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# INTERIM REPORT – FIRST QUARTER 2009

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*Interim Report – First Quarter 2009 is a translation of the original report in the Danish language (Delårsrapport – 1. kvartal 2009). In case of discrepancies, the Danish version prevails.*



OPERATIONS IN 14 COUNTRIES / 797 BRANCHES / 5 MILLION CUSTOMERS / 23,154 EMPLOYEES

# Financial highlights – Danske Bank Group

| INCOME STATEMENT<br>(DKr m)           | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---------------------------------------|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income                   | 7,227      | 6,236      | 116            | 7,227      | 7,365      | 6,739      | 6,665      | 6,236      | 27,005            |
| Net fee income                        | 1,763      | 2,213      | 80             | 1,763      | 1,944      | 1,895      | 2,058      | 2,213      | 8,110             |
| Net trading income                    | 7,479      | 1,358      | -              | 7,479      | 2,190      | 368        | 2,160      | 1,358      | 6,076             |
| Other income                          | 647        | 1,037      | 62             | 647        | 940        | 677        | 931        | 1,037      | 3,585             |
| Net income from insurance business    | 91         | -565       | -              | 91         | -403       | -493       | -272       | -565       | -1,733            |
| Total income                          | 17,207     | 10,279     | 167            | 17,207     | 12,036     | 9,186      | 11,542     | 10,279     | 43,043            |
| Operating expenses                    | 6,896      | 6,323      | 109            | 6,896      | 9,964      | 5,829      | 6,610      | 6,323      | 28,726            |
| Profit before loan impairment charges | 10,311     | 3,956      | 261            | 10,311     | 2,072      | 3,357      | 4,932      | 3,956      | 14,317            |
| Loan impairment charges               | 7,981      | 542        | -              | 7,981      | 9,199      | 1,775      | 572        | 542        | 12,088            |
| Profit before tax                     | 2,330      | 3,414      | 68             | 2,330      | -7,127     | 1,582      | 4,360      | 3,414      | 2,229             |
| Tax                                   | 777        | 847        | 92             | 777        | -1,242     | 468        | 1,120      | 847        | 1,193             |
| Net profit for the period             | 1,553      | 2,567      | 60             | 1,553      | -5,885     | 1,114      | 3,240      | 2,567      | 1,036             |
| Attributable to minority interests    | -14        | 1          | -              | -14        | 9          | 14         | 1          | 1          | 25                |

## BALANCE SHEET (END OF PERIOD) (DKr m)

|  |           |           |     |           |           |           |           |           |           |
|--|-----------|-----------|-----|-----------|-----------|-----------|-----------|-----------|-----------|
| Due from credit institutions and central banks | 206,842   | 350,673   | 59  | 206,842   | 215,823   | 364,847   | 378,895   | 350,673   | 215,823   |
| Loans and advances                             | 1,770,485 | 1,720,372 | 103 | 1,770,485 | 1,785,323 | 1,787,844 | 1,745,803 | 1,720,372 | 1,785,323 |
| Repo loans                                     | 183,399   | 274,406   | 67  | 183,399   | 233,971   | 252,957   | 247,660   | 274,406   | 233,971   |
| Trading portfolio assets                       | 719,675   | 710,982   | 101 | 719,675   | 860,788   | 747,052   | 756,536   | 710,982   | 860,788   |
| Investment securities                          | 146,488   | 42,685    | -   | 146,488   | 140,793   | 44,488    | 46,085    | 42,685    | 140,793   |
| Assets under insurance contracts               | 182,403   | 186,912   | 98  | 182,403   | 181,259   | 183,908   | 183,226   | 186,912   | 181,259   |
| Other assets                                   | 134,341   | 157,375   | 85  | 134,341   | 126,017   | 134,755   | 133,570   | 157,375   | 126,017   |
| Total assets                                   | 3,343,633 | 3,443,405 | 97  | 3,343,633 | 3,543,974 | 3,515,851 | 3,491,775 | 3,443,405 | 3,543,974 |
| Due to credit institutions and central banks   | 451,125   | 597,007   | 76  | 451,125   | 562,726   | 744,068   | 648,939   | 597,007   | 562,726   |
| Deposits                                       | 796,449   | 871,144   | 91  | 796,449   | 800,297   | 790,745   | 872,373   | 871,144   | 800,297   |
| Repo deposits                                  | 46,661    | 133,990   | 35  | 46,661    | 74,393    | 118,615   | 106,994   | 133,990   | 74,393    |
| Bonds issued by Realkredit Danmark             | 511,118   | 502,538   | 102 | 511,118   | 479,534   | 480,521   | 488,593   | 502,538   | 479,534   |
| Other issued bonds                             | 562,128   | 436,305   | 129 | 562,128   | 526,606   | 493,890   | 462,089   | 436,305   | 526,606   |
| Trading portfolio liabilities                  | 514,475   | 431,795   | 119 | 514,475   | 623,290   | 407,304   | 427,848   | 431,795   | 623,290   |
| Liabilities under insurance contracts          | 208,972   | 211,669   | 99  | 208,972   | 210,988   | 206,976   | 209,123   | 211,669   | 210,988   |
| Other liabilities                              | 95,171    | 100,003   | 95  | 95,171    | 110,033   | 109,988   | 114,682   | 100,003   | 110,033   |
| Subordinated debt                              | 58,027    | 57,830    | 100 | 58,027    | 57,860    | 57,597    | 56,329    | 57,830    | 57,860    |
| Shareholders' equity                           | 99,507    | 101,124   | 98  | 99,507    | 98,247    | 106,147   | 104,805   | 101,124   | 98,247    |
| Total liabilities and equity                   | 3,343,633 | 3,443,405 | 97  | 3,343,633 | 3,543,974 | 3,515,851 | 3,491,775 | 3,443,405 | 3,543,974 |

