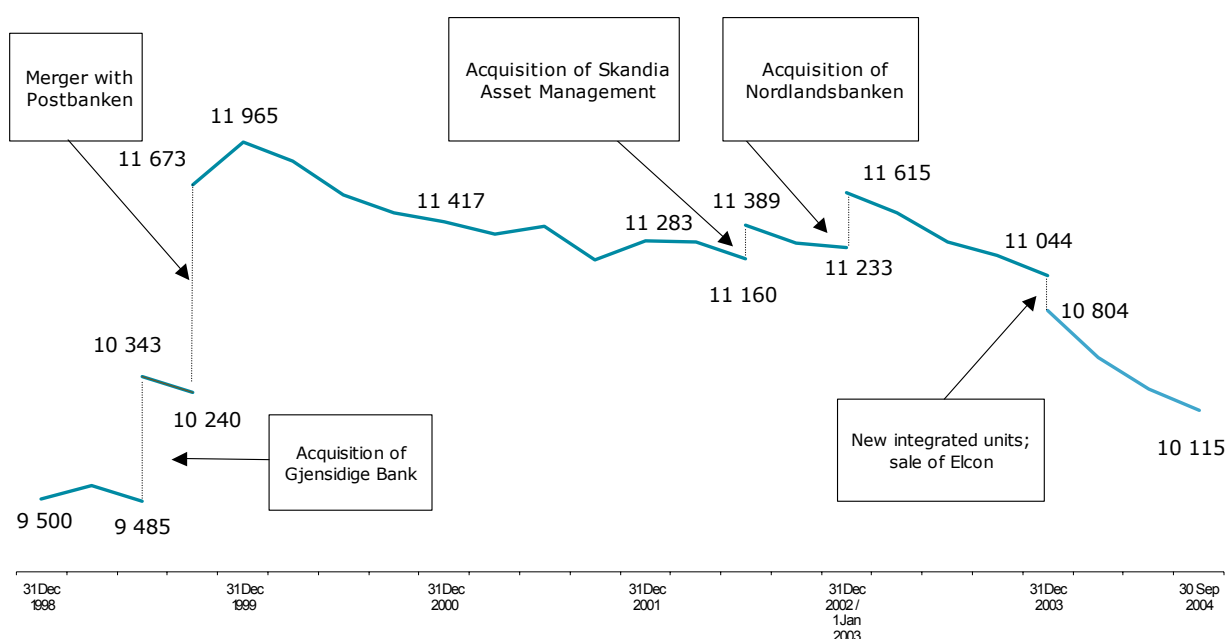
Ordinary cost/income ratio before goodwill amortisation, excl. Elcon



1) Excluding amortisation of goodwill on the investments in Vital

2) Pro forma figures

Employees - full-time positions



Number of employees ¹⁾

Full-time positions	30 Sept. 2004	Other changes	Changes in group structure ²⁾	31 Dec. 2003
Corporate Banking ³⁾	1 837	(83)	(31)	1 951
Retail Banking	4 383	(291)	14	4 660
DnB NOR Markets	530	(80)		610
Life Insurance and Pensions ³⁾	994	(54)	26	1 022
Asset Management ³⁾	313	(46)		359
Discontinuing operations	7	-	(449)	456
Staff and support units ³⁾	2 050	(158)	223	1 986
Total	10 115	(711)	(218)	11 044

1) For information on synergies, see page 48

2) The number of full-time positions was reduced by 441 through the sale of Elcon on 30 March 2004, while the sale of Gjensidige NOR Fondsforsikring resulted in staff cuts of eight full-time positions in the second quarter of 2004. On the other hand, 209 full-time positions from the former jointly controlled companies Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte were transferred to the Group as from 1 January 2004. The net effect of these changes is a reduction of 240 full-time positions. In the third quarter of 2004 Life Insurance and Pensions established 22 full-time positions with support functions for employees taken over from Gjensidige NOR Forsikring.

3) The figures for 2003 have been restated according to new definitions

IT expenses

Amounts in NOK million	3Q04	2Q04	1Q04 ¹⁾	1Q04	4Q03	3Q03	Jan.-Sept.	
							2004	2003
IT operating expenses	417	430	456	456	413	457	1 304	1 372
Systems development expenses	143	134	154	163	199	141	439	527
Total IT expenses ²⁾	559	564	609	620	613	598	1 743	1 900

1) Adjusted for the sale of Elcon

2) Including salaries and indirect costs

Restructuring provisions ¹⁾

Amounts in NOK million	Provisions as at 30 Sept. 2004	Accrued expenses	New provisions	Provisions as at 31 Dec. 2003
DnB NOR merger *)	1 179	607 ²⁾	930 ³⁾	856
Other restructuring provisions	73	24	0	97
Total	1 252	631 ⁴⁾	930	953
*) Of which:				
IT		216		
Staff cuts		358		
Other		33		

1) For information on synergies, see page 48

2) Including restructuring expenses of NOK 11.3 million accrued by Vital. The group effect is calculated on the assumption that 35 per cent of expenses are reflected in profits to the owner.

3) In March 2004, the Board of Directors of DnB NOR ASA approved a restructuring plan for the integration of DnB NOR. The figure represents 50 per cent of total restructuring provisions in the DnB NOR merger.

4) In addition, a total of NOK 74 million was utilised in 2003 concerning the DnB NOR merger.

Pension expenses

Amounts in NOK million	3Q04	2Q04	1Q04 ¹⁾	1Q04	4Q03	3Q03	Jan.-Sept.	
							2004	2003
Pension expenses	166	162	176	182	230	152	510	436
of which effect of changes in economic assumptions implemented in 2003	-	-	-	-	110	-	-	30

1) Adjusted for the sale of Elcon

Losses and reversals on loans and guarantees

Net losses/(reversals)

Amounts in NOK million	3Q04	2Q04	1Q04 ¹⁾	1Q04	4Q03	3Q03	Jan.-Sept.	
							2004	2003
New losses	289	229	545	595	543	541	1 114	2 132
Reversals on specified losses	410	147	442	460	267	185	1 017	517
Net losses/(reversals)	(121)	82	103	135	276	356	97	1 615

1) Adjusted for the sale of Elcon

Net losses/(reversals) by business area ¹⁾

Amounts in NOK million	3Q04	2Q04	1Q04 ²⁾	1Q04	4Q03	3Q03	Jan.-Sept.	
							2004	2003
Retail Banking	54	62	10	10	39	81	126	207
Corporate Banking	(175)	19	104	104	232	216	(52)	1 245
Discontinuing operations	-	-	-	23	40	47	23	132
Other units	0	1	(11)	(1)	(35)	12	0	31
Net losses/(reversals)	(121)	82	103	135	276	356	97	1 615

1) Expected loan losses represented 0.30 per cent of the loan portfolio at the end of September 2004 (0.31 per cent at the end of 2003)

2) Adjusted for the sale of Elcon

Net losses/(reversals) for customer sectors ¹⁾

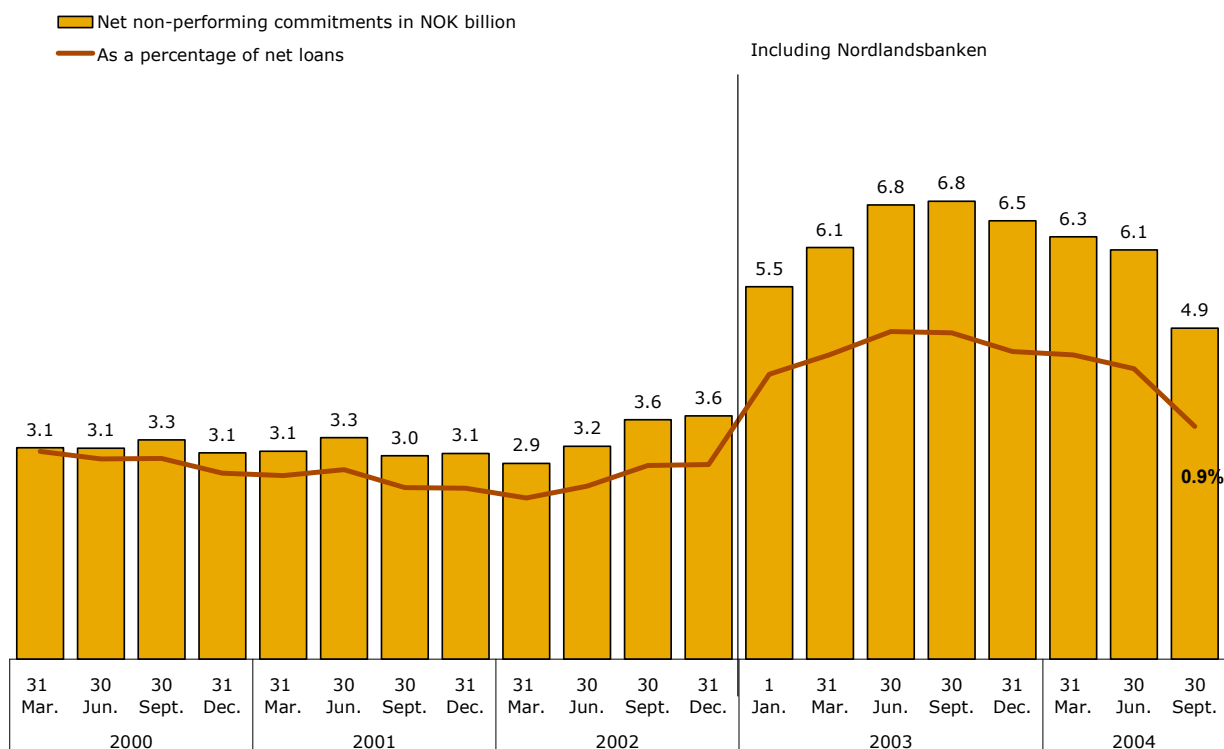
Amounts in NOK million	3Q04	2Q04	1Q04 ²⁾	1Q04	4Q03	3Q03	Jan.-Sept.	
							2004	2003
Retail customers	62	51	15	20	5	116	133	269
International shipping	(14)	(25)	0	0	(27)	(1)	(39)	(33)
Real estate	(4)	5	(14)	(14)	(3)	12	(13)	70
Manufacturing	(231)	5	59	61	68	91	(165)	274
Services and management	7	(19)	(225)	(216)	(31)	80	(227)	350
Trade	30	(7)	30	32	47	27	56	95
Oil and gas	(30)	0	(4)	(4)	(2)	5	(34)	(1)
Transportation and communication	5	6	11	12	20	21	23	49
Building and construction	7	(1)	44	47	93	31	53	63
Power and water supply	0	1	(2)	(2)	0	0	0	0
Fishing	20	70	44	45	23	(56)	134	105
Other sectors	25	(3)	144	154	83	29	176	369
Total customers	(123)	84	103	135	276	355	97	1 610
Credit institutions	2	(2)	0	0	5	0	0	0
Change in unspecified provisions	0	0	0	0	(5)	1	0	5
Net losses/(reversals)	(121)	82	103	135	276	356	97	1 615

1) Split according to official industry definitions which may differ from DnB NOR's business area reporting

2) Adjusted for the sale of Elcon

Asset quality

Non-performing commitments after specified loan-loss provisions



Non-performing and doubtful commitments

Amounts in NOK million	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003 ¹⁾	31 Dec. 2003	1 Jan. 2003	31 Dec. 2002 ²⁾	31 Dec. 2001 ²⁾
Non-performing commitments								
Net non-accruing commitments	3 346	3 531	3 612	4 193	4 411	3 144	2 139	2 128
Net accruing commitments	1 583	2 519	2 681	2 121	2 121	2 404	1 482	934
Total net non-performing commitments	4 929	6 050	6 293	6 313	6 531	5 549	3 622	3 062
Doubtful commitments								
Net non-accruing commitments	845	621	759	279	430	493	383	420
Net accruing commitments	1 338	1 654	1 333	1 440	1 440	2 581	869	576
Total net doubtful commitments	2 183	2 275	2 092	1 719	1 870	3 074	1 252	996
Total net non-performing and doubtful commitments	7 112	8 325	8 385	8 032	8 401	8 622	4 874	4 058

1) Pro forma excluding Elcon

2) Excluding Nordlandsbanken

Unspecified provisions

<i>Amounts in NOK million</i>	30 Sept. 2004	31 Dec. 2003 ¹⁾	31 Dec. 2003 ²⁾	31 Dec. 2002
Unspecified provisions in the DnB NOR Group ³⁾				3 501
Elements in the calculation as from 31 Dec. 2003:				
Provisions for probable, unidentified losses ⁴⁾	1 592	1 563	1 634	
+ Provisions for risk margins in the ordinary portfolio	1 730	1 661	1 731	
+ Supplementary provisions due to uncertainty in estimates	212	310	349	
Unspecified loan-loss provisions in the accounts	3 534	3 534	3 714	3 501

1) Pro forma excluding Elcon

2) Includes NOK 204 million in unspecified provisions from Nordlandsbanken and NOK 5 million in unspecified provisions on a portfolio of loans acquired from Gjensidige NOR Spareforsikring

3) As reported in the accounts of DnB and Gjensidige NOR respectively

4) The calculation of provisions for probable, unidentified losses is based on DnB NOR's risk management system and the division of the loan portfolio into risk categories. As from 31 December 2003 the division into risk categories is based on intervals of normalised losses only, while for previous periods the high-risk categories also included commitments with low normalised losses in cases where the loss ratio was low but combined with a high probability of default.

Total assets owned or managed by the DnB NOR Group

DnB NOR Group balance sheets, adjusted for the sale of Elcon

<i>Amounts in NOK billion</i>	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003	1 Jan. 2003 ¹⁾
Cash and lending to/deposits with credit institutions	37.1	71.2	63.6	61.6	73.0	72.0
Net lending to customers	562.6	554.1	544.4	530.3	520.5	489.3
Commercial paper, bonds, etc.	65.4	68.2	60.1	59.4	60.2	53.3
Shareholdings	12.4	12.1	11.7	11.4	12.4	12.0
Fixed and intangible assets	10.2	10.4	10.7	10.6	11.7	11.4
Other assets	31.0	22.8	31.0	31.2	28.7	28.7
Total assets	718.7	738.9	721.6	704.6	706.4	666.9
Loans and deposits from credit institutions	63.5	99.0	75.5	78.7	82.5	87.0
Deposits from customers	349.7	351.7	341.5	335.3	330.3	326.5
Borrowings through the issue of securities	192.3	192.1	192.4	181.6	175.9	149.8
Other liabilities and provisions	41.9	25.9	43.9	43.1	50.3	44.4
Primary capital	71.4	70.2	68.4	65.8	67.3	59.2
Total liabilities and equity	718.7	738.9	721.6	704.6	706.4	666.9
Average total assets for the year to date	740.4	736.8	727.7	696.3	699.0	622.7
Ratio of deposits to net lending (%)	62.1	63.5	62.7	63.2	63.5	66.7

1) Including Nordlandsbanken

DnB NOR Group balance sheets

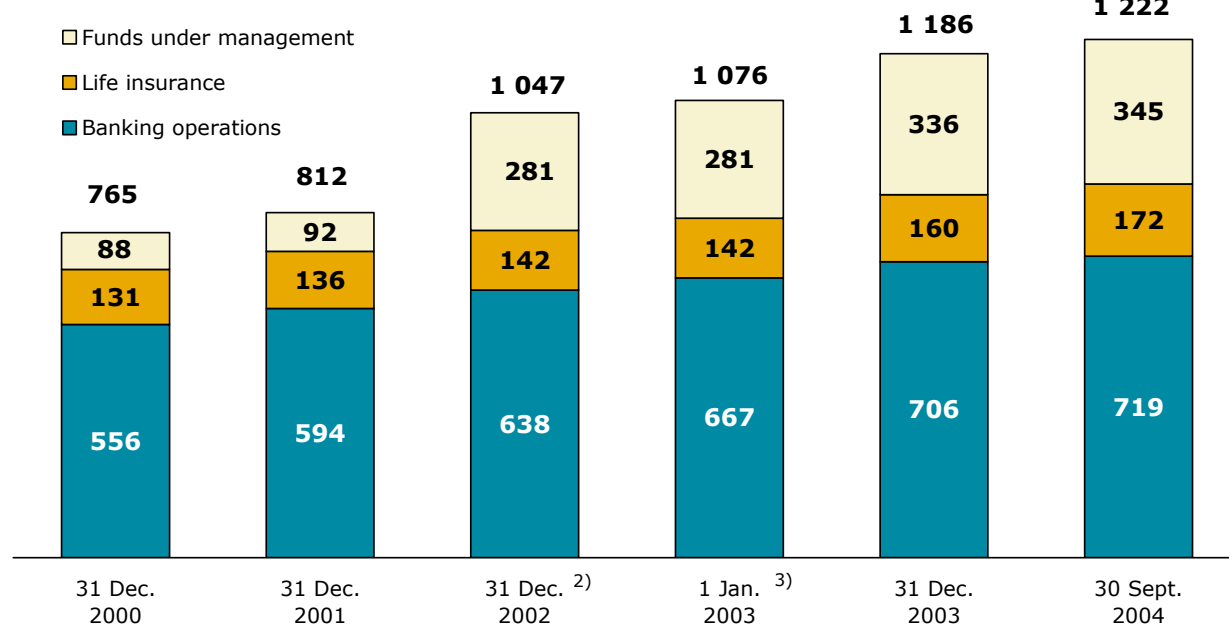
<i>Amounts in NOK billion</i>	30 Sept. 2004	30 June 2004	31 March 2004 ¹⁾	31 Dec. 2003	30 Sept. 2003	1 Jan. 2003 ²⁾
Cash and lending to/deposits with credit institutions	37.1	71.2	63.6	36.9	48.9	50.7
Net lending to customers	562.6	554.1	544.2	557.5	546.8	512.4
Commercial paper, bonds, etc.	65.4	68.2	60.1	59.4	60.2	53.3
Shareholdings	12.4	12.1	11.7	11.4	12.4	12.0
Fixed and intangible assets	10.2	10.4	10.9	11.0	12.2	11.9
Other assets	31.0	22.8	31.1	29.5	27.0	27.0
Total assets	718.7	738.9	721.6	705.7	707.4	667.3
Loans and deposits from credit institutions	63.5	99.0	75.5	78.5	82.5	86.7
Deposits from customers	349.7	351.7	341.5	335.6	330.7	326.8
Borrowings through the issue of securities	192.3	192.1	192.4	181.6	175.9	149.8
Other liabilities and provisions	41.9	25.9	43.8	44.1	50.9	44.9
Primary capital	71.4	70.2	68.4	65.9	67.5	59.2
Total liabilities and equity	718.7	738.9	721.6	705.7	707.4	667.3
Average total assets for the year to date	740.4	736.8	727.7	697.2	699.9	622.7
Ratio of deposits to net lending (%)	62.1	63.5	62.8	60.2	60.5	63.8
Ratio of average deposits to average net lending (%)	62.7	62.3	60.9	63.0	63.2	64.9

1) As from 31 March 2004, Elcon is no longer consolidated in the group accounts

2) Including Nordlandsbanken

Total combined assets ¹⁾

NOK billion



1) Totals are net of inter-company balances

2) Skandia Asset Management is included as from 2002

3) Nordlandsbanken is included as from 2003

(Pro forma accounting figures prior to 31 December 2003)

