

2004 in brief

- Pre-tax operating profits before losses (NOK million): 9 244 (8 344)
- Profits for the year (NOK million): 6 786 (4 963)
- Total assets at year-end (NOK billion): 713 (705)
(2003 in parentheses)

First quarter

- Gjensidige NOR Sparebank and Den norske Bank merged to form DnB NOR Bank ASA
- The new organisation became operative, and central business areas and staff and support units started moving into common premises
- Representative office opened in Shanghai, China
- The finance company Elcon Finans was sold *

Second quarter

- DnB NOR's first group strategy was approved
- Branch opened in Helsinki, Finland
- The real estate brokerage Postbanken Eiendomsmegling was sold *
- Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning were sold to DnB NOR Kapitalforvaltning Holding AS

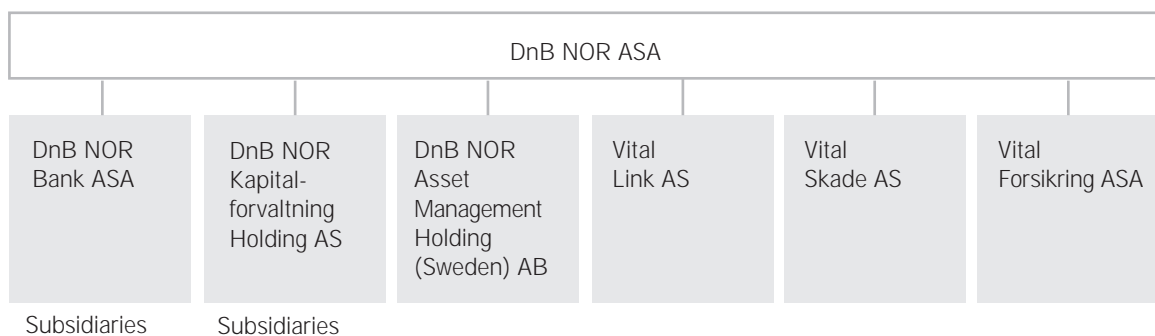
Third quarter

- The process of coordinating branch offices started, and uniform customer service was established
- Joint Internet portal introduced

Fourth quarter

- The first regions completed the coordination of branch offices
- The Group's first TV advertising campaign was launched

* Merger concession terms stipulated by the authorities



Directors' report 2004 – DnB NOR Bank ASA

In accordance with the provisions of the Norwegian Accounting Act, the Board of Directors confirms that the accounts have been prepared on a going concern basis.

All figures for 2003 and previous periods presented below are pro forma accounting figures for total operations in the DnB NOR Bank Group. As from 31 March 2004, Elcon Finans is no longer consolidated in the group accounts. Unless otherwise specified, figures for previous periods have not been adjusted for Elcon Finans.

Operations in 2004

In 2004, the DnB NOR Bank Group¹⁾, hereinafter called the banking group, attached great importance to maintaining sound customer relations and retaining market shares in profitable segments and business areas parallel to the implementation of the merger. In addition, the banking group was concerned with adapting operations to new market conditions, including low interest rate levels. In spite of many challenges, the banking group managed to maintain a sound market position in 2004, while improving earnings by reducing costs.

DnB NOR was formally established in December 2003, and the banks were merged in January 2004. In compliance with the terms of the concession, the finance company Elcon was sold in March. Agreements on the sale of the real-estate brokerage chain Postbanken Eiendomsmegling were also concluded. The sale of

Postbanken Eiendomsmegling was implemented in January 2005. During 2004, the merged organisation became operative in all areas, and the process of moving into common premises was initiated in key business areas and staff and support units. The process of coordinating Gjensidige NOR's and DnB's branch offices into one branch network under the DnB NOR brand also got off to a good start during the year. Solutions for uniform customer service were established, and in several regions the redesigning and coordination of branch offices was completed by the end of 2004. A joint Internet application for the new bank's customers was established and market activity was stepped up, including the launching of new loyalty programmes for retail customers and changes in price structures. Merger activities in DnB NOR Markets were completed in 2004. The Board of Directors in DnB NOR Bank notes that the extensive and important merger processes implemented in 2004 proved a success.

At year-end 2004 the banking group was well capitalised, with a core capital ratio of 7.5 per cent, compared with 7.1 per cent a year earlier. The sound capital adequacy gives the banking group flexibility and scope of action.

There were major changes in the banking group's parameters in 2004, including the combining of the Norwegian Savings Banks' Guarantee Fund and Commercial Banks' Guarantee Fund into one fund. When the funds

were merged it was decided that savings banks should not pay fees to the guarantee fund for a period of three years, and the fees were limited to customer deposits covered by the guarantee fund. In consequence of these changes, DnB NOR Bank's payment of fees to the fund were halved in 2004 relative to 2003.

In March 2004, a new shareholder taxation model was proposed which will be of major significance to the banking group. Among other things, capital gains on companies' share investments will be tax-exempt. A new tax model was also proposed for Norwegian personal shareholders. The main elements in the proposal were approved in December.

Parallel to the merger process, service to customers was expanded, e.g. through the establishment of a representative office in Shanghai and a branch office in Finland.

In 2004, the Board of Directors of DnB NOR ASA established new guidelines for operations within the Group, where the division of responsibility between the various governing bodies in the Group was clarified. Much attention has been given to corporate governance. The Board held 23 meetings during the year. The Audit Committee, which also functions as the bank's Audit Committee, has reviewed the work of Group Audit, the accounts and risk reporting and in 2004 was engaged in preparations for the implementation of IFRS, International Financial Reporting Standards, as from 2005.

1) DnB NOR Bank ASA is a subsidiary of DnB NOR ASA and part of the DnB NOR Group. The DnB NOR Bank Group, hereinafter called "the banking group", comprises the bank and the bank's subsidiaries. Other companies owned by DnB NOR ASA, including Vital Forsikring and DnB NOR Kapitalforvaltning, are not part of the banking group. Operations in DnB NOR ASA and the total DnB NOR Group are not covered in this report but described in a separate report and presentation.

The Board of Directors would like to thank all of the banking group's employees for their dedicated effort in 2004, which has resulted in solid profits and strong progress in the integration. The employees have shown great initiative and the ability to adapt to change during challenging times. The year has proven that the merger has been to the benefit of both shareholders and customers.

Strategy

The banking group is the main unit in DnB NOR and its strategy is thus closely coordinated with the DnB NOR Group's overall strategy.

DnB NOR's strategy was further developed in early 2004 in a process involving more than 500 managers throughout the Group. A strategic platform was established, providing important guidelines for business choices.

DnB NOR has Norway's largest customer base and is a leader in most Norwegian market segments. This market position provides a sound basis for generating further growth by developing and strengthening customer relationships. The business idea reflects DnB NOR's ambitions:

A local presence and a full range of services are our strengths

DnB NOR will be customers' best financial partner and will meet their needs for financial solutions throughout Norway and in selected areas in the international arena.

In the corporate and retail customer segments, the process of further developing service concepts and a product range closely adapted to individual customer needs is well under way. Improved advisory services and decision-making as close as possible to the customer are important aspects of the strategy. DnB NOR's various business areas cooperate closely to be able to offer customers good solutions at all times. DnB NOR must develop new products and services in step with the market. It is essential to offer solutions that bring convenience to the everyday lives of customers. Both internal and external communication should be open, honest and easy to understand.

The Group will base growth in the international arena on comparative advantages in the form of competence within various customer segments and industries, special product expertise or established relationships where it is logical to follow the customer outside Norway. DnB NOR has a strong position within asset management in the Nordic region and a leading position in international shipping. In certain other sectors, such as energy and fisheries, the Group has strong expertise and an international presence. DnB NOR is the preferred partner for international customers doing business in Norway.

A common value base and culture are prerequisites for creating a uniform DnB NOR image in the market. The Group's shared values, team spirit, simplicity and value creation, describe what should distinguish the organisation and work processes both internally and in relation to customers. The process of creating a DnB NOR

culture will take several years, but is off to a good start through the work on the Group's strategic platform. Under the heading "This is the way we do things", units throughout the Group have defined what the Group's business idea and values mean for individual units and staff members. These values are also reflected in the leadership principles and in how the Group's brands will be projected in the market.

The Group has specified targets with respect to different stakeholder groups: customers, employees, shareholders and society at large. DnB NOR wishes to deliver products and services that are easily understood and adapted to meet the financial needs of customers. The Group seeks to offer a diversified and challenging workplace and to be the preferred alternative for investors giving priority to long-term value creation. At the same time DnB NOR wishes to be perceived as a financial services institution showing social responsibility.

The financial targets reflect the aim to create shareholder value. The Group seeks to achieve a return on equity and share price increases that are competitive in a Nordic context. The specific long-term targets are:

- A return on equity of over 15 per cent after tax but before goodwill amortisation
- A cost/income ratio under 50 per cent before goodwill amortisation
- A core capital ratio of minimum 7 per cent
- Around 50 per cent of annual profits should be distributed as dividends, provided that capital adequacy remains at a satisfactory level
- DnB NOR Bank ASA's ratings for ordinary long-term debt should be maintained at an Aa level

Review of the annual accounts

Introduction

The banking group recorded profits of NOK 6 786 million for 2004. Comparable profits for 2003 totalled NOK 4 963 million. Profits for the year corresponded to a return on equity excluding goodwill amortisation of 17.7 per cent for 2004, up 3.8 percentage points from 2003. After goodwill amortisation, return on equity was 17.0 per cent in 2004 and 12.8 per cent in 2003.

Income

Income totalled NOK 21 788 million, a 3.5 per cent increase from NOK 21 060 million in 2003.

Net interest income

Net interest income declined by NOK 647 million from 2003 to NOK 13 376 million in 2004. Adjusted for the sale of operations in Elcon, however, net interest income was reduced by NOK 66 million from the previous year. A NOK 43 billion increase in average lending to customers combined with a NOK 13 billion rise in deposits boosted net interest income by NOK 860 million. Narrower interest spreads brought down net interest income by NOK 295 million. Lending spreads widened by an average 0.06 percentage points compared with 2003, while deposit

spreads decreased by 0.17 percentage points. Lower interest rate levels in 2004 than in 2003 caused strong pressure on deposit spreads. At end-December 2004, interest rates on NOK 72 billion of the total deposit volume were 0.25 per cent or lower, as against NOK 59 billion at year-end 2003. Repeated interest rate cuts made it difficult to maintain the level of earnings on deposits. A possible increase in interest rate levels could give a considerable boost to income. Lower average interest rate levels reduced net funding effect of equity, share investments and fixed assets by NOK 569 million. However, new guarantee fund rules ensured a NOK 230 million rise in net interest income compared with 2003. No levies will be charged by the Norwegian Banks' Guarantee Fund in 2005. In 2004, the banking group paid NOK 269 million in guarantee fund levies. Other factors brought down net interest income by NOK 287 million.

Other operating income

Net other operating income amounted to NOK 8 412 million in 2004, up NOK 1 375 million from 2003. The sale of operations in Elcon generated gains of NOK 946 million, but also caused a NOK 74 million reduction in other operating income. The banking group's takeover of total operations in Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte gave a NOK 240 million increase in income. These entities were previously joint ventures with Gjensidige Forsikring and also provided services to cooperating companies. As part of the integration in connection with the DnB NOR merger, Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning were sold from DnB NOR Bank ASA to DnB NOR Kapitalforvaltning Holding AS. Gains of NOK 345 million were recorded in the banking group's accounts in the second quarter. Consequently, these companies are no longer consolidated in the banking group's accounts. In June 2004, Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning were merged with DnB NOR Kapitalforvaltning ASA. Adjusted for these changes, net other operating income increased by NOK 79 million compared with 2003. See description of corresponding effects under operating expenses.

Income from traditional financial services rose by NOK 35 million from the previous year. Real estate broking services also showed a positive income trend. In consequence of stable interest rate levels and a narrow interest rate differential between NOK and other currencies, income on customer business in interest rate and foreign exchange instruments in DnB NOR Markets declined by NOK 229 million relative to 2003, but remained at a high level. However, the NOK 90 million rise in net interest income on this business must be taken into account. Income from payment transfers and interbank transactions rose by NOK 132 million from the previous year.

Earnings from proprietary trading in foreign exchange and interest rate instruments in DnB NOR Markets rose by NOK 304 million relative to 2003, however, interest income on these activities

declined by NOK 242 million. Equity-related income, e.g. dividends and gains on share-holdings, was NOK 239 million lower than in 2003. In consequence of rising equity prices in 2004, however, unrealised gains in the equity portfolio not recorded in the banking group accounts rose by NOK 65 million to NOK 110 million during the year.

Operating expenses

Operating expenses totalled NOK 12 544 million in 2004, down NOK 171 million from 2003. The sale of operations in Elcon brought down expenses by NOK 351 million, while the takeover of total operations in Driftspartner and Markedsstøtte pushed up operating expenses by NOK 240 million. Restructuring expenses totalled NOK 805 million in 2004, compared with NOK 38 million in 2003. Adjusted for the sale of Elcon, Avanse and Kapitalforvaltning, the takeover of Driftspartner and Markedsstøtte, restructuring expenses and allocations to the investment funds for employees, operating expenses were NOK 548 million lower in 2004 than in 2003. Costs were thus reduced 4.7 per cent, mainly as a result of the realisation of cost synergies and other measures to streamline operations. Before goodwill amortisation, the ordinary cost/income ratio, i.e. ordinary expenses relative to income, was 55.2 per cent in 2004, a reduction from 57.5 per cent in 2003.

Wage settlements resulted in a NOK 106 million rise in costs. Marketing expenses were up NOK 26 million, and costs related to sales through external distributors increased by NOK 39 million from the previous year. Merger synergies of NOK 652 million were realised in 2004. The target for the realisation of synergies in 2004 was NOK 480 million. Total synergies thus exceeded the target figure as at end-December 2004 by NOK 172 million. NOK 83 million of the NOK 652 million in total synergies reflected measures implemented in 2003 and NOK 30 million cost reductions which improved other operating income in the banking group accounts. Relative to cost levels in 2003, operating expenses for 2004 were brought down by NOK 539 million through the realisation of synergies. Staff in the banking group totalled 8 693 full-time positions at year-end 2004, a reduction of 1 072 from the beginning of the year.

In the second half of 2004, a project was initiated to coordinate customer service. This involves moving branch offices into common premises under the new DnB NOR design, coordinating electronic channels, launching DnB NOR's loyalty programmes and presenting other key products and services under a uniform design. This process is scheduled to be completed in the course of 2005. At year-end 2004, more than 70 branch offices sported the new market profile.

Loan-loss provisions and non-performing commitments

Net losses on loans and guarantees totalled NOK 167 million in 2004, down from NOK 1 891 million in 2003. Losses in 2004 were significantly

lower than the estimated normalised loss level during a business cycle. New losses and loan-loss provisions amounted to NOK 1 403 million, while reversals and recoveries on previous losses and loan-loss provisions represented a total of NOK 1 236 million. New losses totalled NOK 2 671 million in 2003, while reversals and recoveries came to NOK 785 million.

New losses and loan-loss provisions in the corporate market totalled NOK 1 044 million, and reversals and recoveries came to NOK 934 million. Corresponding figures for 2003 were losses of NOK 2 134 million and reversals of NOK 519 million. Due to the low interest rate levels in 2004, customers' financial position was strengthened. Market trends led to improved portfolio quality, reduced losses and increased reversals, especially in the manufacturing, service, transportation and building and construction industries. Parts of the fisheries industry still experience problems with respect to turnover and liquidity.

In the retail market, net losses came to NOK 57 million in 2004, with losses of NOK 191 million referring to card operations. The corresponding figures for 2003 were NOK 271 million and NOK 215 million respectively.

Non-performing and doubtful commitments, after specified loan-loss provisions, totalled NOK 5 974 million at year-end 2004, a reduction of NOK 2 058 million adjusted for the sale of Elcon. There was strong lending growth in the retail market in 2004, while non-performing and doubtful commitments in this segment were reduced by NOK 77 million from 2003. Non-performing and doubtful commitments in the corporate market were cut back by NOK 1 981 million. Improved portfolio quality compensated for the impact of higher credit and lending volumes, thus no changes were made in unspecified loan-loss provisions in 2004.

Taxes

In 2004, the tax exemption model was introduced for limited companies' share income. This implies that corporate shareholders are exempted from tax on dividends and capital gains on the sale of shares. At the same time, the right to deduct losses on shares has been abolished. The tax exemption model applies to dividends received on 1 January 2004 or later and gains and losses realised on 26 March 2004 or later.

In consequence of the introduction of the tax exemption model, all unrealised timing differences concerning shares were eliminated at year-end 2004. Such timing differences referred primarily to previous write-downs for accounting purposes which were not tax-deductible. This resulted in a tax charge of NOK 82 million.

The shares in Elcon were sold on 29 March 2004. Due to the introduction of the tax exemption model, the banking group achieved tax savings of NOK 300 million on the transaction.

The banking group's tax charge for 2004 totalled NOK 2 397 million, representing 26 per cent of pre-tax operating profits. In 2003, the tax charge was NOK 1 715 million. The low tax rate

in 2004 was due to the introduction of the tax exemption model.

Balance sheet

Total assets in the banking group's balance sheet were NOK 713 billion at year-end 2004, an increase from NOK 705 billion at the end of 2003. Lending to customers, after specified and unspecified loan-loss provisions, totalled NOK 577 billion at end-December 2004, up NOK 11.5 billion from year-end 2003. Adjusted for the sale of Elcon, there was a NOK 39 billion rise in lending through 2004. Lending to retail customers rose by NOK 37 billion or 12.7 per cent, representing mainly residential mortgages. Adjusted for Elcon's portfolio, lending to corporate clients increased by NOK 2 billion or 0.8 per cent from 2003.

Customer deposits totalled NOK 360 billion at end-December 2004, an increase of NOK 22 billion from year-end 2003. The ratio of deposits to lending was 62.4 per cent at the end of 2004. Adjusted for the sale of Elcon, the ratio of deposits to lending was 62.7 per cent at the end of 2003. The ratio of deposits to lending was maintained at a satisfactory level in spite of low interest rates.

Risk

2004 was characterised by stable low interest levels, a weaker US dollar and high oil prices. There was strong international economic growth, which ensured a healthy performance within shipping. While there was a moderate upturn in international stock markets, the Oslo Børs benchmark index climbed 38.5 per cent. The economic growth rate in Norway was the highest in several years, driven by brisk income growth in the household sector coupled with improved profitability and investment in the business sector.

Thanks to the favourable economic trend, credit losses in 2004 were at an extremely low level. Parts of the fishing and fish farming industries are still in a vulnerable financial position, though the situation stabilised during the year. Among other things, there was a moderate increase in prices of farmed salmon. The quality of the banking group's credit portfolio is considered at least as good as at year-end 2003. Corporate credit demand was sluggish in 2004, while there was a strong increase in housing loans. Thus, the share of housing loans rose from 53.7 to 57 per cent of total lending. Housing prices climbed 12 per cent in 2004. The extraordinary interest rate situation requires sound customer advisory services and a robust credit policy to meet the long-term interests of customers and the banking group. Norges Bank has a stated goal to maintain a time lag relative to other countries with respect to interest rate increases, which has a positive impact on competitiveness in the Norwegian business sector.

DnB NOR has set low risk limits for positioning in interest rate and currency markets. The low risk level can partly be explained by the fact that estimated risk-adjusted capital for trading activities in DnB NOR Markets involving market

risk totals around NOK 200 million and that there is little volatility in profits relating to positions for own account. Exposure in the equity market was stable in 2004, and equity investments excluding subsidiaries and associated companies were around NOK 4 billion at year-end.

In consequence of the sale of Elcon Finans, the banking group had little need to increase funding from capital markets in 2004. Nevertheless, the banking group worked actively to market DnB NOR vis-à-vis potential funding sources. Rating agencies are positive to the merger.

During 2004, the banking group recorded only minor operational losses. Important aspects of the merger have been implemented. Much attention is given to the various types of operational risk associated with the completion of the merger. Measures to contain risk are under continual review.

The core capital ratio of the banking group at the end of 2004 was 7.5 per cent. The banking group's core capital exceeds the risk-adjusted capital requirement based on internal calculations by a comfortable margin. In the opinion of the Board of Directors, the banking group is thus adequately capitalised relative to the current risk situation and the banking group's risk profile and rating targets.

Corporate social responsibility

DnB NOR, with the banking group as the core entity, has a key role in Norwegian society, serving as an important partner for more than two million retail customers and 150 000 corporate clients.

In addition to its role as financial partner, the Group carries responsibility in many other contexts, locally and nationally as well as globally. DnB NOR's ambition is declared in the group policy for corporate social responsibility:

DnB NOR wishes to promote sustainable development through responsible business operations giving priority to environmental, ethical and social considerations.

This ambition can be fulfilled by ensuring compliance with the Group's credit routines, where risk assessments should reflect environmental and ethical considerations.

DnB NOR operates in an international market. It was therefore a logical move for the Group to endorse the ten principles of the UN Global Compact in the areas of human and labour rights, the environment and anti-corruption.

As a financial services provider, DnB NOR is highly dependent on the trust of the broader society. The Group's customers must have confidence in the professionalism and integrity of the DnB NOR organisation. The code of ethics for employees and elected officers covers aspects relating to customers and suppliers, the duty of confidentiality, participation and positions in business enterprises, gifts and services, trading in financial instruments and insider trading. To ensure compliance with the code of ethics,

emphasis is placed on communicating the content to employees and elected officers. Priority is also given to training staff to exercise sound discretion with respect to ethical issues and to establishing sound advisory practices.

Social responsibility is exercised within the organisation through the Group's human resources policy, aiming to ensure diversity, the necessary restructuring and equality measures, sound health, safety and environmental standards and good relations with the employee organisations. Social responsibility is also exercised through the Group's presence in close to 250 local communities, as a financial services provider to households and partner for the business sector.

Each year, Sparebankstiftelsen DnB NOR (the Savings Bank Foundation) makes generous donations to non-profit causes.

DnB NOR's sponsorship activities represent a key element in highlighting the Group's value base. In addition to a number of local partnership agreements, DnB NOR is the main sponsor for a number of sports associations, cultural institutions and organisations, such as the Nobel Peace Center.

External environment

The banking group has a direct impact on the external environment through its use of materials and energy as well as services required to carry out its business operations.

Environmental efforts, which are regulated by the DnB NOR Group's policy for corporate social responsibility, aim to increase energy efficiency, reduce paper consumption and air travel and ensure eco-friendly procurement and responsible waste treatment. Environmental initiatives are certified according to the Norwegian 'eco-lighthouse' programme. At the end of 2004, all regional financial services centres and DnB NOR's head office at Aker Brygge in Oslo were qualified for environmental certification.

DnB NOR's Internet banking applications and electronic banking services will scale back the use of transportation services and paper.

The DnB NOR share is included in FTSE4Good Europe, an index for investors who wish to promote sustainable development.

Health, safety and environment (HS&E)

Coordinating office space

As a step in the integration following the merger, DnB NOR made increasing use of open-plan office solutions in 2004, seeking better utilisation of office space and improved communication, as well as facilitating competence sharing. An open office landscape increases flexibility, but also presents challenges in ensuring a sound physical and mental working environment. A total of 3 900 DnB NOR employees in the Oslo area alone relocated internally during 2004.

HS&E and working environment training

30 managers and 56 staff members completed the banking group's internal HS&E and working environment training in 2004. During the year,

20 courses in coping with threats were arranged, in which both managers and staff were actively involved.

Absence due to illness

Absence due to illness in the banking group averaged 4.73 per cent of total working days in 2004. As an inclusive workplace, DnB NOR has initiated a number of measures to reduce absence due to illness, which has been relatively stable in recent years.

Occupational injuries

In 2004, a total of 14 occupational injuries were reported, with eight employees exposed to robberies and threats. None of the employees exposed to robberies suffered physical injuries.

Equality and diversity

DnB NOR seeks greater diversity in its management teams. The target set by the Board of Directors in DnB NOR ASA for equality at the four top management levels in the Group calls for a minimum of 25 per cent women by the end of 2006 and minimum 30 per cent within the end of 2009.

There is an approximate gender balance among staff as a whole. The proportion of women in the management groups at the four top levels, on the other hand, was only 21.5 per cent at end-December 2004.

DnB NOR is represented in a working committee set up by the Norwegian Financial Services Association, which carried out a survey of men and women in management positions. This is the most extensive survey of its kind within the Norwegian business sector, and was designed to find ways to improve the gender balance in executive positions within the financial sector.

For DnB NOR, the survey showed that women staff members are both qualified and motivated for senior executive positions. However, the survey also showed that many believe that women and men do not have equal opportunities.

Equal opportunity measures

DnB NOR has already implemented the following measures to reach the above equality targets:

- Equality is used as one of several criteria in job assignment processes
- The best female candidate is considered for positions in units with a minority of women
- Good gender balance in the recruitment of trainees
- The need for diversity is on the agenda in management training programmes
- Flexible working hours
- Offer of home PC with access to the DnB NOR network

On the basis of the survey, the measures below have been approved and will soon be introduced:

- Announce all vacancies internally
- Implement a new recruitment policy which meets the need for diversity in management teams

- Use more women speakers
- Ensure gender balance in projects
- Increase the visibility of competent women through:
 - Ensuring gender balance on internal boards in the Group
 - Letting more women present matters to the Board of Directors
- Prepare annual reports on the number of women at management levels 1 to 5 in each business area
- Ensure minimum 50 per cent participation of women in talent development programmes with a mentor scheme
- Implement a separate programme for women candidates for senior executive positions
- Increase mobility among managers

Future prospects

There was a strong upswing in the international economy in the second half of 2003, which continued into 2004. However, the brisk growth in the first quarter levelled off through the remainder of the year. Overall, DnB NOR anticipates sound economic growth in 2005, though it could be lower than in 2004.

Low interest rate levels, strong domestic demand and the international economic upturn contributed to production growth and greater optimism in Norway in 2004. A rise in exports, high oil prices and a favourable economic climate led to several upward adjustments in estimates for oil investments. Oil investment is expected to stimulate activity in the mainland economy again in 2005. A rise in employment is anticipated, along with a decline in unemployment. Oil prices are expected to continue high in 2005, though at a lower level than in 2004.

The Norwegian krone is expected to gain strength, which could impair competitiveness in the export industry. Several investment projects are likely to be arranged outside Norway. Inflation is expected to rise, albeit from a very low level. Higher inflation outside Norway will probably have a limited impact due to the strength of the Norwegian krone, tougher competition in the domestic market and rising imports from low-cost countries. A modest increase in benchmark rates is expected from Norges Bank (the central bank of Norway) towards the end of the year. Interest rates are expected to remain low throughout the year, and consumption growth and demand for

housing are expected to continue high in the household sector. This will provide an incentive for sheltered industries, which will in turn be conducive to an upturn in production and investment in 2005.

A moderate rise in credit demand is anticipated in the business sector, and the strong growth in household credit demand is expected to abate somewhat during the year. The household debt burden at the end of 2004 was very high. However, in relative terms interest expenses were low, thus the financial position of the household sector improved in 2004. In addition, there was a significant rise in housing prices.

DnB NOR expects that prolonged low interest levels will help maintain debt servicing capacity and ensure a continued low level of loan losses and non-performing commitments. The low interest rate levels coupled with the Norwegian economic boom are also expected to lead to rising demand for savings products with higher risk and return profiles than traditional bank deposits.

In 2005, the banking group will introduce various measures to ensure broad-based growth. Strengthening market shares in profitable segments and areas where the banking group has a natural growth potential will be part of the strategy, parallel to an assessment of possible structural measures.

Improving customer relations is an important element in value creation. The banking group will give priority to customer relationship management in all business areas in 2005, and introduce new services and solutions to strengthen customer relations.

The Board of Directors of the Norwegian Banks' Guarantee Fund has decided that no levies will be charged in 2005, as the Fund complies with the minimum equity requirement stipulated in the Guarantee Schemes Act. In 2004, the banking group paid NOK 269 million in guarantee fund levies.

The integration process will be monitored closely by the Board of Directors and group management in 2005, and the realisation of synergies will be given high priority. Although the Board has noted that sound progress and good results have been achieved thus far in the integration process, major challenges remain ahead, particularly regarding the integration of IT systems and the reshaping of the branch network.

Capital adequacy was at a satisfactory level at year-end 2004, though the banking group can achieve further efficiencies in the use of capital by adapting its financing strategy to reduce funding costs. Furthermore, DnB NOR will make preparations for the transition to the new capital adequacy regulations, Basel II, expected to become effective as from 2008. Through the new regulations, the benefits of sound risk management, systems and procedures will be reflected in a lower cost of capital, which in turn will be in the best interests of both shareholders and customers.

Dividends and allocation of profits

Profits for 2004 in DnB NOR Bank ASA came to NOK 6 592 million. The Board of Directors proposes a group contribution of NOK 5 564 to DnB NOR ASA.

DnB NOR Bank ASA's capital adequacy ratio as at 31 December 2004 was 10.9 per cent, with a core capital ratio of 7.7 per cent. The banking group had a capital adequacy ratio of 10.6 per cent and a core capital ratio of 7.5 per cent.

In the opinion of the Board of Directors, following allocations, DnB NOR Bank ASA will have sufficient financial strength and flexibility to cover the bank's financial risk, support operations in subsidiaries and adequately meet the banking group's expansion requirements.

The Board of Directors recommends allocating profits for the year, which represented NOK 6 592 million in DnB NOR Bank ASA for 2004, as follows:

Amounts in NOK million

| | |
|---------------------------|--------------|
| Group contribution | 5 564 |
| Transfers to other equity | 1 028 |
| Total allocations | 6 592 |

In connection with the closing of the annual accounts, the Board of Directors decided to allocate NOK 14 000 per employee to the employees' share investment fund. The total allocation amounted to NOK 134 million. Importance has been placed on expressing appreciation for the excellent work carried out by the staff in 2004 and the results that were achieved.

Oslo, 8 March 2005
The Board of Directors of DnB NOR Bank ASA

Olav Hytta
(chairman)
(sig.)

Bent Pedersen
(vice-chairman)
(sig.)

Sten Sture Larre
(sig.)

Per Hoffmann
(sig.)

Torill Rambjør
(sig.)

Ingjerd Skjeldrum
(sig.)

Marit Wiig
(sig.)

Svein Aaser
(sig.)

