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DNB BOLIGKREDITT AS

– a company in the DNB Group

Fourth quarter report 2014
(Preliminary and unaudited)

Financial highlights

DNB Boligkreditt AS

Statement of comprehensive income *Amounts in NOK million*	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Net interest income	1 926	2 041	7 650	7 169
Net other operating income	(634)	(276)	(1 120)	(631)
Of which net gains on financial instruments at fair value	*(631)*	*(286)*	*(1 144)*	*(697)*
Operating expenses	1 340	1 644	5 504	5 620
Impairment of loans and commitments	(6)	8	1	16
Pre-tax operating profit	(42)	113	1 024	901
Tax expense	(11)	(171)	277	51
Profit for the period	(30)	283	748	850

Balance sheet *Amounts in NOK million*	31 Dec. 2014	31 Dec. 2013
Total assets	644 733	578 420
Loans to customers	555 625	532 284
Debt securities issued	472 368	420 451
Total equity	29 407	25 166

Key figures *Per cent*	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Combined weighted total average spread for lending [1)]	1.31	1.44	1.30	1.21
Return on equity, annualised	(0.4)	1.7	2.7	3.6
Common equity Tier 1 capital ratio, transitional rules (%)	12.7	11.2	12.7	11.2
Capital ratio, transitional rules (%)	14.9	13.3	14.9	13.3
Impairments relative to average net loans to customers, annualised	0.00	0.00	0.00	0.00
Net non-performing and impaired loans, per cent of net loans	0.14	0.14	0.14	0.14

1) Based on nominal values excluding impaired loans, measured against actual funding cost.

Fourth quarter report 2014

Directors' report

DNB Boligkreditt AS is the DNB Group's vehicle for the issue of covered bonds based on residential mortgages. The company's offices are located in Oslo. DNB Boligkreditt is a wholly-owned subsidiary of DNB Bank ASA and is reported as part of the Personal Banking Norway business area in DNB's consolidated accounts. Based on developments in international capital markets, DNB Boligkreditt has come to play a key role in ensuring long-term favourable funding for the Group. The rating agencies' assessments are of significance to the company's funding terms. On 17 January 2014, Fitch Ratings affirmed and withdrew the A+ rating of both DNB Bank and its special purpose entity DNB Boligkreditt at the issuer's request. In addition, the rating on DNB Boligkreditt's covered bond programmes was affirmed at AAA and subsequently withdrawn. DNB Boligkreditt's covered bond programmes continue to be rated AAA by Moody's and Standard & Poor's.

Financial accounts

DNB Boligkreditt recorded a loss of NOK 30 million in the fourth quarter of 2014, compared with a profit of NOK 283 million in the fourth quarter of 2013. The profit for the full year 2014 was NOK 748 million, compared with a profit of NOK 850 million in 2013.

Total income

Income totalled NOK 1 292 million in the fourth quarter of 2014, down from NOK 1 765 million in the year-earlier period.

Amounts in NOK million	4th quarter 2014	Change	4th quarter 2013
Total income	1 292	473	1 765
Net interest income		(114)	
Net commission and fee income		(14)	
Net gains (losses) on financial instruments at fair value		(345)	

The decline in net interest income was mainly due to a decrease in interest rate spreads.

The recorded losses on financial instruments reflect the effects of unrealised changes in the market value of covered bonds, derivatives and loans recorded at fair value. Gains and losses from such instruments tend to vary considerably from quarter to quarter and will typically be reversed in subsequent periods due to stabilising markets or because the maturity dates of the instruments are approaching.

Amounts in NOK million	2014	Change	2013
Total income	6 530	(8)	6 538
Net interest income		481	
Net commission and fee income		(40)	
Net gains (losses) on financial instruments at fair value		(447)	
Net other income		(2)	

Loans to customers grew by 4 per cent in 2014, which gave an increase in net interest income.

The negative effects of financial instruments were mainly due to an increase in the market value of debt securities issued. The effect from financial instruments was negative also in 2012 and 2013, though it was less negative in 2013.

Operating expenses and impairment of loans

Operating expenses are volatile due to the management fee paid to DNB Bank. The cooperation with DNB Bank is formalised through an extensive servicing agreement that ensures DNB Boligkreditt sound competence in key areas and cost-effective operations. The management fee calculation is based primarily on lending volume and the spreads achieved. The size of the management fee to the bank is related to net interest income. The fee amounted to NOK 1 356 million in the fourth quarter of 2014, down from NOK 1 639 million in the fourth quarter the year before. The management fee for the full year 2014 was NOK 5 469 million.

The company has generally recorded low impairment losses on loans. In 2014, impairment losses amounted to NOK 1.4 million. The Board of Directors considers the level of impairment to be satisfactory relative to the high quality of the loan portfolio.

Funding, liquidity and balance sheet

Balance sheet

At year-end 2014, DNB Boligkreditt had total assets of NOK 644.7 billion under management, an increase of NOK 66.3 billion or 11.5 per cent from year-end 2013.

Amounts in NOK million	31 Dec. 2014	Change	31 Dec. 2013
Total assets	644 733	66 313	578 420
Loans to customers		23 341	
Financial derivatives		42 953	
Other assets		19	
Total liabilities	615 326	62 071	553 254
Due to credit institutions		4 479	
Financial derivatives		315	
Debt securities issued		51 916	
Subordinated loan capital		(2)	
Other liabilities		5 361	

The increase in loans to customers originates from the acquisition of residential mortgage portfolios from DNB Bank and the sale of new loans through the bank's distribution network.

Debt securities issued increased by a net NOK 51.9 billion from year-end 2013. The company issued covered bonds under existing programmes totalling NOK 51.1 billion during 2014. Total debt securities issued amounted to NOK 472.4 billion at year-end 2014.

Risk and capital adequacy

The company has established guidelines and limits for management and control of the different types of risk.

Currency risk is eliminated through the use of financial derivatives. Interest rate and liquidity risk is managed in accordance with stipulations concerning covered bonds in the Financial Institutions Act and guidelines and limits approved by the Board of Directors. The company's overall financial risk is considered to be low.

Changes in the market value of the company's bonds due to credit risk are monitored on a daily basis.

The servicing agreement with DNB Bank comprises administration, bank production, IT operations and financial and liquidity management. The fee structure in the servicing agreement shall ensure a stable return on equity, but does not take the effects of unrealised gains or losses on financial instruments into consideration. Operational risk is assessed to be low.

