

Annual report 2005



Contents

Annual Report 2005	3
Accounts	5
Key figures	5
Profit and loss account	6
Balance sheets	7
Cash flow statements	8
Notes to the accounts	9
Note 1 - Accounting principles	9
Note 2 - IFRS	10
Note 3 - Individual transactions	10
Note 4 - Financial risk	11
Note 5 - Financial risk	
Note 5 – Operating expenses	11
Note 6 - Remunerations etc	11
Note 7 - Losses on loans	12
Note 8 - Residual maturity as at 31 December 2005	12
Note 9 - Taxes	12
Note 10 - Assets	13
Note 11 - Credit risk	13
Note 12 - Liabilities	14
Note 13 - Receivables and liabilities to companies in the DnB NOR Group	14
Note 14 - Ownership	14
Note 15 - Equity	14
Note 15 - Capital adequacy	15
Note 17 - Contingencies	15
Note 18 - Contact information	15
Auditor's report for 2005	16
Control committee's Report	17
Governing bodies	18
Contact information	19

*DnB NOR Boligkreditt AS's annual report has been approved
by the Board of Directors in the original Norwegian version. This is an English translation.*

Operations in 2005 – DnB NOR Boligkreditt AS received a licence to operate as a finance company in September 2005. It is the company's intention to apply for a concession to operate as a mortgage institution and to sell covered bonds secured by home mortgages. The Norwegian legal framework regarding such covered bonds is expected to enter into force in 2006.

During the second half of 2005 DnB NOR Boligkreditt bought 20,489 loans with a total balance of NOK 15.6 billion from DnB NOR Bank ASA. All loans are mortgages secured within 60 per cent of appraised value. DnB NOR Boligkreditt has an option to acquire additional mortgages from DnB NOR Bank during 2006.

The company's activities do not pollute the external environment. The company is a subsidiary of DnB NOR Bank ASA.

Strategy

DnB NOR Boligkreditt will provide home mortgages on competitive terms. The issue of covered bonds secured by home mortgages will ensure competitive funding of the company. The covered bonds will be offered in the Norwegian as well as in international financial markets.

The strategy includes both purchasing and extending mortgages that are secured within 60 per cent of appraised value. The portfolio and the company's activities shall at all times be adapted to the Norwegian Financial Institutions Act, chapter 2, IV – Bonds secured in mortgages.

Review of the annual accounts

DnB NOR Boligkreditt's profit for 2005 was NOK 9.2 million, which corresponds to a return on equity of 3.8 per cent.

Net interest income was NOK 40.5 million in 2005. The company's purchases of mortgages from DnB NOR Bank took place mainly in the last quarter of 2005.

The company recorded a loss of NOK 7.7 million referring to an agreement with DnB NOR Bank regarding interest rate hedging of fixed-rate loans. The purpose of the agreement is to eliminate DnB NOR Boligkreditt's interest rate risk, and the loss recorded in 2005 represents the amount Boligkreditt has to pay to convert income from fixed-rate loans to income according to floating-rate terms.

Operating expenses totalled NOK 20.1 million in 2005. DnB NOR Boligkreditt has entered into a service agreement with DnB NOR Bank regulating the administration of mortgages and management of

the company. According to this agreement DnB NOR Boligkreditt is required to pay a monthly management fee to DnB NOR Bank, based on the book value of the portfolio.

The company recorded no losses or loan-loss provisions in 2005. No losses are expected on the mortgage business. According to an agreement with DnB NOR Bank mortgages with an identified loss risk will be transferred to DnB NOR Bank at book value.

DnB NOR Boligkreditt had a total tax charge of NOK 3.6 million in 2005. This represents 28 per cent of pre-tax operating profit.

Total assets in the balance sheet were NOK 14.7 billion at year-end 2005 and consisted mainly of mortgages.

The purchase of the mortgage portfolio was financed through borrowings from DnB NOR Bank at market terms.

The capital adequacy and core capital ratios stood at 8.9 per cent at year-end 2005.

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

Risk

The financial risk is assessed to be low. Through interest rate swaps and a line of credit in DnB NOR Bank, interest and liquidity risk is eliminated. The credit risk is assessed to be very low due to the fact that assets mainly consist of mortgages secured within 60 per cent of appraised value. In accordance with the agreement between DnB NOR Boligkreditt and DnB NOR Bank, mortgages with an identified loss risk will be transferred to DnB NOR Bank at book value. It is the Board of Directors' opinion that the total risk in the company is low.

