DNB Group

Second quarter and first half report 2019 (Unaudited)

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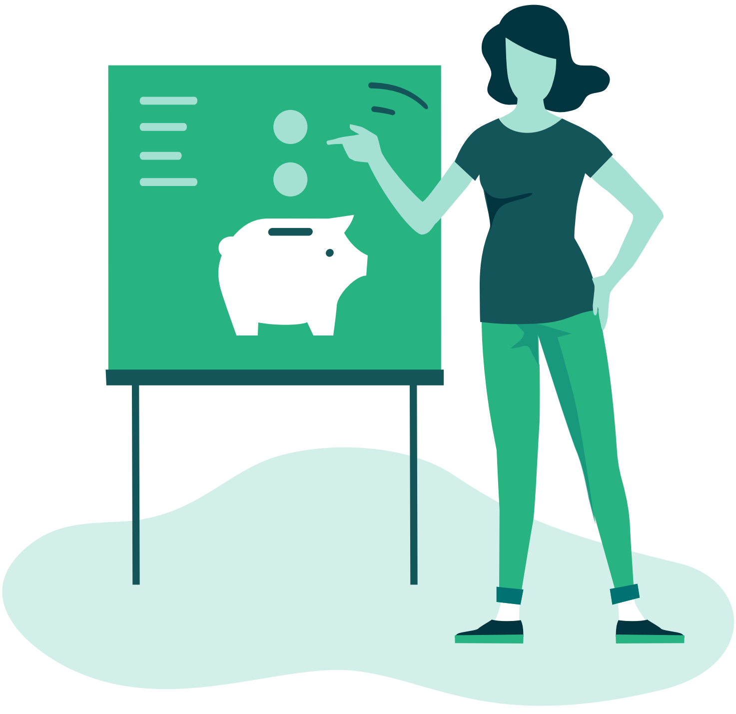

DNB

Financial highlights

DNB Group

Income statement *Amounts in NOK million*	2nd quarter 2019	2nd quarter 2018	2019	January-June 2018	Full year 2018
Net interest income	9 581	9 052	18 870	18 059	36 822
Net commissions and fees	2 538	2 453	4 757	4 569	9 310
Net gains on financial instruments at fair value	1 351	134	2 103	296	1 342
Net financial and risk result, life insurance	285	162	641	367	969
Net insurance result, non-life insurance		153		307	622
Other operating income	298	542	744	772	1 302
Net other operating income	4 472	3 445	8 244	6 312	13 546
Total income	14 053	12 497	27 115	24 371	50 368
Operating expenses	(5 674)	(5 330)	(11 138)	(10 462)	(21 490)
Restructuring costs and non-recurring effects	(221)	(54)	(243)	(78)	(567)
Pre-tax operating profit before impairment	8 158	7 113	15 733	13 831	28 311
Net gains on fixed and intangible assets	(3)	465	1 737	483	529
Impairment of financial instruments	(450)	54	(766)	384	139
Pre-tax operating profit	7 705	7 632	16 704	14 698	28 979
Tax expense	(1 541)	(1 526)	(2 906)	(2 940)	(4 493)
Profit from operations held for sale, after taxes	(30)	(21)	(81)	(21)	(204)
Profit for the period	6 134	6 084	13 716	11 737	24 282

Balance sheet *Amounts in NOK million*	30 June 2019	31 Dec. 2018	30 June 2018
Total assets	2 878 624	2 634 903	2 856 551
Loans to customers	1 643 244	1 597 758	1 561 572
Deposits from customers	991 766	927 092	1 029 812
Total equity	223 496	223 966	210 797
Average total assets	2 866 187	2 771 998	2 798 822
Total combined assets	3 226 109	2 950 748	3 181 070

Key figures and alternative performance measures	2nd quarter 2019	2nd quarter 2018	2019	January-June 2018	Full year 2018
Return on equity, annualised (per cent) [1)]	11.3	11.8	12.7	11.4	11.7
Earnings per share (NOK)	3.71	3.65	8.33	7.01	14.56
Combined weighted total average spread for lending and deposits (per cent) [1)]	1.32	1.27	1.32	1.28	1.30
Average spread for ordinary lending to customers (per cent) [1)]	1.85	1.89	1.88	1.95	1.94
Average spread for deposits from customers (per cent) [1)]	0.46	0.32	0.42	0.26	0.29
Cost/income ratio (per cent) [1)]	41.9	43.1	42.0	43.2	43.8
Ratio of customer deposits to net loans to customers at end of period [1)]	60.4	65.9	60.4	65.9	58.0
Net loans and financial commitments in stage 2, per cent of net loans [1)]	6.08	6.39	6.08	6.39	6.99
Net loans and financial commitments in stage 3, per cent of net loans [1)]	1.27	1.69	1.27	1.69	1.45
Impairment relative to average net loans to customers, annualised (per cent) [1)]	(0.11)	0.01	(0.09)	0.05	0.01
Common equity Tier 1 capital ratio, transitional rules, at end of period (per cent) [2)]	16.5	16.2	16.5	16.2	16.4
Leverage ratio, Basel III (per cent)	7.1	6.8	7.1	6.8	7.5
Share price at end of period (NOK)	158.70	159.30	158.70	159.30	138.15
Book value per share	129.72	121.86	129.72	121.86	130.32
Price/book value [1)]	1.22	1.31	1.22	1.31	1.06
Dividend per share (NOK)					8.25
Score from RepTrak's reputation survey in Norway (points)	74.3	68.9	74.3	69.8	72.5
Customer satisfaction index, CSI, personal customers in Norway (score)	73.0	73.7	73.4	74.3	74.7
Female representation at management levels 1-4 (%)	38.0		38.0		38.1

1) *Defined as alternative performance measure (APM). APMs are described on ir.dnb.no.*
2) *Including 50 per cent of profit for the period, except for the full year figures.*

For additional key figures and definitions, please see the Factbook on ir.dnb.no.

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There has been no full or partial external audit of the quarterly directors' report and accounts, though the report has been reviewed by the Audit Committee.

Directors' report

Second quarter financial performance

A strong macroeconomic situation contributed to healthy lending growth, higher NOK interest rates, increased activity-based fees and commissions, somewhat higher cost inflation and continued strong asset quality.

The second quarter of 2019 showed a solid profit of NOK 6 134 million driven by increased net interest income as well as higher income from net commissions and fees. The profit was at the same level as in the second quarter of 2018, however the year-earlier period included a gain of NOK 464 million related to the merger of Vipps, BankID Norge and BankAxept. Compared with the previous quarter, profits decreased by NOK 1 448 million, due to the fact that first quarter was positively affected by a gain of NOK 1 740 million from the establishment of the insurance company Fremtind.

Earnings per share were NOK 3.71, compared with NOK 3.65 in the year-earlier period and NOK 4.61 in the first quarter.

The common equity Tier 1 capital ratio was 16.5 per cent at end-June, an increase from 16.2 per cent a year earlier, and up from 16.4 per cent at end-March 2019. The leverage ratio for the Group was 7.1 per cent.

Return on equity was 11.3 per cent, compared with 11.8 per cent in the year-earlier period and 14.1 per cent in the first quarter.

Profitable volume growth in all customer segments and repricing effects led to an increase in net interest income of NOK 529 million or 5.8 per cent from the second quarter of 2018, and NOK 291 million or 3.1 per cent from the first quarter.

Net other operating income was NOK 4 472 million, up NOK 1 027 million from the second quarter of 2018. There was a 3.4 per cent increase in net commissions and fees, as well as higher net gains on financial instruments at fair value stemming from mark-to-market adjustments. Compared with the first quarter, net other operating income was up NOK 700 million with a healthy increase in net commissions and fees.

Operating expenses were NOK 511 million higher than in the year-earlier period and NOK 408 million compared with the first quarter. The increase was due to higher investments in compliance and IT security, and a provision for a legal claim of NOK 200 million related to the DNB Norge case.

Impairment losses on financial instruments amounted to NOK 450 million in the second quarter, which is an increase of NOK 504 million from the second quarter of 2018 and NOK 134 million from the first quarter of 2019. The increase in impairment losses compared with the same quarter last year was primarily related to a negative development for individually assessed customers in stage 3 and reversals within the large corporates and international customers segment in the second quarter of 2018. The small and medium-sized enterprises segment experienced somewhat higher impairment losses than the large corporates and international customers segment and the personal customers segment, but the losses were still at a low level. Overall, most macro forecasts were stable in the quarter and in line with expectations in previous quarters. The asset quality remains strong.

Important events in the second quarter

On 13 June, Kjerstin Braathen was appointed new Group Chief Executive of DNB after Rune Bjerke, who earlier this year had communicated to the Board of Directors that he wished to resign from the position on 1 September. Kjerstin Braathen has worked in DNB for more than 20 years and comes from the position as Chief Financial Officer.

At the Annual General Meeting (AGM) held on 30 April, Berit Svendsen resigned from the Board of Directors, and Gro Bakstad was elected as a new board member.

Furthermore, the AGM resolved a reduction in the company's share capital by cancelling or redeeming a total of 24 065 503 shares repurchased according to the authorisation given by the AGM in 2018. The total number of issued shares after the cancellation is 1 580 301 385, which has been reflected in the accounts as of 30 June 2019. The AGM also authorised DNB ASA to repurchase up to 3.5 per cent of the company's share capital. In addition, DNB Markets was authorised to purchase 0.5 per cent for hedging purposes. Initially, DNB has applied and received approval for a 2.5 per cent repurchase limit from Finanstilsynet (the Financial Supervisory Authority of Norway), whereof 0.5 per cent can only be used for hedging purposes by DNB Markets.

DNB launched several new digital services in the second quarter, including a digital fund adviser and the accounting solution DNB Regnskap, which will make life easier for small businesses. DNB is the very first bank to offer banking and accounting all in one.

In the second quarter, it was announced that DNB has established car financing operations in Finland through an alliance with the car importer Bassadone Automotive Nordic (BAN), which already has a market share of 13 per cent in Finland.

As a consequence of the implementation of PSD2 in Norway as of 1 April, DNB has opened its APIs to everyone, and these are now ready for testing. The target audience is primarily fintechs, other banks, developers and technology students.

Through the insurance company Fremtind, DNB now offers a full range of non-life insurance products to suit most small and medium-sized enterprises.

In May, DNB launched green loans. The green criteria are based on market standards such as the Green Loan Principles, and this puts DNB at the forefront when it comes to maintaining transparency around sustainable lending operations.

DNB Markets acted as joint book runner and sustainability bond advisor on a SEK 2 billion sustainability bond issued by Millicom in May under their inaugural Sustainability Bond Framework. This marks the first time DNB Markets advises a client on a sustainability bond framework, covering both environmental and social investments.

In April, DNB's life insurance company DNB Livsforsikring AS acquired one of the buildings at DNB's head office in Oslo from SBB Norden AB at a net property value of NOK 4 488 million. The takeover took place on 30 April.

In June, DNB Livsforsikring AS accepted Euronext's offer to buy DNB Livsforsikring's shareholding of 19.82 per cent in Oslo Børs VPS Holding ASA.

The ruling of the Court of Appeal in the DNB Norge case was announced in May. The court ruled in favour of the Norwegian Consumer Council in the group action, where they had demanded a price reduction and compensation for the management of the DNB Norge mutual funds. DNB disagrees with the ruling of the Court of Appeal and has now appealed the case to the Supreme Court.

In May, DNB was named the ODA Award Organization of the year. Each year, ODA - the leading technology network for women in the Nordic region - issues awards for concrete and effective efforts to increase gender balance and diversity in the technology industry. This year, the coveted ODA Award Organization went to DNB for its strategic approach to equality and diversity.

In May, the Universum Student Survey rated DNB Norway's most attractive workplace among business students for the sixth year running. Among IT students, the bank has bounced back to third place, up from a fifth place last year.

On 15 May, DNB was awarded HR Norge's competence award Kompetansepris 2019 for its strong commitment to focusing on competence in a challenging change process. The competence award is given to a business or organisation that has achieved particularly good results in the field of human resources and organisational development.

At the event "Insurance Brokers' Day", DNB was voted the market's best pension provider of the year. All insurance brokers in the market cast their votes in this rating, and the prize is awarded to the company that delivers the highest quality in several different areas.

During the second quarter, Moody's upgraded its outlook for DNB from negative to stable. The long-term counterparty risk rating was downgraded from Aa1 to Aa2.

Norges Bank raised the key policy rate to 1.25 per cent on 20 June. The following day, DNB announced an interest rate rise on mortgages, as well as an increase in deposit rates on several savings products.

