

OFFERING CIRCULAR

DnB NOR Bank ASA

DnB NOR

(incorporated in Norway)

U.S.\$20,000,000,000
Euro Medium Term Note Programme

On 6th April, 1998, Union Bank of Norway entered into a U.S.\$1,500,000,000 Euro Medium Term Note Programme, as supplemented and amended (the "**Programme**"). The Programme has subsequently been increased from time to time, and on the date hereof, the Programme has been further increased to U.S.\$20,000,000,000. On 12th September, 2002, Union Bank of Norway converted into a public limited company and following such conversion the obligations of Union Bank of Norway became the obligations of a new entity, Union Bank of Norway ASA which from such date became the issuer under the Programme. On 19th January, 2004, Union Bank of Norway ASA merged with Den norske Bank ASA pursuant to which all the assets, rights, liabilities and obligations of Den norske Bank ASA were assumed by Union Bank of Norway ASA by operation of law under Norwegian statute laid down in the Norwegian Public Limited Companies Act of 1997 No.45, Section 13 and consequently Den norske Bank ASA was dissolved. As of such date, Union Bank of Norway ASA was renamed DnB NOR Bank ASA (the "**Issuer**", the "**Bank**" or "**DnB NOR**"). This Offering Circular supersedes all previous offering circulars and is valid, for the purpose of the listing of Notes on the Luxembourg Stock Exchange, for a period of one year from the date hereof. Any Notes (as defined below) to be issued after the date hereof are issued subject to the provisions set out herein. This does not affect any Notes issued prior to the date hereof.

Pursuant to the Programme, the Issuer may from time to time issue notes ("**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

As more fully described herein, Notes may be (i) issued on an unsubordinated basis ("**Unsubordinated Notes**"), (ii) issued on a subordinated basis with a fixed maturity as provided in "**Terms and Conditions of the Notes**" herein ("**Dated Subordinated Notes**") or (iii) issued on a subordinated basis with no fixed maturity as provided in "Terms and Conditions of the Notes" herein ("**Undated Subordinated Notes**"). The Terms and Conditions of Dated and Undated Subordinated Notes will not contain any events of default.

Notes may be issued in bearer and/or registered form (respectively, "**Bearer Notes**" and "**Registered Notes**").

The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed U.S.\$20,000,000,000 (or its equivalent in other currencies calculated as described herein). A description of the restrictions applicable at the date of this Offering Circular relating to the maturity of certain Notes is set out on page 7.

The Notes may be issued on a continuing basis to one or more of the Dealers specified on page 7 and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Offering Circular to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Application has been made for Notes issued under the Programme to be listed on the Luxembourg Stock Exchange. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined on page 25) of Notes will be set forth in a pricing supplement (the "**Pricing Supplement**") which, with respect to Notes to be listed on the Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes.

The Programme has been rated by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc. ("**Standard & Poor's**"), and by Moody's Investors Service Limited ("**Moody's**"). Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Arranger

Merrill Lynch International

Dealers

Barclays Capital
JP Morgan
Merrill Lynch International

UBS Investment Bank

DnB NOR Bank
Lehman Brothers
Morgan Stanley

The date of this Offering Circular is 30th April, 2004.

The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains or incorporates all information with respect to itself and the Notes which is material in the context of the Programme, that the information contained in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer accepts responsibility accordingly.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

Neither the Dealers nor the Trustee have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Issuer in connection with the Programme or the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer under the Programme.

No person is or has been authorised by the Issuer, the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealer or the Trustee.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Issuer, any of the Dealers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

The delivery of this Offering Circular does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the documents deemed incorporated herein by reference when deciding whether or not to purchase any Notes.

The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Dealers and the Trustee represents that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Offering Circular or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the United Kingdom, Norway, Japan, The Netherlands and Germany (see “Subscription and Sale” below).

The Bearer Notes of each Tranche (as defined on page 25) will initially be represented by a temporary global Note in bearer form (a “Temporary Bearer Global Note”) which will be deposited on the issue date thereof with a common depository on behalf of Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) and/or any other agreed clearance system and which will be exchangeable, as specified in the applicable Pricing Supplement, for either a permanent global Note in bearer form (a “Permanent Bearer Global Note”) or Bearer Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Pricing Supplement will specify that a Permanent Bearer Global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days’ notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes following the occurrence of an Exchange Event (as defined on page 12), all as further described in “Form of the Notes” below. Subject to certain exceptions described below, Bearer Notes may not be offered, resold or delivered within the United States to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act of 1933, as amended (the “Securities Act”)). See “Subscription and Sale” below.

The Notes have not been, and will not be, registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Unless otherwise provided with respect to a particular Series (as defined on page 25) of Registered Notes, the Registered Notes of each Tranche of such Series sold outside the United States in reliance on Regulation S under the Securities Act will be represented by a permanent global Note in registered form, without interest coupons (a “Reg. S Global Note”), deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“DTC”) for the accounts of Euroclear and Clearstream, Luxembourg for the accounts of their respective participants. Prior to expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or the lead manager, in the case of a syndicated issue (the “Distribution Compliance Period”), beneficial interests in the Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person except in accordance with Rule 144A, Rule 903 or 904 of Regulation S or pursuant to another applicable exemption from the registration requirements of the Securities Act. The Registered Notes of each Tranche of such Series sold in private transactions to qualified institutional buyers (“QIBs”) within the meaning of Rule 144A under the Securities Act will be represented by a restricted permanent global note in registered form, without interest coupons (a “Restricted Global Note”, and, together with a Reg. S. Global Note, “Registered Global Notes”), deposited with a custodian for, and registered in the name of a nominee of, DTC. The Registered Notes of each Tranche of such Series sold to “accredited investors” (as defined in Rule 501(a)(1), (2), (3) and (7) under the Securities Act) which are institutions (“Institutional Accredited Investors”) will be in definitive form, registered in the name of the holder thereof. Registered Notes in definitive form will, at the request of the holder (save to the extent otherwise indicated in the applicable Pricing Supplement), be issued in exchange for interests in the Registered Global Notes upon compliance with the procedures for exchange as described in “Form of the Notes”.

Notes may not be offered or sold within the United States or to U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Registered Notes may be offered and sold in the United States exclusively to persons reasonably believed by the Dealers to qualify as QIBs (as defined herein) or placed privately with institutions that are accredited investors as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. To permit compliance with Rule 144A under the Securities Act in connection with the resales of Registered Notes, the Issuer is required to furnish, upon request of a holder of a Registered Note and a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act. Registered Notes are not transferable to other holders within the United States except upon satisfaction of certain conditions as described under “Subscription and Sale”.

The Notes have not been recommended by or approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any other federal or state securities commission in the United States nor has the SEC or any other federal or state securities commission confirmed the accuracy or determined the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable federal or state securities laws pursuant to a registration statement or an exemption from registration. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

All references in this document to “U.S. dollars”, “U.S.\$” and “\$” refer to United States dollars, those to “NOK” refer to Norwegian kroner, those to “Yen” refer to Japanese yen, those to “Sterling” and “£” refer to pounds sterling and those to “euro” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on European Union, as amended.

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In connection with the issue and distribution of any Tranche of Notes, the Dealer (if any) disclosed as the stabilising manager in the applicable Pricing Supplement or any person acting for such Dealer may over-allot or effect transactions with a view to supporting the market price of the Notes of the Series of which such Tranche forms a part at a level higher than that which might otherwise prevail for a limited period. However, there is no obligation on the stabilising manager or any agent of it to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- (a) the most recently published audited consolidated annual financial statements of DnB NOR Bank ASA (when available) and, if published later, the most recently published interim financial statements of DnB NOR Bank ASA;
- (b) the unaudited pro forma financial information of DnB NOR Bank ASA for the year ended 31st December, 2003 which has been prepared as if the merger between Den norske Bank ASA and Union Bank of Norway ASA took place on 1st January, 2002;
- (c) the financial information of DnB NOR ASA for the year ended 31st December, 2003 as set out in the Annual Report of DnB NOR ASA for 2003;
- (d) the audited annual financial statements of Union Bank of Norway ASA for the year ended 31st December, 2003;
- (e) the audited annual financial statements of Den norske Bank ASA for the year ended 31st December, 2003; and
- (f) all supplements and amendments to this Offering Circular circulated by the Issuer from time to time,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its office set out at the end of this Offering Circular. In addition, such documents will be available free of charge from the principal office in Luxembourg of Kredietbank S.A. Luxembourgeoise, the Paying Agent in Luxembourg, for Notes listed on the Luxembourg Stock Exchange.

The Issuer will, in connection with the listing of the Notes on the Luxembourg Stock Exchange, so long as any Note remains outstanding and listed on such exchange, in the event of any material adverse change in the financial condition of the Issuer which is not reflected in this Offering Circular or a substitution of the Issuer in the manner set out in Condition 15 and in accordance with the provisions of the Trust Deed, prepare a further supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of the Notes to be listed on the Luxembourg Stock Exchange.

If the terms of the Programme are modified or amended in a manner which would make this Offering Circular, as supplemented, inaccurate or misleading, a new offering circular or supplemental offering circular will be prepared.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “**Form of the Notes**” below.

This Offering Circular and any supplement will only be valid for listing Notes on the Luxembourg Stock Exchange during the period of 12 months from the date of this Offering Circular in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$20,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “**Form of the Notes**”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for general business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
- (b) the U.S. dollar equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “**Form of the Notes**”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “**Form of the Notes**”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

SUMMARY OF THE PROGRAMME AND TERMS AND CONDITIONS OF THE NOTES

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined or used in “Form of the Notes” and “Terms and Conditions of the Notes” below shall have the same meanings in this summary.

Issuer:	DnB NOR Bank ASA
Description:	Euro Medium Term Note Programme
Arranger:	Merrill Lynch International
Dealers:	Barclays Bank PLC DnB NOR Bank ASA J.P. Morgan Securities Ltd. Lehman Brothers International (Europe) Merrill Lynch International Morgan Stanley & Co. International Limited UBS Limited

Certain restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ Subscription and Sale ” on page 94) including the following restriction applicable at the date of this Offering Circular.
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Swiss Francs

Issues of Notes denominated in Swiss francs or carrying a Swiss franc related element with a maturity of more than one year (other than Notes privately placed with a single investor with no publicity) will be effected in compliance with the relevant regulations of the Swiss National Bank based on article 7 of the Federal Law on Banks and Savings Banks of 8th November, 1934 (as amended) and article 15 of the Federal Law on Stock Exchanges and Securities Trading of 24th March, 1995 in connection with article 2, paragraph 2 of the Ordinance of the Federal Banking Commission on Stock Exchanges and Securities Trading of 2nd December, 1996. Under the said regulations, the relevant Dealer or, in the case of a syndicated issue, the lead manager (the “**Swiss Dealer**”), must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission pursuant to the Federal Law on Stock Exchanges and Securities Trading of 24th March, 1995. The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the Issue Date of the relevant Notes.

Trustee:	The Law Debenture Trust Corporation p.l.c.
Registrar:	Citigroup Global Markets Deutschland AG & Co. KGaA
Issuing and Principal Paying Agent:	Citibank, N.A., London office

Size:	Up to U.S.\$20,000,000,000 (or its equivalent in other currencies calculated as described herein on page 6) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Euro, Sterling, U.S. dollars, Yen and, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer.
Redenomination:	The applicable Pricing Supplement may provide that certain Notes may be redenominated in euro.
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity as agreed between the Issuer and the relevant Dealer(s). Unless otherwise permitted by then current laws, regulations and directives, Dated Subordinated Notes will have a minimum maturity of not less than 5 years. Undated Subordinated Notes will have no fixed maturity.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer or registered form as described in “Form of Notes” below. Bearer Notes will not be exchangeable for Registered Notes and <i>vice versa</i> .
Fixed Rate Notes:	Interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement) and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer, <p>as indicated in the applicable Pricing Supplement.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
Index Linked Notes:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer and the relevant Dealer may agree (as indicated in the applicable Pricing Supplement).

Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:

Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both (as indicated in the applicable Pricing Supplement).

Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree (as indicated in the applicable Pricing Supplement).

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:

In relation to Unsubordinated Notes and Dated Subordinated Notes, the applicable Pricing Supplement will indicate the scheduled maturity date (which in the case of Dated Subordinated Notes, must be at least five years after the issue date in respect of such Notes) and will also indicate whether such Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons or (in the case of Unsubordinated Notes) following an Event of Default) or that such Notes will be redeemable at the option of the Issuer (“**Issuer Call**”) (which in respect of Dated Subordinated Notes, may not take place prior to the fifth anniversary of the Issue Date) and/or at the option of the Noteholders (“**Investor Put**”) (which, in respect of Dated Subordinated Notes, may not take place prior to the fifth anniversary of the Issue Date), in each case upon giving not less than 15 nor more than 30 days’ irrevocable notice (or such other notice period (if any) as is indicated in the applicable Pricing Supplement) to the Noteholders or the Issuer, as the case may be, on a date or dates specified in the applicable Pricing Supplement, at the maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement.

Undated Subordinated Notes will have no scheduled maturity date and the applicable Pricing Supplement will indicate whether such Notes will be redeemable at the option of the Issuer.

No early redemption of Dated Subordinated Notes and no redemption of Undated Subordinated Notes may take place without the prior written consent of the Commission (as defined in the Terms and Conditions of the Notes).

The applicable Pricing Supplement may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Pricing Supplement.

Notes having a maturity of less than one year from the date of issue may be subject to restrictions on their denomination and distribution, see “Certain Restrictions – Notes with a maturity of less than one year” above.

Denomination of Notes:	<p>Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Pricing Supplement save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “Certain Restrictions – Notes with a maturity of less than one year” above.</p> <p>The minimum denomination of each Note sold, resold or transferred to an Institutional Accredited Investor will be U.S.\$500,000 or its equivalent in other Specified Currencies.</p>
Taxation:	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed within the Kingdom of Norway, subject as provided in Condition 7.
Negative Pledge:	The Notes will not contain a negative pledge provision.
Cross Default:	<p>The terms of the Unsubordinated Notes will contain a cross- default provision as further described in Condition 9.</p> <p>Neither Dated Subordinated Notes nor Undated Subordinated Notes will contain any events of default.</p>
Status of the Unsubordinated Notes:	The Unsubordinated Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (including deposits) (other than subordinated obligations, if any) of the Issuer, present and future, from time to time outstanding.
Status of the Dated Subordinated Notes:	The Dated Subordinated Notes will constitute unsecured, subordinated obligations of the Issuer, subject to cancellation as described in Condition 3(c), and will rank <i>pari passu</i> without any preference among themselves and at least equally with all other subordinated obligations of the Issuer (whether actual or contingent) having a fixed maturity from time to time outstanding. The Dated Subordinated Notes shall, in the event of a liquidation, dissolution, administration or other winding-up of the Issuer by way of public administration, be subordinated in right of payment only to the claims against the Issuer of all unsubordinated creditors of the Issuer and to claims preferred under Norwegian law generally.
Status of the Undated Subordinated Notes:	The Undated Subordinated Notes will constitute undated and unsecured, subordinated obligations of the Issuer, subject to cancellation as described in Condition 3(c), and will rank <i>pari passu</i> without any preference among themselves and rank at least equally with Other Pari Passu Claims (as defined in the Terms and Conditions of the Notes) from time to time outstanding. The right to payment in respect of the Undated Subordinated Notes will be subordinated to the claims of Senior Creditors (as defined in Condition 3(b)(vi)) and payments of principal and interest in respect of the Undated Subordinated Notes will be conditional upon the Issuer being Solvent (as defined in the Terms and Conditions of the Notes) at the time of payment by the Issuer or upon a liquidation, dissolution or winding up as further described in Condition 3(b)(iv) and no principal or interest shall be payable in respect of the

	<p>Undated Subordinated Notes except to the extent that the Issuer could make such payment in whole or in part, rateably with payments in respect of Other Pari Passu Claims, and still be Solvent immediately thereafter, all as set out in Condition 3(b).</p>
Rating:	<p>The Programme has been rated by Standard & Poor's and by Moody's.</p> <p>Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Listing:	<p>Application has been made to list the Notes issued under the Programme on the Luxembourg Stock Exchange. The Notes issued under the Programme may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s) in relation to each Series.</p> <p>Unlisted Notes may also be issued.</p> <p>The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s).</p>
Governing Law:	<p>The Notes will be governed by, and construed in accordance with, English law except for the provisions of Condition 3 and Condition 4(f) which will be governed by, and construed in accordance with, Norwegian law.</p>
Selling Restrictions:	<p>There are selling restrictions on the offer, sale and transfer of the Notes in the United States, the United Kingdom, Norway, Japan, The Netherlands and Germany and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale" below.</p>
United States Selling Restrictions:	<p>For United States securities law and tax purposes only, the Issuer is a Category 2 issuer under Regulation S. TEFRA D/TEFRA not applicable, as specified in the applicable Pricing Supplement.</p>

FORM OF THE NOTES

The Notes of each Series will be in bearer or registered form.

Each Tranche of Bearer Notes will initially be represented by a Temporary Bearer Global Note without Coupons, Receipts or Talons (each as defined in “Terms and Conditions of the Notes”) which will be delivered outside the United States to a common depositary of Euroclear and Clearstream, Luxembourg. Interests in the Temporary Bearer Global Note will be exchanged either for interests in a Permanent Bearer Global Note or, where specified in the applicable Pricing Supplement (subject to such notice period as is specified in the Pricing Supplement), for definitive Bearer Notes on or after the date (the “**Exchange Date**”) which is the later of (i) 40 days after the Temporary Bearer Global Note is issued and (ii) 40 days after completion of the distribution of the relevant Tranche, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue). Such exchange will be made only upon delivery of written certification (in the form set out in the Temporary Bearer Global Note) to Euroclear and/or Clearstream, Luxembourg, as the case may be, to the effect that the beneficial owner of such Notes is not a U.S. person or other person who has purchased such Notes for resale to, or on behalf of, U.S. persons and Euroclear and/or Clearstream, Luxembourg, as the case may be, has given a like certification (based on the certification it has received) to the Agent.

If an interest or principal payment date for any Notes occurs whilst such Notes are represented by a Temporary Bearer Global Note, the related interest or principal payment will be made only to the extent that certification of non-U.S. beneficial ownership has been received as described in the last sentence of the immediately preceding paragraph unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note is improperly withheld or refused. Payments of principal or interest (if any) on a Permanent Bearer Global Note will be made through Euroclear or Clearstream, Luxembourg against presentation or surrender, as the case may be, of the Permanent Bearer Global Note without any further requirement for certification. Pursuant to the Agency Agreement (as defined under “Terms and Conditions of the Notes” below) the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

The applicable Pricing Supplement will specify that either (i) a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached upon not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Agent as described therein or (ii) a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons attached only upon the occurrence of an Exchange Event as described therein. “**Exchange Event**” means (i) in the case of Unsubordinated Notes, an Event of Default has occurred and is continuing or, in the case of Dated Subordinated Notes or Undated Subordinated Notes, a payment default has occurred and is continuing, (ii) the Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 which would not be required were the Notes represented by the Permanent Bearer Global Note in definitive bearer form and a certificate to such effect signed by two Directors of the Issuer has been given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Agent requesting exchange and in the event of the

occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 30 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all bearer Notes and Coupons:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or coupons.

Unless otherwise provided with respect to a particular Series of Registered Notes, the Registered Notes of each Tranche of such Series offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a Reg. S Global Note which will be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg. Prior to expiry of the Distribution Compliance Period applicable to each Tranche of Notes, beneficial interests in a Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 11 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Reg. S Global Note will bear a legend regarding such restrictions on transfer.

Registered Notes of each Tranche of such Series may only be offered and sold in the United States or to U.S. persons in private transactions: (i) to QIBs; or (ii) to Institutional Accredited Investors who agree to purchase the Notes for their own account and not with a view to the distribution thereof. The Registered Notes of each Tranche sold to QIBs will be represented by a Restricted Global Note which will be deposited with a custodian for, and registered in the name of a nominee of, DTC.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Notes of each Tranche sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof. The Restricted Global Note and the Registered Notes in definitive form issued to Institutional Accredited Investors will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal on the Registered Notes will be made on the relevant payment date to the persons shown on the Register at the close of business on the business day (being for this purpose a day on which banks are open for business in Brussels) immediately prior to the relevant payment date. Payments of interest on the Registered Notes will be made on the relevant payment date to the person in whose name such Notes are registered on the Record Date (as defined in Condition 5(b)) immediately preceding such payment date.

Payments of the principal of, and interest (if any) on, the Registered Global Notes will be made to the nominee of DTC as the registered holder of the Registered Global Notes. None of the Issuer, the Agent, any Paying Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

For so long as any of the Notes are represented by a Bearer Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg or so long as DTC or its nominee is the registered holder of a Registered Global Note, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg or, as the case may be, DTC as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear,

Clearstream, Luxembourg or DTC or its nominee as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, the Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose, in the case of Notes represented by a Bearer Global Note, the bearer of the relevant Global Bearer Note or, in the case of Notes where DTC or its nominee is the registered holder of a Registered Global Note, DTC or its nominee shall be treated by the Issuer, the Trustee, the Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly).

