



Supplementary Information for Investors and Analysts

2008 Second Quarter Results

(Unaudited)

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Information on the Internet

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DnB NOR's home page	www.dnbnor.no

Financial Calendar 2008

Preliminary results 2007	14 February
Annual general meeting	30 April
Ex-dividend date	2 May
Payment of dividend	15 May
First quarter	29 April
Second quarter	10 July
Third quarter	30 October

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In accordance with Section 3-9 of the Norwegian Accounting Act, the DnB NOR Group prepares consolidated accounts in accordance with IFRS principles, including IAS 34 - Interim Financial Reporting. A description of the accounting principles applied by the Group is found in the annual report for 2007, note 1.

Statements regarding DnB NOR's relative market positions are, unless otherwise specified, based on internal DnB NOR analyses.

Section 1

DnB NOR - an overview

Financial highlights

Second quarter 2008

- Pre-tax operating profits before write-downs were NOK 4.6 billion (4.1)
- Profit for the period was NOK 3.4 billion (3.4)
- Return on equity was 18.1 per cent (20.4)
- Earnings per share were NOK 2.47 (2.50)
- Cost/income ratio was 49.0 per cent (49.1)
- The core capital ratio, including 50 per cent of interim profits, was 6.9 per cent (7.4)

First half 2008

- Pre-tax operating profits before write-downs were NOK 6.1 billion (7.8)
- Profit for the period was NOK 4.5 billion (6.3)
- Return on equity was 11.8 per cent (18.8)
- Earnings per share were NOK 3.27 (4.60)
- Cost/income ratio was 58.7 per cent (49.4)
- The core capital ratio, including 50 per cent of interim profits, was 6.9 per cent (7.4)

Comparable figures for 2007 in parentheses.

DnB NOR – Norway's leading financial services group

DnB NOR Group

- Total combined assets
- Total balance sheet
- Net lending to customers
- Customer deposits
- Market capitalisation

As at 30 June 2008

NOK	1 906 billion
NOK	1 577 billion
NOK	1 062 billion
NOK	565 billion
NOK	86 billion

Life Insurance and Asset management

• Total assets under management of which:	NOK	556 billion
- total assets under management (external clients)	NOK	304 billion
- mutual funds	NOK	87 billion
- discretionary management	NOK	217 billion
- total assets under operations (external clients)	NOK	26 billion
- total assets in Vital	NOK	227 billion
- products with a choice of investment profile	NOK	28 billion

Customer base

- Serving 2.3 million retail banking customers throughout Norway, of which more than 1.0 million use Internet in active communication (e-dialogue customers)
- More than 200 000 corporate customers in Norway
- Some 1 000 000 individuals insured in Norway
- More than 627 000 mutual fund customers in Norway and 291 institutional asset management clients in Norway and Sweden

Market shares

See Section 3 for market shares for the individual business areas.

Distribution network

- 178 domestic DnB NOR branches
- 16 Nordlandsbanken branches
- 9 international branches
- 3 international representative offices
- 41 Postbanken sales outlets
- 173 DnB NORD branches
- 9 DnB NOR Monchebank branches
- DnB NOR Luxembourg (subsidiary)
- Internet banking
- Mobile bank and SMS services
- Telephone banking
- Online equities trading in 16 markets
- Online mutual funds trading
- About 300 post office counters ¹⁾
- About 1 160 in-store postal outlets ¹⁾
- About 1 800 rural postmen ¹⁾
- About 830 in-store banking outlets ²⁾
- 98 DnB NOR Eiendom sales offices
- 34 Postbanken Eiendom sales offices
- 208 Svensk Fastighetsförmedling sales offices
- 18 Vital sales offices
- 60 Vital agent companies

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

2) Provided by NorgesGruppen.

Credit ratings from international rating agencies

	Moody's		Standard & Poor's		Dominion Bond Rating Service	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
DnB NOR Bank ASA	Aa1	P-1	AA-	A-1+	AA	R-1

Group strategy

Business idea

DnB NOR will be customers' best financial partner and will meet their needs for financial solutions.

DnB NOR's strengths are a local presence and a full range of services.

DnB NOR has a unique platform in the Norwegian market:

- a high market share in all segments
- the largest customer base
- the most extensive distribution network

Common value base and culture

Team spirit, simplicity, value creation.

DnB NOR's shared values describe what should distinguish the organisation and work processes both internally and in relation to customers.

Strategy

*Utilise growth potential and improve cost efficiency in Norway.
Exploit international growth opportunities.*

Growth in home market:	Introduce new products and services, strengthen distribution and market positions, utilise the full range of products.
Cost efficiency in Norway:	Optimise customer processes and distribution, streamline IT, reorganise operational processes.
International growth:	Global growth in selected industries built on core competencies: shipping, energy and seafood. Strengthen position in the Nordic and Baltic regions.

Financial targets

*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 long-term targets are:*

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

- Return on equity above 16 per cent from 2008
- 10 per cent average annual growth in pre-tax operating profits before write-downs

Other ambitions:

- A cost/income ratio below 46 per cent by the end of 2010

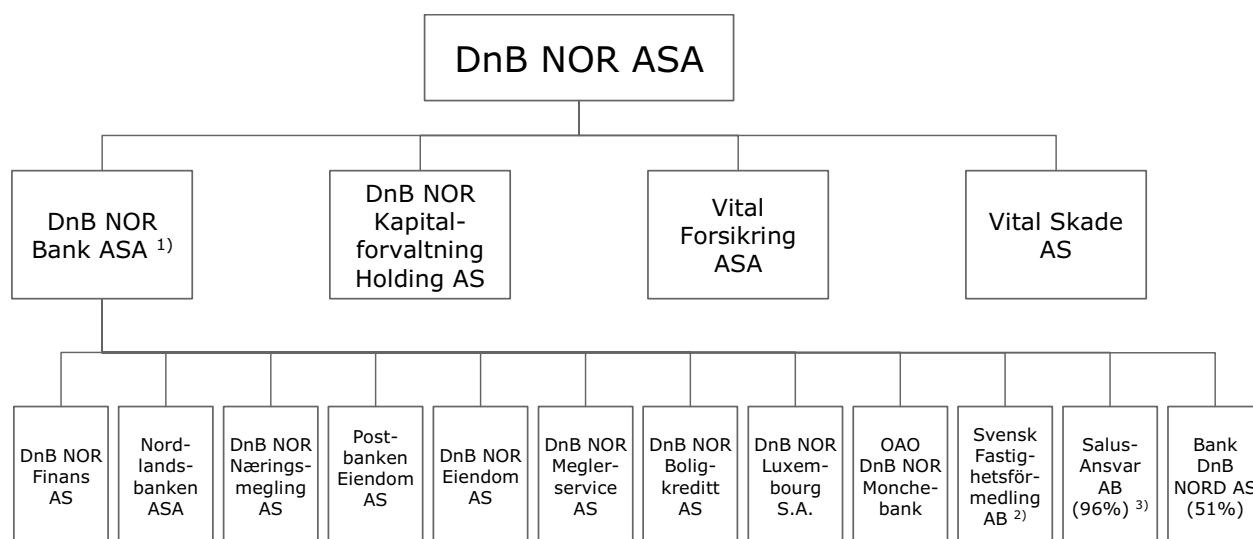
Capital strategy and dividend policy:

- A core capital ratio of approximately 6.5 per cent
- Dividend payments representing approximately 50 per cent of annual profits
Dividends will be determined on the basis of expected profit levels in a normal situation, external parameters and the need to maintain capital adequacy at a satisfactory level.
- AA level ratings for long-term debt for DnB NOR Bank ASA

Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and life insurance activities of the DnB NOR Group are organised in separate limited companies under the holding company DnB NOR ASA. Banking activities are organised in DnB NOR Bank ASA and its subsidiaries. All asset management activities are organised under a common holding company, DnB NOR Kapitalforvaltning Holding AS. Vital Forsikring ASA offers life insurance and pension saving products, both products with guaranteed returns and products with a choice of investment profile. Vital Skade AS offers non-life insurance as part of a total product package for retail and corporate clients and operates as an agent for domestic and foreign insurance underwriters. The chart below shows the legal structure of the DnB NOR Group.

DnB NOR Group - legal structure at end-June 2008



1) Major subsidiaries only. Ownership 100 per cent unless otherwise indicated.

2) Included in DnB NOR Group as from end-June 2007.

3) Included in DnB NOR Group as from end-December 2007.

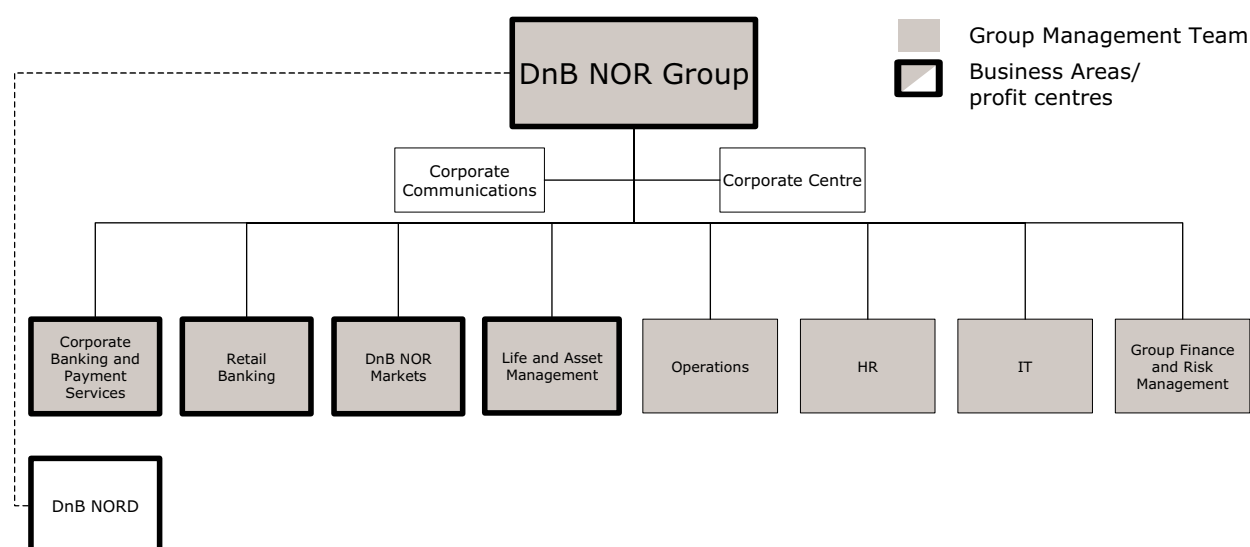
Group business structure

The activities in DnB NOR are organised in the business areas Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life and Asset Management. The business areas operate as independent profit centres and have responsibility for serving all of the Group's customers and for the total range of products. DnB NOR is regarded as a separate profit centre.

Operational tasks and group services are carried out by the Group's staff and support units, which provide infrastructure and cost efficient services to the business areas. In addition, they perform functions for governing bodies and group management. The business areas have the opportunity to influence staff and support units in the Group by changing their demand patterns and levels of ambition.

The operational structure of DnB NOR deviates from its legal structure as activities in subsidiaries fall in under the business area relevant to the company's primary operations. Activities in some subsidiaries are divided between the relevant business areas. This applies, for example, to Nordlandsbanken, where corporate market activities are included in Corporate Banking and Payment Services while retail market activities are included in Retail Banking.

DnB NOR Group - organisation chart as at end-June 2008 ¹⁾



1) Reporting structure.

Equity-related data

Key figures

	First half 2008	2007	2006	2005 ¹⁾	2004 ²⁾
Number of shares at end of period (1 000) ³⁾	1 332 654	1 332 654	1 334 089	1 336 875	1 327 139
Average number of shares (1 000)	1 332 654	1 333 402	1 335 449	1 334 474	1 317 744
Earnings per share (NOK)	3.27	11.08	8.74	7.59	6.25
Return on equity, annualised (%)	11.8	22.0	19.5	18.8	17.7
RARORAC, annualised (%) ⁴⁾	12.2	21.6	22.0	24.1	24.2
RORAC, annualised (%) ⁵⁾	15.5	31.9	28.4	30.9	30.0
Share price at end of period (NOK)	64.80	83.00	88.50	72.00	59.75
Price/earnings ratio ⁶⁾	9.92	7.49	10.13	9.49	9.55
Price/book value	1.20	1.51	1.84	1.68	1.57
Dividend per share (NOK)	n/a	4.50	4.00	3.50	2.55
Dividend yield (%)	n/a	5.42	4.52	4.86	4.27
Equity per share including allocated dividend at end of period (NOK)	53.79	55.01	48.13	42.94	38.03

1) Including the effect of the 9 736 376 shares issued on 31 March 2005 in connection with the subscription rights programme for employees in the former DnB Group.

2) Including the effect of the 12 929 907 shares issued on 26 March 2004 in connection with the subscription rights for employees in the former DnB Group and the effect of 5 181 408 shares issued in October 2004 in connection with the subscription rights programme for employees in the former Gjensidige NOR Group.

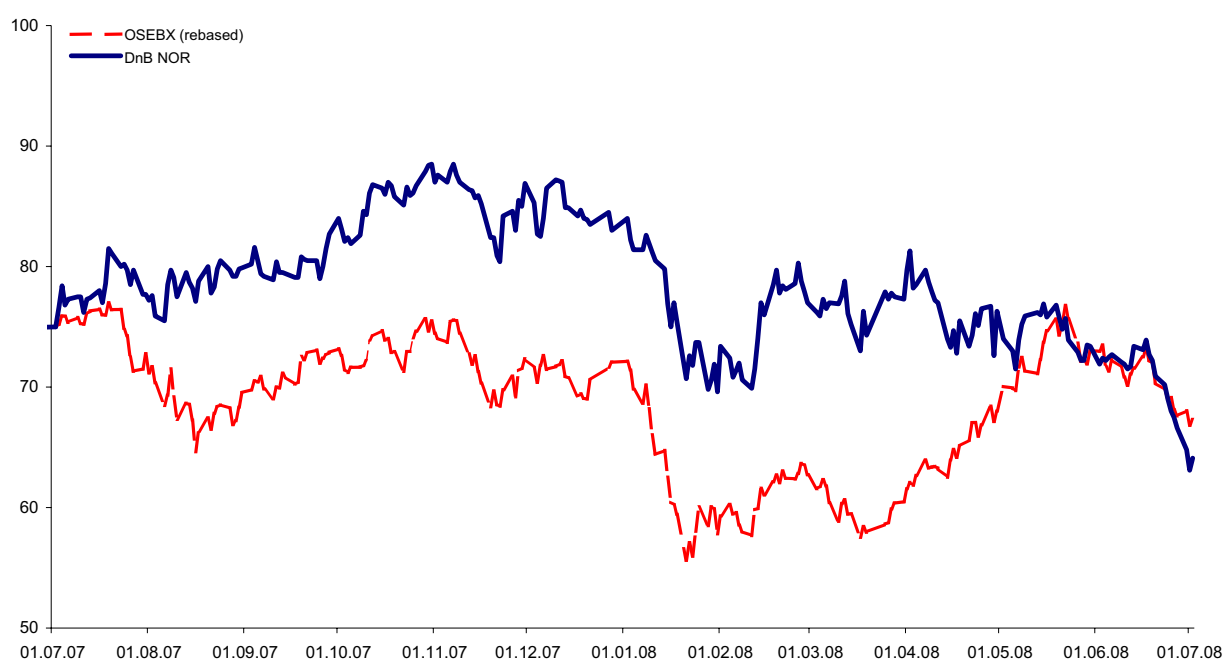
3) The Annual General Meeting on 30 April 2008 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 1 332 653 615, corresponding to 10 per cent of share capital. The shares may be purchased through the stock market. Each share may be purchased at a price between NOK 10 and NOK 150. The authorisation is valid for a period of 12 months from 30 April 2008. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with the Ministry of Trade and Industry for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares. Number of shares in 2006 are excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting. DnB NOR has no outstanding subscription rights for employees.

4) RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation.

5) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement. Profits for the period exclude profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity and for the difference between recorded interest on average equity and interest on risk-adjusted capital.

6) Closing price at end of period relative to annualised earnings per share.

Share price development – 1 July 2007 to 2 July 2008

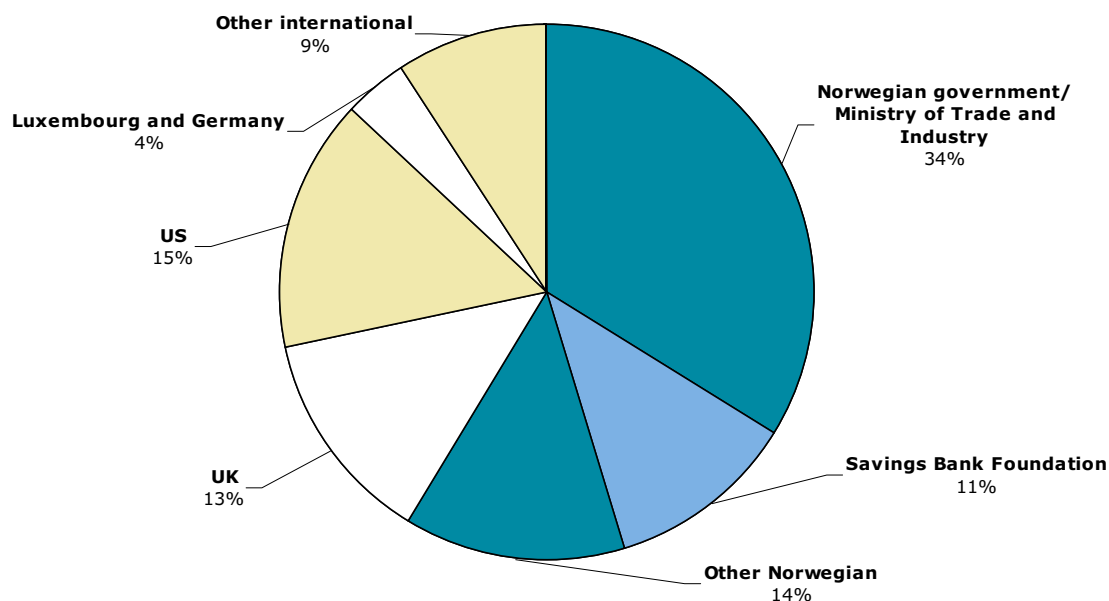


Shareholder structure as at 30 June 2008

Major shareholders

	Shares in 1 000	Ownership in %
Norwegian Government/Ministry of Trade and Industry	453 102	34.00
DnB NOR Savings Bank Foundation	151 095	11.34
Folketrygdfondet	36 379	2.73
Capital Research/Capital International	35 052	2.63
Jupiter Asset Management	19 735	1.48
Barclays Global Investors	19 606	1.47
Fidelity	17 503	1.31
DnB NOR Funds	13 674	1.03
Putnam	13 622	1.02
Deutsche Bank AG/DWS Investments	13 177	0.99
Pioneer Investment	12 390	0.93
Oslo Pensjonsforsikring	9 597	0.72
Nordea Funds	8 427	0.63
Julius Baer Asset Management	8 095	0.61
Goldman Sachs Funds	7 250	0.54
Orkla ASA	7 200	0.54
Zenit Asset Management	6 886	0.52
Neuberger Berman	6 339	0.48
JP Morgan Funds	6 024	0.45
ING Fund	5 752	0.43
Total largest shareholders	850 905	63.85
Other	481 748	36.15
Total	1 332 654	100.00

Ownership according to investor category



Norwegian investors: 59 per cent. International investors: 41 per cent.

Accounting principles etc.

Accounting principles

The accounts have been prepared according to IAS 34 - Interim Financial Reporting. A description of the accounting principles applied by the Group in preparing the accounts is found in the annual report for 2007 which was prepared according to IFRS principles as approved by the EU.

Estimates

When preparing the consolidated accounts, management makes assessments and estimates and prepares assumptions that influence the effect of the accounting principles applied and thus the recorded values of assets and liabilities, income and expenses. Notes 1 and 2 in the annual report for 2007 give a description of important estimates and assumptions.

Comparable figures

Comparable figures have not been restated following the acquisition of SkandiaBanken Bilfinans in 2008 and SalusAnsvar in 2007.

Section 2

Financial results DnB NOR Group

Financial results

Income statement – condensed ¹⁾

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net interest income	5 016	5 023	5 000	4 663	4 219	10 039	8 204
Net other operating income	4 064	625	3 545	2 926	3 733	4 689	7 261
Total operating expenses	4 445	4 194	4 908	3 895	3 902	8 639	7 646
Pre-tax operating profit before write-downs	4 635	1 454	3 636	3 694	4 050	6 089	7 818
Net gains on fixed and intangible assets	3	31	1 593	874	9	34	14
Write-downs on loans and guarantees	275	195	(41)	70	140	470	191
Pre-tax operating profit	4 363	1 290	5 269	4 498	3 919	5 653	7 642
Taxes	1 003	170	193	826	512	1 173	1 368
Profit for the period	3 360	1 120	5 076	3 673	3 407	4 480	6 274

1) For full income statement, see page 35.

Financial highlights

	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Cost/income ratio (per cent) ¹⁾	49.0	74.3	51.9	51.3	49.1	58.7	49.4
Return on equity (per cent)	18.1	5.7	28.4	21.8	20.4	11.8	18.8
Earnings per share (NOK)	2.47	0.79	3.76	2.72	2.50	3.27	4.60
Total combined assets at end of period (NOK billion)	1 906	1 906	1 834	1 789	1 802	1 906	1 802
Core capital ratio at end of period (per cent) ²⁾	6.9	7.0	7.2	7.2	7.4	6.9	7.4

1) Excluding allocation to employees.

2) Including 50 per cent of profit for the year, except for year-end figures.

Balance sheet – condensed ¹⁾

Amounts in NOK billion	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Cash and lending to/deposits with credit institutions	96.6	85.0	74.2	101.6	136.2	82.5
Lending to customers	1 062.1	1 015.9	970.5	908.4	882.8	827.9
Commercial paper and bonds	230.2	227.9	237.2	216.7	220.2	234.5
Shareholdings	49.4	46.7	50.1	60.7	67.0	52.9
Fixed and intangible assets	45.4	46.4	44.5	43.2	39.2	37.8
Financial assets, customers bearing the risk	18.5	18.1	19.9	19.3	19.1	18.8
Other assets	74.4	125.0	77.5	80.7	72.5	65.7
Total assets	1 576.6	1 565.0	1 473.9	1 430.6	1 437.1	1 320.2
Loans and deposits from credit institutions	130.0	148.4	144.2	148.8	163.7	124.4
Deposits from customers	565.4	528.7	538.2	532.5	527.9	474.5
Borrowings through the issue of securities	463.5	421.7	371.8	317.1	328.5	326.8
Insurance liabilities, customers bearing the risk	18.5	18.1	19.9	19.3	19.1	18.8
Liabilities to life insurance policyholders	186.9	190.3	191.6	194.8	191.5	188.1
Other liabilities and provisions	98.8	146.4	99.1	114.6	104.7	87.2
Primary capital	113.4	111.3	109.2	103.4	101.6	100.4
Total liabilities and equity	1 576.6	1 565.0	1 473.9	1 430.6	1 437.1	1 320.2

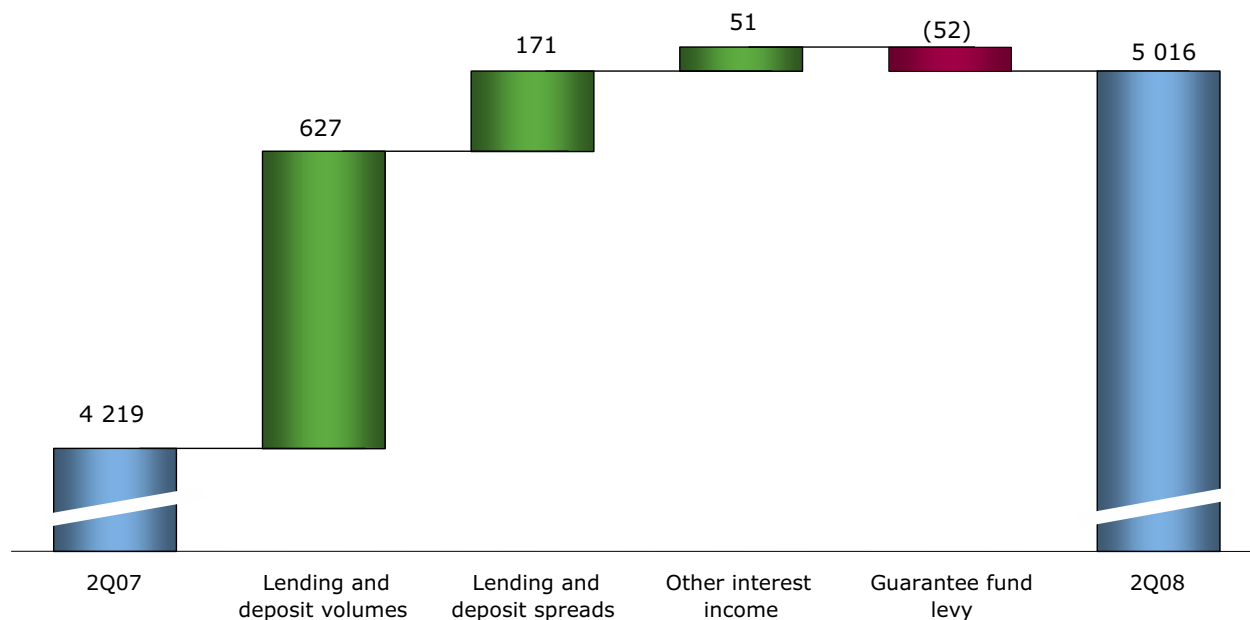
1) For full balance sheet, see page 35.

Net interest income

Changes in net interest income ¹⁾

NOK million

From 2nd quarter 2007 to 2nd quarter 2008



Changes in net interest income ¹⁾

Amounts in NOK million

	2Q08	Change	1Q08
Net interest income	5 016	(8)	5 023
Lending and deposit volumes		154	
Lending and deposit spreads		(2)	
Interbank funding and rising funding costs		(24)	
Exchange rate movements		(22)	
Other interest income		(115)	

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

Net interest income ¹⁾

<i>Amounts in NOK million</i>	Volume			Spreads in per cent			Net interest income ²⁾		
	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07
Lending	1 025 720	976 422	858 485	1.13	1.13	1.08	2 879	2 748	2 318
Deposits	536 501	541 586	512 327	1.05	1.04	1.00	1 396	1 395	1 282
Equity and non-interest bearing items	58 021	58 766	49 537	6.43	6.02	4.66	928	872	575
Other							(187)	7	45
Total net interest income							5 016	5 023	4 219

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

2) Including exchange rate movements.

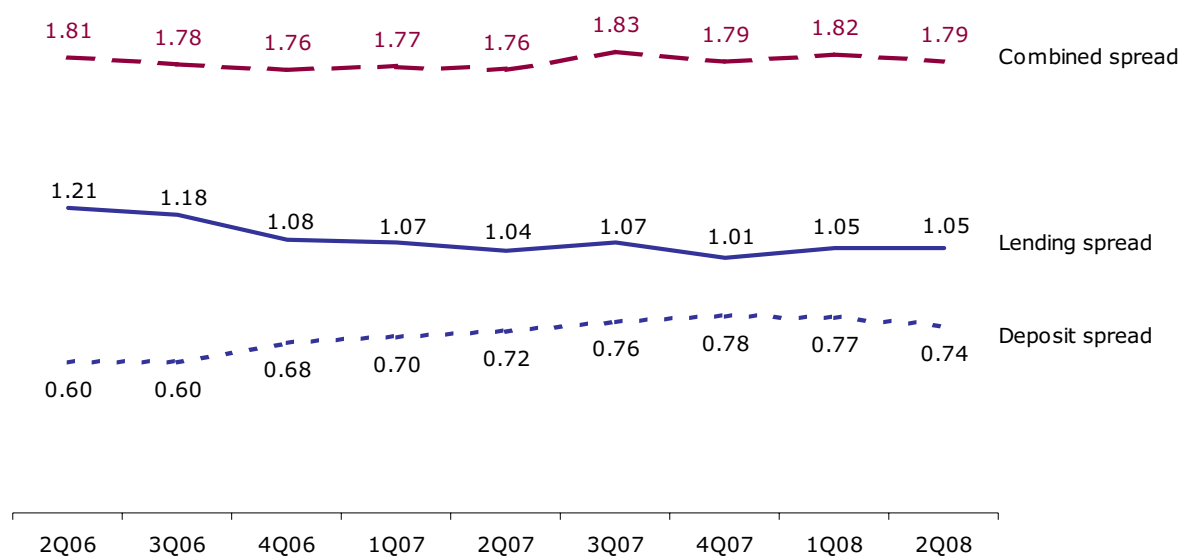
Segmental interest rate spreads ¹⁾

<i>Per cent</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
<i>Lending:</i>							
Corporate Banking and Payment Services	1.05	1.05	1.01	1.07	1.04	1.05	1.05
Retail Banking	1.19	1.21	1.13	1.10	1.06	1.20	1.07
DnB NORD	1.30	1.21	1.30	1.32	1.38	1.21	1.40
Total	1.13	1.13	1.10	1.10	1.08	1.13	1.09
<i>Deposits:</i>							
Corporate Banking and Payment Services	0.74	0.77	0.78	0.76	0.72	0.76	0.71
Retail Banking	1.26	1.23	1.46	1.40	1.26	1.25	1.22
DnB NORD	2.42	2.43	3.00	2.36	2.27	2.42	2.09
Total	1.05	1.04	1.16	1.08	1.01	1.04	0.98
<i>Combined spread - lending and deposits:</i>							
Weighted total average	1.10	1.10	1.12	1.09	1.05	1.10	1.05

