14th Annual Nordic Financial Services Conference

**DnB NOR – a stronger international bank**

Stockholm, September 15, 2011
Leif Teksum
Group Executive Vice President
Agenda


2. Growth opportunities in three dimensions
   - Norway
   - International within large corporates
   - The Baltics and Poland

- Return on equity above 14 per cent
- NOK 30 billion in pre-tax operating profits before write-downs
- Cost/income ratio below 45 per cent
Strong development in operating profit

Development in pre-tax operating profit before write-downs (NOK billion)

- 2004: 9.4
- 2005: 12.5
- 2006: 14.1
- 2007: 15.1
- 2008: 15.6
- 2009: 18.7
- 2010: 21.1
- 2011: 19.6*

CAGR 14.4%

* Annualised H1-2011
Significant growth in income

1) Pro forma figures including effects resulting from the implementation of IAS 39 and IFRS 4

*Annualised based on H1-2011*
Improved cost efficiency

Q2-2011 cost/income ratio: 49.2%
Sharp decline in loan losses after a peak in 2009

1) Pro forma figures including effects resulting from the implementation of IAS 39

*annualised H1-2011
Strong ROE also in post-crisis environment

![Graph showing Equity Tier 1 capital and ROE from 2004 to 2011.](image)

- Equity Tier 1 capital (NOK billion): 39.5, 46.8, 53.5, 62.4, 70.1, 89.6, 94.9, 95.1
- ROE (%): 17.7, 18.8, 19.5, 22.0, 70.1, 10.6, 13.6, 11.5

*Q2
Stable access to long-term funding – longer maturities at competitive prices

<table>
<thead>
<tr>
<th>Year</th>
<th>NOK billion</th>
<th>Maturity</th>
<th>Spread 3-month Euribor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covered bonds</td>
<td>69.7</td>
<td>6.7</td>
<td>48</td>
</tr>
<tr>
<td>Senior bonds</td>
<td>23.6</td>
<td>9.1</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>93.2</td>
<td>7.3</td>
<td>61 bp</td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covered bonds</td>
<td>84.4</td>
<td>7.5</td>
<td>49</td>
</tr>
<tr>
<td>Senior bonds</td>
<td>32.1</td>
<td>7.3</td>
<td>84</td>
</tr>
<tr>
<td>Total</td>
<td>116.5</td>
<td>7.4</td>
<td>56 bp</td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covered bonds</td>
<td>101.1</td>
<td>5.1</td>
<td>50</td>
</tr>
<tr>
<td>Senior bonds</td>
<td>38.0</td>
<td>4.6</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td>139.1</td>
<td>4.9</td>
<td>50 bp</td>
</tr>
</tbody>
</table>
Solid capital base - One of the soundest bank in the world

