

Fact book

DNB Group

DNB



**FOURTH
QUARTER 2017**
(Preliminary and unaudited)

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Financial calendar

2018

8 March	Annual report 2017
24 April	Annual general meeting
25 April	Ex-dividend date
26 April	Q1 2018
as of 4 May	Distribution of dividends
12 July	Q2 2018
25 October	Q3 2018
14 November	Capital markets day

Statements regarding DNB's relative market positions are, unless otherwise specified, based on internal DNB analyses.

Major changes from 3Q17

Deconsolidation of the Baltics portfolio and establishment of Luminor Group AB

On 25 August 2016, DNB and Nordea announced an agreement to combine their operations in Estonia, Latvia and Lithuania. In the period from August 2016 up to and including September 2017, all assets and liabilities related to DNB Baltics were presented as held for sale, while there were no changes in the presentation in the income statement. The reclassification was made at group level and did not affect the reporting of the Large corporates and international customers segment. Nor was the capital adequacy reporting affected. For risk reporting purpose, the Baltic portfolio was included in the loan, deposit and EAD figures in the Fact Book and in note "net impaired loans and guarantees for principal customer groups" in the financial statement.

The transaction was closed on 1 October 2017, and Luminor Group AB was established. DNB's ownership in Luminor Group is approximately 44 per cent and is presented under "investments accounted for by the equity method" in the financial statement with effect from 1 October 2017. DNB's share of the Baltics portfolio is not included in the loan, deposit or EAD figures. For capital adequacy purposes, figures for the Luminor Group are consolidated on a pro rata basis.

Historical figures have not been restated.

The tables below show the income statement and the lending and deposit volumes related to the Baltic operation up to and including 3Q17.

Full income statement - quarterly group external figures for the Baltic operation

<i>Amounts in NOK million</i>	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Total interest income	305	302	287	296	316	307	311	325
Total interest expenses	(27)	(26)	(19)	(29)	(19)	(23)	(28)	(23)
Net interest income	278	276	268	267	297	284	283	301
Commission and fee income etc.	145	142	129	143	126	125	124	143
Commission and fee expenses etc.	(36)	(35)	(29)	(34)	(34)	(31)	(29)	(34)
Net gains on financial instruments at fair value ¹⁾	10	24	32	21	(14)	(6)	21	194
Profit from investments accounted for by the equity method				0	0	0	(1)	(0)
Net gains on investment properties	(7)	(19)	(2)	(21)	(19)	(19)	(11)	(42)
Other income	25	11	10	13	30	24	24	19
Net other operating income	136	123	141	122	89	93	128	280
Total income	415	399	409	389	386	377	411	582
Salaries and other personnel expenses	(122)	(119)	(108)	(113)	(104)	(113)	(121)	(122)
Other expenses	(103)	(90)	(101)	(108)	(98)	(105)	(117)	(137)
Depreciation and impairment of fixed and intangible assets	(19)	(19)	(18)	(20)	(32)	(19)	(19)	(21)
Total operating expenses	(243)	(228)	(228)	(241)	(233)	(237)	(257)	(280)
Pre-tax operating profit before impairment	172	171	181	148	152	140	155	302
Net gains on fixed and intangible assets	(3)	1	6	(4)	15	4	1	0
Impairment of loans and guarantees	34	33	(2)	(51)	1	(36)	(23)	(30)
Pre-tax operating profit	203	205	185	93	168	108	133	272
Tax expense	(15)	(22)	(12)	(5)	(16)	(5)	(13)	6
Profit from operations held for sale, after taxes	(0)	(0)	(0)	(0)	(0)	(0)	3	
Profit for the period	188	183	173	88	153	103	123	278

Development in volumes - end of period figures for the Baltic operation

<i>Amounts in NOK million</i>	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Loans to customers	48 068	47 933	45 921	45 007	45 887	47 024	46 597	47 694
Deposits from customers	38 260	38 330	36 911	36 464	34 804	35 192	35 514	37 191

Other changes

Expired table: 1.1.12 Assets and liabilities held for sale

New table 1.10.7 Cross-sectoral financial group

Changes in table 2.8.10 Solvency II margin

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Chapter 1 - Financial results DNB Group

Financial results and key figures

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1.1.1 Income statement - condensed ¹⁾

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	8 863	9 007	9 031	8 521	8 372	8 481	8 544	8 713	9 062
<i>Net commissions and fees</i>	2 064	2 150	2 161	2 073	2 136	2 016	2 136	1 991	2 082
<i>Net gains on financial instruments at fair value ²⁾</i>	1 693	1 065	982	808	1 689	1 411	1 029	2 384	2 164
<i>Net financial and risk result, DNB Livsforsikring</i>	266	335	454	240	232	154	166	112	(681)
<i>Net insurance result, DNB Forsikring</i>	164	176	189	155	181	148	204	115	132
<i>Other operating income</i>	228	197	196	123	(9)	200	1 418	340	129
Net other operating income, total ³⁾	4 415	3 922	3 982	3 399	4 230	3 929	4 952	4 942	3 825
Total income	13 278	12 929	13 014	11 920	12 602	12 409	13 496	13 655	12 888
Operating expenses	(5 346)	(5 321)	(5 518)	(5 243)	(5 213)	(5 042)	(5 281)	(5 157)	(5 437)
Restructuring costs and non-recurring effects	(672)	(199)	(97)	(197)	19	(1)	(104)	(553)	1 811
Pre-tax operating profit before impairment	7 260	7 409	7 399	6 479	7 409	7 366	8 111	7 945	9 262
Net gains on fixed and intangible assets	(35)	750	17	6	(12)	20	(20)	(6)	(9)
Impairment of loans and guarantees	(402)	(867)	(597)	(562)	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)
Pre-tax operating profit	6 823	7 292	6 819	5 923	5 644	5 209	5 770	6 764	7 833
Tax expense	(446)	(1 677)	(1 568)	(1 362)	(290)	(1 130)	(1 190)	(1 529)	(1 077)
Profit from operations held for sale, after taxes	(3)	33	(14)	(17)	26	1	(10)	(13)	28
Profit for the period	6 374	5 648	5 237	4 544	5 380	4 080	4 569	5 222	6 784
Portion attributable to shareholders	6 132	5 430	5 000	4 304	5 143	3 952	4 454	5 107	6 658

1) For more details, see table 1.1.3.

2) See table 1.1.2 "Net gains on financial instruments at fair value" for specification.

3) See table 1.3.1 "Net other operating income" for specification.

1.1.2 Net gains on financial instruments at fair value

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Customer revenues in DNB Markets	600	573	587	588	631	583	665	562	628
Trading revenues in DNB Markets (excl. CVA/DVA/FVA and credit spread effects)	551	516	393	503	790	639	671	464	782
Credit spread effects on bonds in DNB Markets	(23)	127	86	185	(24)	296	67	(114)	(235)
Financial guarantees	246	300	192	168	103	187	110	194	187
Basis swaps ¹⁾	62	(54)	(60)	(620)	(713)	(444)	(388)	1 003	(4)
CVA/DVA/FVA ²⁾	94	128	(0)	48	321	328	(533)	(93)	367
Exchange rate effects on additional Tier 1 capital	330	(624)	(296)	(25)	794	(282)	71	(389)	212
Other mark-to-market adjustments	(166)	98	80	(39)	(214)	104	367	757	227
Net gains on financial instruments at fair value	1 694	1 065	982	808	1 689	1 411	1 029	2 384	2 164

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Customer revenues in DNB Markets	2 348	2 441	2 331	1 908	1 810
Trading revenues in DNB Markets (excl. CVA/DVA/FVA and credit spread effects)	1 963	2 563	2 207	1 282	1 895
Credit spread effects on bonds in DNB Markets	375	225	(809)	302	134
Financial guarantees	907	595	876	879	828
Basis swaps ¹⁾	(672)	(542)	2 685	394	(1 363)
CVA/DVA/FVA ²⁾	270	22	181	(597)	-
Exchange rate effects on additional Tier 1 capital	(616)	(624)	197		
Other mark-to-market adjustments	(25)	1 834	1 016	1 149	1 729
Net gains on financial instruments at fair value	4 549	6 513	8 683	5 317	5 032

1) Basis swaps are derivative contracts entered into by the bank when issuing senior bonds or raising other long-term funding in the international capital markets and converting the relevant currency to Norwegian kroner. The Norwegian bond market is very small and illiquid, which means that there is a great need for international funding hedged by such instruments. In periods of financial market turbulence, there will be stronger demand for "secure" currencies such as the US dollar. Thus, prices will increase for swaps where USD will be supplied on a future date. When prices of new swap contracts increase, so will the market value of existing swap contracts. This will give an increase in recorded income. However, such changes in value recorded in a quarter will be reversed in subsequent quarters, either because the market is stabilising or because the maturity date of the derivative contract is approaching.

2) The fair value of derivative instruments is adjusted for the credit risk of the counterparty (Credit Valuation Adjustment, or "CVA") and DNB's own credit risk (Debit Valuation Adjustments, or "DVA"). CVA and DVA are estimated based on the simulated expected exposure, probability of default, and loss given default. Counterparty credit risk is assessed based on market implied default probabilities (observed CDS spreads or indices), as well as the company's own credit models. From the second quarter 2016 the fair value measurement of OTC derivatives also includes the funding valuation adjustment (FVA) for uncollateralized customer transactions. These transactions will be covered in the interbank market, and DNB will be required to provide collateral if the market value is negative. FVA represent the additional funding costs related to this collateral.

1.1.3 Full income statement - quarterly figures

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Total interest income	13 283	13 651	13 709	13 223	13 273	12 976	12 880	13 295	13 934
Total interest expenses	(4 420)	(4 644)	(4 677)	(4 702)	(4 901)	(4 495)	(4 336)	(4 582)	(4 872)
Net interest income	8 863	9 007	9 031	8 521	8 372	8 481	8 544	8 713	9 062
Commission and fee income etc.	3 255	3 054	3 026	2 944	2 814	2 851	2 992	2 794	2 916
Commission and fee expenses etc.	(1 191)	(904)	(866)	(871)	(678)	(835)	(856)	(803)	(834)
Net gains on financial instruments at fair value ¹⁾	1 693	1 065	982	808	1 689	1 411	1 029	2 384	2 164
Net financial result, DNB Livsforsikring	168	147	372	117	(57)	45	(68)	9	(928)
Net risk result, DNB Livsforsikring	98	187	83	123	290	109	234	103	247
Net insurance result, DNB Forsikring	164	176	189	155	181	148	204	115	132
Profit from investments accounted for by the equity method	(74)	(17)	23	(45)	(45)	(0)	1 148	86	(28)
Net gains on investment properties	146	(3)	(14)	14	(7)	(5)	(18)	(5)	122
Other income	155	217	187	154	44	205	287	259	35
Net other operating income	4 415	3 922	3 982	3 399	4 230	3 929	4 952	4 942	3 825
Total income	13 278	12 929	13 014	11 920	12 602	12 409	13 496	13 655	12 888
Salaries and other personnel expenses	(3 023)	(3 056)	(3 049)	(3 056)	(2 842)	(2 874)	(2 911)	(3 277)	(1 106)
Other expenses	(1 977)	(1 938)	(2 088)	(1 874)	(1 828)	(1 694)	(1 965)	(1 765)	(1 931)
Depreciation and impairment of fixed and intangible assets	(1 018)	(525)	(478)	(510)	(524)	(475)	(510)	(668)	(590)
Total operating expenses	(6 018)	(5 520)	(5 615)	(5 441)	(5 194)	(5 043)	(5 385)	(5 711)	(3 626)
Pre-tax operating profit before impairment	7 260	7 409	7 399	6 479	7 409	7 366	8 111	7 945	9 262
Net gains on fixed and intangible assets	(35)	750	17	6	(12)	20	(20)	(6)	(9)
Impairment of loans and guarantees	(402)	(867)	(597)	(562)	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)
Pre-tax operating profit	6 823	7 292	6 819	5 923	5 644	5 209	5 770	6 764	7 833
Tax expense	(446)	(1 677)	(1 568)	(1 362)	(290)	(1 130)	(1 190)	(1 529)	(1 077)
Profit from operations held for sale, after taxes	(3)	33	(14)	(17)	26	1	(10)	(13)	28
Profit for the period	6 374	5 648	5 237	4 544	5 380	4 080	4 569	5 222	6 784
Portion attributable to shareholders	6 132	5 430	5 000	4 304	5 143	3 952	4 454	5 107	6 658
Portion attributable to additional Tier 1 capital holders	243	218	238	240	238	128	115	115	126
Profit for the period	6 374	5 648	5 237	4 544	5 380	4 080	4 569	5 222	6 784
Earnings/diluted earnings per share (NOK)	3.79	3.34	3.07	2.64	3.16	2.43	2.74	3.14	4.11
Earnings per share excluding operations held for sale (NOK)	3.79	3.32	3.08	2.65	3.14	2.43	2.74	3.15	4.10

Average exchange rates in the period:

EUR/NOK	9.61	9.34	9.37	8.99	9.05	9.29	9.32	9.52	9.33
USD/NOK	8.17	7.97	8.51	8.45	8.39	8.32	8.26	8.64	8.52

1) See table 1.1.2 "Net gains on financial instruments at fair value" for specification.

1.1.4 Comprehensive income statement - quarterly figures

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Profit for the period	6 374	5 648	5 237	4 544	5 380	4 080	4 569	5 222	6 784
Actuarial gains and losses	(104)	0			(23)	(122)		(39)	31
Property revaluation	5	(35)	(28)	22	37	7	1	2	(282)
Items allocated to customers (life insurance)	(5)	35	28	(22)	(37)	(7)	(1)	(2)	282
Items that will not be reclassified to the income statement	(104)	0	0	0	(23)	(122)	0	(39)	31
Currency translation of foreign operations	2 739	(2 975)	895	531	3 562	(4 321)	(1 340)	(4 376)	2 369
Currency translation reserve reclassified to the income statement ¹⁾	(1 306)						(43)		
Hedging of net investments	(1 640)	1 894	(516)	(252)	(2 415)	2 950	843	2 968	(1 578)
Hedging reserve reclassified to the income statement ¹⁾	886								
Investments according to the equity method ²⁾	41	20	12	87	4	4		(33)	889
Investments according to the equity method reclassified to the income statement ²⁾							(855)		
Items that may subsequently be reclassified to the income statement	719	(1 062)	391	366	1 151	(1 367)	(1 395)	(1 442)	1 680
Other comprehensive income for the period (net of tax)	615	(1 062)	391	366	1 128	(1 489)	(1 395)	(1 480)	1 710
Comprehensive income for the period	6 989	4 586	5 629	4 910	6 509	2 591	3 173	3 742	8 494

1) In the fourth quarter of 2017, currency translation reserves (accumulated gains) of NOK 1 307 million and hedging reserves (accumulated losses) of NOK 1 224 million relating to the Baltics were reclassified to the income statement and recognised in "Net gains on fixed and intangible assets". Tax relating to the Baltics hedging reserve amounted to NOK 338 million, which was reclassified to the income statement and recognised in "Tax expense".

2) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.1.5 Income statement - five years

Amounts in NOK million	2017	2016	2015	2014	2013
Total interest income	53 865	52 424	57 532	61 445	60 404
Total interest expenses	(18 442)	(18 314)	(22 174)	(28 959)	(30 212)
Net interest income	35 422	34 110	35 358	32 487	30 192
Commission and fee income etc.	12 279	11 452	11 963	11 565	10 916
Commission and fee expenses etc.	(3 831)	(3 172)	(3 101)	(2 597)	(2 379)
Net gains on financial instruments at fair value ¹⁾	4 548	6 513	8 683	5 317	5 032
Net financial result, DNB Livsforsikring	804	(72)	(1 251)	(79)	554
Net risk result, DNB Livsforsikring	491	736	861	688	467
Net insurance result, DNB Forsikring	683	648	534	491	418
Profit from investments accounted for by the equity method	(112)	1 189	(72)	226	362
Net gains on investment properties	143	(35)	269	82	(86)
Other income	713	795	762	1 182	1 144
Net other operating income	15 718	18 053	18 648	16 877	16 427
Total income	51 140	52 163	54 006	49 363	46 619
Salaries and other personnel expenses	(12 184)	(11 904)	(9 822)	(10 872)	(11 307)
Other expenses	(7 878)	(7 251)	(7 790)	(7 645)	(7 850)
Depreciation and impairment of fixed and intangible assets	(2 531)	(2 177)	(2 298)	(2 158)	(2 719)
Total operating expenses	(22 593)	(21 333)	(19 910)	(20 675)	(21 875)
Pre-tax operating profit before impairment	28 547	30 830	34 096	28 689	24 744
Net gains on fixed and intangible assets	738	(19)	45	52	151
Impairment of loans and guarantees	(2 428)	(7 424)	(2 270)	(1 639)	(2 185)
Pre-tax operating profit	26 858	23 387	31 871	27 102	22 709
Tax expense	(5 054)	(4 140)	(7 048)	(6 463)	(5 202)
Profit from operations held for sale, after taxes	(1)	4	(51)	(22)	4
Profit for the period	21 803	19 251	24 772	20 617	17 511
Portion attributable to shareholders	20 865	18 656	24 398	20 617	17 511
Portion attributable to additional Tier 1 capital holders	938	595	374		
Profit for the period	21 803	19 251	24 772	20 617	17 511
Earnings/diluted earnings per share (NOK)	12.84	11.46	14.98	12.67	10.75
Earnings per share excluding operations held for sale (NOK)	12.84	11.46	15.01	12.68	10.75

Average exchange rates in the period:

EUR/NOK	9.33	9.29	8.95	8.36	7.81
USD/NOK	8.27	8.40	8.07	6.30	5.88

1) See table 1.1.2 "Net gains on financial instruments at fair value" for specification.

1.1.6 Comprehensive income statement - five years

Amounts in NOK million	2017	2016	2015	2014	2013
Profit for the period	21 803	19 251	24 772	20 617	17 511
Actuarial gains and losses	(104)	(183)	673	(2 101)	(469)
Property revaluation	(35)	47	(204)	191	124
Items allocated to customers (life insurance)	35	(47)	204	(191)	(124)
Items that will not be reclassified to the income statement	(104)	(183)	673	(2 101)	(469)
Currency translation of foreign operations	1 190	(6 476)	9 612	7 149	3 478
Currency translation reserve reclassified to the income statement ¹⁾	(1 306)	(43)			
Hedging of net investments	(515)	4 346	(6 203)	(4 526)	(2 425)
Hedging reserve reclassified to the income statement ¹⁾	886				
Investments according to the equity method ²⁾	160	(25)	889		
Investments according to the equity method reclassified to the income statement ²⁾		(855)			
Items that may subsequently be reclassified to the income statement	414	(3 052)	4 298	2 623	1 053
Other comprehensive income for the period (net of tax)	311	(3 236)	4 972	522	584
Comprehensive income for the period	22 113	16 015	29 744	21 138	18 096

1) In the fourth quarter of 2017, currency translation reserves (accumulated gains) of NOK 1 307 million and hedging reserves (accumulated losses) of NOK 1 224 million relating to the Baltics were reclassified to the income statement and recognised in "Net gains on fixed and intangible assets". Tax relating to the Baltics hedging reserve amounted to NOK 338 million, which was reclassified to the income statement and recognised in "Tax expense".

2) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.1.7 Full balance sheet - quarterly figures

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Assets									
Cash and deposits with central banks	151 595	325 842	265 552	368 518	208 263	175 212	154 438	166 587	19 317
Due from credit institutions	239 328	156 146	160 749	200 848	176 442	192 931	214 902	180 065	301 216
Loans to customers	1 545 415	1 536 167	1 551 738	1 531 096	1 509 078	1 484 756	1 542 285	1 534 902	1 542 744
Commercial paper and bonds at fair value	338 713	273 921	274 258	298 948	296 642	302 291	300 706	286 273	289 695
Shareholdings	28 220	26 683	26 794	28 535	22 512	21 205	25 626	27 578	19 341
Financial assets, customers bearing the risk	75 206	70 690	67 680	64 688	60 220	56 417	52 893	50 967	49 679
Financial derivatives	132 349	130 282	139 643	141 449	157 940	187 023	198 953	215 743	203 029
Commercial paper and bonds, held to maturity	83 894	85 819	88 191	92 433	94 008	95 963	99 489	100 516	105 224
Investment properties	16 306	15 919	16 139	15 967	15 912	15 493	16 419	15 416	16 734
Investments accounted for by the equity method	15 609	8 562	7 936	7 926	7 768	7 901	7 869	9 715	9 525
Intangible assets	5 600	5 904	5 854	5 767	5 814	5 759	5 903	5 963	6 076
Deferred tax assets	769	1 180	1 391	1 406	1 404	943	1 061	1 100	1 151
Fixed assets	8 704	8 353	8 317	8 125	7 949	7 898	8 565	8 717	8 860
Assets held for sale	0	70 359	55 950	53 365	52 541	52 482	180	204	200
Other assets	56 559	51 204	52 616	51 375	36 709	45 210	35 867	35 338	25 739
Total assets	2 698 268	2 767 030	2 722 809	2 870 447	2 653 201	2 651 484	2 665 157	2 639 081	2 598 530
Liabilities and equity									
Due to credit institutions	224 107	246 222	215 633	273 010	212 882	192 979	189 824	160 778	161 537
Deposits from customers	971 137	1 010 092	1 008 878	1 016 896	934 897	917 952	961 138	927 559	944 428
Financial derivatives	110 262	107 731	111 659	111 697	130 161	155 491	156 121	173 398	154 663
Debt securities issued	780 247	756 134	758 402	832 521	765 869	784 953	811 523	829 997	804 928
Insurance liabilities, customers bearing the risk	75 206	70 690	67 680	64 688	60 220	56 417	52 893	50 967	49 679
Liabilities to life insurance policyholders in DNB Livsforsikring	208 500	208 844	209 230	209 354	208 160	210 425	210 027	210 230	208 726
Insurance liabilities, DNB Forsikring	2 043	2 047	2 206	2 259	1 892	2 057	2 108	2 125	1 846
Payable taxes	4 599	4 000	1 900	9 222	8 874	7 093	5 080	4 186	2 093
Deferred taxes	2 574	4 003	3 915	3 891	3 816	7 860	7 950	7 780	7 672
Other liabilities	68 078	62 045	58 603	60 983	44 568	49 806	43 174	44 009	37 675
Liabilities held for sale	0	51 001	43 106	41 671	41 243	39 547	59	56	71
Provisions	1 812	1 940	2 129	1 885	2 094	1 762	1 725	1 570	1 285
Pension commitments	3 267	3 047	2 974	2 867	2 756	3 003	2 757	2 684	2 549
Subordinated loan capital	29 538	28 554	29 426	28 795	29 347	28 202	29 498	29 826	30 953
Total liabilities	2 481 371	2 556 351	2 515 741	2 659 740	2 446 779	2 457 549	2 473 878	2 445 165	2 408 105
Share capital	16 180	16 227	16 288	16 283	16 286	16 288	16 282	16 268	16 257
Share premium	22 609	22 609	22 609	22 609	22 609	22 609	22 609	22 609	22 609
Additional Tier 1 capital	16 159	15 960	15 787	15 594	15 952	9 641	9 559	8 067	8 353
Other equity	161 948	155 883	152 385	156 221	151 576	145 397	142 829	146 972	143 207
Total equity	216 897	210 679	207 069	210 707	206 423	193 935	191 279	193 916	190 425
Total liabilities and equity	2 698 268	2 767 030	2 722 809	2 870 447	2 653 201	2 651 484	2 665 157	2 639 081	2 598 530

Exchange rates at the end of the period:

EUR/NOK	9.83	9.41	9.59	9.18	9.08	8.97	9.31	9.44	9.60
USD/NOK	8.20	7.98	8.40	8.60	8.61	8.00	8.37	8.28	8.80

1.1.8 Balance sheet - five years

<i>Amounts in NOK million</i>	31 Dec. 2017	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014	31 Dec. 2013
Assets					
Cash and deposits with central banks	151 595	208 263	19 317	58 505	167 171
Due from credit institutions	239 328	176 442	301 216	373 409	180 882
Loans to customers	1 545 415	1 509 078	1 542 744	1 438 839	1 340 831
Commercial paper and bonds at fair value	338 713	296 642	289 695	268 302	277 764
Shareholdings	28 220	22 512	19 341	26 870	29 826
Financial assets, customers bearing the risk	75 206	60 220	49 679	42 866	35 512
Financial derivatives	132 349	157 940	203 029	235 736	130 939
Commercial paper and bonds, held to maturity	83 894	94 008	105 224	118 667	152 883
Investment properties	16 306	15 912	16 734	30 404	32 753
Investments accounted for by the equity method	15 609	7 768	9 525	5 866	5 802
Intangible assets	5 600	5 814	6 076	6 286	6 511
Deferred tax assets	769	1 404	1 151	1 213	1 104
Fixed assets	8 704	7 949	8 860	13 830	12 498
Assets held for sale	0	52 541	200	692	225
Other assets	56 559	36 709	25 739	27 855	30 806
Total assets	2 698 268	2 653 201	2 598 530	2 649 341	2 405 507
Liabilities and equity					
Due to credit institutions	224 107	212 882	161 537	214 214	234 219
Deposits from customers	971 137	934 897	944 428	941 534	867 904
Financial derivatives	110 262	130 161	154 663	184 971	111 310
Debt securities issued	780 247	765 869	804 928	812 025	711 555
Insurance liabilities, customers bearing the risk	75 206	60 220	49 679	42 866	35 512
Liabilities to life insurance policyholders in DNB Livsforsikring	208 500	208 160	208 726	216 577	230 906
Insurance liabilities, DNB Forsikring	2 043	1 892	1 846	1 737	1 958
Payable taxes	4 599	8 874	2 093	1 723	3 277
Deferred taxes	2 574	3 816	7 672	6 130	3 205
Other liabilities	68 078	44 568	37 675	31 908	31 934
Liabilities held for sale	0	41 243	71	100	53
Provisions	1 812	2 094	1 285	1 172	1 454
Pension commitments	3 267	2 756	2 549	6 006	4 001
Subordinated loan capital	29 538	29 347	30 953	29 319	26 276
Total liabilities	2 481 371	2 446 779	2 408 105	2 490 282	2 263 564
Share capital	16 180	16 286	16 257	16 273	16 278
Share premium	22 609	22 609	22 609	22 609	22 609
Additional Tier 1 capital	16 159	15 952	8 353		
Other equity	161 948	151 576	143 207	120 178	103 057
Total equity	216 897	206 423	190 425	159 059	141 944
Total liabilities and equity	2 698 268	2 653 201	2 598 530	2 649 341	2 405 507

Exchange rates at the end of the period:

EUR/NOK	9.83	9.08	9.60	8.98	8.37
USD/NOK	8.20	8.61	8.80	7.39	6.07

1.1.9 Key figures - quarterly figures

	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15	
Interest rate analysis										
1	Combined weighted total average spread for lending and deposits (%)	1.31	1.31	1.32	1.29	1.29	1.30	1.33	1.35	1.32
2	Average spread for ordinary lending to customers (%)	2.08	2.09	2.07	2.03	1.96	2.03	2.08	2.07	2.11
3	Average spread for deposits from customers (%)	0.13	0.15	0.19	0.20	0.25	0.19	0.18	0.24	0.12
Rate of return/profitability										
4	Net other operating income, per cent of total income	33.2	30.3	30.6	28.5	33.6	31.7	36.7	36.2	29.7
5	Cost/income ratio (%)	45.3	42.7	43.1	45.6	41.2	40.6	39.9	41.8	28.1
6	Return on equity, annualised (%)	12.3	11.2	10.4	9.1	10.9	8.5	9.9	11.2	14.9
7	RAROC, annualised (%)	9.5	10.6	10.4	9.6	10.9	10.9	12.6	10.3	11.6
8	Average equity including allocated dividend (NOK million)	197 613	191 649	193 406	192 074	187 027	184 147	181 177	183 873	177 203
9	Return on average risk-weighted volume, annualised (%)	2.32	2.01	1.85	1.64	1.95	1.49	1.69	1.89	2.30
Financial strength at end of period										
10	Common Equity Tier 1 capital ratio, transitional rules (%) ¹⁾	16.4	16.3	15.8	15.8	16.0	15.7	15.2	15.2	14.4
11	Tier 1 capital ratio, transitional rules (%) ¹⁾	17.9	17.7	17.3	17.2	17.6	16.8	16.2	16.2	15.3
12	Capital ratio, transitional rules (%) ¹⁾	20.0	19.6	19.2	19.2	19.5	18.6	18.2	18.3	17.8
13	Common equity Tier 1 capital at end of period (NOK million) ¹⁾	171 346	171 295	172 031	170 176	168 214	163 756	161 982	159 972	162 906
14	Risk-weighted volume, transitional rules (NOK million)	1 042 601	1 053 673	1 087 122	1 077 792	1 051 498	1 045 272	1 068 585	1 049 367	1 129 373
Loan portfolio and impairment										
15	Individual impairment relative to average net loans to customers, annualised (%)	(0.44)	(0.25)	(0.14)	(0.12)	(0.41)	(0.41)	(0.42)	(0.14)	(0.26)
16	Impairment relative to average net loans to customers, annualised (%)	(0.10)	(0.22)	(0.15)	(0.15)	(0.45)	(0.56)	(0.61)	(0.31)	(0.37)
17	Net non-performing and net doubtful loans and guarantees, per cent of net loans	0.98	1.11	1.35	1.30	1.49	1.32	1.19	0.88	0.76
18	Net non-performing and net doubtful loans and guarantees at end of period (NOK million)	17 277	19 172	23 567	23 078	25 654	22 589	20 685	14 928	13 982
Liquidity										
19	Ratio of customer deposits to net loans to customers at end of period (%)	62.8	65.8	65.0	66.4	62.0	61.8	62.3	60.4	61.2
Total assets owned or managed by DNB										
20	Customer assets under management at end of period (NOK billion)	614	591	582	569	548	538	527	522	563
21	Total combined assets at end of period (NOK billion)	3 026	3 076	3 026	3 163	2 931	2 920	2 927	2 898	2 901
22	Average total assets (NOK billion)	2 799	2 815	2 947	2 866	2 726	2 779	2 964	2 896	3 053
23	Customer savings at end of period (NOK billion)	1 585	1 639	1 629	1 623	1 519	1 491	1 488	1 450	1 507
Staff										
24	Number of full-time positions at end of period	9 144	10 785	10 697	10 924	11 007	10 883	11 015	11 233	11 380
The DNB share										
25	Number of issued shares at end of period (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
26	Number of outstanding shares at end of period (1 000)	1 618 049	1 622 743	1 628 799	1 628 251	1 628 578	1 628 799	1 628 198	1 626 787	1 625 658
27	Average number of outstanding shares (1 000)	1 619 871	1 623 815	1 628 761	1 628 586	1 628 725	1 627 988	1 627 807	1 626 420	1 626 598
28	Earnings per share (NOK)	3.79	3.34	3.07	2.64	3.16	2.43	2.74	3.14	4.09
29	Earnings per share excl. operations held for sale (NOK)	3.79	3.32	3.08	2.65	3.14	2.43	2.74	3.15	4.08
30	Dividend per share (NOK)	-	-	-	-	-	-	-	-	-
31	Total shareholder's return (%)	(1.2)	17.9	8.8	6.0	28.1	10.1	6.1	(10.9)	1.9
32	Dividend yield (%)	-	-	-	-	-	-	-	-	-
33	Book value per share incl. allocated dividend at end of period (NOK)	124.06	119.99	117.44	119.83	116.95	113.15	111.61	114.24	112.00
34	Share price at end of period (NOK)	152.10	160.50	142.00	136.10	128.40	104.70	99.35	97.85	109.80
35	Price/earnings ratio	10.05	12.00	11.57	12.87	10.17	10.78	9.08	7.79	6.71
36	Price/book value	1.23	1.34	1.21	1.14	1.10	0.93	0.89	0.86	0.98
37	Market capitalisation (NOK billion)	246.1	260.5	231.3	221.6	209.1	170.5	161.8	159.2	178.5

1) Including 50 per cent of profit for the period, except for the full year figures.

For definitions of selected key figures, see table 1.1.11.

1.1.10 Key figures - five years

	2017	2016	2015	2014	2013
Interest rate analysis					
1 Combined weighted total average spread for lending and deposits (%)	1.30	1.32	1.33	1.31	1.31
2 Average spread for ordinary lending to customers (%)	2.07	2.04	2.17	2.33	2.34
3 Average spread for deposits from customers (%)	0.17	0.21	0.01	(0.25)	(0.31)
Rate of return/profitability					
4 Net other operating income, per cent of total income	30.7	34.6	34.5	34.2	35.2
5 Cost/income ratio (%)	44.2	40.9	36.9	41.9	45.7
6 Return on equity, annualised (%)	10.8	10.1	14.5	13.8	13.1
7 RAROC, annualised (%)	10.0	11.1	11.2	12.3	12.8
8 Average equity including allocated dividend (NOK million)	193 686	184 056	168 674	149 460	133 242
9 Return on average risk-weighted volume, annualised (%)	1.96	1.75	2.14	1.89	1.61
Financial strength at end of period					
10 Common Equity Tier 1 capital ratio, transitional rules (%)	16.4	16.0	14.4	12.7	11.8
11 Tier 1 capital ratio, transitional rules (%)	17.9	17.6	15.3	13.0	12.1
12 Capital ratio, transitional rules (%)	20.0	19.5	17.8	15.2	14.0
13 Common equity Tier 1 capital at end of period (NOK million)	171 346	168 214	162 906	142 108	128 072
14 Risk-weighted volume, transitional rules (NOK million)	1 042 601	1 051 498	1 129 373	1 120 659	1 089 114
Loan portfolio and impairment					
15 Individual impairment relative to average net loans to customers, annualised (%)	(0.24)	(0.34)	(0.13)	(0.14)	(0.18)
16 Impairment relative to average net loans to customers, annualised (%)	(0.15)	(0.48)	(0.15)	(0.12)	(0.17)
17 Net non-performing and net doubtful loans and guarantees, per cent of net loans	0.98	1.49	0.76	0.96	1.38
18 Net non-performing and net doubtful loans and guarantees at end of period (NOK million)	17 277	25 654	13 982	17 261	20 749
Liquidity					
19 Ratio of customer deposits to net loans to customers at end of period (%)	62.8	62.0	61.2	65.4	64.7
Total assets owned or managed by DNB					
20 Customer assets under management at end of period (NOK billion)	614	548	562	549	519
21 Total combined assets at end of period (NOK billion)	3 026	2 931	2 901	2 936	2 656
22 Average total assets (NOK billion)	2 857	2 841	2 946	2 712	2 543
23 Customer savings at end of period (NOK billion)	1 585	1 519	1 507	1 490	1 387
Staff					
24 Number of full-time positions at end of period	9 144	11 007	11 380	11 643	12 016
The DNB share					
25 Number of shares at end of period (1 000)	1 628 799	1 628 799	1 628 799	1 628 799	1 628 799
26 Number of outstanding shares at end of period (1 000)	1 618 049	1 628 578	1 625 658	1 627 269	1 627 814
27 Average number of outstanding shares (1 000)	1 625 258	1 627 735	1 627 744	1 627 566	1 628 323
28 Earnings per share (NOK)	12.84	11.46	14.99	12.67	10.75
29 Earnings per share excl. operations held for sale (NOK)	12.84	11.46	15.02	12.68	10.75
30 Dividend per share (NOK)	7.10	5.70	4.50	3.80	2.70
31 Total shareholder's return (%)	23.5	22.2	1.9	4.7	57.6
32 Dividend yield (%)	4.67	4.44	4.10	3.16	2.49
33 Book value per share incl. allocated dividend at end of period (NOK)	124.06	116.95	112.00	97.75	87.20
34 Share price at end of period (NOK)	152.10	128.40	109.80	110.70	108.50
35 Price/earnings ratio	11.85	11.20	7.33	8.74	10.09
36 Price/book value	1.23	1.10	0.98	1.13	1.24
37 Market capitalisation (NOK billion)	246.1	209.1	178.5	180.1	176.6

For definitions of selected key figures, see next page.