Lending to principal sectors ^{1) 2)}

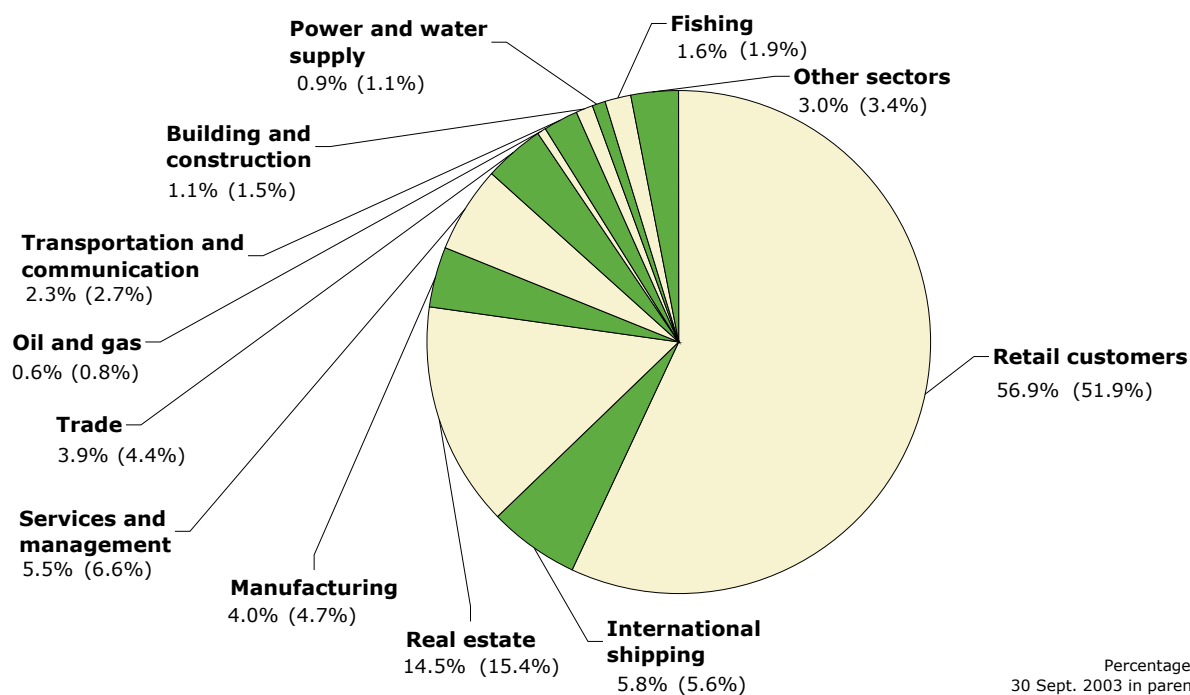
<i>Amounts in NOK billion</i>	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003 ³⁾	31 Dec. 2003	30 Sept. 2003	1 Jan. 2003 ⁴⁾
Retail customers	322.1	314.6	303.5	293.7	301.6	285.9	262.1
International shipping	32.6	33.9	33.0	30.9	31.2	30.8	26.4
Real estate	82.0	81.9	81.4	81.3	82.2	84.9	77.8
Manufacturing	22.4	20.8	21.5	20.8	24.8	25.7	27.9
Services and management	31.1	30.9	32.0	31.8	36.6	36.2	38.0
Trade	22.1	22.4	22.1	21.7	23.8	24.0	22.6
Oil and gas	3.6	3.6	3.8	3.9	4.2	4.5	4.1
Transportation and communication	12.9	13.0	12.3	11.6	14.0	14.8	14.5
Building and construction	6.1	6.2	5.6	5.7	8.4	8.3	8.3
Power and water supply	4.9	4.8	5.7	6.2	6.3	6.2	8.1
Fishing	9.3	9.4	9.7	10.0	10.4	10.5	9.9
Other sectors, of which:							
Hotels and restaurants	3.9	4.0	3.9	4.0	4.1	4.2	3.6
Agriculture and forestry	4.3	4.3	3.7	3.9	4.7	4.3	4.5
Central and local government	1.8	2.3	2.2	1.7	2.1	2.4	2.8
Other	6.9	5.5	7.2	6.7	6.7	7.8	5.5
Total	566.1	557.7	547.7	533.8	561.2	550.6	516.1
Of which residential mortgages							
within 80% of collateral value	290.6	285.5	265.5	257.7	257.7	244.5	223.1
above 80% of collateral value	9.1	9.3	8.5	8.7	8.7	8.3	6.8
Total	299.7	294.8	274.1	266.4	266.4	252.8	229.9

1) Split according to official industry definitions which may differ from DnB NOR's business area reporting

2) Gross lending after deductions for related specified loan-loss provisions

3) Pro forma excluding Elcon

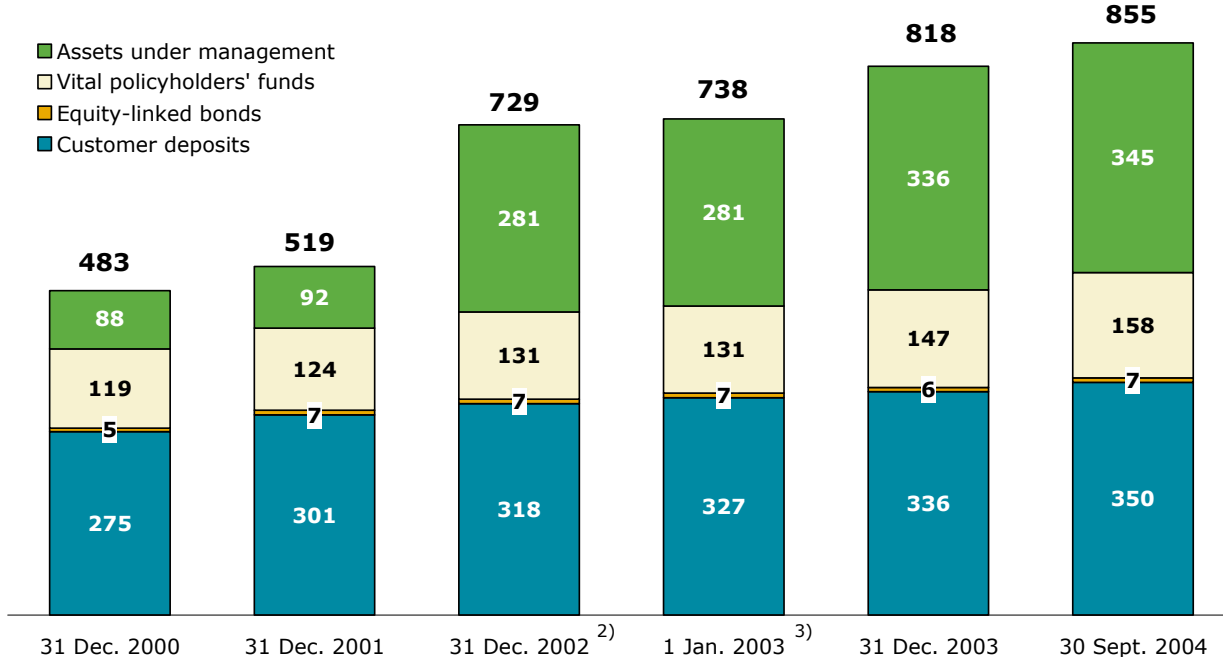
4) Including Nordlandsbanken

Lending to principal sectors as at 30 September 2004

Customer savings

Customer savings in DnB NOR companies ¹⁾

NOK billion



1) Totals are net of inter-company balances

2) Skandia Asset Management is included as from 2002

3) Nordlandsbanken is included as from 2003

Deposits

Amounts in NOK billion	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003	1 Jan. 2003 ¹⁾
Retail customers	177	182	172	171	171	167
Corporate customers	173	169	169	165	160	160
Total *)	350	352	341	336	331	327
*) of which:						
NOK	316	320	311	311	306	306
foreign currency	34	32	29	25	25	22

1) Including Nordlandsbanken

Capital adequacy and taxes

Development in primary capital and capital ratios

	DnB NOR Bank	DnB NOR Bank Group	DnB NOR Group	
<i>Amounts in NOK million</i>	30 Sept. 2004	30 Sept. 2004	30 Sept. 2004	31 Dec. 2003
Share capital	16 964	16 964	13 220	13 090
Other equity	16 799	19 629	29 337	29 025
Total equity	33 763	36 593	42 557	42 115
Perpetual subordinated loan capital securities ^{1) 2)}	5 322	5 759	5 859	5 476
Reductions:				
Pension funds above pension commitments	(996)	(1 025)	(1 322)	(1 354)
Goodwill	(1 496)	(2 032)	(5 085)	(5 728)
Deferred tax assets	(972)	(843)	(912)	(808)
Other intangible assets etc.	(157)	(159)	(247)	(431)
Core capital	35 464	38 293	40 850	39 270
Perpetual subordinated loan capital ^{1) 2)}	6 300	6 002	5 829	6 154
Term subordinated loan capital ²⁾	11 932	12 748	12 748	11 945
Net supplementary capital	18 231	18 750	18 577	18 099
Deductions	1 605	1 610	291	870
Total eligible primary capital ³⁾	52 091	55 433	59 137	56 499
Total risk-weighted volume	479 290	533 292	591 794	579 445
Core capital ratio (%)	7.4	7.2	6.9	6.8
Capital ratio (%)	10.9	10.4	10.0	9.8
Core capital ratio incl. 50 per cent of profit for the period (%)	7.9	7.7	7.3	
Capital ratio incl. 50 per cent of profit for the period (%)	11.3	10.9	10.4	
Core capital ratio excluding life insurance (%)			8.1	7.6
Capital ratio excluding life insurance (%)			10.2	9.6

1) Perpetual subordinated loan capital securities can represent up to 15 per cent of core capital. The excess will qualify as perpetual supplementary capital.

2) Calculations of capital adequacy include a total of NOK 717 million in subordinated loan capital in life insurance operations and associated companies, in addition to subordinated loan capital in the Group's balance sheet.

3) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the DnB NOR Group's accounts as a different consolidation method ("pro rata consolidation") is used in calculating capital adequacy.

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

Taxes

The DnB NOR Group's tax charge for the third quarter of 2004 was NOK 675 million, based on an anticipated average tax rate of 27 per cent of pre-tax operating profits.

Financial results DnB NOR Group

Profit and loss accounts

Amounts in NOK million							Jan.-Sept.	
	3Q04	2Q04	1Q04	4Q03	3Q03		2004	2003
Interest income	7 059	6 995	7 462	7 916	9 077		21 517	30 514
Interest expenses	3 751	3 702	4 164	4 618	5 568		11 617	20 023
Net interest income and credit commissions	3 308	3 293	3 298	3 299	3 509		9 900	10 490
Dividends	18	89	14	47	27		121	165
Net profit from Life Insurance and Pensions	197	197	178	360	88		571	400
Commissions and fees receivable	1 652	1 683	1 687	1 733	1 623		5 023	4 602
Commissions and fees payable	510	523	523	577	521		1 556	1 479
Net gain on foreign exchange and financial instruments	344	395	453	492	496		1 192	1 355
Sundry ordinary operating income	294	373	390	306	298		1 058	875
Gains on the sale of fixed assets	28	20	979	13	7		1 028	10
Net other operating income	2 024	2 235	3 178	2 374	2 017		7 437	5 928
Salaries and other ordinary personnel expenses	1 519	1 501	1 679	1 762	1 642		4 699	4 815
Administrative expenses	905	981	1 004	1 012	942		2 891	2 970
Depreciation	255	261	290	304	297		806	896
Sundry ordinary operating expenses	294	319	374	303	366		988	1 130
Other expenses	5	6	931	127	35		943	92
Total operating expenses	2 979	3 068	4 278	3 508	3 282		10 325	9 902
Pre-tax operating profit before losses	2 353	2 460	2 199	2 165	2 244		7 012	6 516
Net losses/(reversals) on loans, etc.	(121)	82	135	276	356		97	1 615
Net gain/(loss) on long-term securities	24	13	15	195	(3)		51	30
Pre-tax operating profit	2 498	2 390	2 078	2 083	1 885		6 966	4 930
Taxes	675	645	561	513	501		1 881	1 122
Profit for the period	1 823	1 745	1 517	1 570	1 384		5 085	3 808
Earnings per share	1.38	1.32	1.16	1.20	1.06		3.86	2.91
Diluted earnings per share	1.37	1.31	1.15	1.19	1.05		3.84	2.90
Average total assets	747 641	745 941	727 687	689 051	712 670		740 423	699 947

Balance sheets

Amounts in NOK million	30 Sept. 2004	30 June 2004	31 March 2004 ¹⁾	31 Dec. 2003	30 Sept. 2003	1 Jan. 2003 ²⁾
Cash and deposits with central banks	12 802	5 496	3 284	8 570	17 103	23 658
Lending to and deposits with credit institutions	24 346	65 725	60 336	28 331	31 771	27 009
Gross lending to customers	569 843	561 522	551 765	565 546	555 591	520 537
- Specified loan-loss provisions	(3 701)	(3 870)	(4 066)	(4 329)	(5 035)	(4 439)
- Unspecified loan-loss provisions	(3 534)	(3 534)	(3 534)	(3 714)	(3 753)	(3 705)
Net lending to customers	562 608	554 117	544 165	557 503	546 803	512 393
Reposessed assets	580	414	460	576	873	712
Commercial paper and bonds	65 365	68 248	60 147	59 398	60 172	53 340
Shareholdings etc.	4 312	4 220	4 000	4 011	4 608	4 858
Investments in Life Insurance and Pensions and associated companies	8 119	7 861	7 722	7 365	7 796	7 184
Intangible assets	6 004	6 165	6 541	6 484	7 591	7 023
Fixed assets	4 194	4 270	4 364	4 475	4 572	4 907
Other assets	25 341	17 013	24 888	23 643	21 268	19 643
Prepayments and accrued income	5 072	5 360	5 705	5 321	4 830	6 605
Total assets	718 744	738 889	721 611	705 677	707 388	667 334
Loans and deposits from credit institutions	63 501	98 964	75 509	78 497	82 451	86 692
Deposits from customers	349 654	351 733	341 469	335 576	330 704	326 826
Securities issued	192 310	192 101	192 386	181 649	175 920	149 764
Other liabilities	31 018	16 202	34 049	35 305	36 368	36 399
Accrued expenses and prepaid revenues	8 018	6 805	6 756	5 992	11 621	5 447
Provisions for commitments	2 881	2 920	3 022	2 834	2 865	3 010
Subordinated loan capital	23 718	24 293	24 283	23 709	23 989	19 512
Share capital	13 220	13 220	13 220	13 090	13 090	13 090
Equity reserves	29 337	29 390	29 401	29 025	26 572	26 595
Profit for the period	5 085	3 262	1 517	-	3 808	-
Total liabilities and equity	718 744	738 889	721 611	705 677	707 388	667 334

1) As from 31 March 2004, Elcon is no longer consolidated in the group accounts

2) Including Nordlandsbanken

Financial results DnB NOR Group 1999-2003

Profit and loss accounts

Amounts in NOK million

	2003	2002	2001	2000	1999
Interest income	38 430	42 959	43 655	38 850	35 914
Interest expenses	24 641	29 072	30 345	26 455	23 966
Net interest income	13 789	13 887	13 310	12 395	11 948
Dividends	212	171	218	329	296
Net profit/(loss) from Life Insurance and Pensions	760	(271)	206	632	640
Commissions and fees receivable on banking services	6 335	5 869	5 434	5 395	4 559
Commissions and fees payable on banking services	2 056	1 971	1 507	1 238	1 174
Net gain on foreign exchange and financial instruments	1 847	774	1 440	1 779	1 485
Sundry ordinary operating income	1 181	1 046	1 551	902	899
Gains on the sale of fixed assets	23	39	30	15	43
Net other operating income	8 302	5 658	7 371	7 815	6 747
Salaries and other ordinary personnel expenses	6 577	6 005	5 873	5 498	5 190
Administrative expenses	3 982	3 947	4 129	4 051	3 909
Depreciation	1 200	1 077	1 074	959	961
Sundry ordinary operating expenses	1 433	1 508	1 374	1 379	1 795
Other expenses	219	394	123	81	787
Total operating expenses	13 410	12 931	12 573	11 968	12 643
Pre-tax operating profit before losses	8 681	6 613	8 107	8 242	6 053
Net losses/(reversals) on loans, etc.	1 891	1 023	604	(26)	219
Net gain/(loss) on long-term securities	224	(316)	(100)	741	400
Pre-tax operating profit	7 014	5 274	7 404	9 009	6 233
Taxes	1 636	1 642	1 378	2 219	1 191
Profit for the year	5 378	3 632	6 026	6 790	5 042
Earnings per share (NOK)	4.11	2.77	4.59	5.15	3.83
Diluted earnings per share (NOK)	4.10	2.76	4.57	5.15	3.83
Average total assets	697 223	622 732	575 183	535 088	497 027

Balance sheets

Amounts in NOK million

	31 Dec. 2003	31 Dec. 2002	31 Dec. 2001	31 Dec. 2000	31 Dec. 1999
Cash and deposits with central banks	8 570	22 944	5 067	11 751	17 578
Lending to and deposits with credit institutions	28 331	26 615	25 731	27 047	21 465
Gross lending to customers	565 546	494 601	475 811	436 368	398 543
- Specified loan-loss provisions	(4 329)	(2 884)	(2 670)	(2 768)	(3 767)
- Unspecified loan-loss provisions	(3 714)	(3 501)	(3 501)	(3 504)	(3 399)
Net lending to customers	557 503	488 217	469 640	430 096	391 376
Reposessed assets	576	651	181	137	126
Commercial paper and bonds.	59 398	51 745	54 591	46 788	46 275
Shareholdings etc.	4 011	4 364	4 956	4 297	4 327
Investments in Life Insurance and Pensions and associated companies	7 365	7 184	7 114	6 926	6 664
Intangible assets	6 484	6 733	3 974	4 181	4 276
Fixed assets	4 475	4 425	3 774	4 143	5 016
Other assets	23 643	19 382	11 415	13 613	9 623
Prepayments and accrued income	5 321	6 098	7 797	7 143	7 326
Total assets	705 677	638 357	594 242	556 123	514 053
Loans and deposits from credit institutions	78 497	80 302	64 834	81 021	84 083
Deposits from customers	335 576	317 598	300 980	275 447	264 247
Securities issued	181 649	138 568	141 602	115 908	91 239
Other liabilities	35 305	35 359	24 800	28 625	29 440
Accrued expenses and prepaid revenues	5 992	5 034	2 330	2 747	2 004
Provisions for commitments	2 834	3 000	2 342	2 122	2 293
Subordinated loan capital	18 126	13 519	14 675	14 219	8 694
Perpetual subordinated loan capital securities	5 583	5 292	3 601	0	0
Total liabilities	663 562	598 672	555 163	520 090	482 001
Share capital	13 090	13 090	13 100	13 181	13 181
Share capital reserve	11 353	11 353	11 353	11 353	11 353
Other equity	17 672	15 242	14 626	11 499	7 518
Total liabilities and equity	705 677	638 357	594 242	556 123	514 053

