

DNB Invest Denmark A/S

Arne Jacobsens Allé 15

2300 Copenhagen S

CVR No. 28691947

Annual Report 2015

11. financial year

The annual report was presented and
adopted at the annual general meeting of
the Company on 26 May 2016

Peter Bisgaard Svanberg
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and Executive Board have today discussed and approved the annual report of DNB Invest Denmark A/S for the financial year 1 January - 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair view of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be adopted at the annual general meeting.

Copenhagen, 23 May 2016

Executive Board

Peter Bisgaard Svanberg

Board of Directors

Bjørn Berg
Chairman

Peter Bisgaard Svanberg

Halfdan Bakø

Harald Johannessen

Olaf Tronsgaard

Margrethe Melbye

Fredrik Bertil Åberg

Independent Auditor's Report

To the shareholder of DNB Invest Danmark A/S

Independent auditors' report on the financial statements

We have audited the financial statements of DNB Invest Denmark A/S for the financial year 1 January - 31 December 2015 which comprise income statement, balance sheet, a summary of significant accounting policies and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 23 May 2016

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Henrik Barner Christiansen
State Authorised Public Accountant

DNB Invest Denmark A/S

Company details

| | |
|-------------------------------|---|
| Company | DNB Invest Denmark A/S Arne Jacobsens Allé 15 2300 Copenhagen S |
| CVR No. | 28691947 |
| Established | 27 April 2005 |
| Registered office | Copenhagen |
| Financial year | 1 January - 31 December 2015 |
| Board of Directors | Bjørn Berg, Chairman Peter Bisgaard Svanberg Halfdan Bakøy Harald Johannessen Olaf Tronsgaard Margrethe Melbye Fredrik Bertil Åberg |
| Executive Board | Peter Bisgaard Svanberg, Man. Director |
| Ownership | The Company is wholly-owned by DNB Bank ASA, Dronning Eufemias Gate 30, P.O. Box 1600 Sentrum, 0021 Oslo, Norway |
| Auditors | ERNST & YOUNG Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4 c/o Postboks 250 2000 Frederiksberg CVR-no.: 30700228 |
| Annual general meeting | The annual general meeting is held on the 26 May 2016. |

Management's review

Financial highlights

| DKKm | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|--------------|--------------|--------------|--------------|---------------|
| Key figures | | | | | |
| Revenue | 53 | 106 | 160 | 74 | n.a. |
| Operating profit | -28 | 5 | -317 | 46 | 1.859 |
| Profit/loss from financial income and expenses | 59 | 14 | 50 | -64 | -928 |
| Profit for the year | 92 | 18 | -293 | -923 | 693 |
| Non-current assets | | | | | |
| Non-current assets | 5.417 | 1.226 | 1.325 | 3.357 | n.a. |
| Current assets | 3.888 | 7.981 | 7.957 | 6.374 | n.a. |
| Total assets | 9.304 | 9.207 | 9.282 | 9.731 | 12.642 |
| Share capital | 12.765 | 12.765 | 12.765 | 13.129 | 12.798 |
| Equity | 8.625 | 8.533 | 8.515 | 8.893 | 9.163 |
| Financial ratios | | | | | |
| Solvency ratio | 92,7 | 92,7 | 91,7 | 91,4 | 72,5 |
| Return on equity | 1,1 | 0,2 | -3,4 | -10,2 | 6,6 |
| Average number of full-time employees | | | | | |
| Average number of full-time employees | 2 | 3 | 5 | 16 | 81 |

For 2012 and 2013 the comparative key figures have been adjusted to reflect the merged company after the merger with DNB Baltic IT A/S in 2014. The comparative key figures have not been adjusted for 2011 as exempted by the Danish Financial Statements Act §101.2. as the financial statement for DNB Invest Denmark A/S for 2011 was prepared in accordance with the Danish Financial Business Act.

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Principal activities of the Company

DNB Invest Denmark A/S delivers core internal bank systems to support the DNB Group's activities in the Baltics. In addition, the company is lender in lending arrangements with DNB Livsforsikring AS as well as the company holds receivables from its parent, DNB Bank ASA.

Development in activities of the Company

In Q4 2015, the Company's portfolio of real estate held through wholly owned subsidiary, København Ejendomme Holding ApS was sold.