1.1.11 Key figures - definitions

1, 2, 3	Based on customer segments and nominal values and excluding impaired loans. Measured against the 3-month money market rate.
5	Total operating expenses relative to total income.
6	Return on equity represents the shareholders' share of profit for the period relative to average equity excluding additional Tier 1 capital.
7	RAROC (Risk-Adjusted Return On Capital) is defined as risk-adjusted profits (shareholders' share) relative to average equity excluding additional Tier 1 capital. Risk-adjusted profits indicate the level of profits in a normalised situation. Among other things, recorded impairment losses on loans are replaced by normalised losses.
8	Average equity is estimated on the basis of recorded equity including allocated dividend, but excluding additional Tier 1 capital. Thus this amount corresponds to the shareholders' share of equity.
9	The shareholders' share of profit for the period relative to average risk-weighted volume.
20	Total assets under management for external clients in DNB Asset Management, DNB Livsforsikring and DNB Forsikring.
21	Total assets and customer assets under management.
23	Total deposits from customers, assets under management and equity-linked bonds.
25	The Annual General Meeting on 25 April 2017 authorised the Board of Directors of DNB ASA to acquire own shares for a total face value of up to NOK 325 759 772, corresponding to 2 per cent of share capital. The shares shall be purchased in a regulated market. Each share may be purchased at a price between NOK 10 and NOK 200 per share. The authorisation is valid for a period of 12 months from 25 April 2017. Acquired shares shall be redeemed in accordance with regulations on the reduction of capital. An agreement has been signed with Norwegian Government/Ministry of Trade, Industry and Fisheries for the redemption of a proportional share of government holdings to ensure that the government's percentage ownership does not change as a result of the redemption of repurchased shares.
26	Number of issued shares excluding DNB shares owned for trading purpose and as part of buy-back programmes.
28	The shareholders' share of profits relative to the average number of outstanding shares.
29	The shareholders' share of profits excluding profits from operations held for sale relative to the average number of outstanding shares.
31	Closing price at end of period less closing price at beginning of period, including dividends reinvested in DNB shares on the dividend payment date, relative to closing price at beginning of period.
33	The shareholders' share of equity, excluding additional Tier 1 capital, at end of period relative to the number of outstanding shares.
35	Closing price at end of period relative to annualised earnings per share.
36	Share price at end of period relative to book value per share.
37	Number of outstanding shares multiplied by the closing share price, at end of period.

1.2.1 Net interest income - split by segments

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income from loans to customers ¹⁾	7 593	7 805	7 673	7 281	7 239	7 563	7 565	7 560	7 902
Personal customers	3 485	3 404	3 204	2 999	2 828	2 981	3 073	3 039	3 394
Small and medium-sized enterprises	1 842	1 790	1 769	1 681	1 672	1 711	1 651	1 578	1 291
Large corporates and international customers	2 213	2 570	2 679	2 591	2 690	2 815	2 793	2 893	3 159
Other	54	40	21	11	50	56	48	50	58
Net interest income on deposits from customers	318	362	475	505	604	459	417	573	290
Personal customers	132	173	257	332	431	345	328	411	236
Small and medium-sized enterprises	157	157	177	207	205	173	166	195	168
Large corporates and international customers	32	32	39	(41)	(42)	(67)	(77)	(40)	(118)
Other	(2)	(1)	3	8	11	8	1	7	5
Equity and non-interest bearing items/Allocated capital	353	361	402	441	450	396	378	418	404
Personal customers	33	36	45	55	53	45	46	53	67
Small and medium-sized enterprises	19	21	27	33	33	28	27	32	38
Large corporates and international customers	60	73	98	110	112	99	92	110	125
Other	242	231	232	243	252	224	212	222	174
Other	599	480	481	293	79	62	184	163	466
Total net interest income	8 863	9 007	9 031	8 521	8 372	8 481	8 544	8 713	9 062

1.2.2 Average volumes - split by segments

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Loans to customers ²⁾	1 527 201	1 518 889	1 523 259	1 494 223	1 485 034	1 511 481	1 512 996	1 522 101	1 519 394
Personal customers ³⁾	740 219	727 659	715 809	704 976	702 949	691 602	679 147	673 476	689 026
Small and medium-sized enterprises	283 203	273 968	270 755	265 255	260 259	256 996	253 202	244 276	217 551
Large corporates and international customers	415 269	475 011	496 706	482 337	496 949	519 886	523 095	538 765	571 316
Other	88 510	42 252	39 989	41 655	24 877	36 656	57 553	65 583	41 500
Deposits from customers ²⁾	1 046 040	1 041 670	1 037 930	1 019 124	958 571	1 047 575	1 075 065	1 119 443	1 159 336
Personal customers	401 850	405 116	398 046	398 290	397 297	406 373	397 881	395 220	387 053
Small and medium-sized enterprises	209 977	208 161	204 904	197 750	185 176	179 110	173 284	170 165	171 926
Large corporates and international customers	337 424	376 811	391 560	392 885	366 617	374 006	378 136	382 852	402 916
Other	96 788	51 583	43 420	30 199	9 482	88 086	125 764	171 205	197 441
Equity and non-interest bearing items/Allocated capital	175 273	169 765	171 821	171 311	165 655	157 622	152 098	155 003	145 623
Personal customers	39 828	38 921	39 389	40 736	39 587	39 078	40 207	39 624	33 805
Small and medium-sized enterprises	26 258	25 913	26 066	26 549	26 836	26 615	26 688	27 324	20 958
Large corporates and international customers	73 707	82 379	86 083	83 066	84 826	87 091	83 076	84 707	70 868
Other	35 481	22 551	20 283	20 960	14 406	4 838	2 126	3 349	19 991

1.2.3 Interest rate spreads - split by segments ⁴⁾

Per cent	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Total lending - customer segments	2.08	2.09	2.07	2.03	1.96	2.03	2.08	2.07	2.11
Personal customers	1.87	1.86	1.80	1.73	1.60	1.71	1.82	1.81	1.95
Small and medium-sized enterprises	2.58	2.59	2.62	2.57	2.56	2.65	2.62	2.60	2.35
Large corporates and international customers	2.11	2.15	2.16	2.18	2.15	2.15	2.15	2.16	2.19
Total deposits - customer segments	0.13	0.15	0.19	0.20	0.25	0.19	0.18	0.24	0.12
Personal customers	0.13	0.17	0.26	0.34	0.43	0.34	0.33	0.42	0.24
Small and medium-sized enterprises	0.30	0.30	0.35	0.42	0.44	0.38	0.38	0.46	0.39
Large corporates and international customers	0.04	0.03	0.04	(0.04)	(0.05)	(0.07)	(0.08)	(0.04)	(0.12)
Combined spread - customer segments - weighted total average	1.31	1.31	1.32	1.29	1.29	1.30	1.33	1.35	1.32

1) Excluding impaired loans.

2) Average nominal amount, excluding impaired loans.

3) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. For more information about the portfolio, see table 2.2.1.

4) Spreads are calculated based on money market rates and do not include additional funding costs related to liquidity measures.

1.2.4 Quarterly development in average interest rate spreads

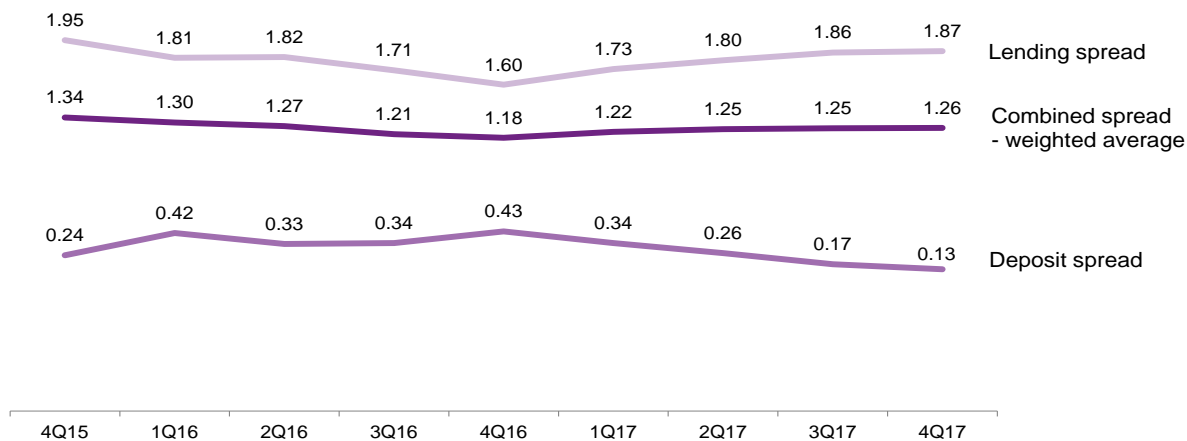
Customer segments

Per cent



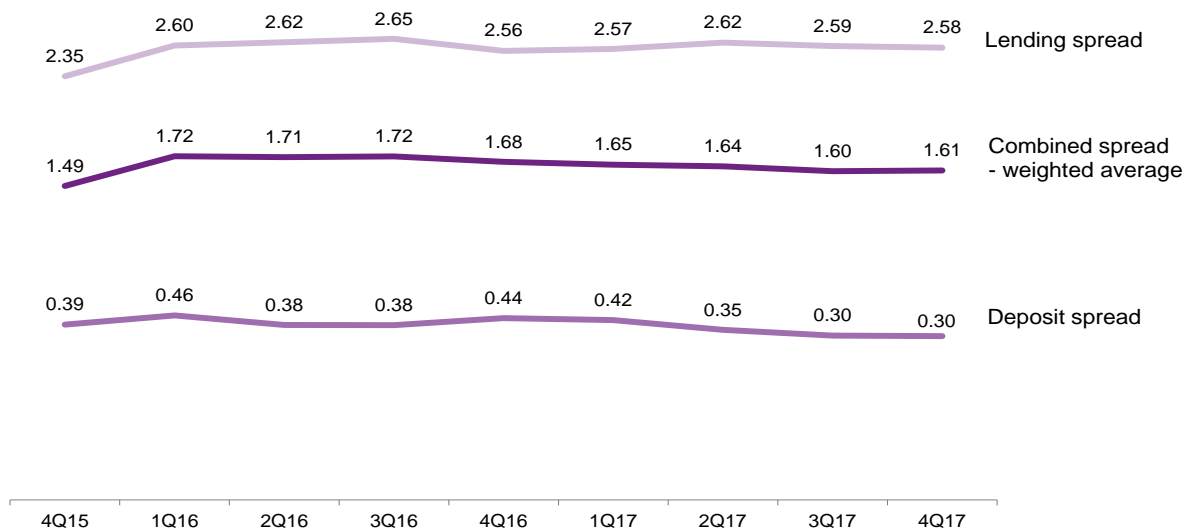
Personal customers

Per cent



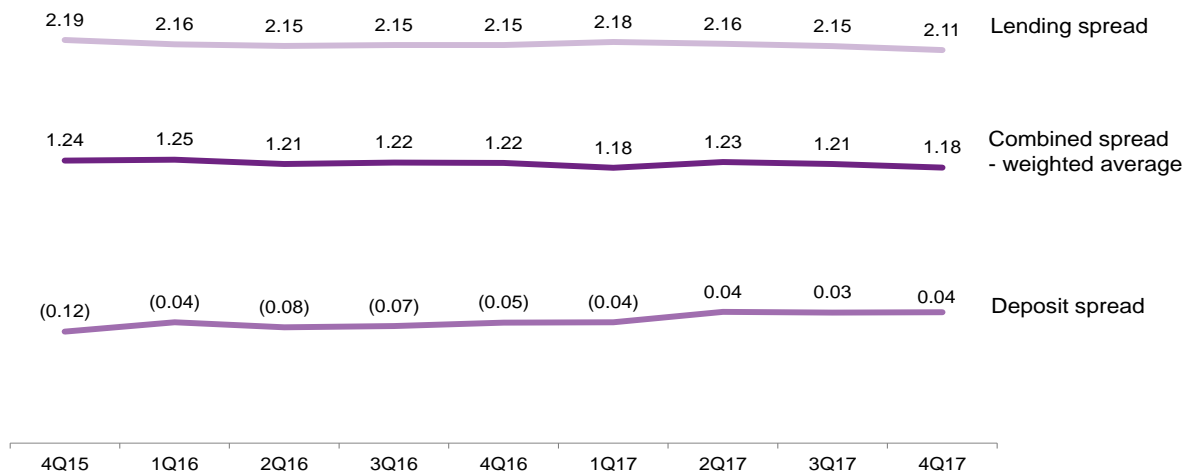
Small and medium-sized enterprises

Per cent



Large corporates and international customers

Per cent



1.2.5 Net interest income

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Interest on amounts due from credit institutions	767	767	632	546	432	302	159	447	430
Interest on loans to customers	10 922	11 203	11 285	11 036	10 984	11 078	11 005	11 161	11 660
Interest on impaired loans and guarantees	285	329	291	267	317	245	204	145	203
Interest on commercial paper and bonds	946	955	1 117	1 182	1 185	1 195	1 119	1 127	1 118
Front-end fees etc.	66	76	84	74	81	69	71	73	96
Other interest income	296	322	299	117	274	87	322	342	427
Total interest income	13 283	13 651	13 709	13 223	13 273	12 976	12 880	13 295	13 934
Interest on amounts due to credit institutions	(711)	(655)	(625)	(474)	(762)	(325)	(303)	(313)	(369)
Interest on deposits from customers	(1 931)	(1 928)	(1 872)	(1 787)	(1 665)	(1 672)	(1 631)	(1 676)	(1 821)
Interest on debt securities issued	(2 794)	(2 700)	(2 821)	(2 823)	(2 933)	(3 055)	(3 147)	(3 251)	(3 238)
Interest on subordinated loan capital	(107)	(105)	(105)	(135)	(131)	(132)	(132)	(137)	(140)
Guarantee fund levy ¹⁾	(113)	(173)	(176)	(175)	(200)	(187)	(187)	(193)	(202)
Other interest expenses ²⁾	1 237	918	922	692	791	875	1 065	988	898
Total interest expenses	(4 420)	(4 644)	(4 677)	(4 702)	(4 901)	(4 495)	(4 336)	(4 582)	(4 872)
Net interest income	8 863	9 007	9 031	8 521	8 372	8 480	8 544	8 713	9 062

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Interest on amounts due from credit institutions	2 713	1 340	1 608	1 814	1 299
Interest on loans to customers	44 447	44 229	48 728	52 139	52 019
Interest on impaired loans and guarantees	1 172	911	619	643	682
Interest on commercial paper and bonds	4 200	4 626	4 655	5 078	5 316
Front-end fees etc.	300	294	337	316	329
Other interest income	1 033	1 024	1 584	1 456	759
Total interest income	53 865	52 424	57 532	61 445	60 404
Interest on amounts due to credit institutions	(2 465)	(1 705)	(1 365)	(1 755)	(2 374)
Interest on deposits from customers	(7 519)	(6 645)	(9 394)	(13 827)	(14 626)
Interest on debt securities issued	(11 139)	(12 385)	(12 809)	(12 633)	(12 130)
Interest on subordinated loan capital	(452)	(532)	(569)	(572)	(453)
Guarantee fund levy ¹⁾	(637)	(768)	(845)	(780)	(754)
Other interest expenses ²⁾	3 770	3 720	2 809	608	125
Total interest expenses	(18 442)	(18 314)	(22 174)	(28 959)	(30 212)
Net interest income	35 422	34 110	35 358	32 487	30 192

1) The amounts represent a proportional share of the estimated annual levy.

2) Other interest expenses include interest rate adjustments resulting from interest swaps.

1.2.6 Changes in net interest income

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	8 863	9 007	9 031	8 521	8 372	8 481	8 544	8 713	9 062

Changes from previous quarters:	Changes from 3Q17	Changes from 2Q17	Changes from 1Q17	Changes from 4Q16	Changes from 3Q16	Changes from 2Q16	Changes from 1Q16	Changes from 4Q15
Lending volumes	(8)	58	118	(49)	(39)	99	72	(309)
Deposit volumes	(3)	4	1	21	(5)	7	6	(1)
Lending spreads	(1)	70	140	261	(264)	(188)	20	(117)
Deposit spreads	(35)	(115)	(33)	(107)	148	24	(155)	285
Exchange rate movements	48	(103)	44	6	(16)	(3)	(86)	76
Interest days		89	86	(148)		87		(88)
Long term funding	25	15	126	36	16	(52)	(36)	6
Amortisation effects and fees	52	(4)	9	53	(42)	(58)	4	(160)
Interest income on loans subject to impairment provisions	(24)	21	21	(66)	67	46	49	(27)
Other net interest income	(197)	(60)	(2)	141	26	(25)	(44)	(13)
Total	(144)	(24)	510	149	(108)	(63)	(170)	(349)

1.3.1 Net other operating income

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Money transfer and interbank transactions	409	495	461	445	403	520	466	507	443
Asset management services	379	332	310	276	280	319	292	273	311
Credit broking	123	75	111	132	106	99	143	118	125
Corporate finance	202	151	161	169	319	112	171	92	108
Real estate broking	251	277	354	269	260	273	343	245	270
Custodial services	33	42	57	33	38	7	58	40	38
Securities broking	147	189	132	170	161	119	77	82	110
Sale of insurance products	503	513	513	520	530	517	563	606	595
Other income from banking services	18	75	61	60	40	51	22	28	81
Net commissions and fees	2 064	2 150	2 161	2 073	2 136	2 016	2 136	1 991	2 082
Net gains on equity investments ¹⁾	27	66	96	27	108	326	160	(98)	405
FX and interest rate instruments	1 604	1 053	946	1 402	2 294	1 528	1 257	1 479	1 763
Basis swaps	62	(54)	(60)	(620)	(713)	(444)	(388)	1 003	(4)
Net gains on financial instruments at fair value ²⁾	1 693	1 065	982	808	1 689	1 411	1 029	2 384	2 164
Net financial result, DNB Livsforsikring	168	147	372	117	(57)	45	(68)	9	(928)
Net risk result, DNB Livsforsikring	98	187	83	123	290	109	234	103	247
Net financial and risk result, DNB Livsforsikring ³⁾	266	335	454	240	232	154	166	112	(681)
Net premium income/insurance claims, DNB Forsikring	164	176	189	155	181	148	204	115	132
Profit from investments accounted for by the equity method ⁴⁾	(74)	(17)	23	(45)	(45)	(0)	1 148	86	(28)
Net gains on investment properties	146	(3)	(14)	14	(7)	(5)	(18)	(5)	122
Other income	155	217	187	154	44	205	287	259	35
Other operating income	228	197	196	123	(9)	200	1 418	340	129
Net other operating income, total	4 415	3 922	3 982	3 399	4 230	3 929	4 952	4 942	3 825
As a percentage of total income	33.2	30.3	30.6	28.5	33.6	31.7	36.7	36.2	29.7

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Money transfer and interbank transactions	1 810	1 896	1 893	2 103	2 069
Asset management services	1 298	1 162	1 117	1 033	940
Credit broking	440	465	754	574	371
Corporate finance	684	694	555	740	497
Real estate broking	1 150	1 121	1 201	1 095	1 144
Custodial services	165	143	162	193	187
Securities broking	637	440	363	219	217
Sale of insurance products	2 049	2 216	2 482	2 668	2 725
Other income from banking services	214	142	336	344	387
Net commissions and fees	8 448	8 280	8 862	8 969	8 537
Net gains on equity investments ¹⁾	215	496	123	532	1 143
FX and interest rate instruments	5 004	6 559	5 874	4 391	5 253
Basis swaps	(672)	(542)	2 685	394	(1 364)
Net gains on financial instruments at fair value ²⁾	4 548	6 513	8 683	5 317	5 032
Net financial result, DNB Livsforsikring ³⁾	804	(72)	(1 251)	(79)	554
Net risk result, DNB Livsforsikring	491	736	861	688	467
Net financial and risk result, DNB Livsforsikring	1 295	664	(389)	609	1 021
Net premium income/insurance claims, DNB Forsikring	683	648	534	491	418
Profit from investments accounted for by the equity method ⁴⁾	(112)	1 189	(72)	226	362
Net gains on investment properties	143	(35)	269	82	(86)
Other income	713	795	762	1 182	1 144
Other operating income	744	1 948	959	1 490	1 420
Net other operating income, total	15 718	18 053	18 648	16 877	16 427
As a percentage of total income	30.7	34.6	34.5	34.2	35.2

1) Includes dividends and equity related derivatives.

2) See table 1.1.2 "Net gains on financial instruments at fair value" for specification.

3) The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015.

4) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

1.4.1 Operating expenses

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Salaries	(2 047)	(2 147)	(2 101)	(2 020)	(2 004)	(2 073)	(2 031)	(2 082)	(2 070)
Employer's national insurance contributions	(389)	(388)	(367)	(402)	(379)	(303)	(297)	(322)	(312)
Pension expenses ¹⁾	(379)	(325)	(328)	(315)	(81)	(321)	(314)	(320)	1 639
Restructuring expenses	(68)	(31)	(89)	(158)	(203)	(22)	(101)	(393)	(142)
Other personnel expenses	(139)	(165)	(164)	(162)	(174)	(156)	(168)	(160)	(220)
Total salaries and other personnel expenses	(3 023)	(3 056)	(3 049)	(3 056)	(2 842)	(2 874)	(2 911)	(3 277)	(1 106)
Fees ²⁾	(632)	(440)	(557)	(414)	(515)	(395)	(407)	(314)	(361)
IT expenses ²⁾	(434)	(543)	(544)	(568)	(417)	(552)	(577)	(561)	(489)
Postage and telecommunications	(36)	(63)	(54)	(56)	(59)	(55)	(61)	(63)	(65)
Office supplies	(10)	(17)	(18)	(18)	(21)	(18)	(19)	(19)	(24)
Marketing and public relations	(190)	(163)	(278)	(179)	(215)	(174)	(245)	(180)	(203)
Travel expenses	(113)	(54)	(67)	(50)	(85)	(45)	(59)	(49)	(99)
Reimbursement to Norway Post for transactions executed	(57)	(49)	(49)	(49)	(48)	(49)	(51)	(51)	(43)
Training expenses	(16)	(14)	(17)	(18)	(23)	(9)	(12)	(18)	(24)
Operating expenses on properties and premises	(279)	(298)	(289)	(308)	(291)	(292)	(300)	(309)	(301)
Operating expenses on machinery, vehicles and office equipment	(17)	(23)	(23)	(18)	(23)	(18)	(30)	(22)	(25)
Other operating expenses	(194)	(274)	(193)	(196)	(132)	(87)	(205)	(180)	(296)
Total other expenses	(1 977)	(1 938)	(2 088)	(1 874)	(1 828)	(1 694)	(1 965)	(1 765)	(1 931)
Impairment losses for goodwill ³⁾	(510)			(35)	(5)				
Depreciation and impairment of fixed and intangible assets ⁴⁾	(508)	(525)	(478)	(475)	(518)	(475)	(510)	(668)	(590)
Total depreciation and impairment of fixed and intangible assets	(1 018)	(525)	(478)	(510)	(524)	(475)	(510)	(668)	(590)
Total operating expenses	(6 018)	(5 520)	(5 615)	(5 441)	(5 194)	(5 043)	(5 385)	(5 711)	(3 626)

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Salaries	(8 316)	(8 190)	(8 269)	(7 959)	(7 892)
Employer's national insurance contributions	(1 546)	(1 301)	(1 220)	(1 146)	(1 127)
Pension expenses ¹⁾	(1 347)	(1 035)	799	(899)	(787)
Restructuring expenses	(346)	(720)	(390)	(239)	(776)
Other personnel expenses	(629)	(658)	(742)	(628)	(724)
Total salaries and other personnel expenses	(12 184)	(11 904)	(9 822)	(10 872)	(11 307)
Fees ²⁾	(2 043)	(1 631)	(1 545)	(1 391)	(1 164)
IT expenses ²⁾	(2 089)	(2 107)	(2 418)	(2 223)	(2 346)
Postage and telecommunications	(209)	(238)	(287)	(297)	(303)
Office supplies	(62)	(76)	(89)	(101)	(90)
Marketing and public relations	(810)	(815)	(859)	(863)	(847)
Travel expenses	(284)	(237)	(285)	(258)	(229)
Reimbursement to Norway Post for transactions executed	(204)	(198)	(174)	(231)	(143)
Training expenses	(65)	(62)	(75)	(61)	(49)
Operating expenses on properties and premises	(1 174)	(1 191)	(1 114)	(1 284)	(1 364)
Operating expenses on machinery, vehicles and office equipment	(82)	(93)	(101)	(103)	(130)
Other operating expenses ⁵⁾	(857)	(604)	(844)	(834)	(1 184)
Total other expenses	(7 878)	(7 251)	(7 790)	(7 645)	(7 850)
Impairment losses for goodwill ³⁾	(545)	(5)		(5)	(57)
Depreciation and impairment of fixed and intangible assets ⁴⁾	(1 986)	(2 172)	(2 298)	(2 153)	(2 661)
Total depreciation and impairment of fixed and intangible assets	(2 531)	(2 177)	(2 298)	(2 158)	(2 719)
Total operating expenses	(22 593)	(21 333)	(19 910)	(20 675)	(21 875)

1) In the fourth quarter of 2015 DNB decided to change the Group's pension scheme from a defined-benefit to a defined contribution scheme with effect from 31 December 2015. The change includes the majority of its employees in Norway who were members of the Group's closed defined-benefit scheme. The change resulted in a one-time effect of NOK 1 969 million which reduced the period's pension cost. In the fourth quarter of 2014, a plan amendment was recorded for the pension scheme in the Norwegian Public Service Pension Fund, which reduced costs by NOK 93 million.

2) Fees also include system development fees and must be viewed relative to IT expenses.

3) Impairment losses for goodwill of NOK 502 million relating to Cresco were recorded in the fourth quarter of 2017.

4) In consequence of the restructuring process in DNB, provisions of NOK 160 million for onerous contracts related to premises were made in the first quarter of 2016. Impairment of capitalised systems development in the Baltics totalling NOK 500 million was recorded in the fourth quarter of 2013.

5) During the first quarter of 2013, NOK 450 million was charged to the income statement in connection with the Supreme Court ruling regarding certain debt-financed structured products.

1.4.2 Number of employees - full-time positions based on the operational structure of the DNB Group

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Full-time positions</i>									
Personal Banking ¹⁾	3 006	2 981	2 909	2 983	2 748	2 736	2 841	3 014	3 060
Corporate Banking	1 183	1 195	1 216	1 257	761	748	756	756	752
Large Corporates and International ²⁾	1 075	2 714	2 745	2 887	2 903	2 848	2 873	2 950	2 977
Markets	714	708	711	700	694	693	696	687	690
Wealth Management	480	461	414	419	445	457	476	343	382
Products ³⁾					983	976	984	1 164	1 207
IT and Operations	1 770	1 768	1 763	1 737	1 735	1 704	1 666	1 664	1 673
Other entities ^{1) 4)}	915	958	939	942	738	721	723	655	639
Total ordinary operations	9 144	10 785	10 697	10 924	11 007	10 883	11 015	11 233	11 380

1) 23 full-time positions were transferred from Other entities to Personal Banking in the fourth quarter of 2017.

2) 1 630 full-time positions in the Baltics were transferred to Luminor in October 2017.

3) The employees have been transferred to other units.

4) 21 full-time-positions were transferred to Vipps AS in the fourth quarter 2017.

1.4.3 IT expenses

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
IT operating expenses	(481)	(569)	(578)	(580)	(462)	(577)	(582)	(583)	(521)
Depreciation	(25)	(29)	(30)	(28)	(31)	(31)	(31)	(31)	(36)
Total IT operating expenses	(506)	(598)	(608)	(608)	(493)	(608)	(613)	(614)	(557)
Systems development expenses	(407)	(275)	(316)	(293)	(305)	(197)	(289)	(199)	(190)
Depreciation	(69)	(52)	(56)	(60)	(74)	(69)	(69)	(72)	(80)
Impairment	(24)	(31)	(8)	(5)	(24)	(1)	(3)		(55)
Total systems development expenses	(499)	(358)	(380)	(357)	(402)	(267)	(361)	(270)	(324)
Total IT expenses ¹⁾	(1 006)	(956)	(988)	(966)	(895)	(876)	(975)	(885)	(881)
Capitalised systems development expenses	1 203	1 038	993	932	948	908	951	983	1 042

1) The figures do not include salaries and indirect expenses.

1.4.4 Ordinary cost/income ratio

<i>Per cent</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Cost/income ratio (%)	45.3	42.7	43.1	45.6	41.2	40.6	39.9	41.8	28.1
- adjusted for basis swaps	45.5	42.5	42.9	43.4	39.0	39.2	38.8	45.1	28.1

1.4.5 Changes in total operating expenses

4Q16-4Q17

<i>Amounts in NOK million</i>	4Q17	Change	4Q16	Change in per cent
Operating expenses	(6 018)	(825)	(5 194)	(15.9)
Marketing etc		25		
Other costs		20		
Salaries and other personnel expenses (excl. restructuring costs)		(18)		
Pension expenses		(26)		
It expenses		(134)		
Restructuring costs ¹⁾		135		
Other non-recurring effects ¹⁾		(826)		

3Q17-4Q17

<i>Amounts in NOK million</i>	4Q17	Change	3Q17	Change in per cent
Operating expenses	(6 018)	(499)	(5 520)	(9.0)
Salaries and other personnel expenses (excl. restructuring costs)		124		
Other costs		27		
Pension expenses		(9)		
Marketing etc		(27)		
Travel expenses		(59)		
It expenses		(82)		
Restructuring costs ¹⁾		(37)		
Other non-recurring effects ¹⁾		(436)		

1) Non-recurring effects.

1.5.1 Development in volumes - net loans to customers

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Loans at end of period	1 545	1 584	1 600	1 577	1 554	1 531	1 542	1 535	1 543
Loans adjusted for exchange rate movements	1 561	1 613	1 614	1 595	1 576	1 571	1 563	1 554	1 543

Volumes include accrued interest and fair value adjustments.

Includes volumes in the Baltics up to and including September 2017, reclassified as assets held for sale in August 2016. Please refer to page 2 for further information on the deconsolidation of the Baltics portfolio.

1.5.2 Net loans to principal customer groups

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Private individuals	796.6	812.8	802.2	785.7	777.6	768.4	758.1	743.9	743.3
Transportation by sea and pipelines and vessel construction	78.3	82.7	92.6	97.7	106.1	103.6	114.3	115.5	126.2
Real estate	215.6	220.7	217.5	211.1	208.1	206.5	207.0	205.5	202.0
Manufacturing	77.2	81.0	87.8	85.2	82.3	88.9	101.5	95.6	95.5
Services	91.6	95.0	101.4	96.9	88.8	82.5	85.9	100.1	97.9
Trade	40.4	45.7	46.1	46.5	42.4	43.3	40.7	40.8	41.0
Oil and gas	22.6	22.5	21.7	24.3	29.1	27.9	30.9	32.7	31.9
Transportation and communication	59.7	61.8	64.4	66.4	64.1	60.5	59.1	59.9	59.3
Building and construction	61.9	61.6	62.3	58.1	53.9	55.4	53.6	52.2	48.7
Power and water supply	25.6	28.1	33.1	31.7	32.3	31.0	31.3	32.0	33.8
Seafood	20.4	18.3	17.8	18.2	17.0	15.5	15.5	15.9	16.3
Hotels and restaurants	7.4	7.6	8.5	8.7	8.1	7.4	7.4	7.7	8.9
Agriculture and forestry	4.9	6.3	6.2	6.1	6.2	6.3	6.3	6.6	6.8
Central and local government	15.9	18.0	17.5	16.5	16.8	15.7	13.8	12.1	14.4
Other sectors	30.5	26.7	25.2	28.8	25.8	22.0	16.8	13.3	15.4
Total customers	1 548.6	1 588.7	1 604.4	1 581.7	1 558.7	1 535.0	1 542.2	1 533.8	1 541.5
Credit institutions ^{*)}	208.8	147.7	151.9	193.0	166.7	186.9	195.8	170.2	292.2
Total net loans	1 757.4	1 736.5	1 756.3	1 774.7	1 725.3	1 721.8	1 738.0	1 704.0	1 833.6

**) Of which repo trading volumes*

191.1	130.1	132.5	178.1	153.2	172.6	177.8	152.0	278.2
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Loans after individual impairment. The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

Includes volumes in the Baltics up to and including September 2017, reclassified as assets held for sale in August 2016. Please refer to page 2 for further information on the deconsolidation of the Baltics portfolio.

1.6.1 Impairment of loans and guarantees per segment

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Personal customers	(126)	(60)	(84)	36	75	(72)	(102)	440	24
- Mortgage loans	(37)	(2)	(7)	(37)	(4)	(8)	(30)	531	116
- Other exposure	(88)	(58)	(77)	73	79	(65)	(72)	(91)	(92)
Small and medium-sized enterprises	(102)	(135)	(156)	(70)	(333)	(324)	(190)	(240)	(341)
Large corporates and international customers	(1 465)	(791)	(313)	(430)	(1 322)	(1 183)	(1 300)	(728)	(686)
- Nordic Corporates Division	(651)	(94)	(66)	52	(109)	(114)	(66)	6	12
- International Corporates Division	79	(413)	2	4	(105)	15	72	(7)	(72)
- Ocean Industries Division ¹⁾	(893)	(252)	-	-	-	-	-	-	-
- Shipping, Offshore and Logistics Division ¹⁾	-	-	(176)	(462)	(844)	(710)	(823)	(610)	(382)
- Energy Division ¹⁾	-	-	(173)	(7)	(238)	(348)	(458)	(81)	(173)
- Baltics and Poland ²⁾	(5)	(21)	90	(10)	(34)	(22)	(24)	(36)	(58)
- Other units	5	(11)	8	(7)	8	(4)	(0)	1	(12)
Total individual impairment	(1 693)	(985)	(553)	(464)	(1 580)	(1 580)	(1 592)	(528)	(1 002)
Total collective impairment of loans	1 292	118	(44)	(98)	(172)	(596)	(729)	(646)	(418)
Impairment of loans and guarantees	(402)	(867)	(597)	(562)	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)
Total impairment in relation to average volumes, annualised	(0.10)	(0.22)	(0.15)	(0.15)	(0.45)	(0.56)	(0.61)	(0.31)	(0.37)

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Personal customers	(234)	341	942	(118)	(350)
- Mortgage loans	(84)	490	223	129	(77)
- Other exposure	(150)	(149)	719	(247)	(273)
Small and medium-sized enterprises	(463)	(1 088)	(1 062)	(838)	(518)
Large corporates and international customers	(2 999)	(4 533)	(1 895)	(1 024)	(1 448)
- Nordic Corporates Division	(759)	(283)	25	(370)	(136)
- International Corporates Division	(327)	(25)	(149)	(291)	(228)
- Ocean Industries Division ¹⁾	(1 145)	-	-	-	-
- Shipping, Offshore and Logistics Division ¹⁾	(638)	(2 988)	(1 305)	(166)	(500)
- Energy Division ¹⁾	(179)	(1 126)	(317)	(31)	(52)
- Baltics and Poland ²⁾	54	(116)	(168)	(124)	(471)
- Other units	(4)	5	18	(42)	(61)
Total individual impairment	(3 696)	(5 280)	(2 015)	(1 980)	(2 318)
Total collective impairment of loans	1 268	(2 144)	(255)	341	133
Impairment of loans and guarantees	(2 428)	(7 424)	(2 270)	(1 639)	(2 185)
Total impairment in relation to average volumes, annualised	(0.15)	(0.48)	(0.15)	(0.12)	(0.17)

¹⁾ Ocean Industries was established as a new division as of 1 September 2017. The former Shipping, Offshore and Logistics Division and parts of the Energy Division were included in the new division. At the same time, parts of the former Energy Division were transferred to the International Corporates Division. The changes became effective as from 3Q17, and historical figures have not been restated.

