

# Q3

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## DNB BOLIGKREDITT AS

– a company in the DNB Group

Third quarter report 2015  
(Unaudited)

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# Financial highlights

## Comprehensive income statement

	DNB Boligkreditt AS				
	3rd quarter	3rd quarter	January-September		Full year
<i>Amounts in NOK million</i>	2015	2014	2015	2014	2014
Net interest income	1 647	1 791	5 120	5 724	7 650
Net other operating income	1 500	219	3 599	(486)	(1 120)
<i>Of which net gains on financial instruments at fair value</i>	<i>1 507</i>	<i>213</i>	<i>3 615</i>	<i>(513)</i>	<i>(1 144)</i>
Operating expenses	(757)	(1 273)	(2 684)	(4 164)	(5 504)
Impairments on loans and commitments	6	4	7	(8)	(1)
Pre-tax operating profit	2 396	741	6 043	1 066	1 024
Tax expense	(647)	(200)	(1 631)	(288)	(277)
<b>Profit for the period</b>	<b>1 749</b>	<b>541</b>	<b>4 411</b>	<b>778</b>	<b>748</b>

## Balance sheet

<i>Amounts in NOK million</i>	30 Sept.	31 Dec.	30 Sept.
	2015	2014	2014
Total assets	663 680	644 733	599 648
Loans to customers	580 294	555 625	550 846
Debt securities issued	495 895	472 368	409 988
Total equity	37 271	29 407	29 444

## Key figures

<i>Per cent</i>	3rd quarter	3rd quarter	January-September		Full year
	2015	2014	2015	2014	2014
Return on equity, annualised	19.2	7.4	17.7	3.8	2.7
Combined weighted total average spread for lending <sup>1)</sup>	1.08	1.16	1.16	1.30	1.30
Impairment relative to average net loans to customers, annualised	0.00	0.00	0.00	0.00	0.00
Net non-performing and impaired loans, per cent of net loans	0.12	0.14	0.12	0.14	0.14
Common equity Tier 1 capital ratio, transitional rules, at end of period	14.2	12.9	14.2	12.9	12.7
Capital ratio, transitional rules, at end of period	16.3	15.1	16.3	15.1	14.9

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

# Third quarter report 2015

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# 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. DNB Boligkreditt's covered bond programmes are rated AAA by Moody's and Standard & Poor's.

## Financial accounts

DNB Boligkreditt recorded a profit of NOK 1 749 million in the third quarter of 2015, compared with a profit of NOK 541 million in the third quarter of 2014.

### Total income

Income totalled NOK 3 147 million in the third quarter of 2015, up from NOK 2 010 million in the year-earlier period.

Amounts in NOK million	3rd quarter		3rd quarter
	2015	Change	2014
Total income	3 147	1 137	2 010
Net interest income		(144)	
Net commission and fee income		(12)	
Net gains/(losses) on financial instruments at fair value		1 293	

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

The recorded gains 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. The positive effects of financial instruments were mainly due to an increase in the market value of basis swaps.

### 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 791 million in the third quarter of 2015, down from NOK 1 258 million in the third quarter of 2014.

The company has generally recorded low impairment losses on loans. In the third quarter of 2015, the company reported impairment losses of NOK 6 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 end-September 2015, DNB Boligkreditt had total assets of NOK 663.7 billion under management, an increase of NOK 64.0 billion or 10.7 per cent from end-September 2014.

Amounts in NOK million	30 Sept.		30 Sept.
	2015	Change	2014
Total assets	663 680	64 032	599 648
Loans to customers		29 448	
Financial derivatives		34 559	
Other assets		25	
Total liabilities	626 409	56 204	570 205
Due to credit institutions		(32 206)	
Financial derivatives		(388)	
Debt securities issued		85 907	
Deferred taxes		1 759	
Other liabilities		1 132	

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 85.9 billion from end-September 2014. The company issued covered bonds under existing programmes for a total of NOK 31.8 billion during the first three quarters of 2015. Total debt securities issued amounted to NOK 495.9 billion at end-September 2015.

## 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 end-September 2015, the company's equity totalled NOK 37.3 billion, of which NOK 32.1 billion represented Tier 1 capital. Total primary capital in the company was NOK 36.9 billion. The Tier 1 capital ratio was 14.2 per cent, while the capital adequacy ratio was 16.3 per cent.

## New regulatory framework

### Non-risk based capital requirement

In 2011, the Basel Committee proposed a non-risk based capital requirement, "leverage ratio", as a supplement to capital requirements based on risk weighting of banks' exposures. The Basel Committee proposed a minimum requirement of 3 per cent.

The EU's ambition is that the requirement will enter into force as from 2018, though the EU has not yet decided on the capital level. Based on advice from the EBA, the European Commission will prepare a report on the non-risk based capital requirement by year-end 2016. The report will include proposals on a binding minimum requirement or different minimum requirements for various business models. The report will also consider adjustments of the capital measure and the exposure measure.

