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DNB GROUP

Third quarter report 2013

(UNAUDITED)

DNB

Financial highlights

DNB Group

Income statement *Amounts in NOK million*	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
Net interest income	7 915	6 828	22 252	20 115	27 216
Net commissions and fees, core business [1]	*2 057*	*1 852*	*6 051*	*5 615*	*7 511*
Net financial items	*2 060*	*1 776*	*6 058*	*4 824*	*6 990*
Net other operating income, total	4 117	3 628	12 109	10 439	14 501
Total income	12 032	10 456	34 361	30 554	41 717
Operating expenses	4 987	5 004	15 023	15 155	20 375
Restructuring costs and non-recurring effects	236	56	895	65	98
Expenses relating to debt-financed structured products	0	0	450	0	0
Impairment losses for goodwill and intangible assets	0	85	0	85	287
Pre-tax operating profit before impairment	6 809	5 311	17 993	15 249	20 957
Net gains on fixed and intangible assets	2	20	(3)	63	(1)
Impairment of loans and guarantees	475	521	2 149	1 990	3 179
Pre-tax operating profit	6 337	4 810	15 842	13 323	17 776
Taxes	1 448	1 269	3 976	3 467	4 081
Profit from operations held for sale, after taxes	(7)	0	(5)	92	96
Profit for the period	**4 881**	**3 541**	**11 861**	**9 948**	**13 792**

Balance sheet *Amounts in NOK million*	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Total assets	2 436 403	2 264 801	2 368 983
Loans to customers	1 332 945	1 297 892	1 307 047
Deposits from customers	925 451	810 959	843 340
Total equity	136 477	127 492	120 839
Average total assets	2 483 217	2 363 517	2 361 664
Total combined assets	2 672 600	2 472 655	2 638 833

Key figures	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
Return on equity, annualised (per cent)	14.4	11.9	12.1	11.4	11.7
Earnings per share (NOK)	3.00	2.17	7.28	6.11	8.48
Combined weighted total average spread for lending and deposits (per cent)	1.29	1.18	1.26	1.17	1.18
Cost/income ratio (per cent)	43.4	48.4	47.6	49.8	49.1
Impairment relative to average net loans to customers, annualised (per cent)	0.14	0.16	0.22	0.21	0.24
Common equity Tier 1 capital ratio, transitional rules, at end of period (per cent) [2]	11.0	10.0	11.0	10.0	10.7
Tier 1 capital ratio, transitional rules, at end of period (per cent) [2]	11.3	10.6	11.3	10.6	11.0
Capital ratio, transitional rules, at end of period (per cent) [2]	13.1	12.2	13.1	12.2	12.6
Share price at end of period (NOK)	91.30	70.25	91.30	70.25	70.40
Price/book value	1.09	0.95	1.09	0.95	0.90
Proposed dividend per share (NOK)	-	-	-	-	2.10

1) *Includes commissions and fees related to money transfers and interbank transactions, asset management services, credit broking, real estate broking, custodial services and securities trading as well as the sale of insurance products and other commissions and fees from banking services.*
2) *Including 50 per cent of profit for the period, except for the full year figures.*

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

Third quarter report 2013

Accounts for the DNB Group

Accounts for DNB ASA

Additional information DNB Group

Directors' report

Introduction

Third quarter 2013

DNB recorded profits of NOK 4 881 million in the third quarter of 2013, up NOK 1 341 million from the third quarter of 2012. Adjusted for the effect of basis swaps, there was a NOK 1 093 million rise in profits. Wider lending spreads were the main factor behind the rise in profits and contributed to the necessary build-up of capital to meet stricter capital requirements. In October, the Ministry of Finance issued new regulations regarding a counter-cyclical capital buffer of between 0 and 2.5 per cent. In addition, the Ministry announced new rules governing the weighting of banks' home mortgages in the capital adequacy calculations, while retaining the current transitional rules linked to the so-called Basel I floor. The requirements, which apply solely in Norway, entail that DNB appears more weakly capitalised than its international competitors, even though this is not the case in real terms. Compliance with the requirements necessitates a further significant increase in Tier 1 capital. DNB's common equity Tier 1 capital has been increased by NOK 10.5 billion over the past twelve months. The common equity Tier 1 capital ratio, calculated according to the transitional rules, rose from 10.0 per cent in the third quarter of 2012 to 11.0 per cent, including 50 per cent of interim profits. Return on equity increased from 11.9 per cent to 14.4 per cent during the same period. Adjusted for the effect of basis swaps, return on equity was up from 13.2 to 14.9 per cent. DNB is well capitalised, but will build additional capital organically in order to meet the authorities' requirements. Parallel to this, efforts to influence the regulatory framework will be continued.

The interest rate increases implemented during the first half of the year contributed to a 15.9 per cent increase in net interest income and a 0.41 percentage point widening of lending spreads from the third quarter of 2012. Adjusted for exchange rate movements, lending volumes remained virtually unchanged from end-September 2012. Deposit spreads remained narrow during the quarter, reflecting the low interest rate level and continued strong competition in the deposit market. Deposit spreads contracted by 0.16 percentage points from the third quarter of 2012. Average volume-weighted spreads were up 0.11 percentage points during this period.

Adjusted for the effect of basis swaps, other operating income was NOK 145 million higher than in the third quarter of 2012. There was a healthy trend in income from capital-light commissions and fees from banking operations, non-life insurance and real estate broking.

Adjusted for restructuring expenses and other non-recurring effects, operating expenses were reduced by 0.3 per cent from the third quarter of 2012. The decrease in expenses was primarily attributable to restructuring measures resulting in lower staff levels. The average number of full-time positions was reduced by 1 049 from the third quarter of 2012.

At NOK 475 million, impairment losses on loans and guarantees were somewhat lower than in the third quarter of 2012 and close to half the figure for the second quarter of 2013. The reversal of collective impairment losses was the main factor behind the significant reduction from the second quarter of 2013, reflecting higher shipping freight rates, though there was also a decline in individual impairment.

DNB is still the only Nordic bank that qualifies for inclusion in the Dow Jones Sustainability Index, DJSI. The DJSI is a global index that measures financial, environmental and social performance and comprises the top 10 per cent companies within each industry sector.

Results from a survey carried out by the analyst firm Socialbakers for the second quarter of 2013 showed that DNB was among the best banks in the world with respect to response time on Facebook. In addition, the response rate was above 99 per cent. The good results are a consequence of the Group's continuous efforts to ensure the best digital customer experience and contribute to a high level of customer satisfaction within the bank's young adult segment.

First three quarters 2013

DNB recorded profits of NOK 11 861 million in the January through September period in 2013, up NOK 1 912 million from the corresponding period in 2012. Adjusted for the effect of basis swaps, there was a NOK 921 million increase. Wider lending spreads had a positive effect on profits, while narrower deposit spreads and non-recurring expenses related to the restructuring of the Group's operations and to certain debt-financed structured products had a negative impact on profits.

Return on equity was 12.1 per cent, up from 11.4 per cent in the January through September period in 2012. Adjusted for the effect of basis swaps, return on equity was reduced from 13 to 12.5 per cent.

Wider lending spreads contributed to a rise in net interest income of NOK 2.1 billion or 10.6 per cent from the first three quarters of 2012. Average lending volumes increased by 1.4 per cent, while deposits were up 13.7 per cent during the same period. Deposit spreads narrowed by 0.21 percentage points due to the declining interest rate level and strong competition in the market. Average volume-weighted spreads widened by 0.08 percentage points during the period.

Other operating income was NOK 1 669 million higher than in the first three quarters of 2012. Adjusted for the effect of basis swaps, there was an increase of NOK 292 million. The rise in profits reflected a strong trend in commissions and fees, which require little capital. The Group is strongly committed to increasing such income.

Operating expenses rose by NOK 1 063 million from the first three quarters of 2012. Adjusted for non-recurring effects, including provisions relating to restructuring and certain debt-financed structured products, there was a reduction of NOK 132 million or 0.9 per cent. Ordinary wage costs decreased compared with the first three quarters of 2012, and downsizing measures thus more than compensated for wage inflation during this period.

Impairment losses on loans and guarantees rose by NOK 160 million compared with the first three quarters of 2012. There was a reduction in impairment losses in the personal customer segment, while there was an increase in the shipping segment and for Nordic corporates. The higher impairment losses within shipping mainly reflected the sluggish market situation in certain tanker and dry bulk segments.

Income statement for the third quarter of 2013

Net interest income

Amounts in NOK million	3rd quarter 2013	Change	3rd quarter 2012
Net interest income	7 915	1 087	6 828
Lending and deposit spreads		949	
Lending and deposit volumes		25	
Exchange rate movements		77	
Long-term funding costs		34	
Commitment fees		40	
Guarantee fund levy		(169)	
Other net interest income		131	

Net interest income rose by NOK 1 087 million or 15.9 per cent from the third quarter of 2012. Wider lending spreads were the main factor behind the increase, while narrower deposit spreads dampened growth. Average lending spreads increased by 0.41 percentage points, while deposit spreads decreased by 0.16 percentage points. Adjusted for exchange rate movements, loan volumes remained virtually unchanged from the third quarter of 2012 and during the first three quarters of 2013.

In 2013, the Norwegian authorities introduced permanent guarantee fund levies as one of several measures to strengthen the banking industry and reduce risk for customers. This gave a NOK 169 million increase in expenses for the quarter compared with the year-earlier period.

Net other operating income

Amounts in NOK million	3rd quarter 2013	Change	3rd quarter 2012
Net other operating income	4 117	489	3 628
Basis swaps		344	
Net other commissions and fees		189	
Net financial and risk result from DNB Livsforsikring [1)]		28	
Net other gains on foreign exchange and interest rate instruments [2)]		26	
Net insurance-related income from DNB Skadeforsikring		23	
Real estate broking		21	
Changes in the value of investment property		(27)	
Profits from associated companies		(147)	
Other operating income		31	

1) Guaranteed returns and allocations to policyholders deducted.
2) Excluding guarantees and basis swaps.

Net other operating income increased by NOK 489 million from the third quarter of 2012. Adjusted for the effect of basis swaps, there was a NOK 145 million increase in income. There was a healthy trend in income from capital-light commissions and fees. Such income from banking operations, non-life insurance and real estate broking increased by a total of more than NOK 230 million. Profits from associated companies, primarily Eksportfinans, were reduced by NOK 147 million from the third quarter of 2012, reflecting a weaker development in the value of the portfolio in Eksportfinans that is guaranteed by the owners.

Operating expenses

Amounts in NOK million	3rd quarter 2013	Change	3rd quarter 2012
Operating expenses	5 223	78	5 145
Non-recurring effects			
Restructuring costs – employees		35	
Other restructuring costs		163	
Sale of SalusAnsvar		(17)	
Impairment losses for goodwill		(85)	
Operating expenses excluding non-recurring effects	4 987	(17)	5 004
Income-related costs			
Ordinary depreciation on operational leasing		33	
Reclassifications		(26)	
Expenses related to operations			
Pension expenses		(83)	
IT expenses		74	
Other cost reductions		(15)	

Operating expenses were up NOK 78 million or 1.5 per cent from the third quarter of 2012. Adjusted for non-recurring expenses, including restructuring costs, there was a reduction in expenses of NOK 17 million or 0.3 per cent. The average number of full-time positions was reduced by 1 049 during the corresponding period. This means that the restructuring measures which have been implemented to reduce the number of branch offices and concentrate production to fewer geographical locations have thus far helped DNB reach its target to maintain a flat nominal cost level. Moreover, there was a reduction in pension expenses, partly due to staff reductions and changes in calculation assumptions, and a certain increase in IT expenses.

Impairment of loans and guarantees

Impairment losses on loans and guarantees totalled NOK 475 million, down NOK 46 million from the third quarter of 2012 and close to half the figure for the second quarter of 2013. Collective impairment showed the greatest reduction from the preceding quarter, reflecting higher shipping freight rates, though there was also a decline in individual impairment. Total impairment represented 0.14 cent of loans in the third quarter, which is below the long-term normalised level.

At NOK 674 million, individual impairment was virtually unchanged from the third quarter of 2012. Impairment declined within shipping, home mortgages and consumer finance, while there was a certain increase in most other segments.

Collective impairment losses of NOK 199 million were reversed during the quarter, compared with reversals of NOK 148 million in the year-earlier period. Collective impairment was NOK 345 million lower than in the second quarter of 2013, mainly reflecting higher shipping freight rates.

Net non-performing and doubtful loans and guarantees amounted to NOK 22.9 billion at end-September 2013, up from NOK 19.6 billion at end-September 2012, but down from NOK 23.3 billion at end-June 2013. Net non-performing and doubtful loans and guarantees represented 1.7 per cent of the loan portfolio, up 0.23 percentage points from end-September 2012, but virtually unchanged from end-June 2013.

Taxes

The DNB Group's tax charge for the third quarter of 2013 was NOK 1 448 million, up from NOK 1 269 million in the year-earlier period. Relative to pre-tax operating profits, the estimated tax charge was approximately 23 per cent. The tax charge was lower than in previous quarters due to exchange rate movements.

Segments

Financial governance in DNB is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding where to allocate the Group's resources. Special product areas are responsible for the production and development of key products and for ensuring that the Group has good and effective products and services tailored to the needs of the various customer segments. Reported figures for the different segments will reflect the Group's total sales of products and services to the relevant customer segments.

Personal customers

This segment includes the Group's 2.1 million personal customers in Norway.

Pre-tax operating profits totalled NOK 2 464 million in the third quarter of 2013, an increase of NOK 704 million from the third quarter of 2012, which reflected wider lending margins. The quality of the loan portfolio was sound, with a reduction in non-performing and doubtful loans and low impairment losses.

Personal customers	3rd quarter		Change	
Income statement in NOK million	2013	2012	NOK mill	%
Net interest income	3 437	2 703	733	27.1
Net other operating income	1 271	1 230	41	3.3
Total income	4 708	3 934	774	19.7
Operating expenses	2 208	2 098	110	5.2
Pre-tax operating profit before impairment	2 500	1 836	664	36.2
Impairment loss on loans and guarantees	22	75	(53)	(70.5)
Profit from repossessed operations	(13)	0	(13)	
Pre-tax operating profit	2 464	1 760	704	40.0
Taxes	690	493	197	40.0
Profit from operations held for sale	(5)	0	(5)	
Profit for the period	1 770	1 268	502	39.6
Average balance sheet items in NOK billion				
Net loans to customers	652.1	623.9	28.2	4.5
Deposits from customers	346.1	327.2	18.9	5.8
Key figures in per cent				
Lending spread 1)	2.52	1.82		
Deposit spread 1)	(0.56)	(0.20)		
Return on allocated capital 2)	40.1	29.2		
Cost/income ratio	46.9	52.1		
Ratio of deposits to loans	53.1	52.5		

1) *Calculated relative to the 3-month money market rate.*
2) *Calculated on the basis of allocated capital, which corresponds to the external capital adequacy requirement which must be met by the DNB Group.*

The first three quarters of 2013 were characterised by moderate increases in both loans and deposits. Loans to personal customers were up 4.5 per cent compared with the year-earlier period, while there was an increase of a 0.3 per cent from the second to the third quarter of 2013. Deposits increased by 5.8 per cent from the third quarter of 2012, and the ratio of deposits to net loans was 53.1 per cent.

Net interest income rose by 27.1 per cent from the third quarter of 2012. DNB has given priority to increasing spreads in order to meet stricter capital requirements. The volume-weighted interest rate spread widened by 0.33 percentage points from the third quarter of 2012 and by 0.07 percentage points from the second quarter of 2013.

DNB Eiendom recorded a 19.3 per cent increase in income from the third quarter of 2012, which contributed to an increase in net other operating income for the period.

Adjusted for non-recurring expenses relating to the restructuring of the branch network and the effects of the sale of SalusAnsvar, operating expenses increased by NOK 93 million or 4.6 per cent compared with the year-earlier period. The number of full-time positions was 3 354 at end-September 2013, with 700 in subsidiaries.

A large share of loans to personal customers represents well-secured home mortgages entailing low risk. Net impairment of loans was reduced by NOK 53 million from the third quarter of 2012 and represented 0.01 per cent of net loans, down from 0.05 per cent in the third quarter of 2012.

Fierce competition for home mortgage customers has affected the market share of credit to households, which stood at 27.2 per cent at end-August 2013. The market share of savings was 34.0 per cent at the same time. At end-September 2013, DNB Eiendom had a market share of 19.4 per cent.