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

No beneficial owner of an interest in a Registered Global Note will be able to exchange or transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

Any reference herein to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent and the Trustee.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

Applicable Pricing Supplement

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

FORM OF PRICING SUPPLEMENT

DnB NOR Bank ASA

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
issued pursuant to U.S.\$20,000,000,000 Euro Medium Term Note Programme**

[Date]

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated []. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

[The following alternative language applies if the first Tranche of a Series which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- | | | |
|----|----------------------|------------------|
| 1. | Issuer: | DnB NOR Bank ASA |
| 2. | (i) Series Number: | [] |
| | (ii) Tranche Number: | [] |

(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)

3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
[Series: []]
[Tranche: []]
5. (i) [Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]

(ii) [Net proceeds: []]
(Required only for listed issues)
6. Specified Denominations: []
7. (i) Issue Date: []
(ii) Interest Commencement Date: []
8. Maturity Date: *[Fixed rate – specify date/Floating Rate – Interest Payment Date falling in or nearest to [specify month]]*
9. Interest Basis: [[] per cent. Fixed Rate]
[[LIBOR/EURIBOR] +/- [] per cent.
Floating Rate]
[Zero Coupon]
[Index Linked Interest]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[specify other]
11. Change of Interest Basis or Redemption/Payment Basis: *[Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]*
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. Status of the Notes: [Unsubordinated/Dated
Subordinated/Undated
Subordinated]
14. Listing: [Luxembourg/specify other/None]
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate(s) of Interest: [] per cent. per annum
[payable [annually/semi-annually/quarterly]
in arrear]
(If payable other than annually, consider amending Condition 4)
- (ii) Interest Payment Date(s): [] in each year up to and including the Maturity Date/[specify other]
(N.B.: This will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount[(s)]: [] per [] in nominal amount
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount]*
- (v) Day Count Fraction (subject to paragraph 30): [Actual/Actual (ISMA) or 30/360 or specify other]
- (vi) Determination Date(s): [] in each year
[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]
N.B.: this will need to be amended in the case of regular interest payment dates which are not of equal duration
N.B.: Only relevant where Day Count Fraction is Actual/Actual (ISMA)]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
17. Floating Rate Note Provisions [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: []
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (iii) Additional Business Centre(s): []
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/[specify other]]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): []

- (vi) Screen Rate Determination:
- Reference Rate: []
(Either LIBOR, EURIBOR or other, although additional information is required if other – including the fall back provisions in the Agency Agreement)
 - Interest Determination Date(s): []
(Second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
 - Relevant Screen Page: []
(In the case of EURIBOR, if not Telerate Page 248 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)
- (vii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (viii) Margin(s): [+/-] [] per cent. per annum
- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: [Actual/365
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
Other]
(See Condition 4 for alternatives)
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
18. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Accrual Yield: [] per cent. per annum
 - (ii) Reference Price: []

- (iii) Any other formula/basis of determining amount payable: []
(Consider applicable day count fraction if euro denominated)
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e)(iii) and 6(j) apply/specify other]
(Consider applicable day count fraction if not U.S. dollar denominated)
19. Index Linked Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent responsible for calculating the principal and/or interest due: []
- (iii) Provisions for determining coupon where calculation by reference to Index and/or Formula is impossible or impracticable: []
- (iv) Specified Period(s)/Specified Interest Payment Dates: []
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (vi) Additional Business Centre(s): []
- (vii) Minimum Rate of Interest: [] per cent. per annum
- (viii) Maximum Rate of Interest: [] per cent. per annum
- (ix) Day Count Fraction: []
20. Dual Currency Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest payable: []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

21. Issuer Call [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [] per Note of [] Specified Denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: []
- (b) Higher Redemption Amount: []
- (iv) Notice period (if other than as set out in the Conditions): []
- (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or the Trustee).*
22. Investor Put [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Note of [] Specified Denomination
- (iii) Notice period (if other than as set out in the Conditions): []
- (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or the Trustee).*
23. Final Redemption Amount of each Note: [[] per Note of [] Specified Denomination/specify other/see Appendix]
24. Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)): []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: [Bearer Notes:
Temporary Bearer Global Note
exchangeable for a Permanent Bearer Global
Note which is exchangeable for Definitive
Bearer Notes [on not less than 60 days'
notice given at any time/only upon an
Exchange Event]]
[Temporary Bearer Global Note
exchangeable for Definitive Notes on and
after the Exchange Date on []
days notice given at any time]
[Registered Notes: Reg. S Global Note []
nominal amount/Rule 144A global Note []
nominal amount/Definitive Registered Notes
(specify nominal amounts)]
26. Additional Financial Centre(s) or other special
provisions relating to Payment Dates: [Not Applicable/give details]
*(Note that this item relates to the place of
payment, and not Interest Period end dates to
which items 17(iii) and 19(vi) relate)*
27. Talons for future Coupons or Receipts to be
attached to Definitive Notes (and dates on which
such Talons mature): [Yes/No. If yes, give details]
28. Details relating to Partly Paid Notes: amount of
each payment comprising the Issue Price and date
on which each payment is to be made and, if
different from those specified in the Temporary
Global Note, consequences (if any) of failure to
pay, including any right of the Issuer to forfeit the
Notes and interest due on late payment: [Not Applicable/give details. N.B.: a new
form of Temporary Global Note and/or
Permanent Global Note may be required for
Partly Paid issues]
29. Details relating to Instalment Notes:
(i) Instalment Amount(s): [Not Applicable/give details]
(ii) Instalment Date(s): [Not Applicable/give details]
30. Redenomination applicable: Redenomination [not] applicable
*(if Redenomination is applicable, specify the
terms of the redenomination in an annex to the
Pricing Supplement)*
31. Other terms or special conditions: [Not Applicable/give details]
32. Additional U.S. federal income tax considerations: [Not Applicable/give details]

DISTRIBUTION

33. (i) If syndicated, names of Managers: [Not Applicable/give names]
(ii) Stabilising Manager (if any): [Not Applicable/give name]
34. If non-syndicated, name of relevant Dealer: []

35. (i) Whether TEFRA D rules applicable or TEFRA rules not applicable, and (i) [TEFRA D/TEFRA not applicable]
(ii) whether Rule 144A and private placement sales in the United States are permitted to be made: (ii) [Yes/No]
36. Additional selling restrictions: [Not Applicable/give details]

OPERATIONAL INFORMATION

37. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
38. Delivery: Delivery [against/free of] payment
39. Additional Paying Agent(s) (if any): []

ISIN: []

Common Code: []

(insert here any other relevant codes such as CUSIP and CINS codes)

[LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$20,000,000,000 Euro Medium Term Note Programme of DnB NOR Bank ASA.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:

Duly authorised

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 4, 5, 6 (except Condition 6(b)), 10, 12, 13, 14 (insofar as such Notes are not listed or admitted to trade on any stock exchange) or 17, they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

DTC INFORMATION – REGISTERED NOTES

DTC will act as securities depository for the Reg. S Global Notes and the Restricted Global Notes. The Reg. S Global Notes and the Restricted Global Notes will be issued as fully registered securities registered in the name of Cede & Co. The deposit of such Notes with DTC and their registration in the name of Cede & Co. will effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Registered Notes; DTC's records reflect only the identity of the participants to whose accounts such Notes are credited, which may or may not be the beneficial owners of the Registered Notes.

DTC has advised the Issuer as follows: "DTC is a limited-purpose trust company organised under the New York Banking Law, a **"banking organisation"** within the meaning of the New York Banking Law, a member of the Federal Reserve System, a **"clearing corporation"** within the meaning of the New York Uniform Commercial Code and a **"clearing agency"** registered pursuant to the provisions of section 17A of the United States Securities Exchange Act of 1934. DTC holds securities that its participants (**"Direct Participants"**) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**"Indirect Participants"**). The rules applicable to DTC and its Participants are on file with the U.S. Securities and Exchange Commission."

Neither DTC nor Cede & Co. will consent or vote with respect to the Registered Notes represented by the Registered Global Notes. However, DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Notes represented by the Registered Global Notes (including, without limitation, the delivery of consent, the exercise of voting rights, or the presentation of a Registered Global Note for exchange as described above) at the direction of one or more Agent Members to whose account with DTC interests in a Registered Global Note are credited and only in respect of such portion of the aggregate principal amount of the Registered Notes as to which such Agent Member or Agent Members has or have given such direction.

Purchases of Registered Notes represented by the Registered Global Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Registered Notes on DTC's records. The ownership interest of each actual purchaser of a Registered Note (a **"Beneficial Owner"**) held through DTC is in turn recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase but are expected to receive written confirmations regarding details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfer of ownership interests in Registered Notes represented by the Registered Global Notes held by DTC are accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Registered Notes represented by the Registered Global Notes from DTC, except in the event that the use of the book-entry system for the Notes is discontinued.

Principal and interest payments on Registered Notes represented by the Registered Global Notes held by DTC will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Agent, on the payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payment date. Payments by Direct Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Agent, the Trustee or the Issuer, subject to any statutory or regulatory requirements as may

be in effect from time to time. Payment of principal and interest to Cede & Co., is the responsibility of the Issuer or the Agent or Paying Agent, as the case may be. Disbursement of payment received by DTC to Direct Participants shall be the responsibility of DTC. Disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The laws of some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, any transfer of beneficial interests in a Registered Global Note to such persons may require that such interests be exchanged for Registered Notes in definitive form. Because DTC can only act on behalf of Direct Participants which, in turn, act on behalf of Indirect Participants and certain banks, the ability of a person having a beneficial interest in a Registered Global Note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take action in respect of such interest, may be affected by the lack of a physical registered certificate.

DTC may discontinue providing its services as securities depository with respect to Registered Notes at any time by giving reasonable notice to the Issuer or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Registered Notes in definitive form would be delivered to individual Noteholders. In addition, the Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Registered Notes in definitive form would be delivered to individual Noteholders.

TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and definitive Note. Reference should be made to “**Form of the Notes**” for the form of applicable Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by DnB NOR Bank ASA (the “**Issuer**”) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the “**Trust Deed**”) dated 30th April, 2004 made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”, which expression shall include any successor as Trustee).

References herein to the “**Notes**” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency;
- (ii) (in the case of Bearer Notes), definitive Bearer Notes issued in exchange (or part exchange) for a global Note;
- (iii) (in the case of Registered Notes) definitive Registered Notes; and
- (iv) any global Note.

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Amended and Restated Agency Agreement as amended, supplemented or restated from time to time, the “**Agency Agreement**”) dated 30th April, 2004, and made between the Issuer, the Trustee, Citibank, N.A., London office as issuing and principal paying agent and agent bank (the “**Agent**”, which expression shall include any successor agent), the other paying agents named therein (together with the Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents), Citibank, N.A., London office as Exchange Agent (the “**Exchange Agent**”, which expression shall include any successor exchange agent), Citigroup Global Markets Deutschland AG & Co. KgaA as registrar (the “**Registrar**”, which expression shall include any successor registrar) and Kredietbank S.A. Luxembourgeoise and Citigroup Global Markets Deutschland AG & Co. KgaA as transfer agents (together, the “**Transfer Agents**”, which expression shall include any additional or successor transfer agent).

Interest bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the applicable Pricing Supplement, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts (“**Receipts**”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes, in definitive or global form, do not have Receipts or Coupons attached on issue.

The Pricing Supplement for this Note (or the relevant provisions thereof) is attached to or endorsed on this Note and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the “applicable Pricing Supplement” are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the “**Noteholders**”, which expression shall, in relation to any Notes represented by a global Note, be construed as provided below), the holders of the Receipts (the “**Receiptholders**”) and the holders of the Coupons (the “**Couponholders**”, which expression shall, unless the context otherwise requires, include the holders of Talons), in accordance with the provisions of the Trust Deed.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed, Agency Agreement and the applicable Pricing Supplement are obtainable during normal business hours at the registered office for the time being of the Trustee being at 30th April, 2004 at Fifth Floor, 100 Wood Street, London EC2V 7EX and at the specified office of each of the Agent, the other Paying Agents, the Registrar and the Transfer Agents save that, if this Note is an unlisted Note of any Series, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Trustee and to the Agent, the relevant Paying Agent, the Registrar or the relevant Transfer Agent, as the case may be, as to its holding of Notes and as to identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Pricing Supplement which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1. Form, Denomination and Title

The Notes are in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Save as provided in Condition 11, Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Pricing Supplement.

This Note is an Unsubordinated Note, a Dated Subordinated Note or an Undated Subordinated Note, as indicated in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee, the Replacement Agent (as defined in the Agency Agreement), the Registrar, any Transfer Agent and any Paying Agent may deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership

or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph, and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

For so long as any of the Notes is represented by a bearer global Note held on behalf of Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and/or Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) or for so long as The Depository Trust Company (“**DTC**”) or its nominee is the registered holder of a Registered Global Note, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or, as the case may be, of DTC as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by such clearing system as to the nominal amount of such Notes standing to the account of any person shall, save in the case of manifest error, be conclusive and binding for all purposes, including any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the holder of a particular nominal amount of such Notes is clearly identified together with the amount of such holding) shall be treated by the Issuer, the Trustee, the Agent, the Replacement Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose, in the case of Notes represented by a bearer global Note, the bearer of the relevant bearer global Note or, in the case of a Registered Global Note registered in the name of DTC or its nominee, DTC or its nominee shall be treated by the Issuer, the Trustee, the Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be.

References to Euroclear, Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Agent.

2. Status of the Unsubordinated Notes

This Condition applies only to Unsubordinated Notes and references to “Notes”, “Receipts” and “Coupons” in this Condition shall be construed accordingly.

The Notes and the relative Receipts and Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (including deposits) (other than subordinated obligations, if any) of the Issuer, present and future, from time to time outstanding. So long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer undertakes to ensure that the obligations of the Issuer under the Notes rank *pari passu* with all other unsecured and unsubordinated obligations (including deposits) of the Issuer and with all its unsecured and unsubordinated obligations under guarantees of obligations of third parties, in each case except for any obligations preferred by mandatory provisions of applicable law.

3. Status of the Dated and Undated Subordinated Notes

(a) This Condition 3(a) applies only to Dated Subordinated Notes and references to “Notes”, “Receipts”, “Coupons”, “Noteholders” and “Couponholders” in this Condition 3(a) shall be construed accordingly.

(i) The Notes and the relative Receipts and Coupons constitute unsecured subordinated obligations of the Issuer, subject to cancellation as described in Condition 3(c), and rank *pari passu* without any preference among themselves and at least equally with all other subordinated obligations of the Issuer (whether actual or contingent) having a fixed maturity from time to time outstanding. In the event of a liquidation, dissolution or

other winding-up of the Issuer by way of public administration, there shall be payable on the Notes and Coupons (in lieu of any other payment, but subject as provided in this Condition 3), in respect of the principal amount of the Notes an amount equal to the principal amount of the Notes and, in the case of interest on the Notes, an amount equal to interest accrued to but excluding the date of repayment and any Arrears of Interest and any Additional Interest Amount and such Notes and Coupons shall be subordinated in right of payment only to the claims against the Issuer of all unsubordinated creditors of the Issuer and to claims preferred under Norwegian law generally.

- (ii) The Issuer shall not, without the prior approval of an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders, incur, create, assume, grant or permit to be outstanding any subordinated indebtedness (whether actual or contingent) having a fixed maturity unless such indebtedness is subordinated, subject to applicable law, in the event of liquidation, dissolution, administration or other winding-up of the Issuer by way of public administration in right of payment so as to rank *pari passu* with or junior to the claims of the Noteholders and the Couponholders.
 - (iii) The Issuer shall not, without the prior approval of an Extraordinary Resolution of the Noteholders, incur, create, assume, grant or permit to be outstanding any Undated Subordinated Indebtedness (whether actual or contingent) unless such Undated Subordinated Indebtedness is subordinated in right of payment, subject to applicable law, in the event of liquidation, dissolution, administration or other winding-up of the Issuer by way of public administration so as to rank junior to the claims of the Noteholders and the Couponholders.
- (b) This Condition 3(b) applies only to Undated Subordinated Notes and references to “Notes”, “Coupons”, “Noteholders” and “Couponholders” in this Condition 3(b) shall be construed accordingly.

(i) *General*

The Notes and the relative Coupons constitute, in the case of the Notes, undated and, in the case of the Notes and the Coupons, unsecured subordinated obligations of the Issuer, subject to cancellation as described in Condition 3(c), and rank *pari passu* without any preference among themselves and rank at least equally with Other Pari Passu Claims from time to time outstanding. The right to payment in respect of the Notes and the Coupons is subordinated to the claims of Senior Creditors and payments of principal and interest in respect of the Notes and the Coupons are conditional upon the Issuer being Solvent at the time of payment by the Issuer and no principal or interest shall be payable in respect of the Notes or the Coupons except to the extent that the Issuer could make such payment in whole or in part, rateably with the payments in respect of Other Pari Passu Claims, and still be Solvent immediately thereafter. Payment of interest on the Notes is also subject to the provisions of Condition 4(f).

(ii) *Solvency*

The Issuer shall be “Solvent” (any determination of such status being a determination of “Solvency”) if:

- (a) it is able to pay its debts as they fall due; and
- (b) its Assets exceed its Liabilities (other than its Liabilities to Persons who are not Senior Creditors).

A report as to the Solvency of the Issuer by two (2) members of the board of directors of the Issuer or accountants of international repute appointed by the board of directors of the Issuer or (if the Issuer is in liquidation, dissolution, administration or other winding-up in the Kingdom of Norway) its board of administration shall in the absence of proven error be treated and accepted by the Issuer, the Trustee and the Noteholders and Couponholders as correct and sufficient evidence thereof.

(iii) *No Set-off*

No Noteholder or Couponholder that shall in any respect be indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim in respect of amounts arising under or in connection with the Notes, the Receipts or the Coupons against moneys owed to the Issuer in respect of such indebtedness.

(iv) *Liquidation, Dissolution or Winding-Up*

If at any time the Issuer is liquidated, dissolved or otherwise wound-up (other than pursuant to a merger) by way of public administration, there shall be payable on the Notes and the Coupons (in lieu of any other payment, but subject as provided in this Condition 3) such amounts, if any, as would have been payable to the Noteholders and the Couponholders if, on the day prior to the commencement of the liquidation, dissolution or winding-up and thereafter, they were the holders of securities having a preferential right to a return of assets in the liquidation, dissolution or winding-up, as the case may be, over the holders of all share capital for the time being in the capital of the Issuer, on the assumption that such securities were entitled to receive on a return of capital in such liquidation, dissolution or winding-up, in respect of the principal amount of the Notes an amount equal to the principal amount of the Notes and, in the case of interest on the Notes, an amount equal to interest accrued to but excluding the date of repayment and any Arrears of Interest and any Additional Interest Amount, and where such amounts ranked at least *pari passu* with any other Undated Subordinated Indebtedness.

(v) *Limitation on other Undated Subordinated Indebtedness*

The Issuer shall not, without the prior approval of an Extraordinary Resolution of the Noteholders, incur, create, assume, grant or permit to be outstanding any Undated Subordinated Indebtedness (whether actual or contingent) unless such Undated Subordinated Indebtedness is subordinated in right of payment, subject to applicable law, in the event of liquidation, dissolution or other winding-up of the Issuer by way of public administration so as to rank *pari passu* with or junior to the claims of the Noteholders and the Couponholders.

(vi) *Definitions*

In these Terms and Conditions, the following terms shall bear the following meanings:

“**Assets**” means, at any time, the non-consolidated total assets of the Issuer, as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events, all valued in such manner as the members of the board of directors of the Issuer, the auditors of the Issuer or the board of administration of the Issuer (as the case may be) may determine.

“**Capital Adequacy Requirements**” has the meaning specified in the definition of Optional Interest Payment Date.

“**Commission**” means the Banking, Insurance and Securities Commission of the Kingdom of Norway or such other agency of the Kingdom of Norway as assumes or performs the functions as at the Issue Date performed by such Commission.

“**Governmental Authority**” means the government of any jurisdiction in which the Issuer conducts all or any part of its business (including, without limitation, the government of the Kingdom of Norway and all other countries and all political subdivisions thereof), or that asserts any jurisdiction over the conduct of the affairs, or the Property, of the Issuer and any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government (including, without limitation, the Commission).

“**Liabilities**” means, at any time, the non-consolidated total liabilities of the Issuer, as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events, all valued in such manner as the members of the board of directors of the Issuer, the auditors of the Issuer or the board of administration of the Issuer (as the case may be) may determine.

“**Optional Interest Payment Date**” means any Interest Payment Date following the date as of which the Issuer’s most recent quarterly report to the Commission disclosed that it was in breach (a “**Breach**”) of the capital adequacy requirements of the Norwegian Ministry of Finance (or of such other Governmental Authority as shall at the time be the promulgator of such requirements) applicable to the Issuer (the “**Capital Adequacy Requirements**”), *provided* that such Interest Payment Date shall not be an Optional Interest Payment Date if, since the date of publication of such report, the Issuer has at any time been in compliance with the Capital Adequacy Requirements and will after such payment still be in such compliance and, *provided further*, that in the event that such report does not disclose a Breach, the relevant Interest Payment Date shall still be deemed to be an Optional Interest Payment Date if immediately after such payment there would be a Breach.

“**Other Pari Passu Claims**” means, in relation to an issue of Undated Subordinated Notes, claims of creditors of the Issuer that are subordinated so as to rank *pari passu* with the claims of the Noteholders and the Couponholders.

“**Person**” means an individual, a partnership, a corporation, a trust, an unincorporated organisation or a government or agency or political subdivision thereof.

“**Property**” means any interest in any kind of property or asset, whether real, personal, mixed, tangible, intangible or of any other type.

“**Senior Creditors**” means, in relation to an issue of Undated Subordinated Notes, creditors of the Issuer:

- (a) who are depositors or other unsubordinated creditors of the Issuer; or
- (b) whose claims are, or are expressed to be, subordinated (whether only in the event of the liquidation, dissolution, administration or other winding-up of the Issuer or otherwise) to the claims of depositors and other unsubordinated creditors of the Issuer but have a fixed maturity, except those whose claims rank, or are expressed to rank, *pari passu* with or junior to the claims of the Noteholders and the Couponholders.

“**Undated Subordinated Indebtedness**” means any indebtedness of the Issuer:

- (a) that by its terms or otherwise is in any respect junior or subordinate in right of payment (whether upon liquidation, dissolution, administration or other winding-up of the Issuer or otherwise) to any other indebtedness of the Issuer; and
- (b) the principal of which has no fixed maturity.

“**Violation**” means the occurrence and continuation of the Issuer failing to comply, or not being in compliance, with any provision of the Notes.

(c) *Loss Absorption*

This Condition 3(c) applies both to Dated Subordinated Notes and to Undated Subordinated Notes.

Under Norwegian legislation, if the Issuer’s most recent audited accounts reveal that its net assets are less than 25 per cent. of its share capital, the general meeting of shareholders of the Issuer can or the relevant authorities can if the general meeting of shareholders of the Issuer does not do so: first, cancel share capital to compensate for the shortfall and secondly, if any remaining shortfall exceeds a substantial part (as determined by the general meeting of

shareholders of the Issuer or by the relevant Norwegian authorities) of the Issuer's subordinated loan capital, cancel, in whole or in part, such subordinated loan capital (which would include principal in respect of all Dated Subordinated Notes and Undated Subordinated Notes).

Norwegian legislation does not grant the Issuer or the relevant Norwegian authorities the right to cancel accrued but unpaid interest in respect of subordinated loan capital and currently there is no legal basis for the Norwegian courts to permit the Issuer or the Norwegian authorities to cancel such interest.

Pursuant to the above, for the benefit of holders of Dated Subordinated Notes, the Issuer undertakes that it will cancel all principal in respect of all Undated Subordinated Indebtedness before cancelling any principal in respect of any Dated Subordinated Notes.

