

## **Interim Report 3<sup>rd</sup> quarter 2008**

### **Nordea Bank Norge Group**

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*Nordea Bank Norge is part of the Nordea Group. Nordea's vision is to be the leading Nordic bank, acknowledged for its people, creating superior value for customers and shareholders. We are making it possible for our customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has around 10 million customers, approx. 1,400 branch offices and a leading netbanking position with 5.1 million e-customers. The Nordea share is listed on the OMX Nordic Exchange in Stockholm, Helsinki and Copenhagen.*

[www.nordea.com](http://www.nordea.com)

## Key figures

### Income statement

	Jan-Sep 2008	Jan-Sep 2007	Change %	Q3 2008	Q3 2007	Change %	Q2 2008	Change %
NOKm								
Net interest income	5,591	4,475	25	2,028	1,548	31	1,807	12
Net fee and commission income	1,094	1,217	-10	398	379	5	364	9
Net gains/losses on items at fair value	403	263	53	-14	67	-121	467	-103
Equity method	15	32	-53	24	5	380	34	-29
Other income	188	38	395	-9	7	-229	109	-108
<b>Total operating income</b>	<b>7,291</b>	<b>6,025</b>	<b>21</b>	<b>2,427</b>	<b>2,006</b>	<b>21</b>	<b>2,781</b>	<b>-13</b>
Staff costs	-2,049	-2,004	2	-705	-686	3	-657	7
Other expenses	-1,295	-1,290	0	-438	-406	8	-419	5
Depreciation of tangible and intangible assets	-98	-77	27	-43	-27	59	-30	43
<b>Total operating expenses</b>	<b>-3,442</b>	<b>-3,371</b>	<b>2</b>	<b>-1,186</b>	<b>-1,119</b>	<b>6</b>	<b>-1,106</b>	<b>7</b>
<b>Profit before loan losses</b>	<b>3,849</b>	<b>2,654</b>	<b>45</b>	<b>1,241</b>	<b>887</b>	<b>40</b>	<b>1,675</b>	<b>-26</b>
Loan losses	-90	65		-47	60		7	
Disposals of tangible and intangible assets	-1	16		-1	7		0	
<b>Operating profit</b>	<b>3,758</b>	<b>2,735</b>	<b>37</b>	<b>1,193</b>	<b>954</b>	<b>25</b>	<b>1,682</b>	<b>-29</b>
Income tax expense	-1,026	-703	46	-325	-262	24	-445	-27
<b>Net profit for the period</b>	<b>2,732</b>	<b>2,032</b>	<b>34</b>	<b>868</b>	<b>692</b>	<b>25</b>	<b>1,237</b>	<b>-30</b>

### Business volumes, key items

	30 Sep 2008	30 Sep 2007	Change %	30 Jun 2008	Change %
NOKbn					
Loans and receivables to the public	409.4	343.9	19	394.3	4
Deposits and borrowings from the public	218.1	198.4	10	206.5	6
of which savings deposits	63.8	52.7	21	55.1	16
Equity	25.5	22.0	16	24.6	4
Total assets	503.0	421.8	19	491.1	2

### Ratios and key figures

	Jan-Sep 2008	Jan-Sep 2007	Q3 2008	Q3 2007	Q2 2008
Earnings per share (EPS), NOK	4.96	3.69	1.57	1.26	2.24
EPS, rolling 12 months up to period end, NOK	6.41	5.31	6.41	5.31	6.09
Equity per share <sup>1,3</sup> , NOK	46.28	39.86	46.28	39.86	44.68
Shares outstanding <sup>1,3</sup> , million	551	551	551	551	551
Return on equity, %	15.1	12.8	13.8	12.8	20.6
Cost/income ratio, %	47	56	49	56	40
Tier 1 capital ratio <sup>1,2</sup> , %	7.4	6.9	7.4	6.9	7.0
Total capital ratio <sup>1,2</sup> , %	9.7	9.4	9.7	9.4	9.1
Tier 1 capital <sup>1,2</sup> , NOKm	25,575	21,245	25,575	21,245	23,282
Risk-weighted amounts <sup>1,2</sup> , NOKbn	344	306	344	306	334
Number of employees (full-time equivalents) <sup>1</sup>	3,407	3,238	3,407	3,238	3,347

<sup>1</sup> End of period.

<sup>2</sup> Including the result for the nine first months. According to Norwegian FSA rules (excluding the unaudited result for the period): Tier 1 capital NOK 22,843m (30 September 2007: NOK 19,213m), capital base NOK 30,825m (30 September 2007: NOK 26,882m), Tier 1 capital ratio 6.6% (30 September 2007: 6.3%), total capital ratio 9.0% (30 September 2007: 8.8%).

<sup>3</sup> See note 7.

Throughout this report, "Nordea Bank Norge" and "NBN" refer to the parent company Nordea Bank Norge ASA, business identity code 911 044 110, with its subsidiaries. The registered office of the company is in Oslo. Nordea Bank Norge ASA is a wholly owned subsidiary of Nordea Bank AB (publ), the listed parent company of the whole Nordea Group. The business operations of the Nordea Group have been organised in the following business areas, all of which operate across national boundaries: Nordic Banking, Institutional & International Banking and Capital Markets & Savings. In addition the Nordea Group has the following group functions: People & Identity, Banking Products & Group Operations, Group Corporate Center and Group Credit & Risk Control.

The consolidated interim report of Nordea Bank AB (publ) embraces all the activities of the Nordea Group and provides the most complete and fair view. This statutory interim report covers the operations of the legal entity Nordea Bank Norge ASA with its subsidiaries.

# Nordea Bank Norge Group

## Result summary first nine months 2008

The growth in volumes also continued in 2008, and the negative profit and loss-effect due to financial turmoil is still limited. Total income increased by 21% and total expenses by 2%. Profit before loan losses was up 45% to NOK 3,849m, while the operating profit was up 37% to NOK 3,758m due to net loan losses of NOK 90m at the end of third quarter. Net profit amounted to NOK 2,732m, corresponding to a return on equity of 15.1%. The cost/income ratio was 47%, compared to 56% in the same period last year.

### *Income*

Total income increased by 21% to NOK 7,291m. Gross interest income was up 38% and gross interest expense was up 44%. This resulted in an increase in net interest income of 25% to NOK 5,591m caused by continued strong volume growth and increased lending margins. A shift in the pricing of risk has given opportunities for higher lending margins in all segments. In the corporate segment margins have increased, reflecting changed market conditions, higher funding cost and normalizing pricing of risk. Total lending to the public increased by 19% to NOK 409bn. The corporate market has faced higher volumes, shown by an increase of 29% the last twelve months. Further, the household market was up 5%. Deposit volumes have increased by 10% to NOK 218bn. Strong competition contributed to slightly reduced deposit margins.