Events after the balance sheet date

The company København Ejendomme Holding ApS, owned 100% is liquidated in May 2016. It is expected that this will have a positive effect on the outcome of the fiscal year 2016.

In January 2016 Peter Bisgaard Svanberg replaced Anette Lonsdale as CEO for the company.

Outlook

The Company plans continuing to pursue relevant business opportunities and delivering core internal bank systems for the Baltic activities of the DNB Group as well as finance activities with group companies.

Accounting policies

Accounting policies

The annual report of DNB Invest Denmark A/S for 2015 has been prepared in accordance with the provisions applying to reporting class C medium enterprises under the Danish Financial Statements act.

The annual report is reported in DKK thousands.

The accounting policies applied remain unchanged from last year.

Recognition and measurement

Income is recognised in the income statement as earned.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in the fair value are recognised in the income statement on a regular basis.

Accounting policies

Income statement

Gross Profit

Gross profit comprises revenue, other operating income and other external costs.

Revenue is recognised in the income statement when delivery and transfer of risk to the buyer have taken place and provided that the income can be reliably measured and is expected to be received.

Revenue is recognised exclusive VAT.

Profit/loss from sale of subsidiaries is recognised as the net amount of the sales price and the book value of the subsidiary at the time of the sale.

Other external costs comprise rental costs, sales costs and other office expenses.

Staff costs

Staff costs comprise costs for wages and salaries, pension contributions, social security and other staff costs.

Depreciation and impairment losses

Depreciation, amortisation and impairment losses comprise depreciation, amortisation and impairment losses for the year regarding software and tools and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses. The financial items are recognised in the income statement with the amounts regarding the reporting period.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including impairment charges on capitalised tax losses carried forward. The tax expense relating to the profit/loss for the year is recognised in the income statement.

The Company is covered by the Danish rules on compulsory joint taxation of the Danish legal entities of the DNB Group. On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in the proportion to their taxable income.

Balance sheet

Intangible assets

Software costs that are recognized in the balance sheet are measured at cost less accumulated depreciation and impairment losses. Software is depreciated on a straight-line basis over the period the software is expected to generate future economic benefits with flow to the Company. The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

| | |
|-------------|------------|
| Software | 5-13 years |
| Scrap value | DKK 0 |

Accounting policies

Property, plant and equipment

Tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

| | |
|--|------------|
| Fixtures and fittings, tools and equipment | 3-10 years |
| Scrap value | DKK 0 |

Impairment

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by amortization or depreciation.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. If costs exceed the recoverable amount, a write-down is made to this lower value.

The carrying amount of investments in subsidiaries is subject to an annual test for indications of impairment. Impairment tests are conducted when there is an indication that subsidiaries may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset.

Receivables

Receivables are recognized in the balance sheet and measured at amortised cost. Provisions are made for anticipated losses at net realisable value.

Cash and cash equivalents from group related parties are presented as receivables from related parties.

Prepayments

Prepayments, recognized as current assets, comprise costs incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that is readily convertible to cash and is subject to an insignificant risk of changes in value.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively

Deferred tax assets, including the tax value of tax loss carry forward, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Accounting policies

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Consolidated financial statements and cash flow statement

In accordance with section 112(1) of the Danish Financial Statements Act, consolidated financial statements have been omitted as the Company in the consolidated financial statements of DNB Bank ASA, Dronning Eufemias Gate 30, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

In accordance with section 86(4) of the Danish Financial Statements Act, cash flow statement has been omitted as the Company's cash flows are comprised in the cash flow statement in the consolidated financial statements of DNB Bank ASA, Dronning Eufemias Gate 30, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". The financial ratios stated in the survey of financial highlights have been calculated as follows:

Solvency ratio $(\text{Equity at year end} \times 100) / \text{Total equity and liabilities at year end}$

Return on equity (ROE) $(\text{Profit from ordinary activities after tax} \times 100) / \text{Average equity}$

Income statement

| | Note | 2015 tkr. | 2014 tkr. |
|---|-------------|----------------------|----------------------|
| Gross profit | 1 | 58.534 | 100.282 |
| Staff costs | 2 | -3.698 | -1.860 |
| Depreciation and impairment losses | | -82.890 | -93.887 |
| Profit from ordinary operating activities | | -28.054 | 4.535 |
| Financial income | 3 | 87.946 | 22.851 |
| Financial expenses | 4 | -29.004 | -9.301 |
| Profit from ordinary activities before tax | | 30.888 | 18.085 |
| Tax on profit for the year | 5 | 60.952 | 0 |
| Profit | | 91.840 | 18.085 |
| Proposed distribution of results | | | |
| Retained earnings | | 91.840 | 18.085 |
| | | 91.840 | 18.085 |