<table>
<thead>
<tr>
<th>Bank</th>
<th>Estimated RAC ratio as of June 2010--after diversification/concentration (%)</th>
<th>Estimated RAC ratio as of June 2010--before diversification/concentration (%)</th>
<th>Basel Tier 1 ratio as of June 2010 (%)</th>
<th>Current ratings*</th>
<th>Current stand-alone credit profile*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of China (Hong Kong) Ltd.</td>
<td>13.4</td>
<td>13.5</td>
<td>11.3</td>
<td>A-/Positive/A-2</td>
<td>a-</td>
</tr>
<tr>
<td>Cooperative Banking Sector Germany (1)</td>
<td>12.1</td>
<td>10.1</td>
<td>N.A.</td>
<td>A+/Stable/A-1</td>
<td>a+</td>
</tr>
<tr>
<td>Pohjola Bank PLC (2)</td>
<td>11.9</td>
<td>11.3</td>
<td>12.4</td>
<td>AA-/Stable/A-1+</td>
<td>aa-</td>
</tr>
<tr>
<td>Dexia S.A.*</td>
<td>11.8</td>
<td>9.7</td>
<td>11.3</td>
<td>A/Negative/A-1</td>
<td>bbb</td>
</tr>
<tr>
<td>ING Bank N.V.</td>
<td>11.1</td>
<td>8.5</td>
<td>11.2</td>
<td>A+/Stable/A-1</td>
<td>a</td>
</tr>
<tr>
<td>Oversea-Chinese Banking Corp. Ltd.</td>
<td>10.9</td>
<td>10.7</td>
<td>15.3</td>
<td>A+/Stable/A-1</td>
<td>a+</td>
</tr>
<tr>
<td>Westpac Banking Corp. (3)</td>
<td>10.5</td>
<td>9.1</td>
<td>8.9</td>
<td>AA/Stable/A-1+</td>
<td>aa</td>
</tr>
<tr>
<td>Coopérative Crédit Mutuel Raiffeisen-Benelux (Belgium) (4)</td>
<td>10.1</td>
<td>8.3</td>
<td>14.9</td>
<td>AAA/Negative/A-1+</td>
<td>aaa</td>
</tr>
<tr>
<td>National Australia Bank Ltd. (3)</td>
<td>10.1</td>
<td>8.1</td>
<td>8.8</td>
<td>AA/Stable/A-1+</td>
<td>aa</td>
</tr>
<tr>
<td>Australia and New Zealand Banking Group Ltd. (5)</td>
<td>9.7</td>
<td>8.2</td>
<td>10.3</td>
<td>AA/Stable/A-1+</td>
<td>aa</td>
</tr>
<tr>
<td>DnB NOR Group*</td>
<td>9.5</td>
<td>8.7</td>
<td>9.0</td>
<td>A+/Stable/A-1</td>
<td>a+</td>
</tr>
<tr>
<td>Standard Chartered Bank (4)</td>
<td>9.5</td>
<td>7.7</td>
<td>11.2</td>
<td>A+/Stable/A-1</td>
<td>a+</td>
</tr>
<tr>
<td>Commonwealth Bank of Australia</td>
<td>9.5</td>
<td>8.4</td>
<td>9.2</td>
<td>AA/Stable/A-1+</td>
<td>aa</td>
</tr>
<tr>
<td>Bank of Montreal (5)</td>
<td>9.4</td>
<td>7.8</td>
<td>13.3</td>
<td>A+/Stable/A-1</td>
<td>a+</td>
</tr>
</tbody>
</table>
### Basel III – four main issues

<table>
<thead>
<tr>
<th>Implementation</th>
<th>• Prepare for Basel III requirements in accordance with the time schedule presented in December 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage ratio</td>
<td>• Leverage ratio best among Nordic peers</td>
</tr>
<tr>
<td>Capitalisation</td>
<td>• Capitalisation above expected requirements</td>
</tr>
<tr>
<td>Liquidity</td>
<td>• On track</td>
</tr>
</tbody>
</table>
DnB NOR is very much a Norwegian Bank with a balanced portfolio

Min 75%  Max 25%  50%  50%

Retail  Corporate
A balanced portfolio also in the future

**Share of net income**
Q2 2011

- Norway 82 %
- International 14 %
- Balltics and Poland 5 %

**Share of net lending**
Q2 2011

- Private individuals 48 %
- Large corporates 33 %
- SME 20 %
Agenda


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     - International within large corporates
     - The Baltics
Net lending exposure as of Q2 2011

Share of net income Q2 2011

Norway 82 %
International 14 %
Balitcs and Poland 5 %

Total lending: NOK 1202bn
NORWAY

Credit and deposit growth

Population growth

Figure 1. Population projected to 2060 based on different assumptions.
Number in million

Growth in Norwegian insurance market

Life Insurance
- Earned premiums in the Norwegian marked increased by 4% last 12 months to totally NOK 42.8bn in Q2-2011

Non-Life Insurance
- Earned premiums in the Norwegian marked increased by 6% last 12 months to totally NOK 26.1bn in Q2-2011

Source: Statistics Norway
Total customer base represents nearly half of the market

Out of 4,937,000 inhabitants:

- 2.1 million personal customers
- 200,000 corporate customers
- 1 million insurance policyholders
- 130,000 non-life insurance policyholders
- 600,000 mutual fund customers
- 400,000 mortgage loan customers

Estimated 40% of customers uses additional banks
Strong and unique distribution power in Norway

- 218 branch offices
- 208 post offices
- 2165 in-store banking and postal outlets
- 50 corporate advisory services centres
- 13 regional Markets sales desks
- 112 real estate offices