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

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

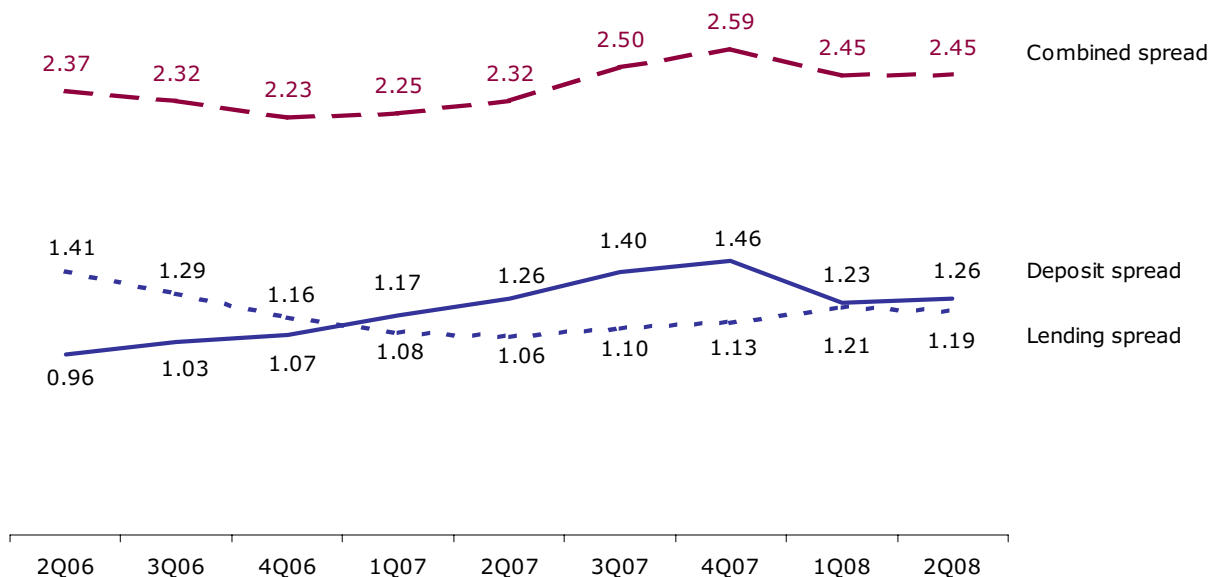
Per cent



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

Developments in average interest rate spreads – Retail Banking ¹⁾

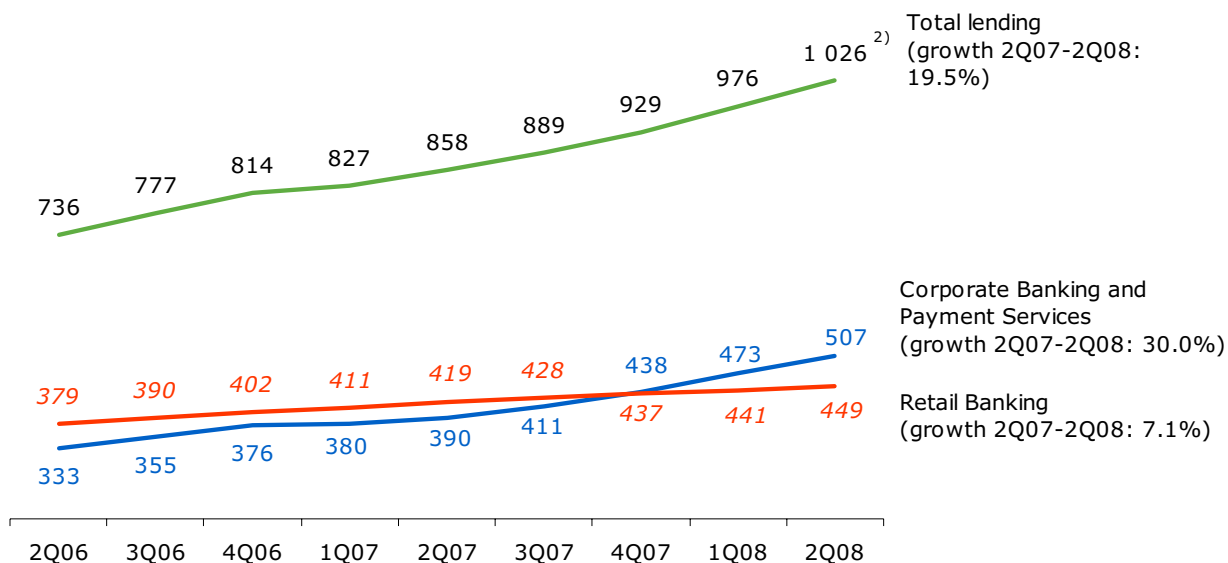
Per cent



1) Excluding impaired loans

Developments in average volumes - lending ¹⁾

NOK billion



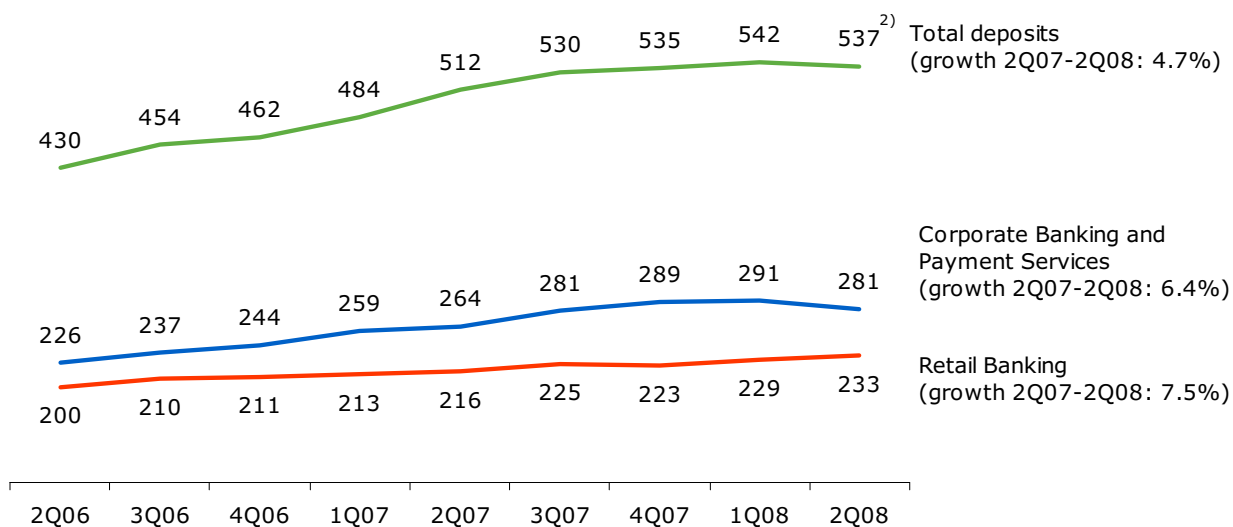
1) Excluding lending to credit institutions and impaired loans

2) Of which DnB NORD: NOK 66 billion

Total lending excluding DnB NORD: NOK 955 billion (17.6% growth)

Developments in average volumes - deposits ¹⁾

NOK billion



1) Excluding deposits from credit institutions

2) Of which DnB NORD: NOK 20 billion

Total deposits excluding DnB NORD: NOK 516 billion (4.5% growth)

Net other operating income

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Money transfer and interbank transactions	464	459	455	422	442	923	864
Asset management services	265	281	269	308	356	547	674
Credit broking	82	29	69	31	94	112	184
Real estate broking	211	162	212	189	214	373	381
Custodial services	69	65	78	71	70	134	133
Securities trading	80	91	87	72	79	170	186
Sale of insurance products	633	592	431	436	433	1 225	892
Other income from banking services	125	172	183	162	159	297	292
Net gains on equity investments	(19)	(254)	138	38	260	(273)	527
Corporate finance etc.	132	103	299	110	233	235	378
Other income	160	(139)	97	57	130	21	306
Net financial and risk result from Vital ¹⁾	410	(423)	665	631	533	(13)	925
Customer trading in FX and interest rate instruments, DnB NOR Markets	509	460	421	391	383	969	783
FX and interest rate instruments, DnB NOR Markets	653	(1 185)	(120)	(412)	147	(532)	408
FX and interest rate instruments, banking portfolio, other	290	211	261	421	199	501	330
Net other operating income ²⁾	4 064	625	3 545	2 926	3 733	4 689	7 261
<i>As a percentage of total income</i>	<i>44.8</i>	<i>11.1</i>	<i>41.5</i>	<i>38.6</i>	<i>46.9</i>	<i>31.8</i>	<i>46.9</i>

1) Of which:

Net gains on assets in Vital	767	(2 070)	3 802	9 334	6 116	(1 303)	10 688
Guaranteed returns and allocations to policyholders in Vital	437	(1 508)	1 117	6 097	5 598	(1 072)	9 791
Premium income etc. included in the risk result in Vital	1 074	1 066	703	1 215	917	2 140	2 331
Insurance claims etc. included in the risk result in Vital	1 014	955	2 778	3 823	904	1 968	2 305
Net financial and risk result in Vital	390	(450)	610	628	531	(60)	923
Eliminations in the group accounts	20	28	54	2	2	48	2
Net financial and risk result from Vital	410	(423)	665	631	533	(13)	925

For a detailed specification of income statement in Vital, see page 73.

2) Of which:

DnB NORD	165	149	206	136	185	314	289
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Net other operating income, operational reporting ¹⁾

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
1. Net stock market related income including financial instruments	526	286	870	598	998	812	1 897
2. Net financial and risk result from Vital	410	(423)	665	631	533	(13)	925
3. Net other commissions and fees including guarantees	1 406	1 351	1 270	1 158	1 237	2 758	2 457
4. Net gains on FX and interest rate instruments excluding guarantee commissions	1 350	(613)	429	293	621	738	1 295
Real estate broking	211	162	212	189	214	373	381
Other income	160	(139)	97	57	130	21	306
Net other operating income	4 064	625	3 545	2 926	3 733	4 689	7 261

Specifications

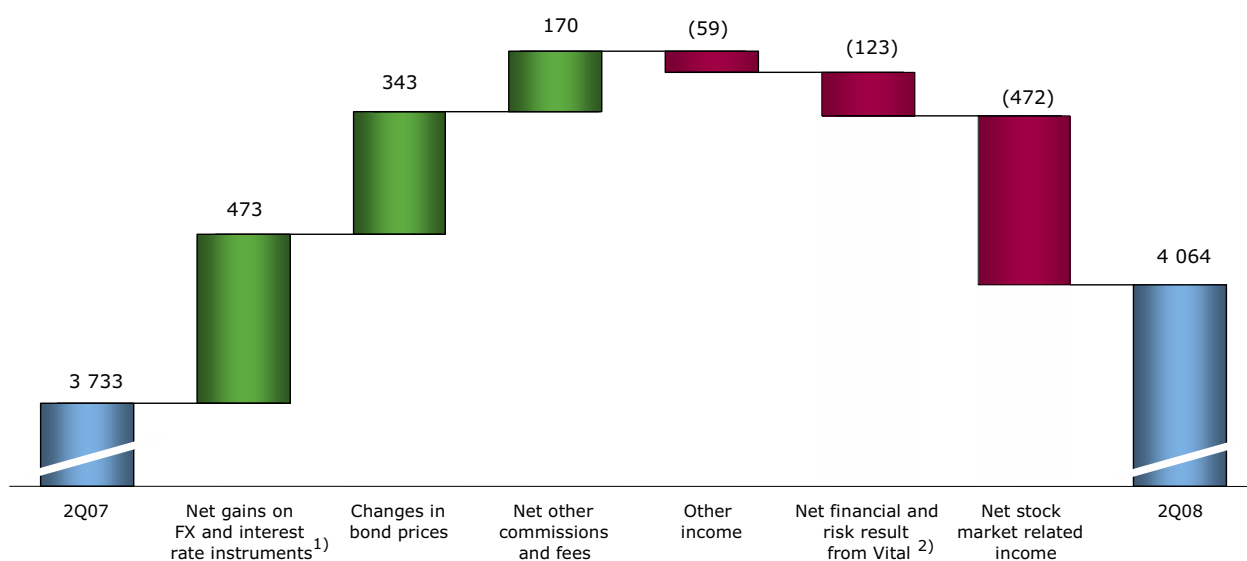
Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007
Asset management services	265	281	269	308	356	547	674
Custodial services	69	65	78	71	70	134	133
Securities trading	80	91	87	72	79	170	186
Corporate finance etc.	132	103	299	110	233	235	378
Net stock market related commissions and fees (I)	545	540	732	561	738	1 085	1 370
Net gains on equity investments including dividends	(19)	(254)	138	38	260	(273)	527
1. Net stock market related income including financial instruments	526	286	870	598	998	812	1 897
<i>Net stock market related income as a percentage of total income</i>	<i>5.8</i>	<i>5.1</i>	<i>10.2</i>	<i>7.9</i>	<i>12.6</i>	<i>5.5</i>	<i>12.3</i>
<i>Net stock market related income as a percentage of net other operating income</i>	<i>12.9</i>	<i>45.8</i>	<i>24.6</i>	<i>20.4</i>	<i>26.7</i>	<i>17.3</i>	<i>26.1</i>
Net financial result from Vital	350	(534)	2 740	3 239	520	(184)	899
Net risk result from Vital	60	111	(2 075)	(2 608)	13	171	26
2. Net financial and risk result from Vital	410	(423)	665	631	533	(13)	925
Money transfer and interbank transactions	464	459	455	422	442	923	864
Credit broking	82	29	69	31	94	112	184
Sale of insurance products	633	592	431	436	433	1 225	892
Other income from banking services	125	172	183	162	159	297	292
Net other commissions and fees (II)	1 305	1 252	1 138	1 051	1 128	2 557	2 232
Net gains on financial instruments - guarantee commissions	101	99	132	108	108	201	225
3. Net other commissions and fees including guarantees	1 406	1 351	1 270	1 158	1 237	2 758	2 457
Net commissions and fees (I + II)	1 850	1 539	1 871	1 611	1 866	3 642	3 602
Customer trading in FX and interest rate instruments, DnB NOR Markets	509	460	421	391	383	969	783
FX and interest rate instruments, DnB NOR Markets	653	(1 185)	(120)	(412)	147	(532)	408
FX and interest rate instruments, banking portfolio, other	290	211	261	421	199	501	330
Net gains on FX and interest rate instruments	1 452	(514)	562	401	729	938	1 520
Net gains on financial instruments - guarantee commissions	101	99	132	108	108	201	225
4. Net gains on FX and interest rate instruments excluding guarantee commissions	1 350	(613)	429	293	621	738	1 295

1) In this table items are classified according to main operational areas. Thus, net guarantee commissions, which according to IFRS are classified as "Net gains on financial instruments at fair value" in the income statement, are classified as "Commissions and fees". Stock market related commissions and fees are classified as "Stock market related income".

Changes in net other operating income

NOK million

From 2nd quarter 2007 to 2nd quarter 2008



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

2) After guaranteed returns and allocations to policyholders

Changes in net other operating income

Amounts in NOK million

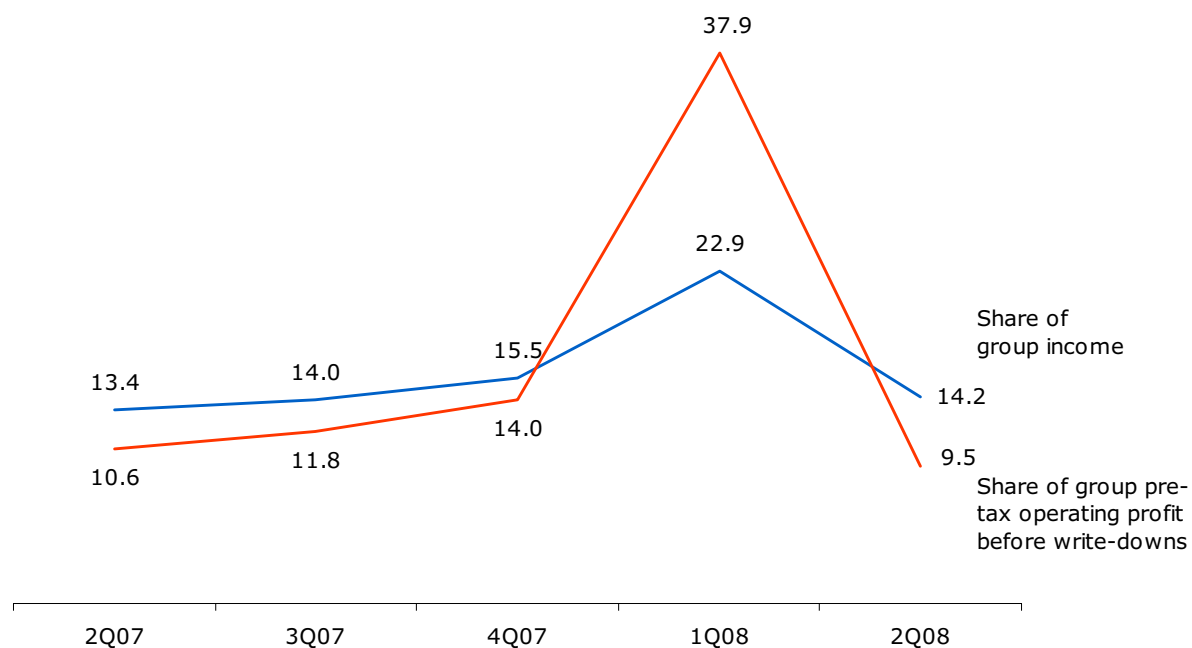
	2Q08	Change	1Q08
Net other operating income	4 064	3 439	625
Changes on bond prices		2 207	
Net financial and risk result from Vital ¹⁾		833	
Net stock market related income including financial instruments		240	
Net gains on FX and interest rate instruments ²⁾		164	
Net other commissions and fees including guarantee commissions		55	
Real estate broking		48	
Other income		(108)	

1) Excluding guaranteed returns and allocations to policyholders.

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

International units ¹⁾

Per cent



1) Units outside Norway.

Operating expenses

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Ordinary salaries	1 703	1 627	1 752	1 584	1 627	3 329	3 135
Employer's national insurance contributions	251	244	233	219	229	495	457
Pension expenses	271	269	294	284	275	540	539
Allocation to employees ¹⁾	0	0	476	0	0	0	0
Restructuring expenses	29	12	14	9	13	41	26
Other personnel expenses	108	109	107	108	62	217	180
Total salaries and other personnel expenses	2 361	2 261	2 875	2 203	2 207	4 622	4 335
Fees	343	322	252	240	196	665	403
EDP expenses	423	397	421	359	424	820	816
Postage and telecommunications	98	103	110	108	105	202	207
Office supplies	30	26	35	27	31	56	62
Marketing and public relations	218	162	169	166	165	380	328
Travel expenses	67	61	88	53	65	128	123
Reimbursement to Norway Post for transactions executed	58	53	59	63	59	111	99
Training expenses	24	24	24	16	21	48	42
Operating expenses on properties and premises	326	298	295	206	206	624	414
Operating expenses on machinery, vehicles and office equipment	39	36	35	34	33	75	70
Other operating expenses	190	213	211	168	149	404	304
Other expenses	1 817	1 696	1 699	1 437	1 453	3 513	2 869
Depreciation and write-downs of fixed and intangible assets	266	237	335	255	242	503	442
Total operating expenses	4 445	4 194	4 908	3 895	3 902	8 639	7 646
Of which DnB NORD	397	365	406	330	354	761	574

1) Allocations to employees in 2007 were in the form of bonuses totalling NOK 181 million, including employer's national insurance contributions. In addition, provisions of NOK 295 million were made relating to the winding up of the employee investment funds.

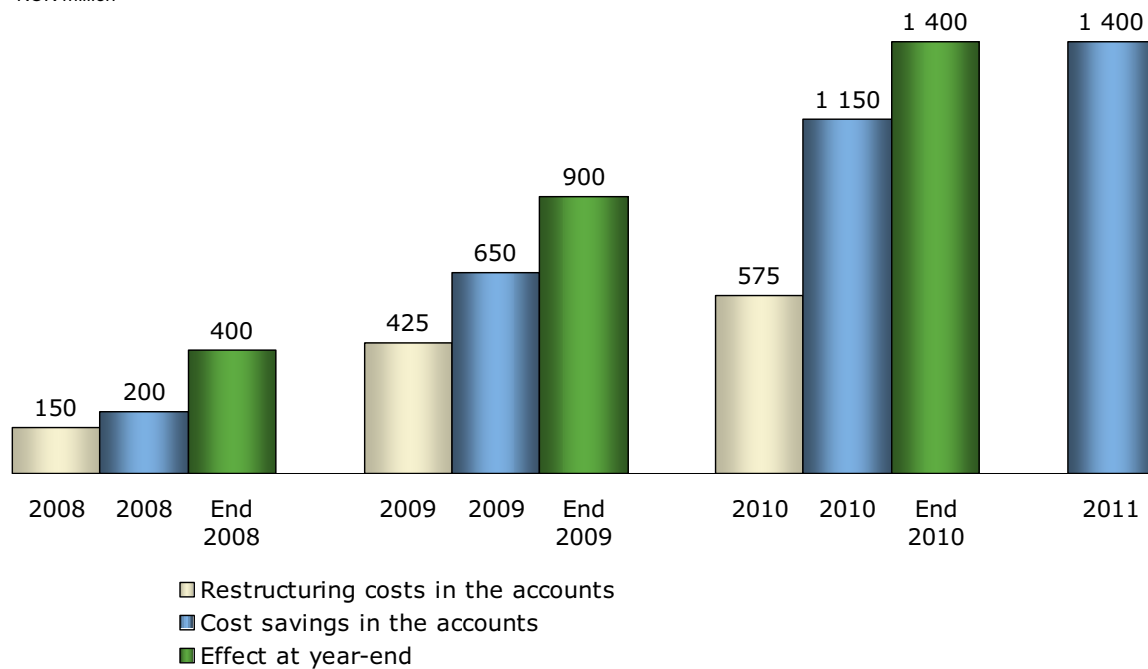
Changes in operating expenses

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

<i>Amounts in NOK million</i>	2Q08	Change	1Q08
Total operating expenses	4 445	250	4 194
Norwegian units		138	
<i>Of which:</i>			
Marketing		48	
Performance-based pay		41	
Wage settlements		15	
Fees		24	
Properties		17	
SkandiaBanken Bilfinans		7	
Other		(12)	
Cost programme		(23)	
Restructuring expenses, cost programme		21	
International units		112	
<i>Of which:</i>			
Sweden		33	
SalusAnsvar		22	
Svensk Fastighetsförmedling		(4)	
SkandiaBanken Bilfinans		14	
DnB NORD		32	
Others		14	

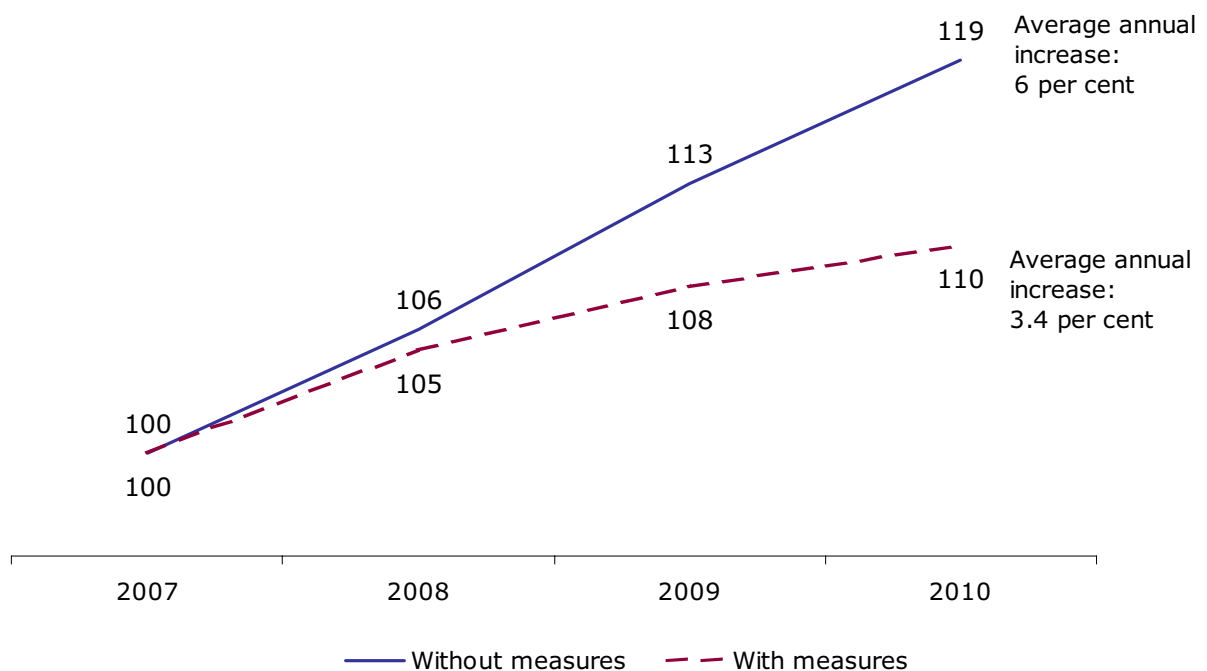
Schedule for cost savings

NOK million



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

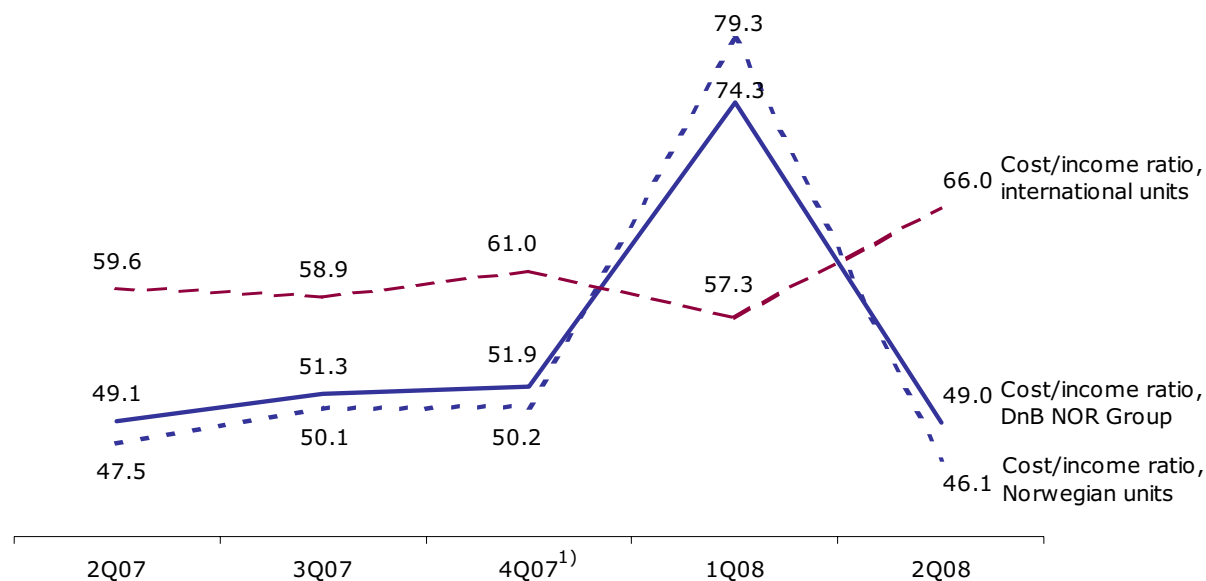
Index from 2007 = 100



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

Cost/income ratio

Per cent



1) Excluding allocations to employees

Cost/income ratio

Norwegian units

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

International units

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

1) Excluding allocation to employees.

Number of employees – full-time positions

<i>Full-time positions</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Corporate Banking and Payment Services ¹⁾	2 504	2 395	2 316	2 291	2 249	2 635
Retail Banking ^{1) 2)}	3 907	3 883	3 853	3 696	3 664	4 080
DnB NOR Markets	641	617	612	599	580	562
Operations ¹⁾	1 308	1 341	1 382	1 369	1 379	
Life Insurance and Asset Management	1 185	1 166	1 130	1 136	1 130	1 115
DnB NORD ³⁾	3 460	3 329	3 236	3 144	3 053	1 989
Staff and support units ¹⁾	915	917	926	964	966	1 444
Total	13 919	13 647	13 455	13 201	13 021	11 824

1) As a consequence of the reorganisation of the Group in June 2007, 405, 444 and 530 full-time positions respectively have been transferred from Corporate Banking and Payment Services, Retail Banking and Staff and support units to Operations.

2) Staff in SalusAnsvar, which was acquired on 31 December 2007, represented 218 full-time positions.

3) An increase of 863 full-time positions resulting from the acquisition of BISE Bank in April 2007.

IT expenses

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
IT operating expenses	469	427	429	383	424	895	846
Systems development expenses	285	308	228	237	174	593	389
IT expenses in Vital, after eliminations	126	98	245	79	158	224	259
Total IT expenses ¹⁾	880	833	903	698	755	1 713	1 494

1) Including salaries and indirect costs.

Write-downs on loans and guarantees

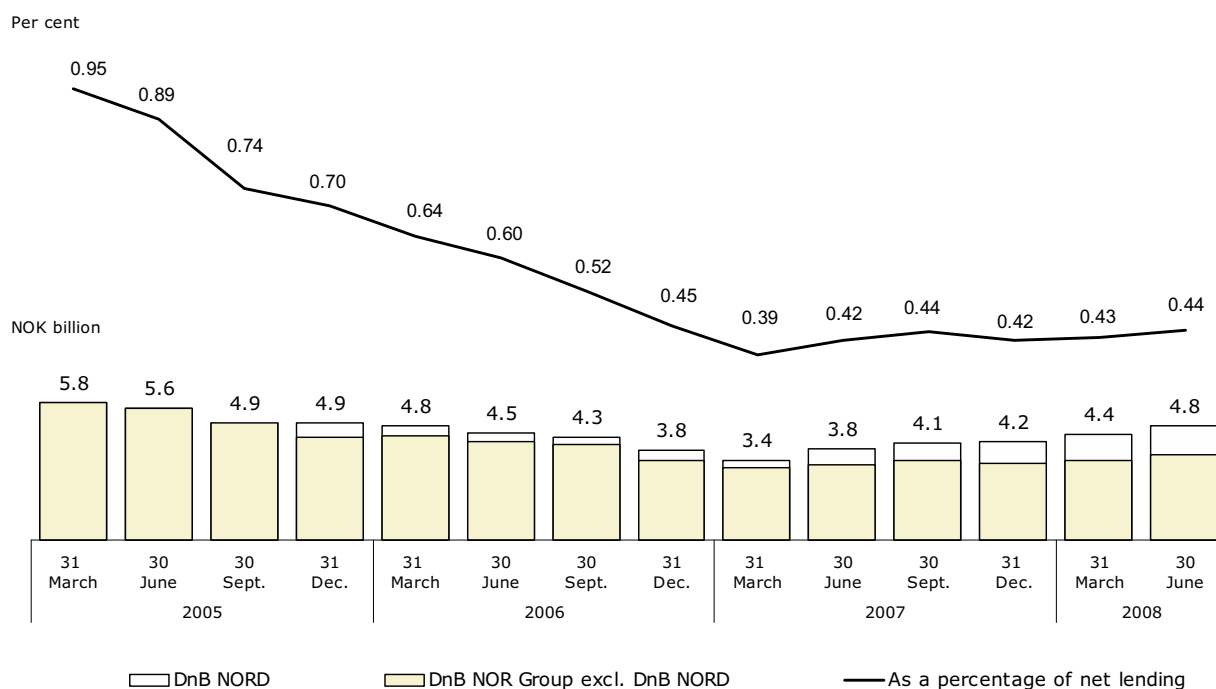
Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
New individual write-downs	340	324	314	217	266	664	549
Reassessments and recoveries	118	165	166	141	156	283	351
Total individual write-downs	222	159	148	76	110	381	198
Change in group write-downs on loans ¹⁾	52	37	(189)	(6)	30	89	(7)
Write-downs on loans and guarantees	275	195	(41)	70	140	470	191

Write-down ratio

Amounts in NOK million	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Non-performing commitments (gross)	5 845	5 398	5 055	4 896	4 641	4 334
Impaired commitments (gross)	1 262	1 248	1 170	1 247	1 245	1 434
Gross non-performing and impaired commitments	7 107	6 646	6 225	6 143	5 886	5 768
Individual write-downs	2 307	2 211	2 051	2 065	2 071	1 968
Group write-downs ¹⁾	717	665	712	895	933	892
Write-down ratio (per cent)	42.5	43.3	44.4	48.2	51.0	49.6
Collateral for loans	6 292	4 992	3 824	4 000	3 738	2 983
Coverage ratio (per cent)	131.1	118.4	105.8	113.3	114.5	101.3

1) Changes in the group write-down model caused a reduction in the fourth quarter of 2007.