DNB is facilitating greater use of self-service solutions, entailing continuous adaptation of the distribution network. Thus far in 2013, 33 bank branches have been closed or merged.

The Ministry of Finance has increased the capital required to back banks' home mortgages. The resulting consequences and measures to satisfy this requirement will be further assessed.

Small and medium-sized enterprises

This segment includes the Group's 217 000 small and medium-sized corporate customers.

Pre-tax operating profits came to NOK 873 million in the third quarter of 2013, up NOK 50 million or 6.1 per cent from the third quarter of 2012, reflecting a strong rise in income.

Small and medium-sizes enterprises	3rd quarter		Change	
Income statement in NOK million	2013	2012	NOK mill	%
Net interest income	1 565	1 475	90	6.1
Net other operating income	360	298	62	20.8
Total income	1 926	1 773	152	8.6
Operating expenses	900	871	29	3.3
Pre-tax operating profit before impairment	1 026	902	124	13.7
Impairment loss on loans and guarantees	161	74	87	117.4
Profit from repossessed operations	8	(5)	13	
Pre-tax operating profit	873	823	50	6.1
Taxes	244	230	14	6.1
Profit for the period	628	592	36	6.1
Average balance sheet items in NOK billion				
Net loans to customers	206.2	205.9	0.3	0.1
Deposits from customers	148.3	145.0	3.3	2.3
Key figures in per cent				
Lending spread 1)	2.77	2.51		
Deposit spread 1)	(0.09)	(0.01)		
Return on allocated capital 2)	12.2	13.4		
Cost/income ratio	46.7	49.1		
Ratio of deposits to loans	71.9	70.4		

1) *Calculated relative to the 3-month money market rate.*
2) *Calculated on the basis of allocated capital, which corresponds to the external capital adequacy requirement which must be met by the DNB Group.*

Net loans to customers were roughly on a level with the third quarter of 2012. Following declining lending volumes towards the end of 2012, there was a moderate increase in loans to small and medium-sized enterprises during the first nine months of 2013. Average deposits increased by 2.3 per cent from the third quarter of 2012.

In consequence of the interest rate increases implemented in the first quarter of 2013, there was a rise in net interest income. Net other operating income also showed a positive trend.

The rise in expenses from the third quarter of 2012 is mainly a result of increased depreciation on operational leasing in DNB Finans. At end-September 2013, staff represented 763 full-time positions, a reduction of 43 full-time positions from end-December 2012.

The quality of the loan portfolios is considered to be sound. The close follow-up of customers and preventive measures are vital to ensuring satisfactory quality. Net impairment of loans totalled NOK 161 million in the third quarter of 2013. On an annual basis, this represents 0.31 per cent of net loans. Impairment losses rose from a relatively low level in the third quarter of 2012, but were NOK 19 million lower than in the second quarter of 2013.

Moderate credit growth is anticipated in the market in the period ahead, and DNB expects to record lending growth on a level with the banking market in general. Impairment losses on loans are expected to remain low.

Large corporates and international customers

This segment includes large Norwegian and international corporate customers and all customers served by DNB's subsidiary banks in the Baltics, Poland and Russia. Operations are based on sound industry expertise and long-term customer relationships.

Pre-tax operating profits came to NOK 2 483 million in the third quarter of 2013, up NOK 296 million or 13.5 per cent from the third quarter of 2012.

Large corporates and international customers	3rd quarter		Change	
Income statement in NOK million	2013	2012	NOK mill	%
Net interest income	2 962	2 784	179	6.4
Net other operating income	1 209	1 234	(26)	(2.1)
Total income	4 171	4 018	153	3.8
Operating expenses	1 370	1 457	(87)	(6.0)
Pre-tax operating profit before impairment	2 801	2 561	240	9.4
Net gains on fixed and intangible assets	2	(1)	2	
Impairment loss on loans and guarantees	304	310	(6)	(2.0)
Profit from repossessed operations	(16)	(63)	47	
Pre-tax operating profit	2 483	2 187	296	13.5
Taxes	745	639	106	16.6
Profit for the period	1 738	1 549	190	12.2
Average balance sheet items in NOK billion				
Net loans to customers	467.3	480.7	(13.5)	(2.8)
Deposits from customers	354.9	311.3	43.6	14.0
Key figures in per cent				
Lending spread [1)]	2.15	1.97		
Deposit spread [1)]	(0.19)	(0.16)		
Return on allocated capital [2)]	12.7	12.7		
Cost/income ratio	32.8	36.3		
Ratio of deposits to loans	76.0	64.8		

1) Calculated relative to the 3-month money market rate.
2) Calculated on the basis of allocated capital, which corresponds to the external capital adequacy requirement which must be met by the DNB Group.

Due to weaker demand in some segments combined with strategic portfolio adjustments and active use of the bond market, there was a reduction in loans from the third quarter of 2012. Compared with the second quarter of 2013, lending volumes increased by 2.3 per cent or NOK 10 billion. Deposits rose by 14.0 per cent from the third quarter of 2012.

A 0.18 percentage points widening of average lending spreads relative to the 3-month money market rate from the third quarter of 2012 helped raise net interest income. Deposit spreads declined by 0.03 percentage points from the third quarter of 2012 and were virtually unchanged from the second quarter of 2013.

Operating expenses were reduced by 6.0 per cent from the third quarter of 2012, reflecting efforts to optimise resource utilisation in the segment, including the restructuring of operations in Poland.

Net impairment of loans and guarantees represented 0.26 per cent of net loans to customers, of which individual impairment represented 0.43 per cent. In the third quarter of 2012, individual impairment came to 0.40 per cent of net loans.

The quality of the loan portfolio is considered to be sound. Targeted efforts are being made to retain the level of quality through close follow-up of customers and preventive measures. Net non-performing and doubtful loans and guarantees amounted to NOK 16.7 billion at end-September 2013, a reduction of NOK 0.8 billion from end-June 2013 and an increase of NOK 2.9 billion from end-September 2012. These changes are mainly attributable to a few large shipping loans which are being closely monitored.

With respect to large corporates and international customers, DNB will give priority to strong, long-term and profitable customer relationships and on further developing key customer segments. The Group's wide range of products and expertise will contribute to strengthening customer relationships and form the basis for operations over the coming years. Lending spreads are under increasing pressure, though repricing in certain segments could give a certain increase in spreads for the total portfolio. Competition for stable customer deposits will prevail and put continued pressure on deposits spreads.

Trading

This segment comprises market making and proprietary trading in fixed income, foreign exchange and commodity products, as well as equities, including the hedging of market risk inherent in customer transactions. Customer activities are supported by trading activities. Pre-tax operating profits came to NOK 449 million in the third quarter of 2013, down NOK 492 million from the year-earlier period.

Trading	3rd quarter		Change	
Income statement in NOK million	2013	2012	NOK mill	%
Net interest income	140	146	(6)	(4.1)
Net other operating income	525	1 016	(491)	(48.3)
Total income	665	1 161	(497)	(42.8)
Operating expenses	216	220	(4)	(2.0)
Pre-tax operating profit	449	941	(492)	(52.3)
Taxes	130	273	(143)	(52.3)
Profit for the period	318	668	(350)	(52.3)
Key figures in per cent				
Cost/income ratio	32.5	19.0		
Return on allocated capital [1)]	8.1	6.3		

1) Calculated on the basis of allocated capital, which corresponds to the external capital adequacy requirement which must be met by the DNB Group.

Revenues from market making and other proprietary trading were NOK 665 million in the third quarter of 2013. There was a NOK 497 million reduction from the third quarter of 2012, which was characterised by high capital gains on bonds.

Traditional pension products

This segment comprises the portfolio of traditional defined-benefit pension products in DNB Livsforsikring. DNB no longer offers such products to new customers.

Pre-tax operating profits totalled NOK 464 million in the third quarter of 2013, up NOK 177 million from the third quarter of 2012. The improved profit performance reflected an increase in pre-priced elements, a higher risk result and reduced costs.

Traditional pension products	3rd quarter		Change	
Income statement in NOK million	2013	2012	NOK mill	%
Upfront pricing of risk and guaranteed rate (	174	134	40	30.2
Owner's share of administration result	52	(15)	67	
Owner's share of risk result	71	8	63	769.2
Owner's share of interest result	65	11	53	477.5
Return on corporate portfolio	102	149	(46)	(31.2)
Pre-tax operating profit	464	287	177	61.8
Taxes	(15)	(97)	82	
Profit	479	384	96	24.9
Key figures in per cent				
Cost/income ratio	27.5	43.7		
Return on allocated capital [1)]	11.5	9.0		

1) Calculated on the basis of allocated capital, which corresponds to the external capital adequacy requirement which must be met by the DNB Group.

The improved risk results was mainly due to the fact that provisioning for higher life expectancy for individual annuity and pension insurance and group association insurance was completed during the second quarter of 2013. Provisions for higher life expectancy of NOK 100 million were made in the third quarter of 2012.

There was a positive financial market trend in the third quarter of 2013, which ensured strong returns on traditional products. The recorded and value-adjusted returns were 1.12 and 1.23 per cent, respectively in the July through September period in 2013, compared with 1.16 and 1.63 per cent in the year-earlier period. The corporate portfolio generated a return of 0.49 per cent in the third quarter of 2013, compared with 0.89 per cent in the third quarter of 2012.

DNB is in the process of winding up the company's operations in the public sector occupational pensions market. The decision affects all insured public pension schemes for both municipalities and enterprises. The wind-up of these operations is expected to take up to three years, but will not affect the members of the pension schemes.

Funding, liquidity and balance sheet

Throughout the third quarter, the short-term funding markets were generally sound for banks with good credit ratings. An increasing number of banks were regarded as financially strong, and DNB was still among these banks. The long-term funding markets were also strong throughout the quarter. The prices of both senior and covered bonds remained stable at a relatively favourable level. An improvement in the US economy could result in further signals from the US central bank, the Fed, to reduce its quantitative stimulus. In turn, this could trigger renewed interest rate turmoil in the markets for the remainder of the year.

In order to keep the Group's liquidity risk at a low level, short-term and long-term liquidity risk limits have been established. Among other things, this implies that customer loans are financed through customer deposits, long-term securities and primary capital. The Group stayed well within the liquidity limits during the third quarter of 2013. The average remaining term to maturity for the long-term funding portfolio was 4.5 years at end-September 2013, compared with 4.6 years a year earlier.

At end-September 2013, total combined assets in the DNB Group were NOK 2 673 billion, an increase of NOK 34 billion or 1.3 per cent from a year earlier. Total assets in the Group's balance sheet were NOK 2 436 billion as at 30 September 2013 and NOK 2 369 billion a year earlier.

Net loans to customers increased by NOK 26 billion or 2 per cent from end-September 2012. There was a rise in customer deposits of NOK 82 billion or 9.7 per cent during the same period. The ratio of customer deposits to net loans to customers increased from 64.5 per cent at end-September 2012 to 69.4 per cent at end-September 2013. Excluding a few large, short-term deposits, the ratio of deposits to net loans was up from 60.8 per cent to 64.1 per cent during the same period. The Group's target is a ratio of minimum 60 per cent. The ratio of deposits to net loans in DNB Bank ASA was 127.5 per cent at end-September 2013, reflecting that all loans which were not carried in the books of DNB Boligkreditt were financed through customer deposits.

Risk and capital adequacy

The weak developments in the global economy have affected DNB's risk situation for several years. Thus far this year, there has been a positive trend, though no significant upswing is expected. The growth in Mainland Norway's GDP is in the process of abating, and businesses will probably not benefit to the same degree from developments in the petroleum and housing markets in the period ahead. This may have a negative impact on risk in the Group's Norwegian operations, though from a very favourable basis.

The DNB Group quantifies risk by measuring risk-adjusted capital requirements. The net risk-adjusted capital requirement declined by NOK 1.2 billion from the second to the third quarter of 2013, to NOK 76.9 billion. The table below shows developments in the risk-adjusted capital requirement.

Developments in the risk-adjusted capital requirement

Amounts in NOK billion	30 Sept. 2013	30 June 2013	31 Dec. 2012	30 Sept. 2012
Credit risk	59.0	59.8	59.1	60.0
Market risk	7.9	7.9	7.9	6.5
Market risk in life insurance	9.3	11.0	10.6	9.1
Insurance risk in life insurance	1.0	1.0	1.0	1.0
Non-life insurance	0.8	0.8	0.8	0.8
Operational risk	10.7	10.3	9.8	9.8
Business risk	4.8	4.8	4.6	4.6
Gross risk-adjusted capital requirement	93.6	95.7	93.9	91.9
Diversification effect [1]	(16.7)	(17.6)	(16.9)	(16.3)
Net risk-adjusted capital requirement	76.9	78.1	77.1	75.6
Diversification effect in per cent of gross risk-adjusted capital requirement [1]	17.9	18.4	18.0	17.7

1) The diversification effect refers to the risk-mitigating effect achieved by the Group by having operations which are affected by different types of risk where unexpected losses are unlikely to occur at the same time.

The risk-adjusted capital requirement for credit declined by NOK 0.8 billion during the July through September period, which mainly reflected less exposure in the shipping segment. Non-performing and doubtful loans and guarantees were reduced by NOK 0.4 billion during the quarter. There was stable, sound credit quality in the healthy portfolio. DNB's home mortgage portfolio remains sound, with few non-performing loans and low impairment losses. The reduced growth in the Norwegian economy in 2013 has thus far had no negative impact on the quality of DNB's loan portfolio.

There were no changes in market risk limits during the quarter, and the total risk level remained virtually unchanged.

Risk-adjusted capital for market risk in life insurance was reduced by NOK 1.7 billion during the third quarter, reflecting lower property and equity exposure. In addition, there was an increase in buffer capital as the return was higher than the guaranteed rate of return on policyholders' funds. During the quarter, DNB Livsforsikring established a better basis for estimating the need for provisions for higher life expectancy, which has been reduced by more than NOK 1 billion. This gives the company greater scope of action during the reserve build-up period.

Few operational risk events were registered during the third quarter, entailing low losses. However, the operational stability of the Group's IT systems represented a major challenge, and the associated risk is being monitored closely.

Risk-weighted volume included in the calculation of the formal capital adequacy requirement declined by NOK 6.8 billion from the second to the third quarter of 2013, to NOK 1 091.7 billion. In the third quarter of 2013, risk-weighted volume could not be less than 80 per cent of the corresponding figure calculated according to the Basel I regulations. The common equity Tier 1 capital ratio was 11.0 per cent, while the capital adequacy ratio was 13.1 per cent, including 50 per cent of interim profits. If 75 per cent of interim profits is included, the common equity Tier 1 capital ratio will be 11.3 per cent and the capital adequacy ratio 13.4 per cent.

Calculations have also been made of full future implementation of the Basel II rules for all of the banking group's credit portfolios, excluding those in the Baltics and Poland, disregarding the limitations ensuing from the transitional rules. The calculations showed a pro forma risk-weighted volume of NOK 956 billion and a potential common equity Tier 1 capital ratio of 12.5 per cent. Under Basel III, based on the Group's interpretation of the draft regulations, the common equity Tier 1 capital ratio would also have been 12.5 per cent at end-September 2013. These calculations do not reflect the increase in the minimum requirement for the LGD parameter, see further description in the chapter on the new regulatory framework.

The capital requirements are described in further detail in the chapter on the new regulatory framework.

Macroeconomic developments

During the second quarter of 2013, economic growth in Norway slowed down and Mainland Norway's GDP increased by a mere 0.2 per cent. Interviews with companies in Norges Bank's regional network in August indicate a further slowdown in the Norwegian economy from the second to the third quarter. According to the survey, activity growth among oil industry suppliers weakened, but from very high levels in the preceding quarters. The construction industry also suffered reduced growth, while there was an increase from very low activity levels in the export industry and domestically-oriented industries. According to the business survey, activity growth for household services has virtually been brought to a halt. Capacity utilisation decreased in all industries, and an increasing number of companies cited labour supply as a production constraint, especially in the construction industry. The business barometer prepared by the Confederation of Norwegian Enterprise (NHO) for the third quarter also shows that the Norwegian economy has decelerated. Figures from the Norwegian Labour and Welfare Administration confirm the weakening of the labour market. In September, the number of persons who were totally unemployed or participated in labour market measures increased by 1 300 to 88 340 on a seasonally adjusted basis. There was an increase of 6 200 persons from end-December 2012, and the number of unemployed is at its highest since November 2010.