Profit and loss accounts

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | | | |
|-------------------|-------------------|---------------|--|--------------------|-------------------|-------------------|-------------------|--|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | Note | Pro forma 2004 | Pro forma 2003 | Pro forma 2002 | |
| 40 482 | 34 065 | 25 908 | Interest income | 2, 4 | 28 803 | 38 733 | 43 269 | |
| 28 446 | 22 870 | 14 280 | Interest expenses | 2, 4 | 15 428 | 24 710 | 29 150 | |
| 12 036 | 11 196 | 11 628 | Net interest income and credit commissions | 2, 4 | 13 376 | 14 023 | 14 119 | |
| 773 | 1 354 | 979 | Dividends | 5 | 143 | 211 | 169 | |
| 4 553 | 4 896 | 5 546 | Commissions and fees receivable on banking services | 5 | 5 764 | 5 768 | 5 542 | |
| 1 797 | 1 897 | 1 936 | Commissions and fees payable on banking services | 5 | 2 010 | 2 057 | 2 030 | |
| 776 | 1 750 | 1 689 | Net gain on foreign exchange and financial instruments | 5, 6 | 1 675 | 1 836 | 775 | |
| 406 | 345 | 651 | Sundry ordinary operating income | 5 | 1 541 | 1 255 | 1 130 | |
| 32 | 9 | 9 | Gains on the sale of fixed assets | 5 | 1 298 | 23 | 264 | |
| 4 743 | 6 457 | 6 937 | Net other operating income | 5 | 8 412 | 7 037 | 5 851 | |
| 4 695 | 4 881 | 4 926 | Salaries and other ordinary personnel expenses | 7, 8, 9, 10 | 5 792 | 6 267 | 5 774 | |
| 3 375 | 3 364 | 3 355 | Administrative expenses | 7 | 3 678 | 3 864 | 3 831 | |
| 664 | 634 | 653 | Depreciation | 7 | 839 | 1 013 | 962 | |
| 1 116 | 1 081 | 1 234 | Sundry ordinary operating expenses | 7 | 1 282 | 1 353 | 1 428 | |
| 317 | 183 | 903 | Other expenses | 7 | 952 | 217 | 369 | |
| 10 168 | 10 142 | 11 072 | Total operating expenses | 7 | 12 544 | 12 715 | 12 364 | |
| 6 612 | 7 511 | 7 493 | Pre-tax operating profit before losses | | 9 244 | 8 344 | 7 606 | |
| 1 055 | 1 376 | 79 | Net losses on loans, guarantees etc. | 12, 13 | 167 | 1 891 | 1 023 | |
| (202) | 198 | 1 535 | Net gains/(losses) on long-term securities | 14 | 106 | 224 | (317) | |
| 5 355 | 6 333 | 8 950 | Pre-tax operating profit | | 9 183 | 6 677 | 6 265 | |
| 1 524 | 1 473 | 2 358 | Taxes | 15 | 2 397 | 1 715 | 1 732 | |
| 3 831 | 4 860 | 6 592 | Profit for the year | | 6 786 | 4 963 | 4 533 | |
| 3 851 | 4 276 | 5 564 | Group contribution | 39 | 5 564 | 4 276 | 4 201 | |
| 0 | 641 | 0 | Dividends | 39 | 1 | 641 | 1 | |
| 21 | 57 | 0 | Transferred from other equity | 39 | 0 | 0 | 0 | |
| 0 | 0 | 1 028 | Transferred to other equity | 39 | 1 221 | 46 | 331 | |
| 3 831 | 4 860 | 6 592 | Total transfers and adjustments | | 6 786 | 4 963 | 4 533 | |
| 22.58 | 28.65 | 38.86 | Earnings per share (NOK) | | 40.00 | 29.26 | 29.72 | |

Balance sheets

| DnB NOR Bank ASA | | | DnB NOR Bank Group | | | | |
|-------------------------------|------------------------------|-----------------|--|------------------------|------------------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| | | | <i>Amounts in NOK million</i> | Note | | | |
| Assets | | | | | | | |
| 22 940 | 8 223 | 8 286 | Cash and deposits with central banks | | 8 780 | 8 565 | 22 941 |
| 75 944 | 92 523 | 54 947 | Lending to and deposits with credit institutions | 16 | 21 604 | 28 060 | 26 385 |
| 432 141 | 476 283 | 525 645 | Gross lending to customers | 16, 17, 18, 19, 20, 22 | 584 230 | 573 973 | 500 807 |
| (2 325) | (3 181) | (2 494) | - Specified loan-loss provisions | 21 | (3 255) | (4 329) | (2 884) |
| (3 144) | (3 147) | (3 230) | - Unspecified loan-loss provisions | 21 | (3 534) | (3 714) | (3 501) |
| 426 672 | 469 955 | 519 921 | Net lending to customers | | 577 441 | 565 929 | 494 422 |
| 394 | 310 | 456 | Repossessed assets | 30 | 538 | 576 | 651 |
| 51 484 | 61 289 | 64 615 | Commercial paper and bonds | 16, 24 | 62 986 | 59 677 | 51 699 |
| 3 842 | 3 271 | 4 213 | Shareholdings etc. | 16, 25, 26, 27 | 4 611 | 3 905 | 4 332 |
| 584 | 633 | 583 | Investments in associated companies | 16, 28 | 1 354 | 1 384 | 1 263 |
| 6 342 | 8 911 | 5 597 | Investments in subsidiaries | 16, 29 | - | - | - |
| 2 673 | 2 304 | 2 256 | Intangible assets | 15, 16, 31 | 2 637 | 3 294 | 3 595 |
| 2 799 | 2 585 | 2 467 | Fixed assets | 16, 30, 32, 33 | 4 155 | 4 454 | 4 389 |
| 18 213 | 24 269 | 23 138 | Other assets | 16 | 22 943 | 23 618 | 18 561 |
| 5 802 | 4 663 | 4 909 | Prepayments and accrued income | 16 | 5 477 | 5 484 | 6 154 |
| 617 690 | 678 936 | 691 387 | Total assets | | 712 526 | 704 946 | 634 392 |
| Liabilities and equity | | | | | | | |
| 77 333 | 76 530 | 47 608 | Loans and deposits from credit institutions | 34 | 48 950 | 78 508 | 80 314 |
| 321 013 | 330 597 | 353 741 | Deposits from customers | 34, 35 | 360 240 | 337 807 | 320 887 |
| 130 602 | 170 935 | 184 572 | Securities issued | 34, 36, 37 | 192 410 | 181 949 | 138 568 |
| 29 466 | 36 884 | 40 337 | Other liabilities | 34 | 41 140 | 37 820 | 31 624 |
| 4 381 | 5 142 | 4 318 | Accrued expenses and prepaid revenues | 34 | 5 013 | 5 999 | 5 038 |
| 2 476 | 2 320 | 2 703 | Provisions for commitments | 21, 34 | 2 994 | 2 570 | 2 658 |
| 13 474 | 17 374 | 18 092 | Subordinated loan capital | 38 | 18 770 | 18 126 | 13 519 |
| 5 292 | 5 583 | 5 270 | Perpetual subordinated loan capital securities | 38 | 5 270 | 5 583 | 5 292 |
| 584 038 | 645 364 | 656 642 | Total liabilities | | 674 787 | 668 362 | 597 901 |
| 16 964 | 16 964 | 16 964 | Share capital | 39 | 16 964 | 16 964 | 16 964 |
| 7 745 | 7 745 | 7 745 | Share premium reserve | 39 | 8 461 | 8 461 | 8 461 |
| 8 942 | 8 863 | 10 036 | Other equity | 39 | 12 313 | 11 158 | 11 066 |
| 33 652 | 33 572 | 34 745 | Total equity | | 37 738 | 36 584 | 36 491 |
| 617 690 | 678 936 | 691 387 | Total liabilities and equity | | 712 526 | 704 946 | 634 392 |

Other commitments and conditional commitments 46, 47, 48

Cash flow statements

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------------------------|-------------------|-----------------|--|---------------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | <i>Amounts in NOK million</i> | 2004 | Pro forma 2003 | Pro forma 2002 |
| OPERATIONS | | | | | | |
| Lending and funding activity | | | | | | |
| (25 838) | (46 857) | (37 532) | Net payments made on instalment loans | (58 566) | (49 015) | (28 852) |
| 10 191 | 25 433 | 12 458 | Net receipts on credit lines and other current accounts | 34 080 | 23 806 | 8 373 |
| 238 | 183 | 275 | Receipts on loans and guarantees previously written off | 331 | 275 | 426 |
| 11 583 | (16 634) | 7 941 | Net receipts/payments on time deposits from customers | 7 188 | (13 655) | 11 598 |
| 32 003 | 30 614 | 21 918 | Interest and commissions received from customers | 25 480 | 35 596 | 36 525 |
| (15 850) | (11 311) | (7 119) | Interest paid to customers | (7 214) | (11 734) | (16 053) |
| Other operations | | | | | | |
| 3 694 | 4 592 | 5 404 | Other receipts on commissions and fees | 5 623 | 5 314 | 4 842 |
| (276) | 73 | (930) | Net receipts/payments on trading in short-term investments in shares | (768) | 314 | (95) |
| 118 | 102 | 65 | Dividends received on short-term investments in shares | 85 | 112 | 115 |
| (1 700) | (6 421) | (4 767) | Net payments on trading in fixed-income securities | (4 741) | (2 999) | (1 654) |
| 2 612 | 2 186 | 1 937 | Interest earned on fixed-income securities | 1 977 | 2 262 | 2 624 |
| (4 834) | 286 | 528 | Net receipts/payments on trading in foreign exchange and financial derivatives | 564 | 339 | (5 239) |
| 530 | 534 | 606 | Other receipts | 1 488 | 1 458 | 1 163 |
| (10 384) | (10 877) | (13 882) | Payments to operations | (15 390) | (13 095) | (12 396) |
| (888) | (623) | 0 | Taxes paid | (120) | (882) | (1 113) |
| 1 199 | (28 720) | (13 098) | Net cash flow relating to operations | (9 982) | (21 904) | 264 |
| INVESTMENT ACTIVITY | | | | | | |
| 250 | 24 | 26 | Receipts on the sale of fixed assets | 147 | 99 | 324 |
| (276) | (237) | (251) | Payments on the acquisition of fixed assets | (347) | (256) | (389) |
| 611 | 862 | 3 737 | Receipts on the sale of long-term investments in shares etc. | 3 745 | 1 046 | 695 |
| (946) | (1 399) | (10) | Payments on the acquisition of long-term investments in shares etc. | 0 | (1 104) | (580) |
| 655 | 1 282 | 791 | Dividends received on long-term investments in shares etc. | 57 | 98 | 54 |
| 294 | 532 | 4 293 | Net cash flow relating to investment activity | 3 602 | (117) | 104 |
| FUNDING ACTIVITY | | | | | | |
| 12 758 | (17 691) | 1 351 | Net investments/loans from credit institutions | 3 174 | (9 795) | 18 370 |
| 10 018 | 38 211 | 21 043 | Net issue of bonds and commercial papers | 17 867 | 30 062 | 9 151 |
| 1 003 | 3 470 | (5 644) | Net receipts/payments on other short-term liabilities | (4 649) | (132) | 726 |
| 0 | 0 | 0 | Net payments on other long-term liabilities | (60) | (282) | (351) |
| 3 653 | 5 747 | 1 648 | Issue of subordinated loan capital | 1 648 | 5 747 | 3 653 |
| (1 966) | (2 088) | 0 | Redemption of subordinated loan capital | (74) | (2 088) | (1 966) |
| 2 552 | 0 | 0 | Inflows of perpetual subordinated loan capital securities | 0 | 0 | 2 552 |
| (4 597) | (5 398) | (4 917) | Dividends/group contribution payments | (4 917) | (5 797) | (5 669) |
| (6 980) | (8 781) | (4 614) | Net interest payments on funding activity | (6 395) | (10 785) | (8 960) |
| 16 441 | 13 470 | 8 867 | Net cash flow from funding activity | 6 595 | 6 930 | 17 506 |
| 17 934 | (14 718) | 63 | Net cash flow | 215 | (15 091) | 17 874 |
| 5 005 | 22 940 | 8 223 | Cash and deposits with Norges Bank as at 1 January | 8 565 | 22 941 | 5 067 |
| 0 | 0 | 0 | Increase in cash and deposits with Norges Bank through acquisitions | 0 | 715 | 0 |
| 17 934 | (14 718) | 63 | Net receipts/payments on cash and deposits with Norges Bank | 215 | (15 091) | 17 874 |
| 22 940 | 8 223 | 8 286 | Cash and deposits with Norges Bank as at 31 December | 8 780 | 8 565 | 22 941 |

The cash flow statements show cash flows grouped according to source and use. Cash equivalents are defined as cash and deposits with Norges Bank.

Accounting principles

The accounts of DnB NOR Bank are based on Norwegian accounting legislation, the accounting regulations issued by Kredittilsynet (the Financial Supervisory Authority of Norway), and Norwegian generally accepted accounting principles.

CHANGES IN ACCOUNTING PRINCIPLES

The effects of changes in accounting principles are recorded directly against equity. The only changes made in accounting principles in 2004 are certain insignificant reclassifications.

CONSOLIDATION

The consolidated accounts of DnB NOR Bank ASA ("DnB NOR Bank" or "the banking group") include DnB NOR Bank ASA, subsidiaries and associated companies. Subsidiaries are defined as companies in which DnB NOR Bank has control, directly or indirectly, through a long-term ownership interest and a holding of more than 50 per cent of the voting share capital or primary capital and a decisive influence on the company's operations. Subsidiaries are consolidated from the time DnB NOR Bank takes over control of the company, including financial risk.

In the accounts of DnB NOR Bank ASA, investments in subsidiaries are recorded at cost.

Associated companies in which the banking group has a long-term holding of between 20 and 50 per cent and a significant influence on operations, are carried in the group accounts according to the equity method. In the accounts of the individual companies, ownership interests in the form of share investments are valued at cost, while holdings in general partnerships are recorded according to the equity method.

Holdings of a short-term nature are not consolidated in the accounts. Holdings taken over in connection with non-performing commitments are generally of a short-term nature.

Balance sheet items of foreign branches and subsidiaries are translated into Norwegian kroner at the rates prevailing on the balance sheet date, while average rates are used for items in the profit and loss account. Changes in net assets due to exchange rate fluctuations are recorded directly against equity.

The balance sheet items of acquired operations to be consolidated according to the equity method, are recorded at fair market value. Any intangible assets identified are considered and classified separately. Any positive residual value is classified as goodwill. Goodwill is amortised in the group accounts over its expected useful economic life. Any negative residual value which cannot be linked to assets or conditional commitments is recorded as negative goodwill and charged systematically to the profit and loss account over the relevant period of time.

Goodwill recorded in the balance sheet is reviewed on each reporting date. Assets generating joint cash flows are considered collectively. Future cash flows are estimated based on the market situation for comparable assets, taking account of expected price developments, growth prospects, return requirements and the duration of cash flows. Any decrease in value which is not considered to be temporary is written down in the accounts. Goodwill from the acquisition of companies generating cash flows in foreign currencies is recorded in the balance sheet in the same currency and translated at rates of exchange ruling on the balance sheet date.

CLASSIFICATION AND VALUATION

Trading portfolio and banking portfolio

DnB NOR makes a distinction in the accounting treatment of financial instruments entered into as part of proprietary trading to achieve a gain by exploiting price differences and changes, and agreements regarding the management of other group operations. Agreements in the first category constitute the trading portfolio and are part of DnB NOR Markets' operations, while all other agreements are included in the banking portfolio.

The trading portfolio includes negotiable securities, investment fund holdings, interest rate instruments recorded in the balance sheet, foreign currency positions and financial derivatives. The trading portfolio is recorded according to the market value principle.

Income from trading in interest rate and currency positions recorded in DnB NOR Markets' balance sheet is classified as interest income. Other income from the trading portfolio is included under "Net gain on foreign exchange and financial instruments" and "Commissions and fees receivable on banking services".

Loans and non-performing and doubtful commitments

Loans are recorded at their nominal value with the exception of non-performing and doubtful commitments, reduced-rate loans and loans to customers in debt rescheduling countries. All loans, guarantees and other outstanding claims against a customer are considered collectively.

Loans and other commitments which are not serviced in accordance with the loan agreement are classified as non-performing unless the situation is considered to be temporary. Commitments will be classified as non-performing no later than 90 days past the formal due date. Loans, guarantees etc. which are classified as high-risk without being in default are subject to special surveillance and risk considerations. If a loss is likely to occur

as a result of the value of collateral and the customer's financial position, the commitments are classified as doubtful.

Repossessed assets

Repossessed assets are assets acquired by units within the banking group as part of the management of non-performing and doubtful commitments. At the time of acquisition such assets are valued at their estimated realisable value. When assets are repossessed for prompt resale, they are classified as current assets. Any losses on the resale of and write-down for the diminution in value of such assets are recorded under losses on loans and guarantees, etc. as losses/write-downs on repossessed assets. Any gains or reversals of previous write-downs are classified as a reassessment of repossessed assets.

If assets are acquired for own use or for long-term administration and development, the assets are classified and evaluated as fixed assets in the balance sheet. Gains, losses, write-downs and reassessments of such assets are made according to the principles for assessing fixed assets.

Losses on loans and guarantees, etc.

Commitments classified as non-performing, doubtful or high-risk commitments are continuously monitored with respect to their loss potential. Any losses are classified as specified loan-loss provisions or write-offs. Specified loan-loss provisions represent an estimate of losses which are linked to identified customers. When, in all probability, losses must be considered final, they are classified as write-offs. Specified loan-loss provisions represent the difference between the nominal value of the commitment and the value of collateral and the customer's estimated solvency. When assessing the need for provisions, the credit risk element of other exposures to the customer, e.g. financial derivatives, is taken into account. In some segments with homogeneous customer characteristics, an alternative model is used to assess loan losses, based on previous experience concerning collateral value, customer solvency and the general economic situation. The resulting provisions are classified as specified.

Specified provisions reduce the book value of the commitments in the balance sheet, and changes in provisions during the period are recorded under losses in the profit and loss account. Write-offs covered by previous specified loan-loss provisions are netted against these provisions. Write-offs are recorded directly in the profit and loss account when the losses are not covered by previous loan-loss provisions or when there are deviations from previous provisions when losses are considered final. Subsequent repayments on commitments previously classified

as final losses are classified as recoveries on loans previously written off.

Once a commitment is classified as non-performing, unpaid interest taken to income and other income is reversed, and no further income is recorded unless coverage is provided by underlying values in the commitment. Interest accrued during the year is reversed under net interest income, while accrued, unpaid interest referring to previous years is charged to loan losses. The same procedure is applied for doubtful commitments, though interest paid is taken to income if collateral values and the customer's financial position provide adequate coverage.

Loans with significantly reduced interest rate terms are classified as reduced-rate loans. The difference between the original and the reduced interest rate terms is recorded as a write-off. The difference in interest income on these loans is calculated on the basis of actual maturity and discounted by the original loan rate to net present value.

Unspecified loan-loss provisions cover losses which, based on the situation on the balance sheet date, are likely to occur in addition to identified losses and specified loan-loss provisions. Unspecified loan-loss provisions will cover losses resulting from current events which have not yet been reflected in assessments of collateral values and the customer's financial position, as well as current events which must be expected to affect loan-loss assessments at a later date. Calculations of unspecified provisions are based on risk management systems and the division of the credit portfolio into risk categories. Provisions derive directly from volume, risk and previous experience regarding loss developments in various parts of the credit portfolio. Changes in unspecified loan-loss provisions during the period are recorded in the profit and loss account.

Accumulated specified and unspecified loan-loss provisions are deducted from lending in the balance sheet. Specified and unspecified provisions are also made on losses on guarantees which are considered doubtful. These provisions are entered under liabilities in the balance sheet.

Leasing

Assets and buildings for rent (leasing) are defined as lease financing and classified as lending in the accounts. Leasing income is recorded according to the annuity method. The interest component of the lease receipts is recorded as interest income, while the instalment component reduces the value of the lease in the balance sheet. Contracts with guaranteed residual value are reduced to residual value over the term of the contract. For tax purposes, the declining balance method is applied.

Factoring

Accounts receivable where the credit risk of the account debtors has been assumed, are recorded under other assets in the balance sheet. Financing of accounts receivable in excess of the credit risk assumed and financing of accounts receivable without any credit risk coverage is recorded under lending in the balance sheet. In the event that advances paid on accounts

receivable for which credit risk has been assumed amount to less than the credit risk, the difference is included under liabilities in the balance sheet. Accounts receivable factored without assuming credit risk and without financing, are not recorded in the balance sheet.

Financial instruments

Financial instruments include securities such as shares, PCCs, bonds and commercial paper, as well as investment fund holdings, other short-term debt instruments and financial derivatives.

Securities in the trading portfolio

Securities included in the trading portfolio are recorded at market value on the balance sheet date.

Short-term debt instruments included in the trading portfolio are reported at net present value, and unrealised gains and losses are recorded in the accounts.

Securities in the banking portfolio

Short-term investments in shares are recorded at the lower of the total portfolio's acquisition cost and market value.

Bonds and commercial paper are recorded at the lower of the total portfolio's acquisition cost and market value. Holdings of bonds issued by DnB NOR and included in the banking portfolio are netted against bond debt in the balance sheet.

Issued index-linked bonds are classified as securities issued. The bond element is recorded as a zero-coupon bond. Discounts or yields on the bond are recorded in the profit and loss account over the life of the bond. The remaining element is recorded as an option. The value of the option is netted against the hedging contract, and any gains or losses are entered in the accounts when the index-linked bond is issued.

Shares held as long-term investments are stated at cost. If the fair market value of the shares is significantly lower than cost, and the decrease in value is not expected to be temporary, the shares will be written down. Write-downs are reversed when the conditions for writing down the shares no longer apply.

Financial derivatives

Financial derivatives are contracts stipulating financial values in the form of interest rate terms, exchange rates and the value of equity instruments for fixed periods of time. Corresponding contracts stipulating prices on commodities and indexes are defined as financial derivatives in this context. Derivatives include swaps, forward contracts and options as well as combinations thereof, including forward rate agreements (FRAs), financial futures and agreements on the transfer of securities.

Interest rate and foreign exchange contracts are classified as part of either the trading portfolio or banking portfolio when entered into, depending on the intentions behind the individual agreement.

When financial derivatives are used to hedge securities recorded in the balance sheet, the value of the derivatives is included when stipu-

lating the securities' market value. Positions are hedged when financial instruments are linked to other identified financial instruments on the transaction date, and the maturities and prices of the instruments are closely related.

Financial derivatives included in the trading portfolio are recorded at market value. Gains and losses on financial derivatives included in the banking portfolio are amortised according to the underlying maturity and reported under the related items in the profit and loss account.

When financial derivatives are used to manage risk on balance-sheet items, due to cost factors such agreements are entered into through the business units in the banking group trading such instruments in the market. Internal transactions between the trading portfolio and the banking portfolio are valued according to principles relevant to these portfolios without eliminating internal gains and losses. See note 46.

Properties and other fixed assets

Assets generating joint cash flows are considered collectively. Future cash flows are estimated based on the market situation for comparable assets, taking account of expected price developments, growth prospects, return requirements and the duration of cash flows.

Assets are written down when there are clear indications of a decrease in value which is not expected to be temporary. Such write-downs are reversed when the reasons for writing down the assets no longer apply.

Bank buildings and other properties in the balance sheet are stated at cost adjusted for previous revaluations with the deduction of accumulated ordinary depreciation and write-downs. Properties belonging to similar categories are evaluated on a portfolio basis. When negative net future cash flows related to leases on vacated and sublet premises are identified, the net present value of the cash flow is charged to the profit and loss account.

Other ordinary operating assets have been valued according to the same principle as that applied for bank buildings and other properties.

Software

Development of software is classified as intangible assets provided that the criteria for being recorded in the balance sheet are met. Costs related to the development of software are recorded in the balance sheet when significant and the software is expected to have sustainable value. Software developed by DnB NOR which is recorded in the balance sheet is depreciated on the basis of a conservative estimate of expected life. Such software is written down if the value of expected financial benefits is lower than recorded value.

Costs for reestablishing or maintaining the financial value of IT systems and systems applications are classified as maintenance and charged to the accounts as they occur.

Software acquired in connection with the purchase of personal computers is considered collectively with the hardware.

Assets and liabilities in foreign currency

Assets and liabilities denominated in foreign currencies are recognised as financial assets and translated to NOK according to exchange rates prevailing on the balance sheet date.

ACCRUALS

Income is recorded in the profit and loss account when accrued. Costs are matched against income and charged to the accounts in the same accounting period as related income. Incurred costs related to income earned in subsequent periods are deferred. Costs which will occur in future periods concerning accrued income are charged to the profit and loss account during the same period. Future costs not related to future income are charged to the accounts when the costs are identified.

Recording of interest and fees

Interest and commissions are included in the profit and loss account when earned as income or incurred as expenses. Unrealised gains and losses on loans, deposits and borrowings arising on interest rate hedges in connection with changes in market rates, are amortised under net interest income.

Fees which represent direct payment for services rendered are recognised as income upon payment. Fees for the establishment of loan agreements in excess of the actual costs involved are amortised over the life of the loan.

Employee subscription rights programme

Issued subscription rights with no intrinsic value are not charged to the accounts. When rights are exercised, the increase in the number of shares, the share capital and the share premium reserve will be recorded directly against equity. The net present value of the employer's national insurance contributions relating to the exercise of employee subscription rights is calculated based on the assumption that the subscription rights will have economic value when exercised and that all options will be exercised. The net present value of the estimated employer's national insurance contributions will be charged to the accounts over the time to maturity according to the straight line principle. See note 8.

Premiums and discounts on bonds issued

Issued bonds are recorded in the balance sheet at their nominal value with the addition of premiums or deduction of discounts. Premiums and discounts are amortised as an adjustment to current interest expenses until final maturity of the bonds. Discounts on raising other long-term capital are treated correspondingly.

DnB NOR Bank will regularly repurchase bonds issued by itself in connection with ongoing funding activity. Gains or losses resulting from the repurchase and resale of own bonds are in this respect amortised over the remaining term of the bonds according to the straight line principle.

Provisions for restructuring measures

If restructuring plans are approved which change the scope of operations or the way operations are carried out, the need for provisions for restructuring measures will be considered. If expenses arising from the implementation of such measures are not linked to future income and the future expenses represent actual commitments on the balance sheet date, the net present value of future cash flows is charged to the accounts and recorded under liabilities in the balance sheet. The provisions are reversed when costs are incurred.

Pension expenses and pension commitments

Expenses related to accrued pension entitlements are recorded as personnel expenses in the accounts. The basis for calculating pension expenses is a linear distribution of pension entitlements measured against estimated accumulated commitments at the time of retirement. Expenses are calculated on the basis of pension entitlements earned during the year with the deduction of the return on funds assigned to pensions.

Pension commitments which are administered through life insurance companies or pension funds are matched against funds within the scheme. When total pension funds exceed estimated pension commitments on the balance sheet date, the net value is classified as an asset in the balance sheet if it has been rendered probable that the overfunding can be utilised to cover future commitments. When pension commitments exceed pension funds, the net commitments are classified under liabilities in the balance sheet. Each scheme is considered separately.

Pension commitments which are not administered through life insurance companies or pension funds are recorded as liabilities in the balance sheet.

Pension commitments represent the present value of probable future pension payments. The calculation is based on actuarial assumptions about life expectancy, rise in salaries, early retirement and other changes concerning those entitled to a pension.

Assumptions on which the calculation of pension commitments is based are reviewed annually and must be expected to change over time. Such changes may include:

- changes in pension schemes
- changes in economic parameters
- changes in actuarial assumptions
- deviations between the anticipated and actual return on pension funds

The financial effects of changes in pension schemes are amortised over the average remaining service period of the employees. The accumulated effect of other changes or deviations is amortised in the profit and loss accounts over the average remaining service period or measured against the higher of total pension commitments and pension funds at the beginning of the financial year. In cases where the effect of changes in a scheme is not amortised and total unamortised

changes and deviations exceed 10 per cent of the higher of these two figures, the excess is amortised in the profit and loss account over the average remaining service period of the employees in the scheme.

Depreciation of operating assets and intangible assets

Ordinary depreciation is based on the estimated economic life of the asset. The straight line principle is applied.

Taxation

Taxes for the year comprise payable taxes for the financial year and changes in the value of deferred taxes and deferred tax assets. Any changes in the value of deferred taxes and deferred tax assets will be shown as taxes for the year in the profit and loss account along with the tax liability for the year.

Deferred taxes are calculated on the basis of differences between the profits stated in the accounts and the profits computed for tax purposes which will be offset in the future. Evaluations are based on the balance sheet and tax position on the balance sheet date. Taxable and tax-deductible timing differences will be netted against each other within the same time interval. Deferred tax assets can be recognised as assets in the balance sheet when it is considered probable that the tax-deductible timing differences may be realised.

BUSINESS AREAS

The activities of DnB NOR, which also include DnB NOR Bank ASA, and subsidiaries are organised into five functional business areas and four staff and support units. The business areas, which include the activities of DnB NOR Bank ASA and other companies of the Group, are set up according to the customer segments served by the Group as well as the products offered independent of the Group's legal structure. Consequently, profit and loss accounts and balance sheets for the business areas are prepared only for the business areas' combined operations in the DnB NOR Group. A description of the business areas and their accounts is included in the annual report of DnB NOR ASA.

CASH FLOW STATEMENTS

The consolidated cash flow statements are structured on the basis of banking operations and reflect the main aspects of the banking group's liquidity management, with special emphasis on cash flows relating to lending and funding activities.

PRO FORMA FIGURES

The profit and loss accounts and balance sheets above, as well as the notes to the accounts below, are based on pro forma accounting figures which have been prepared as if the merger between DnB and Gjensidige NOR took place on 1 January 2002.

Note 1 – Changes in group structure

Sale of Elcon Finans AS

In the first quarter of 2004, DnB NOR Bank ASA entered into an agreement with Santander Consumer Finance on the sale of Elcon for a total of NOK 3 600 million. The sale provided a gain of NOK 946 million after deduction for transaction costs and losses.

Sale of Postbanken Eiendomsmegling AS

In June 2004, DnB NOR Bank ASA signed an agreement with Terra-Gruppen AS on the sale of the real estate brokerages Postbanken Eiendomsmegling AS and Aktiv Eiendomsmegling AS. The agreement was approved by the board of directors in Terra-Gruppen in August. The actual takeover took place 3 January 2005. As DnB NOR Bank carried the risk for and maintained control over operations up till this date, the companies' profits for 2004 were recorded in the accounts of the DnB NOR Bank Group.

Operations required sold – discontinuing operations

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

Operations in these companies will be included in DnB NOR Bank Group's accounts until a binding sales agreement has been concluded and all substantial risk has been transferred to the purchaser. The accounts of the companies to be sold are shown below as they have been included in the DnB NOR Bank Group's accounts. Operations in the 53 branch offices DnB NOR Bank was required to sell are not included in the accounts of discontinuing operations as the sale refers only to premises and equipment.

Sale of Avanse Forvaltning AS and Gjensidige NOR Kapitalforvaltning ASA

As part of the integration in connection with the DnB NOR merger, Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning have been sold from DnB NOR Bank ASA to DnB NOR Kapitalforvaltning Holding AS. Consequently, these companies are no longer consolidated in the banking group accounts. Gains of NOK 359 million were recorded on the sales in the banking group's accounts in the second quarter. In June 2004, Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning were merged with DnB NOR Kapitalforvaltning ASA.

Note 1 – Changes in group structure (continued)

Profit and loss accounts

DnB NOR Bank Group Discontinuing operations ¹⁾

| <i>Amounts in NOK million</i> | 2004 | Pro forma | Pro forma |
|---|--------------|------------|------------|
| | | 2003 | 2002 |
| Net interest income and credit commissions | 257 | 925 | 715 |
| Commissions and fees receivable on banking services | 17 | 70 | 69 |
| Commissions and fees payable on banking services | 25 | 49 | 14 |
| Net gain/(loss) on foreign exchange and financial instruments | (1) | 6 | (1) |
| Sundry ordinary operating income | 54 | 89 | 85 |
| Gains on the sale of fixed assets | 946 | 0 | 0 |
| Net other operating income | 991 | 116 | 139 |
| Salaries and other personnel expenses | 82 | 286 | 242 |
| Administrative expenses | 39 | 110 | 111 |
| Depreciation | 8 | 20 | 18 |
| Sundry ordinary operating expenses | 22 | 76 | 81 |
| Total operating expenses | 151 | 492 | 452 |
| Pre-tax operating profit before losses | 1 097 | 549 | 402 |
| Net losses on loans, guarantees, etc. | 23 | 173 | 76 |
| Pre-tax operating profit | 1 074 | 376 | 326 |
| Taxes | 290 | 109 | 93 |
| Profit for the year | 784 | 267 | 233 |

Balance sheets

DnB NOR Bank Group Discontinuing operations ¹⁾

| <i>Amounts in NOK million</i> | 31 Dec. | | |
|--|--------------|---------------|---------------|
| | 2004 | 2003 | 2002 |
| Assets | | | |
| Lending to and deposits with credit institutions | 33 | 328 | 364 |
| Gross lending to customers | 0 | 27 700 | 23 508 |
| - Specified loan-loss provisions | 0 | (114) | (65) |
| - Unspecified loan-loss provisions | 0 | (181) | (177) |
| Net lending to customers | 0 | 27 405 | 23 267 |
| Repossessed assets | 0 | 134 | 238 |
| Shareholdings etc. | 0 | 7 | 1 |
| Intangible assets | 9 | 146 | 313 |
| Fixed assets | 3 | 23 | 18 |
| Other assets | 1 140 | 296 | 44 |
| Prepayments and accrued income | 0 | 91 | 62 |
| Total assets | 1 185 | 28 430 | 24 307 |
| Liabilities and equity | | | |
| Loans and deposits from credit institutions | 0 | 24 520 | 20 857 |
| Deposits from customers | 0 | 283 | 287 |
| Other liabilities | 0 | 771 | 628 |
| Accrued expenses and prepaid revenues | 290 | 180 | 144 |
| Provisions for commitments | 7 | 20 | 16 |
| Subordinated loan capital | 0 | 350 | 350 |
| Total liabilities | 297 | 26 124 | 22 282 |
| Share capital | 20 | 1 915 | 1 640 |
| Other equity | 868 | 391 | 385 |
| Total equity | 888 | 2 306 | 2 025 |
| Total liabilities and equity | 1 185 | 28 430 | 24 307 |

1) Includes the accounts of Elcon and Postbanken Eiendomsmegling as included in the accounts of the DnB NOR Bank Group in addition to the capital gain recorded on the sale of Elcon. As at 31 December 2004, Elcon is not consolidated in the group accounts.

