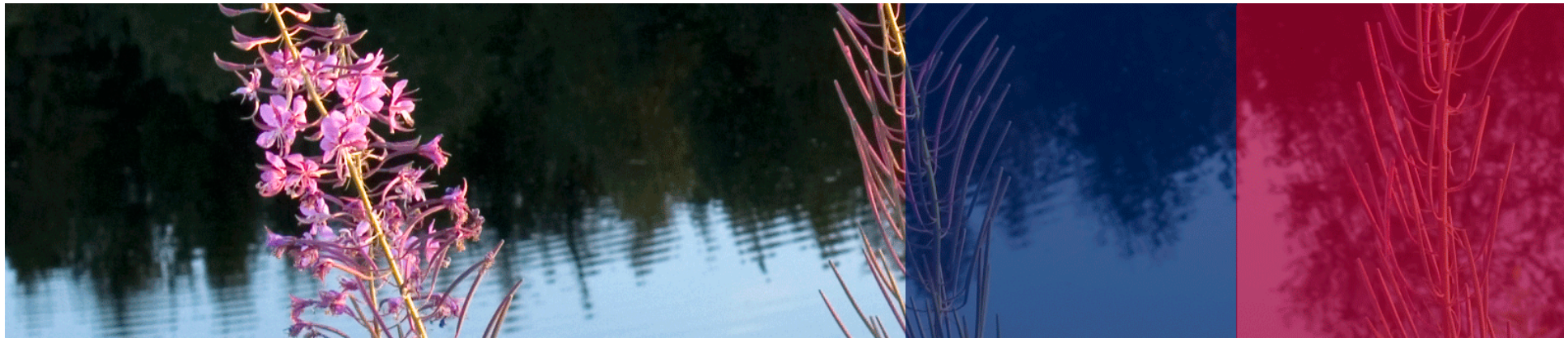


DnB NOR Group

- results 2nd quarter 2008



Rune Bjerke, group chief executive
Bjørn Erik Næss, CFO

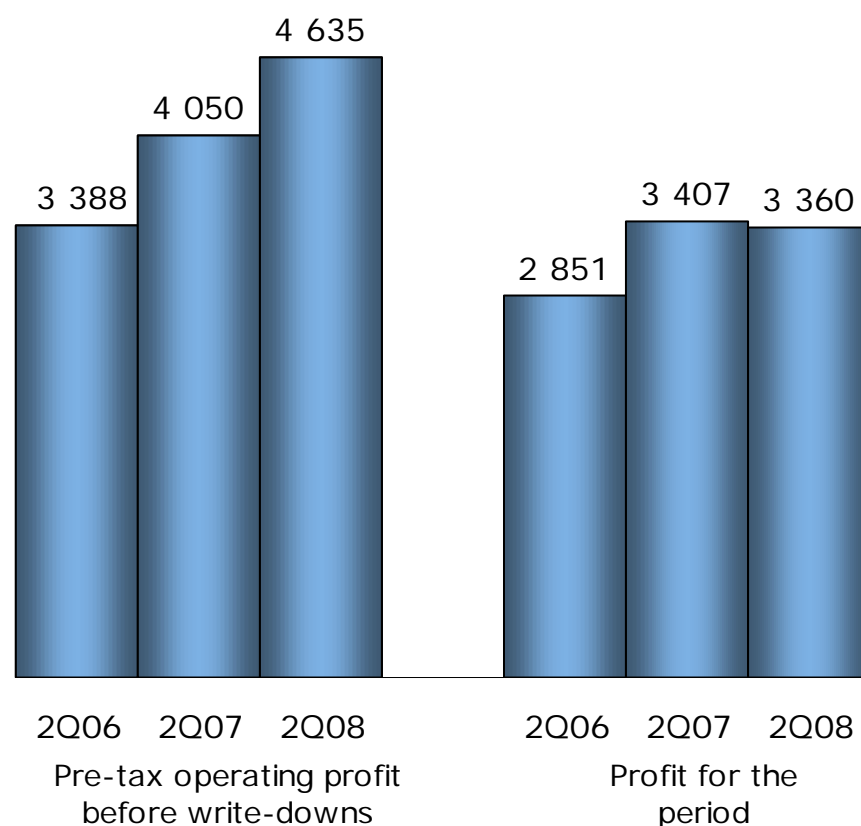
2nd quarter 2008

Sound performance in a challenging market

- Healthy operational performance in the business areas
- Positive development in other operating income despite the financial market turmoil
- Sound credit quality, low write-downs on loans
- Higher funding costs have reduced growth in net interest income
- Cost programme extended to compensate for cost pressure

2nd quarter results

NOK million



- 14 per cent rise in total income
- 14 per cent rise in operating expenses
- 14 per cent rise in pre-tax operating profit before write-downs
- 1 per cent decrease in profit for the period due to low tax charge in 2007

Development in portfolio values

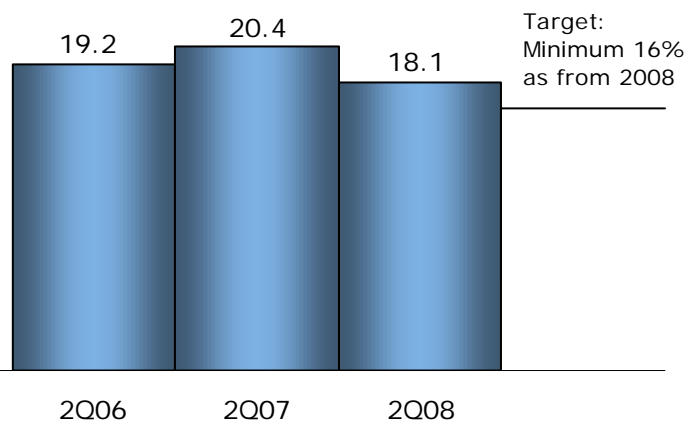
<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>1Q08</i>	<i>2007</i>
Bond portfolio in DnB NOR Markets	233	(1 566)	(1 253)
Ownership interest in and guarantee for Eksportfinans	98	(309)	(65)
Total	331	(1 875)	(1 319)

<i>Amounts in NOK million</i>	<i>Maturity effects per quarter</i>	<i>Sensitivity per basis point</i>
Bond portfolio in DnB NOR Markets	220	28
Guarantee for Eksportfinans	48	7