Net fee and commission income has decreased by 10% to NOK 1,094m. This is mainly due to reduced activity in the equity market and arrangement fees in Markets, as well as reduced savings related commissions.

Net gains/losses on items at fair value has increased by 53% to NOK 403m, in principal caused by strong results in the second quarter. Net gain from interest related instruments measured at fair value is NOK 1m, compared to NOK -207m in the same period last year. Net gain from equity related instruments is stable, while the net gain from FX related instruments is down 28% to NOK 162m.

Other income increased from NOK 38m to NOK 188m. The increase is mainly due to booked income of NOK 167.5m in the first and second quarter, related to the case against Ernst & Young auditors regarding compensation for the loss of NOK 200m in connection with Sponsorservice AS.

### *Expenses*

Total expenses increased by 2% to NOK 3,442m compared to the first nine months in 2007.

Staff costs were up 2% to NOK 2,049m. The increase is due to a combination of a higher number of full time employees (FTEs) and variable salaries, as well as general wage inflation, combined with lower pension costs. The number of FTEs has increased by 5.2%, to 3,407m, at the end of the period. The increase is highest in customer related activities in Markets and Institutional & International Banking.

Other expenses were stable at NOK 1,295m compared to the same period last year.

Depreciation is up by 27% due to increased depreciation on certain large IT projects.

The cost/income ratio was 47%.

### *Loan losses*

Loan losses were NOK 90m, compared to positive NOK 65m at the end of the same period last year. This derives from reduced recoveries, as well as a rise in new provisions. Further, last year there was a net inflow caused by continued flow of recoveries particularly in the group of fish related industries, combined with a reduction of new provisions. Annualised loss as a percentage of total loans amounted to 0.03%. The quality of the credit portfolio is still assessed to be good. Nordea is closely monitoring the development in the market, and losses are expected to occur in the last quarter of the year as well.

### *Taxes*

The effective tax rate was 27.3% the first nine months compared to 25.7% in the same period last year. This relates mainly to the debt interest distribution.

### *Net profit*

Net profit increased by 34% to NOK 2,732m, corresponding to a return on equity of 15.1% compared to 12.8% in the first nine months last year.

### *Third quarter 2008*

Total income and total expenses increased by 21% and 6% respectively compared to the third quarter in 2007. Net profit increased by 25% to NOK 868m which corresponds to a return on equity of 13.8% compared to 12.8% same quarter last year.

Compared to the second quarter this year, total income has decreased by 13%. This is mainly due to net losses on items at fair value in the third quarter compared to significant gains on these items last quarter. Total expenses were up 7%, mainly due to increased variable salaries, especially in Nordic Banking and Capital Markets & Savings.

### *Income*

Total income increased by 21% to NOK 2,427m compared to the same quarter last year. In principal this derives from a rise in net interest income, 31% to NOK 2,028m. Higher volumes as well as increased lending margins contribute to net interest income growth.

Total lending to the public increased by 19% to NOK 409bn, and the volume growth was especially significant in the corporate market with an increase of 29%, in particular within Shipping. In the third quarter lending margins have increased, mainly on household mortgage where the timing effect due to six weeks notice has been reduced.

Net fee and commission income increased by 5% to NOK 398 m compared to the third quarter last year and 9% compared with last quarter.

Net losses on items at fair value was NOK 14m in the third quarter compared to NOK 67m in net gains for the same

quarter last year. The reduction is mainly due to write-downs on interest related instruments and lower gains on FX related instruments.

### **Expenses**

Total expenses increased by 6% to NOK 1,186m.

Staff costs increased by 3%, mainly due to an increase in the number of FTEs, wage inflation as well as increased variable salaries, combined with lower pension costs and provision for profit sharing. Other expenses were up by NOK 32m or 8% and relates mainly to higher activity in general as well as increased expenses in connection with real estate.

### **Loan losses**

Net loan losses were NOK 47m in the third quarter, compared to net positive loan losses of NOK 60m in the corresponding quarter last year. This change is due to reduced recoveries and reversals combined with a rise in provisions for loan losses.

### **Taxes**

The effective tax rate in the third quarter was 27.2% compared to 27.5% in the same quarter last year.

### **Net profit**

Compared to the third quarter in 2007, net profit increased by 25% to NOK 868m. This corresponds to a return on equity of 13.8%.

### **Credit portfolio**

Total lending to the public increased by 19% compared to one year ago and amounted to NOK 409bn at the end of the third quarter. The share of private customer lending was 37.5%. Within private customer lending, mortgage loans accounted for 95.4%.

There was no major change in the composition of the corporate loan portfolio during the quarter. Corporate lending amounted to NOK 254bn at the end of the quarter. Real estate companies remain the largest industry exposure in the credit portfolio and amounted to NOK 77.9bn, representing 19% of the total lending portfolio. The credit quality in the well diversified lending portfolio remained strong.

### **Capital position and capital management**

At the end of September, NBN's risk-weighted assets (RWA) amounted to NOK 344bn. RWA amounted to NOK 298bn before taking into account the transition rules which allows a reduction of 10% of RWA in 2008. The growth over the last

twelve months reflects increased volumes in the underlying assets.

NBN has strengthened its capital position during the third quarter by entering into a EUR 200m subordinated loan agreement with Nordea Bank AB (publ). This was approved by the Norwegian FSA as an increase in core capital (Tier 1). The Tier 1 capital ratio was 7.4% including the result for the period, and the total capital ratio was 9.7%.

When applying the Norwegian FSA definition, excluding the net profit for the first nine months, Tier 1 capital ratio was 6.6% and the total capital ratio 9.0%.

For NBN ASA the risk-weighted assets according to transition rules amounted to NOK 311bn. Exclusive of the net profit, Tier 1 capital ratio was 6.7% and total capital ratio was 9.2%.

### **No reclassification of financial instruments**

Nordea has not used the possibility to reclassify interest-bearing securities from the "fair value through profit and loss" category, as allowed by the amended IAS 39 from International Accounting Standards Board on 13 October, 2008.

### **Outlook 2008**

It is clear that the macroeconomic outlook is deteriorating and that uncertainty has increased. Nordea-group expects to see a gradual slowdown in lending growth for the remainder of this year. On the other hand lending margins are expected to improve.

The uncertainty for financial markets and consequently also for Nordea-group's savings-related fees as well as capital markets businesses remains high. Nordea-group has previously communicated an expected growth in risk-adjusted profit of approx. 5%, with the development in the financial markets to determine whether the growth would be somewhat above or below 5%. During the first nine months, customer areas have delivered according to plan, however with the extreme development in financial markets negatively affecting the risk-adjusted profit.