Net non-performing and impaired commitments



Lending

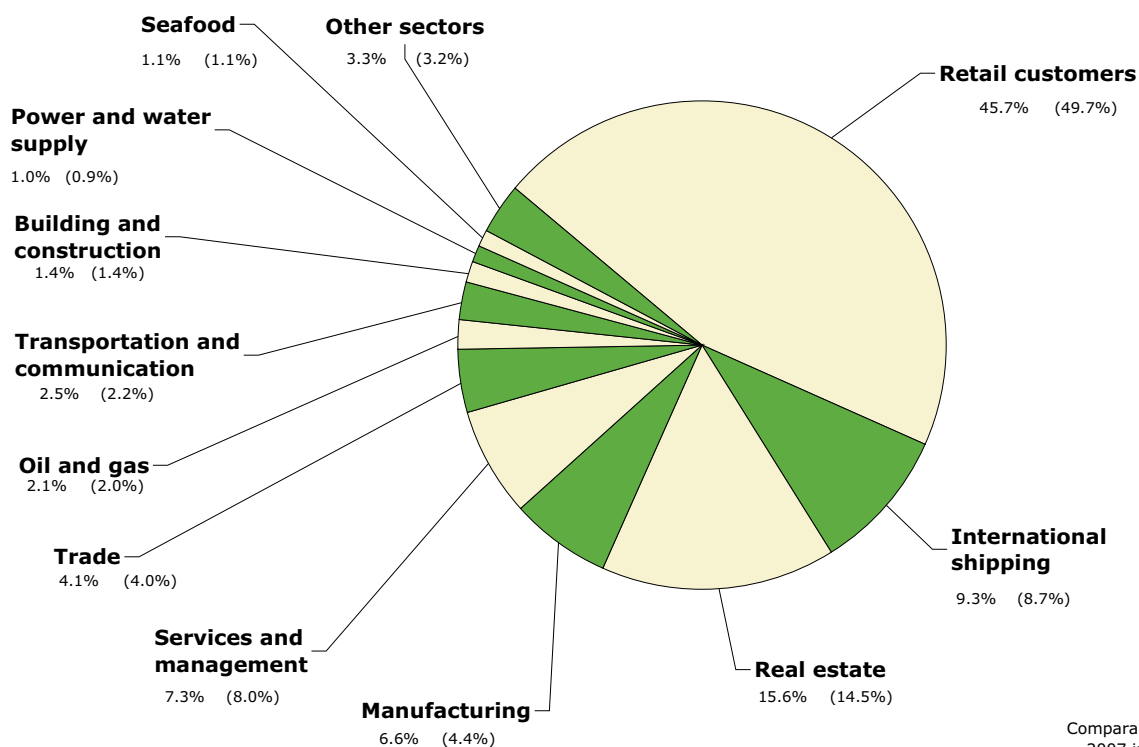
Net lending to principal sectors ^{1) 2)}

<i>Amounts in NOK billion</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Retail customers	483.8	470.3	456.1	447.1	438.2	417.6
International shipping	98.8	91.9	91.0	81.5	76.4	74.2
Real estate	164.9	145.0	148.5	135.7	127.8	116.2
Manufacturing	70.2	65.4	55.3	44.6	38.7	36.7
Services and management	77.2	86.6	76.4	67.5	70.1	64.5
Trade	43.8	41.0	38.5	35.3	35.7	32.1
Oil and gas	22.0	18.1	17.9	14.4	18.0	12.7
Transportation and communication	26.0	24.6	20.2	19.4	19.2	16.7
Building and construction	14.9	13.2	12.5	12.3	12.1	11.2
Power and water supply	11.0	9.8	9.9	7.9	7.7	7.3
Seafood	12.1	11.3	11.2	10.4	9.9	10.1
Hotels and restaurants	5.3	4.3	3.8	3.7	3.5	3.5
Agriculture and forestry	7.3	6.9	6.9	6.5	6.3	7.5
Central and local government	8.3	11.2	9.0	10.0	6.8	7.4
Other sectors	14.1	13.4	10.8	10.3	11.3	8.9
Net lending to customers	1 059.6	1 012.9	968.0	906.6	881.5	826.7
Of which residential mortgages						
within 80% of collateral value	447.4	434.7	425.8	416.6	407.0	381.9
above 80% of collateral value	14.0	13.1	12.8	12.6	12.5	11.9
Total	461.4	447.9	438.5	429.2	419.5	393.8

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

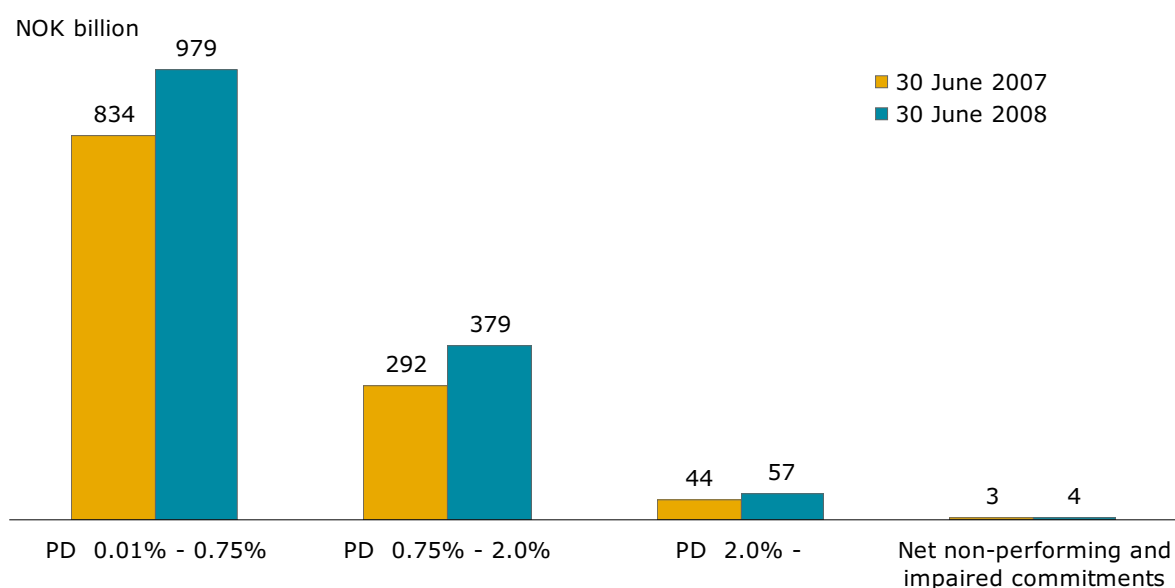
2) Lending after individual write-downs.

Net lending to principal sectors as at 30 June 2008



Comparable figures for
2007 in parentheses

Risk classification of portfolio ¹⁾



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default in Corporate Banking and Payment Services, Retail Banking and DnB NORD.
PD = probability of default.

DnB NOR's risk classification ¹⁾

Risk class	Probability of default (per cent)		External rating	
	As from	Up to	Moody's	Standard & Poor's
1	0.01	0.10	Aaa - A3	AAA - A-
2	0.10	0.25	Baa1 - Baa2	BBB+ - BBB
3	0.25	0.50	Baa3	BBB-
4	0.50	0.75	Ba1	BB+
5	0.75	1.25	Ba2	BB
6	1.25	2.00		
7	2.00	3.00	Ba3	BB-
8	3.00	5.00	B1	B+
9	5.00	8.00	B2	B
10	8.00	impaired	B3, Caa/C	B-, CCC/C

1) DnB NOR's risk classification system, where 1 represents the lowest risk and 10 the highest risk.

Capital adequacy

The DnB NOR Group follows the Basel II-regulations for capital adequacy calculations. Valuation rules used in the statutory accounts form the basis for the consolidation, which is subject to special consolidation rules governed by the Consolidation Regulations. The figures as at 30 June 2008 are partially based on estimates.

Primary capital	DnB NOR Bank		DnB NOR Bank Group		DnB NOR Group	
	30 June 2008	31 Dec. 2007	30 June 2008	31 Dec. 2007	30 June 2008	31 Dec. 2007
<i>Amounts in NOK million</i>						
Share capital	17 514	17 514	17 514	17 514	13 327	13 327
Other equity	43 545	43 659	48 972	48 553	57 198	62 649
Total equity	61 060	61 173	66 486	66 068	70 524	75 976
Perpetual subordinated loan capital securities ^{1) 2)}	8 382	8 746	8 584	8 962	8 584	8 962
Deductions						
Pension funds above pension commitments	(14)	(14)	(24)	(19)	(222)	(171)
Goodwill	(1 653)	(1 653)	(4 724)	(3 880)	(7 552)	(6 689)
Deferred tax assets	(8)	(8)	(264)	(208)	(271)	(215)
Other intangible assets	(437)	(435)	(1 072)	(893)	(1 307)	(1 093)
Dividends, payable	0	0	0	0	0	(5 997)
Unrealised gains on fixed assets	0	0	(30)	(30)	(30)	(30)
50 per cent of investments in other financial institutions	(1 020)	(1 045)	(1 020)	(1 045)	0	(2)
50 per cent of expected losses exceeding actual losses, IRB portfolios	(414)	(394)	(447)	(399)	(447)	(399)
Adjustments for unrealised losses/(gains) on liabilities recorded at fair value	(79)	(22)	(288)	(164)	(288)	(164)
Additions:						
Portion of unrecognised actuarial gains/losses, pension costs ³⁾	555	1 109	594	1 186	608	1 214
Core capital	66 373	67 459	67 795	69 579	69 599	71 392
Perpetual subordinated loan capital	6 374	6 747	6 374	6 747	6 374	6 747
Term subordinated loan capital ²⁾	22 798	16 755	24 346	17 917	24 346	17 917
Deductions						
50 per cent of investments in other financial institutions	(1 020)	(1 045)	(1 020)	(1 045)	0	(2)
50 per cent of expected losses exceeding actual losses, IRB portfolios	(414)	(394)	(447)	(399)	(447)	(399)
Additions						
45 per cent of unrealised gains on fixed assets	0	0	18	18	18	18
Supplementary capital	27 739	22 063	29 271	23 238	30 291	24 281
Total eligible primary capital ⁴⁾	94 111	89 522	97 066	92 816	99 890	95 673
Risk-weighted volume	793 129	750 206	943 339	886 099	1 045 834	991 455
Minimum capital requirement	63 450	60 016	75 467	70 888	83 667	79 316
Core capital ratio (%)	8.4	9.0	7.2	7.9	6.7	7.2
Capital ratio (%)	11.9	11.9	10.3	10.5	9.6	9.6
Core capital ratio including 50 per cent of profit for the period (%)	8.6	-	7.4	-	6.9	-
Capital ratio including 50 per cent of profit for the period (%)	12.1	-	10.5	-	9.8	-

- 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) As at June 30 2008 calculations of capital adequacy include a total of NOK 643 million in subordinated loan capital in associated companies, in addition to subordinated loan capital in the Group's balance sheet.
- 3) Upon implementation of NRS 6A (IAS 19) in 2005, unrecognised actuarial gains/losses for pension commitments were charged to equity in the accounts. The Ministry of Finance has established a transitional rule whereby one-fifth of the amount recorded against equity can be included in capital adequacy calculations in 2008.
- 4) Primary capital and nominal amounts used in calculating risk-weighted volume deviate from figures in the DnB NOR Group's accounts, as associated companies which are assessed in the accounts according to the equity method, are assessed according to the gross method in capital adequacy calculations.

Due to transitional rules, the minimum capital adequacy requirements for 2007, 2008 and 2009 cannot be reduced below 95, 90 and 80 per cent respectively relative to the Basel I requirements.

Basel II implementation - further progress

A major reduction in risk-weighted assets is expected upon full implementation of the IRB system. Below is a time schedule for the reporting of portfolios according to the IRB approach.

	2008	2009	2010
A	Basel II , IRB approach	Basel II, IRB approach	Basel II, IRB approach
	<ul style="list-style-type: none"> Loans to retail customers in DnB NOR Bank ASA incl. Postbanken and loans in DnB NOR Boligkreditt, secured by residential property Small and medium sized corporate customers in the Regional Division East and the Regional Division Coast (foundation approach) 	<ul style="list-style-type: none"> Item A reported according to Basel II in 2008 Classified under item C in 2008 and subject to parallel reporting until IRB approval has been given, then IRB reporting will be initiated 	<ul style="list-style-type: none"> Item A reported according to Basel II in 2009 Classified under item C in 2009 and subject to parallel reporting until IRB approval has been given, then IRB reporting will be initiated
B	Basel II standardised approach	Basel II standardised approach	Basel II standardised approach
	<ul style="list-style-type: none"> All other credit risk exposure except item A 	<ul style="list-style-type: none"> All other credit risk exposure except item A 	<ul style="list-style-type: none"> All other credit risk exposure except item A
C	Parallel reporting of	Parallel reporting of	
	Until approval has been given from Kredittilsynet: <ul style="list-style-type: none"> Small and medium sized corporate customers in the Regional Division East and the Regional Division Coast (advanced approach) Retail exposure in DnB NOR Kort New portfolio: <ul style="list-style-type: none"> DnB NOR Finans ASA (advanced approach) 	<ul style="list-style-type: none"> International entities excluding DnB NOR (advanced approach) Nordlandsbanken ASA (advanced approach) Large corporate customers in Norway (advanced approach) Banks and financial customers (advanced approach) DnB NOR Markets (advanced approach) 	

Taxes

The DnB NOR Group's tax charge for the second quarter of 2008 was NOK 1 003 million. The tax charge is based on an anticipated average tax rate of 23 per cent of pre-tax operating profits. The estimate for the full year has been maintained in spite of the weak stock markets during the first half, which could affect the relative tax charge. However, other temporary aspects counteract these effects. The estimate is based on the assumption that the stock markets will normalise during 2008.

Financial results DnB NOR Group

Full income statement

Amounts in NOK million						First half		Full year	
	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007	2007	2006
Total interest income	19 483	18 482	17 543	16 019	14 798	37 965	28 184	61 746	42 381
Total interest expenses	14 467	13 459	12 543	11 357	10 579	27 926	19 980	43 880	27 092
Net interest income	5 016	5 023	5 000	4 663	4 219	10 039	8 204	17 866	15 289
Commissions and fees receivable etc.	2 440	2 375	2 486	2 239	2 429	4 815	4 751	9 476	8 963
Commissions and fees payable etc.	590	582	616	628	562	1 172	1 149	2 392	2 253
Net gains on financial instruments at fair value	1 433	(767)	700	439	989	665	2 047	3 185	3 610
Net gains on assets in Vital	787	(2 043)	3 856	9 337	6 118	(1 255)	10 690	23 883	16 131
Guaranteed returns and allocations to policyholders in Vital	437	(1 508)	1 117	6 097	5 598	(1 072)	9 791	17 005	14 584
Premium income etc. included in the risk result in Vital	1 074	1 066	703	1 215	917	2 140	2 331	4 249	4 314
Insurance claims etc. included in the risk result in Vital	1 014	955	2 778	3 823	904	1 968	2 305	8 907	4 324
Net realised gains on investment securities (AFS)	0	0	0	0	0	0	0	0	0
Profit from companies accounted for by the equity method	102	(294)	(10)	(40)	21	(192)	58	9	171
Other income	269	316	320	285	323	585	629	1 234	1 176
Net other operating income	4 064	625	3 545	2 926	3 733	4 689	7 261	13 732	13 204
Total operating income	9 080	5 648	8 545	7 589	7 952	14 728	15 465	31 598	28 493
Salaries and other personnel expenses	2 361	2 261	2 875	2 203	2 207	4 622	4 335	9 413	8 189
Other expenses	1 817	1 696	1 699	1 437	1 453	3 513	2 869	6 005	5 523
Depreciation and write-downs of fixed and intangible assets	266	237	335	255	242	503	442	1 032	715
Total operating expenses	4 445	4 194	4 908	3 895	3 902	8 639	7 646	16 450	14 427
Pre-tax operating profit before write-downs	4 635	1 454	3 636	3 694	4 050	6 089	7 818	15 148	14 066
Net gains on fixed and intangible assets	3	31	1 593	874	9	34	14	2 481	365
Write-downs on loans and guarantees	275	195	(41)	70	140	470	191	220	(258)
Pre-tax operating profit	4 363	1 290	5 269	4 498	3 919	5 653	7 642	17 409	14 689
Taxes	1 003	170	193	826	512	1 173	1 368	2 387	2 881
Profit from discontinuing operations after taxes	0	0	0	0	0	0	0	0	0
Profit for the period	3 360	1 120	5 076	3 673	3 407	4 480	6 274	15 022	11 808
Profit attributable to shareholders	3 297	1 055	5 017	3 622	3 329	4 351	6 141	14 780	11 665
Profit attributable to minority interests	63	66	59	50	78	128	133	242	143
Earnings per share (NOK) ¹⁾	2.47	0.79	3.76	2.72	2.50	3.27	4.60	11.08	8.74
Earnings per share for discontinuing operations (NOK) ¹⁾	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

1) DnB NOR has not issued options or other financial instruments that could cause dilution of earnings per share.

Full balance sheet

Amounts in NOK million	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Cash and deposits with central banks	16 235	13 067	9 816	8 805	8 951	11 453
Lending to and deposits with credit institutions	80 328	71 909	64 379	92 759	127 298	71 091
Lending to customers	1 062 115	1 015 909	970 504	908 424	882 810	827 947
Commercial paper and bonds	177 104	174 563	177 602	156 581	157 273	172 040
Shareholdings	47 738	45 049	48 682	59 310	65 570	51 393
Financial assets, customers bearing the risk	18 549	18 124	19 868	19 325	19 105	18 840
Financial derivatives	58 716	110 113	65 933	69 585	61 024	57 999
Shareholdings, available for sale	0	0	0	0	0	0
Commercial paper and bonds, held to maturity	53 058	53 386	59 641	60 075	62 906	62 444
Investment property	32 517	33 584	33 078	32 530	26 662	25 816
Investments in associated companies	1 688	1 614	1 435	1 399	1 462	1 515
Intangible assets	8 820	8 793	7 742	7 224	7 196	6 471
Deferred tax assets	154	150	136	91	80	38
Fixed assets	3 950	3 832	3 496	3 313	5 245	5 478
Biological assets	0	0	0	0	0	0
Discontinuing operations	241	232	225	1 641	812	27
Other assets	15 412	14 675	11 382	9 489	10 668	7 691
Total assets	1 576 626	1 564 999	1 473 919	1 430 551	1 437 061	1 320 242
Loans and deposits from credit institutions	130 028	148 439	144 198	148 800	163 739	124 372
Deposits from customers	565 399	528 740	538 151	532 478	527 937	474 526
Financial derivatives	57 463	104 937	62 741	73 315	63 100	58 812
Securities issued	463 502	421 696	371 784	317 082	328 508	326 806
Insurance liabilities, customers bearing the risk	18 549	18 124	19 868	19 325	19 105	18 840
Liabilities to life insurance policyholders	186 945	190 257	191 626	194 841	191 452	188 096
Payable taxes	1 904	1 421	1 431	6 518	5 466	4 091
Deferred taxes	2 496	2 213	1 994	134	426	730
Other liabilities	31 666	32 655	27 717	30 041	31 239	18 812
Discontinuing operations	0	0	0	0	0	0
Provisions	5 259	5 177	5 207	4 571	4 503	4 768
Subordinated loan capital	38 540	33 724	33 226	32 759	34 152	33 977
Total liabilities	1 501 750	1 487 382	1 397 944	1 359 864	1 369 627	1 253 829
Minority interests	3 187	3 137	2 662	2 467	2 536	2 201
Revaluation reserve	0	0	0	0	0	0
Share capital	13 327	13 327	13 327	13 327	13 341	13 341
Other reserves and retained earnings	58 362	61 154	59 987	54 894	51 557	50 870
Total equity	74 876	77 618	75 976	70 687	67 434	66 413
Total liabilities and equity	1 576 626	1 564 999	1 473 919	1 430 551	1 437 061	1 320 242

Key figures

						First half		Full year	
	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007	2007	2006
Interest rate analysis									
1 Combined average spread for lending and deposits (%)	2.18	2.17	2.25	2.18	2.09	2.17	2.07	2.14	2.10
2 Spread for ordinary lending to customers (%)	1.13	1.13	1.10	1.10	1.08	1.13	1.09	1.09	1.28
3 Spread for deposits from customers (%)	1.05	1.04	1.16	1.08	1.01	1.04	0.98	1.05	0.82
Rate of return/profitability									
4 Net other operating income, per cent of total income	44.8	11.1	41.5	38.6	46.9	31.8	46.9	43.5	46.3
5 Cost/income ratio (%)	49.0	74.3	51.9	51.3	49.1	58.7	49.4	50.6	50.1
6 Return on equity, annualised (%)	18.1	5.7	28.4	21.8	20.4	11.8	18.8	22.0	19.5
7 RARORAC, annualised (%)	21.1	2.9	20.7	19.7	23.5	12.2	23.1	21.6	22.0
8 RORAC, annualised (%)	23.2	6.4	39.8	30.7	29.7	15.5	28.0	31.9	28.4
9 Average equity including allocated dividend (NOK million)	72 986	73 897	70 767	66 559	65 357	73 442	65 464	67 063	59 862
10 Return on average risk-weighted volume, annualised (%)	1.31	0.45	2.10	1.59	1.53	0.88	1.40	1.66	1.50
Financial strength									
11 Core (Tier 1) capital ratio at end of period (%)	6.7	7.0	7.2	6.7	7.0	6.7	7.0	7.2	6.7
12 Core (Tier 1) capital ratio incl. 50% of profit (%)	6.9	7.0	-	7.2	7.4	6.9	7.4	-	-
13 Capital adequacy ratio at end of period (%)	9.6	9.4	9.6	9.3	9.9	9.6	9.9	9.6	10.0
14 Capital adequacy ratio incl. 50% of profit (%)	9.8	9.5	-	9.8	10.2	9.8	10.2	-	-
15 Core capital at end of period (NOK million)	69 599	69 696	71 392	62 965	63 827	69 599	63 827	71 392	59 054
16 Risk-weighted volume at end of period (NOK million)	1 045 834	1 001 649	991 455	941 122	908 346	1 045 834	908 346	991 455	880 292
Loan portfolio and write-downs									
17 Individual write-downs relative to average net lending to customers, annualised	0.09	0.06	0.06	0.03	0.05	0.08	0.05	0.05	0.02
18 Write-downs relative to average net lending to customers, annualised	0.11	0.08	(0.02)	0.03	0.06	0.09	0.05	0.02	(0.03)
19 Net non-performing and impaired commitments, per cent of net lending	0.44	0.43	0.42	0.44	0.42	0.44	0.42	0.42	0.45
20 Net non-performing and impaired commitments at end of period (NOK million)	4 801	4 435	4 174	4 078	3 815	4 801	3 815	4 174	3 800
Liquidity									
21 Ratio of customer deposits to net lending to customers at end of period (%)	53.2	52.0	55.5	58.6	59.8	53.2	59.8	55.5	57.3
Total assets owned or managed by DnB NOR									
22 Customer assets under management at end of period (NOK billion)	535	549	572	573	576	535	576	572	575
23 Total combined assets at end of period (NOK billion)	1 906	1 906	1 834	1 789	1 802	1 906	1 802	1 834	1 688
24 Average total assets (NOK billion)	1 574	1 520	1 457	1 418	1 431	1 547	1 386	1 412	1 209
25 Customer savings at end of period (NOK billion)	1 101	1 079	1 111	1 107	1 105	1 101	1 105	1 111	1 052
Staff									
26 Number of full-time positions at end of period	13 919	13 647	13 455	13 201	13 021	13 919	13 021	13 455	11 824
The DnB NOR share									
27 Number of shares at end of period (1 000)	1 332 654	1 332 654	1 332 654	1 332 654	1 334 089	1 332 654	1 334 089	1 332 654	1 334 089
28 Average number of shares (1 000)	1 332 654	1 332 654	1 332 654	1 332 777	1 334 089	1 332 654	1 334 089	1 333 402	1 335 449
29 Earnings per share (NOK)	2.47	0.79	3.76	2.72	2.50	3.27	4.60	11.08	8.74
30 Dividend per share (NOK)	-	-	-	-	-	-	-	4.50	4.00
31 Total shareholder's return (%)	(16.2)	(6.9)	0.4	8.5	(0.1)	(17.4)	(0.1)	(1.7)	27.8
32 Dividend yield (%)	-	-	-	-	-	-	-	5.42	4.52
33 Equity per share including allocated dividend at end of period (NOK)	53.79	55.89	55.01	51.19	48.65	53.79	48.65	55.01	48.13
34 Share price at end of period (NOK)	64.80	77.30	83.00	82.70	76.20	64.80	76.20	83.00	88.50
35 Price/earnings ratio	6.55	24.42	5.51	7.61	7.63	9.92	8.28	7.49	10.13
36 Price/book value	1.20	1.38	1.51	1.62	1.57	1.20	1.57	1.51	1.84
37 Market capitalisation (NOK billion)	86.4	103.0	110.6	110.2	102.0	86.4	102.0	110.6	118.1

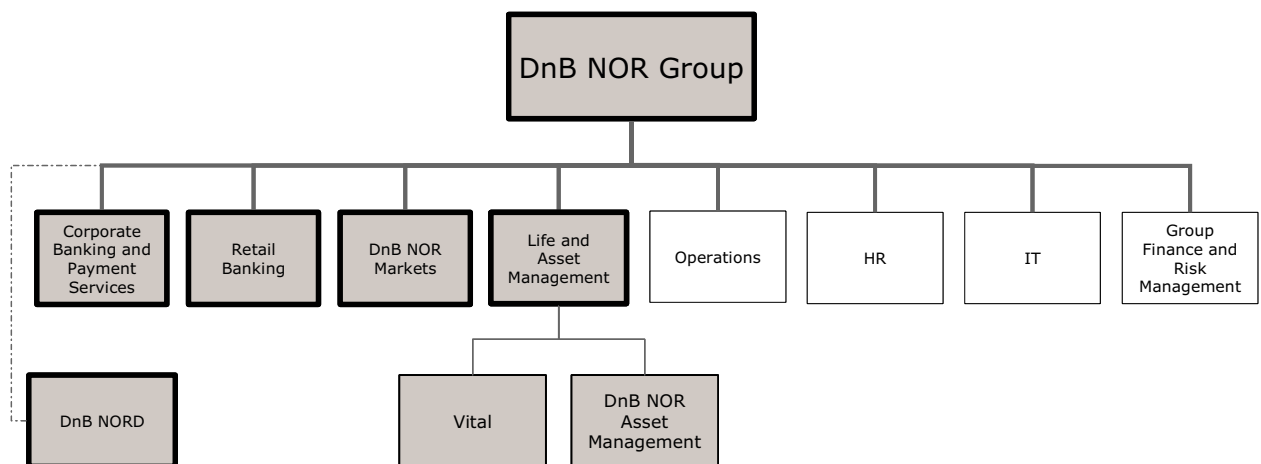
For definitions of selected items, see next page.

Definitions to key figures

- 1, 2, 3 Based on nominal values excluding lending to and deposits with credit institutions and impaired loans.
- 5 Total expenses relative to total income. Expenses are excluding allocation to employees.
- 6 Profit for the period, excluding of profit attributable to minority interests, adjusted for the period's change in fair value recognised in equity. Average equity is calculated on the basis of recorded equity excluding minority interests.
- 7 RARORAC (Risk-Adjusted Return On Risk-Adjusted Capital) is defined as risk-adjusted profits relative to risk-adjusted capital requirement. Risk-adjusted profits indicate the level of profits in a normalised situation.
- 8 RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement. Profits for the period exclude profits attributable to minority interests and are adjusted for the period's change in fair value recognised directly in equity and for the difference between recorded interest on average equity and interest on risk-adjusted capital.
- 10 Profit for the period relative to average risk-weighted volume.
- 22 Total assets under management for customers in Life and Asset Management.
- 23 Total assets and customer assets under management.
- 25 Total deposits from customers, assets under management and equity-linked bonds.
- 27 The Annual General Meeting on 30 April 2008 authorised the Board of Directors of DnB NOR ASA to acquire own shares for a total face value of up to NOK 1 332 653 615, corresponding to 10 per cent of share capital. The shares may be purchased through the stock market. Each share may be purchased at a price between NOK 10 and NOK 150. The authorisation is valid for a period of 12 months from 30 April 2008. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with the Ministry of Trade and Industry for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares. Number of shares in 2006 are excluding the 2 786 thousand own shares repurchased in accordance with the authorisation issued by DnB NOR's General Meeting. DnB NOR has no outstanding subscription rights for employees.
- 29 Excluding discontinuing operations and profits attributable to minority interests. Holdings of own shares are not included in calculations of the number of shares.
- 31 Closing price at end of period less closing price at beginning of period, included dividends reinvested in DnB NOR shares on the dividend payment date, divided by closing price at beginning of period.
- 33 Equity at end of the period excluding minority interests relative to number of shares at end of period.
- 35 Closing price at end of period relative to annualised earnings per share.
- 36 Closing price at end of period relative to recorded equity at end of period.
- 37 Number of shares multiplied by the closing share price at end of period.

Section 3

DnB NOR Group - business areas



Business areas – financial performance

The operational structure of DnB NOR includes four business areas, which are independent profit centres and carry responsibility for customer segments served by the Group and the products offered. The business areas are: Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and Life and Asset Management. In addition DnB NOR, is reported as a separate profit centre.

Selected income, expenses and balance sheet figures for the business areas have been prepared on the basis of internal financial reporting for the functional organisation of the DnB NOR Group.

Return on capital for the business areas are presented in the descriptions of each area in this section. For Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NOR, return on capital is measured as the business area's profits after taxes relative to average capital requirements according to BIS rules (6.5 per cent capital requirement), while for Life and Asset Management (Vital and DnB NOR Asset Management), the calculations are based on average recorded equity.

In addition return on risk-adjusted capital is presented for each business area. Return on risk-adjusted capital is the key financial ratio for the business areas in internal governance and follow-up of operations. Return on risk-adjusted capital is defined as each area's profits after taxes relative to the calculated risk-adjusted capital. The risk-adjusted capital requirement is based on the risk involved in operations in accordance with DnB NOR's total risk model.

Internal pricing

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

Certain customers and transactions of major importance require extensive cooperation within the Group. To stimulate such cooperation, net income relating to some of these customers and transactions is recorded in the accounts of all relevant business areas. This refers primarily to income from customer trading in DnB NOR Markets. In the second quarter of 2008, such income totalled NOK 454 million. Double entries are eliminated in the group accounts.

Services provided by staff and support units will as far as possible be scaled and priced according to use. Joint expenses incurred by group staff units and other group expenditures that cannot be debited according to use, are charged to the business areas' accounts on the basis of special distribution formulas. Costs relating to the Group's equity transactions, including strategic investments, and direct shareholder-related expenses and costs concerning the Group's governing bodies are not charged to the business areas.

