

Annex 3: Statistics

Table 1 Structure of the Norwegian financial industry.¹⁾ As at 31 March 2007

	Number	Lending (NOK bn)	Total assets (NOK bn)	Core capital ratio (%)	Capital ratio (%)
Banks (excluding branches of foreign banks in Norway)	139	1,737.9	2,483.0	8.6	11.2
Branches of foreign banks	9	153.9	337.2		
Mortgage companies	12	274.7	492.1	9.5	12.5
Finance companies	52	111.6	126.0	9.4	10.7
State lending institutions	3	196.3	208.7		
Life insurance companies (foreign branches excluded) ^{*)}	10	19.9	686.3	8.3	11.5
Branches of foreign life insurance companies	8	0.0	6.5		
Non-life insurance companies (foreign-owned branches excluded) ^{**)}	44	1.0	118.7	48.7	45.0
Branches of foreign non-life insurance companies	17	0.0	30.3		

^{*)} As at Dec 2006

^{**)} Also include reports for seamen's insurance associations and fire insurance

<i>Memorandum:</i>	(NOK billion)
Market value of equities, Oslo Stock Exchange	2,009.9
Outstanding domestic bonds and short-term paper debt	812.3
Issued by public sector and state-owned companies	321.9
Issued by banks	253.9
Issued by other financial institutions	67.8
Issued by other private enterprises	89.0
Issued by non-residents	79.6
GDP Norway, 2006	2,151.7
GDP mainland Norway, 2006	1,563.2

¹⁾ Branches of foreign institutions are included if other is not specified

Sources: Norges Bank, Kredittilsynet, Oslo Stock Exchange and Statistics Norway

Table 2 Financial conglomerates' market shares¹⁾ in Norway in various sectors as at 31 March 2007.
Per cent

	Banks	Finance companies	Mortgage companies	Life insurance	Total for conglomerate
DnB NOR (including Nordlandsbanken)	39.0	23.2	9.0	32.6	33.9
Nordea Norway	12.9	7.7	4.2	6.0	10.6
Sparebank 1 alliance ²⁾	12.4	6.0	0.2	3.3	9.2
Storebrand	1.3	0.0	0.0	25.8	5.2
Terra alliance ³⁾	5.1	0.8	1.3	0.0	3.7
Fokus Bank and Danske Bank branch	5.3	0.0	0.0	0.0	3.6
Total for financial conglomerates	76.0	37.7	14.7	67.7	66.2

¹⁾ Market shares are based on total assets in the various sectors. "Total for conglomerate" is equivalent to the combined total assets of the various sectors in the table. The table does not show an exhaustive list of the activities of Norwegian financial conglomerates. For example, non-life insurance, securities funds and asset management have been excluded

²⁾ The Sparebank 1 alliance comprises Sparebank 1 Gruppen AS (including subsidiaries) and the 22 banks that own the group

³⁾ The Terra alliance comprises Terra Gruppen AS (including subsidiaries) and the 78 banks that own the group

⁴⁾ As of 1 April 2007 Fokus Bank ASA was converted to a branch of Danske Bank

Source: Norges Bank

Table 3 Results and capital adequacy in Norwegian banks for selected quarters¹⁾

	2006 Q1		2006 Q2		2006 Q3		2006 Q4		2007 Q1	
	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA
Net interest income	8.00	1.62	8.83	1.69	8.70	1.60	8.97	1.56	8.83	1.47
Other operating income	4.53	0.92	3.94	0.76	3.76	0.69	5.87	1.02	4.98	0.83
commission income	2.56	0.52	2.65	0.51	2.47	0.45	2.70	0.47	2.60	0.43
securities, foreign exchange and derivatives	1.66	0.33	0.92	0.18	1.06	0.20	2.81	0.49	1.81	0.30
Other operating expenses	6.65	1.35	7.01	1.34	6.87	1.26	7.68	1.34	7.25	1.21
personnel expenses	3.68	0.74	3.69	0.71	3.80	0.70	4.35	0.76	4.06	0.68
Operating result before losses	5.88	1.19	5.76	1.11	5.59	1.03	7.16	1.25	6.56	1.10
Losses on loans and guarantees	-0.32	-0.06	-0.14	-0.03	-0.57	-0.11	-0.42	-0.07	-0.05	-0.01
Pre-tax profit	6.27	1.27	5.93	1.14	6.19	1.14	8.74	1.52	6.63	1.11
Profit after taxes	4.72	0.96	4.46	0.85	4.64	0.85	6.83	1.19	4.92	0.82
Capital ratio (%)	11.57		11.39		11.23		11.17		NA	
Core capital ratio (%)	9.16		8.90		8.52		8.62		NA	