Cost growth for 2008 is expected to be in line with the cost growth for the first nine months. The overall quality of the credit portfolio remains strong, but following the deteriorating economic outlook, loan losses will gradually increase. Nordea Bank Norge is expected to contribute to the development described above.

## Quarterly development

	Q3	Q2	Q1	Q4	Q3	Jan-Sep	Jan-Sep
NOKm	2008	2008	2008	2007	2007	2008	2007
Net interest income	2,028	1,807	1,756	1,671	1,548	5,591	4,475
Net fee and commission income (note 1)	398	364	332	398	379	1,094	1,217
Net gains/losses on items at fair value	-14	467	-50	45	67	403	263
Equity method	24	34	-43	-19	5	15	32
Other income	-9	109	88	17	7	188	38
<b>Total operating income</b>	<b>2,427</b>	<b>2,781</b>	<b>2,083</b>	<b>2,112</b>	<b>2,006</b>	<b>7,291</b>	<b>6,025</b>
General administrative expenses (note 2):							
Staff costs	-705	-657	-687	-611	-686	-2,049	-2,004
Other expenses	-438	-419	-438	-483	-406	-1,295	-1,290
Depreciation of tangible and intangible assets	-43	-30	-25	-31	-27	-98	-77
<b>Total operating expenses</b>	<b>-1,186</b>	<b>-1,106</b>	<b>-1,150</b>	<b>-1,125</b>	<b>-1,119</b>	<b>-3,442</b>	<b>-3,371</b>
<b>Profit before loan losses</b>	<b>1,241</b>	<b>1,675</b>	<b>933</b>	<b>987</b>	<b>887</b>	<b>3,849</b>	<b>2,654</b>
Loan losses	-47	7	-50	40	60	-90	65
Disposals of tangible and intangible assets	-1	0	0	4	7	-1	16
<b>Operating profit</b>	<b>1,193</b>	<b>1,682</b>	<b>883</b>	<b>1,031</b>	<b>954</b>	<b>3,758</b>	<b>2,735</b>
Income tax expense	-325	-445	-256	-227	-262	-1,026	-703
<b>Net profit for the period</b>	<b>868</b>	<b>1,237</b>	<b>627</b>	<b>804</b>	<b>692</b>	<b>2,732</b>	<b>2,032</b>
Earnings per share (EPS), NOK	1.57	2.24	1.14	1.46	1.26	4.96	3.69
EPS, rolling 12 months up to period end, NOK	6.41	6.09	5.19	5.14	5.31	6.41	5.31
<b>Note 1 Net fee and commission income</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Jan-Sep</b>	<b>Jan-Sep</b>
NOKm	2008	2008	2008	2007	2007	2008	2007
Asset Management commissions	6	7	7	9	9	20	29
Life insurance	13	13	14	15	15	40	53
Brokerage	32	24	22	27	32	78	82
Custody	36	34	33	30	34	103	94
Deposits	15	10	8	9	11	33	28
Total savings related commissions	102	88	84	90	101	274	286
Payments	121	115	116	121	114	352	344
Cards	172	164	163	179	187	499	502
Total payment commissions	293	279	279	300	301	851	846
Lending	34	38	7	20	17	79	57
Guarantees and documentary payments	43	19	24	33	37	86	127
Total lending related commissions	77	57	31	53	54	165	184
Other commission income	95	112	90	132	108	297	368
<b>Fee and commission income</b>	<b>567</b>	<b>536</b>	<b>484</b>	<b>575</b>	<b>564</b>	<b>1,587</b>	<b>1,684</b>
Payment expenses	-147	-151	-129	-155	-161	-427	-377
Other commission expenses	-22	-21	-23	-22	-24	-66	-90
<b>Fee and commission expenses</b>	<b>-169</b>	<b>-172</b>	<b>-152</b>	<b>-177</b>	<b>-185</b>	<b>-493</b>	<b>-467</b>
<b>Net fee and commission income</b>	<b>398</b>	<b>364</b>	<b>332</b>	<b>398</b>	<b>379</b>	<b>1,094</b>	<b>1,217</b>
<b>Note 2 General administrative expenses</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Jan-Sep</b>	<b>Jan-Sep</b>
NOKm	2008	2008	2008	2007	2007	2008	2007
Staff	705	657	687	611	686	2,049	2,004
of which variable salaries	68	45	55	46	58	168	193
Information technology <sup>1</sup>	165	106	142	160	132	413	405
Marketing	18	31	29	36	16	78	73
Postage, telephone and office expenses	33	38	34	38	37	105	115
Rents, premises and real estate expenses	96	98	98	108	96	292	285
Other	126	146	135	141	125	407	412
<b>Total</b>	<b>1,143</b>	<b>1,076</b>	<b>1,125</b>	<b>1,094</b>	<b>1,092</b>	<b>3,344</b>	<b>3,294</b>

<sup>1</sup> Refers to IT operations, service expenses and consultant fees. Total IT-related costs including staff etc were NOK 197m in Q3 2008 (Q3 2007: NOK 170m).

## Segment reporting

Customer areas								Other				Group		
Customer responsible units	Nordic Banking		Inst. & International Banking		Other customer operations		Total customer areas		Group Corporate Centre		Group Functions and Eliminations		NBN Group	
	Jan - Sep		Jan - Sep		Jan - Sep		Jan - Sep		Jan - Sep		Jan - Sep		Jan - Sep	
Income statement, NOKm	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Net interest income	4,063	3,277	957	763	-192	-8	4,828	4,032	591	284	172	159	5,591	4,475
Net fee and commission income	999	938	329	331	-175	9	1,153	1,278	10	8	-69	-69	1,094	1,217
Net gains/losses on items at fair value	598	499	211	131	-366	-419	443	211	-47	41	7	11	403	263
Profit from companies accounted for under the equity method	0	0	15	32	0	0	15	32	0	0	0	0	15	32
Other income	41	27	0	1	63	79	104	107	0	0	84	-69	188	38
Total operating income	5,701	4,741	1,512	1,258	-670	-339	6,543	5,660	554	333	194	32	7,291	6,025
Staff costs	-1,022	-960	-107	-110	-721	-732	-1,850	-1,802	-28	-18	-171	-184	-2,049	-2,004
Other expenses	-1,759	-1,642	-214	-204	544	503	-1,429	-1,343	-56	-103	190	156	-1,295	-1,290
Depreciation of tangible and intangible assets	-44	-30	0	0	-53	-45	-97	-75	0	0	-1	-2	-98	-77
Total operating expenses	-2,825	-2,632	-321	-314	-230	-274	-3,376	-3,220	-84	-121	18	-30	-3,442	-3,371
Loan losses	-55	66	10	40	-45	-41	-90	65	0	0	0	0	-90	65
Disposals of tangible and intangible assets	-1	0	0	0	0	14	-1	14	0	0	0	2	-1	16
Operating profit	2,820	2,175	1,201	984	-945	-640	3,076	2,519	470	212	212	4	3,758	2,735
Balance sheet, NOKbn														
Loans and receivables to the public	334	292	75	52	1	1	410	345	0	0	-1	-1	409	344
Other assets	7	4	4	4	39	32	50	40	68	60	-24	-22	94	78
Total assets	341	296	79	56	40	33	460	385	68	60	-25	-23	503	422
Deposits and borrowings from the public	167	148	54	54	0	1	221	203	0	1	-3	-6	218	198
Other liabilities	24	21	15	6	33	29	72	56	213	162	-26	-16	259	202
Total liabilities	191	169	69	60	33	30	293	259	213	163	-29	-22	477	400
Equity/economic capital	13	10	4	3	0	0	17	13	1	1	8	8	26	22
Total liabilities and equity	204	179	73	63	33	30	310	272	214	164	-21	-14	503	422
RAROCAR, %	19%	17%	26%	35%			16%	16%					14%	12%
Other segment items, NOKm														
Capital expenditure	44	34	16	9			60	43	2	2	29	27	91	72