Note 2 – Net interest income and credit commissions

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------|---------------|---------------|---|--------------------|---------------|---------------|
| Pro forma | Pro forma | | | Pro forma | Pro forma | |
| 2002 | 2003 | 2004 | Amounts in NOK million | 2004 | 2003 | 2002 |
| 5 975 | 4 662 | 2 407 | Interest on loans to and deposits with credit institutions | 1 821 | 2 758 | 3 148 |
| 27 676 | 23 500 | 17 367 | Interest and credit commissions on instalment loans | 19 805 | 27 297 | 30 502 |
| 3 233 | 2 591 | 2 473 | Interest and credit commissions on overdraft and working capital facilities | 2 564 | 3 405 | 3 766 |
| 224 | 159 | 268 | Interest and credit commissions on building loans | 268 | 159 | 224 |
| 0 | 0 | 0 | Leasing income | 714 | 1 599 | 1 949 |
| 0 | 0 | 0 | Factoring income | 79 | 185 | 202 |
| 653 | 766 | 911 | Front-end fees, back-end fees | 1 001 | 793 | 686 |
| 134 | 118 | 206 | Interest on other loans to customers | 250 | 178 | 180 |
| 31 921 | 27 134 | 21 226 | Total interest income on loans to customers | 24 682 | 33 616 | 37 509 |
| 2 545 | 2 142 | 2 031 | Interest on commercial paper, bonds, etc. | 2 071 | 2 222 | 2 554 |
| 41 | 127 | 244 | Other interest income | 230 | 137 | 58 |
| 40 482 | 34 065 | 25 908 | Total interest income | 28 803 | 38 733 | 43 269 |
| 2 315 | 1 839 | 1 504 | Interest on loans and deposits from credit institutions | 1 794 | 2 265 | 2 431 |
| 11 823 | 8 229 | 3 335 | Interest on demand deposits from customers | 3 390 | 8 410 | 11 799 |
| 415 | 300 | 196 | Interest on time deposits from customers | 201 | 325 | 415 |
| 4 225 | 2 897 | 1 014 | Interest on special-term deposits from customers | 1 047 | 3 005 | 4 233 |
| 16 463 | 11 426 | 4 544 | Total interest expenses on deposits from customers | 4 638 | 11 740 | 16 447 |
| 4 158 | 3 749 | 4 033 | Interest on securities issued | 4 585 | 4 796 | 4 731 |
| 514 | 654 | 721 | Interest on subordinated loan capital | 725 | 661 | 517 |
| | | | Levies to the Commercial Banks' Guarantee Fund and the Savings Banks' Guarantee Fund | 269 | 499 | 471 |
| 479 | 480 | 244 | Other interest expenses | 3 417 | 4 749 | 4 553 |
| 4 517 | 4 722 | 3 233 | | | | |
| 28 446 | 22 870 | 14 280 | Total interest expenses | 15 428 | 24 710 | 29 150 |
| 12 036 | 11 196 | 11 628 | Net interest income and credit commissions | 13 376 | 14 023 | 14 119 |

Note 3 – Unrecorded interest on loans

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------|-----------|------|--|--------------------|-----------|-------|
| Pro forma | Pro forma | | | Pro forma | Pro forma | |
| 2002 | 2003 | 2004 | Amounts in NOK million | 2004 | 2003 | 2002 |
| | | | Accrued, unrecorded interest on non-performing and doubtful loans | | | |
| 889 | 911 | 992 | as at 1 January | 1 099 | 1 224 | 1 481 |
| | | | - Recorded interest on non-performing and doubtful loans accrued in previous periods ¹⁾ | 210 | 272 | 348 |
| 81 | 548 | 565 | - Identified loss of unrecorded interest accrued in previous periods ²⁾ | 605 | 698 | 159 |
| | | | + Accrued, unrecorded interest on non-performing and doubtful loans during the period ³⁾ | 613 | 829 | 350 |
| 9 | - | 14 | + Impact of transfer of portfolios from subsidiaries | - | - | - |
| (19) | (3) | (4) | + Exchange rate movements | (2) | 17 | (100) |
| | | | Accrued, unrecorded interest on non-performing and doubtful loans | | | |
| 911 | 992 | 838 | as at 31 December | 894 | 1 099 | 1 224 |

1) Included in the profit and loss accounts as a reduction in net loan losses.

2) Will result in a reduction in accrued interest recorded in the balance sheet, but no further charges provided that such interest has been reversed in previous years. Identified losses of interest accrued in previous periods in excess of previous provisions are recorded as loan losses.

3) Included in the profit and loss accounts as a reduction in net interest income.

The note shows changes in accrued interest on non-performing and doubtful commitments (see note 19 and 20) which has not been taken to income, but recorded in the balance sheet as a claim against customers set off against provisions. Changes during the year represent payments of interest accrued in previous years on such commitments, write-offs of such claims when it is highly probable that the loss is final, provisions for accrued, unrecorded interest on the commitments, along with changes in accrued interest recorded in the balance sheet due to exchange rate movements.

Note 4 – Interest rates on selected balance sheet items

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------|-------------------|------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Per cent | 2004 | Pro forma 2003 | Pro forma 2002 |
| | | | Commercial paper and bonds | | | |
| 4.30 | 3.46 | 3.05 | Trading portfolio | 3.05 | 3.46 | 3.81 |
| 4.99 | 3.74 | 3.12 | Banking portfolio | 3.68 | 4.36 | 5.68 |
| | | | Loans and deposits from credit institutions | | | |
| 7.88 | 4.98 | 1.74 | Loans and deposits with no fixed term or period of notice | 2.51 | 5.99 | 7.89 |
| 4.79 | 3.33 | 1.86 | Loans and deposits with a fixed term or period of notice | 1.90 | 3.42 | 4.88 |
| | | | Deposits from customers | | | |
| 5.01 | 3.25 | 1.10 | Deposits with no fixed term | 1.10 | 2.86 | 5.03 |
| 5.75 | 3.82 | 1.54 | Fixed-term deposits | 1.54 | 4.00 | 6.06 |
| | | | Securities issued | | | |
| 5.59 | 3.90 | 1.96 | Commercial paper issued | 1.96 | 4.12 | 5.63 |
| 5.20 | 4.22 | 2.33 | Bond debt | 2.54 | 4.54 | 5.22 |
| 4.06 | 4.04 | 6.20 | Own bonds included in the banking portfolio | 2.29 | 5.78 | 6.03 |

The average interest rate is calculated as interest in per cent of average capital.

Note 5 – Net other operating income

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------|-------------------|--------------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
| 773 | 1 354 | 979 | Dividends | 143 | 211 | 169 |
| 2 588 | 2 661 | 3 132 | Money transfer fees receivable | 3 196 | 3 069 | 3 019 |
| 143 | 117 | 163 | Fees on asset management services | 164 | 365 | 530 |
| 203 | 222 | 253 | Fees on custodial services | 253 | 222 | 203 |
| 277 | 371 | 489 | Fees on securities | 514 | 498 | 362 |
| 312 | 354 | 357 | Guarantee commissions | 389 | 378 | 327 |
| 192 | 214 | 182 | Interbank fees | 182 | 214 | 192 |
| 144 | 117 | 126 | Credit broking commissions | 126 | 117 | 144 |
| 135 | 169 | 220 | Sales commissions on insurance products | 225 | 171 | 135 |
| 560 | 670 | 625 | Sundry commissions and fees receivable on banking services | 717 | 734 | 631 |
| 4 553 | 4 896 | 5 546 | Total commissions and fees receivable on banking services | 5 764 | 5 768 | 5 542 |
| 1 105 | 1 112 | 1 126 | Money transfer fees payable | 1 136 | 1 159 | 1 221 |
| 48 | 63 | 83 | Fees on custodial services payable | 83 | 63 | 48 |
| 243 | 258 | 243 | Interbank fees | 243 | 258 | 243 |
| 401 | 464 | 483 | Sundry commissions and fees payable on banking services | 547 | 576 | 518 |
| 1 797 | 1 897 | 1 936 | Total commissions and fees payable on banking services | 2 010 | 2 057 | 2 030 |
| (336) | 118 | 46 | Net gain/(loss) on short-term shareholdings | 12 | 163 | (337) |
| 200 | 521 | 202 | Net gain on commercial paper and bonds | 210 | 523 | 200 |
| 1 205 | 1 444 | 2 869 | Net gain on trading in foreign exchange and financial derivatives ¹⁾ | 2 881 | 1 484 | 1 204 |
| 292 | 333 | 1 428 | Net loss on other short-term interest instruments ¹⁾ | 1 428 | 333 | 292 |
| 776 | 1 750 | 1 689 | Net gain on foreign exchange and financial instruments | 1 675 | 1 836 | 775 |
| 29 | 33 | 36 | Operating income on real estate | 39 | 61 | 58 |
| 64 | 66 | 173 | Rental income | 166 | 69 | 66 |
| 0 | 0 | 0 | Fees in real estate broking | 618 | 595 | 516 |
| 4 | 9 | 3 | Share of profit in associated companies | 218 | 159 | 111 |
| 24 | (17) | 1 | Remunerations | 1 | 21 | 27 |
| 284 | 253 | 437 | Miscellaneous operating income | 501 | 350 | 351 |
| 406 | 345 | 651 | Total sundry ordinary operating income | 1 541 | 1 255 | 1 130 |
| 32 | 9 | 9 | Gains on the sale of fixed assets ²⁾ | 1 298 | 23 | 264 |
| 4 743 | 6 457 | 6 937 | Net other operating income | 8 412 | 7 037 | 5 851 |

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

2) Of which NOK 946 million represented gains on the sale of Elcon, after deduction for transaction cost and value adjustments, and NOK 359 million gains on the sale of Avanse Forvaltning and Gjensidige NOR Kapitalforvaltning in 2004.

Note 6 – Net gain on foreign exchange and financial instruments

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|---|-------------------|--------------|--|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | Pro forma 2004 | Pro forma 2003 | Pro forma 2002 |
| 1 005 | 1 484 | 1 575 | Net gain on trading portfolio | 1 575 | 1 484 | 1 005 |
| (287) | 111 | 24 | Net gain/(loss) on equity investments in the banking portfolio | (10) | 156 | (287) |
| 58 | 154 | 89 | Net gain on other investments in the banking portfolio | 110 | 196 | 57 |
| 776 | 1 750 | 1 689 | Net gain on foreign exchange and financial instruments | 1 675 | 1 836 | 775 |
| Unrecorded market value above book value in the banking portfolio at end of period | | | | | | |
| 0 | 0 | 30 | Short-term shareholdings | 110 | 45 | 0 |
| 22 | 62 | 103 | Commercial paper and bonds | 104 | 57 | 12 |

Note 7 – Operating expenses

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------|-------------------|---------------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | Pro forma 2004 | Pro forma 2003 | Pro forma 2002 |
| 3 555 | 3 566 | 3 624 | Ordinary salaries | 4 305 | 4 631 | 4 386 |
| 515 | 515 | 526 | Employer's national insurance contributions | 623 | 667 | 649 |
| 380 | 537 | 578 | Pension expenses | 641 | 634 | 436 |
| 246 | 263 | 198 | Social expenses | 223 | 336 | 304 |
| 4 695 | 4 881 | 4 926 | Total salaries and other ordinary personnel expenses | 5 792 | 6 267 | 5 774 |
| 475 | 432 | 380 | Fees | 442 | 496 | 534 |
| 1 103 | 1 152 | 1 180 | EDP expenses ¹⁾ | 1 283 | 1 331 | 1 241 |
| 461 | 447 | 447 | Postage and telecommunications | 483 | 534 | 525 |
| 131 | 102 | 106 | Office supplies | 121 | 117 | 148 |
| 356 | 321 | 345 | Marketing and public relations | 409 | 435 | 466 |
| 163 | 146 | 132 | Travel expenses | 156 | 182 | 208 |
| 491 | 563 | 574 | Reimbursement to Norway Post for transactions executed ²⁾ | 574 | 563 | 491 |
| 42 | 35 | 29 | Training expenses | 38 | 45 | 53 |
| 153 | 167 | 163 | Sundry administrative expenses | 172 | 161 | 165 |
| 3 375 | 3 364 | 3 355 | Total administrative expenses | 3 678 | 3 864 | 3 831 |
| 250 | 211 | 165 | Depreciation on EDP equipments etc. | 191 | 250 | 287 |
| 164 | 166 | 223 | Goodwill amortisation | 292 | 396 | 349 |
| 173 | 178 | 185 | Depreciation on other machinery, equipment and vehicles | 219 | 225 | 203 |
| 65 | 67 | 68 | Depreciation on properties and premises | 128 | 130 | 111 |
| 12 | 12 | 12 | Other depreciation | 10 | 12 | 12 |
| 664 | 634 | 653 | Total depreciation | 839 | 1 013 | 962 |
| 698 | 646 | 771 | Rent and operating expenses on rented premises | 674 | 628 | 680 |
| 155 | 158 | 191 | Operating expenses on real estate | 233 | 218 | 199 |
| 63 | 79 | 58 | Operating expenses on machinery, vehicles and office equipment taken to expense | 75 | 102 | 81 |
| 45 | 52 | 57 | Insurance | 64 | 59 | 49 |
| 12 | 17 | 13 | Membership fees, Norwegian Financial Services Association and Savings Banks Association | 13 | 17 | 12 |
| 144 | 129 | 144 | Miscellaneous ordinary operating expenses | 224 | 329 | 407 |
| 1 116 | 1 081 | 1 234 | Total sundry ordinary operating expenses | 1 282 | 1 353 | 1 428 |
| 38 | 98 | 116 | Allocations to employee funds | 134 | 112 | 43 |
| 249 | 45 | 780 | Provisions for restructuring measures | 805 | 38 | 280 |
| 8 | 26 | 5 | Losses on the sale of fixed assets | 12 | 28 | 10 |
| 22 | 14 | 2 | Write-downs on rental contracts and fixed assets | 1 | 39 | 36 |
| 317 | 183 | 903 | Total other expenses | 952 | 217 | 369 |
| 10 168 | 10 142 | 11 072 | Total operating expenses | 12 544 | 12 715 | 12 364 |

1) These expenses concern the purchase, operation and maintenance of computers and software. The DnB NOR Bank Group's IT expenses totalled NOK 2 188, NOK 2 447 and NOK 2 341 million for 2004, 2003 and 2002 respectively, which in addition to EDP expenses include depreciation, systems development, remuneration to external consultants, as well as salaries and other operating expenses relating to the DnB NOR Bank Group's IT operations. IT expenses in DnB NOR Bank ASA totalled NOK 2 043, NOK 2 203 and NOK 2 131 million respectively.

2) Other reimbursement to Norway Post is included in "Interest expenses" and "Commissions and fees payable on banking services".

Note 8 – Remunerations etc.

Terms for the group chief executive

The group chief executive in DnB NOR ASA received an ordinary salary of NOK 3 963 000 in 2004, compared with NOK 3 202 000 in 2003. In January 2005, the Board of Directors conferred a bonus for 2004 of NOK 1 925 000 on the group chief executive for extraordinary effort. The bonus payment for 2003 was NOK 400 000. Benefits in kind were estimated at NOK 223 000, as against NOK 269 000 in 2003, and the pension premium paid during the year was NOK 120 000, compared with NOK 118 000 in 2003. The figures represent the total remuneration to the group chief executive. Costs are divided between DnB NOR Bank ASA and DnB NOR ASA. In a meeting to be held in March 2005, the Supervisory Board in DnB NOR Bank ASA will consider how much of the group chief executive's salary should be covered by the bank. The Board of Directors in DnB NOR ASA will recommend that the Supervisory Board in DnB NOR Bank ASA approve coverage of 50 per cent of the salary by the bank.

The Board of Directors of DnB NOR ASA has stipulated the annual remuneration to the group chief executive at NOK 4 200 000 as of 1 January 2005.

According to the employment contract, the group chief executive is entitled to two years' salary if employment is terminated prior to the age of 60. If, during this period, he were to receive income from other permanent employment, negotiations will be initiated to reduce the amount to be paid by DnB NOR.

Both the group chief executive and DnB NOR have the right to request his retirement with pension entitlements after he reaches the age of 60. During the first year, the pension will represent 100 per cent of the salary at the time of retirement, which will be reduced by an amount corresponding to 10 percentage points the first three years until the pension constitutes 70 per cent for the fourth and consecutive years. The pension, which will be covered through DnB NOR's operations, will be coordinated with pension entitlements from previous employers and be adjusted annually in line with the consumer price index. Costs for DnB NOR in connection with the group chief executive's pension scheme were NOK 3 097 000 for the 2004 accounting year.

The group chief executive has subscribed for 6 667 subscription rights under the general subscription rights programme for all former DnB employees. See more detailed description of the programme below.

Terms for the chairman of the Board of Directors

Olav Hytta has been chairman of the Board of Directors in DnB NOR Bank ASA since the merger came into effect on 21 January 2004. As chairman of the Board of Directors in DnB NOR Bank ASA, he received a total remuneration of NOK 283 000 in 2004. Benefits in kind from the DnB NOR Bank Group were estimated at NOK 31 000.

In addition, Hytta received remuneration for other board positions within the Group. In 2004 he received NOK 425 000 as chairman of the Board of Directors in DnB NOR ASA and NOK 200 000 as vice-chairman in Vital Forsikring ASA. Hytta resigned as chief executive officer in December 2003 and became officially retired on 1 January 2004, with an annual pension of NOK 1 700 000, corresponding to 70 per cent of his annual salary. In accordance with the merger agreement, for up to 24 months from the date of the merger Hytta is entitled to remuneration terms at least on a par with what he received as group chief executive. The sum of ordinary directors' fees and pension payments implies compliance with this agreement.

Terms relating to other senior executives

Group executive vice president Ottar Ertzeid, head of DnB NOR Markets, has a performance-based salary including both fixed and variable payments. Ertzeid's salary depends on results achieved by the business area and on long-term performance.

The Board of Directors in DnB NOR ASA has approved the following guidelines for remuneration to senior executives:

"The group chief executive determines the remuneration to his management group. The remuneration should ensure that the DnB NOR Group attracts and retains people with the preferred competencies and experience. Remuneration can comprise a fixed salary and bonus payments. Pension schemes and any agreements on severance pay etc. shall be seen in connection with other remuneration and be drawn up to ensure competitive terms. The various components in remuneration, pension schemes and severance pay, either alone or together, must not be such that they could be detrimental to DnB NOR's reputation. The group chief executive must consult the chairman of the Board of Directors before making a decision."

Remuneration to the group management team excluding the group chief executive totalled NOK 22 563 000.

Remuneration to elected representatives

| <i>Amounts in NOK 1 000</i> | DnB NOR Bank ASA | | |
|--|-------------------------|-------------------|-------------------|
| | 2004 | Pro forma 2003 | Pro forma 2002 |
| Remuneration to the Board of Directors | 1 544 | 2 413 | 2 873 |
| Remuneration to the Supervisory Board | 325 | 763 | 726 |
| Remuneration to the Control Committee | 693 | 932 | 539 |

Subscription rights programme for employees

In 2000, the Annual General Meeting of DnB Holding ASA decided to establish a general subscription rights programme giving all DnB Group employees the right to purchase shares in the company. The scheme will be continued in DnB NOR. The scheme gives employees the right to subscribe for a specified number of shares in the holding company during the period 2003 to 2005 corresponding to one-third of the awarded rights for each year at a price of NOK 32.83 per share. Subscription rights were granted on the basis of the pensionable salary of the individual employee, ranging from 2 000 to 20 000 subscription rights. Each subscription right entitles the subscriber to demand the issue of one share. The subscription rights cannot be transferred and will be cancelled upon termination of employment. At year-end 2004, a total of 11 734 684 subscription rights were registered under the scheme.

The rights can only be exercised if the return on the share is as good as or better than the return on a share index consisting of Nordic financial institutions. This requirement was met in both 2003, 2004 and 2005. The final period for exercising subscription rights is from 1 March to 15 March 2005.

The Annual General Meeting of Gjensidige NOR ASA decided in 2002 to give employees in the Group 250 subscription rights on shares in the company at a price of NOK 248.92 per share. Up to half of the subscription rights could be exercised during the period 1 through 15 October 2003 and the remainder during the period 1 through 15 October 2004. In October 2003, a total of 3 006 subscription rights were exercised. Upon the establishment of DnB NOR ASA, it was necessary to convert the number of subscription rights and the exercise price for shares in the new company. In October 2004, 5 181 408 subscription rights were exercised to subscribe for shares at the price of 27.95 per share. At year-end 2004, there were no remaining subscription rights under this programme.

Note 8 – Remunerations etc. (continued)**Loan facilities to employees and elected representatives as at 31 December 2004***Amounts in NOK 1 000*

Lending

Employees in DnB NOR Bank ASA

| | |
|---|-----------|
| Senior employees | |
| Svein Aaser, CEO | 56 |
| Tom Grøndahl, deputy CEO | 747 |
| Ottar Ertzeid, group executive vice president | 1 |
| Helge Forfang, group executive vice president | 2 567 |
| Harald Jægtnes, group executive vice president, Group Audit | 1 368 |
| Bente A. Landsnes, group executive vice president | 1 471 |
| Evlyn Raknerud, group executive vice president | 0 |
| Åsmund Skår, group executive vice president | 2 460 |
| Leif Teksum, group executive vice president | 2 630 |
| Employees, total | 7 365 000 |

Elected representatives in DnB NOR Bank ASA

| | |
|--|---------|
| Board of Directors | |
| Olav Hytta, chairman | 55 |
| Bent Pedersen, vice-chairman | 0 |
| Per Hoffmann | 758 |
| Sten Sture Larre | 0 |
| Torill Rambjør | 500 |
| Ingjerd Skjeldrum | 142 |
| Marit Wiig | 0 |
| Svein Aaser | 56 |
| Supervisory Board | |
| Harald Norvik, chairman | 1 158 |
| Total members of the Supervisory Board | 148 549 |
| Control Committee, total | 992 |

Loans to shareholder-elected representatives as well as their family members and close associates are extended on ordinary customer terms. Loans to DnB NOR Bank employees are extended on special terms, which are close to ordinary customer terms.

| DnB NOR Bank ASA | | | Remuneration to the statutory auditor | DnB NOR Bank Group | | |
|-------------------|-------------------|-------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | | 2004 | Pro forma 2003 | Pro forma 2002 |
| | | | <i>Amounts in NOK 1 000</i> | | | |
| | | | Auditor's remuneration | | | |
| 4 230 | 3 004 | 2 400 | Audit of operations in Norway | 3 890 | 5 255 | 6 638 |
| 363 | 400 | 275 | Audit of international operations | 859 | 819 | 1 524 |
| | | | Other audit-related remuneration | | | |
| 6 025 | 1 214 | 890 | Operations in Norway | 1 201 | 1 384 | 6 050 |
| 151 | 162 | 15 | International operations | 15 | 162 | 151 |
| | | | Remunerations for tax advice | | | |
| 0 | 0 | 0 | Operations in Norway | 139 | 191 | 0 |
| 61 | 38 | 187 | International operations | 187 | 38 | 150 |
| | | | Other remuneration | | | |
| 681 | 764 | 0 | Operations in Norway | 0 | 1 567 | 2 132 |
| 130 | 0 | 291 | International operations | 291 | 92 | 699 |
| 11 641 | 5 582 | 4 058 | Total remuneration to the statutory auditor | 6 582 | 9 508 | 17 344 |

Note 9 – Pensions

With effect from 1 January 2004, a joint, defined benefit occupational pension scheme was established for all employees in the DnB NOR Bank Group in the form of a group pension scheme funded by Vital Forsikring. Pension benefits include retirement pensions, disability pensions and pensions for spouses and dependent children, which supplement benefits from the National Insurance Scheme. Full pension entitlements require 30 years of pensionable service and give the right to a retirement pension corresponding to the difference between 70 per cent of the employee's salary and estimated benefits from the National Insurance Scheme. The pension scheme is in compliance with the Act on Occupational Pensions and replaces corresponding schemes in the former Gjensidige NOR and individual companies in the former DnB. In addition to this scheme, around 900 employees in the former Postbanken are covered by a group pension plan in the Norwegian Public Service Pension Fund.

The banking group also has commitments relating to salaries exceeding the National Insurance Scheme's base rate and early retirement agreements. With few exceptions, companies in the banking group have adopted the contractual pension (CPA) scheme for the banking and financial services industry. In addition, an agreement on contractual pensions according to public-sector rules has been entered into with respect to employees who are members of the Public Service Pension Fund. Provisions have thus been made in the accounts to cover anticipated future CPA acceptance.

Commitments relating to salaries exceeding the National Insurance Scheme's base rate are funded through the individual companies' operations with respect to employees from the former DnB. In the former Gjensidige NOR, commitments relating to salaries exceeding the National Insurance Scheme's base rate, and in general also early retirement entitlements, are organised as group pension insurance schemes funded by Vital Forsikring. Upon retirement under a contractual pension agreement, employees continue as members of the group pension scheme, earning benefits up till ordinary retirement age. Under other forms of early retirement, employees resign from the company pension plans but are, upon reaching the ordinary retirement age, compensated for the reduction in benefits earned. Work is currently under way to coordinate these pension schemes of the DnB NOR Bank Group. The coordination is expected to be completed in the course of 2005.

Subsidiaries and branches outside Norway have separate schemes for their employees.

Economic assumptions applied in calculating pension expenses and commitments:

| Per cent | Commitments | | Expenses | |
|-----------------------------------|--------------|--------------|----------|------|
| | 31 Dec. 2004 | 31 Dec. 2003 | 2004 | 2003 |
| Discount rate | 4.7 | 6.0 | 6.0 | 6.0 |
| Anticipated return | 5.7 | 7.0 | 7.0 | 7.0 |
| Anticipated rise in salaries | 3.5 | 3.5 | 3.5 | 3.5 |
| Anticipated increase in base rate | 3.0 | 3.0 | 3.0 | 3.0 |
| Anticipated rise in pensions | 2.5 | 3.0 | 3.0 | 3.0 |
| Anticipated CPA acceptance | 40.0 | 40.0 | 40.0 | 40.0 |

The economic assumptions have a long-term perspective.

| DnB NOR Bank ASA | | | Pension expenses | DnB NOR Bank Group | | |
|------------------|-----------|------|--|--------------------|-----------|-------|
| Pro forma | Pro forma | | | Pro forma | Pro forma | |
| 2002 | 2003 | 2004 | Amounts in NOK million | 2004 | 2003 | 2002 |
| 225 | 322 | 383 | Net present value of pension entitlements - regular pensions | 433 | 386 | 272 |
| 43 | 32 | 38 | Net present value of pension entitlements - CPAs | 41 | 38 | 46 |
| 460 | 476 | 501 | Interest expenses on pension commitments | 531 | 525 | 494 |
| 238 | 530 | 450 | Return on pension funds | 477 | 579 | 263 |
| 490 | 300 | 471 | Pension expenses | 529 | 370 | 549 |
| 17 | 16 | 17 | Amortisation of changes in pension schemes | 17 | 20 | 17 |
| (127) | 221 | 90 | Amortisation of losses not recorded in the accounts | 94 | 244 | (130) |
| 380 | 537 | 578 | Net pension expenses ^{*)} | 641 | 634 | 436 |
| 193 | 416 | 413 | *) Of which: Funded schemes | 472 | 455 | 240 |
| 186 | 120 | 166 | Unfunded schemes | 168 | 179 | 195 |

Note 9 – Pensions (continued)

| DnB NOR Bank ASA | | | Pension commitments | DnB NOR Bank Group | | |
|------------------------------|------------------------------|-----------------|---|------------------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 5 910 | 7 025 | 8 001 | <i>Amounts in NOK million</i> | 8 426 | 7 715 | 6 357 |
| 802 | 678 | 928 | Accrued pension commitments - regular pensions | 962 | 747 | 825 |
| 1 231 | 1 102 | 2 118 | Accrued pension commitments - CPAs | 2 320 | 1 265 | 1 333 |
| 7 943 | 8 805 | 11 047 | Estimated effect of future salary adjustments | 11 708 | 9 727 | 8 515 |
| 5 879 | 6 684 | 7 471 | Estimated pension commitments | 7 889 | 7 584 | 6 376 |
| 2 064 | 1 920 | 3 577 | Value of pension funds | 3 819 | 2 144 | 2 140 |
| (188) | (173) | (156) | Net pension commitments | (329) | (220) | (200) |
| (1 033) | (1 279) | (2 961) | Changes in pension schemes not recorded in the accounts | (2 969) | (1 431) | (1 088) |
| 843 | 468 | 460 | Losses not recorded in the accounts | 521 | 493 | 852 |
| | | | Net recorded pension commitments *) | | | |
| 557 | 887 | 1 108 | *) Of which: Net overfunding in funded schemes | 1 081 | 953 | 585 |
| 1 400 | 1 355 | 1 568 | Commitments in unfunded schemes | 1 602 | 1 399 | 1 438 |

Pension schemes for the banking group based on investment funds were overfunded by NOK 1 174 million and underfunded by NOK 93 million respectively as at 31 December 2004. Pension commitments which are not financed through investment funds and where future pension payments are funded through the bank's operations amounted to NOK 1 602 million as at 31 December 2004.

| 31 Dec. 2002 | 31 Dec. 2003 | 31 Dec. 2004 | | 31 Dec. 2004 | 31 Dec. 2003 | 31 Dec. 2002 |
|-----------------|-----------------|-----------------|--|-----------------|-----------------|-----------------|
| 13 779 | 13 679 | 12 989 | Number of persons covered by pension schemes | 14 299 | 15 767 | 15 498 |

Note 10 – Number of employees/full-time positions ^{1) 2)}

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------|-------------------|-------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | | 2004 | Pro forma 2003 | Pro forma 2002 |
| 8 592 | 8 136 | 7 812 | Number of employees as at 31 December | 9 050 | 10 318 | 10 858 |
| 8 017 | 7 703 | 7 498 | Number of employees calculated on a full-time basis as at 31 December | 8 693 | 9 765 | 10 175 |
| 8 736 | 8 328 | 8 080 | Average number of employees | 9 438 | 10 431 | 10 812 |
| 8 149 | 7 865 | 7 728 | Average number of employees calculated on a full-time basis | 9 041 | 9 892 | 9 872 |

1) Nordlandsbanken was acquired as of 1 January 2003 with 402 employees and 382 full-time positions.

2) Pro forma figures for 2003 and 2002 include Elcon. The company was sold on 30 March 2004 with 464 employees, representing 441 full-time positions. 205 positions from the former joint ventures Gjensidige NOR Driftspartner and Gjensidige NOR Markedsstøtte are included as of 1 January 2004.

Note 11 – Restructuring provisions

| <i>Amounts in NOK million</i> | 31 Dec. 2004 | Expenses 2004 | New provisions 2004 ¹⁾ | DnB NOR Bank Group | |
|---------------------------------|-----------------|------------------|---|------------------------------|------------------------------|
| | | | | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| DnB NOR Bank ASA *) | 710 | 734 | 780 | 664 | |
| Other restructuring provisions | 0 | 29 | 0 | 29 | 158 |
| Total DnB NOR Bank ASA | 710 | 763 | 780 | 693 | 158 |
| Acquisition of Nordlandsbanken | 14 | 4 | 0 | 18 | |
| DnB NOR merger | 52 | 15 | 25 | 68 | |
| Total DnB NOR Bank Group | 776 | 782 | 805 | 778 | 158 |
| *) Of which: IT | | 238 | | | |
| Staff cuts | | 406 | | | |
| Real estate | | 54 | | | |
| Other | | 35 | | | |

1) Representing 50 per cent of total restructuring provisions in the DnB NOR merger and included in the acquisition cost.

Note 12 – Net losses on loans, guarantees etc.

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|--|-------------------|-----------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
| Specification of net losses/(reversals) | | | | | | |
| 373 | 544 | 571 | Write-offs ^{a)} | 507 | 725 | 461 |
| 210 | 116 | 250 | Increase in specified loan-loss provisions ^{b)} | 378 | 288 | 283 |
| 906 | 1 204 | 361 | New specified loan-loss provisions ^{c)} | 518 | 1 657 | 1 076 |
| 1 488 | 1 864 | 1 182 | Total new specified provisions | 1 403 | 2 671 | 1 820 |
| 197 | 306 | 828 | Reassessed specified provisions ^{d)} | 924 | 509 | 371 |
| 1 291 | 1 558 | 354 | Total specified provisions | 479 | 2 162 | 1 449 |
| 238 | 183 | 275 | Recoveries on commitments previously written off ^{e)} | 312 | 276 | 425 |
| 2 | 0 | 0 | Change in unspecified provisions ^{f)} | 0 | 5 | 0 |
| 1 055 | 1 376 | 79 | Net losses on loans, guarantees etc. | 167 | 1 891 | 1 023 |
| 35 | (13) | 7 | Of which net losses/(reversals) on guarantees | 15 | (7) | 35 |
| 777 | 1 316 | 530 | Total gross losses for the 20 largest loss-exposed commitments | 558 | 1 380 | 777 |
| Specification of changes | | | | | | |
| 506 | 450 | (801) | Increase in specified provisions during the period ^{b) and c) minus d) and g)} | (865) | 773 | 343 |
| 2 | 0 | 0 | + Change in unspecified provisions for the period ^{f)} | 0 | 5 | 0 |
| 413 | 565 | 584 | + Write-offs covered by specified provisions made in previous years ^{g)} | 837 | 664 | 644 |
| 373 | 543 | 571 | + Write-offs not covered by specified provisions made in previous years ^{a)} | 507 | 725 | 461 |
| 238 | 183 | 275 | - Recoveries on commitments previously written off ^{e)} | 312 | 276 | 425 |
| 1 055 | 1 376 | 79 | Net losses on loans, guarantees etc. | 167 | 1 891 | 1 023 |

a)-e) Show connections and links between the items.

a) and e) Losses on commitments taken over from Elcon have been charged to the accounts of DnB NOR ASA, but netted against gains on the sale of Elcon in the accounts of the banking group and the consolidated accounts of the DnB NOR Group.