Balance sheet as of 31. December

| | Note | 2015 tkr. | 2014 tkr. |
|---|------|------------------|------------------|
| Assets | | | |
| Software | 6 | 647.249 | 726.403 |
| Intangible assets | | 647.249 | 726.403 |
| Fixtures, fittings, tools and equipment | 7 | 1.266 | 5.001 |
| Property, plant and equipment | | 1.266 | 5.001 |
| Investments in group enterprises | 8, 9 | 79.519 | 79.519 |
| Subordinated loans to related parties | 10 | 4.273.750 | 0 |
| Deferred tax assets | | 415.000 | 415.000 |
| Investments | | 4.768.269 | 494.519 |
| Total non-current assets | | 5.416.784 | 1.225.923 |
| Receivables from related parties | | 3.826.920 | 7.942.502 |
| Corporation tax receivable | | 60.157 | 0 |
| Other receivables | | 344 | 37.929 |
| Prepayments | | 80 | 919 |
| Receivables | | 3.887.501 | 7.981.350 |
| Total current assets | | 3.887.501 | 7.981.350 |
| Total assets | | 9.304.285 | 9.207.273 |

Balance sheet as of 31. December

| | Note | 2015 tkr. | 2014 tkr. |
|-------------------------------------|------|------------------|------------------|
| Liabilities and equity | | | |
| Contributed capital | | 12.765.228 | 12.765.228 |
| Retained earnings | | -4.140.039 | -4.231.879 |
| Total equity | 11 | 8.625.189 | 8.533.349 |
| Debt to related parties | | 480.000 | 540.000 |
| Long-term liabilities | 12 | 480.000 | 540.000 |
| Trade payables | | 1.886 | 0 |
| Debt to related parties | | 197.049 | 130.702 |
| Corporation tax payable | | 0 | 795 |
| Other payables | | 161 | 2.427 |
| Current liabilities | | 199.096 | 133.924 |
| Total liabilities | | 679.096 | 673.924 |
| Total liabilities and equity | | 9.304.285 | 9.207.273 |
| Contingent liabilities | 13 | | |
| Related parties - shareholders | 14 | | |

Notes

| | 2015 tkr. | 2014 tkr. |
|---|---------------|----------------|
| 1. Gross profit | | |
| Revenue | 53.094 | 105.602 |
| Other operating income | 7.557 | 3.404 |
| Other external costs | -2.117 | -8.724 |
| | 58.534 | 100.282 |
| 2. Staff costs | | |
| Wages and salaries | 3.332 | 1.568 |
| Pensions | 401 | 284 |
| Social security contributions | -35 | 8 |
| | 3.698 | 1.860 |
| Average number of employees | 2 | 3 |
| 3. Financial income | | |
| Other finance income | 665 | 0 |
| Interest, related parties | 49.783 | 26.255 |
| Market value changes, cross currency swaps, related parties | 37.498 | 0 |
| | 87.946 | 26.255 |
| 4. Financial expenses | | |
| Other finance expenses from group enterprises | 28.645 | 8.693 |
| Other finance expenses | 359 | 608 |
| | 29.004 | 9.301 |
| 5. Tax on profit for the year | | |
| Current tax for the year | 0 | 0 |
| Deferred tax adjustments for the year | 0 | 153 |
| Adjustment regarding prior year | 795 | -153 |
| Adjustment regarding non-booked tax asset prior year | 60.157 | 0 |
| | 60.952 | 0 |

Deferred tax assets at 31 December 2015 amounted to DKK 448.906 thousands of which 415.000 is booked. The deferred tax assets are expected to be utilised in future taxable income.