Key figures

						DnB NOR Group		
						Jan.-Sept.		
						2004	2003	
Interest rate analysis								
1	Combined average spread for lending and deposits (%)	2.39	2.36	2.43	2.54	2.60	2.39	2.65
2	Spread for ordinary lending to customers (%)	1.67	1.70	1.73	1.68	1.91	1.70	1.78
3	Spread for deposits from customers (%)	0.72	0.66	0.70	0.86	0.69	0.69	0.88
Rate of return/profitability								
4	Net other operating income, % of total income	38.0	40.4	40.1	41.9	36.5	39.5	36.1
5	Cost/income ratio (%)	55.9	55.5	66.1	61.8	59.4	59.6	60.3
6	Ordinary cost/income ratio before goodwill amortisation (%)	53.5	53.1	58.1	57.0	56.1	54.9	57.0
7	Cost/income ratio before goodwill amortisation (%)	53.3	53.0	63.6	59.1	56.6	57.1	57.6
8	Return on equity (%)	15.6	15.5	14.1	14.2	12.9	15.1	12.2
9	Return on equity before goodwill amortisation (%)	16.8	16.8	15.6	15.7	14.5	16.5	13.7
10	Goodwill amortisation (NOK million)	148	149	165	165	165	462	487
11	Average equity before dividend allocation (NOK million)	46 757	45 005	43 126	44 252	42 800	44 942	41 479
Financial strength								
12	Core (Tier 1) capital ratio at end of period (%)	6.9	6.9	7.0	6.8	6.2	6.9	6.2
13	Core (Tier 1) capital ratio incl. 50 per cent of profit year to date (%)	7.3	7.2	7.1	-	6.6	7.3	6.6
14	Capital adequacy ratio at end of period (%)	10.0	10.1	10.2	9.8	9.4	10.0	9.4
15	Capital adequacy ratio incl. 50 per cent of profit for the year to date (%)	10.4	10.4	10.3	-	9.7	10.4	9.7
16	Core capital at end of period (NOK million)	40 850	40 760	40 224	39 270	35 916	40 850	35 916
17	Total eligible primary capital at end of period (NOK million)	59 137	59 672	58 763	56 499	54 002	59 137	54 002
18	Risk-weighted volume at end of period (NOK million)	591 794	588 370	576 656	579 445	576 316	591 794	576 316
Loan portfolio and loan-loss provisions								
19	Loan-loss ratio annualised (%)	(0.09)	0.06	0.10	0.20	0.26	0.02	0.39
20	Non-performing and doubtful commitments, % of total lending	1.26	1.49	1.53	1.50	1.62	1.26	1.62
21	Loan-loss provisions relative to total gross lending (%)	1.27	1.32	1.38	1.42	1.58	1.27	1.58
22	Non-performing commitments at end of period	4 929	6 050	6 293	6 531	6 822	4 929	6 822
23	Doubtful commitments at end of period	2 183	2 275	2 092	1 870	2 276	2 183	2 276
Liquidity								
24	Ratio of customer deposits to net lending to customers at end of period (%)	62.1	63.5	62.8	60.2	60.5	62.1	60.5
Total assets owned or managed by DnB NOR								
25	Assets under management at end of period (NOK billion)	517	514	505	496	475	517	475
26	Average total combined assets (NOK billion)	1 231	1 233	1 206	1 187	1 173	1 223	1 152
27	Total combined assets at end of period (NOK billion)	1 222	1 239	1 226	1 186	1 182	1 222	1 182
28	Customer savings at end of period (NOK billion)	855	855	848	818	806	855	806
Staff								
29	Number of full-time positions at end of period	10 115	10 258	10 475	11 044	11 180	10 115	11 180
30	- of which in Life Insurance and Pensions	994	970	993	1 022	1 033	994	1 033
The DnB NOR share								
31	Number of shares at end of period (1 000)	1 321 957	1 321 957	1 321 957	1 309 027	1 309 027	1 321 957	1 309 027
32	Average number of shares (1 000)	1 321 957	1 321 957	1 309 880	1 309 027	1 309 027	1 317 525	1 309 027
33	Average number of shares - fully diluted (1 000)	1 328 828	1 327 524	1 315 516	1 315 764	1 312 341	1 323 462	1 311 084
34	Earnings per share (NOK)	1.38	1.32	1.16	1.20	1.06	3.86	2.91
35	Earnings per share excl. goodwill amortisation (NOK)	1.49	1.43	1.28	1.32	1.18	4.21	3.28
36	Earnings per share fully diluted (NOK)	1.37	1.31	1.15	1.19	1.05	3.84	2.90
37	Equity per share at end of period (NOK)	36.04	34.70	33.39	32.17	33.21	36.04	33.21
38	Share price at end of period (NOK)	53.25	47.30	45.00	44.40	33.80	53.25	33.80
39	Price/book value	1.48	1.36	1.35	1.38	1.02	1.48	1.02
40	Market capitalisation (NOK billion)	70.4	62.5	59.5	58.1	44.2	70.4	44.2

Definitions

- 4 Gains on the sale of Elcon are not included in the calculation for the first three quarters of 2004.
- 8 Profit for the period as a percentage of average equity.
- 19 Net losses on loans (excluding guarantees) as a percentage of lending after the deduction of specified loan-loss provisions at end of period.
- 20 Non-performing and doubtful commitments after the deduction of specified loan-loss provisions relative to lending after the deduction of specified loan-loss provisions. Figures at end of period.
- 21 Accumulated specified and unspecified loan-loss provisions relative to gross lending at end of period.
- 34 Profit for the period divided by the average number of shares.
- 39 The last quoted share price on the Oslo Stock Exchange at end of period relative to the book value of equity at end of period.
- 40 Number of shares multiplied by the share price at end of period.

(Pro forma accounting figures prior to 31 December 2003)

Key figures 1999-2003

	DnB NOR Group ¹⁾				
	2003	2002	2001	2000	1999
Interest rate analysis					
1 Combined average spread for lending and deposits (%)	2.62	2.77	2.75	2.91	3.19
2 Spread for ordinary lending to customers (%)	1.76	1.48	1.34	1.33	1.49
3 Spread for deposits from customers (%)	0.87	1.29	1.41	1.58	1.70
Rate of return/profitability					
4 Net other operating income, % of total income	37.6	28.9	35.6	38.7	36.1
5 Cost/income ratio (%)	60.7	66.2	60.8	59.2	67.6
6 Ordinary cost/income ratio before goodwill amortisation (%)	57.1	61.7	58.4	57.3	62.2
7 Cost/income ratio before goodwill amortisation (%)	57.9	63.6	58.9	57.6	66.3
8 Return on equity (%)	12.7	8.9	15.5	18.5	16.1
9 Return on equity before goodwill amortisation (%)	14.3	10.2	16.7	19.5	17.0
10 Goodwill amortisation (NOK million)	651	539	429	368	283
11 Average equity before dividend allocation (NOK million)	42 206	40 738	38 768	36 750	31 236
Financial strength					
12 Core (Tier 1) capital ratio at end of period (%)	6.8	7.1	7.1	6.3	6.3
13 Capital adequacy ratio at end of period (%)	9.8	9.9	10.0	9.6	9.4
14 Core capital at end of period (NOK million)	39 270	36 802	37 007	30 364	27 024
15 Total eligible primary capital at end of period (NOK million)	56 499	51 258	52 138	46 164	40 439
16 Risk-weighted volume at end of period (NOK million)	579 445	516 664	519 202	483 299	429 748
Loan portfolio and loan-loss provisions					
17 Loan-loss ratio annualised (%)	0.34	0.21	0.13	(0.01)	0.06
18 Non-performing and doubtful commitments, % of total lending	1.50	0.97	0.92	0.98	1.47
19 Loan-loss provisions relative to total gross lending (%)	1.42	1.29	1.30	1.44	1.80
20 Non-performing commitments at end of period	6 531	3 622	3 062	3 018	3 992
21 Doubtful commitments at end of period	1 870	1 252	996	999	1 607
Liquidity					
22 Ratio of customer deposits to net lending to customers at end of period (%)	60.2	65.1	64.1	64.0	67.5
Total assets owned or managed by DnB NOR					
23 Assets under management at end of period (NOK billion)	496	412	216	207	182
24 Average total combined assets (NOK billion)	1 120	930	789	732	659
25 Total combined assets at end of period (NOK billion)	1 186	1 047	812	765	699
26 Customer savings at end of period (NOK billion)	818	729	519	483	446
Staff					
27 Number of full-time positions at end of period	11 044	11 233	11 283	11 417	11 965
28 - of which in Life Insurance and Pensions	1 022	1 066	1 106	1 128	1 155
The DnB NOR share					
29 Number of shares at end of period (1 000)	1 309 027	1 309 027	1 309 968	1 318 036	1 318 036
30 Average number of shares (1 000)	1 309 027	1 309 552	1 313 965	1 318 036	1 318 036
31 Average number of shares - fully diluted (1 000)	1 311 737	1 314 781	1 319 863	1 318 036	1 318 036
32 Earnings per share (NOK)	4.11	2.77	4.59	5.15	3.83
33 Earnings per share excl. goodwill amortisation (NOK)	4.61	3.19	4.91	5.43	4.04
34 Earnings per share fully diluted (NOK)	4.10	2.76	4.57	5.15	3.83
35 Equity per share at end of period (NOK)	32.17	30.32	29.74	27.34	27.98
36 Share price at end of period (NOK)	44.40	32.60	40.40	47.50	32.90
37 Price/book value	1.38	1.08	1.36	1.74	1.18
38 Market capitalisation (NOK billion)	58.1	42.7	52.9	62.6	43.4
39 Dividend per share (NOK)	2.20	2.14	2.53	2.43	1.94
40 "RISK" adjustment for the DnB share as at 1 Jan. the consecutive year (NOK) ²⁾	(7.34)	6.44	(3.66)	2.64	(0.39)
41 "RISK" adjustment for the Gj.NOR share as at 1 Jan. the consecutive year (NOK) ²⁾	-	(0.46)	17.53	28.11	20.18

1) Asset management operations acquired from Skandia are included in the figures as from 1 June 2002 and Nordlandsbanken from 1 January 2003.

2) Estimated "RISK" adjustment for 2003

Definitions

4 Gains on the sale of Elcon are not included in the calculation for the first three quarters of 2004.

8 Profit for the period as a percentage of average equity.

17 Net losses on loans (excluding guarantees) as a percentage of lending after the deduction of specified loan-loss provisions at end of period.

18 Non-performing and doubtful commitments after the deduction of specified loan-loss provisions relative to lending after the deduction of specified loan-loss provisions. Figures at end of period.

19 Accumulated specified and unspecified loan-loss provisions relative to gross lending at end of period.

32 Profit for the period divided by the average number of shares.

37 The last quoted share price on the Oslo Stock Exchange at end of period relative to the book value of equity at end of period.

38 Number of shares multiplied by the share price at end of period.

Section 3

DnB NOR Group and business areas

Group strategy

Strategic platform

During the first months of 2004 more than 500 people throughout the Group were involved in a process to review the strategic platform for DnB NOR. This platform gives guidance with respect to the choice of activities, development of corporate culture and primary objectives within the Group. The strategic platform, which was approved by the Board of Directors in March 2004, provides a foundation for business areas and support and staff units in preparing their own plans for generating **growth and profitability**.

Strategic position

DnB NOR is Norway's leading financial services group, and the Group's strong position among customers in Norway represents a basis for future operations. The business idea indicates priorities:

**"A local presence and a full range of services are our strengths.
DnB NOR will be the customers' best partner and will meet their needs for financial solutions throughout Norway and in selected areas in the international arena"**

- The Group's relationships with individuals and companies in Norway are at the heart of its business and are the basis for profitable growth. We will generate added value for customers on the basis of long-term relationships based on trust. Local presence and sound solutions to the customers' financial needs, individual treatment via efficient distribution solutions and our role as their mainstay at home and abroad will contribute to this
- DnB NOR offers competitive products from the entire range of financial services and is a leading producer in strategic product areas
- DnB NOR is international customers' preferred partner in Norway
- In the international arena the Group will focus on areas in which it has a competitive edge thanks to the competence it has gained from its Norwegian operations

Common values and corporate culture

A common culture and view of leadership will be crucial to our success in creating a new way to run DnB NOR which differentiates us from other financial institutions. Our common values, **Team spirit**, **Simplicity** and **Value creation**, will guide our conduct both within the Group in developing a corporate culture and outside the Group in the way we meet the customers. A set of common characteristics distinctive to our organisation have been developed on the basis of these values. **"How we do it in DnB NOR"** embodies these characteristics, which will be implemented in all units throughout the Group.

Strategic goals

The strategic platform defines our strategic goals relative to different stakeholders; customers, employees, investors and citizens. We want DnB NOR to be **the first choice** for customers looking for products or services geared to their financial needs at any time; for employees who want a demanding and varied workplace, for investors who are looking for long-term value creation and for citizens who want a financial institution that demonstrates corporate social responsibility. Fulfilment of the strategic goals will strengthen DnB NOR's position and will be closely followed up by management and the Board of Directors.

Financial targets

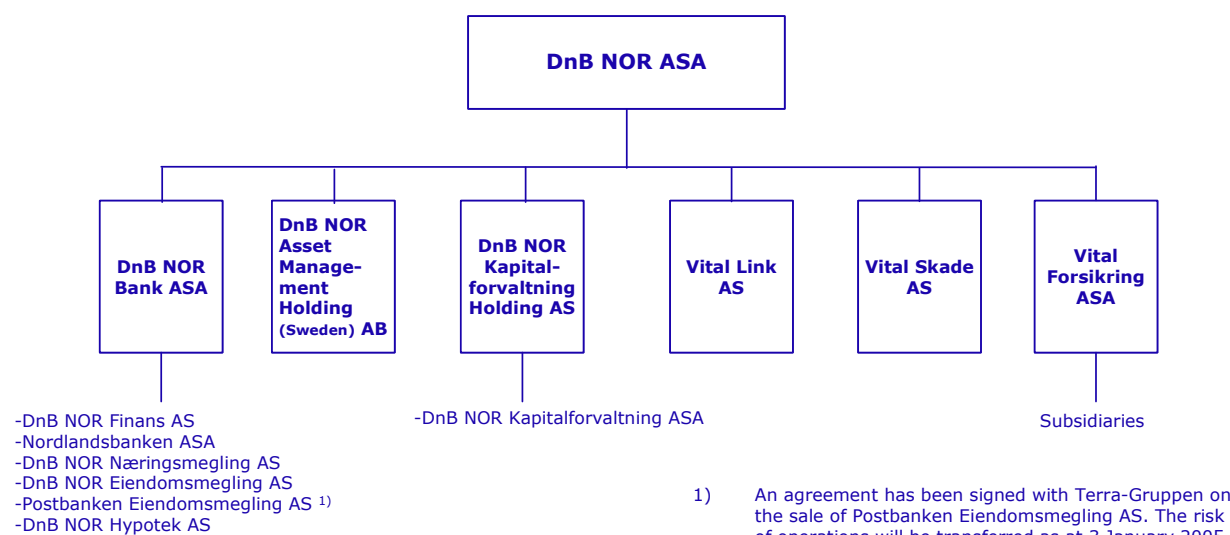
In accordance with the strategic goals, DnB NOR's financial targets aim to create shareholder value through a return on equity and appreciation of the share price which are competitive in a Nordic context. This can be expressed through the following targets:

- Return on equity should be in excess of 15 per cent after tax, but before goodwill amortisation
- Cost-income-ratio should be lower than 50 per cent after tax, but before goodwill amortisation
- The core capital ratio should be approximately 7 per cent
- DnB NOR envisages that roughly half the Group's profits should be distributed as dividends, provided that capital adequacy remains at a satisfactory level
- Rating for ordinary long-term debt should be maintained at an Aa level

Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and life insurance activities of the DnB NOR Group are organised in separate limited companies under the holding company DnB NOR ASA. Banking activities are organised in DnB NOR Bank ASA, while asset management activities are organised in two companies: DnB NOR Kapitalforvaltning Holding AS and DnB NOR Asset Management Holding (Sweden) AB. Life insurance activities in the form of traditional life and pension products are carried out by Vital Forsikring ASA, while unit linked products are offered through Vital Link AS. Vital Skade AS offers non-life insurance as part of a total product package for retail and corporate clients and operates as an agent for foreign insurance underwriters. The chart below shows the legal structure of the DnB NOR Group at end-September 2004.

DnB NOR Group - legal structure at end-September 2004



Group business structure

The activities of DnB NOR are organised into five operational business areas and four staff and support units. As independent profit centres, the business areas carry responsibility for customer segments served by the Group, as well as the products offered. The operational structure of DnB NOR deviates from its legal structure as activities in subsidiaries fall in under the business area relevant to the company's operations.

The business areas carry responsibility for specific customer segments and key distribution channels, including sales of customer products, marketing, customer service, distribution and risk assessment in addition to product development, production and product pricing. The business areas are also responsible for the most business-critical support functions and have the opportunity to influence other staff and support units in the Group.

Cooperation between the business areas is an important element in DnB NOR's strategy. A wide range of products, services and distribution channels enables the Group to offer customer solutions across business areas.

Financial targets

Differentiated financial requirements have been set for the business areas, which in combination will help the DnB NOR Group reach its financial targets.

Return on equity is the key ratio for the business areas, representing each area's profits after taxes relative to financial capital requirements. The need for financial capital is based on the risk involved in operations in accordance with DnB NOR's risk management model. In addition, differentiated financial and non-financial targets have been set for the business areas.

Internal pricing

DnB NOR's financial management model and operational organisation entail the sale of products and services between the business areas in the Group. The pricing of such intra-group transactions is regulated by internal agreements generally based on market terms.

Services provided by staff and support units will as far as possible be scaled and priced according to use. Joint expenses incurred by group staff units and other group expenditures that cannot be debited according to use, are charged to the business areas' accounts on the basis of special distribution formulas. Goodwill amortisation and costs relating to the Group's equity transactions, including strategic investments, are not charged to the business areas. Nor are the business areas charged with direct shareholder-related expenses and costs concerning the Group's governing bodies.

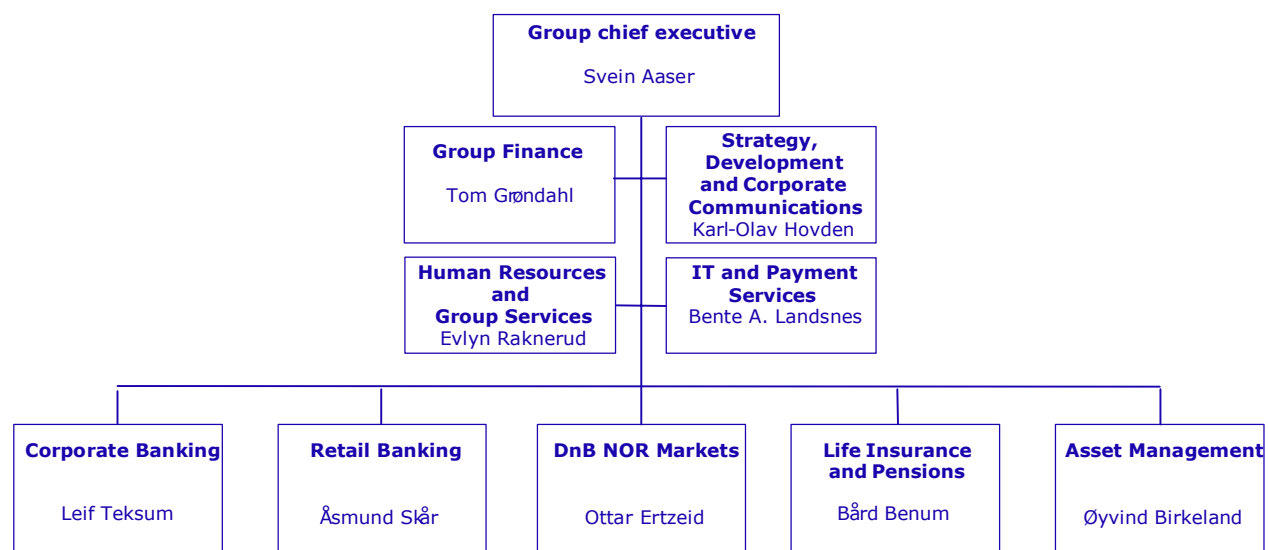
Certain customers and transactions of major importance require extensive cooperation within the Group. To stimulate such cooperation, net income relating to some of these transactions is recorded in the accounts of all relevant business areas. This refers primarily to income from customer trading in Markets. In the first nine months of 2004, such income totalled NOK 447 million. Double entries are eliminated in the group accounts. The effect of internal transactions between the Group's trading portfolio and banking portfolio are, however, not eliminated.

Sale of companies

In accordance with the terms of the authorities' concession for the merger, the DnB NOR Group was required to sell certain legal entities. This applied to Elcon Finans, Postbanken Eiendomsmegling, Aktiv Eiendomsmegling and Gjensidige NOR Fondsforsikring. All of these companies were sold or sales arranged during the first nine months of 2004.

The description of the business areas, including financial information, has been prepared as though these companies are no longer part of the Group. In the accounts for the business areas, pro forma accounts for the companies are combined under the item "Discontinuing operations".

The terms of the merger also require the sale of a total of 53 banking outlets. These sales have not been taken into consideration in the description and accounts of the business areas.