Note 13 – Net losses on loans, guarantees etc. for principal sectors

| Amounts in NOK million | 2004 | | | | DnB NOR Bank ASA Pro forma 2003 | | | |
|---|--|---------------------------------------|---|--|--|---------------------------------------|---|--|
| | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees |
| Retail customers | 347 | 93 | 189 | 65 | 294 | 15 | 159 | 119 |
| International shipping | 3 | 8 | 6 | (11) | 12 | 28 | 1 | (17) |
| Real estate | 38 | 31 | 4 | 3 | 100 | 42 | 12 | 46 |
| Manufacturing | 108 | 269 | 1 | (162) | 351 | 62 | 1 | 289 |
| Services | 119 | 342 | 25 | (247) | 304 | 75 | 7 | 222 |
| Trade | 67 | 31 | 2 | 34 | 117 | 22 | 2 | 93 |
| Oil and gas | 0 | 21 | 22 | (43) | 4 | 6 | 0 | (2) |
| Transportation and communication | 3 | 0 | 1 | 2 | 28 | 8 | 0 | 20 |
| Building and construction | 60 | 16 | 0 | 44 | 183 | 17 | 1 | 165 |
| Power and water supply | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fishing | 153 | 10 | 2 | 141 | 108 | 14 | 1 | 94 |
| Hotels and restaurants | 17 | 0 | 1 | 16 | 22 | 4 | 0 | 18 |
| Agriculture and forestry | 1 | 0 | 0 | 1 | 5 | 1 | 0 | 4 |
| Other sectors | 127 | 7 | 22 | 98 | 3 | 12 | 0 | (9) |
| Total customers | 1 045 | 828 | 275 | (58) | 1 531 | 306 | 183 | 1 042 |
| Credit institutions | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Repossessed assets | 135 | 0 | 0 | 135 | 333 | 0 | 0 | 333 |
| Change in unspecified provisions | | | | 0 | | | | 0 |
| Total losses/reversals on loans, guarantees etc. | 1 182 | 828 | 275 | 79 | 1 864 | 306 | 183 | 1 376 |

Note 13 – Net losses on loans, guarantees, etc. for principal sectors (continued)

| DnB NOR Bank ASA | | | | |
|---|--|---------------------------------------|---|--|
| Pro forma 2002 | | | | |
| <i>Amounts in NOK million</i> | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees |
| Retail customers | 367 | 23 | 165 | 180 |
| International shipping | 6 | 2 | 7 | (3) |
| Real estate | 203 | 26 | 3 | 173 |
| Manufacturing | 251 | 42 | 4 | 205 |
| Services | 270 | 26 | 16 | 228 |
| Trade | 149 | 45 | 8 | 96 |
| Oil and gas | 0 | 10 | 31 | (41) |
| Transportation and communication | 10 | 4 | 1 | 6 |
| Building and construction | 22 | 3 | 1 | 18 |
| Power and water supply | 0 | 1 | 1 | (2) |
| Fishing | 66 | 4 | 2 | 60 |
| Hotels and restaurants | 8 | 5 | 0 | 3 |
| Agriculture and forestry | 32 | 1 | 0 | 30 |
| Other sectors | 9 | 4 | 0 | 4 |
| Total customers | 1 393 | 197 | 238 | 957 |
| Credit institutions | 0 | 0 | 0 | 0 |
| Reposessed assets | 95 | 0 | 0 | 95 |
| Change in unspecified provisions | | | | 2 |
| Total losses/reversals on loans, guarantees etc. | 1 488 | 197 | 238 | 1 055 |

| DnB NOR Bank Group | | | | | | | | |
|---|--|---------------------------------------|---|--|--|---------------------------------------|---|--|
| 2004 | | | | | Pro forma 2003 | | | |
| <i>Amounts in NOK million</i> | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees |
| Retail customers | 359 | 100 | 202 | 57 | 537 | 74 | 192 | 271 |
| International shipping | 9 | 17 | 38 | (46) | 21 | 53 | 28 | (60) |
| Real estate | 83 | 65 | 11 | 7 | 158 | 76 | 14 | 67 |
| Manufacturing | 173 | 271 | 3 | (101) | 414 | 70 | 2 | 342 |
| Services | 157 | 349 | 23 | (215) | 443 | 103 | 20 | 319 |
| Trade | 100 | 46 | 3 | 51 | 173 | 27 | 5 | 141 |
| Oil and gas | 0 | 21 | 22 | (43) | 6 | 6 | 4 | (3) |
| Transportation and communication | 31 | 4 | 2 | 25 | 80 | 9 | 3 | 69 |
| Building and construction | 88 | 25 | 1 | 62 | 176 | 18 | 2 | 156 |
| Power and water supply | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fishing | 196 | 15 | 2 | 179 | 187 | 55 | 4 | 128 |
| Hotels and restaurants | 26 | 5 | 1 | 20 | 42 | 5 | 0 | 38 |
| Agriculture and forestry | 12 | 0 | 1 | 11 | 13 | 2 | 1 | 11 |
| Other sectors | 27 | 6 | 3 | 18 | 30 | 12 | 1 | 17 |
| Total customers | 1 261 | 924 | 312 | 25 | 2 280 | 509 | 276 | 1 495 |
| Credit institutions | 7 | 0 | 0 | 7 | 5 | 0 | 0 | 5 |
| Reposessed assets | 135 | 0 | 0 | 135 | 385 | 0 | 0 | 385 |
| Change in unspecified provisions | | | | 0 | | | | 5 |
| Total losses/reversals on loans, guarantees etc. | 1 403 | 924 | 312 | 167 | 2 671 | 509 | 276 | 1 891 |

Note 13 – Net losses on loans, guarantees, etc. for principal sectors (continued)

| <i>Amounts in NOK million</i> | DnB NOR Bank Group | | | |
|--|--|---------------------------------------|---|--|
| | Pro forma 2002 | | | |
| | New specified provisions ¹⁾ | Reassessed specified provisions | Recoveries on commitments previously written off | Net losses/ (reversals) on loans and guarantees |
| Retail customers | 512 | 37 | 251 | 224 |
| International shipping | 10 | 98 | 21 | (110) |
| Real estate | 225 | 36 | 5 | 183 |
| Manufacturing | 315 | 58 | 21 | 236 |
| Services | 307 | 30 | 42 | 235 |
| Trade | 177 | 52 | 20 | 105 |
| Oil and gas | 0 | 33 | 32 | (65) |
| Transportation and communication | 37 | 6 | 16 | 15 |
| Building and construction | 25 | 3 | 6 | 15 |
| Power and water supply | 0 | 1 | 1 | (3) |
| Fishing | 66 | 4 | 3 | 59 |
| Hotels and restaurants | 8 | 5 | 1 | 3 |
| Agriculture and forestry | 38 | 3 | 2 | 32 |
| Other sectors | 7 | 4 | 4 | (1) |
| Total customers | 1 725 | 371 | 425 | 929 |
| Credit institutions | 0 | 0 | 0 | 0 |
| Repossessed assets | 95 | 0 | 0 | 95 |
| Change in unspecified provisions | | | | 0 |
| Total losses/reversals on loans, guarantees, etc. | 1 820 | 371 | 425 | 1 023 |

1) New specified provisions include direct write-offs, increases in specified loan-loss provisions and new specified loan-loss provisions.

The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway. Customers are classified according to their main line of business. Losses are specified in accordance with note 12.

Note 14 – Net gains/(losses) on long-term securities

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------------|------------------|---------------------|---|---------------------------|-------------------|-------------------|
| Proforma 2002 | Proforma 2003 | 2004 | <i>Amounts in NOK million</i> | 2004 | Pro forma 2003 | Pro forma 2002 |
| | | | Gains | | | |
| 0 | 0 | 4 | Bankpower | 4 | 0 | 0 |
| 0 | 0 | 7 | BBS | 7 | 0 | 0 |
| 0 | 0 | 0 | Bolig- og Næringsbanken | 0 | 22 | 0 |
| 0 | 0 | 53 | Eksporthfinans | 1 | 0 | 0 |
| 176 | (1) | 0 | Europay Norge | 0 | (1) | 176 |
| 0 | 0 | 3 | Norsk Tillitsmann | 3 | 0 | 0 |
| 226 | 0 | 1 425 ¹⁾ | Subsidiaries | 0 | 0 | 0 |
| 1 | 2 | 1 | Other | 6 | 13 | 1 |
| | | | Losses | | | |
| 0 | 0 | 48 | Subsidiaries | 0 | 0 | 0 |
| 1 | 0 | 0 | Other | 0 | 0 | 1 |
| | | | Write-downs | | | |
| 468 | (209) | (89) | Storebrand | (89) | (209) | 468 |
| 19 | 0 | 0 | Nordlandsbanken | 0 | 0 | 19 |
| 0 | 12 | 0 | NOS | 0 | 12 | 0 |
| 117 | (7) | 0 | Subsidiaries | 0 | 0 | 0 |
| 0 | 7 | 3 | Other | 3 | 7 | 5 |
| (202) | 198 | 1 535 | Net gains/(losses) on long-term securities | 106 | 224 | (317) |

1) Of which NOK 1 422 million represents gains on the sale of Elcon.

Note 15 – Taxes

In consequence of permanent differences between the accounts and the tax base according to Norwegian rules, DnB NOR Bank ASA has regularly shown a tax charge relative to pre-tax operating profits which has been lower than the ordinary tax rate for Norwegian companies. The relatively low tax level has been partly attributable to the fact that dividends received on investments in shares and capital gains on the sale of shares are tax-exempt. Further, there have been no taxes on income in certain international units as the units have had tax-deductible timing differences against which such income has been netted. These differences are not included in the basis for calculating deferred taxes. It has been necessary to make a corresponding adjustment when calculating the bank's tax charge.

In 2004, the tax exemption model was introduced for limited companies' share income. This implies that corporate shareholders are exempted from tax on dividends and capital gains on the sale of shares. At the same time, the right to deduct losses on shares has been abolished. The tax exemption model applies to dividends received on 1 January 2004 or later and gains and losses realised on 26 March 2004 or later. In consequence of the introduction of the tax exemption model, all unrealised timing differences concerning shares were eliminated at year-end 2004. Such timing differences referred primarily to previous write-downs for accounting purposes which were not tax-deductible. This resulted in a tax charge of NOK 82 million for the banking group and NOK 124 million for the bank.

| DnB NOR Bank ASA | | | Taxes | DnB NOR Bank Group | | |
|-------------------|-------------------|--------------|---|--------------------|-------------------|-------------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
| 2 111 | 1 441 | 2 384 | Norway | 2 399 | 460 | 1 761 |
| 22 | 30 | 44 | Abroad | 104 | 98 | 85 |
| 2 133 | 1 471 | 2 428 | Total payable taxes | 2 503 | 558 | 1 846 |
| (609) | 182 | (194) | Deferred taxes | (188) | 430 | (794) |
| 0 | 0 | 124 | Changes in deferred taxes due to transition to the tax exemption model | 82 | 0 | 0 |
| 0 | 0 | 0 | Changes in deferred taxes resulting from the acquisition of companies | 0 | 329 | 29 |
| 0 | 0 | 0 | Taxes on group contributions to/from subsidiaries consolidated according to the equity method | 0 | 578 | 651 |
| 0 | (180) | 0 | Effect of debt interest distribution in previous years | 0 | (180) | 0 |
| 1 524 | 1 473 | 2 358 | Total taxes | 2 397 | 1 715 | 1 732 |

Balancing tax charges against pre-tax operating profit

| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
|-------------------|-------------------|-------|--|-------|-------------------|-------------------|
| 5 355 | 6 333 | 8 950 | Operating profit before losses | 9 183 | 6 677 | 6 265 |
| 1 499 | 1 773 | 2 506 | Estimated income tax - nominal tax rate (28 per cent) | 2 571 | 1 870 | 1 754 |
| (42) | (37) | (56) | Tax effect of income taxable abroad | (105) | (132) | (183) |
| 20 | (25) | (260) | Tax effect of permanent differences | (255) | 78 | 52 |
| 0 | 0 | 124 | Tax effect of transition to the tax exemption model | 82 | 0 | 0 |
| 0 | (113) | 0 | Tax assets in discontinued operations | 0 | (44) | 0 |
| 22 | 30 | 44 | Taxes payable abroad | 104 | 98 | 85 |
| 24 | 25 | 0 | Inadequate tax provisions in previous year | 0 | 25 | 23 |
| 0 | (180) | 0 | Effect of debt interest distribution in previous years | 0 | (180) | 0 |
| 1 524 | 1 473 | 2 358 | Total taxes | 2 397 | 1 715 | 1 732 |
| 28 % | 23 % | 26 % | Effective tax rate | 26 % | 26 % | 28 % |

Tax base

| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
|-------------------|-------------------|--------------|-----------------------------------|--------------|-------------------|-------------------|
| 5 355 | 6 333 | 8 950 | Operating profit | 9 183 | 6 677 | 6 265 |
| (149) | (133) | (202) | Reversal of income taxable abroad | (375) | (467) | (632) |
| 72 | (85) | (928) | Permanent differences | (910) | 279 | 189 |

Changes in timing differences and tax losses carried forward

| Pro forma 2002 | Pro forma 2003 | 2004 | Amounts in NOK million | 2004 | Pro forma 2003 | Pro forma 2002 |
|-------------------|-------------------|-------|---|-------|-------------------|-------------------|
| 2 173 | (1 062) | 695 | Timing differences | 670 | (1 609) | 2 804 |
| 0 | 0 | 0 | Changes in timing differences due to the acquisition of operations | 0 | (1 177) | 0 |
| 0 | 0 | 0 | Use of losses carried forward | 0 | (96) | (128) |
| 0 | 0 | 0 | Use of losses carried forward in subsidiaries consolidated according to the equity method | 0 | (2 064) | (2 325) |
| 7 451 | 5 053 | 8 515 | Tax base for the year - Norwegian operations | 8 568 | 1 543 | 6 173 |

Note 15 – Taxes (continued)

| DnB NOR Bank ASA | | | Elements in the calculation of deferred taxes | DnB NOR Bank Group | | |
|------------------------------|------------------------------|-----------------|--|------------------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| | | | <i>Amounts in NOK million</i> | | | |
| | | | Taxable timing differences | | | |
| 1 | 0 | 0 | Fixed assets | 594 | 713 | 697 |
| 255 | 214 | 192 | Market values above book values - merger with Postbanken | 192 | 214 | 255 |
| 630 | 962 | 1 123 | Prepaid pension entitlements | 1 163 | 1 010 | 613 |
| 0 | 28 | 0 | Financial instruments ¹⁾ | 0 | 28 | 0 |
| 324 | 333 | 254 | Other taxable timing differences | 384 | 719 | 764 |
| 1 210 | 1 537 | 1 569 | Total taxable timing differences | 2 333 | 2 684 | 2 329 |
| | | | Tax-deductible timing differences | | | |
| 1 527 | 1 422 | 453 | Fixed assets | 558 | 1 707 | 1 908 |
| 1 359 | 1 438 | 1 540 | Accrued pension commitments | 1 641 | 1 515 | 1 427 |
| 191 | 0 | 966 | Financial instruments ¹⁾ | 966 | 0 | 176 |
| 1 296 | 1 188 | 1 336 | Other tax-deductible timing differences | 1 509 | 1 605 | 2 395 |
| 4 373 | 4 048 | 4 295 | Total tax-deductible timing differences | 4 674 | 4 827 | 5 906 |
| 0 | 0 | 0 | Losses carried forward and tax allowance for dividends ²⁾ | 3 | 3 | 116 |
| 4 373 | 4 048 | 4 295 | Tax-deductible timing differences including losses carried forward | 4 677 | 4 830 | 6 022 |
| (164) | (164) | (164) | Of which differences that cannot be offset ³⁾ | (164) | (164) | (164) |
| 4 209 | 3 884 | 4 131 | Tax-deductible timing differences to be offset | 4 513 | 4 666 | 5 858 |
| (2 999) | (2 347) | (2 562) | Calculation base for deferred taxes | (2 180) | (1 982) | (3 529) |
| 839 | 658 | 717 | Deferred tax assets | 611 | 556 | 988 |

1) In the financial accounts, financial instruments are recorded at market value, while in the tax assessment, they are recorded at realisation value. The same applies to balance sheet transactions which are linked to forward contracts through swap agreements.

2) Tax allowance for dividends received, converted to tax-deductible timing differences.

3) Concerns mainly tax-deductible differences and losses carried forward in the international units which do not reduce the Norwegian tax base.

Note 16 – Assets

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------------------|------------------------------|-----------------|---|--------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 22 940 | 8 223 | 8 286 | Cash and deposits with central banks | 8 780 | 8 565 | 22 941 |
| 6 877 | 7 627 | 8 449 | Lending to and deposits with credit institutions with no fixed term or period of notice | 5 136 | 6 794 | 7 784 |
| 69 069 | 84 898 | 46 500 | Lending to and deposits with credit institutions with a fixed term or period of notice | 16 469 | 21 268 | 18 603 |
| (2) | (2) | (2) | Specified loan-loss provisions | (2) | (2) | (2) |
| 75 944 | 92 523 | 54 947 | Lending to and deposits with credit institutions | 21 604 | 28 060 | 26 385 |
| 397 356 | 445 007 | 489 416 | Instalment loans | 535 641 | 508 958 | 437 332 |
| 29 176 | 26 223 | 30 517 | Overdraft and working capital facilities | 31 663 | 32 268 | 33 504 |
| 5 546 | 5 000 | 5 700 | Building and construction loans | 6 039 | 5 410 | 5 546 |
| 0 | 0 | 0 | Finance leases | 9 649 | 24 861 | 22 256 |
| 0 | 0 | 0 | Factoring receivables | 568 | 946 | 616 |
| 0 | 0 | 0 | Factoring loans | 625 | 1 449 | 1 468 |
| 63 | 54 | 12 | Other loans | 46 | 81 | 84 |
| 432 141 | 476 283 | 525 645 | Gross lending to customers | 584 230 | 573 973 | 500 807 |
| (2 325) | (3 181) | (2 494) | Specified loan-loss provisions | (3 255) | (4 329) | (2 884) |
| (3 144) | (3 147) | (3 230) | Unspecified loan-loss provisions | (3 534) | (3 714) | (3 501) |
| 426 672 | 469 955 | 519 921 | Net lending to customers | 577 441 | 565 929 | 494 422 |
| 394 | 310 | 456 | Repossessed assets | 538 | 576 | 651 |
| 4 237 | 7 554 | 2 122 | Commercial paper and bonds issued by central and local government | 2 123 | 7 842 | 4 457 |
| 34 300 | 38 365 | 44 069 | Commercial paper and bonds issued by financial institutions | 42 439 | 36 273 | 34 246 |
| 12 733 | 13 857 | 16 458 | Commercial paper and bonds issued by others | 16 458 | 14 049 | 12 783 |
| 214 | 1 514 | 1 966 | Own bonds and commercial paper, trading portfolio | 1 966 | 1 514 | 214 |
| 51 484 | 61 289 | 64 615 | Commercial paper and bonds | 62 986 | 59 677 | 51 699 |
| 2 563 | 2 484 | 3 574 | Short-term investments in shares, mutual funds and PCCs | 3 823 | 2 945 | 2 721 |
| 1 264 | 770 | 637 | Long-term investments in shares, mutual funds and PCCs | 784 | 940 | 1 592 |
| 15 | 16 | 2 | Shares in general and limited partnerships | 4 | 20 | 19 |
| 3 842 | 3 271 | 4 213 | Shareholdings etc. | 4 611 | 3 905 | 4 332 |
| 473 | 519 | 485 | Investments in associated companies - credit institutions | 1 163 | 1 241 | 1 154 |
| 111 | 115 | 98 | Investments in associated companies | 191 | 144 | 110 |
| 584 | 633 | 583 | Investments in associated companies | 1 354 | 1 384 | 1 263 |
| 4 176 | 6 651 | 4 054 | Investments in subsidiaries - credit institutions | - | - | - |
| 2 165 | 2 260 | 1 542 | Investments in other subsidiaries | - | - | - |
| 6 342 | 8 911 | 5 597 | Investments in subsidiaries | - | - | - |
| 1 637 | 1 472 | 1 460 | Goodwill | 1 948 | 2 502 | 2 356 |
| 839 | 658 | 717 | Deferred tax assets | 611 | 556 | 988 |
| 92 | 106 | 27 | Systemts development recorded in the balance sheet | 27 | 167 | 145 |
| 105 | 69 | 51 | Other intangible assets | 51 | 70 | 106 |
| 2 673 | 2 304 | 2 256 | Intangible assets | 2 637 | 3 294 | 3 595 |
| 1 274 | 1 078 | 990 | Machinery, equipment and vehicles | 1 116 | 1 245 | 1 378 |
| 1 503 | 1 486 | 1 458 | Building and other properties | 2 985 | 3 121 | 2 922 |
| 21 | 21 | 18 | Other fixed assets | 54 | 89 | 89 |
| 2 799 | 2 585 | 2 467 | Fixed assets | 4 155 | 4 454 | 4 389 |
| 15 396 | 19 697 | 19 546 | Financial derivatives | 19 600 | 19 756 | 15 396 |
| 262 | 722 | 332 | Amounts due on documentary credits and other payment services | 332 | 722 | 262 |
| 573 | 2 203 | 754 | Group contribution | 0 | 0 | 0 |
| 1 982 | 1 647 | 2 506 | Other amounts due | 3 010 | 3 140 | 2 903 |
| 18 213 | 24 269 | 23 138 | Other assets | 22 943 | 23 618 | 18 561 |
| 4 889 | 2 693 | 1 432 | Accrued interest income | 1 825 | 3 199 | 4 904 |
| 635 | 969 | 1 130 | Prepaid pension entitlements | 1 174 | 1 025 | 692 |
| 278 | 1 001 | 2 346 | Other prepayments and accrued income | 2 479 | 1 260 | 558 |
| 5 802 | 4 663 | 4 909 | Prepayments and accrued income | 5 477 | 5 484 | 6 154 |
| 617 690 | 678 936 | 691 387 | Total assets | 712 526 | 704 946 | 634 392 |

Note 17 – Credit risk

| Commitments according to risk category | DnB NOR Bank ASA | | | |
|--|------------------|-----------------------|----------------------------|--------------------|
| | Gross loans | Guarantee commitments | Undrawn limits (committed) | Total commitments |
| <i>Amounts in NOK billion</i> | | | | |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 440 | 39 | 99 | 578 |
| 0.25-0.75 | 69 | 5 | 32 | 106 |
| > 0.75 | 10 | 1 | 13 | 24 |
| Non-performing and doubtful commitments | 7 | 0 | (1) | 6 |
| Total commitments as at 31 December 2004 | 526 | 45 | 143 | 714 |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 380 | 33 | 104 | 517 |
| 0.25-0.75 | 51 | 11 | 11 | 73 |
| > 0.75 ³⁾ | 37 | 3 | 3 | 43 |
| Non-performing and doubtful commitments | 9 | 0 | 0 | 9 |
| Total commitments as at 31 December 2003 | 476 | 47 | 117 | 641 |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 337 | 31 | 89 | 457 |
| 0.25-0.75 | 55 | 13 | 15 | 83 |
| > 0.75 ³⁾ | 34 | 2 | 2 | 37 |
| Non-performing and doubtful commitments | 6 | 0 | 0 | 6 |
| Total commitments as at 31 December 2003 | 432 | 44 | 106 | 583 |
| Loan-loss level ¹⁾ | | 2004 | 2003 ²⁾ | 2002 ²⁾ |
| Normalised losses including loss of interest income in per cent of net lending | | 0.30 | 0.31 | 0.31 |

| Commitments according to risk category | DnB NOR Bank Group | | | |
|--|--------------------|-----------------------|----------------------------|--------------------|
| | Gross loans | Guarantee commitments | Undrawn limits (committed) | Total commitments |
| <i>Amounts in NOK billion</i> | | | | |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 475 | 39 | 109 | 623 |
| 0.25-0.75 | 78 | 5 | 39 | 122 |
| > 0.75 | 22 | 2 | 20 | 44 |
| Non-performing and doubtful commitments | 9 | 0 | (1) | 8 |
| Total commitments as at 31 December 2004 | 584 | 46 | 167 | 797 |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 441 | 27 | 92 | 560 |
| 0.25-0.75 | 69 | 19 | 11 | 99 |
| > 0.75 ³⁾ | 51 | 2 | 5 | 58 |
| Non-performing and doubtful commitments | 13 | 0 | 0 | 13 |
| Total commitments as at 31 December 2003 | 574 | 48 | 107 | 729 |
| Risk category relative to percentage of normalised losses ^{1) 2)} | | | | |
| < 0.25 | 380 | 31 | 86 | 497 |
| 0.25-0.75 | 77 | 12 | 12 | 101 |
| > 0.75 ³⁾ | 36 | 2 | 11 | 49 |
| Non-performing and doubtful commitments | 8 | 0 | 0 | 8 |
| Total commitments as at 31 December 2003 | 501 | 44 | 109 | 655 |
| Loan-loss level ¹⁾ | | 2004 | 2003 ²⁾ | 2002 ²⁾ |
| Normalised losses including loss of interest income in per cent of net lending | | 0.30 | 0.31 | 0.31 |

- 1) The calculation of the loan-loss level is based on an evaluation of the probability of future losses (default frequency), exposure at default and the size of the estimated loss (loss ratio).
- 2) In consequence of the merger between DnB and Gjensidige NOR, calculations are to some extent based on discretion and estimates, which means that a degree of uncertainty is attached to the figures.
- 3) The risk category also includes commitments with normalised losses below 0.75 per cent in cases where the loss ratio is low but combined with a high probability of future losses.

| DnB NOR Bank ASA | | | Retail market lending ¹⁾ | DnB NOR Bank Group | | |
|------------------------|------------------------|--------------|---|------------------------|------------------------|------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 211 374 | 245 992 | 286 921 | Home mortgages < 80 per cent of appraised value | 295 583 | 253 842 | 211 391 |
| 6 402 | 8 142 | 10 329 | Home mortgages > 80 per cent of appraised value | 10 981 | 8 732 | 6 402 |
| 4 863 | 4 670 | 9 319 | Credit card loans | 9 319 | 8 080 | 8 009 |
| 12 110 | 12 202 | 5 382 | Other loans | 14 902 | 30 925 | 27 531 |
| 234 749 | 271 005 | 311 951 | Total retail market loans | 330 785 | 301 579 | 253 332 |

1) After specified provisions.

Note 18 – Commitments for principal sectors

| <i>Amounts in NOK million</i> | DnB NOR Bank ASA | | | | | | | | |
|-----------------------------------|---------------------|-------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------------|-------------------|-------------------|
| | Loans ¹⁾ | | | Guarantees ¹⁾ | | | Committed limits ²⁾ | | |
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| Retail customers | 311 951 | 271 005 | 234 749 | 325 | 249 | 241 | 338 991 | 285 425 | 248 727 |
| International shipping | 31 987 | 25 063 | 22 069 | 7 108 | 8 055 | 8 327 | 59 823 | 46 483 | 40 245 |
| Real estate | 64 150 | 61 561 | 57 191 | 3 307 | 4 006 | 1 914 | 82 256 | 74 871 | 66 863 |
| Manufacturing | 18 030 | 18 115 | 21 323 | 4 842 | 5 374 | 4 806 | 42 156 | 43 002 | 42 258 |
| Services and management | 27 171 | 28 542 | 28 831 | 7 837 | 7 019 | 6 766 | 57 801 | 50 053 | 51 295 |
| Trade | 18 509 | 18 903 | 17 956 | 2 863 | 2 602 | 2 690 | 39 469 | 33 677 | 32 376 |
| Oil and gas | 4 747 | 3 736 | 3 455 | 2 081 | 2 246 | 1 582 | 15 820 | 12 770 | 10 409 |
| Transportation and communication | 9 272 | 8 508 | 9 214 | 1 979 | 2 890 | 3 003 | 21 877 | 20 730 | 19 642 |
| Building and construction | 4 571 | 4 037 | 4 098 | 2 824 | 2 519 | 2 540 | 11 584 | 10 317 | 9 916 |
| Power and water supply | 4 533 | 5 998 | 7 981 | 5 376 | 7 355 | 7 721 | 18 988 | 21 279 | 20 450 |
| Central and local government | 722 | 1 090 | 1 803 | 87 | 61 | 54 | 4 087 | 5 645 | 5 428 |
| Fishing | 6 803 | 7 000 | 6 427 | 34 | 181 | 200 | 9 286 | 8 008 | 7 737 |
| Hotels and restaurants | 3 258 | 3 507 | 2 966 | 218 | 240 | 252 | 4 174 | 4 146 | 7 173 |
| Agriculture and forestry | 3 971 | 3 405 | 3 294 | 21 | 27 | 97 | 5 003 | 4 019 | 4 161 |
| Other sectors | 13 476 | 12 632 | 8 461 | 3 258 | 3 910 | 4 205 | 20 581 | 20 384 | 16 533 |
| Total lending to customers | 523 151 | 473 101 | 429 816 | 42 160 | 46 734 | 44 400 | 731 896 | 640 808 | 583 215 |
| Credit institutions ³⁾ | 33 108 | 61 549 | 51 786 | 3 365 | 3 608 | 4 941 | 49 232 | 82 165 | 64 451 |
| Total | 556 259 | 534 651 | 481 602 | 45 525 | 50 342 | 49 341 | 781 128 | 722 973 | 647 666 |

| <i>Amounts in NOK million</i> | DnB NOR Bank Group | | | | | | | | |
|-----------------------------------|---------------------|-------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------------|-------------------|-------------------|
| | Loans ¹⁾ | | | Guarantees ¹⁾ | | | Committed limits ²⁾ | | |
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| Retail customers | 330 785 | 301 579 | 253 332 | 340 | 266 | 250 | 348 579 | 316 489 | 275 734 |
| International shipping | 32 003 | 31 167 | 25 841 | 7 108 | 8 307 | 8 539 | 59 841 | 55 224 | 46 380 |
| Real estate | 82 900 | 82 155 | 74 018 | 3 284 | 4 043 | 1 909 | 98 476 | 95 275 | 84 570 |
| Manufacturing | 20 422 | 24 758 | 26 593 | 4 909 | 5 582 | 4 930 | 44 040 | 51 596 | 48 817 |
| Services and management | 32 494 | 38 669 | 37 566 | 7 783 | 7 179 | 6 823 | 62 893 | 58 770 | 58 514 |
| Trade | 21 207 | 23 849 | 21 193 | 2 941 | 2 687 | 2 699 | 41 475 | 40 252 | 36 125 |
| Oil and gas | 4 811 | 4 238 | 4 073 | 2 081 | 2 253 | 1 593 | 15 848 | 13 927 | 11 593 |
| Transportation and communication | 12 966 | 14 026 | 13 546 | 2 038 | 2 947 | 3 004 | 25 030 | 26 478 | 24 619 |
| Building and construction | 6 239 | 8 428 | 7 417 | 2 967 | 2 679 | 2 541 | 12 829 | 15 000 | 13 574 |
| Power and water supply | 4 725 | 6 276 | 8 027 | 5 637 | 7 606 | 7 722 | 19 092 | 21 600 | 20 501 |
| Central and local government | 1 424 | 2 094 | 2 779 | 91 | 65 | 54 | 4 761 | 6 698 | 6 450 |
| Fishing | 8 973 | 10 440 | 7 520 | 39 | 188 | 201 | 9 472 | 10 480 | 8 855 |
| Hotels and restaurants | 3 622 | 4 113 | 3 246 | 221 | 245 | 252 | 4 372 | 4 786 | 7 691 |
| Agriculture and forestry | 4 455 | 4 749 | 4 238 | 22 | 28 | 97 | 5 254 | 5 406 | 5 265 |
| Other sectors | 13 949 | 13 100 | 8 533 | 3 198 | 3 628 | 3 835 | 20 925 | 14 440 | 11 735 |
| Total lending to customers | 580 975 | 569 643 | 497 923 | 42 659 | 47 701 | 44 450 | 772 887 | 736 419 | 660 423 |
| Credit institutions ³⁾ | 7 416 | 8 911 | 6 715 | 3 410 | 3 482 | 4 873 | 49 318 | 16 676 | 15 572 |
| Total | 588 391 | 578 554 | 504 638 | 46 069 | 51 184 | 49 323 | 822 205 | 753 096 | 675 994 |

1) Loans and guarantees after specified provisions.

2) Total committed limits for credit exposure.

3) Loans to credit institutions are entered in the balance sheet under "Lending to and deposits with credit institutions".

The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway. Customers are classified according to their main line of business.

Note 19 – Non-performing and doubtful commitments for principal sectors

| <i>Amounts in NOK million</i> | Net non-performing commitments ¹⁾ | | | Net doubtful commitments ¹⁾ | | | DnB NOR Bank ASA Total specified provisions | | |
|-----------------------------------|--|-------------------|-------------------|--|-------------------|-------------------|--|-------------------|-------------------|
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| | Retail customers | 1 872 | 1 654 | 1 493 | 177 | 142 | 139 | 687 | 723 |
| International shipping | (13) | 2 | 7 | 0 | 0 | 0 | 32 | 41 | 16 |
| Real estate | 359 | 549 | 482 | 219 | 229 | 244 | 177 | 254 | 254 |
| Manufacturing | 112 | 474 | 150 | 292 | 129 | 80 | 316 | 524 | 577 |
| Services and management | 371 | 573 | 159 | 122 | 62 | 128 | 599 | 955 | 387 |
| Trade | 47 | 136 | 180 | 131 | 36 | 78 | 165 | 204 | 190 |
| Oil and gas | 1 | 6 | 3 | 2 | 0 | 0 | 0 | 36 | 21 |
| Transportation and communication | 44 | 34 | 48 | 18 | 14 | 24 | 17 | 22 | 19 |
| Building and construction | 360 | 552 | 109 | 6 | 10 | 12 | 351 | 312 | 72 |
| Power and water supply | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fishing | 289 | 582 | 132 | 81 | 74 | 210 | 182 | 141 | 104 |
| Hotels and restaurants | 13 | 98 | 100 | 21 | 17 | 15 | 37 | 33 | 25 |
| Agriculture and forestry | 15 | 37 | 31 | 0 | 4 | 6 | 6 | 49 | 37 |
| Other sectors | (4) | 10 | 8 | 13 | 0 | 5 | 17 | 3 | 57 |
| Total customers | 3 466 | 4 708 | 2 902 | 1 083 | 717 | 943 | 2 586 | 3 298 | 2 468 |
| Credit institutions ²⁾ | 5 | 5 | 0 | 8 | 7 | 0 | 2 | 2 | 2 |
| Total ^{*)} | 3 471 | 4 713 | 2 902 | 1 091 | 724 | 943 | 2 588 | 3 300 | 2 470 |

*) Of which transferred from

Nordlandsbanken ASA

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| <i>Amounts in NOK million</i> | Net non-performing commitments ¹⁾ | | | Net doubtful commitments ¹⁾ | | | DnB NOR Bank Group Total specified provisions | | |
|-----------------------------------|--|-------------------|-------------------|--|-------------------|-------------------|--|-------------------|-------------------|
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| | Retail customers | 2 078 | 2 159 | 1 773 | 207 | 310 | 275 | 839 | 1 034 |
| International shipping | (14) | 21 | 76 | 0 | 5 | 1 | 40 | 63 | 144 |
| Real estate | 558 | 1 026 | 588 | 697 | 617 | 337 | 285 | 372 | 279 |
| Manufacturing | 159 | 547 | 191 | 377 | 393 | 80 | 413 | 743 | 608 |
| Services and management | 411 | 684 | 239 | 152 | 195 | 145 | 705 | 1 083 | 449 |
| Trade | 80 | 194 | 204 | 139 | 68 | 80 | 209 | 282 | 215 |
| Oil and gas | 1 | 8 | 8 | 2 | 0 | 1 | 0 | 37 | 21 |
| Transportation and communication | 55 | 87 | 83 | 41 | 43 | 31 | 79 | 99 | 62 |
| Building and construction | 390 | 613 | 137 | 4 | 49 | 15 | 387 | 355 | 88 |
| Power and water supply | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fishing | 386 | 881 | 141 | 106 | 144 | 240 | 244 | 217 | 105 |
| Hotels and restaurants | 32 | 141 | 124 | 44 | 31 | 16 | 48 | 56 | 26 |
| Agriculture and forestry | 25 | 58 | 40 | 7 | 11 | 7 | 10 | 57 | 42 |
| Other sectors | 31 | 112 | 17 | 2 | 1 | 6 | 113 | 48 | 59 |
| Total customers | 4 191 | 6 531 | 3 622 | 1 779 | 1 865 | 1 232 | 3 372 | 4 445 | 3 026 |
| Credit institutions ²⁾ | 5 | 0 | 0 | (1) | 5 | 0 | 11 | 9 | 2 |
| Total ^{*)} | 4 196 | 6 531 | 3 622 | 1 778 | 1 870 | 1 232 | 3 383 | 4 454 | 3 028 |

1) The amounts represent commitments after specified loan-loss provisions.

