



*Capital Markets Day 2009
26 March 2009*

Financially well prepared

Bjørn Erik Næss, chief financial officer



*How to reach Tier 1 capital
above 8 per cent by
year-end 2010*

Strengthening capitalisation organically

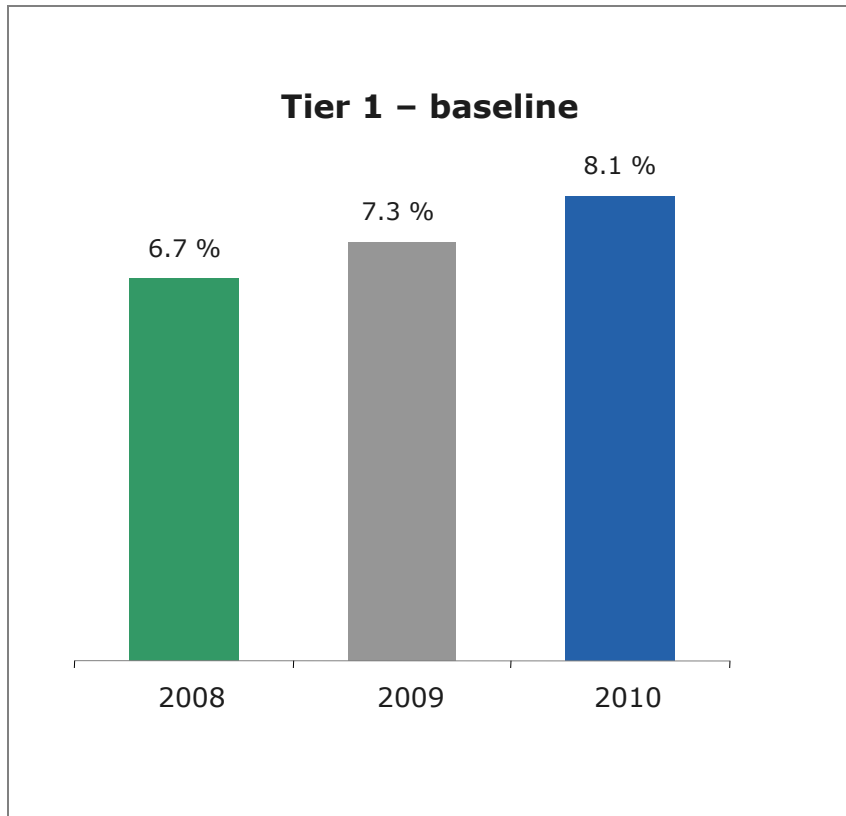
Moderate lending growth: up to 5 % per annum

IRB approach to be applied to all major portfolios by year-end 2010

Loan losses in 2009 within 4Q2008 annualised level

NOK 20 billion in 2010 (pre-tax operating profit before write-downs)

8 per cent Tier 1 in 2010 achievable



- Strong loss-absorbing capacity
- Dividend levels subject to capitalisation
- No capital injection required

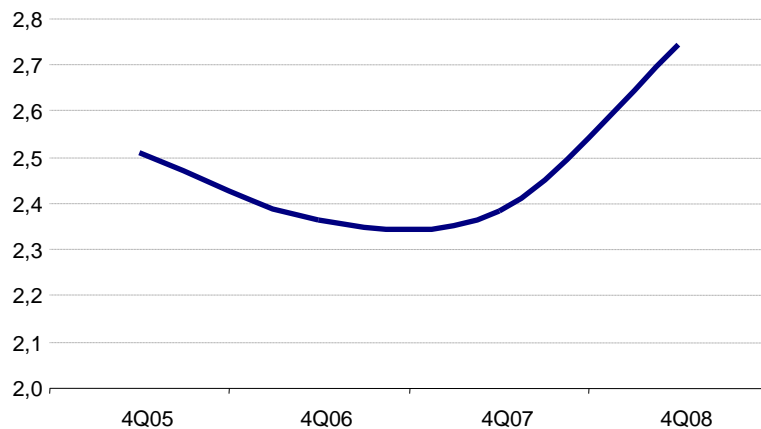
Will DnB NOR participate in the Norwegian State Finance Fund?