The Banking, Insurance and Securities Commission of Norway (Kreditltsynet) has, in a letter dated 20th September, 2000, stated that "any right for the authorities in Norway to depart from the agreed order of priority must be based in law. It is abundantly clear that such a basis is not present where the institution has been under public administration. If the authorities are to depart from the agreed order of priority outside public administration, there must be a basis for them to do so in the Guaranty Schemes Act of 6th December, 1996. Such a basis does not exist".

The Issuer shall give not more than 30 nor less than 5 Business Days' (as defined in Condition 4(b)(i)) prior notice to the Trustee, and the Agent and/or the Registrar, as the case may be, and to the Noteholders in accordance with Condition 14 of any cancellation of principal in respect of any Dated Subordinated Notes and/or any Undated Subordinated Notes pursuant to this Condition 3(c).

To the extent that part only of the outstanding principal amount of any Dated Subordinated Notes or Undated Subordinated Notes has been cancelled as provided above, interest will continue to accrue in accordance with the terms hereof on the then outstanding principal amount of such Dated Subordinated Notes or Undated Subordinated Notes, as the case may be, and on any Arrears of Interest (including any Additional Interest Amounts).

4. Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount(s) so specified.

As used in these Terms and Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i)* if "Actual/Actual (ISMA)" is specified in the applicable Pricing Supplement:

- (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
- (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

“**Determination Period**” means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes and Index Linked Interest Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, “**Business Day**” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Pricing Supplement; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to interest payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the “**TARGET System**”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“**LIBOR**”) or on the Euro-zone inter-bank offered rate (“**EURIBOR**”) the first day of that Interest Period or (ii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), (i) “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the Specified Time.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest Rate.

(iv) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (i) if “Actual/365” or “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(v) *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter. Each

Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vi) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Agent defaults in its obligation to calculate any Interest Amount in accordance with the above provisions or as otherwise specified in the applicable Pricing Supplement, as the case may be, and in each case in accordance with paragraph (iv) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Pricing Supplement), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

(vii) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Agent, the Calculation Agent (if applicable), the other Paying Agents, the Registrar, the Exchange Agent, the Transfer Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.

(d) *Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused or, in the case of Dated and Undated Subordinated Notes, the consent of the Commission for such payment has not been given or, having been given, has been withdrawn and not replaced. In such event, interest will continue to accrue as provided in the Trust Deed.

(f) *Interest Deferral*

This Condition 4(f) applies only to Undated Subordinated Notes and references to “Notes” in this Condition 4(f) shall be construed accordingly. All payments of interest in respect of Undated Subordinated Notes are subject to the provisions of this Condition 4(f).

(i) *Arrears of Interest*

On any Optional Interest Payment Date (as defined in Condition 3(b)(vi)) there may be paid (if the Issuer so elects) the interest in respect of the Notes accrued in the Interest Period or Fixed Interest Period, as the case may be, ending on the day immediately preceding such date, but the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a Violation for any purpose provided that nothing in this Condition 4(f)(i) shall be construed to permit the Issuer to defer any interest otherwise due and payable on any Interest Payment Date except under the circumstances specified in the definition of Optional Interest Payment Date. Any interest in respect of the Notes not paid on an Interest Payment Date, together with any other interest in respect thereof not paid on any other Interest Payment Date shall, so long as the same remains unpaid, constitute “**Arrears of Interest**”. In addition, each amount of Arrears of Interest shall itself bear interest as if it were principal of the Notes at a rate which corresponds to the rate of interest from time to time applicable to the Notes and the amount of such interest (“**Additional Interest Amount**”) with respect to each amount of Arrears of Interest shall become due and payable pursuant to Condition 4(f)(ii) and shall be calculated by the Agent by applying the rate of interest to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in this Condition 4. The Additional Interest Amount accrued up to any Interest Payment Date shall be added, for the purpose only of calculating the Additional Interest Amount accruing thereafter, to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date so that for such purpose it will be deemed to be Arrears of Interest.

Any reference in these Terms and Conditions to interest in respect of the Undated Subordinated Notes shall be deemed to include Arrears of Interest and any Additional Interest Amounts, unless the context requires otherwise.

(ii) *Payment of Arrears of Interest*

Arrears of Interest (together with the corresponding Additional Interest Amount) shall be payable, in the case of Notes in definitive form, against presentation or surrender, as the case may be, of the relevant Coupon or, in the case of Notes represented by a global Note, against presentation or surrender, as the case may be, of such global Note, all in accordance with Condition 5. Arrears of Interest (together with the corresponding Additional Interest Amount) may at the option of the Issuer be paid in whole or in part at any time but all Arrears of Interest (together with the corresponding Additional Interest Amount) in respect of all Notes for the time being outstanding shall become due on whichever is the earliest of:

- (A) seven Business Days (as defined in Condition 4(b)(i)) following the date on which the Issuer next satisfies the Capital Adequacy Requirements provided that the Issuer shall be deemed not to have satisfied the Capital Adequacy Requirements if payment of such Arrears of Interest (together with the corresponding Additional Interest Amount) would result in a Breach;
- (B) the date on which the Notes are to be redeemed pursuant to any provision of Condition 6; and
- (C) the commencement of a liquidation, administration, dissolution or other winding-up of the Issuer in the Kingdom of Norway.

If notice is given by the Issuer of its intention to pay the whole or any part of Arrears of Interest, the Issuer shall be obliged to do so (together with the corresponding Additional Interest Amount) upon the expiration of such notice.

In the event of any liquidation, administration, dissolution or other winding-up of the Issuer, the unpaid interest in respect of the Notes, including any Arrears of Interest and any Additional Interest Amounts shall rank *pari passu* with the principal of the Notes.

(iii) Notice of Interest Deferral and Payment of Arrears of Interest

The Issuer shall give not more than 14 nor less than 5 Business Days' (as defined in Condition 4(b)(i)) prior notice to the Trustee and the Agent and/or the Registrar, as the case may be, and to Noteholders in accordance with Condition 14:

- (A) of any Interest Payment Date on which, pursuant to the provisions of Condition 4(f)(i) above, interest will not be paid; and
- (B) of any date upon which amounts in respect of Arrears of Interest and/or Additional Interest Amounts shall become due and payable or of any date on which the Issuer shall otherwise elect to pay any such amounts.

Notice of any mandatory or optional payment of amounts in respect of Arrears of Interest and/or Additional Interest Amounts having been given by the Issuer in accordance with Condition 4(f)(iii)(B) above, the Issuer shall be bound to make such payment to which such notice refers.

(iv) Partial Payment of Arrears of Interest

If amounts in respect of Arrears of Interest and Additional Interest Amounts become partially payable:

- (A) all unpaid amounts of Arrears of Interest shall be payable before any Additional Interest Amounts;
- (B) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period and the order of payment of Additional Interest Amounts shall follow that of the Arrears of Interest to which they relate; and
- (C) the amount of Arrears of Interest or Additional Interest Amounts payable in respect of any Note shall be *pro rata* to the total amount of all unpaid Arrears of Interest or, as the case may be, Additional Interest Amounts accrued to the date of payment.

5. Payments

(a) *Method of Payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7. References to "Specified Currency" will include any successor currency under applicable law.

(b) Presentation of Notes, Receipts and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal in respect of definitive Bearer Notes (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of the relevant definitive Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Notes to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Except as provided below, all payments of interest and principal with respect to Bearer Notes will be made at such paying agencies outside the United States as the Issuer may appoint from time to time and to accounts outside the United States.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such definitive Bearer Note from (and including) the preceding Interest Payment Date or Interest Commencement Date, as the case may be, shall be payable only against surrender of the relevant definitive Bearer Note.

Payments of principal and interest (if any) in respect of Notes represented by any bearer global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant bearer global Note against presentation or surrender, as the case may be, of such bearer global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of such bearer global Note, distinguishing between any payment of principal and any payment of interest, will be made on such bearer global Note by such Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency or conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

Notwithstanding the foregoing, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Bearer Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payments of principal (other than instalments of principal (if any) prior to the final instalment) in respect of Registered Notes (whether in definitive or global form) will be made in the manner provided in paragraph (a) above to the persons in whose name such Notes are registered at the close of business on the business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) immediately prior to the relevant payment date against presentation and surrender (or, in the case of part payment of any sum due only, endorsement) of such Notes at the specified office of the Registrar or a Transfer Agent in Luxembourg.

Payments of interest due on a Registered Note (whether in definitive or global form) and payments of instalments (if any) of principal on a Registered Note, other than the final instalment, will be made in the manner specified in paragraph (a) to the person in whose name such Note is registered at the close of business on the fifteenth day (whether or not such fifteenth day is a business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) (the “**Record Date**”)) prior to such due date. In the case of payments by cheque, cheques will be mailed to the holder (or the first named of joint holders) at such holder’s registered address on the business day (as described above) immediately preceding the due date.

If payment in respect of any Registered Notes is required by credit or transfer as referred to in paragraph (a) above, application for such payment must be made by the holder to the Registrar not later than the relevant Record Date.

(c) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which is (subject to Condition 8):

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation;
 - (B) London;
 - (C) any Additional Financial Centre specified in the applicable Pricing Supplement; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open.

(d) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

6. Redemption and Purchase

(a) *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date. Undated Subordinated Notes have no final maturity and are only redeemable or repayable in accordance with the following provisions of this Condition.

(b) Redemption for Tax Reasons

Subject, in the case of Dated and Undated Subordinated Notes, as provided in Condition 6(k), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Norway or any political subdivision or any authority thereof or any authority or agency therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept the certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption and, in the case of Undated Subordinated Notes, all Arrears of Interest, including any Additional Interest Amounts.

(c) Redemption at the Option of the Issuer (Issuer Call)

This Condition 6(c) is not applicable for Dated Subordinated Notes prior to five years from their Issue Date and references to "Notes" in this Condition 6(c) shall be construed accordingly.

Subject, in the case of Dated Subordinated Notes and Undated Subordinated Notes, to obtaining the prior written consent of the Commission as provided in Condition 6(k), if Issuer Call is specified in the applicable Pricing Supplement, the Issuer shall, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee and to the Agent and (in the case of a redemption of Registered Notes), the Registrar,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than a Higher Redemption Amount in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes

(or, as the case may be, parts of Registered Notes) to be redeemed (“**Redeemed Notes**”) will be selected individually by lot without involving any part only of a Bearer Note, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or, as the case may be, DTC, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) Redemption at the Option of the Noteholders (Investor Put)

This Condition 6(d) is not applicable for Dated Subordinated Notes prior to five years from their Issue Date or Undated Subordinated Notes and references to “Notes” in this Condition 6(d) shall be construed accordingly.

Subject, in the case of Dated Subordinated Notes, to obtaining the prior written consent of the Commission as provided in Condition 6(k), if Investor Put is specified in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days’ notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Pricing Supplement, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form and held outside Euroclear or Clearstream, Luxembourg or DTC, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent, in the case of Bearer Notes, or any Transfer Agent or the Registrar in the case of Registered Notes at any time during normal business hours of such Paying Agent, Transfer Agent or the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent, Transfer Agent or the Registrar (a “**Put Notice**”) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition. If this Note is represented by a global Note or is a Note in definitive form and held through Euroclear or Clearstream, Luxembourg or DTC, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent or the Registrar of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or DTC (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear or Clearstream, Luxembourg or DTC, as the case may be, from time to time and, if this Note is represented by a global Note in bearer form, at the same time present or procure the presentation of the relevant global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except, in the case of Unsubordinated Notes, where prior to the due date of redemption an Event of Default shall have occurred and the Trustee has declared the Notes to be immediately due and repayable pursuant to Condition 9 in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph.

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of Notes (other than Zero Coupon Notes but including Instalment Notes and Partly Paid Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, or, in the case of Undated Subordinated Notes, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the Pricing Supplement, at their nominal amount; or
- (iii) in the case of Zero Coupon Notes, at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“**RP**” means the Reference Price;

“**AY**” means the Accrual Yield expressed as a decimal; and

“**y**” is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Pricing Supplement.

(f) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(g) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

(h) *Purchases*

Subject, in the case of Dated and Undated Subordinated Notes, as provided in Condition 6(k), the Issuer or any of its Subsidiaries may at any time purchase beneficially or procure others to purchase beneficially for its account Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

(i) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with, in the case of definitive Bearer Notes, all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6(h) (together, in the case of definitive Bearer Notes, with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(j) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its otherwise becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent, the Registrar or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(k) Consent

In the case of Dated and Undated Subordinated Notes, no early redemption in any circumstances or purchase under Condition 6(h) shall take place without the prior written consent of the Commission. For the avoidance of doubt, redemption of Dated Subordinated Notes under Condition 6(a) shall not require the consent of the Commission.

7. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Norway or any political subdivision or any authority or agency thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (i) presented for payment in Norway; or
- (ii) presented for payment by or on behalf of a holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Kingdom of Norway other than the mere holding of such Note, Receipt or Coupon; or
- (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(c)); or
- (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, the “**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

8. Prescription

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. Events of Default and Enforcement relating to Unsubordinated Notes

This Condition shall apply only to Unsubordinated Notes and references to “Notes” in this Condition shall be construed accordingly.

- (a) The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall (subject in each case to being indemnified and/or secured to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (ii), (iii) and (in the case of the Principal Subsidiaries only) (iv), (v) and (vi), only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount (as described in Condition 6(e)) together with accrued interest as provided in the Trust Deed if any of the following events (each an “**Event of Default**”) shall occur:
- (i) the Issuer is in default, for any reason whatsoever, for more than 14 days in the payment of any interest in respect of the Notes or for more than 7 days in the payment of any principal due on the Notes; or
 - (ii) the Issuer is in default in the performance of any of its obligations (other than to make payments in respect of the Notes) contained in the Notes or the Trust Deed and (except where the Trustee considers such failure to be incapable of remedy when no such continuation or notice as is hereinafter referred to would be required) such default shall continue for more than 30 days (or such longer period as the Trustee may permit) after written notice requiring such default to be remedied shall have been given by the Trustee to the Issuer; or
 - (iii) any payment obligation under any indebtedness (including deposits) (“**Indebtedness**”) of the Issuer or any of its Principal Subsidiaries becomes due and repayable prematurely by reason of an event of default (howsoever described) or the Issuer or any of its Principal Subsidiaries fails to make any payment in respect of any Indebtedness within 30 days of the due date for payment (or within the applicable grace period, if such period is longer than 30 days) or any security given by the Issuer or any of its Principal Subsidiaries for any Indebtedness becomes enforceable or if default is made by the Issuer or any of its Principal Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any obligation of any other person for 30 days (or within the applicable grace period, if such period is longer than 30 days),

PROVIDED that no such event shall constitute an Event of Default unless the Indebtedness or other relative liability either alone or when aggregated with other Indebtedness and/or liabilities relative to all (if any) other events which shall have occurred and be outstanding or not discharged, as the case may be, shall amount to at least U.S.\$ 25,000,000 (or its equivalent in any other currency) and PROVIDED further

that, for the purposes of this Condition 9(iii), neither the Issuer nor any of its Principal Subsidiaries shall be deemed to be in default with respect to any such Indebtedness, guarantee or indemnity if it shall be contesting in good faith by appropriate means its liability to make payment thereunder; or

- (iv) the Issuer or any of its Principal Subsidiaries goes into liquidation (except in connection with a merger or reorganisation in such a way that all assets and liabilities of the Issuer or any of its Principal Subsidiaries, as the case may be, pass to another legal person in universal succession by operation of law); or
- (v) the Issuer or any of its Principal Subsidiaries suspends payment or announces its inability to meet its financial obligations when they fall due; or
- (vi) public administration, insolvency, or moratorium proceedings are instituted against the Issuer or any of its Principal Subsidiaries which shall not have been dismissed or stayed within 60 days after institution, or if the Issuer or any of its Principal Subsidiaries applies for institution of such proceedings in respect of itself or offers or makes an arrangement for the benefit of creditors.

(b) Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

(c) Definitions

For the purposes of this Condition, “**Principal Subsidiary**” at any time shall mean a Subsidiary (as defined in the Trust Deed) of the Issuer (*inter alia*):

- (i) whose operating income attributable to the Issuer (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 10 per cent. of the consolidated operating income attributable to the shareholders of the Issuer, or, as the case may be consolidated total assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries; or
- (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Principal Subsidiary,

all as more particularly defined in the Trust Deed.

A report by accountants of international repute appointed by the board of directors of the Issuer whether or not addressed to the Trustee that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary may be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Trustee shall, in the absence of manifest error, be conclusive and binding on all parties.

There are no events of default in relation to Dated or Undated Subordinated Notes.

10. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Replacement Agent in the case of Bearer Notes, Receipts or Coupons, or the Registrar outside the United Kingdom in the case of Registered Notes, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

11. Transfer and Exchange of Registered Notes

(a) Form of Registered Notes

Registered Notes of each Tranche sold outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended (the “**Securities Act**”), will initially be represented by a permanent global Note in registered form, without interest coupons (the “**Reg. S Global Note**”), deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg. Notes in definitive form issued in exchange for Reg. S Global Notes or otherwise sold or transferred in reliance on Regulation S under the Securities Act, together with the Reg. S Global Notes, are referred to herein as “**Reg. S Notes**”. Beneficial interests in a Reg. S Global Note may be held only through DTC directly, by a participant in DTC, or indirectly, through a participant in DTC, including Euroclear or Clearstream, Luxembourg.

Registered Notes of each Tranche sold in private transactions to qualified institutional buyers within the meaning of Rule 144A under the Securities Act (“**QIBs**”) will initially be represented by a permanent global Note in registered form, without interest coupons (the “**Restricted Global Note**” and, together with the Reg. S Global Note, the “**Registered Global Notes**”), deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes in definitive form issued in exchange for Restricted Global Notes or otherwise sold or transferred in accordance with the requirements of Rule 144A under the Securities Act, together with the Restricted Global Notes, are referred to herein as “**Restricted Notes**”.

Registered Notes of each Tranche sold to accredited investors (as defined in Rule 501(a) (1), (2), (3) or (7) under the Securities Act) which are institutions (“**Institutional Accredited Investors**”) who agree to purchase the Notes for their own account and not with a view to the distribution thereof will be in definitive form, registered in the name of the holder thereof.

Registered Notes in definitive form issued to Institutional Accredited Investors and Restricted Notes shall bear the legend set forth in the Restricted Global Note (the “**Legend**”), such Notes being referred to herein as “**Legended Notes**”. Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall (save as provided in Condition 11(f)) deliver only Legended Notes or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Subject as otherwise provided in this Condition 11, Registered Notes in definitive form may be exchanged or transferred in whole or in part in the authorised denominations for one or more definitive Registered Notes of like aggregate nominal amount.

(b) Exchange of interests in Registered Global Notes for Registered Notes in definitive form

Interests in the Reg. S Global Note and the Restricted Global Note will be exchangeable for Registered Notes in definitive form if (i) Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be, notifies the Issuer that it is unwilling or unable to continue as depository for such Registered Global Note or (ii) if applicable, DTC ceases to be a “Clearing Agency” registered under the Securities Exchange Act of 1934 or the Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced its intention permanently to cease

business or has in fact done so, and a successor depository or alternative clearing system satisfactory to the Issuer, the Trustee and the Agent is not available, or (iii) in the case of Unsubordinated Notes, an Event of Default (as defined in Condition 9) has occurred and is continuing with respect to such Notes or, in the case of Dated Subordinated Notes or Undated Subordinated Notes, a payment default has occurred and is continuing with respect to such Notes, (iv) the holder of a beneficial interest in the Restricted Global Note notifies the Registrar in writing that it is transferring such beneficial interest to an Institutional Accredited Investor who is required to hold its beneficial interest in the Registered Notes in definitive form, or (v) if the applicable Pricing Supplement so permits, a written request for one or more Registered Notes in definitive form is made by a holder of a beneficial interest in a Registered Global Note; provided that in the case of (v) such written notice or request, as the case may be, is submitted to the Registrar by the beneficial owner not later than 60 days prior to the requested date of such exchange. Upon the occurrence of any of the events described in the preceding sentence, the Issuer will cause the appropriate Registered Notes in definitive form to be delivered provided that, notwithstanding the above, no Reg. S Notes in definitive form will be issued until the expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or by the Lead Manager, in the case of a syndicated issue (the “**Distribution Compliance Period**”).

(c) Transfers of Registered Global Notes

Transfers of a Registered Global Note shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

(d) Transfers of interests in Reg. S Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Reg. S Note to a transferee in the United States will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a “**Transfer Certificate**”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:
 - (A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
 - (B) to a person who is an Institutional Accredited Investor, together with, in the case of (B), a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an “**IAI Investment Letter**”); or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities law of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (A) above, such transferee may take delivery through a Legended Note in global or definitive form and, in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Reg. S Notes may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(e) *Transfers of interests in Legended Notes*

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Reg. S Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note:
 - (A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
 - (B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

(f) *Exchanges and transfers of Registered Notes generally*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

Holders of Registered Notes in definitive form, other than Institutional Accredited Investors, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will be transferable and exchangeable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be (the “**Applicable Procedures**”).

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement) by the holder or holders surrendering the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and upon the Registrar or, as the case may be, the relevant Transfer Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the Issuer, the Trustee and the Registrar, or as the case may be, the relevant Transfer Agent prescribe, including any restrictions imposed by the Issuer on transfers of Registered Notes originally sold to a U.S. person. Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or

regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Exchanges or transfers by a holder of a Registered Note in definitive form for an interest in, or to a person who takes delivery of such Note through, a Registered Global Note will be made no later than 60 days after the receipt by the Registrar or as the case may be, relevant Transfer Agent of the Registered Note in definitive form to be so exchanged or transferred and, if applicable, upon receipt by the Registrar of a written certification from the transferor.

(g) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 6, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(h) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered during the period of 30 days ending on the due date for any payment of principal or interest on that Note.

(i) Costs of exchange or registration

The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions (except for the expenses of delivery by other than regular mail (if any) and, if the Issuer shall so require, for the payment of a sum sufficient to cover any tax or other governmental charge or insurance charges that may be imposed in relation thereto which will be borne by the Noteholder) will be borne by the Issuer.