## RATIOS AND KEY FIGURES

|   |        |        |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| Earnings per share (DKr)                        | 2.3    | 3.7    | 2.3    | -8.6   | 1.6    | 4.7    | 3.7    | 1.5    |
| Diluted earnings per share (DKr)                | 2.3    | 3.7    | 2.3    | -8.6   | 1.6    | 4.7    | 3.7    | 1.5    |
| Return on average shareholders' equity p.a. (%) | 6.3    | 9.8    | 6.3    | -23.1  | 4.2    | 12.6   | 9.8    | 1.0    |
| Cost/income ratio (%)                           | 40.1   | 61.5   | 40.1   | 82.8   | 63.5   | 57.3   | 61.5   | 66.7   |
| Solvency ratio (%)                              | 12.9   | 13.6   | 12.9   | 13.0   | 13.9   | 14.1   | 13.6   | 13.0   |
| Core (tier 1) capital ratio (%)                 | 9.0    | 9.5    | 9.0    | 9.2    | 10.0   | 10.0   | 9.5    | 9.2    |
| Share price (end of period) (DKr)               | 47.2   | 174.3  | 47.2   | 52.0   | 124.8  | 137.0  | 174.3  | 52.0   |
| Book value per share (DKr)                      | 143.8  | 147.5  | 143.8  | 142.4  | 154.3  | 152.8  | 147.5  | 142.4  |
| Full-time-equivalent staff (end of period)      | 23,154 | 23,719 | 23,154 | 23,624 | 23,808 | 23,849 | 23,719 | 23,624 |

## Overview

- In addition to the global financial crisis, a recession has spread globally with plunging manufacturing output, declining asset values, low consumer confidence and a contraction of economic activity. The economic situation appears to be the worst in the past 60 to 70 years.
- The crisis led to an extraordinarily high level of loan impairment charges. On the other hand, the turbulence on the global capital markets in the first quarter of 2009 resulted in wider trading spreads, increased credit margins on trading products that tie up liquidity and great interest in commercial hedging products among customers. These factors created very favourable trading conditions.
- The Danske Bank Group's net profit for the period of DKKr1.6bn was affected by large loan impairment charges that were to a large degree offset by sharply higher net trading income. Overall, the result was less satisfactory, although better than expected.
- Individual impairment charges, primarily against loans to small and medium-sized businesses, amounted to DKKr6.4bn, and collective impairment charges, primarily against facilities to financial counterparties, amounted to DKKr1.6bn. The individual impairment charge for Danske Bank's share of the Danish state guarantee scheme (Bank Package I) amounted to DKKr0.3bn.
- The total income of DKKr17.2bn was the Group's highest quarterly income ever, and the increase was due mainly to exceptionally high earnings at Danske Markets and solid earnings from the Group's banking activities.
- Expenses were in line with expectations.
- Improved lending margins at all banking units largely compensated for the increase in funding costs and narrower deposit margins resulting from interest rate cuts and continuing competitive pressure. Improved lending margins could, however, by no means offset the high level of loan impairment charges.
- The present state of the economy and the outlook are understandably making corporate customers and households reluctant to increase their debt. In the first quarter, however, the Group maintained a healthy level of lending to its core customers. In Denmark, new lending, including renewals, to corporate customers and households amounted to DKKr17bn and DKKr9bn, respectively, for the first quarter, and DKKr71bn and DKKr39bn, respectively, for the past 12 months.
- Total assets fell by around DKKr200bn in the first quarter of 2009, primarily because of the reduction of assets held by Danske Markets.
- At March 31, 2009, the core (tier 1) capital and solvency ratios were 9.0% and 12.9%, respectively.
- The Danish state has approved the Group's application for subordinated loan capital in the form of hybrid core capital totalling DKKr26bn. The loan will raise the Group's core capital ratio to 12% and its solvency ratio to 16%. The core capital and solvency ratios of the parent company will rise to 14% and 18%, respectively. The loan agreement contains an option for the Group to convert, in part, the loan capital into share capital.
- The Group's solid earnings and capital base give it a good foundation for withstanding the effects of the economic slump.
- The financial results for 2009 as a whole will depend greatly on macroeconomic developments in the Group's principal markets and trends in the capital markets. The Group expects the level of loan impairment charges to remain high in 2009, reflecting general economic trends. The turbulent markets are expected to stabilise gradually, however.