## Geographical segments

In accordance with prevailing rules, the secondary segment reporting shows Nordea's operations divided into the geographical areas where the Group operates. NBN operates only to a minor extent outside Norway, consequently, in accordance with IAS 14 no information is given regarding the secondary segment.

## Income statement

NOKm	Note	Q3 2008	Q3 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
<b>Operating income</b>						
<i>Interest income</i>		7,458	5,465	20,730	15,025	21,125
<i>Interest expense</i>		-5,430	-3,917	-15,139	-10,550	-14,979
Net interest income		2,028	1,548	5,591	4,475	6,146
<i>Fee and commission income</i>		567	564	1,587	1,684	2,259
<i>Fee and commission expense</i>		-169	-185	-493	-467	-644
Net fee and commission income		398	379	1,094	1,217	1,615
Net gains/losses on items at fair value	2	-14	67	403	263	308
Profit from companies accounted for under the equity method		24	5	15	32	13
Other operating income		-9	7	188	38	55
<b>Total operating income</b>		<b>2,427</b>	<b>2,006</b>	<b>7,291</b>	<b>6,025</b>	<b>8,137</b>
<b>Operating expenses</b>						
General administrative expenses:						
Staff costs		-705	-686	-2,049	-2,004	-2,615
Other expenses		-438	-406	-1,295	-1,290	-1,773
Depreciation, amortisation and impairment charges of tangible and intangible assets		-43	-27	-98	-77	-108
<b>Total operating expenses</b>		<b>-1,186</b>	<b>-1,119</b>	<b>-3,442</b>	<b>-3,371</b>	<b>-4,496</b>
Loan losses	3	-47	60	-90	65	105
Disposals of tangible and intangible assets		-1	7	-1	16	20
<b>Operating profit</b>		<b>1,193</b>	<b>954</b>	<b>3,758</b>	<b>2,735</b>	<b>3,766</b>
Income tax expense		-325	-262	-1,026	-703	-930
<b>Net profit for the period</b>		<b>868</b>	<b>692</b>	<b>2,732</b>	<b>2,032</b>	<b>2,836</b>
<b>Attributable to:</b>						
Shareholders of Nordea Bank Norge ASA		868	692	2,732	2,032	2,836
<b>Total</b>		<b>868</b>	<b>692</b>	<b>2,732</b>	<b>2,032</b>	<b>2,836</b>
Earnings per share, NOK		1.57	1.26	4.96	3.69	5.14

## Balance sheet

NOKm	Note	30 Sep 2008	31 Dec 2007	30 Sep 2007
<b>Assets</b>				
Cash and balances with central banks		694	15,204	707
Loans and receivables to credit institutions	4	28,793	19,284	21,101
Loans and receivables to the public	4	409,415	360,219	343,904
Interest-bearing securities		32,997	29,322	33,597
Financial instruments pledged as collateral		437	1,218	57
Shares		3,025	2,086	1,433
Derivatives	6	8,846	668	935
Fair value changes of the hedged items in portfolio hedge of interest rate risk		0	72	10
Investments in associated undertakings		909	616	635
Intangible assets		289	263	158
Property and equipment		253	270	254
Deferred tax assets		1,135	1,131	870
Other assets		13,144	9,084	15,910
Prepaid expenses and accrued income		3,059	2,163	2,234
<b>Total assets</b>		<b>502,996</b>	<b>441,600</b>	<b>421,805</b>
<b>Liabilities</b>				
Deposits by credit institutions		210,531	161,790	156,664
Deposits and borrowings from the public		218,130	217,771	198,357
Debt securities in issue		7,754	7,744	7,875
Derivatives	6	944	2,145	5,178
Fair value changes of the hedged items in portfolio hedge of interest rate risk		106	121	24
Current tax liabilities		555	1,176	730
Other liabilities		21,395	16,443	17,307
Accrued expenses and prepaid income		6,309	2,034	4,047
Provisions		29	7	28
Retirement benefit obligations		2,066	2,160	2,220
Subordinated liabilities		9,658	7,422	7,398
<b>Total liabilities</b>		<b>477,477</b>	<b>418,813</b>	<b>399,828</b>
<b>Equity</b>				
	7			
Share capital		3,860	3,860	3,860
Share premium account		953	953	953
Retained earnings		20,706	17,974	17,164
<b>Total equity</b>		<b>25,519</b>	<b>22,787</b>	<b>21,977</b>
<b>Total liabilities and equity</b>		<b>502,996</b>	<b>441,600</b>	<b>421,805</b>
Assets pledged as security for own liabilities		26,242	36,307	24,596
Contingent liabilities		915	19,743	24,874
Commitments excluding derivatives		157,567	147,959	137,368
Derivative commitments		246,333	238,919	225,049



## Statement of recognised income and expense

NOKm	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
Currency translation differences during the period	5	-9	-6
Net income recognised directly in equity	5	-9	-6
Net profit for the period	2,732	2,032	2,836
<b>Total recognised income and expense for the period</b>	<b>2,737</b>	<b>2,023</b>	<b>2,830</b>
<b>Attributable to:</b>			
Shareholders of Nordea Bank Norge ASA	2,737	2,023	2,830
<b>Total</b>	<b>2,737</b>	<b>2,023</b>	<b>2,830</b>