- Facilitates stronger lending growth while meeting capitalisation target
- DnB NOR is positive to the measures and will consider participation, subject to:
 - Non-dilutive and loss-absorbing structure
 - Acceptable terms and conditions
- Ready to start negotiations in second quarter

Liquidity risk well managed

Average remaining life, long-term senior debt (years)



- Well-diversified funding base
- At least 90 % of lending shall be funded by customer deposits, equity or securities with a more than 12-month residual maturity
- Longer residual maturity of long-term debt despite market turbulence

Well-functioning funding scheme from Norges Bank

DnB NOR long-term funding

2008	NOK billion	Maturity
Covered bonds	57.5	5.9
Covered bonds (Norges Bank)	29.1	2.8
Senior bonds	100.5	3.7
Sum CB + senior	187.2	4.3

Subordinated debt	8.3	6.0
Total	195.5	

2009	NOK billion	Maturity
Covered bonds	0.1	10.0
Covered bonds (Norges Bank)	28.8	3.0
Senior bonds	4.5	4.9
Sum CB + senior	33.4	3.3

Subordinated debt	0.0	
Total	33.4	

- Provides sources of long-term funding
- Eases collateral requirements
- Currency supply to banks if needed

Good access to funding and well in line with liquidity standards

Long-term funding requirement of NOK 100 billion in 2009

Mainly covered by the funding scheme with Norges Bank

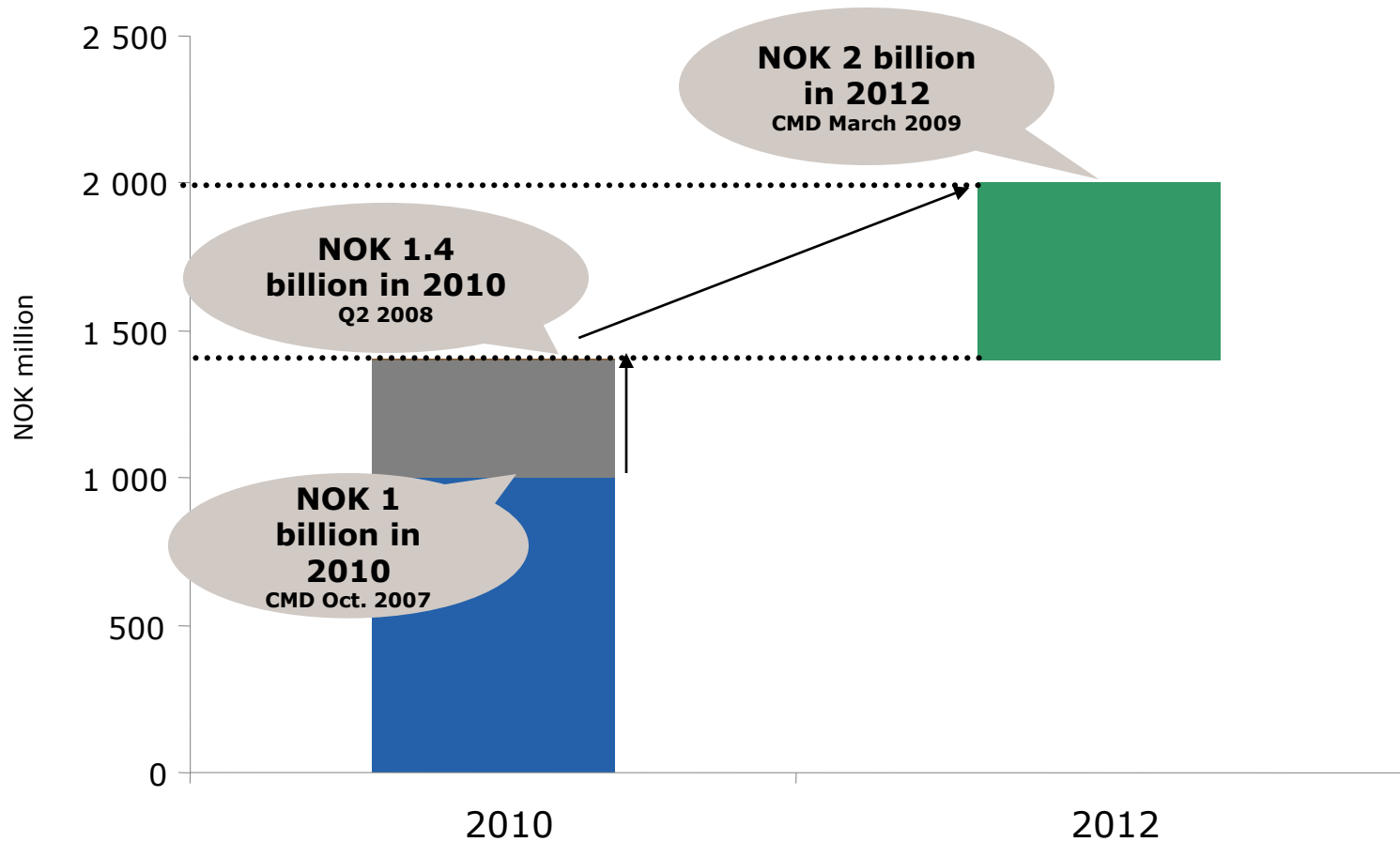
Limited reliance on international bond markets