## Financial results for the period

### Income

The total income of DKK17.2bn in the first quarter of 2009 was the highest in the history of the Group, and the increase was due mainly to Danske Markets' exceptionally high earnings. The Group's main source of income, its banking activities, saw a solid increase in net interest income.

Net interest income rose DKK1.0bn, or 16%, above the level in the first quarter of 2008 despite a steep decline in central banks' average deposit rates of almost two percentage points. Together with increasing funding costs, the decline had a negative effect on net interest income. Lending margins improved, particularly in Denmark, Sweden and Norway. The improvement largely offset the increasing funding costs and the pressure on deposit margins, but it could not compensate for the high level of loan impairment charges.

Net fee income fell DKK0.5bn to DKK1.8bn. The fall related primarily to the banking units' income from investment activities, which in the first quarter of 2009 suffered badly from a decline in customer activity in the capital markets and lower lending.

Net trading income posted an extremely strong result, rising DKK6.1bn to DKK7.5bn. The Group took advantage of the global financial turmoil and used its strong market position in the Nordic region to boost net trading income.

Trading activities, particularly interest rate and currency hedges, also benefited from increasing customer activity and improved margins on customers. Moreover, a number of large international investment banks revised their business strategies, and this changed competition in the Nordic region.

The unrealised capital loss on the available-for-sale bond portfolio was DKK0.6bn in the first quarter of 2009. The capital loss is recognised directly in equity.

Other income fell DKK0.4bn from the level in the first quarter of 2008, when it benefited from proceeds from property sales.

The Group's insurance business generated a profit of DKK0.1bn, against a loss of DKK0.6bn in the first quarter of 2008. The return on investments improved by DKK0.6bn, but not enough to allow booking of the risk allowance.

### Operating expenses

As expected, operating expenses increased 9% to DKK6.9bn because of the guarantee commission of DKK0.6bn paid to the Danish state. General increases in wages and prices were offset by lower total integration expenses, reduced performance-based compensation and realised synergies.

| PROFIT BEFORE LOAN IMPAIRMENT CHARGES (DKK m) | Q1 2009 | Q1 2008 | Index 09/08 | Q1 2009 | Q4 2008 | Q3 2008 | Q2 2008 | Q1 2008 | Full year 2008 |
|---|---------|---------|-------------|---------|---------|---------|---------|---------|----------------|
| Danish banking activities                     | 2,483   | 2,512   | 99          | 2,483   | 2,309   | 2,984   | 2,722   | 2,512   | 10,527         |
| Non-Danish banking activities                 | 1,767   | 1,523   | 116         | 1,767   | 1,907   | 1,658   | 1,401   | 1,523   | 6,489          |
| Total banking activities                      | 4,250   | 4,035   | 105         | 4,250   | 4,216   | 4,642   | 4,123   | 4,035   | 17,016         |
| Danske Markets                                | 6,208   | 171     | -           | 6,208   | 850     | -692    | 904     | 171     | 1,233          |
| Danske Capital                                | 157     | 242     | 65          | 157     | 140     | 216     | 215     | 242     | 813            |
| Danica Pension                                | 91      | -565    | -           | 91      | -403    | -493    | -272    | -565    | -1,733         |
| Other Activities                              | -169    | 501     | -           | -169    | 620     | -78     | 392     | 501     | 1,435          |
| Goodwill impairment charges                   | -       | -       | -           | -       | 3,084   | -       | -       | -       | 3,084          |
| Total integration expenses                    | 226     | 428     | 53          | 226     | 267     | 238     | 430     | 428     | 1,363          |
| Profit before loan impairment charges         | 10,311  | 3,956   | 261         | 10,311  | 2,072   | 3,357   | 4,932   | 3,956   | 14,317         |

Business unit figures do not include integration expenses and goodwill impairment charges.