## Cash flow statement

NOKm	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
<i>Operating activities</i>			
Operating profit	3,758	2,735	3,766
Adjustments for items not included in cash flow	3,548	2,279	267
Income taxes paid	-1,647	-1,301	-1,342
Cash flow from operating activities before changes in operating assets and liabilities	5,659	3,713	2,691
Changes in operating assets and liabilities	-25,974	850	17,277
Cash flow from operating activities	-20,315	4,563	19,968
<i>Investing activities</i>			
Acquisition of group undertakings	0	0	-48
Share issue in associated undertakings	-278	0	0
Dividend from associated undertakings	0	0	50
Property and equipment	-36	16	-63
Intangible assets	-72	-72	-106
Cash flow from investing activities	-386	-56	-167
<i>Financing activities</i>			
Issued/amortised subordinated liabilities	2,236	258	282
Dividend paid	0	-1,000	-1,000
Cash flow from financing activities	2,236	-742	-718
<b>Cash flow for the period</b>	<b>-18,465</b>	<b>3,765</b>	<b>19,083</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>24,584</b>	<b>5,501</b>	<b>5,501</b>
Exchange rate difference	-1	0	0
<b>Cash and cash equivalents at end of period</b>	<b>6,118</b>	<b>9,266</b>	<b>24,584</b>
<b>Change</b>	<b>-18,465</b>	<b>3,765</b>	<b>19,083</b>
<b>Cash and cash equivalents</b>	<b>30 Sep</b>	<b>30 Sep</b>	<b>31 Dec</b>
The following items are included in cash and cash equivalents (NOKm):	<u>2008</u>	<u>2007</u>	<u>2007</u>
Cash and balances with central banks	694	707	15,204
Loans and receivables to credit institutions, payable on demand	5,424	8,559	9,380

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:

- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available at any time.

Loans and receivables to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

# Notes to the financial statements

## Note 1 Accounting policies

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the EU.

These statements are presented in accordance with IAS 34 "Interim Financial Reporting".

### Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the Annual Report 2007.

An addition to the accounting policies has been made in the third quarter as an amendment to IAS 39 and IFRS 7 has been published in October with effective date 1 July 2008. The impact from this amendment is that financial assets can, in rare circumstances, be reclassified out of the fair value through profit or loss category if the assets are no longer held for the purpose of selling or repurchasing in the near term. Nordea has not made any reclassifications as a result of this amendment in the third quarter.

### Exchange rates

	Jan-Sep 2008	Jan-Dec 2007	Jan-Sep 2007
<b>EUR 1 = NOK</b>			
Income statement (average)	7.9873	7.9979	8.0626
Balance sheet (at end of period)	8.3300	7.9600	7.7100
<b>USD 1 = NOK</b>			
Income statement (average)	5.2556	5.8443	6.0014
Balance sheet (at end of period)	5.8400	5.4000	5.4300
<b>SEK 1 = NOK</b>			
Income statement (average)	0.8488	0.8661	0.8730
Balance sheet (at end of period)	0.8500	0.8444	0.8383
<b>DKK 1 = NOK</b>			
Income statement (average)	1.0709	1.0766	1.0824
Balance sheet (at end of period)	1.1164	1.0668	1.0348

**Note 2 Net gains/losses on items at fair value**

NOKm	Q3 2008	Q3 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
Shares/participations and other share-related instruments	102	84	244	245	287
Interest-bearing securities and other interest-related instruments	-147	-113	1	-207	-271
Other financial instruments	-4	0	-4	0	17
Foreign exchange gains/losses	35	96	162	225	275
<b>Total</b>	<b>-14</b>	<b>67</b>	<b>403</b>	<b>263</b>	<b>308</b>

**Note 3 Loan losses**

NOKm	Q3 2008	Q3 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
<b>Loan losses divided by class, net</b>					
Loans and receivables to credit institutions	0	7	0	-2	0
- of which write-offs and provisions	0	0	0	-9	-10
- of which reversals and recoveries	0	7	0	7	10
Loans and receivables to the public	-35	50	-69	92	111
- of which write-offs and provisions	-81	-68	-253	-196	-280
- of which reversals and recoveries	46	118	184	288	391
Off-balance sheet items <sup>1</sup>	-12	3	-21	-25	-6
- of which write-offs and provisions	-15	-2	-27	-33	-33
- of which reversals and recoveries	3	5	6	8	27
<b>Total</b>	<b>-47</b>	<b>60</b>	<b>-90</b>	<b>65</b>	<b>105</b>

**Specification of loan losses**

Changes of allowance accounts in the balance sheet	-37	23	-104	24	65
- of which Loans and receivables	-25	20	-83	48	71
- of which Off-balance sheet items <sup>1</sup>	-12	3	-21	-24	-6
Changes directly recognised in the income statement	-10	37	14	41	40
- of which realised loan losses	-31	-4	-43	-11	-21
- of which realised recoveries	21	41	57	52	61
<b>Total</b>	<b>-47</b>	<b>60</b>	<b>-90</b>	<b>65</b>	<b>105</b>

<sup>1</sup> Included in Provisions in the balance sheet.

**Note 4 Loans and receivables and their impairment**

	Total		
	30 Sep 2008	31 Dec 2007	30 Sep 2007
NOKm			
Loans and receivables, not impaired	437,847	379,408	365,021
Impaired loans and receivables:	1,238	958	918
- Performing	340	347	306
- Non-performing	898	611	612
<b>Loans and receivables before allowances</b>	<b>439,085</b>	<b>380,366</b>	<b>365,939</b>
Allowances for individually assessed impaired loans	-502	-468	-487
- Performing	-106	-121	-114
- Non-performing	-396	-347	-373
Allowances for collectively assessed impaired loans	-375	-395	-447
<b>Allowances</b>	<b>-877</b>	<b>-863</b>	<b>-934</b>
<b>Loans and receivables, carrying amount</b>	<b>438,208</b>	<b>379,503</b>	<b>365,005</b>

	Credit institutions			The public		
	30 Sep 2008	31 Dec 2007	30 Sep 2007	30 Sep 2008	31 Dec 2007	30 Sep 2007
NOKm						
Loans and receivables, not impaired	28,793	19,284	21,103	409,054	360,124	343,918
Impaired loans and receivables:	0	0	0	1,238	958	918
- Performing	0	0	0	340	347	306
- Non-performing	0	0	0	898	611	612
<b>Loans and receivables before allowances</b>	<b>28,793</b>	<b>19,284</b>	<b>21,103</b>	<b>410,292</b>	<b>361,082</b>	<b>344,836</b>
Allowances for individually assessed impaired loans	0	0	0	-502	-468	-487
- Performing	0	0	0	-106	-121	-114
- Non-performing	0	0	0	-396	-347	-373
Allowances for collectively assessed impaired loans	0	0	-2	-375	-395	-445
<b>Allowances</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-877</b>	<b>-863</b>	<b>-932</b>
<b>Loans and receivables, carrying amount</b>	<b>28,793</b>	<b>19,284</b>	<b>21,101</b>	<b>409,415</b>	<b>360,219</b>	<b>343,904</b>