Impairment of loans and guarantees per segment (discontinued divisional organisation)

Amounts in NOK million	4Q17	3Q17	2Q17	2017	2016
Personal customers	(126)	(60)	(84)	(234)	341
- Mortgage loans	(37)	(2)	(7)	(84)	490
- Other exposures	(88)	(58)	(77)	(150)	(149)
Small and medium-sized enterprises	(102)	(135)	(156)	(463)	(1 088)
Large corporates and international customers	(1 465)	(791)	(313)	(2 999)	(4 533)
- Shipping, Offshore and Logistics Division	(844)	(238)	(176)	(1 720)	(2 988)
- Energy Division	4	(189)	(173)	(364)	(1 126)
- International Corporates Division	26	(238)	2	(205)	(25)
- Nordic Corporates Division	(651)	(94)	(66)	(759)	(283)
- Other units	(0)	(32)	99	50	(112)
Total individual impairment	(1 693)	(985)	(553)	(3 696)	(5 280)
Total collective impairment of loans	1 292	118	(44)	1 268	(2 144)
Impairment of loans and guarantees	(402)	(867)	(597)	(2 428)	(7 424)
Total impairment in relation to average volumes, annualised	(0.10)	(0.22)	(0.15)	(0.15)	(0.48)

1.6.2 Impairment of loans and guarantees for principal customer groups

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Private individuals	(137)	(30)	(19)	46	109	(57)	(106)	416	(21)
Transportation by sea and pipelines and vessel construction	(144)	29	24	(385)	(346)	(356)	(330)	(515)	(225)
Real estate	28	(6)	13	15	(36)	(13)	5	11	(3)
Manufacturing	42	(5)	(55)	203	(2)	(368)	(442)	(162)	(268)
Services	(29)	(105)	(48)	40	(107)	(26)	17	(66)	11
Trade	(662)	(103)	(4)	(2)	(40)	(15)	(30)	4	(77)
Oil and gas	(169)	(6)	(162)	(15)	(227)	(262)	(329)		
Transportation and communication	(584)	(245)	(98)	(177)	(579)	(320)	(351)	(262)	(262)
Building and construction	21	(93)	57	(11)	(86)	(142)	(27)	(11)	(110)
Power and water supply	(65)	(418)	(256)	(181)	(257)	(18)	2	53	(43)
Seafood	6	3	(8)	1	(4)	1	(1)	(4)	1
Hotels and restaurants	(2)	(2)	(4)	4	(2)	(0)	(4)	6	(9)
Agriculture and forestry	2	(2)	4	(3)	6	(13)	2	2	3
Other sectors	(0)	(2)	2	1	0	0	(0)	1	1
Total customers	(1 693)	(985)	(553)	(464)	(1 580)	(1 580)	(1 592)	(528)	(1 002)
Credit institutions									
Change in collective impairment of loans	1 292	118	(44)	(98)	(172)	(596)	(729)	(646)	(418)
Impairment of loans and guarantees ¹⁾	(402)	(867)	(597)	(562)	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)
<i>*) Of which individual impairment of guarantees</i>	<i>37</i>	<i>(26)</i>	<i>(226)</i>	<i>209</i>	<i>(105)</i>	<i>(147)</i>	<i>(90)</i>	<i>(2)</i>	<i>0</i>

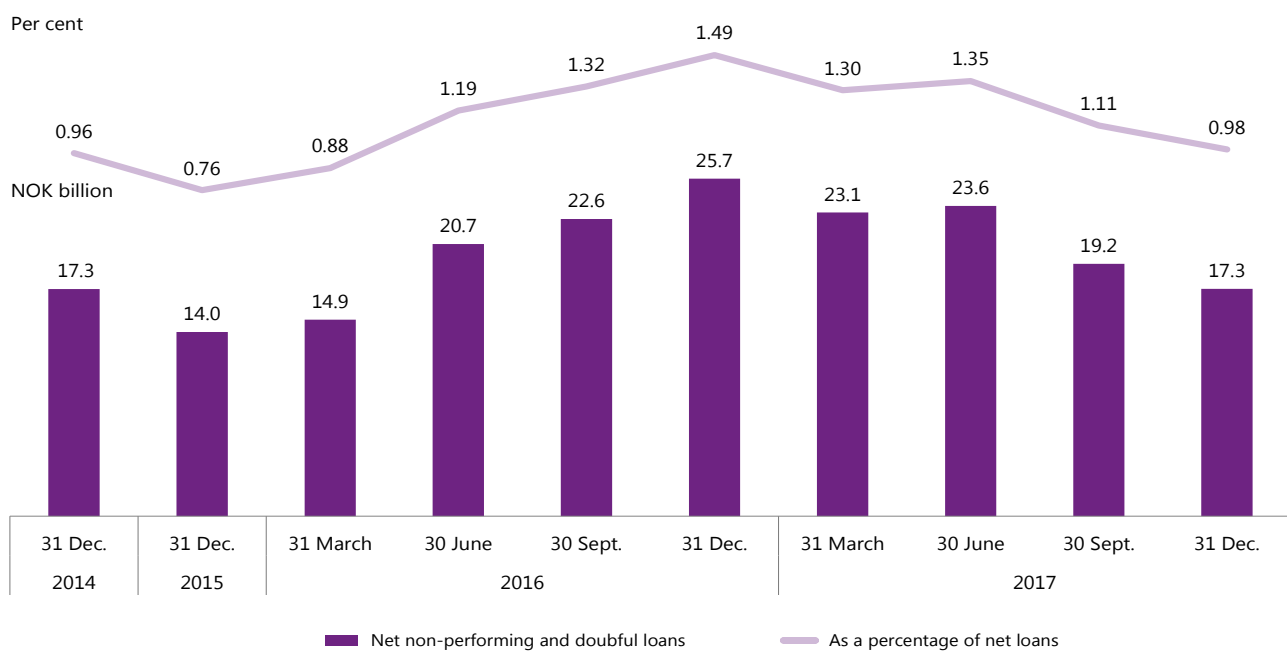
The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.6.3 Impairment of loans and guarantees

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Write-offs	(790)	(503)	(248)	(120)	(455)	(103)	(638)	(163)	(748)
New/increased individual impairment	(1 201)	(839)	(1 019)	(1 386)	(1 519)	(1 663)	(1 335)	(1 393)	(672)
Total new/increased individual impairment	(1 991)	(1 343)	(1 267)	(1 506)	(1 974)	(1 767)	(1 973)	(1 556)	(1 420)
Reassessed individual impairment previous years	249	306	615	991	177	113	319	381	217
Recoveries on loans and guarantees previously written off	48	52	98	50	217	74	62	646	200
Net individual impairment	(1 693)	(985)	(553)	(464)	(1 580)	(1 580)	(1 592)	(528)	(1 002)
Change in collective impairment of loans	1 292	118	(44)	(98)	(172)	(596)	(729)	(646)	(418)
Impairment of loans and guarantees	(402)	(867)	(597)	(562)	(1 753)	(2 176)	(2 321)	(1 174)	(1 420)

1.7.1 Net non-performing and net doubtful loans and guarantees

Amounts in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Non-performing loans and guarantees subject to individual impairment	12 105	13 201	13 000	14 167	15 244	13 968	13 081	13 176	12 542
Non-performing loans and guarantees not subject to individual impairment	2 842	4 110	4 789	4 043	4 322	3 037	3 125	3 123	2 463
Doubtful loans and guarantees subject to individual impairment	11 554	12 114	16 312	15 826	17 214	16 006	13 350	7 513	7 641
Gross non-performing and gross doubtful loans and guarantees	26 501	29 425	34 100	34 036	36 781	33 011	29 556	23 811	22 647
Individual impairment	(9 225)	(10 253)	(10 533)	(10 958)	(11 127)	(10 422)	(8 871)	(8 883)	(8 665)
Net non-performing and net doubtful loans and guarantees	17 277	19 172	23 567	23 078	25 654	22 589	20 685	14 928	13 982
Collective impairment	(3 162)	(4 394)	(4 601)	(4 596)	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)
Provision ratio (per cent) ¹⁾	46.7	49.8	44.4	45.7	42.5	44.3	42.9	50.3	49.4
Provision ratio (per cent) ²⁾	52.4	57.9	51.6	51.9	48.1	48.8	48.0	57.9	55.4
Collateral for non-performing and doubtful loans and guarantees	15 316	17 646	23 041	22 786	24 355	18 438	18 280	11 906	11 674
Coverage ratio (per cent)	104.5	109.7	112.0	112.6	108.7	100.2	104.8	100.3	101.0



1) Includes individual and collective impairment as a percentage of gross non-performing and gross doubtful loans and guarantees.

2) Includes individual and collective impairment as a percentage of gross impaired loans and guarantees subject to impairment.

Includes volumes in the Baltics up to and including 3Q17. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

1.7.2 Development in net non-performing and net doubtful loans and guarantees

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net non-performing and net doubtful loans and guarantees at beginning of period	17 293	23 567	23 078	25 654	22 589	20 685	14 928	13 982	13 636
Change in gross non-performing and gross doubtful loans and guarantees	239	(4 675)	64	(2 744)	3 769	3 455	5 745	1 164	(1 001)
Change in individual impairment	(255)	280	425	169	(705)	(1 551)	12	(218)	1 347
Net non-performing and net doubtful loans and guarantees at end of period	17 277	19 172	23 567	23 078	25 654	22 589	20 685	14 928	13 982

Includes volumes in the Baltics up to and including 3Q17. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

1.7.3 Net non-performing and net doubtful loans and guarantees for principal customer groups

	Gross non-performing and doubtful loans and guarantees			Accumulated individual impairment			Net non-performing and net doubtful loans and guarantees		
	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016
<i>Amounts in NOK million</i>									
Private individuals	2 732	3 580	3 907	(695)	(1 220)	(1 617)	2 037	2 360	2 290
Transportation by sea and pipelines and vessel construction	2 787	3 598	4 995	(1 407)	(1 849)	(2 247)	1 381	1 749	2 748
Real estate	1 220	2 225	2 760	(531)	(1 004)	(934)	689	1 221	1 826
Manufacturing	2 892	3 042	5 800	(1 112)	(1 313)	(1 814)	1 780	1 729	3 986
Services	947	909	1 508	(477)	(516)	(712)	469	393	797
Trade	2 177	982	1 255	(779)	(570)	(465)	1 398	412	790
Oil and gas	3 805	3 706	4 368	(1 038)	(853)	(744)	2 767	2 853	3 625
Transportation and communication	3 334	3 297	5 528	(1 391)	(1 006)	(1 623)	1 943	2 290	3 905
Building and construction	1 049	1 108	1 446	(494)	(614)	(697)	556	494	749
Power and water supply	2 571	2 559	539	(1 228)	(1 175)	(154)	1 343	1 383	386
Seafood	27	38	61	(16)	(21)	(16)	11	17	44
Hotels and restaurants	48	103	104	(24)	(57)	(43)	24	47	61
Agriculture and forestry	68	142	157	(31)	(46)	(50)	38	96	107
Other sectors	2	27	30	(1)	(9)	(10)	1	17	19
Total customers	23 660	25 315	32 458	(9 225)	(10 253)	(11 127)	14 435	15 062	21 331
Credit institutions									
Total impaired loans and guarantees	23 660	25 315	32 458	(9 225)	(10 253)	(11 127)	14 435	15 062	21 331
Non-performing loans and guarantees not subject to impairment	2 842	4 110	4 322	-	-	-	2 842	4 110	4 322
Total non-performing and doubtful loans and guarantees ¹⁾	26 502	29 425	36 781	(9 225)	(10 253)	(11 127)	17 277	19 172	25 654

¹⁾ of which Baltics and Poland:

Private individuals	103	1 039	1 356	(42)	(568)	(748)	61	471	608
Transportation by sea and pipelines and vessel construction									
Real estate	67	1 033	1 112	(15)	(387)	(402)	51	646	710
Manufacturing	20	359	642	(19)	(148)	(283)	1	211	359
Services	8	69	52	(8)	(34)	(30)	(0)	36	22
Trade	19	150	157	(18)	(95)	(95)	1	55	62
Oil and gas									
Transportation and communication	7	79	89	(7)	(61)	(62)	0	19	27
Building and construction	96	243	263	(94)	(196)	(209)	2	47	54
Power and water supply	533	551	109	(130)	(101)	(20)	403	450	89
Seafood									
Hotels and restaurants		57	55		(32)	(21)		25	34
Agriculture and forestry	1	68	107	(1)	(14)	(22)	0	54	85
Other sectors		23	23		(8)	(8)		15	15
Total customers	853	3 672	3 965	(334)	(1 643)	(1 899)	519	2 028	2 066
Credit institutions									
Total impaired loans and guarantees	853	3 672	3 965	(334)	(1 643)	(1 899)	519	2 028	2 066
Non-performing loans and guarantees not subject to impairment		420	398	-	-	-		420	398
Total non-performing and doubtful loans and guarantees	853	4 091	4 363	(334)	(1 643)	(1 899)	519	2 448	2 464

Includes volumes in the Baltics up to and including 3Q17. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.7.4 Net non-performing and net doubtful loans and guarantees per segment

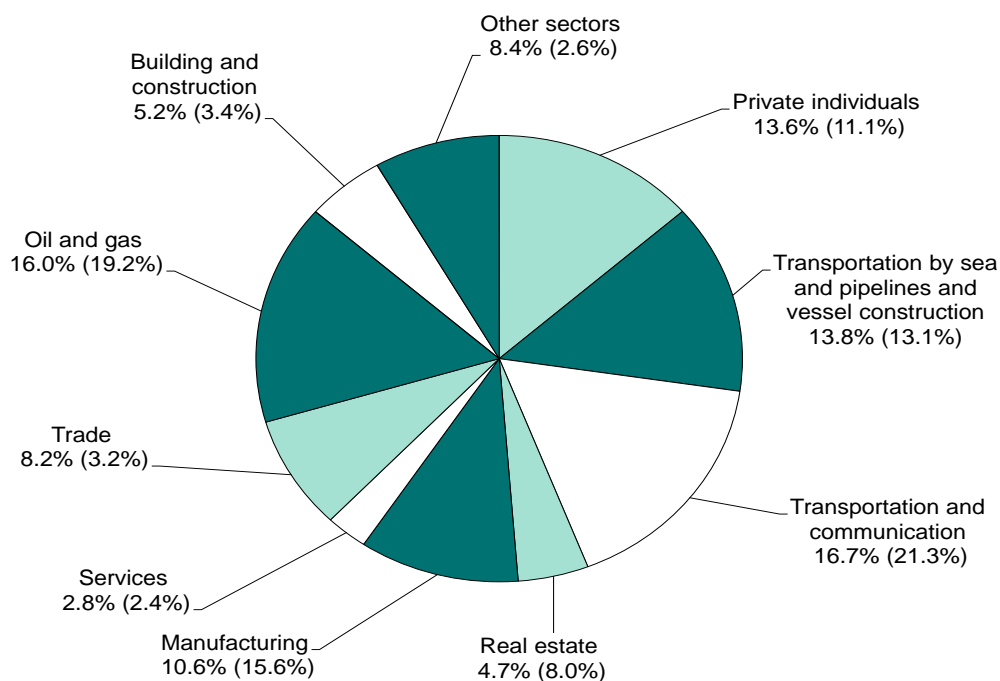
Amounts in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Personal customers	2 152	2 107	2 148	2 122	1 846	2 022	2 014	1 943	2 084
Small and medium-sized enterprises	3 223	3 173	4 178	3 417	3 799	3 698	2 681	2 703	2 357
Large corporates and international customers ^{*)}	11 892	13 872	17 222	17 523	19 999	16 860	15 988	10 280	9 539
Traditional pension products	10	19	19	17	10	9	3	3	1
Total net non-performing and net doubtful loans and guarantees ^{**)}	17 277	19 172	23 567	23 078	25 654	22 589	20 685	14 928	13 982
<i>*) Of which Baltics and Poland</i>	519	2 448	2 087	2 642	2 464	2 763	2 878	3 224	3 303
<i>**) Of which Norwegian units</i>	12 805	12 367	14 195	13 812	15 243	15 334	13 569	7 826	6 615

Includes volumes in the Baltics up to and including 3Q17. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

Including non-performing loans and guarantees and loans and guarantees subject to individual impairment. Accumulated individual impairment is deducted.

1.7.5 Net non-performing and net doubtful loans and guarantees for principal customer groups

NOK 17 277 million as at 31 December 2017 (25 654)



Figures for 2016 includes NOK 2 256 million in the Baltics at end-December 2016, reclassified as assets held for sale in August 2016. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

Includes non-performing loans and guarantees and loans and guarantees subject to individual impairment. Comparable figures as at 31 December 2016 in parentheses.

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.7.6 Collective impairment per segment

<i>Amounts in NOK million</i>	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Personal customers	(160)	(147)	(128)	(122)	(197)	(254)	(249)	(260)	(282)
Small and medium-sized enterprises	(408)	(360)	(349)	(368)	(447)	(468)	(451)	(436)	(381)
Large corporates and international customers	(2 589)	(4 000)	(4 249)	(4 208)	(3 949)	(3 582)	(3 113)	(2 401)	(1 860)
Traditional pension products	(5)	(5)	(5)	(5)	(7)	(3)	(3)	(3)	-3
Baltics - reclassified as assets held for sale	-	118	129	107	111	99	-	-	-
Total collective impairment of loans	(3 162)	(4 394)	(4 601)	(4 596)	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)

1.7.7 Collective impairment for principal customer groups

<i>Amounts in NOK million</i>	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Private individuals	(225)	(284)	(278)	(260)	(332)	(383)	(388)	(400)	(403)
Transportation by sea and pipelines and vessel construction	(1 889)	(2 747)	(2 752)	(2 719)	(2 322)	(2 023)	(1 627)	(1 072)	(727)
Real estate	(83)	(75)	(69)	(66)	(81)	(91)	(97)	(89)	(88)
Manufacturing	(145)	(209)	(228)	(234)	(239)	(318)	(347)	(371)	(397)
Services	(47)	(101)	(137)	(124)	(127)	(142)	(154)	(144)	(159)
Trade	(100)	(149)	(211)	(126)	(138)	(150)	(175)	(173)	(174)
Oil and gas	(456)	(756)	(863)	(1 001)	(1 175)	(988)	(787)	(634)	(368)
Transportation and communication	(105)	(72)	(56)	(51)	(53)	(59)	(79)	(63)	(50)
Building and construction	(79)	(75)	(70)	(63)	(68)	(74)	(77)	(77)	(80)
Power and water supply	(13)	(15)	(40)	(34)	(37)	(51)	(58)	(46)	(26)
Seafood	(4)	(5)	(3)	(5)	(5)	(7)	(8)	(12)	(14)
Hotels and restaurants	(6)	(7)	(7)	(7)	(6)	(6)	(7)	(7)	(15)
Agriculture and forestry	(5)	(7)	(6)	(5)	(6)	(7)	(8)	(8)	(8)
Other sectors	(4)	(8)	(9)	(8)	(9)	(7)	(6)	(5)	(18)
Total customers	(3 162)	(4 512)	(4 730)	(4 703)	(4 599)	(4 307)	(3 816)	(3 100)	(2 527)
Credit institutions	-	(0)	(0)	(0)	-	-	-	-	-
Baltics - reclassified as assets held for sale	-	118	129	107	111	99	-	-	-
Total collective impairment of loans	(3 162)	(4 394)	(4 601)	(4 596)	(4 488)	(4 208)	(3 816)	(3 100)	(2 527)

The breakdown into principal customer groups corresponds to the EU's standard industrial classification, NACE Rev.2 and deviate from the risk classification used in chapter 1.8 Commitments.

1.8.1 DNB Group

Exposure at default by industry segment ^{1) *)}

<i>Amounts in NOK billion</i>	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Commercial real estate ^{2) 3)}	183.4	187.4	196.8	205.0	202.3	208.9	212.9	209.8	214.7
Shipping ²⁾	87.9	90.8	101.0	106.8	108.7	109.5	118.3	121.1	133.5
Oil, gas and offshore ²⁾	108.9	114.5	122.9	131.1	138.1	140.5	150.5	155.2	165.8
Power and renewables	40.1	39.8	47.6	45.7	46.0	43.5	44.2	46.9	49.9
Healthcare	32.7	34.2	33.3	34.0	33.2	34.0	43.8	44.6	38.5
Public sector ⁴⁾	10.4	32.4	33.9	35.4	34.6	35.5	39.1	37.3	34.6
Fishing and fish farming	35.8	39.6	37.3	37.1	39.1	37.0	36.3	37.2	38.6
Trade	47.5	53.9	53.8	52.1	48.6	48.9	50.9	47.2	49.4
Manufacturing	78.4	80.7	87.0	83.6	85.1	84.5	88.9	86.5	91.0
Technology, media and telecom	39.6	37.6	42.4	41.3	38.6	36.6	35.7	35.8	38.3
Services	52.5	38.9	40.3	40.5	35.6	35.6	36.2	34.8	37.4
Residential property ³⁾	91.0	91.3	80.1	64.4	62.7	60.8	59.5	58.5	53.3
Mortgages and other exposures, personal customers ^{**))}	960.7	978.9	975.2	963.0	944.4	942.3	922.9	898.9	884.7
Other corporate customers	72.6	74.6	80.2	82.6	80.4	81.7	76.8	75.8	82.0
Total customers	1 841.6	1 894.5	1 931.7	1 922.7	1 897.5	1 899.2	1 916.0	1 889.6	1 911.6
Credit institutions	35.7	35.4	34.7	31.1	25.3	23.6	23.3	29.1	28.0
Total net exposure at default, DNB Group	1 877.4	1 929.9	1 966.4	1 953.8	1 922.8	1 922.9	1 939.3	1 918.7	1 939.7
<i>*) Of wich international portfolio:</i>	389.3	438.2	470.2	475.0	466.3	465.9	497.3	507.5	528.5
<i>**) Of which:</i>									
<i>Mortgages</i>	829.3	848.2	835.4	825.5	808.6	806.1	787.1	763.6	749.9
<i>Other exposures</i>	131.4	130.6	139.9	137.5	135.9	136.1	135.7	135.2	134.7

1) Exposure at default, EAD, is the share of the approved credit that is expected to be drawn at the time of any future default at the same time as there is a downturn in the market. Exposures at default are based on full implementation of IRB.

2) For a breakdown, see tables 1.8.3 - 1.8.5.

3) Construction loans previously classified as commercial real estate, have been reclassified as residential real estate as of 2Q17.

4) Public financed business segment is no longer part of Public Sector and volumes have been redistributed to other segments that reflect better customer's main activities.

Includes volumes in the Baltics up to and including 30 September 2017. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

1.8.1 DNB Group (continued)

Risk classification of portfolio ^{1) *)}

Amounts in NOK billion	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
PD 0.01% -	1 354.9	1 373.1	1 391.1	1 377.2	1 339.4	1 325.9	1 320.6	1 315.0	1 322.6
PD 0.75% -	407.8	424.2	435.8	432.1	431.5	449.8	465.3	464.0	505.2
PD 3.00% -	92.2	107.6	110.1	116.4	121.2	119.1	125.0	119.5	93.2
Net non-performing and net doubtful commitments	22.6	25.0	29.4	28.1	30.7	28.1	28.5	20.3	18.7
Total portfolio	1 877.4	1 929.9	1 966.4	1 953.8	1 922.8	1 922.9	1 939.3	1 918.7	1 939.7

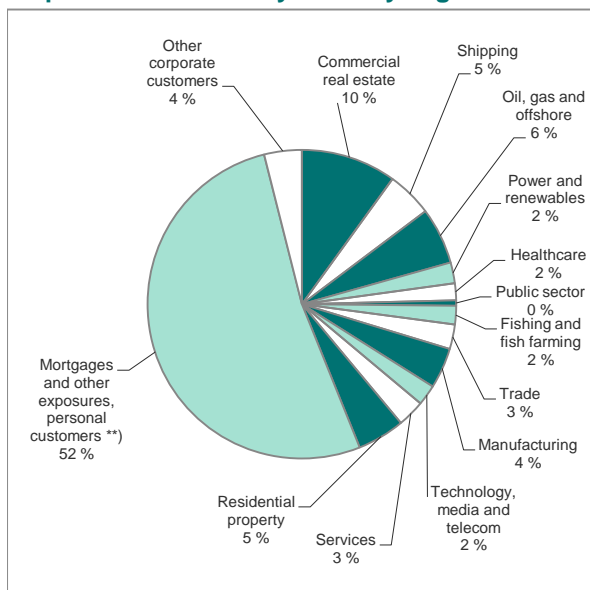
*) Of wich international portfolio:

PD 0.01% -	258.6	281.5	298.2	294.9	282.6	285.5	301.5	314.4	334.0
PD 0.75% -	87.5	104.4	113.5	118.3	120.3	122.1	135.8	144.3	159.4
PD 3.00% -	33.5	39.3	43.1	48.4	47.9	45.6	45.5	39.3	25.4
Net non-performing and net doubtful commitments	9.8	12.9	15.2	13.4	15.5	12.7	14.6	9.5	9.7
Total international portfolio	389.3	438.2	470.2	475.0	466.3	465.9	497.3	507.5	528.5

1) For a breakdown of commercial real estate, shipping and oil, gas and offshore, see tables 1.8.3 - 1.8.5.

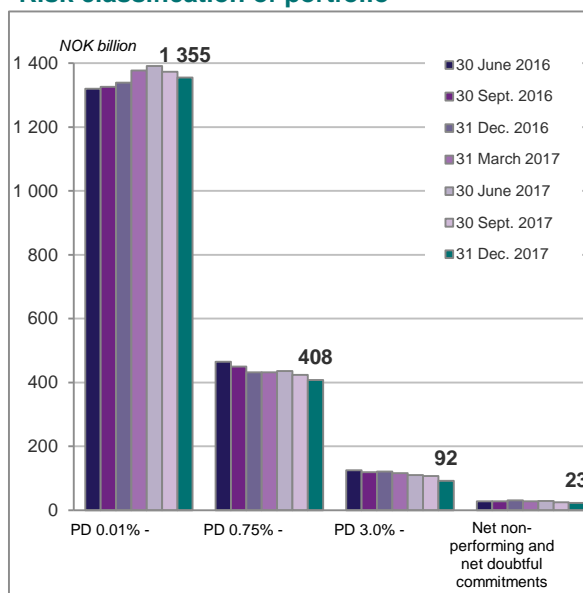
Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

Exposure at default by industry segment



**) Of which mortgages 45 per cent.

Risk classification of portfolio



Including net non-performing and net doubtful loans and guarantees.

1.8.2 Customer segments

Exposure at default by industry segment

Personal customers

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Mortgages	828.4	817.4	804.1	795.5	778.8	775.8	755.6	731.5	717.1
Other exposures	92.7	99.5	110.7	109.6	109.0	111.2	111.2	110.8	110.4
Total customers	921.1	916.9	914.7	905.1	887.8	887.0	866.7	842.3	827.5
Credit institutions									
Total net exposure at default	921.1	916.9	914.7	905.1	887.8	887.0	866.7	842.3	827.5

Small and medium-sized enterprises

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Commercial real estate ¹⁾	105.0	102.5	112.0	112.5	109.5	105.9	103.4	98.5	100.6
Shipping	0.6	0.8	0.9	0.9	1.2	0.8	1.1	1.1	1.2
Oil, gas and offshore	0.4	0.3	0.4	0.6	0.5	0.5	0.5	0.5	0.6
Power and renewables	10.1	8.7	8.6	8.7	8.6	7.0	6.8	7.2	7.3
Healthcare	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public sector ^{*)}	3.5	14.2	14.8	13.8	12.7	13.1	14.0	14.3	14.6
Fishing and fish farming	15.6	15.1	14.6	15.0	15.2	14.5	13.8	13.9	14.0
Trade	18.8	17.5	17.3	17.0	16.0	16.9	17.2	17.3	17.2
Manufacturing	18.7	18.6	16.7	17.6	18.5	19.4	18.8	17.8	18.1
Technology, media and telecom	2.4	2.1	2.1	2.0	1.6	1.7	1.6	1.5	2.0
Services	21.1	13.1	13.1	12.8	10.4	10.4	10.4	10.6	10.3
Residential property	62.5	59.7	47.5	43.7	43.2	43.0	42.9	43.3	42.0
Mortgages and other exposures, personal customers	31.6	29.1	27.3	26.3	24.5	21.4	21.3	20.9	21.2
Other corporate customers	29.2	28.8	28.7	29.8	26.2	25.9	24.3	25.0	25.0
Total customers	319.6	310.7	303.9	300.7	288.1	280.6	276.1	272.1	274.2
Credit institutions	5.0	3.5	3.8	4.1	3.9	4.0	4.0	4.1	4.2
Total net exposure at default	324.6	314.2	307.8	304.7	292.1	284.6	280.1	276.2	278.5

Large corporates and international customers

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Commercial real estate ¹⁾	78.4	84.9	84.8	92.4	92.8	103.0	109.5	111.2	114.1
Shipping	87.3	90.0	100.1	105.9	107.5	108.6	117.2	120.0	132.3
Oil, gas and offshore	108.5	114.1	122.5	130.6	137.6	140.0	150.0	154.7	165.2
Power and renewables	30.0	31.1	39.0	37.0	37.4	36.5	37.4	39.7	42.6
Healthcare	32.7	34.2	33.3	34.0	33.1	33.9	43.7	44.5	38.4
Public sector	6.9	18.1	19.1	21.6	21.9	22.4	25.1	23.0	20.4
Fishing and fish farming	20.2	24.5	22.7	22.1	23.9	22.6	22.5	23.3	24.9
Trade	28.7	36.4	36.5	35.1	32.7	32.0	33.7	30.0	32.8
Manufacturing	59.8	62.1	70.3	66.0	66.6	65.1	70.1	68.7	73.4
Technology, media and telecom	37.2	35.5	40.3	39.3	37.0	34.9	34.2	34.3	36.5
Services	31.5	25.8	27.2	27.7	25.2	25.2	25.8	24.2	28.5
Residential property	28.5	31.6	32.6	20.7	19.5	18.8	17.9	16.6	12.9
Mortgages and other exposures, personal customers	8.0	32.9	33.2	31.6	32.1	32.8	33.6	33.8	31.0
Other corporate customers	43.4	45.8	51.5	52.9	54.3	55.8	52.5	51.2	57.0
Total customers	600.9	666.9	713.0	716.9	721.6	731.6	773.2	775.3	809.9
Credit institutions	30.7	31.9	30.9	27.0	21.3	19.7	19.3	25.0	23.8
Total net exposure at default	631.6	698.8	743.9	744.0	742.9	751.2	792.5	800.3	833.7

1) Construction loans previously classified as commercial real estate, have been reclassified as residential real estate as of 2Q17.

*) Public financed business segment is no longer part of Public Sector and volumes have been redistributed to other segments that reflect better customer's main activities.

The breakdown into principal customer groups is based on the internal segmentation in DNB.

1.8.2 Customer segments (continued)

Risk classification of portfolio

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
<i>PD 0.01% -</i>									
Personal customers	736.9	726.2	722.0	726.7	709.1	700.1	681.2	666.3	649.5
Small and medium-sized enterprises	202.7	194.0	190.4	187.6	178.4	170.0	165.8	162.6	163.8
Large corporates and international customers	415.2	452.9	478.7	462.9	451.8	455.8	473.6	486.1	509.3
Total DNB Group	1 354.9	1 373.1	1 391.1	1 377.2	1 339.4	1 325.9	1 320.6	1 315.0	1 322.6
<i>PD 0.75% -</i>									
Personal customers	167.4	172.8	175.3	160.7	160.4	167.9	166.2	157.0	158.0
Small and medium-sized enterprises	97.5	94.4	92.5	93.8	88.3	87.9	88.5	88.2	89.3
Large corporates and international customers	142.9	157.0	168.0	177.5	182.8	194.0	210.6	218.8	257.9
Total DNB Group	407.8	424.2	435.8	432.1	431.5	449.8	465.3	464.0	505.2
<i>PD 3.00% -</i>									
Personal customers	14.4	15.6	14.8	15.4	15.8	16.6	16.5	16.4	17.4
Small and medium-sized enterprises	20.7	21.8	20.0	19.2	21.3	21.8	21.8	21.6	21.5
Large corporates and international customers	57.0	70.2	75.3	81.8	84.1	80.7	86.7	81.5	54.3
Total DNB Group	92.2	107.6	110.1	116.4	121.2	119.1	125.0	119.5	93.2
<i>Net non-performing and net doubtful commitments</i>									
Personal customers	2.4	2.3	2.6	2.4	2.4	2.5	2.8	2.6	2.6
Small and medium-sized enterprises	3.8	3.9	4.9	4.1	4.0	4.9	4.0	3.8	3.9
Large corporates and international customers	16.4	18.7	21.9	21.7	24.3	20.7	21.6	13.9	12.2
Total DNB Group	22.6	25.0	29.4	28.1	30.7	28.1	28.5	20.3	18.7
Total Personal customers	921.1	916.9	914.7	905.1	887.8	887.0	866.7	842.3	827.5
Total Small and medium-sized enterprises	324.6	314.2	307.8	304.7	292.1	284.6	280.1	276.2	278.5
Large corporates and international customers	631.6	698.8	743.9	744.0	742.9	751.2	792.5	800.3	833.7
Total risk classification of portfolio - DNB Group	1 877.4	1 929.9	1 966.4	1 953.8	1 922.8	1 922.9	1 939.3	1 918.7	1 939.7

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

1.8.3 Breakdown of commercial real estate

Exposure at default by segment

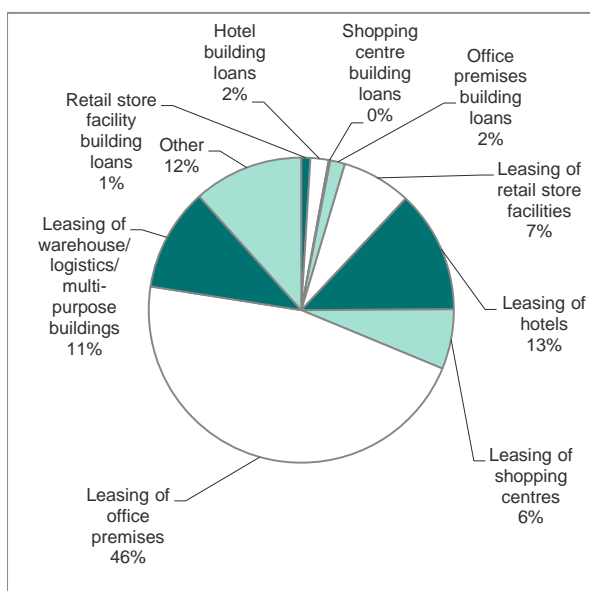
Amounts in NOK billion	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Retail store facility building loans	1.7	1.7	1.5	1.8	1.6	1.8	1.6	1.9	1.7
Hotel building loans	3.5	2.6	2.2	9.3	9.2	8.8	8.9	9.1	5.7
Shopping centre building loans	0.3	0.3	0.3	2.2	2.2	2.3	2.3	2.4	2.3
Office premises building loans	2.9	3.1	3.2	4.6	5.3	4.9	1.7	4.8	4.0
Leasing of retail store facilities	13.5	13.2	9.0	8.9	8.9	9.7	9.7	11.0	10.4
Leasing of hotels	23.7	23.7	22.2	14.3	13.6	15.3	16.1	17.3	20.3
Leasing of shopping centres	11.7	12.7	11.8	9.6	10.0	10.4	10.2	2.7	9.3
Leasing of office premises	84.8	89.4	88.0	95.0	93.0	100.6	102.5	100.0	91.1
Leasing of warehouse/ logistics/ multi-purpose buildings	20.0	18.8	14.3	14.7	16.8	17.4	15.7	17.5	17.7
Other	21.3	22.0	44.2	44.6	41.7	37.6	44.1	43.1	52.3
Total ¹⁾	183.4	187.4	196.8	205.0	202.3	208.9	212.9	209.8	214.7

1) Construction loans previously classified as commercial real estate, have been reclassified as residential real estate as of 2Q17.