DnB NOR Group - organisation chart at end-September 2004

Synergies

Cost and revenue synergies resulting from the DnB NOR merger

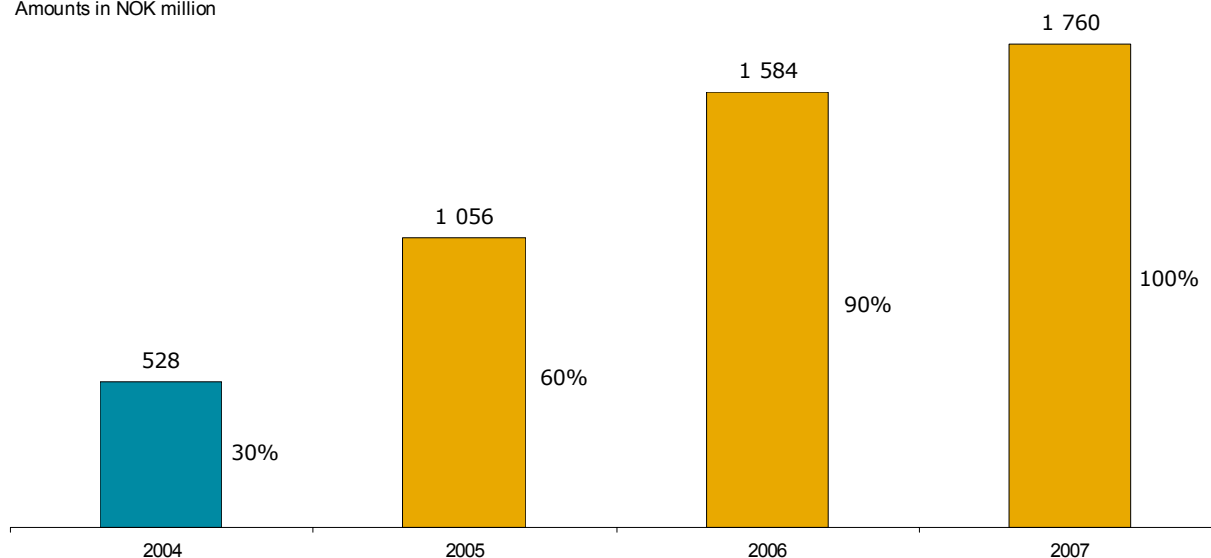
Annual cost and revenue synergies following full implementation in 2007 ¹⁾

<i>Amounts in NOK million</i>	Cost synergies	Staff reductions (full-time positions)	Restructuring costs
Retail Banking	745	740	365
Corporate Banking	150	200	145
DnB NOR Markets	105	100	120
Asset Management ¹⁾	110	70	175
IT and Payment Services	235	85	560
Human Resources and Group Services	160	110	160
Staff units/other ²⁾	205	190	260
Total	1 710	1 495	1 785
Life Insurance and Pensions (effect for owner) ^{1) 3)}	50	135	75
Total including Life Insurance and Pensions	1 760	1 630	1 860
Income synergies	(355)		
Net synergies	1 405		

- 1) Asset Management and Life Insurance and Pensions include synergies related to IT and office space. With respect to other units, these synergies appear under staff units/other operations (IT and Group Services).
- 2) Includes IT and Payment Services, Human Resources, Group Services and Treasury. Some synergies have an overall impact and apply to all business areas. Such synergies are not allocated to specific units.
- 3) The effect is calculated on the assumption that 35 per cent of cost savings are reflected in profits to the owner.

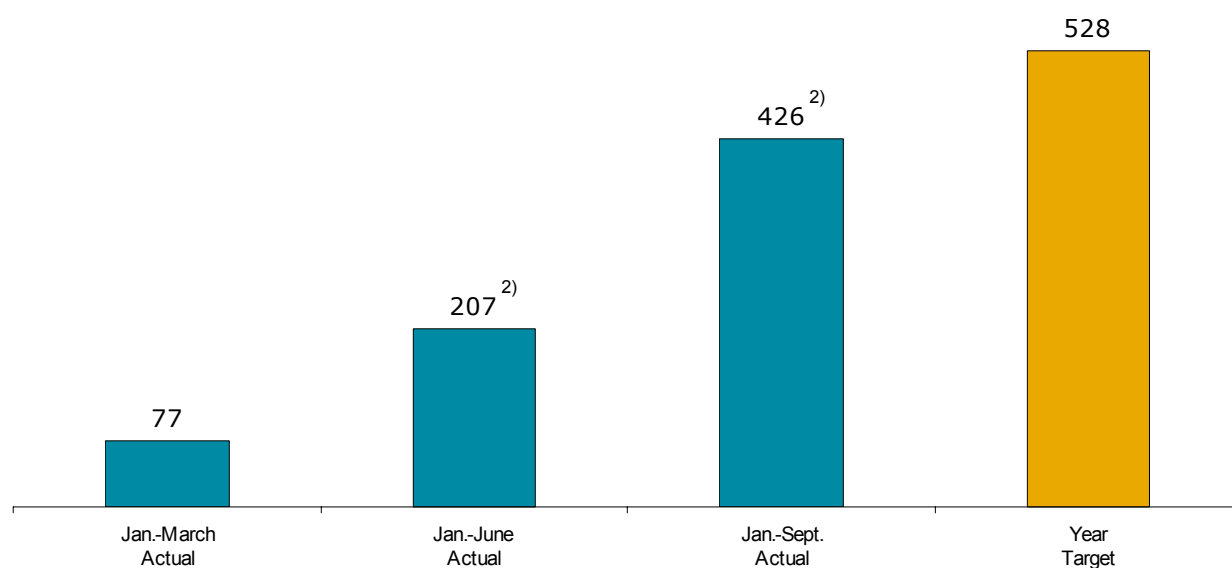
DnB NOR's cost synergy targets ¹⁾

Amounts in NOK million



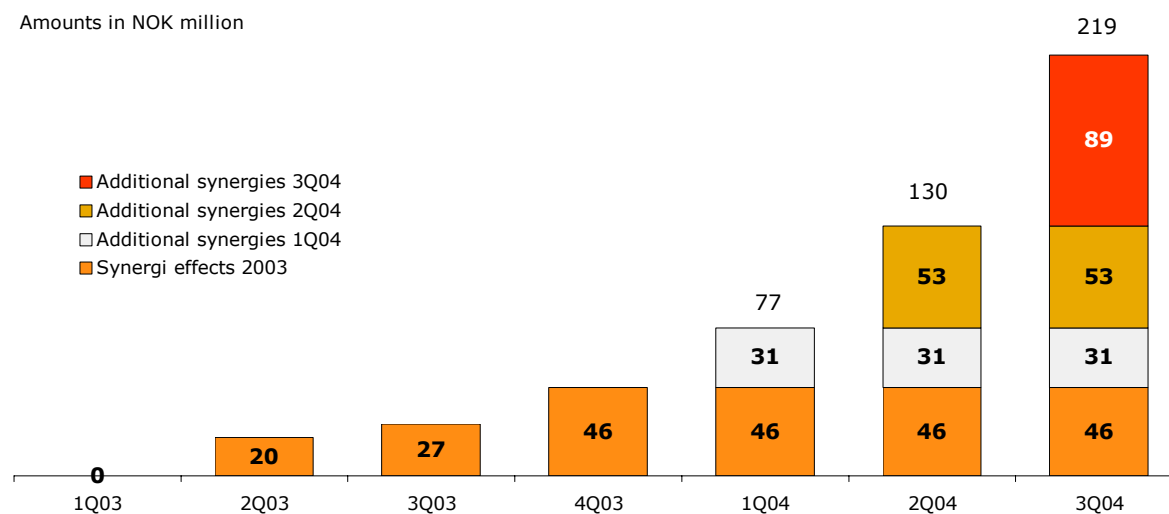
- 1) Cost synergy targets are calculated on the basis of ordinary operating expenses in 2003 adjusted for 1 per cent rise in costs.

(Pro forma accounting figures prior to 31 December 2003)

Cost synergies in 2004 ¹⁾**Accumulated cost synergies per quarter ²⁾**

- Profit and loss effect 2003: NOK 93 million
- Profit and loss effect 2004: NOK 426 million

Amounts in NOK million



1) Cost synergy targets are calculated on the basis of ordinary operating expenses in 2003 adjusted for a 1 per cent rise in costs.

2) Profit and loss effects. The synergy effects and the target relating to Vital have been calculated on the assumption that 35 per cent of the cost savings are reflected in profits to the owner.

Business areas

Operating results and key financial data for main business areas

The business area accounts are based on internal management reporting to the Board of Directors and the group chief executive. In the first three quarters of 2004, the allocation of certain items between the business areas was reassessed. Figures for 2003 have been adjusted correspondingly.

Extracts from profit and loss accounts ¹⁾

Amounts in NOK million	Net interest income		Net other operating income		Operating expenses		Pre-tax operating profit/(loss) before losses		Net losses on loans and long-term securities		Pre-tax operating profit/(loss)	
	Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Corporate Banking	4 384	4 443	1 521	1 599	2 416	2 448	3 488	3 594	(52)	1 233	3 540	2 361
Retail Banking	5 339	5 262	2 059	1 910	4 877	5 178	2 521	1 994	113	207	2 408	1 787
DnB NOR Markets	212	404	1 611	1 493	816	889	1 007	1 008	(3)	(1)	1 010	1 010
Life Insurance and Pensions			792	573			792	573			792	573
Asset Management	11	37	683	595	509	527	184	105			184	105
Discontinuing operations ²⁾	258	614	1 044	110	144	379	1 158	344	23	131	1 135	213
Other operations	(304)	(269)	(273)	(351)	1 563	482	(2 139)	(1 102)	(35)	16	(2 105)	(1 117)
DnB NOR Group	9 900	10 490	7 437	5 928	10 325	9 902	7 012	6 516	45	1 586	6 966	4 930

Main balance sheet items, average balances ¹⁾

Amounts in NOK billion	Interest on allocated capital (NOK million)		Allocated capital ³⁾		BIS Capital ⁴⁾		Net lending to customers		Customer deposits		Assets under management ⁵⁾	
	Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Corporate Banking	297	636	19.0	17.6	19.1	18.6	246.2	249.0	163.5	158.0		
Retail Banking	118	244	7.5	6.7	11.3	9.9	297.3	255.6	185.7	180.3		
DnB NOR Markets	29	72	1.8	2.0	1.8	1.7	1.4	1.6	9.3	10.0		
Life Insurance and Pensions	140	286	8.9	7.9	4.2	4.0					152.6	134.7
Asset Management	15	31	1.0	0.9	-	-					482.6	425.7
Discontinuing operations ²⁾							9.4	24.9	0.2	0.4		
Other operations			6.7	6.4			1.8	1.1	(10.2)	(12.3)	(138.6)	(117.8)
DnB NOR Group			44.9	41.5	41.4	40.3	556.2	532.1	348.5	336.5	496.6	442.6

Key figures

Per cent	Cost/income ratio excl. goodwill amortisation		Ratio of deposits to lending		Return on equity ⁶⁾		Return on equity (BIS) ⁷⁾		Full-time positions	
	Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		30 Sept.	31 Dec.
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003 ⁸⁾
Corporate Banking	40.8	40.4	66.4	63.5	17.9	12.9	17.9	12.4	1 837	1 951
Retail Banking	65.7	71.9	62.4	70.5	30.7	25.5	21.0	18.5	4 383	4 660
DnB NOR Markets	44.8	46.9			52.6	48.6	55.4	57.2	530	610
Life Insurance and Pensions					10.1	8.3	19.2	12.4	994	1 022
Asset Management	73.4	83.4			18.2	11.9	-	-	313	359
Discontinuing operations ²⁾									7	456
Other operations									2 050 ⁹⁾	1 986
DnB NOR Group	54.9	57.0	62.7	63.2	15.1	12.2	16.3	11.9	10 115	11 044

(Pro forma accounting figures prior to 31 December 2003)

- 1) The DnB NOR Group's income, expenses and balance sheet volumes are allocated to the business areas. In the table above some of the income generated in DnB NOR Markets related to foreign exchange/treasury instruments, sales of securities in the primary market, as well as custodial services, is also included in the net other operating income of Retail Banking and Corporate Banking. The elimination of these double entries are included in the "Other operations" line.

The line "Other operations" can be split into the following components:

Amounts in NOK million	Net interest income		Net other operating income		Operating expenses		Pre-tax operating profit/(loss) before losses		Net losses on loans and long-term securities		Pre-tax operating profit/(loss)	
	Jan.-Sept. 2004	Jan.-Sept. 2003	Jan.-Sept. 2004	Jan.-Sept. 2003	Jan.-Sept. 2004	Jan.-Sept. 2003	Jan.-Sept. 2004	Jan.-Sept. 2003	Jan.-Sept. 2004	Jan.-Sept. 2003	Jan.-Sept. 2004	Jan.-Sept. 2003
Group Centre	(420)	(544)	395	403	1 209	285	(1 234)	(427)	7	36	(1 242)	(463)
Interest on unallocated capital	104	233					104	233			104	233
Gain/(loss) on DnB NOR's equity investments			44	134			44	134	(48)	(22)	92	156
Goodwill amortisation			(76)	(76)	363	385	(439)	(461)			(439)	(461)
Gjensidige NOR Driftspartner and Markedsstøtte			180		180		0				0	
Restructuring expenses												
Double entries	9	(1)	(455)	(478)	0	2	(447)	(481)	0	0	(447)	(481)
Eliminations	4	44	(361)	(334)	(190)	(190)	(167)	(100)	6	2	(174)	(101)
Total	(304)	(269)	(273)	(351)	1 563	482	(2 139)	(1 102)	(35)	16	(2 105)	(1 117)

The Group Centre comprises Human Resources and Group Services, Group Staff, IT and Payment Services, Strategy, Development and Corporate Communications, investments in IT infrastructure and shareholder-related expenses. The Group Centre also holds the part of the Group's equity which is not allocated to the business areas.

Goodwill related to mergers and acquisitions initiated by the Group is not allocated to the business areas. Goodwill related to the merger between Gjensidige NOR and DnB totalled NOK 1 717 million, of which NOK 188 million referred to Elcon Finans. The remaining goodwill will generally be amortised over twenty years starting in January 2003. Goodwill related to Cresco will be amortised over eight years. After the sale of Elcon Finans annual goodwill amortisation related to the merger will amount to NOK 112 million. Goodwill related to the acquisition of Nordlandsbanken amounted to NOK 531 million and is amortised over ten years starting in January 2003. Goodwill related to the acquisition of Skandia Asset Management amounted to SEK 3 402 million and is amortised over twenty years starting in January 2002. Goodwill in Vital is amortised by NOK 25 million each quarter, ending in 2005. The amortisation of Postbanken's fair value adjustments amounts to NOK 10 million per quarter, with the major items ending in 2004. In connection with the merger between Gjensidige and Union Bank of Norway in the second quarter of 1999, goodwill totalling NOK 849 million was capitalised with an amortisation period of between five and eight years. In 2001, goodwill in the Gjensidige NOR companies totalling NOK 383 million was recorded in the balance sheet. The remaining goodwill as at 31 December 2003 was NOK 341 million, with annual amortisation of NOK 180 million.

- 2) Discontinuing operations include Elcon Finans, Postbanken Eiendomsmegling and Gjensidige NOR Fondsforsikring. On 30 March 2004, Elcon Finans was sold to Santander Consumer Finance. The company's first-quarter income and expenses are included in the table above. The sale provided a gain of NOK 977 million. Gjensidige NOR Fondsforsikring was sold to Forsikringsselskabet Danica in May 2004. The sale provided a gain of NOK 35 million in the third quarter accounts. An agreement has been signed with Terra-Gruppen AS on the sale of the real estate brokerages Postbanken Eiendomsmegling and Aktiv Eiendomsmegling AS. See chapter 1.
- 3) The figures include the average capital requirement for the period. The allocation of capital is based on DnB NOR's internal management model, which includes credit, market, insurance, liquidity and operational risk for each business area. In addition, capital is maintained to comply with statutory requirements, cover uncertainty in risk estimates and serve as a buffer to meet future needs.
- 4) BIS capital is estimated at 7 per cent of average risk-weighted volume for the business areas.
- 5) The line "other operations" includes assets managed by Asset Management on behalf of Life Insurance and Pensions, representing NOK 138.5 billion in the first three quarters of 2004 and NOK 117.4 billion in the first three quarters of 2003.
- 6) Calculations of return on equity are based on profits after taxes and allocated equity capital. The Group's return figures are profit after goodwill amortisation divided by average equity. The expected tax rate for the DnB NOR Group is 27 per cent. A 28 per cent tax rate is used for Corporate Banking, Retail Banking, DnB NOR Markets and Asset Management. The tax rate used for Life Insurance and Pensions is 15 per cent, which represents the expected tax rate.
- 7) Calculations of return on equity are based on profits after taxes and BIS capital. The expected tax rate for the DnB NOR Group is 27 per cent. A 28 per cent tax rate is used for Corporate Banking, Retail Banking, DnB NOR Markets and Asset Management. The tax rate used for Life Insurance and Pensions is 15 per cent, which represents the expected tax rate.
- 8) Restated according to new definitions.
- 9) 209 full-time positions in the former jointly controlled companies Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte are included as from 1 January 2004.

Corporate Banking

Corporate Banking serves the entire corporate market ranging from small and medium-sized (SME) to large companies, including the public sector and international corporates. DnB NOR holds a strong position in all segments of the domestic corporate market, and is one of the world's leading shipping banks. Market activities are organised in five divisions and two subsidiaries: DnB NOR Finans and Nordlandsbanken. The business area is headed by Leif Teksum, group executive vice president.

DnB NOR Corporate Banking aims to be the customer's best financial partner, meeting their needs for financial solutions throughout Norway and in selected sectors of the Nordic and international markets.

The domestic market is the prime target for market activities and growth. Corporate Banking also offers international services to shipping and energy clients around the globe. Further international expansion is planned within shipping, energy and certain other sectors where competitive advantages and a substantial knowledge base provide growth potential.

Financial performance

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net interest income from operations	1 429	1 361	1 296	1 326	1 343	4 087	3 806
Interest on allocated capital	99	96	102	129	153	297	636
Net interest income	1 528	1 457	1 399	1 455	1 496	4 384	4 443
Net other operating income	456	501	563	613	518	1 521	1 599
Total income	1 984	1 958	1 962	2 067	2 014	5 904	6 042
Operating expenses	784	809	824	847	811	2 416	2 448
Pre-tax operating profit before losses	1 200	1 149	1 138	1 220	1 203	3 488	3 594
Net losses	(175)	20	102	234	214	(52)	1 233
Pre-tax operating profit	1 375	1 129	1 036	986	990	3 540	2 361
Net lending to customers (NOK billion) ¹⁾	245.6	246.6	246.4	247.7	250.2	246.2	249.0
Deposits from customers (NOK billion) ¹⁾	162.7	166.4	161.5	160.2	156.1	163.5	158.0
Cost/income ratio excl. goodwill (%)	39.4	41.2	41.9	40.9	40.2	40.8	40.4
Ratio of deposits to lending (%)	66.2	67.5	65.5	64.7	62.4	66.4	63.5
Return on equity (% p.a.)	20.2	17.3	16.2	15.4	15.9	17.9	12.9

1) Average balances

Comments to the financial performance for the first three quarters of 2004

- The results reflected low interest rates and negative credit growth in the overall domestic market. However, due to better risk-adjusted pricing, margins and ordinary net interest income showed substantial improvement compared with the first three quarters of 2003
- The average combined spreads was 2.21 per cent in the third quarter of 2004 compared with 2.16 per cent in the corresponding period in 2003
- Adjusted for exchange rate movements, there was a decrease of 1.5 per cent in loans and guarantees from September 2003 to September 2004
- In cooperation with DnB NOR Markets, a total of NOK 57 billion in syndicated credits was arranged for customers. Furthermore, NOK 64 billion in commercial paper and bonds were issued during the first nine months of 2004
- The average lending to customers declined by NOK 4.6 billion from the third quarter of 2003 to the third quarter of 2004. The average deposits were up NOK 6.5 billion from the third quarter of 2003 to the third quarter of 2004
- New provisions on loans and guarantees totalled NOK 784 million. Reversals on provisions totalled NOK 759 million, and recoveries amounted to NOK 77 million.
- Net other operating income was down 4.9 per cent from the first nine months of 2003. There was a positive trend in income from payments and cash handling services and in profits from associated companies and syndicated loans. Net income from leasing and factoring improved substantially. However, income growth from these areas was outweighed by reduced gains on foreign exchange, interest rate instruments and corporate finance

Customers and market development

- In the market for large Norwegian corporates DnB NOR is the leading Norwegian financial institution, offering services in New York, London, Singapore, Shanghai, Copenhagen, Stockholm, Hamburg and Helsinki in addition to the domestic market
- The bank maintained its position in the Norwegian SME market in the first nine months of 2003 acquiring 5 800 new customers, of which many were young companies. Through a wide distribution network, DnB NOR offers the customers local and regional expertise as well as national sector analysis and a broad product range
- Nordlandsbanken has enhanced DnB NOR's position in the northernmost parts of Norway. The subsidiary serves the county of Nordland and operates under the brand name Nordlandsbanken
- DnB NOR is committed to maintaining and further enhancing a strong local presence. Local management and employees have extensive pertinent expertise and are authorised to grant credits that meet the requirements of the SME segment as well as most of the larger companies
- At end-September 2004, more than 13 900 of DnB NOR's SME customers used at least one of the Group's customised service offerings
- More than 61 000 customers make use of DnB NOR's extensive range of Internet services and Internet-based financial products
- The merger has broadened the product range and increased the potential for cross selling and product penetration in the SME market in general, especially in the former Gjensidige NOR portfolio

Corporate Banking market shares

	31 Aug. 2004	30 June 2004	31 March 2004	31 Dec. 2003	Pro forma 30 Sept. 2003
Per cent					
Of total lending to corporate clients ¹⁾	15.0	15.2	15.7	15.8	15.8
Of deposits from corporate clients ²⁾	38.7	38.2	38.9	38.4	39.9

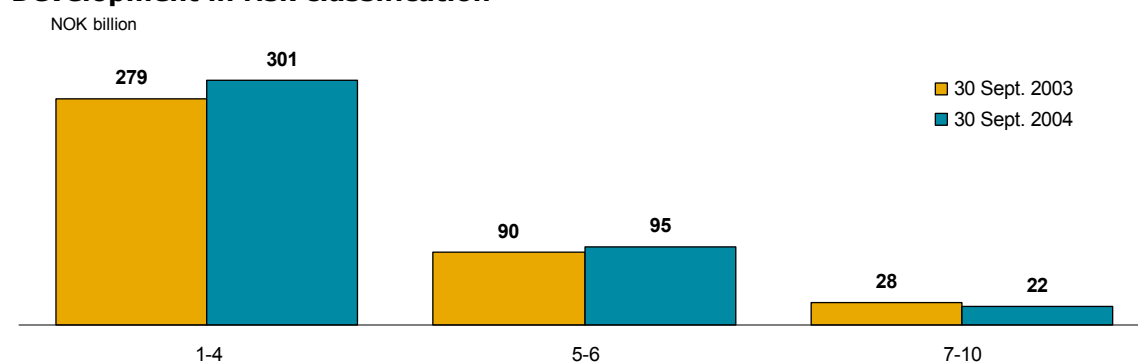
1) Overall lending includes all credits extended to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies, finance companies and foreign institutions, as well as bonds, commercial paper

2) Domestic savings and commercial banks

Source: Norges Bank, DnB NOR

- Credit growth in the domestic market moved from negative to positive during the third quarter. DnB NOR's market share in the domestic market was slightly reduced over the last twelve months. The development in market share of lending should be seen in light of increasing volumes of other credit instruments
- The market share of domestic corporate deposits decreased over the last twelve months partly due to large clients using their liquidity for prepayments on loans. The loss of market share also reflects the positive funding situation for DnB NOR

Development in risk classification ¹⁾



1) Based on DnB NOR's risk classification system where 1 represents the lowest risk and 10 the highest risk. The volume represents the expected outstanding amount in the event of default.