Changes in net interest income

<i>Amounts in NOK million</i>	2Q08	Change 1Q08-2Q08	Change 2Q07-2Q08
Net interest income	5 016	(8)	796
Corporate Banking and Payment Services	2 813	170	671
Retail Banking	1 804	(90)	24
DnB NOR Markets	111	(3)	10
DnB NOR Asset Management	35	7	13
DnB NORD	409	25	71
Other	(156)	(116)	7

Changes in net other operating income

<i>Amounts in NOK million</i>	2Q08	Change 1Q08-2Q08	Change 2Q07-2Q08
Net other operating income	4 064	3 439	331
Corporate Banking and Payment Services	862	361	80
Retail Banking	826	4	30
DnB NOR Markets	1 514	1 926	585
Life and Asset Management	1 077	848	(98)
- <i>Vital</i>	837	847	(9)
- <i>DnB NOR Asset Management</i>	240	1	(89)
DnB NORD	165	16	(19)
Other	(381)	283	(246)

Changes in operating expenses

<i>Amounts in NOK million</i>	2Q08	Change 1Q08-2Q08	Change 2Q07-2Q08
Operating expenses	4 445	250	542
Corporate Banking and Payment Services	1 193	31	205
Retail Banking	1 731	59	138
DnB NOR Markets	422	47	20
Life and Asset Management	575	42	(9)
- <i>Vital</i>	383	32	0
- <i>DnB NOR Asset Management</i>	192	10	(9)
DnB NORD	397	32	43
Other	127	41	146

Changes in write-downs on loans and guarantees

<i>Amounts in NOK million</i>	2Q08	Change 1Q08-2Q08	Change 2Q07-2Q08
Write-downs on loans and guarantees	275	79	135
Corporate Banking and Payment Services	93	20	67
Retail Banking	84	22	20
DnB NORD, including group write-downs on loans	53	20	27
Unallocated group write-downs on loans	42	10	17
Other	4	7	4

Extracts from income statement, second quarter

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NORD		Other operations/eliminations ¹⁾		DnB NOR Group	
	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	2 166	1 794	1 692	1 632	31	57	6	1	341	303	779	431	5 016	4 219
Interest on allocated capital	647	347	112	147	79	44	30	21	68	35	(935)	(594)	0	0
Net interest income	2 813	2 141	1 804	1 780	111	101	35	22	409	338	(156)	(163)	5 016	4 219
Net other operating income	862	782	826	797	1 514	929	1 077	1 175	165	185	(381)	(135)	4 064	3 733
Total income	3 675	2 924	2 630	2 576	1 625	1 030	1 112	1 197	574	523	(537)	(298)	9 080	7 952
Operating expenses *)	1 193	988	1 731	1 594	422	402	575	584	397	354	127	(19)	4 445	3 902
Pre-tax operating profit before write-downs	2 482	1 935	899	983	1 203	628	537	614	178	169	(664)	(278)	4 635	4 050
Net gains on fixed and intangible assets	18	5	0	0	0	0	0	0	1	5	(17)	0	3	9
Write-downs on loans and guarantees	93	25	84	64	0	0	0	0	53	26	46	25	275	140
Pre-tax operating profit	2 407	1 914	815	919	1 203	628	537	614	126	148	(726)	(304)	4 363	3 919

*) of which group overhead 38 31 24 14 8 6 10 9 8 0 (88) (61)

Extracts from income statement, first half

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NORD		Other operations/eliminations ¹⁾		DnB NOR Group	
	First half 2008	First half 2007	First half 2008	First half 2007	First half 2008	First half 2007	First half 2008	First half 2007	First half 2008	First half 2007	First half 2008	First half 2007	First half 2008	First half 2007
<i>Amounts in NOK million</i>														
Net interest income - ordinary operations	4 243	3 527	3 482	3 236	68	109	7	0	670	509	1 568	822	10 039	8 204
Interest on allocated capital	1 212	650	216	276	156	82	57	39	123	65	(1 763)	(1 112)	0	0
Net interest income	5 455	4 178	3 698	3 512	225	190	63	39	793	575	(195)	(289)	10 039	8 204
Net other operating income	1 363	1 539	1 649	1 572	1 103	1 902	1 305	2 140	314	289	(1 045)	(181)	4 689	7 261
Total income	6 818	5 717	5 347	5 084	1 327	2 093	1 368	2 178	1 107	864	(1 240)	(471)	14 728	15 465
Operating expenses *)	2 355	1 971	3 404	3 147	797	794	1 108	1 083	761	574	213	78	8 639	7 646
Pre-tax operating profit before write-downs	4 463	3 746	1 943	1 937	531	1 299	260	1 095	346	290	(1 454)	(548)	6 089	7 818
Net gains on fixed and intangible assets	27	8	0	0	0	(1)	0	0	7	7	(1)	0	34	14
Write-downs on loans and guarantees	166	56	145	141	0	22	0	0	85	36	74	(65)	470	191
Pre-tax operating profit	4 325	3 698	1 798	1 797	531	1 275	260	1 095	268	260	(1 529)	(483)	5 653	7 642

*) of which group overhead 76 59 47 29 16 13 21 18 9 0 (170) (118)

1) Other operations/eliminations:

	Eliminations of double entries		Other eliminations		Group Centre		Total	
	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07
<i>Amounts in NOK million</i>								
Net interest income - ordinary operations	0	(2)	(27)	(33)	807	466	779	431
Interest on allocated capital			0	0	(935)	(594)	(935)	(594)
Net interest income	0	(2)	(27)	(33)	(128)	(128)	(156)	(163)
Net other operating income	(454)	(422)	(86)	(79)	158	367	(381)	(135)
Total income	(454)	(424)	(113)	(113)	30	239	(537)	(298)
Operating expenses			(114)	(113)	240	94	127	(19)
Pre-tax operating profit before write-downs	(454)	(424)	0	0	(211)	146	(664)	(278)
Net gains on fixed and intangible assets			0	0	(17)	0	(17)	0
Write-downs on loans and guarantees			0	0	46	25	46	25
Pre-tax operating profit	(454)	(424)	0	0	(273)	120	(726)	(304)

The eliminations refer mainly to internal services from support units to business areas and between business areas. Further, intra-group transactions and gains and losses on transactions between companies in the Group are eliminated. The elimination of double entries primarily concerns net profits on customer business carried out in cooperation between DnB NOR Markets and other business areas and taken to income in both areas.

The Group Centre includes Operations, HR (Human Resources), IT, Group Finance and Risk Management, Corporate Communications, Corporate Centre, investments in IT infrastructure and shareholder-related expenses. In addition, the Group Centre includes that part of the Group's equity that is not allocated to the business areas.

Main average balance sheet items

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NORD		Other operations/ eliminations		DnB NOR Group	
<i>Amounts in NOK billion</i>	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07
Net lending to customers ¹⁾	517.4	397.1	451.1	421.0	18.6	17.0			71.4	47.0	(5.0)	(1.8)	1053.4	880.3
Deposits from customers ¹⁾	295.8	279.0	232.3	215.8	22.6	18.3			21.1	19.2	(12.6)	(1.8)	559.1	530.6
Assets under management ²⁾							562.8	591.3					562.8	591.3

Key figures

	Corporate Banking and Payment Services		Retail Banking		DnB NOR Markets		Life and Asset Management		DnB NORD		Other operations		DnB NOR Group	
<i>Per cent</i>	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07	2Q08	2Q07
Cost/income ratio ³⁾	32.5	33.8	65.8	61.9	26.0	39.0	51.7	48.8	69.1	67.7			49.0	49.1
Ratio of deposits to lending ^{1) 4)}	57.2	70.3	51.5	51.3					29.5	40.9			53.1	60.3
Return on capital, annualised ^{5) 6)}	17.2	18.5	33.8	20.9	70.2	47.0	18.6	35.2	7.2	13.9			18.1	20.4
RORAC, annualised ^{6) 7)}	18.7	19.2	33.1	33.0	79.3	82.6	25.0	40.8	7.0	13.4			23.2	25.9
Full-time positions as at 30 June ⁸⁾	2 504	2 249	3 907	3 664	641	580	1 185	1 130	3 460	3 052	2 223	2 345	13 919	13 021

1) Based on nominal values and includes lending to and deposits from credit institutions.

2) Assets under management include total assets in Vital.

3) Total operating expenses relative to total income.

4) Deposits from customers relative to net lending to customers.

5) Return on capital is calculated on the basis of allocated capital. Allocated capital for Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NORD is calculated as 6.5 per cent of risk-weighted volume. Recorded equity is used for Life and Asset Management.

6) Estimated return on capital is based on profit after tax. A tax rate of 28 per cent is applied for Corporate Banking and Payment Services, Retail Banking, DnB NOR Markets and DnB NORD Asset Management. A tax rate of 20 per cent has been used for DnB NORD, while accounted taxes are applied for Vital.

7) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement.

8) An increase of 218 full-time positions in Retail Banking resulting from the acquisition of SalusAnsvar in 2007.

Corporate Banking and Payment Services

Corporate Banking and Payment Services serves Norwegian enterprises in all segments, Swedish medium-sized companies and large corporates and international businesses where DnB NOR has or can build a competitive advantage based on relationships, expertise or products, alone or in cooperation with partners.

DnB NOR holds a strong position in all segments of the Norwegian corporate market, and is one of the world's leading shipping banks. Corporate Banking and Payment Services is organised in nine divisions and two subsidiaries; DnB NOR Finans and Nordlandsbanken. Leif Teksum, group executive vice president, heads the business area.

Corporate Banking and Payment Services aims to be the customers' best partner, meeting their needs for financial solutions in the Norwegian and Swedish markets and in selected international markets.

Norway and Sweden are the main countries where DnB NOR seeks growth through customer acquisition and by being a broad provider of everyday banking and financial services. In addition, the Group has growth ambitions internationally within defined industries such as shipping, energy, seafood and other selected sectors where competitive advantages and a substantial knowledge base provide growth potential.

Financial performance

						First half	
Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007
Net interest income - ordinary operations	2 166	2 077	2 101	2 029	1 794	4 243	3 527
Interest on allocated capital	647	565	488	398	347	1 212	650
Net interest income	2 813	2 643	2 590	2 427	2 141	5 455	4 178
Net other operating income	862	501	830	657	782	1 363	1 539
Total income	3 675	3 143	3 420	3 084	2 924	6 818	5 717
Operating expenses	1 193	1 162	1 178	1 008	988	2 355	1 971
Pre-tax operating profit before write-downs	2 482	1 981	2 242	2 076	1 935	4 463	3 746
Net gains on fixed and intangible assets	18	9	7	3	5	27	8
Write-downs on loans and guarantees	93	73	30	(10)	25	166	56
Pre-tax operating profit	2 407	1 918	2 219	2 089	1 914	4 325	3 698
Net lending to customers (NOK billion) ¹⁾	517.4	484.6	449.8	417.3	397.1	501.0	391.4
Deposits from customers (NOK billion) ¹⁾	295.8	303.4	301.3	294.8	279.0	299.6	275.4
Cost/income ratio (%)	32.5	37.0	34.4	32.7	33.8	34.5	34.5
Ratio of deposits to lending (%)	57.2	62.6	67.0	70.6	70.3	59.8	70.4
Return on capital BIS, annualised (%)	17.2	14.7	18.6	19.4	18.5	16.0	18.2
RORAC, annualised (%)	18.7	15.7	19.6	20.0	19.2	17.2	18.9

1) Average balances. Based on nominal values.

Comments to the financial performance in the second quarter of 2008

- Corporate Banking and Payment Services showed sound performance in the second quarter of 2008 and increased its pre-tax operating profit by 25.7 percent compared with the corresponding period last year. This includes increased contribution of NOK 86.4 million from Eksportfinans, reflecting both DnB NOR's ownership interest and the guarantee issued for bonds held by Eksportfinans. The second quarter presented numerous business opportunities despite the high degree of uncertainty in financial markets.
- Net interest income from ordinary operations was up NOK 372 million from the second quarter of 2007. Loan volumes grew substantially, but growth in deposits levelled off, partly due to the financial market turmoil. The increased cost of funding in the Norwegian market put pressure on spreads. The average combined spread increased by 0.03 percentage points compared with the second quarter of 2007, to 1.79 per cent in the second quarter of 2008. Compared with the first quarter of 2008, the spread narrowed by 0.03 percentage points.

- Adjusted for the contribution from Eksportfinans, net other operating income in the second quarter of 2008 was almost at the same level as in the year-earlier period. There was an increase in income from syndication and corporate finance activity, while income from custody, payment services and real estate broking declined compared with the corresponding period last year. Income from foreign exchange and interest rate products, guarantees and cash handling activities showed a steady development.
- Operating expenses increased by NOK 205 million in the second quarter of 2008 compared with the corresponding period of 2007. International expansion, including the acquisition of SkandiaBanken Bilfinans in Sweden and Norway, has resulted in rising staff numbers and increased investments. Solid growth in operational leasing gave a significant increase in depreciation costs.
- Net write-downs on loans and guarantees totalled NOK 93 million and net gains on fixed assets were NOK 18 million in the second quarter of 2008.
- Average loans and guarantees to customers increased by NOK 134 billion and average deposits were up NOK 17 billion from the second quarter of 2007. Adjusted for exchange rate movements, average loans and guarantees increased by NOK 150 billion. A total of NOK 10 billion in syndicated credits, defined as the difference between underwriting and final hold, was arranged for customers in cooperation with DnB NOR Markets in the second quarter of 2008. Furthermore, commercial paper and bonds for a total value of NOK 38 billion were issued in the same period.

Customers and market developments

- DnB NOR is the leading financial institution in the market for large Norwegian corporates. In addition to the Norwegian and Swedish markets, Corporate Banking and Payment Services is offering services in New York, Houston, London, Singapore, Shanghai, Athens, Copenhagen, Hamburg and Helsinki. DnB NOR is also represented in Murmansk in Russia through the subsidiary DnB NOR Monchebank, which is licensed to engage in banking operations throughout Russia.
- The cooperation between DnB NOR and Corporate Banking and Payment Services has strengthened DnB NOR's position in the Baltic area (Lithuania, Latvia and Estonia) and in Poland, supporting DnB NOR's aim to become one of the most attractive suppliers of financial services throughout this region.
- Through a wide distribution network, DnB NOR offers customers local and regional expertise as well as national sector analysis and a broad product range. In Sweden DnB NOR is expanding its product and services offering to Swedish corporates. DnB NOR has offices in both Stockholm and Gothenburg to serve existing clients and promote continuing growth in this part of Sweden, which is close to DnB NOR's home market.
- The strong position in the Norwegian SME market was maintained through the second quarter of 2008. A total of 2 034 new clients were acquired during this period.
- During the second quarter of 2008 the loyalty/retention programmes Partner Start, Landbruk, Basis and Pluss in DnB NOR increased by 1 409 to a total of 18 358 programmes.
- Corporate Banking and Payment Services aims to be the preferred provider of Internet services to corporate clients. Small and medium-sized companies are increasing their use of electronic services, thus reducing their need for manual services. In 2007, 49 000 companies carried out more than 104 billion transactions in DnB NOR's corporate Internet bank.
- DnB NOR is committed to maintaining and further enhancing a strong local presence. Local management and employees have extensive pertinent expertise and are authorised to grant credits that meet the requirements of the SME segment as well as larger clients.
- Nordlandsbanken strengthens DnB NOR's position in the northernmost part of Norway. The subsidiary serves the county of Nordland and operates under the brand name Nordlandsbanken.

Corporate Banking market shares, excluding off-balance sheet instruments ^{1) 2)}

<i>Per cent</i>	31 May 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007
Of total lending to corporate clients ³⁾	15.0	15.0	15.2	15.0	14.8
Of deposits from corporate clients ⁴⁾	35.5	34.5	35.6	37.1	35.7

<i>Per cent</i>	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 March 2006
Of total lending to corporate clients ³⁾	14.6	15.3	15.1	15.5	15.2
Of deposits from corporate clients ⁴⁾	37.7	37.6	38.4	38.8	37.6

1) Based on nominal values.

2) Updated according to adjusted data from Norges Bank.

3) Overall lending includes all credits extended to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies, finance companies and foreign institutions, as well as bonds and commercial paper. Excluding lending to financial institutions, central government and social security services.

4) Excluding deposits from financial institutions, central government and social security services.

Source: Norges Bank, DnB NOR

Average total volumes

<i>Amounts in NOK billion</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Loans ¹⁾	517	485	450	417	397	501	391
Guarantees	78	75	70	67	65	77	64
Total loans and guarantees	596	560	519	484	462	578	455
Adjusted for exchange rate movements	596	556	511	472	446	578	440
Commercial paper during the period	19	13	25	18	10	31	24
Syndicated loans during the period ²⁾	10	12	18	14	19	29	24
Bond issues during the period	20	11	11	16	10	30	19

1) Based on nominal values.

2) Difference between DnB NOR underwriting and DnB NOR final hold.

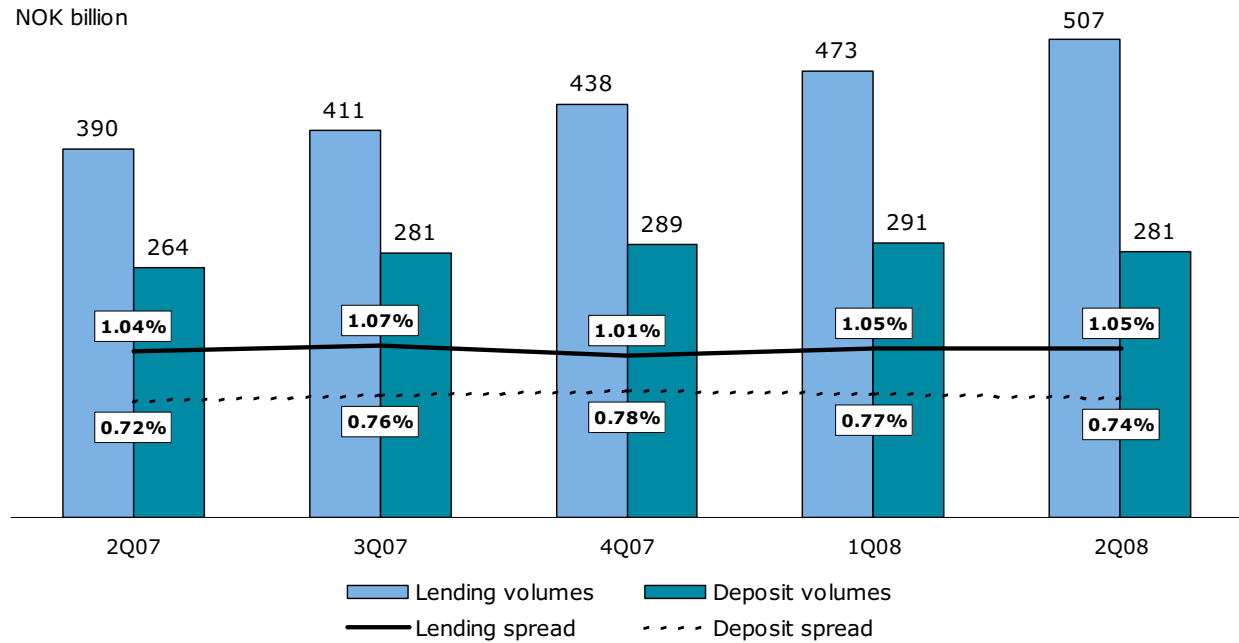
Net interest income

<i>Amounts in NOK million</i>	Volume			Spreads in per cent			Net interest income		
	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07
Lending ¹⁾	507 173	473 379	390 116	1.05	1.05	1.04	1 333	1 232	1 015
Deposits ¹⁾	281 284	290 786	264 386	0.74	0.77	0.72	518	559	475
Allocated capital and non-interest bearing items	37 145	35 222	28 683	6.43	6.02	4.66	592	500	332
Other							369	352	319
Total net interest income							2 813	2 643	2 141

1) Based on nominal values excluding lending to and deposits from credit institutions and impaired loans.

Developments in average volumes and interest spreads ¹⁾

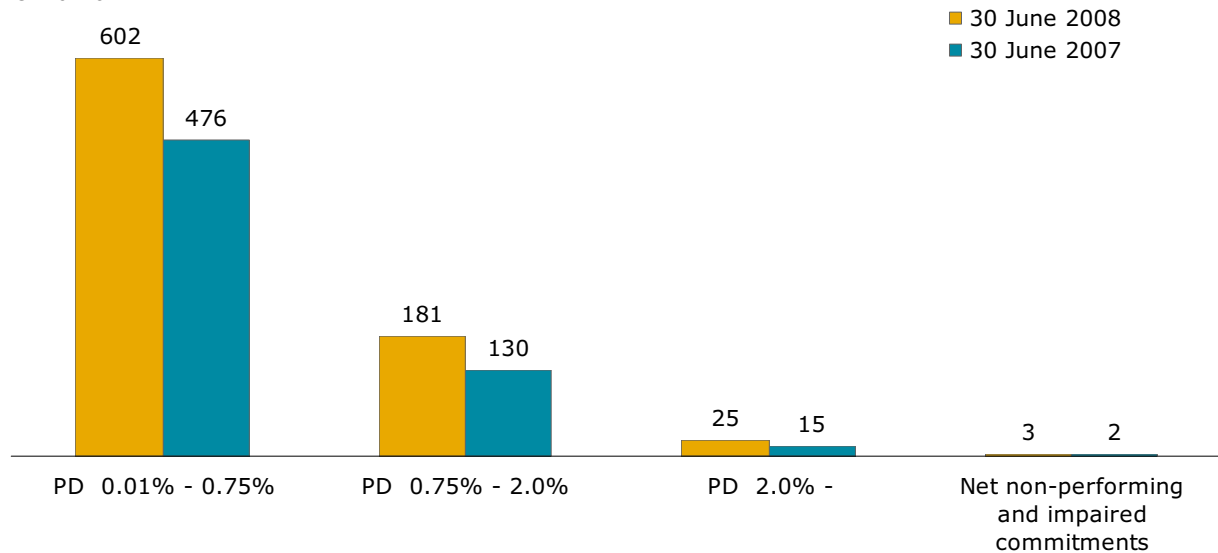
NOK billion



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

Risk classification of portfolio ¹⁾

NOK billion



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default.
 PD = probability of default

Organisation and distribution

Corporate Banking and Payment Services is organised in nine divisions:

- The Nordic Corporate Division and the International Corporates and Institutions Division serve large Norwegian corporates, the public sector, international companies that do business in Norway, international customers in the oil and energy, telecom, media and technology, healthcare, pulp and paper industries as well as financial institutions.
- The Shipping, Offshore and Logistics Division serves Norwegian and international shipping, offshore and maritime logistics companies. DnB NOR's operations in New York, London, Athens, Singapore and Shanghai are organised in this division.
- The Regional Division East and the Regional Division Coast serve SME's and larger companies based on geographical location. International companies within seafood are also served by the Regional Division Coast through the international offices.
- The Sweden Division serves large and medium-sized businesses in Sweden.
- The Workout Division is responsible for supporting the customer divisions in their work on high-risk customers and non-performing commitments.
- The Telephone & Online Banking, Market and Product Division is responsible for cash management, marketing, telephone and online banking.
- Administration and Payment Services is responsible for strategic management support and has group-wide responsibility for payment products and infrastructure projects affecting both retail and corporate customers. DnB NOR's operations in Finland, Denmark, Germany and Russia are also organised in this division.

Products

Corporate Banking and Payment Services offers customers a broad range of financial services, including lending, bond issues, syndication of loans, deposits, cash management, Trade Finance and Structured Finance, eCommerce products, commercial real estate broking services, FX and interest rate instruments, corporate finance and acquisition finance, life insurance and pension products either directly or in cooperation with DnB NOR Markets or other business areas in the Group.

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

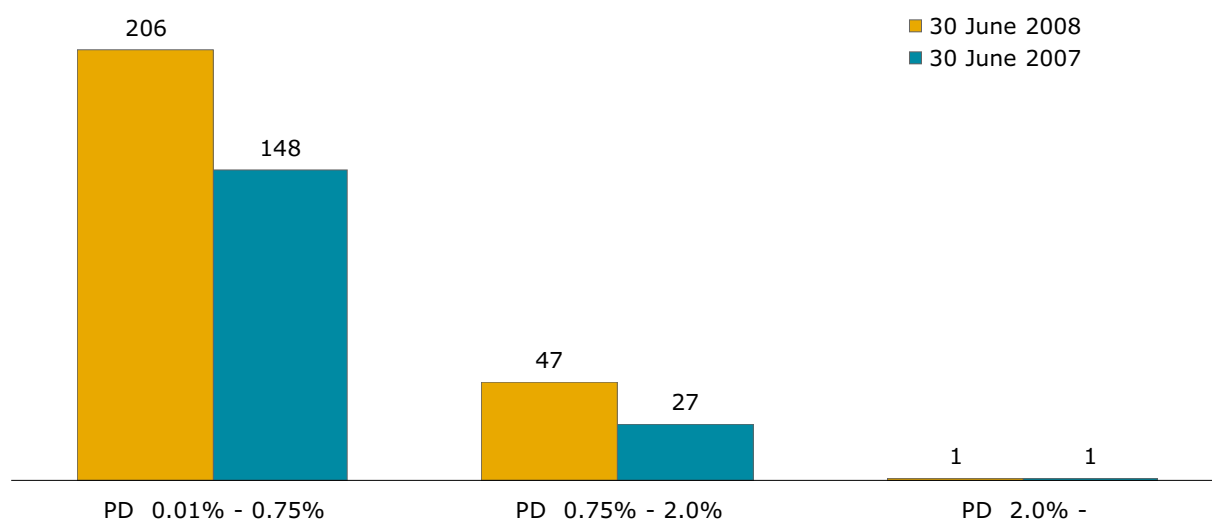
International growth

The DnB NOR Group aims to expand its presence in international markets and increase the share of income from international operations. Most of this income growth will be generated in the Corporate Banking area. In 2010 estimated income from international business will represent approximately 20-25 per cent of DnB NOR's total gross income. The primary contributions to growth will come from two main axes: corporate banking – industry dimension, and universal bank - the Nordic/Baltic region. Growth will be based on doing more of what the Group already does well today – an incremental approach to growth.

The international growth in DnB NOR will be based on comparative advantages in the form of expertise on various customer segments and industries, special product know-how or established relationships where it is logical to accompany customers expanding outside Norway. The Group is the preferred partner for international customers doing business in Norway and will use these relationships internationally. Corporate Banking will build on the core industries shipping, energy and seafood. DnB NOR will open branch office in Santiago and representative office in Mumbai during the third quarter. These initiatives will strengthen local presence for existing clients in the shipping, energy and seafood industries, while creating new business opportunities for the Group.

Risk classification of international portfolio ¹⁾

NOK billion



1) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default.
PD = probability of default

Employees

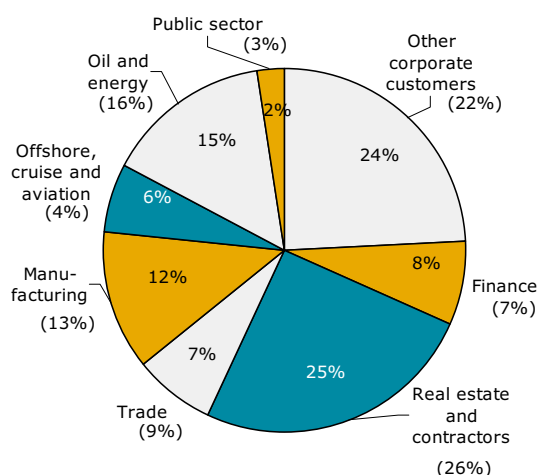
- The considerable expertise of DnB NOR employees within local business, specific industries, credit risk, customer needs and product offerings is an important competitive advantage of Corporate Banking and Payment Services in the domestic market. Corporate Banking and Payment Services has a broad competence base and is committed to its continuous development. Competence training has top priority, and particular emphasis has been placed on systematic specialised training in credit rating and risk and profitability analyses. In addition there is a special emphasis on basic training for new employees.
- Competence has been strengthened in areas that enable Corporate Banking and Payment Services staff to offer customers strategic advice, including training programmes in presentation and communication skills.
- To strengthen the skills of employees working in the important SME segment, the 'SME Academy' has been established. This training is continued through on-the-job training based on best practice, and employees can also choose between a range of optional modules for training in sales and customer service.
- The importance of empowerment is addressed, and a training programme called "Wise leadership – My way of being" has been developed. The programme is tailor made for managers in Corporate Banking and Payment Services. Most managers have completed the programme and are putting their acquired skills into practice. There will be several follow-up activities to implement the skills in the organisation. Other employees are offered a less comprehensive version of the programme called "Thinking Together".
- In order to support the Groups internationalisation, the extensive programme for short and long-term assignment to DnB NOR's international offices will be continued.
- At end-June 2008 the business area had a staff of 2 504 full-time positions, with 1 813 in Norway, including 650 in subsidiaries, and 690 in international units.
- Incentive structures and balanced scorecards are tailored to the goals of the different divisions.
- An employee satisfaction survey is carried out yearly, and managers are requested to discuss its result with the employees to identify potential improvement measures.

Nordic Corporate Division and International Corporate and Institutions Division

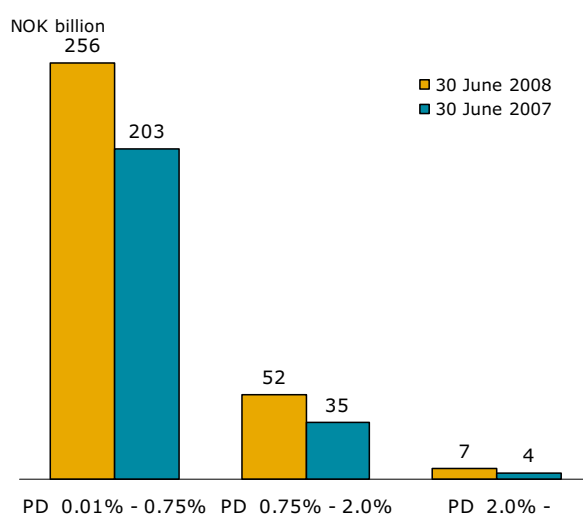
Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers ¹⁾	188	172	154	134	126	180	122
Guarantees	54	51	46	45	43	52	42
Customer deposits	133	132	132	127	120	133	118

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2008. Percentages as at 30 June 2007 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default. PD = probability of default

Business profile

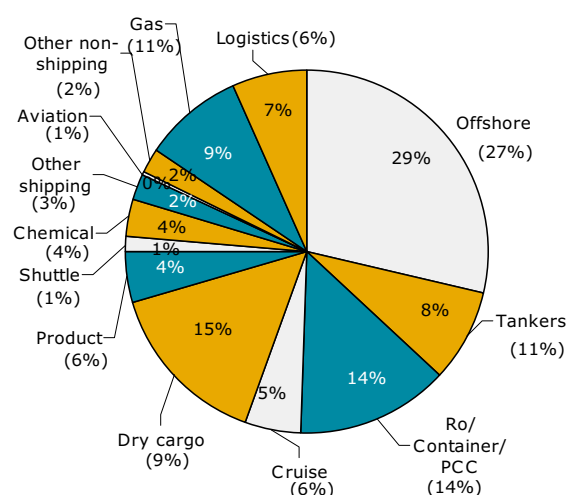
- Serving large Norwegian and Swedish corporates including the public sector, international companies with business in Norway, international customers in the oil and energy, telecom, media and technology, healthcare, and pulp and paper industries as well as financial institutions.
- DnB NOR is market leader in the large corporate segment in Norway. The majority of Norway's largest corporations use DnB NOR as their lead banker. In addition, DnB NOR has extensive interaction with most of the other institutions in this segment.
- The business volume generated by DnB NOR in Sweden is growing. At the end of June 2008, exposure amounted to around SEK 56 billion, mainly to large corporates and medium-sized companies.
- Commercial real estate broking services are offered through the subsidiary DnB NOR Næringsmegling.