12. Agent, Paying Agents, Exchange Agent, Transfer Agents and Registrar

The names of the initial Agent, the initial Registrar and the other initial Paying Agents, the initial Exchange Agent and the initial Transfer Agents and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent or the Registrar or the Exchange Agent or any Transfer Agent and/or appoint additional or other Paying Agents or additional or other Registrars, Exchange Agents, Transfer Agents and/or approve any change in the specified office through which any Paying Agent, Registrar, Exchange Agent or Transfer Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a Paying Agent (which may be the Agent), in the case of Bearer Notes, and a Transfer Agent (which may be the Registrar), in the case of Registered Notes, with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority;
- (ii) there will at all times be a Paying Agent (which may be the Agent) with a specified office in a city in continental Europe outside Norway;
- (iii) there will at all times be an Agent;
- (iv) there will at all times be a Transfer Agent having a specified office in a place approved by the Agent;
- (v) so long as any of the Registered Global Notes are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in London;
- (vi) there will at all times be a Registrar with a specified office outside the United Kingdom and, so long as the Notes are listed on any stock exchange, in such place as may be required by the rules and regulations of the relevant stock exchange; and

- (vii) there will at all times be a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to confirm to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the eleventh paragraph of Condition 5(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receipholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

13. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

14. Notices

All notices regarding the Notes shall be published (i) in a leading English language daily newspaper of general circulation in London and, (ii) if and for so long as the Notes are listed on the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg. It is expected that such publication will be made in the *Financial Times* or any other daily newspaper in London and the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange (or any other relevant authority) on which the Notes are for the time being listed or by which they have been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in each such newspaper or where published in such newspapers on different dates, the last date of such first publication. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, there may (provided that, in the case of Notes listed on a stock exchange, the rules of such stock exchange (or other relevant authority) permit), so long as the global Note(s) is or are held in its/their entirety on behalf of Euroclear and/or Clearstream, Luxembourg or DTC, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be, for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes is represented by a global Note, such notice may be given by any holder of a Note to the Agent and/or Registrar via Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be, in such manner as the Agent and/or Registrar and/or Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification, Waiver and Substitution

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest or (to the satisfaction of the Trustee) proven error or to comply with mandatory provisions of Norwegian law. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, agree with the Issuer, to the substitution in place of the Issuer (or of any previous substitute under this Condition) (the “**Substituted Obligor**”) as the principal debtor under the Notes, Receipts, Coupons and the Trust Deed of another company, being a Subsidiary of the Issuer or a successor in business of the Issuer or a Subsidiary of the successor in business of the Issuer, subject to (a) unless such substituted company is a successor in business of the Issuer, the Notes being unconditionally and irrevocably guaranteed by the Issuer or its successor in business, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the

Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to a change in the law governing the Notes, the Receipts, the Coupons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

Notice of any such substitution shall be given by the Substituted Obligor to the Noteholders in accordance with Condition 14 and the provisions of the Trust Deed.

16. Indemnification of the Trustee and Trustee Contracting with the Issuer

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of its Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, Receiptholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

17. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes (“**Further Notes**”) having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18. Covenant

This Condition 18 applies only to Undated Subordinated Notes and references to “Notes” and “Noteholders” in this Condition 18 shall be construed accordingly.

The Issuer covenants that it will not make any distribution to holders of share capital of the Issuer or to other creditors ranking junior to the Noteholders while any Arrears of Interest (including any corresponding Additional Interest Amount) remains outstanding in respect of the Notes.

19. Provision of Information

For so long as any Notes remain outstanding and are “restricted securities” (as defined in Rule 144(a)(3) under the Securities Act), the Issuer shall, during any period in which it is neither subject to Sections 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any holder of, or beneficial owner of an interest in, such Notes in connection with any resale thereof and to any prospective purchaser designated by such holder or beneficial owner, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

20. Third Party Rights

Save as provided in Condition 19, no rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

21. Governing law and submission to jurisdiction

- (a) The Trust Deed, Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law except for the provisions of Condition 3 and Condition 4(f) which shall be governed by, and shall be construed in accordance with, the laws of the Kingdom of Norway.
- (b) The Issuer agrees, for the exclusive benefit of the Trustee, the Paying Agents, the Noteholders, the Receiptholders and the Couponholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and/or the Coupons and that accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer appoints DnB NOR Bank ASA (London Branch) at its registered office for the time being at 20 St Dunstan's Hill, London EC3R 8HY as its agent for service of process, and undertakes that, in the event of DnB NOR Bank ASA (London Branch) ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any Proceedings.

Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.

DESCRIPTION OF THE ISSUER

Introduction

DnB NOR ASA and its subsidiaries (the “**Group**”) constitutes Norway’s largest financial services group, with combined total assets of approximately NOK 1,200 billion. The Group has more than 2 million retail customers, around 150,000 corporate customers and more than 700,000 life insurance customers. The Group’s operations are based on more than 180 years’ experience as a supplier of financial services in Norway.

The Group offers a full range of financial services including lending, deposits, life and pension insurance, equity funds, asset management and securities operations as well as real estate broking and credit cards. DnB NOR ASA is an important partner for Norwegian businesses abroad and large international companies in Norway. Among the strong brands included in the Group are DnB NOR, Vital, Nordlandsbanken, Cresco, Postbanken and Avanse.

DnB NOR Bank ASA (the “**Issuer**”) is Norway’s largest bank and accounts for around 36 per cent of lending to the retail market and around 37 per cent to small and medium sized corporates. The Issuer is the principal bank for around 60 per cent of Norway’s 300 largest companies. Also, the Group includes the largest life insurance company and asset management operation in Norway.

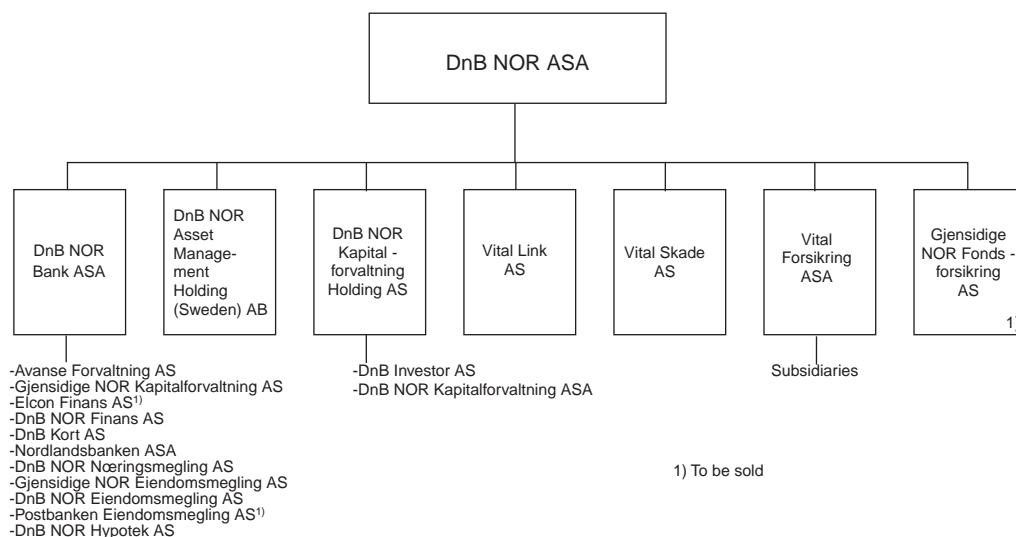
After the completion of the merger (as described below) in the course of 2004, DnB NOR ASA is expected to have 215 bank branches in Norway. The Group has a long-term cooperation agreement with Gjensidige NOR Forsikring, which among other things enables the Issuer to offer customers simple non-life insurance products. Co-operation with 16 regional savings banks increases the opportunity to provide technological solutions and distribute the Group’s products. Through an agreement with Norway Post, the Group’s products and services are distributed in Norway through around 300 post offices, some 1,200 in-store postal outlets and more than 2,000 rural postmen. In addition, the Group has an international network of 13 branches and representative offices, along with subsidiaries in Sweden, Luxembourg, Great Britain, Singapore and the United States.

Legal structure

The merger (the “**Merger**”) between DnB Holding ASA and Gjensidige NOR ASA was registered in the Register of Business Enterprises on 4 December 2003 and the new holding company was renamed DnB NOR ASA. DnB Holding ASA was the acquiring company. The two bank subsidiaries of DnB Holding ASA and Gjensidige NOR ASA, Den norske Bank ASA and Union Bank of Norway ASA respectively, merged on 19 January 2004. Union Bank of Norway ASA was the acquiring company and renamed DnB NOR Bank ASA. Union Bank of Norway ASA (domestic name from 19 January 2004: DnB NOR Bank ASA) can through various mergers trace its roots back to 1822, when Norway’s first savings bank was founded. In 1999, the bank changed its domestic name from Sparebanken NOR to Gjensidige NOR Sparebanken (internationally known as Union Bank of Norway) and on 10 September 2002, Union Bank of Norway was demutualised from a self-owned institution and incorporated as a limited company under the Act on Commercial Banks of 24 May 1961 No. 2.

A number of other subsidiaries of the Group are planned to merge during the course of 2004 and some companies will be sold as a result of the Merger, see “**Operations to be sold in connection with the Merger**”. The two life insurance companies in the Group, Vital Forsikring ASA and Gjensidige NOR Spareforsikring ASA merged on 9 March 2004 under the name Vital Forsikring ASA.

Currently, the Group has the following legal structure (major companies):



The process of merging the life insurance and asset management companies as well as other operations is progressing at the scheduled phase. The brand names Gjensidige NOR and DnB will operate side by side until the Merger is completed. The aim is for the Merger to be completed by the autumn of 2004.

Strategy

The Group is Norway's leading financial services group, and the Group's strong position among customers in Norway represents a foundation for future operations. At the same time, the Group's resources and size will enable it to expand outside Norway in areas where experience and competence gained from operations in Norway ensure competitive clout in a Nordic and international perspective. During the period from 2004 through 2006, the Group will realise major costs synergies resulting from the merger. This will be given high priority.

The work on developing and strengthening customer relationships is important. A flexible and well-developed distribution system, competent advice, cross-sales, product development and decentralised decision-making authority are instrumental in this process. The Group has Norway's largest customer franchise and distribution network. The Group also offers all types of financial products and solutions. This provides a platform for becoming the market participant that best satisfies overall customer needs.

The Group will further develop a Nordic strategy within areas which it has competitive advantages based on, among other things, customer relations, product competence and industry expertise. The Group currently has a strong position within asset management in the Nordic region. The international strategy will also be further developed. The Group has a leading position within international shipping, along with a global presence and strong expertise in the energy and fisheries sectors. DnB NOR ASA aims to be the preferred partner for international customers who conduct business in Norway within securities trading, international payments and securities services.

Following the Merger, the Group has started the process of building a common corporate culture, which will result in a joint value base, core values and management principles. This work is closely linked to the development of the DnB NOR ASA brand as well as the Group's other brand names. Together, these efforts form the pillars underpinning our commitment to organisational and management development. Motivated and competent managers and employees will be crucial to success in reaching group targets.

DnB NOR ASA's financial targets aim to create shareholder value through a return on equity and increases in the share price which are competitive in a Nordic context.

This can be expressed through the following targets:

- Return on equity should be in excess of 14 per cent per annum after tax but before goodwill amortisation
- The core capital ratio should be around 7 per cent DnB NOR ASA envisages that roughly half the Group's profits should be distributed as dividends, provided that capital adequacy remains at a satisfactory level
- The banking operation's objective is an AA level rating for ordinary long-term debt

A process is underway to review the Group's strategy, which includes both creating a common culture and working out strategic priorities for the new Group. The reviewed strategy will be considered by the Board of Directors of DnB NOR ASA during the spring of 2004.

Operations required to be sold in connection with the Merger – discontinued operations

The Norwegian Competition Authority approved the Merger on the condition that *inter alia*, some subsidiaries of the DnB NOR Group, including Elcon Finans AS, Postbanken EiendomsMegling AS and Gjensidige NOR Fondsforsikring AS must be sold. The Group has taken steps to sell these subsidiaries and at the end of March 2004 DnB NOR ASA agreed to sell Elcon Finans AS to Grupo Santander. Grupo Santander's acquisition of Elcon Finans is dependent upon approval from Norwegian authorities. In the accounts for the Group for the years ended 31st December 2003 and 31st December 2002, operations in these subsidiaries have been included. To facilitate the analysis of operations in the Group after the sale of these subsidiaries, separate accounts for these subsidiaries have been prepared (see below).

Operations in these subsidiaries will, in accordance with the Norwegian Ministry of Finance's regulation for banks paragraph 2-5 (2), be included in the Group's accounts until the relevant sales have been completed and all substantial risks has been transferred to the purchasers.

The accounts of these subsidiaries as they are included in the consolidated accounts of the Group are shown below.

Profit and loss accounts

												Discontinued operations
											Year ended 31 December 2003	year ended 31 December 2002
<i>Amounts in NOK million</i>												
Net interest income and credit commissions..											927	718
Commissions and fees payable..	..	..	..	..	..	..	..	..	..	..	81	73
Commissions and fees receivable	..	..	..	..	..	..	..	..	..	..	61	18
Net gain on foreign exchange and financial instruments	..	..	..	..	..	..	..	..	..	..	6	(1)
Sundry ordinary operating income	..	..	..	..	..	..	..	..	..	..	118	97
Net other operating income	..	..	..	..	..	..	..	..	..	..	144	152
Salaries and other ordinary personnel expenses	..	..	..	..	..	..	..	..	..	..	290	244
Administrative expenses	..	..	..	..	..	..	..	..	..	..	115	120
Depreciation	..	..	..	..	..	..	..	..	..	..	25	21
Sundry ordinary operating expenses	..	..	..	..	..	..	..	..	..	..	97	81
Other expenses	..	..	..	..	..	..	..	..	..	..	2	1
Total operating expenses	..	..	..	..	..	..	..	..	..	..	530	468
Pre-tax operating profit before losses	..	..	..	..	..	..	..	..	..	..	541	402
Net losses on loans etc.											172	76
Pre-tax operating profit	..	..	..	..	..	..	..	..	..	..	369	326
Taxes	..	..	..	..	..	..	..	..	..	..	107	92
Profit for the period	..	..	..	..	..	..	..	..	..	..	262	234

Balance Sheets

												Discontinued operations
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Assets												
Cash and deposits with central banks	..	..	..	..	..	..	..	..	..	..	0	104
Lending to and deposits with credit institutions	..	..	..	..	..	..	..	..	..	..	375	364
Gross lending to customers	..	..	..	..	..	..	..	..	..	..	27,669	23,508
– Specified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(113)	(65)
– Unspecified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(180)	(177)
Net lending to customers	..	..	..	..	..	..	..	..	..	..	27,376	23,267
Reposessed assets	..	..	..	..	..	..	..	..	..	..	134	238
Shareholdings etc.											40	32
Intangible assets	..	..	..	..	..	..	..	..	..	..	152	334
Fixed assets	..	..	..	..	..	..	..	..	..	..	22	18
Other assets	..	..	..	..	..	..	..	..	..	..	374	42
Prepayment and accrued income	..	..	..	..	..	..	..	..	..	..	115	63
Total assets	..	..	..	..	..	..	..	..	..	..	28,537	24,462
Liabilities and equity												
Loans and deposits from credit institutions	..	..	..	..	..	..	..	..	..	..	24,507	20,858
Deposits from customers	..	..	..	..	..	..	..	..	..	..	283	287
Other liabilities	..	..	..	..	..	..	..	..	..	..	771	627
Accrued expenses and prepaid revenues	..	..	..	..	..	..	..	..	..	..	174	144
Provisions for commitments	..	..	..	..	..	..	..	..	..	..	23	34
Subordinated loan capital	..	..	..	..	..	..	..	..	..	..	350	375
Total liabilities	..	..	..	..	..	..	..	..	..	..	26,108	22,325
Share capital	..	..	..	..	..	..	..	..	..	..	2,043	1,768
Equity reserves	..	..	..	..	..	..	..	..	..	..	386	369
Total equity	..	..	..	..	..	..	..	..	..	..	2,429	2,137
Total liabilities and equity	..	..	..	..	..	..	..	..	..	..	28,537	24,462

Capitalisation of the Group

The following table sets forth the consolidated audited capitalisation of the Group as at 31 December 2003.

										31 December 2003	
										<i>(NOK million)</i>	<i>(US.\$ million)⁽¹⁾</i>
Debt maturing within one year (inc. deposits and other liabilities) ..										495,626	74,240
Long-term debt											
Bond debt ⁽²⁾	142,696	21,374
Subordinated loan capital											
Term subordinated loan capital ..	..	..	..	..	..	..	..	..	..	11,973	1,793
Perpetual subordinated loan capital ..	..	..	..	..	..	..	..	..	..	6,153	922
Total subordinated loan capital ..	..	..	..	..	..	..	..	..	..	18,126	2,715
Perpetual Subordinated loan capital securities. ..	..	..	..	..	..	..	..	..	..	5,583	836
Accrued Pension Commitments ..	..	..	..	..	..	..	..	..	..	1,531	229
Equity											
Share capital... ..	..	..	..	..	..	..	..	..	..	13,090	1,961
Other capital ..	..	..	..	..	..	..	..	..	..	29,025	4,348
Total equity. ..	..	..	..	..	..	..	..	..	..	42,115	6,308
Total consolidated capitalisation⁽³⁾	705,677	105,704

(1) Translated to NOK 6.676 per U.S.\$1.00 (the notes buying rate for U.S. dollars in the Norwegian interbank markets as at 31st December, 2003 as reported by Norges Bank (the Central Bank of Norway)).

(2) Comprises all bond debt including debt falling due in 2004.

(3) There has been no material change to the consolidated capitalisation of the Group since 31 December 2003.

Capitalisation of the Issuer

The following table sets forth the unaudited *pro forma* capitalisation of the Issuer as at 31 December 2003.

											31 December 2003	
											<i>(NOK million)</i>	<i>(US.\$ million)⁽¹⁾</i>
Debt maturing within one year (inc. deposits and other liabilities)											488,987	73,246
Long-term debt												
Bond debt ⁽²⁾	131,982	19,770
Subordinated loan capital												
Term subordinated loan capital	..	..	..	..	..	..	..	..	..	..	11,320	1,696
Perpetual subordinated loan capital	..	..	..	..	..	..	..	..	..	..	6,053	907
Total subordinated loan capital	..	..	..	..	..	..	..	..	..	..	17,374	2,602
Perpetual Subordinated loan capital securities	..	..	..	..	..	..	..	..	..	..	5,583	836
Accrued Pension Commitments	..	..	..	..	..	..	..	..	..	..	1,438	215
Equity												
Issued and fully paid up ordinary share capital	..	..	..	..	..	..	..	..	..	..	16,964	2,541
Other capital	..	..	..	..	..	..	..	..	..	..	16,608	2,488
Total equity	..	..	..	..	..	..	..	..	..	..	33,572	5,029
Total consolidated capitalisation⁽³⁾	678,936	101,698

(1) Translated to NOK 6.676 per U.S.\$1.00 (the notes buying rate for U.S. dollars in the Norwegian interbank markets as at 31st December, 2003 as reported by Norges Bank (the Central Bank of Norway)).

(2) Comprises all bond debt including debt falling due in 2004.

(3) There has been no material change to the *pro forma* consolidated capitalisation of the Issuer since 31 December 2003.

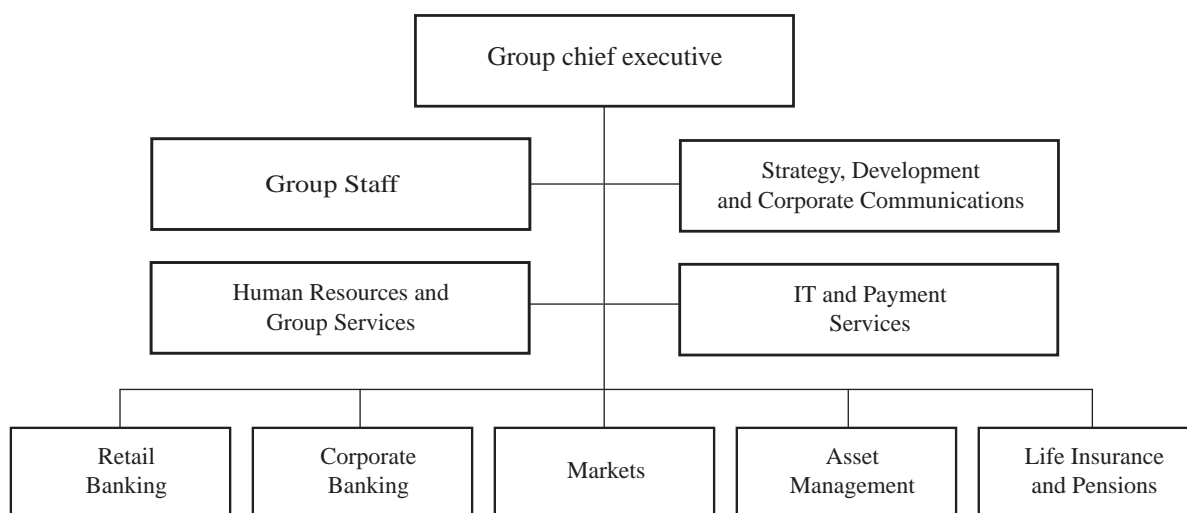
Business areas

The activities of the Group are organised into five functional business areas, namely Retail Banking, Corporate Banking, Markets, Life Insurance and Pensions and Asset Management, and five staff and support units. As independent profit centres, these business areas carry responsibility for customer segments served by the Group, as well as the products offered.

The functional structure in DnB NOR ASA deviates from its legal structure as activities in subsidiaries fall in under the business area relevant to the company's primary operations.

Financial targets

Differentiated financial and non-financial requirements have been set for the business areas which in combination will help the Group reach its financial targets. Return on equity is the key ratio for the business areas, representing each area's profits after taxes relative to financial capital requirements. The need for financial capital is based on the risk involved in operations in accordance with DnB NOR ASA's risk management model.



Retail Banking

Retail Banking in the Group includes, *inter alia*, the brand names DnB NOR, Postbanken, Cresco and Nordlandsbanken. This business area serves more than 2 million retail customers and 41,000 small companies and is Norway's largest retail banking operation, with NOK 261 billion in lending and NOK 180 billion in deposits.

Retail Banking in the Group reflects a distribution model based on proximity to customers, accessibility and strong interaction between the distribution channels and is represented in all of Norway's counties and currently has a network comprising 268 DnB NOR offices and branches, 18 Nordlandsbanken offices and 37 Postbanken offices. Postbanken's customers are also served through more than 300 post offices and around 1,200 in-store postal outlets in Norway. The agreement with Norway Post on the sale of Postbanken's services provides customers access to Norway's largest service network. The number of DnB NOR branch offices will be reduced to around 215 due to the moving of units with geographical overlap into joint branch offices.