Negative developments in the housing market affect the company. A decline in housing prices will reduce the value of the company's cover pool relative to the statutory asset coverage requirement. Quarterly stress tests are carried out to estimate the effects of a negative development in housing prices. A short-term measure to meet a significant fall in housing prices will be to supply DNB Boligkreditt with more substitute collateral. The Board of Directors considers the company's total risk exposure to be low.

At year-end 2014, the company's equity totalled NOK 29.4 billion, of which NOK 27.6 billion represented Tier 1 capital. Total primary capital in the company was NOK 32.5 billion. The Tier 1 capital ratio was 12.7 per cent, while the capital adequacy ratio was 14.9 per cent.

New regulatory framework

The new EU capital requirements regulations, called the CRR/CRD IV regulations, entered into force on 1 January 2014. The CRR/CRD IV regulations entail significantly higher own funds requirements and new requirements for long-term funding and liquidity reserves. The regulations are intended to apply to all banks and investment firms within the EEA and will be implemented gradually up to 2019. The new regulations present significant challenges for banks, requiring them to increase earnings to build equity.

Due to a stipulation in the Norwegian Constitution on limited access to yield sovereignty, it has not been possible to incorporate the EU regulations establishing the European Supervisory Authorities, CRR/CRD IV and a number of other EU legislative acts in the area of financial services into the EEA agreement. In the autumn of 2014, Norway and the EU agreed on a solution. The Norwegian government will probably present a proposition about this matter during the first half of 2015. Not until this proposition has been approved can CRR/CRD IV be incorporated in the EEA agreement and Norwegian legislation. Nevertheless, Norway introduced new capital requirements as of 1 July 2013 as the first step in the adaptation to CRR/CRD IV. The capital requirements in Norway imply a gradual increase in capital requirements up till 1 July 2016.

Just like the EU, the Norwegian authorities have chosen to retain the so-called Basel I floor. In the capital adequacy regulations, the Ministry of Finance has specified that the Basel I floor in Norway is a floor for calculating risk-weighted assets. In the EU regulation, however, the Basel I floor is unambiguously defined as a minimum level of capital, which is also reflected in the European Commission's common reporting standard for banks in the EU/EEA. This supervisory practice implies that Norwegian banks appear more weakly capitalised than if the EU's version of the Basel I floor definition had been used.

For systemic risk reasons, the Norwegian authorities have increased capital requirements for home mortgages when these are calculated according to internal models. With effect from the first quarter of 2014, the minimum requirement for the model parameter "loss given default", LGD, was increased from 10 to 20 per cent in the capital adequacy regulations. The minimum requirement applies to the average home mortgage portfolio. On 1 July 2014, Finanstilsynet announced additional calibration requirements for the home mortgage models of IRB banks. Among other things, the minimum requirement for banks' probability of default, PD, estimates for individual loans will be raised to 0.2 per cent. In addition, the average long-term PD level will be increased. The banks completed the recalibration in the second half of 2014 and report capital adequacy figures according to the recalibrated model as from the first quarter of 2015.

Macroeconomic trends

Overall economic growth for Norway's trading partners slowed in 2014. However, there were significant differences between the various countries. In the US and the United Kingdom, growth held up well. The eurozone countries, on the other hand, experienced a virtual stagnation. In Japan, GDP declined in the second quarter in consequence of the VAT increase in April. There was a mixed picture among emerging economies, with brisk growth in China and India and a near economic standstill in Russia and Brazil.

During the second half of 2014, oil prices, expressed in US dollars, were more than halved. This has had different consequences. The fall in oil prices has resulted in a transfer of income from oil producers to oil consumers, and contribute toslightly higher global economic growth. Other effects include cheaper energy prices and lower inflation. Consumer prices were down in the eurozone in 2014. In other countries, there was virtually no inflation.

The Norwegian mainland economy grew by approximately 2.5 per cent in 2014. Most macroeconomic indicators point to a slow-down in the growth rate. This trend could be reinforced by falling oil prices and reduced oil investments. Reduced oil prices are reflected in a lower level of activity on the Norwegian Continental Shelf, with spillover effects on the mainland economy. The fall in oil prices has already caused a depreciation of the Norwegian krone relative to other currencies. This reduces household purchasing power, but strengthens the competitive power of exporters and Norwegian producers in the home market.

Housing prices continued to rise in the autumn of 2014 and were 8 per cent higher at end-December 2014 than a year earlier. The strong trend reflected high population growth, a stable unemployment rate, high construction costs, lower interest rates and a housing shortage in some areas.

The market remained attractive for covered bond issuers with strong credit ratings in 2014. Lower returns in other asset classes seemed to have a positive impact on the demand for covered bonds from highly rated issuers.

Future prospects

Economic forecasts for 2015 indicate global economic growth, especially in emerging economies. This is also the case for Norway, in spite of the sharp fall in oil prices and the depreciation of the Norwegian krone. The pace of growth in the Norwegian economy will probably subside in 2015 as a result of declining oil investments and their spillover effects on the mainland economy.

Stable weighted spreads are anticipated in the markets for personal customers and small and medium-sized enterprises, while weighted spreads in the large corporate segments are expected to be stable or to rise marginally. Lending volumes are expected to increase at an annual rate of 3 to 4 per cent.

Covered bonds have gained a leading position as a funding vehicle for Norwegian banks. Norwegian covered bonds still seem to be regarded as attractive investments with relatively low credit and market risk. The volume of covered bond issues in 2015 is expected to be on a level with 2014. This provides a further sound basis for DNB Boligkreditt's funding activities.