### GDP forecast

As a result of the global financial crisis, GDPs in the Group's principal markets are expected to decline more in 2009 than forecast at the end of 2008.

| GDP FORECAST 2009<br>[%] | At March 31,<br>2009 | At Dec. 31,<br>2008 |
|--------------------------|----------------------|---------------------|
| Denmark                  | -2.4                 | -0.7                |
| Finland                  | -3.5                 | -0.3                |
| Sweden                   | -4.5                 | -1.7                |
| Norway                   | -0.5                 | -0.5                |
| Northern Ireland         | -1.3                 | -0.5                |
| Ireland                  | -6.0                 | -2.8                |
| Baltics                  | -11.0                | -3.9                |
| Euro zone                | -2.7                 | -0.7                |

Source: Danske Research, April 6, 2009

### Loan impairment charges

Loan impairment charges amounted to DKKr8.0bn in the first quarter of 2009, against DKKr0.5bn in the first quarter of 2008 and DKKr9.2bn in the fourth quarter of 2008. Loan impairment charges remained extraordinarily high, reflecting the difficult market conditions and the GDP outlook. Total actual write-offs for the period amounted to DKKr0.6bn.

| LOAN IMPAIRMENT CHARGES (Q1 2009)<br>(DKK m) |            |            |       |
|--|------------|------------|-------|
|  | Individual | Collective | Total |
| Banking Activities Denmark                   | 2,855      | 30         | 2,885 |
| Banking Activities Finland                   | 226        | 159        | 385   |
| Banking Activities Sweden                    | 227        | 70         | 297   |
| Banking Activities Norway                    | 260        | 37         | 297   |
| Banking Activities Northern Ireland          |            |            |       |
| Ireland                                      | 511        | -66        | 445   |
| Banking Activities Ireland                   | 1,553      | -80        | 1,473 |
| Banking Activities Baltics                   | 142        | 417        | 559   |
| Other Banking Activities                     | -52        | -14        | -66   |
| Danske Markets                               | 651        | 1,047      | 1,698 |
| Danske Capital                               | 25         | -17        | 8     |
| Total  | 6,398      | 1,583      | 7,981 |

Banking Activities Denmark made individual impairment charges for loans to small and medium-sized businesses within the consumer durables and real property sectors in particular. In the first quarter of 2009, the Group recognised an individual impairment charge of DKKr0.3bn to cover expected losses under the loss guarantee to the Danish state under Bank Package I.

With increases in unemployment and forced sales, the need for impairment charges against facilities to retail customers grew. Property prices continued to

decline in 2009, and this led to higher loan-to-value ratios. The delinquency rate of home loans is still relatively low, but it is rising rapidly and is at the highest level in recent years. At March 31, 2009, Realkredit Danmark had 27 foreclosures. This is far from the level at the beginning of the 1990s, when Realkredit Danmark took over more than 4,000 properties in a single year.

At Banking Activities Ireland and Banking Activities Northern Ireland, loan impairment charges were attributable to large individual charges for loans to a number of corporate customers, property developers in particular.

The economic recession in the Baltic countries led the Group to make additional collective impairment charges of DKKr0.4bn, but the Group's exposure is modest, only 1.3% of lending.

Danske Markets recognised further impairment charges of DKKr1.7bn against facilities to financial counterparties. Some DKKr1.0bn of this amount was a collective impairment charge made because of great uncertainty about the value of the underlying assets.

### Tax

Tax on the profit for the period amounted to DKKr0.8bn, or 33% of the pre-tax result. The effective tax rate is high because of pre-tax losses in countries where the tax rates are lower than in Denmark, such as Ireland.

### Net profit for the period

The net profit for the first quarter of 2009 was DKKr1,553m. Overall, the result was less satisfactory, although better than expected.