Key figures

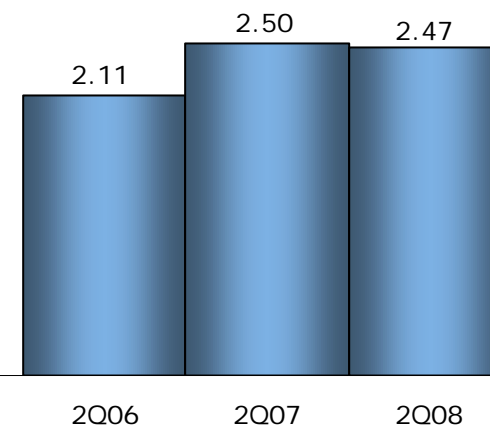
Return on equity

Per cent



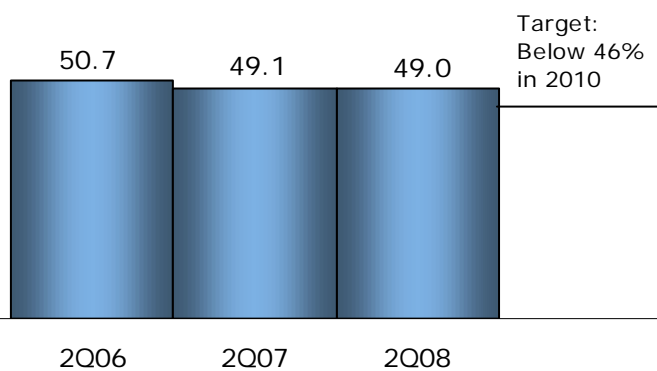
Earnings per share

NOK



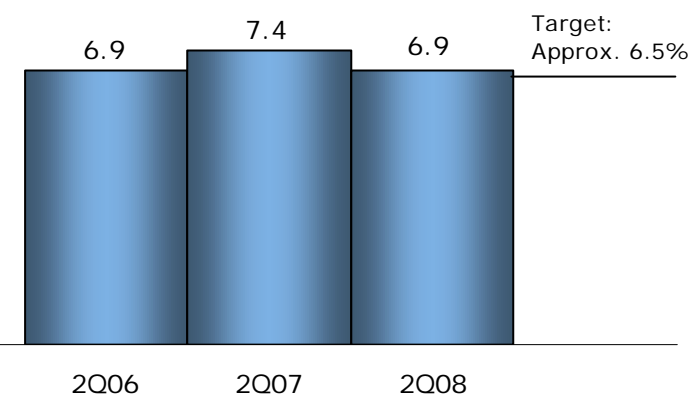
Cost/income ratio

Per cent



Core capital ratio

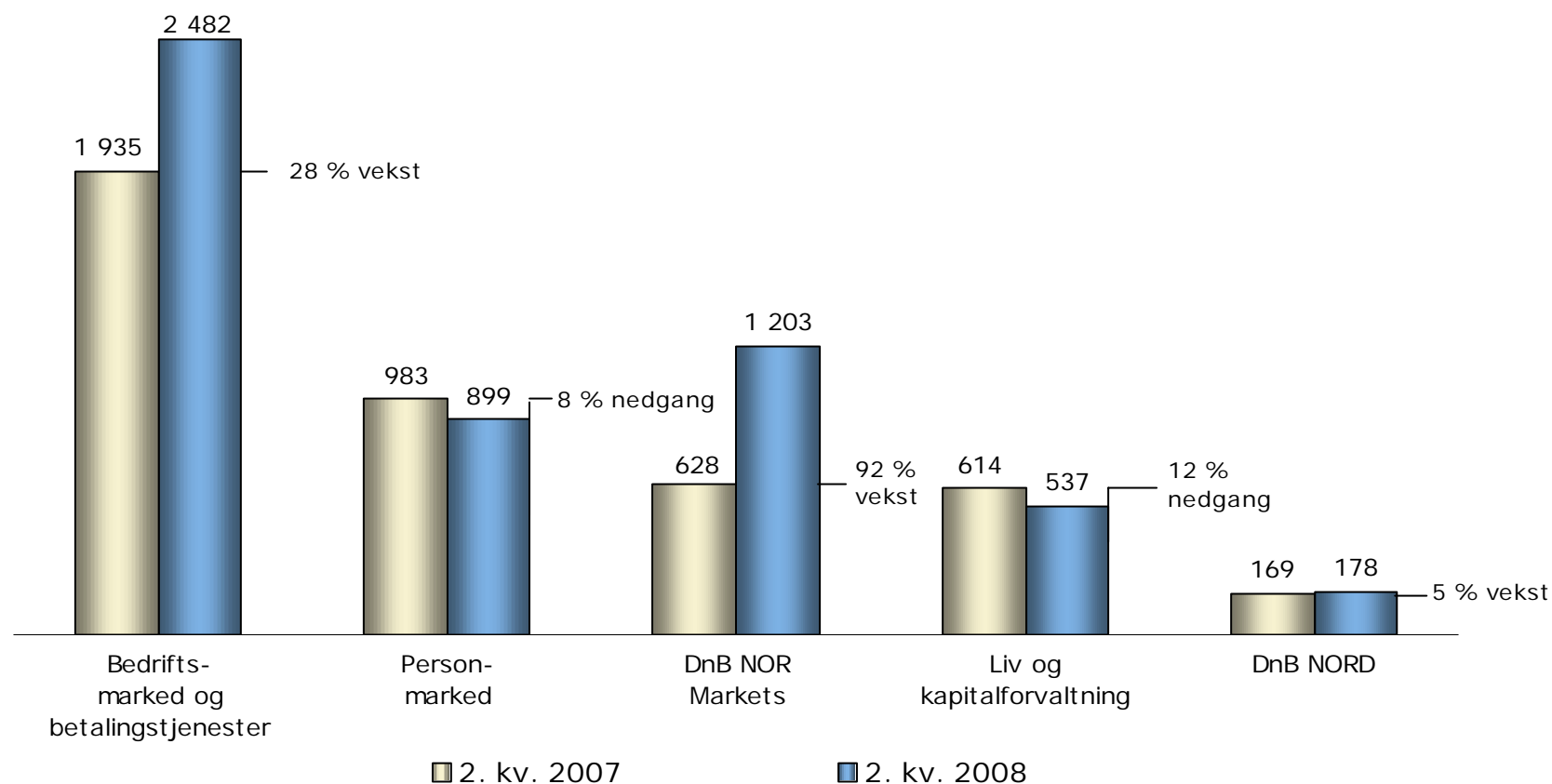
Per cent



Sound underlying performance in the business areas

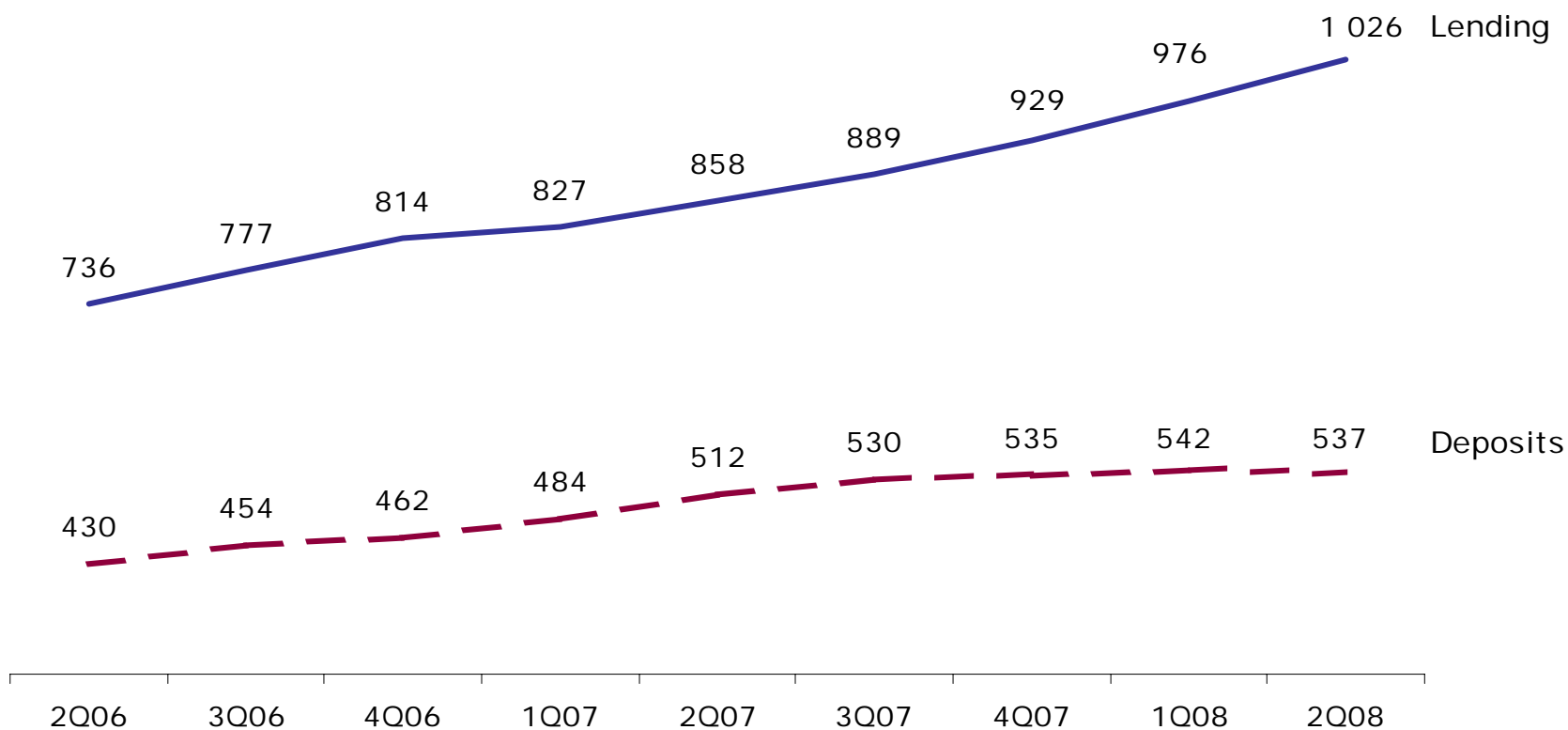
Driftsresultat før nedskrivninger og skatt