Oslo, 4 February 2015
The Board of Directors of DNB Boligkreditt AS

Bjørn Erik Næss
(chairman)

Reidar Bolme

Elisabeth Ege

Jørn E. Pedersen

Eva-Lill Strandskogen

Øyvind Birkeland
(chief executive officer)

Comprehensive income statement

DNB Boligkreditt AS					
Amounts in NOK million	Note	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Total interest income	7	5 098	5 285	20 565	20 476
Total interest expenses	7	3 171	3 244	12 916	13 307
Net interest income	7	**1 926**	**2 041**	**7 650**	**7 169**
Commission and fee income		(4)	10	22	62
Commission and fee expenses		0	1	2	2
Net gains on financial instruments at fair value	8	(631)	(286)	(1 144)	(697)
Other income		1	1	5	7
Net other operating income		**(634)**	**(276)**	**(1 120)**	**(631)**
Total income		**1 292**	**1 765**	**6 530**	**6 538**
Salaries and other personnel expenses	9	1	2	15	24
Other expenses	9, 15	1 339	1 642	5 490	5 596
Total operating expenses	9	**1 340**	**1 644**	**5 504**	**5 620**
Impairment of loans and commitments	10	(6)	8	1	16
Pre-tax operating profit		**(42)**	**113**	**1 024**	**901**
Tax expense		(11)	(171)	277	51
Profit for the period		**(30)**	**283**	**748**	**850**
Other comprehensive income		(6)	4	(6)	4
Total comprehensive income for the period		**(37)**	**287**	**741**	**854**

Balance sheet

DNB Boligkreditt AS			
Amounts in NOK million	Note	31 Dec. 2014	31 Dec. 2013
Assets			
Due from credit institutions	14,15	360	347
Loans to customers	10,13,14	555 625	532 284
Financial derivatives	13,15	88 740	45 786
Other assets		8	2
Total assets		**644 733**	**578 420**
Liabilities and equity			
Due to credit institutions	14,15	119 584	115 105
Financial derivatives	13,15	12 302	11 987
Debt securities issued	11,13,14	472 368	420 451
Payable taxes		0	0
Deferred taxes		5 722	212
Other liabilities		463	612
Provisions		28	25
Subordinated loan capital	12,14	4 858	4 860
Total liabilities		**615 326**	**553 254**
Share capital		3 077	2 727
Share premium reserve		21 843	18 693
Other equity		4 487	3 746
Total equity		**29 407**	**25 166**
Total liabilities and equity		**644 733**	**578 420**

Statement of changes in equity

DNB Boligkreditt AS

Amounts in NOK million	Share capital	Share premium	Actuarial profit and loss	Other equity	Total equity
Balance sheet as at 31 December 2012	**2 527**	**16 893**	**0**	**2 889**	**22 309**
Implementation of the amended IAS 19 - employee benefits [1)]			3		3
Balance sheet as at 1 January 2013, restated	**2 527**	**16 893**	**3**	**2 889**	**22 313**
Profit for the period				850	850
Other comprehensive income			4		4
Total comprehensive income for the period	**0**	**0**	**4**	**850**	**854**
Share issue 16 December 2013	**200**	**1 800**			**2 000**
Balance sheet as at 31 December 2013	**2 727**	**18 693**	**7**	**3 739**	**25 166**
Balance sheet as at 31 December 2013	**2 727**	**18 693**	**7**	**3 739**	**25 166**
Profit for the period				748	748
Other comprehensive income			(6)		(6)
Total comprehensive income for the period	**0**	**0**	**(6)**	**748**	**741**
Share issue 30 May 2014	350	3 150			3 500
Balance sheet as at 31 December 2014	**3 077**	**21 843**	**0**	**4 487**	**29 407**

1) Changes in accounting principles due to changes in IAS 19, ref. note 1 Accounting principles in the Annual Report 2013.

Share capital

All shares and voting rights of the company are held by DNB Bank ASA. Share capital at the beginning of 2014 was NOK 2 727 million (27 270 000 shares at NOK 100).

In May 2014 3 500 000 shares were issued to DNB Bank ASA. Issue price per share was NOK 1 000. After the issuance, share capital was increased by NOK 350 million to NOK 3 077 million (30 770 000 shares) and share premium was increased by NOK 3 150 million to NOK 21 843 million.

Cash flow statement

Amounts in NOK million	DNB Boligkreditt AS Full year 2014	Full year 2013
Operating activities		
Net receipts/payments on loans to customers	(5 620)	5 356
Interest received from customers	20 627	20 396
Net receipts/payments on loans to/from credit institutions	4 410	(4 049)
Interest received from credit institutions	19	38
Interest paid to credit institutions	(3 113)	(2 931)
Net receipts/payments on the sale of financial assets for investment or trading	(135)	(19)
Net receipts on commissions and fees	20	60
Payments for operating expenses	(5 660)	(5 371)
Taxes paid	(0)	(283)
Net cash flow relating to operating activities	**10 548**	**13 196**
Investing activities		
Net purchase of loan portfolio	(16 379)	(18 105)
Net cash flow relating to investing activities	**(16 379)**	**(18 105)**
Financing activities		
Receipts on issued bonds and commercial paper	51 107	57 202
Payments on redeemed bonds and commercial paper	(44 617)	(46 843)
Interest payments on issued bonds and commercial paper	(9 269)	(11 935)
Receipts on the raising of subordinated loan capital	0	2 800
Interest payments on subordinated loan capital	(183)	(92)
Share issue	3 500	2 000
Group contribution paid	5 236	0
Net cash flow from financing activities	**5 774**	**3 131**
Net cash flow	**(57)**	**(1 778)**
Cash as at 1 January	60	1 838
Net receipts/payments of cash	(57)	(1 778)
Cash at end of period	3	60

The cash flow statement has been prepared in accordance with the direct method and shows receipts and payments of cash and cash equivalents during the year. Cash and cash equivalents is defined as cash and deposits with central banks and deposits with credit institutions with no agreed period of notice.

Note 1 Accounting principles

The fourth quarter accounts of 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual report 2013.

The company's accounting principles and calculation methods are consistent with those applied when preparing the annual financial statements for 2013. No new or amended accounting standards or interpretations have entered into force in 2014 that have had effect on the interim report.

The fourth quarter accounts were approved by the Board of Directors on 4 February 2015.

Operating segments

The company has operations within one operating segment only according to IFRS 8 *Operating segments*. The segment gave a positive return of NOK 748 million for the full year 2014. The company uses the information in the statement of comprehensive income and balance sheet also in its internal reporting.

Note 2 Significant accounting judgements, estimates and assumptions

The preparation of financial information in conformity with IFRS requires the use of estimates and assumptions about future conditions that affect reported income, expenses, assets and liabilities. Use of available information and applications of judgement are inherent in the information estimates. Actual results in the future may differ from such estimates, and the differences may be material to the financial statements. A more detailed description of important estimates and assumtions is presented in the annual report for 2013 in note 1 Significant accounting judgements, estimates and assumptions.