Organisation and distribution

Corporate Banking is organised in six divisions:

- Large Corporates Divisions 1 and 2 serve large Norwegian corporates, the public sector, international companies that do business in Norway, international customers in the oil and energy sectors as well as financial institutions
- The Shipping Division serves Norwegian and international shipping, offshore and maritime logistics companies
- Regional Division East and Regional Division Coast each serve businesses in two different segments based on geographical location:
 - Large companies with a turnover above NOK 40 million
 - Small and medium-sized enterprises with a turnover of up to NOK 40 million
- The Business Support Division in Corporate Banking consists of customer support, credit and collateral administration, marketing and internet development departments

Products

Corporate Banking offers customers a broad range of financial services, including lending, bond issues, syndicated loans, deposits, cash management, FX/treasury products, corporate finance and acquisition finance, either directly or in cooperation with DnB NOR Markets.

Through DnB NOR Markets Inc. in the US, DnB NOR offers investment banking services, including mergers and acquisitions and advisory services, to international clients, particularly in the shipping and energy sectors.

Employees

- One of Corporate Banking's competitive advantages in the domestic market is the considerable expertise of the employees with regard to local business, credit risk, customer needs and product offerings. The merger has expanded the Group's competence base and Corporate Banking is committed to its continuous development. Active knowledge management has top priority and particular emphasis has been placed on systematic specialised training in credit rating and risk and profitability analyses. Corporate Banking believes that active knowledge management will help underpin the growth strategy
- The integration of the two financial services groups is ahead of schedule in Corporate Banking
- At end-September 2004, the business area had a staff of 1 837 full-time positions, with 1 698 in Norway, of which 486 in subsidiaries, as well as 139 full-time positions in international units
- Incentive structures and balanced scorecards are tailored to the goals of the different divisions. In order to maximise performance and attract the best account managers, remuneration varies from division to division and in accordance with market rates

Cooperation with other group entities

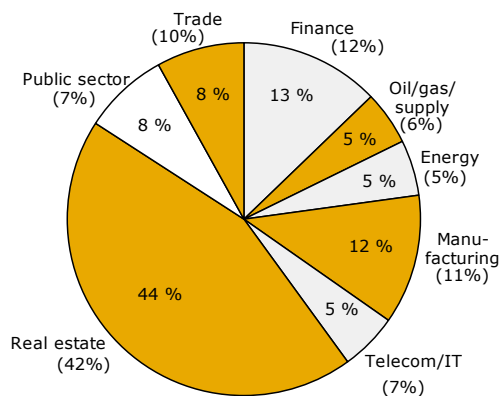
Through extensive cooperation with other business areas and support functions in the Group, particularly within corporate finance and FX and interest rate instruments, corporate customers are offered a broad range of financial services and life insurance and pension products.

Large Corporates Divisions 1 and 2

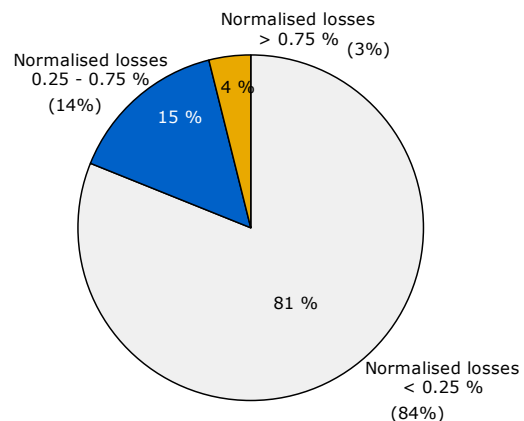
Average volumes

Amounts in NOK billion	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net lending to customers	78	79	81	83	85	80	85
Guarantees	29	27	28	28	26	28	27
Customer deposits	71	76	72	70	68	74	70

Lending according to sector ¹⁾



Risk classification of portfolio ¹⁾



1) Figures as at 30 September 2004. Percentages as at 30 September 2003 in parenthesis

Business profile

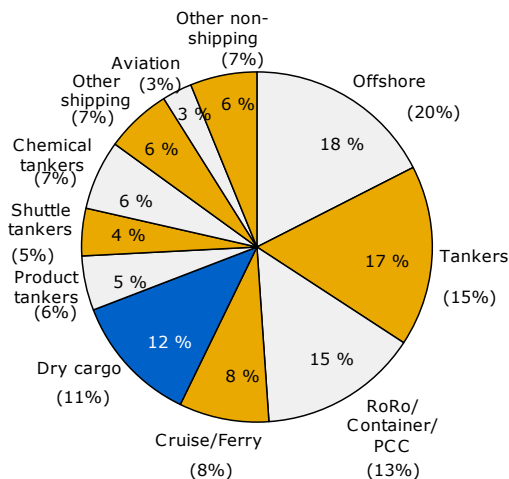
- Corporate Banking serves large Norwegian corporates, the Norwegian public sector, international companies that do business in Norway, international customers in the oil and energy industries as well as financial institutions
- DnB NOR is market leader in the large corporate segment. The majority of Norway's largest corporations use DnB NOR as their lead banker. In addition, DnB NOR has extensive interaction with most of the other institutions in this segment
- Commercial real estate broking services are offered through the subsidiary DnB NOR Næringsmegling
- DnB NOR Hypotek offers hypothecary financing of commercial real estate. Lending volume averaged NOK 17 billion in the first three quarters of 2004

Shipping Division

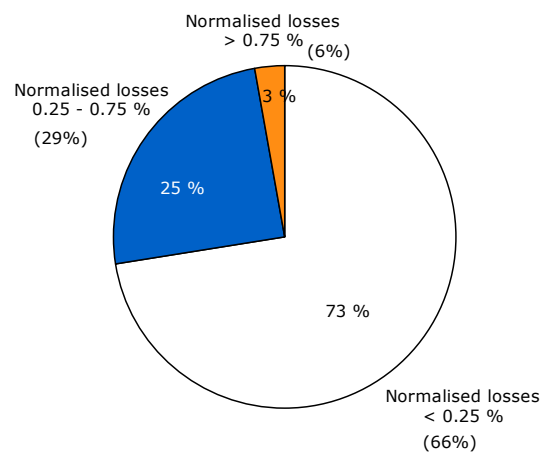
Average volumes

Amounts in NOK billion	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net lending to customers	39	39	38	39	37	38	36
Guarantees	13	11	11	11	11	11	11
Customer deposits	19	18	17	16	16	18	16

Lending according to sector ¹⁾



Risk classification of portfolio ¹⁾



1) Figures as at 30 September 2004. Percentages as at 30 September 2003 in parenthesis

Business profile

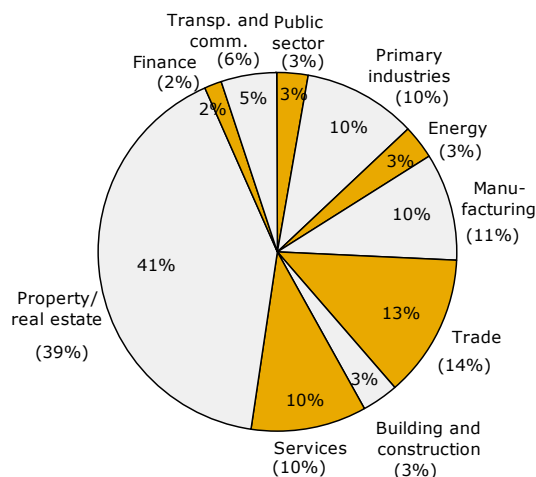
- Among the top three shipping banks in the world
- Strong and proactive client focus and long-term relationship perspective
- Aims to be the clients' preferred financial partner by meeting their needs for financial solutions
- Follow our shipping clients as they expand their business into logistics
- Expand client base through further development of the logistics and LNG portfolio
- Provides commercial and investment banking services to high-quality Norwegian and international shipping and offshore clients from the Group's offices in Oslo, Bergen, London, New York and Singapore

Regional Division East and Regional Division Coast

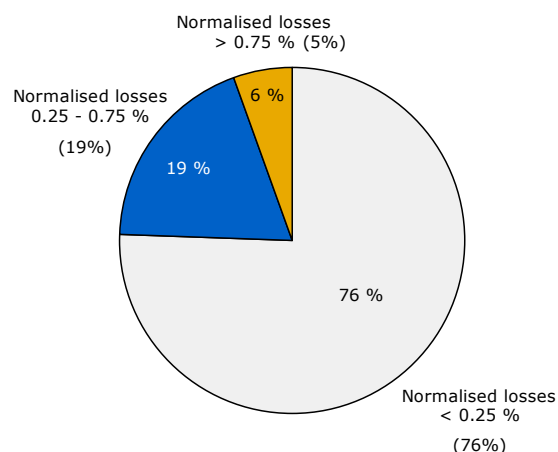
Average volumes

Amounts in NOK billion	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net lending to customers	103	101	100	99	99	101	99
Guarantees	9	10	10	10	10	10	10
Customer deposits	70	69	70	72	70	70	70

Lending according to sector ¹⁾



Risk classification of portfolio ¹⁾



1) Figures as at 30 September 2004. Percentages as at 30 September 2003 in parenthesis

Business profile

- Serving more than 85 000 businesses divided into two segments:
 - Large companies with a turnover above NOK 40 million
 - Small and medium-sized enterprises with a turnover of up to NOK 40 million
- Service is provided by a broad regional network, as well as via telephone and the Internet

The priorities of clients served by these two divisions when choosing their bankers is local presence combined with the expertise of a major bank. DnB NOR has financial services centres throughout Norway that offer a broad range of products and services and have considerable know-how that is pertinent for the customers. DnB NOR has a sound platform for strengthening its position as the preferred provider of financial products and services for this customer segment

Nordlandsbanken – Corporate Banking

Average volumes

Amounts in NOK billion	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net lending to customers	11	11	11	12	14	11	12
Guarantees	1	1	1	1	1	1	1
Customer deposits	3	3	3	3	3	3	3

Business profile

- Corporate Banking in Nordlandsbanken serves corporates and the public sector in the county of Nordland, where the company holds a leading position in the corporate segment
- Nordlandsbanken aims to be the preferred financial partner among corporates in Nordland by meeting their needs for financial solutions through local expertise and as a part of a large national financial institution
- Lending volume to the corporate sector has been stable during 2004

DnB NOR Finans

- DnB NOR Finans is one of the leading finance companies in Norway, offering car financing to retail customers, as well as factoring, leasing and various other forms of financing and related services to the corporate and public sectors
- DnB NOR Finans has 14 sales offices in Norway and representation in Denmark, and cooperates closely with the bank's branch network and distribution channels
- Lending volumes increased by 7.5 per cent from the first nine months of 2003 to the corresponding period of 2004. Average net lending to customers totalled NOK 17.5 billion in September 2004

Retail Banking

Retail Banking, serving private customers and small companies under the brand names DnB NOR, Postbanken, Cresco and Nordlandsbanken, is Norway's largest retail bank. The business area is headed by Åsmund Skår, group executive vice president.

The business area aims to maintain its leading market position and stand out as the customer's best financial partner. The greatest challenge during the integration phase is to build customer confidence and strengthen customer relationships and the Group's competitiveness, while at the same time realising the synergies which underpin the DnB NOR merger.

During the first quarter of 2004, Den norske Bank and Gjensidige NOR Sparebank merged. In April 2004, the moving of 53 branches into joint premises was decided. The integration process is on schedule, and Retail Banking is ahead of target figures for the planned realisation of synergies. The first new branch with the DnB NOR profile opened on 1 June, and at the end of the third quarter another 16 branches with the DnB NOR profile have been opened.

Financial performance

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net interest income from operations	1 784	1 816	1 620	1 573	1 715	5 221	5 017
Interest on allocated capital	40	38	40	51	58	118	244
Net interest income	1 824	1 854	1 661	1 624	1 773	5 339	5 262
Net other operating income	686	701	673	645	688	2 059	1 910
Total income	2 510	2 554	2 333	2 269	2 462	7 398	7 171
Operating expenses	1 591	1 652	1 634	1 851	1 736	4 877	5 178
Pre-tax operating profit before losses	919	902	700	418	725	2 521	1 994
Net losses	54	49	10	40	81	113	207
Pre-tax operating profit	865	853	690	379	644	2 408	1 787
Net lending to customers (NOK billion) ¹⁾	308.8	296.3	286.9	275.6	264.0	297.3	255.6
Deposits from customers (NOK billion) ¹⁾	189.5	184.5	183.0	180.9	184.1	185.7	180.3
Cost/income ratio excl. goodwill (%)	63.1	64.4	69.7	81.3	70.3	65.7	71.9
Ratio of deposits to lending (%)	61.4	62.3	63.8	65.6	69.8	62.4	70.5
Return on equity (% p.a.)	31.5	33.3	27.2	15.1	27.2	30.7	25.5

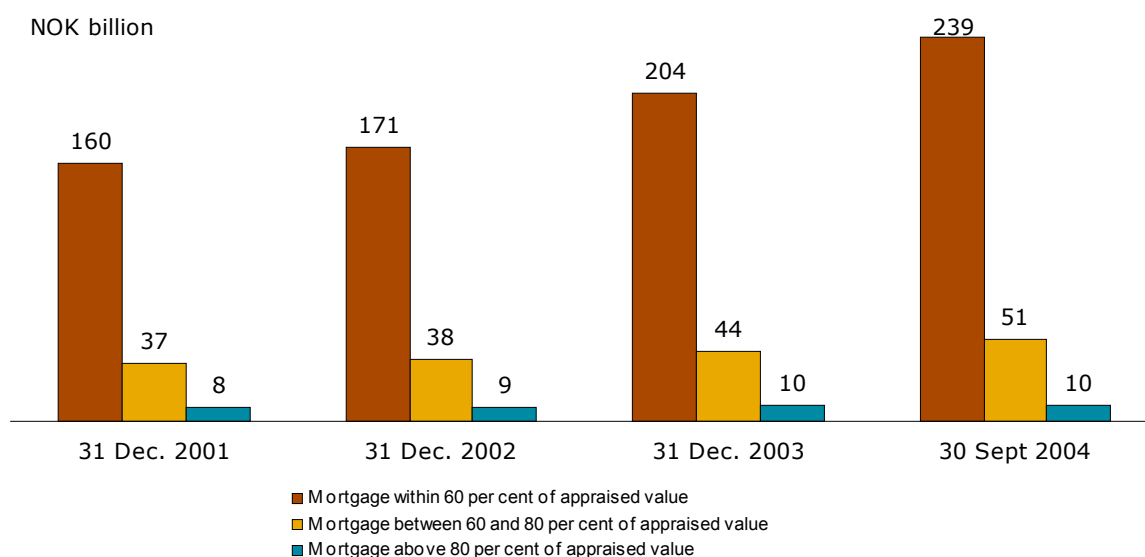
1) Average balances

Comments to the financial performance for the first three quarters of 2004

- Satisfactory profits – return on equity 30.7 per cent
- Cost income ratio improved to 65.7 per cent
- Higher net interest income, mainly due to increased lending volume
- Stable lending and deposit spreads last quarter. Lending spreads represented 1.7 percentage points and deposit spreads 0.8 percentage points on average
- Net other operating income increased by 8 per cent due to higher income from payment services and commission income from the sale of mutual funds and insurance products
- Lending increased by 16 per cent, referring primarily to well-secured housing loans
- Deposits increased by 3 per cent
- Expenses decreased by 6 per cent through restructuring and streamlining measures
- Loan losses remained at a low level and were mainly related to consumer finance
- The volume of non-performing and doubtful commitments was at a satisfactory level

Residential mortgages

NOK billion



Customers/markets

- Serving more than 2.2 million private individuals
- 495 000 customers subscribe to loyalty programmes
- 977 000 clients use the Group's Internet banks
- Postbanken.no is Norway's largest Internet bank
- 30 million payment transactions were carried out through the Internet banks in the first nine months of 2004 compared with 23 million in the corresponding period last year

Retail Banking market shares

Per cent	31 Aug. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003	30 June 2003
Bank lending to households ¹⁾	38.6	38.7	38.7	38.7	38.5	38.4
Bank deposits from households ¹⁾	36.9	36.9	37.2	37.4	37.6	37.7

¹⁾ Overall lending/deposits includes all credits extended to Norwegian customers by domestic commercial and savings banks.

Source: Norges Bank, DnB NOR

Organisation and distribution

Through Norway's largest distribution network, Retail Banking offers a wide range of financial products and services. Production, staff and support functions are largely centralised in cost-efficient joint units. The major distribution channels are:

- DnB NOR, Postbanken and Nordlandsbanken's branch offices
- The postal network
- Internet and telephone
- Investment Advisory Services

Retail Banking has a long-term cooperation agreement with Gjensidige NOR Forsikring, which among other things allows the bank to offer its customers simple non-life insurance products.

The cooperation with 16 regional savings banks involves the provision of technological solutions and distribution of the Group's products.

DnB NOR and Norway Post have a master agreement relating to the distribution of financial services through the postal network, which will remain in effect until 31 December 2005. The agreement is mainly based on transaction-specific prices and a common aim to increase the number of financial services distributed through the postal network.