Millioner kroner



Strong growth in total lending ¹⁾

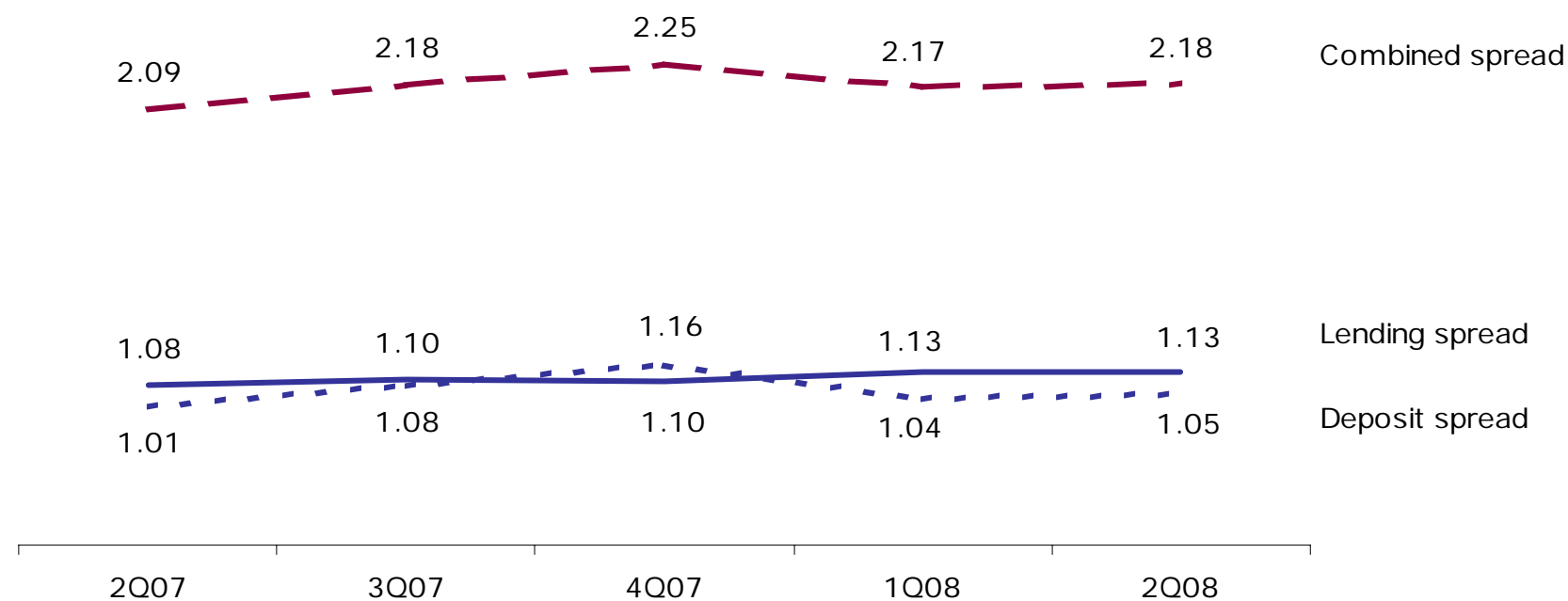
NOK billion



1) Average volumes in the period excluding lending to and deposits from credit institutions and impaired loans

Developments in interest rate spreads ¹⁾

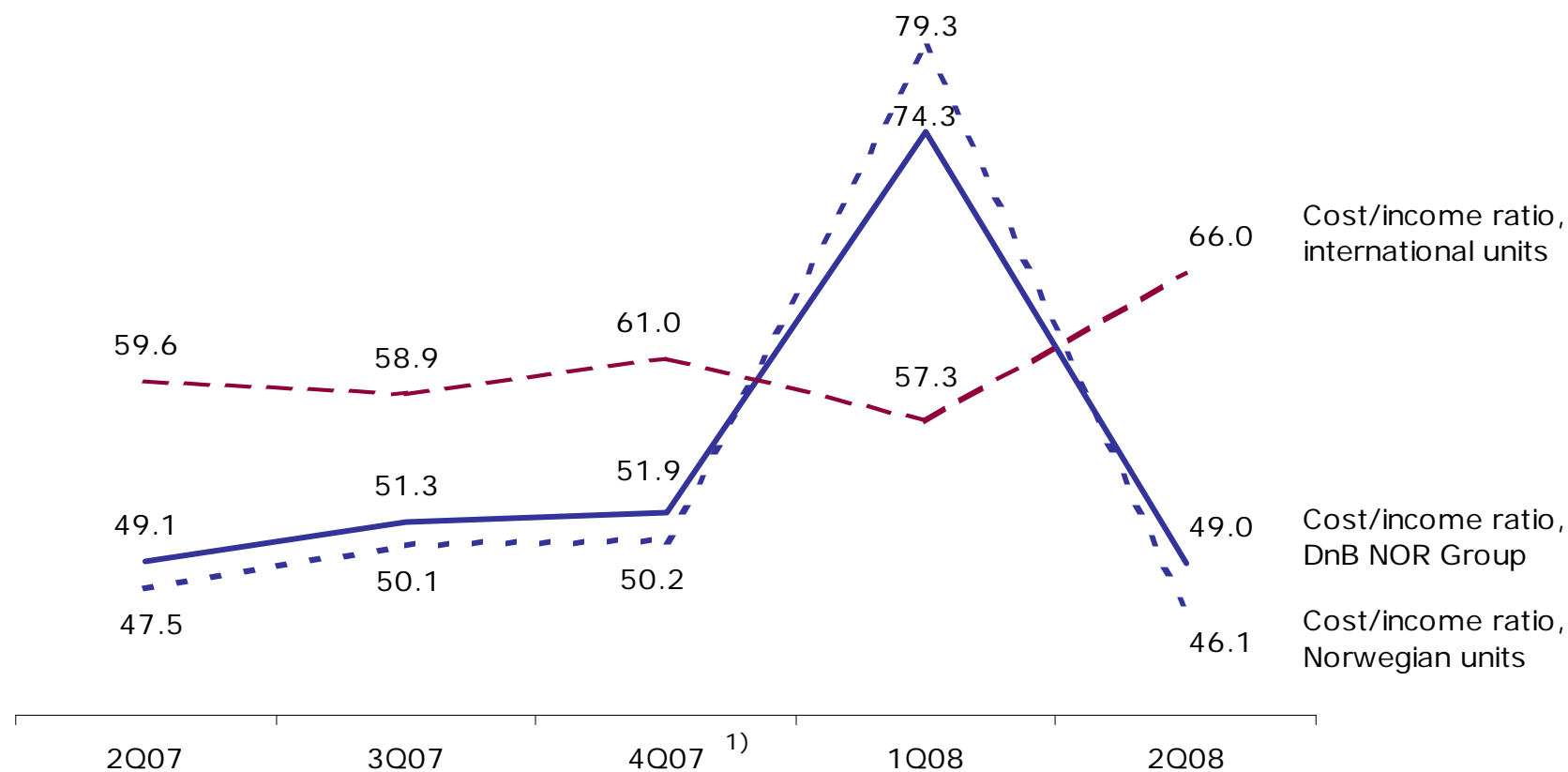
Per cent



1) Excluding lending to and deposits from credit institutions and impaired loans

Cost/income ratio

Per cent



1) Excluding allocations to employees

Norwegian and international operations

Norwegian units

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07 ¹⁾	3Q07	2Q07
Total income	7 790	4 357	7 221	6 525	6 889
Operating expenses	3 593	3 454	3 625	3 268	3 269
Cost/income ratio (%)	46.1	79.3	50.2	50.1	47.5
Share of group income (%)	85.8	77.1	84.5	86.0	86.6
Full-time positions at end of period	9 238	9 188	9 165	9 270	9 274

International units

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07 ¹⁾	3Q07	2Q07
Total income	1 290	1 292	1 324	1 064	1 064
Operating expenses	851	740	807	627	634
Cost/income ratio (%)	66.0	57.3	61.0	58.9	59.6
Share of group income (%)	14.2	22.9	15.5	14.0	13.4
Full-time positions at end of period	4 682	4 460	4 290	3 931	3 747