Shipping, Offshore and Logistics Division

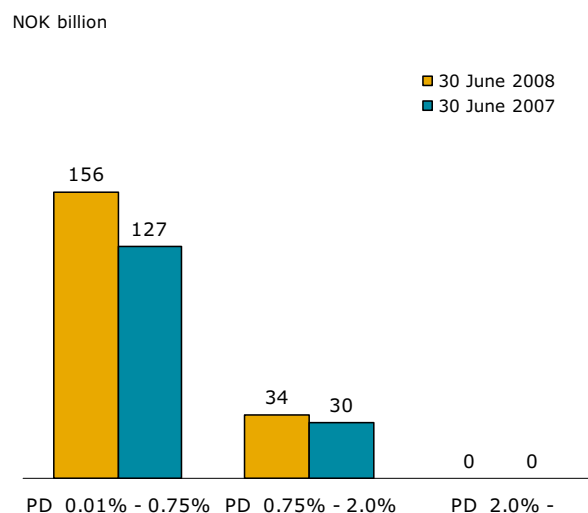
Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers	115	108	102	95	85	111	84
Guarantees	11	11	11	11	10	11	10
Customer deposits	47	53	55	54	47	50	48

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2008. Percentages as at 30 June 2007 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default.
PD = probability of default

Business profile

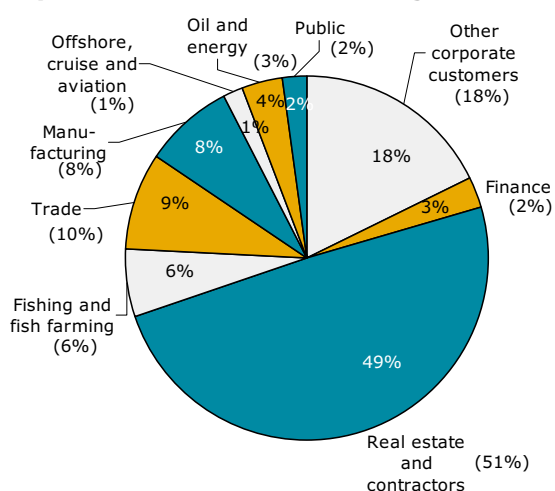
- The Shipping, Offshore and Logistics Division provides commercial and investment banking services to high-quality Norwegian and international shipping, offshore and logistics clients. Offices are located in Oslo, Bergen, New York, London, Athens, Singapore and Shanghai.
- The division aims to achieve satisfactory growth in risk-adjusted profitability by being one of the leading international shipping banks.
- The division aims to be the preferred strategic discussion partner for clients, while expanding its client base through further development of the logistics and LNG portfolio and strengthening of the market position in Germany and the Nordic countries.
- The division focuses on competence development to further improve the quality and range of client services.

Regional Division East and Regional Division Coast

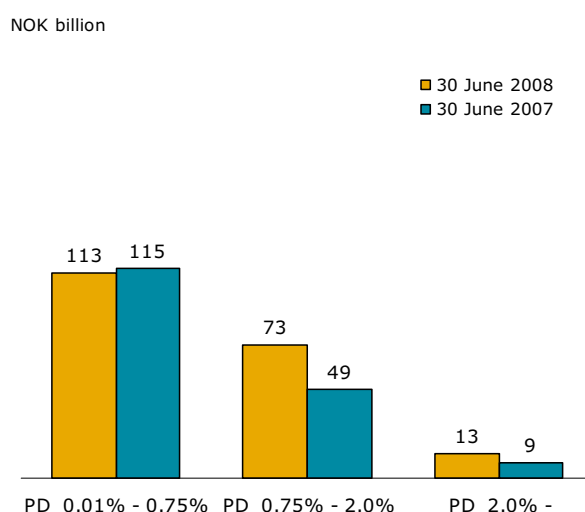
Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers ¹⁾	165	159	153	149	147	162	146
Guarantees	12	12	12	11	11	12	11
Customer deposits	110	113	109	108	104	111	103

Exposure at default according to sector ¹⁾



Risk classification of portfolio ²⁾



1) Figures as at 30 June 2008. Percentages as at 30 June 2007 in parentheses.

2) Based on DnB NOR's risk classification system. The volume represents the expected outstanding amount in the event of default.
PD = probability of default

Business profile

- Serving more than 85 000 clients throughout Norway.
- Substantial market shares in all segments - large, medium-sized and small enterprises. Market shares vary in different geographical regions, and there is a sound growth potential in selected areas.
- Local presence combined with the expertise of a major bank are key priorities for clients served by these two divisions.
- A broad regional network provides service through experienced account managers and advisors, as well as over the telephone and via the Internet.
- Payment services are available through 178 DnB NOR branches in Norway, and corporate clients are served at 60 locations. Products from DnB NOR Markets are available at 13 regional offices.
- DnB NOR has a sound platform for strengthening its position as the preferred provider of financial products and services for these customer segments.
- Among the world's leading banks within the seafood industry.

Nordlandsbanken – Corporate Banking

Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers	15	14	14	13	12	15	12
Guarantees	1	1	1	1	1	1	1
Customer deposits	5	5	5	5	5	5	5

Business profile

- Corporate Banking in Nordlandsbanken serves businesses and the public sector in the county of Nordland.
- Nordlandsbanken serves corporate customers through 16 branches in Nordland and holds a leading position in the corporate segment with a market share of approximately 47 per cent of the active private limited companies in the Nordland county.
- Nordlandsbanken aims to be the preferred financial partner for companies in Nordland by meeting their needs for financial solutions through local expertise and as part of a large, nationwide financial institution.

DnB NOR Finans

Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers	46	38	33	30	28	42	28

Comments to changes in average volumes

- There was a 50 per cent increase in new leasing and lending contracts in the first half of 2008 compared with the first half of 2007.
- The value of processed factoring invoices was up 17.8 per cent in the first half of 2008 relative to the first half of 2007.

Business profile

- DnB NOR Finans is Norway's leading finance company.
- The company meets customer requirements for administrative, financial and risk-reducing services related to investments and operations.
- Business operations focus mainly on leasing, leasing concepts for information and communications technology (ICT), factoring, motor vehicle financing and Autolease car fleet management in Norway, Sweden and Denmark.
- DnB NOR Finans has a strong local presence in Norway through 14 branches, most of which have the same location as DnB NOR Bank. In addition to Norway, DnB NOR Finans has local representation in both Denmark and Sweden. Products offered in Denmark are Autolease and equipment finance, while Autolease, car finance, equipment finance, ICT finance and factoring are offered in the Swedish market.
- DnB NOR Finans has purchased the SkandiaBanken Bilfinans' operations in Sweden and Norway. The acquisition will strengthen DnB NOR Finans' position in the car finance market and contribute to a market share of close to 30 per cent.

DnB NOR Monchebank

Average volumes

Amounts in NOK billion	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net lending to customers	0.6	0.6	0.5	0.4	0.3	0.6	0.3
Guarantees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Customer deposits	0.7	0.7	0.7	0.7	0.6	0.7	0.6

Business profile

- DnB NOR Monchebank is a regional bank serving corporate and retail customers and has a firm foothold in the Murmansk region in Russia.
- DnB NOR Monchebank holds a general licence for banking operations throughout Russia.
- DnB NOR Monchebank will be the fundament for further development of DnB NOR's business in the Murmansk and Arkhangelsk region.

Financial performance

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net interest income	16	14	17	14	11	30	21
Net other operating income	6	7	8	5	5	13	10
Total income	22	21	25	20	16	43	31
Operating expenses	12	11	17	10	12	23	21
Pre-tax operating profit before write-downs	10	10	8	10	4	20	10
Net gains on fixed and intangible assets	-	-	0	0	0	-	0
Write-downs on loans and guarantees	3	1	0	3	0	4	2
Pre-tax operating profit	8	9	8	7	4	17	9
Taxes	3	1	1	2	1	4	2
Profit for the period	5	8	7	4	2	13	7
Net lending to customers (NOK billion) ¹⁾	0.6	0.6	0.5	0.4	0.3	0.6	0.3
Deposits from customers (NOK billion) ¹⁾	0.7	0.7	0.7	0.7	0.6	0.7	0.6
Cost/income ratio (%)	54.8	51.2	68.0	50.4	75.1	53.1	67.2
Ratio of deposits to lending (%)	118.5	124.5	145.5	160.5	173.8	121.4	167.6
Return on capital (% p.a.) ²⁾	10.8	19.6	16.4	10.1	5.9	15.2	8.7

1) Average figures based on nominal values.

2) Calculated on the basis of recorded equity.

Retail Banking

Retail Banking, serving private customers and small companies under the main brand names DnB NOR, Postbanken and Nordlandsbanken, is Norway's largest retail bank. Åsmund Skår, group executive vice president, is head of the business area. Retail Banking aims to maintain its leading market position and stand out as the customers' best financial partner.

Good advisory services, loyalty programmes and relevant dialogue, are central tools building strong customer relations. Customer satisfaction is vital to the bank. Continual efforts, i.e. introduction of new products and distribution channels, are being made to improve the customer satisfaction.

The outlook for the Norwegian economy is still relatively bright. We have seen four years of strong growth, and the pace going into 2008 has been high. High capacity utilisation, somewhat slower growth abroad, increased interest rates and a cooling housing market will curb growth. However, high commodity prices, strong earnings, a tight labour market and high-income growth pull in the other direction.

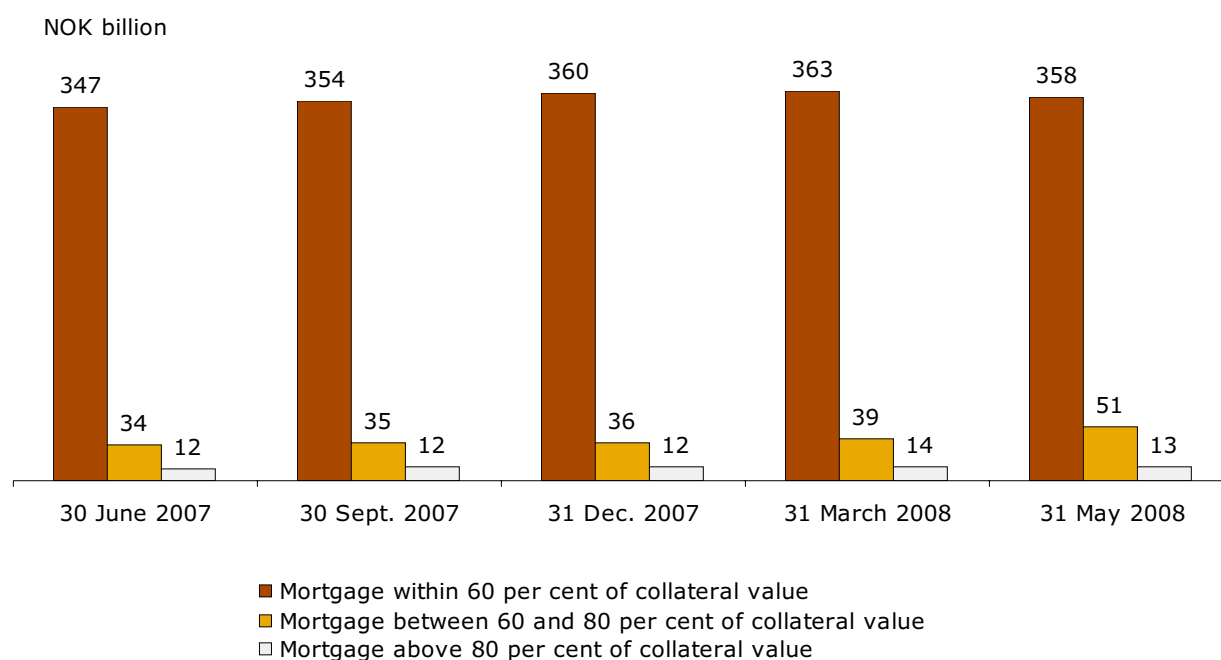
Financial performance

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net interest income - ordinary operations	1 692	1 790	1 962	1 817	1 632	3 482	3 236
Interest on allocated capital	112	104	196	169	147	216	276
Net interest income	1 804	1 894	2 158	1 985	1 780	3 698	3 512
Net other operating income	826	823	783	751	797	1 649	1 572
Total income	2 630	2 717	2 941	2 736	2 576	5 347	5 084
Operating expenses	1 731	1 673	1 651	1 524	1 594	3 404	3 147
Pre-tax operating profit before write-downs	899	1 044	1 290	1 212	983	1 943	1 937
Net gains on fixed and intangible assets	0	0	44	0	0	0	0
Write-downs on loans and guarantees	84	62	72	54	64	145	141
Pre-tax operating profit	815	982	1 263	1 158	919	1 798	1 797
Net lending to customers (NOK billion) ¹⁾	451.1	443.2	439.2	430.3	421.0	447.1	416.7
Deposits from customers (NOK billion) ¹⁾	232.3	228.3	222.6	224.9	215.8	230.3	214.0
Cost/income ratio (%)	65.8	61.6	56.1	55.7	61.9	63.7	61.9
Ratio of deposits to lending (%)	51.5	51.5	50.7	52.3	51.3	51.5	51.3
Return on capital BIS, annualised (%)	33.8	41.0	26.6	25.3	20.9	37.4	20.8
RORAC, annualised (%)	33.1	40.7	47.4	45.5	33.0	36.9	34.5

1) Average balances. Based on nominal values.

Comments to the financial performance in the second quarter of 2008

- Pre-tax operating profit of NOK 816 million in the second quarter of 2008, down NOK 103 million from the corresponding period in 2007. Return on BIS capital increased from 20.9 per cent to 33.8 per cent.
- The cost/income ratio increased from 61.9 to 65.8 per cent.
- Relative to total average lending and deposits, net interest income decreased to 1.06 per cent, from 1.12 per cent in the second quarter of 2007.
- Average lending volume increased by NOK 30 billion or 7.1 per cent to NOK 451 billion, referring primarily to well-secured housing loans. Average customer deposits rose by NOK 17 billion or 7.6 per cent.
- Net other operating income increased by NOK 30 million to NOK 826 million. Income from sale of structured products and loyalty programmes was reduced compared with the second quarter of 2007. Acquisitions and establishments in Sweden accounted for NOK 72 million.
- Operating expenses increased by NOK 138 million to NOK 1 731 million. Acquisitions and establishments in Sweden accounted for NOK 116 million.
- Write-downs on loans and guarantees increased by NOK 20 million, but the level is low.
- The volume of non-performing and impaired commitments was at a satisfactory level.

Residential mortgages ¹⁾

1) Residential mortgages in the business area Retail Banking in Norway.

Customers/markets

- Serving more than 2.3 million private individuals
- 410 000 housing loan customers
- 740 000 subscribe to DnB NOR loyalty programmes and 440 000 to Postbanken Leve
- Close to 1.5 million clients use the Group's Internet banks
- dnbnor.no and postbanken.no are Norway's largest Internet banks
- 29 million payment transactions were carried out through the Internet banks in the first half of 2008
- One million customers have agreed to receive notifications from the bank, such as account statements, via e-mail
- Brand names
 - DnB NOR
 - Postbanken
 - Cresco
 - Nordlandsbanken
 - Vital Skade

Retail Banking market shares ¹⁾

<i>Per cent</i>	31 May 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007
Total lending to households ²⁾	28.6	28.7	28.9	29.1	29.2
Bank deposits from households ³⁾	32.9	32.8	32.8	33.4	33.9

<i>Per cent</i>	31 March 2007	31 Dec. 2006	30 Sept. 2006	30 June 2006	31 March 2006
Total lending to households ²⁾	29.5	29.7	29.9	30.2	30.2
Bank deposits from households ³⁾	34.1	34.4	34.8	34.9	35.1

1) Based on nominal values.

2) Total lending includes all credits extended to Norwegian customers by domestic commercial and savings banks, state banks, insurance companies and finance companies.

3) Domestic commercial and savings banks.

Source: Norges Bank, DnB NOR

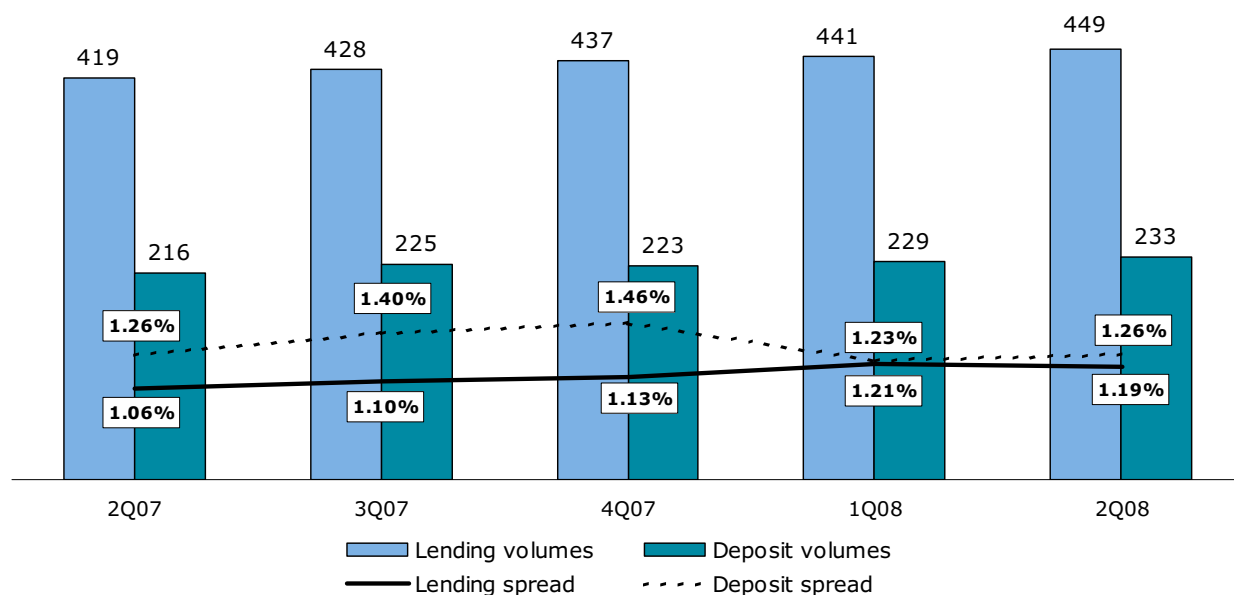
Net interest income

<i>Amounts in NOK million</i>	Volume			Spreads in per cent			Net interest income		
	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07
Lending ¹⁾	449 112	441 452	419 308	1.19	1.21	1.06	1 335	1 332	1 109
Deposits ¹⁾	232 565	228 517	216 315	1.26	1.23	1.26	731	702	682
Allocated capital and non-interest bearing items	5 943	5 889	12 537	6.43	6.02	4.22	95	88	145
Other							(357)	(228)	(156)
Total net interest income							1 804	1 894	1 780

1) Based on nominal values excluding impaired loans.

Developments in average volumes and interest spreads ¹⁾

NOK billion



1) Excluding impaired loans

Organisation and distribution

Retail Banking offers a wide range of financial products and services through Norway's largest distribution network, in terms of number of contact points with customers. The major distribution channels are:

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

DnB NOR Bank ASA and Norway Post have an agreement relating to the distribution of financial services through the postal network. The agreement is mainly based on transaction-specific prices and a common aim to increase the number of financial services distributed through the postal network, and will remain in force until December 2012.

Postbanken and Norway Post have established joint service solutions provided through 1 160 in-store postal outlets where customers can carry out everyday banking transactions in their local supermarkets. 2.3 million payment transactions were carried out through these channels in the first half of 2008. Norway Post has entered into an agreement with DnB NOR for the purchase and installation of up to 2 500 payment terminals for use in post offices and in-store postal outlets.

The distribution of standard banking services through in-store banking outlets is based on an agreement between DnB NOR and NorgesGruppen. At end-June 2008 around 830 outlets have been opened. In-store banking outlets will be nationwide during 2008 with the planned implementation of 1 200 outlets

News

- DnB NOR will establish its own non-life insurance company by the end of 2008.
- BankID, which is a personal electronic proof of identity for secure identification and signatures on the Internet, will be used by most of our Internet bank customers by the end of 2008.
- DnB NOR and Telenor are working with MasterCard World Wide to make it possible to use mobile phones as an alternative to cards when making payments in the shops.

Employees

At the end of June 2008, Retail Banking staff represented 3 907 full-time positions, including SalusAnsvar, Svensk Fastighetsförmedling and Sweden Retail.

To ensure a high level of professional expertise and advisory services of a superior ethical standard, DnB NOR has initiated certification of advisers in Retail Banking. All employees who are primarily engaged in advising retail customers will be certified.

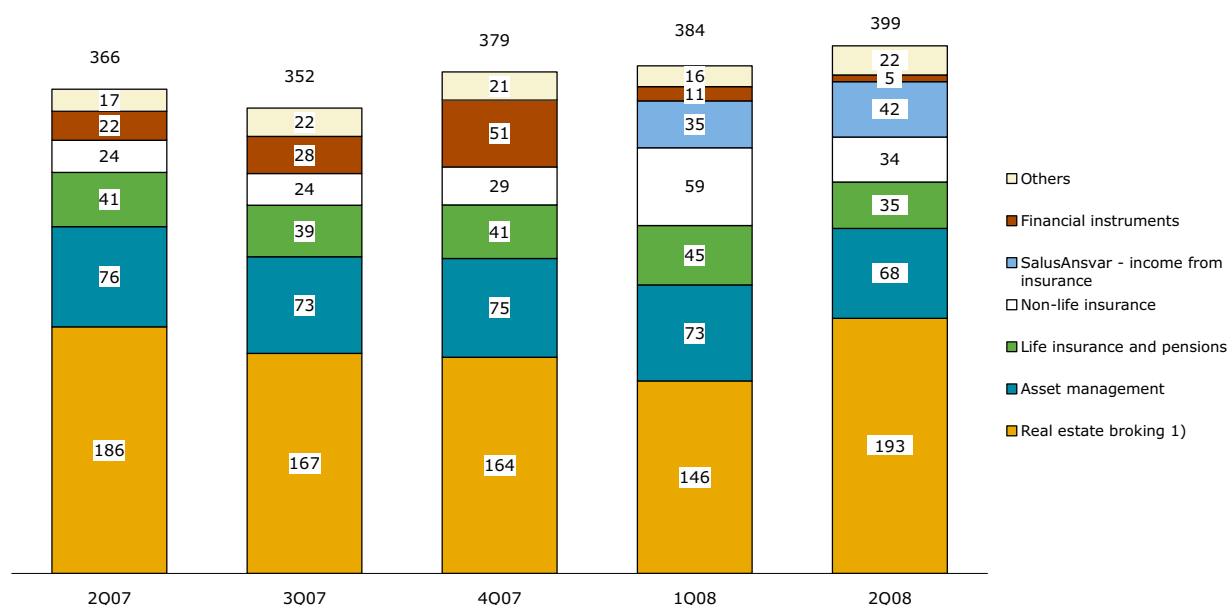
Cooperation with other group entities

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

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

Income from products sales

NOK million



1) Real estate broking include income in Svensk Fastighetsförmedling in Sweden.

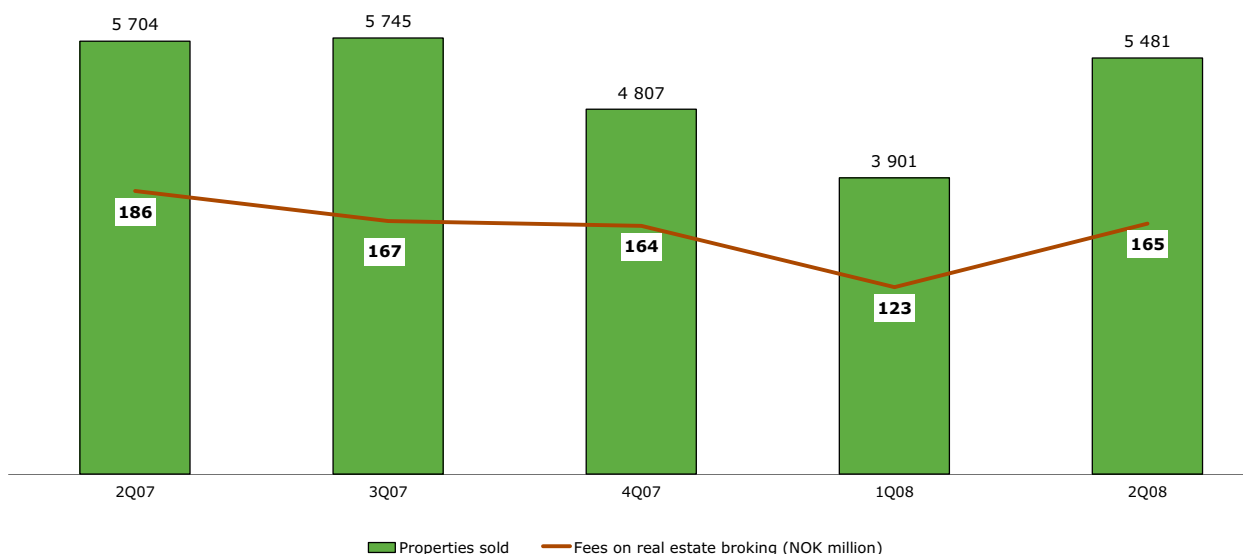
Residential real estate broking

DnB NOR's real estate broking activities are coordinated by DnB NOR Eiendom AS, a market leader within the real estate broking business in Norway. DnB NOR Eiendom had 98 outlets located in DnB NOR branches as at the end of June 2008. Postbanken Eiendom has established 32 real estate broking customer service centres.

After the acquisition of Svensk Fastighetsförmedling DnB NOR became the largest provider of real estate brokerage services in the Nordic region, and the introduction of housing loans for Swedish bank customers is an important step to build a customer portfolio and a long-term income base in the Swedish market. Svensk Fastighetsförmedling had 208 outlets in Sweden at end-June 2008.

In addition to fee income, real estate broking operations generate business in the form of residential mortgages and savings.

Real estate broking in Norway



Properties sold and market shares ¹⁾

<i>Properties sold</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
DnB NOR Eiendom	4 435	3 268	3 922	4 104	4 844	7 703	9 030
Postbanken Eiendom	1 046	633	885	1 641	860	1 679	1 225
Total properties sold	5 481	3 901	4 807	5 745	5 704	9 382	10 255
Market share, per cent ²⁾						15 %	14 %

1) Norwegian operations only

2) Management's estimates.

Consumer finance

- DnB NOR's card-based services and consumer finance activities are coordinated in DnB NOR Kort (an entity within DnB NOR Bank ASA).
- DnB NOR Kort's lending volume increased to NOK 11 933 million, from NOK 11 192 million at end-June 2007.
- Consumer finance activities generated healthy profits in the second quarter of 2008.
- DnB NOR Kort is Norway's leading card issuer in terms of number of cards issued and lending volume. As at 30 June 2008, the entity had issued more than 1.5 million credit and charge cards.

Non-life insurance

Vital Skade offers a totally integrated virtual insurance site where Internet banking customers can buy non-life insurance products (home, car, travel etc.). Products are sold on a commission basis. Vital Skade operates as an agent and assumes no risk on its own.

Vital Skade has entered into non-exclusive agreements with 13 academic associations offering non-life insurance products through specialised service centres. Premium income generated in Vital Skade in the second quarter of 2008 totalled NOK 138 million, an increase of 16 per cent from the corresponding period of 2007. Academic associations account for 37 per cent of total premiums. Sales through the Internet banking application amounted to total premiums of NOK 72.5 million, up from NOK 61 million in the second quarter of 2007. Commission income increased by 12 per cent, from NOK 21 million in the second quarter of 2007 to NOK 25.5 million in the corresponding period of 2008

DnB NOR Markets

DnB NOR Markets is Norway's largest provider of a wide range of securities and investment banking services. DnB NOR Markets comprises the following units:

- FX/Rates/Commodities/Credit/Real Estate
- Equities
- Corporate Finance
- Securities Services

The Group Treasury is organised within DnB NOR Markets though profits and losses for the unit are not recorded under this business area. Ottar Ertzeid, group executive vice president, is head of DnB NOR Markets.

DnB NOR Markets aims to be the leading investment bank for Norwegian and Norwegian-related customers, as well as international clients requiring services relating to Norway and the Norwegian krone. Clients outside Norway are served through the Group's international units, especially shipping and energy clients and Norwegian companies' international entities.

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

- A diversified business/revenues mix (products and customers)
- A sound mix of customer and trading activities
- Cost and capital-efficient operations

Financial performance

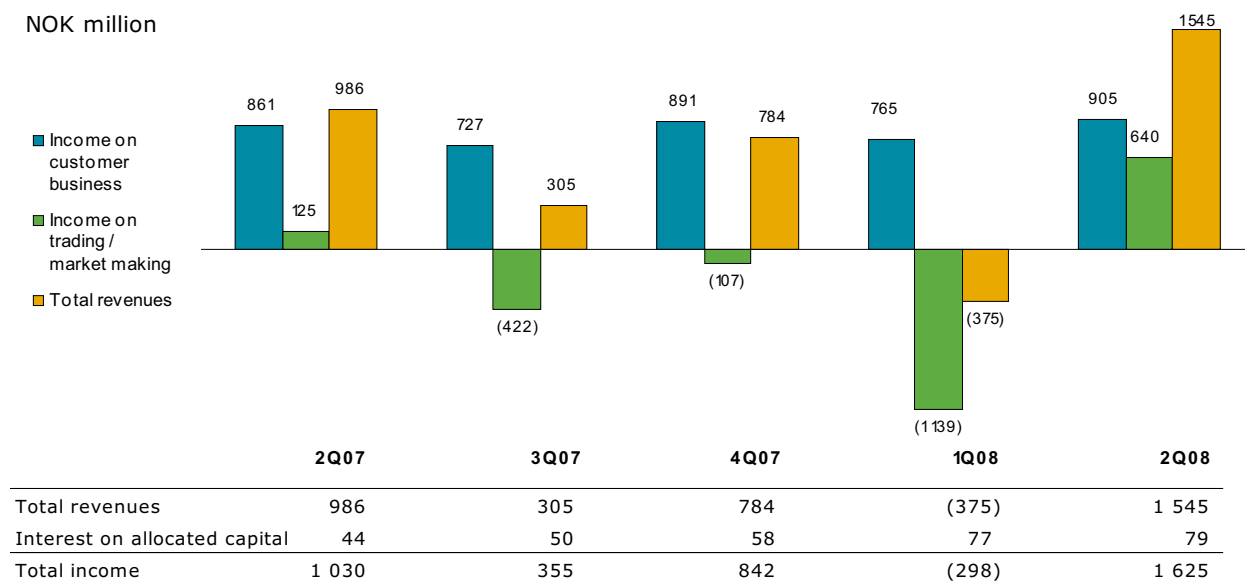
<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net interest income - ordinary operations	31	37	44	53	57	68	109
Interest on allocated capital	79	77	58	50	44	156	82
Net interest income	111	114	101	103	101	225	190
Net other operating income	1 514	(412)	740	252	929	1 103	1 902
Total income	1 625	(298)	842	355	1 030	1 327	2 093
Operating expenses	422	375	419	304	402	797	794
Pre-tax operating profit before write-downs	1 203	(673)	423	51	628	531	1 299
Net gains on fixed and intangible assets	0	0	0	0	0	0	(1)
Write-downs on loans and guarantees	0	0	0	0	0	0	22
Pre-tax operating profit	1 203	(673)	423	51	628	531	1 275
Cost/income ratio (%)	26.0	(126.1)	49.8	85.7	39.0	60.0	37.9
Return on capital BIS, annualised (%)	70.2	(37.8)	30.3	3.8	47.0	15.2	49.9
RORAC, annualised (%)	79.3	(64.1)	41.6	3.8	82.6	18.9	84.6

Comments to the financial performance in the second quarter of 2008

- DnB NOR Markets achieved very strong profits in the second quarter of 2008.
- Total revenues increased to NOK 1 625 million in the second quarter of 2008, from NOK 1 030 million in the year-earlier period.
- Income from customer business increased 5 per cent to NOK 905 million. Customer-related income from foreign exchange, interest rate and commodity derivatives compensated for lower income from corporate finance and alternative investments.
- Income from market making/trading totalled NOK 640 million, up NOK 516 million compared with the second quarter of 2007. Reversals on previous periods' unrealised mark-to-market losses on bonds made a positive contribution of NOK 233 million.