In a letter to the Ministry of Finance, Finanstilsynet has assessed when and how a non-risk based capital requirement should be introduced in Norway. Finanstilsynet points out that it may be necessary to introduce a minimum non-risk based capital requirement as the lower limit for banks' capital adequacy in connection with possible future changes in the so-called Basel I

floor. According to Finanstilsynet, the capital measure shall consist of common equity Tier 1 capital, even though the EU regulations stipulate that the capital measure shall comprise Tier 1 capital, which is common equity Tier 1 capital plus hybrid capital.

Finanstilsynet recommends that Norwegian banks' non-risk based capital requirement should be at a considerably higher level than 3 per cent. In addition, Finanstilsynet believes that it will be unfortunate if a national minimum requirement is determined which later has to be changed in line with a new definition and calibration in the EU. Thus, Finanstilsynet finds that the introduction plan for CRD IV should be followed.

The non-risk based capital of Norwegian banks is significantly higher than 3 per cent and higher than the average for European banks. This partly reflects the fact that the floor rules are strictly adhered to and that there are stringent requirements for the calibration of the banks' risk models. Nevertheless, Finanstilsynet is of the opinion that overall, Norwegian banks should further increase their non-risk based capital, which will be followed up in the supervisory dialog up till 2018.

### Macroeconomic developments

There is still moderate growth in the global economy, with considerable differences from country to country. Growth has picked up considerably in the US, and the labour market is sound. The first interest rate increase is expected towards the end of the year. In the United Kingdom, economic growth is holding up well. Activity levels have temporarily picked up in the eurozone, reflecting lower energy prices and higher employment growth, though there is still much excess capacity in the economy. High debt levels and limited growth capacity in a number of economies will contribute to continued high unemployment levels and low wage and price growth over the next few years. Many emerging economies are showing signs of weakness. Russia and Brazil are experiencing a setback. Economic growth is showing less momentum in China, and the intensity of the economic slowdown remains uncertain.

After climbing in the spring, the price of oil has declined again since the summer. The price level is now USD 48 a barrel, which is USD 8 lower than at end-December 2014 and as much as USD 54 lower than the price level during the preceding five years. The falling prices contribute to more extensive cost cuts in the petroleum industry and will probably result in a significant reduction in oil investments during the 2015-2017 period. This will have negative spillover effects on the mainland economy in the form of a more moderate increase in demand for goods and services. Moreover, unemployment levels will rise somewhat while wage inflation will

remain moderate. Thus far this year, there has been a declining level of activity among oil suppliers parallel to a rise in unemployment in oil-intensive sectors and regions. However, household demand remains strong. There is still sound growth in housing prices on a national basis, though there are large regional differences. Prices will probably level off over the next three years, reflecting a weaker labour market and more moderate growth in purchasing power.

Interest rate cuts are helping to sustain households' purchasing power and to keep the Norwegian krone weak. A weak krone means higher profitability and improved competitiveness for exporters, who are also experiencing an upswing in demand from other countries. The competitive ability of home market companies exposed to global competition will also improve. Norway is conducting an expansionary fiscal policy. The sustained level of demand in the economy mainly reflects strong increases in public investment in roads and railways.

### Future prospects

Economic forecasts for 2015 indicate moderate global economic growth. Economic growth is also expected in Norway, though it will probably slow down in 2015 as a result of declining oil investments and their spillover effects on the mainland economy. The Norwegian economy has important buffers which help ensure continued growth in the mainland economy and low unemployment levels in an international perspective. A weaker Norwegian krone will be positive for Norwegian industries exposed to competition. Overall, the Norwegian economy will probably grow by just over 1 per cent in both 2015 and 2016, whereafter the growth rate is expected to reach more normal levels. In 2018, the growth rate is expected to exceed 2 per cent.

Impairment losses on loans in 2015 are expected to stay below normalised levels. DNB Boligkreditt does not exclude the possibility of a certain increase in impairment losses linked to oil-related activities from 2016 onwards.

The tax rate for 2015 is estimated to be around 25 per cent. Further information about the DNB Group's ambitions and future prospects will be given on the Capital Markets Day in London on 25 November.