Half-year financial performance

DNB recorded profits of NOK 13 716 million in the first half of 2019, up NOK 1 979 million from the first half of 2018. Return on equity was 12.7 per cent, compared with 11.4 per cent in the year-earlier period, and earnings per share were NOK 8.33, up from NOK 7.01 in the first half of 2018.

Net interest income increased by NOK 811 million from the same period last year, driven by higher volumes in all customer segments and positive effects from repricing. There was an average increase in the healthy loan portfolio of 5.7 per cent parallel to a 0.3 per cent increase in average deposit volumes from the first half of 2018. The combined spreads widened by 4 basis points compared with the year-earlier period. Average lending spreads for the customer segments narrowed by 7 basis points, and deposit spreads widened by 16 basis points.

Net other operating income increased by NOK 1 933 million from the first half of 2018, mainly due to a positive effect from basis swaps of NOK 1 672 million. Net commissions and fees showed a healthy increase and were up NOK 188 million, or 4.1 per cent, compared with the first half of 2018.

Total operating expenses increased by NOK 842 million from the first half of 2018 due to higher investments in compliance and IT security, and a provision of NOK 200 million for a legal claim related to the DNB Norge case.

There were impairment losses on financial instruments of NOK 766 million in the first half of 2019, an increase of NOK 1 150 million from the first half of 2018. The increase was primarily related to the large corporates and international customers segment which experienced substantial reversals in the first half of 2018. The small and medium-sized enterprises segment also experienced an increase in impairment losses, while the personal customers segment remained at the same low level as last year. The increase in impairment losses was also explained by a negative credit development for specific corporate customers with significant impairment losses. Overall, most macro drivers showed a stable development in the first half of 2019 with limited impact on impairment losses.

Second quarter income statement – main items

Net interest income

Amounts in NOK million	2Q19	1Q19	2Q18
Lending spreads, customer segments	7 035	7 026	6 739
Deposit spreads, customer segments	1 068	899	752
Amortisation effects and fees	817	797	810
Operational leasing	413	409	375
Other net interest income	248	158	377
Net interest income	9 581	9 289	9 052

Net interest income increased by NOK 529 million or 5.8 per cent from the second quarter of 2018, mainly due to increased lending volumes in all customer segments and positive effects from repricing.

There was an average increase of NOK 90.3 billion or 6.3 per cent in the healthy loan portfolio compared with the second quarter of 2018, backed by a positive development in the Norwegian economy. Adjusted for exchange rate effects, volumes were up NOK 74.5 billion or 5.2 per cent. During the same period, deposits were up NOK 4.4 billion or 0.5 per cent. Adjusted for exchange rate effects, there was a decrease of 0.7 per cent. Average lending spreads contracted by 3 basis points, and deposit spreads widened by 13 basis points compared with the second quarter of 2018. Volume-weighted spreads for the customer segments widened by 5 basis points compared with the same period in 2018, despite lag effects from increasing NOK money market rates.

Compared with the first quarter, net interest income increased by NOK 291 million, mainly due to an additional interest day and positive effects from repricing. There was an average increase of NOK 23.3 billion or 1.6 per cent in the healthy loan portfolio, and deposits were up NOK 13.8 billion or 1.5 per cent. Volume-weighted spreads for the customer segments were stable.

The spreads in the second quarter of 2019 were positively impacted by interest rate adjustments from March in the small and medium-sized and personal customers portfolios. The announced interest rate rise following Norges Bank's increased key policy rate in June, will become effective from July for the small and medium-sized customers and from August for the personal customers.

Net other operating income

Amounts in NOK million	2Q19	1Q19	2Q18
Net commissions and fees	2 538	2 219	2 453
Basis swaps	740	(187)	(747)
Exchange rate effects additional Tier 1 capital	(125)	(88)	497
Net gains on other financial instruments at fair value	737	1 026	384
Net financial and risk result, life insurance	285	356	162
Net insurance result, non-life insurance			153
Net profit from associated companies	85	178	267
Other operating income	213	268	275
Net other operating income	4 472	3 772	3 445

Net other operating income was up NOK 1 027 million from the second quarter of 2018. The sale of non-life insurance products (Fremtind) contributed to an increase of 3.4 per cent in net commissions and fees, and there were higher revenues in real estate broking. Revenues from investment banking services were somewhat reduced from a very high level in the second quarter of 2018.

Compared with the first quarter, net other operating income increased by NOK 700 million. Net commissions and fees showed a strong performance in all areas and increased by NOK 318 million or 14.3 per cent from the first quarter.

Operating expenses

Amounts in NOK million	2Q19	1Q19	2Q18
Salaries and other personnel expenses	(3 114)	(3 009)	(2 975)
Other expenses	(2 106)	(1 771)	(1 931)
Depreciation and impairment of fixed and intangible assets	(674)	(706)	(478)
Total operating expenses	(5 895)	(5 487)	(5 384)

There was an increase in operating expenses from the second quarter of 2018 of NOK 511 million. The increase was mainly due to a provision of NOK 200 million related to the DNB Norge case and increased investments in compliance and IT security. The introduction of IFRS 16 from 2019 led to reduced operating expenses for IT and properties and premises, but at the same time increased depreciation costs.

Compared with the first quarter, there was an increase in operating expenses of NOK 408 million. The cost/income ratio was 41.9 per cent in the second quarter.

Impairment of financial instruments

Amounts in NOK million	2Q19	1Q19	2Q18
Personal customers	(68)	(108)	(94)
Commercial real estate	(21)	(39)	10
Shipping	5	32	75
Oil, gas and offshore	54	(46)	157
Other industry segments	(420)	(154)	(95)
Total impairment of financial instruments	(450)	(316)	54

Impairment losses on financial instruments amounted to NOK 450 million in the second quarter, which is an increase of NOK 504 million from the second quarter of 2018 and NOK 134 million from the first quarter of 2019. The increase in impairment losses was not related to specific industries or lower asset quality, but was to a large extent due to a negative development for individually assessed customers in stage 3. This increase was to a certain degree curtailed by a continued modest improvement in the macro forecast for oil, gas and offshore.

The personal customers and commercial real estate segments experienced relatively stable macro and credit quality forecasts which resulted in continued low losses in the quarter.

There were net reversals of NOK 54 million for the oil, gas and offshore segment in the quarter. This is an increase in impairment losses, or a reduction in net reversals, of NOK 103 million compared with the second quarter of 2018. Compared with the first quarter of 2019, impairment losses were reduced by NOK 100 million. A modestly positive macro development contributed favourably, but the reversals where somewhat curtailed by increased impairment losses on individually assessed customers in stage 3 within offshore. This is in line with previous quarters, where the overall market trend is slightly positive, while challenges still remain for certain customers.

Shipping experienced net reversals of NOK 5 million in the quarter. Container and dry bulk experienced a negative macro development while tankers and gas carriers trended positively, with the net result being a low level of impairment losses.

The net impairment losses of NOK 420 million within other industry segments reflected a negative development for a couple of specific customers in stage 3. Aside from this, the macro forecast remained stable for most segments compared with the previous quarter and the same quarter last year.

DNB performed a recalibration of the IFRS 9 models used for stage 1 and 2 loans in the second quarter. The net effect on impairment of financial instruments is a reversal of NOK 6 million, but with varying effects for the different customer segments.

Net stage 3 loans and financial commitments amounted to NOK 20.8 billion at end-June 2019.

Taxes

The DNB Group's tax expense for the second quarter has been estimated at NOK 1 541 million, or 20 per cent of pre-tax operating profits.

Financial performance – segments

Financial governance in DNB is adapted to the different customer segments. Reported figures reflect total sales of products and services to the relevant segments.

Personal customers

Income statement in NOK million	2Q19	1Q19	2Q18
Net interest income	3 374	3 380	3 249
Net other operating income	1 282	1 143	1 337
Total income	4 657	4 523	4 586
Operating expenses	(2 133)	(2 087)	(2 114)
Pre-tax operating profit before impairment	2 524	2 436	2 472
Net gains on fixed and intangible assets			
Impairment of financial instruments	(76)	(101)	(101)
Pre-tax operating profit	2 448	2 335	2 371
Tax expense	(612)	(584)	(593)
Profit for the period	1 836	1 751	1 778
Average balance sheet items in NOK billion			
Net loans to customers	781.0	773.5	755.4
Deposits from customers	418.9	413.4	406.2
Key figures in per cent			
Lending spread [1)]	1.42	1.50	1.53
Deposit spread [1)]	0.61	0.50	0.40
Return on allocated capital	15.2	14.9	15.0
Cost/income ratio	45.8	46.1	46.1
Ratio of deposits to loans	53.6	53.4	53.8

1) *Calculated relative to the 3-month money market rate. See ir.dnb.no for additional information about alternative performance measures (APMs).*

The personal customers segment delivered sound results in the second quarter of 2019, with a return on allocated capital of 15.2 per cent. A rise in total income together with stable costs contributed to the positive development.

Pressure on loan margins due to increased NOK money market rates was the main factor behind the decline in the combined spreads on loans and deposits by 0.01 percentage points from the first quarter of 2019. Combined spreads remained stable from the second quarter of 2018. The announced interest rate hike will become effective from 8 August.

There was a rise in average net loans of 3.4 per cent from the second quarter of 2018. The growth in the home mortgage portfolio amounted to 3.9 per cent. Deposits from customers were up 3.1 per cent during the same period.

The establishment of Fremtind affected both income and expenses compared with the previous year, as the non-life insurance activity in DNB Forsikring was consolidated into the personal customers segment in 2018. There was a positive trend in fee income from insurance products. A seasonally high level of activity in real estate broking ensured a rise in net other operating income from the first quarter of 2019.

Reduced costs due to the establishment of Fremtind offset increased expenses from extensive IT activities, resulting in stable costs compared with the second quarter of 2018. Seasonally high activity in DNB Eiendom explains rising costs from the first quarter of 2019.

The personal customers segment experienced impairment of financial instruments of NOK 76 million in the second quarter. This was down NOK 25 million compared with both the second quarter of 2018 and the first quarter of 2019. Overall, the credit quality and macro forecasts were stable in the quarter and impairment losses remained at a very low level. The market share of credit to households stood at 23.9 per cent at end-April 2019, while the market share of total household savings was 30.5 per cent. DNB Eiendom had an average market share of 18.3 per cent in the second quarter.

DNB is continuing to automate and digitise products and services. More than 60 per cent of DNB's active customers use DNB's new, cloud-based mobile bank. An increasing proportion of our customers' digital everyday banking is performed in the mobile bank, which is continually launching improved functionality and new services. Google Pay was launched for DNB's customers in the second quarter.

Small and medium-sized enterprises

Income statement in NOK million	2Q19	1Q19	2Q18
Net interest income	2 581	2 504	2 364
Net other operating income	577	584	558
Total income	3 157	3 088	2 922
Operating expenses	(1 140)	(1 118)	(1 054)
Pre-tax operating profit before impairment	2 017	1 971	1 868
Net gains on fixed and intangible assets	(0)	(0)	1
Impairment of financial instruments	(261)	(176)	(33)
Profit from repossessed operations	(1)	3	(1)
Pre-tax operating profit	1 755	1 798	1 835
Tax expense	(439)	(450)	(459)
Profit for the period	1 316	1 349	1 376
Average balance sheet items in NOK billion			
Net loans to customers	320.4	315.3	297.1
Deposits from customers	217.7	212.2	210.4
Key figures in per cent			
Lending spread [1)]	2.44	2.46	2.44
Deposit spread [1)]	0.65	0.60	0.52
Return on allocated capital	16.4	17.5	19.6
Cost/income ratio	36.1	36.2	36.1
Ratio of deposits to loans	68.0	67.3	70.8

1) Calculated relative to the 3-month money market rate. See ir.dnb.no for additional information about alternative performance measures (APMs).

Increases in both net interest income and other operating income contributed to solid profits in the second quarter of 2019 compared with the second quarter of 2018.

There was a rise in average loans of 7.8 per cent from the second quarter of 2018, while average deposit volumes were up 3.5 per cent during the same period. The solid rise in loan volumes in combination with a positive development in deposit spreads ensured an increase in net interest income of 9.2 per cent compared with the second quarter of 2018.

Net other operating income increased by 3.4 per cent compared with the second quarter of 2018. This was mainly due to a rise in income from cash management and pension products.

Operating expenses increased by 8.2 per cent from the corresponding quarter in 2018. This was mainly related to costs connected with new strategic initiatives and increased costs related to compliance with regulatory requirements in the financial sector, as well as new activity in Finland.