1) Excluding allocations to employees

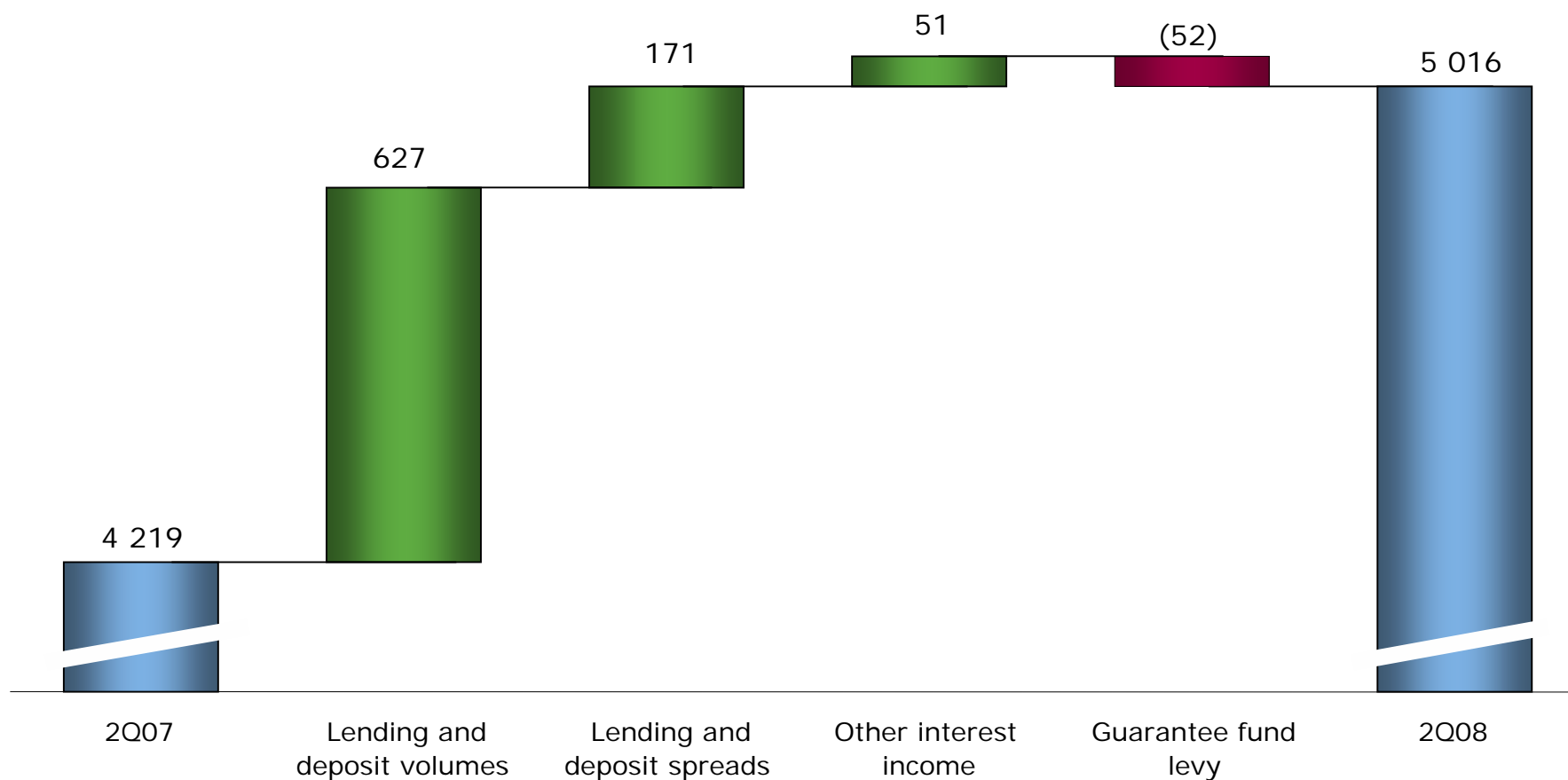
Income statement

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07
Net interest income	5 016	5 023	5 000	4 663	4 219
Net other operating income	4 064	625	3 545	2 926	3 733
Total income	9 080	5 648	8 545	7 589	7 952
Total operating expenses	4 445	4 194	4 908	3 895	3 902
Pre-tax operating profit before write-downs	4 635	1 454	3 636	3 694	4 050
Net gains on fixed and intangible assets	3	31	1 593	874	9
Write-downs on loans and guarantees	275	195	(41)	70	140
Pre-tax operating profit	4 363	1 290	5 269	4 498	3 919
Taxes	1 003	170	193	826	512
Profit for the period	3 360	1 120	5 076	3 673	3 407

Strong increase in net interest income

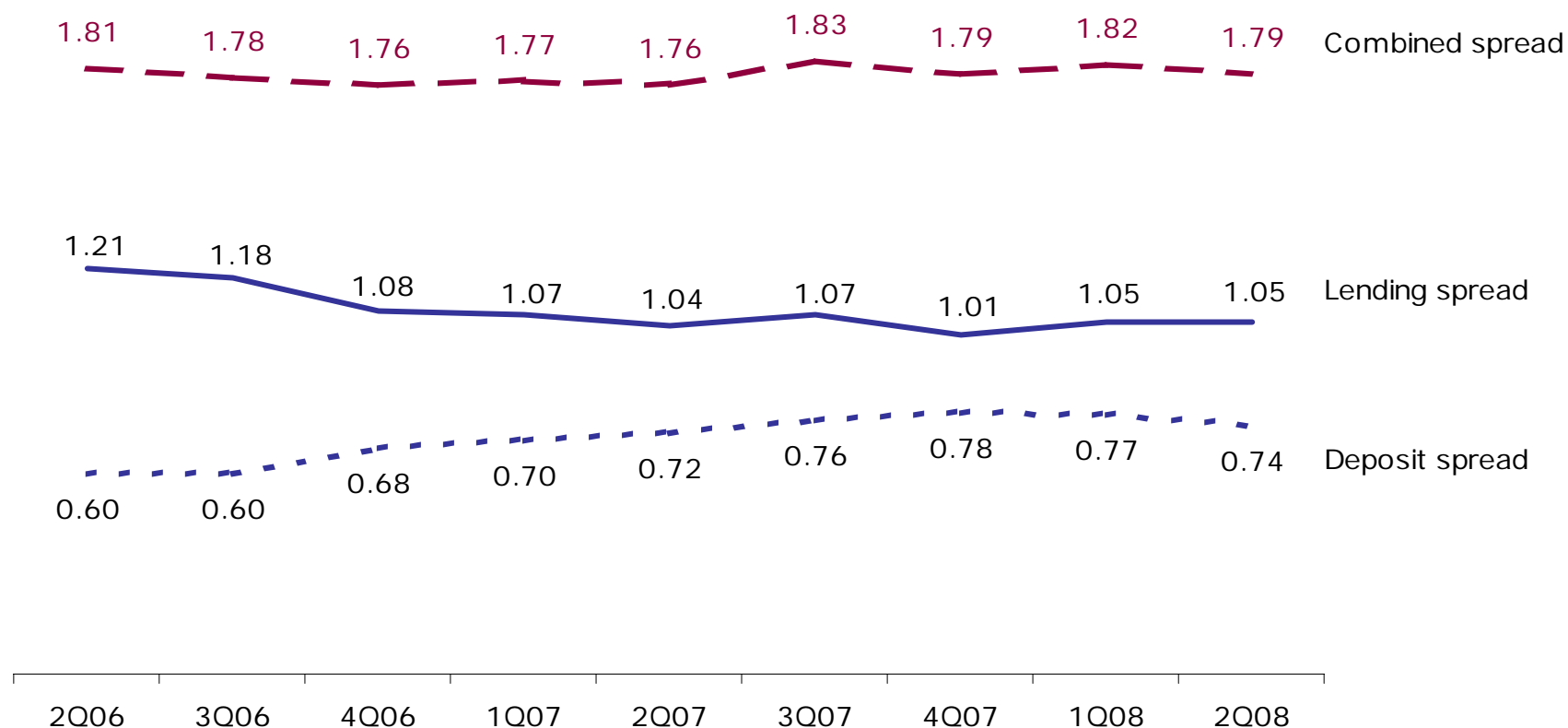
NOK million

From 2nd quarter 2007 to 2nd quarter 2008



Developments in average interest rate spreads - Corporate Banking and Payment Services ¹⁾