2) Loans to credit institutions are entered in the balance sheet under "Lending to and deposits with credit institutions".

The breakdown into principal sectors is based on standardised sector and industry categories set up by Statistics Norway. Customers are classified according to their main line of business.

Note 20 – Non-performing, doubtful and non-accruing commitments

| Amounts in NOK million | DnB NOR Bank ASA | | | | | | | | |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------|-------------------|-------------------|
| | Private customers | | | Corporate customers | | | Total | | |
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| Non-performing commitments ^{*)} | | | | | | | | | |
| Before specified provisions | 2 521 | 2 299 | 2 136 | 3 120 | 5 220 | 2 637 | 5 641 | 7 519 | 4 773 |
| After specified provisions ¹⁾ | 1 872 | 1 654 | 1 494 | 1 599 | 3 058 | 1 408 | 3 471 | 4 713 | 2 902 |
| Doubtful commitments ^{*)} | | | | | | | | | |
| Before specified provisions | 217 | 211 | 210 | 1 295 | 1 006 | 1 333 | 1 512 | 1 217 | 1 543 |
| After specified provisions ¹⁾ | 177 | 139 | 140 | 914 | 585 | 804 | 1 091 | 724 | 943 |
| *) Of which: | | | | | | | | | |
| Non-accruing commitments | | | | | | | | | |
| Before specified provisions | 2 162 | 1 669 | 1 324 | 2 676 | 4 528 | 2 328 | 4 838 | 6 197 | 3 652 |
| After specified provisions | 1 819 | 1 009 | 695 | 1 343 | 2 408 | 1 030 | 3 162 | 3 415 | 1 724 |

| Amounts in NOK million | DnB NOR Bank Group | | | | | | | | |
|---|--------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------|-------------------|-------------------|
| | Private customers | | | Corporate customers | | | Total | | |
| | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 | 2004 | Pro forma 2003 | Pro forma 2002 |
| Non-performing commitments ^{*)} | | | | | | | | | |
| Before specified provisions | 2 844 | 3 064 | 2 559 | 4 051 | 6 989 | 3 348 | 6 895 | 10 053 | 5 906 |
| After specified provisions ¹⁾ | 2 079 | 2 143 | 1 769 | 2 117 | 4 388 | 1 852 | 4 196 | 6 531 | 3 622 |
| Doubtful commitments ^{*)} | | | | | | | | | |
| Before specified provisions | 279 | 436 | 413 | 2 181 | 2 366 | 1 563 | 2 460 | 2 802 | 1 976 |
| After specified provisions ¹⁾ | 207 | 317 | 276 | 1 571 | 1 553 | 956 | 1 778 | 1 870 | 1 232 |
| *) Of which: | | | | | | | | | |
| Non-accruing commitments | | | | | | | | | |
| Before specified provisions | 2 382 | 2 365 | 1 824 | 3 952 | 6 045 | 2 933 | 6 334 | 8 410 | 4 757 |
| After specified provisions | 1 927 | 1 422 | 1 034 | 2 159 | 3 419 | 1 369 | 4 086 | 4 841 | 2 403 |

1) Includes provisions for losses on lending to credit institutions.

Non-performing commitments represent total commitments to customers which are not serviced in accordance with the loan agreement, unless the situation is considered to be temporary. Commitments are classified as non-performing no later than 90 days past the formal due date. Total commitments to customers which are not classified as non-performing, but where a loss is likely to occur due to the value of collateral and the customer's financial position, are classified as **doubtful**. **Non-accruing commitments** are included in non-performing and doubtful commitments and represent total commitments to customers subject to interest reversals, see note 3.

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------------------|------------------------------|-----------------|--|------------------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | Reduced-rate commitments Amounts in NOK million | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 578 | 361 | 114 | | Reduced-rate commitments | 114 | 361 |

Reduced-rate commitments are total commitments to customers where payment terms have been renegotiated in connection with debt negotiations or inadequate cash flows, and where the discounted reduction in payment flows is significant.

Note 21 – Provisions for losses on loans and guarantees

| Amounts in NOK million | Total provisions | | | Loans | | | DnB NOR Bank ASA Guarantees | | |
|---|------------------|--------------|--------------|--------------|--------------|--------------|--------------------------------|------------|------------|
| | 2004 | Pro forma | Pro forma | 2004 | Pro forma | Pro forma | 2004 | Pro forma | Pro forma |
| | | 2003 | 2002 | | 2003 | 2002 | | 2003 | 2002 |
| Specified loan-loss provisions as at 1 Jan. | 3 300 | 2 470 | 1 998 | 3183 | 2 328 | 1 900 | 117 | 142 | 98 |
| Write-offs covered by specified provisions | | | | | | | | | |
| made in previous years | 493 | 765 | 413 | 463 | 804 | 427 | 30 | (40) | (14) |
| Portfolio transferred from subsidiary | 0 | 660 | 0 | 0 | 660 | 0 | 0 | 0 | 0 |
| Provisions for the period | | | | | | | | | |
| Increase in specified loan-loss provisions | 250 | 150 | 207 | 250 | 148 | 192 | 0 | 1 | 15 |
| New specified loan-loss provisions | 361 | 1 256 | 942 | 336 | 1 232 | 904 | 25 | 24 | 38 |
| Reassessed specified loan-loss provisions | 828 | 471 | 232 | 808 | 381 | 214 | 20 | 90 | 18 |
| Exchange rate movements | (2) | 0 | (32) | (2) | 0 | (28) | 0 | 0 | (4) |
| Specified loan-loss provisions as at 31 Dec. ¹⁾ | 2 588 | 3 300 | 2 470 | 2 496 | 3 183 | 2 328 | 92 | 117 | 142 |
| Unspecified loan-loss provisions as at 1 Jan. | 3 148 | 3 145 | 3 142 | 3 147 | 3 144 | 3 142 | 1 | 1 | 1 |
| Subsidiary transferred to parent company | 83 | 0 | 0 | 83 | 0 | 0 | 0 | 0 | 0 |
| Unspecified loan-loss provisions for the period | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 0 |
| Purchased portfolio | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| Unspecified loan-loss provisions as at 31 Dec. ²⁾ | 3 231 | 3 148 | 3 144 | 3 230 | 3 147 | 3 144 | 1 | 1 | 1 |
| Total loan-loss provisions as at 31 Dec. | 5 819 | 6 448 | 5 614 | 5 726 | 6 330 | 5 471 | 93 | 118 | 143 |

1) Of which specified

| | | | | | | |
|------------------------------------|-------|-------|-------|----|-----|-----|
| loan-loss provisions to: Customers | 2 494 | 3 181 | 2 325 | 92 | 117 | 142 |
| Credit institutions | 2 | 2 | 2 | 0 | 0 | 0 |

2) Of which unspecified

| | | | | | | |
|------------------------------------|-------|-------|-------|---|---|---|
| loan-loss provisions to: Customers | 3 147 | 3 147 | 3 144 | 1 | 1 | 1 |
|------------------------------------|-------|-------|-------|---|---|---|

| Amounts in NOK million | Total provisions | | | Loans | | | DnB NOR Bank Group Guarantees | | |
|---|------------------|--------------|--------------|--------------|--------------|--------------|----------------------------------|------------|------------|
| | 2004 | Pro forma | Pro forma | 2004 | Pro forma | Pro forma | 2004 | Pro forma | Pro forma |
| | | 2003 | 2002 | | 2003 | 2002 | | 2003 | 2002 |
| Specified loan-loss provisions as at 1 Jan. | 4 454 | 3 028 | 2 746 | 4 331 | 2 886 | 2 648 | 122 | 143 | 98 |
| Operations sold/Elcon as at 31 March | (115) | 0 | 0 | (115) | 0 | 0 | 0 | 0 | 0 |
| Write-offs covered by specified provisions | | | | | | | | | |
| made in previous years | 925 | 1 579 | 645 | 914 | 1 587 | 660 | 11 | (8) | (14) |
| Provisions for the period | | | | | | | | | |
| Increase in specified loan-loss provisions | 378 | 288 | 280 | 374 | 286 | 266 | 4 | 2 | 15 |
| New specified loan-loss provisions | 518 | 1 678 | 1 112 | 486 | 1 649 | 1 074 | 32 | 29 | 37 |
| Reassessed specified loan-loss provisions | 924 | 522 | 374 | 903 | 463 | 356 | 21 | 59 | 18 |
| Nordlandsbanken as at 1 Jan. | 0 | 1 555 | - | 0 | 1 555 | - | 0 | 0 | - |
| Exchange rate movements | (2) | 5 | (90) | (2) | 5 | (86) | 0 | 0 | (4) |
| Specified loan-loss provisions as at 31 Dec. ¹⁾ | 3 383 | 4 454 | 3 028 | 3 257 | 4 331 | 2 886 | 126 | 122 | 143 |
| Unspecified loan-loss provisions as at 1 Jan. | 3 715 | 3 502 | 3 502 | 3 714 | 3 501 | 3 501 | 1 | 1 | 1 |
| Operations sold/Elcon as at 31 March | (180) | 0 | 0 | (180) | 0 | 0 | 0 | 0 | 0 |
| Unspecified loan-loss provisions for the period | 0 | 5 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| Nordlandsbanken as at 1 Jan. | 0 | 204 | - | 0 | 204 | - | 0 | 0 | - |
| Purchased portfolio | 0 | 5 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| Unspecified loan-loss provisions as at 31 Dec. ²⁾ | 3 535 | 3 715 | 3 502 | 3 534 | 3 714 | 3 501 | 1 | 1 | 1 |
| Total loan-loss provisions as at 31 Dec. | 6 918 | 8 169 | 6 531 | 6 791 | 8 046 | 6 387 | 127 | 123 | 143 |

1) Of which specified

| | | | | | | |
|------------------------------------|-------|-------|-------|-----|-----|-----|
| loan-loss provisions to: Customers | 3 255 | 4 329 | 2 884 | 126 | 115 | 143 |
| Credit institutions | 2 | 2 | 2 | 0 | 7 | 0 |

2) Of which unspecified

| | | | | | | |
|------------------------------------|-------|-------|-------|---|---|---|
| loan-loss provisions to: Customers | 3 534 | 3 714 | 3 501 | 1 | 1 | 1 |
|------------------------------------|-------|-------|-------|---|---|---|

Note 22 – Loans and guarantees according to geographical location ¹⁾

| <i>Amounts in NOK million</i> | DnB NOR Bank ASA | | | | | | | | |
|---|---|----------------|----------------|---|---------------|---------------|---------------------------------|---------------|---------------|
| | Lending to customers as at 31 December | | | Lending to credit institutions as at 31 December | | | Guarantees as at 31 December | | |
| | | Pro forma | Pro forma | | Pro forma | Pro forma | | Pro forma | Pro forma |
| | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| Oslo | 111 334 | 110 145 | 92 433 | 13 032 | 19 828 | 15 204 | 13 635 | 17 891 | 18 697 |
| Eastern and southern Norway | 229 804 | 208 090 | 188 569 | 786 | 25 299 | 21 628 | 13 437 | 14 507 | 13 345 |
| Western Norway | 79 136 | 66 589 | 63 802 | 16 919 | 14 200 | 12 527 | 9 989 | 10 754 | 9 273 |
| Northern and central Norway | 67 318 | 64 218 | 58 593 | 175 | 353 | 770 | 1 653 | 2 130 | 2 987 |
| Total Norway | 487 592 | 449 042 | 403 397 | 30 912 | 59 681 | 50 129 | 38 714 | 45 282 | 44 302 |
| Western Europe | 15 573 | 10 486 | 12 052 | 1 244 | 741 | 989 | 3 828 | 2 675 | 2 302 |
| Russia | 121 | 193 | 285 | 2 | 33 | 0 | 1 | 1 | 1 |
| Other Eastern European countries | 607 | 529 | 350 | 254 | 546 | 355 | 286 | 144 | 28 |
| Total Europe outside Norway | 16 301 | 11 208 | 12 686 | 1 500 | 1 321 | 1 344 | 4 115 | 2 820 | 2 330 |
| USA and Canada | 5 313 | 5 502 | 6 530 | 510 | 66 | 192 | 297 | 419 | 1 752 |
| Bermuda and Panama ²⁾ | 5 601 | 3 386 | 3 781 | 0 | 0 | 8 | 818 | 280 | 171 |
| Argentina ³⁾ | 1 | 3 | 3 | 0 | 0 | 0 | 35 | 44 | 51 |
| Other South and Central American countries | 1 149 | 767 | 483 | 75 | 70 | 63 | 1 073 | 917 | 272 |
| Total America | 12 064 | 9 658 | 10 797 | 585 | 136 | 262 | 2 224 | 1 660 | 2 246 |
| Singapore | 2 076 | 2 547 | 2 683 | 0 | 0 | 0 | 313 | 283 | 352 |
| Hong Kong | 241 | 259 | 114 | 4 | 0 | 0 | 2 | 7 | 9 |
| Indonesia | 1 | 7 | 11 | 14 | 0 | 0 | 13 | 121 | 126 |
| Thailand | 28 | 27 | 25 | 0 | 0 | 0 | 0 | 1 | 0 |
| Malaysia | 169 | 129 | 181 | 0 | 0 | 0 | 9 | 19 | 17 |
| Other Asian countries | 139 | 406 | 511 | 93 | 413 | 51 | 205 | 251 | 97 |
| Total Asia | 2 655 | 3 376 | 3 525 | 111 | 413 | 52 | 542 | 682 | 600 |
| Liberia ²⁾ | 5 632 | 1 625 | 1 355 | 0 | 0 | 0 | 6 | 7 | 0 |
| Other African countries | 17 | 24 | 22 | 1 | 1 | 0 | 7 | 6 | 5 |
| Australia and New Zealand | 1 384 | 1 349 | 358 | 1 | 1 | 0 | 9 | 2 | 0 |
| Total | 525 645 | 476 283 | 432 141 | 33 110 | 61 552 | 51 788 | 45 617 | 50 459 | 49 483 |

| <i>Amounts in NOK million</i> | DnB NOR Bank Group | | | | | | | | |
|---|---|----------------|----------------|---|--------------|--------------|---------------------------------|---------------|---------------|
| | Lending to customers as at 31 December | | | Lending to credit institutions as at 31 December | | | Guarantees as at 31 December | | |
| | | Pro forma | Pro forma | | Pro forma | Pro forma | | Pro forma | Pro forma |
| | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 | 2004 | 2003 | 2002 |
| Oslo | 125 081 | 133 282 | 114 655 | 2 687 | 5 025 | 2 827 | 13 318 | 17 518 | 18 380 |
| Eastern and southern Norway | 243 206 | 233 363 | 211 289 | 292 | 12 | 0 | 13 459 | 14 500 | 13 263 |
| Western Norway | 83 074 | 75 643 | 72 128 | 2 079 | 1 877 | 1 757 | 9 990 | 10 815 | 9 274 |
| Northern and central Norway | 89 442 | 90 758 | 65 152 | 178 | 142 | 56 | 2 491 | 2 885 | 2 991 |
| Total Norway | 540 803 | 533 046 | 463 223 | 5 236 | 7 057 | 4 640 | 39 257 | 45 718 | 43 908 |
| Western Europe | 20 567 | 19 379 | 18 519 | 1 229 | 726 | 1 407 | 3 858 | 2 953 | 2 516 |
| Russia | 388 | 197 | 285 | 2 | 33 | 0 | 1 | 1 | 1 |
| Other Eastern European countries | 693 | 541 | 358 | 254 | 546 | 355 | 286 | 144 | 28 |
| Total Europe outside Norway | 21 648 | 20 117 | 19 161 | 1 484 | 1 305 | 1 762 | 4 145 | 3 098 | 2 545 |
| USA and Canada | 5 304 | 5 762 | 6 786 | 510 | 66 | 192 | 298 | 421 | 1 777 |
| Bermuda and Panama ²⁾ | 5 601 | 5 578 | 4 521 | 0 | 0 | 8 | 818 | 280 | 171 |
| Argentina ³⁾ | 1 | 3 | 3 | 0 | 0 | 0 | 35 | 44 | 51 |
| Other South and Central American countries | 1 149 | 818 | 490 | 75 | 70 | 63 | 1 073 | 917 | 273 |
| Total America | 12 055 | 12 162 | 11 800 | 585 | 136 | 262 | 2 224 | 1 663 | 2 273 |
| Singapore | 2 077 | 2 565 | 2 705 | 0 | 0 | 0 | 313 | 414 | 486 |
| Hong Kong | 241 | 282 | 150 | 4 | 0 | 0 | 2 | 7 | 9 |
| Indonesia | 1 | 7 | 11 | 14 | 0 | 0 | 17 | 121 | 126 |
| Thailand | 28 | 32 | 60 | 0 | 0 | 0 | 0 | 1 | 0 |
| Malaysia | 169 | 135 | 183 | 0 | 0 | 0 | 9 | 19 | 17 |
| Other Asian countries | 167 | 494 | 529 | 93 | 413 | 51 | 205 | 251 | 97 |
| Total Asia | 2 684 | 3 516 | 3 639 | 111 | 413 | 52 | 546 | 813 | 734 |
| Liberia ²⁾ | 5 632 | 3 743 | 2 593 | 0 | 0 | 0 | 6 | 7 | 0 |
| Other African countries | 17 | 26 | 25 | 1 | 1 | 0 | 7 | 6 | 6 |
| Australia and New Zealand | 1 391 | 1 364 | 366 | 1 | 1 | 0 | 9 | 2 | 0 |
| Total | 584 230 | 573 973 | 500 807 | 7 418 | 8 912 | 6 717 | 46 194 | 51 306 | 49 465 |

1) Based on the customer's address.

2) Represents shipping commitments.

3) Concerns a commitment guaranteed by a company in Norway.

All amounts represent gross lending and guarantees respectively before specified loan-loss provisions.

Note 23 – Subordinated loans to customers

| DnB NOR Bank ASA | | | | | | DnB NOR Bank Group | | | | | | |
|----------------------------------|-------|----------------------------------|-------|---------------------|-------|--|---------------------|-------|----------------------------------|-------|----------------------------------|-------|
| Pro forma 31 December 2002 | | Pro forma 31 December 2003 | | 31 December 2004 | | <i>Amounts in NOK million</i> | 31 December 2004 | | Pro forma 31 December 2003 | | Pro forma 31 December 2002 | |
| Loans | Bonds | Loans | Bonds | Loans | Bonds | | Loans | Bonds | Loans | Bonds | Loans | Bonds |
| 1 248 | 440 | 1 257 | 443 | 931 | 79 | Credit institutions | 0 | 4 | 4 | 443 | 21 | 440 |
| 1 372 | 341 | 2 565 | 326 | 2 335 | 250 | Other enterprises | 2 335 | 250 | 2 565 | 326 | 1 372 | 341 |
| 2 620 | 781 | 3 822 | 769 | 3 266 | 329 | Total subordinated loans ¹⁾ | 2 335 | 254 | 2 569 | 769 | 1 393 | 781 |

1) Of which subordinated loans to subsidiaries / Vital

| | | | | | | | | | | | | |
|-------|---|-------|---|-------|----|--|-------|---|-------|---|-------|---|
| 2 489 | 0 | 3 815 | 0 | 3 223 | 75 | | 2 293 | 0 | 2 562 | 0 | 1 262 | 0 |
|-------|---|-------|---|-------|----|--|-------|---|-------|---|-------|---|

The note shows total subordinated loans extended to customers. The terms applying to such loans indicate a higher risk for DnB NOR Bank than ordinary loans and investments in bonds.

Note 24 – Commercial paper and bonds

| DnB NOR Bank ASA | | | | | | | | | |
|---|------------------|---------------|---------------|----------------------------|---------------|---------------|----------------------------|---------------|---------------|
| <i>Beløp i millioner kroner</i> | 31 December 2004 | | | Pro forma 31 December 2003 | | | Pro forma 31 December 2002 | | |
| | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value |
| Commercial paper and bonds | | | | | | | | | |
| Listed | 58 349 | 58 692 | 58 795 | 56 866 | 57 107 | 57 169 | 44 886 | 44 987 | 45 008 |
| Unlisted | 5 913 | 5 923 | 5 923 | 4 149 | 4 182 | 4 182 | 6 459 | 6 497 | 6 498 |
| Total commercial paper and bonds ¹⁾ | 64 262 | 64 615 | 64 718 | 61 015 | 61 289 | 61 351 | 51 346 | 51 484 | 51 506 |
| <i>1) Of which:</i> | | | | | | | | | |
| <i>Trading portfolio</i> | 50 081 | 50 436 | 50 436 | 33 453 | 33 735 | 33 735 | 28 894 | 29 035 | 29 035 |
| <i>Banking portfolio</i> | 14 181 | 14 179 | 14 281 | 27 562 | 27 554 | 27 616 | 22 452 | 22 449 | 22 471 |

| DnB NOR Bank Group | | | | | | | | | |
|---|------------------|---------------|---------------|----------------------------|---------------|---------------|----------------------------|---------------|---------------|
| <i>Beløp i millioner kroner</i> | 31 December 2004 | | | Pro forma 31 December 2003 | | | Pro forma 31 December 2002 | | |
| | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value |
| Commercial paper and bonds | | | | | | | | | |
| Listed | 57 242 | 57 584 | 57 688 | 55 259 | 55 491 | 55 547 | 45 201 | 45 202 | 45 213 |
| Unlisted | 5 392 | 5 402 | 5 402 | 4 149 | 4 187 | 4 187 | 6 400 | 6 497 | 6 498 |
| Total commercial paper and bonds ¹⁾ | 62 634 | 62 986 | 63 090 | 59 408 | 59 677 | 59 734 | 51 602 | 51 699 | 51 711 |
| <i>1) Of which:</i> | | | | | | | | | |
| <i>Trading portfolio</i> | 50 081 | 50 436 | 50 436 | 33 453 | 33 735 | 33 735 | 28 945 | 29 045 | 29 045 |
| <i>Banking portfolio</i> | 12 552 | 12 549 | 12 653 | 25 955 | 25 942 | 25 999 | 22 657 | 22 654 | 22 666 |

Note 25 – Shareholdings etc.

| <i>Amounts in NOK million</i> | 31 December 2004 | | | Pro forma 31 December 2003 | | | DnB NOR Bank ASA Pro forma 31 December 2002 | | |
|---|--------------------------------------|--------------|--------------|----------------------------|--------------|--------------|--|--------------|--------------|
| | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value |
| | Short-term shareholdings etc. | | | | | | | | |
| Listed Norwegian | 716 | 624 | 681 | 492 | 509 | 509 | 499 | 426 | 426 |
| Unlisted Norwegian | 414 | 404 | 333 | 479 | 357 | 357 | 643 | 571 | 546 |
| Mutual funds | 1 697 | 1 681 | 1 696 | 1 517 | 1 514 | 1 514 | 1 600 | 1 492 | 1 492 |
| International | 737 | 865 | 895 | 79 | 104 | 104 | 77 | 73 | 98 |
| Total short-term shareholdings etc. ¹⁾ | 3 565 | 3 574 | 3 605 | 2 568 | 2 484 | 2 484 | 2 819 | 2 563 | 2 563 |
| Long-term shareholdings etc. | | | | | | | | | |
| Listed Norwegian | 338 | 303 | 302 | 723 | 480 | 480 | 1 875 | 1 030 | 1 029 |
| Unlisted Norwegian | 236 | 224 | 461 | 162 | 150 | 228 | 80 | 80 | 82 |
| International | 265 | 112 | 112 | 157 | 157 | 179 | 194 | 169 | 172 |
| Total long-term shareholdings etc. ²⁾ | 839 | 639 | 876 | 1 042 | 787 | 887 | 2 149 | 1 280 | 1 283 |
| Total shareholdings etc. | 4 404 | 4 213 | 4 481 | 3 610 | 3 271 | 3 371 | 4 969 | 3 842 | 3 846 |
| 1) <i>Of which:</i> | | | | | | | | | |
| <i>Trading portfolio</i> | 1 143 | 1 115 | 1 115 | 296 | 269 | 269 | 362 | 316 | 316 |
| <i>Banking portfolio</i> | 2 422 | 2 459 | 2 489 | 2 272 | 2 215 | 2 215 | 2 457 | 2 247 | 2 247 |

| <i>Amounts in NOK million</i> | 31 December 2004 | | | Pro forma 31 December 2003 | | | DnB NOR Bank Group Pro forma 31 December 2002 | | |
|---|--------------------------------------|--------------|--------------|----------------------------|--------------|--------------|--|--------------|--------------|
| | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value | Acquisition cost | Book value | Fair value |
| | Short-term shareholdings etc. | | | | | | | | |
| Listed Norwegian | 720 | 628 | 714 | 485 | 502 | 537 | 471 | 388 | 428 |
| Unlisted Norwegian | 638 | 620 | 580 | 721 | 643 | 612 | 671 | 639 | 574 |
| Mutual funds | 1 707 | 1 691 | 1 707 | 1 648 | 1 645 | 1 654 | 1 678 | 1 568 | 1 568 |
| International | 756 | 885 | 932 | 135 | 155 | 186 | 130 | 125 | 150 |
| Total short-term shareholdings etc. ¹⁾ | 3 821 | 3 823 | 3 933 | 2 988 | 2 945 | 2 990 | 2 949 | 2 721 | 2 721 |
| Long-term shareholdings etc. | | | | | | | | | |
| Listed Norwegian | 338 | 303 | 303 | 723 | 480 | 480 | 2 037 | 1 189 | 1 190 |
| Unlisted Norwegian | 248 | 236 | 472 | 183 | 171 | 249 | 95 | 95 | 99 |
| International | 402 | 250 | 250 | 309 | 309 | 331 | 351 | 327 | 330 |
| Total long-term shareholdings etc. ²⁾ | 988 | 788 | 1 025 | 1 215 | 960 | 1 060 | 2 484 | 1 611 | 1 618 |
| Total shareholdings etc. | 4 809 | 4 611 | 4 958 | 4 203 | 3 905 | 4 049 | 5 433 | 4 332 | 4 339 |
| 1) <i>Of which:</i> | | | | | | | | | |
| <i>Trading portfolio</i> | 1 143 | 1 115 | 1 115 | 304 | 271 | 271 | 362 | 316 | 316 |
| <i>Banking portfolio</i> | 2 678 | 2 708 | 2 818 | 2 685 | 2 674 | 2 719 | 2 587 | 2 405 | 2 405 |

2) *The holding in Storebrand was reduced by NOK 177 million in 2004 through realisation.*

Note 26 – Short-term investments in shares, mutual funds and PCCs as at 31 December 2004

| <i>Amounts in 1 000</i> <i>Values in NOK unless otherwise indicated</i> | DnB NOR Bank ASA | | | | | | | |
|--|-------------------------------|------------------|---------------|---|------------|--------------|--|--|
| | Share capital | Number of shares | Nominal value | Ownership share in per cent ¹⁾ | Book value | Market value | | |
| | Financial institutions | | | | | | | |
| Acta Holding | 43 498 | 2 430 000 | 385 | 0.89 | 24 083 | 23 304 | | |
| Forsikrings AB Skandia | SEK 1 024 217 | 2 341 000 | SEK 2 341 | 0.23 | 70 262 | 70 356 | | |
| Romsdals Fellesbank | 156 788 | 356 616 | 9 071 | 5.79 | 50 289 | 58 841 | | |
| Sparebanken Rana | 50 935 | 28 323 | 2 841 | 5.58 | 3 882 | 3 654 | | |
| Viking Ship Finance | CHF 30 000 | 22 500 | CHF 6 750 | 22.50 | 39 137 | 68 451 | | |

Note 26 – Short-term investments in shares, mutual funds and PCCs as at 31 December 2004 (continued)

| DnB NOR Bank ASA | | | | | | | | |
|--|------------|-----------|-----------|------------------------------------|------------------|------------------|---------|---------|
| <i>Amounts in 1 000</i> | Share | Number | Nominal | Ownership | Book | Market | | |
| <i>Values in NOK unless otherwise indicated</i> | capital | of shares | value | share in per cent ¹⁾ | value | value | | |
| Norwegian companies | | | | | | | | |
| Aktiv Kapital | 4 718 | 80 300 | 8 | 0.17 | 10 720 | 10 720 | | |
| BoltSafe | 572 | 152 620 | 153 | 26.75 | 2 271 | 2 271 | | |
| BTV-Fond | 49 004 | 63 161 | 6 316 | 12.89 | 6 376 | 6 305 | | |
| EFD-Elva Fritz Dusseldorf | 48 542 | 588 235 | 5 882 | 12.12 | 20 000 | 20 000 | | |
| Elkem | 985 600 | 458 964 | 9 179 | 0.93 | 77 435 | 105 103 | | |
| Eltek | 31 295 | 59 514 | 60 | 0.19 | 4 099 | 4 099 | | |
| Energivekst | 2 225 | 113 261 | 113 | 5.09 | 11 326 | 8 200 | | |
| Euroskilt | 914 | 177 | 177 | 19.37 | 9 482 | 10 425 | | |
| Fast Search and Transfer | 2 010 | 473 375 | 4 | 0.19 | 6 272 | 6 272 | | |
| Fjord Seafood | 475 598 | 2 098 000 | 2 098 | 0.44 | 6 399 | 6 399 | | |
| Industrifinans SMB III | 61 457 | 49 781 | 4 978 | 8.10 | 18 694 | 10 902 | | |
| IT Fornebu | 71 280 | 45 904 | 4 590 | 6.44 | 5 526 | 2 295 | | |
| IT Fornebu Eiendom | 1 157 509 | 1 459 587 | 145 959 | 12.61 | 148 179 | 113 994 | | |
| KS Norsk Vekst II | | | | | 8 244 | 6 232 | | |
| KS Teknoinvest (GP) VIII | | | | | 279 | 279 | | |
| KS Teknoinvest VIII | | | | | 2 781 | 2 419 | | |
| KS Venturos Technology III | | | | | 21 450 | 5 416 | | |
| Lerøy Seafood Group | 34 441 | 884 200 | 884 | 2.57 | 24 804 | 32 362 | | |
| Natumin Pharma | 13 606 | 185 185 | 926 | 6.81 | 5 000 | 1 481 | | |
| Normann | 4 075 | 243 716 | 94 | 2.30 | 15 383 | 15 383 | | |
| Norsk Hydro | 4 830 366 | 48 358 | 885 | 0.02 | 23 079 | 23 079 | | |
| Norske Skogindustrier | 1 331 371 | 753 246 | 7 532 | 0.57 | 98 961 | 98 961 | | |
| Orkla | 1 326 889 | 706 394 | 4 414 | 0.33 | 124 549 | 140 649 | | |
| Rieber & Søn | 795 757 | 423 423 | 4 234 | 0.53 | 6 788 | 23 712 | | |
| Scan-Sense | 20 321 | 2 749 385 | 2 749 | 13.53 | 12 714 | 0 | | |
| Telenor | 10 498 182 | 344 012 | 2 064 | 0.02 | 18 879 | 18 879 | | |
| Tomra Systems | 178 487 | 2 197 860 | 531 | 0.30 | 81 538 | 73 281 | | |
| Troms Fylkes Dampskibsselskap | 15 653 | 131 636 | 263 | 1.68 | 13 164 | 11 716 | | |
| Whitecliff | 60 005 | 100 000 | 1 000 | 1.67 | 4 299 | 3 177 | | |
| Companies based abroad | | | | | | | | |
| Crew Gold | USD | 130 306 | 3 260 365 | | 19 562 | 19 562 | | |
| Euroclear | EUR | 3 795 | 15 625 | EUR | 16 | 0.41 | 32 856 | 32 856 |
| General Maritime | USD | 377 | 576 400 | | 136 912 | 136 912 | | |
| Royal P&O Nedlloyd | USD | 50 100 | 2 003 000 | USD | 2 470 | 4.93 | 547 947 | 547 947 |
| Royal Caribbean Cruises | | 1 937 | 33 662 | | 0 | 0.02 | 11 209 | 11 209 |
| Stolt Nielsen | | 62 970 | 361 950 | | 362 | 0.57 | 62 889 | 62 889 |
| Stolt Offshore | | 382 834 | 664 595 | | 1 329 | 0.35 | 25 986 | 25 986 |
| Mutual funds | | | | | | | | |
| DnB Aktiehedgefond Primus | | | 500 652 | | 45 628 | 44 142 | | |
| DnB Global Hedge | | | 1 387 761 | | 113 718 | 130 360 | | |
| DnB NOR Global Selektiv 1 | | | 250 000 | | 25 000 | 24 558 | | |
| DnB NOR Kredittobligasjon | | | 50 703 | | 50 534 | 50 534 | | |
| DnB NOR Likviditet 20 (V) | | | 124 381 | | 1 245 228 | 1 245 228 | | |
| DnB NOR Obligasjon 20 (IV) | | | 50 670 | | 50 549 | 50 549 | | |
| DnB NOR Obligasjon III | | | 7 446 | | 73 581 | 73 581 | | |
| DnB NOR Sikring II | | | 247 537 | | 25 000 | 25 301 | | |
| DnB NOR Statsobligasjon (III) | | | 10 138 | | 10 075 | 10 075 | | |
| DnB NOR Tactical Asset Allocation | | | 1 | | 25 000 | 25 000 | | |
| Other shareholdings etc. | | | | | 96 102 | 99 306 | | |
| Total short-term investments in shares, mutual funds and PCCs | | | | | 3 574 120 | 3 604 611 | | |

1) Ownership share in per cent is based on the company's total share capital.