Note 3 Capital adequacy

Primary capital	**DNB Boligkreditt AS**	
Amounts in NOK million	31 Dec. 2014	31 Dec. 2013
Share capital	3 077	2 727
Other equity	26 330	22 439
Total equity	29 407	25 166
Deductions		
Expected losses exceeding actual losses, IRB-portfolios	(766)	(319)
Value adjustments due to the requirements for prudent valuation	(398)	0
Adjustments for unrealised losses/(gains) on liabilites recorded at fair value	157	(74)
Adjustments for unrealised losses/(gains) arising from the institution's own credit risk related to derivative liabilities	(13)	0
Allocated group contributions for payment	(748)	0
Common equity Tier 1 capital	27 640	24 773
Term subordinated loan capital	4 850	4 850
Deductions		
Remaining maturity of less than five years	0	0
Tier 2 capital	4 850	4 850
Total eligible primary capital	32 490	29 623
Risk-weighted volume, transitional rules	217 886	222 032
Minimum capital requirement, transitional rules	17 431	17 763
Common equity Tier 1 capital ratio, transitional rules (%)	12.7	11.2
Capital ratio, transitional rules (%)	14.9	13.3

Due to transitional rules, the minimum capital adequacy requirement cannot be reduced below 80 per cent of the corresponding figure calculated according to the Basel I regulations.

Specification of risk-weighted volume and capital requirements					**DNB Boligkreditt AS**
Amounts in NOK million	Nominal exposure 31 Dec. 2014	EAD [1] 31 Dec. 2014	Risk-weighted volume 31 Dec. 2014	Capital requirements 31 Dec. 2014	Capital requirements 31 Dec. 2013
IRB approach					
Corporate	6 279	6 279	3 616	289	298
Retail - residential property	564 213	564 213	91 291	7 303	3 715
Total credit risk, IRB approach	570 492	570 492	94 906	7 592	4 013
Standardised approach					
Institutions	20 867	20 867	10 433	835	738
Corporate	16 877	16 852	5 970	478	459
Retail - residential property	12 519	11 656	4 308	345	367
Total credit risk, standardised approach	50 263	49 375	20 711	1 657	1 564
Total credit risk	620 755	619 866	115 617	9 249	5 578
Other assets	8	8	8	1	0
Credit value adjustment (CVA)			1 410	113	0
Operational risk			9 499	760	522
Deductions			0	0	0
Total risk-weighted volume and capital requirements before transitional rules			126 534	10 123	6 100
Additional capital requirements according to transitional rules			91 352	7 308	11 663
Total risk-weighted volume and capital requirements			217 886	17 431	17 763

1) EAD, exposure at default.

Note 4 Credit risk

Credit risk is the risk that the company will incur a loss because its customers or counterparties fail to meet their contractual obligations. Credit risk arises from loans and loan commitments as well as from derivatives. The maximum exposure to credit risk, according to IFRS, is the gross carrying amount of the assets, net of any amounts offset in accordance with the standards and net of any recognised impairment losses. In addition, certain off-balance sheet items such as loan commitments represent credit risk. The maximum exposure of loan commitments is the irrevocable amount that may be drawn upon in the future.

DNB Boligkreditt has adopted the credit risk policies as set by the DNB Group. The group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relation to such limits. Collateral are taken to manage credit risk in the loan portfolios. According to the “Agreement relating to transfer of loan portfolio between DNB Bank ASA and DNB Boligkreditt AS”, the day to day monitoring of the loans are managed by DNB Bank on behalf of DNB Boligkreditt.

DNB’s risk classification system is divided into ten risk classes where 1 represents the lowest and 10 the highest risk. The classification system is based on the probability of default (PD) which is an estimate of the likelihood of a counterparty defaulting on its contractual obligations.

DNB Boligkreditt’s majority of credit risk is related to loans to customers with collateral security in residential property, holiday homes and housing associations. DNB Boligkreditt acquires the loans from DNB Bank. The loans are originally granted to customers by DNB Bank, based on the group’s policies and limits. At the time of transfer of loan portfolios from DNB Bank to DNB Boligkreditt, only loans that qualify as collateral for the issue of covered bonds according to the Financial Institutions Act, are accepted by the company. For all these loans, a mortgage over the property is taken and the value of the total loan balance per property should not exceed 75 per cent of the total value of the property. The collateral value is monitored on an ongoing basis.

Credit risk also arises from derivative financial instruments. The maximum credit risk related to derivatives is limited to those with a positive fair value in the balance sheet. All derivative contracts, both those with a current positive value and current negative value, are entered into with DNB Bank as counterparty.

Note 5 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

Market risk arises as a consequence of open positions in interest rates and foreign exchange rates. Changes in these rates may affect both the company’s total comprehensive income for the period as well as values in the balance sheet.

Currency risk
Currency risk may arise from DNB Boligkreditt’s debt securities that are denominated in foreign currencies. DNB Boligkreditt has minimized this currency risk through currency swap agreements with DNB Bank. All issued debt is swapped to NOK.

In accordance with the bank’s policy, positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits.

Interest rate risk
The company is exposed to interest rate risk through its ordinary operations. The company’s strategy is to swap all interest risk exposure to short-term interest. The Board of Directors sets interest risk limits for various fixed-rate periods. The positions are monitored on a daily basis, and monthly exposure reports are prepared for the management and for The Board of Directors.

Basis risk and basis swap spreads
The company enters into basis swaps to manage foreign currency risk due to long-term borrowings in foreign currency.

The basis swaps are recorded at fair value. There may be significant variations in the value of the basis swaps from day-to-day due to increases or reductions in the spreads, which causes unrealized gains and losses in the income statement. Gains and losses from such instruments tend to vary considerably from quarter to quarter and will typically be reversed in subsequent periods due to stabilizing markets or because the maturity dates of the instruments are approaching.

Note 6 Liquidity risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due.

The Board of Directors sets annual limits for the company's liquidity risk, which means preparing liquidity risk limits, contingency plans, organisational aspects and responsibilities, forecasts, stress tests, routines for monitoring limit utilisation and compliance with guidelines, management reporting and independent monitoring of management and control systems.