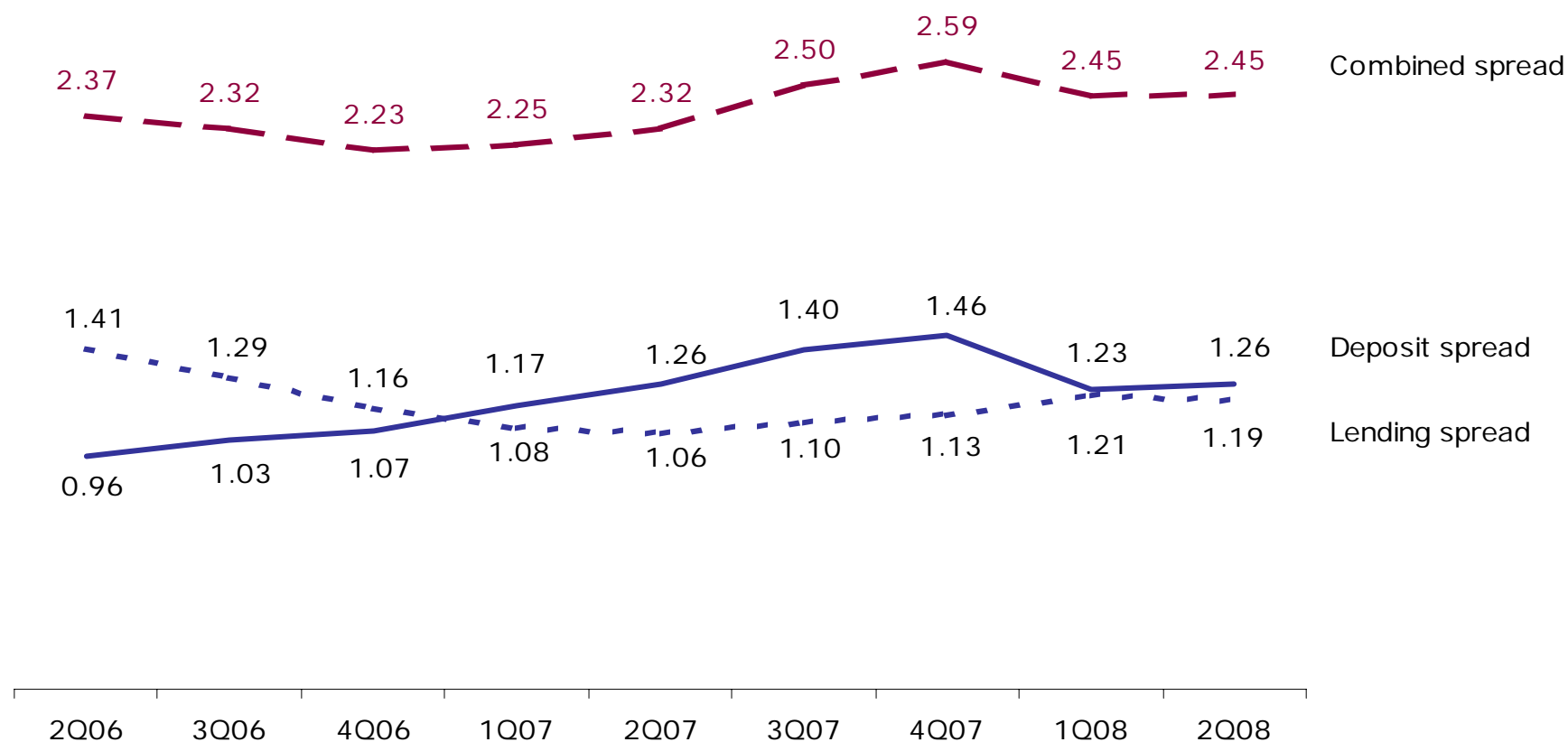
Per cent



1) Excluding lending to and deposits from credit institutions and impaired loans

Developments in average interest rate spreads - Retail Banking ¹⁾

Per cent

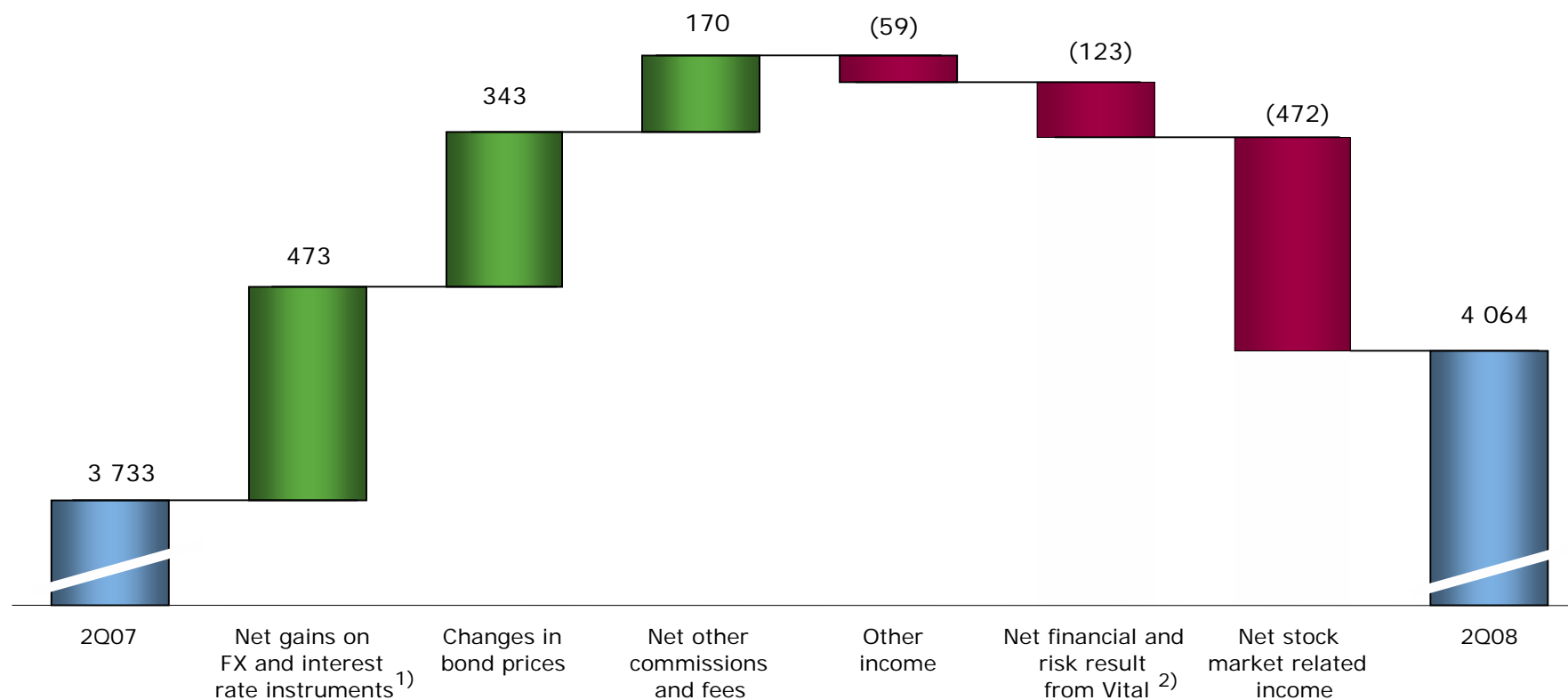


1) Excluding impaired loans

Changes in net other operating income

NOK million

From 2nd quarter 2007 to 2nd quarter 2008



1) Excluding guarantees and changes in income resulting from widening credit spreads

2) After guaranteed returns and allocations to policyholders

Changes in operating expenses

<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>Change</i>	<i>2Q07</i>
Total operating expenses	4 445	542	3 902
Norwegian units		324	
<i>Of which:</i>			
IT expenses		115	
Properties		79	
Wage settlements		58	
Performance-based pay		(43)	
Marketing		40	
Operational leasing, DnB NOR Finans		39	
Increased use of services liable to VAT		30	
SkandiaBanken Bilfinans		24	
Other		(2)	
Cost programme		(42)	
Restructuring expenses, cost programme		28	
International units		218	
<i>Of which:</i>			
Sweden		76	
SalusAnsvar		56	
Svensk Fastighetsförmedling		21	
ScandiaBanken Bilfinans		20	
DnB NORD		43	
Other		3	