¹⁾ All banks with the exception of branches of foreign banks in Norway. Results as a percentage of average total assets (ATA) are annualised

Source: Norges Bank

Table 4 Results and capital adequacy in Norwegian banks¹⁾

	2002		2003		2004		2005		2006	
	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA	NOK bn	% ATA
Net interest income	30.72	0.16	30.14	1.99	30.71	1.91	31.75	1.78	34.51	1.62
Other operating income	10.21	0.07	14.31	0.94	15.16	0.94	17.63	0.99	18.11	0.85
commission income	7.09	0.04	7.63	0.50	8.82	0.55	9.74	0.55	10.39	0.49
securities, foreign exchange and derivatives	1.95	0.02	5.69	0.37	4.86	0.30	6.66	0.37	6.44	0.30
Other operating expenses	25.49	0.14	25.86	1.70	26.56	1.65	26.49	1.49	28.21	1.32
personnel expenses	13.26	0.07	13.81	0.91	13.77	0.86	14.24	0.80	15.52	0.73
Operating result before losses	15.45	0.09	18.59	1.22	19.31	1.20	22.89	1.29	24.41	1.14
Losses on loans and guarantees	6.66	0.02	6.89	0.45	1.25	0.08	-1.08	-0.06	-1.45	-0.07
Pre-tax profit	8.92	0.07	12.02	0.79	19.78	1.23	24.61	1.38	27.14	1.27
Profit after taxes	6.26	0.06	9.41	0.62	14.79	0.92	18.53	1.04	20.64	0.97
Capital ratio (%)	12.15		12.36		12.16		11.89		11.17	
Core capital ratio (%)	9.60		9.72		9.76		9.54		8.62	

¹⁾ All banks with the exception of branches of foreign banks in Norway

Source: Norges Bank

Table 5 Rating by Moody's¹⁾, total assets, capital adequacy²⁾ and return on equity for Nordic financial conglomerates, subsidiaries³⁾ in Norway and Norwegian banks as of 2007 Q1. Consolidated figures.

	Financial strength	Short term	Long term	Total assets (NOK bn)	Core capital ratio (%)	Capital ratio (%)	Share of interim profits (%)	Basel I / II	Return on equity		
									2005	2006	2007 Q1
Danske Bank	B	P-1	Aa1	3,215.9	6.6	10.1	100	I	18.4	17.5	15.9
Nordea Bank AB	B	P-1	Aa1	2,901.3	6.6	9.2	0	I	18.0	22.9	18.0
SEB	B-	P-1	Aa2	1,855.6	8.3	11.6	100	II	15.8	20.8	19.0
Handelsbanken	B	P-1	Aa1	1,657.8	6.7	9.9	0	II	17.8	19.7	16.8
DnB NOR	B-	P-1	Aa1	1,383.7	7.4	10.7	0	II	18.8	19.5	17.2
Swedbank	B	P-1	Aa1	1,288.1	6.8	10.0		II	24.6	19.3	18.9
Gjittir	C	P-1	Aa3	208.9	11.6	14.2		I	30.3	39.4	20.5
Nordea Bank Norge	B-	P-1	Aa1	409.2	6.6	9.1	0	I	18.2	15.7	11.6
Fokus Bank				128.6	8.2	9.2		I	14.0	18.0	18.0
SpareBank 1 SR-Bank	C+	P-1	Aa3	88.0	7.1	10.5		II	24.7	22.5	20.8
Sparebanken Vest	C	P-1	A1	65.2	8.6	9.3	0	II	15.4	17.9	16.9
SpareBank 1 Midt-Norge	C+	P-1	Aa3	64.2	8.2	12.2		II	24.1	25.5	18.2
SpareBank 1 Nord-Norge	C+	P-1	Aa3	55.7	8.6	10.4	0	II	20.6	24.6	19.5

¹⁾ Rating as of 14 May 2007. Moody's scale of rating: Financial strength: A+, A, A-, B+, B, B-, C+, C, C-,.... Short term: P-1, P-2,.... Long term: Aaa, Aa1, Aa2, Aa3, A1, A2,....