- Postbanken and Norway Post have established joint service solutions provided through 1 196 in-store postal outlets, where customers can carry out everyday banking transactions in their local stores
- 6.3 million payment transactions were carried out through these channels during the first three quarters of 2004 vs. 8.6 million transactions for the full year 2003

New products

- 660 000 customers have agreed to receive notices such as account statements via e-mail
- Around 300 000 customers subscribe to Postbanken's loyalty programme Postbanken Leve, offering customers a range of basic banking services at favourable terms
- During 2004 joint Internet solutions will be developed for DnB NOR
- Harmonisation of the product range in the merged units has been a high priority during the last three months

Employees

- The number of full-time positions within Retail Banking totalled 4 383 at the end of September 2004. The integration plans include on a reduction in staff to around 3 900 full-time positions by the end of 2006
- To achieve the targets for restructuring and staff cuts, measures must be fully implemented. The process must be carried out in a considerate manner in close cooperation with the employee organisations. More efficient production and distribution of services through new and better IT solutions, telephone and Internet banking will reduce the number of employees in the coming years
- Changing customer needs and the introduction of new products make it vital to upgrade professional skills. This will mainly be achieved by educating and relocating the existing workforce

Cooperation with other group entities

Cross-selling of products is one of the major strengths of the DnB NOR Group. Through its distribution network Retail Banking offers:

- Asset management services (DnB NOR Asset Management)
- Life and pension insurance (Vital)
- Financial instruments (DnB NOR Markets)

Residential real estate broking

DnB NOR's real estate broking activities are coordinated in DnB NOR Eiendom AS, and the activities will be run from 59 offices when the integration is completed.

Properties sold/market shares

Properties sold	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
DnB NOR Eiendom	3 607	4 749	4 056	3 784	4 570	12 412	11 674
NordMægler (Nordlandsbanken)	81	93	66	68	78	240	256
Total properties sold	3 688	4 842	4 122	3 852	4 648	12 652	11 930
Market share ¹⁾	15	19	16	17	20	17	18

1) Management's estimates

- DnB NOR Eiendom had 82 outlets located in DnB NOR branches as at 30 September 2004
- In addition to fee income, real estate broking operations generate business in the form of residential mortgages and savings

Consumer finance

- DnB NOR's card-based services and consumer finance activities are coordinated in DnB NOR Kort (an entity within DnB NOR Bank ASA)
- Compared with the third quarter of 2003 DnB NOR Kort's lending volume increased from NOK 9 513 million to NOK 9 762 million
- Consumer finance activities showed healthy profits in the third quarter of 2004
- DnB NOR Kort is Norway's leading card issuer. As at 30 September 2004, the entity had issued more than 1.2 million credit and charge cards. Including debit cards, the DnB NOR Group had issued approximately 3.3 million cards

Non-life insurance

Vital Skade was the first company in Norway to develop a totally integrated virtual insurance site where Internet banking customers can buy non-life insurance products (home, car, travel etc.). Products are sold on a commission basis. Vital Skade assumes no risk on its own, but operates as an agent.

Vital Skade has entered into non-exclusive agreements with 13 academic associations offering non-life insurance products through specialised service centres. Premium income generated in Vital Skade for the first three quarters of 2004 totalled NOK 289 million, an increase of 39 per cent on the 2003 figures. Academic associations account for 52 per cent of total premiums. Sales through the Internet banking application continued to show strong growth compared with the January through September period in 2003, with total premiums of NOK 65 million, up from NOK 20 million in 2003. Commission income increased from NOK 40 million in the first three quarters of 2003 to NOK 55 million in the same period of 2004. Costs declined by 6 per cent to NOK 30 million compared with the year-earlier period.

DnB NOR Markets

DnB NOR Markets is Norway's largest provider of a wide range of securities and investment services. DnB NOR Markets comprises the following units: FX/Treasury - Customers, FX/Treasury - Trading, Equities Sales/Research, Corporate Finance and Securities Services. The Group Treasury is organisationally part of DnB NOR Markets though profits and losses for the unit are not recorded under this business area. Ottar Ertzeid, group executive vice president, is head of DnB NOR Markets.

DnB NOR Markets aims to be the leading investment bank for Norwegian and Norwegian-related customers, as well as international clients requiring services relating to Norway and the Norwegian krone.

DnB NOR Markets is a full-service investment bank with leading market positions in Norway. The business area has:

- 32 per cent of total revenues for Norwegian investment banks (first half 2004)
- Diversified business/revenues mix (products and customers)
- Sound mix of customer and trading activities
- Cost and capital-efficient operations

The DnB NOR integration was completed during the first half of 2004. Staff synergy targets were reached during the third quarter. Cost synergies will be realised during 2004 with close to full effect by the end of the year.

Financial performance

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net interest income from operations	68	57	58	48	100	183	332
Interest on allocated capital	9	9	11	13	18	29	72
Net interest income	77	66	69	62	118	212	404
Net other operating income	484	542	586	542	460	1 611	1 493
Total income	561	608	655	604	578	1 824	1 897
Operating expenses	245	264	308	282	286	816	889
Pre-tax operating profit before losses	317	344	347	321	292	1 007	1 008
Net losses/(reversals)	0	0	(3)	0	0	(3)	(1)
Pre-tax operating profit	317	344	350	321	292	1 010	1 010
Cost/income ratio excl. goodwill (%)	43.6	43.4	47.1	46.8	49.6	44.8	46.9
Return on equity (% p.a.)	51.1	54.5	52.1	46.6	41.1	52.6	48.6

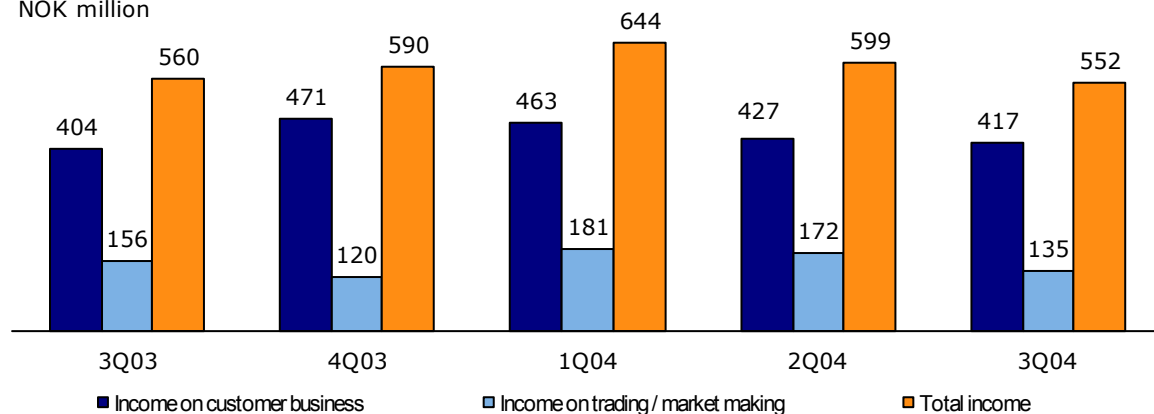
Comments to the financial performance for the first three quarters of 2004

- DnB NOR Markets showed healthy profits
- The business area recorded a satisfactory cost/income ratio and a sound return on equity
- Interest income on allocated capital was down NOK 43 million due to lower NOK interest rates
- Market making/trading revenues increased by NOK 16 million from a high level
- Income on customer business declined by NOK 46 million
- Less volatile exchange rates slowed customer demand for currency hedging products, while the low interest rate level and steep interest rate curves resulted in reduced demand for interest rate hedging products
- Close to zero growth in corporate credits reduced income from debt financing
- Costs were brought down 8.2 per cent

(Pro forma accounting figures prior to 31 December 2003)

Income distribution DnB NOR Markets ¹⁾

NOK million



1) Excluding interest on allocated capital

Products/services

- Foreign exchange and interest rate derivatives
- Securities and other investment products
- Debt and equity financing in capital markets, as well as mergers and acquisitions and other advisory and corporate finance services
- Custodial and other securities services
- DnB NOR Markets has participated in raising capital for a new fund for private investment capital arranged by Norsk Vekst
- In the third quarter the first perpetual subordinated loan capital securities and credit derivatives for customers were introduced

Distribution and cooperation with other entities

Maintaining a broad distribution network and effective cooperation with other business areas within the Group, such as Corporate Banking and Retail Banking, are key priorities for DnB NOR Markets. Customers are served from/through:

- Central units located in Oslo
- International offices (London, Singapore and New York) and 13 regional offices
- Electronic channels and the Internet
- Cooperating savings banks
- External agents

Customers/market shares

- DnB NOR Markets is Norway's largest investment bank with a market share in 2004 of over 32 per cent in terms of revenues for Norwegian firms
- The merger has enhanced the business area's market position within trading in bonds and commercial paper, equities trading, equity derivatives and research
- In terms of turnover (10.46 per cent) and number of transactions (13.85 per cent), DnB NOR Markets was the largest equity brokerage house on Oslo Børs (the Oslo Stock Exchange) in the first three quarters of 2004
- Largest fixed-income securities broker on Oslo Børs with a market share of close to 30 per cent
- Leading position within derivatives and structured products in Norway.
- Approximately 40 per cent of customer trading in equity derivatives on Oslo Børs was handled by DnB NOR Markets
- Approximately 40 per cent market share of capital-guaranteed equity-linked investment products
- Leading arranger of debt financing in capital markets for Norwegian borrowers
- Leading within domestic securities services with settlement for most foreign members of Oslo Børs
- An increasing number of customers use DnB NOR Markets as registrar in the Norwegian Central Securities Depository with market shares of 59 per cent for limited companies and 36 per cent for bonds

- Ranked best foreign exchange bank in Norway and Scandinavia by Global Finance in March 2004

Employees

- DnB NOR Markets has a staff of 530 full-time positions located in offices in Norway and abroad. At end-September 2004, DnB NOR Markets had realised its target of cutting back staff by 100 full-time positions
- DnB NOR Markets completed the process of ensuring optimal staff and competence profiles in the business area early in 2004

Revenues within various segments

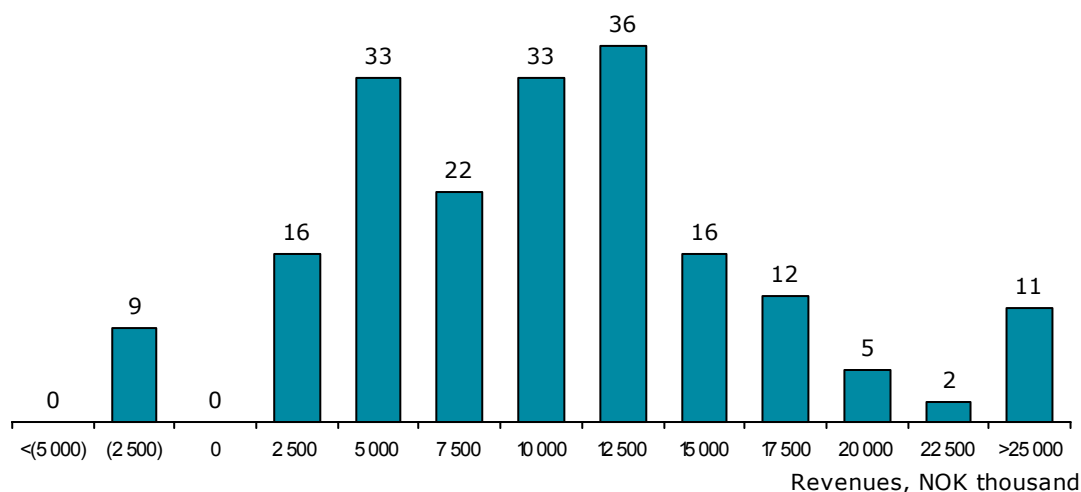
Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
FX & interest rate derivatives	209	207	232	207	200	648	660
Investment products	102	130	151	146	125	382	419
Corporate finance	60	42	37	74	38	139	146
Securities services	47	48	43	44	41	138	127
Total customer revenues	417	427	463	471	404	1 307	1 353
Market making/trading revenues	135	172	181	120	156	488	472
Interest income on allocated capital	9	9	11	13	18	29	72
Total revenues	561	608	655	604	578	1 824	1 897

Risk profile

DnB NOR Markets has a moderate risk profile. Customer activities represent the main business. Trading activities support customer activity with products and prices, with focus on Norwegian krone products.

Daily revenue distribution

Number of days



Daily revenue statistics for DnB NOR Markets

Amounts in NOK thousand	Jan.-Sept. 2004
Minimum	(3 670)
Maximum	41 771
Average	9 352
Losing days	9
Winning days	186

Interest rate sensitivity

The value of financial investments recorded on and off the balance sheet is affected by interest rate movements. The table below shows potential losses for DnB NOR resulting from parallel one percentage point changes in all interest rates. The calculations are based on a hypothetical situation where interest rate movements in all currencies are unfavourable for DnB NOR relative to the Group's positions. Also, all interest rate movements within the same interval are assumed to be unfavourable for the Group. In the trading portfolio, such losses will be charged to the accounts as they occur. In the banking portfolio, the losses will be amortised over the remaining maturity. The calculations are based on the Group's positions as at 30 September 2004 and market rates on the same date.

Potential losses for DnB NOR resulting from parallel one percentage point changes in all interest rates

Amounts in NOK million	Up to 1 month	From 1 month to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Total
Trading portfolio						
NOK	10	10	19	30	172	102
USD	17	6	23	8	33	9
EURO	3	0	4	1	71	71
GBP	0	1	2	0	0	3
Other currencies	1	2	3	0	0	4
Banking portfolio						
NOK	26	12	59	49	11	134
Total						
NOK	15	2	40	19	160	236
USD	17	6	23	8	33	9
EURO	3	0	4	1	71	71
GBP	0	1	2	0	0	3
Other currencies	1	2	3	0	0	4

The table does not include administrative interest rate risk and interest rate risk relating to non-interest-earning assets

Life Insurance and Pensions

Life Insurance and Pensions offers group pension schemes to businesses and the public sector. In the retail market, long-term savings alternatives are offered in the form of individual pension agreements and annuities. Bård Benum, group executive vice president, is head of Life Insurance and Pensions.

Life Insurance and Pensions aims to be Norway's strongest entity within pension savings. The business area seeks continued growth within the company's business segments and aims to deliver competitive results to its owner and policyholders. Devoting further efforts to improving cost efficiency, providing top-quality advisory services, maintaining high levels of service and customer relationship management and serving as an attractive entry portal for customers into the DnB NOR Group will be instrumental in reaching these targets.

Vital Forsikring ASA and Gjensidige NOR Spareforsikring ASA merged in March 2004, and life insurance operations are continued in Vital Forsikring. The integration process moved along according to schedule in the first three quarters of 2004.

The business area comprises Vital Forsikring ASA including subsidiaries and the sister company Vital Link AS. Columns marked "life insurance" refer to operations in Vital Forsikring ASA including subsidiaries. Columns marked "Life Insurance and Pensions" refer to life insurance operations including the unit linked operations in Vital Link.

Gjensidige NOR Fondsforsikring AS is not included in the figures. The company was sold to Forsikringsselskabet Danica in May 2004.

Financial performance – Life Insurance and Pensions

Amounts in NOK million							Jan.-Sept.
	3Q04	2Q04	1Q04	4Q03	3Q03	2004	2003
Interest result ¹⁾	577	1 697	1 061	1 904	132	3 335	2 671
Risk result ²⁾	(11)	(110)	(147)	(358)	(231)	(268)	(545)
Administration result	(31)	(44)	(25)	(58)	(47)	(100)	(132)
Other	(24)	(52)	(38)	44	(78)	(114)	(116)
Transferred to/(from) security reserve	(4)	3	4	10	2	3	7
Profit for distribution ³⁾	515	1 488	847	1 523	(226)	2 850	1 870
Funds transferred to policyholders	280	1 220	607	918	(364)	2 107	1 336
Tax charge	11	47	39	178	27	97	58
Profit life insurance	225	222	201	427	111	646	476
Net profit/(loss) in Vital Link	(2)	(1)	4	(42)	2	1	0
Net profit from Life Insurance and Pensions	223	221	205	385	114	647	476
Goodwill amortisation Life Insurance and Pensions	25	25	25	25	25	76	76
Net profit from Life Insurance and Pensions in the group accounts	197	195	180	360	88	571	400
+ Adjustment in the group accounts ⁴⁾	21	12	15	8	5	48	39
+ Goodwill amortisation Life Insurance	25	25	25	25	25	76	76
+ Taxes	11	46	40	160	27	97	58
Pre-tax operating profit for the business area	254	278	260	553	148	792	573

1) For developments in the financial result, asset mix and returns, see tables on pages 72 and 73.

2) Life Insurance and Pensions plans to strengthen disability provisions by NOK 220 million in 2004, of which NOK 165 million was charged to the risk result in the first three quarters of 2004, compared with NOK 566 million in the corresponding period in 2003.

3) See table on next page

4) Includes adjustment for group allocation of costs and allocated capital. Allocated capital represents ownership risk for Life Insurance and Pensions and is based on DnB NOR's risk assessment model. Pro forma figures are adjusted according to new definitions.

(Pro forma accounting figures prior to 1 January 2004)

3) Profit for distribution

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Profit for distribution	515	1 488	847	1 523	(226)	2 850	1 870
from operations subject to profit sharing ^{*)}	539	1 541	884	1 470	(145)	2 964	1 984
- Funds transferred to policyholders	280	1 220	607	918	(364)	2 107	1 336
- Profit for allocation to the owner and taxes	259	321	277	552	219	857	648
from operations not subject to profit sharing	(24)	(53)	(37)	53	(81)	(114)	(114)

*) Profit for allocation to the owner and taxes for operations subject to profit sharing in Life Insurance includes:

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

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

Extracts from balance sheets and key figures ¹⁾

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Policyholders' funds Life Insurance ²⁾	149 074	146 501	143 617	136 970	132 175	149 074	132 175
of which group pension ³⁾							
- defined benefit	94 618	92 266	89 001	84 915	81 810	94 618	81 810
- defined contribution	163	148	118	88	74	163	74
Policyholders' funds unit linked	9 230	8 947	8 681	7 292	6 241	9 230	6 241
of which group pension ³⁾							
- defined contribution	304	253	216	167	139	304	139

1) Figures refer to the end of the accounting periods.

2) Policyholders' funds consist of insurance provisions and 75 per cent of the securities adjustment reserve.

3) Insurance provisions

Key figures

Per cent	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Solvency capital (NOK million) ¹⁾	19 112	17 896	19 120	16 055	16 979	16 828	12 219
Return on equity ²⁾	8.6	11.2	10.6	23.2	6.2	10.1	8.3
Expenses in per cent of insurance provisions ³⁾	0.87	0.93	0.93	1.01	0.93	0.91	0.94

1) Life Insurance. For the composition of solvency capital, see table on page 71

2) Calculations of return on equity are based on allocated capital, after tax charges, and are annualised.