Impairment losses on financial instruments amounted to NOK 261 million in the second quarter, an increase of NOK 228 million from the second quarter of 2018 and NOK 85 million from the first quarter of 2019. Overall, the relevant macro forecasts and credit quality remained relatively stable in the second quarter. The impairment was partly caused by increased impairment losses on several individually assessed customers in stage 3 within different industry segments. The remaining effect was largely related to the recalibration of the IFRS 9 models used for stage 1 and 2 loans. The impact of the recalibration was increased impairment losses of approximately NOK 75 million.

Net stage 3 loans and financial commitments amounted to NOK 4 billion at end-June 2019, at the same level as the year-earlier period and the first quarter of 2019. Annualised impairment losses on loans and guarantees represented 0.33 per cent of average loans in the second quarter of 2019, compared with 0.04 per cent in the year-earlier period and 0.23 per cent in the first quarter of 2019.

Digital platforms and new business models challenge traditional banks. DNB aspires to create the best customer experiences, be the preferred platform for both entrepreneurs and established companies and help make it easy to start and operate a business. DNB is now offering the app DNB Regnskap, which integrates accounting and billing with banking transactions. Priority is given to streamlining products and services, and a number of new and ancillary services are thus being considered.

Large corporates and international customers

Income statement in NOK million	2Q19	1Q19	2Q18
Net interest income	3 228	3 055	3 099
Net other operating income	1 481	1 300	1 481
Total income	4 709	4 355	4 580
Operating expenses	(1 752)	(1 763)	(1 646)
Pre-tax operating profit before impairment	2 957	2 592	2 934
Net gains on fixed and intangible assets	(0)	(0)	0
Impairment of financial instruments	(110)	(39)	189
Profit from repossessed operations	(47)	(86)	(17)
Pre-tax operating profit	2 800	2 467	3 106
Tax expense	(672)	(592)	(714)
Profit from operations held for sale, after taxes	0	2	
Profit for the period	2 128	1 877	2 392
Average balance sheet items in NOK billion			
Net loans to customers	441.8	431.1	403.8
Deposits from customers	306.1	302.3	321.3
Key figures in per cent			
Lending spread [1)]	2.21	2.21	2.15
Deposit spread [1)]	0.10	0.10	0.09
Return on allocated capital	13.0	11.9	14.0
Cost/income ratio	37.2	40.5	35.9
Ratio of deposits to loans	69.3	70.1	79.5

1) Calculated relative to the 3-month money market rate. See ir.dnb.no for additional information about alternative performance measures (APMs).

Increases in both net interest income and net other operating income together with stable costs contributed to improved pre-tax operating profit compared to the first quarter of 2019.

Average loan volumes were up 9.4 per cent compared with the second quarter of 2018, primarily driven by higher activity in the financial services, real estate and seafood industries. The growth slowed down towards the end of the quarter. Compared with the first quarter of 2019, average loan volumes increased by 2.5 per cent, in line with expectations.

Average customer deposit volumes were down 4.7 per cent from the second quarter of 2018, while they increased by 1.2 per cent from the first quarter of 2019.

Both lending and deposit spreads improved compared with the second quarter of 2018, contributing to an increase in net interest income of 4.1 per cent. Compared with the first quarter of 2019, both lending and deposit spreads remained unchanged.

Other operating income was in line with expectations and at the same level as in the second quarter of 2018. Compared with the first quarter of 2019, the increase was 13.9 per cent, primarily due to seasonally higher activity within investment banking.

Operating expenses remained unchanged compared with the first quarter of 2019, while they increased by 6.4 per cent compared with the second quarter of 2018. The increase was mainly due to higher investments in compliance-related activities.

Net impairment losses ended at NOK 110 million in the quarter. Compared with the second quarter of 2018, the increase constituted NOK 299 million, while compared with the first quarter of 2019, there was an increase in impairment losses of NOK 71 million. The increase was primarily due to impairment losses on individually assessed customers in stage 3 as well as restructurings for certain large customers in the second quarter of 2018. Macro figures showed only small changes and the overall credit quality remained stable. The impairments was impacted by recalibration and improvements of the IFRS 9 models used for stage 1 and 2 loans in the quarter. The impact of the recalibration was reversals of impairment losses of approximately NOK 60 million.

Net stage 3 loans and financial commitments amounted to NOK 15 billion at end-June 2019, down from NOK 19 billion in the year-earlier period and at the same level as in the first quarter of 2019. On an annualised basis, there were net impairment losses of 0.10 per cent of average loans in the quarter, compared with net impairment reversals of 0.19 per cent in the second quarter of 2018, and net impairment losses of 0.04 per cent of average loans in the first quarter of 2019.

Other operations

This segment includes the results from risk management in DNB Markets and from traditional pension products. In addition, the other operations segment includes Group items not allocated to the customer segments.

Income statement in NOK million	2Q19	1Q19	2Q18
Net interest income	398	350	340
Net other operating income	1 739	1 364	637
Total income	2 137	1 714	977
Operating expenses	(1 476)	(1 138)	(1 139)
Pre-tax operating profit before impairment	660	576	(162)
Net gains on fixed and intangible assets	(2)	1 740	464
Impairment of financial instruments	(3)	(1)	
Profit from repossessed operations	47	82	18
Pre-tax operating profit	702	2 397	320
Tax expense	182	261	239
Profit from operations held for sale, after taxes	(30)	(53)	(21)
Profit for the period	854	2 605	538
Average balance sheet items in NOK billion			
Net loans to customers	123.9	123.4	108.0
Deposits from customers	25.5	49.3	56.8

The profit for the other operations segment was NOK 854 million in the second quarter of 2019.

Total revenues from the risk management operations in DNB Markets were NOK 94 million in the second quarter of 2019, which was a decrease of NOK 269 million from the first quarter of 2019 and NOK 152 million from the year-earlier period. Income related to market making and other trading was significantly reduced compared with the corresponding quarter last year, due to low income from fixed-income instruments and increased valuation adjustments for derivatives.

For traditional pension products with a guaranteed rate of return, net other operating income was at a strong level of NOK 375 million in the second quarter, up NOK 83 million from the year-earlier period, reflecting an increase in profits in the common portfolio. DNB Livsforsikring had a solvency margin of 186 per cent according to the transitional rules, while the margin calculated without the transitional rules was 150 per cent as at 30 June 2019.

The profit in the other operations segment is affected by several group items not allocated to the segments. Net other operating income in the second quarter was affected positively by mark-to-market effects related to changes in basis swap spreads and negative exchange rate effects on additional Tier 1 capital. These items vary from quarter to quarter.

The increase in operating expenses from the previous period was mainly due to a provision for legal claims of NOK 200 million related to the DNB Norge case.

DNB's share of profit in associated companies (most importantly Luminor, Vipps and Fremtind) is included in this segment.

Funding, liquidity and balance sheet

The short-term funding markets showed a positive development in the second quarter. The USD interest rate curve levelled out, and this had a favourable effect on funding in all currencies. Investors are less hesitant as they do not expect higher interest rates in the time ahead, and are subsequently more willing to invest. This contributes to reducing the cost of building liquidity buffers compared with previous years. DNB has ample access to short-term funding.

The activity in the long-term funding markets was somewhat lower in the second quarter compared with the first quarter of 2019, mainly due to slightly higher costs of new funding, combined with several public holidays in April and May. However, the activity picked up in June, helped by slightly lower funding costs. Covered bonds saw a relatively low level of activity in the second quarter. The reason for this was the strong issuance activity in the first quarter, along with some uncertainty surrounding the continued interest rate developments. The funding costs for covered bonds are nonetheless at favourable levels, and DNB had good access to long-term funding throughout the quarter.

The nominal value of long-term debt securities issued by the Group was NOK 615 billion at the end of the second quarter, compared with NOK 583 billion a year earlier. The average remaining term to maturity for these debt securities was 4.0 years at end-June, down from 4.3 years in the year-earlier period.

The short-term liquidity requirement, Liquidity Coverage Ratio, LCR, remained stable at above 100 per cent throughout the quarter and stood at 146 per cent at end-June.

Total combined assets in the DNB Group were NOK 3 226 billion at end-June, up from NOK 3 181 billion a year earlier. Total assets in the Group's balance sheet were NOK 2 879 billion at end-June 2019 and NOK 2 857 billion a year earlier. Of this, total assets in DNB Livsforsikring amounted to NOK 330 billion and NOK 319 billion, respectively.

Loans to customers increased by NOK 19.8 billion or 1.2 per cent in the second quarter compared with the first quarter of 2019. Customer deposits were up NOK 24.1 billion or 2.5 per cent during the same period. The ratio of customer deposits to net loans to customers was 60.4 per cent at end-June 2019, down from 65.9 per cent a year earlier.

Capital

The DNB Group's Basel III common equity Tier 1 (CET1) capital ratio, calculated according to transitional rules, was 16.5 per cent at the end of the second quarter of 2019, up from 16.4 per cent at end-March 2019. Retained earnings were the main factor behind the increase.

At the end of the second quarter of 2019, DNB issued an additional Tier 1 capital instrument of NOK 2 700 million.

The risk-weighted assets increased by NOK 8 billion from end-March 2019 to NOK 1 089 billion at end-June 2019. There was an underlying growth in the segments while exchange rate effects curtailed the volume growth

The CET1 capital ratio according to Basel III, was 17.3 per cent at end-June 2019, an increase of 22 basis points from end-March 2019. The increase is due to higher capital as a consequence of retained earnings, while volume growth curtailed the increase.

The non-risk based leverage ratio was 7.1 per cent at end-June 2019, up from 6.8 in the year-earlier period and from 7.0 per cent at end-March 2019.

Capital requirements

The capital adequacy regulations specify a minimum primary capital requirement based on risk-weighted assets that include credit risk, market risk and operational risk. In addition to meeting the minimum requirement, DNB must satisfy various buffer requirements (Pillar 1 and Pillar 2 requirements).

	2Q19	1Q19	2Q18
Transitional rules:			
CET 1 capital ratio, per cent	16.5	16.4	16.2
Tier 1 capital ratio, per cent	18.0	17.6	17.7
Capital ratio, per cent	20.0	19.7	20.2
Risk-weighted assets, NOK billion	1 089	1 082	1 054
CET 1 capital ratio, Basel III, per cent	17.3	17.1	16.9
Leverage ratio, per cent	7.1	7.0	6.8

The Norwegian Ministry of Finance has confirmed the removal of the Basel I transitional floor as from year-end 2019, but has signalled that the overall required capital level for Norwegian banks will nevertheless be maintained after this removal.

A proposal from the Ministry of Finance of 25 June (as described in the new regulatory framework below) implies a higher capital requirement for DNB as a consequence of an increase in the systemic risk buffer from 3.0 per cent to 4.5 per cent in addition to the already adopted increase in the countercyclical buffer from 2.0 to 2.5 per cent with effect from 31 December 2019. The effect for DNB of these increased buffer requirements at end-June 2019 is 0.9 per cent and 0.4 per cent, respectively, but will be dependent on the credit exposures in the various countries going forward. The removal of the Basel I floor and the implementation of the SME supporting factor will reduce the risk-weighted assets and increase the CET1 capital ratio. The current draft proposal from the Ministry implies an increase in the capital requirement for DNB, based on the above, of approximately 30 basis points.

As the DNB Group consists of both a credit institution and an insurance company, DNB has to satisfy a cross-sectoral calculation test to demonstrate that it complies with the sectoral requirements: the capital adequacy requirement in accordance with CRD IV and the Solvency II requirement. At end-June 2019, DNB complied with these requirements by a good margin, with excess capital of NOK 10.9 billion.

New regulatory framework

Changes in capital requirements for banks

On 25 June, the Norwegian Ministry of Finance circulated for comment a proposal for amendments to the capital requirements for banks. The purpose of the proposal is to prevent a weakening of the capital level of Norwegian banks when the Norwegian legislation is scheduled to be harmonised with the EU's capital requirements legislation, CRR/CRD IV, in the autumn of 2019. This legislation was incorporated into the EEA Agreement in March, and implies, among other things, that the Basel I floor, which is unique to Norway, must be removed and that the capital requirement for loans to small and medium-sized enterprises must be reduced (the SME supporting factor).

This alignment with EEA legislation means that DNB and other banks using internal ratings-based (IRB) models may apply lower risk weights in their risk calculations. The Ministry of Finance proposes to offset this effect by increasing the systemic risk buffer requirement from 3 to 4.5 per cent, with effect from 31 December 2019 for IRB banks. For other banks, the Ministry further proposes that the increased requirement may be phased in up until the end of 2021.

The Ministry is also considering introducing temporary minimum requirements for the average risk-weighting of home mortgages and commercial real estate loans of 20 and 35 per cent, respectively. This measure will thus primarily affect foreign banks operating in Norway, as the risk-weighting in these banks can be low. The deadline for comments to the proposal is 30 September 2019.