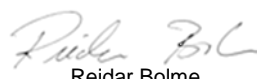
Covered bonds have gained a leading position as a funding vehicle for Norwegian banks. Norwegian covered bonds still seem to be regarded as attractive investments with relatively low credit and market risk. The volume of covered bond issues in 2015 is expected to be somewhat lower than in 2014. This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

Oslo, 21 October 2015

The Board of Directors of DNB Boligkreditt AS



Bjørn Erik Næss  
(chairman)



Reidar Bolme



Elisabeth Ege



Jørn E. Pedersen



Eva-Lill Strandskogen



Per Sagbakken  
(chief executive officer)

# Comprehensive income statement

		DNB Boligkreditt AS				
<i>Amounts in NOK million</i>	Note	3rd quarter 2015	3rd quarter 2014	January-September 2015	January-September 2014	Full year 2014
Total interest income	6	4 391	5 126	13 595	15 468	20 565
Total interest expenses	6	(2 744)	(3 335)	(8 475)	(9 744)	(12 916)
<b>Net interest income</b>	6	<b>1 647</b>	<b>1 791</b>	<b>5 120</b>	<b>5 724</b>	<b>7 650</b>
Commission and fee income		(7)	5	(17)	25	22
Commission and fee expenses		(0)	(1)	(1)	(2)	(2)
Net gains on financial instruments at fair value	7	1 507	213	3 615	(513)	(1 144)
Other income		1	1	2	3	5
<b>Net other operating income</b>		<b>1 500</b>	<b>219</b>	<b>3 599</b>	<b>(486)</b>	<b>(1 120)</b>
<b>Total income</b>		<b>3 147</b>	<b>2 010</b>	<b>8 719</b>	<b>5 238</b>	<b>6 530</b>
Salaries and other personnel expenses	8	(3)	(4)	(13)	(14)	(15)
Other expenses	8, 14	(754)	(1 269)	(2 671)	(4 151)	(5 490)
<b>Total operating expenses</b>	8	<b>(757)</b>	<b>(1 273)</b>	<b>(2 684)</b>	<b>(4 164)</b>	<b>(5 504)</b>
Impairment of loans and commitments	9	6	4	7	(8)	(1)
<b>Pre-tax operating profit</b>		<b>2 396</b>	<b>741</b>	<b>6 043</b>	<b>1 066</b>	<b>1 024</b>
Tax expense		(647)	(200)	(1 631)	(288)	(277)
<b>Profit for the period</b>		<b>1 749</b>	<b>541</b>	<b>4 411</b>	<b>778</b>	<b>748</b>
Other comprehensive income						(6)
<b>Total comprehensive income for the period</b>		<b>1 749</b>	<b>541</b>	<b>4 411</b>	<b>778</b>	<b>741</b>

# Balance sheet

		DNB Boligkreditt AS		
<i>Amounts in NOK million</i>	Note	30 Sept. 2015	31 Dec. 2014	30 Sept. 2014
<b>Assets</b>				
Due from credit institutions	13,14	947	360	930
Loans to customers	9,12,13	580 294	555 625	550 846
Financial derivatives	12,14	82 425	88 740	47 866
Other assets		14	8	7
<b>Total assets</b>		<b>663 680</b>	<b>644 733</b>	<b>599 648</b>
<b>Liabilities and equity</b>				
Due to credit institutions	13,14	105 382	119 584	137 588
Financial derivatives	12,14	11 148	12 302	11 536
Debt securities issued	10,12,13	495 895	472 368	409 988
Payable taxes		1 632		288
Deferred taxes		7 207	5 722	5 448
Other liabilities		261	463	476
Provisions		27	28	23
Subordinated loan capital	11,13	4 857	4 858	4 858
<b>Total liabilities</b>		<b>626 409</b>	<b>615 326</b>	<b>570 205</b>
Share capital		3 497	3 077	3 077
Share premium		25 623	21 843	21 843
Other equity		8 151	4 487	4 524
<b>Total equity</b>		<b>37 271</b>	<b>29 407</b>	<b>29 444</b>
<b>Total liabilities and equity</b>		<b>663 680</b>	<b>644 733</b>	<b>599 648</b>

# Statement of changes in equity

DNB Boligkreditt AS

<i>Amounts in NOK million</i>	Share capital	Share premium	Actuarial gains and losses	Other equity	Total equity
<b>Balance sheet as at 31 December 2013</b>	<b>2 727</b>	<b>18 693</b>	<b>7</b>	<b>3 739</b>	<b>25 166</b>
Profit for the period				778	778
<b>Total comprehensive income for the period</b>				<b>778</b>	<b>778</b>
Share issue 30 May 2014	350	3 150			3 500
<b>Balance sheet as at 30 September 2014</b>	<b>3 077</b>	<b>21 843</b>	<b>7</b>	<b>4 517</b>	<b>29 444</b>
<b>Balance sheet as at 31 December 2014</b>	<b>3 077</b>	<b>21 843</b>	<b>0</b>	<b>4 487</b>	<b>29 407</b>
Profit for the period				4 411	4 411
<b>Total comprehensive income for the period</b>				<b>4 411</b>	<b>4 411</b>
Group contribution paid				(747)	(747)
Share issue 30 June 2015	420	3 780			4 200
<b>Balance sheet as at 30 September 2015</b>	<b>3 497</b>	<b>25 623</b>	<b>0</b>	<b>8 151</b>	<b>37 271</b>

## Share capital

All shares and voting rights of the company are held by DNB Bank ASA. Share capital at the beginning of 2015 was NOK 3 077 million (30 770 000 shares at NOK 100).