3) Life Insurance. Annualised, including costs charged to the administration result

Comments to the financial performance for the first three quarters of 2004

- Growth in policyholders' funds and 48 per cent rise in premium income
- Net inflow of transfers increased by NOK 3.6 billion
- NOK 980 million rise in profit for distribution
- Recorded return on assets 5.0 per cent and value-adjusted return on assets 4.6 per cent
- Return on equity increased from 8.3 per cent to 10.1 per cent
- NOK 2.1 billion rise in solvency capital

Premium income – Life Insurance and Pensions

Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Single premiums	1 118	1 089	1 774	2 383	1 631	3 981	3 908
Annual premiums	2 005	1 379	4 626	2 121	603	8 010	5 110
Total premiums due ^{1) 2)}	3 123	2 468	6 400	4 504	2 234	11 991	9 019
Inflow of reserves ³⁾	1 041	2 245	1 528	739	660	4 814	2 338
Outflow of reserves	545	594	798	729	1 244	1 937	3 081
Net premiums paid	3 619	4 120	7 131	4 515	1 650	14 869	8 276
Outflow of premiums	545	594	798	729	1 244	1 937	3 081
Total premium income	4 164	4 713	7 929	5 243	2 894	16 805	11 356

1) of which group pension - defined benefit

2 065 936 3 301 1 547 1 146 6 302 5 677

2) of which group pension - defined contribution

53 63 70 35 31 186 97

3) of which inter-company transfers

40 183 108 189 91 331 356

Market shares

Per cent	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003	30 June 2003
Of total premiums due	34.5	37.7	30.9	32.2	34.5
Of total premiums incl. inflow of premium reserves	40.8	40.9	33.4	34.1	35.1
Of new business	49.1	57.0	45.7	46.0	50.8
Of insurance funds including unit linked products	36.2	35.7	35.2	35.4	35.7
- Retail market	52.9	53.1	52.4	53.0	53.6
- Corporate market	30.1	29.4	28.9	29.1	29.5
Of insurance funds for unit linked products	40.4	40.2	37.7	36.2	35.6

All premiums include reserves transferred from other life insurance companies

Source: Association of Norwegian Financial Managers in the Finance Sector, FNH and DnB NOR

Products and organisation

Life Insurance and Pensions offers:

- Group pension schemes to businesses, adapted to customer needs for defined-benefit, defined-contribution and single premium pension schemes
- Long-term savings alternatives in the form of individual pension agreements and annuities in the retail market
- Products are offered with guaranteed returns or with a choice of investment profile (unit linked)
- Group life, endowment and personal insurance
- Savings products from other units in the DnB NOR Group, including mutual funds from DnB NOR Asset Management and equity-linked bonds from DnB NOR Markets

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

Employees

- Life Insurance and Pensions gives priority to retaining and developing a high level of expertise within insurance products, management and other relevant areas of competence

Development in full-time positions

	30 Sept. 2004	31 Dec. 2003
Life Insurance	965	993
Unit link	29	29
Total	994	1 022

Cooperation with other group entities

- By taking advantage of the strength of the DnB NOR Group's total distribution network, Life Insurance and Pensions is well positioned to enjoy continued market progress
- Life Insurance and Pensions' growth in the retail market is not least due to the company's extensive distribution network, where DnB NOR channels play a principal role
- In the third quarter of 2004, DnB NOR accounted for 52.8 per cent of the sales of Life Insurance and Pensions' products in the retail market, compared with 55.9 per cent in the corresponding period of 2003

Solvency capital ¹⁾ – life insurance

<i>Amounts in NOK million</i>	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003
Interim profit	2 850	2 335	847	0	1 870
Securities adjustment reserve	1 966	1 862	3 486	2 448	2 612
Additional allocations	2 053	2 059	2 067	2 049	1 141
Security reserve	200	204	201	197	187
Equity	5 856	5 856	5 856	5 856	5 856
Subordinated loan capital and perpetual subordinated loan capital securities	2 496	2 619	2 616	2 662	2 877
Unrealised gains on long-term securities	3 692	2 961	4 047	2 842	2 436
Solvency capital	19 112	17 896	19 120	16 055	16 979
Buffer capital ²⁾	8 328	7 938	8 247	6 335	8 461

1) The table above 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) Buffer capital is total eligible primary capital in excess of the minimum statutory capital requirement and includes profits for the period, additional allocations and the securities adjustment reserve.

Capital adequacy and solvency margin capital – life insurance

<i>Amounts in NOK million</i>	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003
Capital adequacy ¹⁾					
Total eligible primary capital	7 661	7 760	7 749	7 724	7 804
Capital adequacy ratio (%)	12.7	13.1	13.2	13.8	13.8
Core capital	5 497	5 480	5 484	5 390	5 223
Core capital (%)	9.1	9.3	9.3	9.6	9.2
Risk-weighted assets	60 566	59 129	58 872	56 151	56 551
Solvency margin capital ²⁾					
Solvency margin capital	8 777	8 881	8 873	8 838	8 458
Solvency margin capital exceeding minimum requirement	2 358	2 598	2 755	3 011	2 720
Solvency margin capital in per cent of solvency margin capital requirement (%)	137	141	145	152	147

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

Balance sheets – life insurance

<i>Amounts in NOK million</i>	30 Sept. 2004	30 June 2004	31 March 2004	31 Dec. 2003	30 Sept. 2003
Financial assets					
Norwegian equities ¹⁾	7 684	6 958	7 135	7 513	6 466
International equities ^{2) 3)}	15 062	15 731	14 889	12 023	9 760
Norwegian bonds ⁴⁾	27 442	27 014	26 162	21 733	20 157
International bonds ⁵⁾	16 880	16 324	15 600	16 080	19 054
Money market instruments ⁶⁾	14 475	13 272	14 397	20 878	18 416
Bonds held to maturity	55 020	54 619	51 912	46 746	44 374
Real estate	17 723	17 613	17 949	17 632	17 712
Other	8 620	7 322	7 635	7 562	9 043
Total assets	162 906	158 853	155 678	150 168	144 982
Equity	6 502	6 279	6 057	5 856	6 332
Subordinated loan capital	2 496	2 619	2 616	2 662	2 877
Securities adjustment reserve	1 966	1 862	3 486	2 448	2 612
Insurance provisions					
Premium reserve	139 112	136 185	132 295	126 587	123 199
Additional allocations	2 053	2 059	2 067	2 049	1 141
Premium fund and pension regulation fund	5 601	6 124	5 664	5 679	5 075
Security reserve	200	204	201	197	187
Other reserves	632	559	775	622	614
Other liabilities	4 344	2 962	2 516	4 068	2 945
Total equity and liabilities	162 906	158 853	155 678	150 168	144 982
1) Net exposure after adjustment for derivative contracts	7 684	6 958	7 135	7 513	6 466
2) Net exposure after adjustment for derivative contracts	17 659	16 685	14 889	12 023	9 760
3) Of which share of investments in hedge funds	1 406	1 443	1 780	1 712	1 498
4) Net exposure after adjustment for derivative contracts	19 595	27 014	26 162	21 733	20 157
5) Net exposure after adjustment for derivative contracts	7 855	9 020	15 600	16 080	19 054
6) Net exposure after adjustment for derivative contracts	28 749	19 622	14 397	20 878	18 416

Financial results – Life Insurance and Pensions

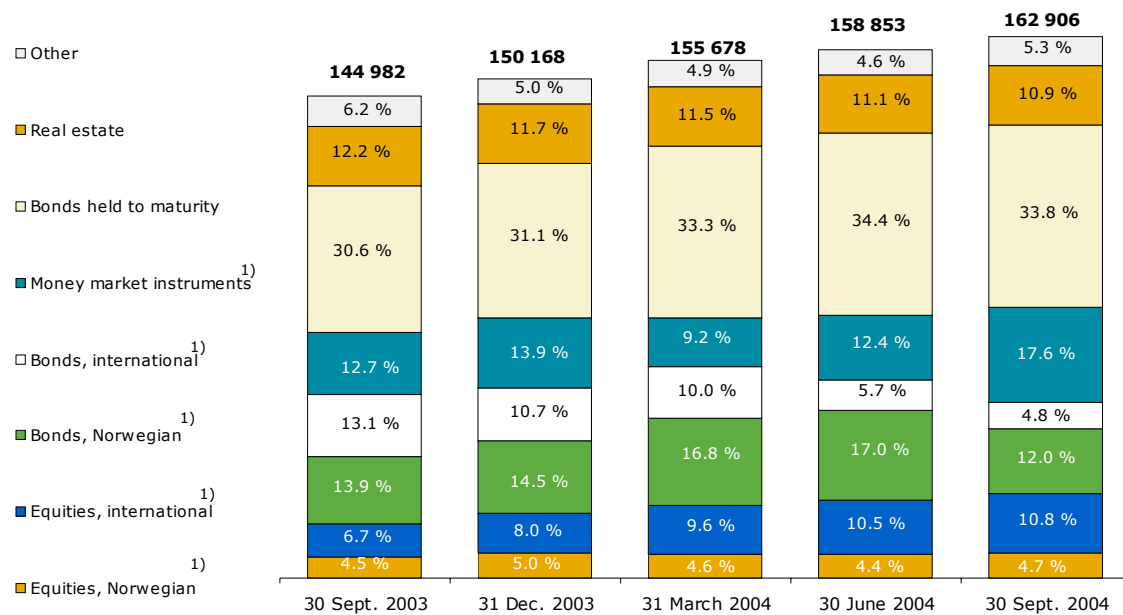
<i>Amounts in NOK million</i>	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net result from equities	(99)	572	1 696	1 858	496	2 169	2 097
Net result from other asset classes	2 161	872	1 746	2 069	1 723	4 779	6 861
Value-adjusted financial result ¹⁾	2 062	1 444	3 442	3 927	2 219	6 948	8 958
Guaranteed return on policyholders' funds	1 381	1 372	1 342	1 291	1 257	4 095	3 675
Financial result	681	72	2 100	2 636	962	2 853	5 283
+ From/(to) securities adjustment reserve	(104)	1 625	(1 039)	164	(830)	482	(2 612)
+ Covered by additional allocations	0	0	0	896	0	0	0
Recorded interest result	577	1 697	1 061	1 904	132	3 335	2 671

1) Before changes in unrealised gains on long-term securities

(Pro forma accounting figures prior to 1 January 2004)

Balance sheet – life insurance

(Amounts in NOK million)



1) Net exposure in life insurance after adjustment for derivative contracts.

Value-adjusted return on assets – life insurance

Per cent	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Financial assets							
Norwegian equities	7.8	5.9	14.9	18.9	7.2	28.6	26.7
International equities	(3.5)	1.6	5.6	9.1	2.4	3.7	11.8
Norwegian bonds	2.5	(0.4)	2.7	2.4	1.3	4.8	10.4
International bonds	2.8	(1.3)	2.8	0.3	0.6	4.3	6.7
Money market instruments	0.7	0.4	0.7	1.0	1.1	1.8	4.6
Long-term bonds	1.4	1.3	1.5	1.9	1.5	4.2	4.8
Real estate	1.6	1.4	1.9	1.3	1.6	4.9	5.3
Value-adjusted return on assets I¹⁾	1.3	1.0	2.3	2.8	1.6	4.6	6.6
Value-adjusted return on assets II ²⁾	1.7	0.3	3.0	3.1	1.4	5.0	7.7
Recorded return on assets ³⁾	1.3	2.1	1.6	3.1	1.0	5.0	4.7
Value-adjusted return on assets I, annualised ¹⁾	5.1	3.9	9.4	12.1	6.5	6.1	8.8
Value-adjusted return on assets II, annualised ²⁾	6.9	1.0	12.5	13.3	5.6	6.8	10.2

1) Excluding changes in value of bonds held to maturity

2) Including changes in unrealised gains on financial assets and changes in value of bonds held to maturity

3) Excluding changes in unrealised gains on financial assets and changes in value of bonds held to maturity

Asset Management

Asset Management provides mutual funds and discretionary portfolio management services to Norwegian and other Nordic corporate clients, the public sector, private pension funds and retail customers. Øyvind Birkeland, group executive vice president, heads the business area.

Asset Management seeks to provide first-class returns on customer funds within the preferred risk profile and investment horizon. DnB NOR aspires to be the leading asset manager for customers in the Nordic region, providing sound long-term returns and a high level of service based on a thorough understanding of customer needs.

Managers have been appointed for all units in the business area, and the organisation was finalised in March 2004. The asset management companies including mutual funds companies were merged in June 2004. Products, services and the organisations will be further integrated, which is expected to result in annual cost synergies of NOK 110 million by the end of 2006. The number of full-time positions will be reduced by 70. The initial integration process in 2003 resulted in staff cuts of 15 full-time positions. In the first three quarters of 2004 staff was reduced by 46 full-time positions.

Financial performance

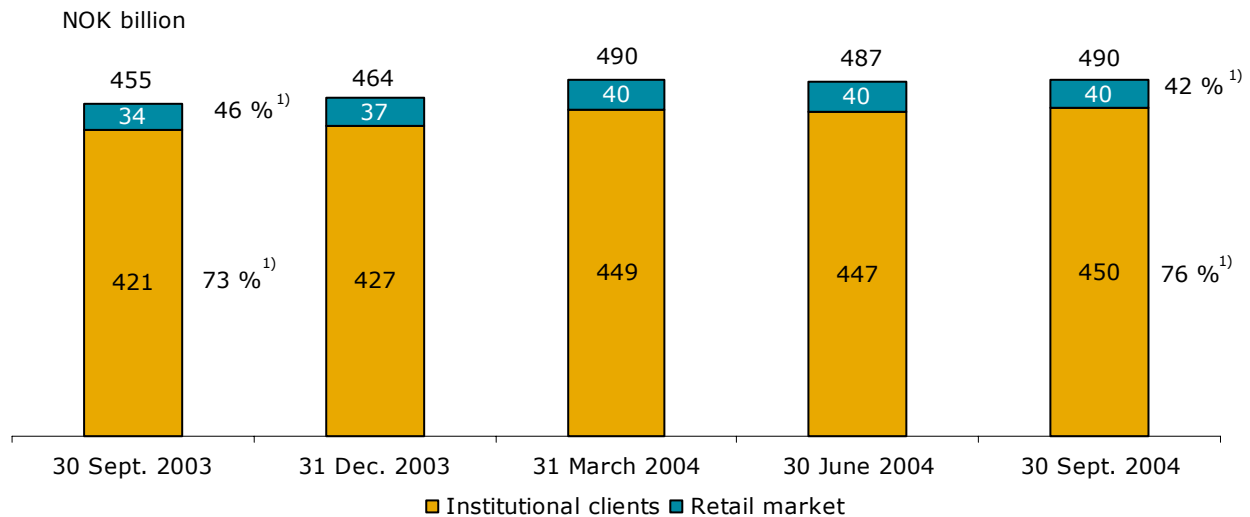
Amounts in NOK million	3Q04	2Q04	1Q04	4Q03	3Q03	Jan.-Sept.	
						2004	2003
Net interest income from operations	3	(3)	(5)	2	0	(5)	6
Interest on allocated capital	5	5	5	7	8	15	31
Net interest income	8	2	1	9	8	11	37
Commission income							
- from retail customers	96	80	89	66	61	265	173
- from institutional clients	127	145	133	165	146	406	410
Other income	13	4	(5)	3	3	12	11
Total income	245	231	218	242	219	694	631
Operating expenses	156	172	181	165	177	509	527
Pre-tax operating profit	89	59	37	77	41	184	105
Assets under management ¹⁾							
Institutional	450	447	449	427	421	450	421
- of which Life Insurance and Pensions	145	141	140	128	123	145	123
Retail	40	40	40	37	34	40	34
Total	490	487	490	464	455	490	455
Key figures							
Cost/income ratio excl. goodwill	63.7	74.6	83.0	68.3	81.1	73.4	83.4
Return on equity (% p.a.)	24.9	18.0	11.1	23.6	13.0	18.2	11.8

1) Assets under management at end of period

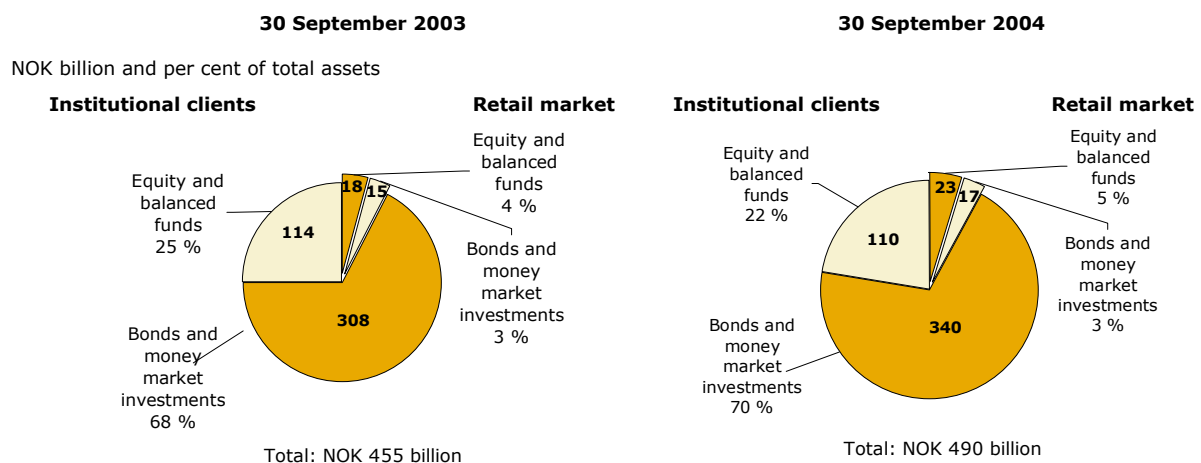
Comments to the financial performance for the first three quarters of 2004

- Commission income increased by NOK 87 million from the first three quarters of 2003 to the first three quarters of 2004. This was mainly due to growth in assets under management and a shift to equity investments in the retail market
- Operating expenses in the first three quarters of 2004 were NOK 509 million, which was NOK 17 million below operating expenses in the first three quarters of 2003
- Marketing and IT activities were at a minimum in 2003 due to the upcoming integration of DnB and Gjensidige NOR. Such expenses returned to a normal level in the first three quarters of 2004

(Pro forma accounting figures prior to 31 December 2003)

Assets under management

1) Share of total assets in the institutional and retail market respectively, invested in bonds, fixed-income funds and money market funds.

**Changes in assets under management****Net inflow**

Amounts in NOK million						Jan.-Sept.	
	3Q04	2Q04	1Q04 ¹⁾	4Q03	3Q03	2004 ¹⁾	2003 ²⁾
Retail market	(480)	94	(485)	745	(583)	(871)	(1 744)
Institutional clients	1 279	(612)	2 231	(6 402)	(4 108)	2 898	9 290
Total	799	(518)	1 746	(5 658)	(4 690)	2 027	7 546

1) Excluding dividends of NOK 1 821 million, of which NOK 779 million refers to retail and NOK 1 042 million to institutional clients.

2) Excluding dividends of NOK 1 771 million, of which NOK 948 million refers to retail and NOK 823 million to institutional clients.