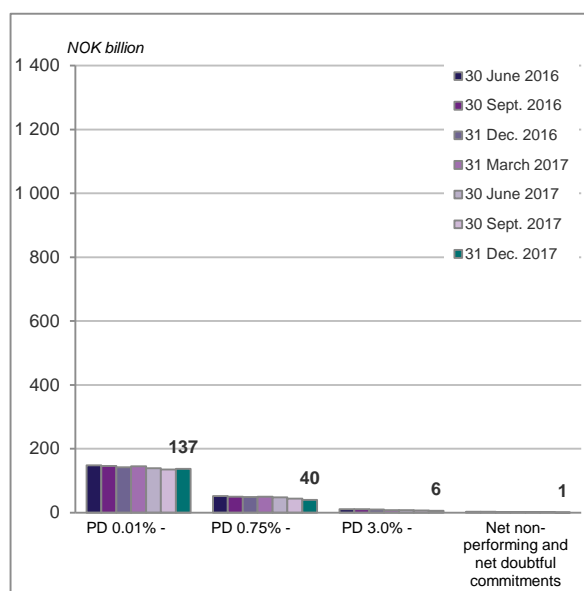
Risk classification of portfolio

Amounts in NOK billion	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
PD 0.01% -	137.0	135.3	138.6	144.9	141.7	146.0	148.0	146.7	147.7
PD 0.75% -	39.7	44.0	48.1	49.9	49.2	49.6	52.0	49.4	53.6
PD 3.00% -	6.1	6.3	8.0	8.1	9.3	11.0	10.5	11.0	10.5
Net non-performing and net doubtful commitments	0.7	1.8	2.1	2.0	2.1	2.3	2.4	2.7	2.8
Total	183.4	187.4	196.8	205.0	202.3	208.9	212.9	209.8	214.7

Exposure at default by segment



Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

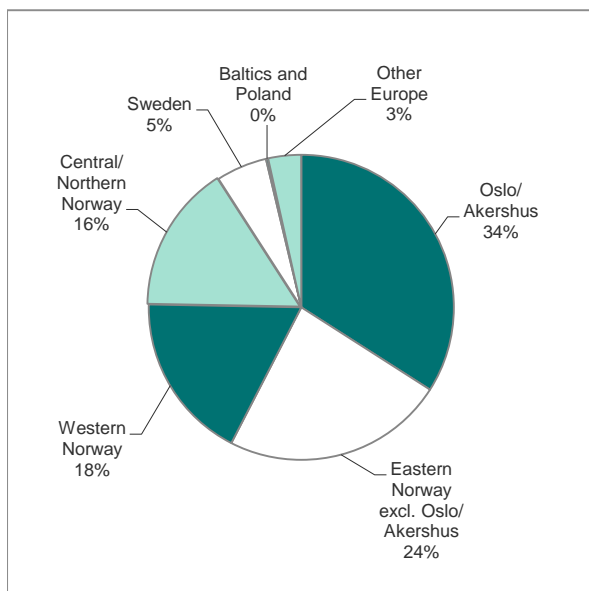
1.8.3 Breakdown of commercial real estate (continued)

Exposure at default by geographic distribution

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Oslo/ Akershus	62.5	59.0	61.5	68.4	52.7	55.0	57.2	56.5	59.9
Eastern Norway excl. Oslo/ Akershus	43.1	43.3	45.6	45.5	57.3	58.3	57.6	49.8	52.3
Western Norway	32.5	31.8	34.2	35.0	42.2	44.6	44.5	45.6	46.2
Central/ Northern Norway	28.6	32.5	34.4	34.9	34.5	34.3	34.8	38.2	38.7
Sweden	9.9	9.0	9.5	9.7	4.3	5.1	6.4	6.7	5.2
Baltics and Poland	0.4	9.2	8.9	8.6	8.4	8.4	8.9	9.3	8.7
Other Europe	6.4	2.7	2.7	2.9	2.9	3.2	3.4	3.7	3.7
Total ¹⁾	183.4	187.4	196.8	205.0	202.3	208.9	212.7	209.8	214.7

1) Construction loans previously classified as commercial real estate, have been reclassified as residential real estate as of 2Q17.

Exposure at default by geographic distribution



1.8.4 Breakdown of shipping

Exposure at default by segment

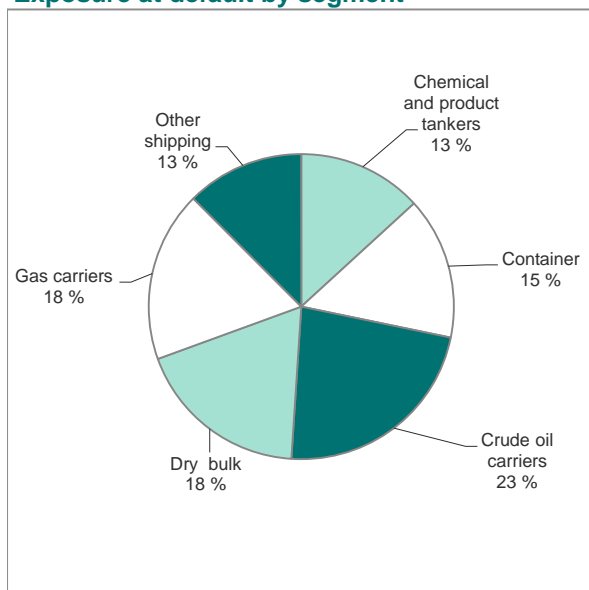
	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Chemical and product tankers	11.6	11.9	13.3	13.6	14.7	13.7	16.1	17.5	19.9
Container	13.2	14.1	16.7	18.7	16.9	17.9	20.3	21.0	22.8
Crude oil carriers	20.0	20.0	23.1	23.3	23.9	23.9	22.7	21.1	20.5
Dry bulk	16.2	16.6	18.4	20.3	21.6	20.4	21.6	21.7	24.7
Gas carriers	15.9	15.7	16.4	18.4	19.9	20.6	23.4	22.8	24.1
Other shipping	11.0	12.4	13.1	12.4	11.6	13.0	14.2	17.0	21.5
Total	87.9	90.8	101.0	106.8	108.7	109.5	118.3	121.1	133.5

Risk classification of portfolio

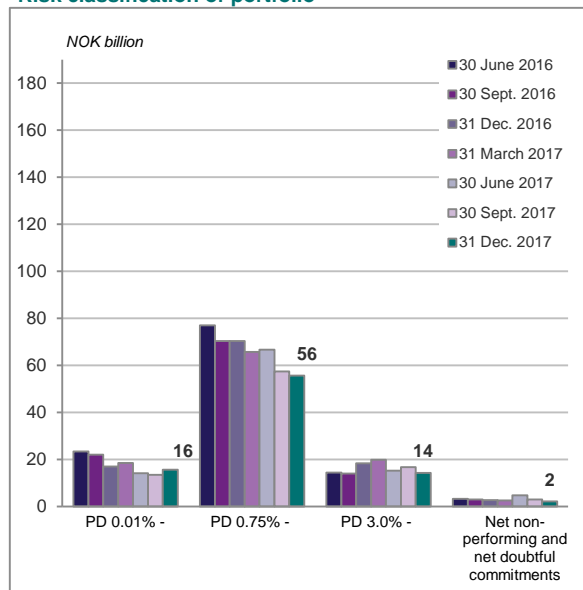
	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
PD 0.01% -	15.7	13.6	14.1	18.5	17.1	22.1	23.4	25.4	27.6
PD 0.75% -	55.7	57.5	66.8	65.8	70.4	70.3	77.1	82.3	92.0
PD 3.00% -	14.4	16.7	15.3	19.9	18.5	14.0	14.5	10.5	11.2
Net non-performing and net doubtful commitments	2.2	3.1	4.8	2.6	2.8	3.0	3.3	2.9	2.7
Total ¹⁾	87.9	90.8	101.0	106.8	108.7	109.5	118.3	121.1	133.5

1) For a breakdown into sub-segments, see next page.

Exposure at default by segment



Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

1.8.4 Breakdown of shipping (continued)

Breakdown into sub-segments

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
<i>PD 0.01% -</i>									
Crude oil sector	0.4	0.4	0.4	1.5	1.6	5.4	4.9	2.8	4.1
Dry bulk sector	0.2	0.1	0.1	0.6	0.5	0.6	1.1	0.7	0.7
Container sector	4.1	3.5	4.1	5.5	2.7	2.7	2.5	7.0	7.9
Other	11.0	9.6	9.5	10.9	12.3	13.4	14.9	15.0	14.9
Total	15.7	13.6	14.1	18.5	17.1	22.1	23.4	25.4	27.6
<i>PD 0.75% -</i>									
Crude oil sector	14.0	13.9	17.1	17.7	18.9	15.0	14.7	18.1	15.7
Dry bulk sector	10.4	9.7	11.1	11.7	13.1	13.4	15.3	16.4	19.1
Container sector	8.1	9.1	10.8	9.4	10.2	11.0	12.7	10.1	11.5
Other	23.2	24.8	27.8	27.0	28.1	30.9	34.4	37.7	45.7
Total	55.7	57.5	66.8	65.8	70.4	70.3	77.1	82.3	92.0
<i>PD 3.00% -</i>									
Crude oil sector	5.7	5.7	5.6	4.1	3.4	3.5	3.1	0.2	0.8
Dry bulk sector	3.8	5.1	5.0	6.9	6.8	5.2	3.9	3.3	3.5
Container sector	0.6	0.7	0.8	3.2	3.3	3.1	4.2	3.5	3.2
Other	4.2	5.3	3.9	5.8	5.0	2.1	3.3	3.4	3.7
Total	14.4	16.7	15.3	19.9	18.5	14.0	14.5	10.5	11.2
<i>Net non-performing and net doubtful commitments</i>									
Crude oil sector	-	-	-	-	0.0	0.0	0.0	0.0	(0.0)
Dry bulk sector	1.7	1.8	2.3	1.2	1.2	1.2	1.3	1.4	1.3
Container sector	0.4	0.8	0.9	0.6	0.7	1.0	0.9	0.4	0.2
Other	0.1	0.4	1.6	0.8	0.8	0.8	1.2	1.2	1.2
Total	2.2	3.1	4.8	2.6	2.8	3.0	3.3	2.9	2.7
Total shipping	87.9	90.8	101.0	106.8	108.7	109.5	118.3	121.1	133.5

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

1.8.5 Breakdown of oil, gas and offshore

Exposure at default by segment

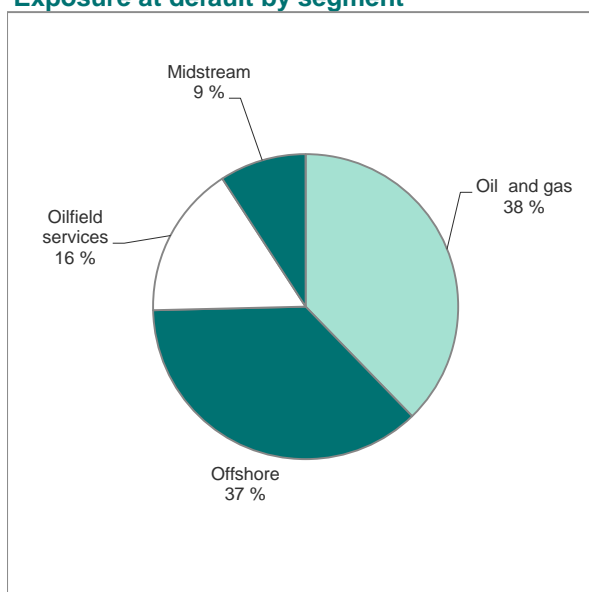
	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
Oil and gas	41.1	39.2	41.4	43.2	44.4	45.5	48.5	49.3	60.0
Offshore	40.2	41.8	42.6	45.6	49.2	49.7	52.7	41.2	59.5
Oilfield services	17.6	19.5	23.5	25.8	25.8	25.8	29.2	42.7	22.9
Midstream	10.0	13.9	15.5	16.6	18.7	19.4	20.1	22.0	23.5
Total	108.9	114.5	122.9	131.1	138.1	140.5	150.5	155.2	165.8

Risk classification of portfolio

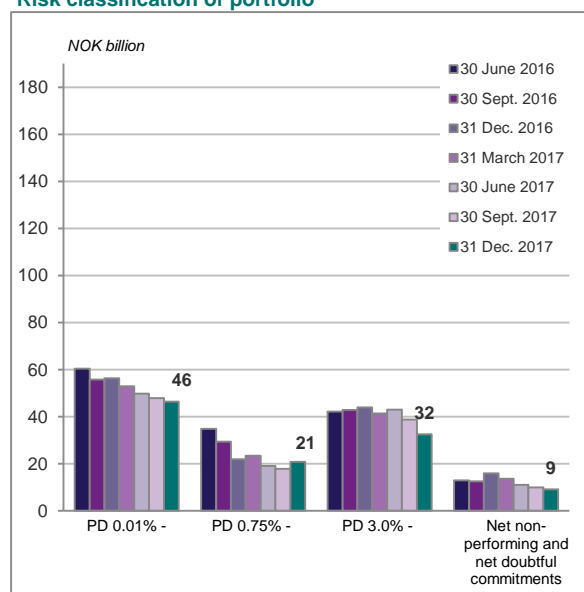
	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
PD 0.01% -	46.4	47.9	49.8	52.9	56.3	55.7	60.4	68.5	84.3
PD 0.75% -	20.9	17.9	19.1	23.4	21.9	29.4	34.9	39.6	63.6
PD 3.00% -	32.5	38.7	43.0	41.3	44.0	42.8	42.2	42.1	14.6
Net non-performing and net doubtful commitments	9.2	10.0	11.0	13.5	15.9	12.5	12.9	5.0	3.3
Total ¹⁾	108.9	114.5	122.9	131.1	138.1	140.5	150.5	155.2	165.8

1) For a breakdown into sub-segments, see next page.

Exposure at default by segment



Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

1.8.5 Breakdown of oil, gas and offshore (continued)

Breakdown into sub-segments

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK billion</i>									
<i>PD 0.01% -</i>									
Oil and gas sector	36.3	36.5	37.9	40.0	40.8	40.9	43.8	47.1	60.2
Offshore sector	2.6	1.7	1.8	1.9	2.6	1.9	1.7	4.2	10.1
Oilfield services sector	7.5	9.6	10.1	11.0	12.8	13.0	15.0	17.3	13.9
Total	46.4	47.9	49.8	52.9	56.3	55.7	60.4	68.5	84.3
<i>PD 0.75% -</i>									
Oil and gas sector	6.5	9.0	9.8	10.5	11.1	14.2	14.7	16.0	20.9
Offshore sector	7.9	3.3	3.9	6.2	5.8	9.6	13.9	12.8	36.3
Oilfield services sector	6.5	5.5	5.3	6.6	4.9	5.6	6.3	10.9	6.4
Total	20.9	17.9	19.1	23.4	21.9	29.4	34.9	39.6	63.6
<i>PD 3.00% -</i>									
Oil and gas sector	7.4	6.9	7.3	7.8	9.0	7.9	7.8	7.5	1.5
Offshore sector	22.0	28.2	28.4	26.2	29.1	29.9	28.7	22.3	11.9
Oilfield services sector	3.0	3.6	7.3	7.3	5.9	5.1	5.7	12.3	1.2
Total	32.5	38.7	43.0	41.3	44.0	42.8	42.2	42.1	14.6
<i>Net non-performing and net doubtful commitments</i>									
Oil and gas sector	0.9	0.7	1.8	1.4	2.1	2.0	2.3	0.8	0.8
Offshore sector	7.7	8.6	8.4	11.3	11.6	8.3	8.4	1.9	1.2
Oilfield services sector	0.7	0.7	0.8	0.9	2.2	2.2	2.3	2.3	1.3
Total	9.2	10.0	11.0	13.5	15.9	12.5	12.9	5.0	3.3
Total oil, gas and offshore	108.9	114.5	122.9	131.1	138.1	140.5	150.5	155.2	165.8

Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

1.8.6 DNB's risk classification

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

DNB's risk classification system, where 1 represents the lowest risk and 10 the highest risk.

1.9.1 Development in volumes - deposits from customers

<i>Amounts in NOK billion</i>	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Deposits at end of period	971	1 048	1 047	1 054	971	953	961	928	944
Deposits adjusted for exchange rate movements	987	1 072	1 058	1 073	987	981	976	940	944
Deposits adjusted for short-term money market investments	935	987	1 002	1 006	962	938	959	926	934
Deposits adjusted for short-term money market investments and exchange rate movements	951	1 011	1 012	1 025	977	966	974	938	934

Includes volumes in the Baltics up to and including September 2017, reclassified as assets held for sale in August 2016. Please refer to page 2 for further information on the deconsolidation of the Baltics portfolio.

1.9.2 Deposits per customer group

<i>Amounts in NOK billion</i>	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016
Households	374	374	379	361	361	359	382	365
Non-financial corporates	458	470	468	488	449	420	417	435
Other financial corporates	94	124	111	110	79	81	94	78
Other	55	60	67	77	58	71	73	59
Credit institutions	222	240	212	264	212	192	200	160
Total deposits	1 204	1 267	1 237	1 300	1 158	1 123	1 166	1 097
<i>Of which repo trading volumes</i>	32.5	13.8	17.8	23.5	21.6	10.0	13.4	13.8

The above table shows the split of deposits for the CRD IV reporting according to EU regulations and does not include non-financial companies in the DNB Group.

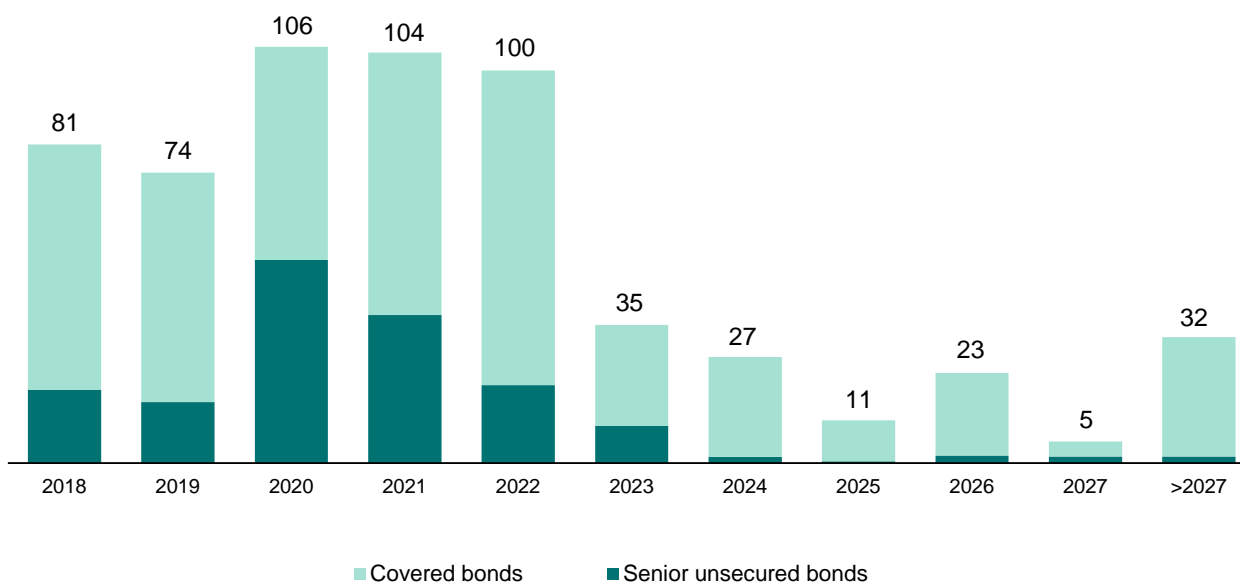
1.9.3 Funding

DNB Bank ASA issues senior debt and subordinated debt. DNB Boligkreditt AS, which is a wholly owned subsidiary of DNB Bank ASA, issues covered bonds. DNB issues bonds through large public transactions and private placements.

		NOK billion	Maturity (years)
2017	Covered bonds	73.4	7.9
	Senior bonds	16.0	3.0
	Total	89.4	7.0
	Additional Tier 1 capital and Tier 2 loans	10.6	5.0
	Total including Tier 1 capital and Tier 2 loans	99.9	6.8
2016	Covered bonds	63.5	7.7
	Senior bonds	25.2	5.7
	Total	88.7	7.1
	Additional Tier 1 capital and Tier 2 loans	8.3	
	Total including Tier 1 capital and Tier 2 loans	97.0	
2015	Covered bonds	48.9	6.0
	Senior bonds	17.7	5.0
	Total	66.6	5.7
	Additional Tier 1 capital and Tier 2 loans	12.9	
	Total including Tier 1 capital and Tier 2 loans	79.5	
	In addition: LTRO funding	3.6	3.0

1.9.4 Redemption profile as at 31 December 2017

NOK billion	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	>2027
Senior unsecured bonds	18.6	15.4	51.6	37.7	19.8	9.4	1.6	0.4	1.9	1.6	1.7
Covered bonds	62.5	58.4	54.2	66.7	80.0	25.7	25.4	10.4	21.0	3.8	30.3
Total	81.0	73.8	105.8	104.4	99.8	35.1	26.9	10.9	22.9	5.5	32.0



A total overview of subordinated loans as at 31 December 2017 can be found in the appendix on page 94-98

1.9.5 Asset encumbrance as at 31 December 2017

Distribution by type of liability (rows) and encumbered asset (columns)

Market value in NOK million	Government/ guaranteed debt instru- ments	Supra- national debt instru- ments	Covered bonds	Debt issued by credit instru- tions	Debt issued by corporate and other issuers	Home mortgages	Commercial real estate loans	Asset- backed securities (ABS)	Total ¹⁾
Due to central banks									
Repurchase agreements	16 708	55							16 763
Derivatives		11 745	6 324						18 070
Covered bonds issued						461 584	292		461 876
Total	16 708	11 800	6 324			461 584	292		496 708

*) Total figures per quarter

Market value in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015
Due to central banks		3 976	3 807	3 837	3 624	5 390	4 394	3 560	3 531
Repurchase agreements	16 763	5 448	13 233	14 067	3 368	19 189	19 809	25 822	18 325
Derivatives	18 070	2 856	7 773		2 735	31 289	38 476	55 368	59 176
Covered bonds issued	461 876	430 743	455 131	437 326	455 062	461 417	448 813	467 644	394 269
Total	496 708	443 023	479 944	455 230	464 788	517 284	511 493	552 394	475 302

1.9.6 Additional assets available for secured funding as at 31 December 2017

Market value in NOK million	Government/ guaranteed debt instru- ments	Supra- national debt instru- ments	Covered bonds	Debt issued by credit instru- tions	Debt issued by corporate and other issuers	Home mortgages	Commercial real estate loans	Asset- backed securities (ABS)	Total ¹⁾
Securities ¹⁾	323 018	11 530	94 101		6 417			4 618	439 684
Retained covered bonds						11 942			11 942
Cover pool overcollateralisation ²⁾						194 321	22 621		216 942
Cover pool eligible assets ³⁾							15 000		15 000
Total	323 018	11 530	94 101		6 417	206 263	37 621	4 618	683 568

*) Total figures per quarter

Market value in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Securities	439 684	320 731	343 149	406 517	224 790	219 408	227 479	292 932	404 064
Retained covered bonds	11 942	11 012	7 259	9 008	8 755	3 856	3 991	5 611	8 462
Cover pool overcollateralisation ²⁾	216 942	226 706	215 217	165 122	190 687	190 415	193 083	193 775	193 329
Cover pool eligible assets ³⁾	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Total	683 568	573 449	580 625	595 648	439 232	428 679	439 553	507 318	620 855

1) Including available repo collateral.

2) Collateralisation in excess of the regulatory minimum. Uncommitted, rating-supportive overcollateralisation forms part of this volume.

3) Estimate.

1.9.7 Liquid assets as at 31 December 2017 ¹⁾

Amounts in NOK million	NOK	EUR	USD	Other	Total ^{*)}
Cash and deposits with central banks	3 251	139 632	193	3 237	146 312
Deposits with other banks ²⁾	41 875	18 446	144 177	7 397	211 896
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks ³⁾	49 769	6 050	35 964	62 836	154 619
Securities issued or guaranteed by municipalities or public sector entities	1 540	745	9 341	2 295	13 921
Covered bonds					
- issued by other institutions	44 059	6 228	10 784	5 585	66 656
- own issued	11 942				11 942
Securities issued by non-financial corporates	332	37	66	343	778
Securities issued by financial corporates and ABS ³⁾	5 270	7 499	1 385	1 186	15 341
Total	158 038	178 637	201 910	82 879	621 465

*) Total figures per quarter

Amounts in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Cash and deposits with central banks	146 312	315 004	261 020	365 700	201 176	171 376	145 905	163 494	19 317
Deposits with other banks ²⁾	211 896	157 176	157 018	198 747	191 145	187 796	191 782	173 531	212 763
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	154 619	95 933	99 029	119 016	115 165	108 499	110 796	100 455	90 074
Securities issued or guaranteed by municipalities or public sector entities	13 921	13 412	13 778	12 068	11 425	10 829	10 804	12 168	10 779
Covered bonds									
- issued by other institutions	66 656	63 865	67 834	72 938	78 626	80 981	83 381	83 196	86 022
- own issued	11 942	11 012	7 259	9 008	8 755	3 856	3 991	12 650	8 462
Securities issued by non-financial corporates	778	1 240	615	616	858	899	1 327	1 295	1 637
Securities issued by financial corporates and ABS ³⁾	15 341	15 183	14 045	19 007	18 717	18 200	21 422	28 044	27 147
Total	621 465	672 826	620 598	797 100	625 867	582 437	569 408	574 832	456 202

1) Excluding assets in DNB Livsforsikring and encumbered securities. Including trading portfolio.

2) Including netting of repo transactions.

3) Including hold-to-maturity portfolio.

1.9.8 Liquidity Coverage Ratio

Per cent	EUR	USD	NOK	Total
31 December 2017	191	137	93	117
30 September 2017	247	112	87	118

1.10.1 Primary capital - DNB Group

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRD IV/CRR). The regulatory consolidation deviates from consolidation in the accounts and comprises the parent company, subsidiaries and associated companies within the financial sector, excluding insurance companies. DNB Livsforsikring and DNB Forsikring are thus not included in the calculations. Associated companies are consolidated pro rata.

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Total equity excluding interim profits	216 897	195 945	197 765	206 403	206 423	180 422	181 718	188 809	190 078
50 per cent of interim profits for the year to date		7 164	4 425	1 959		6 744	4 593	2 447	
Effect from regulatory consolidation	(6 328)	(4 705)	(4 705)	(5 795)	(5 795)	(4 915)	(5 038)	(6 083)	(541)
Non-eligible capital, insurance									(403)
Net additional Tier 1 capital instruments included in total equity	(16 013)	(15 863)	(15 734)	(15 589)	(15 858)	(9 594)	(9 532)	(8 064)	(8 272)
Total equity for capital adequacy purpose	194 557	182 541	181 752	186 978	184 770	172 657	171 741	177 109	180 863
Deductions	(23 211)	(11 247)	(9 720)	(16 802)	(16 555)	(8 901)	(9 759)	(17 138)	(17 957)
Common equity Tier 1 capital	171 346	171 295	172 031	170 176	168 214	163 756	161 982	159 972	162 906
Additional Tier 1 capital instruments	15 517	15 019	15 504	15 556	17 295	11 351	11 351	9 951	10 267
Tier 1 capital	186 863	186 314	187 536	185 732	185 509	175 107	173 333	169 922	173 173
Tier 2 capital, net	21 696	20 217	21 608	21 218	19 661	19 671	21 196	21 633	27 887
Total eligible capital	208 559	206 531	209 144	206 950	205 170	194 778	194 529	191 555	201 060
Risk-weighted volume, basis for transitional rule, Basel I	1 303 251	1 317 091	1 358 902	1 347 240	1 314 372	1 306 590	1 335 732	1 311 709	1 310 727
80 per cent of RWA, transitional rule	1 042 601	1 053 673	1 087 122	1 077 792	1 051 498	1 045 272	1 068 585	1 049 367	1 048 582
Net risk-weighted volume, insurance									80 791
Risk-weighted volume, transitional rules	1 042 601	1 053 673	1 087 122	1 077 792	1 051 498	1 045 272	1 068 585	1 049 367	1 129 373
Minimum capital requirement, transitional rules	83 408	84 294	86 970	86 223	84 120	83 622	85 487	83 949	90 350
Common equity Tier 1 capital ratio, transitional rules (%)	16.4	16.3	15.8	15.8	16.0	15.7	15.2	15.2	14.4
Tier 1 capital ratio, transitional rules (%)	17.9	17.7	17.3	17.2	17.6	16.8	16.2	16.2	15.3
Capital ratio, transitional rules (%)	20.0	19.6	19.2	19.2	19.5	18.6	18.2	18.3	17.8

Basel III

Risk-weighted volume, Basel III	1 027 585	1 027 137	1 072 158	977 995	957 726	950 425	984 220	941 883	1 016 454
Minimum capital requirement, Basel III	82 207	82 171	85 773	78 240	76 618	76 034	78 738	75 351	81 316
Common equity Tier 1 capital ratio, Basel III (%)	16.7	16.7	16.0	17.4	17.6	17.2	16.5	17.0	16.0
Tier 1 capital ratio, Basel III (%)	18.2	18.1	17.5	19.0	19.4	18.4	17.6	18.0	17.0
Capital ratio, Basel III (%)	20.3	20.1	19.5	21.2	21.4	20.5	19.8	20.3	19.8
Leverage ratio, Basel III (%)	7.2	7.1	7.2	6.7	7.3	6.9	6.8	6.7	6.7

As from the first quarter of 2016, DNB Livsforsikring and DNB Forsikring are not included in the regulatory consolidation for the DNB Group. With effect from the first quarter of 2016, deductions are also made for significant investments in financial sector entities if they each exceed 10 per cent of common equity Tier 1 capital. The amounts that are not deducted receive a risk-weight of 250 per cent. In addition, the holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring are deducted from the Group's Tier 2 capital. As from the first quarter of 2017, the risk weight of 250 per cent for significant investments in financial sector entities also applies to the calculation according to the transitional rules (Basel I).

Capital adequacy figures include 50 per cent of interim profits in all quarters. Annual figures are exclusive of dividend payments.

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

Basel III

The majority of the credit portfolios are reported according to the IRB approach. However, one portfolio, banks and financial institutions (DNB Bank), is still subject to final IRB approval from Finanstilsynet. The portfolio Large corporate clients rated by simulation models (DNB Bank) was approved in December 2015.

1.10.2 Leverage ratio

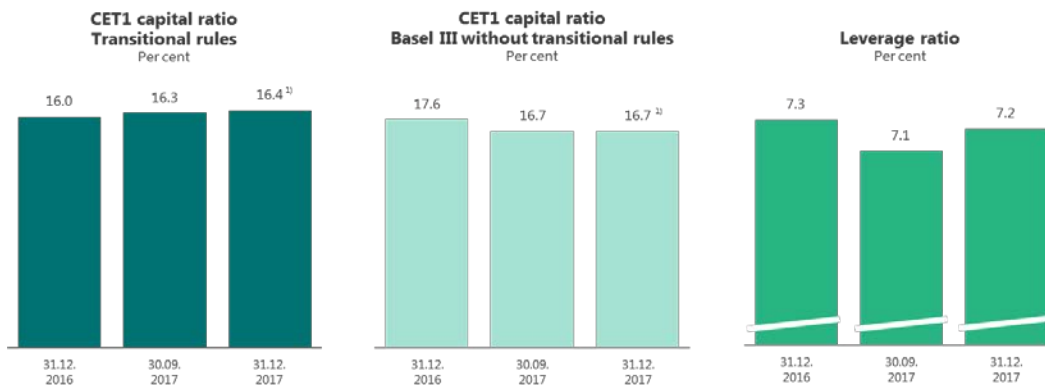
	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Tier 1 capital	186 863	186 314	187 536	185 732	185 509	175 107	173 333	169 922	173 173
Leverage exposure									
Securities financing transactions (SFTs)	251 939	183 235	184 491	229 475	196 891	208 682	210 408	198 756	318 513
Derivatives market value	47 840	40 949	59 352	55 576	54 155	62 028	76 297	75 909	79 626
Potential future exposure on derivatives	37 363	29 653	23 891	34 063	32 079	31 812	26 246	32 936	35 774
Eligible cash variation margin	(28 744)	(17 526)	(18 697)	(15 486)	(15 383)	(17 305)	(18 783)	(17 716)	(17 432)
Off balance sheet commitments	235 576	235 491	246 002	248 029	242 183	238 979	240 239	236 212	250 749
Loans and advances and other assets	2 065 278	2 179 955	2 129 861	2 230 569	2 043 384	2 014 744	2 028 211	2 007 429	1 867 764
Deductions	(9 699)	(9 405)	(8 347)	(6 366)	(6 644)	(8 034)	(8 774)	(9 808)	(10 382)
Total exposure	2 599 554	2 642 352	2 616 552	2 775 860	2 546 664	2 530 905	2 553 843	2 523 718	2 524 612
Leverage ratio, Basel III (%)	7.2	7.1	7.2	6.7	7.3	6.9	6.8	6.7	6.7

1.10.3 Specification of capital requirements

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
IRB approach									
Corporate	35 197	36 439	39 659	33 291	32 619	32 551	34 162	31 716	33 421
Specialised lending (SL)	454	461	497	384	356	354	355	505	468
Retail - mortgages	13 220	12 975	12 630	12 590	12 465	12 358	12 507	12 403	12 241
Retail - other exposures	1 745	1 730	1 866	1 867	1 901	1 908	1 953	1 966	1 965
Securitisation	626	671	818	838	937	952	1 045	1 117	1 201
Total credit risk, IRB approach	51 241	52 276	55 470	48 970	48 279	48 123	50 023	47 707	49 295
Standardised approach									
Central government	6	5	5	6	7	5	12	25	33
Institutions	2 989	2 729	2 419	2 182	1 989	2 126	2 317	2 225	2 230
Corporate	9 796	9 588	9 770	9 445	8 767	8 668	8 883	8 430	9 657
Retail - mortgages	2 207	1 939	1 863	1 839	1 805	1 756	1 730	1 774	1 764
Retail - other exposures	2 941	3 060	3 664	3 116	2 939	3 009	3 348	2 757	2 642
Equity positions	3 742	3 727	3 685	3 607	3 584	3 450	3 464	3 453	276
Securitisation		22	24	40	41	52	65	67	60
Other assets	568	742	803	725	848	599	718	689	535
Total credit risk, standardised approach	22 249	21 812	22 232	20 960	19 979	19 664	20 536	19 421	17 195
Total credit risk ¹⁾	73 490	74 088	77 702	69 930	68 258	67 787	70 558	67 128	66 490
Market risk									
Position risk, debt instruments	1 120	957	899	1 043	1 169	1 097	1 141	1 080	1 141
Position risk, equity instruments	21	24	19	17	25	18	23	19	36
Currency risk									
Commodity risk	2	2	2	2	6	1	0	1	3
Credit value adjustment risk (CVA)	468	430	481	505	490	460	344	452	513
Total market risk	1 611	1 413	1 401	1 566	1 690	1 576	1 509	1 552	1 693
Operational risk	7 106	6 670	6 670	6 744	6 670	6 670	6 670	6 670	6 670
Net insurance, after eliminations									6 463
Total capital requirements according to Basel III	82 207	82 171	85 773	78 240	76 618	76 034	78 738	75 351	81 317
Additional capital requirements according to transitional rules	1 201	2 123	1 197	7 984	7 502	7 588	6 749	8 599	9 033
Total capital requirements according to transitional rules	83 408	84 294	86 970	86 223	84 120	83 622	85 487	83 949	90 350

1) See next page for further details.

1.10.4 Common equity Tier 1 capital ratio



All figures include 50 per cent of interim profits, apart from the figures as at 31 December, which are exclusive of dividend payments.

1) Includes 1.5 per cent in share buy-back programmes.