After declining for six consecutive quarters, the eurozone's GDP once again showed a positive trend in the second quarter of 2013, rising by 0.3 per cent. There was a pronounced increase in both Germany and France, while the GDP of the large Southern European countries was further reduced. Overall, private consumption increased somewhat in the eurozone after declining for several consecutive quarters. Rising net exports and public consumption were other factors behind the GDP increase. There were clear signs of reduced imbalances in a number of countries in Southern Europe, though the situation remains difficult. The labour market in the eurozone showed cautious signs of improvement, with 5 000 fewer unemployed in August and a stable unemployment rate of 12.0 per cent. In Germany, however, the unemployment rate was up 0.1 percentage points in September, to 6.9 per cent.

In the US, the annual GDP growth rate was 2.5 per cent in the second quarter of 2013, reflecting a positive trend in private consumption and private investment, while public expenditure developments had a negative effect on growth. In September 2013, the US central bank, the Fed, decided to continue to buy securities for USD 85 billion per month to stimulate the economy and keep interest rates low. According to the Fed, the economy continues to gain strength, though it wants to see further proof of a lasting economic recovery before adjusting its securities purchases. The central bank fears that the recent increases in long-term interest rates will dampen the economic upswing.

According to DNB Markets' forecasts, Norway will experience a so-called soft landing, with an annual increase in Mainland Norway's GDP of approximately 2 per cent over the next few years and a slight increase in unemployment figures. Housing prices are expected to level off in 2014 and to decline somewhat in 2015 and 2016, though no significant reductions are expected. According to the OECD's international forecasts, there will be more sluggish economic growth in a number of emerging economies, including Brazil and India. The UK and US economies appear to be recovering, continued growth is expected in Germany, and the Italian economy shows improvement and renewed growth. In China, growth appears to be stabilising after having declined since the fourth quarter of 2012. This is underpinned by the latest Chinese key figures for exports, retail trade and investments.

New regulatory framework

The EU's new capital adequacy regulations for credit institutions and investment firms, the Capital Requirements Regulation and the Capital Requirements Directive (CRR and CRD IV), will enter into force on 1 January 2014. The regulations are based on the Basel Committee's recommendations on new and stricter capital and liquidity standards, Basel III. The Norwegian authorities have chosen to introduce the capital requirements earlier than on the implementation date specified in the international regulations. The new legislation became effective as early as on 1 July 2013 and requires a common equity Tier 1 capital ratio of minimum 9 per cent and a capital adequacy ratio of 12.5 per cent. The common equity Tier 1 capital requirement will be gradually increased to 12 per cent by 1 July 2016. Certain other countries, including Sweden and Switzerland, have also chosen earlier implementation of the capital requirements. However, there are significant differences in the way the requirements will be implemented.

In addition to the above-mentioned capital requirements and in compliance with the Basel III regulatory framework, Norway will also introduce a so-called counter-cyclical capital buffer of between 0 and 2.5 per cent common equity Tier 1 capital. On 4 October 2013, the Norwegian Ministry of Finance issued regulations on a counter-cyclical capital buffer, which will enter into force on 15 October. According to plan, Norges Bank will issue advice about the capital buffer level and introduction dates in December 2013. The buffer will be finally determined by the Ministry of Finance, and the banks will normally have to comply with the requirement within 12 months.

On 13 October 2013, the Ministry of Finance also determined rules for the weighting of banks' home mortgages in capital adequacy calculations. The Ministry will increase the minimum requirement for the model parameter "loss given default", LGD, from 10 to 20 per cent in the capital adequacy regulations. According to the new EU regulations, the minimum LGD requirement will also apply to branches of international banks. Prevailing rules relating to the so-called Basel I floor will be retained. To DNB, this implies that the average risk weight on home mortgages will increase from 11.4 to 17.8 per cent. Nevertheless, the Basel I floor will still represent the actual limit for banks' risk-weighted assets. For the DNB Group, the Basel I floor will result in an actual risk weight of as much as 40 per cent on home mortgages. The changes will enter into force on 1 January 2014.

In March 2013, Finanstilsynet decided to introduce new mortality assumptions for group pension insurance with effect from 2014. The new mortality table will require a significant strengthening of life insurance companies' technical insurance reserves. Finanstilsynet will allow a five-year escalation period starting in 2014. It will be possible to use returns on policyholders' funds, but at least 20 per cent of the required increase in reserves is expected to be covered by an increase in shareholder contributions. The new calculation base will result in a total required increase in reserves for DNB Livsforsikring of approximately NOK 13.3 billion, of which NOK 3.8 billion had been set aside as at 31 December 2012. If an insurance policy is transferred, the life insurance company that transfers the policy will not be required to make full provisions for this policy. Instead, the technical cash value of the policy in accordance with the escalation plan should be used as a basis for calculating the transfer value. This is positive news and will prevent transfers motivated by arbitrage opportunities.

On 4 October 2013, a legislative proposal regarding new occupational pensions was presented. The new occupational pension product includes elements from both defined-contribution and defined-benefit pensions, as contributions will be calculated based on salary and pensions normally are life-long based on gender-differentiated life expectancy assumptions. The highest proposed savings rate will be 25.1 per cent of salaries between 7.1 G and 12 G. This provides a basis for decent occupational pensions. The Ministry of Finance expects the legislative proposal to be considered by the Norwegian Parliament during the autumn of 2013 and to be implemented with effect from 1 January 2014. It remains to be seen whether Parliament finish this process by the end of the current year. Parallel to this, new rates will be determined for defined-contribution pensions. The Ministry of Finance has postponed its consideration of the transitional rules for the phasing out of defined-benefit pensions. The transitional rules will be ready by 2015 at the earliest.

DNB is working to be ready to meet the new requirements in the various areas, while emphasising the strong need for international harmonisation of the rules. Up until the final regulations are in place, the Group's activities will be gradually adapted to the new requirements.

Future prospects

There appears to be a more positive economic trend in Europe, while economic growth in Norway is abating. An economic upturn in Europe could help dampen the slowdown in Norway. According to DNB Markets' forecasts, Norway will experience a so-called soft landing, with a continued GDP increase and no material negative trend in housing prices during the coming year.

In consequence of the interest rate increases implemented for personal and corporate customers, interest income has reached a higher level. Due to weaker market developments, volumes are expected to show a less favourable trend than forecast, especially in the corporate market. Cost measures which, among other things, result in lower staff levels will help DNB maintain a stable level of operating expenses, excluding restructuring expenses. Impairment losses on loans are expected to show a moderate trend during the remainder of the year, whereby total impairment for 2013 may end up at the lower end of the interval NOK 3-4 billion.

The requirements regarding higher risk weights on home mortgages have now been defined and will result in a strict, specifically Norwegian capital requirement. On a comparable basis, Norwegian banks will also appear to be less capitalised than international banks. The introduction of a counter-cyclical capital buffer could further reinforce this impression. Overall, the new capital requirements will require a significant further increase in Tier 1 capital. DNB is well capitalised, but will build additional capital organically in accordance with the authorities' requirements.

Oslo, 23 October 2013
The Board of Directors of DNB ASA

Anne Carine Tanum
(chairman)

Tore Olaf Rimmereid
(vice-chairman)

Jarle Bergo

Bente Brevik

Sverre Finstad

Carl A. Løvvik

Vigdis Mathisen

Berit Svendsen

Rune Bjerke
(group chief executive)

Income statement

Amounts in NOK million	Note	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
						DNB Group
Total interest income	5	15 373	15 926	44 987	48 066	63 068
Total interest expenses	5	7 458	9 098	22 735	27 951	35 853
Net interest income	5	**7 915**	**6 828**	**22 252**	**20 115**	**27 216**
Commission and fee income etc.	6	2 502	2 285	7 239	6 936	9 299
Commission and fee expenses etc.	6	604	587	1 745	1 774	2 337
Net gains on financial instruments at fair value	7	1 264	906	3 690	2 547	3 910
Net gains on assets in DNB Livsforsikring		4 353	4 286	10 287	10 789	14 219
Guaranteed returns, strengthened premium reserve and allocations to policyholders in DNB Livsforsikring		4 295	4 077	9 882	10 070	13 187
Premium income etc. included in the risk result in DNB Livsforsikring		1 424	1 586	4 083	3 907	5 102
Insurance claims etc. included in the risk result in DNB Livsforsikring		1 277	1 617	3 832	4 051	5 421
Premium income, DNB Skadeforsikring		357	313	1 026	926	1 250
Insurance claims etc., DNB Skadeforsikring		255	207	730	679	925
Profit from companies accounted for by the equity method	8	99	246	244	612	789
Net gains on investment property	19	(23)	4	(7)	(324)	(340)
Other income	9	571	492	1 736	1 623	2 141
Net other operating income		**4 117**	**3 628**	**12 109**	**10 439**	**14 501**
Total income		**12 032**	**10 456**	**34 361**	**30 554**	**41 717**
Salaries and other personnel expenses	10, 11	2 776	2 820	8 630	8 284	10 987
Other expenses	10	1 938	1 779	6 107	5 552	7 451
Depreciation and impairment of fixed and intangible assets	10	509	545	1 631	1 469	2 322
Total operating expenses	10	**5 223**	**5 145**	**16 368**	**15 305**	**20 760**
Pre-tax operating profit before impairment		**6 809**	**5 311**	**17 993**	**15 249**	**20 957**
Net gains on fixed and intangible assets		2	20	(3)	63	(1)
Impairment of loans and guarantees	15	475	521	2 149	1 990	3 179
Pre-tax operating profit		**6 337**	**4 810**	**15 842**	**13 323**	**17 776**
Taxes		1 448	1 269	3 976	3 467	4 081
Profit from operations held for sale, after taxes		(7)	0	(5)	92	96
Profit for the period		**4 881**	**3 541**	**11 861**	**9 948**	**13 792**
Earnings/diluted earnings per share (NOK)		3.00	2.17	7.28	6.11	8.48
Earnings per share excluding operations held for sale (NOK)		3.00	2.17	7.29	6.06	8.42

Comprehensive income statement

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB Group
Profit for the period	**4 881**	**3 541**	**11 861**	**9 948**	**13 792**
Actuarial gains and losses 1)	(489)	(47)	17	(141)	4 063
Tax on actuarial gains and losses	137	13	(5)	39	(1 116)
Property revaluation	7	0	27	0	45
Elements of other comprehensive income allocated to customers (life insurance)	(7)	0	(27)	0	(45)
Other comprehensive income that will not be reclassified to profit or loss, net of tax	(352)	(34)	13	(101)	2 947
Currency translation of foreign operations	152	(55)	394	(106)	(210)
Other comprehensive income that may subsequently be reclassified to profit or loss, net of tax	152	(55)	394	(106)	(210)
Other comprehensive income for the period	**(199)**	**(89)**	**407**	**(208)**	**2 736**
Comprehensive income for the period	**4 682**	**3 452**	**12 268**	**9 741**	**16 528**

1) *Pension commitments and pension funds in the defined-benefit schemes were recalculated in the second and third quarter of 2013. Calculations for the third quarter have been updated with new calculation assumptions as at 31 August 2013 in accordance with guidance notes from the Norwegian Accounting Standards Board, and with a new mortality table, K2013.*

Balance sheet

Amounts in NOK million	Note	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
		DNB Group		
Assets				
Cash and deposits with central banks		401 560	298 892	367 409
Due from credit institutions	12, 13, 14	29 586	37 136	42 424
Loans to customers	12, 13, 14, 15, 16	1 332 945	1 297 892	1 307 047
Commercial paper and bonds at fair value	13	268 643	224 750	198 774
Shareholdings	13	44 256	48 288	47 884
Financial assets, customers bearing the risk	13	33 197	28 269	27 600
Financial derivatives	13, 14	89 034	96 584	101 302
Commercial paper and bonds, held to maturity	12, 18	157 213	157 330	190 312
Investment property	19	33 565	39 496	45 060
Investments in associated companies		3 029	2 882	2 795
Intangible assets	20	6 947	6 718	7 035
Deferred tax assets		1 369	1 123	631
Fixed assets		11 215	10 825	6 966
Assets held for sale		213	417	15
Other assets		23 629	14 200	23 732
Total assets		**2 436 403**	**2 264 801**	**2 368 983**
Liabilities and equity				
Due to credit institutions	12, 13, 14	260 903	251 388	293 530
Deposits from customers	12, 13, 14	925 451	810 959	843 340
Financial derivatives	13, 14	63 635	63 274	66 207
Debt securities issued	12, 13, 21	718 302	708 047	727 925
Insurance liabilities, customers bearing the risk		33 197	28 269	27 600
Liabilities to life insurance policyholders in DNB Livsforsikring		228 881	221 185	220 574
Insurance liabilities, DNB Skadeforsikring		2 036	1 780	1 914
Payable taxes		4 221	6 831	3 267
Deferred taxes		1 516	1 284	2 449
Other liabilities		30 169	18 451	26 851
Liabilities held for sale		73	76	0
Provisions		1 999	770	660
Pension commitments		3 716	3 904	8 029
Subordinated loan capital	12, 13, 21	25 827	21 090	25 799
Total liabilities		**2 299 926**	**2 137 309**	**2 248 144**
Share capital		16 288	16 269	16 288
Share premium reserve		22 609	22 609	22 609
Other equity		97 581	88 614	81 942
Total equity		**136 477**	**127 492**	**120 839**
Total liabilities and equity		**2 436 403**	**2 264 801**	**2 368 983**
Off-balance sheet transactions, contingencies and post-balance sheet events	25			

Statement of changes in equity

DNB Group

Amounts in NOK million	Share capital [1]	Share premium reserve	Actuarial gains and losses	Other equity [1]	Total equity [1]
Balance sheet as at 31 December 2011	**16 260**	**22 609**	**-**	**78 946**	**117 815**
Implementation of the amended IAS 19 - Employee Benefits [2]			(3 625)		(3 625)
Balance sheet as at 1 January 2012	**16 260**	**22 609**	**(3 625)**	**78 946**	**114 190**
Profit for the period				9 948	9 948
Actuarial gains and losses			(101)		(101)
Currency translation of foreign operations				(106)	(106)
Comprehensive income for the period	0	0	(101)	9 842	9 741
Dividends paid for 2011 (NOK 2.00 per share)				(3 258)	(3 258)
Net purchase of treasury shares	28			138	166
Balance sheet as at 30 September 2012, restated	**16 288**	**22 609**	**(3 726)**	**85 668**	**120 839**
Balance sheet as at 31 December 2012	**16 269**	**22 609**	**-**	**89 158**	**128 035**
Implementation of the amended IAS 19 - Employee Benefits [2]			(678)	135	(543)
Balance sheet as at 31 December 2012, restated	**16 269**	**22 609**	**(678)**	**89 293**	**127 492**
Profit for the period				11 861	11 861
Actuarial gains and losses			13		13
Revaluation of property				27	27
OCI allocated to customers (life insurance)				(27)	(27)
Currency translation of foreign operations			(7)	401	394
Comprehensive income for the period	0	0	6	12 262	12 268
Dividends paid for 2012 (NOK 2.10 per share)				(3 420)	(3 420)
Net purchase of treasury shares	19			118	137
Balance sheet as at 30 September 2013	**16 288**	**22 609**	**(673)**	**98 253**	**136 477**
Of which currency translation reserve:					
Balance sheet as at 1 January 2012			0	(565)	(565)
Comprehensive income for the period				(106)	(106)
Accumulated currency translation reserve in Pres-Vac				3	3
Balance sheet as at 30 September 2012, restated			0	(669)	(669)
Balance sheet as at 31 December 2012, restated			0	(774)	(774)
Comprehensive income for the period			(7)	401	394
Accumulated currency translation reserve SalusAnsvar taken to income (company sold)				(6)	(6)
Change of reporting currency DNB Invest Denmark				7	7
Balance sheet as at 30 September 2013			(7)	(372)	(378)

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

	Share capital	Other equity	Total equity
Balance sheet as at 31 December 2012	*(19)*	*(118)*	*(137)*
Net purchase of treasury shares	*19*	*118*	*137*
Reversal of fair value adjustments through profit and loss		*0*	*0*
Balance sheet as at 30 September 2013	*0*	*0*	*0*