## Balance sheet

| LENDING (END OF PERIOD)<br>(DKr m)  | Q1<br>2009       | Q1<br>2008       | Index<br>09/08 | Q1<br>2009       | Q4<br>2008       | Q3<br>2008       | Q2<br>2008       | Q1<br>2008       | Full year<br>2008 |
|-------------------------------------|------------------|------------------|----------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Banking Activities Denmark          | 1,034,386        | 1,000,668        | 103            | 1,034,386        | 1,043,312        | 1,016,831        | 1,005,836        | 1,000,668        | 1,043,312         |
| Other, Denmark                      | 45,182           | 40,090           | 113            | 45,182           | 55,561           | 39,034           | 28,551           | 40,090           | 55,561            |
| <b>Total Denmark</b>                | <b>1,079,568</b> | <b>1,040,758</b> | <b>104</b>     | <b>1,079,568</b> | <b>1,098,873</b> | <b>1,055,865</b> | <b>1,034,387</b> | <b>1,040,758</b> | <b>1,098,873</b>  |
| Banking Activities Finland          | 169,178          | 167,778          | 101            | 169,178          | 172,617          | 171,180          | 166,679          | 167,778          | 172,617           |
| Banking Activities Sweden           | 174,973          | 167,561          | 104            | 174,973          | 173,732          | 187,636          | 178,809          | 167,561          | 173,732           |
| Banking Activities Norway           | 154,541          | 144,327          | 107            | 154,541          | 141,446          | 156,682          | 155,406          | 144,327          | 141,446           |
| Banking Activities Northern Ireland | 49,694           | 58,137           | 85             | 49,694           | 53,376           | 66,482           | 63,052           | 58,137           | 53,376            |
| Banking Activities Ireland          | 80,035           | 71,836           | 111            | 80,035           | 79,352           | 78,717           | 75,365           | 71,836           | 79,352            |
| Banking Activities Baltics          | 29,852           | 27,833           | 107            | 29,852           | 30,426           | 30,146           | 29,164           | 27,833           | 30,426            |
| Other, international                | 32,644           | 42,142           | 77             | 32,644           | 35,501           | 41,136           | 42,941           | 42,142           | 35,501            |
| <b>Total international</b>          | <b>690,917</b>   | <b>679,614</b>   | <b>102</b>     | <b>690,917</b>   | <b>686,450</b>   | <b>731,979</b>   | <b>711,416</b>   | <b>679,614</b>   | <b>686,450</b>    |
| <b>Total lending</b>                | <b>1,770,485</b> | <b>1,720,372</b> | <b>103</b>     | <b>1,770,485</b> | <b>1,785,323</b> | <b>1,787,844</b> | <b>1,745,803</b> | <b>1,720,372</b> | <b>1,785,323</b>  |

### DEPOSITS AND BONDS ISSUED BY REALKREDIT DANMARK (END OF PERIOD) (DKr m)

|   |                |                |            |                |                |                |                |                |                |
|---|----------------|----------------|------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Banking Activities Denmark                                      | 315,274        | 316,702        | 100        | 315,274        | 305,373        | 300,204        | 306,911        | 316,702        | 305,373        |
| Other, Denmark  | 179,982        | 245,568        | 73         | 179,982        | 206,416        | 180,422        | 252,837        | 245,568        | 206,416        |
| <b>Total Denmark</b>  | <b>495,256</b> | <b>562,270</b> | <b>88</b>  | <b>495,256</b> | <b>511,789</b> | <b>480,626</b> | <b>559,748</b> | <b>562,270</b> | <b>511,789</b> |
| Banking Activities Finland                                      | 95,801         | 93,306         | 103        | 95,801         | 90,358         | 89,282         | 88,855         | 93,306         | 90,358         |
| Banking Activities Sweden                                       | 59,294         | 57,130         | 104        | 59,294         | 56,187         | 59,368         | 60,431         | 57,130         | 56,187         |
| Banking Activities Norway                                       | 51,514         | 56,417         | 91         | 51,514         | 47,426         | 52,752         | 57,442         | 56,417         | 47,426         |
| Banking Activities Northern Ireland                             | 42,807         | 52,088         | 82         | 42,807         | 44,459         | 57,288         | 55,845         | 52,088         | 44,459         |
| Banking Activities Ireland                                      | 26,738         | 23,874         | 112        | 26,738         | 24,556         | 25,620         | 24,284         | 23,874         | 24,556         |
| Banking Activities Baltics                                      | 15,442         | 11,503         | 134        | 15,442         | 14,962         | 12,967         | 11,502         | 11,503         | 14,962         |
| Other, international  | 9,597          | 14,556         | 66         | 9,597          | 10,560         | 12,842         | 14,266         | 14,556         | 10,560         |
| <b>Total international</b>                                      | <b>301,193</b> | <b>308,874</b> | <b>98</b>  | <b>301,193</b> | <b>288,508</b> | <b>310,119</b> | <b>312,625</b> | <b>308,874</b> | <b>288,508</b> |
| <b>Total deposits</b>   | <b>796,449</b> | <b>871,144</b> | <b>91</b>  | <b>796,449</b> | <b>800,297</b> | <b>790,745</b> | <b>872,373</b> | <b>871,144</b> | <b>800,297</b> |
| Bonds issued by Realkredit Danmark                              | 511,118        | 502,538        | 102        | 511,118        | 479,534        | 480,521        | 488,593        | 502,538        | 479,534        |
| Own holdings of Realkredit Danmark bonds                        | 132,031        | 108,523        | 122        | 132,031        | 168,197        | 126,997        | 113,626        | 108,523        | 168,197        |
| <b>Total Realkredit Danmark bonds</b>                           | <b>643,149</b> | <b>611,061</b> | <b>105</b> | <b>643,149</b> | <b>647,731</b> | <b>607,518</b> | <b>602,219</b> | <b>611,061</b> | <b>647,731</b> |
| Deposits and bonds issued by Realkredit Danmark                 | 1,439,598      | 1,482,205      | 97         | 1,439,598      | 1,448,028      | 1,398,263      | 1,474,592      | 1,482,205      | 1,448,028      |
| Lending as % of deposits and bonds issued by Realkredit Danmark | 123.0          | 116.1          |            | 123.0          | 123.3          | 127.9          | 118.4          | 116.1          | 123.3          |