Sustainable finance high on the agenda in the EU

The European Commission's action plan on sustainable finance includes a number of different initiatives, and the pace of development is high. The Commission has, among other things, presented draft legislation for establishing a classification system for sustainable economic activities, including an EU standard for green bonds, a proposal that establishes financial benchmarks for carbon footprints and a proposal that imposes more stringent requirements for disclosures relating to sustainable investments and sustainability risks.

The work with the classification system will form a particularly important foundation when the financial services industry is to assess which activities and industries that can be considered sustainable.

In the so-called Banking Package, the EU has also adopted that banks must disclose sustainability and ESG (Environmental, Social and Governance) risks within 2022. The European Banking Authority (EBA) will prepare a report in 2021 concerning ESG risk management in banks, including how supervisory authorities can follow up on this in their supervisory activities (Supervisory Review and Evaluation Process – SREP). The EBA shall also, within 2025, report on whether it is appropriate to give banks a capital requirements discount for 'green' assets and/or increased capital requirements for 'brown' assets.

Implementing the EU Securitisation Regulations

On 29 May, the working group that has been evaluating the Norwegian implementation of the new EU rules on securitisation delivered its recommendations to the Norwegian Ministry of Finance. DNB has participated in a reference group that has provided input to the working group during the process.

The working group has assumed that national rules may not deviate from or be in violation of the underlying purpose of the provisions of the EU regulations. DNB is thus one step closer to a system where Norwegian banks can gain the same access as banks in the EU to use this type of instrument for funding as well as for risk and liquidity management. The report has now been circulated for comment, and the deadline for comments is 23 September.

Home Mortgage Regulations under consideration

The current Home Mortgage Regulations expire on 31 December 2019. The Norwegian Ministry of Finance has asked Finanstilsynet (the Financial Supervisory Authority of Norway) to provide an assessment of whether the Regulations should be continued, and if so, whether adjustments of individual elements are required. Finanstilsynet will also look at the need for changing the wording of the Regulations in light of the new requirements for banks' lending practices for consumer loans.

Clarification of banks' obligation to make cash available

In order to comply with the Norwegian Financial Institutions Act, each individual bank must ensure that customers have the possibility to deposit and withdraw cash, either facilitated by the bank itself or through agreement with other cash service providers. In the Financial Markets Report 2019, the Norwegian Ministry of Finance underlines that all banks have a responsibility to contribute to a sustainable overall offering. If the banks join forces to establish appropriate common solutions, or individually enter into agreements that in other ways ensure that all bank customers have access to satisfactory cash services, the Ministry will look at how the banks' duties should be specified in an act or regulations.

In February 2019, Finance Norway and the industry's infrastructure company, Bits AS, established a project with the purpose of assessing specific collaborative solutions for cash services. The project aims to draw up a proposal to present to the banks later in 2019.

Macroeconomic developments

Recent GDP growth among trading partners has been higher than projected, but growth prospects have deteriorated further. There were reductions for all major economies except for the eurozone, which remained unchanged. The global level is still not much below the historical average since 2002, pointing towards global growth slightly below normal. On the other hand, the global recession risk has risen somewhat over the past month. The renewed setback was hardly a surprise after the escalation of the trade war between the US and China in May, with increased possibility of a further build-up in both tariff and non-tariff barriers between the two economies. Combined with a somewhat higher Brexit risk, this seems likely to have increased the political uncertainty recently. The weaker outlook has weighed on the markets' policy rate expectations.

In the US, the Federal Reserve (Fed) decided at the June meeting to keep the Fed funds rate unchanged at 2.25-2.50 per cent as expected. The view of the economy is only marginally weaker than in May, as consumer demand has picked up.

In the eurozone, the GDP rose by 0.4 per cent from the fourth quarter to the first quarter. This was a significantly stronger development than the market had expected and 0.2 percentage points above the forecast from the European Central Bank (ECB).

In Norway, capacity utilisation appears to be rising, while inflation has been higher than Norges Bank's inflation target. This development is the main reason for Norges Bank's gradual removal of the monetary policy stimuli. Petroleum investments are a major growth driver this year, and the investments survey for the second quarter was more upbeat than in the first quarter, for 2020 investments as well. Norges Bank's Regional Network Survey confirmed relatively strong actual growth and a solid outlook for the next six months. Exports of traditional goods rose markedly in the second half of 2018, but growth has slowed down in 2019, probably partly due to the slowdown abroad. The wage settlements concluded agreements that set a benchmark wage growth at 3.2 per cent for 2019. So far this year, core inflation has been above the inflation target of 2.0 per cent, but it is slowing down. Both LFS (Labour Force Survey) unemployment and registered unemployment are trending lower. In April, DNB Markets forecasted mainland GDP to increase by 2.4 per cent in 2019 and 2.1 per cent in 2020. In June, Norges Bank decided to increase the key policy rate by 25 basis points, and announced that there is a high probability of another rate hike in September.

Future prospects

The Group's overriding financial target is a return on equity (ROE) above 12 per cent towards the end of 2019. Several factors will contribute to reaching the ROE target, including growth in capital-light products, profitable lending growth, higher NOK interest rates, greater cost efficiency through the automation of internal processes, and optimal use of capital.

The increase in Norges Bank's key policy rate from 0.75 per cent to 1.00 per cent in March, followed by DNB's announcement of an increase in loan rates effective from 8 May, will have full effect in the third quarter. The second rate hike announcement from Norges Bank from 1.00 per cent to 1.25 per cent in June, and DNB's subsequent announcement of increased loan rates effective from July and August, will have a positive effect on net interest income from the third quarter.

The annual increase in lending volumes is anticipated to be 3 to 4 per cent in 2019 and 2020. During this period, higher growth in lending volumes is expected for personal customers and small and medium-sized enterprises, while lending to large corporates and international customers is expected to grow at a slower pace.

It is DNB's ambition to have a cost/income ratio below 40 per cent towards the end of 2019. The tax rate for the full year is expected to be 18 per cent in 2019 and 20 per cent in 2020.

The common equity Tier 1 (CET1) capital ratio according to Basel I (transitional rules) was 16.5 per cent as at 30 June 2019, while the CET1 capital ratio according to Basel III was 17.3 per cent.

The common equity Tier 1 (CET1) capital ratio according to Basel I (transitional rules) was 16.5 per cent as at 30 June 2019, while the CET1 capital ratio according to Basel III was 17.3 per cent. The Ministry of Finance has signalled that the overall required capital level for Norwegian banks will be maintained after the removal of the Basel I transitional floor. The current draft proposal implies an increase in the capital requirement for DNB of approximately 30 basis points.

The sale of part of DNB's shares in Luminor to Blackstone is expected to be finalised in the second half of 2019. The second phase of the investment in Fremtind is delayed to the first quarter of 2020. The transactions will affect the CET1 capital ratio positively by approximately 30 basis points (Luminor) and negatively by 10 basis points (Fremtind).

The Group's dividend policy remains unchanged, with a payout ratio of more than 50 per cent and an increase in the nominal dividend per share each year. In addition to dividend payments, repurchases of own shares will be used as a flexible tool to allocate excess capital to DNB's owners.

The Annual General Meeting of 2019 has given the Board of Directors an authorisation to repurchase up to 3.5 per cent of the company's share capital as well as an authorisation to DNB Markets of 0.5 per cent for hedging purposes, valid up to the Annual General Meeting in 2020. DNB has also received approval from Finanstilsynet to repurchase up to 2 per cent of outstanding shares as well as 0.5 per cent for hedging purposes, assuming DNB meets the capital requirements.

Oslo, 10 July 2019
The Board of Directors of DNB ASA

Olaug Svarva
(chair of the board)

Tore Olaf Rimmereid
(vice chair of the board)

Karl-Christian Agerup

Gro Bakstad

Carl A. Løvvik

Vigdis Mathisen

Jaan Ivar Semlitsch

Rune Bjerke
(group chief executive)

Income statement

Amounts in NOK million	2nd quarter 2019	2nd quarter 2018	January-June 2019	January-June 2018	Full year 2018
					DNB Group
Interest income, amortised cost	14 631	13 028	28 862	25 383	52 621
Other interest income	1 299	1 309	2 629	2 532	5 039
Interest expenses, amortised cost	(7 027)	(5 721)	(14 213)	(11 184)	(23 650)
Other interest expenses	678	436	1 593	1 328	2 812
Net interest income	**9 581**	**9 052**	**18 870**	**18 059**	**36 822**
Commission and fee income	3 449	3 553	6 556	6 601	13 235
Commission and fee expenses	(912)	(1 100)	(1 799)	(2 032)	(3 925)
Net gains on financial instruments at fair value	1 351	134	2 103	296	1 342
Net financial result, life insurance	183	103	438	166	574
Net risk result, life insurance	103	60	203	202	395
Net insurance result, non-life insurance		153		307	622
Profit from investments accounted for by the equity method	85	267	262	230	314
Net gains on investment properties	(11)	9	(7)	51	62
Other income	225	266	488	490	926
Net other operating income	**4 472**	**3 445**	**8 244**	**6 312**	**13 546**
Total income	**14 053**	**12 497**	**27 115**	**24 371**	**50 368**
Salaries and other personnel expenses	(3 114)	(2 975)	(6 124)	(5 874)	(11 864)
Other expenses	(2 106)	(1 931)	(3 877)	(3 699)	(7 789)
Depreciation and impairment of fixed and intangible assets	(674)	(478)	(1 380)	(966)	(2 404)
Total operating expenses	**(5 895)**	**(5 384)**	**(11 381)**	**(10 540)**	**(22 057)**
Pre-tax operating profit before impairment	**8 158**	**7 113**	**15 733**	**13 831**	**28 311**
Net gains on fixed and intangible assets	(3)	465	1 737	483	529
Impairment of financial instruments	(450)	54	(766)	384	139
Pre-tax operating profit	**7 705**	**7 632**	**16 704**	**14 698**	**28 979**
Tax expense	(1 541)	(1 526)	(2 906)	(2 940)	(4 493)
Profit from operations held for sale, after taxes	(30)	(21)	(81)	(21)	(204)
Profit for the period	**6 134**	**6 084**	**13 716**	**11 737**	**24 282**
Portion attributable to shareholders	5 888	5 850	13 227	11 282	23 323
Portion attributable to additional Tier 1 capital holders	246	234	489	455	959
Profit for the period	**6 134**	**6 084**	**13 716**	**11 737**	**24 282**
Earnings/diluted earnings per share (NOK)	3.71	3.65	8.33	7.01	14.56
Earnings per share excluding operations held for sale (NOK)	3.73	3.66	8.38	7.03	14.69

Comprehensive income statement

Amounts in NOK million	2nd quarter 2019	2nd quarter 2018	January-June 2019	January-June 2018	Full year 2018
					DNB Group
Profit for the period	**6 134**	**6 084**	**13 716**	**11 737**	**24 282**
Actuarial gains and losses					(117)
Property revaluation	243	(22)	243	(58)	(21)
Items allocated to customers (life insurance)	(243)	22	(243)	58	21
Financial liabilities designated at FVTPL, changes in credit risk	53	29	(94)	(99)	221
Tax	(13)	(7)	24	25	(18)
Items that will not be reclassified to the income statement	40	22	(71)	(74)	86
Currency translation of foreign operations	(784)	148	(1 935)	(2 587)	1 309
Currency translation reserve reclassified to the income statement					(2)
Hedging of net investment	780	(284)	1 695	2 102	(1 060)
Hedging reserve reclassified to the income statement					1
Financial assets at fair value through OCI	(23)		(18)		
Tax	(189)	71	(419)	(526)	265
Items that may subsequently be reclassified to the income statement	(216)	(65)	(677)	(1 011)	512
Other comprehensive income for the period	**(177)**	**(43)**	**(748)**	**(1 085)**	**599**
Comprehensive income for the period	**5 958**	**6 041**	**12 968**	**10 652**	**24 881**