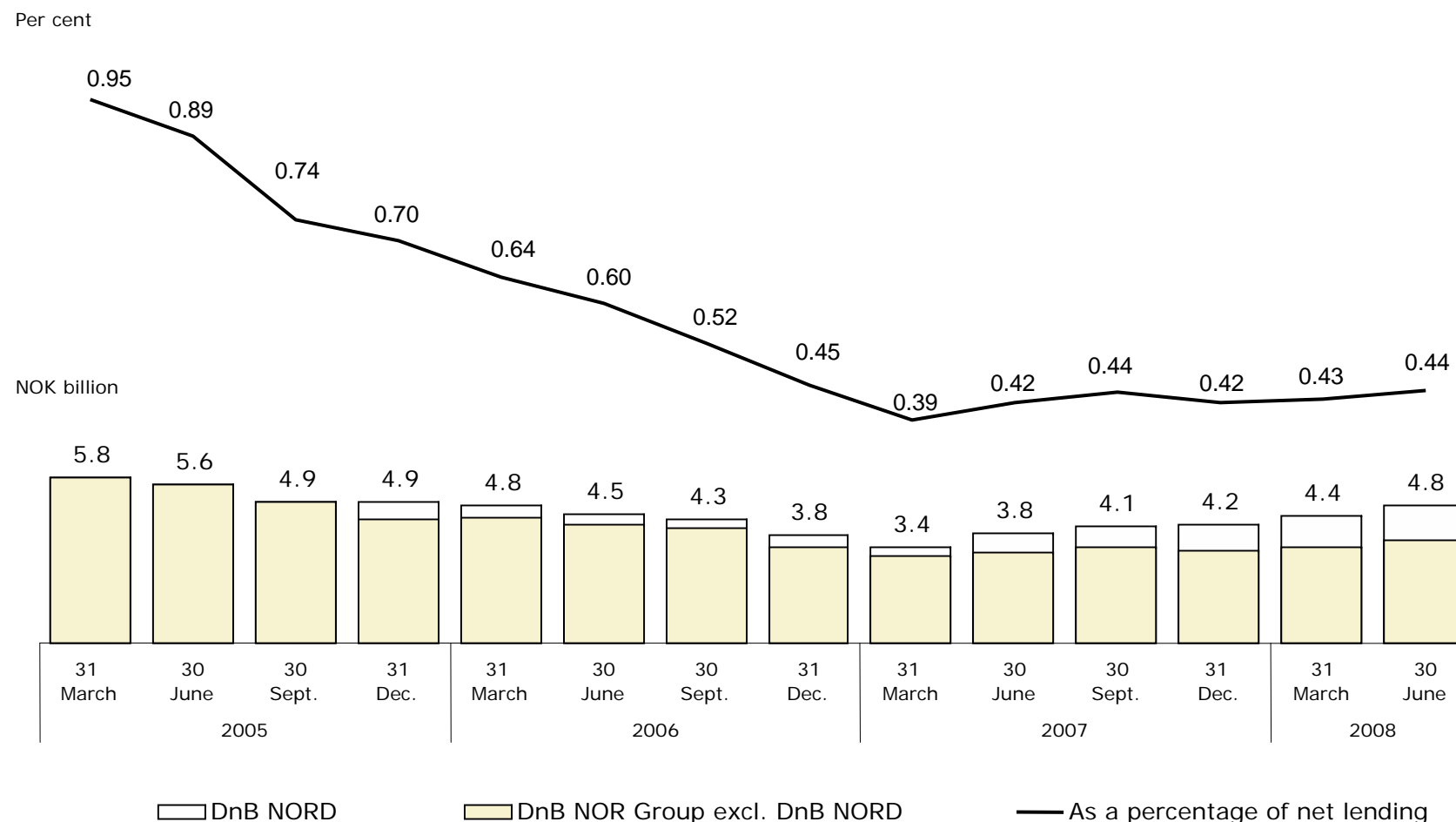
Low write-downs on loans and guarantees - reduced reassessments

Income statement

Amounts in NOK million

	2Q08	1Q08	4Q07	3Q07	2Q07
New individual write-downs	340	324	314	217	266
Reassessments and recoveries	118	165	166	141	156
Individual write-downs	222	159	148	76	110
Group write-downs on loans	52	37	(189)	(6)	30
Total write-downs	275	195	(41)	70	140
Individual write-downs in relation to average volumes	0.09	0.06	0.06	0.03	0.05
Total write-downs in relation to average volumes	0.11	0.08	(0.02)	0.03	0.06

Net non-performing and impaired commitments



Balance sheets

<i>Amounts in NOK billion</i>	30 June 2008	<i>31 March 2008</i>	<i>31 Dec. 2007</i>	<i>30 Sept. 2007</i>	30 June 2007
Net lending to customers	1 062	1 016	971	908	883
Other assets	515	549	503	522	554
Total assets	1 577	1 565	1 474	1 431	1 437
Deposits from customers	565	529	538	532	528
Short-term securities issued	118	124	97	68	70
Long-term securities issued	346	297	274	249	258
Other liabilities and provisions	473	537	488	510	513
Equity	75	78	76	71	67
Total liabilities and equity	1 577	1 565	1 474	1 431	1 437

Ratio of deposits to net lending (%)	53.2	52.0	55.5	58.6	59.8
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Total combined assets	1 906	1 906	1 834	1 789	1 802
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- Good access to funding despite challenging market situation
 - Sizeable issues completed of both ordinary and covered bonds
 - Three subordinated loans raised during the first half-year
- Improved access to short-term funding

Corporate Banking and Payment Services

<i>Amounts in NOK million</i>	2008	2007	
Total income	3 675	2 924	
Operating expenses	1 193	988	
Pre-tax operating profit before write-downs	2 482	1 935	<ul style="list-style-type: none"> • Strong lending growth in priority areas <ul style="list-style-type: none"> – More moderate growth expected in the coming quarters
Net lending to customers (NOK billion) ¹⁾	517	397	<ul style="list-style-type: none"> • Positive development in net interest income
Deposits from customers (NOK billion) ¹⁾	296	279	
Cost/income ratio (%)	32.5	33.8	<ul style="list-style-type: none"> • Stable cost/income ratio in spite of brisk international growth
Return on capital BIS (%)	17.2	18.5	

1) Average balances, including credit institutions

Retail Banking

<i>Amounts in NOK million</i>	2Q08	2Q07	
Total income	2 630	2 576	
Operating expenses	1 731	1 594	
Pre-tax operating profit before write-downs	899	983	<ul style="list-style-type: none"> • Interest rate increases in 2Q reduced the effect of higher customer interest rates • More self-service options through use of SMS, online banking and card products • Removing of charges gave many new loyalty programme members • Rise in costs due to expansion in Sweden
Net lending to customers (NOK billion) ¹⁾	451	421	
Deposits from customers (NOK billion) ¹⁾	232	216	
Cost/income ratio (%)	65.8	61.9	
Return on capital BIS (%)	33.8	20.9	

1) Average balances

DnB NOR Markets

<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>2Q07</i>
Total income	1 625	1 030
Operating expenses	422	402
Pre-tax operating profit before write-downs	1 203	628
Cost/income ratio (%)	26.0	39.0
Return on capital BIS (%)	70.2	47.0

- Continued strong demand for currency, interest rate and commodity hedging products
- Reversal of unrealised losses of NOK 233 million
- Healthy trading results

DnB NOR Markets

- income trend

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	<i>First half</i> 2008	<i>First half</i> 2007
FX, interest rate and commodity derivatives	398	434	358	373	295	832	601
Investment products	176	117	187	107	181	293	411
Corporate finance	228	129	249	150	282	357	429
Securities services	104	85	97	96	104	189	195
Total customer revenues	905	765	891	727	861	1 670	1 635
Changes in bond prices	233	(1 566)	(592)	(666)	(23)	(1 333)	5
Other market making/ trading revenues	407	427	485	244	148	834	371
Total trading revenues	640	(1 139)	(107)	(422)	125	(499)	376
Interest income on allocated capital	79	77	58	50	44	156	82
Total income	1 625	(298)	842	355	1 030	1 327	2 093

Life and Asset Management

<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>2Q07</i>	
Total income	1 112	1 197	• Reduced commission income due to weak stock market
Total operating expenses	575	584	• Reduced expenses
Pre-tax operating profit	537	614	• Healthy performance for specialised funds
Taxes	23	(348)	
Profit after taxes	514	961	
Assets under management (NOK billion) ¹⁾	556	595	
Cost/income ratio (%)	51.7	48.8	
Return on capital (%) ²⁾	18.6	35.2	

1) Assets at end of period

2) Calculated based on recorded equity

Vital

<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>2Q07</i>
Interest result	(1 428)	3 316
Transferred to additional allocations	1 727	0
Risk result	60	13
Administration result	(45)	(68)
Profit for risk and guaranteed rate of return	107	-
Other	34	7
Transferred to policyholders	0	2 805
Pre-tax operating profit	454	464
Total assets (NOK billion) ¹⁾	227	229
Return on capital (%) ²⁾	19.7	37.4

1) Assets at end of period

2) Calculated based on recorded equity

- Year-to-date profits of NOK 93 million
- Valuations of property portfolio
 - Gross write-downs of NOK 1.7 billion or 5.4 per cent
 - No stamp duties following restructuring of the portfolio raised values by NOK 0.8 billion
- Net inflow of transfers for the year to date

Financial performance from owner's perspective

<i>Amounts in NOK million</i>	<i>2Q08</i>	<i>1Q08</i>
Interest result not covered by additional allocations, common portfolio	182	(212)
Owner's share of risk result, common portfolio	43	32
Owner's share of administration result, common portfolio	14	3
Profit for risk and guaranteed rate of return	107	108
Contribution from portfolios subject to profit sharing	70	(369)
Owner's share of profits, common portfolio	413	(437)
Income from the corporate portfolio	110	116
Profit from the investment choice portfolio and risk products	(68)	(40)
Pre-tax operating profit	454	(361)