In June 2015 4 200 000 shares were issued to DNB Bank ASA. Issue price per share was NOK 100. After the issuance, share capital was increased by NOK 420 million to NOK 3 497 million (34 970 000 shares) and share premium was increased by NOK 3 780 million to NOK 25 623 million.

# Cash flow statement

DNB Boligkreditt AS

<i>Amounts in NOK million</i>	January-September 2015	January-September 2014	Full year 2014
<b>Operating activities</b>			
Net payments on loans to customers	(6 084)	(4 877)	(5 620)
Interest received from customers	13 757	15 523	20 627
Net receipts/payments on loans to/from credit institutions	(14 747)	21 891	4 410
Interest received from credit institutions	11	15	19
Interest paid to credit institutions	(1 768)	(2 398)	(3 113)
Netpayments on the sale of financial assets for investment or trading	0	(134)	(135)
Net receipts/payments on commissions and fees	(11)	24	20
Payments for operating expenses	(2 898)	(4 304)	(5 660)
<b>Net cash flow relating to operating activities</b>	<b>(11 740)</b>	<b>25 741</b>	<b>10 548</b>
<b>Investing activities</b>			
Net purchase of loan portfolio	(18 945)	(12 811)	(16 379)
<b>Net cash flow relating to investing activities</b>	<b>(18 945)</b>	<b>(12 811)</b>	<b>(16 379)</b>
<b>Financing activities</b>			
Receipts on issued bonds and commercial paper	60 867	29 984	51 107
Payments on redeemed bonds and commercial paper	(28 238)	(44 617)	(44 617)
Interest payments on issued bonds and commercial paper	(6 728)	(6 901)	(9 269)
Interest payments on subordinated loan capital	(113)	(141)	(183)
Share issue	4 200	3 500	3 500
Group contribution paid	738	5 236	5 236
<b>Net cash flow from financing activities</b>	<b>30 727</b>	<b>(12 939)</b>	<b>5 774</b>
<b>Net cash flow</b>	<b>41</b>	<b>(9)</b>	<b>(57)</b>
Cash as at 1 January	3	60	60
Net receipts/payments of cash	41	(9)	(57)
Cash at end of period	44	50	3

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 is defined as cash and deposits with credit institutions with no agreed period of notice.

## **Note 1      Basis for preparation**

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The quarterly financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board and as adopted by the European Union. A description of the accounting principles applied when preparing the financial statements appears in the annual report for 2014.

When preparing the financial statements, management makes estimates, judgment and assumptions that affect the application of the accounting principles and the carrying amount of assets, liabilities, income and expenses. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the significant estimates and areas where judgment is applied appear in note 1 Important accounting estimates, judgments and assumptions in the annual report for 2014.



## Note 2 Capital adequacy

Primary capital	DNB Boligkreditt AS	
	30 Sept. 2015	31 Dec. 2014
<i>Amounts in NOK million</i>		
Share capital	3 497	3 077
Other equity	29 363	26 330
Total equity	32 860	29 407
Deductions		
Expected losses exceeding actual losses, IRB-portfolios	(1 055)	(766)
Value adjustments due to the requirements for prudent valuation (AVA)	(435)	(398)
Adjustments for unrealised losses/(gains) on liabilities recorded at fair value	703	157
Adjustments for unrealised losses/(gains) arising from the institution's own credit risk related to derivative liabilities (DVA)	(2)	(13)
Allocated group contributions for payment		(748)
Common equity Tier 1 capital	32 071	27 640
Term subordinated loan capital	4 850	4 850
Tier 2 capital	4 850	4 850
Total eligible primary capital	36 921	32 490
Risk-weighted volume, transitional rules	226 029	217 886
Minimum capital requirement, transitional rules	18 082	17 431
Common equity Tier 1 capital ratio, transitional rules (%)	14.2	12.7
Capital ratio, transitional rules (%)	16.3	14.9

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

	Nominal exposure		Risk-weighted volume	DNB Boligkreditt AS	
	30 Sept.	EAD <sup>1)</sup>		Capital requirements	Capital requirements
	2015	30 Sept. 2015		30 Sept. 2015	31 Dec. 2014
<i>Amounts in NOK million</i>					
IRB approach					
Corporate	6 269	6 269	3 397	272	289
Retail - residential property	593 022	593 022	134 808	10 785	7 303
Total credit risk, IRB approach	599 291	599 291	138 205	11 056	7 592
Standardised approach					
Institutions	28 317	28 317	5 663	453	835
Corporate	17 233	17 207	6 049	484	478
Retail - residential property	13 065	12 040	4 361	349	345
Other assets	14	14	14	1	1
Total credit risk, standardised approach	58 628	57 577	16 087	1 287	1 658
Total credit risk	657 920	656 869	154 291	12 343	9 250
Credit value adjustment (CVA)			24 686	1 975	113
Operational risk			9 499	760	760
Total risk-weighted volume and capital requirements before transitional rules			188 476	15 078	10 123
Additional capital requirements according to transitional rules			37 553	3 004	7 308
Total risk-weighted volume and capital requirements			226 029	18 082	17 431

1) EAD, exposure at default.