Income distribution DnB NOR Markets

NOK million

**Products and services**

- Currency, interest rate and commodity derivatives. DnB NOR Markets' wider range of commodity hedging products has been well received and contributed to strong growth in the second quarter.
- Securities and other investment products.
- Debt and equity financing in capital markets, as well as merger and acquisition and other advisory and corporate finance services.
- Custodial and other securities services.

Revenues within various segments

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

Amounts in NOK million	2007	2006	2005	2004	2003
FX, interest rate and commodities derivatives	1 332	1 044	970	876	866
Investment products	705	851	797	530	565
Corporate finance	828	695	387	209	220
Securities services	388	316	237	193	171
Total customer revenues	3 253	2 907	2 392	1 808	1 823
Changes in bond prices	(1 253)	(9)	7	67	65
Other market making/trading revenues	1 100	916	569	600	527
Total trading revenues	(153)	906	576	667	592
Interest income on allocated capital	189	93	47	41	86
Total income	3 289	3 907	3 015	2 516	2 501

Distribution and cooperation with other entities

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

- Central units located in Oslo.
- International offices (Stockholm, London, New York, Houston, Singapore and Shanghai) and 13 regional offices in Norway. In the second quarter, DnB NOR Markets established a Debt Capital Markets unit at the bank's branch in New York and got its first local custody customer in Stockholm.
- The Internet and other electronic channels.
- External agents.
- Customer surveys carried out by Greenwich show good results within product cross-sales.

Customers and market shares

- In spite of intensifying competition, DnB NOR Markets maintained its leading market position in Norway within foreign exchange and interest rate activities and was also manager for the greatest number of Norwegian kroner bond issues on Oslo Børs (the Oslo stock exchange) and commercial paper issues in NOK in the domestic market in the second quarter of 2008 (Source: Oslo Børs/Bloomberg/DnB NOR Markets).
- The second largest brokerage house on Oslo Børs with respect to equities trading in the secondary market in the first half of 2008. Approximately 38 and 83 per cent respectively of customer trading in equity options and forward contracts on Oslo Børs was handled by DnB NOR Markets in the second quarter of 2008 (Source: Oslo Børs).
- During the quarter, DnB NOR Markets launched new investment products, such as DnB NOR Shippingfond and the exchange-traded funds DnB NOR OBX Derivat Bear and DnB NOR OBX Derivat Bull in cooperation with DnB NOR Asset Management.
- Leading within domestic securities services (Source: Norwegian Central Securities Depository).
- 55 per cent of limited companies use DnB NOR Markets as registrar in the Norwegian Central Securities Depository (Source: Norwegian Central Securities Depository).

Employees

DnB NOR Markets' staff located in offices in Norway and abroad represents 641 full-time positions.

Risk profile

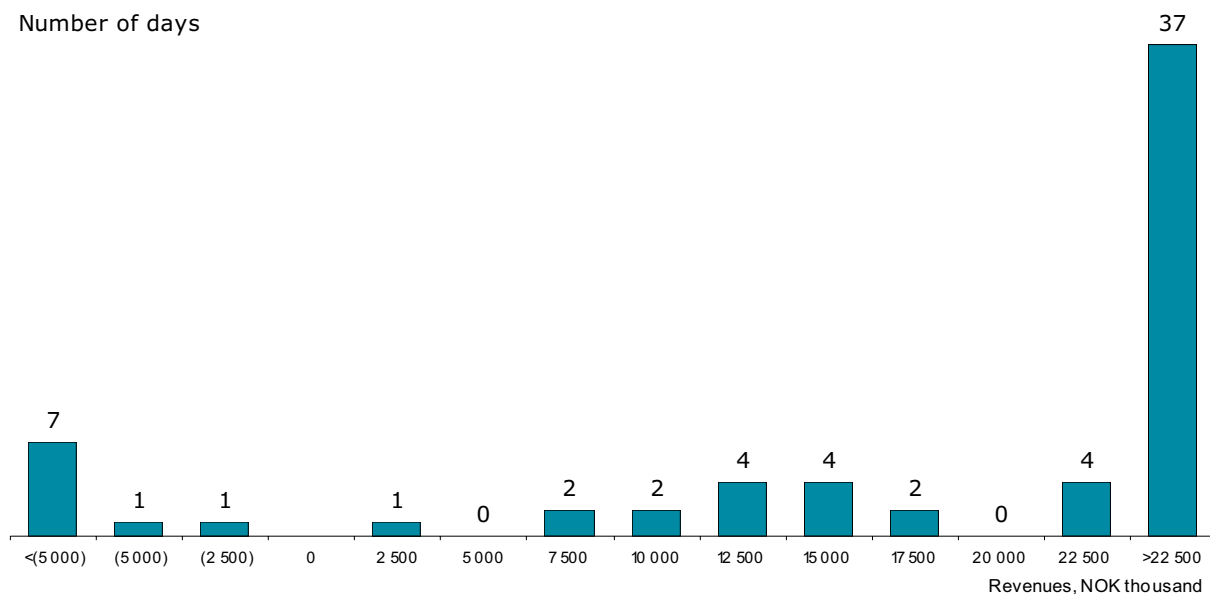
DnB NOR Markets has a moderate risk profile. Customer activities represent the main business. Trading activities support customer activities with products and prices, with focus on Norwegian kroner products.

Daily revenue statistics for DnB NOR Markets

Amounts in NOK thousand	Second quarter		2007	2006
	2Q08	2Q07		
Minimum	(36 742)	(3 575)	(37 813)	(19 419)
Maximum	66 796	67 839	74 178	78 586
Average	23 802	15 171	11 969	15 143
Loss days	9	2	55	21
Gain days	56	63	204	238

Daily revenue distribution in the second quarter of 2008

Number of days

**Total income**

Amounts in NOK million	2Q08
Total daily revenues	1 545
Interest on allocated capital	79
Total income	1 625

Value-at-Risk

Market risk arises as a consequence of open positions in foreign exchange, interest rates and equities. The risk is linked to variations in financial results due to fluctuations in market prices or exchange rates. Market risk exposures for DnB NOR Markets, i.e. DnB NOR Bank's trading portfolio/activities, remained at a moderate level in the second quarter of 2008.

Value-at-Risk ¹⁾

Amounts in NOK thousand	30 June 2008 Actual	Second quarter 2008		
		Average	Maximum	Minimum
Currency risk	6 490	8 438	16 290	2 100
Interest rate risk	30 730	28 939	47 550	15 220
Equities	2 146	3 012	7 965	849
Diversification effects ²⁾	(5 720)	(7 847)		
Total	33 646	32 543		

1) Value-at-Risk is the maximum loss that could be incurred on trading positions from one day to the next at a 99 per cent confidence level.

2) Diversification effects refer to currency and interest rate risk only.

Interest rate sensitivity

The value of financial investments recorded on and off the balance sheet is affected by interest rate movements. The table below shows potential losses for DnB NOR resulting from parallel one percentage point changes in all interest rates. The calculations are based on a hypothetical situation where interest rate movements in all currencies are unfavourable for DnB NOR relative to the Group's positions. Also, all interest rate movements within the same interval are assumed to be unfavourable for the Group. The calculations are based on the Group's positions as at 30 June 2008 and market rates on the same date.

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

<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	More than 5 years	Total
Trading portfolio						
NOK	24	35	38	164	188	3
USD	0	64	128	8	1	55
EURO	2	17	3	32	1	53
GBP	3	12	4	1	2	9
Other currencies	14	13	18	23	13	30
Banking portfolio						
NOK	1	86	60	90	72	165
USD	0	0	7	7	0	0
Total						
NOK	25	121	22	254	260	162
USD	0	64	121	0	1	55
EURO	2	17	3	32	1	53
GBP	3	12	4	1	2	9
Other currencies	14	13	18	23	13	30

Life and Asset Management

Operations in Vital Forsikring ASA and DnB NOR Kapitalforvaltning Holding AS, both with subsidiaries, were in the second quarter of 2007 merged to form one business area "Life and Asset Management", headed by Tom Rathke, managing director of Vital Forsikring. The merger of DnB NOR Asset Management and Vital into one business area will strengthen initiatives related to long-term savings across the Group.

Coordination of operations

The process of integrating the Life and Asset Management business area has been initiated. The business area will cut back costs by between NOK 100 million and NOK 150 million during the 2008 to 2010 period.

Financial performance

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Total income	1 112	256	1 245	1 250	1 197	1 368	2 178
Operating expenses	575	533	689	544	584	1 108	1 083
Pre-tax operating profit	537	(277)	556	706	614	260	1 095
Taxes	23	24	(1 438)	(187)	(348)	47	(317)
Operating profit	514	(300)	1 994	893	961	213	1 412
Assets under management (NOK billion) ¹⁾	556	569	593	591	595	556	595
Return on capital, annualised (%) ²⁾	18.6	(9.4)	67.1	32.9	35.2	3.6	25.4
RORAC, annualised (%) ³⁾	25.0	(16.5)	82.3	34.5	40.8	2.6	29.7
Cost/income ratio (%)	51.7	208.0	55.3	43.5	48.8	81.0	49.7
Number of full-time positions at end of period ^{*)}	1 185	1 166	1 130	1 136	1 130	1 185	1 130
*) of which Vital	889	865	827	831	828	889	828
of which DnB NOR Asset Management	296	301	303	305	303	296	303

1) Assets at end of period.

2) Calculated on the basis of recorded equity.

3) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement.

Comments to the financial performance in the second quarter of 2008

Life and Asset Management recorded pre-tax operating profits of NOK 537 million in the second quarter of 2008, which represented a reduction of NOK 77 million from the year-earlier period. Vital stood for NOK 454 million and DnB NOR Asset Management for NOK 83 million. Descriptions of the financial performance of Vital and DnB NOR Asset Management are divided into two separate sections below.

Vital

Vital offers group pension schemes to businesses and the public sector, the most important products being defined-benefit and defined-contribution occupational pension schemes. Vital also offers employers' liability insurance to the corporate market. In the retail market, long-term savings alternatives are offered in the form of individual savings products with guaranteed rates of return and products with a choice of investment profile.

Vital comprises Vital Forsikring ASA including subsidiaries. Vital Forsikring provides both products with guaranteed returns and products with a choice of investment profile. Tom Rathke is managing director of Vital Forsikring and group executive vice president in DnB NOR.

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

Financial results

Vital Forsikring ASA including subsidiaries is fully consolidated in the DnB NOR Group's accounts.

New regulations were introduced for the life insurance industry as from 1 January 2008. The accounts for Vital for 2008 have been adapted to the new regulations. Figures for previous periods have not been restated.

Financial performance

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Interest result (note 1) ¹⁾	(1 428)	(1 801)	2 048	7 739	3 316	(3 229)	5 760
- of which property revaluations	(861)	0	344	5 573	783	(861)	1 045
Application of/(transferred to) additional allocations (note 2)	1 727	1 344	(3 000)	-	-	3 071	-
Risk result (note 3)	60	111	(2 075)	(2 609)	13	171	26
- of which provisions for higher life expectancy	-	-	(1 792)	(2 644)	-	-	-
Administration result (note 4)	(45)	(17)	(186)	(1)	(68)	(62)	(88)
Profit for risk and guaranteed rate of return	107	108	-	-	-	215	-
Transferred from security reserve	34	(23)	(33)	(2)	1	12	(8)
Profit for distribution in Vital	454	(277)	(3 246)	5 126	3 262	177	5 690
Allocations to policyholders, products with guaranteed returns ¹⁾	0	84	(3 710)	4 505	2 805	84	4 866
+ Reversal of goodwill amortisation/ write-downs	0	0	(39)	6	5	-	11
Net profit in Vital	454	(361)	424	627	464	93	835
Tax charge	0	0	(1 475)	(209)	(390)	0	(390)
Profit from Vital	454	(361)	1 899	836	853	93	1 225

1) See table below. For developments in the asset mix and return on assets from products with guaranteed returns, see tables on pages 76 and 72.

Note 1–4: see page 74 for a table that specifies Vital's various profit and loss items included in the DnB NOR Group's income statement.

Comments to the financial performance in the second quarter of 2008

- Performance Vital reflected the stock market turbulence, rising interest rate levels and declining values in the property market. After taking additional allocations of NOK 1 727 million in income, pre-tax operating profits in Vital were NOK 454 million.
- During the second quarter, Vital obtained external valuations of the company's property portfolio and made internal assessments based on supplementary information about certain properties. The review resulted in a write-down of the properties of NOK 1 700 million or 5.4 per cent. The write-downs were a consequence of higher required rates of return in the market, in spite of rising market rent. During 2008, the property portfolio has been restructured, and properties that were previously directly owned have been demerged in separate subsidiaries. The restructuring of the property portfolio compensated for parts of the write-down and raised values by NOK 0.8 billion. The net effect on the income statement was NOK 861 million.
- The value-adjusted and recorded returns for the common portfolio were both 0.1 per cent. The value-adjusted return on the corporate portfolio was 1.2 per cent.
- There was an increase in the risk result from the second quarter of 2008, reflecting a better result for disability insurance.
- The administration result was negative at NOK 45 million, mainly due to a negative result for defined-contribution pension, while there was a positive administration result for guaranteed-rate products.
- Total premium income decline from the second quarter of 2007 due to reduced sales of individual market products.
- Due to surrenders of individual market products and negative value-adjusted returns, there was a 1.0 per cent decline in total assets from end-June 2007, to NOK 227 billion. Surrenders of individual market products totaled NOK 2.6 billion and primarily reflected rising interest rate levels and new tax rules for individual pension savings.
- Solvency capital totalled NOK 13.9 billion at end-June 2008.
- Vital's market share of policyholders' funds was 33.8 per cent at end-March 2008, compared with 34.9 per cent at end-March 2007.

Profits per portfolio, second quarter 2008

<i>Amounts in NOK million</i>	Common portfolio	Investment choice portfolio and risk products	Corporate portfolio	Total Vital
Interest result ¹⁾	190	0	110	300
Risk result	84	(24)	-	60
Administration result	12	(56)	0	(45)
Profit for risk and guaranteed rate of return	107	-	-	107
Allocations to policyholders and other profit elements	(20)	(13)	-	(33)
Pre-tax operating profit	412	(68)	110	454

Profits per portfolio, first half 2008

<i>Amounts in NOK million</i>	Common portfolio	Investment choice portfolio and risk products	Corporate portfolio	Total Vital
Interest result ¹⁾	(381)	(4)	228	(157)
Risk result	192	(21)	-	171
Administration result	37	(96)	(2)	(62)
Profit for risk and guaranteed rate of return	215	-	-	215
Allocations to policyholders and other profit elements	86	(13)	-	73
Pre-tax operating profit	(23)	(108)	226	93
Capital as at 30 June 2008 (NOK billion)	196	19	12	227

1) After the application of additional allocations.

Products in the common portfolio according to new regulations**1. Common portfolio with low risk, Group pension**

<i>Amounts in NOK million</i>	2Q08	1Q08	First half
			2008
Value-adjusted financial result	(49)	2	(47)
Changes in the securities adjustment reserve	0	119	119
Recorded financial result	(49)	121	72
Guaranteed rate of return	75	71	146
Interest result before the use of additional allocations	(124)	50	(74)
Use of allocations	74	0	74
Interest result	(50)	50	0
Of which transferred to policyholders	(50)	50	-
Owner's share of interest result	(0)	0	0
Risk result	11	3	14
Of which transferred to policyholders	6	2	7
Owner's share of risk result	6	2	7
Administration result	6	0	6
Profit for risk and guaranteed rate of return	11	9	20
Pre-tax operating profit	22	11	33
Capital at end of period (NOK billion)	5	8	5

2. Common portfolio with moderate risk – Group pension and new individual products

<i>Amounts in NOK million</i>	2Q08	1Q08	First half
			2008
Value-adjusted financial result	(55)	(950)	(1 005)
Changes in the securities adjustment reserve	0	1 047	1 047
Recorded financial result	(55)	97	42
Guaranteed rate of return	536	494	1 030
Interest result before the use of additional allocations	(591)	(397)	(988)
Use of allocations	591	397	988
Interest result	0	0	0
Of which transferred to policyholders	0	0	0
Owner's share of interest result	0	0	0
Risk result	58	47	105
Of which transferred to policyholders	29	24	53
Owner's share of risk result	29	24	53
Administration result	(3)	2	(1)
Profit for risk and guaranteed rate of return	74	76	150
Pre-tax operating profit	99	103	202
Capital at end of period (NOK billion) ¹⁾	63	61	63

1) Of which NOK 10 billion represented investment choice products with guaranteed rates of return.

3. Common portfolio with high risk - Group pension

<i>Amounts in NOK million</i>	2Q08	1Q08	First half
			2008
Value-adjusted financial result	182	(542)	(360)
Changes in the securities adjustment reserve	0	330	330
Recorded financial result	182	(212)	(30)
Guaranteed rate of return	144	149	293
Interest result before the use of additional allocations	38	(361)	(323)
Use of allocations	144	149	293
Interest result	182	(212)	(30)
Of which transferred to policyholders	0	0	0
Owner's share of interest result	182	(212)	(30)
Risk result	19	11	30
Of which transferred to policyholders	10	6	15
Owner's share of risk result	10	6	15
Administration result	11	1	12
Profit for risk and guaranteed rate of return	22	23	45
Pre-tax operating profit	223	(181)	42
Capital at end of period (NOK billion)	18	19	18

4. Previously established individual products

<i>Amounts in NOK million</i>			First half
	2Q08	1Q08	2008
Value-adjusted financial result	(31)	(925)	(956)
Changes in the securities adjustment reserve	0	1 021	1 021
Recorded financial result	(31)	96	65
Guaranteed rate of return	504	524	1 028
Interest result before the use of additional allocations	(535)	(428)	(963)
Use of allocations	535	428	963
Interest result	0	0	0
Risk result	3	27	30
Administration result	(10)	17	7
Other	37	0	37
Profit for distribution	30	44	74
Transferred to policyholders (65 per cent)	20	29	48
Profits for allocation to the owner (35 per cent)	11	15	26

Capital at end of period (NOK billion)	62	61	62
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5. Paid-up policies

<i>Amounts in NOK million</i>			First half
	2Q08	1Q08	2008
Value-adjusted financial result	68	(1 234)	(1 166)
Changes in the securities adjustment reserve	0	825	825
Recorded financial result	68	(409)	(341)
Guaranteed rate of return	393	370	763
Interest result before the use of additional allocations	(325)	(779)	(1 104)
Use of allocations	383	370	753
Interest result	58	(409)	(351)
Risk result	(7)	20	13
Profit for distribution	51	(389)	(338)
Other	0	0	0
Transferred to policyholders (80 per cent)	0	0	0
Administration result	8	5	13
Profits for allocation to the owner	59	(384)	(325)

Capital at end of period (NOK billion)	48	46	48
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Effects of new regulations

<i>Amounts in NOK million</i>	2Q08	1Q08	First half
			2008
Profits according to former regulations	197	(121)	76
Increased loss in sub-portfolios	40	(380)	(340)
Return on the corporate portfolio	110	116	226
Advanced pricing of risk and guaranteed rate of return	107	108	215
Changes in allocations to policyholders	0	(84)	(84)
Profits according to new regulations	454	(361)	93

Interest result

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net result from equities	811	(6 805)	(575)	(3 171)	5 144	(5 994)	5 778
Net result from other asset classes ^{*)}	(587)	3 270	2 342	9 978	2 210	2 683	4 311
Value-adjusted financial result ¹⁾	224	(3 535)	1 767	6 807	7 353	(3 311)	10 089
Guaranteed return on policyholders' funds	1 652	1 608	1 654	1 676	1 733	3 260	3 477
Financial result after guaranteed returns	(1 428)	(5 143)	113	5 131	5 621	(6 571)	6 612
+ From securities adjustment reserve	0	3 342	1 935	2 606	(2 304)	3 342	(852)
Recorded interest result before the application of/ (transferred to) additional allocations	(1 428)	(1 801)	2 048	7 739	3 316	(3 229)	5 760
Application of/(transferred to) additional allocations	1 727	1 344	(3 000)	0	0	3 071	0
Recorded interest result	300	(457)	(952)	7 739	3 316	(157)	5 760

*) of which property evaluations (861) 0 344 5 573 783 (861) 1 045

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

Extracts from balance sheets and key figures

<i>Amounts in NOK million</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Total liabilities, products with guaranteed returns ¹⁾	186 945	190 257	191 626	194 841	191 452	188 096
of which group pension - defined benefit	128 019	128 609	127 425	130 394	125 123	119 211
Insurance liabilities, products with a choice of investment profile	18 549	18 124	19 868	19 325	19 105	18 840
of which group pension - defined contribution	4 216	3 939	3 665	3 249	2 723	2 214

1) Of which NOK 10 billion represented investment choice products with guaranteed rates of return.

<i>Amounts in NOK million</i>	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Solvency capital ¹⁾	13 907	17 173	21 788	30 883	28 110	13 907	28 110
Return on capital, annualised (%) ²⁾	19.7	(13.2)	75.7	37.3	37.4	1.8	27.9
RORAC, annualised (%) ³⁾	24.7	(20.2)	84.8	35.1	39.4	0.2	26.0
Expenses in per cent of insurance provisions ⁴⁾	0.93	0.94	1.21	0.89	1.03	0.94	0.99

1) For the composition of solvency capital, see table on page 78.

2) Calculations of return on capital are based on recorded equity, after taxes, and are annualised.

3) RORAC (Return On Risk-Adjusted Capital) is defined as profits for the period relative to risk-adjusted capital requirement.

4) The figures are annualised.

Value-adjusted return on assets

Per cent	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Return - common portfolio ¹⁾							
Financial assets							
Norwegian equities	13.2	(15.7)	(0.4)	(3.0)	13.9	(2.5)	20.7
International equities	2.5	(14.7)	(3.7)	0.0	5.8	(9.9)	5.4
Norwegian bonds	(1.7)	2.5	2.4	1.7	(0.9)	0.8	(0.5)
International bonds	(2.5)	2.4	1.7	2.5	(1.1)	(0.1)	(0.6)
Money market instruments	1.2	1.3	1.4	1.1	1.1	2.5	2.0
Bonds held to maturity	1.2	1.2	1.3	1.3	1.4	2.5	2.7
Investment property	(1.4)	1.5	2.9	23.8	4.6	0.1	7.3
Value-adjusted return on assets I ²⁾	0.1	(1.8)	0.9	3.3	3.7	(1.7)	5.1
Value-adjusted return on assets II ³⁾	(0.9)	(1.6)	0.9	3.5	3.0	(2.5)	4.1
Recorded return on assets ⁴⁾	0.1	(0.1)	1.8	4.6	2.6	0.0	4.8
Value-adjusted return on assets I, annualised ²⁾	0.5	(7.1)	3.5	13.2	14.8	(3.4)	10.5
Value-adjusted return on assets II, annualised ³⁾	(3.5)	(6.3)	3.8	14.0	12.0	(4.9)	8.4
Return - corporate portfolio							
Value-adjusted return on assets I ²⁾	1.2	1.3				2.6	
Recorded return on assets ⁴⁾	1.2	1.3				2.6	

1) Refers to the common portfolio as from 1 January 2008. Figures prior to 1 January 2008 refer to the total return for Vital.

2) Excluding changes in value of commercial paper and bonds held to maturity.

3) Including changes in unrealised gains on commercial paper and bonds held to maturity.

4) Excluding changes in unrealised gains on financial instruments.

Premium income

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Total premiums due ^{1) 2)}	2 601	6 585	3 793	5 122	3 902	9 186	10 383
Inflow of reserves ³⁾	551	2 687	691	465	20	3 238	2 406
Outflow of reserves ³⁾	603	1 290	3 216	923	504	1 893	2 757
Net premiums paid	2 549	7 982	1 268	4 664	3 418	10 531	10 032
Outflow of reserves ³⁾	603	1 290	3 216	923	504	1 893	2 757
Total premium income	3 152	9 272	4 484	5 587	3 922	12 424	12 789
1) Of which group pension - defined benefit	1 171	4 577	1 372	2 751	1 294	5 748	5 394
2) Of which group pension - defined contribution	433	518	473	425	363	951	727
3) Of which transfers between Vital companies ^{*)}	0	0	0	0	(199)	0	0

*) As from 1 January 2007 the figure includes transfers between products with guaranteed returns and products with a choice of investment profile. As from 2007, all such transfers are eliminated in the table above.

Market shares

Per cent	31 March 2008	31 Dec. 2007	31 March 2007
Of insurance funds including products with a choice of investment profile	33.8	33.6	34.9
- Corporate market	42.8	43.4	44.2
- Public market	11.1	9.8	10.0
- Retail market	51.9	51.8	52.3

Source: The Norwegian Financial Services Association (FNH) and DnB NOR

Income statement ¹⁾

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Total interest income							
Total interest expenses							
Net interest income							
Commissions and fees receivable etc. (note 4)	552	583	443	456	453	1 135	910
Commissions and fees payable etc. (note 4)	105	142	125	138	138	248	297
Net gains on financial instruments at fair value							
Net gains on assets in Vital (note 1) ^{*)}	767	(2 070)	3 802	9 334	6 116	(1 303)	10 688
Guaranteed returns and allocations to policyholders in Vital (note 2)	437	(1 508)	1 117	6 097	5 598	(1 072)	9 791
Premium income etc. included in the risk result in Vital (note 3)	1 074	1 066	703	1 215	917	2 140	2 331
Insurance claims etc. included in the risk result in Vital (note 3)	1 014	955	2 778	3 823	904	1 968	2 305
Net realised gains on investment securities (AFS)							
Profit from companies accounted for by the equity method							
Other income							
Net other operating income	837	(10)	929	947	846	827	1 536
Total income	837	(10)	929	947	846	827	1 536
Salaries and other personnel expenses	190	179	216	187	188	369	363
Other expenses	169	159	201	109	164	328	285
Depreciation and write-downs of fixed and intangible assets	24	13	89	24	31	37	52
Total operating expenses (note 4)	383	351	505	320	383	734	700
Net gains on fixed and intangible assets							
Write-downs on loans and guarantees							
Pre-tax operating profit	454	(361)	424	627	464	93	835
Taxes	0	0	(1 475)	(209)	(390)	0	(390)
Profit from discontinuing operations after taxes							
Profit for the period ²⁾	454	(361)	1 899	836	853	93	1 225

*) Of which

Net gains on assets, corporate portfolio	111	117				228	
Net gains on assets, common portfolio	136	(327)				(191)	
Net gains on assets, choice of investment portfolio	520	(1 860)				(1 340)	
Net gains on assets in Vital	767	(2 070)				(1 303)	

1) The figures encompass Vital Forsikring ASA including subsidiaries as included in the DnB NOR Group accounts before eliminations for intra-group transactions and balances.

2) For a detailed statement of financial performance, see page 67.

Note 1–4: In the table on the next page, the items marked in grey indicate Vital's various profit and loss items included in the DnB NOR Group's income statement.

Income in Vital from the owner's perspective

Amounts in NOK million	2Q08	1Q08	First half
			2008
Interest result not covered by additional allocations, common portfolio	182	(212)	(30)
Owner's share of risk result, common portfolio	43	32	74
Owner's share of administration result, common portfolio	14	3	17
Profit for risk and guaranteed rate of return	107	108	215
Contribution from portfolios subject to profit sharing	70	(369)	(299)
Owner's share of profits, common portfolio	413	(437)	(24)
Income from the corporate portfolio	110	116	226
Profits from the investment choice portfolio and risk products	(68)	(40)	(108)
Pre-tax operating profit	454	(361)	93

In the table below, the items marked in grey indicate Vital's various profit and loss items included in the DnB NOR Group's income statement.

						First half	
Note 1	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007
Interest result ¹⁾	(1 428)	(1 801)	2 048	7 739	3 316	(3 229)	5 760
+ Guaranteed returns to policyholders	1 652	1 608	1 654	1 676	1 733	3 260	3 477
+ Allocations to policyholders, products with a choice of investment profile	512	(1 856)	172	(84)	1 061	(1 344)	1 448
+ Transferred from security reserve in Vital	34	(23)	(33)	(2)	1	12	(8)
+ Other items recorded as net gains on financial instruments, including reclassifications	0	0	(39)	6	5	0	11
Net gains on assets in Vital	767	(2 070)	3 802	9 334	6 116	(1 303)	10 688

Note 2							
Application of/(transferred to) additional allocations, products with guaranteed returns	1 727	1 344	(3 000)	0	0	3 071	0
Allocations to policyholders, products with guaranteed returns	0	84	(3 710)	4 505	2 805	84	4 866
Allocations to policyholders, products with a choice of investment profile	512	(1 856)	172	(84)	1 061	(1 344)	1 448
Total allocations to policyholders	(1 215)	(3 116)	(537)	4 421	3 866	(4 331)	6 314
Guaranteed return on policyholders' funds	1 652	1 608	1 654	1 676	1 733	3 260	3 477
Guaranteed returns and allocations to policyholders in Vital	437	(1 508)	1 117	6 097	5 598	(1 072)	9 791

Net financial result in Vital	330	(562)	2 685	3 237	517	(231)	897
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Note 3							
Premium income etc. included in the risk result in Vital	1 074	1 066	703	1 215	917	2 140	2 331
Insurance claims etc. included in the risk result in Vital	1 014	955	2 778	3 823	904	1 968	2 305
Total risk result in Vital	60	111	(2 075)	(2 609)	13	171	26

Note 4							
Administration result Vital	(45)	(17)	(186)	(1)	(68)	(62)	(88)
Profit element for risk and Vital's interest rate guarantee	107	108				215	
Administration result including profit for risk and guaranteed rate of return	63	89	(186)	(1)	(68)	153	(88)
Commissions and fees receivable	552	583	443	456	453	1 135	910
Commissions and fees payable	105	142	125	138	138	248	297
Operating expenses	383	351	505	320	383	734	700
Administration result including profit for risk and guaranteed rate of return	63	89	(186)	(1)	(68)	153	(88)
Pre-tax operating profit from Vital	454	(361)	424	627	464	93	835
Taxes	0	0	(1 475)	(209)	(390)	0	(390)
Profit for the period	454	(361)	1 899	836	853	93	1 225

1) Before changes in unrealised gains.

The owner's share of the net financial and risk result from Vital ¹⁾

						First half	
Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	2008	2007
Net gains on assets in Vital	767	(2 070)	3 802	9 334	6 116	(1 303)	10 688
Guaranteed returns and allocations to policyholders in Vital	437	(1 508)	1 117	6 097	5 598	(1 072)	9 791
Premium income etc. included in the risk result in Vital	1 074	1 066	703	1 215	917	2 140	2 331
Insurance claims etc. included in the risk result in Vital	1 014	955	2 778	3 823	904	1 968	2 305
Net financial and risk result in Vital	390	(450)	610	628	531	(60)	923
Eliminations in the group accounts	20	28	54	2	2	48	2
Net financial and risk result from Vital	410	(423)	665	631	533	(13)	925

1) For a specification of net other operating income in the DnB NOR Group, see page 21.