**Reconciliation of allowance accounts for impaired loans**

	Credit institutions		The public		Total		Total
	Individually assessed	Collectively assessed	Individually assessed	Collectively assessed	Individually assessed	Collectively assessed	
<b>Loans and receivables, NOKm</b>							
<b>Opening balance at 1 Jan 2008</b>	<b>0</b>	<b>0</b>	<b>-468</b>	<b>-395</b>	<b>-468</b>	<b>-395</b>	<b>-863</b>
Provisions	0	0	-186	-23	-186	-23	-209
Reversals	0	0	85	41	85	41	126
<b>Changes through the income statement</b>	<b>0</b>	<b>0</b>	<b>-101</b>	<b>18</b>	<b>-101</b>	<b>18</b>	<b>-83</b>
Allowances used to cover write-offs	0	0	66	2	66	2	68
Currency translation differences	0	0	1	0	1	0	1
<b>Closing balance at 30 Sep 2008</b>	<b>0</b>	<b>0</b>	<b>-502</b>	<b>-375</b>	<b>-502</b>	<b>-375</b>	<b>-877</b>
<b>Opening balance at 1 Jan 2007</b>	<b>0</b>	<b>0</b>	<b>-546</b>	<b>-517</b>	<b>-546</b>	<b>-517</b>	<b>-1,063</b>
Provisions	0	-2	-215	-78	-215	-80	-295
Reversals	0	0	189	141	189	141	330
<b>Changes through the income statement</b>	<b>0</b>	<b>-2</b>	<b>-26</b>	<b>63</b>	<b>-26</b>	<b>61</b>	<b>35</b>
Allowances used to cover write-offs	0	0	86	9	86	9	95
Currency translation differences	0	0	-1	0	-1	0	-1
<b>Closing balance at 30 Sep 2007</b>	<b>0</b>	<b>-2</b>	<b>-487</b>	<b>-445</b>	<b>-487</b>	<b>-447</b>	<b>-934</b>

Note 4, continued

#### Allowances and provisions

NOKm	30 Sep 2008	31 Dec 2007	30 Sep 2007
Allowances for items in the balance sheet	-877	-863	-934
Provisions for off balance sheet items	-29	-7	-28
<b>Total allowances and provisions</b>	<b>-906</b>	<b>-870</b>	<b>-962</b>

#### Key ratios

	30 Sep 2008	31 Dec 2007	30 Sep 2007
Impairment rate, gross <sup>1</sup> , %	0.3	0.3	0.3
Impairment rate, net <sup>2</sup> , %	0.2	0.1	0.1
Total allowance rate <sup>3</sup> , %	0.2	0.2	0.3
Allowance rate, impaired loans <sup>4</sup> , %	40.5	48.9	53.1
Non-performing loans and receivables, not impaired <sup>5</sup> , NOKm	407	332	294

<sup>1</sup> Individually assessed impaired loans and receivables before allowances divided by total loans and receivables before allowances, %.

<sup>2</sup> Individually assessed impaired loans and receivables after allowances divided by total loans and receivables before allowances, %.

<sup>3</sup> Total allowances divided by total loans and receivables before allowances, %.

<sup>4</sup> Allowances for individually assessed impaired loans and receivables divided by individually assessed impaired loans and receivables before allowances, %.

<sup>5</sup> Past due loans and receivables, not impaired due to future cash flows (included in Loans and receivables, not impaired).

#### Note 5 Classification of financial instruments

NOKm	Loans and receivables	Held for trading	Assets at fair value	Derivatives used for hedging	Available for sale	Total
<b>Financial assets</b>						
Cash and balances with central banks	694					694
Loans and receivables to credit institutions	20,100		8,693			28,793
Loans and receivables to the public	409,415					409,415
Interest-bearing securities		32,997				32,997
Financial instruments pledged as collateral		437				437
Shares		2,966			59	3,025
Derivatives		8,523		323		8,846
Other assets	597		12,534			13,131
Prepaid expenses and accrued income	3,059					3,059
<b>Total 30 Sep 2008</b>	<b>433,865</b>	<b>44,923</b>	<b>21,227</b>	<b>323</b>	<b>59</b>	<b>500,397</b>
Total 31 Dec 2007	390,440	33,306	15,512	0	60	439,318
Total 30 Sep 2007	379,443	35,680	4,480	228	57	419,888

NOKm	Held for trading	Liabilities at fair value	Derivatives used for hedging	Other financial liabilities	Total
<b>Financial liabilities</b>					
Deposits by credit institutions		19,780		190,751	210,531
Deposits and borrowings from the public		324		217,806	218,130
Debt securities in issue				7,754	7,754
Derivatives	755		189		944
Fair value changes of the hedged items in portfolio hedge of interest rate risk	26			80	106
Other liabilities	10,314	10,046		940	21,300
Accrued expenses and prepaid income				5,584	5,584
Subordinated liabilities				9,658	9,658
<b>Total 30 Sep 2008</b>	<b>11,095</b>	<b>30,150</b>	<b>189</b>	<b>432,573</b>	<b>474,007</b>
Total 31 Dec 2007	6,921	19,245	276	388,225	414,667
Total 30 Sep 2007	10,001	13,382	280	373,187	396,850

## Note 6 Derivatives

Fair value NOKm	30 Sep 2008		31 Dec 2007		30 Sep 2007	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>Derivatives held for trading</b>						
Interest rate derivatives	93	698	87	573	98	628
Equity derivatives	713	10	47	148	142	25
Foreign exchange derivatives	7,178	6	124	984	52	3,829
Other derivatives	41	41	135	135	415	415
<b>Total</b>	<b>8,025</b>	<b>755</b>	<b>393</b>	<b>1,840</b>	<b>707</b>	<b>4,897</b>
<b>Derivatives used for hedging</b>						
Interest rate derivatives	323	85	252	176	228	157
Foreign exchange derivatives	498	104	23	129	0	124
<b>Total</b>	<b>821</b>	<b>189</b>	<b>275</b>	<b>305</b>	<b>228</b>	<b>281</b>
<b>Total fair value</b>						
Interest rate derivatives	416	783	339	749	326	785
Equity derivatives	713	10	47	148	142	25
Foreign exchange derivatives	7,676	110	147	1,113	52	3,953
Other derivatives	41	41	135	135	415	415
<b>Total</b>	<b>8,846</b>	<b>944</b>	<b>668</b>	<b>2,145</b>	<b>935</b>	<b>5,178</b>
<b>Nominal amount</b> NOKm					30 Sep 2008	31 Dec 2007
<b>Derivatives held for trading</b>						30 Sep 2007
Interest rate derivatives					126,895	133,187
Equity derivatives					3,341	-2,028
Foreign exchange derivatives					93,335	86,519
Other derivatives					857	1,525
<b>Total</b>					<b>224,428</b>	<b>219,203</b>
<b>Derivatives used for hedging</b>						
Interest rate derivatives					18,477	16,158
Equity derivatives					0	0
Foreign exchange derivatives					3,428	3,558
<b>Total</b>					<b>21,905</b>	<b>19,716</b>
<b>Total nominal amount</b>						
Interest rate derivatives					145,372	149,345
Equity derivatives					3,341	-2,028
Foreign exchange derivatives					96,763	90,077
Other derivatives					857	1,525
<b>Total</b>					<b>246,333</b>	<b>238,919</b>