1.10.5 Specification of capital requirements for credit risk

As at 31 December 2017

Amounts in NOK million	Nominal exposure	EAD, exposure at default	Average risk weights (per cent)	Risk-weighted volume	Capital requirements
IRB approach					
Corporate	964 724	790 118	55.7	439 960	35 197
Specialised Lending (SL)	11 582	10 645	53.3	5 676	454
Retail - mortgages	748 668	748 668	22.1	165 245	13 220
Retail - other exposures	99 660	85 663	25.5	21 812	1 745
Securitisation	9 613	9 613	81.4	7 827	626
Total credit risk, IRB approach	1 834 246	1 644 706	38.9	640 519	51 241
Standardised approach					
Central government	107 116	76 481	0.1	74	6
Institutions	266 642	122 434	30.5	37 361	2 989
Corporate	174 279	140 798	87.0	122 454	9 796
Retail - mortgages	58 925	56 340	49.0	27 588	2 207
Retail - other exposures	117 871	47 773	77.0	36 765	2 941
Equity positions	20 203	20 201	231.5	46 771	3 742
Securitisation	-	-	-	-	-
Other assets	13 760	13 760	51.6	7 098	568
Total credit risk, standardised approach	758 796	477 787	58.2	278 110	22 249
Total credit risk	2 593 042	2 122 493	43.3	918 629	73 490

As at 30 September 2017

Amounts in NOK million	Nominal exposure	EAD, exposure at default	Average risk weights (per cent)	Risk-weighted volume	Capital requirements
IRB approach					
Corporate	973 975	799 519	57.0	455 482	36 439
Specialised Lending (SL)	11 902	11 233	51.3	5 765	461
Retail - mortgages	739 683	739 683	21.9	162 193	12 975
Retail - other exposures	97 733	83 653	25.9	21 626	1 730
Securitisation	9 738	9 738	86.1	8 382	671
Total credit risk, IRB approach	1 833 031	1 643 827	39.8	653 448	52 276
Standardised approach					
Central government	74 719	78 694	0.1	61	5
Institutions	248 986	108 840	31.3	34 116	2 729
Corporate	176 497	138 552	86.5	119 846	9 588
Retail - mortgages	57 287	54 681	44.3	24 238	1 939
Retail - other exposures	129 798	50 881	75.2	38 250	3 060
Equity positions	20 435	20 434	228.0	46 588	3 727
Securitisation	1 049	449	61.7	277	22
Other assets	15 083	15 083	61.5	9 280	742
Total credit risk, standardised approach	723 855	467 614	58.3	272 655	21 812
Total credit risk	2 556 887	2 111 441	43.9	926 103	74 088

1.10.6 Primary capital - including DNB Bank ASA and DNB Bank Group

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRD IV/CRR). The regulatory consolidation deviates from consolidation in the accounts and comprises the parent company, subsidiaries and associated companies within the financial sector, excluding insurance companies. DNB Livsforsikring and DNB Forsikring are thus not included in the calculations. Associated companies are consolidated pro rata.

	DNB Bank ASA			DNB Bank Group			DNB Group		
	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016	31 Dec. 2017	30 Sept. 2017	31 Dec. 2016
<i>Amounts in NOK million</i>									
Total equity excluding profit for the period	169 720	167 430	168 104	203 685	184 000	190 078	216 897	195 945	206 423
Effect from regulatory consolidation				183	(181)	(181)	(6 328)	(4 705)	(5 795)
Additional Tier 1 capital instruments included in total equity	(15 574)	(15 574)	(15 574)	(15 574)	(15 574)	(15 574)	(15 574)	(15 574)	(15 574)
Net accrued interest on additional Tier 1 capital instruments	(439)	(289)	(284)	(439)	(289)	(284)	(439)	(289)	(284)
Total equity	153 708	151 567	152 246	187 856	167 956	174 039	194 557	175 377	184 770
Deductions									
Pension funds above pension commitments		(9)			(9)			(9)	
Goodwill	(2 404)	(2 894)	(2 900)	(2 559)	(2 949)	(2 951)	(4 264)	(4 654)	(4 656)
Deferred tax assets that are not due to temporary differences	(584)	(224)	(224)	(454)	(599)	(482)	(454)	(599)	(482)
Other intangible assets	(1 110)	(771)	(699)	(1 984)	(1 584)	(946)	(1 984)	(1 584)	(946)
Dividends payable etc.				(15 804)		(5 084)	(13 523)	(1 630)	(9 284)
Significant investments in financial sector entities							(362)	(1 018)	
Expected losses exceeding actual losses, IRB portfolios	(951)	(594)	(6)	(1 915)	(799)	(153)	(1 915)	(799)	(153)
Value adjustments due to the requirements for prudent valuation (AVA)	(449)	(415)	(479)	(720)	(743)	(786)	(720)	(743)	(786)
Adjustments for unrealised losses/(gains) on debt recorded at fair value	123	107	107	123	(90)	(90)	123	(90)	(90)
Adjustments for unrealised losses/(gains) arising from the institution's own credit risk related to derivative liabilities	(481)	(501)	(580)	(113)	(122)	(159)	(113)	(122)	(159)
Common Equity Tier 1 capital	147 851	146 268	147 467	164 431	161 062	163 389	171 346	164 130	168 214
Common Equity Tier 1 capital incl. 50 per cent of profit for the period		151 465			167 672			171 295	
Additional Tier 1 capital instruments	15 574	15 574	17 471	15 574	15 574	17 471	15 574	15 574	17 471
Non-eligible Tier 1 capital, DNB Group ¹⁾							(56)	(554)	(176)
Tier 1 capital	163 425	161 842	164 938	180 005	176 636	180 860	186 863	179 149	185 509
Tier 1 capital incl. 50 per cent of profit for the period		167 039			183 246			186 314	
Perpetual subordinated loan capital	5 361	5 216	5 602	5 361	5 216	5 602	5 361	5 216	5 602
Term subordinated loan capital	23 897	23 123	21 249	23 897	23 123	21 249	23 897	23 123	21 249
Deduction of holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring							(5 750)	(5 750)	(5 750)
Non-eligible Tier 2 capital, DNB Group ¹⁾							(1 813)	(2 372)	(1 440)
Tier 2 capital	29 258	28 339	26 851	29 258	28 339	26 851	21 696	20 217	19 661
Total eligible capital	192 683	190 181	191 789	209 263	204 975	207 711	208 559	199 367	205 170
Total eligible capital incl. 50 per cent of profit for the period		195 378			211 585			206 531	
Risk-weighted volume, transitional rules	825 200	823 223	773 244	1 014 683	1 027 408	1 040 888	1 042 601	1 053 673	1 051 498
Minimum capital requirement	66 016	65 858	61 860	81 175	82 193	83 271	83 408	84 294	84 120
Common equity Tier 1 capital ratio, transitional rules (%)	17.9	18.4	19.1	16.2	16.3	15.7	16.4	16.3	16.0
Tier 1 capital ratio, transitional rules (%)	19.8	20.3	21.3	17.7	17.8	17.4	17.9	17.7	17.6
Capital ratio, transitional rules (%)	23.3	23.7	24.8	20.6	20.6	20.0	20.0	19.6	19.5
Common equity Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		17.8			15.7			15.6	
Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		19.7			17.2			17.0	
Capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)		23.1			20.0			18.9	

¹⁾ Tier 1 and Tier 2 capital in DNB Bank ASA are not included in consolidated own funds, in accordance with Articles 85-88 of the CRR.

As from the first quarter of 2016, DNB Livsforsikring and DNB Forsikring are not included in the regulatory consolidation for the DNB Group. With effect from the first quarter of 2016, deductions are also made for significant investments in financial sector entities if they each exceed 10 per cent of common equity Tier 1 capital. The amounts that are not deducted receive a risk-weight of 250 per cent. In addition, the holdings of Tier 2 instruments in DNB Livsforsikring and DNB Forsikring are deducted from the Group's Tier 2 capital. As from the first quarter of 2017, the risk weight of 250 per cent for significant investments in financial sector entities also applies to the calculation according to the transitional rules (Basel I).

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

1.10.7 Cross-sectoral financial group

Financial groups that consist of both a credit institution and an insurance undertaking and have been defined by the authorities as a “financial conglomerate” or cross-sectoral financial group, have to report capital adequacy on a consolidated basis. The cross-sectoral calculation tests that the DNB Group complies with the sectoral requirements, the “capital adequacy calculation in accordance with CRD IV” and “the Solvency II calculations”, and does not include the capital that is transferred from one sector to the other.

<i>Amounts in NOK million</i>	31 Dec. 2017
Capital requirements for the CRD IV group	188 198
Solvency capital requirements for the insurance companies	18 496
Total capital requirements	206 694
Net primary capital for entities included in the CRD IV report	208 559
Intercompany	-17 639
Net primary capital for the insurance companies	35 194
Total net primary capital	226 114
Overfunding	19 420

Chapter 2 - Segmental reporting

Financial performance

Personal customers

Small and medium-sized enterprises

Large corporates and international customers

Trading

Other operations/eliminations

Traditional pension products

Main subsidiaries and product units

2.1.1 Development - reporting segments

Changes in net interest income

<i>Amounts in NOK million</i>	4Q17	Change 3Q17-4Q17	Change 4Q16-4Q17
Net interest income	8 863	(144)	491
Personal customers	3 518	89	401
Small and medium-sized enterprises	2 281	140	161
Large corporates and international customers	3 041	(170)	(256)
Trading	(81)	(61)	(82)
Other	103	(143)	266

Changes in net other operating income

<i>Amounts in NOK million</i>	4Q17	Change 3Q17-4Q17	Change 4Q16-4Q17
Net other operating income	4 415	493	185
Personal customers	1 154	(222)	(6)
Small and medium-sized enterprises	501	(26)	(72)
Large corporates and international customers	1 226	(306)	(262)
Trading	564	(148)	(253)
Traditional pension products	457	84	177
Other	514	1 111	601

Changes in operating expenses

<i>Amounts in NOK million</i>	4Q17	Change 3Q17-4Q17	Change 4Q16-4Q17
Operating expenses	(6 018)	(499)	(825)
Personal customers	(1 978)	108	0
Small and medium-sized enterprises	(1 109)	(56)	(14)
Large corporates and international customers	(1 741)	156	83
Trading	(158)	(78)	1
Traditional pension products	(89)	7	7
Other	(943)	(636)	(902)

Changes in impairment of loans and guarantees

<i>Amounts in NOK million</i>	4Q17	Change 3Q17-4Q17	Change 4Q16-4Q17
Impairment of loans and guarantees	(402)	466	1 351
Personal customers	(137)	(57)	(244)
Small and medium-sized enterprises	(150)	(3)	132
Large corporates and international customers	(99)	542	1 473
Other	(16)	(17)	(10)

2.1.2 Extracts from income statement

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products ¹⁾		Other operations/eliminations ²⁾		DNB Group	
	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16
<i>Amounts in NOK million</i>														
Net interest income	3 518	3 117	2 281	2 120	3 041	3 297	(81)	1			103	(163)	8 863	8 372
Net other operating income	1 154	1 160	501	572	1 226	1 488	564	817	457	280	514	(87)	4 415	4 230
Total income	4 672	4 277	2 782	2 692	4 267	4 785	483	818	457	280	617	(250)	13 278	12 602
Operating expenses	(1 978)	(1 979)	(1 109)	(1 095)	(1 741)	(1 823)	(158)	(159)	(89)	(96)	(943)	(41)	(6 018)	(5 194)
Pre-tax operating profit before impairment	2 693	2 298	1 673	1 597	2 526	2 962	325	659	368	184	(326)	(291)	7 260	7 409
Net gains on fixed and intangible assets			(1)			(4)					(35)	(8)	(35)	(12)
Impairment of loans and guarantees	(137)	107	(150)	(281)	(99)	(1 572)					(16)	(6)	(402)	(1 753)
Profit from repossessed operations			11	40	(13)	7					2	(47)		
Pre-tax operating profit	2 557	2 406	1 534	1 355	2 414	1 393	325	659	368	184	(374)	(352)	6 823	5 644
Tax expense	(639)	(601)	(383)	(339)	(676)	(376)	(75)	(165)	98	49	1 229	1 143	(446)	(290)
Profit from operations held for sale, after taxes											(3)	26	(3)	26
Profit for the period	1 917	1 804	1 150	1 016	1 738	1 017	250	494	466	233	852	817	6 374	5 380

1) For more information about Traditional pension products, see tables 2.7.1, 2.7.2 and 2.8.4.

2) For more information about other operations/eliminations, see table below.

2.1.3 Other operations/eliminations

Other operations/eliminations include IT, People and Operations, Group Finance including Group Treasury, Risk Management, Media & Marketing, Compliance, New Business, the partially owned company Eksportfinans, investments in IT infrastructure and shareholder-related costs. In addition, Other operations/eliminations include that part of the Group's equity that is not allocated to the segments. Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" in the internal reporting of segments. The acquired companies and all intra-group eliminations are included in Other operations/eliminations.

Pre-tax operating profit

<i>Amounts in NOK million</i>	4Q17	4Q16
Unallocated interest income	(23)	(298)
Income from equity investments	32	81
Gains on fixed and intangible assets	(35)	(8)
Mark-to-market adjustments on financial instruments	300	681
Basis swaps	62	(713)
Profit from associated companies	(74)	(45)
Net gains on investment properties	160	15
Profit from repossessed operations	2	(47)
Ownership-related expenses (costs relating to shareholders, investor relations, strategic planning etc.)	(87)	(115)
Unallocated personnel expenses	(147)	50
Unallocated IT and Operations expenses	1	63
Impairment losses for goodwill relating to external distribution of credit cards under the Cresco brand	(502)	
Other	(63)	(16)
Pre-tax operating profit	(374)	(352)

2.1.4 Main balance sheet items and key figures

Average balance sheet items

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/eliminations		DNB Group	
	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16
<i>Amounts in NOK billion</i>														
Loans to customers ^{1) 2)}	743.6	705.9	286.4	263.9	422.7	511.3	33.7	24.4	36.8	32.5	19.4	(33.1)	1 542.6	1 505.1
Deposits from customers ^{1) 2)}	404.0	399.4	210.5	185.7	337.8	367.0	104.9	54.5			(8.0)	(44.9)	1 049.1	961.7
Assets under management	86.1	78.0	95.2	77.0	213.7	180.9			204.3	202.8	28.0	22.1	627.3	560.8
Allocated capital ³⁾	39.8	39.6	26.3	26.8	73.7	84.8	6.1	7.2	21.6	19.9				

Key figures

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations		DNB Group	
	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16	4Q17	4Q16
<i>Per cent</i>														
Cost/income ratio ⁴⁾	42.3	46.3	39.9	40.7	40.8	38.1	32.7	19.5	19.5	34.3			45.3	41.2
Ratio of deposits to loans ^{2) 5)}	54.3	56.6	73.5	70.3	79.9	71.8							68.0	63.9
Return on allocated capital, annualised ³⁾	19.1	18.1	17.4	15.1	9.4	4.8	16.3	27.2	8.6	4.7			12.3	10.9

Balance sheet items

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Trading		Traditional pension products		Other operations/eliminations		DNB Group	
	31 Dec.		31 Dec.		31 Dec.		31 Dec.		31 Dec.		31 Dec.		31 Dec.	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<i>Amounts in NOK billion</i>														
Loans to customers	747.2	706.0	291.1	265.8	409.6	499.7	38.7	29.9	39.9	38.9	18.8	(31.2)	1 545.4	1 509.1
Deposits from customers	403.4	397.5	206.5	189.6	325.5	379.4	44.5	13.7			(8.8)	(45.2)	971.1	934.9

1) DNB's Baltic operation became part of a joint venture with Nordea from 1 October 2017. The Baltic operation was part of the Large corporates and international customers segment up until this date, and is thus reflected in the figures for previous quarters. Loans to and deposits from customers in the Baltics are included under Large corporates and international customers in spite of being reclassified as assets and liabilities held for sale in August 2016. The reclassification is reflected under Other operations/eliminations. In the fourth quarter of 2016 reclassified loans amounted to NOK 46.5 billion and deposits to NOK 36.7 billion.

2) Loans to customers include accrued interest, impairment and value adjustments. Correspondingly, deposits from customers include accrued interest and value adjustments.

3) Allocated capital for the segments is calculated based on the external capital adequacy requirement (Basel III/Solvency II) which must be met by the Group. The capital allocated in 2017 corresponds to a common equity Tier 1 capital ratio of 18.0 per cent compared to 17.2 per cent in 2016. Recorded capital is used for the Group.

4) Total operating expenses relative to total income.

5) Deposits from customers relative to loans to customers. Calculated on the basis of average balance sheet items.

2.1.5 Key figures - Norwegian and international units

Norwegian units

Per cent	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Share of group income	82.5	78.4	78.7	77.2	78.3	77.6	79.2	77.8	73.9
Cost/income ratio	45.6	42.8	43.5	47.0	40.9	40.9	39.4	42.8	24.1
Share of net group loans to customers	87.0	84.2	83.3	83.3	83.1	82.7	81.4	81.6	81.0
Non-performing and doubtful loans and guarantees relative to total loans	0.8	0.8	1.0	0.9	1.1	1.1	0.9	0.6	0.4
Provision ratio (per cent) ¹⁾	43.0	45.8	41.0	42.2	41.9	39.9	37.9	49.9	51.6
Individual impairment in relation to net loans, annualised	(0.16)	(0.09)	(0.04)	0.08	(0.31)	(0.37)	(0.33)	0.02	(0.14)

International units ²⁾

Per cent	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Share of group income	17.5	21.6	21.3	22.8	21.7	22.4	20.8	22.2	26.1
Cost/income ratio	43.9	42.4	41.8	41.1	42.5	39.7	41.7	38.3	39.3
Share of net group loans to customers	13.0	15.8	16.7	16.7	16.9	14.4	18.6	18.4	19.0
Non-performing and doubtful loans and guarantees relative to total loans	2.2	2.7	3.4	3.5	3.9	2.1	2.5	2.5	2.4
Provision ratio (per cent) ¹⁾	56.0	57.4	50.0	51.2	44.0	58.7	50.8	50.8	47.6
Individual impairment in relation to net loans, annualised	(0.66)	(0.58)	(0.57)	(1.11)	(0.87)	(0.69)	(0.80)	(0.85)	(0.75)

1) The provision ratio includes individual and collective impairment as a percentage of gross non-performing and gross doubtful loans and guarantees.

2) Includes volumes in the Baltics up to and including 3Q17. Please refer to page 2 for further information on the deconsolidation of the Baltic portfolio.

The figures are based on the financial accounts.

2.2.1 Personal customers - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income ¹⁾	3 518	3 429	3 306	3 114	3 117	3 176	3 221	3 290	3 496
Net other operating income	1 154	1 376	1 392	1 192	1 160	1 283	1 387	1 155	1 120
Total income	4 672	4 805	4 698	4 305	4 277	4 458	4 607	4 445	4 616
Operating expenses	(1 978)	(2 086)	(2 111)	(2 103)	(1 979)	(1 951)	(2 081)	(2 494)	(2 157)
Pre-tax operating profit before impairment	2 693	2 719	2 587	2 203	2 298	2 508	2 526	1 952	2 459
Net gains on fixed and intangible assets	(0)		(0)						0
Impairment losses on loans and guarantees ¹⁾	(137)	(80)	(100)	110	107	(80)	(89)	440	15
Pre-tax operating profit	2 557	2 639	2 486	2 313	2 406	2 428	2 437	2 392	2 474
Tax expense	(639)	(660)	(622)	(578)	(601)	(607)	(609)	(598)	(668)
Profit from operations held for sale, after taxes					0	0	(0)	(1)	(1)
Profit for the period	1 917	1 979	1 865	1 735	1 804	1 821	1 828	1 793	1 805
Average balance sheet items in NOK billion:									
Loans to customers ^{2) 1)}	743.6	730.9	719.1	708.3	705.9	694.7	681.7	675.1	695.7
Deposits from customers ²⁾	404.0	406.8	399.1	398.7	399.4	407.9	398.8	395.6	391.1
Assets under management	86.1	83.8	82.4	80.6	78.0	75.7	74.9	75.7	75.2
Allocated capital ³⁾	39.8	38.9	39.4	40.7	39.6	39.1	40.2	39.6	33.8
Key figures in per cent:									
Cost/income ratio	42.3	43.4	44.9	48.8	46.3	43.8	45.2	56.1	46.7
Ratio of deposits to loans	54.3	55.6	55.5	56.3	56.6	58.7	58.5	58.6	56.2
Return on allocated capital, annualised ³⁾	19.1	20.2	19.0	17.3	18.1	18.5	18.3	18.2	21.2

*) Loans to personal customers including loans transferred to DNB Livsforsikring

In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. Personal Banking Norway will continue to manage the portfolio on behalf of DNB Livsforsikring. See specification of the effects of the transfer on net interest income and loans to customers in the table below:

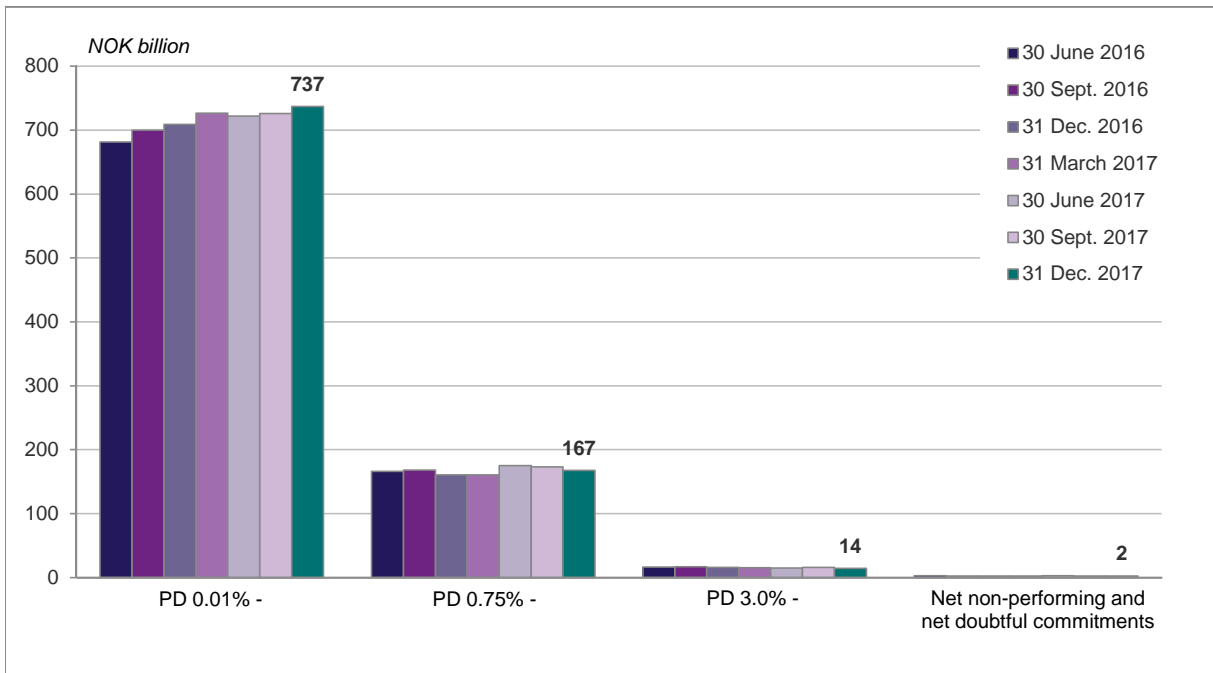
Amounts in NOK billion	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Loans to customers ²⁾	743.6	730.9	719.1	708.3	705.9	694.7	681.7	675.1	695.7
Home mortgages transferred to DNB Livsforsikring - assets under management	18.3	19.9	21.1	21.8	19.6	18.0	18.5	19.1	8.0
Loans to personal customers	761.9	750.9	740.2	730.1	725.5	712.7	700.3	694.1	703.7
Net interest income on the transferred portfolio (NOK million)	30	37	36	36	32	30	31	33	10

1) Including collective impairment.

2) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

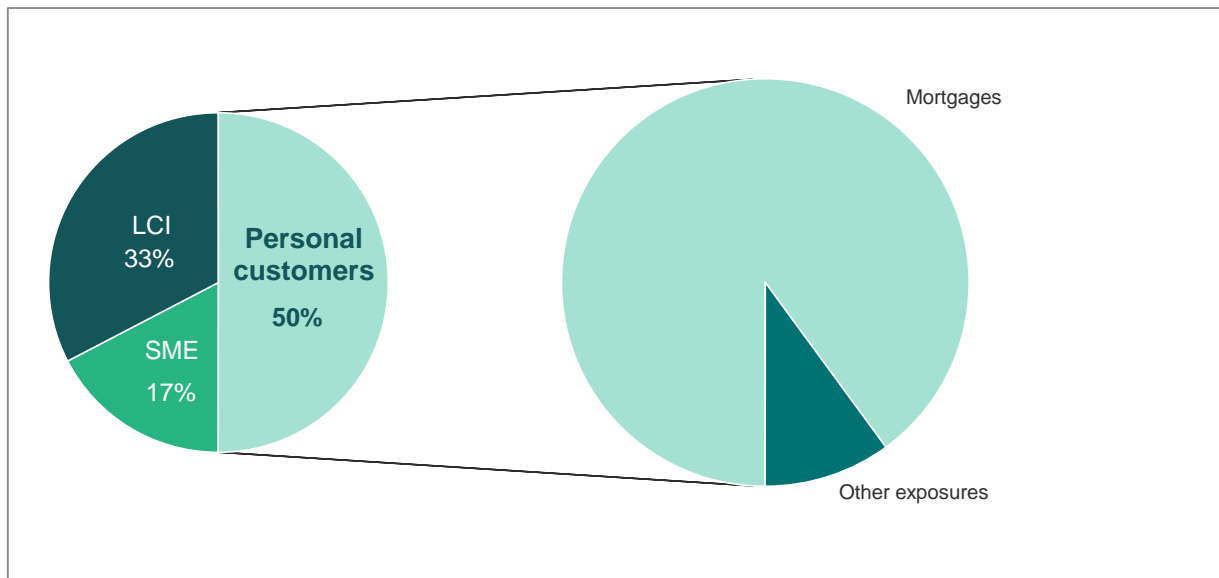
3) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.2.2 Personal customers - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.2.3 Personal customers - Exposure at default by industry segment as at 31 Dec. 2017



2.2.4 Personal customers - Development in average volumes and interest rate spreads

	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Volumes (NOK billion):									
Loans to customers ^{1) 2)}	740	728	716	705	703	692	679	673	689
Deposits from customers ¹⁾	402	405	398	398	397	406	398	395	387
Spread income (NOK million):									
Lending spreads	3 485	3 404	3 204	2 999	2 828	2 981	3 073	3 039	3 394
Deposit spreads	132	173	257	332	431	345	328	411	236
Spreads in per cent:									
Lending spreads	1.87	1.86	1.80	1.73	1.60	1.71	1.82	1.81	1.95
Deposit spreads	0.13	0.17	0.26	0.34	0.43	0.34	0.33	0.42	0.24

1) Nominal values, excluding impaired loans.

2) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing additional NOK 5 billion were sold. As of the same date, the portfolios were transferred from the Personal customers segment to the Traditional pension products segment. Personal Banking Norway will continue to manage the portfolios on behalf of DNB Livsforsikring.

2.2.5 Personal customers - Distribution of loan to value

Loan to value per risk grade as at 31 December 2017

	Risk grade			Total	Share of loan to value in per cent ¹⁾
	Low	Moderate	High		
Loan to value in NOK billion ¹⁾					
0-40	108	18	1	127	16.4 %
40-60	203	43	2	248	32.2 %
60-75	188	47	3	237	30.8 %
75-85	81	26	2	109	14.1 %
>85	37	12	1	50	6.5 %
Total exposure at default	617	146	8	771	100.0 %

* Development in loan to value

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Loan to value in per cent ^{1) 2)}									
0-40	16.4 %	17.5 %	18.1 %	17.7 %	16.8 %	16.2 %	16.3 %	14.9 %	15.1 %
40-60	32.2 %	33.8 %	34.8 %	33.5 %	31.4 %	30.5 %	30.8 %	28.1 %	28.3 %
60-75	30.8 %	30.0 %	30.5 %	32.1 %	33.6 %	34.0 %	33.8 %	34.2 %	34.5 %
75-85	14.1 %	12.6 %	12.2 %	12.1 %	12.8 %	13.6 %	13.5 %	15.1 %	14.8 %
>85	6.5 %	6.0 %	4.3 %	4.6 %	5.5 %	5.8 %	5.6 %	7.8 %	7.3 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Average loan to value	59.6 %	58.5 %	57.7 %	58.1 %	59.2 %	59.9 %	59.7 %	61.7 %	61.3 %
Total exposure at default (NOK billion)	771	762	750	735	726	720	707	691	685
Total drawn amount (NOK billion)	699	690	680	666	659	655	644	631	627

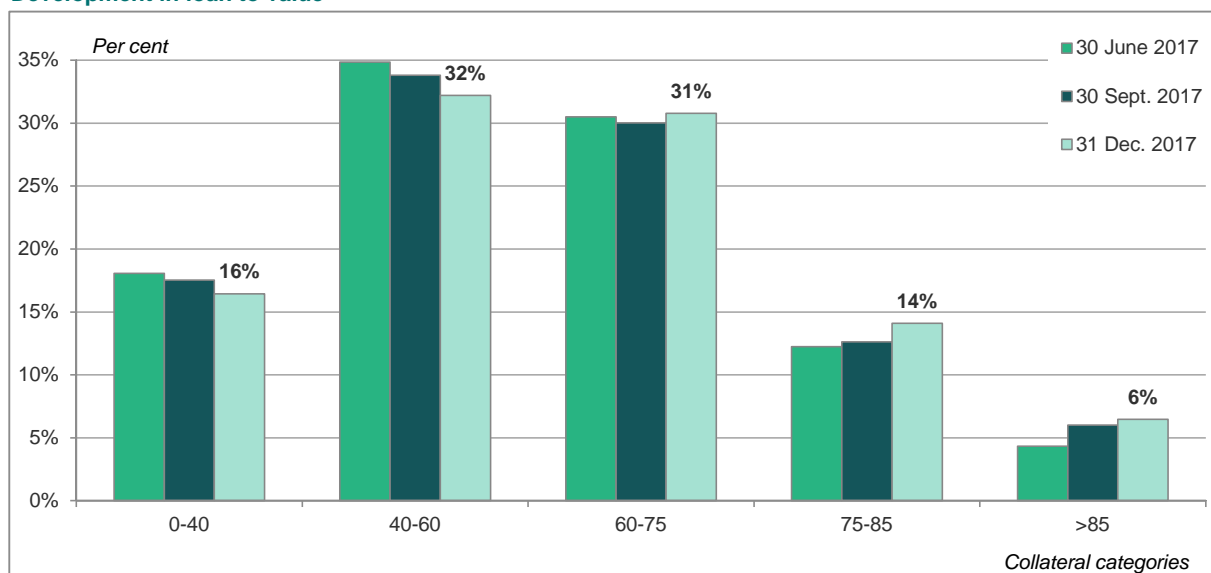
1) The total exposure (EAD) is included in the actual collateral category.

2) The sale of a portfolio of home mortgages amounting to approximately NOK 5 billions in November 2016 affected the relative distribution of the remaining loans, as the transferred loans were within low risk grades and had a low loan to value.

Distribution of home mortgages, recalibrated, in the personal customers segment within actual collateral categories. The volumes represent the IRB-approved mortgage portfolio and are the expected outstanding amount in the event of default.

2.2.5 Personal customers - Distribution of loan to value (continued)

Development in loan to value



2.2.6 DNB Boligkreditt - Average mortgage lending - volumes and spreads

Amounts in NOK billion	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Average loans to customers	619	615	611	604	600	590	577	567	572
Portfolio transferred to DNB Livsforsikring ¹⁾	18	20	21	22	20	18	19	19	8
Average loans to customers including transferred loans	638	635	615	626	620	608	595	586	580
Spreads measured against actual funding costs (per cent)	0.91	0.90	0.81	0.66	0.53	0.66	0.78	0.82	0.95

¹⁾ In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing additional NOK 5 billion were sold. As of the same date, the portfolios were transferred from the Personal customers segment to the Traditional pension products segment. Personal Banking Norway will continue to manage the portfolios on behalf of DNB Livsforsikring.

2.2.7 DNB Eiendom - Residential real estate broking in Norway

	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Number of properties sold	4 945	5 727	7 077	5 780	5 325	5 942	7 311	5 400	5 035
Fees on real estate broking (NOK million)	233	270	344	269	242	282	348	248	236
Market shares (per cent) ¹⁾	19.0	19.7	19.9	19.5	19.2	18.4	18.8	19.9	19.3

¹⁾ Management's estimates.

2.3.1 Small and medium-sized enterprises (SME) - Financial performance

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	2 281	2 141	2 121	2 035	2 120	1 952	1 933	1 937	1 610
Net other operating income	501	527	515	557	572	467	521	470	449
Total income	2 782	2 668	2 636	2 593	2 692	2 419	2 454	2 407	2 059
Operating expenses	(1 109)	(1 053)	(1 053)	(1 164)	(1 095)	(996)	(1 025)	(1 014)	(807)
Pre-tax operating profit before impairment	1 673	1 614	1 582	1 429	1 597	1 423	1 429	1 393	1 252
Net gains on fixed and intangible assets	(1)		(0)	(0)	(0)	1	(1)	3	(0)
Impairment losses on loans and guarantees ¹⁾	(150)	(146)	(127)	10	(281)	(339)	(209)	(259)	(360)
Profit from repossessed operations ²⁾	11	30	(17)	(10)	40	(6)	(12)	(17)	35
Pre-tax operating profit	1 534	1 498	1 438	1 429	1 355	1 079	1 208	1 121	927
Tax expense	(383)	(375)	(359)	(357)	(339)	(270)	(302)	(280)	(250)
Profit for the period	1 150	1 124	1 078	1 072	1 016	809	906	841	677
Average balance sheet items in NOK billion:									
Loans to customers ³⁾	286.4	277.9	274.3	268.5	263.9	259.9	256.1	252.7	220.3
Deposits from customers ³⁾	210.5	208.6	205.2	197.9	185.7	179.5	173.5	170.3	172.8
Assets under management	95.2	89.6	86.3	82.2	77.0	72.4	69.4	67.7	64.1
Allocated capital ⁴⁾	26.3	25.9	26.1	26.5	26.8	26.6	26.7	27.3	21.0
Key figures in per cent:									
Cost/income ratio	39.9	39.5	40.0	44.9	40.7	41.2	41.8	42.1	39.2
Ratio of deposits to loans	73.5	75.0	74.8	73.7	70.3	69.1	67.8	67.4	78.5
Return on allocated capital, annualised ⁴⁾	17.4	17.2	16.6	16.4	15.1	12.1	13.7	12.4	12.8

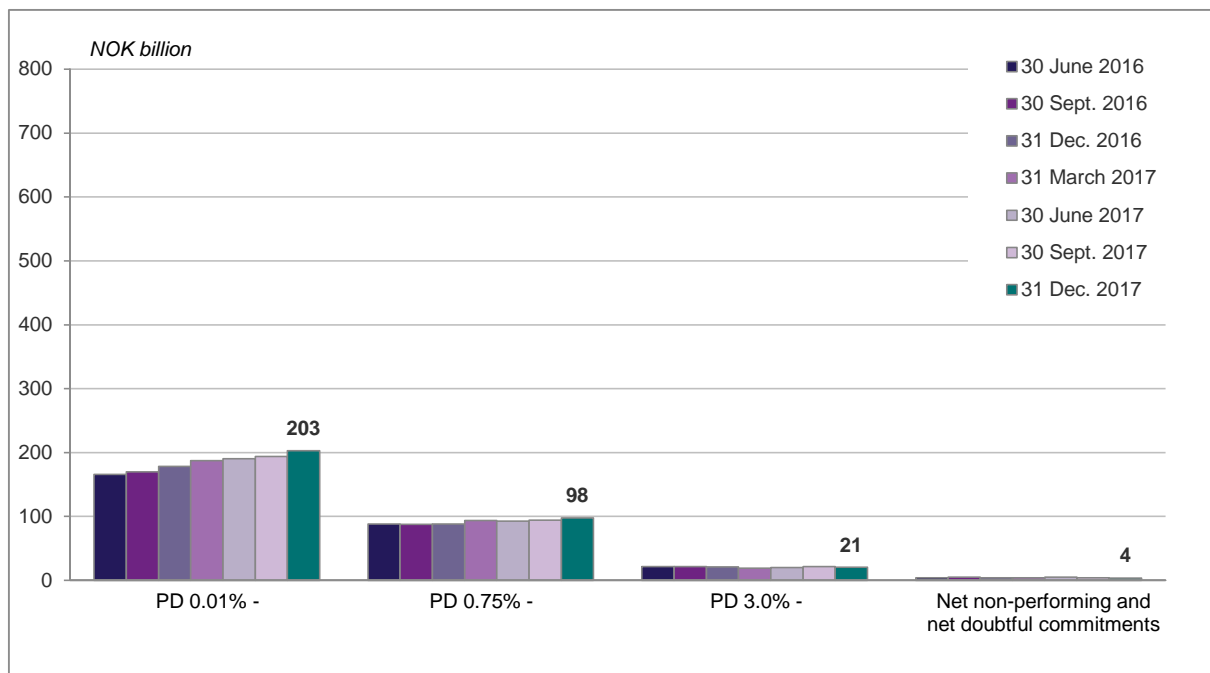
1) Including collective impairment.

2) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the various segments.

3) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

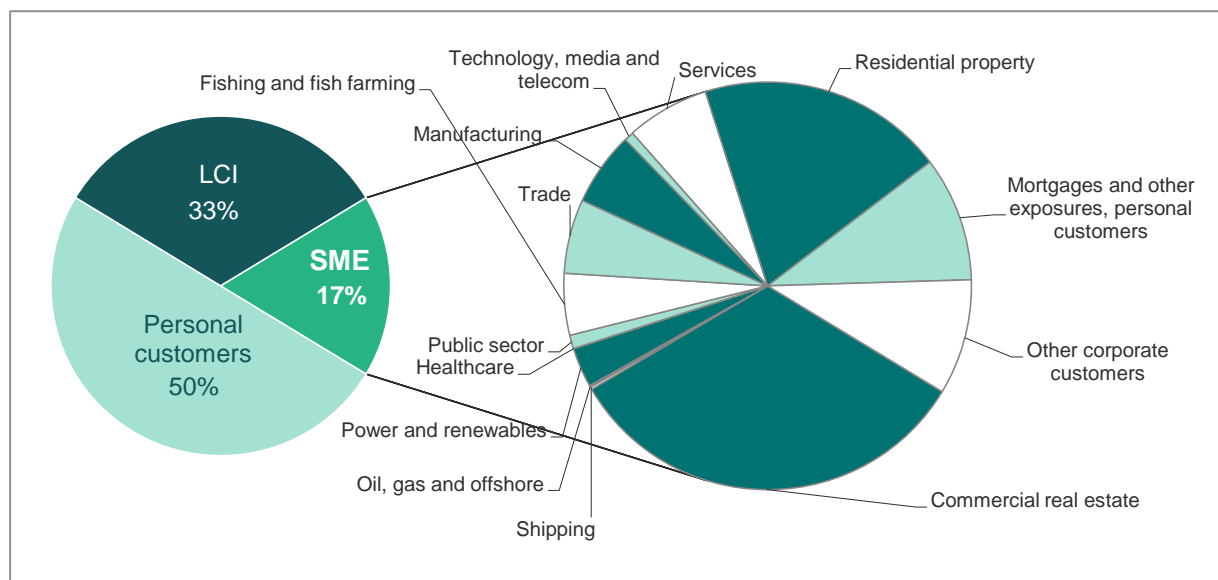
4) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.3.2 SME - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.3.3 SME - Exposure at default by industry segment as at 31 Dec. 2017



2.3.4 SME - Development in average volumes and interest rate spreads

	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Volumes (NOK billion):									
Loans to customers ¹⁾	283	274	271	265	260	257	253	244	218
Deposits from customers ¹⁾	210	208	205	198	185	179	173	170	172
Spread income (NOK million):									
Lending spreads	1 842	1 790	1 769	1 681	1 672	1 711	1 651	1 578	1 291
Deposit spreads	157	157	177	207	205	173	166	195	168
Spreads in per cent:									
Lending spreads	2.58	2.59	2.62	2.57	2.56	2.65	2.62	2.60	2.35
Deposit spreads	0.30	0.30	0.35	0.42	0.44	0.38	0.38	0.46	0.39

1) Nominal values, excluding impaired loans.

2.4.1 Large corporates and international customers (LCI) - Financial performance

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	3 041	3 211	3 330	3 100	3 297	3 273	3 231	3 382	3 929
Net other operating income	1 226	1 531	1 524	1 449	1 488	1 643	1 611	1 275	1 358
Total income	4 267	4 742	4 854	4 550	4 785	4 916	4 841	4 658	5 287
Operating expenses	(1 741)	(1 896)	(2 027)	(1 907)	(1 823)	(1 781)	(1 803)	(1 869)	(2 202)
Pre-tax operating profit before impairment	2 526	2 846	2 827	2 642	2 962	3 135	3 038	2 789	3 086
Net gains on fixed and intangible assets	0	(3)	18	6	(4)	18	5	4	5
Impairment losses on loans and guarantees ¹⁾	(99)	(642)	(362)	(697)	(1 572)	(1 757)	(2 028)	(1 358)	(1 079)
Profit from repossessed operations ²⁾	(13)	(2)	(4)	(0)	7	4	(5)	1	(6)
Pre-tax operating profit	2 414	2 199	2 479	1 951	1 393	1 400	1 011	1 436	2 006
Tax expense	(676)	(616)	(694)	(546)	(376)	(378)	(273)	(388)	(582)
Profit from operations held for sale, after taxes	(0)		(0)	(0)	(0)	(0)	(0)	3	
Profit for the period	1 738	1 583	1 785	1 405	1 017	1 022	738	1 052	1 424
Average balance sheet items in NOK billion:									
Loans to customers ³⁾	422.7	485.8	508.4	497.0	511.3	533.1	534.3	543.6	579.3
Deposits from customers ³⁾	337.8	377.2	391.9	393.2	367.0	374.4	378.5	383.2	403.5
Assets under management	213.7	207.8	202.9	189.1	180.9	181.8	180.6	205.0	222.7
Allocated capital ⁴⁾	73.7	82.4	86.1	83.1	84.8	87.1	83.1	84.7	70.9
Key figures in per cent:									
Cost/income ratio	40.8	40.0	41.8	41.9	38.1	36.2	37.2	40.1	41.6
Ratio of deposits to loans	79.9	77.6	77.1	79.1	71.8	70.2	70.8	70.5	69.6
Return on allocated capital, annualised ⁴⁾	9.4	7.6	8.3	6.9	4.8	4.7	3.6	5.0	8.0

1) Including collective impairment.

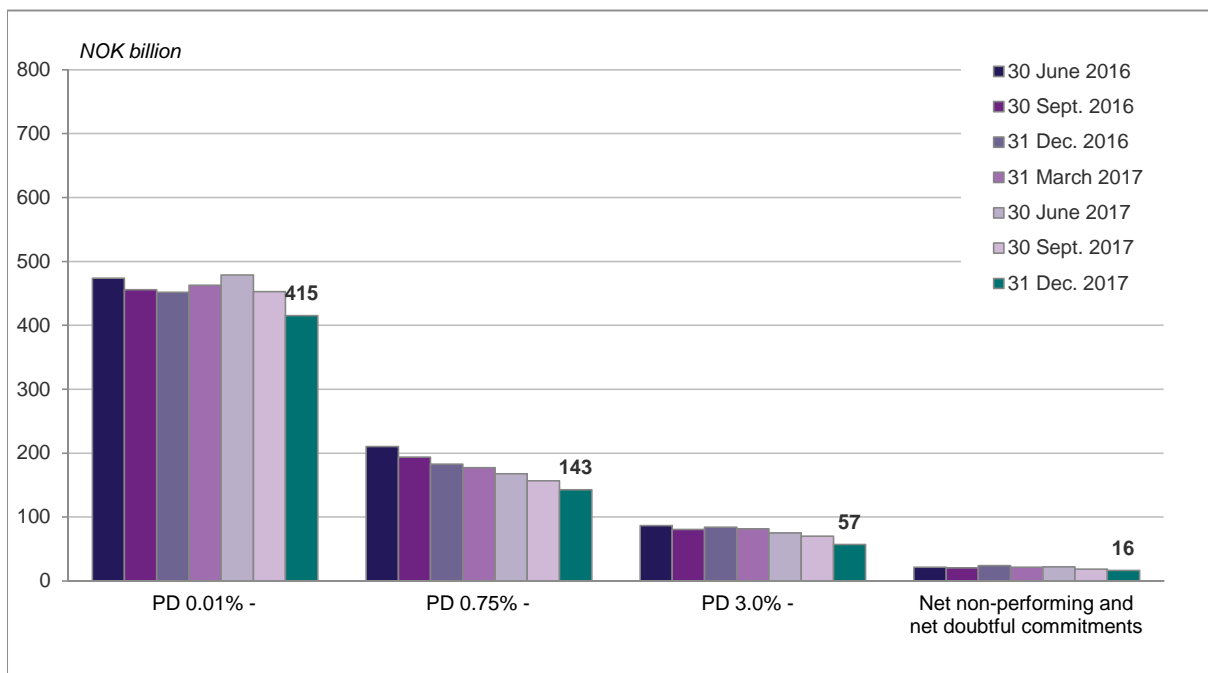
2) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the various segments.

3) Loans to customers include accrued interest and impairment. Correspondingly, deposits from customers include accrued interest.

4) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

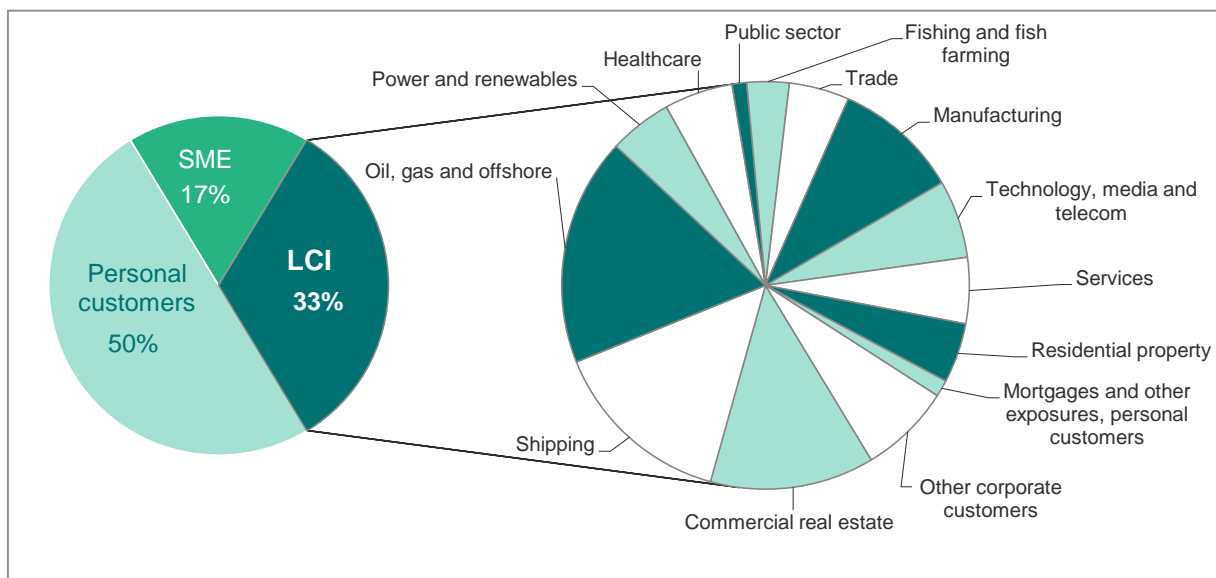
DNB's Baltic operation became part of a joint venture with Nordea from 1 October 2017. The Baltic operation was part of the Large corporates and international customers segment up until this date, and is thus reflected in the figures for previous quarters.

2.4.2 LCI - Risk classification of portfolio



Based on DNB's risk classification system. The volumes represent the expected outstanding amount in the event of default. PD = probability of default.

2.4.3 LCI - Exposure at default by industry segment as at 31 Dec. 2017



2.4.4 LCI - Development in average volumes and interest rate spreads

	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Volumes (NOK billion):									
Loans to customers ¹⁾	415	475	497	482	497	520	523	539	571
Deposits from customers ¹⁾	337	377	392	393	367	374	378	383	403
Spread income (NOK million):									
Lending spreads	2 213	2 570	2 679	2 591	2 690	2 815	2 793	2 893	3 159
Deposit spreads	32	32	39	(41)	(42)	(67)	(77)	(40)	(118)
Spreads in per cent:									
Lending spreads	2.11	2.15	2.16	2.18	2.15	2.15	2.15	2.16	2.19
Deposit spreads	0.04	0.03	0.04	(0.04)	(0.05)	(0.07)	(0.08)	(0.04)	(0.12)

1) Nominal values, excluding impaired loans.

2.5.1 Trading - Financial performance

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	(81)	(20)	5	20	1	19	3	6	3
Net other operating income	564	712	448	729	817	1 134	688	337	796
Total income	483	691	454	749	818	1 153	690	343	799
Operating expenses	(158)	(80)	(135)	(129)	(159)	(127)	(131)	(131)	(97)
Pre-tax operating profit before impairment	325	611	319	621	659	1 025	560	211	702
Net gains on fixed and intangible assets									
Impairment losses on loans and guarantees							(0)	0	
Pre-tax operating profit	325	611	319	621	659	1 025	560	211	702
Tax expense	(75)	(141)	(73)	(143)	(165)	(256)	(140)	(53)	(183)
Profit for the period	250	470	246	478	494	769	420	159	520
Average balance sheet items in NOK billion:									
Allocated capital ¹⁾	6.1	6.1	7.2	8.0	7.2	7.2	7.4	7.2	7.3
Key figures in per cent:									
Cost/income ratio	32.7	11.6	29.7	17.2	19.5	11.0	18.9	38.3	12.1
Return on allocated capital, annualised ¹⁾	16.3	30.5	13.8	24.4	27.2	42.7	22.8	8.9	28.4

1) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.6.1 Other operations/eliminations - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	103	246	269	251	(163)	62	157	98	24
Net other operating income ^{1) 2)}	514	(597)	(433)	(883)	(87)	(879)	432	1 365	624
Total income	617	(351)	(164)	(632)	(250)	(817)	588	1 463	648
Operating expenses ³⁾	(943)	(307)	(199)	(43)	(41)	(96)	(227)	(74)	1 711
Pre-tax operating profit before impairment	(326)	(658)	(363)	(674)	(291)	(913)	361	1 389	2 359
Net gains on fixed and intangible assets ⁴⁾	(35)	754		0	(8)	1	(24)	(13)	(13)
Impairment losses on loans and guarantees ⁵⁾	(16)	1	(7)	15	(6)	(1)	4	3	3
Profit from repossessed operations ⁶⁾	2	(28)	21	10	(47)	1	16	15	(30)
Pre-tax operating profit	(374)	68	(350)	(650)	(352)	(911)	358	1 394	2 319
Tax expense ¹⁾	1 229	158	195	292	1 143	388	164	(204)	(100)
Profit from operations held for sale, after taxes	(3)	33	(14)	(17)	26	1	(10)	(15)	29
Profit for the period	852	259	(169)	(375)	817	(523)	512	1 175	2 248

1) Changes in the regulations of annual accounts for insurance companies due to the introduction of Solvency II as of 1 of January 2016 has necessitated an adjustment of income and taxes in comparable figures for 2015. See note 1 Basis for preparation in the first quarter report for 2016. The changes are reported as part of "Other operations/eliminations" since the effects are immaterial. Operations affected by the changes are reported in the business areas.

2) DNB had indirect ownership interests in Visa Europe through its membership in Visa Norge. In connection with the valuation of the holdings in Visa Europe as at 31 March 2016 an accumulated gain of NOK 855 million was recognised in other comprehensive income. Upon the completion of the acquisition of Visa Europe by Visa Inc in the second quarter of 2016, this amount was reclassified to profit and a total gain of NOK 1 128 million was recognised as "Profit from investments accounted for by the equity method" in the income statement.

3) In the fourth quarter of 2015 DNB decided to change the Groups pension scheme from a defined-benefit to a defined contribution scheme with effect from 31 December 2015. The change includes the majority of its employees in Norway who were members of the Groups closed defined-benefit scheme. The change resulted in an unallocated non-recurring effect on pension expenses of NOK 1 778 million.

4) In the third quarter of 2017 NOK 754 million was recognised as Net gains on fixed and intangible assets and presented within the Other operations following the establishment of Vipps AS and the agreement DNB entered into with 105 other Norwegian banks. DNB will have an ownership interest in the new legal entity (Vipps AS) of close to 52 per cent. However, due to the terms and conditions in the shareholder agreement, it has been decided to define Vipps AS as an associated company. DNB can only vote for 49.9 per cent at the General Meeting, and has only three of seven board members. In the future, Vipps AS will be consolidated in DNB according to the equity method.

5) Including collective impairment.

6) Profits from repossessed operations which are fully consolidated in the DNB Group are presented net under "Profit from repossessed operations" under the relevant segments.

2.7.1 Traditional pension products - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income									
Net other operating income ¹⁾	457	373	536	355	280	280	315	339	(522)
Total income	457	373	536	355	280	280	315	339	(522)
Operating expenses	(89)	(96)	(89)	(95)	(96)	(92)	(118)	(129)	(74)
Pre-tax operating profit ²⁾	368	277	447	259	184	188	197	210	(596)
Tax expense	98	(45)	(14)	(30)	49	(7)	(31)	(7)	705
Profit for the period	466	232	432	229	233	181	166	204	109
Average balance sheet items in NOK billion:									
Loans to customers ²⁾	36.8	37.9	38.1	38.6	32.5	27.4	27.9	28.8	13.0
Assets under management	204.3	203.2	203.1	202.4	202.8	203.7	203.6	202.8	200.3
Allocated capital ³⁾	21.6	21.2	20.7	20.4	19.9	19.6	19.4	18.6	18.2
Key figures in per cent:									
Cost/income ratio	19.5	25.8	16.6	26.9	34.3	32.9	37.5	38.1	(14.3)
Return on allocated capital, annualised ³⁾	8.6	4.3	8.4	4.6	4.7	3.7	3.4	4.4	2.4
*) of which:									
Upfront pricing of risk and guaranteed rate of return	25	33	34	38	56	68	81	83	137
Owner's share of administration result	50	45	57	57	79	40	39	83	78
Owner's share of risk result	69	19	18	27	101	50	(2)	29	82
Owner's share of interest result ^{1) 4)}	20	116	(11)	19	(168)	(66)	(65)	(67)	(1 001)
Return on corporate portfolio	204	65	349	118	116	96	145	82	107

1) The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015.

2) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring. In the fourth quarter of 2017, portfolios of commercial mortgages amounting to approximately NOK 11.7 billion were sold from DNB Bank ASA to DNB Livsforsikring AS.

3) Allocated capital corresponds to the segment's share of the recorded equity in DNB Livsforsikring. Capital is allocated to the various product areas based on estimated capital requirements according to Solvency II.

4) Including the owner's share of provisions for higher life expectancy.

2.7.2 Traditional pension products - Provisions for higher life expectancy

As Norwegian life insurance companies offer life-long pension payments, higher life expectancy in the population is one of many risk factors.

Amounts in NOK million	Accumulated balance 31 Dec.	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16
	2017								
Paid-up policies	9 829	(217)	(103)	(248)	(14)	(251)	(363)	(481)	(40)
Defined benefit	1 386	(22)	(8)	6	(14)	(182)	(40)	(69)	(27)
Total group pension ^{1) *) **)}	11 215	(239)	(111)	(242)	(28)	(433)	(403)	(550)	(67)
*) Of which attributable to the owner	2 360	(50)	(23)	(54)	(6)	(281)	(152)	(149)	(67)
***) Of which transferred from risk equalisation fund		(10)							

1) In consequence of higher life expectancy, it has been necessary to strengthen the premium reserve for group pension insurance. DNB Livsforsikring started to strengthen its reserves in 2012. At year-end 2017, the required increase in reserves due to new life expectancy assumptions were fully financed. DNB Livsforsikring has strengthened premium reserves by a total of NOK 12.9 billion, of which 20 per cent has been financed by the company's equity and 80 per cent by the policyholders' interest result. Reserves for higher life expectancy were increased by NOK 0.6 billion in 2017. The completion of the financing of reserves for higher life expectancy will increase the company's flexibility to build buffer capital and continue to provide DNB with a healthy level of profits. The table shows reserves excluding public sectors operations, which were wound up in 2016.

2.8.1 Total DNB Markets activity - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	(34)	22	54	63	41	51	31	34	40
Net fees and commissions	570	458	550	517	691	338	470	338	390
Net financial items	1 200	1 264	1 035	1 315	1 418	1 729	1 366	925	1 447
Total income	1 735	1 744	1 639	1 894	2 149	2 119	1 867	1 298	1 877
Operating expenses	(789)	(660)	(745)	(737)	(734)	(663)	(693)	(662)	(680)
Pre-tax operating profit before impairment	946	1 084	894	1 158	1 416	1 456	1 175	635	1 197
Net gains on fixed and intangible assets									(1)
Impairment losses on loans and guarantees						(0)	(0)	0	
Pre-tax operating profit	946	1 084	894	1 158	1 416	1 456	1 175	635	1 196
Tax expense	(218)	(249)	(206)	(266)	(354)	(364)	(294)	(159)	(311)
Profit for the period	728	835	689	891	1 062	1 092	881	477	885
Average balance sheet items in NOK billion:									
Allocated capital ¹⁾	12.2	13.0	14.0	15.2	15.3	16.1	15.5	15.5	16.0
Key figures in per cent:									
Cost/income ratio	45.5	37.9	45.4	38.9	34.1	31.3	37.1	51.0	36.2
Return on allocated capital, annualised ¹⁾	23.6	25.5	19.8	23.8	27.5	27.0	22.9	12.4	22.0

1) Allocated capital corresponds to the external capital adequacy requirement (Basel III) which must be met by the Group.

2.8.2 Total DNB Markets activity - Revenues within various segments

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
FX, interest rate and commodity derivatives	487	488	486	488	555	523	586	509	547
Investment products	129	105	124	171	155	99	152	130	148
Corporate finance	537	352	439	388	523	247	340	229	290
Securities services	94	102	128	88	87	85	90	76	75
Interest income on allocated capital, customer activity	5	7	8	11	12	11	10	12	18
Total customer revenues	1 252	1 053	1 186	1 145	1 331	966	1 177	955	1 077
Net income international bond portfolio	53	197	187	295	93	404	186	17	(14)
Other market making/trading revenues	425	488	258	443	715	739	496	315	799
Interest income on allocated capital, trading	5	6	9	12	11	9	9	10	15
Total trading revenues	483	691	454	749	818	1 153	691	343	799
Total income	1 735	1 744	1 639	1 894	2 149	2 119	1 867	1 298	1 877

2.8.3 Total DNB Markets activity - Value-at-Risk

Amounts in NOK thousand	31 Dec. 2017	Fourth quarter 2017		
	Actual	Average	Maximum	Minimum
Currency risk	4 930	6 717	11 180	1 140
Interest rate risk	14 880	15 199	19 199	9 840
Equities	6 517	5 913	10 207	2 380
Diversification effects ¹⁾	(4 700)	(5 102)		
Total	21 627	22 727		

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

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

2.8.4 DNB Livsforsikring Group - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Value-adjusted financial result ¹⁾	1 944	2 215	2 429	2 467	1 874	2 361	2 002	1 736	4 127
Guaranteed return on policyholders' funds	(1 513)	(1 496)	(1 512)	(1 481)	(1 480)	(1 520)	(1 528)	(1 517)	(1 500)
Financial result after guaranteed returns	430	719	917	986	395	842	474	219	2 628
+ From market value adjustment reserve	(492)	630	(298)	(545)	241	(178)	724	(780)	90
Recorded interest result before the application of/(transfers to) additional allocations	(62)	1 349	619	442	636	664	1 198	(561)	2 717
Application of/(transfers to) additional allocations	(1 010)		(38)	38	(753)	(27)	(539)	566	(863)
Recorded interest result	(1 072)	1 349	581	480	(117)	637	659	5	1 854
Risk result	117	79	34	78	179	66	142	61	166
Administration result	70	67	77	82	76	62	83	105	99
Upfront pricing of risk and guaranteed rate of return	25	33	34	38	56	68	81	83	137
Provisions for higher life expectancy, group pension ²⁾	(239)	(111)	(242)	(28)	(433)	(403)	(544)	(72)	(2 505)
Allocations to policyholders, products with guaranteed rates of return ²⁾	1 263	(1 205)	(386)	(507)	307	(338)	(370)	(55)	(455)
Return on corporate portfolio	204	65	349	118	116	96	145	82	107
I Pre-tax operating profit - traditional pension products	368	277	447	259	184	188	197	210	(596)
Recorded interest result	(36)	328	75	111	(160)	149	105	16	60
Risk result	(24)	88	33	22	68	17	69	11	53
Administration result	71	50	50	42	42	44	21	35	52
Upfront pricing of risk and guaranteed rate of return	27	26	27	28	31	32	32	31	32
Allocations to policyholders, products with guaranteed rates of return	14	(308)	(54)	(90)	184	(128)	(91)	(3)	(28)
Interest on allocated capital	16	8	29	13	10	8	13	7	10
II Pre-tax operating profit - new pension products	69	193	161	125	175	122	149	97	178
Recorded interest result	5	4	5	5	6	4	4	3	7
Risk result	4	20	16	23	43	26	24	31	9
Administration result	4	(1)	1	(1)	(0)	(2)	(5)	(2)	3
Interest on allocated capital	1	0	2	1	1	2	(0)	0	0
III Pre-tax operating profit - risk products	13	24	23	28	48	30	23	32	21
Pre-tax operating profit (I + II + III)	450	494	631	413	408	339	369	339	(398)
Tax expense	96	(97)	(51)	(65)	3	(40)	(72)	(34)	735
Profit	546	397	580	348	410	299	296	305	337

1) Excluding unrealised gains on long-term securities.

2) In consequence of the upward adjustment of life expectancy assumptions, it will be necessary to strengthen the premium reserve for group pensions. It will be possible to use returns in excess of the guaranteed rate of return to cover the required increase in reserves. However, it will not be possible to use excess returns on one contract to strengthen reserves on other contracts. The transfer of the risk equalisation fund to the policyholders' premium reserve reduced results by NOK 980 million in the fourth quarter of 2015. At year-end 2017, the required increase in reserves due to new life expectancy assumptions were fully financed.

2.8.4 DNB Livsforsikring Group - Financial performance (continued)

Full year figures

Amounts in NOK million	2017	2016	2015	2014	2013
Value-adjusted financial result ¹⁾	9 055	7 973	8 749	10 826	10 458
Guaranteed return on policyholders' funds	(6 002)	(6 044)	(6 268)	(6 710)	(6 885)
Financial result after guaranteed returns	3 053	1 929	2 481	4 116	3 573
+ From market value adjustment reserve	(705)	8	537	(235)	(1 497)
Recorded interest result before the application of/(transfers to) additional allocations	2 348	1 937	3 018	3 882	2 077
Application of/(transfers to) additional allocations	(1 010)	(753)	(855)	(844)	(10)
Recorded interest result	1 338	1 185	2 163	3 038	2 066
Risk result	308	448	599	468	321
Administration result	295	327	291	228	124
Upfront pricing of risk and guaranteed rate of return	130	288	535	647	682
Provisions for higher life expectancy, group pension	(621)	(1 452)	(3 141)	(2 909)	(1 798)
Allocations to policyholders, products with guaranteed rates of return	(834)	(455)	(802)	(913)	(355)
Return on corporate portfolio	736	439	500	652	559
I Pre-tax operating profit - traditional pension products	1 351	779	145	1 212	1 599
Recorded interest result	478	110	303	568	332
Risk result	120	165	148	186	80
Administration result	214	141	167	123	107
Upfront pricing of risk and guaranteed rate of return	108	126	123	104	106
Transferred from/(to) security reserve	-	-	-	(16)	4
Allocations to policyholders, products with guaranteed rates of return	(438)	(38)	(207)	(442)	(231)
Interest on allocated capital	67	38	45	52	36
II Pre-tax operating profit - new pension products	548	543	579	575	435
Recorded interest result	18	16	26	31	31
Risk result	63	123	114	51	51
Administration result	3	(9)	(23)	(27)	5
Transferred from/(to) security reserve	-	-	-	(2)	10
Allocations to policyholders, products with guaranteed rates of return	-	-	-	-	(2)
Interest on allocated capital	4	2	3	4	3
III Pre-tax operating profit - risk products	88	133	119	57	98
Pre-tax operating profit (I + II + III)	1 987	1 455	843	1 844	2 132
Tax expense	(116)	(144)	692	(252)	(256)
Profit	1 870	1 311	1 535	1 592	1 876

1) Excluding unrealised gains on long-term securities.

2.8.5 Reconciliation of the DNB Livsforsikring Group's and the DNB Group's financial statements

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
DNB Group:									
Net financial result, DNB Livsforsikring	156	133	361	97	(83)	29	(80)	(11)	(951)
Net risk result, DNB Livsforsikring	98	187	83	123	290	109	234	103	228
Net financial and risk result in DNB Livsforsikring Group	254	320	444	220	206	138	155	92	(723)
Eliminations in the group accounts	12	14	10	20	26	15	12	20	42
Net financial and risk result from DNB Livsforsikring Group	266	306	454	240	232	154	166	112	(681)
DNB Livsforsikring Group:									
Recorded interest result	(1 103)	1 681	660	595	(272)	790	769	24	1 921
Return on corporate portfolio	221	73	380	133	127	106	158	89	117
- Administration result - corporate portfolio	(1)	(2)	(3)	5	(4)	(4)	7	4	5
Provisions for higher life expectancy, group pension	(239)	(111)	(242)	(28)	(433)	(403)	(544)	(72)	(2 505)
Allocations to policyholders, products with guaranteed rates of return	1 277	(1 512)	(440)	(597)	491	(466)	(460)	(58)	(483)
Risk result	98	187	83	123	290	109	234	103	228
- Costs from subsidiaries which are fully consolidated in DNB Livsforsikring Group's accounts	-	-	-	-	-	-	(5)	(9)	(3)
Net financial and risk result in DNB Livsforsikring Group	254	320	444	220	206	138	155	92	(723)
Eliminations in the group accounts	12	14	10	20	26	15	12	20	42
Net financial and risk result from DNB Livsforsikring Group	266	306	454	240	232	154	166	112	(681)
DNB Group:									
Commission and fee income etc. ^{*)}	496	491	502	511	522	510	572	600	606
Commission and fee expenses etc. ^{**)}	(94)	(89)	(92)	(86)	(87)	(91)	(108)	(84)	(99)
Other income	8	3	6	16	5	1	13	7	5
Operating expenses	(215)	(233)	(229)	(247)	(240)	(220)	(262)	(277)	(187)
Administration result including upfront pricing of risk and guaranteed rate of return	196	173	187	193	201	200	215	247	325
DNB Livsforsikring Group:									
Upfront pricing of risk and guaranteed rate of return	52	59	61	66	87	101	112	114	169
Administration result	145	117	128	122	118	104	100	138	155
+ Administration result - corporate portfolio	(1)	(2)	(3)	5	(4)	(4)	7	4	5
+ Costs from subsidiaries which are fully consolidated in DNB Livsforsikring Group's accounts	-	-	-	-	-	-	(5)	(9)	(3)
Administration result including upfront pricing of risk and guaranteed rate of return	196	173	187	193	201	201	215	247	325

2.8.5 Reconciliation of the DNB Livsforsikring Group's and the DNB Group's financial statements (continued)

*) Details on commissions and fee income etc. for product groups

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
New pension products									
- administration income	219	207	210	207	205	193	191	193	187
- upfront pricing	27	26	27	28	31	32	32	31	32
Risk products									
- administration income	32	30	30	30	29	28	36	33	32
Traditional pension products									
Defined benefit:									
- administration income	49	47	49	67	60	43	87	102	74
- upfront pricing	25	33	34	38	57	68	77	81	135
Paid-up policies:									
- administration income	85	82	84	76	79	76	61	69	66
Previously established individual products:									
- administration income	59	65	67	65	63	69	70	72	68
Public market:									
- administration income	-	-	-	-	(2)	-	9	7	6
- upfront pricing	-	-	-	-	(1)	-	3	3	2
Commissions and fee income etc. excl. DNB Pensjonstjenester	496	491	502	511	522	510	567	591	603
Income DNB Pensjonstjenester ¹⁾							5	9	3
Total commissions and fee income etc.	496	491	502	511	522	510	572	600	606

**) Details on commissions and fee expenses etc. for product groups

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
New pension products	(46)	(43)	(45)	(43)	(43)	(44)	(48)	(40)	(42)
Risk products	(10)	(8)	(9)	(8)	(8)	(8)	(19)	(8)	(10)
Traditional pension products									
Defined benefit	(5)	(5)	(4)	(5)	(9)	(10)	(8)	(10)	(11)
Paid-up policies	(20)	(19)	(20)	(17)	(14)	(16)	(18)	(11)	(12)
Previously established individual products	(9)	(9)	(9)	(9)	(10)	(10)	(11)	(10)	(20)
Public market	-	-	-	-	(0)	-	1	(1)	(1)
Corporate portfolio	(4)	(5)	(4)	(4)	(2)	(4)	(4)	(3)	(4)
Total commission and fee expenses etc.	(94)	(89)	(92)	(86)	(87)	(91)	(108)	(84)	(100)

1) DNB Pensjonstjenester was sold to Gabler in July 2016.

2.8.6 DNB Livsforsikring Group - Value-adjusted return on assets

Per cent	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Return - common portfolio ¹⁾									
Financial assets									
Norwegian equities	3.30	10.88	0.92	0.56	9.66	5.03	4.10	(3.59)	6.01
International equities ²⁾	5.80	4.24	3.02	5.49	3.00	5.60	1.21	(1.17)	5.73
Norwegian bonds	0.32	0.75	0.67	1.23	(0.36)	0.04	0.93	1.91	0.35
International bonds	1.02	0.97	1.44	0.69	(1.14)	1.92	1.96	2.95	0.74
Money market instruments	0.26	0.35	0.39	0.56	0.32	0.46	0.44	0.61	0.37
Bonds held to maturity	1.34	0.74	1.24	1.10	1.00	1.16	1.12	1.12	1.20
Investment properties	1.74	1.89	2.47	2.40	3.30	1.90	1.50	1.30	6.70
Value-adjusted return on assets I ³⁾	1.04	1.18	1.29	1.32	0.99	1.26	1.04	0.91	2.19
Recorded return on assets ^{4) 7)}	0.76	1.59	1.12	1.03	1.12	1.18	1.41	0.49	2.27
Value-adjusted return on assets I, annualised ³⁾	4.24	4.84	5.29	5.42	4.05	5.16	4.27	3.72	9.18
Return - corporate portfolio									
Value-adjusted return on assets I ³⁾	0.73	0.39	1.42	0.58	0.60	0.53	0.70	0.54	0.52

*) Recorded return broken down on sub-portfolios in the common portfolio:

Previously established individual products	0.70	2.05	1.01	1.17	1.22	1.41	1.34	0.31	2.54
Paid-up policies, build-up of reserves completed	0.60	1.45	0.82	1.11	1.05	1.01	1.45	0.49	1.65
Paid-up policies, build-up of reserves in progress	1.27	1.22	2.07	0.77	1.22	1.21	1.54	0.58	2.47
Common portfolio	0.69	1.69	0.94	1.05					
- with low risk			-	-	0.92	0.89	1.36	0.38	2.11
- with moderate risk			-	-	1.08	1.10	1.43	0.62	2.15
Guaranteed products for retail customers	0.48	2.46	0.77	0.95	0.89	1.19	1.12	0.30	2.35
Risk products - defined contribution	0.46	1.04	0.70	0.91	0.67	0.99	0.96	0.63	1.74
Risk products	0.70	0.73	0.74	0.74	0.77	0.69	0.60	0.41	0.98
Public market	-	-	-	-	-	-	0.85	0.84	2.06
Recorded return on assets	0.76	1.59	1.12	1.03	1.12	1.18	1.41	0.49	2.27

1) Returns are calculated on a quarterly basis.