Covered bonds are the company's primary source of funding. According to Section 2-32 of the Financial Institutions Act*: "the mortgage institution shall ensure that payment flows from the cover assets at all times enable the mortgage institution to meet its payment obligations to the owners of bonds with preferential rights and counterparties in derivative agreements"*. The company's Board of Directors has decided that the company shall, at all times, have positive cash flows within the next 12 months. In a situation where the net cash flow from the lending and funding activities is negative, the company has a long-term overdraft facility in DNB ASA with a total limit of NOK 160 billion.

According to Section 6 in the regulations on sound liquidity management, *"the institution shall analyze the liquidity situation by means of stress tests, which must be adapted to the scope, complexity and risk of operations. Experience from the stress tests shall be used when the Board of Directors considers the liquidity strategy and approves liquidity risk limits".* As part of its liquidity risk management, the company prepares liquidity stress tests with quarterly reporting to the Board of Directors. Important parameters in the stress tests are developments in non-performing volume and reductions in housing prices.

DNB Boligkreditt liquidity situation at the end of fourth quarter 2014 can be characterised as sound.

Note 7 Net interest income

				DNB Boligkreditt AS
Amounts in NOK million	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Interest on amounts due from credit institutions	3	6	19	38
Interest on loans to customers	5 039	5 226	20 328	20 230
Front-end fees etc.	1	0	4	4
Other interest income	54	53	214	204
Total interest income	**5 098**	**5 285**	**20 565**	**20 476**
Interest on amounts due to credit institutions	512	421	2 141	1 893
Interest on debt securities issued	2 579	2 717	10 173	10 405
Interest on subordinated loan capital	41	27	180	95
Net interest income/expenses, derivatives	39	79	421	915
Total interest expenses	**3 171**	**3 244**	**12 916**	**13 307**
Net interest income	**1 926**	**2 041**	**7 650**	**7 169**

Note 8 Net gains on financial instruments at fair value

				DNB Boligkreditt AS
Amounts in NOK million	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Net gains on loans at fair value (fixed-rate loans) [1)]	472	413	1 425	147
Net gains on financial liabilities (long-term borrowing in NOK) [2)]	(506)	31	(1 586)	190
Total gains on financial instruments, designated as at fair value	**(34)**	**444**	**(161)**	337
Net gains on foreign exchange and financial derivatives, trading [3) 4)]	(943)	(731)	(1 498)	(1 034)
Net gains on financial derivatives, hedging [4) 5)]	1 743	23 461	12 181	27 612
Net gains on financial liabilities, hedged items [5)]	(1 397)	(23 461)	(11 665)	(27 612)
Net gains on financial instruments at fair value	**(631)**	**(286)**	**(1 144)**	**(697)**

1) *DNB Boligkreditt's fixed-rate loans are measured at fair value. Increased interest rates, including credit margins, will reduce the fair value of already originated loans. However, new loans granted with a higher interest rate, including credit margin, will over time lead to increased interest income. The fair value adjustments of the company's fixed-rate loans are reversed over the loans' remaining term to maturity.*

2) *DNB Boligkreditt's long-term borrowing in Norwegian kroner is carried at fair value. The market value of such funding is impacted by the interest rate, including own credit risk premium. Reduced interest rates, including own credit risk premium, will increase the fair value of already issued Norwegian kroner liabilities. However, new funding issued at lower credit risk premiums will over time lead to decreased interest expenses. The fair value adjustments of the company's Norwegian kroner debt are reversed over the loans' remaining term to maturity. There was a NOK 8.1 million decrease in market values in the fourth quarter of 2014 (positive effect on profits) due to such credit risk premium effects, compared with a NOK 8.5 million increase in market values in the fourth quarter of 2013 (negative effect on profits). For the year 2014 the effect was NOK 748.0 million increase in market values (negative effect on profits), compared with a NOK 317.2 million increase in market values in 2013 (negative effect on profits). Accumulated negative mark-to-market effects by the end of 2014 were NOK 963.1 million, compared with a negative NOK 215.0 million by the end of 2013.*

3) *DNB Boligkreditt enters into swaps to manage interest-rate risk for the fixed-rate loans and bonds issued in Norwegian kroner. Such derivatives are recorded at fair value. Additionally, the company enters into basis swaps to manage foreign currency risk from DNB Boligkreditt's long-term borrowing in foreign currencies. The swaps are entered into at the time of issuing the bonds and are continuously monitored until maturity. Hedge accounting is not used for these economic hedges. These derivatives are carried at fair value (see footnote 4). There may be significant variations in the value of the basis swaps from day to day, due to changes in basis swap spreads which are recorded as unrealised gains and losses in the total comprehensive income for the period. There was a NOK 361.6 million increase in market values in the fourth quarter of 2014 (positive effect on profits) due to such basis swap spread effects, compared with a NOK 452.6 million decrease in the fourth quarter of 2013 (negative effect on profits). For the year 2014 the effect was a NOK 71.6 million decrease in market values (negative effect on profits), compared with a NOK 1 122.5 million decrease in market values in 2013 (negative effect on profits). Accumulated positive mark-to-market effects by the end of 2014 were NOK 40.9 million, compared with accumulated positive effects of NOK 112.5 million by the end of 2013.*

4) *All derivatives are measured at fair value. As part of this valuation a credit value adjustment (CVA) and debit value adjustment (DVA) is estimated to incorporate the counterparty credit risk as well as its own credit risk. During the fourth quarter of 2014 the company has further developed its estimation method to even better utilize external input parameters to the extent possible. Consequently, NOK 537 million has been recognised in the income statement in the period of which NOK 401 million relates to periods prior to fourth quarter.*

5) *As from 1 January 2014, DNB Boligkreditt uses hedge accounting only for the interest rate component inherent in the long-term borrowings in foreign currency. With respect to hedged liabilities, the change in fair value of the hedged item is charged to the income statement. Derivatives that are designated as hedging instruments in hedging relationships are recorded at fair value (see footnote 4). Changes in fair value arising from hedged risk are presented under Net gains on financial derivatives, hedging. Foreign currency borrowing is hedged with swaps ensuring a high correlation between interest rates on the hedged items and the hedging instruments. In the table, the interest rate exposure of the short leg of the swap, representing a three-month unhedged interest rate exposure, is included in changes in value of the hedging instrument.*