Note 26 – Short-term investments in shares, mutual funds and PCCs as at 31 December 2004 (continued)

| | | | | | | | DnB NOR Bank Group | |
|---|-----|------------|-----------|-----|---------|------------------------------------|--------------------|---------|
| <i>Amounts in 1 000</i> | | Share | Number | | Nominal | Ownership | Book | Market |
| <i>Values in NOK unless otherwise indicated</i> | | capital | of shares | | value | share in per cent ¹⁾ | value | value |
| Financial institutions | | | | | | | | |
| Acta Holding | | 43 498 | 2 430 000 | | 385 | 0.89 | 24 083 | 23 304 |
| Factor Insurance Group | | 12 546 | 20 025 | | 200 | 1.59 | 5 035 | 4 005 |
| Forsikrings AB Skandia | SEK | 1 024 217 | 2 341 000 | SEK | 2 341 | 0.23 | 70 262 | 70 356 |
| Romsdals Fellesbank | | 156 788 | 356 616 | | 9 071 | 5.79 | 50 289 | 58 841 |
| Sparebanken Rana | | 50 935 | 28 323 | | 2 841 | 5.58 | 3 882 | 3 654 |
| Viking Ship Finance | CHF | 30 000 | 22 500 | CHF | 6 750 | 22.50 | 39 137 | 68 451 |
| Norwegian companies | | | | | | | | |
| Aktiv Kapital | | 4 718 | 80 300 | | 8 | 0.17 | 10 720 | 10 720 |
| BoltSafe | | 572 | 152 620 | | 153 | 26.75 | 2 271 | 2 271 |
| BTV-Fond | | 49 004 | 63 161 | | 6 316 | 12.89 | 6 376 | 6 305 |
| EFD-Elva Fritz Dusseldorf | | 48 542 | 588 235 | | 5 882 | 12.12 | 20 000 | 20 000 |
| Elkem | | 985 600 | 458 964 | | 9 179 | 0.93 | 77 435 | 105 103 |
| Eltek | | 31 295 | 59 514 | | 60 | 0.19 | 4 099 | 4 099 |
| Energivekst | | 2 225 | 113 261 | | 113 | 5.09 | 11 326 | 8 200 |
| Euroskilt | | 914 | 177 | | 177 | 19.37 | 9 482 | 10 425 |
| Fast Search and Transfer | | 2 010 | 473 375 | | 4 | 0.20 | 6 272 | 6 272 |
| Fjord Seafood | | 475 598 | 2 098 000 | | 2 098 | 0.44 | 6 399 | 6 399 |
| Helgelandske | | 14 196 | 498 953 | | 4 990 | 35.15 | 31 434 | 47 401 |
| Helgeland Vekst | | 48 400 | 20 000 | | 2 000 | 4.13 | 2 000 | 2 000 |
| Industrifinans SMB III | | 61 457 | 49 781 | | 4 978 | 8.10 | 18 694 | 10 902 |
| IT Fornebu | | 71 280 | 45 904 | | 4 590 | 6.44 | 5 526 | 2 295 |
| IT Fornebu Eiendom | | 1 157 509 | 1 459 587 | | 145 959 | 12.61 | 148 179 | 113 994 |
| iTet | | 20 002 | 8 359 386 | | 8 360 | 41.80 | 17 292 | 0 |
| iTicket | | 3 000 | 2 442 000 | | 2 442 | 81.40 | 13 378 | 13 382 |
| KS Norsk Vekst II | | | | | | | 8 244 | 6 232 |
| KS Teknoinvest (GP) VIII | | | | | | | 279 | 279 |
| KS Teknoinvest VIII | | | | | | | 2 781 | 2 419 |
| KS Venturos Technology III | | | | | | | 21 450 | 5 416 |
| Lerøy Seafood Group | | 34 441 | 884 200 | | 884 | 2.57 | 24 804 | 32 362 |
| Natumin Pharma | | 13 606 | 185 185 | | 926 | 6.81 | 5 000 | 1 481 |
| Normann | | 4 075 | 243 716 | | 94 | 2.30 | 15 383 | 15 383 |
| Norrøna Hotell | | 11 040 | 39 | | 3 588 | 32.50 | 10 700 | 10 700 |
| Norsk Hydro | | 4 830 366 | 48 358 | | 885 | 0.02 | 23 079 | 23 079 |
| Norske Skogindustrier | | 1 331 371 | 753 246 | | 7 532 | 0.57 | 98 961 | 98 961 |
| Orkla | | 1 326 889 | 706 394 | | 4 414 | 0.33 | 84 074 | 140 649 |
| OVDS | | 116 739 | 2 324 195 | | 23 242 | 19.91 | 83 671 | 127 831 |
| Rieber & Søn | | 795 757 | 423 423 | | 4 234 | 0.53 | 6 788 | 23 712 |
| Saltens Bilruter | | 10 959 | 18 125 | | 1 810 | 16.52 | 14 152 | 14 152 |
| Scan-Sense | | 20 321 | 2 749 385 | | 2 749 | 13.53 | 12 714 | 0 |
| Såkorinvest Nord | | 9 277 | 11 020 | | 1 102 | 11.88 | 4 408 | 4 496 |
| Telenor | | 10 498 182 | 344 012 | | 2 064 | 0.02 | 18 879 | 18 879 |
| Tomra Systems | | 178 487 | 2 197 860 | | 1 845 | 1.03 | 81 538 | 73 281 |
| Troms Fylkes Dampskibsselskap | | 15 653 | 470 855 | | 942 | 6.02 | 54 779 | 41 906 |
| Viking Venture | | 967 | 63 030 | | 63 | 6.52 | 6 303 | 6 303 |
| WarrenWicklund Multi-Strategy | | 463 227 | 8 333 | | 83 | 0.02 | 10 000 | 11 000 |
| Whitecliff | | 60 005 | 300 000 | | 3 000 | 5.00 | 12 897 | 9 531 |
| Companies based abroad | | | | | | | | |
| Cape Investments | USD | 42 | 4 162 | USD | 4 | 9.91 | 19 032 | 37 460 |
| Crew Gold | USD | 130 306 | 3 260 365 | | | | 19 562 | 19 562 |
| Euroclear | EUR | 3 795 | 15 625 | EUR | 16 | 0.42 | 32 856 | 32 856 |
| General Maritime | USD | 377 | 576 400 | | | | 136 912 | 136 912 |
| Royal P&O Nedlloyd | USD | 50 100 | 2 003 000 | USD | 2 470 | 4.93 | 547 947 | 547 947 |
| Royal Caribbean Cruises | | 1 937 | 33 662 | | 0 | 0.02 | 11 209 | 11 209 |
| Stolt Nielsen | | 62 970 | 361 950 | | 362 | 0.57 | 62 889 | 62 889 |
| Stolt Offshore | | 382 834 | 664 595 | | 1 329 | 0.35 | 25 986 | 25 986 |

Note 26 – Short-term investments in shares, mutual funds and PCCs as at 31 December 2004 (continued)

| Amounts in 1 000 Values in NOK unless otherwise indicated | Share capital | Number of shares | Nominal value | DnB NOR Bank Group | | |
|---|---------------|------------------|---------------|---|------------|--------------|
| | | | | Ownership share in per cent ¹⁾ | Book value | Market value |
| Mutual funds | | | | | | |
| DnB Aktiehedgefond Primus | | 500 652 | | | 45 628 | 44 142 |
| DnB Global Hedge | | 1 387 761 | | | 113 718 | 130 360 |
| DnB NOR Global Selektiv 1 | | 250 000 | | | 25 000 | 24 558 |
| DnB NOR Kredittobligasjon | | 50 703 | | | 50 534 | 50 534 |
| DnB NOR Likviditet 20 (V) | | 124 381 | | | 1 245 228 | 1 245 228 |
| DnB NOR Obligasjon 20 (IV) | | 50 670 | | | 50 549 | 50 549 |
| DnB NOR Obligasjon III | | 7 446 | | | 73 581 | 73 581 |
| DnB NOR Sikring II | | 247 537 | | | 25 000 | 25 301 |
| DnB NOR Statsobligasjon (III) | | 10 138 | | | 10 075 | 10 075 |
| DnB NOR Tactical Asset Allocation | | 1 | | | 25 000 | 25 000 |
| Other shareholdings etc. | | | | | 117 833 | 112 652 |
| Total short-term investments in shares, mutual funds and PCCs | | | | | 3 822 993 | 3 933 231 |

1) Ownership share in per cent is based on the company's total share capital.

Note 27 – Long-term investments in shares, mutual funds and PCCs as at 31 December 2004

| Amounts in 1 000 Values in NOK unless otherwise indicated | Share capital | Number of shares | Nominal value | DnB NOR Bank ASA | | | | |
|--|---------------|------------------|---------------|-----------------------------|------------|--------------|---------|---------|
| | | | | Ownership share in per cent | Book value | Market value | | |
| Financial institutions | | | | | | | | |
| EB Group ¹⁾ | SGD | 127 590 | 250 000 | SGD | 250 | 0.20 | 1 111 | 1 401 |
| Storebrand | | 1 390 909 | 5 175 392 | | 25 877 | 1.86 | 302 761 | 302 761 |
| Norwegian companies | | | | | | | | |
| DnB-ansattes Fond, B-share | | 12 388 | 200 000 | | 200 | 1.61 | 200 | 200 |
| Gjensidige NOR Ansattefond, B-share | | 12 041 | 1 000 | | 1 | 0.01 | 12 | 12 |
| Norsk Tillitsmann | | 11 600 | 15 039 | | 1 504 | 12.96 | 1 504 | 7 895 |
| NOS | | 15 983 | 2 233 408 | | 2 233 | 13.97 | 14 517 | 17 867 |
| Oslo Børs Holding | | 50 000 | 983 392 | | 9 834 | 19.67 | 132 977 | 250 765 |
| Spama | | 3 156 | 7 674 | | 767 | 24.32 | 747 | 6 139 |
| VPS Holding | | 50 000 | 829 180 | | 8 292 | 16.58 | 70 508 | 174 128 |
| Companies based abroad | | | | | | | | |
| Lorentzen Empreendimentos, class B ²⁾ | USD | 1 768 | 47 813 984 | USD | 354 | 20.01 | 108 604 | 108 604 |
| Swift | EUR | 439 260 | 477 | EUR | 59 | 0.01 | 843 | 843 |
| Other shareholdings etc. | | | | | | | 5 425 | 5 425 |
| Total long-term investments in shares, mutual funds and PCCs | | | | | | | 639 209 | 876 040 |

Note 27 – Long-term investments in shares, mutual funds and PCCs as at 31 December 2004 (continued)

| Amounts in 1 000 Values in NOK unless otherwise indicated | Share capital | Number of shares | Nominal value | DnB NOR Bank Group | | | | |
|--|---------------|------------------|---------------|-----------------------------|------------|--------------|---------|-----------|
| | | | | Ownership share in per cent | Book value | Market value | | |
| Financial institutions | | | | | | | | |
| EB Group ¹⁾ | 127 590 | 250 000 | 250 | 0.20 | 1 111 | 1 401 | | |
| Storebrand | 1 390 909 | 5 175 392 | 25 877 | 1.86 | 302 761 | 302 761 | | |
| Norwegian companies | | | | | | | | |
| DnB-ansattes Fond, B-share | 12 388 | 200 000 | 200 | 1.61 | 200 | 200 | | |
| Gjensidige NOR Ansattefond, B-share | 12 041 | 1 000 | 1 | 0.01 | 12 | 12 | | |
| Norsk Tillitsmann | 11 600 | 15 039 | 1 504 | 12.96 | 1 504 | 7 895 | | |
| NOS | 15 983 | 2 233 408 | 2 233 | 13.97 | 14 517 | 17 867 | | |
| Oslo Børs Holding | 50 000 | 983 392 | 9 834 | 19.67 | 132 977 | 250 765 | | |
| Spama | 3 156 | 7 674 | 767 | 24.32 | 747 | 6 139 | | |
| VPS Holding | 50 000 | 829 180 | 8 292 | 16.58 | 70 508 | 174 128 | | |
| Companies based abroad | | | | | | | | |
| Lorentzen Empreendimentos, class B ²⁾ | USD | 1 768 | 47 813 984 | USD | 354 | 20.01 | 108 604 | 108 604 |
| Swift | EUR | 439 260 | 477 | EUR | 59 | 0.01 | 843 | 843 |
| Vertex Participacoes ²⁾ | USD | 12 721 | 188 644 371 | USD | 12 721 | 100.00 | 73 514 | 73 514 |
| Vittoria Participacoes ²⁾ | USD | 10 008 | 188 644 371 | USD | 10 008 | 100.00 | 63 642 | 63 642 |
| Other shareholdings etc. | | | | | | | 17 085 | 17 085 |
| Total long-term investments in shares, mutual funds and PCCs | | | | | | | 788 024 | 1 024 856 |

1) Previously called Export Credit Insurance Corporation of Singapore.

2) Investments in Lorentzen Empreendimentos, Vertex and Vittoria relate to previously converted loans in Brazil.

Note 28 – Investments in associated companies as at 31 December 2004

| Amounts in NOK 1000 | Share capital | Number of shares | Nominal value | DnB NOR Bank Group | | | |
|---|---------------|------------------|---------------|-----------------------------|------------|--------------|-----------|
| | | | | Ownership share in per cent | Book value | Market value | |
| Owned by DnB NOR Bank ASA | | | | | | | |
| Eksportfinans | | 1 593 532 | 66 969 | 703 175 | 44.13 | 484 152 | |
| BBS | | 165 000 | 2 639 998 | 66 000 | 40.00 | 67 242 | |
| Teller | | 8 000 | 3 200 | 3 200 | 40.00 | 797 | |
| NOKAS | | 51 076 | 20 771 | 20 771 | 40.67 | 18 749 | |
| Atento | | 14 100 | 45 326 | 4 533 | 32.15 | 8 889 | |
| Doorstep | | 2 500 | 12 500 | 1 250 | 50.00 | 2 834 | |
| Total investments in associated companies owned by DnB NOR Bank ASA | | | | | | | 582 663 |
| DnB NOR Bank Group adjustments | | | | | | | |
| Eksportfinans | | | | | | 649 672 | |
| BBS ¹⁾ | | | | | | 82 304 | |
| Teller | | | | | | 28 006 | |
| NOKAS | | | | | | 5 791 | |
| Other shareholdings | | | | | | 5 383 | |
| Total investments in associated companies | | | | | | | 1 353 819 |

1) The share of profits on the sale of Postbanken's Clearing House to the Banks' Central Clearing House (BBS), corresponding to the DnB NOR Bank Group's holding in BBS, was taken to income in full in 2004.

Note 29 – Investments in subsidiaries as at 31 December 2004

| Amounts in 1 000 Values in NOK unless otherwise indicated | Share capital | Number of shares | Nominal value | DnB NOR Bank ASA | | | |
|--|---------------|------------------|---------------|-----------------------------|------------|-----|-----------|
| | | | | Ownership share in per cent | Book value | | |
| Foreign subsidiaries | | | | | | | |
| Den Norske Investments | GBP | 2 459 | 210 000 | GBP | 2 459 | 100 | 2 459 |
| DnB NOR Asia | SGD | 20 000 | 20 000 000 | SGD | 20 000 | 100 | 74 003 |
| DnB NOR Markets Inc. | USD | 150 | 150 000 | USD | 150 | 100 | 906 |
| DnB NOR Reinsurance | | 11 000 | 10 999 | | 10 999 | 100 | 10 999 |
| Luxcap | EUR | 30 000 | 800 000 | EUR | 30 000 | 100 | 310 519 |
| Union Bank of Norway International | EUR | 17 352 | 70 000 | EUR | 17 352 | 100 | 142 977 |
| Domestic subsidiaries | | | | | | | |
| DnB NOR Eiendom | | 2 503 | 25 033 | | 2 503 | 100 | 75 349 |
| DnB NOR Finans | | 512 000 | 5 120 000 | | 512 000 | 100 | 1 017 791 |
| DnB NOR Fiskeriu utvikling | | 1 000 | 1 000 | | 1 000 | 100 | 10 000 |
| DnB NOR Hypotek | | 825 000 | 8 250 000 | | 825 000 | 100 | 952 552 |
| DnB NOR Invest Holding | | 200 000 | 200 000 | | 200 000 | 100 | 543 000 |
| DnB NOR Meglerservice | | 700 | 7 | | 700 | 100 | 5 221 |
| DnB NOR Næringsmegling | | 1 000 | 10 000 | | 1 000 | 100 | 24 000 |
| Hafjell Alpenserter | | 26 330 | 2 633 | | 26 330 | 100 | 12 400 |
| Kreditt-Finans | | 21 000 | 42 000 | | 21 000 | 100 | 50 394 |
| Lørenfaret NE 1 | | 500 | 5 000 | | 500 | 100 | 500 |
| Netaxept | | 10 500 | 26 250 000 | | 10 500 | 100 | 67 675 |
| Nordlandsbanken | | 625 062 | 50 004 984 | | 625 062 | 100 | 1 864 444 |
| Postbanken Eiendomsmegling ¹⁾ | | 20 000 | 20 | | 20 000 | 100 | 20 000 |
| Realkreditt Eiendom | | 11 000 | 11 000 | | 11 000 | 100 | 133 033 |
| Sparebankgårdene | | 204 920 | 204 920 | | 204 920 | 100 | 213 914 |
| Viul Hovedgård | | 7 500 | 750 000 | | 7 500 | 100 | 11 766 |
| General and limited partnerships | | | | | | | |
| Lørenfaret NE 1 | | | | | | 99 | 46 896 |
| Store Elvegården | | | | | | 50 | 5 861 |
| Total investments in subsidiaries | | | | | | | 5 596 658 |

1) Sold in January 2005 in accordance with the conditions for the DnB NOR merger.

Note 30 – Repossessed properties and other repossessed assets

| DnB NOR Bank ASA | | | | | DnB NOR Bank Group | | | | | |
|-------------------------|-------------------------|----------------|----------------|-------------------------|-------------------------|----------------|----------------|-------------------------|-------------------------|--|
| Book value 31 Dec. 2002 | Book value 31 Dec. 2003 | Disposals 2004 | Additions 2004 | Book value 31 Dec. 2004 | Book value 31 Dec. 2004 | Additions 2004 | Disposals 2004 | Book value 31 Dec. 2003 | Book value 31 Dec. 2002 | |
| 5 | 11 | 45 | 118 | 84 | 112 | 118 | 53 | 47 | 18 | |
| 5 | 5 | 2 | 0 | 3 | 3 | 0 | (1) | 2 | 5 | |
| | | | | | Other repossessed | | | | | |
| 389 | 299 | 200 | 273 | 372 ¹⁾ | 426 ¹⁾ | 349 | 452 | 529 | 632 | |
| 399 | 315 | 247 | 391 | 459 | 541 | 467 | 505 | 578 | 656 | |

1) Of which: NOK 45 million represents shares in DnB Eiendomsutvikling AS (former Kjørbo Eiendom AS), which is wholly owned by DnB NOR Bank.
 NOK 247 million represents shares in Pan Fish ASA, where DnB NOR Bank has a holding of 26.42 per cent.
 NOK 60 million represents assets in Follalaks AS, where DnB NOR Bank has a holding of 50.99 per cent.

Note 31 – Intangible assets

| Goodwill | DnB NOR Bank ASA | | | | | | |
|--|------------------------|-------------------------|----------------------------|------------------------|-------------------------|--------------------------------|-------------------|
| | Amortisation plan | Book value 31 Dec. 2004 | Ordinary amortisation 2004 | Acquired goodwill 2004 | Book value 31 Dec. 2003 | Total amortisation before 2004 | Original goodwill |
| <i>Amounts in NOK million</i> | | | | | | | |
| Savings bank - bank branches | 20 years ¹⁾ | 474 | 26 | | 500 | 26 | 526 |
| Savings bank - corporate customers | 20 years ¹⁾ | 381 | 21 | | 402 | 21 | 423 |
| Cresco - credit card portfolio | 8 years ¹⁾ | 353 | 59 | | 412 | 59 | 471 |
| Cresco - credit card portfolio | 8 years ²⁾ | 87 | 38 | | 125 | 182 | 307 |
| Gjensidige NOR Spareforsikring's portfolio | 4 years | 1 | 14 | | 15 | 41 | 56 |
| American Express | 10 years ³⁾ | 110 | 24 | 134 | 0 | 0 | 0 |
| Gjensidige NOR Equities | 5 years | 44 | 33 | 77 | 0 | 0 | 0 |
| Offices in Bø and Vinje | 5 years | 12 | 6 | 0 | 18 | 14 | 32 |
| Total goodwill | | 1 460 | 223 | 211 | 1 472 | 343 | 1 815 |

1) Refers to the merger with Gjensidige NOR ASA as at 31 December 2003, with DnB Holding ASA as the acquiring company. The savings bank business is considered to be of a very long-term nature.

2) Refers to the acquisition of the credit card portfolio of Gjensidige Bank in 1999. The amortisation period is based on the portfolio's expected remaining economic life at the time of acquisition.

3) Refers to the acquisition of the Norwegian card operations of American Express. The acquisition is part of DnB NOR Group's long-term strategy to provide a full range of card products. Experience shows that such products have a long economic life.

| Goodwill | DnB NOR Bank Group | | | | | | |
|--|--------------------|-------------------------|----------------------------|------------|-------------------------|--------------------------------|-------------------|
| | Amortisation plan | Book value 31 Dec. 2004 | Ordinary amortisation 2004 | Disposals | Book value 31 Dec. 2003 | Total amortisation before 2004 | Original goodwill |
| <i>Amounts in NOK million</i> | | | | | | | |
| Savings bank - bank branches | 20 ¹⁾ | 482 | 27 | | 509 | 27 | 536 |
| Savings bank - corporate customers | 20 ¹⁾ | 387 | 22 | | 409 | 22 | 431 |
| Cresco - credit card portfolio | 8 ¹⁾ | 353 | 59 | | 412 | 59 | 471 |
| Elcon Finans - business in Norway | 8 ¹⁾ | 0 | 6 | 159 | 165 | 24 | 188 |
| Nordlandsbanken | 10 ²⁾ | 425 | 53 | | 478 | 53 | 531 |
| American Express | 10 ³⁾ | 110 | 24 | | 134 | 108 | 243 |
| IT Solutions | 10 ⁴⁾ | 39 | 7 | | 46 | 22 | 66 |
| Aktiv Eiendomsmegling | 10 ⁵⁾ | 8 | 3 | | 11 | 17 | 27 |
| Netaxept | 2 | 0 | (2) | | (2) | (2) | (4) |
| Cresco - credit card portfolio | 8 ⁶⁾ | 87 | 38 | | 125 | 182 | 307 |
| Gjensidige NOR Kapitalforvaltning | 5 | 0 | | 42 | 42 | 106 | 148 |
| Gjensidige NOR Spareforsikring's portfolio | 4 | 1 | 14 | | 15 | 40 | 56 |
| Gjensidige NOR Equities | 5 | 44 | 36 | | 80 | 130 | 209 |
| Offices in Bø and Vinje | 5 | 12 | 6 | | 18 | 13 | 32 |
| Avanse Forvaltning | 5 | 0 | | 59 | 59 | 230 | 289 |
| Total goodwill | | 1 948 | 292 | 260 | 2 502 | 1 031 | 3 530 |

1) Refers to the merger with Gjensidige NOR ASA as at 31 December 2003, with DnB Holding ASA as the acquiring company. The savings bank business is considered to be of a very long-term nature.

2) Refers to the acquisition of Nordlandsbanken at the beginning of 2003. Operations are expected to have long-term value.

3) Refers to the acquisition of the Norwegian card operations of American Express. The acquisition is part of the DnB NOR Bank Group's long-term strategy to provide a full range of card products. Experience shows that such products have a long economic life.

4) The amortisation period is based on the company's strategic importance for DnB NOR. IT Solutions' financing solutions within information technology and telecommunications expand the product range in line with DnB NOR Finans' long-term business strategy.

5) Goodwill is linked to the value of the Aktiv brand name. Aktiv Eiendomsutvikling AS was sold 3rd January 2005. See note 1 for more information.

6) Refers to the acquisition of the credit card portfolio of Gjensidige Bank in 1999. The amortisation period is based on the portfolio's expected remaining economic life at the time of acquisition.

Note 31 – Intangible assets (continued)

Other intangible assets ¹⁾

| <i>Amounts in NOK million</i> | Depreciation plan | Book value 31 Dec. 2004 | Ordinary depreciation 2004 | Disposals 2004 | Book value 31 Dec. 2003 | DnB NOR Bank ASA | |
|---------------------------------|-------------------|----------------------------|----------------------------------|-------------------|----------------------------|--|--|
| | | | | | | Total depreciation and write-downs before 2004 | Original cost recorded in the balance sheet 31 Dec. 2003 |
| Capitalised systems development | 3 years | 0 | 12 | 0 | 12 | 341 | 354 |
| Postbanken brand name | 10 years | 50 | 12 | 0 | 62 | 57 | 119 |
| Sundry intangible assets | 5 years | 1 | 6 | 0 | 7 | 114 | 120 |
| Software | 3-5 år | 27 | 32 | 34 | 93 | 33 | 126 |
| Total | | 78 | 62 | 34 | 175 | 545 | 719 |

Other intangible assets ¹⁾

| <i>Amounts in NOK million</i> | Depreciation plan | Book value 31 Dec. 2004 | Ordinary depreciation 2004 | Disposals 2004 | Book value 31 Dec. 2003 | DnB NOR Bank Group | |
|---------------------------------|-------------------|----------------------------|----------------------------------|-------------------|----------------------------|--|--|
| | | | | | | Total depreciation and write-downs before 2004 | Original cost recorded in the balance sheet 31 Dec. 2003 |
| Capitalised systems development | 3 years | 0 | 12 | 0 | 12 | 341 | 353 |
| Postbanken brand name | 10 years | 50 | 12 | 0 | 62 | 57 | 119 |
| Sundry intangible assets | 5 years | 0 | 7 | 0 | 7 | 113 | 120 |
| Software | 3-5 år | 28 | 35 | 92 | 155 | 54 | 209 |
| Total | | 78 | 66 | 92 | 237 | 565 | 801 |

1) For information on deferred taxes, see note 15.

DnB NOR is not involved in systematic research and development, apart from the development of new administrative IT solutions. The cost of such activity is under continuous review, and costs entered in the balance sheet are considered relative to future earnings.

Note 32 – Fixed assets

| DnB NOR Bank ASA | | | DnB NOR Bank Group | |
|-----------------------------------|-------------------------------------|--|-----------------------------------|-------------------------------------|
| Machinery, equipment and vehicles | Bank buildings and other properties | <i>Amounts in NOK million</i> | Machinery, equipment and vehicles | Bank buildings and other properties |
| 2 036 | 1 987 | Original cost | 2 583 | 4 252 |
| 0 | 411 | Revaluations before 2004 | 0 | 594 |
| 959 | 912 | Total write-downs and depreciation before 2004 | 1 338 | 1 725 |
| 1 078 | 1 486 | Book value as at 1 January 2004 | 1 245 | 3 121 |
| 224 | 59 | Additions | 249 | 107 |
| 3 | 23 | Disposals (sales value) | 28 | 141 |
| 3 | 2 | Losses | 3 | 4 |
| 1 | 6 | Gains | 1 | 38 |
| 305 | 62 | Ordinary depreciation | 348 | 119 |
| 0 | 6 | Derpreciation on revaluations | 0 | 9 |
| 0 | 0 | Reclassifications to restructuring provisions | 0 | 10 |
| 990 | 1 458 | Book value as at 31 December 2004 | 1 116 | 2 985 |

Note 33 – Real estate as at 31 December 2004

| <i>Book value in NOK million</i> | DnB NOR Bank ASA | | | |
|------------------------------------|-------------------------|-----------------------|--------------------|--------------|
| | Bank buildings | Commercial properties | Sites/ projects | Total |
| Oslo | 874 | 3 | 0 | 876 |
| Eastern Norway and southern Norway | 78 | 19 | 7 | 104 |
| Bergen | 378 | 2 | 1 | 380 |
| Rest of western Norway | 30 | 0 | 1 | 31 |
| Northern Norway and central Norway | 33 | 0 | 0 | 33 |
| Abroad | 32 | 0 | 1 | 34 |
| Total book value | 1 425 | 23 | 10 | 1 458 |

| <i>Floor space in 1 000 square metres</i> | | | | |
|---|------------|----------|----------|------------|
| Own use | 151 | 0 | 0 | 151 |
| Tenants | 15 | 0 | 0 | 16 |
| Not rented out | 3 | 2 | 0 | 5 |
| Total floor space | 168 | 2 | 0 | 171 |
| Number of external tenants | 43 | 5 | 0 | 48 |
| Annual rental income from external tenants in NOK million | 29 | 0 | 0 | 29 |

| <i>Book value in NOK million</i> | DnB NOR Bank Group | | | |
|------------------------------------|---------------------------|-----------------------|--------------------|--------------|
| | Bank buildings | Commercial properties | Sites/ projects | Total |
| Oslo | 1 493 | 93 | 22 | 1 608 |
| Eastern Norway and southern Norway | 527 | 52 | 27 | 606 |
| Bergen | 378 | 2 | 1 | 380 |
| Rest of western Norway | 30 | 0 | 1 | 31 |
| Northern Norway and central Norway | 107 | 195 | 24 | 326 |
| Abroad | 32 | 0 | 1 | 34 |
| Total book value | 2 566 | 342 | 76 | 2 985 |

| <i>Floor space in 1 000 square metres</i> | | | | |
|---|------------|-----------|----------|------------|
| Own use | 306 | 13 | 6 | 325 |
| Tenants | 45 | 7 | 0 | 51 |
| Not rented out | 21 | 2 | 0 | 24 |
| Total floor space | 373 | 22 | 6 | 400 |
| Number of external tenants | 143 | 25 | 0 | 167 |
| Annual rental income from external tenants in NOK million | 53 | 22 | 0 | 75 |

Note 34 – Liabilities

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------------------|------------------------------|-----------------|--|--------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| <i>Amounts in NOK million</i> | | | | | | |
| 14 830 | 16 691 | 14 444 | Loans and deposits from credit institutions with no fixed term or period of notice | 14 228 | 16 716 | 16 331 |
| 62 503 | 59 839 | 33 164 | Loans and deposits from credit institutions with a fixed term or period of notice | 34 722 | 61 792 | 63 983 |
| 77 333 | 76 530 | 47 608 | Loans and deposits from credit institutions | 48 950 | 78 508 | 80 314 |
| 241 835 | 263 759 | 279 611 | Deposits from customers with no fixed term or period of notice | 284 503 | 268 634 | 241 263 |
| 79 178 | 66 838 | 74 131 | Deposits from customers with a fixed term or period of notice | 75 737 | 69 174 | 79 624 |
| 321 013 | 330 597 | 353 741 | Deposits from customers | 360 240 | 337 807 | 320 887 |
| 37 440 | 38 953 | 49 022 | Commercial paper issued | 49 022 | 38 953 | 37 640 |
| 90 | 0 | 0 | Less own commercial paper included in the banking portfolio | 0 | 0 | 90 |
| 98 810 | 134 955 | 139 562 | Bond debt | 152 405 | 150 169 | 109 343 |
| 5 558 | 2 973 | 4 012 | Less own bonds included in the banking portfolio | 9 017 | 7 173 | 8 324 |
| 130 602 | 170 935 | 184 572 | Securities issued | 192 410 | 181 949 | 138 568 |
| 0 | 0 | 0 | Long-term funding | 0 | 60 | 342 |
| 235 | 84 | 3 639 | Short-term funding | 3 948 | 354 | 499 |
| 0 | 0 | 0 | Liabilities related to factoring | 109 | 80 | 73 |
| 1 695 | 1 493 | 1 738 | Documentary credits, cheques and other payment services | 1 779 | 1 493 | 1 695 |
| 5 423 | 7 482 | 7 742 | Group contribution/dividends | 7 742 | 5 203 | 5 850 |
| 607 | 82 | 342 | Accrued unassessed payable taxes | 457 | 202 | 913 |
| 18 324 | 21 066 | 20 153 | Financial derivatives | 20 259 | 21 148 | 18 324 |
| 3 182 | 6 676 | 6 724 | Sundry liabilities | 6 845 | 9 279 | 3 927 |
| 29 466 | 36 884 | 40 337 | Other liabilities | 41 140 | 37 820 | 31 624 |
| 2 659 | 2 430 | 1 747 | Accrued interest expenses | 1 947 | 2 615 | 2 751 |
| 1 722 | 2 712 | 2 571 | Other accrued expenses and prepaid revenues | 3 066 | 3 384 | 2 287 |
| 4 381 | 5 142 | 4 318 | Accrued expenses and prepaid revenues | 5 013 | 5 999 | 5 038 |
| 1 477 | 1 438 | 1 590 | Pension commitments | 1 695 | 1 517 | 1 545 |
| 101 | 64 | 92 | Specified provisions for losses on guarantee commitments | 126 | 69 | 101 |
| 1 | 1 | 1 | Unspecified provisions for losses on guarantee commitments | 1 | 1 | 1 |
| 898 | 818 | 1 020 | Other provisions | 1 173 | 983 | 1 013 |
| 2 476 | 2 320 | 2 703 | Provisions for commitments | 2 994 | 2 570 | 2 658 |
| 6 461 | 11 320 | 12 565 | Term subordinated loan capital | 13 142 | 11 973 | 6 506 |
| 7 014 | 6 053 | 5 528 | Perpetual subordinated loan capital | 5 628 | 6 153 | 7 014 |
| 13 474 | 17 374 | 18 092 | Subordinated loan capital | 18 770 | 18 126 | 13 519 |
| 5 292 | 5 583 | 5 270 | Perpetual subordinated loan capital securities | 5 270 | 5 583 | 5 292 |
| 584 038 | 645 364 | 656 642 | Total liabilities | 674 787 | 668 362 | 597 901 |