Balance sheets ¹⁾

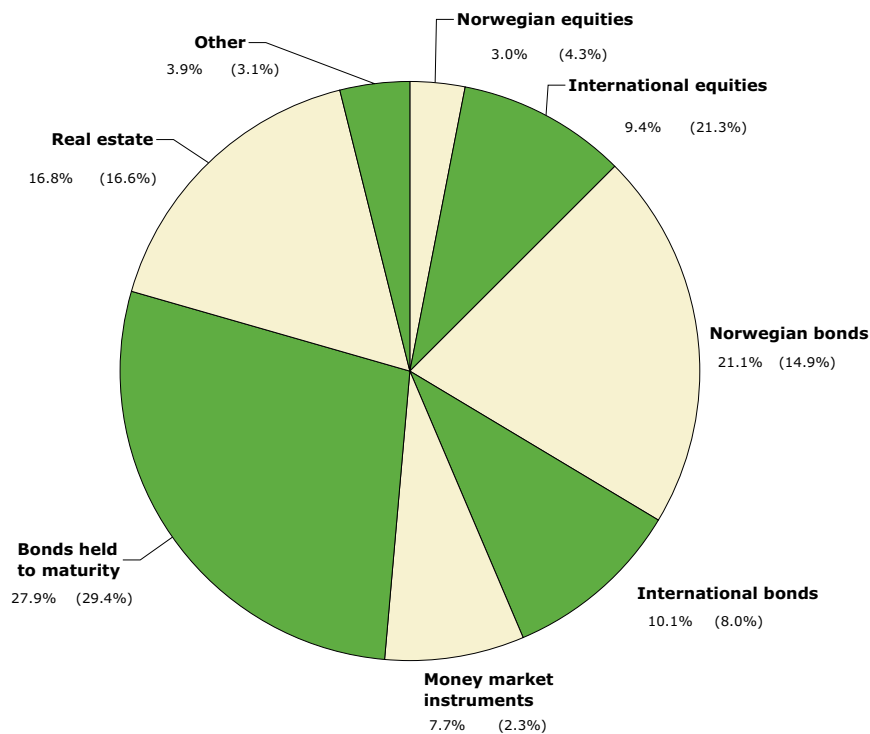
<i>Amounts in NOK million</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Cash and deposits with central banks						
Lending to and deposits with credit institutions	9 009	12 905	12 152	18 010	10 634	7 185
Lending to customers						
Commercial paper and bonds	66 798	66 103	63 060	44 449	44 687	57 838
Shareholdings	37 593	34 088	39 362	51 257	60 183	47 291
Financial assets, customers bearing the risk	18 549	18 124	19 868	19 325	19 105	18 840
Financial derivatives	2 717	3 650	1 488	3 589	1 739	1 654
Shareholdings, available for sale						
Commercial paper and bonds, held to maturity	53 058	53 386	59 641	60 075	62 906	62 444
Investment property ²⁾	32 350	33 422	32 908	32 361	26 524	25 668
Investments in associated companies	19	19	19	19	16	16
Intangible assets	218	217	184	367	342	294
Deferred tax assets		1 164	1 164			185
Fixed assets	38	33	46	44	49	75
Biological assets						
Discontinuing operations						
Other assets	6 638	5 463	2 688	2 820	3 160	2 161
Total assets	226 987	228 574	232 579	232 315	229 346	223 650
Loans and deposits from credit institutions						
Deposits from customers						
Financial derivatives	3 588	1 461	1 010	603	587	1 166
Securities issued						
Insurance liabilities, customers bearing the risk	18 549	18 124	19 868	19 325	19 105	18 840
Liabilities to life insurance policyholders	186 945	190 257	191 626	194 841	191 452	188 096
Payable taxes						
Deferred taxes	644			285	494	
Other liabilities	6 010	4 859	6 030	5 037	6 318	3 259
Discontinuing operations						
Provisions	154	154	154	231	199	124
Subordinated loan capital	2 481	2 476	2 500	2 501	2 534	2 556
Total liabilities	218 372	217 330	221 188	222 823	220 690	214 040
Minority interests						
Revaluation reserve						
Share capital	1 321	1 321	1 321	1 310	1 310	1 310
Other reserves and retained earnings	7 295	9 923	10 070	8 182	7 345	8 300
Total equity	8 616	11 244	11 391	9 492	8 656	9 610
Total liabilities and equity	226 987	228 574	232 579	232 315	229 346	223 650

- 1) The figures encompass Vital Forsikring ASA including subsidiaries as included in the DnB NOR Group accounts before eliminations for intra-group transactions and balances.
- 2) The value of investment properties was written down by NOK 1.7 million in the second quarter in consequence of the general slowdown in the property market. The restructuring of the property portfolio compensated for parts of the write-down and raised values by NOK 0.8 billion. The net effect was negative at NOK 861 million.

Changes in equity

<i>Amounts in NOK million</i>	Share capital	Share premium reserve	Other equity	Total other reserves and retained earnings	Total equity
Balance sheet as at 31 December 2007	1 321	1 175	8 895	10 070	11 391
Effects of changes in accounting principles ¹⁾			160	160	160
Balance sheet as at 1 January 2008	1 321	1 175	9 055	10 230	11 551
Profit for the period			93	93	93
Dividends/group contributions paid in 2007			(3 028)	(3 028)	(3 028)
Balance sheet as at 30 June 2008	1 321	1 175	6 120	7 295	8 616

- 1) In consequence of new regulations, the share of the security reserve that refers to group defined-benefit pensions was transferred to the risk equalisation fund as at 1 January 2008.

Balance sheet structure as at 30 June 2008 for the common portfolio ^{1) 2)}

1) The figures represent net exposure after derivative contracts.

2) Comparable figures as at 1 January 2008 are shown in parentheses.

Changes in assets under management

Amounts in NOK million							First half	
	2Q08	1Q08	4Q07	3Q07	2Q07		2008	2007
Assets under management at beginning of period	228 574	232 579	232 315	229 346	224 375		232 579	223 650
Premiums due	2 601	6 585	3 793	5 122	3 902		9 186	10 383
Net transfers	17	1 445	(2 421)	(410)	(480)		1 462	(257)
Surrenders	(2 558)	(3 076)	(1 888)	(3 144)	(6 252)		(5 634)	(10 923)
Claims paid	(2 312)	(2 397)	(2 188)	(2 210)	(2 005)		(4 709)	(4 394)
Net insurance operations	(2 252)	2 557	(2 705)	(641)	(4 835)		305	(5 191)
Net financial assets ^{*)}	567	(5 263)	3 064	6 814	7 334		(4 696)	10 053
Other ¹⁾	99	(1 300)	(96)	(3 203)	2 472		(1 201)	834
Changes in assets under management	(1 587)	(4 005)	264	2 969	4 971		(5 592)	5 696
Assets under management at end of period	226 987	228 574	232 579	232 315	229 346		226 987	229 346

^{*)} Of which property revaluations (861) 0 344 5 573 783 (861) 1 045

1) Other includes changes in short-term debt, premium fund and cost for the period.

Products and organisation

- Group pension schemes to businesses, adapted to customer needs for defined-benefit and defined-contribution. In addition, Vital offers employer's liability insurance in the corporate market.
- Long-term savings alternatives in the form of individual pension agreements and annuities in the retail market.
- Products are offered with guaranteed returns or with a choice of investment profile.
- Risk products in both the corporate and individual markets.
- Savings products from other units in the DnB NOR Group, including mutual funds from DnB NOR Asset Management and equity-linked bonds from DnB NOR Markets.

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

In close cooperation with the rest of the Group, Vital aims to increase its international presence. Vital has had operations in Sweden for a few years and is planning to expand in this market. As part of DnB NOR's international initiatives, Vital established operations in Latvia and Lithuania, based on distribution via DnB NOR's branch network.

During 2006, it was decided to remove tax concessions on individual pension products. Vital launched new products for individual tax-incentive pension savings in June 2008, immediately after the act on individual pension savings was passed.

New regulations were introduced for the life insurance industry as from 1 January 2008. The objectives behind the new Insurance Act are threefold: a clearer distinction between policyholders' funds and company funds, a clearer division of risk between policyholders and the company and more transparent pricing of life insurance products.

Main issues of the new regulations are:

- Policyholders' funds are separated from the company's funds.
- Individual products established before 1 January 2008 will be subject to the same profit sharing as earlier (maximum 35 per cent of the company's total risk result, administration result and interest result). Paid-up policies will be subject to modified profit sharing (maximum 20 per cent of the company's interest result).
- For corporate and municipal group pensions, all returns on capital in excess of the guaranteed rate of return are returned to the policyholders. The price of guaranteed rate of return and profits of risk business and operations are fixed in advance. Any risk premium is either returned in its entirety to the policyholders, or the company may retain 50 per cent of profits as allocations to the risk equalisation fund. New individual contracts are treated in the same way.
- The regulations entail no changes for risk products and products with investment choice.
- According to the new regulations, the company may offer group pension products with investment choice.

In the longer term, the new regulations will have a positive effect on company earnings and make it easier to adapt products to meet customer needs.

Cooperation with other group entities

- By taking advantage of the strength of the DnB NOR Group's total distribution network, Vital is well positioned to enjoy continued market growth.
- Vital's growth in the retail market is not least due to the business area's extensive distribution network, where other business areas in the Group play a principal role.
- In the second quarter of 2008, other business areas accounted for 38.9 per cent of the sales of Vital's products in the retail market, compared with 53.7 per cent in the corresponding period of 2007.

Employees

Vital gives priority to retaining and developing a high level of expertise within insurance products, management and other relevant areas of competence. At the end-June 2008, Vital had a staff of 889 full-time positions.

Solvency capital ^{1) 2) 3)}

<i>Amounts in NOK million</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Interim profit, accumulated	(2 894)	(1 621)	0	10 817	5 690	-
Securities adjustment reserve	0	0	3 342	5 278	7 884	7 032
Additional allocations	8 505	8 541	8 632	6 101	6 178	6 429
Security reserve	67	55	255	223	220	205
Equity	8 523	8 576	8 363	7 408	7 408	7 155
Subordinated loan capital and perpetual subordinated loan capital securities	2 481	2 476	2 500	2 501	2 534	2 461
Unrealised gains on long-term securities	(2 774)	(855)	(1 304)	(1 445)	(1 805)	222
Solvency capital	13 907	17 173	21 788	30 883	28 110	23 504
Buffer capital ⁴⁾	7 322	8 722	13 785	23 265	20 393	15 144

1) According to prevailing regulations for the statutory accounts of life insurance companies.

2) The table above shows the composition of and development in solvency capital. All these elements, with the exception of part of the security reserve, can be used to meet the guaranteed rate of return on policyholders' funds.

3) Products with a choice of investment profile are included from 1 January 2007.

4) Buffer capital represents equity in excess of the minimum statutory capital requirement, interim profits, additional allocations and the securities adjustment reserve.

Capital adequacy and solvency margin capital ^{1) 2)}

<i>Amounts in NOK million</i>	30 June 2008	31 March 2008	31 Dec. 2007	30 Sept. 2007	30 June 2007	31 Dec. 2006
Capital adequacy ³⁾						
Total eligible primary capital	10 327	10 449	10 531	10 161	9 499	9 240
Capital adequacy ratio (%)	9.6	9.7	9.7	8.9	8.6	9.8
Core capital	8 256	8 375	8 266	7 892	7 190	7 004
Core capital (%)	7.7	7.7	7.6	6.9	6.5	7.4
Risk-weighted assets	107 698	108 100	109 044	113 649	110 732	94 272
Solvency margin capital ⁴⁾						
Solvency margin capital	13 171	14 745	14 958	13 312	12 687	12 546
Solvency margin capital exceeding minimum requirement	4 921	6 798	7 448	5 391	5 008	4 898
Solvency margin capital in per cent of solvency margin capital requirement (%)	160	186	199	168	165	164

1) Prepared in accordance with prevailing regulations for life insurance companies. New regulations are expected upon the introduction of Solvency II.

2) Operations from products with a choice of investment profile are included from 1 January 2007.

3) Capital adequacy regulations regulate the relationship between the company's primary capital and the investment exposure on the asset side of the balance sheet. Life insurance companies are subject to a minimum capital adequacy requirement of 8 per cent.

4) Solvency margin capital is measured against the solvency margin requirement, which is linked to the company's insurance commitments on the liabilities side of the balance sheet. The solvency margin requirements for Norwegian life insurance companies are subject to regulations on the calculation of solvency capital requirements and solvency margin capital, as laid down by the Ministry of Finance on 19 May 1995.

DnB NOR Asset Management

DnB NOR Asset Management provides mutual funds and discretionary portfolio management services to Norwegian and other Nordic corporate clients, the public sector, private pension funds and retail clients.

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

Financial performance

Amounts in NOK million	2Q08	1Q08	4Q07	3Q07	2Q07	First half	
						2008	2007
Net interest income - ordinary operations	6	1	10	7	1	7	(0)
Interest on allocated capital ¹⁾	30	27	27	24	21	57	39
Net interest income	35	28	37	31	22	63	39
Net commission income							
- from retail customers	92	90	133	131	140	182	267
- from institutional clients	145	140	141	143	188	285	341
Other income	3	8	5	(2)	1	11	(5)
Total income	275	266	317	303	351	541	642
Operating expenses	192	182	184	224	201	374	383
Pre-tax operating profit before write-downs	83	84	132	79	150	167	260
Net gains on fixed and intangible assets	0	0	0	0	0	(0)	-
Pre-tax operating profit	83	84	132	79	150	167	260
Assets under management (NOK billion) ²⁾							
Institutional	448	463	478	476	484	448	484
- of which Vital ³⁾	167	171	176	176	178	167	178
Retail	52	53	63	64	65	52	65
Total	501	516	541	540	549	501	549
Key figures							
Cost/income ratio (%)	69.8	68.5	58.2	74.1	57.3	69.1	59.6
Return on capital, annualised (%) ¹⁾	13.0	13.5	20.5	12.0	23.9	13.3	21.4
RORAC, annualised (%)	18.6	29.0	48.7	26.7	58.8	28.4	51.4

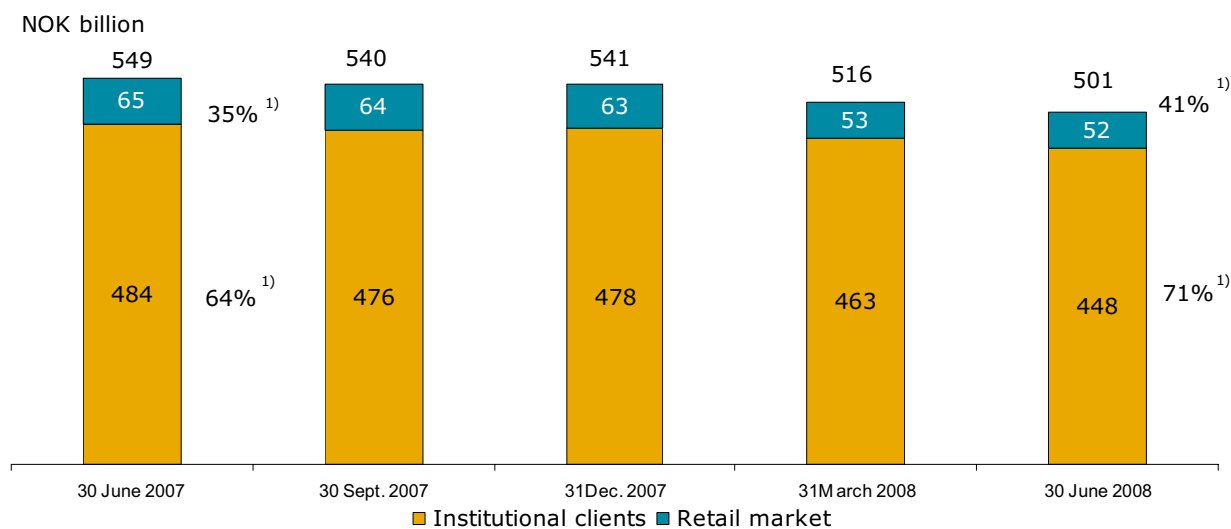
1) Calculated on the basis of recorded equity.

2) Assets under management and assets under operation at end of period.

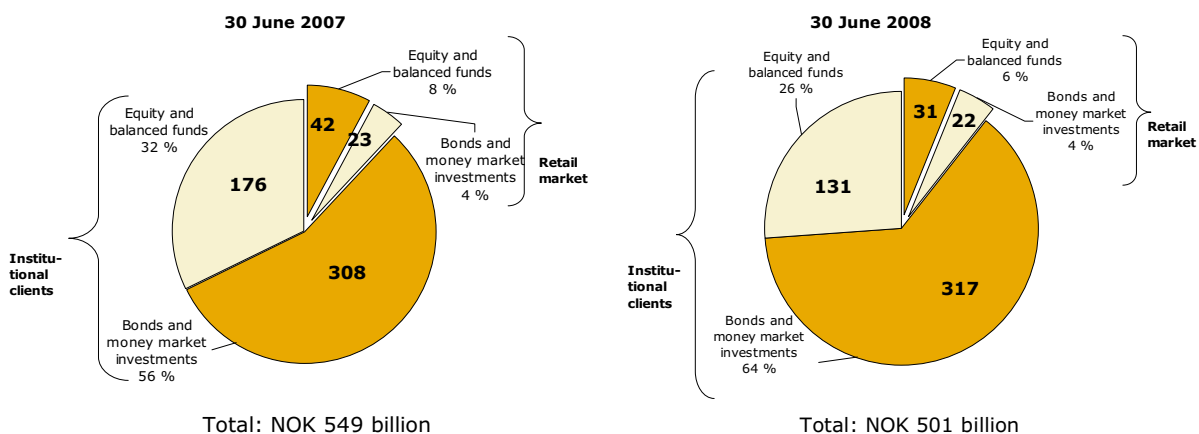
3) Managed on behalf of Vital Forsikring.

Comments to the financial performance in the second quarter of 2008

- Commission income decreased by NOK 90 million from the second quarter of 2007 to the second quarter of 2008. This was mainly due to a new distribution agreement with DnB NOR Bank, reduced assets under management and lower performance fees.
- Operating expenses in the second quarter of 2008 were NOK 192 million, down NOK 9 million from the second quarter of 2007.

Assets under management - distribution by market segment

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

Assets under management - distribution by investment type

(Amounts in NOK billion and per cent of total assets)

Changes in assets under management - net inflow

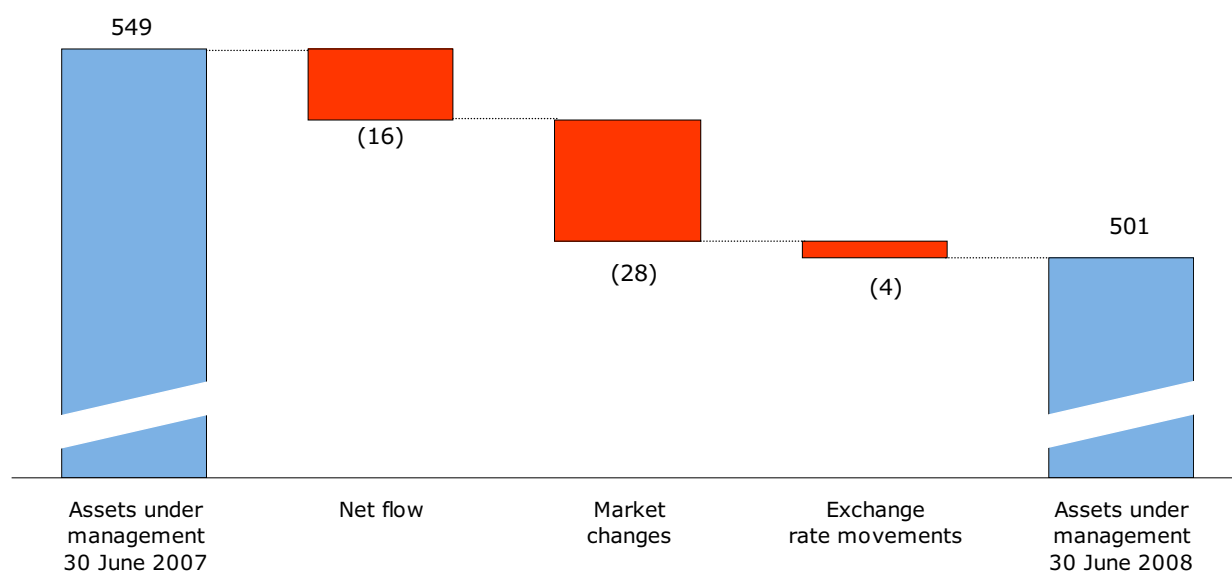
Amounts in NOK million	2Q08	1Q08 ¹⁾	4Q07	3Q07	2Q07	First half	
						2008 ¹⁾	2007 ²⁾
Retail market	(1 997)	(3 600)	567	(510)	898	(5 597)	1 232
Institutional clients	(12 620)	(3 463)	6 321	(898)	(9 220)	(16 083)	(10 542)
Total	(14 617)	(7 063)	6 888	(1 409)	(8 322)	(21 680)	(9 310)

1) Excluding dividends of NOK 2 700 million, of which NOK 872 million refers to retail and NOK 1 828 million to institutional clients.

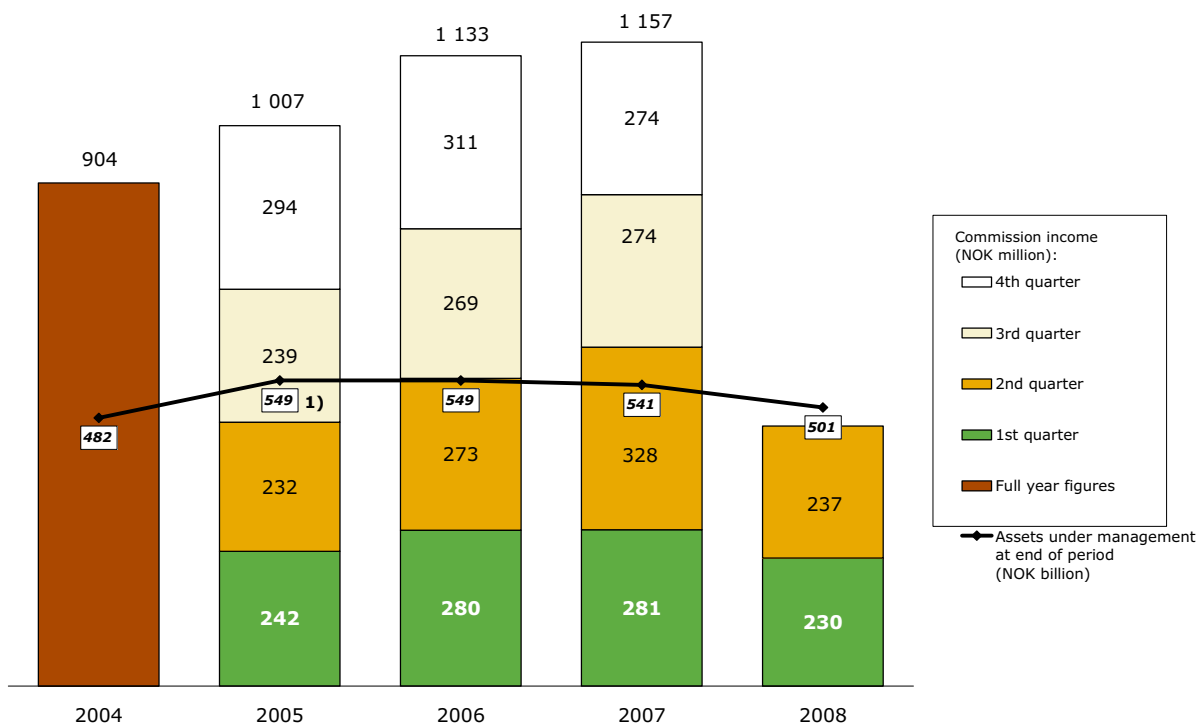
2) Excluding dividends of NOK 1 192 million, of which NOK 508 million refers to retail and NOK 684 million to institutional clients.

Changes in assets under management

NOK billion

**Comments to changes in assets under management as from 30 June 2007**

- Assets under management was reduced by NOK 48 billion or 8.7 per cent.
Net flow:
 - There was a net outflow of funds from institutional clients of NOK 10.7 billion or 2.2 per cent.
 - New institutional mandates were won in both Sweden and Norway.
 - There was a net outflow of funds from the retail market of NOK 5.5 billion or 8.5 per cent.
- Market changes:
 - Market developments led to a NOK 27.9 billion decrease in assets under management, representing 5.1 per cent measured in clients' base currencies.
 - During the last four quarters, Morgan Stanley's global equity index fell by 10.7 per cent measured in USD and decreased by 23 per cent measured in NOK.
 - Prices on the stock exchange in Stockholm (OMX) decreased by 31.7 per cent and the stock exchange in Oslo (OSEBX) experienced an 8.8 per cent fall in prices during the last four quarters.
- Exchange rate movements:
 - The appreciation of NOK against other currencies, especially SEK, reduced assets under management by NOK 3.9 billion.

Development in commission income and assets under management

1) Reduced to NOK 519 billion in the beginning of January 2006 following termination of an investment mandate.

Investment returns on assets under management

- Healthy returns on assets under management.
- Returns on a number of major client portfolios and funds outperformed relevant benchmarks, as well as Norwegian equity and bond investments and major Swedish equity portfolios.
- Fund managers' specialisation has led to strong performance for several funds (percentage point return in excess of benchmark in parentheses):
 - DnB NOR Nordic Technology (18.5)
 - DnB NOR Miljøinvest (2.9)
 - DnB NOR Navigator (3.7)

Clients/markets

- DnB NOR Asset Management serves the Norwegian and Swedish savings markets, offering domestic and international asset management services.
- Brand names:
 - DnB NOR Kapitalforvaltning in the Norwegian institutional and retail markets
 - DnB NOR Asset Management and Carlson in the Swedish institutional and retail markets.
- A leading position in the institutional market in both Norway and Sweden with 291 institutional clients. The largest clients are Skandia Liv and Vital.
- The number of mutual fund clients in Norway was more than 627 000 at the end of June 2008. The number of active savings schemes reached more than 341 000. Mutual fund packages, the 'Spar Smart' concept, alone included more than 59 000 savings schemes.
- Market shares:
 - DnB NOR Kapitalforvaltning (retail mutual funds in Norway) 37.5 per cent ¹⁾
 - Carlson Fonder (total mutual funds in Sweden) ≈ 1.2 per cent
 - Institutional market in Norway > 28 per cent
 - Institutional market in Sweden > 20 per cent

1) Source: Norwegian Mutual Fund Association. Figure from end-May 2008.

Retail: Fund capital and market shares in Norway

	31 May 2008		31 December 2007		31 December 2006	
	Fund capital	Market share	Fund capital	Market share	Fund capital	Market share
<i>Amounts in NOK million and per cent</i>						
Equity funds	22 542	27.6	24 527	27.8	24 690	26.9
Balanced funds	7 414	68.0	8 915	71.9	9 298	74.9
Fixed-income funds	19 490	49.6	21 431	52.4	20 541	54.1
Total mutual funds	49 446	37.5	54 873	38.7	54 529	38.3

Source: Norwegian Mutual Fund Association

Products and services

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

Organisation

- One holding company, DnB NOR Kapitalforvaltning Holding AS, with separate asset management companies in the main markets.
- Customer activity is concentrated in Norway, Sweden and Luxembourg. In order to provide competitive global asset management, investment operations have also been established in London, New York, Hong Kong and Chennai.
- A combination of regional and sector-oriented management teams with a presence in all major financial markets.
- Asset management services are provided through channels adapted to the various markets:

Retail clients in Norway

- DnB NOR's extensive network of branches and regional financial services centres.
- Post offices and in-store postal outlets.
- The Internet.
- External channels including brokers, investment advisers and regional and local savings banks.

Retail clients in Sweden

- Local distributors.

Institutional markets in Sweden and Norway

- The business area's own sales force and, in Norway, through cooperation with Corporate Banking and Payment Services.

Employees

- Staff cuts corresponding to 5 full-time positions in the second quarter of 2008.
- 296 full-time positions at the end of the quarter.

Cooperation with other group entities

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

DnB NORD

DnB NORD was established in December 2005 and is owned 51 per cent by DnB NOR and 49 per cent by Norddeutsche Landesbank, NORD/LB. The bank is headquartered in Copenhagen.

The Baltic States and Poland are important markets experiencing strong growth. An increasing number of DnB NOR's customers are establishing operations in this area, and DnB NORD is an important strategic initiative in accompanying customers into one of Europe's most dynamic regions. DnB NORD aims to become a leading bank for cross-border solutions around the Baltic Sea. DnB NORD took over NORD/LB's operations in Estonia, Latvia, Lithuania and Poland from January 2006. DnB NORD has a strong market position, as the third largest bank in Lithuania and the fourth largest in Latvia. DnB NORD is also represented in Finland and Denmark, benefiting from the corporate portfolio brought into DnB NORD by DnB NOR and NORD/LB and provides a full service operation for corporate banking.

Financial performance

Amounts in NOK million							First half	
	2Q08	1Q08	4Q07	3Q07	2Q07		2008	2007
Net interest income - ordinary operations	341	329	311	281	303		670	509
Interest on allocated capital (BIS) ¹⁾	68	55	48	41	35		123	65
Net interest income	409	384	359	321	338		793	575
Net other operating income	165	149	206	136	185		314	289
Total income	574	533	565	457	523		1 107	864
Operating expenses	397	365	406	330	354		761	574
Pre-tax operating profit before write-downs	178	168	159	127	169		346	290
Net gains on fixed and intangible assets	1	6	2	5	5		7	7
Write-downs on loans and guarantees	53	32	48	37	26		85	36
Pre-tax operating profit	126	142	113	96	148		268	260
Net lending to customers (NOK billion) ²⁾	71.4	62.6	56.6	51.5	47.0		67.0	44.9
Deposits from customers (NOK billion) ²⁾	21.1	21.3	20.8	19.6	19.2		21.2	18.8
Cost/income ratio (%)	69.1	68.4	71.9	72.2	67.7		68.7	66.4
Ratio of deposits to lending (%)	29.5	34.1	36.6	38.1	40.9		31.7	41.8
Return on capital BIS, annualised (%)	7.2	9.2	8.8	8.4	13.9		8.2	12.9
RORAC, annualised (%)	7.0	8.8	8.0	8.1	13.4		11.6	7.9

1) Interest on allocated capital is calculated according to internal DnB NOR capital allocation rules. "Net interest income - ordinary operations" does not include interest on equity.

2) Average balances. Based on nominal values.

Comments to the financial performance in the second quarter of 2008

- Pre-tax operating profit before write-downs was NOK 178 million, up 5.4 per cent from the second quarter of 2007.
- Total income increased by 9.9 per cent to NOK 574 million.
- Operating expenses increased by NOK 43 million to NOK 397 million partly due to growth in the number of employees.
- Cost/income ratio was 69.1 per cent in the second quarter of 2008 compared to 67.7 per cent in the corresponding period last year.
- The development in the second quarter of 2008 was influenced by higher funding costs, reduced growth and increased write-downs on loans.
- Return on calculated BIS capital was 7.2 per cent.
- Average lending increased by NOK 24.4 billion or 51.8 per cent from the second quarter of 2007. Deposits increased by NOK 1.8 billion or 9.6 per cent from the second quarter of 2007.