DnB NORD

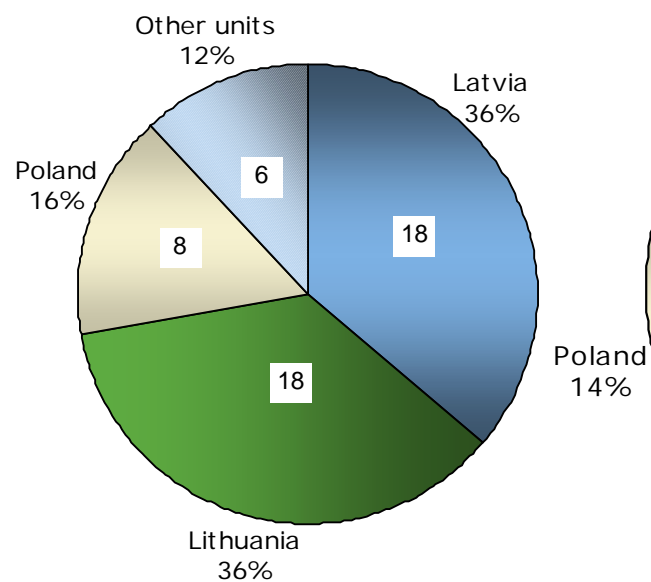
<i>Amounts in NOK million</i>	2Q08	2Q07	
Total income	574	523	• Higher funding costs affected net interest income
Operating expenses	397	354	• Considerable lending growth in Denmark and Finland
Pre-tax operating profit before write-downs	178	169	• Slowdown of growth in the Baltic Region
Net lending to customers (NOK billion) ¹⁾	71	47	• Continued low write-downs despite uncertain situation in the Baltic Region
Cost/income ratio (%)	69.1	67.7	
Return on capital BIS (%)	7.2	13.9	

1) Average balances, including credit institutions

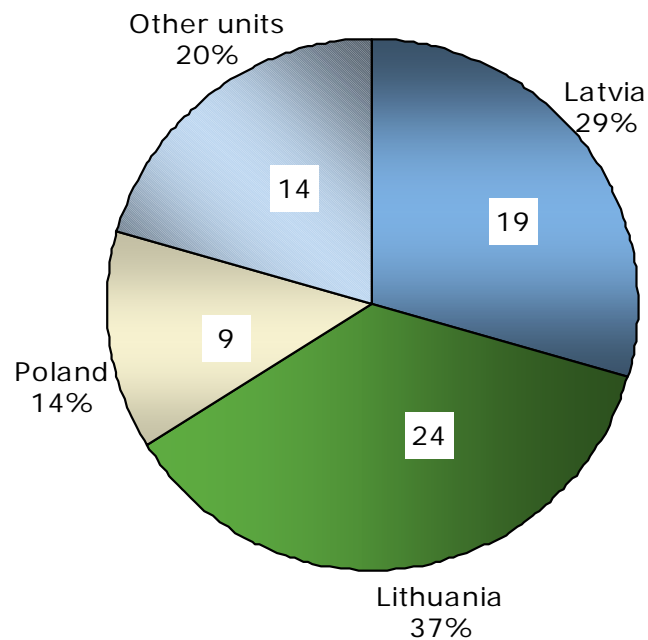
DnB NORD

- loan portfolio development

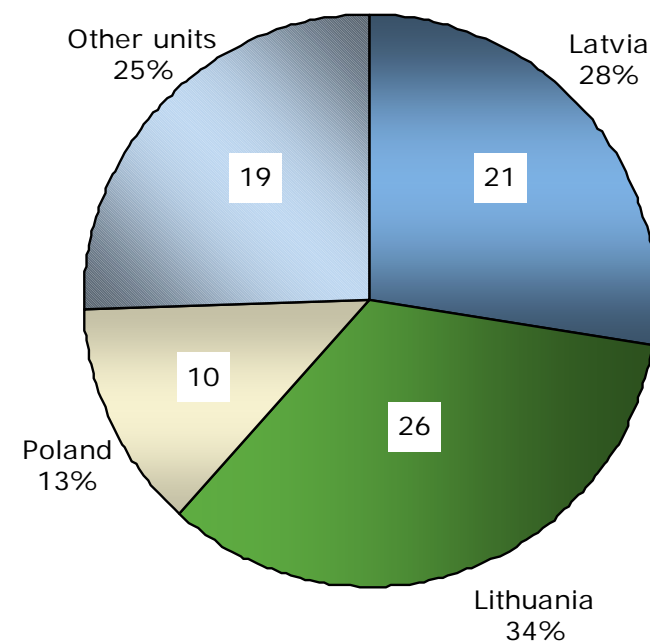
30 June 2007
NOK 49 billion



31 March 2008
NOK 66 billion



30 June 2008
NOK 76 billion



Ahead of schedule at end-June 2008

New ambition: NOK 1.4 billion annually from the end of 2010

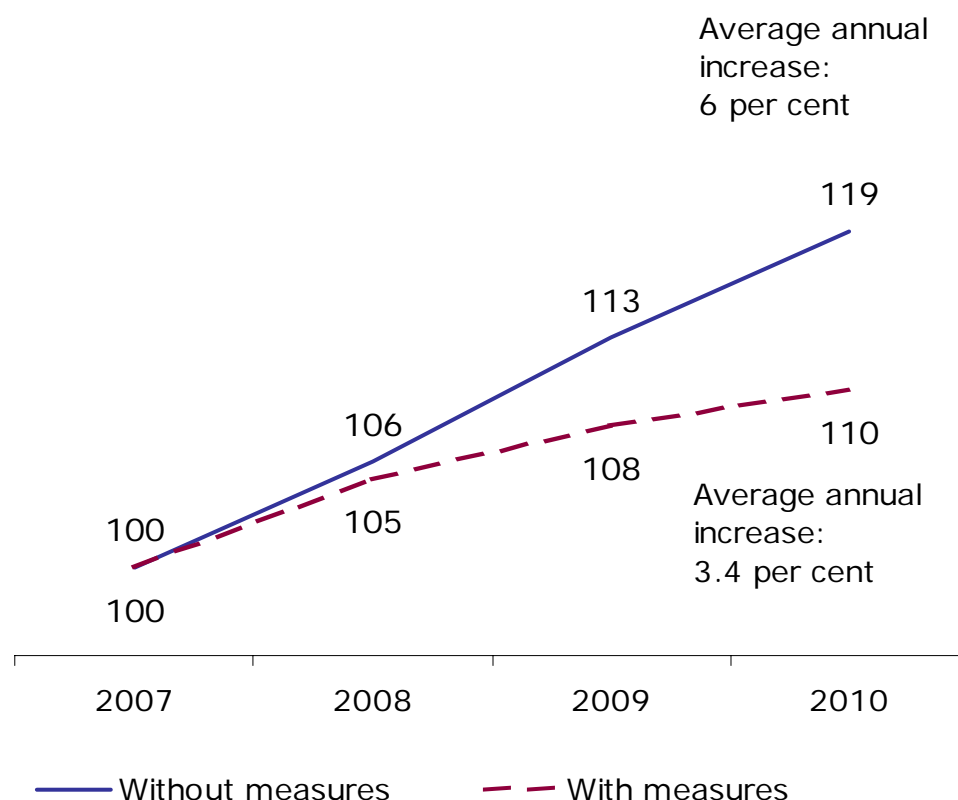


- Cost-saving measures under original cost programme: NOK 1 billion
- New cost-saving measures: NOK 0.4 billion
- Total effect of cost-saving measures: NOK 1.4 billion