Note 35 – Customer deposits for principal sectors

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------------------|------------------------------|-----------------|----------------------------------|--------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| <i>Amounts in NOK million</i> | | | | | | |
| 153 802 | 162 332 | 168 035 | Retail customers | 172 484 | 167 056 | 153 868 |
| 13 948 | 14 174 | 19 220 | International shipping | 19 222 | 14 150 | 14 010 |
| 13 660 | 15 848 | 21 409 | Real estate | 21 717 | 16 083 | 13 873 |
| 13 350 | 13 657 | 13 055 | Manufacturing | 13 248 | 13 824 | 13 428 |
| 43 281 | 48 630 | 57 038 | Services and management | 56 421 | 48 704 | 42 673 |
| 16 427 | 16 145 | 16 974 | Trade | 17 332 | 16 571 | 16 551 |
| 1 557 | 1 394 | 1 609 | Oil and gas | 1 610 | 1 393 | 1 584 |
| 7 906 | 9 395 | 10 055 | Transportation and communication | 10 374 | 9 745 | 7 907 |
| 4 169 | 4 044 | 5 016 | Building and construction | 5 308 | 6 372 | 4 113 |
| 5 982 | 5 260 | 4 171 | Power and water supply | 4 450 | 3 337 | 5 982 |
| 16 120 | 17 019 | 12 604 | Central and local government | 13 080 | 17 378 | 16 120 |
| 1 082 | 792 | 697 | Fishing | 942 | 1 144 | 1 082 |
| 1 321 | 1 215 | 1 160 | Hotels and restaurants | 1 292 | 1 275 | 1 273 |
| 1 869 | 1 727 | 1 958 | Agriculture and forestry | 1 979 | 1 730 | 1 859 |
| 26 539 | 18 964 | 20 739 | Finance | 20 781 | 19 044 | 26 565 |
| 321 013 | 330 597 | 353 741 | Total customers | 360 240 | 337 807 | 320 887 |
| 5 703 | 3 880 | 4 827 | Credit institutions | 4 373 | 3 240 | 5 398 |
| 326 716 | 334 477 | 358 568 | Total | 364 613 | 341 047 | 326 285 |

Note 36 – Maturity structure on bond debt as at 31 December 2004 ¹⁾

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|-------------------------------|---------------------|---------|--|--------------------|---------------------|---------|
| NOK | Foreign currency | Total | | NOK | Foreign currency | Total |
| <i>Amounts in NOK million</i> | | | | | | |
| Maturity (year) | | | | | | |
| 4 923 | 20 692 | 25 615 | 2005 | 7 525 | 20 692 | 28 218 |
| 6 836 | 19 206 | 26 042 | 2006 | 7 018 | 19 206 | 26 224 |
| 4 658 | 28 078 | 32 736 | 2007 | 7 880 | 28 078 | 35 958 |
| 2 946 | 27 072 | 30 019 | 2008 | 3 374 | 27 072 | 30 446 |
| 401 | 16 518 | 16 919 | 2009 | 1 252 | 16 518 | 17 770 |
| 60 | 1 286 | 1 346 | 2010 | 521 | 1 286 | 1 807 |
| 1 555 | 1 385 | 2 940 | 2011 and later | 1 648 | 1 385 | 3 033 |
| 0 | (67) | (67) | Recorded costs and amortised discounts | (1) | (67) | (68) |
| 21 379 | 114 171 | 135 550 | Total | 29 217 | 114 171 | 143 388 |

1) Less holdings of own bonds included in the banking portfolio.

Note 37 – Premiums/discounts on own bonds in the banking portfolio as at 31 December 2004

| DnB NOR Bank ASA | | | DnB NOR Bank Group | |
|--|---------------|----------------|--|---------------|
| Premiums/ (discounts) ¹⁾ | Book value | | Premiums/ (discounts) ¹⁾ | Book value |
| <i>Amounts in NOK million</i> | | | | |
| Maturity (year) | | | | |
| 19 | 781 | 2005 | 15 | 2 763 |
| 21 | 999 | 2006 | 18 | 1 520 |
| 8 | 695 | 2007 | 6 | 2 436 |
| (1) | 899 | 2008 | (2) | 941 |
| (1) | 204 | 2009 | (2) | 395 |
| 1 | 0 | 2010 | 0 | 49 |
| 0 | 434 | 2011 and later | (1) | 914 |
| 47 | 4 012 | Total | 35 | 9 017 |

1) The amounts will be amortised over the remaining term of the bonds.

The market value of own bonds included in the banking portfolio as at 31 December 2004 totalled NOK 4 074 million for DnB NOR Bank ASA and NOK 8 846 million for the DnB NOR Bank Group.

Note 38 – Subordinated loan capital and perpetual subordinated loan capital securities

| Amounts in NOK million | DnB NOR Bank ASA | | | | | |
|--|-------------------------------|----------------|------------------------------|------------------------------------|---|--|
| | Balance sheet 31 Dec. 2004 | Issued 2004 | Matured/ redeemed 2004 | Exchange rate movements 2004 | Net change in recorded costs 2004 | Pro forma balance sheet 31 Dec. 2003 |
| Term subordinated loan capital | 12 565 | 1 648 | 0 | (404) | 1 | 11 320 |
| Perpetual subordinated loan capital | 5 528 | 0 | 0 | (527) | 1 | 6 053 |
| Perpetual subordinated loan capital securities ¹⁾ | 5 270 | 0 | 0 | (317) | 5 | 5 583 |
| Total | 23 362 | 1 648 | 0 | (1 248) | 7 | 22 957 |

1) Perpetual subordinated loan capital securities are eligible for inclusion in core capital by an amount not exceeding 15 per cent of total core capital. Kredittilsynet 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 falls below 6 per cent. Amounts written down on the securities must be revalued before the distribution of dividends to shareholders or revaluation of equity.

| Year raised | Book value in foreign currency | Interest rate | Maturity | Call date | Book value in NOK |
|---|-----------------------------------|-------------------------|----------|-----------|----------------------|
| Term subordinated loan capital | | | | | |
| 2000 | USD 63 | 3-month LIBOR + 0.55% | 2010 | 2005 | 381 |
| 2001 | USD 45 | 3-month LIBOR + 0.625% | 2011 | 2006 | 272 |
| 2001 | USD 125 | 3-month LIBOR + 0.75% | 2011 | 2006 | 755 |
| 2002 | EUR 200 | 3-month EURIBOR + 0.65% | 2012 | 2007 | 1 648 |
| 2002 | USD 100 | 3-month LIBOR + 0.50% | 2012 | 2007 | 604 |
| 2002 | EUR 200 | 3-month EURIBOR + 0.75% | 2012 | 2007 | 1 648 |
| 2003 | EUR 200 | 3-month EURIBOR + 0.45% | 2013 | 2008 | 1 648 |
| 2003 | EUR 200 | 3-month EURIBOR + 0.70% | 2013 | 2008 | 1 648 |
| 2003 | GBP 200 | 5.125% p.a. | 2015 | 2010 | 2 331 |
| 2004 | EUR 200 | 3-month EURIBOR | 2016 | 2011 | 1 648 |
| Recorded costs | | | | | (17) |
| Total term subordinated loan capital | | | | | 12 565 |
| Perpetual subordinated loan capital | | | | | |
| 1985 | USD 215 | 3-month LIBOR + 0.25% | | | 1 299 |
| 1986 | USD 200 | 6-month LIBOR + 0.125% | | | 1 208 |
| 1986 | USD 150 | 6-month LIBOR + 0.15% | | | 906 |
| 1996 | JPY 3 000 | 4.00% p.a. | | 2011 | 177 |
| 1996 | JPY 7 000 | 4.00% p.a. | | 2011 | 412 |
| 1996 | USD 105 | 7.65% p.a. | | 2006 | 634 |
| 1999 | JPY 10 000 | 4.51% p.a. | | 2029 | 589 |
| 2000 | USD 50 | 8.61% p.a. | | 2005 | 302 |
| Recorded costs | | | | | 0 |
| Total perpetual subordinated loan capital | | | | | 5 528 |
| Perpetual subordinated loan capital securities | | | | | |
| 2001 | USD 400 | 6-month LIBOR | | 2011 | 2 416 |
| 2002 | EUR 350 | 7.07% p.a. | | 2012 | 2 884 |
| Recorded costs | | | | | (30) |
| Total perpetual subordinated loan capital securities | | | | | 5 270 |

Note 38 – Subordinated loan capital and perpetual subordinated loan capital securities (continued)

| <i>Amounts in NOK million</i> | DnB NOR Bank Group | | | | | |
|--|-------------------------------|----------------|------------------------------|------------------------------------|---|--|
| | Balance sheet 31 Dec. 2004 | Issued 2004 | Matured/ redeemed 2004 | Exchange rate movements 2004 | Net change in recorded costs 2004 | Pro forma balance sheet 31 Dec. 2003 |
| Term subordinated loan capital | 13 142 | 1 648 | 74 | (406) | 1 | 11 973 |
| Perpetual subordinated loan capital | 5 628 | 0 | 0 | (527) | 1 | 6 153 |
| Perpetual subordinated loan capital securities ¹⁾ | 5 270 | 0 | 0 | (317) | 5 | 5 583 |
| Total | 24 040 | 1 648 | 74 | (1 250) | 7 | 23 709 |

1) Perpetual subordinated loan capital securities are eligible for inclusion in core capital by an amount not exceeding 15 per cent of total core capital.

Kreditilsynet 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 falls below 6 per cent. Amounts written down on the securities must be revalued before the distribution of dividends to shareholders or revaluation of equity.

| Year raised | Book value in foreign currency | Interest rate | Maturity | Call date | Book value in NOK |
|---|-----------------------------------|-------------------------|----------|-----------|----------------------|
| Term subordinated loan capital | | | | | |
| 2000 | NOK 142 | 3.89% p.a. | 2010 | 2005 | 142 |
| 2000 | NOK 128 | 8.05% p.a. | 2010 | 2005 | 128 |
| 2000 | EUR 6 | 3.42% p.a. | 2010 | 2010 | 51 |
| 2000 | USD 63 | 3-month LIBOR + 0.55% | 2010 | 2005 | 381 |
| 2001 | NOK 258 | 3.26% p.a. | 2011 | 2006 | 258 |
| 2001 | USD 45 | 3-month LIBOR + 0.625% | 2011 | 2006 | 272 |
| 2001 | USD 125 | 3-month LIBOR + 0.75% | 2011 | 2006 | 755 |
| 2002 | EUR 200 | 3-month EURIBOR + 0.65% | 2012 | 2007 | 1 648 |
| 2002 | USD 100 | 3-month LIBOR + 0.50% | 2012 | 2007 | 604 |
| 2002 | EUR 200 | 3-month EURIBOR + 0.75% | 2012 | 2007 | 1 648 |
| 2003 | EUR 200 | 3-month EURIBOR + 0.45% | 2013 | 2008 | 1 648 |
| 2003 | EUR 200 | 3-month EURIBOR + 0.70% | 2013 | 2008 | 1 648 |
| 2003 | GBP 200 | 5.125% p.a. | 2015 | 2010 | 2 331 |
| 2004 | EUR 200 | 3-month EURIBOR | 2016 | 2011 | 1 648 |
| Recorded costs | | | | | (17) |
| Total term subordinated loan capital | | | | | 13 142 |
| Perpetual subordinated loan capital | | | | | |
| 1985 | USD 215 | 3-month LIBOR + 0.25% | | | 1 299 |
| 1986 | USD 200 | 6-month LIBOR + 0.125% | | | 1 208 |
| 1986 | USD 150 | 6-month LIBOR + 0.15% | | | 906 |
| 1996 | JPY 3 000 | 4.00% p.a. | | 2011 | 177 |
| 1996 | JPY 7 000 | 4.00% p.a. | | 2011 | 412 |
| 1996 | USD 100 | 7.65% p.a. | | 2006 | 634 |
| 1997 | NOK 100 | 3.67% p.a. | | 2007 | 100 |
| 1999 | JPY 10 000 | 4.51% p.a. | | 2029 | 589 |
| 2000 | USD 50 | 8.61% p.a. | | 2005 | 302 |
| Recorded costs | | | | | 0 |
| Total perpetual subordinated loan capital | | | | | 5 628 |
| Perpetual subordinated loan capital securities | | | | | |
| 2001 | USD 400 | 6-month LIBOR | | 2011 | 2 416 |
| 2002 | EUR 350 | 7.07% p.a. | | 2012 | 2 884 |
| Recorded costs | | | | | (30) |
| Total perpetual subordinated loan capital securities | | | | | 5 270 |

Note 39 – Equity

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | | | |
|------------------|-----------------------|---------------|---------------|---|---------------|-----------------------|---------------|---------------|
| Share capital | Share premium reserve | Other equity | Total equity | | Share capital | Share premium reserve | Other equity | Total equity |
| 6 786 | 0 | 6 105 | 12 891 | <i>Amounts in NOK million</i> | 6 786 | 0 | 6 564 | 13 350 |
| 10 179 | 7 745 | 2 758 | 20 681 | Balance sheet as at 31 December 2003 | 10 179 | 8 461 | 4 595 | 23 235 |
| 16 964 | 7 745 | 8 863 | 33 572 | Balance sheet as at 31 December 2003 pro forma | 16 964 | 8 461 | 11 158 | 36 584 |
| | | 191 | 191 | Merger with DnB NOR Kort | | | - | - |
| | | 6 592 | 6 592 | Profit for the year | | | 6 786 | 6 786 |
| | | 5 564 | 5 564 | Group contributions and dividends | | | 5 564 | 5 564 |
| | | (46) | (46) | Exchange rate movements | | | (67) | (67) |
| 16 964 | 7 745 | 10 036 | 34 745 | Balance sheet as at 31 December 2004 | 16 964 | 8 461 | 12 313 | 37 738 |

Note 40 – Earnings per share

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------|----------------|---------|-------------------------------------|--------------------|----------------|----------------|
| Pro forma 2002 | Pro forma 2003 | 2004 | | 2004 | Pro forma 2003 | Pro forma 2002 |
| 3 831 | 4 860 | 6 592 | Profit for the year (NOK million) | 6 786 | 4 963 | 4 533 |
| 169 643 | 169 643 | 169 643 | Average number of shares (in 1 000) | 169 643 | 169 643 | 169 643 |
| 22.58 | 28.65 | 38.86 | Earnings per share (NOK) | 40.00 | 29.26 | 29.72 |

Note 41 – Capital adequacy

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------------|------------------------|--------------|---|--------------------|------------------------|------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 16 964 | 16 964 | 16 964 | <i>Amounts in NOK million</i> | 16 964 | 16 964 | 16 964 |
| 16 687 | 16 608 | 17 781 | Share capital | 20 774 | 19 619 | 19 527 |
| 33 652 | 33 572 | 34 745 | Other equity | 37 738 | 36 584 | 36 491 |
| 5 292 | 5 195 | 5 270 | Total equity | 5 531 | 5 476 | 5 292 |
| (634) | (969) | (814) | Perpetual subordinated loan capital securities ^{1) 2)} | (853) | (1 034) | (1 063) |
| (1 636) | (1 472) | (1 460) | Pension funds above pension commitments | (1 967) | (2 513) | (2 360) |
| (839) | (658) | (717) | Goodwill | (646) | (574) | (1 269) |
| (197) | (174) | (78) | Deferred tax assets | (88) | (247) | (112) |
| 35 637 | 35 494 | 36 945 | Other intangible assets | 39 715 | 37 690 | 36 979 |
| 7 014 | 6 053 | 5 528 | Core capital | 5 367 | 6 153 | 7 014 |
| 6 461 | 10 431 | 12 565 | Perpetual subordinated loan capital ^{1) 2)} | 13 538 | 11 473 | 7 883 |
| 13 475 | 16 484 | 18 092 | Term subordinated loan capital ²⁾ | 18 905 | 17 626 | 14 896 |
| 2 564 | 2 073 | 2 514 | Net supplementary capital | 2 514 | 2 171 | 2 023 |
| 46 548 | 49 905 | 52 523 | Deductions | 56 105 | 53 147 | 49 853 |
| 408 995 | 445 523 | 480 291 | Total eligible primary capital ³⁾ | 528 240 | 527 256 | 468 306 |
| 8.7 | 8.0 | 7.7 | Total risk-weighted volume | 7.5 | 7.1 | 7.9 |
| 11.4 | 11.2 | 10.9 | Core capital ratio (per cent) | 10.6 | 10.1 | 10.6 |
| | | | Capital ratio (per cent) | | | |

Note 41 – Capital adequacy (continued)

| Specification of risk-weighted volume | Risk-weight: | Risk-weighted volume | | | | | DnB NOR Bank ASA | | |
|--|--------------|--|-----|--------|---------|---------|------------------|--------------|--------------|
| | | Nominal amounts as at 31 December 2004 ³⁾ | | | | | Pro forma | Pro forma | Pro forma |
| | | 0% | 10% | 20% | 50% | 100% | 31 Dec. 2004 | 31 Dec. 2003 | 31 Dec. 2002 |
| <i>Amounts in NOK million</i> | | | | | | | | | |
| Banking portfolio | | | | | | | | | |
| Cash and ordinary deposits with banks | | 8 322 | | 9 497 | | | 1 899 | 2 122 | 1 665 |
| Short-term investments in securities | | 81 | | 12 557 | | 4 006 | 6 517 | 7 416 | 7 179 |
| Lending | | 5 404 | | 36 444 | 295 795 | 215 215 | 370 402 | 345 473 | 322 175 |
| Other assets | | 2 386 | | 762 | 758 | 3 802 | 4 333 | 4 128 | 5 449 |
| Fixed assets | | | | | | 10 035 | 10 035 | 13 234 | 10 997 |
| Total assets | | 16 193 | | 59 260 | 296 553 | 233 058 | 393 187 | 372 373 | 347 463 |
| Guarantee commitments | | 1 018 | 362 | 5 065 | 71 | 44 354 | 29 710 | 32 558 | 28 982 |
| Approved, undrawn credits | | 84 555 | 375 | 3 661 | 2 786 | 75 731 | 38 947 | 24 306 | 20 570 |
| Financial derivatives | | | | | | | 30 | 433 | 243 |
| Other | | | | 382 | | 1 046 | 224 | (2) | 17 |
| Total off-balance-sheet instruments | | | | | | | 68 912 | 57 295 | 49 814 |
| Total risk-weighted volume, banking portfolio | | | | | | | 462 099 | 429 668 | 397 277 |
| Trading portfolio | | | | | | | | | |
| Position risk, equity instruments | | | | | | | 191 | 224 | 693 |
| Position risk, debt instruments | | | | | | | 16 058 | 11 494 | 10 348 |
| Settlement risk | | | | | | | 4 | 0 | 2 |
| Counterparty risk and other risks | | | | | | | 10 272 | 12 607 | 8 138 |
| Total risk-weighted volume, trading portfolio | | | | | | | 26 525 | 24 325 | 19 179 |
| Total risk-weighted volume, banking and trading portfolio | | | | | | | 488 624 | 453 993 | 416 456 |
| Deduction for: | | | | | | | | | |
| Investments in primary capital in other financial institutions | | | | | | | 2 514 | 2 074 | 1 890 |
| Specified and unspecified loan-loss provisions | | | | | | | 5 819 | 6 395 | 5 573 |
| Total risk-weighted volume | | | | | | | 480 291 | 445 523 | 408 995 |

| Specification of risk-weighted volume | Risk-weight: | Risk-weighted volume | | | | | DnB NOR Bank Group | | |
|--|--------------|--|-----|--------|---------|---------|--------------------|--------------|--------------|
| | | Nominal amounts as at 31 December 2004 ³⁾ | | | | | Pro forma | Pro forma | Pro forma |
| | | 0% | 10% | 20% | 50% | 100% | 31 Dec. 2004 | 31 Dec. 2003 | 31 Dec. 2002 |
| <i>Amounts in NOK million</i> | | | | | | | | | |
| Banking portfolio | | | | | | | | | |
| Cash and ordinary deposits with banks | | 8 929 | | 2 343 | | | 469 | 2 524 | 2 168 |
| Short-term investments in securities | | 201 | | 22 122 | | 3 984 | 8 409 | 9 958 | 9 739 |
| Lending | | 8 573 | 7 | 37 717 | 307 971 | 256 587 | 418 117 | 427 366 | 378 139 |
| Other assets | | 2 515 | | 785 | 1 203 | 3 956 | 4 715 | 4 412 | 5 965 |
| Fixed assets | | 124 | 11 | | | 7 116 | 7 116 | 6 418 | 7 135 |
| Total assets | | | | | | | 438 826 | 450 677 | 403 146 |
| Guarantee commitments | | 1 152 | 362 | 6 625 | 95 | 45 102 | 30 429 | 34 110 | 30 659 |
| Approved, undrawn credits | | 89 741 | 375 | 5 423 | 2 808 | 76 409 | 39 468 | 25 759 | 21 991 |
| Financial derivatives | | | | | | | 831 | 753 | 1 235 |
| Other | | | | 382 | | 1 046 | 224 | 164 | (339) |
| Total off-balance-sheet instruments | | | | | | | 70 952 | 60 786 | 53 545 |
| Total risk-weighted volume, banking portfolio | | | | | | | 509 778 | 511 463 | 456 691 |
| Trading portfolio | | | | | | | | | |
| Position risk, equity instruments | | | | | | | 406 | 562 | 713 |
| Position risk, debt instruments | | | | | | | 17 211 | 12 910 | 11 223 |
| Settlement risk | | | | | | | 4 | 0 | 22 |
| Counterparty risk and other risks | | | | | | | 10 273 | 12 607 | 8 179 |
| Total risk-weighted volume, trading portfolio | | | | | | | 27 894 | 26 080 | 20 139 |
| Total risk-weighted volume, banking and trading portfolio | | | | | | | 537 672 | 537 543 | 476 830 |
| Deduction for: | | | | | | | | | |
| Investments in primary capital in other financial institutions | | | | | | | 2 514 | 2 171 | 2 023 |
| Specified and unspecified loan-loss provisions | | | | | | | 6 917 | 8 116 | 6 498 |
| Total risk-weighted volume | | | | | | | 528 240 | 527 256 | 468 306 |

- 1) Perpetual subordinated loan capital securities can represent up to 15 per cent of core capital. The excess will qualify as perpetual supplementary capital.
- 2) In accordance with capital adequacy regulations the lower of the exchange rates prevailing at the time the loan was raised and on the balance sheet date should be applied when including perpetual subordinated loan capital securities and other subordinated loan capital in eligible primary capital.
- 3) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the balance sheet as different principles are used in calculating capital adequacy.

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

Note 42 – Expected time to interest rate adjustments as at 31 December 2004

| | | DnB NOR Bank ASA | | | | | | |
|---|------------------|------------------|--------------------------------|-------------------------------|------------------------------|-----------------|---------------------|-----------------|
| <i>Amounts in NOK million</i> | | Up to 1 month | From 1 month to 3 months | From 3 months to 1 year | From 1 year to 5 years | Over 5 years | No interest rate | Total |
| Assets | | | | | | | | |
| Cash and deposits with central banks | NOK | 7 268 | | | | | 864 | 8 132 |
| | Foreign currency | 4 | | | | | 150 | 154 |
| Lending to and deposits with credit institutions | NOK | 33 283 | 3 516 | 621 | 625 | 57 | | 38 103 |
| | Foreign currency | 12 909 | 3 417 | 394 | 2 | 124 | | 16 845 |
| Net lending to customers ¹⁾ | NOK | 171 503 | 240 148 | 6 757 | 41 609 | 732 | (2 769) | 457 979 |
| | Foreign currency | 51 243 | 8 469 | 2 449 | 57 | 184 | (461) | 61 941 |
| Commercial paper and bonds | NOK | 2 872 | 10 000 | 2 972 | 5 525 | 2 039 | 353 | 23 761 |
| | Foreign currency | 15 302 | 16 186 | 1 581 | 5 481 | 2 304 | | 40 854 |
| Sundry assets | NOK | | | | | | 39 509 | 39 509 |
| | Foreign currency | | | | | | 4 109 | 4 109 |
| Total assets | | 294 385 | 281 735 | 14 773 | 53 298 | 5 441 | 41 755 | 691 387 |
| | NOK | 214 927 | 253 663 | 10 350 | 47 759 | 2 829 | 37 957 | 567 484 |
| | Foreign currency | 79 458 | 28 072 | 4 424 | 5 539 | 2 612 | 3 798 | 123 904 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits from credit institutions | NOK | 11 692 | 5 | 2 | | | | 11 700 |
| | Foreign currency | 20 053 | 10 550 | 5 305 | | | | 35 908 |
| Deposits from customers | NOK | 317 449 | 19 | 119 | 46 | | | 317 634 |
| | Foreign currency | 35 832 | 154 | 121 | | | | 36 107 |
| Securities issued | NOK | 1 435 | 4 769 | 2 251 | 12 077 | 1 615 | | 22 148 |
| | Foreign currency | 72 637 | 72 655 | 8 986 | 6 093 | 2 053 | | 162 424 |
| Sundry liabilities | NOK | | | | | | 43 624 | 43 624 |
| | Foreign currency | | | | | | 3 734 | 3 734 |
| Subordinated loan capital and perpetual subordinated loan capital securities | NOK | | | | | | | |
| | Foreign currency | 3 048 | 10 601 | 302 | 634 | 8 778 | | 23 362 |
| Equity | NOK | | | | | | 34 398 | 34 398 |
| | Foreign currency | | | | | | 348 | 348 |
| Total liabilities and equity | | 462 147 | 98 755 | 17 087 | 18 849 | 12 446 | 82 103 | 691 387 |
| | NOK | 330 577 | 4 794 | 2 373 | 12 123 | 1 615 | 78 021 | 429 503 |
| | Foreign currency | 131 571 | 93 961 | 14 714 | 6 726 | 10 830 | 4 082 | 261 884 |
| Net, time to interest rate adjustments on balance sheet items | | (167 762) | 182 980 | (2 314) | 34 449 | (7 005) | (40 348) | 0 |
| | NOK | (115 650) | 248 869 | 7 977 | 35 636 | 1 213 | (40 065) | 137 981 |
| | Foreign currency | (52 112) | (65 889) | (10 290) | (1 187) | (8 218) | (284) | (137 981) |
| Net nominal values on financial derivatives | | (38 056) | (42 274) | 28 450 | (5 879) | 6 400 | | (51 360) |
| | NOK | (72 150) | (76 220) | 30 262 | (6 674) | 1 631 | | (123 151) |
| | Foreign currency | 34 094 | 33 945 | (1 811) | 794 | 4 769 | | 71 791 |

1) *Overdraft and working capital facilities are grouped under "Up to 1 month". Specified and unspecified loan-loss provisions are grouped under "Over 5 years" and "No interest rate" respectively.*

Note 42 – Expected time to interest rate adjustments as at 31 December 2004 (continued)

| | | DnB NOR Bank Group | | | | | | |
|---|------------------|--------------------|--------------------------------|-------------------------------|------------------------------|-----------------|---------------------|----------------|
| <i>Amounts in NOK million</i> | | Up to 1 month | From 1 month to 3 months | From 3 months to 1 year | From 1 year to 5 years | Over 5 years | No interest rate | Total |
| Assets | | | | | | | | |
| Cash and deposits with central banks | NOK | 7 268 | | | | | 1 355 | 8 622 |
| | Foreign currency | 5 | | | | | 153 | 158 |
| Lending to and deposits with credit institutions | NOK | 6 357 | 1 751 | | | | (2) | 8 106 |
| | Foreign currency | 10 735 | 1 771 | 619 | 249 | | 124 | 13 498 |
| Net lending to customers ¹⁾ | NOK | 208 248 | 247 047 | 8 081 | 48 236 | 734 | (3 073) | 509 272 |
| | Foreign currency | 55 002 | 10 408 | 2 978 | 59 | 184 | (461) | 68 170 |
| Commercial paper and bonds | NOK | 2 872 | 10 106 | 2 972 | 3 729 | 2 099 | 353 | 22 132 |
| | Foreign currency | 15 302 | 16 186 | 1 581 | 5 481 | 2 304 | | 40 854 |
| Sundry assets | NOK | 91 | 75 | 32 | 1 | 0 | 37 721 | 37 921 |
| | Foreign currency | 1 | 0 | 0 | | | 3 792 | 3 794 |
| Total assets | | 305 881 | 287 344 | 16 263 | 57 755 | 5 443 | 39 840 | 712 526 |
| | NOK | 224 836 | 258 979 | 11 085 | 51 967 | 2 831 | 36 355 | 586 053 |
| | Foreign currency | 81 044 | 28 365 | 5 178 | 5 788 | 2 612 | 3 485 | 126 473 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits from credit institutions | NOK | 11 202 | 106 | 2 | 15 | 46 | | 11 371 |
| | Foreign currency | 20 456 | 11 540 | 5 583 | | | | 37 579 |
| Deposits from customers | NOK | 324 433 | 61 | 131 | 47 | | | 324 671 |
| | Foreign currency | 35 250 | 184 | 134 | | | | 35 569 |
| Securities issued | NOK | 1 435 | 7 353 | 2 270 | 16 114 | 2 813 | | 29 986 |
| | Foreign currency | 72 637 | 72 655 | 8 986 | 6 093 | 2 053 | | 162 424 |
| Sundry liabilities | NOK | 401 | 31 | 25 | 17 | | 44 742 | 45 215 |
| | Foreign currency | | | | | | 3 932 | 3 932 |
| Subordinated loan capital and perpetual subordinated loan capital securities | NOK | | | | 397 | 230 | | 627 |
| | Foreign currency | 3 048 | 10 601 | 302 | 634 | 8 829 | | 23 413 |
| Equity | NOK | | | | | | 36 165 | 36 165 |
| | Foreign currency | | | | | | 1 574 | 1 574 |
| Total liabilities and equity | | 468 863 | 102 533 | 17 433 | 23 315 | 13 970 | 86 411 | 712 526 |
| | NOK | 337 471 | 7 552 | 2 428 | 16 588 | 3 089 | 80 906 | 448 034 |
| | Foreign currency | 131 392 | 94 981 | 15 006 | 6 726 | 10 881 | 5 505 | 264 492 |
| Net, time to interest rate adjustments on balance sheet items | | (162 982) | 184 811 | (1 170) | 34 440 | (8 527) | (46 571) | 0 |
| | NOK | (112 634) | 251 427 | 8 657 | 35 378 | (258) | (44 551) | 138 019 |
| | Foreign currency | (50 348) | (66 616) | (9 827) | (938) | (8 269) | (2 020) | (138 019) |
| Net nominal values on financial derivatives | | (37 116) | (39 431) | 29 013 | (5 174) | 6 400 | (46 309) | |
| | NOK | (72 103) | (74 207) | 30 615 | (5 969) | 1 631 | | (120 033) |
| | Foreign currency | 34 987 | 34 776 | (1 602) | 794 | 4 769 | | 73 725 |

1) *Overdraft and working capital facilities are grouped under "Up to 1 month". Specified and unspecified loan-loss provisions are grouped under "Over 5 years" and "No interest rate" respectively.*

Note 43 – Interest rate sensitivity

The value of items on and off the balance sheet is affected by interest rate movements. The table below shows potential losses for the DnB NOR Bank Group resulting from parallel one percentage point changes in all interest rates.

The calculations are based on a hypothetical situation where interest rate movements in all currencies are unfavourable for the DnB NOR Bank Group relative to the bank's positions. Also, all interest rate movements within the same interval will be unfavourable for the Bank Group. The figures will thus reflect maximum losses for the DnB NOR Bank Group. In the trading portfolio, such losses will be charged to the accounts as they occur. In the banking portfolio, the losses will be amortised over the remaining maturity.