²⁾ The share of interim profits included in the core capital ratio and capital ratio varies between institutions. The higher the share of (positive) interim profits included, the higher are the capital adequacy ratios. If the institution has reported capital adequacy ratios with 0% of interim profits included, these ratios are used in the table. Varying national regulations, including consolidation of life insurance companies, imply that Norwegian financial conglomerates' capital adequacy ratios are not directly comparable with ratios of other Nordic financial conglomerates. Moreover, whether the institution has started reporting capital adequacy ratios according to Basel II, or still applies Basel I, will also affect capital adequacy ratios.

³⁾ Return on equity for Fokus Bank includes all of Danske Bank's bank activities in Norway. As of 1 April 2007 Fokus Bank ASA was converted to a branch of Danske Bank

Sources: Banks' websites and Moody's

Table 6 Balance sheet structure, Norwegian banks.¹⁾ Percentage distribution

	2006	2006 Q1	2007 Q1
Cash and deposits	5.9	5.1	8.0
Securities (current assets)	11.2	8.7	10.5
Gross lending to households, municipalities and non-financial enterprises	72.9	74.7	70.0
Other lending	7.3	8.9	9.0
Total loan loss provisions	-0.4	-0.5	-0.3
Fixed assets and other assets	3.1	3.0	2.9
Total assets	100.0	100.0	100.0
Customer deposits	44.2	45.1	43.0
Deposits/loans from domestic financial institutions	3.6	3.9	4.0
Deposits/loans from foreign financial institutions	11.9	12.1	12.8
Deposits/loans from Norges Bank	0.9	0.1	0.1
Other deposits/loans	2.7	3.0	3.1
Notes and short-term paper	3.1	4.9	2.9
Bond debt	20.7	18.9	20.0
Other liabilities	4.1	3.3	5.8
Subordinated loan capital	2.5	2.4	2.5
Equity	6.3	6.3	5.8
Total equity and liabilities	100.0	100.0	100.0
<i>Memorandum:</i>			
Total assets (NOK billion)	2,338.0	2,015.9	2,483.8

¹⁾ All banks with the exception of branches of foreign banks in Norway

Source: Norges Bank

Table 7 Balance sheet structure and profit, life insurance companies¹⁾

	2006	2006 Q1	2007 Q1
Balance sheet. Selected assets as a percentage of total assets			
Buildings and real estate	10.2	9.9	10.2
Long-term investment	30.9	30.1	32.5
of which equities and units	0.7	0.5	0.7
of which bonds held until maturity	27.4	22.8	21.8
of which lending	2.6	3.1	2.9
Other financial assets	53.7	57.1	55.4
of which equities and units	26.4	24.1	28.1
of which bonds	22.5	24.5	21.7
of which short-term paper	2.6	5.7	2.3
Profit/loss. Percentage of ATA (annualised)			
Premium income	11.44	15.04	12.97
Net income from financial assets	12.93	15.73	11.90
Results before allocations to customers and tax	3.01	2.98	2.64
Value-adjusted results before allocations to customers and tax	4.07	6.48	2.74
<i>Memorandum:</i>			
Buffer capital (percentage of total assets)	8.2	7.8	8.0
Total assets (NOK billion)	673.4	615.0	686.3

¹⁾ 10 life insurance companies

Source: Kredittilsynet (The Financial Supervisory Authority of Norway)