Will tap markets on an opportunistic basis





Continued efforts to make balance sheet more liquid into 2010

Include commercial real estate loans in the funding scheme with Norges Bank

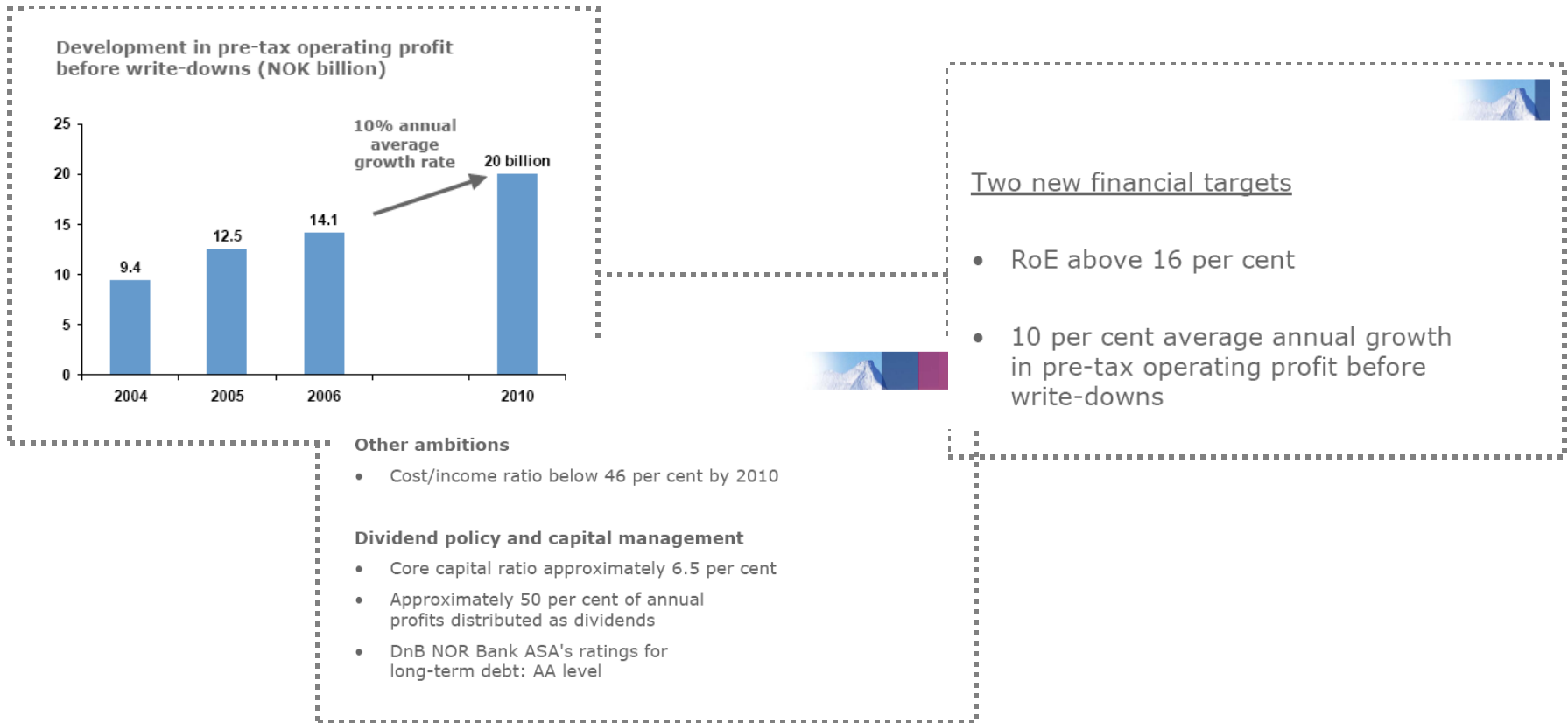
New target of NOK 2 billion for cost programme