2) *See note 1 Accounting principles.*

Cash flow statement

	DNB Group		
	January-September		Full year
Amounts in NOK million	2013	2012	2012
Operating activities			
Net payments on loans to customers	(9 988)	(42 335)	(40 656)
Interest received from customers	39 683	42 175	56 429
Net receipts on deposits from customers	85 687	103 361	81 967
Interest paid to customers	(4 596)	(6 995)	(18 842)
Net receipts/payments on loans to/from credit institutions	19 393	(1 428)	(35 561)
Interest received from credit institutions	985	1 233	1 391
Interest paid to credit institutions	(1 807)	(2 372)	(3 166)
Net payments on the sale of financial assets for investment or trading	(14 864)	(22 390)	(10 775)
Interest received on bonds and commercial paper	3 762	3 000	4 069
Net receipts on commissions and fees	5 460	5 126	6 983
Payments to operations	(13 779)	(13 326)	(18 213)
Taxes paid	(6 902)	(453)	(542)
Receipts on premiums	16 104	13 855	18 503
Net payments on premium reserve transfers	(1 766)	(721)	(987)
Payments of insurance settlements	(10 921)	(11 150)	(14 640)
Other receipts/payments	4 844	(4 827)	(863)
Net cash flow from operating activities	**111 295**	**62 753**	**25 097**
Investment activities			
Net payments on the acquisition of fixed assets	(2 068)	(2 113)	(6 984)
Net receipts/payments, investment property	948	(329)	(399)
Receipts on the sale of long-term investments in shares	436	0	0
Payments on the acquisition of long-term investments in shares	(16)	0	0
Dividends received on long-term investments in shares	274	97	97
Net cash flow from investment activities	**(426)**	**(2 345)**	**(7 286)**
Funding activities			
Receipts on issued bonds and commercial paper	725 403	388 449	941 280
Payments on redeemed bonds and commercial paper	(742 602)	(287 832)	(861 109)
Interest payments on issued bonds and commercial paper	(10 339)	(11 107)	(12 726)
Receipts on the raising of subordinated loan capital	7 349	5 531	5 525
Redemptions of subordinated loan capital	(3 709)	(3 968)	(8 082)
Interest payments on subordinated loan capital	(508)	(455)	(1 028)
Dividend payments	(3 420)	(3 258)	(3 258)
Net cash flow from funding activities	**(27 826)**	**87 360**	**60 603**
Effects of exchange rate changes on cash and cash equivalents	**18 343**	**(5 112)**	**(3 468)**
Net cash flow	**101 386**	**142 656**	**74 946**
Cash as at 1 January	304 247	229 301	229 301
Net receipts of cash	101 386	142 656	74 946
Cash at end of period *)	405 633	371 958	304 247
**) Of which: Cash and deposits with central banks*	*401 560*	*367 409*	*298 892*
Deposits with credit institutions with no agreed period of notice 1)	*4 073*	*4 549*	*5 355*

1) Recorded under "Due from credit institutions" in the balance sheet.

The cash flow statement shows receipts and payments of cash and cash equivalents during the period. The statement has been prepared in accordance with the direct method. Cash flows are classified as operating activities, investment activities or funding activities. Balance sheet items are adjusted for the effects of exchange rate movements. Cash is defined as cash and deposits with central banks, and deposits with credit institutions with no agreed period of notice.

Note 1 Accounting principles

The third quarter accounts 2013 have been prepared according to IAS 34 Interim Financial Reporting. A description of the accounting principles applied by the Group is found in the annual report for 2012. The annual and interim accounts for the Group are prepared according to IFRS principles as endorsed by the EU.

As of the third quarter 2013 new organisation and financial governance have made changes to the composition of the reportable segments. Financial governance in DNB is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding where to allocate the Group's resources. Reported figures for the different segments will reflect the Group's total sales of products and services to the specific segment.

The Group reports according to the segments Personal customers, Small and medium-sized enterprises (SME), Large corporates and international customers (LCI), Trading, Traditional pension products and Other operations (group units including eliminations). The presentation in note 4 Segments has been adjusted accordingly, including comparable figures. The changes are of significance only for the presentation of profits for the individual segments and have no impact to the presentation of the Group's income statement. Please refer to Note 4 Segments for a more detailed description of the principles behind the allocation of expenses and capital.

New or amended accounting standards or interpretations that entered into force so far in 2013 and are of significance to the Group, are described below. The new rules were implemented by the Group as of 1 January 2013.

Amendments to IFRS 7 – Disclosures – Offsetting Financial Assets and Financial Liabilities
Note information is required to enable users of the accounts to assess the effects or the potential effects the offsetting of financial assets and liabilities will have on the company's financial position. The disclosure requirements apply to financial instruments offset in accordance with IAS 32 and financial instruments for which agreements on conditional rights of offset have been entered into. See note 14 Offsetting for information based on the new requirements in IFRS 7.

IFRS 13 Fair Value Measurement
The standard includes principles and guidance for fair value measurement of assets and liabilities when other IFRSs require or permit fair value measurements. The standard does not change what is required or permitted to be measured at fair value. IFRS 13 applies both at initial recognition and in subsequent measurements. IFRS 13 requires more detailed note information in both quarterly and annual accounts. The new rules have no material impact on the Group's profit and loss or balance sheet, but have an impact on the note information presented in the quarterly and annual accounts. See note 12 Fair value of financial instruments at amortised cost and note 13 Financial instruments at fair value.

Amendments to IAS 1 – Presentation of Financial Statements
The amendments to IAS 1 entailes that items of income and expense recognised in other comprehensive income are grouped together based on whether or not they can be reclassified to the profit or loss section of the income statement on a future date. The amendments only affect the presentation in other comprehensive income.

Amendments to IAS 19 – Employee Benefits
Comparable figures in the report for the third quarter of 2013 have been restated based on the amendments to IAS 19 which entered into force on 1 January 2013. The Group started using the revised standard as of 1 January 2013, with retrospective application as from 1 January 2012 for comparison purposes. The amendments affect the recognition and presentation of the Group's defined benefit pension schemes.

Among other things, the corridor approach for recognising actuarial gains and losses is removed. Actuarial gains and losses should now be recognised in other comprehensive income in the period in which they occur. In consequence of this, the best estimate of pension commitments will be shown in the balance sheet. According to the standard, when calculating pension costs, the discount rate shall be used on net pension commitments instead of using the expected return on pension funds. Seen in isolation, this amendment will result in higher pension costs in the income statement.

At year-end 2012, actuarial gains and losses totalling NOK 543 million after tax were recognised in the accounts. The amount was recognised in the Group's equity on 1 January 2013. The new rules would have reduced pension expenses for the first three quarters of 2012 by NOK 141 million before tax and NOK 102 million after tax. Please refer to note 1 in the first quarter report 2013, the comprehensive income statement and the statement of changes in equity for more information about the effects of implementing the revised IAS 19.

Note 2 Important accounting estimates and discretionary assessments

When preparing the consolidated accounts, management makes estimates and discretionary assessments and prepares assumptions that influence the effect of the accounting principles applied and thus the recorded values of assets, liabilities, income and expenses. A more detailed description of important estimates and assumptions is presented in note 1 Important accounting estimates and discretionary assessments in the annual report for 2012.

Note 3 Changes in group structure

SalusAnsvar

During the third quarter of 2012, an agreement was entered into on the sale of the wholly-owned subsidiary SalusAnsvar AB from DNB Bank ASA for a total of approximately SEK 480 million. SalusAnsvar primarily offers non-life insurance and personal insurance in the Swedish market. The transaction was approved by the supervisory authorities during the fourth quarter of 2012. The transaction was completed in the first quarter of 2013.

Godfjellet AS/Nye Notabene AS

The bookshop chain Notabene presented a winding-up petition in January 2013, whereafter Nye Notabene AS took over most of the assets. The company is 100 per cent owned by Godfjellet AS, which in turn is 100 per cent owned by DNB Bank ASA. The assets were taken over for a total of approximately NOK 70 million.

The bank's strategy is to sell these operations as soon as possible within a 12-month period from the takeover date. The operations were classified as held for sale in the group accounts as at 30 September 2013. In the accounts, DNB's net holding will be recorded at the lower of the balance sheet value and fair value less costs to sell.

Note 4 Segments

Financial governance in DNB is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding where to allocate the Group's resources. Special product areas are responsible for the production and development of key products and for ensuring that the Group has good and effective products and services tailored to the needs of the various customer segments. Reported figures for the different segments will reflect the Group's total sales of products and services to the relevant customer segments.

Personal customers	-	includes the Group's total products and activities to private customers in all channels, both digital and physical. DNB offers a wide range of products through Norway's largest distribution network, comprising branches, telephone banking (24/7), digital banking, real estate broking as well as external channels (post offices and in-store postal and banking outlets).
Small and medium-sized enterprises	-	is responsible for product sales and advisory services to small and medium-sized enterprises in Norway. DNB aspires to be a local bank for the whole of Norway, while offering the products and expertise of a large bank. Customers in this segment range from small businesses and start-up companies to relatively large corporate customers, and the product offerings are adapted to the customers' different needs. Small and medium-sized enterprises enterprises are served through the Group's large physical distribution network throughout Norway as well as digital and telephone banking (24/7).
Large corporates and international customers	-	includes large Norwegian and international corporate customers and all customers served by DNB's subsidiary banks in the Baltics, Poland and Russia. Operations are based on sound industry expertise and long-term customer relationships.
Trading	-	includes market making and other trading activities in fixed income, currencies and commodities (FICC) as well as equities, including risk management of the risk inherent in customer transactions. Markets' trading activities support the customer activities.
Traditional pension products	-	includes traditional defined-benefit pension products in DNB Livsforsikring. DNB no longer offers such products in the market.

The income statement and balance sheet for the segments have been prepared on the basis of internal financial reporting for the functional organisation of the DNB Group into segments, as reported to group management (chief operating decision maker) for an assessment of current developments and the allocation of resources. Figures for the segments are based on DNB's management model and the Group's accounting principles. The figures have been restated in accordance with the Group's current principles for allocating costs and capital between business areas and are based on a number of assumptions, estimates and discretionary distributions. Interest on deposits from and financing of operations in the business areas are determined based on observable market rates, e.g. NIBOR. Additional costs relating to the Group's long-term funding are charged to the segments. Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the internal reporting of segments. The acquired companies are included in the Group Centre.

Capital allocated to the segments areas is calculated on the basis of the Group's total Tier 1 capital and long-term capitalisation ambition. There are special capital adequacy regulations for insurance operations, and in these companies, allocated capital corresponds to recorded equity. For other group operations, the allocation of capital to all units is based on the Group's adaptation to Basel II, full IRB, and the capital allocated in 2013 corresponds to a common equity Tier 1 capital ratio of 12 per cent. The allocation of credit risk is based on the Group's internal measurement of risk-adjusted capital requirements for credit. Capital requirements for market risk are allocated directly in accordance with risk-weighted volume, and operational risk is allocated based on the respective units' total income.

Note 4 Segments (continued)

Income statement, third quarter

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/ eliminations [1]		DNB Group	
	3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter	
Amounts in NOK million	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income - ordinary operations	3 362	2 606	1 479	1 376	2 737	2 532	105	111	0	0	232	202	7 915	6 828
Interest on allocated capital [2]	74	97	86	99	226	252	35	35	0	0	(421)	(482)	0	0
Net interest income	3 437	2 703	1 565	1 475	2 962	2 784	140	146	0	0	(189)	(280)	7 915	6 828
Net other operating income	1 271	1 230	360	298	1 209	1 234	525	1 016	640	510	112	(660)	4 117	3 628
Total income	4 708	3 934	1 926	1 773	4 171	4 018	665	1 161	640	510	(76)	(939)	12 032	10 456
Operating expenses	2 208	2 098	900	871	1 370	1 457	216	220	176	223	354	276	5 223	5 145
Pre-tax operating profit before impairment	2 500	1 836	1 026	902	2 801	2 561	449	941	464	287	(430)	(1 215)	6 809	5 311
Net gains on fixed and intangible assets	0	0	0	(0)	2	(1)	0	0	1	0	(0)	20	2	20
Impairment of loans and guarantees [3]	22	75	161	74	304	310	0	0	0	0	(13)	61	475	521
Profit from repossessed operations	(13)	0	8	(5)	(16)	(63)	0	0	0	0	21	68	0	0
Pre-tax operating profit	2 464	1 760	873	823	2 483	2 187	449	941	464	287	(397)	(1 188)	6 337	4 810
Taxes	690	493	244	230	745	639	130	273	(15)	(97)	(346)	(269)	1 448	1 269
Profit from operations held for sale, after taxes	(5)	0	0	0	0	0	0	0	0	0	(3)	0	(7)	0
Profit for the period	1 770	1 268	628	592	1 738	1 549	318	668	479	384	(53)	(920)	4 881	3 541

1) *Other operations/eliminations:*

	Other eliminations		*Group Centre *)*		*Total*	
	3rd quarter		*3rd quarter*		*3rd quarter*	
Amounts in NOK million	*2013*	*2012*	*2013*	*2012*	*2013*	*2012*
Net interest income - ordinary operations	*(5)*	*(26)*	*237*	*229*	*232*	*202*
Interest on allocated capital [2]	*0*	*0*	*(421)*	*(482)*	*(421)*	*(482)*
Net interest income	*(5)*	*(26)*	*(183)*	*(254)*	*(189)*	*(280)*
Net other operating income	*(320)*	*(278)*	*432*	*(382)*	*112*	*(660)*
Total income	*(325)*	*(304)*	*249*	*(636)*	*(76)*	*(939)*
Operating expenses	*(325)*	*(304)*	*679*	*579*	*354*	*276*
Pre-tax operating profit before impairment	*0*	*0*	*(430)*	*(1 215)*	*(430)*	*(1 215)*
Net gains on fixed and intangible assets	*0*	*0*	*(0)*	*20*	*(0)*	*20*
Impairment of loans and guarantees [3]	*0*	*0*	*(13)*	*61*	*(13)*	*61*
Profit from repossessed operations	*0*	*0*	*21*	*68*	*21*	*68*
Pre-tax operating profit	*0*	*0*	*(397)*	*(1 188)*	*(397)*	*(1 188)*

The eliminations refer mainly to internal services from support units to segments and between segments. Further, intra-group transactions and gains and losses on transactions between companies in the Group are eliminated.