Table 8 Key figures

	Average				Projections		
	1987-1993	1994-2005	2006	1. kv. 2007	2007	2008	2009-2010
Households¹⁾							
Debt burden ²⁾	151	138	191		202	215	233
Interest burden ³⁾	9.7	5.7	5.4		6.6	7.7	8.4
Borrowing rate after tax	8.3	4.9	3.3		4.0	4.4	4.5
Real interest rate after tax ⁴⁾	4.0	2.9	1.7		2.2	2.4	2.0
Net financial wealth to income ratio ⁵⁾	8	45	53				
Unemployment ⁶⁾	4.7	4.2	3.5		2¾	3	3½
House price growth ⁷⁾	-1.3	10.1	15.0		13	6	3
Enterprises							
Debt burden ⁸⁾	717	336	226		263	305	339
Interest burden ⁹⁾	52	31	20		28	37	41
Return on total assets ¹⁰⁾	2	5	7				
Equity-to-assets ratio ¹¹⁾	26	36	43				
Securities markets							
P/E ¹²⁾	11.5	16.9	12.7	13.5			
Yield gap ¹³⁾		3.5	6.0	4.9			
Banks¹⁴⁾							
Profit/loss ¹⁵⁾	-0.1	1.2	1.3	1.1			
Interest margin ¹⁶⁾	5.2	3.1	2.1	2.1			
Non-performing loans ¹⁷⁾		2.1	0.6	0.6			
Loan losses ¹⁸⁾	2.3	0.2	-0.1	0.0			
Lending growth ¹⁹⁾	4.7	10.6	19.0	11.0			
Return on equity ²⁰⁾		15.1	17.5	14.8			
Capital ratio ²¹⁾	10.3	12.5	11.2				

1) Projections based on a technical revision of the baseline scenario in Monetary Policy Report 1/07

2) Loan debt as a percentage of liquid disposable income adjusted for estimated reinvested dividend payments

3) Interest expenses after tax as a percentage of liquid disposable income adjusted for estimated reinvested dividend payments plus interest expenses

4) Household borrowing rate after tax deflated by the 12-quarter moving average (centred) of inflation measured by the CPI

5) Households' total assets less total debt as a share of disposable income adjusted for estimated reinvested dividend payments

6) Comprises all groups 16 - 74 years

7) Based on house prices from Association of Norwegian Real Estate Agents, Association of Real Estate Agency Firms, ECON and Finn.no

8) Enterprises' debt to financial institutions as a percentage of profits before tax and depreciation. Non-financial limited enterprises in Mainland-Norway. Figures include only enterprises with debt to financial institutions

9) Enterprises' total interest costs as a percentage of profits before tax, interest costs and depreciation. Non-financial limited enterprises in Mainland-Norway. Figures include only enterprises with debt to financial institutions

10) Enterprises' profits before tax as a percentage of total assets. Non-financial limited enterprises in Mainland-Norway

11) Book equity as a percentage of total assets. Non-financial limited enterprises in Mainland-Norway

12) The value of a sample of companies on the Oslo Stock Exchange divided by earnings on continued operations during the last four quarters. Data pre September 1997 is from Datastream. Data since September 1997 is from Norges Bank

13) Earnings yield minus five year government bond yield adjusted for five year Consensus Forecast inflation forecast. Earnings are defined as earnings on continued operations

14) Annual accounts and stock at year end form the statistical basis. Figures for profit/loss, loan losses, lending growth and return on equity for 2007 Q1 are annualised

15) Pre-tax profit as a percentage of average total assets. For the period 1987-1989, branches of foreign banks in Norway and branches of Norwegian banks abroad are included. This does not apply for other periods

16) Percentage points. Average lending rate minus average deposit rate for all banks in Norway, based on stock at year end

17) Non-performing loans as a percentage of gross lending to households, non-financial enterprises and municipalities

18) Loan losses as a percentage of gross lending to households, non-financial enterprises and municipalities for all Norwegian banks except branches of foreign banks in Norway and branches of Norwegian banks abroad

19) Per cent. Annual growth in lending to the corporate and retail market from all banks in Norway

20) Net profit as a percentage of average equity for all Norwegian banks except branches of foreign banks in Norway and branches of Norwegian banks abroad. The average for the period 1987-1993 cannot be calculated due to insufficient data on equity until 1990 Q1

21) Regulatory capital to risk-weighted assets for all Norwegian banks except branches of foreign banks in Norway and branches of Norwegian banks abroad. The average for the period 1987-1993 is for the years 1991-1993 due to lack of data

Sources: Statistics Norway, Datastream, Reuters EcoWin, Association of Norwegian Real Estate Agents, Association of Real Estate Agency Firms, ECON, Finn.no and Norges Bank