## Note 3 Credit risk

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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 4 Market risk

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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 5 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 third quarter 2015 can be characterised as sound.

## Note 6 Net interest income

	DNB Boligkreditt AS				
<i>Amounts in NOK million</i>	3rd quarter 2015	3rd quarter 2014	January-September 2015	January-September 2014	Full year 2014
Interest on amounts due from credit institutions	4	5	11	15	19
Interest on loans to customers	4 329	5 065	13 406	15 289	20 328
Front-end fees etc.	3	3	10	3	4
Other interest income	55	53	167	160	214
<b>Total interest income</b>	<b>4 391</b>	<b>5 126</b>	<b>13 595</b>	<b>15 468</b>	<b>20 565</b>
Interest on amounts due to credit institutions	(357)	(593)	(1 202)	(1 629)	(2 141)
Interest on debt securities issued	(2 625)	(2 481)	(7 705)	(7 594)	(10 173)
Interest on subordinated loan capital	(37)	(46)	(111)	(139)	(180)
Net interest income/expenses, derivatives	275	(213)	544	(382)	(421)
<b>Total interest expenses</b>	<b>(2 744)</b>	<b>(3 335)</b>	<b>(8 475)</b>	<b>(9 744)</b>	<b>(12 916)</b>
<b>Net interest income</b>	<b>1 647</b>	<b>1 791</b>	<b>5 120</b>	<b>5 724</b>	<b>7 650</b>

## Note 7 Net gains on financial instruments at fair value

<i>Amounts in NOK million</i>	DNB Boligkreditt AS				
	3rd quarter 2015	3rd quarter 2014	January-September 2015	2014	Full year 2014
Net gains on loans at fair value (fixed-rate loans) <sup>1)</sup>	820	66	(195)	952	1 425
Net gains on financial liabilities (long-term borrowing in NOK) <sup>2)</sup>	118	(187)	1 151	(1 080)	(1 586)
Total gains on financial instruments, designated as at fair value	938	(121)	956	(128)	(161)
Net gains on foreign exchange and financial derivatives, trading <sup>3) 4)</sup>	382	254	2 933	(555)	(1 498)
Net gains on financial derivatives, hedging <sup>4) 5)</sup>	1 317	2 014	(3 477)	10 438	12 181
Net gains on financial liabilities, hedged items <sup>5)</sup>	(1 130)	(1 934)	3 203	(10 268)	(11 665)
<b>Net gains on financial instruments at fair value</b>	<b>1 507</b>	<b>213</b>	<b>3 615</b>	<b>(513)</b>	<b>(1 144)</b>

- 1) DNB Boligkreditt's fixed-rate loans are measured at fair value. Reduced interest rates, including credit margins, will increase the fair value of already originated loans. 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 520.0 million decrease in market values in the third quarter of 2015 (positive effect on profits) due to such credit risk premium effects, compared with a NOK 166.9 million increase in market values in the third quarter of 2014 (negative effect on profits). Accumulated negative mark-to-market effects by the end of the third quarter of 2015 were NOK 6.1 million, compared with a negative NOK 971.2 million by the end of the third quarter of 2014.
- 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 975.4 million increase in market values in the third quarter of 2015 (positive effect on profits) due to such basis swap spread effects, compared with a NOK 168.8 million increase in the third quarter of 2014 (positive effect on profits). Accumulated positive mark-to-market effects by the end of the third quarter of 2015 were NOK 2 832.0 million, compared with accumulated negative effects of NOK 320.7 million by the end of the third quarter of 2014.
- 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 third quarter of 2015 negative effects of NOK 169.0 million have been recognized in the income statement due to CVA and DVA effects.
- 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 8 Operating expenses

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>				
	3rd quarter 2015	3rd quarter 2014	January-September 2015	January-September 2014	Full year 2014
Salaries	(2)	(1)	(6)	(6)	(8)
Other personnel expenses	(2)	(3)	(6)	(7)	(7)
Fees <sup>1)</sup>	(752)	(1 267)	(2 669)	(4 148)	(5 486)
Other operating expenses	(2)	(2)	(2)	(3)	(3)
<b>Total operating expenses</b>	<b>(757)</b>	<b>(1 273)</b>	<b>(2 684)</b>	<b>(4 164)</b>	<b>(5 504)</b>

1) Fees are mainly management fees paid to DNB Bank ASA for services rendered according to the management agreement. See also note 14 Information on related parties.