Balance sheet

Amounts in NOK million	Note	30 June 2019	31 Dec. 2018	30 June 2018
		DNB Group		
Assets				
Cash and deposits with central banks		395 080	155 592	381 327
Due from credit institutions		133 207	130 146	190 592
Loans to customers	4, 5, 6, 7	1 643 244	1 597 758	1 561 572
Commercial paper and bonds	7	342 098	409 328	381 949
Shareholdings	7	35 814	39 802	36 383
Financial assets, customers bearing the risk		89 715	77 241	78 277
Financial derivatives	7	117 339	124 755	116 979
Investment properties		16 717	16 715	16 318
Investments accounted for by the equity method		20 973	16 362	15 876
Intangible assets		5 365	5 455	5 572
Deferred tax assets		880	996	1 162
Fixed assets		18 338	9 240	8 643
Assets held for sale		1 180	5 044	1 293
Other assets		58 673	46 469	60 608
Total assets		**2 878 624**	**2 634 903**	**2 856 551**
Liabilities and equity				
Due to credit institutions		230 197	188 063	301 895
Deposits from customers	7	991 766	927 092	1 029 812
Financial derivatives	7	103 649	110 116	105 850
Debt securities issued	7, 8	912 239	801 918	798 094
Insurance liabilities, customers bearing the risk		89 715	77 241	78 277
Liabilities to life insurance policyholders		206 918	204 280	207 685
Non-life insurance liabilities				2 352
Payable taxes		4 243	2 461	6 365
Deferred taxes		4 359	4 216	2 686
Other liabilities		75 162	55 424	69 617
Liabilities held for sale		237	3 037	231
Provisions		2 344	2 536	2 617
Pension commitments		3 794	3 472	3 489
Subordinated loan capital	7, 8	30 504	31 082	36 781
Total liabilities		**2 655 128**	**2 410 937**	**2 645 754**
Share capital		15 803	15 944	16 003
Share premium		22 609	22 609	22 609
Additional Tier 1 capital		18 493	16 194	15 782
Other equity		166 544	169 220	156 403
Total equity		**223 496**	**223 966**	**210 797**
Total liabilities and equity		**2 878 624**	**2 634 903**	**2 856 551**

Statement of changes in equity

DNB Group

Amounts in NOK million	Minority interests	Share capital	Share premium	Additional Tier 1 capital	Net translation reserve	Liability credit reserve	Other equity	Total equity
Balance sheet as at 1 Jan. 2018		**16 180**	**22 609**	**16 159**	**4 550**	**(342)**	**155 961**	**215 118**
Profit for the period				455			11 282	11 737
Financial liabilities designated at FVTPL, changes in credit risk						(99)		(99)
Currency translation of foreign operations					(2 587)			(2 587)
Hedging of net investment					2 102			2 102
Tax on other comprehensive income					(526)	25		(501)
Comprehensive income for the period				455	(1 011)	(74)	11 282	10 652
Interest payments additional Tier 1 capital				(800)				(800)
Currency movements taken to income				(32)			32	
Repurchased under share buy-back programme		(178)					(2 545)	(2 723)
Dividends paid for 2017 (NOK 7.10 per share)							(11 450)	(11 450)
Balance sheet as at 30 June 2018		**16 003**	**22 609**	**15 782**	**3 540**	**(416)**	**153 280**	**210 797**
Balance sheet as at 31 Dec. 2018		**15 944**	**22 609**	**16 194**	**5 063**	**(176)**	**164 333**	**223 966**
Profit for the period	(1)			489			13 228	13 716
Financial assets at fair value through OCI							(18)	(18)
Financial liabilities designated at FVTPL, changes in credit risk						(94)		(94)
Currency translation of foreign operations	(0)				(1 935)			(1 935)
Hedging of net investment					1 695			1 695
Tax on other comprehensive income					(424)	24	5	(396)
Comprehensive income for the period	(1)			489	(664)	(71)	13 214	12 968
Additional Tier 1 capital issued [1)]				2 700				2 700
Interest payments additional Tier 1 capital				(880)				(880)
Currency movements taken to income				(10)			10	
Minority interests DNB Auto Finance OY	49							49
Repurchased under share buy-back programme		(141)					(2 061)	(2 202)
Dividends paid for 2018 (NOK 8.25 per share)							(13 105)	(13 105)
Balance sheet as at 30 June 2019	**47**	**15 803**	**22 609**	**18 493**	**4 399**	**(247)**	**162 392**	**223 496**

1) *At the end of the second quarter of 2019, the DNB Group's subsidiary, DNB Bank ASA, issued an additional Tier 1 capital instrument with a nominal value of NOK 2 700 million. The instrument is perpetual with a floating interest of 3 months NIBOR plus 3.50 per cent.*

Cash flow statement

			DNB Group
		January-June	Full year
Amounts in NOK million	2019	2018	2018
Operating activities			
Net payments on loans to customers	(55 291)	(36 797)	(52 811)
Interest received from customers	29 766	26 255	62 596
Net receipts on deposits from customers	67 161	61 826	(52 122)
Interest paid to customers	(3 376)	(2 691)	(17 319)
Net receipts/payments on loans to credit institutions	41 477	133 453	71 943
Interest received from credit institutions	2 013	2 094	4 082
Interest paid to credit institutions	(2 339)	(1 709)	(3 783)
Net receipts/payments on the sale of financial assets for investment or trading	80 778	26 913	38 095
Interest received on bonds and commercial paper	2 985	2 015	3 861
Net receipts on commissions and fees	4 911	4 696	9 118
Payments to operations	(9 067)	(9 884)	(21 279)
Taxes paid	(1 313)	(1 622)	(4 785)
Receipts on premiums	7 529	7 835	14 902
Net receipts/payments on premium reserve transfers	475	(843)	(405)
Payments of insurance settlements	(6 872)	(7 914)	(15 525)
Other net receipts/payments	5 807	(603)	(5 545)
Net cash flow from operating activities	**164 643**	**203 022**	**31 024**
Investing activities			
Net payments on the acquisition of fixed assets	(4 210)	(439)	(2 283)
Net receipts from investment properties	(4 556)	107	19
Net investment in long-term shares	(183)	(86)	(292)
Dividends received on long-term investments in shares	273	9	13
Net cash flow from investment activities	**(8 676)**	**(409)**	**(2 543)**
Financing activities			
Receipts on issued bonds and commercial paper	598 844	662 643	1 115 987
Payments on redeemed bonds and commercial paper	(487 057)	(602 197)	(1 109 463)
Interest payments on issued bonds and commercial paper	(10 365)	(8 807)	(14 193)
Receipts on the raising of subordinated loan capital		9 419	9 419
Redemptions of subordinated loan capital	(9)	(1 168)	(8 542)
Interest payments on subordinated loan capital	(344)	(239)	(579)
Receipts on issue of additional Tier 1 capital	2 700		
Interest payments on additional Tier 1 capital	(880)	(800)	(892)
Lease payments	(229)		
Repurchased shares	(2 202)	(2 723)	(3 688)
Dividend payments	(13 105)	(11 450)	(11 450)
Net cash flow from funding activities	**87 352**	**44 678**	**(23 401)**
Effects of exchange rate changes on cash and cash equivalents	**(604)**	**(6 846)**	**97**
Net cash flow	**242 715**	**240 444**	**5 176**
Cash as at 1 January	159 298	154 122	154 122
Net receipts/payments of cash	242 715	240 444	5 176
Cash at end of period [*)]	402 014	394 566	159 298

**) Of which: Cash and deposits with central banks*	*395 080*	*381 327*	*155 592*
Deposits with credit institutions with no agreed period of notice [1)]	*6 934*	*13 239*	*3 706*

1) Recorded under "Due from credit institutions" in the balance sheet.

Note 1 Basis for preparation

The quarterly financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board and as adopted by the European Union. When preparing the consolidated financial statements, management makes estimates, judgments and assumptions that affect the application of the accounting principles and the carrying amount of assets, liabilities, income and expenses. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the accounting policies, significant estimates and areas where judgment is applied by the Group, can be found in note 1 Accounting principles in the annual report for 2018.

The Group applied the hedge accounting requirements of IFRS 9 Financial Instruments as of 1 January 2019. Hedging relationships in the Group that qualified for hedge accounting in accordance with IAS 39 Financial Instruments: Recognition and Measurement also qualify for hedge accounting under IFRS 9.

The Group applied the new accounting standard IFRS 16 Leases as of 1 January 2019. IFRS 16 Leases replaces IAS 17 Leases. IFRS 16 establishes significant new accounting requirements for lessees, while the requirements for lessors are more or less unchanged. For lessees, IFRS 16 eliminates the distinction between operating and finance leases as is required by IAS 17, and instead introduces a single lessee accounting model. When applying the new model, DNB recognises a liability to make lease payments (lease liability) and an asset representing the right to use the underlying asset during the lease term (right-of-use asset). In the income statement, depreciation of the right-of-use assets is recognised separately from interest on lease liabilities.

DNB has decided on the following policy choices and practical expedients:

- to apply the low value exception (primarily for office equipment)
- to not recognise non-lease components in the lease liability
- to apply the modified retrospective approach for transition to IFRS 16, meaning that the Group has not restated the comparatives for 2018. Right-of-use assets and lease liabilities are measured at the same amount, taking into consideration prepayments, accruals and provisions recognised as of 31 December 2018.

The right-of-use asset is classified as part of the fixed assets in the balance sheet, while the lease liability is classified as other liabilities.

The major part of DNB’s lease liabilities arises from leases on commercial real estate as well as some IT equipment. Within real estate, the most significant liabilities are related to head offices in Norway and DNB’s international offices. The total lease liabilities and right-of-use assets on 1 January 2019 was NOK 6 billion. The right-of-use-asset is assigned a risk weight of 100 per cent, and the impact on the CET1 capital ratio was approximately 8 basis points.

The impact on profit and loss will vary over time, but the combination of interest and depreciation expenses from IFRS 16 is expected to be slightly higher than the lease expenses from IAS 17 at the start of the lease term and lower towards the end.

Note 2 Segments

According to DNB's management model, the operating segments are independent profit centres that are fully responsible for their profit after tax and for achieving the targeted returns on allocated capital. DNB has the following operating segments: Personal customers, Small and medium-sized enterprises, Large corporates and international customers, Risk management and Traditional pension products. The Risk management and Traditional pension products segments are included in Other operations. DNB's share of profit in associated companies (most importantly Luminor, Vipps and Fremtind) is included in Other operations.

Income statement, second quarter

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Other operations		Eliminations		DNB Group	
	2nd quarter		2nd quarter		2nd quarter		2nd quarter		2nd quarter		2nd quarter	
Amounts in NOK million	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Net interest income	3 374	3 249	2 581	2 364	3 228	3 099	398	340			9 581	9 052
Net other operating income	1 282	1 337	577	558	1 481	1 481	1 739	637	(607)	(568)	4 472	3 445
Total income	4 657	4 586	3 157	2 922	4 709	4 580	2 137	977	(607)	(568)	14 053	12 497
Operating expenses	(2 133)	(2 114)	(1 140)	(1 054)	(1 752)	(1 646)	(1 476)	(1 139)	607	568	(5 895)	(5 384)
Pre-tax operating profit before impairment	2 524	2 472	2 017	1 868	2 957	2 934	660	(162)			8 158	7 113
Net gains on fixed and intangible assets			(0)	1	(0)	0	(2)	464			(3)	465
Impairment of financial instruments	(76)	(101)	(261)	(33)	(110)	189	(3)	(0)			(450)	54
Profit from repossessed operations			(1)	(1)	(47)	(17)	47	18				
Pre-tax operating profit	2 448	2 371	1 755	1 835	2 800	3 106	702	320			7 705	7 632
Tax expense	(612)	(593)	(439)	(459)	(672)	(714)	182	239			(1 541)	(1 526)
Profit from operations held for sale, after taxes					0		(30)	(21)			(30)	(21)
Profit for the period	1 836	1 778	1 316	1 376	2 128	2 392	854	538			6 134	6 084

Income statement, January-June

DNB Group

	Personal customers		Small and medium-sized enterprises		Large corporates and international customers		Other operations		Eliminations		DNB Group	
	Jan.-June		Jan.-June		Jan.-June		Jan.-June		Jan.-June		Jan.-June	
Amounts in NOK million	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Net interest income	6 755	6 650	5 085	4 670	6 282	5 950	748	789			18 870	18 059
Net other operating income	2 425	2 535	1 161	1 103	2 781	2 770	3 101	1 329	(1 223)	(1 426)	8 244	6 312
Total income	9 180	9 185	6 245	5 773	9 063	8 721	3 849	2 118	(1 223)	(1 426)	27 115	24 371
Operating expenses	(4 220)	(4 107)	(2 258)	(2 117)	(3 514)	(3 348)	(2 612)	(2 393)	1 223	1 426	(11 381)	(10 540)
Pre-tax operating profit before impairment	4 960	5 078	3 987	3 656	5 549	5 372	1 237	(275)			15 733	13 831
Net gains on fixed and intangible assets			(0)	1	(0)	0	1 737	482			1 737	483
Impairment of financial instruments	(177)	(155)	(437)	(248)	(149)	786	(4)	(0)			(766)	384
Profit from repossessed operations			3	4	(132)	(14)	129	10				
Pre-tax operating profit	4 783	4 924	3 553	3 413	5 268	6 145	3 100	217			16 704	14 698
Tax expense	(1 196)	(1 231)	(888)	(853)	(1 264)	(1 413)	442	558			(2 906)	(2 940)
Profit from operations held for sale, after taxes					2		(84)	(21)			(81)	(21)
Profit for the period	3 587	3 693	2 665	2 560	4 006	4 731	3 459	753			13 716	11 737

For further details about the reportable segments, quarterly results and explanatory comments, see the directors' report.