Note 9 Operating expenses

Amounts in NOK 1 000	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
	DNB Boligkreditt AS			
Salaries	1 539	2 064	7 883	10 730
Employer's national insurance contributions	411	393	1 908	2 091
Severance packages	0	0	0	7 731
Pension expenses [1)]	(1 513)	(1 125)	3 547	2 056
Social expenses	438	566	1 270	1 515
Total salaries and other personnel expenses	**875**	**1 899**	**14 609**	**24 124**
Fees [2)]	1 338 506	1 641 122	5 486 318	5 593 195
Other operating expenses	556	913	3 257	3 169
Total other expenses	**1 339 062**	**1 642 036**	**5 489 575**	**5 596 364**
Total operating expenses	**1 339 938**	**1 643 935**	**5 504 185**	**5 620 488**

1) *Pension expenses for the fourth quarter, both in 2014 and 2013, reflected the reversal of pension expenses recognised in previous quarters, which were too high compared to the actuarial calculation received at the end of the year.*

2) *Fees are mainly management fees paid to DNB Bank ASA for services rendered according to the management agreement. See also note 15 Information on related parties.*

Note 10 Loans to customers

Amounts in NOK million	31 Dec. 2014	31 Dec. 2013
	DNB Boligkreditt AS	
Loans to customers at amortised cost, nominal amount	491 092	458 345
– Individual impairment	48	55
Loans to customers, after individual impairment	491 045	458 290
+ Accrued interest	804	859
– Individual impairment of accrued interest and amortisation	46	43
Loans to customers, at amortised cost	**491 803**	**459 106**
Loans to customers at fair value, nominal amount	61 147	71 907
– Individual impairment	2	3
Loans to customers, after individual impairment	61 145	71 903
+ Accrued interest	120	145
+ Adjustment to fair value	2 661	1 236
Loans to customers, at fair value	**63 925**	**73 285**
– Collective impairment	103	107
Total loans to customers	**555 625**	**532 284**

Impairment allowances

Amounts in NOK million	31 Dec. 2014	31 Dec. 2013
	DNB Boligkreditt AS	
Individual impairment	50	58
Individual impairment of accrued interest	46	43
Collective impairment	103	107
Impairment allowances as at end of period	**198**	**208**

Impairment expenses

Amounts in NOK million	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
	DNB Boligkreditt AS			
Individual impairment	2	27	9	35
Collective impairment [1)]	(7)	(18)	(4)	(16)
Recoveries of previous write-offs	(1)	(0)	(3)	(4)
Impairment expenses	**(6)**	**8**	**1**	**16**

1) *Based on the DNB Group's calculation model and statistics. Further information about collective impairments can be found in note 1 Accounting Principles in DNB Boligkreditt's annual report 2013.*

Note 11 Debt securities issued

Debt securities issued	**DNB Boligkreditt AS**	
Amounts in NOK million	31 Dec. 2014	31 Dec. 2013
Listed covered bonds, nominal amount	382 788	355 746
Private placements under the bond programme, nominal amount	57 238	48 461
Total bonds, nominal amount	440 026	404 207
Accrued interest	4 768	4 222
Unrealised gains 1)	27 574	12 022
Adjustments	32 342	16 245
Total debt securities issued	**472 368**	**420 451**

1) *Unrealised gains comprise of adjustments for net gain attributable to hedged risk on debt securities that are accounted for as hedged items and mark-to-market adjustments on debt securities that are designated as at fair value through profit or loss (fair value option).*

Changes in debt securities issued						**DNB Boligkreditt AS**
Amounts in NOK million	Balance sheet 31 Dec. 2014	Issued 2014	Matured/ redeemed 2014	Exchange rate movements 2014	Changes in adjustments 2014	Balance sheet 31 Dec. 2013
Bond debt, nominal amount	440 026	51 107	(44 617)	29 329		404 207
Adjustments	32 342				16 097	16 245
Total debt securities issued	**472 368**	**51 107**	**(44 617)**	**29 329**	**16 097**	**420 451**

Maturity of debt securities issued			**DNB Boligkreditt AS**
Amounts in NOK million	NOK	Foreign currency	Total
2015	3 889	45 487	49 376
2016	9 698	64 104	73 802
2017	11 625	48 587	60 212
2018	23 500	51 363	74 863
2019	23 622	38 768	62 390
2020 and later	17 000	102 382	119 382
Total bond debt	**89 334**	**350 692**	**440 026**

Debt securities issued - matured/redeemed during the period **DNB Boligkreditt AS**

Amounts in NOK million

ISIN Code	Currency	Matured/ redeemed amount	Interest	Issued	Matured		31 Dec. 2014	31 Dec. 2013
NO0010477706	NOK	157 000	Floating	2008	2015	Called	390 000	547 000
NO0010485337	NOK	4 688 500	Floating	2009	2014	Called	-	4 688 500
NO0010495575	NOK	26 000	Floating	2010	2016	Called	9 698 000	9 724 000
NO0010503923	NOK	7 226 000	Floating	2009	2017	Called	-	7 226 000
NO0010503931	NOK	9 032 000	Floating	2010	2017	Called	8 800 000	16 832 000
NO0010378730	NOK	4 907 500	Fixed	2007	2014	Called	-	4 907 500
NO0010524390	NOK	9 200 000	Floating	2009	2016	Called	-	9 200 000
NO0010526809	NOK	6 480 000	Floating	2009	2017	Called	-	6 480 000
NO0010571946	NOK	2 001 000	Floating	2010	2015	Called	3 249 000	5 250 000
NO0010534688	NOK	520 500	Floating	2009	2014	Called	-	520 500
	EUR	378 000	Floating	2013	2019	Called	-	378 000
Total debt securities issued, nominal value		**44 616 500**					**22 137 000**	**65 753 500**

Cover pool	**DNB Boligkreditt AS**	
Amounts in NOK million	31 Dec. 2014	31 Dec. 2013
Pool of eligible loans	551 598	527 558
Market value of eligible derivatives	76 438	33 799
Supplementary assets	0	0
Total collateralised assets	**628 035**	**561 357**
Debt securities issued, carrying value	472 368	420 451
Less valuation changes attributable to changes in credit risk on debt carried at fair value	(938)	(414)
Debt securities issued, valued according to regulation 1)	**471 430**	**420 038**
Collateralisation (per cent)	133.2	133.6

1) *The debt securities issued are bonds with preferred rights in the appurtenant cover pool. The composition and calculation of values in the cover pool are defined in Sections 2-28 and 2-31 of the Financial Institutions Act with appurtenant regulations.*

Note 12 Subordinated loan capital

						DNB Boligkreditt AS	
Amounts in NOK million	Currency	Nominal amount	Interest rate	Issue date	Maturity date	31 Dec. 2014	31 Dec. 2013
Term subordinated loan capital	NOK	850 000	3 month Nibor + 400 bp	2009	2019	850	850
Term subordinated loan capital	NOK	4 000 000	3 month Nibor + 170 bp	2013	2023	4 000	4 000
Accrued interest						8	10
Total subordinated loan capital						**4 858**	**4 860**

Note 13 Financial instruments at fair value

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1
Valuation based on quoted, unadjusted prices in active markets for identical assets and liabilities. DNB Boligkreditt has no financial instruments in this category.