Employees and working environment

There are no employees in DnB NOR Boligkreditt. The chief executive officer is formally employed in DnB NOR Bank.

The Board of Directors has five members, including one woman.

Future prospects

DnB NOR Boligkreditt will continue to operate as a finance company in 2006 until the Norwegian regulations relating to covered bonds is in place. It is expected that the regulations will enter into force during 2006, and DnB NOR Boligkreditt will then apply for permission to operate as a mortgage institution. Purchases of portfolios from DnB NOR Bank will continue throughout 2006 to help build up the balance of the company.

DnB NOR Boligkreditt is expected to be a large and strong participant within its market segment. The company is expected to be profitable for the owner in a market characterised by increasing competition for mortgages and at the same time ensure favourable borrowing terms for customers.

Dividends and the allocation of profits

The profit for 2005 was NOK 9.2 million. The Board of Directors suggests giving a group contribution of NOK 9.2 million to DnB NOR Bank ASA for 2005.

Oslo, 14 February 2006

The Board of Directors of DnB NOR Boligkreditt AS

Åsmund Skår
(chairman)

Eldbjørg Sture

Reidar Bolme

Steinar Ouren

Carl Johan Wickmann
(chief executive officer)

Key figures

<i>Amounts in NOK 1 000</i>	<i>2005</i>	<i>2004</i>
PROFIT AND LOSS ACCOUNTS		
Pre-tax operating profit before losses	12 760	0
Net identified and estimated gains/(losses)	0	0
Pre-tax operating profit	12 760	0
Profit for the year	9 187	0
BALANCE SHEETS		
Assets		
Cash, lending to and deposits with credit institutions	3 733	200
Net lending to customers	14 652 962	0
Other assets	26 464	0
Total assets	14 683 159	200
Liabilities and equity		
Loans and deposits from credit institutions	13 998 141	0
Other liabilities	35 018	0
Equity	650 000	200
Total liabilities and equity	14 683 159	200
Risk-weighted volume	7 340 000	0
Average total assets	2 769 780	200
Total eligible primary capital	650 000	200
Capital adequacy ratio	8.85 %	-
In per cent of average total assets		
Pre-tax operating profit before losses	0.5 %	-
Pre-tax operating profit	0.5 %	-
Profit for the year	0.33 %	-

Profit and loss accounts

<i>Amounts in NOK 1 000</i>	<i>Note</i>	<i>2005</i>	<i>2004</i>
Interest income and similiar income			
Interest income from credit institutions		3 733	0
Interest income from customers		106 968	0
Other interest income and similar income		2	0
Total interest income		110 703	0
Interest expenses and similar expenses			
Interest expenses to credit institutions		70 184	0
Total interest expenses		70 184	0
Net interest income and credit commissions		40 519	0
Net gains (losses) on financial instruments			
Net gains/(losses) on financial derivatives		-7 706	0
Total gains/(losses) on financial instruments		-7 706	0
Other operating income			
Other operating income		12	0
Total other operating income		12	0
Operating expenses			
Salaries and other ordinary personnel expenses	5, 6	1 294	0
Administrative expenses	5	18 439	0
Other operating expenses		332	0
Total operating expenses		20 065	0
Pre-tax operating profit before losses		12 760	0
Net losses on loans	7	0	0
Pre-tax operating profit		12 760	0
Taxes	9	3 573	0
Profit for the year	15	9 187	0
Transfers			
Group contribution	15	9 187	0
Transferred to other equity		0	0
Earnings per share (NOK)		1,41	0

Balance sheets

ASSETS

<i>Amounts in NOK 1 000</i>	<i>Note</i>	<i>31.12.05</i>	<i>31.12.04</i>
Lending to and deposits with credit institutions			
Cash and deposits with credit institutions	4, 8, 10	3 733	200
Total lending to and deposits with credit institutions		3 733	200
Lending to customers			
Gross lending to customers	4, 8, 10	14 652 962	0
Net lending to customers		14 652 962	0
Prepayments and accrued income			
Accrued interest	4, 8	26 464	0
Total pre-paid expenses and accrued income		26 464	0
TOTAL ASSETS		14 683 159	200
LIABILITIES AND EQUITY			
Debt to credit institutions			
Loans and deposits from credit institutions	4, 8, 12	13 998 141	0
Total debt to credit institutions		13 998 141	0
Other liabilities	8, 12	12 760	0
Accrued expenses and prepaid revenues			
Accrued, not due expenses and prepaid revenues	4, 8, 12	22 258	0
Total accrued expenses and prepaid revenues		22 258	0
TOTAL LIABILITIES		14 033 159	0
EQUITY			
Paid-up share capital			
Share capital	3	650 000	200
Retained earnings			
Other equity		0	0
TOTAL EQUITY		650 000	200
TOTAL LIABILITIES AND EQUITY		14 683 159	200