Note 3 Capital adequacy

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. Associated companies are consolidated pro rata. The figures as at 30 June are partially based on estimates.

Primary capital	DNB Bank ASA		DNB Bank Group		DNB Group	
Amounts in NOK million	30 June 2019	31 Dec. 2018	30 June 2019	31 Dec. 2018	30 June 2019	31 Dec. 2018
Total equity excluding profit for the period	178 957	176 562	198 975	207 933	210 268	223 966
Effect from regulatory consolidation			(235)	(234)	(4 195)	(5 595)
Additional Tier 1 capital instruments included in total equity	(18 274)	(15 574)	(18 274)	(15 574)	(18 274)	(15 574)
Net accrued interest on additional Tier 1 capital instruments	(165)	(465)	(165)	(465)	(165)	(465)
Common equity Tier 1 capital instruments	160 519	160 523	180 302	191 660	187 635	202 333
Deductions						
Goodwill	(2 363)	(2 389)	(2 935)	(2 929)	(4 640)	(4 634)
Deferred tax assets that are not due to temporary differences	(562)	(562)	(524)	(524)	(524)	(524)
Other intangible assets	(973)	(1 040)	(1 636)	(1 712)	(1 636)	(1 712)
Dividends payable etc.				(10 758)		(15 360)
Significant investments in financial sector entities [1]					(4 904)	(693)
Expected losses exceeding actual losses, IRB portfolios	(1 394)	(1 286)	(2 027)	(1 719)	(2 027)	(1 719)
Value adjustments due to the requirements for prudent valuation (AVA)	(465)	(467)	(912)	(886)	(912)	(886)
Adjustments for unrealised losses/(gains) on debt measured at fair value	90	63	247	176	247	176
Adjustments for unrealised losses/(gains) arising from the institution's own credit risk related to derivative liabilities (DVA)	(512)	(596)	(106)	(149)	(106)	(149)
Common equity Tier 1 capital	154 341	154 247	172 409	173 159	173 132	176 831
Common equity Tier 1 capital incl. 50 per cent of profit for the period	159 651		177 847		179 595	
Additional Tier 1 capital instruments	18 274	15 574	18 274	15 574	18 274	15 574
Deduction of holdings of Tier 1 instruments in insurance companies [2]					(1 500)	(1 500)
Non-eligible Tier 1 capital, DNB Group [3]					(483)	(19)
Tier 1 capital	172 615	169 820	190 682	188 733	189 422	190 886
Tier 1 capital incl. 50 per cent of profit for the period	177 925		196 121		195 885	
Perpetual subordinated loan capital	5 616	5 693	5 616	5 693	5 616	5 693
Term subordinated loan capital	24 508	25 110	24 508	25 110	24 508	25 110
Deduction of holdings of Tier 2 instruments in insurance companies [2]					(5 761)	(5 750)
Non-eligible Tier 2 capital, DNB Group [3]					(2 466)	(1 936)
Additional Tier 2 capital instruments	30 123	30 804	30 123	30 804	21 897	23 117
Total eligible capital	202 738	200 624	220 806	219 537	211 320	214 003
Total eligible capital incl. 50 per cent of profit for the period	208 048		226 244		217 783	
Risk-weighted assets, transitional rules [4]	848 356	852 363	1 062 683	1 051 159	1 089 484	1 077 934
Minimum capital requirement, transitional rules	67 868	68 189	85 015	84 093	87 159	86 235
Common equity Tier 1 capital ratio, transitional rules (%)	18.8	18.1	16.7	16.5	16.5	16.4
Tier 1 capital ratio, transitional rules (%)	21.0	19.9	18.5	18.0	18.0	17.7
Capital ratio, transitional rules (%)	24.5	23.5	21.3	20.9	20.0	19.9
Common equity Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	18.2		16.2		15.9	
Tier 1 capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	20.3		17.9		17.4	
Capital ratio, transitional rules, excluding 50 per cent of profit for the period (%)	23.9		20.8		19.4	

1) Deductions are 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 are given a risk weight of 250 per cent. The increased deduction is due to the investment in Fremtind.

2) Investments in Tier 1 and Tier 2 instruments issued by the Group's insurance companies are deducted from the Group's Tier 1 and Tier 2 capital.

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

4) 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.

Note 3 Capital adequacy (continued)

Basel III

The majority of the credit portfolios are reported according to the IRB approach. The portfolios “central governments” and “institutions” are, however, reported according to the standardised approach.

Specification of risk-weighted assets and capital requirements **DNB Group**

Amounts in NOK million	Nominal exposure 30 June 2019	EAD [1] 30 June 2019	Average risk weights in per cent 30 June 2019	Risk-weighted assets 30 June 2019	Capital requirement 30 June 2019	Capital requirement 31 Dec. 2018
IRB approach						
Corporate	965 843	804 908	52.1	419 267	33 541	33 716
Specialised lending (SL)	13 311	13 035	53.4	6 956	557	526
Retail - mortgages	780 315	780 313	21.9	171 039	13 683	13 617
Retail - other exposures	102 320	86 842	24.8	21 531	1 722	1 727
Securitisation						
Total credit risk, IRB approach	1 861 790	1 685 099	36.7	618 793	49 503	49 587
Standardised approach						
Central government	459 665	455 594	0.0	103	8	12
Institutions	247 379	139 508	24.1	33 660	2 693	2 859
Corporate	211 433	164 031	87.3	143 269	11 462	11 824
Retail - mortgages	79 135	74 102	47.5	35 212	2 817	2 539
Retail - other exposures	152 020	56 750	74.7	42 400	3 392	2 958
Equity positions	21 469	21 296	222.1	47 300	3 784	3 753
Other assets	22 573	21 330	67.0	14 282	1 143	540
Total credit risk, standardised approach	1 193 673	932 612	33.9	316 227	25 298	24 484
Total credit risk	3 055 463	2 617 710	35.7	935 020	74 802	74 070
Market risk						
Position risk, debt instruments				9 352	748	927
Position risk, equity instruments				355	28	16
Currency risk				13	1	
Commodity risk				2	0	1
Credit value adjustment risk (CVA)				5 120	410	311
Total market risk				14 842	1 187	1 254
Operational risk				88 005	7 040	7 040
Net insurance, after eliminations						
Total risk-weighted assets and capital requirements before transitional rules				1 037 866	83 029	82 365
Additional capital requirements according to transitional rules [2]				51 618	4 129	3 870
Total risk-weighted assets and capital requirements				1 089 484	87 159	86 235

1) *EAD, exposure at default.*
2) *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.*

Note 4 Development in gross carrying amount and maximum exposure

The following tables reconcile the opening and closing balances for gross carrying amount and the maximum exposure for loans to customers at amortised cost and financial commitments. Maximum exposure is the gross carrying amount of loans to customers plus off-balance exposure, which mainly includes guarantees, unutilised credit lines and loan offers. Reconciling items include the following:

- Transfers between stages due to significant changes in credit risk
- Changes due to the derecognition of loans and financial commitments during the period
- Changes due to the origination of new financial instruments during the period
- Exchange rate movements and other changes affecting the gross carrying amount and maximum exposure

Loans to customers at amortised cost (quarterly figures)

DNB Group

	2nd quarter 2019				2nd quarter 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31 March	**1 464 725**	**80 340**	**27 126**	**1 572 190**	**1 373 760**	**78 938**	**28 107**	**1 480 805**
Transfer to stage 1	18 761	(18 649)	(112)		9 831	(9 730)	(101)	
Transfer to stage 2	(21 342)	22 612	(1 270)		(11 612)	12 636	(1 024)	
Transfer to stage 3	(1 118)	(1 038)	2 157		(669)	(3 572)	4 241	
Originated and purchased	127 501	0	0	127 501	130 939	1 449	699	133 086
Derecognition	(97 118)	(5 992)	(2 762)	(105 872)	(94 992)	(4 700)	(3 065)	(102 757)
Exchange rate movements	(2 156)	(186)	(66)	(2 408)	(1 724)	(121)	(48)	(1 893)
Other	(1)			(1)	287	250	70	607
Gross carrying amount as at 30 June	**1 489 251**	**77 086**	**25 073**	**1 591 411**	**1 405 820**	**75 150**	**28 878**	**1 509 849**

Loans to customers at amortised cost (year-to-date figures)

DNB Group

	Jan.-June 2019				Jan.-June 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31 December / 1 January	**1 435 014**	**82 321**	**27 846**	**1 545 180**	**1 376 314**	**90 102**	**25 843**	**1 492 259**
Transfer to stage 1	36 049	(35 621)	(428)		27 810	(27 548)	(262)	
Transfer to stage 2	(40 798)	43 048	(2 250)		(26 579)	27 977	(1 398)	
Transfer to stage 3	(1 556)	(2 005)	3 561		(951)	(7 653)	8 604	
Originated and purchased	244 020	388	0	244 409	238 454	2 127	1 726	242 306
Derecognition	(177 704)	(10 687)	(3 556)	(191 947)	(205 664)	(9 576)	(5 559)	(220 799)
Exchange rate movements	(6 023)	(359)	(100)	(6 483)	(3 778)	(278)	(76)	(4 132)
Other	251			251	214			214
Gross carrying amount as at 30 June	**1 489 251**	**77 086**	**25 073**	**1 591 411**	**1 405 820**	**75 150**	**28 878**	**1 509 849**

Note 4 Development in gross carrying amount and maximum exposure (continued)

Financial commitments (quarterly figures)

DNB Group

	2nd quarter 2019				2nd quarter 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Maximum exposure as at 31 March	**651 736**	**27 604**	**3 247**	**682 588**	**650 090**	**24 023**	**4 286**	**678 400**
Transfer to stage 1	7 850	(7 836)	(14)		3 071	(2 778)	(293)	
Transfer to stage 2	(5 041)	5 201	(160)		(3 128)	3 662	(534)	
Transfer to stage 3	(784)	(477)	1 260		(327)	(1 143)	1 470	
Originated and purchased	109 169	320	(0)	109 490	79 835	2 450	2 166	84 451
Derecognition	(102 928)	(2 014)	(95)	(105 038)	(81 586)	(4 845)	(317)	(86 748)
Exchange rate movements	(2 105)	(93)	(23)	(2 220)	(268)	(14)	(1)	(283)
Other					778			778
Maximum exposure as at 30 June	**657 897**	**22 707**	**4 216**	**684 820**	**648 465**	**21 355**	**6 777**	**676 597**

Financial commitments (year-to-date figures)

DNB Group

	Jan.-June 2019				Jan.-June 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Maximum exposure as at 31 December / 1 January	**627 302**	**29 462**	**4 152**	**660 916**	**651 248**	**28 358**	**3 208**	**682 814**
Transfer to stage 1	12 676	(12 559)	(117)		6 034	(5 679)	(355)	
Transfer to stage 2	(9 924)	10 190	(265)		(5 735)	6 312	(577)	
Transfer to stage 3	(836)	(569)	1 405		(1 128)	(1 360)	2 488	
Originated and purchased	218 501	105	0	218 607	92 363	2 812	2 712	97 887
Derecognition	(185 164)	(3 753)	(917)	(189 835)	(95 124)	(9 067)	(697)	(104 888)
Exchange rate movements	(4 658)	(169)	(43)	(4 870)	(510)	(22)	(1)	(533)
Other					1 318			1 318
Maximum exposure as at 30 June	**657 897**	**22 707**	**4 216**	**684 820**	**648 465**	**21 355**	**6 777**	**676 597**

Note 5 Development in accumulated impairment of financial instruments

The following tables reconcile the opening and closing balances for accumulated impairment of loans to customers at amortised cost and financial commitments. Reconciling items includes the following:

- Transfers between stages due to significant changes in credit risk. The transfers are presumed to occur before the subsequent remeasurement of the allowance
- Changes due to transfers between 12-month expected credit loss in stage 1 and lifetime expected credit loss in stages 2 and 3
- Increases and decreases in expected credit loss resulting from changes in input parameters and assumptions, including macro forecasts, as well as the effect of partial repayments on existing facilities and the unwinding of the time value of discounts due to the passage of time
- Changes in allowance due to the origination of new financial instruments during the period
- Changes in allowance due to the derecognition of financial instruments during the period
- Write-offs, exchange rate movements and other changes affecting the expected credit loss