Level 2
Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Valuation of interest rate swaps and currency swaps is based on level 2 techniques. The valuation is based on swap curves that are based on observable market prices. Credit risk is considered to have an insignificant effect on the fair value.

Debt securities issued in Norwegian kroner are also measured at fair value based on level 2 techniques. The valuation of the bonds is primarily based on observable market data in the form of interest rate curves and credit margins.

Level 3
Techniques for which inputs that have a significant effect on the recorded fair value are not based on observable market data.

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

					DNB Boligkreditt AS
Amounts in NOK million	Valuation based on quoted prices in an active market Level 1	Valuation based on observable market data Level 2	Valuation based on other than observable market data Level 3	Accrued interest [1)]	Total
Assets as at 31 December 2014					
Loans to customers	-	-	63 807	120	63 927
Financial derivatives	-	88 740	-	-	88 740
Liabilities as at 31 December 2014					
Debt securities issued	-	92 392	-	597	92 988
Financial derivatives	-	12 302	-	-	12 302

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

Note 14 Fair value of financial instruments at amortised cost

Most assets and liabilities in the DNB Boligkreditt's balance sheet are carried at amortised cost.

Amortised cost is the historical cost of the asset or liability at initial recognition, adjusted for repayments of principal, amortisations based on the effective interest rate method and impairments. The value is not based on current market conditions, but rather accounted for based on the originally agreed terms, so in general there will be a difference between the amortised cost value and market value.

The difference is mainly related to changes in credit risk. Fair value includes both positive and negative value changes in credit risk while amortised cost is not adjusted for positive value changes and only to some extent adjusted for negative value changes through impairment.

The table shows estimated fair values of items carried at amortised cost. Values are measured based on the valuation methods described in note 13.

Fair value of financial instruments at amortised cost — **DNB Boligkreditt AS**

	31 December 2014		31 December 2013	
Amounts in NOK million	Carrying amount	Fair value	Carrying amount	Fair value
Due from credit institutions	360	360	347	347
Loans to customers	491 896	491 896	459 204	459 204
Total financial assets	**492 255**	**492 255**	**459 551**	**459 551**
Due to credit institutions	119 584	119 584	115 105	115 105
Debt securities issued	379 379	383 821	296 827	300 361
Subordinated loan capital	4 858	4 908	4 860	4 592
Total financial liabilities	**503 821**	**508 312**	**416 792**	**420 058**

DNB Boligkreditt AS

Amounts in NOK million	Valuation based on quoted prices in an active market Level 1	Valuation based on observable market data Level 2	Valuation based on other than observable market data Level 3	Accrued interest	Total
Assets as at 31 December 2014					
Due from credit institutions	-	360	-	-	360
Loans to customers	-	-	491 092	804	491 896
Liabilities as at 31 December 2014					
Due to credit institutions	-	119 584	-	-	119 584
Debt securities issued	-	379 650	-	4 171	383 821
Subordinated loan capital	-	-	4 899	8	4 908

For floating rate loans to customers, the interest rates and margins are changed when the market rates change. The customers have to be notified of all changes in advance of the changes being put into effect, so there is a short period of time where the terms of the loans diverge from market rates. However this delay in timing is considered to have an immaterial effect to the total value of the loans hence the carrying value of these loans are considered to be a relevant measure for fair value.

Debt securities issued that are carried at amortised cost are subject to hedge accounting of its interest rate risk. The hedging relationship between the bonds and their designated interest rate swaps are considered to be effective and accounted for as fair value hedges. The amortised cost value is adjusted by the fair value change of the hedged risk. Changes in credit risk are not subject to hedge accounting.

Subordinated loan capital is at floating interest rates and carried at amortised cost. Loans due to credit institutions are mainly at floating interest rates and carried at amortised cost, which is considered not to diverge significantly from fair value.

Note 15 Information on related parties

DNB Boligkreditt AS is a subsidiary within the DNB Group. During the quarter many transactions, mostly related to the ordinary course of business, take place between DNB Boligkreditt and other group entities. All transactions are at markets terms. Major transactions with related parties:

DNB Bank ASA

DNB Bank ASA (the bank) is the parent of DNB Boligkreditt. As part of ordinary business transactions, a large number of banking transactions are entered into between DNB Boligkreditt and the bank, including loans, deposits and financial derivatives used in currency and interest rate risk management. All transactions are carried out at market terms, and regulated in the ”Agreement relating to transfer of loan portfolio between DNB Bank ASA and DNB Boligkreditt AS” (the transfer agreement) and the ”Contract concerning purchase of management services” (the management agreement).

The transfer agreement regulates the transfer of loan portfolios qualifying as collateral for the issue of covered bonds. During the fourth quarter of 2014, portfolios of NOK 3.6 billion were transferred from the bank to DNB Boligkreditt.

Pursuant to the management agreement, DNB Boligkreditt purchases services from the bank, including administration, bank production, distribution, customer contact, IT operations, financial and liquidity management. DNB Boligkreditt pays a monthly management fee for these services based on the lending volume under management and the achieved lending spreads. The management fee paid is recognised as “Other expences” in the statement of comprehensive income and amounted to NOK 1 356 million for the fourth quarter of 2014 (NOK 1 639 million for the fourth quarter of 2013).

In the balance sheet ”Due from credit institutions” and “Due to credit institutions” are solely outstandings with DNB Bank. All derivative contracts are with DNB Bank as counterparty. At end-December, the bank had invested NOK 25.5 billion in covered bonds issued by DNB Boligkreditt.