2) International equities include DNB Livsforsikring Group's exposure in hedge funds, private equities and real estate funds.

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

4) Excluding unrealised gains on financial instruments.

2.8.7 DNB Livsforsikring Group - Financial exposure per sub-portfolio as at 31 December 2017

Amounts in NOK million	Equities, Norwegian	Equities, international ¹⁾	Bonds, Norwegian	Bonds, international	Money market instruments	Bonds held to maturity	Loans and receivables	Real estate	Other	Total
Common portfolio	423	2 262	2 613	730	3 401	6 556	6 796	2 214	215	25 211
Guaranteed products for retail customers	320	1 813	2 001	778	1 067	4 218	2 710	1 646	25	14 577
Paid-up policies, build-up of reserves completed	627	5 829	9 206	2 570	14 819	34 170	15 652	5 181	759	88 812
Paid-up policies, build-up of reserves in progress	289	2 451	3 625	995	6 982	16 004	6 712	6 010	92	43 160
Risk products - defined contribution	24	168	240	123	701	600	367	160	2	2 387
Risk products					855	788	386	69	1	2 099
Previously established individual products	515	3 332	4 526	1 787	1 862	11 584	4 107	4 964	76	32 752
Total common portfolio	2 197	15 855	22 211	6 983	29 688	73 921	36 730	20 244	1 171	208 998
Corporate portfolio	1 243	3			25 886	1 839	1 843	7	869	31 690
Total	3 440	15 859	22 211	6 983	55 574	75 759	38 572	20 251	2 040	240 688

2.8.8 DNB Livsforsikring Group - Financial exposure - common portfolio

Amounts in NOK million	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Equities, Norwegian ²⁾	2 197	2 133	2 263	2 590	1 228	1 121	1 834	1 766	987
Equities, international ¹⁾²⁾	15 855	16 992	18 076	19 449	13 463	13 281	17 766	17 669	18 229
Bonds, Norwegian	22 211	22 302	22 217	21 733	21 684	21 769	21 666	21 521	15 615
Bonds, international	6 983	6 919	7 309	7 173	7 131	7 283	7 148	7 164	4 267
Money market instruments	29 688	29 483	25 246	22 803	28 802	39 761	33 439	35 261	40 268
Bonds held to maturity	73 921	75 812	77 173	80 058	79 537	81 159	84 268	82 141	84 494
Loans and receivables ³⁾	36 730	33 828	35 298	34 192	35 423	23 628	21 593	23 923	24 377
Real estate	20 244	19 943	19 923	19 593	19 575	19 318	20 459	18 993	20 199
Other	1 171	2 030	2 017	2 048	1 438	1 001	2 344	1 296	555
Total	208 998	209 442	209 522	209 638	208 282	208 321	210 517	209 734	208 993

Per cent

Equities, Norwegian ²⁾	1.1	1.0	1.1	1.2	0.6	0.5	0.9	0.8	0.5
Equities, international ¹⁾²⁾	7.6	8.1	8.6	9.3	6.5	6.4	8.4	8.4	8.7
Bonds, Norwegian	10.6	10.6	10.6	10.4	10.4	10.4	10.3	10.3	7.5
Bonds, international	3.3	3.3	3.5	3.4	3.4	3.5	3.4	3.4	2.0
Money market instruments	14.2	14.1	12.0	10.9	13.8	19.1	15.9	16.8	19.3
Bonds held to maturity	35.4	36.2	36.8	38.2	38.2	39.0	40.0	39.2	40.4
Loans and receivables	17.6	16.2	16.8	16.3	17.0	11.3	10.3	11.4	11.7
Real estate	9.7	9.5	9.5	9.3	9.4	9.3	9.7	9.1	9.7
Other	0.6	1.0	1.0	1.0	0.7	0.5	1.1	0.6	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1) International equities include DNB Livsforsikring Group's exposure in hedge funds, private equities and real estate funds.

2) Equity exposure per sub-portfolio in the common portfolio, see table above.

3) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring. In the fourth quarter of 2017, portfolios of commercial mortgages amounting to approximately NOK 11.7 billion were sold from DNB Bank ASA to DNB Livsforsikring AS.

The figures represent net exposure after derivative contracts.

2.8.9 DNB Livsforsikring Group - Balance sheets

	31 Dec. 2017	30 Sept 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Due from credit institutions	4 238	3 383	4 112	4 193	3 549	3 055	6 828	3 979	8 938
Loans to customers ¹⁾	39 902	37 128	38 646	38 371	38 909	27 224	27 716	28 522	28 475
Commercial paper and bonds	79 827	82 656	77 836	74 440	76 920	87 984	79 760	80 930	80 896
Shareholdings	20 304	19 332	20 154	20 894	15 992	15 600	19 966	19 996	10 552
Financial assets, customers bearing the risk	75 206	70 690	67 680	64 688	60 220	56 417	52 893	50 967	49 679
Financial derivatives	53	204	212	271	334	722	354	659	400
Commercial paper and bonds, held to maturity	75 798	77 555	79 116	81 932	82 664	84 203	85 413	85 244	87 599
Investment properties	16 106	15 816	15 923	15 674	15 565	15 097	15 196	14 087	15 195
Investments in associated companies	4 433	4 312	4 242	4 269	4 198	4 305	4 280	5 493	5 434
Intangible assets	31	36	43	50	57	70	78	87	98
Deferred tax assets									
Fixed assets	2	3	3	4	4	5	5	5	5
Other assets	980	923	923	898	991	1 175	1 385	1 242	779
Total assets	316 880	312 035	308 890	305 684	299 403	295 857	293 875	291 212	288 051
Financial derivatives	322	206	294	210	255	223	305	288	694
Insurance liabilities, customers bearing the risk	75 206	70 690	67 680	64 688	60 220	56 417	52 893	50 967	49 679
Liabilities to life insurance policyholders	208 500	208 844	209 230	209 354	208 160	210 425	210 027	210 230	208 726
Payable taxes	9	11	9	3	5	54	2	0	27
Deferred taxes	1 527	1 592	1 502	1 456	1 382	1 357	1 381	855	764
Other liabilities	1 696	1 624	1 503	1 883	1 649	47	2 240	2 135	1 735
Pension commitments	184	183	180	178	170	198	173	173	173
Subordinated loan capital	5 505	5 504	5 504	5 505	5 505	5 505	5 505	5 511	5 505
Total liabilities	292 949	288 654	285 905	283 279	277 347	274 226	272 526	270 159	267 304
Share capital	1 750	1 750	1 750	1 750	1 750	1 750	1 750	1 750	1 750
Share premium reserve	6 016	6 016	6 016	6 016	6 016	6 016	6 016	6 016	6 016
Other equity	16 165	15 615	15 219	14 639	14 291	13 865	13 584	13 286	12 981
Total equity	23 931	23 381	22 985	22 405	22 057	21 631	21 349	21 052	20 747
Total liabilities and equity	316 880	312 035	308 890	305 684	299 403	295 857	293 875	291 212	288 051
Insurance liabilities sub-portfolio:									
New pension products	93 348	90 958	88 358	85 624	80 911	77 499	73 823	72 335	68 986
Risk products	856	875	872	875	842	888	877	902	2 382
Traditional pension products	189 502	187 701	187 681	187 544	186 627	188 455	188 220	187 961	187 227
Total insurance liabilities	283 706	279 534	276 910	274 042	268 380	266 842	262 920	261 197	258 595

1) In November 2015, a portfolio of home mortgages amounting to approximately NOK 20 billion was sold from DNB Boligkreditt to DNB Livsforsikring, and in November 2016, mortgages representing an additional NOK 5 billion were sold. In the fourth quarter of 2016, commercial mortgages amounting to NOK 2.6 billion and 4.5 billion, respectively, were sold from DNB Næringskreditt and DNB Bank to DNB Livsforsikring. In the fourth quarter of 2017, portfolios of commercial mortgages amounting to approximately NOK 11.7 billion were sold from DNB Bank ASA to DNB Livsforsikring AS.

The figures encompass DNB Livsforsikring AS including subsidiaries as included in the DNB Group accounts before eliminations of intra-group transactions and balances.

2.8.10 DNB Livsforsikring Group - Solvency II margin

	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
<i>Amounts in NOK million</i>									
Share capital	1 750	1 750	1 750	1 750	1 750	1 750	1 750	1 750	1 750
Share premium	6 016	6 016	6 016	6 016	6 016	6 016	6 016	6 016	6 016
Reconciliation reserve ¹⁾	20 520	21 446	21 312	20 765	21 106	21 427	22 063	21 892	23 149
<i>Including effect of transitional rules ²⁾</i>	<i>7 162</i>	<i>8 066</i>	<i>8 298</i>	<i>8 419</i>	<i>8 868</i>	<i>13 990</i>	<i>18 409</i>	<i>19 754</i>	<i>7 708</i>
Total Tier 1 capital	28 286	29 212	29 078	28 531	28 872	29 193	29 829	29 658	30 915
Subordinated loans	5 500	5 500	5 500	5 500	5 500	5 500	5 500	5 500	5 500
Risk equalisation fund	516	407	407	407	407	319	319	319	319
Total Tier 2 capital	6 016	5 907	5 907	5 907	5 907	5 819	5 819	5 819	5 819
Total Tier 3 capital	0	0	0	0	0	0	0	0	0
Total capital	34 302	35 119	34 985	34 438	34 779	35 012	35 648	35 477	36 734
Total capital without transitional rules	27 140	27 105	26 775	26 120	25 931	22 126	19 193	18 467	22 565
Market and counterparty risk	29 554	29 674	29 757	29 974	27 638	27 535	28 262	28 121	29 836
Life, health and non-life risk	11 328	11 179	11 516	11 344	11 220	11 706	11 486	11 274	11 319
Operational risk	1 123	1 106	1 113	1 116	1 095	1 104	1 104	1 109	1 158
Diversification ³⁾	(7 423)	(7 327)	(7 505)	(7 362)	(7 174)	(7 343)	(7 311)	(7 095)	(7 360)
Risk absorbing deferred tax	(5 126)	(4 813)	(4 849)	(4 985)	(4 637)	(5 143)	(5 530)	(5 615)	(5 475)
Risk-absorbing technical provisions ⁴⁾	(11 376)	(11 978)	(12 094)	(12 582)	(11 625)	(9 867)	(8 943)	(8 719)	(10 384)
Solvency capital requirement (SCR)	18 079	17 841	17 937	17 505	16 518	17 992	19 067	19 075	19 095
Minimum capital requirement (MCR)	7 908	7 468	7 469	7 422	7 356	7 577	7 628	7 652	8 102
Solvency margin with transitional rules (%)	190	197	195	197	211	195	187	186	192
Solvency margin without transitional rules (%)	146	147	144	144	152	119	96	91	113

1) Profit earned that is included as equity in the financial statements must be replaced by the reconciliation reserve in the solvency balance. The reconciliation reserve includes profit earned, but is based on the valuation of assets and liabilities in the solvency balance. The reconciliation reserve includes the present value of future profits. The value of future profits is implicitly included as a consequence of the valuation of insurance liabilities.

2) The transitional rules imply that technical insurance reserves in solvency capital calculations are carried at book value, whereby insurance liabilities are calculated based on the contracts' guaranteed rate of return. There will be a 16-year linear phase-in period for technical insurance reserves measured at fair value up to 2032. In addition, the transitional rules imply that the stress factor for equities acquired prior to 1 January 2016 will be increased from 22 to 39 per cent over a seven-year period. No spread risk charge is calculated for Government bonds issued in their domestic currency. During a transitional period, this also applies to issues in other EEA (European Economic Area) currencies. The exemption applies up to and including 2018, whereafter there will be an escalation period up to year-end 2019.

3) Diversification between Market and counterparty risk and Insurance risk.

4) Future discretionary bonus (FDB) is included in technical provisions and is risk absorbing when calculating the solvency capital requirement

2.8.11 DNB Asset Management - Financial performance

Amounts in NOK million	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Net interest income	0	1	1	1	1	0	0	0	20
Net commission income									
- from retail customers	91	90	89	83	80	80	76	73	79
- from institutional clients	228	170	153	124	130	178	155	135	159
Other income	1	2	8	3	(9)	2	3	31	2
Total income	320	263	251	211	202	260	234	239	259
Operating expenses	(148)	(121)	(116)	(97)	(87)	(122)	(115)	(115)	(155)
Pre-tax operating profit	173	142	134	113	114	138	119	124	104
Tax expense	(47)	(38)	(36)	(31)	(31)	(37)	(32)	(34)	(28)
Profit for the period	126	103	98	83	83	101	87	91	76

Assets under management (NOK billion) ¹⁾									
Institutional	512	497	488	481	462	466	458	455	492
- of which DNB Livsforsikring Group ²⁾	265	264	259	258	251	261	257	253	248
Retail	84	79	76	72	68	67	63	59	60
Total	596	576	564	553	531	532	521	514	552

Key figures									
Cost/income ratio (%)	46.1	46.1	46.4	46.2	43.3	47.0	49.1	48.0	59.9

Assets under management - net inflow ¹⁾ Changes from previous quarters (NOK million)									
Retail market	4 878	1 535	1 136	1 149	1 256	1 493	(802)	607	154
Institutional clients	2 971	1 937	(777)	7 136	(15 055)	1 145	758	(31 757)	(12 578)
Total	7 848	3 472	359	8 286	(13 798)	2 638	(45)	(31 150)	(12 424)
*) Excluding dividends:									
Retail market	-	-	-	216	-	-	-	312	-
Institutional clients	-	-	-	2 693	-	-	-	3 097	-
Total	-	-	-	2 909	-	-	-	3 409	-

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

2) Managed on behalf of the DNB Livsforsikring Group.

2.8.12 DNB Forsikring - Financial performance

<i>Amounts in NOK million</i>	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16	4Q15
Premium income for own account	549	550	536	526	533	523	521	489	492
Cost of claims for own account	(391)	(373)	(355)	(378)	(360)	(384)	(323)	(379)	(365)
Insurance-related operating expenses for own account	(96)	(104)	(102)	(121)	(98)	(94)	(90)	(84)	(76)
Technical insurance profits	62	72	79	27	75	45	108	27	51
Net investment income	16	20	17	20	6	13	15	21	10
Other income and costs	5	(8)	(2)	2	(6)	10	0	3	1
Pre-tax profit	83	85	94	48	75	67	124	50	62
Tax expense	(18)	(21)	(24)	(12)	(17)	(17)	(31)	(13)	(15)
Profit for the period	65	63	71	36	58	50	93	38	47
Balance sheets									
Financial assets	2 577	2 490	2 425	2 543	2 383	2 355	2 275	2 374	2 163
Reinsurance assets	9	14	22	33	28	59	43	61	44
Insurance receivables	848	876	1 002	1 006	752	858	932	864	753
Reinsurance receivables	25	24	22	89	105	64	56	53	62
Total assets	3 459	3 404	3 471	3 672	3 268	3 336	3 306	3 353	3 022
Equity	827	874	811	740	704	834	984	891	853
Premium reserve	900	1 016	1 139	1 200	847	975	1 101	1 076	836
Claims reserve	1 091	988	1 001	975	990	1 028	946	989	982
Reinsurance liabilities	2	2	17	15	0	3	18	18	(0)
Other liabilities	639	524	504	741	727	496	258	378	351
Total equity and liabilities	3 459	3 404	3 471	3 672	3 268	3 336	3 306	3 353	3 022
Key figures									
Claims ratio for own account	71.3	67.9	66.2	72.0	67.5	73.4	62.0	77.5	74.2
Cost ratio for own account	17.4	19.0	19.0	22.9	18.4	18.0	17.2	17.1	15.4
Combined ratio for own account (per cent)	88.7	86.8	85.2	94.9	86.0	91.4	79.3	94.6	89.6

Chapter 3 - About DNB

DNB - Norway's leading financial services group

DNB's market shares in Norway

Group business structures and financial governance

Shareholder structure

3.1.1 DNB Group

Amounts in NOK billion	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016
Total balance sheet	2 698	2 767	2 723	2 870	2 653
Loans to customers	1 545	1 536	1 552	1 531	1 509
Deposits from customers	971	1 010	1 009	1 017	935
Market capitalisation	246	260	231	222	209

Due to changes in principles, some comparative figures have been restated. See further details in Accounting principles in the annual report for 2016.

3.1.2 Assets under management in DNB Asset Management, DNB Livsforsikring and DNB Forsikring

Amounts in NOK billion	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016
Total assets under management	648	625	615	602	580
<i>of which:</i>					
total assets under management (external clients)	328	309	303	293	278
mutual funds	129	118	114	110	103
discretionary management	199	191	188	183	175
total assets in DNB Livsforsikring	317	312	309	306	299
financial assets, customers bearing the risk	75	71	68	65	60
total assets in DNB Forsikring	3	3	3	4	3

3.1.3 Customer base

Serving 2.0 million private individuals throughout Norway, of whom 1.3 million used the internet bank and 800 000 the mobile bank during the fourth quarter of 2017. There were 2.7 million users of the Vipps payment app as at 31 December 2017.

Some 210 000 corporate customers in Norway

Some 1 200 000 life and pension insurance customers in Norway

Approximately 478 000 mutual fund customers in Norway and 143 institutional asset management clients

3.1.4 Distribution network

57 domestic branches	Online equities trading in 16 markets
9 international branches	Online mutual fund trading
4 international representative offices	Provided by Norway Post (the Norwegian postal system):
DNB Bank Polska (subsidiary)	51 post office counters
DNB Luxembourg (subsidiary)	About 1 320 in-store postal outlets
Internet and mobile banking	About 1 624 rural postmen
Vipps and SMS services	143 DNB Eiendom sales offices
Telephone banking	12 sales offices for life and pension insurance
	9 insurance agents

3.1.5 DNB Bank ASA - credit ratings from international rating agencies

	Moody's			Standard & Poor's	
	Long-term		Short-term	Long-term	Short-term
	Bank deposits	Senior unsecured debt			
As at 31 December 2017	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ²⁾	A-1
As at 30 September 2017	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ²⁾	A-1
As at 30 June 2017	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ²⁾	A-1
As at 30 June 2017	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ²⁾	A-1
As at 31 March 2017	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ²⁾	A-1
As at 31 December 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1
As at 30 September 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1
As at 30 June 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1
As at 31 March 2016	Aa2 ¹⁾	Aa2 ¹⁾	P-1	A+ ¹⁾	A-1

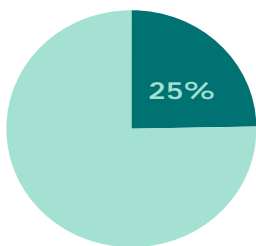
1) Negative outlook.

2) Stable outlook.

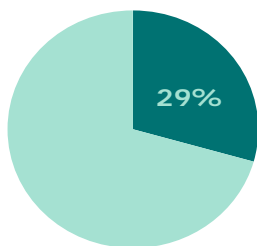
3.2.1 DNB's market shares in Norway as at 30 September 2017

Retail market

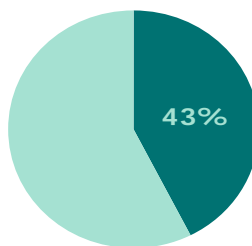
Loans from financial institutions



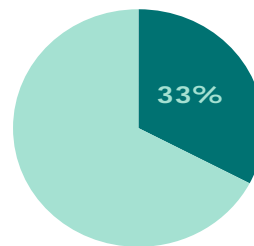
Deposits



Policyholders' funds

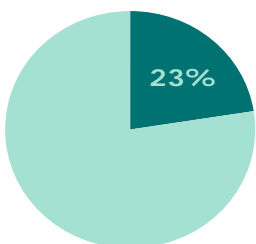


Mutual fund investments

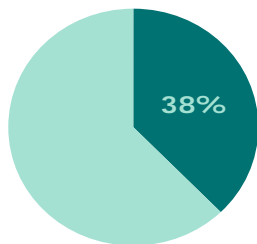


Corporate market

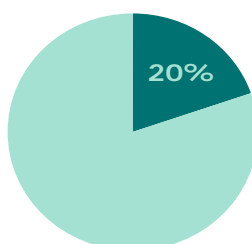
Loans from financial institutions



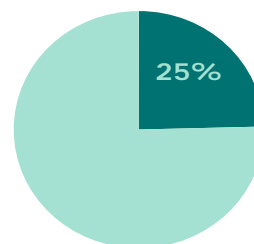
Deposits




Policyholders' funds ¹⁾



Mutual fund investments



 DNB's market shares

1) Includes the public sector.

Source: Statistics Norway and Finance Norway

3.2.2 Development in market shares, loans and deposits

Retail customers

Per cent	30 Nov. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Total loans to households ^{1) 2)}	24.7	24.7	24.8	24.9	25.0	25.1	25.2	25.2	25.4
Bank deposits from households ^{1) 3)}	29.6	29.4	29.6	29.8	30.0	30.0	30.2	30.2	30.6

Corporate customers

Per cent	30 Nov. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Total loans to corporate customers ⁴⁾	11.2	11.2	11.4	11.3	10.8	10.6	10.7	10.7	10.6
Deposits from corporate customers ⁵⁾	38.1	37.7	38.2	38.0	37.6	37.9	37.7	39.0	38.3

Based on nominal values.

1) Households are defined as employees, recipients of property income, pensions and social contributions, students etc., housing cooperatives etc., unincorporated enterprises within households and non-profit institutions serving households.

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

3) Domestic commercial and savings banks.

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

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

Source: Statistics Norway and DNB

3.2.3 DNB Livsforsikring - market shares

Per cent	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015	30 Sept. 2015
Insurance funds including products with a choice of investment profile	22.1	22.3	22.4	22.4	22.5	22.7	23.0	23.0	22.9
Corporate market - defined benefit	41.7	42.0	41.5	41.5	40.4	40.6	40.7	40.7	40.3
Corporate market - defined contribution ¹⁾	28.0	28.0	28.1	27.5	27.3	27.1	26.9	26.9	27.0
Retail market	43.8	44.4	45.0	45.4	47.5	47.9	48.5	48.1	49.9

1) The market shares are based on official statistics from Finance Norway. For accounting and statistical purposes, paid-up policies with investment choice, which stem from defined-benefit schemes, are included in defined-contribution schemes. If only capital stemming from pure defined-contribution schemes is taken into account, DNB Livsforsikring had the largest market share as at 30 June 2017 of 28.9 per cent.

Source: Finance Norway

3.2.4 DNB Asset Management - market shares retail market

Per cent	31 Dec. 2017	30 Sept. 2017	30 June 2017	31 March 2017	31 Dec. 2016	30 Sept. 2016	30 June 2016	31 March 2016	31 Dec. 2015
Equity funds	31.2	30.8	30.4	30.9	28.8	28.6	28.4	28.2	27.8
Balanced funds ¹⁾	38.1	38.0	38.7	39.7	39.6	39.5	39.6	40.1	40.0
Fixed-income funds	26.6	25.7	25.4	24.7	24.6	24.0	23.6	23.4	22.3
Total mutual funds	30.7	30.1	29.9	30.2	29.0	28.7	28.4	28.4	27.9

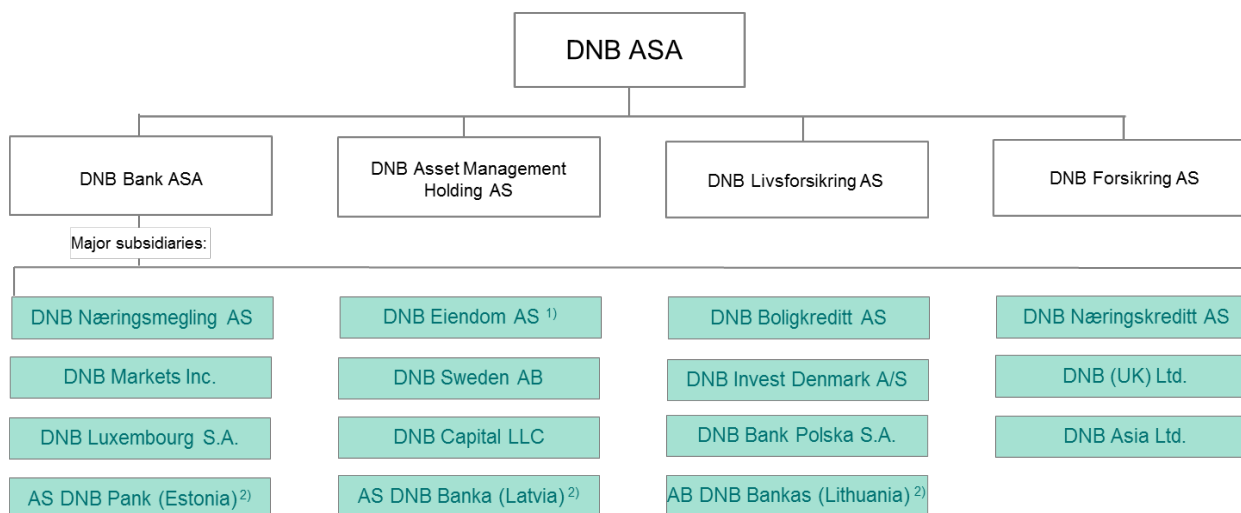
1) Include hedge funds.

Source: Norwegian Mutual Fund Association

3.3.1 Legal structure

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and insurance activities of the DNB Group are organised in separate limited companies under the holding company DNB ASA. Banking activities are organised in DNB Bank ASA and its subsidiaries. Asset management activities are organised under DNB Asset Management Holding AS. DNB Livsforsikring AS offers life insurance and pension saving products. DNB Forsikring AS offers non-life insurance products as part of a total product package for retail customers.

The chart below shows the legal structure of the DNB Group.



1) DNB Meglerservice was merged with DNB Eiendom AS in the fourth quarter of 2017.

2) On 25 August 2016, DNB and Nordea announced an agreement to combine their operations in Estonia, Latvia and Lithuania. The transaction was closed on 1 October 2017 and the Luminor Group AB was established. DNB's ownership interest in Luminor Group AB of approximately 44 per cent is consolidated by the equity method with effect from 1 October 2017.

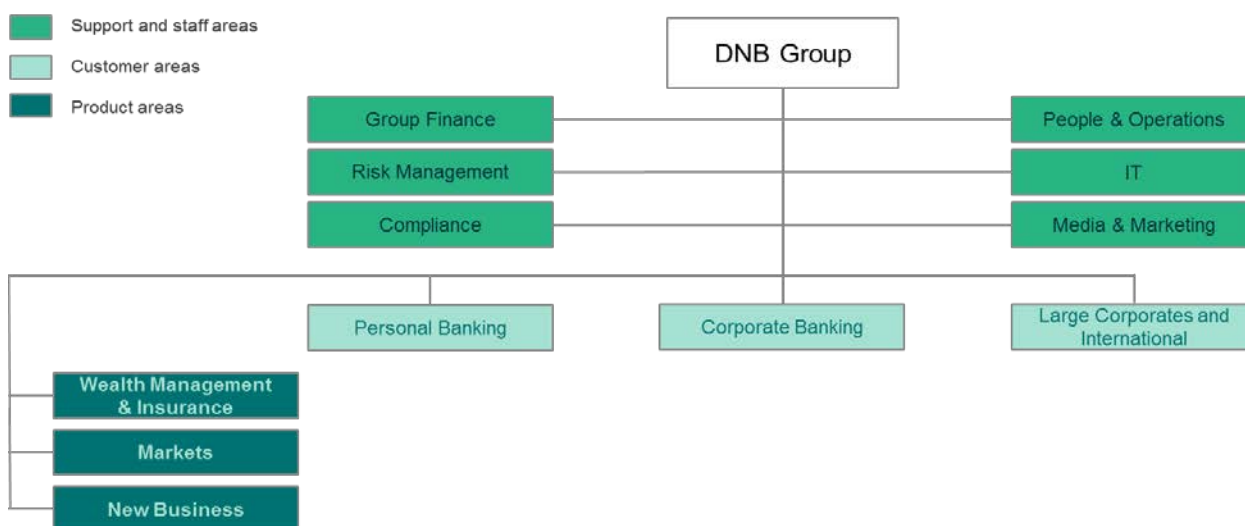
3.3.2 Operational structure

The operational structure of DNB deviates from its legal structure. The operational structure is adapted to the Group's business operations and aims to ensure high-quality customer service and products as well as efficient operations.

DNB's operational structure aims to ensure efficient adaption to changes in customer behaviour and the development of products and services tailored to customer needs. Customer areas are responsible for customer relationships and customer service, while product areas are responsible for the development of key products. Operational tasks and group services are carried out by the Group's support and staff units, which provide infrastructure and cost-efficient services for the business units. All activities in subsidiaries fall within the area relevant to the company's primary operations.

In December 2017, DNB adjusted its operational structure to meet changes in the market and reinforce the Group's strategic priorities. The adjustment of the organisational structure also entailed changes to the group management team.

Operational structure as from December 2017

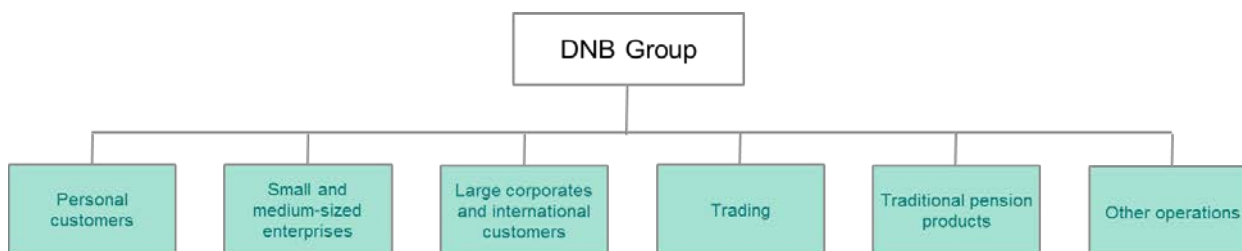


- **Personal Banking** is responsible for product sales and advisory services to Norwegian consumers and households. DNB offers a wide range of products through Norway's largest distribution network, comprising branches, telephone banking (24/7), digital banking, real estate broking as well as external channels (post offices and in-store postal outlets). Personal Banking is also responsible for credit cards and consumer financing for retail customers in Sweden.
- **Corporate Banking** is responsible for product sales and advisory services to small and medium-sized enterprises in Norway. Customers in this segment range from small businesses and start-up companies to relatively large corporate customers, and the product offerings are adapted to the customers' different needs. Corporate Banking is represented through a broad physical distribution network throughout Norway as well as digital and telephone banking (24/7). Corporate Banking is responsible for factoring, leasing and asset financing in Norway, Sweden and Denmark.
- **Large Corporates and International (LCI)** serves the bank's largest corporate customers and is responsible for DNB's international banking operations. DNB serves its customers with emphasis on industry expertise and relationship management. LCI is recognised for its long-term customer relationships based on sound industry and product expertise and strong skills within complex international transactions. The area also included personal and small business customers in the Baltics, up to 3Q17. Luminor Group AB was established on 1 October 2017 combining the operations of Nordea and DNB in Estonia, Latvia and Lithuania and is consolidated by the equity method.
- **Wealth Management & Insurance** serves high net worth individuals through its Private Banking unit. In addition, the business area is responsible for the further development of the Group's savings and insurance products and delivers defined-contribution pension schemes to all DNB customers in cooperation with the customer areas.
- **Markets** offers all of the Group's customers risk management, investment and financing products and services in the capital markets. Products and solutions are provided by customer teams in cooperation with the customer areas, and Markets gives advice and develops tailor-made products for the different customer segments. Markets' market making and other trading activities support customer activities with products and prices.
- **New Business** will create increased competitive power and growth for DNB by designing new solutions and business models and strengthening the delivery capacity of existing segments. This will be achieved through a more unified strategy and consistent management of data and customer insight, payments and payment infrastructure, open banking, the use of technology, and partnerships.

3.3.3 Financial governance and reporting structure

DNB's financial governance is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding on where to allocate the Group's resources. Reported figures for the different segments will reflect the Group's total sales of products and services to the relevant segment.

Reporting structure – business segments



Personal customers: includes the Group's total sales of products and services to personal customers in Norway, both digital and physical, with the exception of home mortgages recorded under Traditional pension products, where returns accrue to the policyholders. Credit cards and consumer financing in Sweden are also included in this business area.

Small and medium-sized enterprises: includes the Group's total sales of products and services to small and medium-sized enterprises in Norway. Factoring, leasing and asset financing for small and medium sized enterprises in Sweden and Denmark are also included in this business area.

Large corporates and international customers: includes total sales of products to large corporate customers in Norway and in international units. The segment also included personal and small business customers in the Baltics, up to 3Q17. Luminor Group AB was established on 1 October 2017 combining the operations of Nordea and DNB in Estonia, Latvia and Lithuania and is consolidated by the equity method. The Luminor Group AB activities are reported in the Other operations segment.

Trading: includes the Group's market making and proprietary trading activities in Markets.

Traditional pension products: includes traditional defined-benefit pension products and assets related to these products. DNB no longer offers such products to new customers.

The income statements and balance sheets for the segments are presented in accordance with internal financial reporting principles and DNB's financial governance model. The reporting is based on a number of assumptions, estimates and discretionary distributions. The principles imply allocating revenues, costs and capital requirements to the segments.

Margin income on loans and deposits is calculated using internal transfer rates based on observable market rates, which in most cases roughly correspond to NIBOR. Additional costs relating to the Group's long-term funding are also charged to the segments.

Services provided by staff and support units will as far as possible be scaled and priced according to use. The pricing of such intra-group transactions is regulated by internal agreements based on market terms. Joint expenses incurred by group staff units and other group expenditures that cannot be debited according to use, are charged on the basis of relevant distribution formulas. Costs relating to the Group's equity transactions, including strategic investments, and direct shareholder-related expenses and costs related to the Group's governing bodies are not charged to the segments.

The Group's total common equity Tier 1 capital is allocated to the segments. Allocated capital reflects the Group's long-term capitalisation ambition, and the distribution formula is based on an adaption to the Basel III regulations. Return on allocated capital represents profits after tax relative to average allocated capital.