This business area offers customers Internet banking solutions which provide an overview of all aspects of their customer relationships with the Group. The number of Internet banking contracts in the Group as of December 2003 was around 550,000, while Postbanken had entered into approximately 385,000 Internet banking contracts. Retail Banking's Internet banks handle approximately 2.7 million online banking transactions each month.

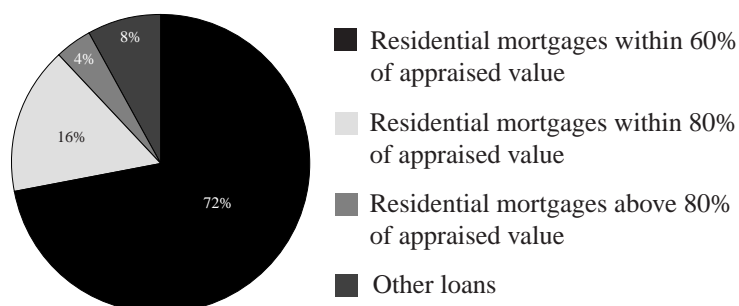
Customers seeking advisory services requiring special competence are served through Investment Advisory Services, which includes private banking, investment centres and external distribution.

Card operations, previously carried out by DnB Kort and Cresco, will be coordinated under DnB NOR Kort and organised as an 'internal company' in the Group. Cresco will be maintained as a brand name for external distribution. Real estate broking activities will be integrated in DnB NOR Eiendom AS and operate from 59 offices once the Merger is completed.

Strategy in Retail Banking is based on the use of four structural competitive advantages: a large customer base, an extensive distribution network, strong brand names and high expertise, along with high-quality and cost-effective product suppliers and support functions. Through close interaction between distribution channels and attractive service concepts adapted to the various customer segments, DnB NOR ASA will seek to further improve its competitive strength relative to customers.

Customer service in the branch network is based on the following four pillars: advisory services and customer relationships, effective customer service, simplicity and recognition as well as local knowledge.

Retail market lending as at 31 December 2003



Corporate Banking

Corporate Banking serves large corporates, shipping clients and small and medium-sized companies.

This business area serves customers through central units, telephone and Internet banking, 33 financial services and business centres and 268 regional offices within Norway. In addition, Nordlandsbanken serves corporate clients in the county of Nordland. The Group's international corporate banking network comprises six branches and a number of representative offices. Through Corporate Banking's co-operation with other business areas and support functions within the Group, particularly through the use of corporate finance and foreign exchange and interest rate instruments, this business area offers a broad range of financial products and services.

This business area's operations in Norway are organised into five customer divisions and includes DnB NOR Finans, DnB NOR Næringsmegling, DnB NOR Hypotek and Nordlandsbanken ASA's activities in the corporate market.

Corporate Banking serves the large corporate segment through DnB NOR ASA's branch network and international units, e.g. in New York, London and Singapore. The Group provides services to Norwegian and international shipping and offshore clients from offices in Oslo, Bergen, London, New York and Singapore. Through the establishment of DnB NOR Markets Inc. in the U.S., the Group offers investment banking services, including merger and acquisition advisory services, to international clients, particularly in the shipping and energy sectors.

DnB NOR Finans offers a range of services in the corporate market and public sector, including leasing, rentals, fleet management, corporate loans and factoring. DnB NOR Finans has 14 sales offices within Norway and co-operates closely with the Group's branch network and distribution channels.

The Group's representative office in Shanghai was established in 2003 and commenced business in February 2004.

DnB NOR ASA Corporate Banking aims to be the best financial partner for Norwegian companies and international customers' preferred partner in Norway. In certain industries, such as shipping, oil and energy, DnB NOR ASA will also be a partner for companies operating outside Norway.

DnB NOR ASA leads the Norwegian corporate market.

DnB NOR ASA has a sound position among small and medium-sized companies in Norway, which was further strengthened by gaining 7,500 new customers in 2003. Local presence ensures proximity to customers and a good understanding of their needs. DnB NOR ASA is committed to building up regional expertise and decision-making capacity, while making the competence of a large bank available to local businesses. At the end of 2003, more than 8,000 of DnB NOR ASA's small and medium-sized corporate customers used one of the Group's service concepts for this segment.

More than 50,000 customers make use of DnB NOR ASA's extensive range of Internet services and Internet-based financial tools. In addition to traditional products, electronic solutions are offered for equity and foreign exchange and documentary credit and guarantee services. A number of customers have started using the Group's liquidity and profitability models.

At end-December 2003, DnB NOR Finans had a 23 per cent. market share within asset finance, up 3 percentage points from the previous year. At the end of the year, more than 85 per cent. of factoring clients used the web-based solution Telefactor.

Markets

DnB NOR Markets ("Markets") is Norway's largest capital markets operation with a market share of over 40 per cent. in terms of revenues. The Merger has also created a larger customer base, broader presence and greater local competence in Norway.

Markets are served from DnB NOR ASA's head office in Oslo, 13 regional sales desks in Norway, offices in London, New York and Singapore, as well as through electronic channels. In addition, products are sold through other business areas in the Group as well as external channels.

Key products include foreign exchange and interest rate products, securities and other investment products, debt and equity financing, research and advisory services, as well as custodial and other securities services.

The organisation of Markets favours decentralised customer service, for example, the provision of Market's products to customers through the regional sales desks. Service to major clients, risk-taking and operational and support functions have, on the other hand, been centralised.

During the course of 2003, preparations were made for the effective integration of DnB Holding ASA's and Gjensidige NOR ASA's capital markets operations, including systems adaptations. Most of this integration was completed in early 2004 and the cost synergies were realised and staff levels adapted to the new operation, along with the establishment of joint trading and management systems.

Life Insurance and Pensions

Life Insurance and Pensions has a leading position within the life and pension insurance business sector in Norway. At the end of 2003, this business area had total assets of NOK 158 billion.

This business area comprises Vital Forsikring ASA and its subsidiaries and its sister company Vital Link AS. Gjensidige NOR Spareforsikring and Vital Forsikring ASA merged in March 2004 and subsequent to such merger, life insurance operations have continued in Vital Forsikring ASA while unit linked products are provided by Vital Link AS.

Life Insurance and Pensions is divided into business segments for corporate clients, retail clients and the public sector. This business area offers individual and group pensions to businesses, adapted to customer needs for defined-benefit, defined-contribution and single premium pension schemes. In the retail market, long-term savings alternatives are offered in the form of individual pension agreements and annuities. Products are offered with guaranteed returns or with a choice of investment profile

(unit linked). Life Insurance and Pensions also sells the savings products of other units in the Group, including investment funds from DnB NOR Asset Management and equity-linked bonds from DnB NOR Markets. Other products include group life, endowment and personal insurance.

Asset Management

Asset Management serves the Norwegian and Swedish savings markets, offering domestic and international asset management services. Operations are carried out under the brand names DnB NOR Asset Management in the Norwegian institutional market and DnB Investor and Avanse Forvaltning in the Norwegian retail market. The brand names Carlson and DnB NOR Asset Management are used in the Swedish market. While customer activity is concentrated in Norway and Sweden, in order to provide competitive global asset management, investment operations have also been established in London, New York and Hong Kong.

The services provided in this business area comprise investment fund and discretionary portfolio management. An important aspect of this business area's operations is the management and monitoring of investment portfolios, as well as advising customers with respect to asset allocation and risk levels.

Overview of the Issuer's subsidiaries

The following table provides a summary of the subsidiaries of the Issuer as of 31 December 2003.⁽¹⁾

			Share Capital	Number of Shares	Nominal Value	Ownership share in per cent.	Book Value
<i>Amounts in 1,000 – Values in NOK unless otherwise indicated</i>							
Foreign subsidiaries							
DnB Asia Limited, Singapore	..	SGD	20,000	20,000,000	20,000	100	78,535
Luxcap S.A.	.. ..	EUR	30,000	800,000	30,000	100	317,344
DnB Markets Inc.	.. ..	USD	150	150,000	150	100	1,002
UBN INT SA Luxembourg	..	EUR	17,352	70,000	17,352	100	146,088
UBN Reinsurance SA Luxembourg..	.. ..		11,000	10,999	10,999	100	10,999
Domestic subsidiaries							
Avanse Forvaltning	.. ..		3,265	3,265,000	3,265	100	336,411
DnB Eiendomsmegling	.. ..		2,503	25,033	2,503	100	31,149
DnB Finans	.. ..		512,000	5,120,000	512,000	100	1,017,791
DnB Invest Holding	.. ..		200,000	200,000	200,000	100	543,000
DnB Kort	.. ..		391,300	3,913,000	391,300	100	394,000
DnB Meglerservice	.. ..		700	7	700	100	5,221
DnB Naeringsmegling	.. ..		1,000	10,000	1,000	100	4,000
Elcon Finans	.. ..		1,895,011	1,895,011	1,895,011	100	2,197,884
Gjensidige NOR							
Eiendomsmegling	.. ..		39,100	1,955	39,100	100	44,200
Gjensidige NOR Equities	.. ..		43,266	131,109	43,266	100	138,121
Gjensidige NOR							
Kapitalforvaltning..	.. ..		75,000	75,000	75,000	100	258,186
Hafjell Alpinsenter	.. ..		26,330	2,633	26,330	100	12,400
Juridisk Byrå	.. ..		50	50	50	100	50
Kreditt-Finans	.. ..		21,000	42,000	21,000	100	50,394
Lørenfare 1	.. ..		500	5,000	500	100	500
Meks Holding	.. ..		10,000	10,000	10,000	100	10,000
Netaxept	.. ..		10,500	26,250,000	10,500	100	67,675
Nordlandsbanken	.. ..		625,062	50,004,984	625,062	100	1,864,444
Postbanken Eiendomsmegling	..		20,000	20	20,000	100	20,000
Realkreditt Eiendom	.. ..		11,000	11,000	11,000	100	133,033
Sparebankgårdene	.. ..		204,920	204,920	204,920	100	213,914
Sparebankkreditt	.. ..		825,000	8,250,000	825,000	100	952,552
Viul Hovedgård	.. ..		7,500	750,000	7,500	100	11,766
General and limited partnerships							
Store Elvegården, Mandal	.. ..					50	5,786
Lørenfare 1, Oslo	.. ..					99	44,691
Total investments in subsidiaries ..							8,911,135

(1) Extracted from the *pro forma* consolidated financial statements of the Issuer as at 31 December 2003.

Risk and capital management

DnB NOR ASA will maintain a moderate risk profile, which is reflected in the banking group's aim to achieve an AA level rating for ordinary long-term debt and ensure risk-adjusted capital measurement in accordance with this ambition.

The Group's risk is measured in the form of risk-adjusted capital, calculated for main risk categories and for all of the Group's business areas. Return on risk-adjusted capital is a key measure in calculating profits and monitoring performance in the business areas. In addition, risk is controlled and followed up based on the monitoring of positions and the utilisation of limits, key figures, portfolio risk measurement and other relevant figures.

Risk measurement and management

Risk management entails a considered and systematic approach to risk relating to operations and operative targets. In DnB NOR ASA, the following risk categories are subject to special measurement and monitoring:

- credit risk
- market risk
- liquidity risk
- ownership risk for life insurance companies (Life Insurance and Pensions)
- operational risk

Risk-adjusted capital has been established as a uniform risk measurement tool for these risk categories. The basis for quantifying risk-adjusted capital is an assessment of how much capital is required to operate within the risk tolerance set by the Board of Directors of DnB NOR ASA. The capital requirement increases in step with the risk level. In DnB NOR ASA, risk-adjusted capital is the term used for required capital. This methodology makes it possible to compare risk across risk categories and business areas. Calculations of risk-adjusted capital are based on discretion and estimates, which, if changed, could have an impact on capital estimates.

Expected losses, whether in the form of losses on loans or operational losses, represent operating expenses to be covered by current margins and through other prices. The quantification of risk-adjusted capital focuses on unexpected losses. In spite of sound risk management, occasional unexpected losses do occur. These losses make it necessary to maintain an equity basis. As it is impossible to guard against all potential losses, DnB NOR ASA has stipulated that risk-adjusted capital should cover 99.97 per cent. of potential losses within a one-year horizon. This level is in accordance with an AA level rating for ordinary long-term debt.

Risk-adjusted profitability is the key strategic performance measurement in the internal management of the Group. Capital is thus allocated to the business areas on the basis of the estimated risk in operations, and return on capital is continually monitored. Capital requirements reflect the inherent risk in operations. Capital is also a scarce resource which must be utilised effectively. A high return on equity creates shareholder value and indicates potential growth areas.

Market risk

DnB NOR ASA makes a distinction between market risk stemming from the Group's trading activities in interest rate, currency and equity markets, and from banking activities, where investments have a longer-term perspective. Market risk is managed through detailed limits for risk exposure, where the guiding principle is that the aggregate of awarded limits at lower levels should not exceed the limit at a higher level. Risk-taking is centralised, as all units in the banking group must hedge their interest rate and currency positions through DnB NOR Markets. The limits are reviewed at least once a year and considered by the Group's Asset and Liability Committee. Overall limits are determined by the Issuer's Board of Directors.

Ownership risk for Life Insurance and Pensions

According to current parameters for life insurance operations in Norway, ownership risk includes fulfilling an annual guaranteed rate of return on insurance policies. For combined operations in Vital Forsikring and Gjensidige NOR Spareforsikring, the guaranteed rate of return was 3.75 per cent. at the end of 2003. The return on financial assets must be sufficient to meet the guaranteed rate of return specified in life insurance policies. If this is not the case, additional allocations will have to be used, representing buffer capital based on allocated policyholders' funds, built up from profits in previous years. The owner is responsible for covering any outstanding amount. The risk situation within Life Insurance and Pensions is followed closely, including daily updates on returns on financial assets and forecasts for future developments.

Life Insurance and Pensions has established separate guidelines for the management of financial assets which adjust the risk profile relative to financial buffers. The business area is also subject to government regulations on asset management, including risk diversification and limitations on investment operations. Through consideration by the Asset and Liability Committee, risk relating to return on financial assets in Life Insurance and Pensions is assessed along with market risk in other parts of the Group.

Returns achieved in 2003 made it possible to build financial buffers. The securities adjustment reserve for combined operations rose from nil to NOK 2,448 million, while additional allocations increased by NOK 839 million to NOK 2,049 million. Nevertheless, the risk-adjusted capital of the business area expanded by around NOK 2 billion. This was a result of rising volumes, an increase in the percentage of equity investments from 9 to 13 per cent. and a substantial drop in interest rate levels.

Limits have been set for liquidity risk, defined as the relationship between refinancing requirements and available liquidity reserves during different periods. In addition, a limit has been approved for structural liquidity risk, which implies that lending to the general public should largely be financed through customer deposits and long-term funding.

DnB NOR ASA is committed to having a range of sources for funding operations, based on established funding programmes in different markets. DnB NOR ASA has a commercial paper programme of USD 8 billion in the US and a commercial paper programme of USD 2 billion in Europe. Priority is also given to maintaining sound business relations with a large number of international banks and on promoting the Group in international capital markets.

Operational risk

In connection with the merger, a number of measures were implemented to reduce both short and long-term operational risk. Special analysis have been carried out for the various types of risk resulting from the merger, and measures have been initiated to remedy the situation. The IT integration process is regarded as particularly important and vulnerable, and appreciable reserves have been channelled into analyses and follow-ups in this area. Risk-adjusted capital for operation risk has been estimated to increase by NOK 1 billion due to risk relating to the merger.

The new group has given priority to organising operations on the basis of well-defined and clear-cut responsibilities from the outset. Risk management is based on ensuring that the Group will meet the various requirements for organisational solutions contained in the coming new rules for supervision and capital adequacy (Basel II), including independent report lines and risk measurement. A special group committee for operational risk has been established, whose responsibilities include ensuring that quality assurance procedures and internal control are designed to improve value creation in the business areas. The statutory annual internal control reporting in Norway will be an integral part of the ordinary budget and planning process. Priority will be given to establishing a consistent system for reporting losses which complies with the Basel II requirements with respect to operational risk.

SUMMARY FINANCIAL INFORMATION OF THE GROUP

Review of the annual accounts

The merger between DnB Holding ASA and Gjensidige NOR ASA was implemented according to the purchase method and effective as from 31 December 2003. DnB Holding ASA is the surviving company. The formal profit and loss accounts for 2003 thus only includes figures from operations in DnB Holding ASA. Against this background, formal profits in the Group for 2003 totalled NOK 3,017 million. The corresponding figure for 2002 was NOK 2,334 million.

On a *pro forma* basis, the Group recorded profits after taxes of NOK 5,378 million in 2003, up from NOK 3,632 million in 2002. The *pro forma* figures reflect the combined operations of DnB Holding ASA and Gjensidige NOR ASA as of 1 January 2002, while Nordlandsbanken ASA, which was acquired in the first quarter of 2003, is included only in the 2003 figures.

Only the *pro forma* accounts of the Group, prepared on the basis that the merger between DnB Holding ASA and Gjensidige NOR ASA took place on 1 January 2002, are analysed below.

Annual profits for 2003 for combined operations represented a return on equity excluding goodwill amortisation of 14.3 per cent., as against 10.2 per cent. the previous year. Earnings per share came to NOK 4.61 and NOK 3.19 for the two years. After goodwill amortisation, return on equity was 12.7 per cent in 2003 and 8.9 per cent. in 2002, while earnings per share stood at NOK 4.11 and NOK 2.77 respectively.

Income

Income totalled NOK 22,091 million in 2003, up 13 per cent. from NOK 19 545 million in 2002. This increase mainly reflects the acquisition of Nordlandsbanken and a higher level of activity in the Group's business areas.

Net interest income was reduced by NOK 98 million in 2003. The acquisition of Nordlandsbanken ASA contributed to a NOK 451 million rise in net interest income. Other growth in lending and deposits lifted interest income by a total of NOK 901 million, while narrower customer spreads resulted in a reduction of NOK 146 million. The decline in the average USD rate also had a negative impact on net interest income in 2003 compared with 2002, corresponding to NOK 147 million. Other effects on net interest income, including a lower return on equity and higher net funding costs on non-performing loans, brought interest income down by a total of NOK 1,155 million.

Other operating income amounted to NOK 8,302 million in 2003, an increase of NOK 2,644 million compared with 2002. The acquisition of Nordlandsbanken ASA resulted in a NOK 119 million rise in income. Net profits from life insurance operations improved by NOK 1,031 million compared with 2002. Higher share prices gave NOK 530 million in higher gains on the Bank's share investments. Trading in foreign exchange and interest rate instruments showed strong progress in 2003, mainly due to an increase in customer trading. Gains on trading in foreign exchange and interest rate derivatives rose by NOK 533 million, though the increase must be viewed in light of the NOK 260 million reduction in interest rate income on related balance sheet items.

Commission income within asset management operations rose NOK 114 million between 2002 and 2003. Increased financial market activity resulted in a NOK 102 million increase in income from advisory services and issue activity in the market. Higher transaction volumes lifted income on payment transactions by NOK 68 million. Rising volumes of other services resulted in a NOK 147 million boost in income.

Operating expenses

Operating expenses totalled NOK 13,410 million in 2003, an increase of NOK 479 million from 2002. The entire increase can be attributed to the acquisition of Nordlandsbanken ASA's operations in 2003 and the annualised effect of the acquisition of Skandia Asset Management, which was taken over in June 2002. Together, the acquisitions represented a rise in costs of NOK 607 million, thus there

was an underlying reduction in operating expenses of NOK 128 million. The cost/income ratio, representing total costs relative to income, was 57.9 per cent. before goodwill amortisation in 2003, as against 63.6 per cent. in 2002.

Restructuring expenses, write-downs etc. totalled NOK 219 million in 2003, down from NOK 394 million in the previous year. This includes allocations to the employee funds of NOK 114 million in 2003, compared with NOK 46 million in 2002. Life Insurance and Pensions made additional allocations of NOK 8 million in 2003 and NOK 4 million in 2002.

In addition to the restructuring expenses charged to the accounts, provisions for restructuring measures of NOK 76 million were made directly in the balance sheet in connection with the acquisition of Nordlandsbanken and an additional NOK 930 million upon the merger between DnB Holding ASA and Gjensidige NOR ASA. The latter provisions are expected to be increased by a further NOK 930 million once the Board of Directors of DnB NOR ASA has considered a complete restructuring plan.

Stringent cost controls were implemented in both merging groups, while synergies relating to the merger were realised already in the 2003 accounts, partly due to the postponement of new recruitment and marketing measures.

Loan-loss provisions and non-performing commitments

Losses totalled NOK 1,891 million in 2003, compared with NOK 1,023 million in 2002. Losses in 2003 were in line with the normalised level over a business cycle. The increase from 2002 was due to a rise in new losses on repossessed commitments in the fisheries, building and construction, services and manufacturing industries. Loan-loss levels showed a downward trend towards the end of the year. DnB NOR ASA was actively involved in the refinancing and restructuring of commitments in the fisheries industry in 2003.

Non-performing and doubtful commitments in the retail market were brought down by NOK 190 million. In the corporate market, there was an increase in non-performing and doubtful commitments in the fisheries sector, while volumes were scaled back in most other industries. Extensive efforts were devoted to securing values in connection with loss-exposed commitments. Non-performing, doubtful and repossessed commitments were reduced by a total of NOK 279 million in 2003. Unspecified loan-loss provisions remained unchanged in 2003.

Long-term investments in securities

Net gains on long-term investments in securities were NOK 224 million in 2003, compared with a net loss of NOK 316 million recorded in 2002. The investment in Storebrand was written down by NOK 468 million in 2002. The share price development for Storebrand through 2003 along with the sale of shares ensured sales gains and reversals on previous write-downs totalling NOK 209 million.

Taxes

The Group's tax charge for 2003 totalled NOK 1,636 million, representing 23 per cent. of pre-tax operating profits. The tax charge for 2003 was particularly low due to the fact that the Central Tax Office for Large Companies accepted adjustments in the tax assessment for Den norske Bank ASA for previous years, which reduced the tax charge by a total of NOK 180 million. The Group anticipates a normalised tax level of 27 per cent. of operating profits before taxes in the future.