In the fourth quarter of 2013, DNB Boligkreditt entered into a "Revolving Credit Facility Agreement (RCF)" with DNB Bank ASA. Subject to the terms of this RCF, DNB Bank makes available to DNB Boligkreditt a revolving credit facility at all times equal to DNB Boligkreditt's payment obligations in NOK for the next 12 months in respect of issued Covered Bonds and related derivative hedge agreements. DNB Boligkreditt shall apply all amounts borrowed by it under the RCF towards payments under Covered Bonds and related derivative contracts entered into for hedging purposes for those Covered Bonds. DNB Boligkreditt may not make use of the RCF for the fulfillment of payment obligations related to the ordinary (re-) purchase of Covered Bonds (if any), or to derivative agreements related to such Covered Bonds. The obligations of DNB Bank towards DNB Boligkreditt under the RCF does not constitute a guarantee in respect of amounts due and payable under the Covered Bonds.

DNB Livsforsikring ASA

As part of the company's ordinary investment activity, DNB Livsforsikring has subscribed for covered bonds issued by DNB Boligkreditt. At end-December 2014, DNB Livsforsikring's holding of listed DNB Boligkreditt bonds was valued at NOK 1.9 billion.

DNB Næringskreditt AS

DNB Næringskreditt has no employees and purchases administrative services from DNB Boligkreditt. The fee received for such services is recognised as “Other income” in the income statement and amounted to NOK 1.4 million for the fourth quarter of 2014.

Note 16 Contingencies and post-balance sheet events

DNB Boligkreditt is not involved in any legal actions.

No information has come to light about important circumstances which had occurred on the balance sheet date on 31 December 2014 and up till the Board of Directors' final consideration of the accounts on 4 February 2015.

Key figures

DNB Boligkreditt AS	4th quarter 2014	4th quarter 2013	Full year 2014	Full year 2013
Rate of return/profitability				
Return on equity, annualised (%) [1)]	(0.4)	1.7	2.7	3.6
Financial strength at end of period				
Common equity Tier 1 capital ratio, transitional rules (%)	12.7	11.2	12.7	11.2
Capital ratio, transitional rules (%)	14.9	13.3	14.9	13.3
Common equity Tier 1 capital (NOK million)	27 640	24 773	27 640	24 773
Risk-weighted volume, transitional rules (NOK million)	217 886	222 032	217 886	222 032
Loan portfolio and impairment				
Impairment relative to average net loans to customers, annualised	0.00	0.00	0.00	0.00
Non-performing and doubtful loans, per cent of gross loans	0.23	0.24	0.23	0.24
Non-performing and doubtful gross loans, end of period (NOK million)	1 295	1 258	1 295	1 258
Net non-performing and net doubtful loans, per cent of net loans	0.14	0.14	0.14	0.14
Net non-performing and net doubtful loans, end of period (NOK million)	765	729	765	729
Staff				
Number of full-time positions at end of period	8	9	8	9

1) *Average equity is calculated on the basis of book value of equity.*

Profit and balance sheet trends

Comprehensive income statement — **DNB Boligkreditt AS**

Amounts in NOK million	4th quarter 2014	3rd quarter 2014	2nd quarter 2014	1st quarter 2014	4th quarter 2013
Total interest income	5 098	5 126	5 198	5 144	5 285
Total interest expenses	3 171	3 335	3 276	3 134	3 244
Net interest income	**1 926**	**1 791**	**1 922**	**2 010**	**2 041**
Commission and fee income	(4)	5	10	10	10
Commission and fee expenses	0	1	0	0	1
Net gains on financial instruments at fair value	(631)	213	(162)	(564)	(286)
Other income	1	1	1	1	1
Net other operating income	**(634)**	**219**	**(152)**	**(553)**	**(276)**
Total income	**1 292**	**2 010**	**1 770**	**1 458**	**1 765**
Salaries and other personnel expenses	1	4	4	6	2
Other expenses	1 339	1 269	1 369	1 512	1 642
Total operating expenses	**1 340**	**1 273**	**1 373**	**1 518**	**1 644**
Impairment of loans and commitments	(6)	(4)	6	6	8
Pre-tax operating profit	**(42)**	**741**	**391**	**(66)**	**113**
Tax expense	(11)	200	106	(18)	(171)
Profit for the period	**(30)**	**541**	**285**	**(49)**	**283**
Other comprehensive income	(6)	0	0	0	4
Comprehensive income for the period	**(37)**	**541**	**285**	**(49)**	**287**

Balance sheet — **DNB Boligkreditt AS**

Amounts in NOK million	31 Dec. 2014	30 Sept. 2014	30 June 2014	31 March 2014	31 Dec. 2013
Assets					
Due from credit institutions	360	930	4 633	742	347
Loans to customers	555 625	550 846	542 820	536 325	532 284
Financial derivatives	88 740	47 866	53 672	44 696	45 786
Deferred tax assets	0	0	0	0	0
Other assets	8	7	1	5	2
Total assets	**644 733**	**599 648**	**601 126**	**581 767**	**578 420**
Liabilities and equity					
Due to credit institutions	119 584	137 588	135 150	129 332	115 105
Financial derivatives	12 302	11 536	11 543	10 833	11 987
Debt securities issued	472 368	409 988	414 628	410 855	420 451
Payable taxes	0	288	0	0	0
Deferred taxes	5 722	5 448	5 536	194	212
Other liabilities	463	476	487	556	612
Provisions	28	23	20	20	25
Subordinated loan capital	4 858	4 858	4 860	4 860	4 860
Total liabilities	**615 326**	**570 205**	**572 223**	**556 650**	**553 254**
Share capital	3 077	3 077	3 077	2 727	2 727
Share premium reserve	21 843	21 843	21 843	18 693	18 693
Other equity	4 487	4 524	3 982	3 697	3 746
Total equity	**29 407**	**29 444**	**28 902**	**25 117**	**25 166**
Total liabilities and equity	**644 733**	**599 648**	**601 126**	**581 767**	**578 420**

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Other sources of information
Annual and quarterly reports
DNB Boligkreditt AS is part of the DNB Bank Group and the DNB Group. Annual and quarterly reports for DNB Boligkreditt AS, the DNB Bank Group and the DNB Group are available on dnb.no.

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