Net interest income ¹⁾

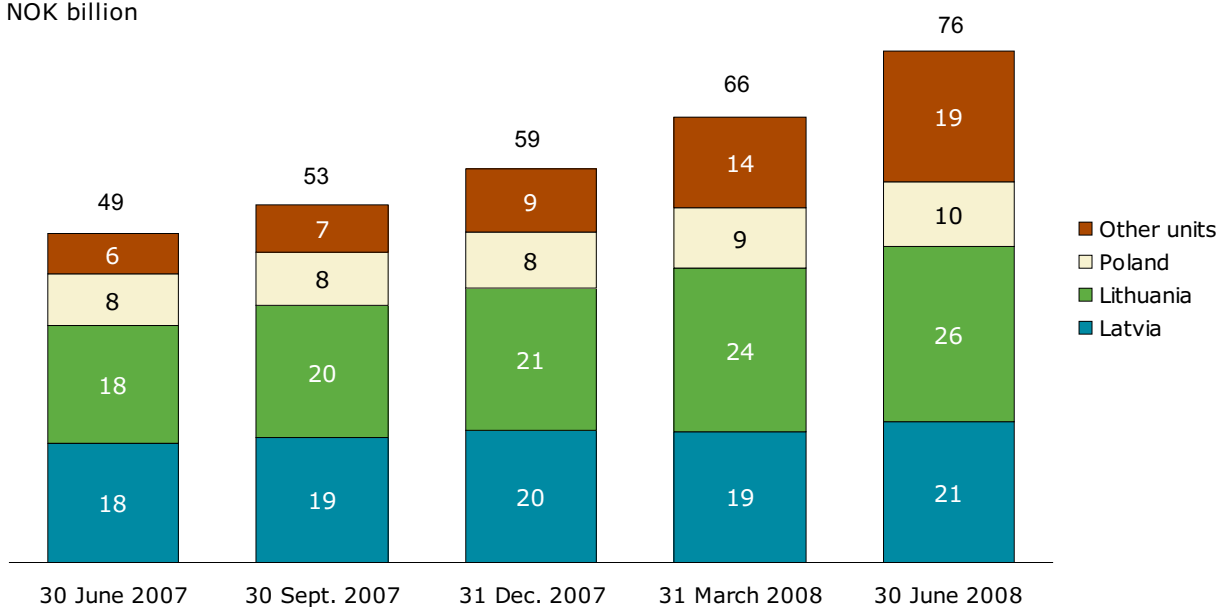
Amounts in NOK million	Volume			Spreads in per cent			Net interest income		
	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07	2Q08	1Q08	2Q07
Lending ²⁾	70 334	61 866	46 024	1.30	1.21	1.38	213	186	158
Deposits ²⁾	20 363	20 205	18 617	2.42	2.43	2.27	122	122	105
Allocated capital and non-interest bearing items	3 171	2 346	1 974	4.85	4.49	4.06	65	51	20
Other							9	24	55
Total net interest income							409	384	338

1) BISE Bank was included in the accounts as from the second quarter of 2007. To ensure that the development in spreads is correctly depicted, loans and deposits in BISE Bank and related interest income have been divided between the first and second quarter of 2007. The effect of the distribution has been reversed under "Other" and explains the changes in net interest income on this line.

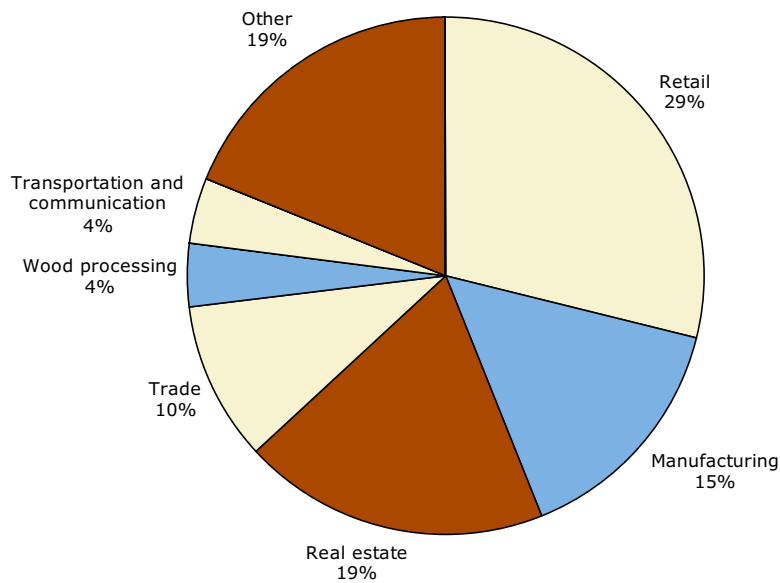
2) Based on nominal values excluding lending to and deposits from credit institutions and impaired loans.

Development in lending volumes

NOK billion



Lending growth is still high compared to one year earlier, but the growth is slowing down in the Baltic States.

Exposure at default according to customer sector ¹⁾

1) Distribution as at 30 June 2008

Organisation and market

- DnB NORD serves more than 770 000 retail and corporate clients through 173 branches and offices in six countries: Denmark, Finland, Estonia, Latvia, Lithuania and Poland.
- DnB NORD employed 3 460 full-time positions at end-June 2008.
- At year-end 2007 DnB NORD was the third largest bank in Lithuania, number four in Latvia and number 24 in Poland, measured by total assets.
- Over the last several years, the Baltic region has experienced strong economic growth and development. DnB NORD expects continued long-term growth in this region, but in the short-term, particularly in Latvia, growth expectations are modest.

Section 4

The Norwegian economy

Basic information

Area	385 199 square kilometres
Population	4.7 million
Fertility rate	1.9
Life expectancy	M: 78.1 F: 82.7
Work participation rate, per cent 16 – 74 years	72.8 (M: 76.0 F:69.5)
Gross domestic product 2007	USD 390.6 billion
GDP per capita 2007	USD 82.400
Rating	AAA, Aaa
Currency exchange rate used	5.86 USD/NOK (average 2007)
Current balance 2007	USD 66.7 billion or 17.0 per cent of GDP

Source: Statistics Norway

Key macro-economic indicators

Per cent	2006	2007	F 2008	F 2009	F 2010
GDP growth					
- Norway, total	2.5	3.7	2.6	1.7	2.0
- Mainland Norway	4.8	6.2	3.3	2.0	2.5
Private consumption	4.7	6.4	3.0	2.2	2.5
Gross fixed investment	7.3	9.3	5.3	0.4	2.2
Inflation (CPI)	2.3	0.8	3.0	2.5	2.6
Savings ratio ¹⁾	0.1	(0.4)	(1.2)	(0.4)	0.5
Unemployment rate	3.5	2.5	2.6	3.0	3.3
Current account ²⁾	17.3	15.4	19.7	25.3	25.6
Net foreign assets ²⁾	61.6	66.0	94.8		
General government budget balance ^{2) 3)}	18.5	17.2	17.9		

1) Per cent of disposable income.

2) Per cent of GDP

3) Source: Ministry of Finance

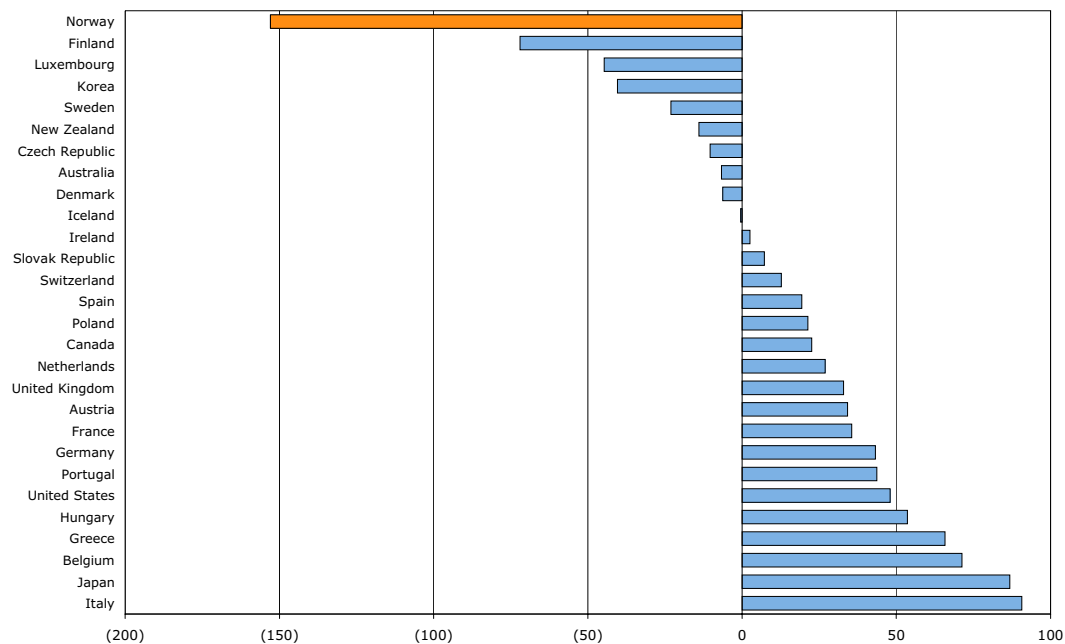
Contribution to volume growth in GDP mainland Norway

Per cent	2006	2007	F 2008	F 2009	F 2010
Household demand	3.0	4.0	1.6	1.0	1.4
Gross fixed capital formation, mainland companies	0.7	1.1	0.6	(0.1)	0.2
Gross fixed capital formation, petroleum activity	(0.5)	1.2	(0.3)	0.5	0.1
Public sector demand	1.2	1.2	0.9	0.9	0.8
Exports, mainland Norway	2.4	2.0	1.5	0.5	0.9
Imports, mainland Norway	(2.8)	(3.0)	(1.6)	(0.9)	(1.0)
Changes in stocks and statistical discrepancies	0.9	(0.4)	0.5	(0.0)	(0.0)
GDP, mainland Norway	4.8	6.2	3.3	2.0	2.5

Source: Statistics Norway and DnB NOR Markets

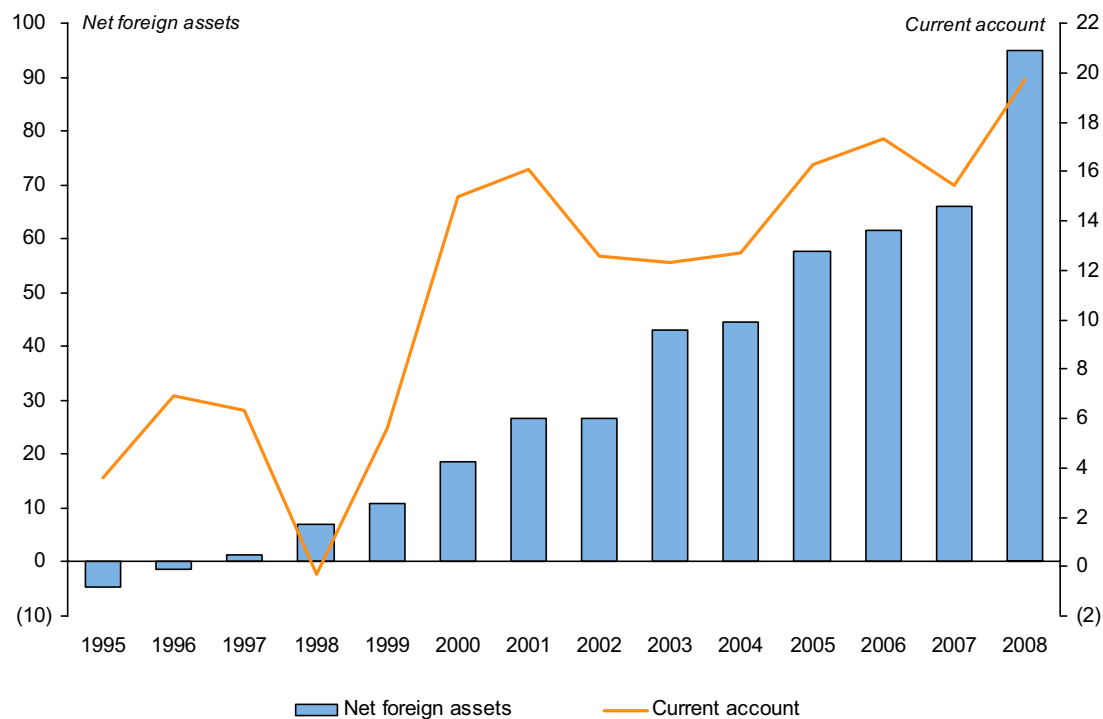
Government net financial liabilities 2008

Per cent of GDP



Current account and net foreign assets (incl. private sector) ¹⁾

Per cent of GDP

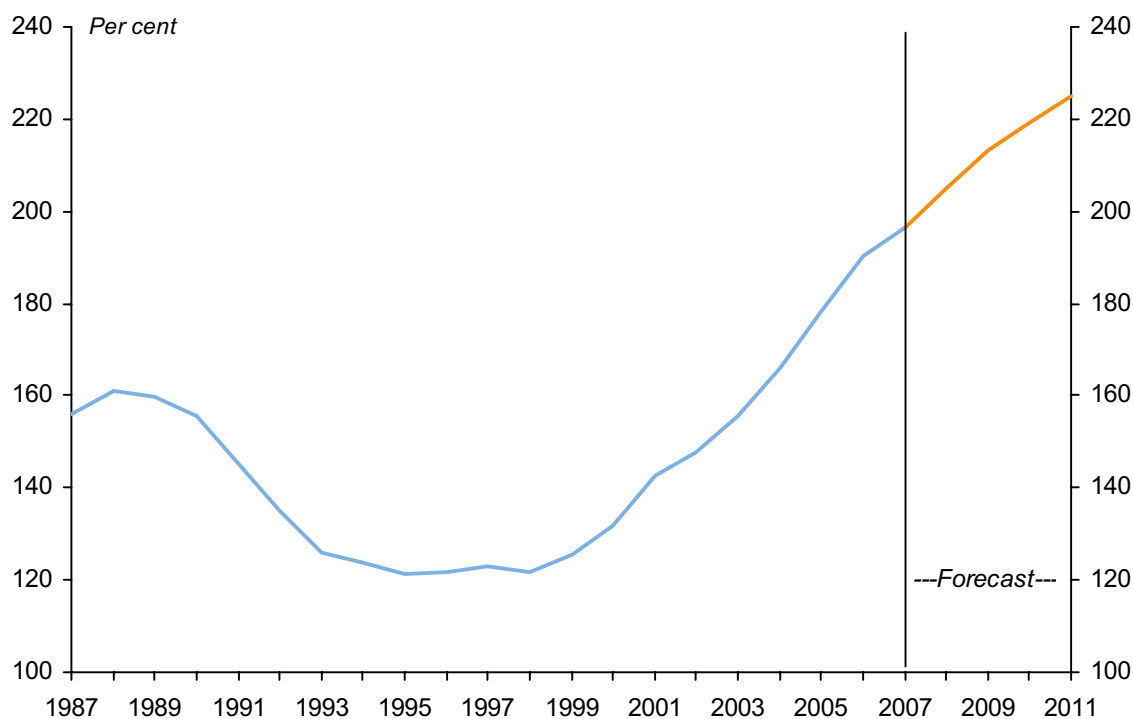


Source: Ministry of Finance, Statistics Norway and DnB NOR

1) The projections are based on an assumed oil price of NOK 424 per barrel in 2007 and NOK 609 per barrel in 2008. The oil price was NOK 501 per barrel in December 2007, NOK 553 in April 2008 and NOK 684 on 9 July 2008.

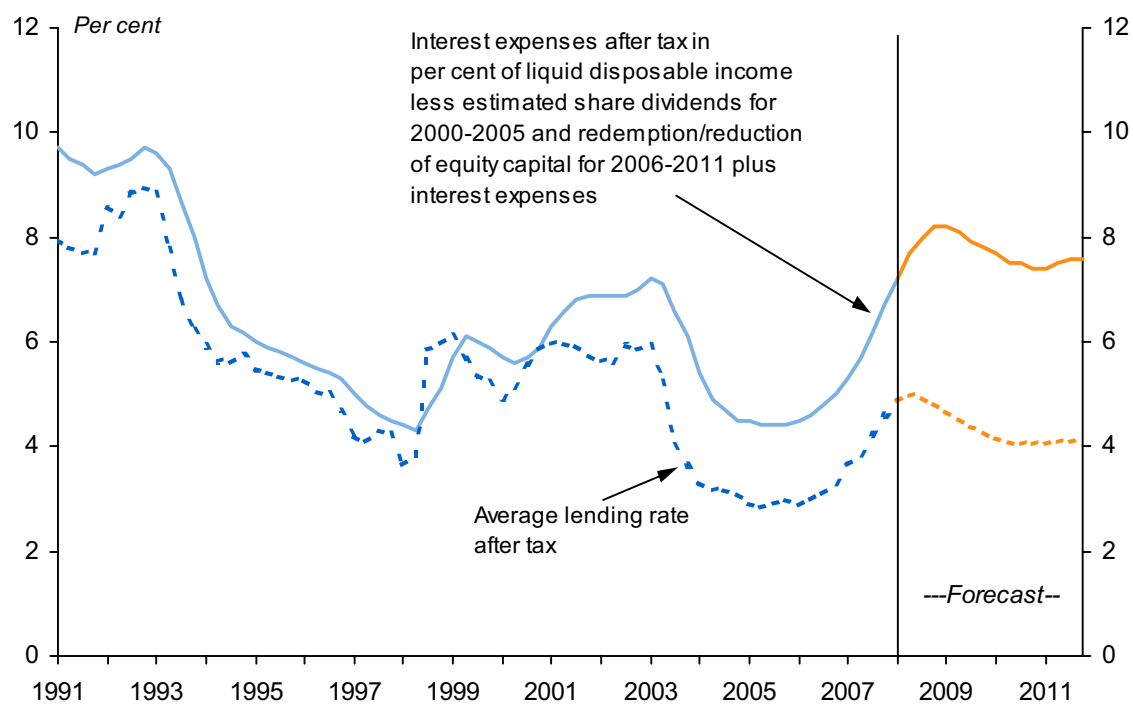
Household debt burden

Loan debt in per cent of liquid disposable income less estimated reinvested share dividend payments



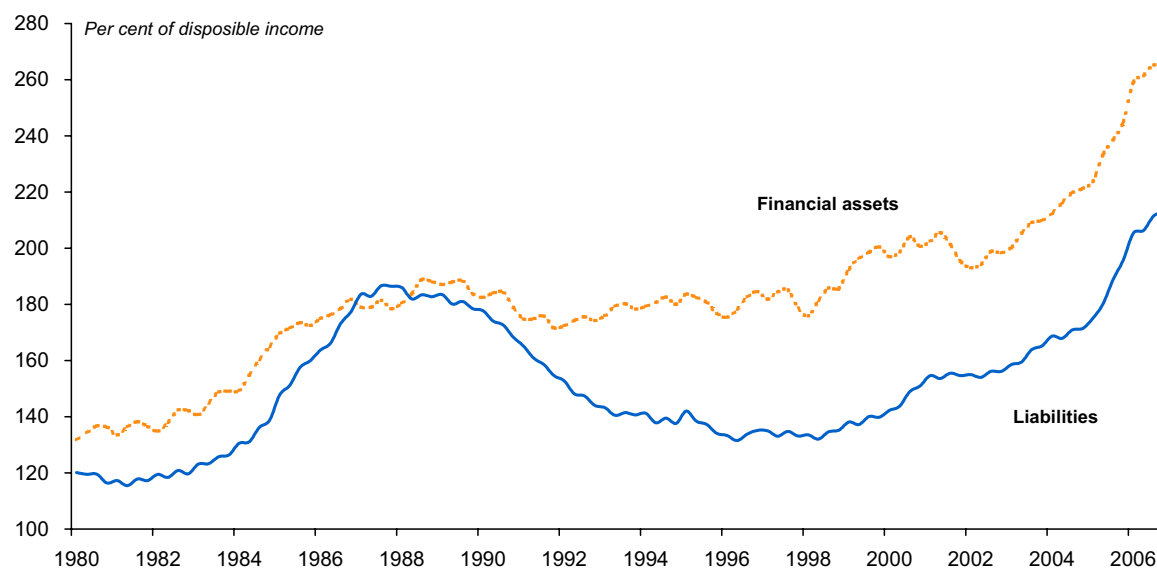
Source: Norges Bank

Household interest burden



Source: Norges Bank

Household financial assets and liabilities



Source: EcoWin

Financial market growth

Percentage change from previous year	31 Dec. 2005	31 Dec. 2006	31 Dec. 2007	31 May 2008
Credit ¹⁾				
Total	14.7	13.5	15.7	15.5 ⁴⁾
- of which commercial and savings banks	18.2	17.6	13.2	11.1
- of which commercial and savings banks, mortgage institutions and finance companies	15.6	16.3	15.7	15.2
Total retail market	13.7	13.9	11.7	10.3
Total corporate market	15.5	13.5	18.6	18.8 ⁴⁾
Savings				
Total ²⁾	15.1	16.2	12.1	6.1 ⁴⁾
- of which commercial and savings banks	9.9	18.3	14.1	7.1
Total retail market ²⁾	18.2	8.1	3.9	1.2 ⁴⁾
Total corporate market ³⁾	13.3	23.9	18.7	9.3 ⁴⁾

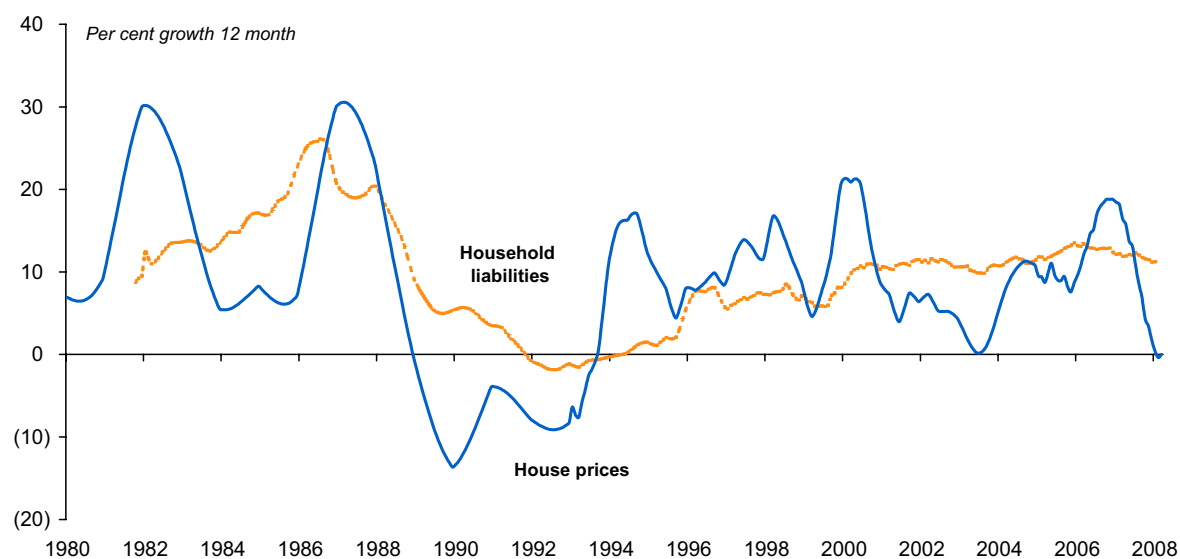
1) Commercial and savings banks, state banks, insurance companies, mortgage institutions, finance companies, bonds, commercial paper, foreign institutions.

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

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

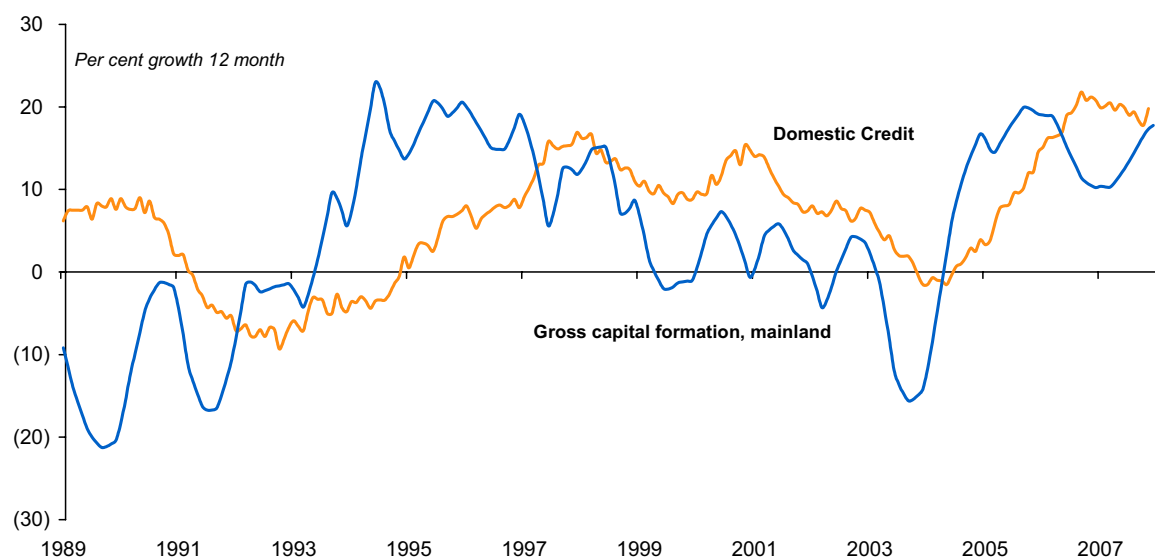
4) As at 31 March 2008.

House prices and household liabilities



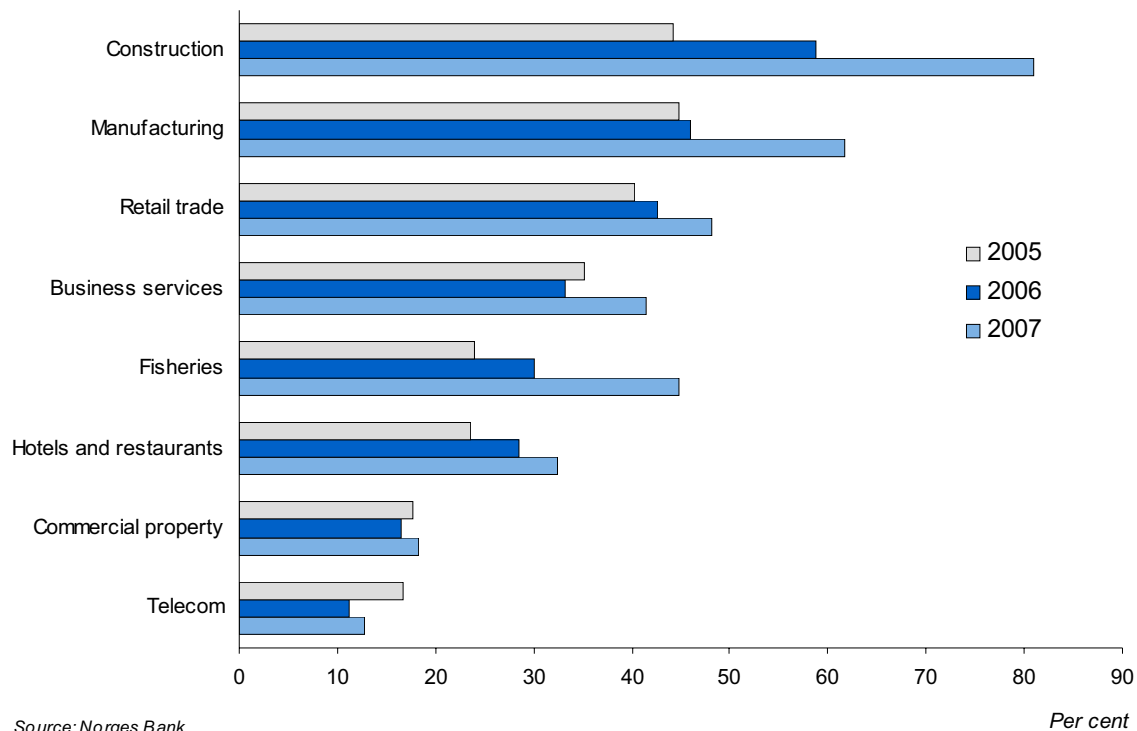
Source: Statistics Norway and Norges Bank

Corporates: domestic credit and gross capital formation, mainland



Source: Statistics Norway and Norges Bank

Debt-servicing capacity for different industries ^{1) 2)}

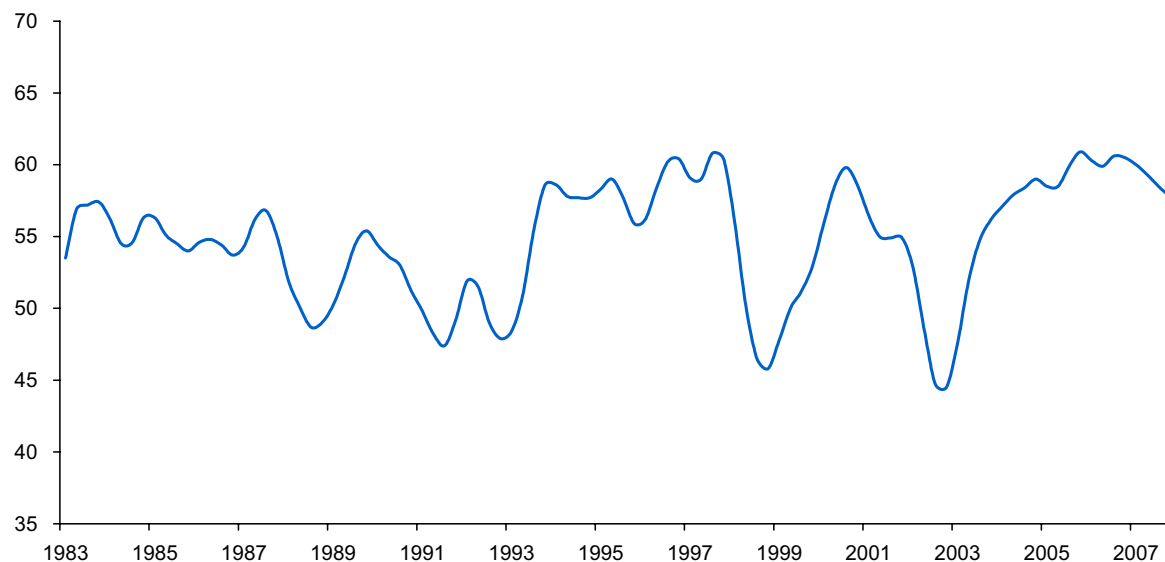


1) Ordinary results before tax, write-downs and depreciations as a percentage of bank debt and bonds. Non-financial firms, mainland Norway. Group-financed firms are not included.

2) Projections for 2007 are based on a sample of financial statements that were submitted early.

Business surveys, manufacturing sector

General judgement of outlooks for next quarter, trend



1) The survey is based on a sample of mainly larger enterprises. The survey focuses on the industry leaders judgements of the general business situation and the outlooks for a fixed set of variables e.g. production, new orders etc.

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