Further efficiency gains as a result of new initiatives

Implement professional procurement process, including: policy and specification optimisation, cost avoidance and demand management		NOK 150–200 million
IT projects related to strategic sourcing and offshoring, demand management, vendor consolidation		NOK 100–200 million
Coordination and streamlining of staff and support functions across the Group		NOK 150–250 million
Process improvement and better coordination of distribution channels		NOK 200–400 million

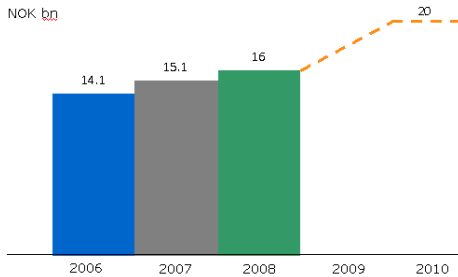
Financial targets for 2010 presented at CMD in October 2007...



... were set in a very benign environment, before the onset of the financial crisis

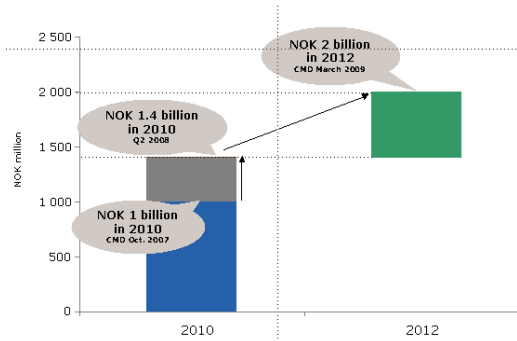
Near-term financial targets – ambitions remain strong

Growth in operating profit



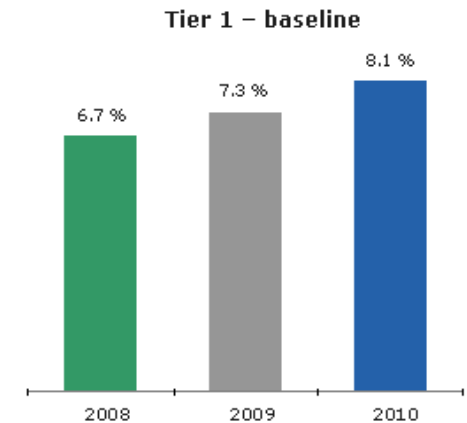
NOK 20 billion in pre-tax operating profit before write-downs in 2010

New target cost programme



Higher ambitions for our cost programme:
NOK 2 billion per annum as of end-2012

Capital ratio > 8 per cent



Tier 1 capital ratio above **8 % by year-end 2010**