Target: Cost/income ratio below 46 per cent by end of 2010

Norwegian operations with and without cost-saving measures - illustration ¹⁾

Index from 2007 = 100

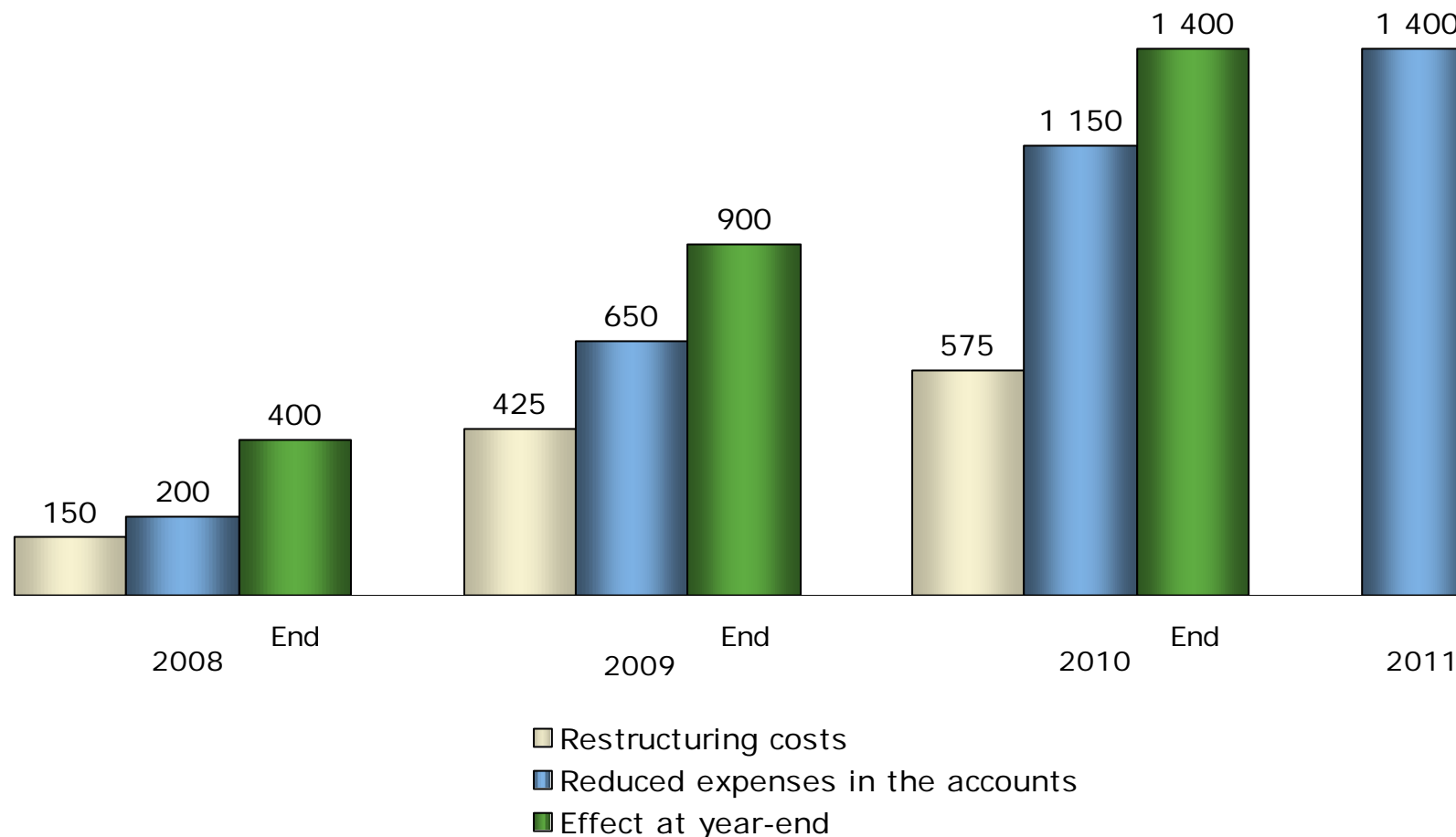


- The cost programme will reduce the rise in costs by 9 percentage points relative to an inflationary projection

1) Before any acquisitions, new business and growth initiatives during the period and excluding restructuring expenses.

Schedule for cost savings

NOK million



10 principal cost-saving measures

Increased use of electronic customer communication

Restructuring of branches and establishment of in-store banking outlets in Retail Banking

Better procurement contracts

Office space efficiency

Automation of the credit process in Retail Banking

Coordination of Life and Asset Management

From 14 to 5 locations for internal operations

Phasing out of IT systems

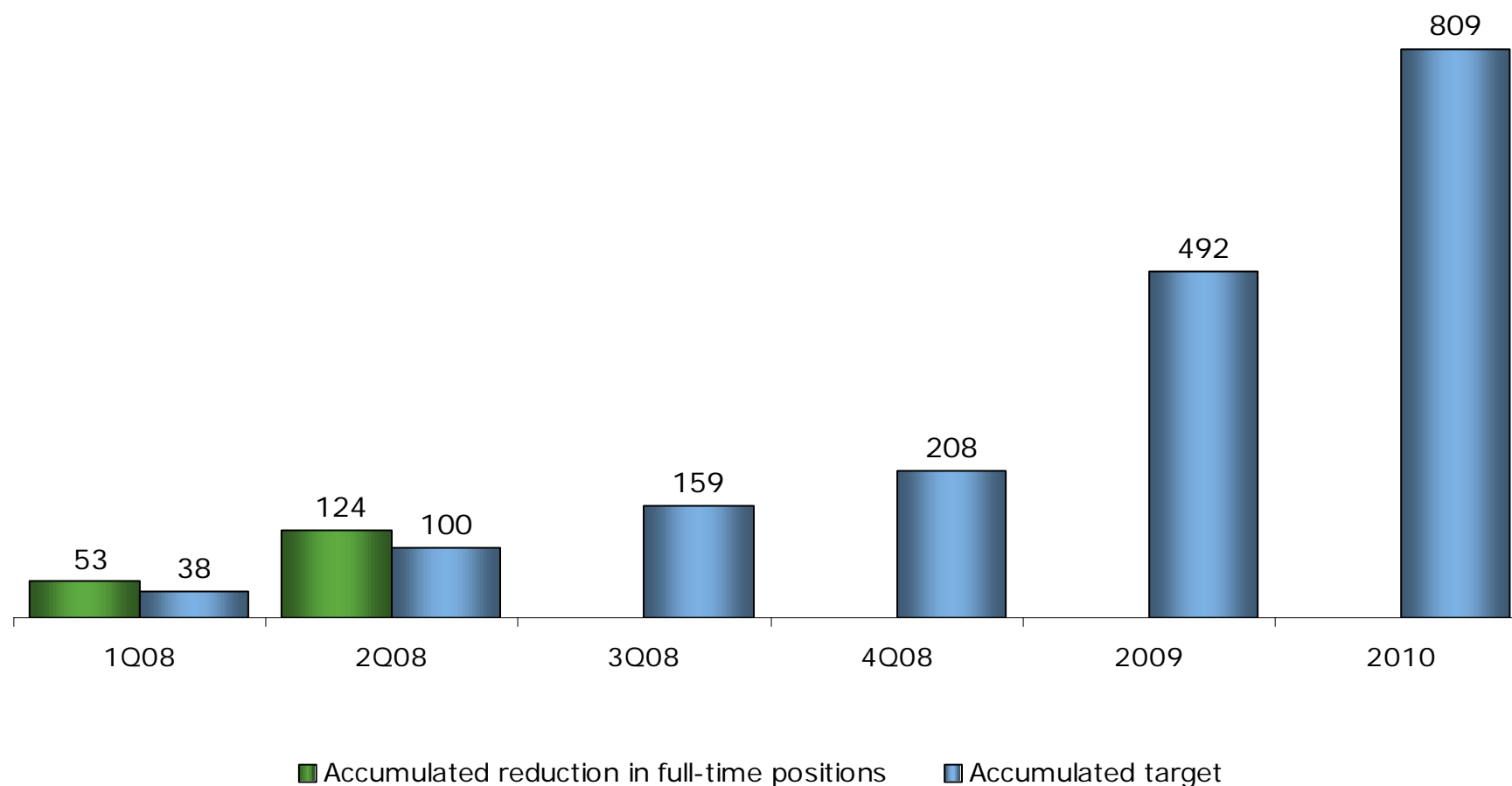
Automation of collateral registration and credit and account administration

Streamlining of processes across business areas

Total effect of the 10 principal measures:
NOK 965 million or 78 per cent of total target

Reduction in full-time positions

Full-time positions



Macroeconomic developments

- The international economic trend remains uncertain
- In relative terms, Norway's position is favourable
- Continuing positive prospects for Norwegian households, energy-related businesses, transportation and logistics

Future prospects for DnB NOR

DnB NOR is developing in line with long-term plans:

- somewhat lower lending growth and wider spreads
- continued strong earnings from customer trading
- ongoing recovery of previous mark-to-market losses
- gradual implementation of targeted cost programme
- continued sound credit quality, in spite of expected increase in write-downs

but:

- uncertainty associated with the challenging capital market situation and property market developments

- ➔ The Group's relative position has been strengthened
- ➔ The target of a pre-tax operating profit before write-downs for 2008 on a par with 2007 is maintained
- ➔ The target of a pre-tax operating profit before write-downs of NOK 20 billion in 2010 is maintained

DnB NOR