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

**)*		*3rd quarter*	
	Group Centre - pre-tax operating profit in NOK million	*2013*	*2012*
	+ Interest on unallocated equity etc.	*112*	*135*
	+ Income from equities investments	*8*	*61*
	+ Gains on fixed and intangible assets	*0*	*20*
	+ Mark-to-market adjustments Treasury and fair value of loans	*152*	*(446)*
	+ Basis swaps	*(223)*	*(566)*
	+ Eksportfinans ASA	*91*	*232*
	+ Net gains on investment property	*(25)*	*1*
	+ Profit from repossessed operations	*21*	*68*
	- Unallocated impairment of loans and guarantees	*(13)*	*61*
	- Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	*111*	*108*
	- Unallocated personnel expenses	*20*	*71*
	- Unallocated IT expenses	*174*	*(21)*
	- Funding costs on goodwill	*9*	*12*
	Other	*(232)*	*(462)*
	Pre-tax operating profit	*(397)*	*(1 188)*

2) *Allocated capital corresponds to the external capital adequacy requirement (Basel II) which must be met by the Group.*
3) *See note 15 Impairment of loans and guarantees for an analysis of the gross change in impairment for the Group.*

Note 4 Segments (continued)

Main average balance sheet items

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/ eliminations		DNB Group	
	3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter	
Amounts in NOK billion	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Loans to customers 1)	652.1	623.9	206.2	205.9	467.3	480.7	1.8	3.0			0.5	(2.5)	1 327.8	1 311.1
Deposits from customers 1)	346.1	327.2	148.3	145.0	354.9	311.3	94.8	57.3			(1.3)	(6.6)	942.8	834.2
Assets under management	61.2	56.1	37.3	32.3	179.4	220.0			234.1	227.8	5.3	0.0	517.3	536.2
Allocated capital 2)	17.5	17.3	20.4	17.6	54.5	48.6	8.1	6.3	16.6	17.0				

Key figures

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations		DNB Group	
	3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter		3rd quarter	
Per cent	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Cost/income ratio 3)	46.9	52.1	46.7	49.1	32.8	36.3	32.5	19.0	27.5	43.7			43.4	48.4
Ratio of deposits to loans 1) 4)	53.1	52.5	71.9	70.4	76.0	64.8							71.0	63.6
Return on allocated capital, annualised 2)	40.1	29.2	12.2	13.4	12.7	12.7	15.6	42.2	11.5	9.0			13.0	12.1

1) *Loans to customers include accrued interest, impairment and value adjustments. Correspondingly, deposits from customers include accrued interest and value adjustments.*
2) *Allocated capital for the segments are calculated on the external capital adequacy requirement (Basel II) which must be met by the Group. Recorded capital is used for the Group.*
3) *Total operating expenses relative to total income.*
4) *Deposits from customers relative to loans to customers. Calculated on the basis of average balance sheet items.*

Income statement, January-September

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/ eliminations		DNB Group	
	Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.		Jan.-Sept.	
Amounts in NOK million	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income - ordinary operations	8 986	7 168	4 326	4 071	7 762	7 652	326	473	0	0	853	750	22 252	20 115
Interest on allocated capital 1)	230	289	272	304	711	856	111	115	0	0	(1 325)	(1 564)	0	0
Net interest income	9 216	7 457	4 598	4 375	8 473	8 508	437	589	0	0	(472)	(814)	22 252	20 115
Net other operating income	3 620	3 506	1 098	934	3 869	3 922	1 463	3 115	1 823	1 505	235	(2 542)	12 109	10 439
Total income	12 836	10 963	5 696	5 309	12 343	12 430	1 900	3 703	1 823	1 505	(237)	(3 356)	34 361	30 554
Operating expenses	6 565	6 175	2 746	2 643	4 396	4 451	560	617	625	652	1 476	768	16 368	15 305
Pre-tax operating profit before impairment	6 271	4 788	2 950	2 666	7 947	7 979	1 339	3 087	1 198	853	(1 713)	(4 124)	17 993	15 249
Net gains on fixed and intangible assets	(0)	(1)	(0)	0	(3)	4	0	0	1	0	0	60	(3)	63
Impairment of loans and guarantees 2)	260	339	427	294	1 447	1 266	0	0	0	0	16	90	2 149	1 990
Profit from repossessed operations	(13)	0	(2)	(12)	(44)	(146)	0	0	0	0	60	158	0	0
Pre-tax operating profit	5 997	4 449	2 521	2 359	6 453	6 571	1 339	3 087	1 199	853	(1 668)	(3 996)	15 842	13 323
Taxes	1 679	1 246	706	661	1 936	1 919	388	895	80	(256)	(814)	(997)	3 976	3 467
Profit from operations held for sale, after taxes	3	0	0	0	0	0	0	0	0	0	(7)	92	(5)	92
Profit for the period	4 321	3 203	1 815	1 699	4 517	4 652	951	2 192	1 118	1 109	(861)	(2 906)	11 861	9 948

1) *Allocated capital corresponds to the external capital adequacy requirement (Basel II) which must be met by the Group.*
2) *See note 15 Impairment of loans and guarantees for an analysis of the gross change in impairment for the Group.*

Note 5 Net interest income

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB Group
Interest on amounts due from credit institutions	362	289	952	1 021	1 198
Interest on loans to customers	13 232	13 158	38 766	39 840	52 722
Interest on impaired loans and guarantees	183	155	521	461	625
Interest on commercial paper and bonds	1 308	1 214	3 961	3 832	4 991
Front-end fees etc.	81	92	244	254	337
Other interest income	207	1 017	543	2 657	3 195
Total interest income	**15 373**	**15 926**	**44 987**	**48 066**	**63 068**
Interest on amounts due to credit institutions	535	831	1 829	2 591	3 264
Interest on deposits from customers	3 635	3 923	11 044	11 969	15 838
Interest on debt securities issued	3 053	3 257	9 005	10 167	13 135
Interest on subordinated loan capital	105	179	311	533	676
Guarantee fund levy	191	22	566	67	90
Other interest expenses [1)]	(61)	885	(20)	2 624	2 849
Total interest expenses	**7 458**	**9 098**	**22 735**	**27 951**	**35 853**
Net interest income	**7 915**	**6 828**	**22 252**	**20 115**	**27 216**

1) *Other interest expenses include interest rate adjustments resulting from interest swaps entered into.*

Note 6 Net commission and fee income

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB Group
Money transfer fees	899	823	2 484	2 383	3 186
Fees on asset management services	281	273	816	781	1 044
Fees on custodial services	80	81	237	241	320
Fees on securities broking	54	40	175	139	185
Corporate finance	125	108	339	392	585
Interbank fees	10	12	28	32	43
Credit broking commissions	98	61	376	302	445
Sales commissions on insurance products	713	660	2 083	1 975	2 599
Sundry commissions and fees on banking services	243	228	700	689	891
Total commission and fee income etc.	**2 502**	**2 285**	**7 239**	**6 936**	**9 299**
Money transfer fees	320	290	888	839	1 142
Commissions on fund management services	42	44	131	120	160
Fees on custodial services	31	30	100	105	132
Interbank fees	18	19	54	58	78
Credit broking commissions	23	24	72	71	91
Commissions on the sale of insurance products	16	32	63	96	112
Sundry commissions and fees on banking services	153	147	437	485	621
Total commission and fee expenses etc.	**604**	**587**	**1 745**	**1 774**	**2 337**
Net commission and fee income	**1 899**	**1 697**	**5 493**	**5 162**	**6 962**

Note 7 Net gains on financial instruments at fair value

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB Group
Dividends	64	71	321	344	400
Net gains on commercial paper and bonds	92	1 071	(852)	2 255	3 051
Net gains on shareholdings and equity-related derivatives	8	43	19	(71)	120
Net unrealised gains on basis swaps	(223)	(566)	(544)	(1 921)	(1 687)
Net gains on other financial instruments	1 322	288	4 746	1 940	2 025
Net gains on financial instruments at fair value	**1 264**	**906**	**3 690**	**2 547**	**3 910**

Note 8 Profit from companies accounted for by the equity method

Moody's and Standard & Poor's downgrades of Eksportfinans' credit rating in the fourth quarter of 2011 resulted in sizeable unrealised gains on the company's long-term funding. The effect of such unrealised gains on DNB's holding, after tax, represented NOK 11.8 billion in the fourth quarter of 2011. After reviewing the fair value of the company in connection with the closing of the annual accounts, DNB wrote down the value by an amount corresponding to unrealised gains on Eksportfinans' own debt in the fourth quarter of 2011. In 2012, the required rate of return in the market was reduced, and Eksportfinans had sizeable unrealised losses on own debt. The impairment loss recorded by DNB in the fourth quarter of 2011 was reversed by an amount corresponding to these unrealised losses. The reversal represented just under NOK 7.5 billion of DNB's holding after tax. In the three first quarters of 2013, an additional reversal of NOK 1.5 billion was made. The impairment loss in 2011 and subsequent reversals have been reported on the line "Profit from companies accounted for by the equity method" along with DNB's share of profits from the company.

Note 9 Other income

					DNB Group
	3rd quarter	3rd quarter	January-September		Full year
Amounts in NOK million	2013	2012	2013	2012	2012
Income from owned/leased premises	18	19	41	48	63
Income from investment properties	59	72	185	207	273
Fees on real estate broking	284	263	897	846	1 134
Miscellaneous operating income	209	138	614	522	671
Total other income	**571**	**492**	**1 736**	**1 623**	**2 141**

Note 10 Operating expenses

					DNB Group
	3rd quarter	3rd quarter	January-September		Full year
Amounts in NOK million	2013	2012	2013	2012	2012
Salaries	2 033	2 006	5 959	5 964	7 844
Employer's national insurance contributions	288	282	855	861	1 123
Pension expenses [1)]	190	299	584	872	1 236
Restructuring expenses [1)]	99	37	732	43	131
Other personnel expenses	166	195	500	544	652
Total salaries and other personnel expenses	**2 776**	**2 820**	**8 630**	**8 284**	**10 987**
Fees [2)]	294	317	902	915	1 289
IT expenses [2)]	681	454	1 810	1 436	1 849
Postage and telecommunications	75	84	229	264	342
Office supplies	24	18	73	65	99
Marketing and public relations	205	219	636	700	904
Travel expenses	46	44	149	171	250
Reimbursement to Norway Post for transactions executed	35	39	101	104	138
Training expenses	8	10	33	44	65
Operating expenses on properties and premises	300	388	972	1 068	1 441
Operating expenses on machinery, vehicles and office equipment	28	35	90	107	143
Other operating expenses [3)]	241	170	1 111	677	931
Total other expenses	**1 938**	**1 779**	**6 107**	**5 552**	**7 451**
Impairment losses for goodwill [4)]	0	85	0	85	287
Depreciation and impairment of fixed and intangible assets	509	460	1 631	1 384	2 035
Total depreciation and impairment of fixed and intangible assets	**509**	**545**	**1 631**	**1 469**	**2 322**
Total operating expenses	**5 223**	**5 145**	**16 368**	**15 305**	**20 760**

1) *In consequence of the restructuring process in DNB, provisions for restructuring costs were made in the second and third quarter of 2013. In addition, a reduction in pension commitments for employees who were granted severance packages was estimated, resulting in lower pension expenses.*
2) *Fees also include system development fees and must be viewed relative to IT expenses.*
3) *During the first quarter of 2013, NOK 450 million was charged to the income statement in connection with the Supreme Court ruling regarding certain debt-financed structured products.*
4) *Impairment losses for goodwill of NOK 202 million relating to DNB Livsforsikring were recorded in the fourth quarter of 2012. Impairment losses for goodwill of NOK 47 million relating to SalusAnsvar and NOK 38 million to Pres-Vac were recorded in the third quarter of 2012.*

Note 11 Number of employees/full-time positions

					DNB Group
	3rd quarter 2013 1)	3rd quarter 2012 2)	January-September 2013 1)	2012 2)	Full year 2012 2)
Number of employees at end of period	12 798	13 846	12 798	13 846	13 703
- of which number of employees abroad	3 731	4 526	3 731	4 526	4 371
Number of employees calculated on a full-time basis at end of period	12 356	13 426	12 356	13 426	13 291
- of which number of employees calculated on a full-time basis abroad	3 672	4 444	3 672	4 444	4 316
Average number of employees	12 941	13 971	13 239	14 039	13 982
Average number of employees calculated on a full-time basis	12 489	13 538	12 788	13 595	13 542

1) *The number of employees in Poland has been reduced by 396. The transfer of a portfolio of personal customers and small and medium-sized enterprises as well as 38 branch offices to a Polish bank gave a reduction of 250 employees, while the remaining staff cuts result from the Group's restructuring process.*

2) *The 2012 figures include SalusAnsvar AB, which was sold at the end of January 2013. At year-end 2012, SalusAnsvar's staff represented 137 full-time positions and 147 employees.*

Note 12 Fair value of financial instruments at amortised cost

				DNB Group
	Book value		Fair value	
Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012
Cash and deposits with central banks	14 602	75 544	14 602	75 544
Due from credit institutions	12 903	12 321	12 903	12 321
Loans to customers	1 201 320	1 165 124	1 201 295	1 165 684
Commercial paper and bonds, held to maturity	157 213	157 330	162 504	162 356
Total financial assets	1 386 039	1 410 319	1 391 305	1 415 904
Due to credit institutions	25 051	25 461	25 051	25 461
Deposits from customers	858 013	752 291	858 013	752 291
Securities issued	433 288	399 179	439 900	403 135
Subordinated loan capital	24 575	19 622	24 374	19 105
Total financial liabilities	1 340 927	1 196 552	1 347 338	1 199 991

Note 13 Financial instruments at fair value

					DNB Group
Amounts in NOK million	Valuation based on quoted prices in an active market Level 1	Valuation based on observable market data Level 2	Valuation based on other than observable market data Level 3	Accrued interest 1)	Total
Assets as at 30 September 2013					
Deposits with central banks	0	386 957	0	1	386 958
Due from credit institutions	0	16 629	0	53	16 683
Loans to customers	0	3 246	127 971	409	131 625
Commercial paper and bonds at fair value	81 649	184 049	568	2 378	268 643
Shareholdings	12 744	21 512	10 001		44 256
Financial assets, customers bearing the risk	33 197	0	0		33 197
Financial derivatives	36	87 591	1 407		89 034
Liabilities as at 30 September 2013					
Due to credit institutions	0	235 470	0	382	235 852
Deposits from customers	0	67 264	0	174	67 438
Debt securities issued	0	284 315	0	698	285 014
Subordinated loan capital	0	1 251	0	2	1 252
Financial derivatives	60	62 355	1 219		63 635

1) *Accrued interest on financial derivatives is included in the amounts in levels 2 and 3.*

Note 13 Financial instruments at fair value (continued)

Financial instruments at fair value, level 3 — **DNB Group**

Amounts in NOK million	Financial assets: Loans to customers	Financial assets: Commercial paper and bonds	Financial assets: Share-holdings [1)]	Financial assets: Financial derivatives	Financial liabilities: Financial derivatives
Recorded value as at 31 December 2012	**130 116**	**593**	**9 619**	**877**	**607**
Net gains on financial instruments	(375)	(7)	791	(105)	(73)
Additions/purchases	7 818	429	429	941	874
Sales	0	1 132	844	0	0
Settled	9 588	3	0	305	192
Transferred from level 1 or level 2	0	1 291	0	0	0
Transferred to level 1 or level 2	0	642	0	0	0
Other [2)]	0	39	5	(1)	4
Recorded value as at 30 September 2013	**127 971**	**568**	**10 001**	**1 407**	**1 219**

1) *Equities classified as level 3 comprise, in addition to pure equity investments, property fund units, limited partnership units, private equity investments and hedge fund units.*

2) *Includes exchange rate effects.*

Loans to customers

The portfolio of loans carried at fair value consists primarily of fixed-rate loans in Norwegian kroner and a share of margin loans in Norwegian kroner. The value of fixed-rate loans is determined by discounting agreed interest flows over the term of the loan, using a discount factor adjusted for margin requirements.The assumptions underlying the calculation of the margin requirement are based on a review of the market conditions on the balance sheet date and on an assessment of the deliberations made by external investors when investing in a corresponding portfolio. A margin requirement is calculated for margin loans, and the difference between the margin requirement and the agreed margin is discounted over the average expected time to the repricing of the loan.

For a further discussion of the instruments and valuation techniques, see DNB's annual report for 2012.

Breakdown of fair value, level 3 — **DNB Group**

Amounts in NOK million	Loans to customers 30 Sept. 2013	Commercial paper and bonds 30 Sept. 2013	Share-holdings 30 Sept. 2013
Principal amount/purchase price	127 013	572	9 171
Fair value adjustment	957	(4)	830
Total fair value, excluding accrued interest	127 971	568	10 001

Breakdown of shareholdings, level 3 — **DNB Group**

Amounts in NOK million	Property funds	Hedge-funds	Unquoted equities	Private Equity (PE) funds	Other	Total
Recorded value as at 30 September 2013	1 218	1 400	3 241	4 117	25	10 001

Sensitivity analysis, level 3 — **DNB Group**

Amounts in NOK million	Recorded value 30 Sept. 2013	Effect of reasonably possible alternative assumptions
Loans to customers	127 971	(258)
Commercial paper and bonds	568	(1)
Shareholdings	10 001	0
Financial derivatives, net	188	0

In order to show the sensitivity of the loan portfolio, the discount rate on fixed-rate loans and the margin requirement on margin-based loans have been increased by 10 basis points.

Level 3 bonds mainly represent investments in Norwegian municipalities, country municipalities, savings banks and power companies. A 10 basis point increase in the discount rate has had insignificant effects.

Level 3 equities represent a total of NOK 6 493 million in private equity investments, property funds, hedge funds and unquoted equities in DNB Livsforsikring. The fair values of the funds are largely based on reported values from the fund managers. For private equity and property funds, the fund managers use cash flow-based models or multiples when determining fair values. The Group does not have full access to information about all elements in these valuations and thus has no basis for determining alternative values for alternative assumptions. The use of alternative values will have a limited effect on the Group's profits, as the investments are included in DNB Livsforsikring's common portfolio.

The banking group's portfolio of equities and mutual funds in level 3 was NOK 3 445 million as at 30 September 2013. The investment in Nets Holding represented NOK 1 875 million.