Cash flow statements

<i>Amounts in NOK 1 000</i>	2005	2004
Interest and commissions received from customers	110 703	
Interest paid to credit institutions	-70 184	
Net receipts/payment on trading in financial derivatives	-7 706	
Other receipts	12	
Payments to operations	-20 065	
Net cash flow relating to operations	12 760	0
Net payments made on instalment loans	-14 652 962	
Net cash flow relating to funding of operations	-14 652 962	0
Net investments in/loans from credit institutions	13 998 141	
Net payments on other short-term liabilities	-4 206	
Net payment from new share capital	649 800	
Net cash flow from funding activity	14 643 735	0
Net cash flow	3 533	0
Net change in cash equivalents	3 533	0
Cash equivalents at 1 January	200	200
Cash equivalents at 31 December	3 733	200

Notes to the accounts

NOTE 1 ACCOUNTING PRINCIPLES

The accounts of DnB NOR Boligkreditt are based on Norwegian accounting legislation, the accounting regulations issued by the Ministry of Finance and Norwegian generally accepted accounting principles. DnB NOR Boligkreditt has taken the opportunity to postpone the implementation of new lending regulations till 1 January 2006.

CHANGES IN ACCOUNTING PRINCIPLES

The effects of change in accounting principles are recorded directly against equity. No changes were made in accounting principles in 2005.

CLASSIFICATION AND VALUATION

Assets

Assets are classified as fixed assets or current assets. Fixed assets are stated at cost with the deduction of accumulated ordinary depreciation and write-downs. Current assets are stated at the lower of cost and fair value. Ordinary depreciation is based on the estimated economic life of the asset. The straight-line principle is applied.

Loans and non-performing and doubtful commitments

Loans are recorded at their nominal value with the exception of non-performing and doubtful commitments and reduced-rate loans. All loans, guarantees and other outstanding claims against a customer are considered collectively for the banking group (DnB NOR Bank ASA).

Loans and other commitments, which are not serviced in accordance with the loan agreement, are classified as non-performing unless the situation is considered to be temporary. Commitments will be classified as non-performing no later than 90 days past the formal due date.

See note 7.

Losses on loans and guarantees, etc.

DnB NOR Boligkreditt AS follows the Norwegian lending regulation from 1991.

Possible losses are classified as specified loan-loss provisions or write-offs. Specified loan-loss provisions represent an estimate of losses which are linked to identified customers.

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

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

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

Accumulated specified and unspecified loan-loss provisions are deducted from lending in the balance sheet.

See note 7.

Financial derivatives

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

When financial derivatives are used to manage risk on balance-sheet items, due to cost factors such agreements are entered into through the business units in the DnB NOR Group trading such instruments in the market.

Accruals

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

Recording of interest and fees

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

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

Taxation

Taxes for the year comprise payable taxes for the financial year and changes in the value of deferred taxes and deferred tax assets.

Deferred taxes are calculated on the basis of differences between the profits stated in the accounts and the profits computed for tax purposes which will

be offset in the future. Evaluations are based on the balance sheet and tax position on the balance sheet date. Taxable and tax-deductible timing differences will be netted against each other within the same time interval. Deferred tax assets can be recognised as assets in the balance sheet when it is considered probable that the tax-deductible timing differences may be realised.

CASH FLOW STATEMENTS

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

NOTE 2 – IFRS

DnB NOR Boligkreditt reports according to IFRS (International Financial Reporting Standards) to the consolidated accounts for DnB NOR ASA.

From 1 January 2006 DnB Boligkreditt will implement the new lending regulations issued by the Ministry of Finance. The implementation of the lending regulation will imply a change in accounting principles. The effects of this change are estimated to be small, and will be recorded directly against equity in 2006.

NOTE 3 – INDIVIDUAL TRANSACTIONS

The share capital was increased by NOK 649.8 million in 2005. See note 15 – Equity.