Comments to changes in assets under management

- Assets under management increased by NOK 25.5 billion or 5.5 per cent in the first three quarters of 2004 and by NOK 35 billion or 7.7 per cent compared to 30 September 2003
- A net outflow of funds in the retail market reduced assets under management by NOK 0.9 billion or 2.4 per cent
- Net inflow from institutional clients came to NOK 2.9 billion or 0.7 per cent
- New institutional mandates were won in both Sweden and Norway
- Market developments led to a NOK 24.9 billion increase in assets under management, representing 5.4 per cent measured in the customers' base currencies
- The appreciation of NOK against other currencies, especially SEK, reduced assets under management by NOK 1.4 billion or 0.3 per cent
- During the first three quarters of 2004 Morgan Stanley's global equity index (MSCI World) rose by 2.5 per cent measured in USD and by 3.7 per cent in NOK
- The stock exchanges in Stockholm (OMX) and Oslo (OSEBX) climbed by 10.9 and 28.3 per cent respectively during the first three quarters of 2004

Investment returns on assets under management

- Returns on a number of major client portfolios and funds outperformed relevant benchmarks, including Vital Forsikring's total portfolio, as well as Norwegian equity and bond investments and major Swedish equity portfolios
- Fund managers' specialisation has led to strong performance for several industry-specific funds (percentage point return in excess of benchmark in the first three quarters of 2004 in parenthesis):
 - DnB NOR Global Health Care (+5.1)
 - DnB NOR Nordic Technology (+6.7)
 - Avanse Telecom (+11.2)

Customers/markets

- Asset Management serves the Norwegian and Swedish savings markets, offering domestic and international asset management services
- Brand names:
 - DnB NOR Kapitalforvaltning in the Norwegian institutional and retail markets
 - DnB NOR Asset Management and Carlson in the Swedish institutional and retail markets
- A leading position in the institutional market in both Norway and Sweden with around 470 institutional clients, the largest clients are Skandia Liv and Vital
- The number of customer relationships in the retail market, calculated as the aggregate number of investments made or mandates per customer, was around 1.2 million at the end of September 2004. This includes more than 254 800 savings agreements
- Market shares

▪ DnB NOR Kapitalforvaltning (mutual funds in Norway)	39.1 per cent
▪ Carlson Fonder (mutual funds in Sweden)	1.3 per cent
▪ Institutional market in Norway	> 30 per cent
▪ Institutional market in Sweden	> 20 per cent

Fund capital and market shares in Norway

	30 Sept. 2004		30 June 2004		31 March 2004		31 Dec. 2003		30 Sept. 2003	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>										
Equity funds (Norwegian)	10 207	28.5	9 650	34.4	9 436	34.0	8 552	33.8	7 213	34.0
Equity funds (international)	13 557	27.5	13 888	25.7	14 157	27.7	13 595	30.0	12 268	32.8
Balanced funds	3 927	59.7	3 896	58.5	3 691	57.6	3 093	56.2	2 338	58.6
Fixed-income funds	10 397	40.7	9 087	38.6	9 415	40.5	8 972	42.3	4 819	30.5
Money market funds	28 022	53.8	27 709	55.1	28 179	56.3	28 282	57.3	28 210	56.6
Total mutual funds	66 111	39.1	64 230	39.5	64 877	40.9	62 495	42.7	54 847	42.8

Source: Norwegian Mutual Fund Association

Products and services

- Mutual funds, hedge funds and absolute return products
- Discretionary portfolio management
- Management and monitoring of investment portfolios
- Asset allocation and risk management advisory services

Organisation

- Legal structure simplified through the merging of all operational asset management companies in Norway
- Customer activity is concentrated in Norway and Sweden. In order to provide competitive global asset management, investment operations have also been established in London, New York and Hong Kong
- A combination of regional and sector-oriented management teams with a presence in all major financial markets
- Asset management services are provided through channels adapted to the various markets:
 - Retail customers in Norway
 - DnB NOR's extensive network of branches and regional financial services centres
 - Post offices and in-store postal outlets
 - The Internet
 - External channels including brokers, investment advisers and regional and local savings banks
 - Retail customers in Sweden
 - Local distributors
 - Institutional markets in Sweden and Norway
 - The business area's own sales force and, in Norway, through cooperation with Corporate Banking

Employees

- Staff cuts corresponding to 46 full-time positions in the first three quarters of 2004
- 313 full-time positions at the end of September 2004 including six full-time positions in Absolute Return Investments AB, a joint venture with Skandia AB

Cooperation with other group entities

- DnB NOR's extensive network represents the major distribution channel for the Norwegian retail market
- Asset Management and Corporate Banking cooperate in providing a complete range of financial services to corporate customers
- Asset Management manages Vital's equity and bond portfolios
- Asset Management cooperates with other group entities in developing products adapted to the various markets

Section 4

Shareholder information

Equity-related data

Key figures

	Jan.-Sept. 2004 ¹⁾	2003	2002 ²⁾	2001 ²⁾	2000
Shares outstanding at end of period (1 000)	1 321 957	1 309 027	1 309 007	1 309 968	1 318 036
Average number of shares (1 000)	1 317 525	1 309 027	1 309 552	1 313 965	1 318 036
Average no. of shares - fully diluted (1 000) ³⁾	1 323 462	1 311 737	1 314 781	1 319 863	1 318 036
Earnings per share excluding goodwill (NOK)	4.21	4.61	3.19	4.91	5.43
Earnings per share (NOK)	3.86	4.11	2.77	4.59	5.15
Earnings per share fully diluted (NOK)	3.84	4.10	2.76	4.57	5.15
Return on equity excluding goodwill (NOK)	16.5	14.3	10.2	16.7	19.5
Return on equity (per cent)	15.1	12.7	8.9	15.5	18.5
RARORAC (per cent)	14.3	14.4	n/a	n/a	n/a
Price at end of period	53.25	44.40	32.60	40.40	47.50
Price/earnings ratio ⁴⁾	10.35	10.81	11.75	8.81	9.22
Price/book value	1.48	1.38	1.08	1.36	1.74
Dividend per share (NOK)	n/a	2.20	2.40 ⁵⁾	2.40 ⁵⁾	2.25 ⁵⁾
Dividend yield (per cent) ⁴⁾	n/a	4.95	7.36	5.94	4.74
Equity per share (NOK)	36.04	32.17	30.32	29.74	27.34

1) Including the effect of the of 12 929 907 shares issued 26 March 2004 in connection with the subscription rights for employees, but excluding the effect of 5 181 408 shares issued in October 2004 in connection with the subscription right programme for former employees of the Gjensidige NOR Group.

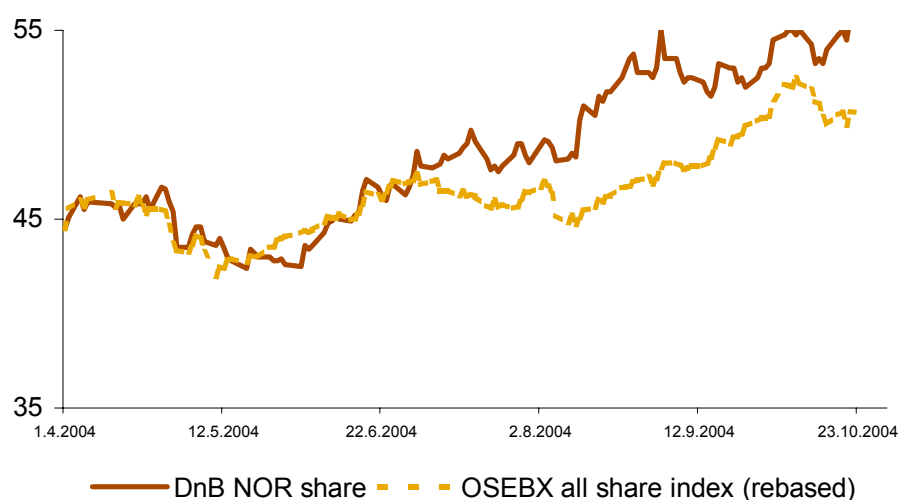
2) Including the effect of the cancellation of shares at the AGM 2002 (8 067 420 shares) and AGM 2003 (960 000 shares)

3) Based on the dilution effect of a total of 17 132 780 subscription rights, of which 5 181 408 was issued in October 2004 at a price of NOK 27.95, and 11 951 372 may be issued in March 2005 at a price of NOK 32.83. The latter are linked to a Nordic financial institution index which includes Sparebanken Midt-Norge, Danske Bank, SEB, Svenska Handelsbanken and Nordea.

4) Based on the share price at end of period, and annualised EPS.

5) Dividend per share and dividend yield prior to 2003, is based on DnB Holding ASA's payment of dividend and DnB Holding's shareprice.

Share price development - 1 April to 23 October 2004

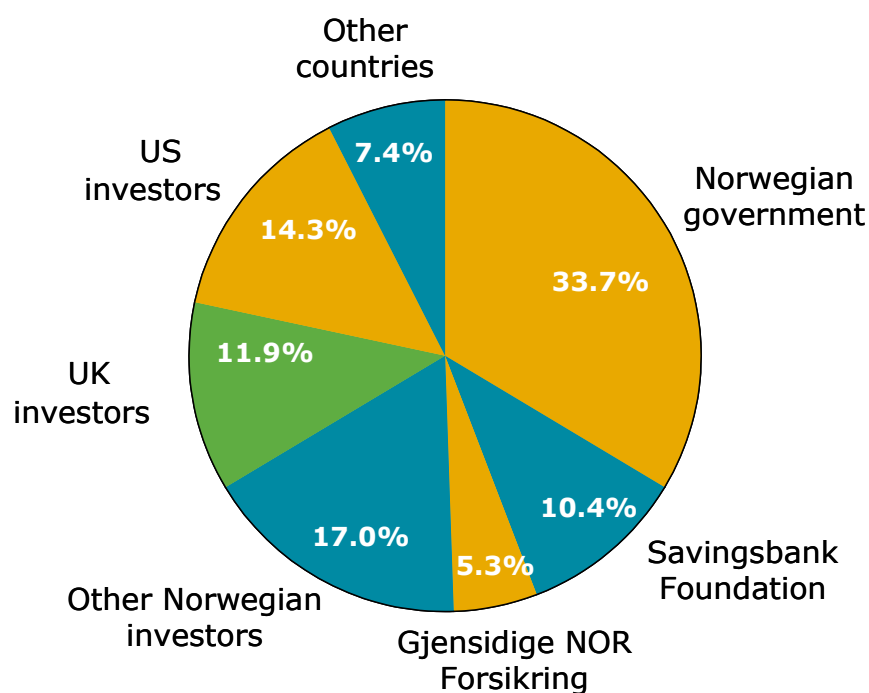


Shareholder structure as at 30 September 2004

Major shareholders

		Shares in 1 000	Ownership in %
Norwegian Government		445 069	33.67
Savingsbank Foundation		137 838	10.43
Gjensidige NOR Forsikring		70 473	5.33
State Street Bank, clients omnibus D	NOM	56 722	4.29
JPMorgan Chase Bank, Treaty Account	NOM	50 377	3.81
Folketrygdfondet		27 140	2.05
The Northern Trust, Treaty Account	NOM	24 574	1.86
Capital - Euro Pacific Growth Fund		22 257	1.68
Mellon Bank AS Agent	NOM	18 524	1.40
Orkla ASA		17 604	1.33
DnB NOR employee funds		15 787	1.19
JPMorgan Chase Bank, Omnibus Lending	NOM	13 895	1.05
The Northern Trust, USL Treaty Account	NOM	11 752	0.89
JPMorgan Chase Bank, Fidelity Lending		11 746	0.89
Capital - World Fund		10 586	0.80
Citibank, UK Residents Client Account	NOM	13 918	1.05
Oslo Pensjonsforsikring		9 558	0.72
State Street Bank, clients omnibus F	NOM	9 226	0.70
Fidelity Funds- Europe Fund		8 448	0.64
Total largest shareholders		975 494	73.79
Other		346 463	26.21
Total		1 321 957	100.00

Shareholder structure



Section 5

The Norwegian economy

The Norwegian economy

Key macro-economic indicators

Per cent	2006	2005	2004	2003
GDP growth				
- Norway, total	2.1	3.0	3.1	0.4
- Mainland Norway	2.5	3.5	3.7	0.6
Private consumption	3.0	3.8	4.3	3.8
Gross fixed investment	0.7	8.0	6.8	(3.7)
Inflation (CPI)	1.9	1.8	0.6	2.5
Savings ratio ¹⁾	6.2	7.3	8.8	7.8
Unemployment rate	3.9	4.0	4.3	4.5
Current account ²⁾	7.6	11.4	13.8	12.8
Net foreign assets ^{2) 3)}		79.0	68.1	53.7
General government budget balance ^{2) 3)}		9.8	11.3	8.3

1) Per cent of disposable income

2) Per cent of GDP

3) Source: Ministry of Finance

Source if not otherwise indicated: DnB NOR Markets

Financial market growth

Percentage change from previous year	31 Aug. 2004	31 Dec. 2003	31 Dec. 2002	31 Dec. 2001
Credit ¹⁾				
Total	6.6 ⁵⁾	6.3	4.4	9.0
- of which commercial and savings banks	8.4	7.9	6.4	9.9
Total retail market	12.8	11.9	11.3	12.5
Total corporate market	2.4 ⁵⁾	2.7	0.3	7.1
Savings				
Total ²⁾	10.5 ⁴⁾	8.7	4.0	6.3
- of which commercial and savings banks	3.9	3.7	7.7	9.0
Total retail market ²⁾	9.6 ⁴⁾	8.7	4.7	6.3
Total corporate market ³⁾	11.0 ⁴⁾	8.6	3.6	5.9

1) Commercial and savings banks, state banks, insurance companies, mortgage institutions, finance companies, bonds, commercial paper, foreign institutions

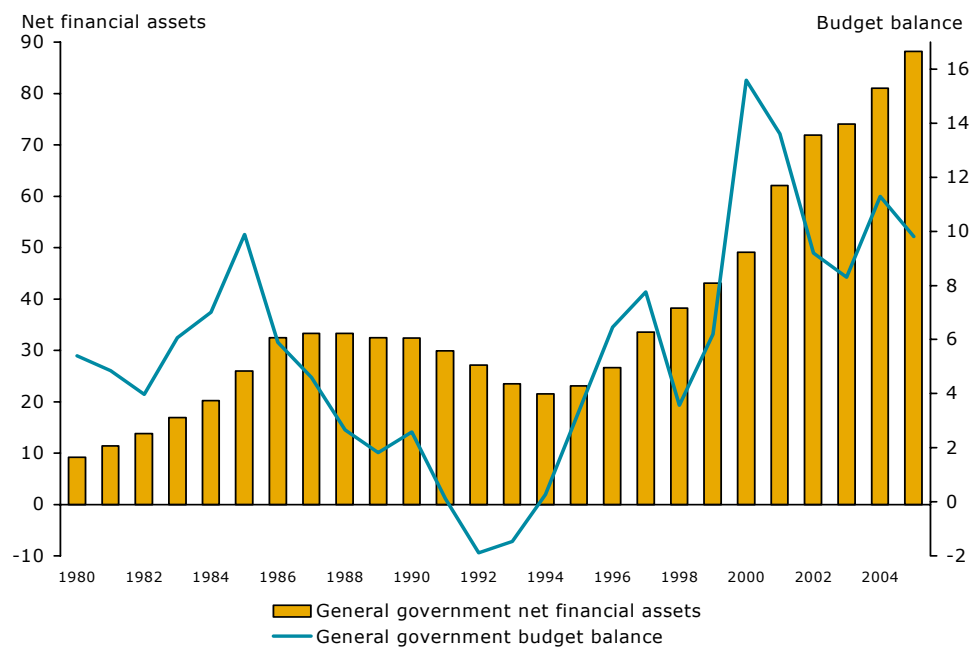
2) Deposits in commercial and savings banks, participation in mutual funds, funds for insurance commitments, equity-linked bonds

3) Deposits in commercial and savings banks, participation in mutual funds, funds for insurance commitments

4) As at 30 June 2004

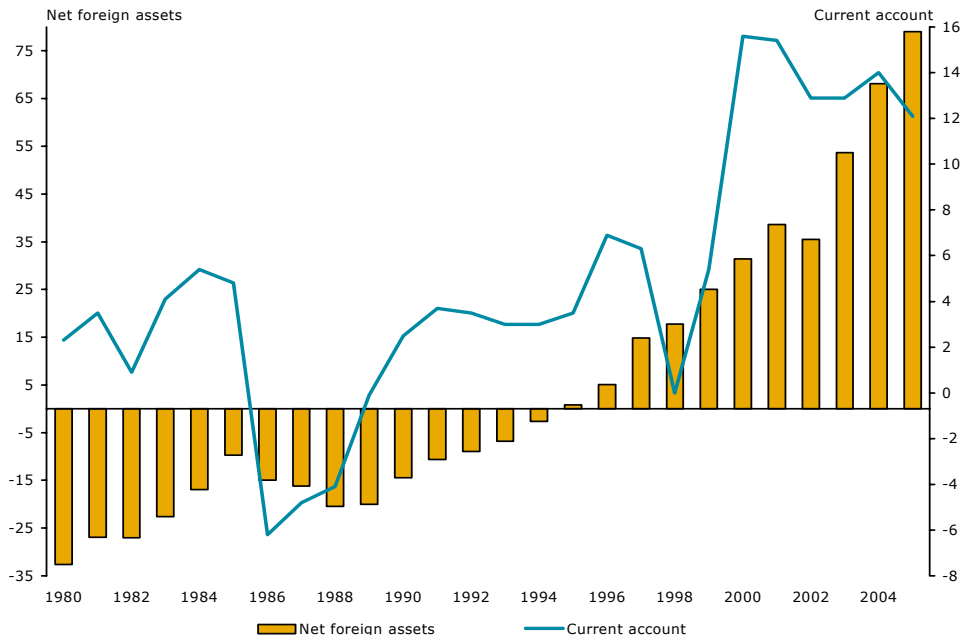
5) As at 31 July 2004

General government's financial position ¹⁾ (Per cent of GDP)



Source: The ministry of Finance

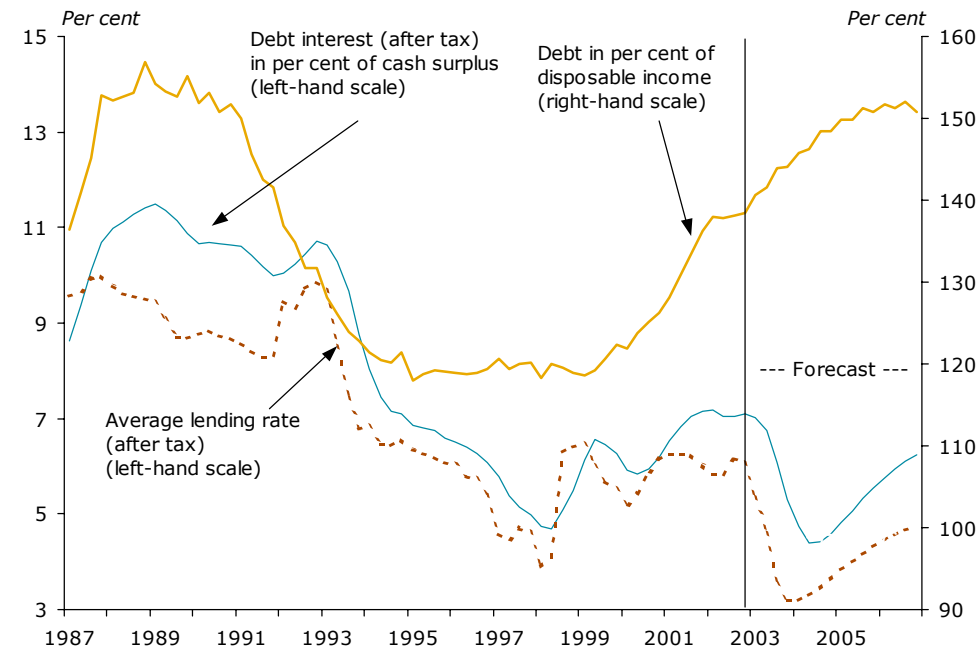
Current account and net foreign assets (incl. private sector) ¹⁾ (Per cent of GDP)



Source: The ministry of Finance

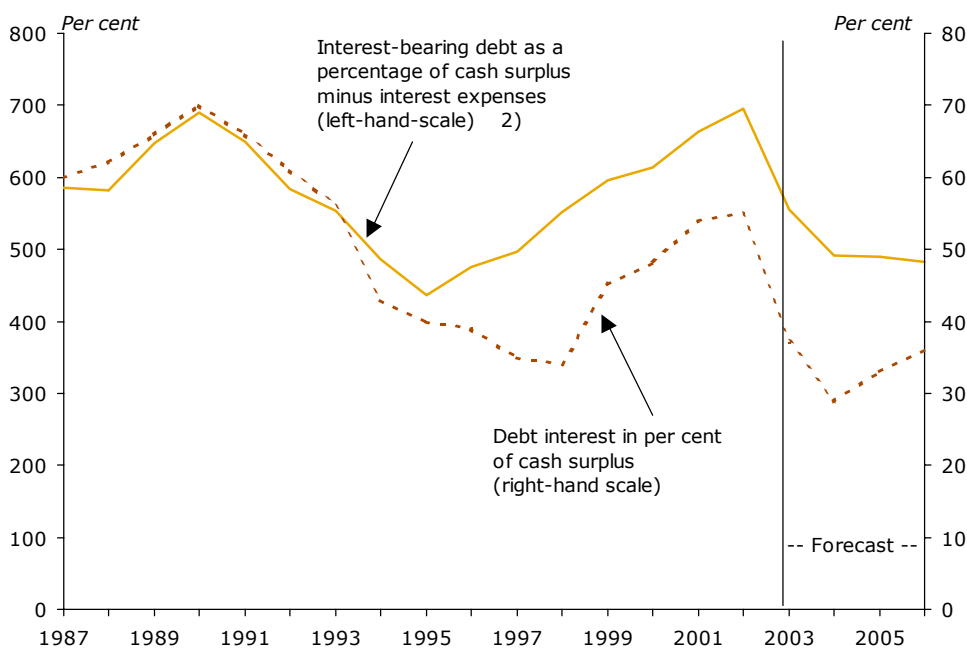
1) The projections are based on an assumed oil price of NOK 250 per barrel in 2004, NOK 230 in 2005 and NOK 190 in 2008. The oil price in September 2004 was NOK 294.5 per barrel

Household debt servicing capacity



Source: Norges Bank

Corporates' interest-bearing debt and interest paid ¹⁾



Source: Norges Bank

1) For non-financial corporates excluding petroleum and international shipping.

2) Interest-bearing debt is defined as loans from domestic and financial institutions and from the bond and short-term paper markets. Cash surplus is defined as the sum of value added and wealth income less wages and tax. Interest expenses are deducted from the cash surplus to provide a measure of the sector's ability to make principal payments.

Notes

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