## Note 9 Loans to customers

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>		
	30. Sept. 2015	31 Dec. 2014	30. Sept. 2014
<b>Loans at amortised cost:</b>			
Loans to customers, nominal amount	498 981	491 092	483 368
Individual impairment	(44)	(50)	(57)
Loans to customers, after individual impairment	498 937	491 043	483 311
+ Accrued interest	621	804	807
- Individual impairment of accrued interest and amortisation	(44)	(46)	(47)
- Collective impairment	(96)	(103)	(109)
Loans to customers, at amortised cost	499 418	491 698	483 962
<b>Loans at fair value:</b>			
Loans to customers, nominal amount	78 281	61 147	64 569
+ Accrued interest	129	120	126
+ Adjustment to fair value	2 466	2 661	2 188
Loans to customers, at fair value	80 876	63 927	66 883
<b>Loans to customers</b>	<b>580 294</b>	<b>555 625</b>	<b>550 846</b>

### Impairment allowances

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>		
	30. Sept. 2015	31 Dec. 2014	30. Sept. 2014
Individual impairment	(44)	(50)	(57)
Individual impairment of accrued interest	(44)	(46)	(47)
Collective impairment	(96)	(103)	(109)
<b>Impairment allowances as at end of period</b>	<b>(184)</b>	<b>(198)</b>	<b>(213)</b>

### Impairment expenses

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>				
	3rd quarter 2015	3rd quarter 2014	January-September 2015	January-September 2014	Full year 2014
Individual impairment	3	(1)	(1)	(7)	(9)
Collective impairment <sup>1)</sup>	2	4	7	(3)	4
Recoveries of previous write-offs	1	1	2	2	3
<b>Impairment expenses</b>	<b>6</b>	<b>4</b>	<b>7</b>	<b>(8)</b>	<b>(1)</b>

1) Based on the DNB Group's calculation model and statistics. Further information about collective impairments can be found in Accounting principles in the annual report for 2014.

## Note 10 Debt securities issued

Debt securities issued	DNB Boligkreditt AS		
	30 Sept. 2015	31 Dec. 2014	30 Sept. 2014
<i>Amounts in NOK million</i>			
Listed covered bonds, nominal amount	409 801	382 788	331 863
Private placements under the bond programme, nominal amount	57 185	57 238	51 660
Total bonds, nominal amount	466 986	440 026	383 522
Accrued interest	4 449	4 768	3 897
Unrealised gains <sup>1)</sup>	24 460	27 574	22 568
Adjustments	28 909	32 342	26 465
<b>Total debt securities issued</b>	<b>495 895</b>	<b>472 368</b>	<b>409 988</b>

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					
	Balance sheet 30 Sept. 2015	Issued 2015	Matured/ redeemed 2015	Exchange rate movements 2015	Changes in adjustments 2015	Balance sheet 31 Dec. 2014
<i>Amounts in NOK million</i>						
Bond debt, nominal amount	466 986	60 867	(28 238)	(5 669)		440 026
Adjustments	28 909				(3 433)	32 342
<b>Total debt securities issued</b>	<b>495 895</b>	<b>60 867</b>	<b>(28 238)</b>	<b>(5 669)</b>	<b>(3 433)</b>	<b>472 368</b>

Maturity of debt securities issued	DNB Boligkreditt AS		
	NOK	Foreign currency	Total
<i>Amounts in NOK million</i>			
2015	250	17 031	17 281
2016	9 698	69 465	79 163
2017	11 625	51 694	63 319
2018	23 500	58 278	81 778
2019	23 622	41 448	65 070
2020 and later	25 500	134 876	160 376
<b>Total bond debt</b>	<b>94 195</b>	<b>372 791</b>	<b>466 986</b>

Debt securities issued - matured/redeemed during the period	DNB Boligkreditt AS							
	ISIN Code	Currency	Matured redeemed amount	Interest	Issued	Matured	Remaining nominal amount 30 Sept. 2015	31 Dec. 2014
XS0493748015	EUR	80	Fixed	2010	2015	Called		80
XS0502969388	EUR	16 010	Fixed	2010	2015	Matured		16 010
NO0010571946	NOK	3 249	Floating	2010	2015	Matured		3 249
CH0110819403	CHF	3 653	Fixed	2010	2015	Matured		3 653
NO0010477706	NOK	390	Floating	2008	2015	Matured		390
XS0527362692	EUR	3 187	Fixed	2010	2015	Matured		3 187
XS0383827135	EUR	398	Fixed	2008	2015	Matured		398
XS0532508826	EUR	79	Fixed	2010	2015	Matured		79
XS0559323109	EUR	788	Floating	2010	2015	Matured		788
XS0541698683	EUR	405	Floating	2010	2015	Matured		405
<b>Total debt securities issued, nominal value</b>		<b>28 238</b>						<b>28 238</b>