Loans to customers at amortised cost (quarterly figures)

DNB Group

	2nd quarter 2019				2nd quarter 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Accumulated impairment as at 31 March	**(393)**	**(1 040)**	**(8 266)**	**(9 699)**	**(362)**	**(2 027)**	**(9 308)**	**(11 697)**
Transfer to stage 1	(72)	70	2		(83)	80	3	
Transfer to stage 2	16	(43)	27		8	(153)	146	
Transfer to stage 3	3	3	(6)			387	(387)	
Originated and purchased	(65)	(13)	0	(77)	(26)	(25)		(51)
Increased expected credit loss [1)]	(30)	(284)	(956)	(1 270)	(26)	(164)	(1 208)	(1 398)
Decreased (reversed) expected credit loss [1)]	216	233	596	1 045	132	469	516	1 117
Write-offs	0	0	775	775			1 461	1 461
Derecognition	5	54	33	93	11	61		72
Exchange rate movements	1	4	9	15	1	2	17	20
Other		0	(9)	(9)				
Accumulated impairment as at 30 June	**(319)**	**(1 015)**	**(7 793)**	**(9 127)**	**(345)**	**(1 370)**	**(8 760)**	**(10 475)**

Loans to customers at amortised cost (year-to-date figures)

DNB Group

	Jan.-June 2019				Jan.-June 2018			
Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Accumulated impairment as at 31 December / 1 January	**(352)**	**(1 225)**	**(8 321)**	**(9 898)**	**(382)**	**(3 082)**	**(8 710)**	**(12 174)**
Transfer to stage 1	(137)	128	9		(286)	270	16	
Transfer to stage 2	24	(70)	46		13	(172)	160	
Transfer to stage 3	3	28	(31)			1 204	(1 204)	
Originated and purchased	(111)	(19)	0	(129)	(56)	(42)		(98)
Increased expected credit loss [1)]	(92)	(469)	(2 626)	(3 188)	(74)	(392)	(2 985)	(3 451)
Decreased (reversed) expected credit loss [1)]	334	444	2 081	2 858	591	722	2 006	3 319
Write-offs	0	0	988	989			1 932	1 932
Derecognition	7	161	33	202	(153)	118		(35)
Exchange rate movements	5	7	25	37	2	4	24	30
Other			3	3			1	1
Accumulated impairment as at 30 June	**(319)**	**(1 015)**	**(7 793)**	**(9 127)**	**(345)**	**(1 370)**	**(8 760)**	**(10 475)**

1) *DNB has performed a recalibration of the IFRS 9 models used for stage 1 and stage 2 loans in the second quarter of 2019. The net effect of the recalibration is a decrease in expected credit loss of NOK 6 million. As the recalibration resulted in both increases and decreases on a financial instrument level, the effect is included in the flows 'increased expected credit loss' and 'decreased (reversed) expected credit loss'.*

Note 5 Development in accumulated impairment of financial instruments (continued)

Financial commitments (quarterly figures)

DNB Group

Amounts in NOK million	2nd quarter 2019 Stage 1	2nd quarter 2019 Stage 2	2nd quarter 2019 Stage 3	2nd quarter 2019 Total	2nd quarter 2018 Stage 1	2nd quarter 2018 Stage 2	2nd quarter 2018 Stage 3	2nd quarter 2018 Total
Accumulated impairment as at 31 March	**(187)**	**(1 016)**	**(541)**	**(1 743)**	**(143)**	**(1 741)**	**(355)**	**(2 239)**
Transfer to stage 1	(53)	53	0		(67)	67		
Transfer to stage 2	4	(5)	1		1	(2)	1	
Transfer to stage 3	0	4	(5)			436	(436)	
Originated and purchased	(75)	(3)		(78)	(48)	(293)		(341)
Increased expected credit loss [1]	(9)	(181)	(261)	(451)	(8)	(80)	(86)	(174)
Decreased (reversed) expected credit loss [1]	142	222	88	452	108	444	340	892
Derecognition	1	21	0	22		40	15	55
Exchange rate movements	1	5	5	10				
Other	(1)	(1)	13	12				
Accumulated impairment as at 30 June	**(176)**	**(900)**	**(700)**	**(1 776)**	**(157)**	**(1 129)**	**(522)**	**(1 807)**

Financial commitments (year-to-date figures)

DNB Group

Amounts in NOK million	Jan.-June 2019 Stage 1	Jan.-June 2019 Stage 2	Jan.-June 2019 Stage 3	Jan.-June 2019 Total	Jan.-June 2018 Stage 1	Jan.-June 2018 Stage 2	Jan.-June 2018 Stage 3	Jan.-June 2018 Total
Accumulated impairment as at 31 December / 1 January	**(149)**	**(1 001)**	**(569)**	**(1 719)**	**(171)**	**(2 128)**	**(511)**	**(2 810)**
Transfer to stage 1	(82)	82	0		(112)	112		
Transfer to stage 2	9	(10)	1		6	(7)	1	
Transfer to stage 3	0	5	(5)			583	(583)	
Originated and purchased	(120)	(6)		(126)	(76)	(298)		(374)
Increased expected credit loss [1]	(31)	(340)	(372)	(742)	(14)	(398)	(130)	(542)
Decreased (reversed) expected credit loss [1]	194	311	226	731	210	679	687	1 576
Derecognition	1	50	0	51		328	15	343
Exchange rate movements	1	9	5	16				
Other	0	0	14	14				
Accumulated impairment as at 30 June	**(176)**	**(900)**	**(700)**	**(1 776)**	**(157)**	**(1 129)**	**(522)**	**(1 807)**

1) *DNB has performed a recalibration of the IFRS 9 models used for stage 1 and stage 2 financial commitments in the second quarter of 2019. The net effect of the recalibration is a decrease in expected credit loss of NOK 6 million. As the recalibration resulted in both increases and decreases on a financial instrument level, the effect is included in the flows 'increased expected credit loss' and 'decreased (reversed) expected credit loss'.*

Note 6 Loans and financial commitments to customers by industry segment

Loans to customers as at 30 June 2019

Amounts in NOK million	Gross carrying amount	Accumulated impairment Stage 1	Stage 2	Stage 3	Loans at fair value	DNB Group Total
Bank, insurance and portfolio management	84 031	(6)	(9)	(20)		83 996
Commercial real estate	177 828	(13)	(47)	(320)	167	177 617
Shipping	53 041	(54)	(95)	(372)		52 520
Oil, gas and offshore	56 993	(58)	(399)	(3 812)		52 724
Power and renewables	29 888	(5)	(3)	(62)		29 818
Healthcare	24 625	(6)	(9)			24 609
Public sector	12 038	(1)	(0)	(0)		12 037
Fishing, fish farming and farming	37 207	(6)	(20)	(88)	162	37 255
Trade	43 482	(13)	(21)	(671)	62	42 839
Manufacturing	45 579	(23)	(15)	(359)	19	45 201
Technology, media and telecom	27 245	(20)	(8)	(31)	24	27 210
Services	66 794	(24)	(34)	(633)	204	66 308
Residential property	93 973	(7)	(18)	(240)	388	94 095
Personal customers	775 227	(71)	(291)	(655)	59 870	834 080
Other corporate customers	63 461	(13)	(45)	(531)	64	62 936
Total [1)]	**1 591 411**	**(319)**	**(1 015)**	**(7 793)**	**60 961**	**1 643 244**

1) *Of which NOK 45 349 million in repo trading volumes.*

Loans to customers as at 30 June 2018

Amounts in NOK million	Gross carrying amount	Accumulated impairment Stage 1	Stage 2	Stage 3	Loans at fair value	DNB Group Total
Bank, insurance and portfolio management	28 153	(6)	(2)	(69)	46	28 121
Commercial real estate	174 225	(10)	(59)	(330)	154	173 979
Shipping	62 181	(119)	(222)	(607)		61 233
Oil, gas and offshore	59 944	(37)	(716)	(4 155)		55 036
Power and renewables	24 072	(5)	(11)	(243)		23 813
Healthcare	21 737	(8)	(22)	(0)		21 708
Public sector	27 158	(3)	(2)	(220)	32	26 965
Fishing, fish farming and farming	30 115	(3)	(9)	(67)	177	30 214
Trade	47 920	(13)	(9)	(604)	77	47 370
Manufacturing	48 967	(17)	(13)	(549)	5	48 394
Technology, media and telecom	22 847	(18)	(30)	(118)	13	22 694
Services	51 270	(8)	(9)	(419)	168	51 001
Residential property	82 088	(4)	(8)	(209)	417	82 283
Personal customers	748 108	(83)	(243)	(715)	61 025	808 092
Other corporate customers	81 064	(12)	(15)	(455)	86	80 667
Total [1)]	**1 509 849**	**(345)**	**(1 370)**	**(8 760)**	**62 198**	**1 561 572**

1) *Of which NOK 31 397 million in repo trading volumes.*

Note 6 Loans and financial commitments to customers by industry segment (continued)

Financial commitments as at 30 June 2019		Accumulated impairment			**DNB Group**
Amounts in NOK million	Maximum exposure	Stage 1	Stage 2	Stage 3	Total
Bank, insurance and portfolio management	35 326	(5)	(0)	(0)	35 322
Commercial real estate	27 575	(2)	(1)	(3)	27 568
Shipping	13 595	(15)	(38)		13 542
Oil, gas and offshore	69 690	(81)	(670)	(318)	68 621
Power and renewables	29 863	(5)	(22)		29 837
Healthcare	19 351	(4)	(0)		19 347
Public sector	10 316	(0)	(0)		10 315
Fishing, fish farming and farming	16 165	(3)	(0)	(4)	16 158
Trade	26 621	(7)	(20)	(29)	
Manufacturing	51 997	(11)	(20)	(4)	51 962
Technology, media and telecom	19 209	(7)	(7)	(3)	19 192
Services	24 451	(8)	(15)	(25)	24 403
Residential property	37 664	(4)	(2)	(3)	37 656
Personal customers	265 698	(19)	(78)	(0)	265 601
Other corporate customers	37 299	(5)	(27)	(310)	36 956
Total	**684 820**	**(176)**	**(900)**	**(700)**	**683 044**

Financial commitments as at 30 June 2018		Accumulated impairment			**DNB Group**
Amounts in NOK million	Maximum exposure	Stage 1	Stage 2	Stage 3	Total
Bank, insurance and portfolio management	30 444	(6)	(0)	(0)	30 438
Commercial real estate	27 246	(2)	(1)	(5)	27 238
Shipping	11 522	(15)	(31)		11 475
Oil, gas and offshore	73 607	(63)	(940)	(254)	72 349
Power and renewables	27 575	(3)	(38)	0	27 535
Healthcare	21 927	(7)	(29)		21 891
Public sector	15 497	(1)	(0)	(1)	15 495
Fishing, fish farming and farming	12 897	(2)	(1)		12 894
Trade	27 825	(6)	(3)	(73)	27 743
Manufacturing	53 331	(15)	(4)	(74)	53 239
Technology, media and telecom	28 490	(9)	(4)	(2)	28 475
Services	25 972	(6)	(8)	(8)	25 950
Residential property	34 205	(2)	(1)	(3)	34 199
Personal customers	249 225	(13)	(61)	(0)	249 150
Other corporate customers	36 836	(7)	(8)	(101)	36 720
Total	**676 598**	**(157)**	**(1 128)**	**(522)**	**674 791**

Note 7 Financial instruments at fair value

Amounts in NOK million	Valuation based on quoted prices in an active market Level 1	Valuation based on observable market data Level 2	Valuation based on other than observable market data Level 3	DNB Group Total
Assets as at 30 June 2019				
Loans to customers			60 961	60 961
Commercial paper and bonds	28 796	225 350	180	254 326
Shareholdings	6 464	23 911	5 439	35 814
Financial assets, customers bearing the risk		89 715		89 715
Financial derivatives	131	115 051	2 157	117 339
Liabilities as at 30 June 2019				
Deposits from customers		16 020		16 020
Debt securities issued		86 832		86 832
Subordinated loan capital		2 502		2 502
Financial derivatives	145	101 678	1 827	103 649
Other financial liabilities [1]	8 305			8 305

Amounts in NOK million	Valuation based on quoted prices in an active market Level 1	Valuation based on observable market data Level 2	Valuation based on other than observable market data Level 3	DNB Group Total
Assets as at 30 June 2018				
Loans to customers			62 198	62 198
Commercial paper and bonds	45 901	250 349	141	296 391
Shareholdings	7 537	24 722	4 124	36 383
Financial assets, customers bearing the risk		78 277		78 277
Financial derivatives	316	114 758	1 905	116 979
Liabilities as at 30 June 2018				
Deposits from customers		13 928		13 928
Debt securities issued		86 051		86 051
Subordinated loan capital		2 511		2 511
Financial derivatives	220	104 002	1 627	105 850
Other financial liabilities [1]	4 560	48	0	4 608

1) Short positions, trading activities.