During the third and fourth quarter of 2005, DnB NOR Boligkreditt AS acquired a loan portfolio valued at NOK 15.6 billion from DnB NOR Bank ASA. The loan portfolio was taken over at nominal value, which is equivalent to market value. Cf. note 7. The purchase was financed through borrowings in DnB NOR Bank ASA.

Acquisitions of loans are based on the following criteria:

- Home mortgages within 60 per cent of appraised value
- Balance > NOK 300 000 at the time of acquisition

NOTE 4 – FINANCIAL RISK

Expected time to interest rate adjustments for balance sheet items

<i>Amounts in NOK 1000</i>	<i>Up to 1 mnd.</i>	<i>From 1 month to 3 months.</i>	<i>From months to 1 year</i>	<i>From 1 year to 5 years</i>	<i>Over 5 years</i>	<i>No interst rate</i>	<i>Total</i>
Lending to and deposits with credit institutions	3 733						3 733
Net lending to customers	3	11 706 314	1 175 611	1 511 728	259 306		14 652 962
Sundry assets						26 464	26 464
Total assets	3 736	11 706 314	1 175 611	1 511 728	259 306	26 464	14 683 159
Loans from credit institutions	13 998 141						13 998 141
Sundry liabilities						35 018	35 018
Equity						650 000	650 000
Total liabilities and equity	13 998 141	0	0	0	0	685 018	14 683 159

DnB NOR Boligkreditt AS has a credit line priced at market rate (market rate incl. margin) in DnB NOR Bank ASA. An interest rate swap has been entered into

NOTE 5 – OPERATING EXPENSES

<i>Amounts in NOK 1000</i>	<i>2005</i>	<i>2004</i>
Management fee DnB NOR Bank ASA	18 439	0
Fees DnB NOR Bank ASA	1 294	0
Other operating expenses	332	0
Total operating expenses	20 065	0

DnB NOR Bank ASA manages the loan portfolio according to a management contract based on market terms.

NOTE 6 – REMUNERATIONS ETC

DnB NOR Boligkreditt AS has no employees. Remunerations to the chief executive officer came to NOK 225 000 in 2005. DnB NOR Bank employs the chief executive officer.

During 2005, work for the company represented 1.6 full-time positions. Total personnel expenses amounted to NOK 1.25 million, including remunerations of NOK 22 000 to the Board of Directors and a NOK 7 000 audit fee to the auditor. DnB NOR Boligkreditt AS was not charged with a proportional share of remunerations to the Supervisory Board and the Control Committee.

The company has no contractual obligations to give the chief executive officer, members of the board or others special compensation in case of changes in conditions of employment. Nor has the company contractual obligations to offer bonuses, profit sharing arrangements or options benefiting the chief executive officer, the Board of Directors or others.

Employees or persons holding a position of trust in DnB NOR shall not be given loans from DnB NOR Boligkreditt AS. No loans or guarantees have been extended to the chief executive officer or to the chairman of the Board of Directors from DnB NOR Boligkreditt AS.

NOTE 7 – LOSSES ON LOANS

The loan portfolio was bought from DnB NOR Bank ASA in the third and fourth quarter of 2005. It ensues from contracts between DnB NOR Bank ASA and DnB NOR Boligkreditt AS that the bank will take over loans subject to identified loan-loss provisions, and accordingly there are no specified nor unspecified loan-loss provisions or write offs in the accounts.

NOTE 8 – RESIDUAL MATURITY AS AT 31 DECEMBER 2005

<i>Amounts in NOK 1000</i>	<i>Up to 1 month</i>	<i>From 1 month to 3 months</i>	<i>From 3 months to 1 year</i>	<i>From 1 year to 5 years</i>	<i>Over 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
Lending to and deposits with credit institutions	3 733	0	0	0	0	0	3 733
Net lending to customers	3 206	0	5 026	397 677	14 247 053	0	14 652 962
Sundry assets	0	0	0	0	0	26 464	26 464
Total assets	6 939	0	5 026	397 677	14 247 053	26 464	14 683 159
Loans from credit institutions	13 998 141	0	0	0	0	0	13 998 141
Sundry liabilities	35 018	0	0	0	0	0	35 018
Equity	0	0	0	0	0	650 000	650 000
Total liabilities and equity	14 033 159	0	0	0	0	650 000	14 683 159

The table shows final maturity irrespective of instalment payments.