## Note 10 Debt securities issued (continued)

Cover pool	DNB Boligkreditt AS		
	30 Sept. 2015	31 Dec. 2014	30 Sept. 2014
<i>Amounts in NOK million</i>			
Pool of eligible loans	577 343	551 598	546 990
Market value of eligible derivatives	71 277	76 438	36 331
<b>Total collateralised assets</b>	<b>648 620</b>	<b>628 035</b>	<b>583 320</b>
Debt securities issued, carrying value	495 895	472 368	409 988
Less valuation changes attributable to changes in credit risk on debt carried at fair value	27	(938)	(950)
<b>Debt securities issued, valued according to regulation <sup>1)</sup></b>	<b>495 922</b>	<b>471 430</b>	<b>409 038</b>
Collateralisation (per cent)	130.8	133.2	142.6

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 11 Subordinated loan capital

<i>Amounts in NOK million</i>	Currency	Nominal amount	Interest rate	Issue date	Maturity date	DNB Boligkreditt AS			
						30 Sept. 2015	31 Dec. 2014	30 Sept. 2014	
Term subordinated loan capital	NOK	850	850	3 month Nibor + 400bp	2009	2019	850	850	850
Term subordinated loan capital	NOK	4 000	4 000	3 month Nibor + 170bp	2013	2023	4 000	4 000	4 000
Accrued interest							7	8	8
<b>Total subordinated loan capital</b>							<b>4 857</b>	<b>4 858</b>	<b>4 858</b>

## Note 12 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. Gains or losses, that occur when the estimated fair value is different from the transaction price (day-one gain/loss) has not had significant impact to the financial statement for the third quarter of 2015.

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

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>				
	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 <sup>1)</sup>	Total
<b>Assets as at 30 September 2015</b>					
Loans to customers			80 747	129	80 876
Financial derivatives		82 425			82 425
<b>Liabilities as at 30 September 2015</b>					
Debt securities issued		96 102		564	96 666
Financial derivatives		11 148			11 148

1) Accrued interest on financial derivatives is included in the amounts in level 2.

### Financial instruments at fair value, level 3

<i>Amounts in NOK million</i>	<b>DNB Boligkreditt AS</b>	
		Loans to customers
<b>Carrying amount as at 31 December 2014</b>		<b>63 807</b>
Net gains on financial instruments		(195)
Additions/purchases		28 888
Sales		(73)
Settled		(11 680)
<b>Carrying amount as at 30 September 2015</b>		<b>80 747</b>



## Note 13 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 12.

### Fair value of financial instruments at amortised cost

<i>Amounts in NOK million</i>	30 September 2015		30 September 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	Due from credit institutions	947	947	930
Loans to customers	499 418	499 418	484 175	484 175
<b>Total financial assets</b>	<b>500 365</b>	<b>500 365</b>	<b>485 105</b>	<b>485 105</b>
Due to credit institutions	105 382	105 382	137 588	137 588
Debt securities issued	399 230	396 015	323 054	327 882
Subordinated loan capital	4 857	4 868	4 858	4 922
<b>Total financial liabilities</b>	<b>509 469</b>	<b>506 265</b>	<b>465 500</b>	<b>470 392</b>

### DNB Boligkreditt AS

<i>Amounts in NOK million</i>	Valuation based on quoted prices in an active market	Valuation based on observable market data	Valuation based on other than observable market data	Accrued interest	Total
	Level 1	Level 2	Level 3		
<b>Assets as at 30 September 2015</b>					
Due from credit institutions		947			947
Loans to customers			498 712	706	499 418
<b>Liabilities as at 30 September 2015</b>					
Due to credit institutions		105 382			105 382
Debt securities issued		392 130		3 885	396 015
Subordinated loan capital			4 861	7	4 868

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 14 Information on related parties**

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### **DNB Bank ASA**

During the third quarter of 2015, loan portfolios of NOK 5.1 billion were transferred from the bank to DNB Boligkreditt in accordance with the "Agreement relating to transfer of loan portfolio between DNB Bank ASA and DNB Boligkreditt AS".

The management fee paid to the bank for purchased services is recognised as "Other expenses" in the statement of comprehensive income and amounted to NOK 791 million for the third quarter of 2015 (NOK 1 258 million for the third quarter of 2014).

At end-September, the bank had invested NOK 31.0 billion in covered bonds issued by DNB Boligkreditt.

### **DNB Livsforsikring AS**

At end-September 2015, DNB Livsforsikring's holding of listed DNB Boligkreditt bonds was valued at NOK 1.9 billion.

### **DNB Næringskreditt AS**

The fee received for services rendered to DNB Næringskreditt is recognised as "Other income" in the income statement and amounted to NOK 0.6 million for the third quarter of 2015.