For a further description of the instruments and valuation techniques, see the annual report for 2018.

Note 7 Financial instruments at fair value (continued)

Financial instruments at fair value, level 3

DNB Group

Amounts in NOK million	Financial assets: Loans to customers	Financial assets: Commercial paper and bonds	Financial assets: Share-holdings	Financial assets: Financial derivatives	Financial liabilities: Financial derivatives
Carrying amount as at 31 December 2018	**62 476**	**319**	**4 810**	**2 036**	**1 654**
Net gains recognised in the income statement	146	(150)	173	(530)	(193)
Additions/purchases	3 493	158	870	1 057	749
Sales		(132)	(415)		
Settled	(5 093)			(395)	(384)
Transferred from level 1 or level 2		42			
Transferred to level 1 or level 2		(44)			
Other	(62)	(13)	(0)	(11)	1
Carrying amount as at 30 June 2019	**60 961**	**180**	**5 439**	**2 157**	**1 827**

Sensitivity analysis, level 3

An increase in the discount rate on fixed-rate loans by 10 basis points will decrease the fair value by NOK 162 million. The effects on other Level 3 financial instruments are insignificant.

Note 8 Debt securities issued and subordinated loan capital

As an element in liquidity management, the DNB Group issues and redeems own securities.

Debt securities issued

DNB Group

Amounts in NOK million	Balance sheet 30 June 2019	Issued 2019	Matured/ redeemed 2019	Exchange rate movements 2019	Other changes 2019	Balance sheet 31 Dec. 2018
Commercial paper issued, nominal amount	266 872	530 378	(440 346)	2 108		174 732
Bond debt, nominal amount [1)]	615 105	68 466	(46 711)	(10 777)		604 127
Value adjustments	30 262				7 203	23 059
Total debt securities issued	**912 239**	**598 844**	**(487 057)**	**(8 669)**	**7 203**	**801 918**

1) Minus own bonds. The total nominal amount of outstanding covered bonds in DNB Boligkreditt was NOK 464.0 billion as at 30 June 2019. The market value of the cover pool represented NOK 633.3 billion.

Note 8 Debt securities issued and subordinated loan capital (continued)

Debt securities issued

DNB Group

Amounts in NOK million	Balance sheet 30 June 2018	Issued 2018	Matured/ redeemed 2018	Exchange rate movements 2018	Other changes 2018	Balance sheet 31 Dec. 2017
Commercial paper issued, nominal amount	194 137	607 688	(551 803)	(20 424)		158 675
Bond debt, nominal amount [1)]	583 147	54 955	(50 394)	(17 790)		596 377
Value adjustments	20 810				(4 386)	25 195
Total debt securities issued	**798 094**	**662 643**	**(602 197)**	**(38 214)**	**(4 386)**	**780 247**

1) *Minus own bonds.*

Subordinated loan capital and perpetual subordinated loan capital securities

DNB Group

Amounts in NOK million	Balance sheet 30 June 2019	Issued 2019	Matured/ redeemed 2019	Exchange rate movements 2019	Other changes 2019	Balance sheet 31 Dec. 2018
Term subordinated loan capital, nominal amount	24 499		(9)	(603)		25 110
Perpetual subordinated loan capital, nominal amount	5 616			(77)		5 693
Perpetual subordinated loan capital securities, nominal amount						
Value adjustments	390	(0)			112	278
Total subordinated loan capital and perpetual subordinated loan capital securities	**30 504**	**(0)**	**(9)**	**(680)**	**112**	**31 082**

Subordinated loan capital and perpetual subordinated loan capital securities

DNB Group

Amounts in NOK million	Balance sheet 30 June 2018	Issued 2018	Matured/ redeemed 2018	Exchange rate movements 2018	Other changes 2018	Balance sheet 31 Dec. 2017
Term subordinated loan capital, nominal amount	31 094	9 419	(1 168)	(1 054)		23 897
Perpetual subordinated loan capital, nominal amount	5 360			(1)		5 361
Perpetual subordinated loan capital securities, nominal amount						
Value adjustments	327				47	280
Total subordinated loan capital and perpetual subordinated loan capital securities	**36 781**	**9 419**	**(1 168)**	**(1 055)**	**47**	**29 538**

Note 9 Contingencies

Due to its extensive operations in Norway and abroad, the DNB Group will regularly be party to a number of legal actions and tax related disputes. None of the current disputes are expected to have any material impact on the Group's financial position.

On 21 June 2016, the Norwegian Consumer Council instituted legal proceedings before the Oslo District Court against DNB Asset Management AS, a wholly-owned subsidiary of DNB ASA offering asset management services. The Norwegian Consumer Council has instituted a group action to pursue compensation of up to NOK 690 million on behalf of current and former investors in a fund managed by DNB Asset Management AS, as well as two funds merged into that fund. The lawsuit alleges that the funds were charging high fees for active management, but were actually tracking an index. The Oslo District Court passed its judgment on 12 January 2018, whereby the claim was rejected and DNB Asset Management was held not liable. On 12 February 2018, the Norwegian Consumer Council appealed to the Borgarting Court of Appeal and reduced the compensation claim to NOK 430 million. The ruling from the Borgarting Court of Appeal was announced on 9 May 2019, and found in favour of the Norwegian Consumer Council in the group action. DNB Asset Management was sentenced to pay approximately NOK 350 million. DNB Asset Management disagrees with the ruling of the Court of Appeal and has decided to appeal the case to the Norwegian Supreme Court. Based on an overall assessment, accounting provisions at the end of the second quarter of NOK 200 million are considered prudent. The provisions have been recognised in the accounts of DNB Asset Management AS. The provisions have been recognised as operational losses/operating expenses in the quarter.

DNB ASA

Income statement

Amounts in NOK million	2nd quarter 2019	2nd quarter 2018	January-June 2019	January-June 2018	Full year 2018
Interest income, amortised cost	22	10	29	15	32
Interest expenses, amortised cost	(130)	(117)	(254)	(221)	(452)
Net interest income	**(109)**	**(107)**	**(225)**	**(206)**	**(420)**
Commissions and fees payable	(2)	(2)	(3)	(3)	(7)
Other income [1)]					14 087
Net other operating income	**(2)**	**(2)**	**(3)**	**(3)**	**14 081**
Total income	**(110)**	**(109)**	**(228)**	**(209)**	**13 661**
Salaries and other personnel expenses		(1)	(0)	(2)	(4)
Other expenses	(75)	(84)	(148)	(166)	(329)
Total operating expenses	**(75)**	**(85)**	**(148)**	**(168)**	**(334)**
Net gain on the sale of fixed and intangible assets [2)]			2 237		
Pre-tax operating profit	**(185)**	**(194)**	**1 861**	**(377)**	**13 327**
Tax expense	46	48	94	94	
Profit for the period	**(139)**	**(145)**	**1 955**	**(283)**	**13 327**
Earnings/diluted earnings per share (NOK)	(0.09)	(0.09)	1.23	(0.18)	8.36
Earnings per share excluding operations held for sale (NOK)	(0.09)	(0.09)	1.23	(0.18)	8.36

Balance sheet

Amounts in NOK million	30 June 2019	31 Dec. 2018	30 June 2018
Assets			
Due from DNB Bank ASA	5 412	8 925	10 269
Investments in group companies	78 784	74 720	74 720
Receivables due from group companies [1)]		12 585	
Other assets	94		94
Total assets	**84 290**	**96 229**	**85 083**
Liabilities and equity			
Short-term amounts due to DNB Bank ASA	14	11	11
Due to other group companies			
Other liabilities and provisions	1 265	13 105	1 336
Long-term amounts due to DNB Bank ASA	20 233	20 087	20 251
Total liabilities	**21 511**	**33 204**	**21 597**
Share capital	15 803	15 944	16 003
Share premium	22 556	22 556	22 556
Other equity	24 419	24 525	24 927
Total equity	**62 779**	**63 025**	**63 486**
Total liabilities and equity	**84 290**	**96 229**	**85 083**

1) *Of which dividend/group contribution from DNB Bank ASA represented NOK 10 758 in 2018. The dividend from DNB Livsforsikring AS represented NOK 2 900 million in 2018. The dividend from DNB Asset Management Holding AS was NOK 427 million in 2018.*
2) *The establishment of the insurance company Fremtind Forsikring AS, through the merger of SpareBank 1 Skadeforsikring and DNB Forsikring AS in January 2019, resulted in a gain of NOK 2 237 million in the first quarter for DNB ASA. The gain for the DNB Group amounted to NOK 1 740 million.*

Statement of changes in equity

Amounts in NOK million	Share capital	Share premium	Other equity	Total equity
Balance sheet as at 31 December 2017	**16 180**	**22 556**	**27 813**	**66 550**
Profit for the period			(283)	(283)
Repurchase under share buy-back programme	(178)		(2 604)	(2 782)
Balance sheet as at 30 June 2018	**16 003**	**22 556**	**24 927**	**63 486**
Balance sheet as at 31 December 2018	**15 944**	**22 556**	**24 525**	**63 025**
Profit for the period			1 955	1 955
Repurchase under share buy-back programme	(141)		(2 061)	(2 202)
Balance sheet as at 30 June 2019	**15 803**	**22 556**	**24 419**	**62 779**

Basis for preparation

DNB ASA has prepared the financial statements according to the Norwegian Ministry of Finance's regulations on annual accounts, Section 1-6, on the use of IFRS. A description of the accounting principles applied by the company when preparing the financial statements appear in note 1 Accounting principles in the annual report for 2018.

Statement

pursuant to Section 5-6 of the Securities Trading Act

We hereby confirm that the half-yearly financial statements for the Group and the company for the period 1 January through 30 June 2019 to the best of our knowledge have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the company taken as a whole.

To the best of our knowledge, the half-yearly report gives a true and fair:

- overview of important events that occurred during the accounting period and their impact on the half-yearly financial statements
- description of the principal risks and uncertainties facing the Group over the next accounting period
- description of major transactions with related parties.

Oslo, 10 July 2019
The Board of Directors of DNB ASA

Olaug Svarva
(chair of the board)

Tore Olaf Rimmereid
(vice chair of the board)

Karl-Christian Agerup

Gro Bakstad

Carl A. Løvvik

Vigdis Mathisen

Jaan Ivar Semlitsch

Rune Bjerke
(group chief executive)

Kjerstin R. Braathen
(chief financial officer)

Information about the DNB Group

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Board of Directors in DNB ASA

Olaug Svarva, chair of the board
Tore Olaf Rimmereid, vice chair of the board
Karl-Christian Agerup
Gro Bakstad
Carl A. Løvvik
Vigdis Mathisen
Jaan Ivar Semlitsch

Group management

Rune Bjerke	Group chief executive
Kjerstin Braathen	Group executive vice president Group Finance
Ingjerd Blekeli Spiten	Group executive vice president Personal Banking
Benedicte Schilbred Fasmer	Group executive vice president Corporate Banking
Harald Serck-Hanssen	Group executive vice president Large Corporates and International
Håkon Hansen	Group executive vice president Wealth Management & Insurance
Ottar Ertzeid	Group executive vice president Markets
Rasmus Figenschou	Group executive vice president New Business
Ida Lerner	Group executive vice president Risk Management
Mirella E. Wassiluk	Group executive vice president Group Compliance
Solveig Hellebust	Group executive vice president People & Operations
Alf Otterstad	Group executive vice president IT
Thomas Midteide	Group executive vice president Media & Marketing

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Financial calendar 2019

24 October	Q3 2019
20 November	Capital markets day

Financial calendar 2020

6 February	Q4 2019
5 March	Annual report 2019
28 April	Annual general meeting
29 April	Ex-dividend date
30 April	Q1 2020
as of 8 May	Distribution of dividends
13 July	Q2 2020
22 October	Q3 2020

Other sources of information

Annual and quarterly reports

Separate annual and quarterly reports are prepared for the DNB Bank Group, DNB Boligkreditt and DNB Livsforsikring. The reports and the Factbook are available on ir.dnb.no. Annual and quarterly reports can be ordered by sending an e-mail to Investor Relations.

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We are here. So you can stay ahead.

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