Note 14 Offsetting

DNB Group

Amounts in NOK million	Gross carrying amount	Amounts offset in the statement of financial position	Carrying amount	Netting agreements	Other collateral [1)]	Amounts after possible netting
Assets as at 30 September 2013						
Due from credit institutions [2)]	10 200		10 200		10 200	0
Loans to customers [2)]	3 248		3 248		3 248	0
Stimulus package - swap scheme with Norges Bank [3)]	42 669		42 669		42 669	0
Financial derivatives [4)]	108 732	19 698	89 034	47 976	0	41 058
Liabilities as at 30 September 2013						
Due to credit institutions [5)]	6 282		6 282		6 282	0
Deposits from customers [5)]	0		0		0	0
Funding from Norges Bank [3)]	42 669		42 669		42 669	0
Financial derivatives [4)]	83 511	19 876	63 635	47 976	329	15 330

1) Includes both securities received/transferred from/to counterparties and securities received/placed as collateral in depositories in Clearstream or Euroclear.
2) Includes reverse repurchase agreements, securities borrowing and loans collateralised by securities.
3) See note 24 Information on related parties for information regarding the swap scheme with Norges Bank.
4) Financial derivatives are presented net in the balance sheet after received/paid cash collateral.
5) Includes repurchase agreements, securities lending and deposits collateralised by securities.

The Group's netting rights are in compliance with general rules in Norwegian legislation. Netting clauses have been included in all of the bank's standard loan agreements and in product agreements in DNB Markets. CSA agreements (Credit Support Annex) have been entered into with most of the major banks. This implies that the market value of all derivatives entered into between DNB and the counterparty is settled either daily or weekly. Master netting agreements give access to setting off other outstanding accounts with customers if certain conditions occur. The amounts are not set off in the balance sheet as the transactions are generally not settled on a net basis.

Note 15 Impairment of loans and guarantees

DNB Group

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
Write-offs	207	123	762	428	659
New individual impairment	753	853	2 470	2 502	3 486
Total new individual impairment	961	976	3 232	2 930	4 144
Reassessed individual impairment	167	200	809	660	818
Recoveries on loans and guarantees previously written off	119	107	340	304	412
Net individual impairment	674	670	2 082	1 966	2 915
Change in collective impairment of loans	(199)	(148)	67	23	265
Impairment of loans and guarantees [1)]	**475**	**521**	**2 149**	**1 990**	**3 179**
Write-offs covered by individual impairment made in previous years	319	422	983	1 900	2 879
1) Of which individual impairment of guarantees	*21*	*4*	*111*	*63*	*63*

Note 16 Loans to customers

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
			DNB Group
Loans at amortised cost:			
Loans to customers, nominal amount	1 212 032	1 175 095	1 185 691
Individual impairment	10 251	9 308	9 450
Loans to customers, after individual impairment	1 201 781	1 165 787	1 176 241
+ Accrued interest and amortisation	2 776	2 367	2 674
- Individual impairment of accrued interest and amortisation	745	708	699
- Collective impairment	2 492	2 321	2 104
Loans to customers, at amortised cost	1 201 320	1 165 124	1 176 112
Loans at fair value:			
Loans to customers, nominal amount	130 259	131 001	129 001
+ Accrued interest	409	432	464
+ Adjustment to fair value	958	1 334	1 469
Loans to customers, at fair value	131 625	132 767	130 934
Loans to customers	**1 332 945**	**1 297 892**	**1 307 047**

Note 17 Net impaired loans and guarantees for principal customer groups [1)]

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
			DNB Group
Private individuals	3 578	3 545	3 501
Transportation by sea and pipelines and vessel construction	6 106	5 246	4 988
Real estate	3 851	3 685	3 395
Manufacturing	2 170	1 811	1 889
Services	576	573	660
Trade	401	370	469
Oil and gas	97	40	42
Transportation and communication	910	584	606
Building and construction	1 095	1 030	1 252
Power and water supply	54	105	2
Seafood	64	67	69
Hotels and restaurants	226	205	208
Agriculture and forestry	126	235	292
Central and local government	0	0	0
Other sectors	1	15	58
Total customers	19 255	17 512	17 431
Credit institutions	7	0	0
Total net impaired loans and guarantees	19 262	17 512	17 431
Non-performing loans and guarantees not subject to impairment	3 645	2 228	2 195
Total net non-performing and doubtful loans and guarantees	22 907	19 740	19 626

1) *Includes loans and guarantees subject to individual impairment and total non-performing loans and guarantees not subject to impairment. The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2.*

Note 18 Commercial paper and bonds, held to maturity

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
		DNB Group	
International bond portfolio	65 703	70 831	75 557
DNB Livsforsikring ASA	93 980	88 948	88 493
Other units [1)]	(2 470)	(2 449)	26 262
Commercial paper and bonds, held to maturity	**157 213**	**157 330**	**190 312**

1) *Including eliminations of DNB Livsforsikring's investments in bonds issued by DNB Boligkreditt. The increase in the third quarter 2012 refers to investments in Treasury bills with short maturities.*

As part of ongoing liquidity management, DNB Bank has invested in a portfolio of securities. The portfolio can be used to regulate the liquidity requirement and as a basis for furnishing collateral for operations in various countries. Among other things, the securities serve as collateral for short and long-term borrowing in a number of central banks and as a basis for liquidity buffers to meet regulatory requirements. With effect from 1 July 2008, the international bond portfolio was reclassified from the category "fair value through profit or loss" to "held-to-maturity investments". Portfolios in this category are recorded at amortised cost and written down if there is objective evidence of a decrease in value.

In line with IAS 39, the portfolio has been reviewed to identify objective indications of impairment. No impairment losses have been identified in the portfolio.

Measurement of the reclassified bond portfolio

The reclassification in accordance with IAS 39 Financial Instruments: Recognition and Measurements requires that the value of the portfolio based on the principles applied before the reclassification must be reported. In a normal market situation, the portfolio would have been recorded at external observable prices before the reclassification. Due to the financial turmoil, there were no such observable prices in the market in 2008. In order to meet the disclosure requirement at end-September 2013, the portfolio has been measured at fair value according to models used for financial instruments not traded in an active market. The model applied is based on a regression analysis whereby historical market data (explanatory variables) which have been observable even during the financial turmoil are used to explain historical changes in value in the portfolio. During the period from the fourth quarter of 2006 up to and including the second quarter of 2008, the model shows a high level of correlation between changes in given market data and changes in value in the portfolio, which at the time was priced in an active market or through broker quotes which were believed to be fairly reliable. If the model had been applied to the portfolio in the third quarter of 2013, there would have been a NOK 120 million increase in profits.

Effects of the reclassifications of the international bond portfolio

By measuring the portfolio at amortised cost, the value of the portfolio as at 30 September 2013 was NOK 0.4 billion higher than if the previous valuation principle had been retained. On the reclassification date, the book value of the portfolio was NOK 88.0 billion, compared with NOK 21.8 billion at end-September 2013. The average term to maturity of the portfolio was 5.2 years, and the change in value resulting from an interest rate adjustment of one basis point was NOK 11 million at end-September 2013.

Effects on profits of the reclassification — **DNB Group**

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
Recorded amortisation effect	39	28	133	134	139
Net gain, if valued at fair value	159	621	540	855	1 464
Effects of reclassification on profits	(120)	(592)	(407)	(721)	(1 325)

Effects on the balance sheet of the reclassification — **DNB Group**

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Recorded unrealised losses	633	766	771
Unrealised losses, if valued at fair value	1 044	1 585	2 193
Effects of reclassification on the balance sheet	411	818	1 422

Development in the portfolio after the reclassification — **DNB Group**

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Reclassified portfolio, recorded value	21 812	25 511	28 545
Reclassified portfolio, if valued at fair value	21 400	24 692	27 123
Effects of reclassification on the balance sheet	411	818	1 422

Note 18 Commercial paper and bonds, held to maturity (continued)

International bond portfolio

After the reclassification date, DNB has chosen to increase investments in held-to-maturity securities. According to new proposed liquidity requirements for banks, in order for the securities to be classified as liquid funds, they must qualify for immediate sale. New investments in the international bond portfolio as from 2011 mainly represent covered and government-guaranteed bonds. Investments made after 2011 are carried at fair value. As at 30 September 2013 the international bond portfolio represented NOK 137.9 billion. 79.8 per cent of the securities in the portfolio had an AAA rating, while 14.6 per cent were rated AA. There were no synthetic securities in the portfolio and no investments in US sub-prime bonds or Collateralised Debt Obligations, CDOs. Nor were any investments made in Portugal, Italy, Ireland, Greece or Spain. The structure of the international bond portfolio is shown below.

		DNB Group
	Per cent 30 Sept. 2013	NOK million 30 Sept. 2013
Asset class		
Consumer credit	0.04	55
Residential mortgages	27.35	37 895
Corporate loans	0.03	40
Government related	28.45	39 419
Covered bonds	44.13	61 133
Total international bond portfolio, nominal values	100.00	138 542
Accrued interest, amortisation effects and fair value adjustments		(635)
Total international bond portfolio		137 907
Total international bond portfolio, held to maturity		65 703
Of which reclassified portfolio		21 812

The average term to maturity of the international bond portfolio is 2.9 years, and the change in value resulting from an interest rate adjustment of one basis point was NOK 14 million at end-September 2013.

DNB Livsforsikring

Bonds held-to-maturity totalled NOK 94.0 billion in DNB Livsforsikring ASA's as at 30 September 2013, mainly comprising bonds issued by highly creditworthy borrowers. At end-September 2013, bonds with government guarantees represented 20.8 per cent of the portfolio, while covered bonds represented 32.7 per cent. The remaining bonds are generally issued by municipalities, county municipalities and highly creditworthy finance companies. All investments in bonds issued by finance companies represent senior debt, which has the highest ranking in the capital structure and first priority if the issuer goes bankrupt. Only in exceptional cases does DNB Livsforsikring invest in bonds issued by traditional manufacturing companies.

In line with IAS 39, the portfolio has been reviewed to identify objective indications of impairment. No impairment losses have been identified in the portfolio.

		DNB Group
	Per cent 30 Sept. 2013	NOK million 30 Sept. 2013
Asset class		
Government/government-guaranteed	20.82	19 116
Guaranteed by supranational entities	1.96	1 800
Municipalities/county municipalities	7.83	7 185
Bank and mortgage institutions	20.56	18 873
Covered bonds	32.69	30 014
Other issuers	16.15	14 825
Total bond portfolio DNB Livsforsikring, held to maturity, nominal values	100.00	91 812
Accrued interest, amortisation effects and fair value adjustments		2 168
Total bond portfolio DNB Livsforsikring, held to maturity		93 980

Note 19 Investment properties

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
			DNB Group
DNB Livsforsikring	32 519	37 968	39 935
Properties for own use [1]	(3 545)	(3 506)	-
Other investment properties [2]	4 591	5 034	5 125
Total investment properties	**33 565**	**39 496**	**45 060**

1) Some properties in DNB Livsforsikring are classified as properties for own use in the group accounts and are recorded at fair value.
2) Other investment properties are mainly related to acquired companies.

Investment properties in the Group are principally owned by DNB Livsforsikring. DNB Livsforsikring's portfolio totalled NOK 32 519 million as at 30 September 2013.

Fair value

Investment properties in DNB Livsforsikring are part of the common portfolio and are owned with the intention to achieve long-term returns for policyholders. The property portfolio is recorded at fair value on the balance sheet date. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants ("exit price").The Norwegian properties are valued by using an internal valuation model. As a supplement, external appraisals are obtained for a representative selection of properties in the portfolio at regular intervals throughout the year. During the third quarter of 2013, external appraisals were obtained for a total of 13 properties, representing 32 per cent of portfolio value. The purpose of the external appraisals is to benchmark the internal valuations against independent references. Internal calculations and the values recorded in the balance sheet are 2.2 per cent higher than average external appraisals. The Swedish properties in the portfolio and partially owned properties are valued based on external appraisals.

Internal valuation model

In the internal model, fair value is calculated as the present value of future cash flows during and after the contract period. The required rates of return stipulated in the model reflect market risk. For the office and shopping centre portfolios, a required rate of return of 8.5 per cent is used, while the required rate of return for the hotel portfolio is 8.75 per cent. Following an individual assessment, there was a revision of the required rates of return for some shopping centres, ranging from minus 0.3 to plus 0.5 percentage points.

Value development and sensitivity

The value of investment properties in DNB Livsforsikring was adjusted downwards by NOK 18 million during the third quarter of 2013. There have been no significant changes in the parameters included in the valuation model. The value reduced by NOK 93 million from year-end 2012.

Valuations are particularly sensitive to changes in required rates of return and assumptions regarding future income flows. Other things equal, a 0.25 percentage point reduction in the required rate of return will change the value of the property portfolio by approximately 4.1 per cent or NOK 953 million. Correspondingly, a 5 per cent change in future market rents will change the value of the property portfolio by 3.7 per cent or NOK 849 million.

Changes in the value of investment properties

Amounts in NOK million	DNB Group Investment property
Recorded value as at 31 December 2011	**42 796**
Additions, purchases of new properties	3 155
Additions, capitalised investments	800
Additions, acquired companies	286
Net gains resulting from adjustment to fair value	(220)
Net gains resulting from adjustment to fair value of projects	0
Disposals	1 631
Exchange rate movements etc.	(127)
Recorded value as at 30 September 2012	**45 060**
Recorded value as at 31 December 2012	**39 496**
Additions, purchases of new properties	673
Additions, capitalised investments	433
Additions, acquired companies [1]	20
Net gains resulting from adjustment to fair value [2]	(98)
Net gains resulting from adjustment to fair value of projects	0
Disposals	7 940
Exchange rate movements etc.	982
Recorded value as at 30 September 2013	**33 565**

1) See note 3 Changes in group structure for information about acquired companies.
2) Of which NOK 7 million represented a negative value adjustment of investment properties which are not owned by DNB Livsforsikring.

Note 20 Intangible assets

			DNB Group
Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Goodwill	4 902	4 717	5 128
IT systems development	1 786	1 737	1 589
Other intangible assets	259	264	318
Total intangible assets [1]	**6 947**	**6 718**	**7 035**

1) *Assesments were performed for intangible assets during the third quarter of 2013 and were based on reported figures for the third quarter compared to the approved plans for the various cash-generating units. There was not identified any need for recognising impairment losses as a result of these assesments.*

Note 21 Debt securities issued and subordinated loan capital

As an element in liquidity management, the DNB Group issues and redeems own securities.

Debt securities issued			**DNB Group**
Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Commercial paper issued, nominal amount	218 808	244 092	270 085
Bond debt, nominal amount [1]	476 551	433 090	429 703
Adjustments	22 944	30 865	28 137
Total debt securities issued	**718 302**	**708 047**	**727 925**

Changes in debt securities issued						**DNB Group**
Amounts in NOK million	Balance sheet 30 Sept. 2013	Issued 2013	Matured/ redeemed 2013	Exchange rate movements 2013	Other adjustments 2013	Balance sheet 31 Dec. 2012
Commercial paper issued, nominal amount	218 808	675 849	701 503	369		244 092
Bond debt, nominal amount [1]	476 551	49 554	41 099	35 005		433 090
Adjustments	22 944				(7 921)	30 865
Total debt securities issued	**718 302**	**725 403**	**742 602**	**35 375**	**(7 921)**	**708 047**

Changes in subordinated loan capital and perpetual subordinated loan capital securities						**DNB Group**
Amounts in NOK million	Balance sheet 30 Sept. 2013	Issued 2013	Matured/ redeemed 2013	Exchange rate movements 2013	Other adjustments 2013	Balance sheet 31 Dec. 2012
Term subordinated loan capital, nominal amount	17 328	7 349	3 709	840		12 848
Perpetual subordinated loan capital, nominal amount	4 010			206		3 804
Perpetual subordinated loan capital securities, nominal amount [2]	3 395			233		3 162
Adjustments	1 094				(181)	1 275
Total subordinated loan capital and perpetual subordinated loan capital securities	**25 827**	**7 349**	**3 709**	**1 278**	**(181)**	**21 090**

1) *Minus own bonds. Nominal amount of outstanding covered bonds in DNB Boligkreditt totalled NOK 411.4 billion as at 30 September 2013. The cover pool market value represented NOK 526.3 billion.*

2) *Perpetual subordinated loan capital securities are eligible for inclusion in core capital by an amount not exceeding 15 per cent of total core capital. The Norwegian FSA may require that the securities should be written down proportionally to equity if the bank's core capital ratio falls below 5 per cent or capital adequacy ratio falls below 8 per cent. Amounts written down on the securities must be revalued before the distribution of dividends to shareholders or revaluation of equity.*

Note 22 Capital adequacy

The DNB Group follows the Basel II regulations for capital adequacy calculations. Valuation rules used in the statutory accounts form the basis for the consolidation, which is subject to special consolidation rules governed by the Consolidation Regulations. Capital adequacy is reported in accordance with regulations from Finanstilsynet.