# Key figures

	<b>DNB Boligkreditt AS</b>				
	3rd quarter 2015	3rd quarter 2014	January-September 2015	September 2014	Full year 2014
<b>Rate of return/profitability</b>					
Return on equity, annualised (%) <sup>1)</sup>	19.2	7.4	17.7	3.8	2.7
<b>Financial strength at end of period</b>					
Common equity Tier 1 capital ratio, transitional rules (%)	14.2	12.9	14.2	12.9	12.7
Capital ratio, transitional rules (%)	16.3	15.1	16.3	15.1	14.9
Common equity Tier 1 capital (NOK million)	32 071	28 021	32 071	28 021	27 640
Risk-weighted volume, transitional rules (NOK million)	226 029	217 785	226 029	217 785	217 886
<b>Loan portfolio and impairment</b>					
Impairment relative to average net loans to customers, annualised	0.00	0.00	0.00	0.00	0.00
Non-performing and doubtful loans, per cent of gross loans	0.19	0.24	0.19	0.24	0.23
Non-performing and doubtful gross loans, end of period (NOK million)	1 108	1 337	1 108	1 337	1 295
Net non-performing and net doubtful loans, per cent of net loans	0.12	0.14	0.12	0.14	0.14
Net non-performing and net doubtful loans, end of period (NOK million)	702	768	702	768	765
<b>Staff</b>					
Number of full-time positions at end of period	8	8	8	8	8

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

# Profit and balance sheet trends

## Comprehensive income statement

	DNB Boligkreditt AS				
<i>Amounts in NOK million</i>	3rd quarter 2015	2nd quarter 2015	1st quarter 2015	4th quarter 2014	3rd quarter 2014
Total interest income	4 391	4 503	4 701	5 098	5 126
Total interest expenses	(2 744)	(2 858)	(2 873)	(3 171)	(3 335)
<b>Net interest income</b>	<b>1 647</b>	<b>1 645</b>	<b>1 828</b>	<b>1 926</b>	<b>1 791</b>
Commission and fee income	(7)	(3)	(8)	(4)	5
Commission and fee expenses	(0)	(0)	(0)	(0)	(1)
Net gains on financial instruments at fair value	1 507	329	1 779	(631)	213
Other income	1	1	1	1	1
<b>Net other operating income</b>	<b>1 500</b>	<b>327</b>	<b>1 772</b>	<b>(634)</b>	<b>219</b>
<b>Total income</b>	<b>3 147</b>	<b>1 972</b>	<b>3 600</b>	<b>1 292</b>	<b>2 010</b>
Salaries and other personnel expenses	(3)	(3)	(6)	(1)	(4)
Other expenses	(754)	(885)	(1 033)	(1 339)	(1 269)
<b>Total operating expenses</b>	<b>(757)</b>	<b>(888)</b>	<b>(1 039)</b>	<b>(1 340)</b>	<b>(1 273)</b>
Impairment of loans and commitments	6	0	2	6	4
<b>Pre-tax operating profit</b>	<b>2 396</b>	<b>1 084</b>	<b>2 562</b>	<b>(42)</b>	<b>741</b>
Tax expense	(647)	(293)	(692)	11	(200)
<b>Profit for the period</b>	<b>1 749</b>	<b>791</b>	<b>1 870</b>	<b>(30)</b>	<b>541</b>
Other comprehensive income				(6)	
<b>Total comprehensive income for the period</b>	<b>1 749</b>	<b>791</b>	<b>1 870</b>	<b>(37)</b>	<b>541</b>

## Balance sheet

	DNB Boligkreditt AS				
<i>Amounts in NOK million</i>	30 Sept. 2015	30 June 2015	31 March 2015	31 Dec. 2014	30 Sept. 2014
<b>Assets</b>					
Due from credit institutions	947	1 075	801	360	930
Loans to customers	580 294	572 939	561 501	555 625	550 846
Financial derivatives	82 425	78 752	87 561	88 740	47 866
Other assets	14	1	1	8	7
<b>Total assets</b>	<b>663 680</b>	<b>652 766</b>	<b>649 865</b>	<b>644 733</b>	<b>599 648</b>
<b>Liabilities and equity</b>					
Due to credit institutions	105 382	123 563	109 715	119 584	137 588
Financial derivatives	11 148	10 818	12 376	12 302	11 536
Debt securities issued	495 895	469 443	484 829	472 368	409 988
Payable taxes	1 632	1 000	710		288
Deferred taxes	7 207	7 192	5 704	5 722	5 448
Other liabilities	261	344	368	463	476
Provisions	27	27	27	28	23
Subordinated loan capital	4 857	4 857	4 857	4 858	4 858
<b>Total liabilities</b>	<b>626 409</b>	<b>617 244</b>	<b>618 587</b>	<b>615 326</b>	<b>570 205</b>
Share capital	3 497	3 497	3 077	3 077	3 077
Share premium	25 623	25 623	21 843	21 843	21 843
Other equity	8 151	6 402	6 357	4 487	4 524
<b>Total equity</b>	<b>37 271</b>	<b>35 522</b>	<b>31 277</b>	<b>29 407</b>	<b>29 444</b>
<b>Total liabilities and equity</b>	<b>663 680</b>	<b>652 766</b>	<b>649 865</b>	<b>644 733</b>	<b>599 648</b>

# Contact information

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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](http://dnb.no).

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