The calculations are based on positions as at 31 December 2004 and market rates on the same date.

Interest rate sensitivity for different intervals

| Amounts in NOK million | DnB NOR Bank Group ¹⁾ | | | | | | Total |
|--------------------------|----------------------------------|---------------------------------|-------------------------------|------------------------------|-----------------|-----|-------|
| | Up to 1 month | From 1 months to 3 months | From 3 months to 1 year | From 1 year to 5 years | Over 5 years | | |
| Trading portfolio | | | | | | | |
| NOK | 3 | 37 | 60 | 121 | 154 | 53 | |
| USD | 4 | 27 | 20 | 2 | 7 | 39 | |
| EUR | 4 | 0 | 5 | 4 | 72 | 77 | |
| GBP | 1 | 1 | 2 | 2 | 1 | 3 | |
| Other currencies | 1 | 4 | 4 | 4 | 1 | 11 | |
| Banking portfolio | | | | | | | |
| NOK | 33 | 22 | 51 | 59 | 11 | 153 | |
| Total | | | | | | | |
| NOK | 29 | 15 | 111 | 62 | 143 | 206 | |
| USD | 4 | 27 | 20 | 2 | 7 | 39 | |
| EUR | 4 | 0 | 5 | 4 | 72 | 77 | |
| GBP | 1 | 1 | 2 | 2 | 1 | 3 | |
| Other currencies | 1 | 4 | 4 | 4 | 1 | 11 | |

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

1) The figures are identical for DnB NOR Bank ASA.

Note 44 – Currency positions

The tables below shows net currency positions as at 31 December 2004 for various balance sheet items and financial derivatives, as defined by Norges Bank. Net positions in individual currencies may represent up to 15 per cent of the eligible primary capital. Aggregate currency positions must be within 30 per cent of the eligible primary capital. Foreign exchange risk related to investments in subsidiaries is included in the currency position by the amount recorded in the accounts.

| Amounts in NOK million | DnB NOR Bank ASA | | | | | | | |
|--|---------------------|---------------------|------------------|----------|----------|---------|-------|---------|
| | Norwegian kroner | Other currencies | Of which: USD | EUR | GBP | SEK | DKK | JPY |
| Assets | | | | | | | | |
| Cash and deposits with central banks | 8 132 | 154 | 28 | 67 | 14 | 20 | 18 | 0 |
| Lending to and deposits with credit institutions | 38 103 | 16 845 | 4 272 | 5 014 | 2 528 | 1 717 | 186 | 1 126 |
| Net lending to customers | 457 979 | 61 941 | 34 985 | 10 101 | 1 842 | 7 030 | 2 119 | 891 |
| Commercial paper and bonds | 23 761 | 40 854 | 8 981 | 27 993 | 2 413 | 0 | 0 | 725 |
| Shareholdings etc. | 8 944 | 1 449 | 298 | 904 | 2 | 129 | 0 | 0 |
| Sundry assets | 30 565 | 2 660 | 1 082 | 409 | 896 | 25 | 3 | 43 |
| Total assets | 567 484 | 123 904 | 49 647 | 44 488 | 7 696 | 8 920 | 2 325 | 2 785 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits to credit institutions | 11 700 | 35 908 | 25 134 | 4 716 | 1 942 | 957 | 1 542 | 600 |
| Deposits from customers | 317 634 | 36 107 | 20 977 | 6 490 | 2 020 | 3 985 | 523 | 1 230 |
| Securities issued | 22 148 | 162 424 | 57 841 | 58 976 | 32 881 | 0 | 0 | 1 120 |
| Sundry liabilities | 43 624 | 3 734 | 1 782 | 825 | 521 | 17 | 33 | 133 |
| Subordinated loan capital | 0 | 23 362 | 8 742 | 11 111 | 2 331 | 0 | 0 | 1 179 |
| Equity | 34 398 | 348 | 407 | 3 | 84 | (112) | (35) | 0 |
| Total liabilities and equity | 429 503 | 261 884 | 114 882 | 82 120 | 39 778 | 4 847 | 2 062 | 4 261 |
| Net currency positions on balance sheet items | 137 981 | (137 981) | (65 235) | (37 632) | (32 082) | 4 073 | 263 | (1 476) |
| Financial derivatives | (137 720) | 137 720 | 65 399 | 37 153 | 32 110 | (4 036) | (231) | 1 469 |
| Net currency exposure | 261 | (261) | 164 | (479) | 28 | 37 | 32 | (7) |

Note 44 – Currency positions (continued)**DnB NOR Bank Group**

| <i>Amounts in NOK million</i> | Norwegian kroner | Other currencies | Of which: USD | EUR | GBP | SEK | DKK | JPY |
|--|---------------------|---------------------|------------------|---------------|---------------|--------------|--------------|--------------|
| Assets | | | | | | | | |
| Cash and deposits with central banks | 8 622 | 158 | 28 | 68 | 14 | 21 | 18 | 0 |
| Lending to and deposits with credit institutions | 8 106 | 13 498 | 3 144 | 3 935 | 2 483 | 1 571 | 464 | 1 138 |
| Net lending to customers | 509 272 | 68 170 | 35 218 | 10 676 | 1 916 | 7 471 | 2 375 | 1 146 |
| Commercial paper and bonds | 22 132 | 40 854 | 8 981 | 27 993 | 2 413 | 0 | 0 | 725 |
| Shareholdings etc. | 4 891 | 1 074 | 454 | 451 | 0 | 129 | 0 | 0 |
| Sundry assets | 33 030 | 2 719 | 1 088 | 418 | 896 | 26 | 6 | 44 |
| Total assets | 586 053 | 126 473 | 48 913 | 43 540 | 7 722 | 9 218 | 2 863 | 3 053 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits to credit institutions | 11 371 | 37 579 | 25 926 | 3 768 | 1 347 | 1 175 | 1 925 | 597 |
| Deposits from customers | 324 671 | 35 569 | 20 273 | 6 544 | 2 028 | 4 028 | 554 | 1 231 |
| Securities issued | 29 986 | 162 424 | 57 841 | 58 976 | 32 881 | 0 | 0 | 1 120 |
| Sundry liabilities | 45 215 | 3 932 | 1 793 | 935 | 549 | 31 | 39 | 133 |
| Subordinated loan capital | 627 | 23 413 | 8 742 | 11 162 | 2 331 | 0 | 0 | 1 179 |
| Equity | 36 165 | 1 574 | 457 | 1 059 | 203 | (112) | (35) | 0 |
| Total liabilities and equity | 448 034 | 264 492 | 115 032 | 82 443 | 39 339 | 5 122 | 2 484 | 4 259 |
| Net currency positions on balance sheet items | 138 019 | (138 019) | (66 119) | (38 903) | (31 617) | 4 096 | 379 | (1 206) |
| Financial derivatives | (137 764) | 137 764 | 66 282 | 38 425 | 31 644 | (4 056) | (344) | 1 199 |
| Net currency exposure | 255 | (255) | 163 | (478) | 27 | 40 | 35 | (7) |

Note 45 – Residual maturity as at 31 December 2004

DnB NOR Bank ASA

| <i>Amounts in NOK million</i> | | Up to 1 month | From 1 month to 3 months | From 3 months to 1 year | From 1 year to 5 years | Over 5 years | No fixed maturity | Total |
|---|------------------|------------------|--------------------------------|-------------------------------|------------------------------|-----------------|----------------------|----------------|
| Assets | | | | | | | | |
| Cash and deposits with central banks | NOK | 7 268 | | | | | 864 | 8 132 |
| | Foreign currency | 4 | | | | | 150 | 154 |
| Lending to and deposits with credit institutions | NOK | 30 688 | 2 542 | 591 | 3 303 | 978 | | 38 103 |
| | Foreign currency | 13 638 | 1 056 | 953 | 1 084 | 115 | | 16 845 |
| Net lending to customers ¹⁾ | NOK | 30 254 | 9 674 | 22 454 | 75 502 | 322 864 | (2 769) | 457 979 |
| | Foreign currency | 9 428 | 1 634 | 6 920 | 21 460 | 22 961 | (461) | 61 941 |
| Commercial paper and bonds | NOK | 90 | 2 638 | 4 563 | 13 184 | 2 934 | 353 | 23 761 |
| | Foreign currency | 1 042 | 563 | 2 611 | 14 025 | 22 613 | | 40 854 |
| Sundry assets | NOK | 1 856 | | 41 | 15 | 109 | 37 488 | 39 509 |
| | Foreign currency | 176 | 12 | 4 | | 1 | 3 916 | 4 109 |
| Total assets | | 94 443 | 18 118 | 38 138 | 128 573 | 372 576 | 39 540 | 691 387 |
| | NOK | 70 154 | 14 854 | 27 650 | 92 004 | 326 886 | 35 936 | 567 484 |
| | Foreign currency | 24 288 | 3 264 | 10 488 | 36 569 | 45 690 | 3 605 | 123 904 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits from credit institutions | NOK | 10 747 | 546 | 393 | 14 | | | 11 700 |
| | Foreign currency | 28 428 | 3 689 | 3 791 | | | | 35 908 |
| Deposits from customers | NOK | 307 648 | 1 178 | 7 474 | 1 310 | 24 | | 317 634 |
| | Foreign currency | 34 580 | 491 | 1 036 | | | | 36 107 |
| Securities issued | NOK | 7 | 1 828 | 3 856 | 14 841 | 1 615 | | 22 148 |
| | Foreign currency | 26 774 | 24 821 | 17 347 | 90 813 | 2 670 | | 162 424 |
| Sundry liabilities | NOK | 4 673 | 82 | 70 | | | 38 799 | 43 624 |
| | Foreign currency | 139 | | 1 | | | 3 594 | 3 734 |
| Subordinated loan capital and perpetual subordinated loan capital securities | NOK | | | | | | | |
| | Foreign currency | | | | | 12 565 | 10 798 | 23 362 |
| Equity | NOK | | | | | | 34 398 | 34 398 |
| | Foreign currency | | | | | | 348 | 348 |
| Total liabilities and equity | | 412 996 | 32 636 | 33 968 | 106 977 | 16 874 | 87 936 | 691 387 |
| | NOK | 323 076 | 3 634 | 11 793 | 16 165 | 1 639 | 73 196 | 429 503 |
| | Foreign currency | 89 921 | 29 002 | 22 175 | 90 813 | 15 235 | 14 739 | 261 884 |
| Net, residual maturity on balance sheet items | | (318 553) | (14 517) | 4 170 | 21 595 | 355 702 | (48 395) | 0 |
| | NOK | (252 921) | 11 220 | 15 857 | 75 839 | 325 247 | (37 261) | 137 981 |
| | Foreign currency | (65 632) | (25 737) | (11 687) | (54 244) | 30 455 | (11 135) | (137 981) |
| Net nominal values on financial derivatives | | (642) | (2 649) | (1 700) | (2 409) | 1 353 | | (6 047) |
| | NOK | (10 517) | (20 124) | (14 775) | (80 163) | (22 605) | | (148 184) |
| | Foreign currency | 9 876 | 17 476 | 13 074 | 77 754 | 23 958 | | 142 138 |

1) *Overdraft and working capital facilities are grouped under "Up to 1 month". Specified and unspecified loan-loss provisions are grouped under "Over 5 years" and "No fixed maturity" respectively.*

Note 45 – Residual maturity as at 31 December 2004 (continued)

| | | DnB NOR Bank Group | | | | | | |
|---|------------------|--------------------|--------------------------------|-------------------------------|------------------------------|-----------------|----------------------|----------------|
| <i>Amounts in NOK million</i> | | Up to 1 month | From 1 month to 3 months | From 3 months to 1 year | From 1 year to 5 years | Over 5 years | No fixed maturity | Total |
| Assets | | | | | | | | |
| Cash and deposits with central banks | NOK | 7 268 | | | | | 1 354 | 8 622 |
| | Foreign currency | 5 | | | | | 153 | 158 |
| Lending to and deposits with credit institutions | NOK | 5 191 | 734 | 608 | 1 214 | 358 | | 8 106 |
| | Foreign currency | 9 986 | 1 116 | 1 184 | 1 097 | 115 | | 13 498 |
| Net lending to customers ¹⁾ | NOK | 33 412 | 11 947 | 28 121 | 92 866 | 345 999 | (3 073) | 509 272 |
| | Foreign currency | 11 151 | 2 436 | 8 292 | 23 505 | 23 247 | (461) | 68 170 |
| Commercial paper and bonds | NOK | 90 | 2 123 | 4 601 | 12 173 | 2 792 | 353 | 22 132 |
| | Foreign currency | 1 042 | 563 | 2 611 | 14 025 | 22 613 | | 40 854 |
| Sundry assets | NOK | 1 964 | 109 | 74 | 16 | 110 | 35 648 | 37 921 |
| | Foreign currency | 178 | 12 | 5 | | 1 | 3 598 | 3 794 |
| Total assets | | 70 286 | 19 041 | 45 496 | 144 896 | 395 235 | 37 572 | 712 526 |
| | NOK | 47 925 | 14 913 | 33 404 | 106 269 | 349 259 | 34 282 | 586 053 |
| | Foreign currency | 22 361 | 4 128 | 12 092 | 38 626 | 45 976 | 3 290 | 126 473 |
| Liabilities and equity | | | | | | | | |
| Loans and deposits from credit institutions | NOK | 10 262 | 642 | 392 | 28 | 46 | | 11 371 |
| | Foreign currency | 28 831 | 4 679 | 4 069 | | | | 37 579 |
| Deposits from customers | NOK | 314 644 | 1 218 | 7 475 | 1 310 | 24 | | 324 671 |
| | Foreign currency | 33 998 | 522 | 1 050 | | | | 35 569 |
| Securities issued | NOK | 7 | 3 971 | 4 311 | 19 137 | 2 560 | | 29 986 |
| | Foreign currency | 26 774 | 24 821 | 17 347 | 90 813 | 2 670 | | 162 424 |
| Sundry liabilities | NOK | 4 871 | 498 | 96 | 168 | | 39 583 | 45 215 |
| | Foreign currency | 180 | 2 | 1 | | | 3 749 | 3 932 |
| Subordinated loan capital and perpetual subordinated loan capital securities | NOK | | | | | 527 | 100 | 627 |
| | Foreign currency | | | | | 12 616 | 10 798 | 23 413 |
| Equity | NOK | | | | | | 36 165 | 36 165 |
| | Foreign currency | | | | | | 1 574 | 1 574 |
| Total liabilities and equity | | 419 567 | 36 353 | 34 740 | 111 456 | 18 442 | 91 967 | 712 526 |
| | NOK | 329 784 | 6 329 | 12 274 | 20 643 | 3 156 | 75 847 | 448 034 |
| | Foreign currency | 89 783 | 30 024 | 22 466 | 90 813 | 15 286 | 16 120 | 264 492 |
| Net, residual maturity on balance sheet items | | (349 281) | (17 312) | 10 756 | 33 440 | 376 793 | (54 395) | 0 |
| | NOK | (281 859) | 8 584 | 21 130 | 85 626 | 346 102 | (41 565) | 138 019 |
| | Foreign currency | (67 422) | (25 896) | (10 374) | (52 186) | 30 690 | (12 830) | (138 019) |
| Net nominal values | | | | | | | | |
| | | 287 | (1 791) | (1 080) | (1 712) | 1 446 | | (2 850) |
| on financial derivatives | NOK | (10 471) | (20 097) | (14 376) | (79 466) | (22 512) | | (146 921) |
| | Foreign currency | 10 758 | 18 306 | 13 295 | 77 754 | 23 958 | | 144 071 |

1) *Overdraft and working capital facilities are grouped under "Up to 1 month". Specified and unspecified loan-loss provisions are grouped under "Over 5 years" and "No fixed maturity" respectively.*

Note 46 – Financial derivatives

Financial derivatives are traded in order to cover liquidity and market risk arising from the bank's ordinary activities (banking portfolio). The bank also employs financial derivatives in own-account trading (trading portfolio).

Forward exchange contracts

Contracts between two parties to exchange foreign currencies on a specified future date at a fixed price.

FRAs

Agreements that fix the interest rate for a future period for an agreed amount. When the contract matures, only the difference between the agreed interest rate and the market interest rate is exchanged.

Interest rate options

Contracts giving the buyer the right to demand payment of the difference between the interest rate in the money market and the interest rate agreed to by the seller. The difference is calculated on a fixed amount for a specified period.

Currency options

Agreements giving the buyer the right to buy or sell a specific quantity of one foreign currency in exchange for another on a future date at a fixed price.

Interest rate swaps

Contracts in which two parties agree to exchange interest payment obligations on a fixed amount for a specified period.

Interest rate futures

Standardised contracts where the counter parties agree to exchange specific interest rate instruments at a fixed price for a specified date. The contracts are traded on an exchange. The value of interest rate futures follows the price trend on underlying interest rate instruments.

Cross-currency interest rate swaps

Contracts in which the parties exchange both currency and interest payments on a specified amount for a specified period.

| | 31 December 2004 | | | Pro forma 31 December 2003 | | | DnB NOR Bank Group ¹⁾ Pro forma 31 December 2002 | | |
|--|------------------------------|-------------------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|--|-------------------------------------|-------------------------------------|
| | Nominal amount ²⁾ | Positive market value ³⁾ | Negative market value ³⁾ | Nominal amount ²⁾ | Positive market value ³⁾ | Negative market value ³⁾ | Nominal amount ²⁾ | Positive market value ³⁾ | Negative market value ³⁾ |
| <i>Amounts in NOK million</i> | | | | | | | | | |
| Trading portfolio | | | | | | | | | |
| Interest rate agreements | 1 993 460 | 27 733 | 24 565 | 2 269 234 | 33 111 | 32 945 | 2 151 049 | 16 728 | 12 563 |
| Foreign exchange agreements ⁴⁾ | 638 319 | 17 174 | 27 551 | 931 075 | 29 126 | 37 045 | 930 886 | 35 739 | 44 412 |
| Equity-related agreements | 39 444 | 1 819 | 1 894 | 28 855 | 1 507 | 1 328 | 23 074 | 795 | 704 |
| Commodity-related agreements | 576 | 85 | 0 | 1 | 0 | 0 | 1 | 1 | 1 |
| Banking portfolio | | | | | | | | | |
| Interest rate agreements | 87 286 | 1 098 | 3 019 | 58 117 | 996 | 1 627 | 51 690 | 666 | 2 047 |
| Foreign exchange agreements | 4 136 | 42 | 0 | 24 715 | 759 | 1 683 | 13 901 | 198 | 945 |
| Netting | | | | | | | | | |
| Effect of netting agreements ⁵⁾ | | (24 432) | | | (23 258) | | | (19 175) | |

1) The figures for DnB NOR Bank ASA are identical with the exception of interest rate agreements in the banking portfolio, which showed a nominal amount of NOK 86 141 million and a positive market value of NOK 1 034 as at 31 December 2004.

2) Nominal amount represents the underlying principal used as a basis for calculating interest income, interest expenses and net trading profits in the profit and loss account.

3) Market prices represent the average of purchase and sales prices quoted by information services accessible to the public. In some cases, market prices are calculated by extrapolation or interpolation of available prices.

4) Cross-currency interest rate swaps are included under foreign exchange agreements.

5) Includes only contracts where legally binding agreements with the customer covering such netting have been signed.

Financial derivatives included in the trading portfolio are recorded at market value in the accounts, and changes in market value are recorded as they occur. With respect to agreements included in the banking portfolio, gains and losses are amortised over the remaining maturity.

Internal transactions between the trading portfolio and the banking portfolio are valued according to principles relevant to these areas of business without eliminating internal gains and losses. Up till the end of 2004, a total of NOK 2 942 million was recorded as gains on such transactions, while losses of NOK 817 million were recorded in 2004 alone.

Note 47 – Other off-balance sheet transactions and additional information

| DnB NOR Bank ASA | | | | DnB NOR Bank Group | | |
|------------------------------|------------------------------|-----------------|--|------------------------------|------------------------------|------------------------------|
| Pro forma 31 Dec. 2002 | Pro forma 31 Dec. 2003 | 31 Dec. 2004 | | Pro forma 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| 119 600 | 137 249 | 164 578 | Amounts in NOK million | 165 845 | 130 414 | 121 256 |
| 3 082 | 4 500 | 7 527 | Unutilised ordinary credit lines ¹⁾ | 7 531 | 5 705 | 4 002 |
| 7 | 729 | 1 098 | Documentary credit commitments | 1 099 | 1 218 | 455 |
| | | | Other commitments | | | |
| 122 689 | 142 478 | 173 202 | Total commitments | 174 475 | 137 337 | 125 714 |
| 11 449 | 12 410 | 13 257 | Performance guarantees | 13 433 | 12 611 | 11 479 |
| 16 934 | 13 631 | 11 059 | Payment guarantees ²⁾ | 11 577 | 14 198 | 16 968 |
| 11 062 | 14 182 | 10 913 | Loan guarantees ³⁾ | 10 916 | 14 331 | 11 261 |
| 2 429 | 2 556 | 2 556 | Guarantee to the Norwegian Banks' Guarantee Fund ⁴⁾ | 2 676 | 2 676 | 2 429 |
| 2 596 | 2 538 | 2 766 | Guarantees for taxes etc. | 2 790 | 2 655 | 2 689 |
| 5 013 | 5 142 | 5 067 | Other guarantee commitments | 4 803 | 4 835 | 4 638 |
| 49 483 | 50 459 | 45 617 | Total guarantee commitments | 46 194 | 51 306 | 49 465 |
| 0 | 0 | 0 | Support agreements | 2 482 | 1 643 | 1 231 |
| 49 483 | 50 459 | 45 617 | Total guarantee commitments etc. ^{*)} | 48 676 | 52 948 | 50 696 |
| | | | *) Of which: | | | |
| 420 | 1 300 | 1 481 | Counter-guaranteed by financial institutions | 1 481 | 1 300 | 473 |
| 37 | 43 | 43 | Joint and several liabilities | 45 | 45 | 37 |
| 32 874 | 42 946 | 43 843 | Securities ^{5) 6)} | 43 843 | 43 010 | 33 222 |
| 32 874 | 42 946 | 43 843 | Total mortgages etc. | 43 843 | 43 010 | 33 222 |
| 0 | 0 | 0 | are pledged as security for: Loans ⁵⁾ | 0 | 1 230 | 342 |
| 1 925 | 8 728 | 5 345 | Other activities ⁶⁾ | 5 345 | 8 728 | 1 925 |

1) A substantial influx of liquidity in large Norwegian companies has resulted in a decline in customer demand for working capital facilities etc.

2) The reduction is attributable to the normalisation of the situation in the power market.

3) Low credit demand within shipping and sizable repayments on existing loans have, along with a weaker US dollar rate, resulted in a substantial reduction in the need for loan guarantees.

4) The Commercial Banks' Guarantee Fund and the Savings Banks' Guarantee Fund were combined into one fund in 2004. As of 1 January 2005, members are no longer required to guarantee the minimum requirements for capital in the Norwegian Banks' Guarantee Fund.

5) NOK 38 498 million in securities has been pledged as collateral for credit facilities with Norges Bank (the Norwegian central bank). According to regulations, these loans must be fully collateralised by a mortgage on interest-bearing securities and/or the bank's deposits with Norges Bank. As at 31 December 2004, DnB NOR had no borrowing from Norges Bank.

6) DnB NOR Markets is a member of the global settlement system CLS (Continuous Linked Settlement), engaged in the settlement of transactions in major global currencies. The Norwegian krone is included in CLS, with DnB NOR as the largest settlement bank. NOK 5 345 million represents securities in favour of Deutsche Bundesbank, Bank of England, Bank of Finland and Euro Banking Association for settlement in foreign currencies.

Note 48 – Contingencies

Due to its extensive operations in Norway and abroad, the DnB NOR Bank 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 banking group's financial position. The disputes involving the highest amounts are described below.

As stated in last year's annual report, DnB NOR Bank ASA and Norway Post were in disagreement on the calculation of remuneration in connection with the business agreement between the two parties. The dispute was settled by arbitration in 2004. The settlement was in accordance with the provisions made in the bank's accounts, and the dispute thus had no impact on the accounts for 2004.

Nordlandsbanken ASA has filed a suit against KPMG claiming compensation of up to NOK 489 million. The claim is based on KPMG's audit procedures in connection with Finance Credit AS. The main proceedings are scheduled for the fourth quarter of 2005.

Finance Credit AS' estate in bankruptcy filed a claim in 2004 to reverse the debtor's repayment of credit facilities in Union Bank of Norway ASA (now DnB NOR Bank ASA) in autumn 2001 and spring 2002. The amount of the claim is NOK 160 million and the main proceedings are scheduled for April 2005.

Amalie Riis has filed a suit claiming up to NOK 500 million in compensation for alleged loss of inheritance as a result of Den norske Creditbank's (now DnB NOR Bank ASA) extension of credits to the shipping company Olsen & Ugelstad in 1975. The complaint was submitted to the Oslo Conciliation Board in October 2004. The bank disputes the claim. In the view of the bank, there is no legal basis for the claim and the limitation period has expired. The bank is also of the opinion that the same claim has been filed previously, and that the ruling in favour of the bank is legally binding.

With respect to contingencies concerning taxes, please refer to note 15.

Note 49 – Information on related parties

| <i>Amounts in NOK million</i> | DnB NOR Bank Group | | |
|--|---------------------------|------------------------------|------------------------------|
| | 31 Dec. 2004 | Pro forma 31 Dec. 2003 | Pro forma 31 Dec. 2002 |
| Intra-group items - assets | | | |
| Lending to and deposits with credit institutions | 45 754 | 72 816 | 57 017 |
| Net lending to customers | 942 | 1 113 | 1 093 |
| Intra-group items - liabilities | | | |
| Loans and deposits from credit institutions | 43 918 | 71 460 | 55 639 |
| Deposits from customers | 1 869 | 1 217 | 1 000 |
| Subordinated loan capital | 1 004 | 1 253 | 1 227 |

Gjensidige NOR Forsikring

At end-2004, Gjensidige NOR Forsikring held 70 472 696 shares in DnB NOR ASA at a market value of NOK 4 211 million. DnB NOR ASA has a long-term strategic cooperation with Gjensidige NOR Forsikring, primarily targeting mutual product distribution.

Cooperating banks

DnB NOR has a mutually binding, strategic collaboration with four regional and twelve local savings banks. The banks distribute DnB NOR products in the areas of savings and other financial products. The collaboration also includes development of products, services and systems as well as purchasing.

Agreement with Norway Post

DnB NOR has a cooperation agreement with Norway Post concerning banking services. Customers have access to DnB NOR's products through Norway Post's network of post offices, in-store postal outlets and rural postmen. The current agreement remains in force until 31 December 2005.

Oslo, 8 March 2005

The Board of Directors of DnB NOR Bank ASA

Olav Hytta
(chairman)
(sig.)

Bent Pedersen
(vice-chairman)
(sig.)

Sten Sture Larre
(sig.)

Per Hoffmann
(sig.)

Torill Rambjør
(sig.)

Ingjerd Skjeldrum
(sig.)

Marit Wiig
(sig.)

Svein Aaser
(sig.)

To the Annual Shareholders' Meeting and the Supervisory Board of DnB NOR Bank ASA

Auditor's report for 2004

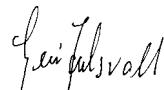
We have audited the annual financial statements of DnB NOR Bank ASA as of 31 December 2004, showing a profit of NOK 6,592 million for the parent company and a profit of NOK 6,786 million for the group. We have also audited the information in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit. The financial statements comprise the balance sheet, the statements of income and cash flows, the accompanying notes and the group accounts. These financial statements are the responsibility of the Bank's Board of Directors and Group Chief Executive. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and auditing standards and practices generally accepted in Norway. Those standards and practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements have been prepared in accordance with the law and regulations and present the financial position of the Company and of the Group as of 31 December 2004, and the results of its operations and its cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway
- the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of accounting information as required by law and accounting standards, principles and practices generally accepted in Norway
- the information given in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit are consistent with the financial statements and comply with the law and regulations.

Oslo, 8 March 2005
PricewaterhouseCoopers AS



Geir Julsvoll
State Authorised Public Accountant (Norway)

To the Supervisory Board and the Annual General Meeting of DnB NOR Bank ASA

Control Committee's Report

The Control Committee has carried out internal controls in DnB NOR Bank ASA and the Group in accordance with law and instructions laid down by the Supervisory Board.

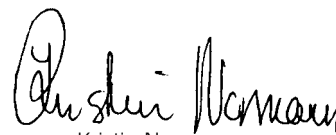
In connection with the closing of the accounts for the 2004 financial year, the Control Committee has examined the Directors' Report, the annual accounts and the Auditor's Report for DnB NOR Bank ASA.

The Committee finds that the Board of Directors gives an adequate description of the financial position of DnB NOR Bank and the Group, and recommends the approval of the Director's Report and annual accounts for the 2004 financial year.

Oslo, 16 March 2005



Helge B. Andresen
(chairman)



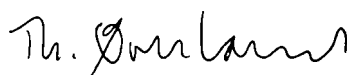
Kristin Normann
(vice chairman)



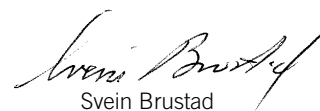
Geir Dege



Frøde Hassel



Thorstein Øverland
(deputy)



Svein Brustad
(deputy)

Contact information

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DnB NOR ASA

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 Tel: +47 22 48 10 50
 Fax: +47 22 48 18 70

DnB NOR Bank ASA

Organisation number: 984 851 006

DnB NOR Markets

Headed by: Ottar Ertzeid
 Mailing address: NO-0021 Oslo
 Visiting address: Stranden 21, 0250 Oslo
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For information about press contacts, see www.dnbnor.com

Supervisory Board, Control Committee, Board of Directors, Group Management and Auditors

Supervisory Board

Members elected by shareholders

Wenche Agerup, Oslo
 Widar Slemdal Andersen, Rælingen
 Rannveig Munkeby Arentz, Åsen (vice-chairman)
 Nils Halvard Bastiansen, Bærum
 Elisabeth Berge, Stavanger (resigned)
 Anne Cathrine Frøstrup, Hønefoss
 Herbjørn Hansson, Sandefjord
 Jan Willy Hopland, Oslo
 Finn Jebsen, Oslo
 Knut Hartvig Johannson, Snarøya
 Erik Sture Larre sr., Oslo
 Ole-Erik Lerøy, Bergen
 Odd Lunde, Bærum
 Trond Mohn, Paradis
 Harald Norvik, Nesodden (chairman)
 Anita Roarsen, Oslo
 Benedicte Berg Schilbred, Tromsø
 Jan Olav Steensland, Oslo (resigned)
 Marit Tønsberg, Sørumsand
 Tor Peter Øwre, Tromsø

Deputies elected by shareholders

Morten Sig. Bergesen, Oslo
 Erik Buchmann, Oslo
 Turid Dankertsen, Oslo
 Rolf Domstein, Måløy
 Jan-Erik Dyvi, Oslo
 Eva Granly Fredriksen, Oslo
 Rolf Hodne, Stavanger
 Liv Johannson, Oslo
 Fred N. Johanssen, Bærum
 Herman Mehren, Nevnlunghamn
 Aage Møst, Bærum
 Einar Nistad, Rådal
 Asbjørn Olsen, Skedsmo
 Oddbjørn Paulsen, Bodø
 Anne Kathrine Slungård, Trondheim (resigned)
 Birger Solberg, Oslo
 Tove Storrødvann, Ski
 Anne-Grete Strøm-Erichsen, Hjellevstad
 Anne Bjørg Thoen, Oslo
 Lars Wenaas, Måndalen

Members elected by employees

Sigrunn Ballo, Vadsø
 Rune Bernbo, Drøbak
 Else Carlsen, Bødalen
 Bente H. Espenes, Oslo
 Erik Grøtting, Oslo
 Atle Heum, Tønsberg
 Jon-Sigurd Hjørnerød, Gressvik
 Jorunn Løvaas, Bergen
 Berit Pedersen, Arendal
 Siri E. Stensrud, Oslo

Deputies elected by employees

Vigdis M. Gutterud, Krokstadelva (resigned)
 Bjørg D. Karlstad, Ringeby
 Lars Kristiansen, Oslo
 Hanne Mette Lundberg, Hamar
 Trond Erik Mikkelsen, Bergen
 Truls Sandvik, Lillestrøm (resigned)
 Marianne Steinsbu, Oslo
 Tove Tveiten, Krokstadelva

Control Committee

Members

Helge B. Andresen, Hamar (chairman)
 Geir Dege, Fredrikstad
 Frode Hassel, Trondheim
 Kristin Normann, Oslo (vice-chairman)

Deputy

Svein Brustad, Hvalstad
 Thorstein Øverland, Oslo

Board of Directors

Members

Per Hoffmann, Oslo
 Olav Hytta, Oslo (chairman)
 Sten Sture Larre, Oslo
 Bent Pedersen, Stenløse (vice-chairman)
 Torill Rambjør, Tjøme
 Ingjerd Skjeldrum, Drammen
 Marit Wiig, Oslo
 Svein Aaser, Drøbak

Deputies for the employee representative

Bjørn Davidsen, Oslo
 Sverre Finstad, Moelv

Group Management

Group chief executive

Svein Aaser

Retail Banking

Åsmund Skår

Corporate Banking

Leif Teksum

DnB NOR Markets

Ottar Ertzeid

Human Resources and Group Services

Evlyn Raknerud

IT and Payment Services

Bente A. Landsnes

Group Staff

Tom Grøndahl

Risk Management

Helge Forfang

Auditors

Geir Julsvoll
 Harald Jægtnes