Primary capital	**DNB Bank ASA**		**DNB Bank Group**		**DNB Group**	
Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012
Share capital	18 314	18 314	18 314	18 314	16 288	16 269
Other equity	87 180	87 160	92 224	98 280	108 327	111 767
Non-eligible capital	-	-	-	-	(900)	-
Total equity	105 494	105 474	110 538	116 594	123 715	128 035
Deductions						
Pension funds above pension commitments	(0)	(8)	(4)	(19)	(34)	(94)
Goodwill	(2 952)	(2 907)	(3 693)	(3 543)	(5 510)	(5 223)
Deferred tax assets	(702)	(565)	(1 368)	(1 055)	(1 379)	(1 066)
Other intangible assets	(948)	(1 092)	(1 861)	(1 822)	(2 048)	(2 017)
Dividends payable etc.	0	0	0	(6 000)	0	(3 420)
Unrealised gains on fixed assets	0	0	(30)	(30)	(30)	(30)
50 per cent of investments in other financial institutions	0	(392)	0	(538)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(541)	(415)	(724)	(626)	(724)	(626)
Adjustments for urealised losses/(gains) on debt recorded at fair value	181	181	84	84	84	84
Minimum requirement reassurance allocation	-	-	-	-	(18)	(17)
Common Equity Tier 1 capital	100 534	100 276	102 943	103 047	114 058	115 627
Common Equity Tier 1 capital incl. 50 per cent of profit for the period	105 393	-	108 253	-	119 989	-
Perpetual subordinated loan capital securities [1) 2)]	3 395	3 162	3 395	3 162	3 395	3 162
Tier 1 capital	103 929	103 439	106 338	106 209	117 453	118 790
Tier 1 capital incl. 50 per cent of profit for the period	108 788	-	111 648	-	123 384	-
Perpetual subordinated loan capital	4 010	3 804	4 010	3 804	4 010	3 804
Term subordinated loan capital [2)]	16 598	12 848	16 745	13 081	16 745	13 081
Deductions						
50 per cent of investments in other financial institutions	0	(392)	0	(538)	0	0
50 per cent of expected losses exceeding actual losses, IRB portfolios	(541)	(415)	(724)	(626)	(724)	(626)
Additions						
45 per cent of unrealised gains on fixed assets	0	0	18	18	18	18
Tier 2 capital	20 067	15 846	20 050	15 740	20 050	16 278
Total eligible primary capital [3)]	123 996	119 285	126 389	121 949	137 503	135 068
Total eligible primary capital incl. 50 per cent of profit for the period [3)]	128 855	-	131 699	-	143 434	-
Risk-weighted volume, transitional rules	873 680	874 840	1 004 910	984 137	1 091 690	1 075 672
Minimum capital requirement	69 894	69 987	80 393	78 731	87 335	86 054
Common Equity Tier 1 capital ratio, transitional rules (%)	12.1	11.5	10.8	10.5	11.0	10.7
Tier 1 capital ratio, transitional rules (%)	12.5	11.8	11.1	10.8	11.3	11.0
Capital ratio, transitional rules (%) [4)]	14.7	13.6	13.1	12.4	13.1	12.6
Common Equity Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	11.5	-	10.2	-	10.4	-
Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	11.9	-	10.6	-	10.8	-
Capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	14.2	-	12.6	-	12.6	-

1) *Perpetual subordinated loan capital securities can represent up to 15 per cent of Tier 1 capital. The excess will qualify as Tier 2 capital.*

2) *As at 30 September 2013, calculations of capital adequacy for the banking group and DNB Group included a total of NOK 148 million in subordinated loan capital in associated companies.*

3) *Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the consolidated accounts since a different consolidation method is used. Associated companies are consolidated according to the pro-rata method in the capital adequacy calculations while the equity method is used in the accounts.*

4) *If 75 per cent of interim profits had been included, the capital ratios of DNB Bank ASA, the DNB Bank Group and the DNB Group would have been 15.0, 13.4 and 13.4 per cent, respectively, as at 30 September 2013.*

Note 22 Capital adequacy (continued)

Basel II

The majority of the credit portfolios are reported according to the IRB approach. However, some portfolios are still subject to final IRB approval from Finanstilsynet. These are banks and financial institutions (DNB Bank) and large corporate clients rated by simulation models (DNB Bank). Credit portfolios in Nordlandsbanken (corporate clients and residential mortgages) will gradually be included in the volumes reported according to the IRB approach as and when they are transferred to the core system solutions and risk models in DNB Bank through 2013 and 2014.

Specification of risk-weighted volume and capital requirements **DNB Group**

Amounts in NOK million	Nominal exposure 30 Sept. 2013	EAD [1] 30 Sept. 2013	Average risk weights in per cent 30 Sept. 2013	Risk-weighted volume 30 Sept. 2013	Capital requirements 30 Sept. 2013	Capital requirements 31 Dec. 2012
IRB approach						
Corporate	855 303	702 509	54.6	383 320	30 666	29 417
Specialised Lending (SL)	3 987	3 945	52.5	2 072	166	192
Retail - mortgage loans	612 974	612 974	11.3	69 026	5 522	5 655
Retail - other exposures	104 533	85 981	28.1	24 193	1 935	1 839
Securitisation	65 703	65 703	37.0	24 328	1 946	1 893
Total credit risk, IRB approach	1 642 501	1 471 112	34.2	502 940	40 235	38 997
Standardised approach						
Central government	69 479	75 018	0.1	79	6	10
Institutions	159 814	119 006	23.8	28 293	2 263	2 040
Corporate	301 474	236 101	93.7	221 265	17 701	19 227
Retail - mortgage loans	54 568	51 849	56.8	29 459	2 357	2 189
Retail - other exposures	72 206	33 786	76.3	25 776	2 062	1 872
Equity positions	3 358	3 358	103.8	3 487	279	262
Securitisation	3 080	3 080	18.1	556	44	69
Other assets	11 318	11 318	100.0	11 318	905	758
Total credit risk, standardised approach	675 298	533 517	60.0	320 233	25 619	26 426
Total credit risk	2 317 799	2 004 629	41.1	823 173	65 854	65 423
Market risk						
Position risk, debt instruments				32 619	2 609	3 110
Position risk, equity instruments				1 280	102	104
Currency risk				0	0	0
Commodity risk				51	4	5
Total market risk				33 950	2 716	3 219
Operational risk				72 416	5 793	5 793
Net insurance, after eliminations				89 630	7 170	7 563
Deductions				(703)	(56)	(27)
Total risk-weighted volume and capital requirements before transitional rules				1 018 466	81 477	81 972
Additional capital requirements according to transitional rules [2]				73 224	5 858	4 082
Total risk-weighted volume and capital requirements				1 091 690	87 335	86 054

1) *EAD, exposure at default.*

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

Note 23 Liquidity risk

Liquidity risk is the risk that the DNB Group will be unable to meet its payment obligations. Overall liquidity management in the Group implies that DNB Bank ASA is responsible for funding domestic subsidiaries, as well as international branches and subsidiaries. Liquidity risk is managed and measured by means of various measurement techniques.

The Board of Directors has approved internal limits which restrict the short-term maturity of liabilities within different time frames. The various maturities are subject to stress testing based on a bank-specific crisis and a systemic crisis and a combination thereof, and a contingency plan has been established to handle market events. In addition, limits have been approved for structural liquidity risk, which implies that lending to customers should largely be financed through customer deposits, subordinated capital and long-term funding. Ordinary senior bond debt and covered bonds are the major sources of long-term funding. The Group's ratio of deposits to net loans was 69.4 per cent at end-September 2013, up from 64.5 per cent a year earlier. The ratio of deposits to net loans in DNB Bank ASA was 127.5 per cent at end-September 2013.

Throughout the third quarter, the short-term funding markets were generally sound for banks with good credit ratings. An increasing number of banks are now regarded as financially strong, and DNB is still among these banks.

The long-term funding markets were also strong throughout the third quarter. The prices of both senior and covered bonds remained stable at a relatively favourable level. An improvement in the US economy could result in further signals from the FED to reduce its quantitative stimulus. In turn, this could trigger renewed interest rate turmoil in the markets for the remainder of the year.

The average remaining term to maturity for the portfolio of senior bond debt was 4.5 years at end-September 2013, compared with 4.6 years a year earlier. The DNB Group aims to achieve a sound and stable maturity structure for funding over the next five years.

Note 24 Information on related parties

Major transactions and agreements with related parties:

Eksportfinans ASA
DNB Bank ASA has a 40 per cent ownership interest in Eksportfinans.

Financial market turbulence resulted in sizeable unrealised losses in Eksportfinans' liquidity portfolio in the first quarter of 2008. In order to ensure an adequate capital base for the company, its Board of Directors implemented three measures:

- A share issue of NOK 1.2 billion aimed at the company's owners was implemented, and all owners participated based on their proportional shares.
- A portfolio hedge agreement was entered into, and the owners were invited to participate. DNB Bank ASA's share of the agreement corresponded to 40.43 per cent. The agreement secures Eksportfinans against further decreases in portfolio values of up to NOK 5 billion effective from 29 February 2008. Any recovery of values relative to nominal values will accrue to the participants in the portfolio hedge agreement as payment for their hedging commitment.
- During the first quarter of 2008, Eksportfinans' largest owner banks, DNB Bank ASA, Nordea Bank AB and Danske Bank A/S, approved a committed credit line giving the company access to a liquidity reserve of up to USD 4 billion. The agreement must be renewed yearly, with the first renewal in June 2009. The renewal in 2010 resulted in a reduction in the limit for the liquidity reserve to USD 2 billion. DNB Bank ASA's share of this agreement represents approximately USD 1.1 billion. Eksportfinans has not availed itself of this credit line.

DNB Bank ASA carries loans in its balance sheets which according to a legal agreement have been transferred to Eksportfinans and are guaranteed by DNB Bank ASA. Pursuant to the agreement, the bank still carries interest rate risk and credit risk associated with the transferred portfolio. According to the IFRS regulations, the loans have therefore not been removed from the balance sheet of the bank. These portfolios totalled NOK 3.2 billion at end-September 2013. The loans are set off by deposits/payments from Eksportfinans. DNB Bank ASA has also issued guarantees for other loans in Eksportfinans.

The framework agreement between DNB Bank ASA and Eksportfinans for the sale and repurchase of securities was terminated on 11 September 2013. At end-June 2013, Eksportfinans had drawn EUR 600 million under the agreement.

The transactions with Eksportfinans have been entered into on ordinary market terms as if they had taken place between independent parties.

Stimulus packages
On 24 October 2008, the Norwegian parliament authorised the Ministry of Finance to launch a scheme whereby the government and the banks exchange Treasury bills for covered bonds for an agreed period. Norges Bank administers the scheme on commission from the Ministry of Finance.

Under the swap scheme, the government sells Treasury bills to the banks in a time-limited swap for covered bonds. The banks have free disposal over the Treasury bills they acquire and may sell them in the market if they so wish. Treasury bill maturities are between three and six months. The swap agreements last for periods of up to five years, and the banks undertake to purchase new Treasury bills as and when the Treasury bills reach maturity during the agreement period. The Treasury bills are priced at NIBOR plus a premium corresponding to the margin at the time the agreement was concluded. As an additional requirement, there must be a spread of minimum 40 basis points between the agreed interest rate and the Treasury bill yield. Upon expiry of the agreements, the banks are under an obligation to repurchase the covered bonds from the government at the original selling price.

Note 24 Information on related parties (continued)

DNB Bank ASA has purchased bonds from DNB Boligkreditt, which have been used as collateral for swap agreements with Norges Bank. The bank is required to repurchase the covered bonds at the original selling price. The bank receives yield from the covered bonds as if they never had been sold. The accounting treatment of sales of financial instruments where the seller retains substantially all the risks and returns associated with the instrument, is described in IAS 39.20 Financial Instruments – Recognition and Measurement. The bank is of the opinion that the requirement for transfer of risk and returns associated with the bonds in accordance with this standard have not been fulfilled, and that the bonds thus cannot be derecognised from the balance sheet of the bank. On a consolidated basis, the bonds are treated as own bonds and netted against issued bonds in DNB Boligkreditt.

In practice, the swap agreements imply that the bank purchases Treasury bills from Norges Bank. These are initially recorded as investments in Treasury bills. The obligation to repurchase the bonds at a price corresponding to the value of the Treasury bills is recorded as funding from Norges Bank. At end-September 2013, this funding represented NOK 42.7 billion. At end-September 2013, the bank's investments in Treasury bills used in the swap agreements represented NOK 44.0 billion.

Financial Holding AB

On 28 June 2013, the shares in Financial Holding AB were transferred from DNB Asset Management Holding (Sweden) AB to DNB ASA for a total of SEK 2.4 billion. The amount corresponded to the recorded value of the company on the settlement date, which was in line with an option agreement previously entered into by the parties. The transfer is part of the reorganisation and streamlining of operations in DNB Asset Management.

Note 25 Off-balance sheet transactions, contingencies and post-balance sheet events

Off-balance sheet transactions and additional information — **DNB Group**

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
Performance guarantees	44 793	42 729	44 273
Payment guarantees	22 560	22 716	24 106
Loan guarantees [1)]	19 213	19 236	18 679
Guarantees for taxes etc.	6 701	6 658	6 508
Other guarantee commitments	2 182	2 405	2 525
Total guarantee commitments	95 449	93 743	96 091
Support agreements	11 241	10 863	10 551
Total guarantee commitments etc. [*)]	106 690	104 606	106 642
Unutilised credit lines and loan offers	546 273	492 947	499 838
Documentary credit commitments	2 752	2 219	2 365
Other commitments	1 837	2 030	2 591
Total commitments	550 863	497 195	504 793
Total guarantee and off-balance commitments	657 552	601 801	611 436
Pledged securities	88 377	94 871	95 038
**) Of which counter-guaranteed by financial institutions*	*126*	*1 139*	*1 237*

1) *DNB Bank ASA carries loans in its balance sheet that subject to legal agreement have been transferred to Eksportfinans and for which DNB Bank ASA has issued guarantees. According to the agreement, DNB Bank ASA still carries interest rate risk and credit risk for the transferred portfolio. Customer loans in the portfolio totalling NOK 3.2 billion were recorded in the balance sheet as at 30 September 2013. These loans are not included under guarantees in the table.*

Contingencies

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

On 22 March 2013, the Norwegian Supreme Court ruled against DNB in the civil action brought against the bank by Ivar Petter Røeggen, claiming that two debt-financed investments in structured products be declared null and void. In accordance with the reasoning for the judgment, DNB made provisions of NOK 450 million in the first quarter of 2013 to cover possible compensation payments to customers who have made debt-financed investments in certain structured products. The DNB Group is also involved in other legal disputes relating to structured products.

DNB Bank ASA has brought an action against seven Norwegian municipalities for the settlement of interest swaps on commercial terms. The municipalities have stopped their payments under the agreements citing that full settlement took place upon payment of the residual value of the investments made. The bank's total claim in the civil action is NOK 825 million plus interest on overdue payments.

A civil action has been brought before a US court of law against DNB Markets Inc. (Minc) and the other arrangers of a USD 300 million Senior Note issue in 2010 on behalf of Overseas Shipholding Group (OSG). Minc's share of the note issue was approximately USD 19 million, representing around 6.25 per cent.

Post-balance sheet events

No information has come to light about important circumstances which had occurred on the balance sheet date on 30 September 2013 and up till the Board of Directors' final consideration of the accounts on 23 October 2013.