NOTE 9 – TAXES

Amounts in NOK 1000

The company has no timing differences	2005
Pre-tax operating profit	12 760
- group contribution	(12 760)
Tax base of the year	0
Total payable taxes	0
Tax on group contribution	3 573
Total taxes	3 573

NOTE 10 – ASSETS

<i>Amounts in NOK 1 000</i>	<i>31 Dec. 05</i>	<i>31 Dec. 04</i>
Deposits with banks	3 733	200
Instalment loans to customers	14 652 962	0
Other receivables	26 464	0
Total assets	14 683 159	200
Loans according to customer group		
Retail customers	14 645 886	
Various business sectors *	7 076	
Total	14 652 962	

Loans according to geographical location

<i>County</i>	
Østfold	748 993
Akershus	3 324 150
Oslo	2 928 541
Hedmark	545 924
Oppland	332 520
Buskerud	632 237
Vestfold	841 013
Telemark	232 130
Aust-Agder	397 600
Vest-Agder	208 225
Rogaland	1 101 923
Hordaland	1 782 186
Sogn og Fjordane	86 180
Møre og Romsdal	274 594
Sør-Trøndelag	480 727
Nord-Trøndelag	98 793
Nordland	201 451
Troms	194 868
Finnmark	214 148
Abroad *	26 759
Sum	14 652 962

* This allocation is based on definitions given by Norges Bank and Kredittilsynet.

Loans defined as "Various business sectors" and "Abroad" fulfil the contract terms for transfers of loans to DnB NOR Boligkreditt AS.

NOTE 11 – CREDIT RISK

The credit risk for all assets in DnB NOR Boligkreditt is estimated to be "very low". See note 7.

NOTE 12 – LIABILITIES

<i>Amounts in NOK 1000</i>	<i>31 Dec. 2005</i>	<i>31 Dec. 2004</i>
Deposits from DnB NOR Bank ASA	13 998 141	0
Other liabilities:		
Accrued interest expenses on deposits	1 993	0
Accrued operating expenses	20 065	0
Accrued arrangement fees	200	0
Group contribution	12 760	0
Total liabilities	14 033 159	0

DnB NOR Boligkreditt AS is financed through borrowings from DnB NOR Bank ASA.

NOTE 13 – RECEIVABLES AND LIABILITIES TO COMPANIES IN THE DnB NOR GROUP

<i>Amounts in NOK 1 000</i>	<i>31 Dec. 2005</i>	<i>Interest 2005</i>	<i>31 Dec. 2004</i>	<i>Interest 2004</i>
Receivables				
DnB NOR Bank ASA	3 733	3 733	200	0
Liabilities				
DnB NOR Bank ASA	14 020 591	70 184	0	0

Interest terms on receivables and liabilities are based on market terms.

NOTE 14 – OWNERSHIP

Share capital amounted to NOK 650 million as at 31 December 2005, divided into 6 500 000 shares with a face value of NOK 100. All shares in DnB NOR Boligkreditt AS are owned by DnB NOR Bank ASA.

NOTE 15 – EQUITY

<i>Amounts in NOK 1 000</i>	<i>Share capital</i>	<i>Other equity</i>	<i>Total equity</i>
Balance as at 31 Dec. 2004	200		200
+ Share issue 24 May 2005	49 800		49 800
+ Share issue 18 Aug. 2005	600 000		600 000
+ Profit for the year		9 187	9 187
- Group contribution		(9 187)	(9 187)
Balance as at 31 Dec. 2005	650 000	0	650 000

In the share issues on 24 May 2005 and 18 August 2005, 498 000 and 6 000 000 shares respectively were issued, with face value NOK 100. Both issues were fully subscribed by DnB NOR Bank ASA.

NOTE 16 – CAPITAL ADEQUACY

DnB NOR Boligkreditt AS fulfils the capital adequacy requirements stipulated in the Financial Services Act and regulations from Kredittilsynet.

<i>Amounts in NOK 1 000</i>	<i>31 Dec. 2005</i>	<i>31 Dec. 2004</i>
Core capital	650 000	200
+ Net supplementary capital	0	0
= Total eligible primary capital	650 000	200
Total risk-weighted volume	7 341 288	-
Core capital ratio	8.85%	-
Capital adequacy ratio	8.85%	-

NOTE 17 – CONTINGENCIES

DnB NOR Boligkreditt AS is party to no legal actions.