Notes

| | 2015 tkr. | 2014 tkr. |
|--|------------------|------------------|
| 6. Software | | |
| Cost at 1 January 2015 | 1.501.087 | 0 |
| Addition due to merger | 0 | 1.507.688 |
| Disposal during the year | 0 | -6.601 |
| Cost at 31 December 2015 | 1.501.087 | 1.501.087 |
| Depreciation and amortisation at 1 January 2015 | -774.684 | 0 |
| Additions due to merger | 0 | -683.483 |
| Depreciations | -79.154 | -91.201 |
| Depreciation and amortisation at 31 December 2015 | -853.838 | -774.684 |
| Carrying amount at 31 December 2015 | 647.249 | 726.403 |
| 7. Fixtures, fittings, tools and equipment | | |
| Cost at 1 January 2015 | 18.303 | 2.957 |
| Addition in connection with merger | 0 | 13.866 |
| Addition during the year | 0 | 1.480 |
| Cost at 31 December 2015 | 18.303 | 18.303 |
| Depreciation and amortisation at 1 January 2015 | -13.302 | -2.913 |
| Additions due to merger | 0 | -7.703 |
| Depreciations | -3.735 | -2.686 |
| Depreciation and amortisation at 31 December 2015 | -17.037 | -13.302 |
| Carrying amount at 31 December 2015 | 1.266 | 5.001 |
| 8. Investments | | |
| Cost at the beginning of the year | 79.519 | 79.519 |
| Cost at the end of the year | 79.519 | 79.519 |
| Carrying amount at the end of the year | 79.519 | 79.519 |

9. Investments*Group enterprises*

| Name | Office of registration | Share held in % | Profit | Equity |
|--|------------------------|-----------------|--------------|----------------|
| København Ejendomme Holding ApS, CVR no. 33 26 31 20 | Copenhagen | 100,00 | 2.169 | 193.745 |
| | | | 2.169 | 193.745 |

The last official annual report is for the fiscal year 1 Januar 2014 - 31 December 2014.

Notes

2015
tkr. 2014
tkr.

10. Subordinated loans to related parties

Subordinated loans to related parties can be specified as follows:

| | Currency | Amount | DKK, including accrued interest | Interest rate | Maturity |
|--------|----------|-----------|---------------------------------|------------------|--|
| Loan 1 | NOK | 2.500.000 | 1.942.614 | NIBOR+ margin | No maturity. Call date 21 September 2025 |
| Loan 2 | NOK | 3.000.000 | 2.331.136 | NIBOR+ margin | 21 September 2025. Call date 21 September 2020 |
| | | | 4.273.750 | | |

The loans can be repayed earlier subject to consent of the Norwegian Financial Supervisory Authority. Interests can be deferred if DNB Livsforsikring AS does not comply with the Solvency Capital Requirements when the interests fall due. The interest rate risk and exchange rate risk is, until the call dates, covered by financial derivatives.

11. Statement of changes in equity

| | Share capital | Retained earnings | Total |
|----------------------------------|-------------------|-------------------|------------------|
| Equity, beginning balance | 12.765.228 | -4.231.879 | 8.533.349 |
| Proposed distribution of results | 0 | 91.840 | 91.840 |
| | 12.765.228 | -4.140.039 | 8.625.189 |

The share capital comprises 12.765.228.468 shares of nominally DKK 1.0.

The changes in share capital from 2013 to 2014 are related to change in the recognition currency from EUR to DKK.

The share capital has developed as follows:

| | 2015 | 2014 | 2013 (EUR) | 2012 (EUR) | 2011 (EUR) |
|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| Share capital DKK | 12.765.228 | 12.765.228 | 1.715.595 | 1.715.595 | 1.715.595 |
| | 12.765.228 | 12.765.228 | 1.715.595 | 1.715.595 | 1.715.595 |

12. Long-term liabilities

| | within 2 - 5 year | after 5 years |
|-------------------------|-------------------|----------------|
| Debt to related parties | 240.000 | 240.000 |
| | 240.000 | 240.000 |

Notes

| 2015 | 2014 |
|------|------|
| tkr. | tkr. |

13. Contingent liabilities

The Company is jointly taxed with the Danish entities of the DNB Group. As a jointly taxed company the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

Furthermore the Company has an ongoing tax matter with the Danish tax authorities. The outcome of the matter is uncertain, but management expects that the outcome will not have significant impact on the Company's financial position.

14. Related parties - shareholders

The following shareholders are registered in the Company's register of shareholders, who owns 100% of the share capital:

DNB Bank ASA
www.dnb.no
Dronning Eufemias Gate 30, P.O. Box 1600 Sentrum, 0021 Oslo, Norway

The financial statements of DNB Bank ASA Group are available at the Company's address or on the Company's website www.dnb.no