Balance sheet and assets under management

Net lending in the Group's balance sheet was NOK 557.5 billion at the end of 2003, up from NOK 488.2 billion a year earlier. Nordlandsbanken, which was acquired in the first quarter of 2003, added NOK 24 billion to the Group's lending volume. Bank deposits rose from NOK 318 billion to NOK 336 billion in 2003, with NOK 9.2 billion stemming from the acquisition of Nordlandsbanken. The average ratio of deposits to lending was 63 per cent. in 2003 compared with 65 per cent. in 2002.

In addition to deposits in the balance sheet, the Group managed savings for customers in the form of investment funds, insurance policies etc. for a total of NOK 483 billion at the end of 2003. This represented an increase of NOK 71 billion during the year.

The core capital ratio of the Group was 6.8 per cent. at the end of 2003, while the corresponding figure for the banking group was 7.1 per cent.

Future prospects

There are sound prospects for economic growth in 2004. Demand for Norwegian goods and services is expected to increase, parallel to rising economic growth in Norway. The low interest rate level at the beginning of 2004 presents both opportunities and challenges for the Group. Higher economic activity will have a positive impact on the Group's growth and earnings potential, though the Group's interest income could be under pressure in the short term.

In 2004, the Group will focus on retaining and strengthening customer relationships by offering a full range of products at competitive terms and by making the Group's overall operations available to customers. After the Merger, the Group has acquired a unique market position and will be able to expand its product offering to customers.

The Merger also provides ample opportunities for realising synergies through the discontinuation and combination of operations. These efforts will be given high priority in 2004, which will be followed up closely by management and the Board of Directors of DnB NOR ASA. This process is on schedule and is expected to have a significant impact on profits in 2004.

The following summary financial information for the Group has been extracted from the audited consolidated *pro forma* financial statements of the Group contained in the Annual Report of DnB NOR ASA for the years ended 31 December 2003 and 2002 (with the exception of the 31 December 2003 consolidated balance sheet for the Group which has been extracted from the consolidated audited financial statements of the Group) which has been prepared as if the merger between DnB Holding ASA and Gjensidige NOR ASA took place on 1 January 2002. The following summary financial information should be read in conjunction with, and is qualified by reference to the financial statements and notes thereto for the years ended 31 December 2003 and 31 December 2002 and the accounting policies adopted in respect thereof.

Profit and loss accounts

											DnB NOR Group	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Interest income	..	..	..	..	..	..	..	..	..	..	38,430	42,959
Interest expenses	..	..	..	..	..	..	..	..	..	..	24,641	29,072
Net interest income and credit commissions..	..	..	..	..	..	..	..	..	..	..	13,789	13,887
Dividends	..	..	..	..	..	..	..	..	..	..	212	171
Net profit/(loss) from Life Insurance and Pensions	..	..	..	..	..	..	..	..	..	..	760	(271)
Commissions and fees receivable on banking services	..	..	..	..	..	..	..	..	..	..	6,335	5,869
Commissions and fees payable on banking services	..	..	..	..	..	..	..	..	..	..	2,056	1,971
Net gain on foreign exchange and financial instruments	..	..	..	..	..	..	..	..	..	..	1,847	774
Sundry ordinary operating income	..	..	..	..	..	..	..	..	..	..	1,181	1,046
Gains on the sale of fixed assets	..	..	..	..	..	..	..	..	..	..	23	39
Net other operating income	..	..	..	..	..	..	..	..	..	..	8,302	5,658
Salaries and other personnel expenses	..	..	..	..	..	..	..	..	..	..	6,577	6,005
Administrative expenses	..	..	..	..	..	..	..	..	..	..	3,982	3,947
Depreciation	..	..	..	..	..	..	..	..	..	..	1,200	1,077
Sundry ordinary operating expenses	..	..	..	..	..	..	..	..	..	..	1,433	1,508
Other expenses	..	..	..	..	..	..	..	..	..	..	219	394
Total operating expenses	..	..	..	..	..	..	..	..	..	..	13,410	12,931
Pre-tax operating profit before losses	..	..	..	..	..	..	..	..	..	..	8,681	6,613
Net losses on loans, guarantees, etc.	..	..	..	..	..	..	..	..	..	..	1,891	1,023
Net gains/(losses) on long-term securities	..	..	..	..	..	..	..	..	..	..	224	(316)
Pre-tax operating profit	..	..	..	..	..	..	..	..	..	..	7,014	5,274
Taxes	..	..	..	..	..	..	..	..	..	..	1,636	1,642
Profit for the year	..	..	..	..	..	..	..	..	..	..	5,378	3,632
Dividends	..	..	..	..	..	..	..	..	..	..	2,919	2,805
Transfers to other equity	..	..	..	..	..	..	..	..	..	..	2,459	828
Total transfers and adjustments	..	..	..	..	..	..	..	..	..	..	5,378	3,632
Earnings per share (NOK)	..	..	..	..	..	..	..	..	..	..	4.11	2.77
Diluted earnings per share (NOK)	..	..	..	..	..	..	..	..	..	..	4.10	2.76

Balance sheets

											DnB NOR Group	
											31 December 2003⁽¹⁾	31 December 2002
											<i>(NOK million)</i>	
Assets												
Cash and deposits with central banks	..	..	..	..	..	..	..	..	..	..	8,570	22,944
Lending to and deposits with credit institutions	..	..	..	..	..	..	..	..	..	..	28,331	26,615
Gross lending to customers	..	..	..	..	..	..	..	..	..	..	565,546	494,601
– Specified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(4,329)	(2,884)
– Unspecified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(3,714)	(3,501)
Net lending to customers	..	..	..	..	..	..	..	..	..	..	557,503	488,217
Reposessed assets	..	..	..	..	..	..	..	..	..	..	576	651
Commercial paper and bonds	..	..	..	..	..	..	..	..	..	..	59,398	51,745
Shareholdings etc.	..	..	..	..	..	..	..	..	..	..	4,011	4,364
Investments in Life Insurance and Pensions and associated companies	..	..	..	..	..	..	..	..	..	..	7,365	7,184
Intangible assets	..	..	..	..	..	..	..	..	..	..	6,484	6,733
Fixed assets	..	..	..	..	..	..	..	..	..	..	4,475	4,425
Other assets	..	..	..	..	..	..	..	..	..	..	23,643	19,382
Prepayments and accrued income	..	..	..	..	..	..	..	..	..	..	5,321	6,098
Total assets	..	..	..	..	..	..	..	..	..	..	705,677	638,357
Liabilities and equity												
Loan and deposits from credit institutions	..	..	..	..	..	..	..	..	..	..	78,497	80,302
Deposits from customers	..	..	..	..	..	..	..	..	..	..	335,576	317,598
Securities issued	..	..	..	..	..	..	..	..	..	..	181,649	138,568
Other liabilities	..	..	..	..	..	..	..	..	..	..	35,305	35,359
Accrued expenses and prepaid revenues	..	..	..	..	..	..	..	..	..	..	5,992	5,034
Provisions for commitments	..	..	..	..	..	..	..	..	..	..	2,834	3,000
Subordinated loan capital	..	..	..	..	..	..	..	..	..	..	18,126	13,519
Perpetual subordinated loan capital securities	..	..	..	..	..	..	..	..	..	..	5,583	5,292
Total liabilities	..	..	..	..	..	..	..	..	..	..	663,562	598,672
Share capital	..	..	..	..	..	..	..	..	..	..	13,090	13,090
Share premium reserve	..	..	..	..	..	..	..	..	..	..	11,353	11,353
Other equity	..	..	..	..	..	..	..	..	..	..	17,672	15,242
Total equity	..	..	..	..	..	..	..	..	..	..	42,115	39,685
Total liabilities and equity	..	..	..	..	..	..	..	..	..	..	705,677	638,357

(1) Extracted from the consolidated audited financial statements of the Group as at 31 December 2003.

FINANCIAL INFORMATION RELATING TO THE ISSUER

The following summary financial information for the Issuer has been extracted from the unaudited *pro forma* financial statements of the Issuer contained in the Annual Report of the Issuer for the years ended 31 December 2003 and 2002 which has been prepared as if the merger between Den norske Bank ASA and Union Bank of Norway ASA took place on 1 January 2002. The following summary information should be read in conjunction with, and is qualified by reference to the financial statements and notes thereto for the years ended 31 December 2003 and 31 December 2002 and the accounting policies adopted in respect thereof.

Profit and loss accounts

											DnB NOR Bank ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Interest income	..	..	..	..	..	..	..	..	..	..	34,065	40,482
Interest expenses	..	..	..	..	..	..	..	..	..	..	22,870	28,446
Net interest income and credit commissions..	..	..	..	..	..	..	..	..	..	..	11,196	12,036
Dividends	..	..	..	..	..	..	..	..	..	..	1,354	773
Commissions and fees receivable on banking services	..	..	..	..	..	..	..	..	..	..	4,833	4,505
Commission and fees payable on banking services	..	..	..	..	..	..	..	..	..	..	1,834	1,748
Net gain on foreign exchange and financial instruments	..	..	..	..	..	..	..	..	..	..	1,750	776
Sundry ordinary operating income	..	..	..	..	..	..	..	..	..	..	345	406
Gains on the sale of fixed assets	..	..	..	..	..	..	..	..	..	..	9	32
Net other operating income	..	..	..	..	..	..	..	..	..	..	6,457	4,743
Salaries and other personnel expenses	..	..	..	..	..	..	..	..	..	..	4,881	4,695
Administrative expenses	..	..	..	..	..	..	..	..	..	..	3,364	3,375
Depreciation	..	..	..	..	..	..	..	..	..	..	634	664
Sundry ordinary operating expenses	..	..	..	..	..	..	..	..	..	..	1,081	1,116
Other expenses	..	..	..	..	..	..	..	..	..	..	183	317
Total operating expenses	..	..	..	..	..	..	..	..	..	..	10,142	10,168
Pre-tax operating profit before losses	..	..	..	..	..	..	..	..	..	..	7,511	6,612
Net losses on loans, guarantees etc.	..	..	..	..	..	..	..	..	..	..	1,376	1,055
Net gains/(losses) on long-term securities	..	..	..	..	..	..	..	..	..	..	198	(202)
Pre-tax operating profit	..	..	..	..	..	..	..	..	..	..	6,333	5,355
Taxes	..	..	..	..	..	..	..	..	..	..	1,473	1,524
Profit for the year	..	..	..	..	..	..	..	..	..	..	4,860	3,831
Group contribution	..	..	..	..	..	..	..	..	..	..	4,276	3,851
Dividends	..	..	..	..	..	..	..	..	..	..	641	0
Transferred from other equity	..	..	..	..	..	..	..	..	..	..	57	21
Transferred to other equity	..	..	..	..	..	..	..	..	..	..	0	0
Total transfers and adjustments..	..	..	..	..	..	..	..	..	..	..	4,860	3,831

Balance sheets

											DnB NOR Bank ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Cash and deposits with central banks	..	..	..	..	..	..	..	..	..	..	8,223	22,940
Lending to and deposits with credit institutions	..	..	..	..	..	..	..	..	..	..	92,523	75,944
Gross lending to customers	..	..	..	..	..	..	..	..	..	..	476,283	432,141
Specified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(3,181)	(2,325)
Unspecified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(3,147)	(3,144)
Net lending to customers	..	..	..	..	..	..	..	..	..	..	469,955	426,672
Reposessed assets	..	..	..	..	..	..	..	..	..	..	310	394
Commercial paper and bonds	..	..	..	..	..	..	..	..	..	..	61,289	51,484
Shareholdings etc.	..	..	..	..	..	..	..	..	..	..	3,271	3,842
Investments in associated companies and jointly controlled operations	..	..	..	..	..	..	..	..	..	..	633	584
Investments in subsidiaries	..	..	..	..	..	..	..	..	..	..	8,911	6,342
Intangible assets	..	..	..	..	..	..	..	..	..	..	2,304	2,673
Fixed assets	..	..	..	..	..	..	..	..	..	..	2,585	2,799
Other assets	..	..	..	..	..	..	..	..	..	..	24,269	18,213
Prepayments and accrued income	..	..	..	..	..	..	..	..	..	..	4,663	5,802
Total assets	..	..	..	..	..	..	..	..	..	..	678,936	617,690
Liabilities and equity												
Loans and deposits from credit institutions	..	..	..	..	..	..	..	..	..	..	76,530	77,333
Deposits from customers	..	..	..	..	..	..	..	..	..	..	330,597	321,013
Securities issued	..	..	..	..	..	..	..	..	..	..	170,935	130,602
Other liabilities	..	..	..	..	..	..	..	..	..	..	36,884	29,466
Accrued expenses and prepaid revenues	..	..	..	..	..	..	..	..	..	..	5,142	4,381
Provisions for commitments	..	..	..	..	..	..	..	..	..	..	2,320	2,476
Subordinated loan capital	..	..	..	..	..	..	..	..	..	..	17,374	13,474
Perpetual subordinated loan capital	..	..	..	..	..	..	..	..	..	..	5,583	5,292
Total liabilities	..	..	..	..	..	..	..	..	..	..	645,364	584,038
Share capital	..	..	..	..	..	..	..	..	..	..	16,964	16,964
Share premium reserve	..	..	..	..	..	..	..	..	..	..	7,745	7,745
Other equity	..	..	..	..	..	..	..	..	..	..	8,863	8,942
Total equity	..	..	..	..	..	..	..	..	..	..	33,572	33,652
Total liabilities and equity	..	..	..	..	..	..	..	..	..	..	678,936	617,690

FINANCIAL INFORMATION RELATING TO UNION BANK OF NORWAY ASA

The following summary financial information has been extracted from the audited financial statement of Union Bank of Norway ASA as of 31 December 2003 and 31 December 2002. The financial information should be read in conjunction with, and is qualified by reference to the financial statements and the notes thereto for the years ended 31 December 2003 and 31 December 2002 and the accounting policies adopted in respect thereof.

Profit and loss accounts

											Union Bank of Norway ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Interest income	..	..	..	..	..	..	..	..	..	..	14,160	16,630
Interest expenses	..	..	..	..	..	..	..	..	..	..	9,557	11,945
Net interest income and credit commissions	..	..	..	..	..	..	..	..	..	..	4,603	4,685
Dividends	..	..	..	..	..	..	..	..	..	..	638	686
Commissions and fees receivable on banking services	..	..	..	..	..	..	..	..	..	..	1,597	1,538
Commissions and fees payable on banking services	..	..	..	..	..	..	..	..	..	..	491	508
Net gain on foreign exchange and financial instruments	..	..	..	..	..	..	..	..	..	..	429	164
Sundry ordinary operating income	..	..	..	..	..	..	..	..	..	..	17	39
Gains on the sale of fixed assets	..	..	..	..	..	..	..	..	..	..	1	1
Net other operating income	..	..	..	..	..	..	..	..	..	..	2,192	1,920
Salaries and other personnel expenses	..	..	..	..	..	..	..	..	..	..	1,602	1,602
Administrative expenses	..	..	..	..	..	..	..	..	..	..	980	1,025
Depreciation	..	..	..	..	..	..	..	..	..	..	249	246
Sundry ordinary operating expenses	..	..	..	..	..	..	..	..	..	..	507	514
Other expenses	..	..	..	..	..	..	..	..	..	..	90	100
Total operating expenses	..	..	..	..	..	..	..	..	..	..	3,427	3,487
Pre-tax operating profit before losses	..	..	..	..	..	..	..	..	..	..	3,367	3,118
Net losses on loans, guarantees, etc.	..	..	..	..	..	..	..	..	..	..	438	460
Net losses on long-term securities	..	..	..	..	..	..	..	..	..	..	39	117
Pre-tax operating profit	..	..	..	..	..	..	..	..	..	..	2,890	2,541
Taxes	..	..	..	..	..	..	..	..	..	..	662	759
Profit for the year	..	..	..	..	..	..	..	..	..	..	2,227	1,781
Group contribution/dividends	..	..	..	..	..	..	..	..	..	..	2,126	1,721
Transferred to other equity	..	..	..	..	..	..	..	..	..	..	101	60
Total transfers and adjustments	..	..	..	..	..	..	..	..	..	..	2,227	1,781

Balance sheets

											Union Bank of Norway ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Assets												
Cash and deposits with central banks	..	..	..	..	..	..	..	..	..	..	7,628	3,810
Lending to and deposits with credit institutions	..	..	..	..	..	..	..	..	..	..	42,586	36,029
Gross lending to customers	..	..	..	..	..	..	..	..	..	..	183,270	167,133
– Specified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(1,021)	(995)
– Unspecified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(1,100)	(1,097)
Net lending to customers	..	..	..	..	..	..	..	..	..	..	181,150	165,041
Reposessed assets	..	..	..	..	..	..	..	..	..	..	7	14
Commercial paper and bonds	..	..	..	..	..	..	..	..	..	..	17,310	18,908
Shareholdings etc.	..	..	..	..	..	..	..	..	..	..	1,480	1,560
Investments in associated companies and jointly controlled operations	..	..	..	..	..	..	..	..	..	..	358	358
Investments in subsidiaries	..	..	..	..	..	..	..	..	..	..	4,311	4,035
Intangible assets	..	..	..	..	..	..	..	..	..	..	373	388
Fixed assets	..	..	..	..	..	..	..	..	..	..	704	801
Other assets	..	..	..	..	..	..	..	..	..	..	1,269	1,574
Prepayments and accrued income	..	..	..	..	..	..	..	..	..	..	1,685	2,523
Total assets	..	..	..	..	..	..	..	..	..	..	258,861	235,041
Liabilities and equity												
Loans and deposits from credit institutions	..	..	..	..	..	..	..	..	..	..	31,519	27,354
Deposits from customers	..	..	..	..	..	..	..	..	..	..	125,050	122,544
Securities issued	..	..	..	..	..	..	..	..	..	..	69,482	56,831
Other liabilities	..	..	..	..	..	..	..	..	..	..	7,688	4,652
Accrued expenses and prepaid revenues	..	..	..	..	..	..	..	..	..	..	2,490	2,172
Provisions for commitments	..	..	..	..	..	..	..	..	..	..	322	387
Subordinated loan capital	..	..	..	..	..	..	..	..	..	..	6,475	5,758
Perpetual subordinated loan capital securities	..	..	..	..	..	..	..	..	..	..	2,944	2,552
Total liabilities	..	..	..	..	..	..	..	..	..	..	245,970	222,250
Share capital	..	..	..	..	..	..	..	..	..	..	6,786	6,786
Other equity	..	..	..	..	..	..	..	..	..	..	6,105	6,004
Total equity	..	..	..	..	..	..	..	..	..	..	12,891	12,790
Total liabilities and equity	..	..	..	..	..	..	..	..	..	..	258,861	235,041

FINANCIAL INFORMATION RELATING TO DEN NORSKE BANK ASA

The following summary financial information has been extracted from the audited financial statement of Den norske Bank ASA as of 31 December 2003 and 31 December 2002. The financial information should be read in conjunction with, and is qualified by reference to the financial statements and notes thereto for the years ended 31 December 2003 and 31 December 2002 and the accounting policies adopted in respect thereof.

Profit and loss accounts

											Den norske Bank ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Interest income	..	..	..	..	..	..	..	..	..	..	19,906	23,852
Interest expenses	..	..	..	..	..	..	..	..	..	..	13,323	16,501
Net interest income and credit commissions..	..	..	..	..	..	..	..	..	..	..	6,582	7,351
Dividends	..	..	..	..	..	..	..	..	..	..	716	87
Commissions and fees receivable on banking services	..	..	..	..	..	..	..	..	..	..	3,236	2,967
Commissions and fees payable on banking services	..	..	..	..	..	..	..	..	..	..	1,343	1,240
Net gain on foreign exchange and financial instruments	..	..	..	..	..	..	..	..	..	..	1,321	612
Sundry ordinary operating income	..	..	..	..	..	..	..	..	..	..	327	368
Gains on the sale of fixed assets	..	..	..	..	..	..	..	..	..	..	8	30
Net other operating income	..	..	..	..	..	..	..	..	..	..	4,265	2,823
Salaries and other personnel expenses	..	..	..	..	..	..	..	..	..	..	3,279	3,093
Administrative expenses	..	..	..	..	..	..	..	..	..	..	2,384	2,350
Depreciation	..	..	..	..	..	..	..	..	..	..	279	312
Sundry ordinary operating expenses	..	..	..	..	..	..	..	..	..	..	574	602
Other expenses	..	..	..	..	..	..	..	..	..	..	167	218
Total operating expenses	..	..	..	..	..	..	..	..	..	..	6,681	6,575
Pre-tax operating profit before losses	..	..	..	..	..	..	..	..	..	..	4,166	3,600
Net losses on loans, guarantees etc.	..	..	..	..	..	..	..	..	..	..	937	594
Net gains/(losses) on long-term securities	..	..	..	..	..	..	..	..	..	..	394	(85)
Pre-tax operating profit	..	..	..	..	..	..	..	..	..	..	3,622	2,920
Taxes	..	..	..	..	..	..	..	..	..	..	831	765
Profit for the year	..	..	..	..	..	..	..	..	..	..	2,791	2,156
Group contribution	..	..	..	..	..	..	..	..	..	..	2,790	2,131
Transferred to other equity	..	..	..	..	..	..	..	..	..	..	1	25
Total transfers and adjustments..	..	..	..	..	..	..	..	..	..	..	2,791	2,156