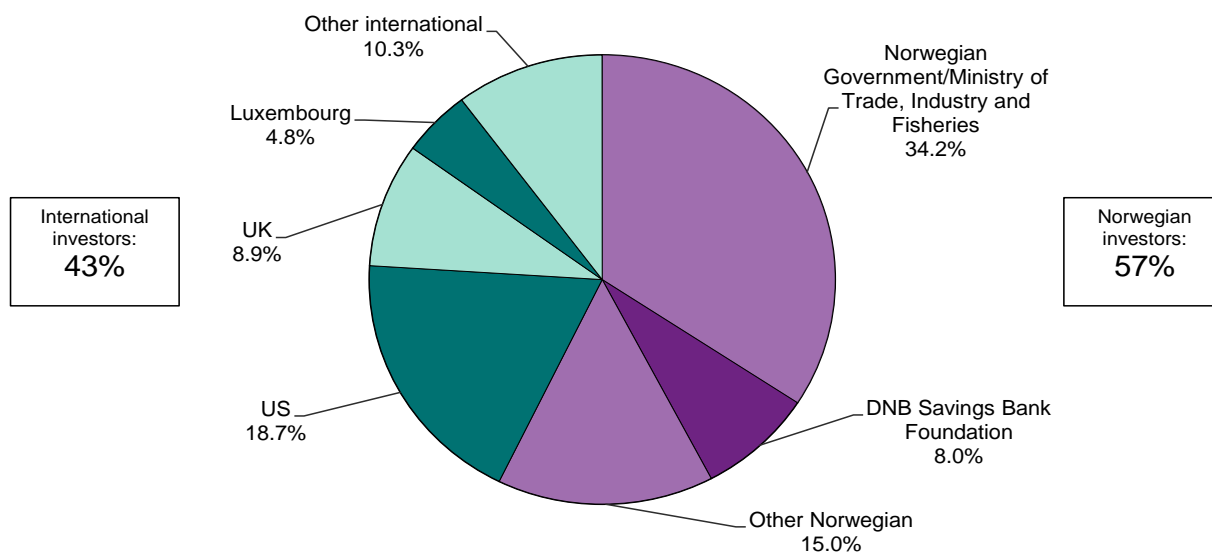
3.4.1 Major shareholders as at 31 December 2017

	Shares in 1 000	Ownership in per cent
Norwegian Government/Ministry of Trade, Industry and Fisheries ¹⁾	553 792	34.2
DNB Savings Bank Foundation	130 001	8.0
Folketrygdfondet	99 893	6.2
Fidelity International	30 055	1.9
BlackRock Institutional Trust Company, N.A.	28 526	1.8
The Vanguard Group, Inc.	27 252	1.7
Deutsche Asset Management Investment GmbH	26 705	1.7
Schroder Investment Management Ltd. (SIM)	18 908	1.2
Capital World Investors	18 043	1.1
MFS Investment Management	16 538	1.0
T. Rowe Price Associates, Inc.	15 846	1.0
Storebrand Kapitalforvaltning AS	15 646	1.0
KLP Forsikring	15 395	1.0
DNB Asset Management AS	14 467	0.9
Janus Henderson Investors	13 489	0.8
SAFE Investment Company Limited	13 217	0.8
State Street Global Advisors (US)	12 900	0.8
Nordea Funds Oy	11 209	0.7
Edinburgh Partners Limited	11 086	0.7
Columbia Threadneedle Investments (UK)	11 067	0.7
Total largest shareholders	1 084 035	67.0
Other shareholders	534 014	33.0
Total	1 618 049	100.0

The owners of shares in nominee accounts are determined on the basis of third-party analyses.

1) DNB has completed two buy-back programmes totalling 1 per cent of outstanding shares. According to an agreement, the Norwegian government will redeem shares on a proportional basis so that its current holding will remain at 34 per cent.

3.4.2 Ownership according to nationality as at 31 December 2017



3.4.3 Share buy-back programmes

The Annual General Meeting held in April 2017 authorised DNB ASA to repurchase up to 1.5 per cent of its registered shares in order to enable an optimal level of capital in the company. DNB ASA has signed an agreement with the Norwegian government, represented by the Ministry of Trade, Industry and Fisheries, to ensure that the government maintains its 34 per cent ownership interest in DNB ASA after completion of the buy-back programme.

At year-end 2017, the number of issued shares in DNB ASA was 1 628 798 861. DNB ASA repurchased 10 750 068 shares from 13 July to 31 December 2017, representing 0.66 per cent of its registered shares, at an average price of NOK 154.33 per share. In addition, 0.34 per cent of the shares owned by the Norwegian government will be redeemed after the Annual General Meeting in 2018, bringing total buy-backs to 1.00 per cent.

DNB ASA will ask the Annual General Meeting in 2018 for approval to cancel the repurchased shares and to redeem the proportionate number of shares owned by the Norwegian government. The shares owned by the Norwegian government will be redeemed against a payment corresponding to the average volume-weighted price of the shares repurchased by DNB ASA in the open market as part of the buy-back programme, in addition to an interest compensation and an agreed adjustment for dividends paid on the redeemed shares during the buy-back period (if any). Once this transaction has been completed, a stock exchange statement will be published, specifying the updated number of shares after completion of the share buy-back programme and cancellation of the shares.

Buy-back programmes

	31 Dec. 2017	30 Sept. 2017
<i>Number of shares</i>		
The Group's portfolio of own shares acquired under the share buy-back programme	10 750 068	6 056 034
Redemption of shares from the state of Norway	5 537 914	3 119 775
Total purchased shares	16 287 982	9 175 809
Total price of repurchased shares (NOK)	1 659 026 411	930 424 841
Average price of repurchased shares (NOK)	154.33	153.64
	Announced	Completed
Programme 1 - 0,5 per cent ¹⁾	12 July 2017	14 August 2017
Programme 2 - 0,5 per cent ¹⁾	21 September 2017	8 December 2017

1) Including redemption of government shares.

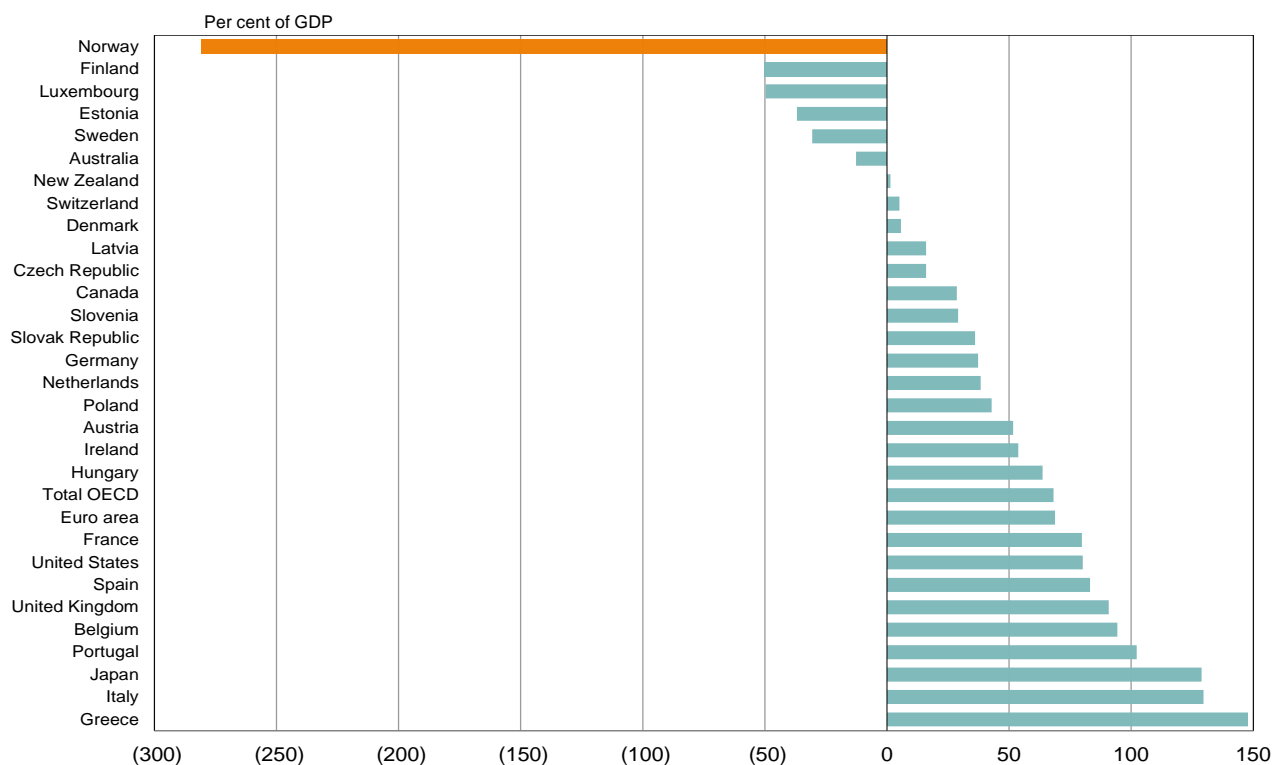
Chapter 4 - The Norwegian economy

4.1.1 Basic information about Norway

Area	385 199 square kilometres
Population	5.3 million
Fertility rate	1,7
Life expectancy	M: 80.6 F: 84.2
Work participation rate, per cent 15-74 years	69.4 (M: 72.0 F:66.8)
Gross domestic product 2016	USD 387.8 billion
GDP per capita 2016	USD 74 724
Rating	AAA, Aaa
Currency exchange rate used	8.26 USD/NOK (Average 2017)
Current balance 2016	USD 14.1 billion or 3.8 per cent of GDP

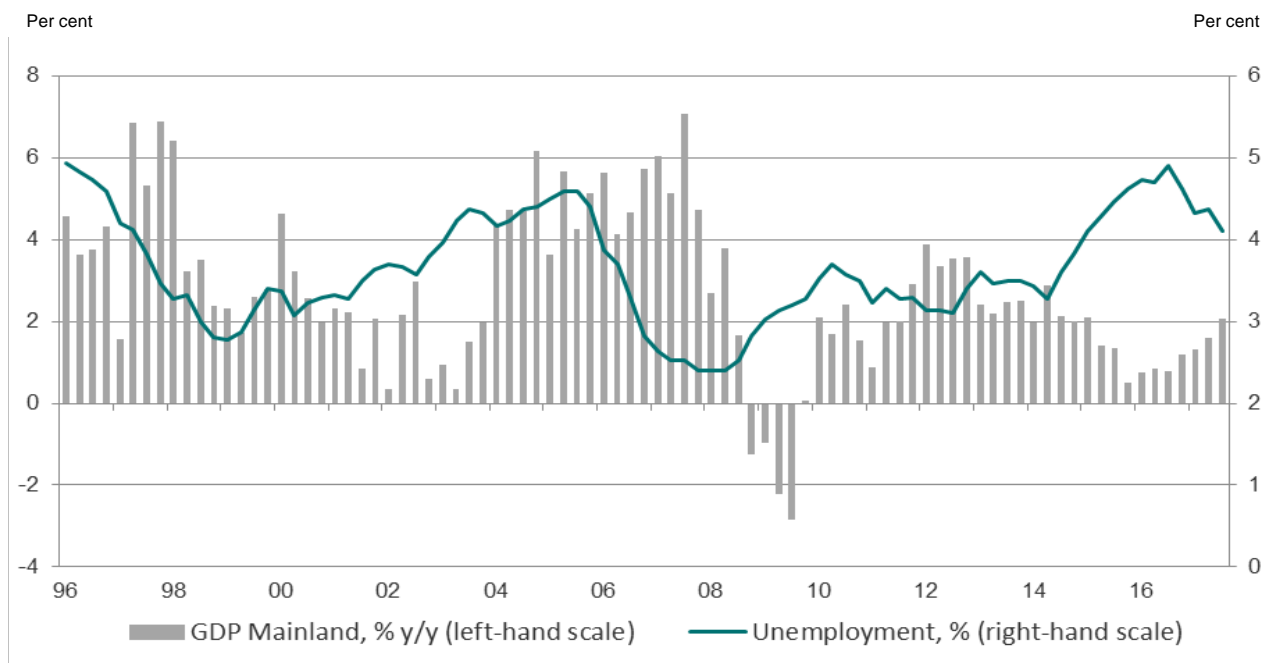
Source: Statistics Norway

4.1.2 Government net financial liabilities 2016



Source: OECD Economic Outlook No. 102 database, November 2017

4.1.3 GDP growth mainland Norway and unemployment rate



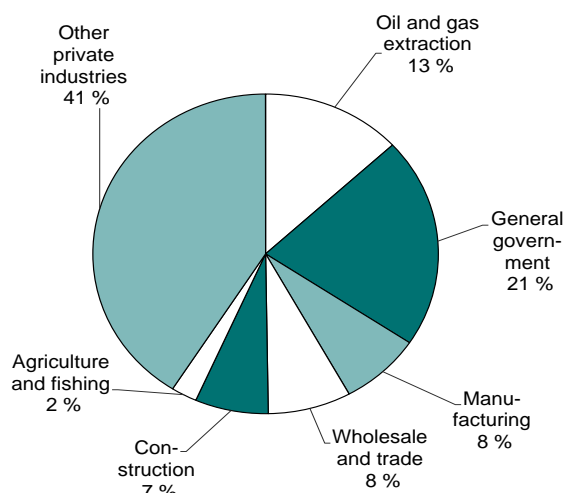
Source: Thomson Datastream, Statistics Norway

4.1.4 Contribution to volume growth in GDP, mainland Norway

Per cent	2016	F 2017	F 2018	F 2019	F 2020	F 2021
Household demand	1.3	1.9	0.8	0.9	1.3	1.1
Gross fixed capital formation, mainland companies	0.4	0.5	0.5	0.4	0.3	0.2
Gross fixed capital formation, petroleum activity	(0.7)	(0.0)	0.9	0.5	0.3	(0.4)
Public sector demand	0.9	0.6	0.6	0.6	0.6	0.6
Exports, mainland Norway	(1.7)	0.3	1.0	0.9	0.9	0.5
Imports, mainland Norway	1.0	0.6	1.1	1.1	1.2	0.6
Changes in stocks and statistical discrepancies	1.7	(0.8)	(0.5)			
GDP, mainland Norway	1.0	1.8	2.1	2.3	2.2	1.5

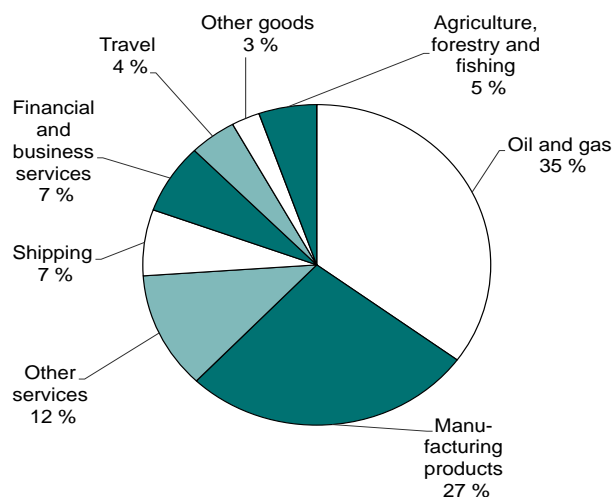
Source: Statistics Norway and DNB Markets

4.1.5 Composition of GDP in 2016



Source: Statistics Norway, annual national accounts 16 May 2017

4.1.6 Composition of exports in 2016



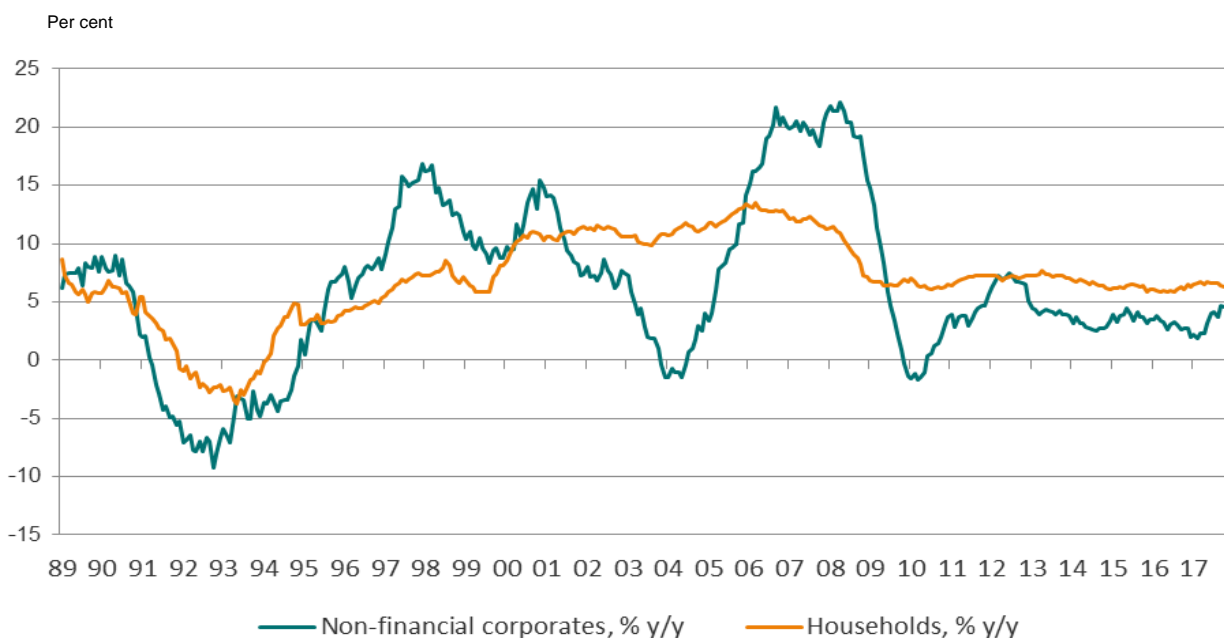
4.1.7 Key macro-economic indicators, Norway

Per cent	2016	F 2017	F 2018	F 2019	F 2020	F 2021
GDP growth						
- mainland Norway	1.0	1.8	2.1	2.3	2.2	1.5
- Norway, total	1.1	2.2	2.1	2.0	1.9	1.3
Private consumption	1.5	2.4	2.2	2.4	2.3	2.1
Gross fixed investment	(0.2)	3.6	3.2	2.6	2.6	(0.3)
Inflation (CPI)	3.6	1.8	1.4	1.7	1.8	1.6
Savings ratio ¹⁾	7.2	7.1	7.6	7.9	8.2	8.3
Unemployment rate	4.8	4.2	3.7	3.4	3.3	3.8

1) Per cent of household disposable income.

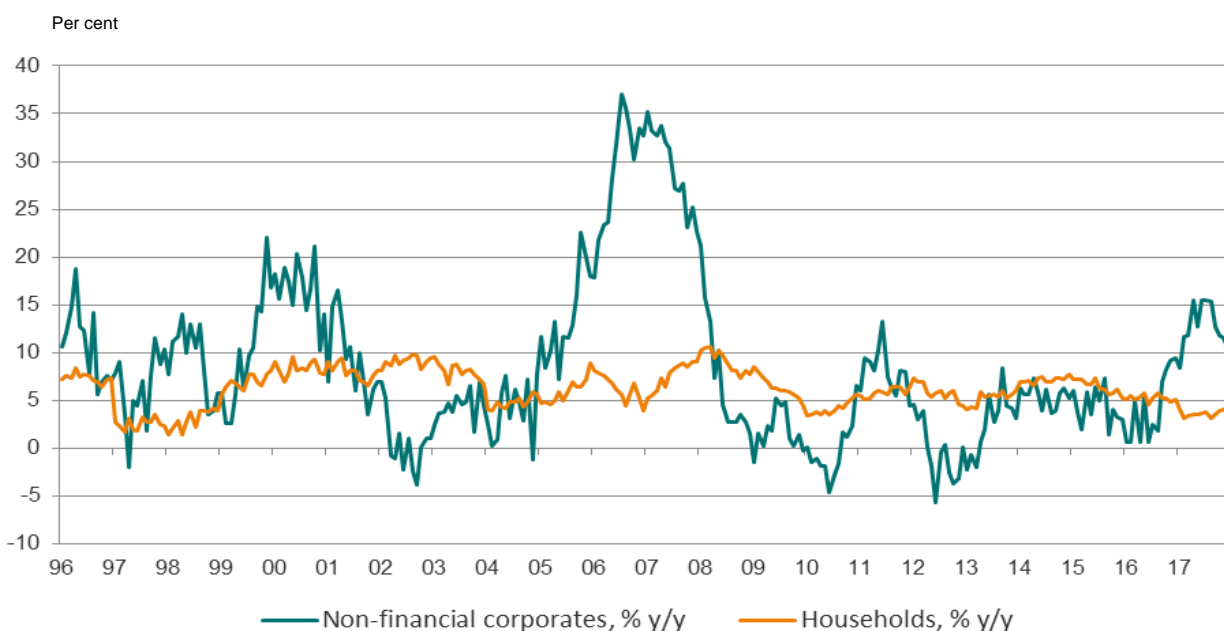
Source: Statistics Norway and DNB Markets

4.1.8 Credit market, 12 month percentage growth



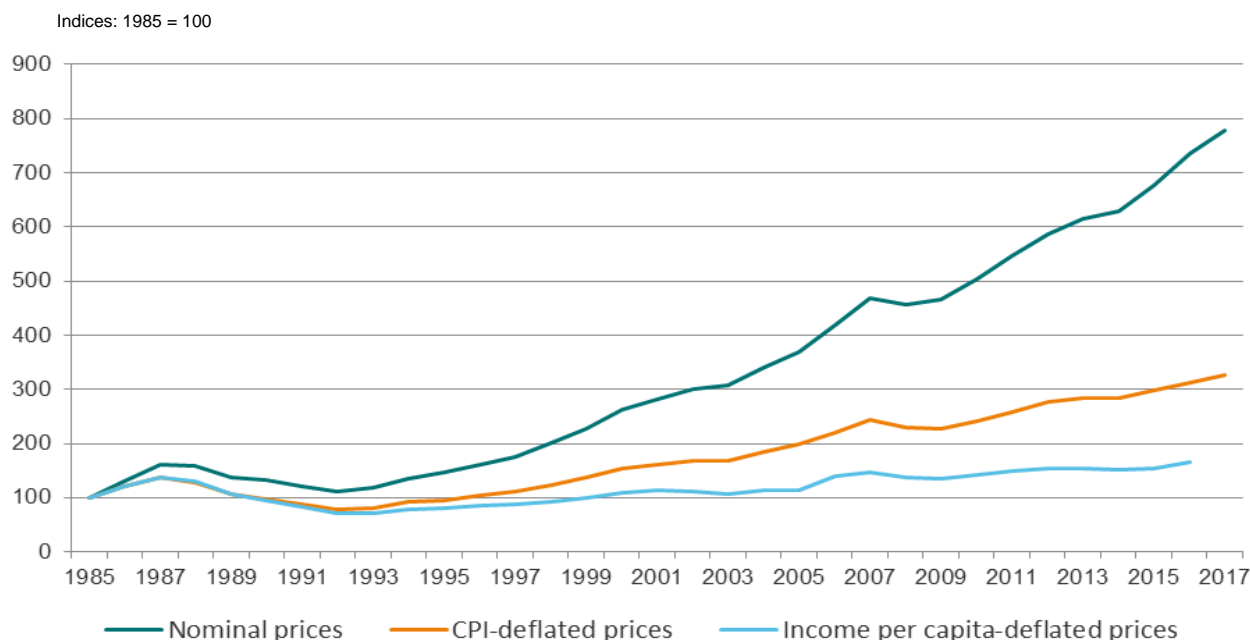
Source: Thomson Datastream, Statistics Norway

4.1.9 Deposit market, 12 month percentage growth



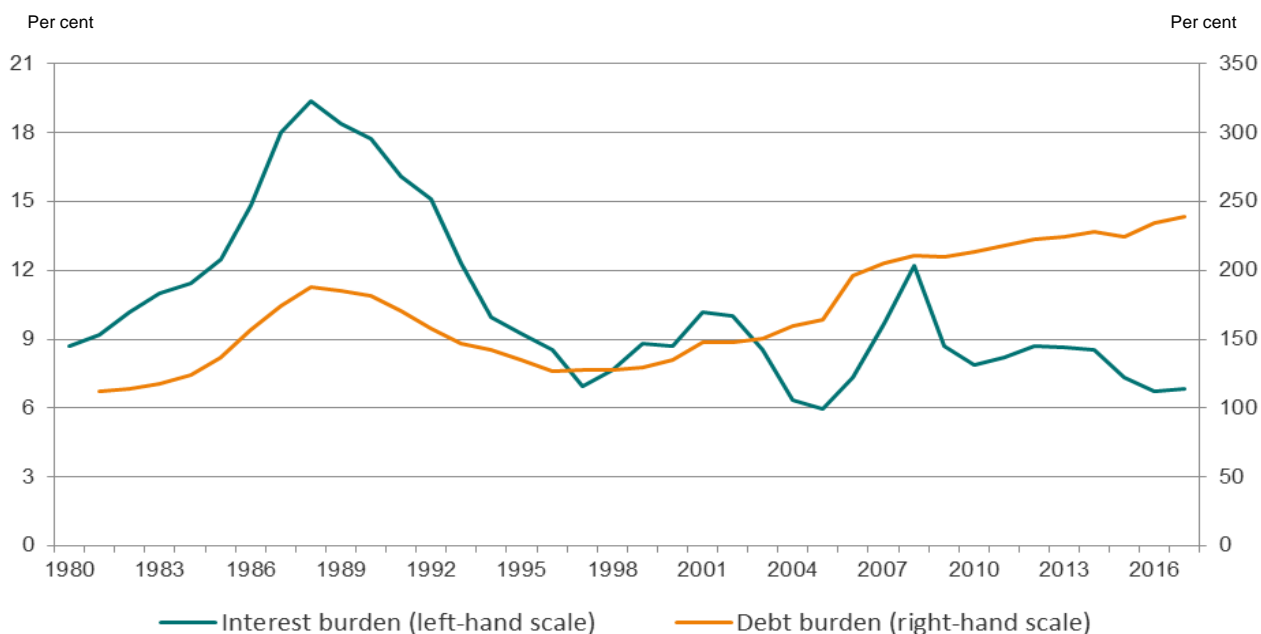
Source: Thomson Datastream, Statistics Norway

4.1.10 House prices



Source: Real Estate Norway, Finn.no, Eiendomsverdi AS, NEF, Statistics Norway and DNB Markets

4.1.11 Household interest burden ¹⁾ and debt burden ²⁾



1) Interest expenses after tax as a percentage of disposable income.

2) Loan debt as a percentage of disposable income.

Source: Statistics Norway, DNB Markets

Appendix

Disclosure for main features of regulatory capital instruments

Disclosure of main features of regulatory capital instruments as at 31 December 2017

	Ordinary shares	NOK Notes	NOK Notes	Additional Tier 1 capital	USD Notes
1. Issuer	DNB Group	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	NO0010031479	NO0010730708	NO0010767957	XSI207306652	XSI1506066676
3. Governing law for the instrument	Norway	English ⁹⁾	English ⁹⁾	English ⁹⁾	English ⁹⁾
Regulatory treatment:					
4. Transitional rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
5. Post-transitional rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
6. Eligible at ind. company/group & ind. company level	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group
7. Instrument type	Common shares	Other additional Tier 1	Other additional Tier 1	Other additional Tier 1	Other additional Tier 1
8. Amount recognised in regulatory capital (in NOK million as at 31 March 2017)	38.885	2.150	1.400	5.903	6.120
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	N/A	NOK 2.150	NOK 1.400	USD 750, NOK 5.903	USD 750, NOK 6.120
9a. Issue price	Various	100	100	100	100
9b. Redemption price	N/A	100	100	100	100
10. Accounting classification	Shareholder's equity	Equity	Equity	Equity	Equity
11. Original date of issuance	N/A	26 February 2015	26 June 2016	26 March 2015	18 October 2016
12. Perpetual or dated	N/A	Perpetual	Perpetual	Perpetual	Perpetual
13. Original maturity date	N/A	NA	NA	NA	NA
14. Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	N/A	26 February 2020 at par	27 June 2021 at par	26 March 2020 at par	26 March 2022 at par
16. Subsequent call dates, if applicable	N/A	The issuer has the right to call at every interest payment date thereafter. ⁹⁾	The issuer has the right to call at every interest payment date thereafter. ⁹⁾	The issuer has the right to call at every interest payment date thereafter. ⁹⁾	The issuer has the right to call at every interest payment date thereafter. ⁹⁾
Coupons/dividends:					
17. Fixed or floating dividend/coupon	Floating	Floating	Floating	Fixed	Fixed
18. Coupon rate and any related index	N/A	3m Nibor +325	3m Nibor +525	5.75%. Fixed interest reset every 5 years at 5y USD MS + 407.5	6.500%. Fixed interest reset every 5 years at 5y USD MS + 508.0
19. Existence of a dividend stepper	Yes	No	No	No	No
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21. Existence of a step-up or other incentive to redeem	N/A	No	No	No	No
22. Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible:					
23. Convertible or non-convertible ⁴⁾	N/A	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25. If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26. If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29. If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30. Write-down features	No	Yes	Yes	Yes	Yes
31. If write-down, write-down trigger(s)	N/A	Either full or partial	Either full or partial	Either full or partial	Either full or partial
32. If write-down, full or partial	N/A	Temporary	Temporary	Temporary	Temporary
33. If write-down, permanent or temporary	N/A	See footnote 10	See footnote 10	See footnote 10	See footnote 10
34. If temporary write-down, description of revaluation mechanism	N/A				
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	Subordinated loans	Subordinated loans	Subordinated loans	Subordinated loans
36. Non-compliant transitioned features	No				
37. If yes, specify non-compliant features	N/A				

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments as at 31 December 2017

	Subordinated loans (part 1 of 2)			
	EUR loan 2013	EUR loan	NOK loan	NOK loan
1. Issuer	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	X90974373515	XS1571331955	NO0010692511	NO0010782384
3. Governing law for the instrument	English ²⁾	English ²⁾	English ²⁾	English ²⁾
Regulatory treatment:				
4. Transitional rules	Tier 2	Tier 2	Tier 2	Tier 2
5. Post-transitional rules	Tier 2	Tier 2	Tier 2	Tier 2
6. Eligible at ind. company/group & ind. company level	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group
7. Instrument type	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt
8. Amount recognised in regulatory capital (in NOK million as at 31 March 2017)	6 812	5 967	1 250	1 70
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	EUR 750, NOK 5 898	EUR 650, NOK 5 751	NOK 1 400	NOK 170
9a. Issue price	99.548	99.541	100	100
9b. Redemption price	Redemption at par	Redemption at par	Redemption at par	Redemption at par
10. Accounting classification	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost	Subordinated loan capital - amortised cost
11. Original date of issuance	26 September 2013	1 March 2017	18 June 2013	19 January 2017
12. Perpetual or dated	Dated	Dated	Dated	Dated
13. Original maturity date	26 September 2023	1 March 2027	18 June 2023	19 January 2027
14. Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	26 September 2018, Call at par	1 March 2022	The interest payment date in June 2018	The interest payment date falling in January 2022
16. Subsequent call dates, if applicable	0	Any interest payment date thereafter	Any interest payment date in June 2018	Any interest payment date thereafter
Coupons/dividends:				
17. Fixed or floating dividend/coupon	Fixed	Fixed to floating	Floating	Floating
18. Coupon rate and any related index	3%, Thereafter/ Reset period: EURO MS + 177	4.75%, Thereafter/ Reset period: 5Y EURO MS + 115	3-month NIBOR + 170	Fixed 3.08 %, Reset/ after first call date: 3-month NIBOR + 1.75 per cent
19. Existence of a dividend stepper	No	No	No	No
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21. Existence of a step-up or other incentive to redeem	No	No	No	No
22. Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative
Convertible or non-convertible:				
23. Convertible or non-convertible ⁴⁾	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25. If convertible, fully or partially	N/A	N/A	N/A	N/A
26. If convertible, conversion rate	N/A	N/A	N/A	N/A
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29. If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30. Write-down features	No	No	No	No
31. If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A
32. If write-down, full or partial	N/A	N/A	N/A	N/A
33. If write-down, permanent or temporary	N/A	N/A	N/A	N/A
34. If temporary write-down, description of revaluation mechanism	N/A	N/A	N/A	N/A
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior bonds	Senior bonds	Senior bonds	Senior bonds
36. Non-compliant transitioned features	No	No	No	No
37. If yes, specify non-compliant features	N/A	N/A	N/A	N/A

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments as at 31 December 2017

	Perpetual loans			USD loan	USD loan	USD loan	YEN loan
1. Issuer	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA	DNB Bank ASA
2. Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	LU0001344653	GB0040940875	GB0040940875	GB0040940875	GB0040940875	GB0040940875	NA
3. Governing law for the instrument	English ²⁾	English ²⁾	English ²⁾	English ²⁾	English ²⁾	English ²⁾	English ¹⁾
Regulatory treatment:							
4. Transitional rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5. Post-transitional rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6. Eligible at ind. company/group & ind. company level	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group	Ind. company and group
7. Instrument type	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt	Tier 2 subordinated debt
8. Amount recognised in regulatory capital (in NOK million as at 31 March 2017)	1 851	1 722	1 722	1 291	771	771	771
9. Par value of instrument (amounts in million in the relevant currency and in NOK million)	USD 215, NOK 1 892	USD 200, NOK 1 331	USD 200, NOK 1 331	USD 150, NOK 1 789	JPY 10,000, NOK 655	JPY 10,000, NOK 655	JPY 10,000, NOK 655
9a. Issue price	99:15	100	100	100	100	100	100
9b. Redemption price	100	100	100	100	100	100	100
10. Accounting classification	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost	Perpetual subordinated loan capital - amortised cost
11. Original date of issuance	18 November 1985	28 August 1986	28 August 1986	21 August 1986	25 February 1999	25 February 1999	25 February 1999
12. Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13. Original maturity date							
14. Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15. Optional call date, contingent call dates and redemption amount	November 1990	August 1991	August 1991	5 years after issue	February 2029	February 2029	February 2029
16. Subsequent call dates, if applicable	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter	Any interest payment date thereafter
Coupons/dividends:							
17. Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Fixed	Fixed
18. Coupon rate and any related index	3m USD Libor + 25	6m USD Libor + 13	6m USD Libor + 13	6m USD Libor + 15	4.51%, From Feb. 2029 6m YEN Libor + 1.65% p.a.	4.51%, From Feb. 2029 6m YEN Libor + 1.65% p.a.	4.51%, From Feb. 2029 6m YEN Libor + 1.65% p.a.
19. Existence of a dividend stepper	No	No	No	No	Yes	Yes	Yes
20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21. Existence of a step-up or other incentive to redeem	No	No	No	No	Yes ⁷⁾	Yes ⁷⁾	Yes ⁷⁾
22. Non-cumulative or cumulative	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾	Non-cumulative ⁶⁾
Convertible or non-convertible:							
23. Convertible or non-convertible ⁴⁾	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24. If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25. If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26. If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27. If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28. If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29. If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30. Write-down features	No	No	No	No	No	No	No
31. If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
32. If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33. If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34. If temporary write-down, description of revaluation mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior bonds	Senior bonds	Senior bonds	Senior bonds	Senior bonds	Senior bonds	Senior bonds
36. Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes	Yes	Yes
37. If yes, specify non-compliant features	issued before 31 December 2011	issued before 31 December 2011	issued before 31 December 2011	issued before 31 December 2011	issued before 31 December 2011	issued before 31 December 2011	issued before 31 December 2011

See footnotes on separate page.

Disclosure of main features of regulatory capital instruments - footnotes

- 1) Except for the subordination provisions and certain provisions relating to the payment of interest and principal, which will be governed by the laws of Norway.
- 2) Except for status and subordination which will be governed by the laws of Norway.
- 3) Under certain circumstances there will be no coupon payment if capital requirements are breached.
- 4) All subordinated debt might be written down or converted according to the Guarantee Schemes Act.
- 5) Subject to the availability of Available Distributable Funds, the Issuer undertakes to reinstate all Converted Amounts as Notes upon the occurrence of any of the following events: (i) the Issuer or DNB ASA declares or makes a dividend (in the form of cash, stock or another instrument), an interest payment or any other payment on any share capital or any obligations of the Issuer ranking or expressed to rank junior to the Notes; or (ii) the Issuer or DNB ASA (as applicable) redeems, repurchases or otherwise acquires any of its respective share capital, or any Parity Tier 1 Securities or any obligations of the Issuer ranking or expressed to rank junior to the Notes or payor makes available any moneys to a sinking fund or for redemption of any such share capital, Parity Tier 1 Securities or obligations other than as set out in Condition 3 of the "Terms and Conditions of the Notes".
- 6) Non-cumulative but cumulative under certain circumstances, e.g. dividend payment.
- 7) The borrower undertakes not to make any distribution to Holders of Primary Capital certificates of the Borrower or to other creditors ranking junior to the Lender while any arrears of interest (including any corresponding additional interest amount) remains outstanding in respect of the loan.
- 8) Subject to the outstanding principal amount of the notes being equal to their original principal amount.
- 9) The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law except that (i) the provisions relating to subordination, Write-Down and Discretionary Reinstatement and any non-contractual obligations arising out of or in connection with such provisions and (ii) any other write-down or conversion of the Notes in accordance with Norwegian law and regulation applicable to the Bank from time to time, will in each case be governed by, and construed in accordance with, Norwegian law.
- 10) Fully discretionary reinstatement pro rata with any written-down AT1 instruments that are to be reinstated out of the same profits. Subject to the maximum write-up amount and to the MDA.

We are here.
So you can stay ahead.

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