## Note 7 Equity

NOKm	Share capital <sup>1</sup>	Share premium account	Retained earnings	Minority interests	Total equity
<b>Opening balance at 1 Jan 2008</b>	<b>3,860</b>	<b>953</b>	<b>17,973</b>	<b>1</b>	<b>22,787</b>
Minority interests (Privatmegleren AS)				3	3
Currency translation differences			5		5
<i>Net income recognised directly in equity</i>	<i>0</i>	<i>0</i>	<i>5</i>	<i>3</i>	<i>8</i>
Net profit for the period			2,732		2,732
<i>Total recognised income and expense in equity</i>	<i>0</i>	<i>0</i>	<i>2,737</i>	<i>3</i>	<i>2,740</i>
Share-based payments <sup>2</sup>			8		8
Other changes			-16		-16
<b>Closing balance at 30 Sep 2008</b>	<b>3,860</b>	<b>953</b>	<b>20,702</b>	<b>4</b>	<b>25,519</b>

NOKm	Share capital <sup>1</sup>	Share premium account	Retained earnings	Minority interests	Total equity
<b>Opening balance at 1 Jan 2007</b>	<b>3,860</b>	<b>953</b>	<b>16,138</b>	<b>0</b>	<b>20,951</b>
Minority interests (Privatmegleren AS)				1	1
Currency translation differences			-6		-6
<i>Net income recognised directly in equity</i>	<i>0</i>	<i>0</i>	<i>-6</i>	<i>1</i>	<i>-5</i>
Net profit for the period			2,836		2,836
<i>Total recognised income and expense in equity</i>	<i>0</i>	<i>0</i>	<i>2,830</i>	<i>1</i>	<i>2,831</i>
Dividend for 2006			-1,000		-1,000
Share-based payments			5		5
<b>Closing balance at 31 Dec 2007</b>	<b>3,860</b>	<b>953</b>	<b>17,973</b>	<b>1</b>	<b>22,787</b>

NOKm	Share capital <sup>1</sup>	Share premium account	Retained earnings	Minority interests	Total equity
<b>Opening balance at 1 Jan 2007</b>	<b>3,860</b>	<b>953</b>	<b>16,138</b>	<b>0</b>	<b>20,951</b>
Currency translation differences			-9		-9
<i>Net income recognised directly in equity</i>	<i>0</i>	<i>0</i>	<i>-9</i>	<i>0</i>	<i>-9</i>
Net profit for the period			2,032		2,032
<i>Total recognised income and expense in equity</i>	<i>0</i>	<i>0</i>	<i>2,023</i>	<i>0</i>	<i>2,023</i>
Dividend for 2006			-1,000		-1,000
Share-based payments			3		3
<b>Closing balance at 30 Sep 2007</b>	<b>3,860</b>	<b>953</b>	<b>17,164</b>	<b>0</b>	<b>21,977</b>

<sup>1</sup>Total shares registered were 551m (31 Dec 2007: 551m, 30 Sep 2007: 551m).

<sup>2</sup>The amount above is the change in the period. The opening balance of share based payment was NOK 5m and NOK 13m at the end of the period.

## Note 8 Capital adequacy

### Capital Base

	30 Sep* 2008	31 Dec 2007	30 Sep* 2007
NOKm			
Tier 1 capital	22,843	21,638	19,213
Total capital base	30,825	29,226	26,882

\* excluding profit.

### Capital requirement

	30 Sep 2008 Capital requirement	30 Sep 2008 RWA	31 Dec 2007 Capital requirement	31 Dec 2007 RWA	30 Sep 2007 Capital requirement	30 Sep 2007 RWA
NOKm						
<b>Credit risk</b>	<b>22,057</b>	<b>275,709</b>	<b>17,977</b>	<b>224,714</b>	<b>17,865</b>	<b>223,315</b>
IRB foundation	13,936	174,195	10,963	137,036	11,161	139,509
- of which corporate	13,087	163,592	10,337	129,212	10,414	130,177
- of which institutions	743	9,286	553	6,913	674	8,429
- of which other	105	1,317	73	911	72	903
Standardised	8,121	101,515	7,014	87,678	6,704	83,805
- of which retail	6,134	76,674	5,182	64,775	5,602	70,021
- of which sovereign	30	380	28	348	25	317
- of which other	1,957	24,460	1,804	22,555	1,077	13,467
<b>Market risk</b>	<b>668</b>	<b>8,356</b>	<b>418</b>	<b>5,223</b>	<b>675</b>	<b>8,436</b>
- of which trading book, VaR	299	3,733	64	805	73	911
- of which trading book, non-VaR	370	4,623	353	4,410	602	7,526
- of which FX, non-VaR	0	0	1	8	0	0
<b>Operational risk</b>	<b>1,152</b>	<b>14,405</b>	<b>993</b>	<b>12,413</b>	<b>993</b>	<b>12,413</b>
Standardised	1,152	14,405	993	12,413	993	12,413
<b>Sub total</b>	<b>23,878</b>	<b>298,470</b>	<b>19,388</b>	<b>242,350</b>	<b>19,533</b>	<b>244,164</b>
<b>Adjustment for transition rules</b>						
Additional capital requirement according to transition rules	3,673	45,910	6,996	87,455	4,987	62,335
<b>Total</b>	<b>27,550</b>	<b>344,381</b>	<b>26,384</b>	<b>329,805</b>	<b>24,520</b>	<b>306,498</b>

### Capital ratio

	30 Sep 2008	31 Dec 2007	30 Sep 2007
Tier I ratio, %, incl profit	7.4	6.6	6.9
Capital ratio, %, incl profit	9.7	8.9	9.4
Tier I ratio, %, excl profit	6.6	..	6.3
Capital ratio, %, excl profit	9.0	..	8.8

### Analysis of capital requirements

Exposure class	Average risk weight (%)	Capital requirement (NOKm)
Corporate	59	13,087
Institutions	23	743
Retail	46	6,134
Sovereign	10	30
Other	32	2,062
<b>Total credit risk</b>		<b>22,057</b>



**Note 9 Risks and uncertainties**

Nordea's revenue base reflects the Group's business with a large and diversified customer base, comprising both personal and corporate customers, representing different geographic areas and industries.