NOTE 18 – CONTACT INFORMATION

DnB NOR Boligkreditt AS is a subsidiary of DnB NOR Bank ASA (Register of Business Enterprises 984 851 006), which is a subsidiary of DnB NOR ASA (Register of Business Enterprises 981 276 957).

DnB NOR Boligkreditt AS' annual accounts are included in the consolidated accounts of DnB NOR ASA. The Group's annual report is available at the Group's head office at Stranden 21, 0021 Oslo.

Oslo, 14 February 2006

The Board of Directors of DnB NOR Boligkreditt AS

Åsmund Skår
(chairman)

Eldbjørg Sture

Reidar Bolme

Steinar Ouren

Carl Johan Wickmann
(chief executive officer)

To the Annual Shareholders' Meeting of DnB NOR Boligkreditt AS

Auditor's report for 2005

We have audited the annual financial statements of DnB NOR Boligkreditt AS as of December 31, 2005, showing a profit of NOK 9 187 328. We have also audited the information in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit. The annual financial statements comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The regulations of the Norwegian accounting act and accounting standards, principles and practices generally accepted in Norway have been applied in the preparation of the financial statements. These financial statements are the responsibility of the Company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors.

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

In our opinion,

- the financial statements have been prepared in accordance with the law and regulations and give a true and fair view of the financial position of the company as of December 31, 2005, and the results of its operations and its cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway
- the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of accounting information in accordance with the law and good bookkeeping practice in Norway
- the information in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit are consistent with the financial statements and comply with the law and regulations

Bergen, February 14, 2006

PricewaterhouseCoopers AS

Jon Haugervåg

State Authorised Public Accountant (Norway)

Note: This translation from Norwegian has been prepared for information purposes only.

Control Committee's Report

To the Annual General Meeting of DnB NOR Boligkreditt ASA

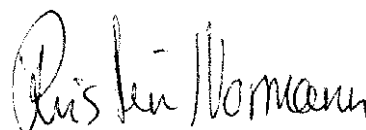
In connection with the closing of the accounts for the 2005 financial year, the Control Committee has examined the Directors' Report, the annual accounts and the Auditor's Report for DnB NOR Boligkreditt AS.

The Committee finds that the Board of Directors gives an adequate description of the financial position of the company, and recommends the approval of the Directors' Report and annual accounts for the 2005 financial year.

Oslo, 16 March 2006



Helge B. Andersen



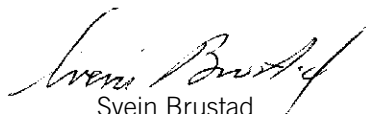
Kristin Normann



Frode Hassel



Thorstein Øverland



Svein Brustad



Anita Roarsen

Governing bodies

Representantskap

MEMBERS

Wenche Agerup, Oslo

Anita Roarsen, Oslo

Helge Stray, Oslo

Jørn E. Pedersen, Oslo

Morten Ronæss, Trondheim

Alf Erik Kvaal, Bergen

DEPUTIES

Anne Cathrine Frøstrup, Hønefoss

Nils H. Bastiansen, Stabekk

Ragnhild Martinsen, Bodø

Control committee

MEMBERS

Helge B. Andresen, Hamar (chairman)

Kristin Normann, Oslo (vice-chairman)

Frode Hassel, Trondheim

Thorstein Øverland, Oslo

DEPUTIES

Svein Brustad, Hvalstad

Anita Roarsen, Oslo

Board of directors

Åsmund Skår, Lysaker

Reidar Bolme, Oslo

Eldbjørg Sture, Oslo

Steinar Ouren, Lillehammer

Carl Johan Wickmann, Bergen

Contact information

DnB NOR Bank ASA

Organisation number: 984 851 006
Mailing address: NO-0021 Oslo
Visiting address: Stranden 21, 0250 Oslo
www.dnbnor.no
Tlf: 03000 (from abroad: +47 915 03000)

DnB NOR Boligkreditt AS

Organisation number: 985 621 551
Contact person: Stein Aage Bless
Visiting address: Kirkegata 21, 0021 Oslo

Investor Relations

Helge Stray
Tlf: +47 22 94 93 76
helge.stray@dnbnor.no

Thor Tellefsen
Tlf: +47 22 94 93 88
thor.tellefsen@dnbnor.no