Balance sheets

											Den norske Bank ASA	
											31 December 2003	31 December 2002
											<i>(NOK million)</i>	
Assets												
Cash and deposits with central banks	..	..	..	..	..	..	..	..	..	..	594	19,130
Lending to and deposits with credit institutions	..	..	..	..	..	..	..	..	..	..	49,936	39,915
Gross lending to customers	..	..	..	..	..	..	..	..	..	..	293,012	265,009
– Specified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(2,160)	(1,330)
– Unspecified loan-loss provisions	..	..	..	..	..	..	..	..	..	..	(2,047)	(2,047)
Net lending to customers	..	..	..	..	..	..	..	..	..	..	288,806	261,632
Reposessed assets	..	..	..	..	..	..	..	..	..	..	303	380
Commercial paper and bonds	..	..	..	..	..	..	..	..	..	..	43,979	33,655
Shareholdings etc.											1,828	2,320
Investments in associated companies..	..	..	..	..	..	..	..	..	..	..	238	189
Investments in subsidiaries	..	..	..	..	..	..	..	..	..	..	4,600	2,307
Intangible assets	..	..	..	..	..	..	..	..	..	..	431	658
Fixed assets	..	..	..	..	..	..	..	..	..	..	1,881	1,998
Other assets	..	..	..	..	..	..	..	..	..	..	23,000	16,534
Prepayments and accrued income	..	..	..	..	..	..	..	..	..	..	2,978	3,279
Total assets	..	..	..	..	..	..	..	..	..	..	418,575	381,996
Liabilities and equity												
Loans and deposits from credit institutions	..	..	..	..	..	..	..	..	..	..	45,011	49,979
Deposits from customers..	..	..	..	..	..	..	..	..	..	..	205,546	198,469
Securities issued	..	..	..	..	..	..	..	..	..	..	101,453	74,850
Other liabilities	..	..	..	..	..	..	..	..	..	..	29,196	24,814
Accrued expenses and prepaid revenues	..	..	..	..	..	..	..	..	..	..	2,652	2,209
Provisions for commitments	..	..	..	..	..	..	..	..	..	..	1,334	1,352
Subordinated loan capital	..	..	..	..	..	..	..	..	..	..	10,900	7,716
Perpetual subordinated loan capital securities	..	..	..	..	..	..	..	..	..	..	2,638	2,740
Total liabilities	..	..	..	..	..	..	..	..	..	..	398,730	362,129
Share capital	..	..	..	..	..	..	..	..	..	..	7,787	7,787
Share premium reserve	..	..	..	..	..	..	..	..	..	..	3,244	3,244
Other equity	..	..	..	..	..	..	..	..	..	..	8,815	8,837
Total equity	..	..	..	..	..	..	..	..	..	..	19,846	19,867
Total liabilities and equity	..	..	..	..	..	..	..	..	..	..	418,575	381,996

MANAGEMENT AND EMPLOYEES

The Issuer is 100 per cent. owned by DnB NOR ASA and the following table sets forth, as at 15 April 2004, the 20 largest shareholders of DnB NOR ASA, the number of shares held by each such shareholder, the percentage of outstanding shares represented by each shareholding and the country of incorporation of the shareholders:

Major shareholders

No. of shares	Percentage	Name of shareholders	Country
445,069,250	33.67 %	Nærings og Handelsdepartementet	Norway
137,838,000	10.43 %	Sparebankstiftelsen	Norway
70,472,696	5.33 %	Gjensidige Nor Forsikring	Norway
58,264,776	4.41 %	Skandinaviska Enskilda (PUBL) Oslofilialen	Norway
50,257,391	3.80 %	JP Morgan Chase Bank Clients Treaty Account	Great Britain
44,527,855	3.37 %	State Street Bank & Client Omnibus D	USA
32,252,740	2.44 %	Folketrygdfondet	Norway
20,733,763	1.57 %	The Northern Trust C Treaty Account	Great Britain
19,454,472	1.47 %	Orkla ASA	Norway
19,163,636	1.45 %	Citibank, N.A. General UK Res.-Treasury	Great Britain
13,793,277	1.04 %	Deutsche Bank AG London	Great Britain
10,506,000	0.79 %	JPMorgan Chase Bank S/A 4104 Capital Wrl	United States
8,835,600	0.67 %	DnB NOR Ansattes Fond AS	Norway
7,942,477	0.60 %	Mellon Bank As Agent Mellon Bank Na A/C Mellon Nominee 1	United States
7,491,506	0.57 %	Storebrand Livsforsik P980, Aksjefondet	Norway
7,247,406	0.55 %	BNP Arbitrage	France
7,217,110	0.55 %	DnB Norge	Norway
7,111,570	0.54 %	Oslo Pensjonsforsikring	Norway
6,887,674	0.52 %	Barclays Capital SEC Stock Borrowing	Great Britain
6,418,670	0.49 %	Skandinaviska Enskilda A/C Global Securities	Sweden
981,485,869	74.26 %		

Supervisory Board

Responsibility and organisation

The Issuer has a supervisory board (“**Supervisory Board**”) which is in accordance with the Norwegian Financial Institutions Act and the Issuer’s articles of association. The Supervisory Board consists of 30 members with 10 to 20 alternate directors, 20 members elected by the shareholders and 10 members elected by the employees. The members of the Supervisory Board are elected for two year terms.

The Supervisory Board annually elects its chairman and vice chairman from among its members. The current chairman is Harald Norvik and the vice chairman is Rannveig Munkeby Arentz.

The main responsibility of the Supervisory Board is to supervise the board of directors of the Issuer (the “**Board of Directors**”) and the chief executive officer’s (“**CEO**”) management of the Issuer. The Supervisory Board must also submit a statement to the Issuer’s general meeting of shareholders on whether the Issuer’s Board of Directors’ proposal for the profit and loss account and balance sheet should be approved, as well as on the Board of Directors’ proposal for allocation of the profit or loss cover. Pursuant to the Issuer’s articles of association, the Supervisory Board elects the board members and alternates (including the chairman and the vice chairman), the election committee and the external

auditor and fixes their remuneration. The Supervisory Board also fixes the remuneration of the CEO. Furthermore the Supervisory Board has established the guidelines for the Control Committee (as defined below) and may adopt recommendations to the Board of Directors on all matters.

The Supervisory Board holds meetings as often as necessary, and when requested by the Board of Directors, its control committee or at least one-sixth of the members of the Supervisory Board.

Members of the Supervisory Board

The members of the Supervisory Board, their place of residence and their respective shareholdings (as at 31 December 2003) in the Issuer are as follows:

a) Members elected by the shareholders

Name	No. of shares
Agerup, Wenche, Oslo	0
Andersen, Widar Slemdal, Rælingen	629,720
Arentz, Rannveig Munkeby, Åsen	0
Bastiansen, Nils Halvard, Bærum	0
Berge, Elisabeth, Stavanger	0
Frøstrup, Anne Cathrine, Oslo	124
Hansson, Herbjørn, Sandefjord	120,000
Hopland, Jan Willy, Oslo	1
Jebsen, Finn, Oslo.. .. .	15,421
Johannson, Knut Hartvig, Snarøya	10,000
Larre, Erik Sture sr, Oslo	2,185,239
Lerøy, Ole-Eirik, Bergen	0
Lunde, Odd, Bærum	0
Mohn, Trond, Paradis	2,643,060
Norvik, Harald, Nesodden	10
Roarsen, Anita, Oslo	1
Schilbred, Benedicte Berg, Tromsø	4,001
Steensland, Jan Olav, Oslo	38,600
Tønsberg, Marit, Sørumsand	0
Øwre, Tor Peter, Tromsø	0

b) Alternate members elected by the shareholders

Name	No. of shares
Bergesen, Morten Sig., Oslo	0
Buchmann, Erik, Oslo	310
Dankertsen, Turid, Oslo	1,767
Domstein, Rolf, Måløy	0
Dyvi, Jan-Erik, Oslo	27,664
Fredriksen, Eva Granly, Oslo	1
Hodne, Rolf, Stavanger	0
Johannson, Liv, Oslo	2,480
Johanssen, Fred N., Bærum	4,650
Mehren, Herman, Nevlnghamn	6,510
Møst, Aage, Bærum	50,220
Nistad, Einar, Rådal	0
Olsen, Asbjørn, Skedsmo	855
Paulsen, Oddbjørn, Bodø	10
Slungård, Anne Kathrine, Trondheim	0
Solberg, Birger, Oslo	100,000
Storrødvann, Tove, Ski	209
Strøm-Erichsen, Anne-Grete, Hjellevstad	0
Thoen, Anne Bjørg, Oslo	341
Wenaas, Lars, Måndalen	0

c) Members elected by the employees

Name	No. of shares
Carlsen, Else, Bødalen	1,136
Espenes, Bente H., Oslo	7
Hjørnerød, Jon-Sigurd, Gressvik	134
Karlstad, Bjørg Dalberg, Ringeby	378
Krøtøy, Randi G., Ranheim	0
Løvaas, Jorunn, Bergen	0
Netteland, Knut, Bergen	1,240
Pedersen, Berit, Arendal	1,803
Sandvik, Truls, Lillestrøm	0
Tveiten, Tove, Krogstadelva	0

d) Alternate members elected by the employees

Name	No. of shares
Ambjørnsen, Heidi, Oslo	151
Ballo, Sigrunn, Vadsø	1,550
Bernbo, Rune, Drøbak	0
Grøtting, Erik, Oslo	6,448
Gutterud, Vigdis M., Krogstadelva	396
Heum, Atle, Tønsberg	291
Kvam, Nils, Trondheim	179
Mikkelsen, Trond Erik, Bergen	397
Steinsbu, Marianne, Oslo	1,336
Stensrud, Siri E., Oslo	788
Tvedt, Torill, Bergen	903

Board of Directors

Responsibilities and organisation

The Board of Directors is responsible for managing the Issuer and ensuring that the Issuer's activities are properly organised. The Board of Directors establishes plans and budgets for the Issuer's business, stays informed of the Issuer's financial position and ensures that the Issuer's business, its accounts and the management of its assets and liabilities are subject to adequate control. In order to perform its responsibilities, the Board of Directors must make such enquiries as it considers necessary, and must also supervise the day-to-day management of the Issuer and its business general.

In accordance with the articles of association of the Issuer, its Board of Directors must consist of eight members elected for two years. Two of those members shall represent the employees. The CEO is a mandatory member of the Board of Directors according to the Act on Commercial Banks clause 9. Two of the board members may neither be employed by, nor have other honorary offices in the Issuer or its direct or indirect subsidiaries. The chairman and vice chairman is elected annually by the Supervisory Board. The current chairman is Olav Hytta and the current vice-chairman is Bent Pedersen.

The members of the board of directors are as follows:

Name	Position
Hoffmann, Per, Oslo	Member (employee representative)
Hytt, Olav, Oslo	Chairman
Larre, Sten Sture, Oslo	Member
Pedersen, Bent, Billund	Vice-chairman
Rambjør, Torill, Tjøme	Member
Skjeldrum, Ingjerd, Drammen	Member (employee representative)
Wiig, Marit, Oslo	Member
Aaser, Svein, Drøbak	Member (Group chief executive)

The members of the board of directors of DnB NOR ASA are as follows:

Name	No. of shares as at 31 December 2003	Position
Baastad, Helge Leiro, Vollen	688	Member
Finstad, Sverre, Lillehammer	1,562	Member (employee representative)
Hoffmann, Per, Oslo	752	Member (employee representative)
Hytta, Olav, Oslo	5,301	Chairman
Kjøll, Berit, Oslo	0	Member
Kvilhaug, Jørn O., Hokksund	436	Member (employee representative)
Lindbæk, Jannik, Oslo	0	Vice-chairman
Pedersen, Bent, Billund	12,701	Member(member of Audit Committee)
Skjeldrum, Ingjerd, Drammen	5,313	Member (employee representative)
Sund, Bjørn, Bekkestua	19,524	Vice-chairman (chairman of Audit Committee)
Tanum, Anne Carine, Sandvika	0	Member (member of Audit Committee)
Vold, Per Terje, Hosle	156	Member

Control Committee

Responsibilities and organisation

The Issuer must have a control committee (the “**Control Committee**”) which is identical to the control committee of DnB NOR ASA. It consists of three to six members with two alternates. One member must meet the requirements set for Norwegian judges. The Financial Supervisory of Norway (Kredittilsynet) must approve the appointment of this member. Members and alternate members of the Control Committee are appointed by the general meeting for two year terms. The Control Committee itself appoints its chairman and vice chairman.

The Control Committee’s main responsibility is to supervise the Bank’s activities to ensure that it complies with laws, regulations and licenses, as well as with their articles of association and resolutions adopted by their decision-making bodies. To the extent that the Control Committee deems necessary, it shall examine the Issuer’s records and documents. The Control Committee may require officers and employees to furnish such information as the committee considers necessary for it to perform its tasks.

Members

The current members of the Control Committee and their place of residence are as follows:

Name

Andresen, Helge B., Hamar

Dege, Geir, Fredrikstad

Hassel, Frode, Trondheim

Aarum, Kristin Normann, Oslo

Group Management

The CEO is appointed by the Board of Directors and is responsible for the day-to-day management of the Issuer. Responsibility for the management of the Group is distributed between the business areas. The Group Management consists of the following officers:

Name									Position
Benum, Bård, Trondheim	..	..	..	..	..	..	..	..	Group Executive Vice President
Birkeland, Øyvind, Tønsberg	..	..	..	..	..	..	..	..	Group Executive Vice President
Ertzeid, Ottar, Oslo	..	..	..	..	..	..	..	..	Group Executive Vice President
Grøndahl, Tom, Slependsen	..	..	..	..	..	..	..	..	Deputy Chief Executive Officer
Veggan, Jarl, Oslo	..	..	..	..	..	..	..	..	Group Executive Vice President
Hovden, Karl-Olav, Kolbotn	..	..	..	..	..	..	..	..	Deputy Chief Executive Officer
Landsnes, Bente A., Drøbak	..	..	..	..	..	..	..	..	Group Executive Vice President
Raknerud, Evlyn, Langhus	..	..	..	..	..	..	..	..	Group Executive Vice President
Skår, Åsmund, Nesbru	..	..	..	..	..	..	..	..	Group Executive Vice President
Teksum, Leif, Ulset	..	..	..	..	..	..	..	..	Group Executive Vice President
Aaser, Svein, Drøbak	..	..	..	..	..	..	..	..	Group Chief Executive

No company in the Group has issued loans or securities to any members of the Supervisory Board, the Board of Directors, the Control Committee or the Group Management that are not on ordinary terms for employees of the Group.

TAXATION

Prospective purchasers of Notes are advised to consult their tax advisers as to the tax consequences under the tax laws of the country of which they are residents of a purchase of Notes, including, but not limited to, the consequences of receipts of interest and sale or redemption of Notes.

United States Tax Considerations

The following summary of certain U.S. federal income tax consequences to U.S. Holders (as defined below) of the purchase, ownership, and disposition of Notes issued by the Issuer deals only with the treatment of U.S. Holders who are original purchasers of such Notes at the issue price (as defined under “**Original Issue Discount**” below) and who hold such Notes as capital assets (generally, assets held for investment). This summary is not a complete listing of all possible U.S. federal income tax consequences of an investment in Notes and does not deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, grantor trusts, tax-deferred accounts, tax-exempt institutions, dealers or traders in securities or currencies, investors that mark to market their securities, or persons holding such Notes as part of a hedging transaction, an integrated transaction or a “**conversion transaction**” or as a position in a “**straddle**” for U.S. federal income tax purposes, persons entering into a “**constructive sale**” transaction with respect to a Note, U.S. Holders that own (or are deemed to own) 10 per cent. or more of the Issuer’s voting stock, partnerships or other entities classified as partnerships for the U.S. federal income tax purposes, real estate investment trusts, S corporations, persons who hold Notes as part of a “**synthetic security**” and persons whose functional currency is not the U.S. dollar. Further, this summary does not address any tax consequences applicable to holders of equity interests in a holder of Notes. Persons considering the purchase of Notes should consult their tax advisers concerning any application of U.S. federal income tax laws to their particular situation, as well as any consequences arising under the laws of any other state, local or foreign taxing jurisdiction. The information set out in this section is based on current provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”), the Treasury regulations promulgated thereunder (the “**Treasury Regulations**”) and judicial decisions and administrative pronouncements, all of which are subject to change, which change may be retroactive.

As used herein, the term “**U.S. Holder**” means a beneficial owner of a Note that is for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organised in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons for U.S. federal income tax purposes (“**United States Persons**”) have the authority to control all substantial decisions with respect to the trust, or any other trust that is treated as a United States Person.

Interest

Payments of interest on a Note (including additional amounts payable in accordance with Condition 7, if any) generally will be taxable to a U.S. Holder as ordinary income at the time such payments are accrued or are received (in accordance with the U.S. Holder’s usual method of accounting for U.S. federal income tax purposes). Such interest (along with any original issue discount (“**OID**”) on the Note, as described below) will constitute foreign source income for U.S. federal income tax purposes and, in general, will be treated as passive income (or, in the case of certain U.S. Holders, financial services income), for purposes of computing the foreign tax credit allowable under U.S. federal income tax law. The rules relating to foreign tax credits are extremely complex and U.S. Holders should consult with their own advisers with regard to the availability of a foreign tax credit and the application of the foreign tax credit rules to their particular situation.

The amount of interest on a Note denominated in a currency other than the U.S. dollar (a “**Non-U.S. Dollar Note**”) that must be included in income of a U.S. Holder will be the U.S. dollar value of the interest payment as at the time that such payment is accrued or received, in accordance with the U.S. Holder’s method of tax accounting. Cash basis taxpayers will include in income the U.S. dollar value of the foreign currency denominated interest payments based on the spot rate in effect on

the date of receipt. Treasury Regulations provide that the exchange rate to be used for U.S. federal income tax purposes to convert foreign currency denominated interest payments into U.S. dollars for U.S. Holders that are required to accrue interest income on a Non-U.S. Dollar Note (pursuant to the OID provisions, as described below, or because the U.S. Holder uses an accrual method of accounting for U.S. federal income tax purposes) is the “**average rate of exchange**” for the period or periods during which such interest accrued unless an election is made to translate interest income at the spot rate on the last day of the interest accrual period (and in the case of an accrual period extending beyond the end of the taxable year, the spot rate on the last day of the taxable year). If the last day of an accrual period is within five business days of the date of receipt of the accrued interest, an electing U.S. Holder may translate such interest using the rate of exchange on the date of receipt. A U.S. Holder that is required to accrue interest income on a Non-U.S. Dollar Note will recognise foreign currency gain or loss, as the case may be, on the receipt of a foreign currency denominated interest payment if the exchange rate in effect on the date the payment is received differs from the exchange rate originally used by the holder to convert the payment into U.S. dollars, as described above. This foreign currency gain or loss will be treated as ordinary income or loss and not as additional interest income or loss.

A U.S. Holder will have a tax basis in any foreign currency received as payment of interest on a Non-U.S. Dollar Note equal to the U.S. dollar value of such foreign currency, determined at the time of payment. Any gain or loss realised by a U.S. Holder on a sale or other disposition of the foreign currency (including its exchange for U.S. dollars or its use to purchase Non-U.S. Dollar Notes) will be ordinary income or loss and gain, if any, will generally be from sources within the United States for purposes of computing the foreign tax credit allowable under U.S. federal income tax law.

Original Issue Discount

Notes with a term greater than one year may be issued with OID for U.S. federal income tax purposes. Generally, OID will arise if the stated redemption price at maturity of a Note exceeds its issue price by more than a *de minimis* amount (generally defined as one quarter of one per cent. of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). For this purpose, the stated redemption price at maturity is equal to the aggregate of all payments of principal and interest required to be made over the life of the Note other than “**qualified stated interest**”. Only the portion of interest that is unconditionally payable at least annually at a single fixed, qualified floating or objective rate (as defined under “**Floating Rate Notes**” below) throughout the entire term of a debt instrument will be considered qualified stated interest. The issue price (the “**issue price**”) of a Note is the first price at which a substantial amount of Notes of the Series of which it is a part are sold for money (disregarding sales to bond houses, brokers or similar persons). If a Note is issued with OID, a U.S. Holder of the Note will be required to include amounts in gross income for U.S. federal income tax purposes under a “**constant yield**” method that will result in inclusion of amounts in income in advance of receipt of the cash payments to which such amounts are attributable regardless of such U.S. Holder’s regular method of tax accounting.

An accrual basis holder of a Note which has a fixed maturity date not more than one year from the date of issue (a “**Short-Term Note**”) (and certain cash method holders, as set forth in Section 1281 of the Code) generally will be required to report interest income as interest accrues on a straight-line basis over the term of each interest period. Cash basis holders of a Short-Term Note will, in general, be required to report interest income as interest is paid (or, if earlier, upon the taxable disposition of the Short-Term Note). However, a cash basis holder of a Short-Term Note reporting interest income as it is paid may be required to defer a portion of any interest expense otherwise deductible on indebtedness incurred to purchase or carry the Short-Term Note until the taxable disposition of the Short-Term Note. A cash basis taxpayer may elect to have Section 1281 of the Code apply to all of its non-government debt obligations with a term of one year or less, in which case the taxpayer would include interest on the Short-Term Note in income as it accrues, but would not be subject to the interest expense deferral rule referred to in the preceding sentence. Once made, this election applies to all relevant debt obligations held or subsequently acquired by the electing

holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the United States Internal Revenue Service (the “IRS”). Certain special rules apply if a Short-Term Note is purchased for more or less than its principal amount.

OID on a Non-U.S. Dollar Note will be determined for any accrual period in the foreign currency in which the Note is denominated and then translated into U.S. dollars in the same manner as interest income accrued by a U.S. Holder on the accrual basis, as described above. Likewise, a U.S. Holder will recognise foreign currency gain or loss when the OID is paid to the extent of the difference between the U.S. dollar value of such payment (determined by translating the foreign currency into U.S. dollars at the spot rate for foreign currency on the date received) and the U.S. dollar value of the accrued OID included in income.

Certain of the Notes (a) may be redeemable at the option of the Issuer prior to their stated maturity and/or (b) may be repayable at the option of the Holder prior to their stated maturity. Notes containing such features may be subject to rules that differ from the general rules discussed above. Investors intending to purchase Notes with such features should consult their tax advisers, since the OID consequences will depend, in part, on the particular terms and features of the purchased Notes.

Amortisable Bond Premium

A U.S. Holder who purchases a Note for an amount in excess of the sum of all amounts payable on the Note after the purchase date other than qualified stated interest will be considered to have purchased the Note at a premium and will not be required to include any OID in income. A U.S. Holder generally may elect to amortise the bond premium over the remaining term of the Note on a constant yield method. The amount amortised in any year will be treated as a reduction of the U.S. Holder’s interest income from the Note. The basis for such Notes will be reduced to the extent that amortisable premium is applied to offset interest payments. In the case of a Non-U.S. Dollar Note, the amount of bond premium will be measured in the foreign currency in which the Note is denominated and will reduce the amount of foreign currency denominated interest income that is required to be translated into U.S. dollars in any accrual period. Bond premium on a Note held by a U.S. Holder that does not make such an election will be recognised as a loss when the Note matures or will decrease the gain or increase the loss otherwise recognised on disposition of the Note. Once made, the election to amortise the bond premium on a constant yield method applies to all debt obligations held or subsequently acquired by the electing holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS.