Nordea's main risk exposure is credit risk. The Group also assumes risks like market risk, liquidity risk, operational risk and life insurance risk. For further information on risk composition, see the Annual Report 2007.

The intensified credit market turmoil and the deteriorating macroeconomic outlook have so far not

had material impact on Nordea's financial position. However, uncertainty and risk levels are increasing. None of the above exposures and risks is expected to have any significant adverse effect on the Group or its financial position in the next three months.

Within the framework of the normal business operations, the Group faces claims in civil lawsuits and other disputes, most of which involve relatively limited amounts. None of these disputes are considered likely to have any significant adverse effect on the Group or its financial position in the next three months.

## Nordea Bank Norge ASA

### Income statement

NOKm	Q3 2008	Q3 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007
<b>Operating income</b>					
<i>Interest income</i>	7,246	5,289	20,122	14,453	20,367
<i>Interest expense</i>	-5,417	-3,898	-15,105	-10,474	-14,896
Net interest income	1,829	1,391	5,017	3,979	5,471
<i>Fee and commission income</i>	568	565	1,592	1,687	2,263
<i>Fee and commission expense</i>	-170	-184	-498	-465	-642
Net fee and commission income	398	381	1,094	1,222	1,621
Net gains/losses on items at fair value	-11	74	387	257	300
Dividends and group contribution	0	0	265	50	50
Other operating income	-5	14	202	60	83
<b>Total operating income</b>	<b>2,211</b>	<b>1,860</b>	<b>6,965</b>	<b>5,568</b>	<b>7,525</b>
<b>Operating expenses</b>					
General administrative expenses:					
Staff costs	-669	-653	-1,943	-1,908	-2,488
Other expenses	-427	-397	-1,259	-1,263	-1,738
Depreciation, amortisation and impairment charges of tangible and intangible assets	-41	-26	-92	-73	-100
<b>Total operating expenses</b>	<b>-1,137</b>	<b>-1,076</b>	<b>-3,294</b>	<b>-3,244</b>	<b>-4,326</b>
Loan losses	-33	68	-53	84	117
Disposals of tangible and intangible assets	-1	0	-1	2	0
<b>Operating profit</b>	<b>1,040</b>	<b>852</b>	<b>3,617</b>	<b>2,410</b>	<b>3,316</b>
Income tax expense	-288	-234	-989	-613	-800
<b>Net profit for the period</b>	<b>752</b>	<b>618</b>	<b>2,628</b>	<b>1,797</b>	<b>2,516</b>

# Nordea Bank Norge ASA

## Balance sheet

NOKm	Note	30 Sep 2008	31 Dec 2007	30 Sep 2007
<b>Assets</b>				
Cash and balances with central banks		694	15,204	707
Loans and receivables to credit institutions		59,238	48,354	47,340
Loans and receivables to the public		373,569	325,580	312,478
Interest-bearing securities		32,946	29,272	33,547
Financial instruments pledged as collateral		437	1,218	57
Shares		3,023	2,085	1,432
Derivatives		8,764	532	803
Fair value changes of the hedged items in portfolio hedge of interest rate risk		28	119	87
Investments in associated undertakings		417	139	139
Investments in group undertakings		2,241	2,233	2,183
Intangible assets		233	205	147
Property and equipment		247	264	248
Deferred tax assets		1,210	1,207	898
Other assets		13,129	9,036	15,890
Prepaid expenses and accrued income		2,821	1,979	2,124
<b>Total assets</b>		<b>498,997</b>	<b>437,427</b>	<b>418,080</b>
<b>Liabilities</b>				
Deposits by credit institutions		210,483	161,457	156,668
Deposits and borrowings from the public		218,092	217,750	198,325
Debt securities in issue		6,561	6,544	6,671
Derivatives		916	2,062	5,080
Fair value changes of the hedged items in portfolio hedge of interest rate risk		63	86	0
Current tax liabilities		439	1,096	640
Other liabilities		21,353	16,337	17,205
Accrued expenses and prepaid income		6,004	1,817	3,877
Provisions		29	7	28
Retirement benefit obligations		2,001	2,093	2,154
Subordinated liabilities		9,658	7,421	7,398
<b>Total liabilities</b>		<b>475,599</b>	<b>416,670</b>	<b>398,046</b>
<b>Equity</b>				
	1			
Share capital		3,860	3,860	3,860
Share premium account		953	953	953
Retained earnings		18,585	15,944	15,221
<b>Total equity</b>		<b>23,398</b>	<b>20,757</b>	<b>20,034</b>
<b>Total liabilities and equity</b>		<b>498,997</b>	<b>437,427</b>	<b>418,080</b>
Assets pledged as security for own liabilities		26,242	36,307	24,596
Contingent liabilities		915	19,972	25,103
Commitments excluding derivatives		165,324	156,637	145,045
Derivative commitments		243,127	228,356	225,037

## Nordea Bank Norge ASA

### Note 1 Equity

NOKm	Share capital <sup>1</sup>	Share premium account	Reserve for evaluation differences	Retained earnings	Total
<b>Balance at end of year, at 31 Dec 2007</b>	<b>3,860</b>	<b>953</b>	<b>0</b>	<b>15,944</b>	<b>20,757</b>
Currency translation differences				5	5
Share based payments <sup>2</sup>				8	8
Net profit for the period				2,628	2,628
<b>Balance at 30 Sep 2008</b>	<b>3,860</b>	<b>953</b>	<b>0</b>	<b>18,585</b>	<b>23,398</b>

  

NOKm	Share capital <sup>1</sup>	Share premium account	Reserve for evaluation differences	Retained earnings	Total
<b>Balance at end of year, at 31 Dec 2006</b>	<b>3,860</b>	<b>953</b>	<b>1,711</b>	<b>13,420</b>	<b>19,944</b>
Change in accounting policies, implementing IFRS					
- Equity method			-1,711		-1,711
- Fair value Treasury financial instruments				9	9
- Dividend reclassification 2006				1,000	1,000
<b>Balance at end of year, 31 Dec 2006, restated</b>	<b>3,860</b>	<b>953</b>	<b>0</b>	<b>14,429</b>	<b>19,242</b>
Currency translation differences				-8	-8
Dividend 2006				-1,000	-1,000
Share based payments				3	3
Net profit for the period, after corrections IFRS				1,797	1,797
<b>Balance at 30 Sep 2007, restated</b>	<b>3,860</b>	<b>953</b>	<b>0</b>	<b>15,221</b>	<b>20,034</b>

<sup>1</sup>Total shares registered were 551,358,576 with face value NOK 7.

<sup>2</sup>The amount above is the change in the period. The opening balance of share based payment was NOK 5m and NOK 13m at the end of the period.

Nordea Bank AB (Publ), corporate registration no. 516406-0120, owns 100 per cent of the shares in Nordea Bank Norge ASA.