Only bank in Norway with services available 24h/7d
Strong market shares. Well positioned in home market – product areas and customer segments

Retail market

<table>
<thead>
<tr>
<th>Product Area</th>
<th>Lending</th>
<th>Deposits</th>
<th>Policyholders’ funds</th>
<th>Mutual fund assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending</td>
<td>28%</td>
<td>32%</td>
<td>51%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Corporate market

<table>
<thead>
<tr>
<th>Product Area</th>
<th>Lending*</th>
<th>Deposits</th>
<th>Policyholders’ funds</th>
<th>Mutual fund assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending*</td>
<td>24%</td>
<td>35%</td>
<td>26%</td>
<td>22%</td>
</tr>
</tbody>
</table>

1Q 2011

* = share of lending from credit institutions
Agenda


2. Growth opportunities in three dimensions
   - Norway
   - International within large corporates
   - The Baltics
The Norwegian bank – also internationally within the Large Corporate Area

Share of group lending

- Large Corporates and International: 13%
- DnB NORD: 5%
- Norway: 82%

DnB NOR
Strategy based on long-term relationship oriented banking and industry expertise

<table>
<thead>
<tr>
<th>Customer value</th>
<th>Global</th>
<th>Selective international</th>
<th>Nordic</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipping, offshore and logistics</td>
<td>284</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Seafood</td>
<td></td>
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<tr>
<td>Telecom</td>
<td>67</td>
<td></td>
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<tr>
<td>Healthcare products</td>
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<tr>
<td>Forest industries</td>
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<td>Media</td>
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<tr>
<td>Commercial real estate</td>
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<tr>
<td>Retail industry</td>
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<tr>
<td>Technology</td>
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<td>Public sector</td>
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<tr>
<td>Services</td>
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<tr>
<td>Finance</td>
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</tr>
</tbody>
</table>

Products and solutions provided by dedicated customer teams

EaD
NOK billion
31 March 2011
Global trade is on the rise
Still strong long-term growth in world trade

Global trade* in percent of global real GDP

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>19%</td>
</tr>
<tr>
<td>2000</td>
<td>24%</td>
</tr>
<tr>
<td>2010</td>
<td>27%</td>
</tr>
<tr>
<td>2020E</td>
<td>37%</td>
</tr>
</tbody>
</table>

Total global trade
(Seasonly adjusted volume, average exports and imports)

Indexed 2000 = 100

*Value of exported goods and services, May 2009

The shipping portfolio has been reduced since 2008, both in absolute numbers and as a share of DnB NOR’s total portfolio.

The shipping exposure has been reduced since 2008, especially within Dry Bulk.

The shipping portfolio is now around 7% of the bank’s total portfolio vs. 10% in 2008.
Oil demand exceeding supply - greater investments required

**Global oil supply vs demand**

- Global supply*
- Global demand

* Assuming OPEC producing at current level

**E&P spending among 70 oil companies**

- E&P spending
- WTI crude price

Source: DnB NOR Markets
Aldous Major/Avaldsnes is one of Norway’s largest oil discoveries, and biggest oil find globally 2011 year-to-date

Source: DnBNOR Markets
Population growth and health focus drive demand for seafood

Source: FAO and DnB NOR Markets
Increasing international activity - presence in 19 countries
Well positioned for the future

No change in strategy. More of the same. Solid market position in key segments

Strong mega-trends support our growth opportunities within shipping, offshore, energy and seafood

International network with products and expertise adapted to our customers’ needs

Well-positioned to tap into the growth areas of the future

2. Growth opportunities in three dimensions
   - Norway
   - International within large corporates
   - The Baltics and Poland
The Baltics and Poland

Share of lending

Baltics & Poland 5%
Large Corporates and International 13%
Norway 82%
The Baltics and Poland

Real GDP growth (%)

Sources: Eurostat, DnB NORD
Summary

• The Norwegian economy is strong – DnB NOR is the clear national champion.

• Good opportunities for growth within the large international corporate segments where DnB NOR has competencies.

• The Baltic economies are improving and will offer growth opportunities.
Thank you for your attention!