Election to Treat All Income as OID

A U.S. Holder may elect to treat all interest (as adjusted by any amortisable bond premium and acquisition premium, as defined under “**Further Notes**” below) on any Note as OID and calculate the amount includable in gross income under the constant yield method described above, with certain modifications. For the purpose of this election, interest includes qualified stated interest, OID, market discount, *de minimis* market discount and unstated interest. The election, which generally applies only to the Note with respect to which it is made, is to be made for the taxable year in which the U.S. Holder acquired the Note, and may not be revoked without the consent of the IRS.

Floating Rate Notes

Notes may provide for interest based on a floating rate (“**Floating Rate Notes**”). Generally, special OID rules described below will apply to the Floating Rate Notes if: (i) the issue price of the Notes does not exceed certain premium restrictions (i.e., it does not exceed the total noncontingent principal payments due under the Floating Rate Notes by more than any amount equal to the lesser of (a) 0.015 multiplied by the product of the total noncontingent principal payments and the number of complete years to maturity from the issue date or (b) 15 per cent. of the total noncontingent principal payments); (ii) the Notes provide for stated interest at certain qualified floating or objective rates, or a single fixed rate and either a qualified floating rate or a qualified objective rate; (iii) the rate is set at a current value (i.e., the value of the rate on any day that is no earlier than three months prior to the first day on which the value is in effect and no later than one year following that first day); and (iv) the Notes do not provide for contingent principal payments.

If the special OID rules apply, all stated interest is qualified stated interest for purposes of determining OID and the amount of OID, if any, is determined as if the Notes (i) in the case of Floating Rate Notes paying interest at a qualified floating rate for U.S. federal income tax purposes, had a fixed rate equal to the value of the floating rate on the issue date; or (ii) in the case of Floating Rate Notes paying interest at a qualified objective rate for U.S. federal income tax purposes, had a rate that reflects the reasonably expected yield on the Notes. Qualified stated interest or OID allocable to an accrual period is subsequently adjusted to reflect differences in the amount of interest actually accrued or paid as payments are received. Floating Rate Notes not qualifying for the treatment described above are subject to special rules applicable to contingent payment debt instruments. Any special considerations with respect to the U.S. federal income tax consequences of holding a Floating Rate Note, including a Floating Rate Note subject to special rules applicable to contingent payment debt instruments, will be provided in the applicable Pricing Supplement. Prospective purchasers are advised to consult their tax advisers as to the proper accrual of income with respect to Floating Rate Notes.

A variable rate is a “**qualified floating rate**” if (i) variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Note is denominated or (ii) it is equal to the product of such a rate and either (a) a fixed multiple that is greater than 0.65 but not more than 1.35, or (b) a fixed multiple greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate. If a Note provides for two or more qualified floating rates that (i) are within 0.25 percentage points of each other on the issue date or (ii) can reasonably be expected to have approximately the same values throughout the term of the Note, the qualified floating rates together constitute a single qualified floating rate. A rate is not a qualified floating rate, however, if the rate is subject to certain restrictions (including caps, floors, governors, or other similar restrictions) unless such restrictions are fixed throughout the term of the Note or are not reasonably expected to significantly affect the yield on the Note.

An “**objective rate**” is a rate, other than a qualified floating rate, that is determined using a single fixed formula and that is based on objective financial or economic information that is not within the control of or unique to the circumstances of the Issuer or a related party (such as dividend, profits or the value of the Issuer’s stock). A variable rate is not an objective rate, however if it is reasonably expected that the average value of the rate during the first half of the Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Note’s term. An objective rate is a “**qualified inverse floating rate**” if (i) the rate is equal to a fixed rate minus a qualified floating rate, and (ii) the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate.

Index Linked and Dual Currency Notes

Notes may provide for principal payments contingent upon the value of an index (“**Index Linked Notes**”) or exchange rate (“**Dual Currency Notes**” and together with the Index Linked Notes, “**Contingent Principal Notes**”). Contingent Principal Notes may be subject to special rules applicable to contingent payment debt instruments. If any Contingent Principal Notes are issued, special considerations with respect to the United States federal income tax consequences of holding Contingent Principal Notes will be provided in the applicable Pricing Supplement.

Undated Subordinated Notes

Notes may be issued with no fixed maturity date (“**Undated Subordinated Notes**”). The IRS thus may not treat Undated Subordinated Notes as debt and, as a result, certain of the tax provisions discussed herein may not be applicable to the Undated Subordinated Notes. If any Undated Subordinated Notes are issued, special considerations with respect to the U.S. federal income tax consequences of holding Undated Subordinated Notes will be provided in the applicable Pricing Supplement. Prospective purchasers are advised to consult their tax advisers as to the proper treatment of such Notes.

Further Notes

A U.S. Holder must recognise OID on Further Notes (as defined in Condition 17 of the Notes) issued at a discount unless the Further Notes are part of the same issue as the original Notes for U.S. federal income tax purposes. Further Notes will be part of the same issue for U.S. federal income tax purposes if (i) they are issued within six months of the original Notes when the yield on the original Notes is no more than 110 per cent. of their original yield or (ii) they are issued at a *de minimis* discount from par. A discount is *de minimis* if it is less than 0.25 per cent. multiplied by the number of complete years remaining to the maturity of the Further Notes. A U.S. Holder must accrue OID into income at a constant yield to maturity whether or not it receives cash payments on the Notes.

Further Notes that are part of the same issue as the original Notes may have market discount or acquisition premium. Further Notes will have market discount if the holder purchases them at a discount from par at least equal to 0.25 per cent. multiplied by the number of complete years remaining to maturity. Further Notes will have acquisition premium if the holder purchases them for more than par. If a U.S. Holder acquires Further Notes at a market discount, the holder's deductions for certain interest on debt incurred or continued to purchase or carry the Notes may be deferred and partial principal repayments or gain on disposition of the Notes will be ordinary income to the extent of accrued market discount. A holder may avoid those consequences by electing to take market discount into income as it accrues. If a U.S. Holder acquires Further Notes with acquisition premium, the holder may elect to reduce the amount of interest recognised on the Notes each year by the premium allocable to the year. Elections to accrue market discount and to amortise acquisition premium generally will apply to all of the holder's Notes that have market discount or acquisition premium.

Sale, Exchange and Retirement of Notes

Upon the sale, exchange, retirement or other taxable disposition of a Note, a U.S. Holder generally will recognise capital gain or loss equal to the difference between the amount realised upon the sale, exchange, retirement or other taxable disposition (less any amount attributable to accrued interest, which will be taxed as such) and the adjusted tax basis of the Note. A U.S. Holder's tax basis in the Note will, in general, be the U.S. Holder's cost therefor, decreased by any amortised bond premium and by any payments received on the Note other than qualified stated interest and increased by any OID previously included in income by the U.S. Holder. For purposes of the U.S. foreign tax credit limitations, capital gain realised with respect to a Note generally will be treated as U.S. source gain, although a loss realised with respect to a Note may be treated as a foreign source loss. In the case of a U.S. Holder that is an individual, estate or trust, the maximum marginal federal income tax rate applicable to such capital gain is currently lower than the maximum marginal federal income tax rate applicable to ordinary income if the Notes are held for more than one year. The deductibility of capital losses is subject to limitations.

Gain or loss realised upon the sale, exchange, retirement or other taxable disposition of a Non-U.S. Dollar Note which is attributable to fluctuations in currency exchange rates will be treated as ordinary income or loss. Gain or loss attributable to fluctuations in exchange rates will be calculated by multiplying the original purchase price paid by the U.S. Holder (expressed in the relevant foreign currency) by the change in the relevant exchange rate (expressed in dollars per unit of the relevant foreign currency) between the date on which the U.S. Holder acquired the Non-U.S. Dollar Note and the date on which the U.S. Holder received payment in respect of the sale, exchange, retirement or other taxable disposition of the Non-U.S. Dollar Note. Such foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by a U.S. Holder on the sale, exchange, retirement or other taxable disposition of the Non-U.S. Dollar Note.

Backup Withholding and Information Reporting

U.S. backup withholding and information reporting requirements generally will apply to certain payments to certain non-corporate U.S. Holders of Notes. Information reporting requirements will apply to interest (including OID) on, and to proceeds from the sale, exchange, retirement or other disposition of Notes paid by certain U.S.-related financial intermediaries, or by a paying agent within the United States to a U.S. Holder (other than an "exempt recipient", including a corporation and certain other persons who, when required, demonstrate their exempt status). Paying agents that are

subject to the backup withholding rules may be required to backup withhold, at the applicable rate, from payments of interest on, and proceeds from the sale, exchange, retirement or other disposition of, Notes paid to a U.S. Holder (other than an “exempt recipient”) if the U.S. Holder fails to (i) furnish its correct taxpayer identification number; (ii) certify that such U.S. Holder is not subject to backup withholding; or (iii) otherwise comply with applicable backup withholding requirements.

Beneficial owners of Notes that are not U.S. Holders (“**Non-U.S. Holders**”) generally will not be subject to U.S. backup withholding or information reporting. Non-U.S. Holders may, however, be required to provide certification of their non-U.S. status in connection with payments received within the United States or through certain U.S.-related financial intermediaries.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a holder’s U.S. federal income tax liability. A holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for a refund with the IRS and furnishing any required information.

Disclosure Requirements

Recently-promulgated Treasury Regulations meant to require the reporting of certain tax shelter transactions (“**Reportable Transactions**”) could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury Regulations, certain transactions may be characterized as Reportable Transactions including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a Non-U.S. Dollar Note and/or a Note issued with OID. Persons considering the purchase of such Notes should consult with their own tax advisers to determine the tax return obligations, if any, with respect to an investment in such Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Norwegian Taxation

Payments of principal and interest on any Notes to persons who have no connection with Norway other than the holding of such Notes issued by the Issuer are, under present Norwegian law, not subject to, and may be made without, any withholding or deduction for or on account of any Norwegian taxes, duties, assessments or governmental charges.

Gains or profits realised on the sale, disposal or redemption of any Notes by persons who have no connection with Norway other than the holding of such Notes are not, under present Norwegian law, subject to Norwegian taxes or duties.

No Norwegian issue tax or stamp duty is payable in connection with the issues of the Notes.

No Notes will be subject to any Norwegian estate duties provided that, at the time of the death of any holder, such holder has no connection with Norway other than the holding of such Notes and provided that such Notes have not been used in or attached to any business activity operated through a permanent establishment situated in Norway.

Persons domiciled in Norway will be subject to Norwegian income tax on interest received in respect of any Notes. Likewise, any gains or profits realised by such persons on the sale, disposal or redemption of the Notes are subject to Norwegian taxation.

EU Savings Directive

On 3rd June, 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income under which Member States will be required, if a number of important conditions are met and from a date not earlier than 1st January, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

SUBSCRIPTION AND SALE

The Dealers have in an Amended and Restated Programme Agreement (the “**Programme Agreement**”) dated 30th April, 2004 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “**Form of the Notes**” and “**Terms and Conditions of the Notes**” above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future updates of the Programme and the issue of Notes under the Programme.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

To the extent that any Notes are sold in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver Notes of any Series (i) as part of its general distribution at any time or (ii) until 40 days after the later of the commencement of the offering and the completion of the distribution, as determined by the Agent, of all Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons and only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer has further agreed that it will have sent to each dealer to which it sells the Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Until the expiration of the applicable Distribution Compliance Period, an offer or sale of Registered Notes within the United States by any dealer whether or not participating in the offering may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S of the Securities Act.

Any resale or other transfer, or attempted resale or other transfer of Notes made other than in compliance with the restrictions set out above and below shall not be recognised by the Issuer or any of its agents. The certificates for the Notes sold in the United States shall bear a legend to this effect.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer or Dealers may agree as a term of the issuance and purchase of such Notes which additional selling restrictions shall be set out in the applicable Pricing Supplement.

Bearer Notes

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Registered Notes

Offers, sales, resales and other transfers of Registered Notes in the United States made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be effected pursuant to an exemption from the registration requirements of the Securities Act.

Offers, sales, resales and other transfers of Registered Notes made in the United States will be made only to (a) institutions (the number of which in connection with any Tranche shall not, without the permission of the Issuer, exceed 100) that such Dealer reasonably believes are “**accredited investors**” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) (“**Institutional Accredited Investors**”) who have executed and provided to the relevant Dealer the IAI Investment

Letter (as defined below) addressed to the Issuer, the Registrar and the relevant Dealer(s) substantially in the form attached to the Agency Agreement in a transaction exempt from the registration requirements of the Securities Act or (b) to institutional investors that are reasonably believed to qualify as qualified institutional buyers (as defined in Rule 144A) (each such institutional investor being hereinafter referred to as a “**qualified institutional buyer**” or “**QIB**”) in a transaction otherwise meeting the requirements of Rule 144A.

Registered Notes will be offered in the United States only by approaching prospective purchasers on an individual basis. No general solicitation or general advertising (as such terms are used in Rule 502 under the Securities Act) will be used in connection with the offering of the Notes in the United States and no directed selling efforts (as defined in Regulation S) shall be used in connection with the offering of the Notes outside of the United States.

No sale of Registered Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount and no Registered Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount of Registered Notes.

Each Registered Note shall contain a legend in substantially the following form:

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES FOR THE BENEFIT OF DnB NOR BANK ASA (“**THE ISSUER**”) THAT THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A)(1) TO THE ISSUER OR A DEALER (AS DEFINED IN THE OFFERING CIRCULAR), (2) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) (RESALES DESCRIBED IN SUBCLAUSES (1) THROUGH (4) OF THIS CLAUSE (A), “**SAFE HARBOR RESALES**”), OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT (PROVIDED THAT AS A CONDITION OF THE REGISTRATION OF TRANSFERS OF ANY NOTES OTHERWISE THAN IN A SAFE HARBOR RESALE THE ISSUER OR THE REGISTRAR WILL REQUIRE DELIVERY OF (i) A LETTER IN THE FORM AVAILABLE FROM THE AGENT OR (ii) SUCH OTHER DOCUMENTS OR OTHER EVIDENCE (INCLUDING BUT NOT LIMITED TO AN OPINION OF COUNSEL) THAT IT, IN ITS SOLE DISCRETION, MAY DEEM NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH SUCH EXEMPTION), OR (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.”

The legend endorsed on each Note shall be removed, in the case of the Reg. S Global Note, after expiry of the Distribution Compliance Period applicable thereto and, in the case of the Restricted Global Note, two years after the later of the date of original issue and the date on which the Issuer or any affiliate of the Issuer was the owner of such Restricted Note (or any predecessor thereto).

By its purchase of any Notes, each investor in the United States shall be deemed to have agreed to the restrictions contained in any legend endorsed on the Note purchased by it (to the extent still applicable) and each such purchaser shall be deemed to have represented to the Issuer, the seller and the Dealer, if applicable, that it is either (i) a QIB or (ii) an Institutional Accredited Investor that is acquiring the Notes for its own account for investment and not with a view to the distribution thereof. Each investor (other than an investor in Reg. S Notes following expiry of the applicable Distribution Compliance Period), by its purchase of any Notes, also agrees to deliver to the transferee of any Note a notice substantially to the effect of the above legend.

Each prospective investor in the United States is hereby offered the opportunity to ask questions of, and receive answers from, the Issuer and the Dealers concerning the terms and conditions of the offering.

Pursuant to the Dealer Agreement, the Issuer has agreed to indemnify the Dealers against, or to contribute to losses arising out of, certain liabilities, including liabilities under certain securities laws, in respect of Notes.

In connection with its purchase of Registered Notes, each Institutional Accredited Investor shall deliver to the Issuer and the relevant Dealer(s) a letter (the “**IAI Investment Letter**”) stating, among other things, that:

- (a) it has received a copy of this Offering Circular and such other information as it deems necessary in order to make its investment decision;
- (b) it understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in this Offering Circular and the Notes and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the Securities Act;
- (c) it understands that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes may not be offered or sold except as permitted in the following sentence. It will agree, on its own behalf and on behalf of any account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will agree, not to offer, sell or otherwise transfer such Notes except (A)(i) to the Issuer or a Dealer (as defined in this Offering Circular), (ii) to a person whom the seller reasonably believes is a QIB that purchases for its own account or for the account of a QIB or QIBs, in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act or (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (if available) (resales described in subclauses (i) through (iv) of this clause (A), “**Safe Harbor Resales**”), or (B) pursuant to any other available exemption from the registration requirements under the Securities Act (provided that as a condition to the registration of transfer of any Notes otherwise than in a Safe Harbour Resale the Issuer or the Registrar will require delivery of (x) a letter from the transferee in the form attached to the Agency Agreement available from the Agent or (y) such other documents or other evidence (including but not limited to an opinion of counsel) that it, in its sole discretion, may deem necessary or appropriate to evidence compliance with such exemption), or (C) pursuant to an effective registration statement under the Securities Act, and in each of such cases in accordance with any applicable securities laws of any state of the United States;
- (d) it understands that, on any proposed resale of any Notes, it will be required to furnish to the Issuer such certifications, legal opinions, and other information as the Issuer may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. It further understands that the Notes purchased by it will bear a legend to the foregoing effect;

- (e) in the normal course of business, it invests in or purchases securities similar to the Notes. It is an Institutional Accredited Investor within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts' investment;
- (f) it is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and
- (g) it acknowledges that the Issuer and the Dealers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and it agrees that, if any such acknowledgments, representations or warranties made pursuant hereto are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

Each prospective purchaser of Notes offered in the United States or who is a U.S. person, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed as follows:

- (a) such offeree acknowledges that this Offering Circular is personal to such offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes other than pursuant to Rule 144A or Section 4(2) of the Securities Act or in offshore transactions in accordance with Regulation S. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited; and
- (b) such offeree agrees to make no photocopies of this Offering Circular or any documents referred to herein.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) in relation to Notes which have a maturity of one year or more, it has not offered or sold and, prior to the expiry of the period of six months from the issue date of such Notes, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (as amended);
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Norway

This Offering Circular has not been filed with any Norwegian Stock Exchange and the Notes will not be registered with the Norwegian Securities Register (UPS). Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in the Kingdom of Norway or to residents of the Kingdom of Norway, other than to persons who are registered with the Oslo Stock Exchange as professional investors. Notes denominated in Norwegian kroner may not be offered or sold within Norway or outside Norway to Norwegian citizens abroad, without the Notes prior thereto having been registered in the Norwegian Securities Register.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the “**Securities and Exchange Law**”) and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Notes with a denomination of less than €50,000 (or its foreign currency equivalent) other than to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) unless one of the other exemptions from or exceptions to the prohibition contained in article 3 of the Dutch Securities Transactions Supervision Act 1995 (“**Wet toezicht effectenverkeer 1995**”) is applicable and the conditions attached to such exemption, exception or dispensation are complied with.

Germany

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the Federal Republic of Germany other than in compliance with the German Securities Selling Prospectus Act (Wertpapier-verkaufsprospektgesetz) of 13th December, 1990, as amended, or any other laws applicable in the Federal Republic of Germany governing the issue, offering and sale of securities.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any other Dealer shall have any responsibility therefor.

None of the Issuer, the Trustee and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

GENERAL INFORMATION

Authorisation

The establishment and the subsequent updates of the Programme, the increase in the aggregate amount of the Programme and the issue of Notes have been duly authorised by a resolution of the joint meeting of the Board of Directors and the Committee of Representatives of the Issuer dated 31st October, 1996, and resolutions of the Board of Directors of the Issuer dated 15th January, 1998, 13th January, 1999, 28th April, 2000, 29th April, 2000, 18th January, 2001, 17th January, 2002, 15th January, 2003 and 9th March, 2004.

Listing of Notes on the Luxembourg Stock Exchange

Application has been made to list Notes issued under the Programme on the Luxembourg Stock Exchange. A legal notice relating to the Programme and the constitutional documents of the Issuer are being lodged with the Registrar of Commerce and Companies where such documents may be examined and copies obtained.

The Luxembourg Stock Exchange has allocated the number 12039 to the Programme for listing purposes.

Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified offices of the Paying Agents (free of charge) for the time being in London and Luxembourg:

- (i) the constitutional documents (with an English translation thereof) of the Issuer;
- (ii) the audited financial statements of Union Bank of Norway ASA and Den norske Bank ASA in respect of the financial years ended 31st December, 2003 and 2002 (with an English translation thereof);
- (iii) the pro forma financial statements of DnB NOR ASA for the year ended 31st December, 2003 which has been prepared as if the merger between DnB Holding ASA and Gjensidige NOR ASA took place on 1st January, 2002;
- (iv) the unaudited pro forma financial statements of the Issuer for the year ended 31st December, 2003 which has been prepared as if the merger between Den norske Bank ASA and Union Bank of Norway ASA took place on 1st January, 2002;
- (iv) the most recently published audited consolidated and non-consolidated annual financial statements of the Issuer and the most recently published quarterly unaudited interim consolidated and non-consolidated financial statements of the Issuer (with an English translation thereof);
- (v) the Programme Agreement, the Trust Deed, the Agency Agreement, the forms of the Temporary Bearer Global Notes, the Permanent Bearer Global Notes, the Reg. S Global Note, the Restricted Global Note, the definitive Bearer and Registered Notes, the Receipts, the Coupons and the Talons;
- (vi) a copy of this Offering Circular;
- (vii) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to its holding and identity) to this Offering Circular and any other documents incorporated herein or therein by reference; and
- (viii) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the relevant Pricing Supplement. In addition, the Issuer will make an application for any Registered Notes to be accepted for trading in book-entry form by DTC. The CUSIP number for each Tranche of Registered Notes, together with the relevant ISIN and common code, will be specified in the relevant Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the relevant Pricing Supplement.

Material Change

Save as disclosed in this Offering Circular, since 31st December, 2003 there has been no material adverse change in the financial position, business or prospects of the Issuer.

Litigation

There are no legal actions or arbitration proceedings involving the Issuer or any of its subsidiaries, nor is the Issuer aware of any such proceedings which are pending or threatened, which may have or have had during the twelve months prior to the date of this Offering Circular a material adverse effect on the Issuer's financial position.

Auditors

The auditors of the Issuer are PricewaterhouseCoopers DA, authorised public accountants, who have audited the Issuer's accounts, without qualification, in accordance with generally accepted auditing standards in the Kingdom of Norway for each of the financial periods ended 31st December, 2003 and 31st December, 2002.

Certificates

The Trust Deed provides that the Trustee may rely on any certificate or report from an expert or any other person in accordance with the provisions of the Trust Deed whether or not any such certificate or report or any engagement letter or other document entered into by the Trustee in connection therewith contains any limit on the liability of such expert or such other person.

THE ISSUER

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