DNB ASA

Income statement

Amounts in NOK million	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB ASA
Total interest income	37	25	92	115	138
Total interest expenses	81	94	254	317	410
Net interest income	**(43)**	**(69)**	**(163)**	**(201)**	**(272)**
Commissions and fees payable etc.	(9)	1	(5)	4	5
Other income [1)]	0	0	0	0	8 493
Net other operating income	**(1)**	**(1)**	**(5)**	**(4)**	**8 488**
Total income	**(45)**	**(70)**	**(168)**	**(206)**	**8 216**
Salaries and other personnel expenses	1	4	4	4	6
Other expenses	110	104	326	317	422
Total operating expenses	**111**	**108**	**330**	**321**	**427**
Pre-tax operating profit	**(156)**	**(177)**	**(498)**	**(526)**	**7 789**
Taxes	(44)	(50)	(139)	(147)	2 181
Profit for the period	**(112)**	**(128)**	**(358)**	**(379)**	**5 608**
Earnings/diluted earnings per share (NOK)	(0.07)	(0.08)	(0.22)	(0.23)	3.44
Earnings per share excluding operations held for sale (NOK)	(0.07)	(0.08)	(0.22)	(0.23)	3.44

1) *Of which the group contribution from DNB Bank ASA represented NOK 8 333 million.*

Balance sheet

Amounts in NOK million	30 Sept. 2013	31 Dec. 2012	30 Sept. 2012
			DNB ASA
Assets			
Due from DNB Bank ASA	5 436	3 980	3 993
Loans to other group companies	1 346	225	225
Investments in group companies	64 504	62 216	62 216
Receivables due from group companies	43	8 493	0
Other assets	139	0	147
Total assets	**71 469**	**74 914**	**66 582**
Liabilities and equity			
Due to DNB Bank ASA	11 084	10 885	10 721
Due to other group companies	2 302	0	0
Other liabilities and provisions	13	5 602	1
Total liabilities	**13 400**	**16 487**	**10 721**
Share capital	16 288	16 288	16 288
Share premium reserve	22 556	22 556	22 556
Other equity	19 224	19 583	17 016
Total equity	**58 069**	**58 427**	**55 861**
Total liabilities and equity	**71 469**	**74 914**	**66 582**

Statement of changes in equity

Amounts in NOK million	Share capital	Share premium reserve	Other equity	Total equity
				DNB ASA
Balance sheet as at 31 December 2011	**16 288**	**22 556**	**17 395**	**56 240**
Profit for the period			(379)	(379)
Balance sheet as at 30 September 2012	**16 288**	**22 556**	**17 016**	**55 861**
Balance sheet as at 31 December 2012	**16 288**	**22 556**	**19 583**	**58 427**
Profit for the period			(358)	(358)
Balance sheet as at 30 September 2013	**16 288**	**22 556**	**19 224**	**58 069**

Accounting principles

DNB ASA has prepared accounts according to the Norwegian Ministry of Finance's regulations on annual accounts, Section 1-5, on the use of IFRS (International Financial Reporting Standards). These regulations give permission to record provisions for dividends and group contributions in subsidiaries as income and record the Board of Directors' proposed dividends and group contributions as liabilities on the balance sheet date. According to IFRS, dividends should be classified as equity until approved by the general meeting. A description of the accounting principles applied by DNB ASA in preparing the accounts is found in the annual report for 2012.

Key figures

	3rd quarter 2013	3rd quarter 2012	January-September 2013	January-September 2012	Full year 2012
					DNB Group
Interest rate analysis					
1. Combined weighted total average spread for lending and deposits (%)	1.29	1.18	1.26	1.17	1.18
2. Average spread for ordinary lending to customers (%)	2.42	2.01	2.32	1.94	2.00
3. Average spread for deposits from customers (%)	(0.29)	(0.13)	(0.28)	(0.07)	(0.12)
Rate of return/profitability					
4. Net other operating income, per cent of total income	34.2	34.7	35.2	34.2	34.8
5. Cost/income ratio (%)	43.4	48.4	47.6	49.8	49.1
6. Return on equity, annualised (%)	14.4	11.9	12.1	11.4	11.7
7. RAROC, annualised (%)	13.0	12.1	11.9	11.8	11.5
8. Average equity including allocated dividend (NOK million)	134 251	118 669	131 351	116 393	118 261
9. Return on average risk-weighted volume, annualised (%)	1.77	1.28	1.46	1.20	1.25
Financial strength at end of period					
10. Common equity Tier 1 capital ratio, transitional rules (%) [1)]	11.0	10.0	11.0	10.0	10.7
11. Tier 1 capital ratio, transitional rules (%) [1)]	11.3	10.6	11.3	10.6	11.0
12. Capital ratio, transitional rules (%) [1)]	13.1	12.2	13.1	12.2	12.6
13. Common equity Tier 1 capital (NOK million) [1)]	119 989	109 494	119 989	109 494	115 627
14. Risk-weighted volume, transitional rules (NOK million)	1 091 690	1 092 354	1 091 690	1 092 354	1 075 672
Loan portfolio and impairment					
15. Individual impairment relative to average net loans to customers, annualised	0.20	0.20	0.21	0.20	0.22
16. Impairment relative to average net loans to customers, annualised	0.14	0.16	0.22	0.21	0.24
17. Net non-performing and net doubtful loans and guarantees, per cent of net loans	1.70	1.47	1.70	1.47	1.50
18. Net non-performing and net doubtful loans and guarantees at end of period (NOK million)	22 907	19 626	22 907	19 626	19 740
Liquidity					
19. Ratio of customer deposits to net loans to customers at end of period (%)	69.4	64.5	69.4	64.5	62.5
Total assets owned or managed by DNB					
20. Customer assets under management at end of period (NOK billion)	500	520	500	520	459
21. Total combined assets at end of period (NOK billion)	2 673	2 639	2 673	2 639	2 473
22. Average total assets (NOK billion)	2 501	2 416	2 483	2 362	2 364
23. Customer savings at end of period (NOK billion)	1 426	1 363	1 426	1 363	1 270
Staff					
24. Number of full-time positions at end of period	12 356	13 426	12 356	13 426	13 291
The DNB share					
25. Number of shares at end of period (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
26. Average number of shares (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
27. Earnings per share (NOK)	3.00	2.17	7.28	6.11	8.48
28. Earnings per share excl. operations held for sale (NOK)	3.00	2.17	7.29	6.06	8.42
29. Dividend per share (NOK)	-	-	-	-	2.10
30. Total shareholders' return (%)	6.2	22.6	32.6	23.4	23.7
31. Dividend yield (%)	-	-	-	-	2.98
32. Equity per share incl. allocated dividend at end of period (NOK)	83.79	74.19	83.79	74.19	78.27
33. Share price at end of period (NOK)	91.30	70.25	91.30	70.25	70.40
34. Price/earnings ratio	7.60	8.08	9.40	8.70	8.37
35. Price/book value	1.09	0.95	1.09	0.95	0.90
36. Market capitalisation (NOK billion)	148.7	114.4	148.7	114.4	114.7

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

For definitions of selected key figures, see next page.

Key figures (continued)

Definitions

1, 2, 3	Based on nominal values excluding impaired loans, measured against the 3-month money market rate.
5	Total operating expenses relative to total income. Total expenses exclude impairment losses for goodwill and other intangible assets.
6	Average equity is calculated on the basis of recorded equity.
7	RAROC (Risk-Adjusted Return On Capital) is defined as risk-adjusted profits relative to average equity. Risk-adjusted profits indicate the level of profits in a normalised situation.
9	Profit for the period relative to average risk-weighted volume.
20	Total assets under management for external clients in DNB Asset Management, DNB Livsforsikring and DNB Skadeforsikring.
21	Total assets and customer assets under management.
23	Total deposits from customers, assets under management and equity-linked bonds.
25	The Annual General Meeting on 30 April 2013 authorised the Board of Directors of DNB ASA to acquire own shares for a total face value of up to NOK 732 959 487, corresponding to 4.5 per cent of share capital. The shares may be purchased through the stock market. Each share may be purchased at a price between NOK 10 and NOK 150. The authorisation is valid for a period of 12 months from 30 April 2013. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with Norwegian Government/Ministry of Trade and Industry for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares.
27	Holdings of own shares are not included in calculations of earnings per share.
28	Excluding operations held for sale. Holdings of own shares are not included in calculations of the number of shares.
30	Closing price at end of period less closing price at beginning of period, including dividends reinvested in DNB shares on the dividend payment date, relative to closing price at beginning of period.
32	Equity at end of period relative to number of shares at end of period.
34	Closing price at end of period relative to annualised earnings per share.
35	Closing price at end of period relative to recorded equity at end of period.
36	Number of shares multiplied by the closing share price at end of period.

Profit and balance sheet trends

Income statement					**DNB Group**
	3rd quarter	2nd quarter	1st quarter	4th quarter	3rd quarter
Amounts in NOK million	2013	2013	2013	2012	2012
Total interest income	15 373	15 014	14 600	15 002	15 926
Total interest expenses	7 458	7 534	7 743	7 901	9 098
Net interest income	**7 915**	**7 480**	**6 857**	**7 101**	**6 828**
Commission and fee income etc.	2 502	2 488	2 249	2 363	2 285
Commission and fee expenses etc.	604	586	555	563	587
Net gains on financial instruments at fair value	1 264	1 363	1 063	1 363	906
Net gains on assets in DNB Livsforsikring	4 353	2 009	3 925	3 430	4 286
Guaranteed returns, strengthened premium reserve and allocations to policyholders in DNB Livsforsikring	4 295	1 856	3 731	3 117	4 077
Premium income etc. included in the risk result in DNB Livsforsikring	1 424	1 303	1 355	1 196	1 586
Insurance claims etc. included in the risk result in DNB Livsforsikring	1 277	1 225	1 330	1 370	1 617
Premium income, DNB Skadeforsikring	357	338	331	324	313
Insurance claims etc., DNB Skadeforsikring	255	219	256	246	207
Profit from companies accounted for by the equity method	99	70	74	177	246
Net gains on investment property	(23)	4	12	(16)	4
Other income	571	623	543	518	492
Net other operating income	**4 117**	**4 310**	**3 682**	**4 061**	**3 628**
Total income	**12 032**	**11 790**	**10 539**	**11 162**	**10 456**
Salaries and other personnel expenses	2 776	3 215	2 639	2 702	2 820
Other expenses	1 938	1 853	2 316	1 899	1 779
Depreciation and impairment of fixed and intangible assets	509	593	529	854	545
Total operating expenses	**5 223**	**5 660**	**5 485**	**5 455**	**5 145**
Pre-tax operating profit before impairment	**6 809**	**6 130**	**5 054**	**5 707**	**5 311**
Net gains on fixed and intangible assets	2	(9)	4	(65)	20
Impairment of loans and guarantees	475	937	737	1 190	521
Pre-tax operating profit	**6 337**	**5 184**	**4 321**	**4 453**	**4 810**
Taxes	1 448	1 379	1 149	614	1 269
Profit from operations held for sale, after taxes	(7)	(7)	10	4	0
Profit for the period	**4 881**	**3 798**	**3 181**	**3 843**	**3 541**
Earnings/diluted earnings per share (NOK)	3.00	2.33	1.96	2.36	2.17

Comprehensive income statement					**DNB Group**
	3rd quarter	2nd quarter	1st quarter	4th quarter	3rd quarter
Amounts in NOK million	2013	2013	2013	2012	2012
Profit for the period	**4 881**	**3 798**	**3 181**	**3 843**	**3 541**
Actuarial gains and losses	(489)	506	0	4 203	(47)
Tax on actuarial gains and losses	137	(142)	0	(1 155)	13
Property revaluation	7	23	(3)	45	0
Elements of other comprehensive income allocated to customers (life insurance)	(7)	(23)	3	(45)	0
Other comprehensive income that will not be reclassified to profit or loss, net of tax	(352)	364	0	3 048	(34)
Currency translation of foreign operations	152	120	122	(104)	(55)
Other comprehensive income that may subsequently be reclassified to profit or loss, net of tax	152	120	122	(104)	(55)
Other comprehensive income for the period	**(199)**	**484**	**122**	**2 944**	**(89)**
Comprehensive income for the period	**4 682**	**4 282**	**3 304**	**6 787**	**3 452**

Profit and balance sheet trends (continued)

Balance sheet — **DNB Group**

Amounts in NOK million	30 Sept. 2013	30 June 2013	31 March 2013	31 Dec. 2012	30 Sept. 2012
Assets					
Cash and deposits with central banks	401 560	481 844	397 835	298 892	367 409
Due from credit institutions	29 586	52 673	65 459	37 136	42 424
Loans to customers	1 332 945	1 329 665	1 315 104	1 297 892	1 307 047
Commercial paper and bonds at fair value	268 643	253 753	239 527	224 750	198 774
Shareholdings	44 256	46 349	56 906	48 288	47 884
Financial assets, customers bearing the risk	33 197	30 604	30 059	28 269	27 600
Financial derivatives	89 034	95 268	94 509	96 584	101 302
Commercial paper and bonds, held to maturity	157 213	155 005	155 362	157 330	190 312
Investment property	33 565	34 434	33 761	39 496	45 060
Investments in associated companies	3 029	2 936	2 962	2 882	2 795
Intangible assets	6 947	6 791	6 774	6 718	7 035
Deferred tax assets	1 369	1 317	1 276	1 123	631
Fixed assets	11 215	11 067	11 006	10 825	6 966
Assets held for sale	213	211	150	417	15
Other assets	23 629	20 893	23 124	14 200	23 732
Total assets	**2 436 403**	**2 522 810**	**2 433 815**	**2 264 801**	**2 368 983**
Liabilities and equity					
Due to credit institutions	260 903	318 504	336 528	251 388	293 530
Deposits from customers	925 451	996 372	889 043	810 959	843 340
Financial derivatives	63 635	70 687	64 615	63 274	66 207
Debt securities issued	718 302	695 638	689 923	708 047	727 925
Insurance liabilities, customers bearing the risk	33 197	30 604	30 059	28 269	27 600
Liabilities to life insurance policyholders in DNB Livsforsikring	228 881	227 009	226 367	221 185	220 574
Insurance liabilities, DNB Skadeforsikring	2 036	2 099	2 116	1 780	1 914
Payable taxes	4 221	3 004	8 232	6 831	3 267
Deferred taxes	1 516	1 546	1 280	1 284	2 449
Other liabilities	30 169	21 594	30 871	18 451	26 851
Liabilities held for sale	73	68	30	76	0
Provisions	1 999	1 536	1 280	770	660
Pension commitments	3 716	3 235	4 055	3 904	8 029
Subordinated loan capital	25 827	19 118	18 610	21 090	25 799
Total liabilities	**2 299 926**	**2 391 015**	**2 303 008**	**2 137 309**	**2 248 144**
Share capital	16 288	16 288	16 270	16 269	16 288
Share premium reserve	22 609	22 609	22 609	22 609	22 609
Other equity	97 581	92 898	91 929	88 614	81 942
Total equity	**136 477**	**131 795**	**130 807**	**127 492**	**120 839**
Total liabilities and equity	**2 436 403**	**2 522 810**	**2 433 815**	**2 264 801**	**2 368 983**

Information about the DNB Group

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Organisation number	Register of Business Enterprises NO 981 276 957 MVA

Board of Directors in DNB ASA

Anne Carine Tanum, chairman
Tore Olaf Rimmereid, vice-chairman
Jarle Bergo
Bente Brevik
Sverre Finstad
Carl A. Løvvik
Vigdis Mathisen
Berit Svendsen

Group management

Rune Bjerke	Group chief executive
Bjørn Erik Næss	Chief financial officer
Trond Bentestuen	Group executive vice president Personal Banking Norway
Kjerstin Braathen	Group executive vice president Corporate Banking Norway
Harald Serck-Hanssen	Group executive vice president Large Corporates and International
Ottar Ertzeid	Group executive vice president DNB Markets
Tom Rathke	Group executive vice president Wealth Management
Kari Olrud Moen	Group executive vice president Products
Liv Fiksdahl	Group executive vice president IT and Operations
Solveig Hellebust	Group executive vice president HR
Trygve Young	Group executive vice president Risk Management
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Financial calendar 2014

Preliminary results 2013 and fourth quarter 2013	6 February
Annual General Meeting	24 April
Ex-dividend date	25 April
Distribution of dividends	as of 8 May
First quarter 2014	8 May
Second quarter 2014	10 July
Third quarter 2014	23 October

Other sources of information

Annual and quarterly reports

Separate annual and quarterly reports are prepared for the DNB Bank Group, DNB Boligkreditt, DNB Næringskreditt and DNB Livsforsikring. The reports and the Fact Book are available on dnb.no. Annual and quarterly reports can be ordered by sending an e-mail to investor.relations@dnb.no.

The quarterly report has been produced by Group Financial Reporting in DNB. Translation: Gina Fladmoe, DNB.

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