### Credit exposure

At March 31, 2009, the Group's total credit exposure was DKr3,315bn. Some DKr2,448bn of this amount derived from lending activities in and outside Denmark, and DKr867bn derived from trading and investment activities.

### Loan portfolio

Loans and advances extended by the Group's operations in Denmark were at the same level as at the end of 2008. Retail lending grew 1%, whereas corporate lending fell 2%.

Excluding the effects of changes in foreign exchange rates, lending outside Denmark fell 1%. Retail lending increased 1%, whereas corporate lending decreased 3%.



| LOAN PORTFOLIO CREDIT EXPOSURE<br>(DKr m) | March 31,<br>2009 | Dec. 31,<br>2008 |
|---|-------------------|------------------|
| Banking Activities Denmark                | 1,133,249         | 1,130,067        |
| Banking Activities Finland                | 206,244           | 207,243          |
| Banking Activities Sweden                 | 215,443           | 219,689          |
| Banking Activities Norway                 | 188,578           | 175,408          |
| Banking Activities Northern Ireland       | 52,627            | 54,746           |
| Banking Activities Ireland                | 80,393            | 81,057           |
| Banking Activities Baltics                | 32,009            | 32,130           |
| Other Banking Activities                  | 73,287            | 61,967           |
| Danske Markets                            | 442,642           | 534,102          |
| Danske Capital                            | 23,418            | 23,461           |
| <b>Total</b>                              | <b>2,447,890</b>  | <b>2,519,870</b> |

The overall quality of the loan portfolio deteriorated in the first quarter of 2009, reflecting steeply declining industrial output, declining asset values, low consumer confidence and the economic slump. Credit exposure to the Group's two lowest rating categories was DKr43.5bn, against DKr32.6bn at the end of 2008. These rating categories hold the Group's portfolio of non-performing loans. The credit quality of non-performing loans ranges from bankruptcy and suspension of payments to past due amounts (minimum 90 days) and other individual indications of significant financial difficulty. The Group holds collateral for a large portion of this credit exposure.

At March 31, 2009, the allowance account stood at DKr23.5bn, including collective impairment charges of DKr6.4bn.

#### Financial counterparties

Exposure to financial counterparties declined DKr139bn in the first quarter of 2009 and totalled DKr495bn, or 20% of lending, at March 31, 2009.

For certain lending activities, the collateral consists of UK mortgage bonds and European corporate bonds issued under highly rated ABCP programmes. In addition, a small number of investment vehicles hold assets in the form of US mortgage bonds, including senior tranches of subprime mortgage bonds.

Asset values in the US housing market are extremely volatile and very adversely affected by the deteriorating financial markets. It has become increasingly difficult to accurately measure the value of such assets. Against this background, the Group made a collective impairment charge for these assets.

Exposure to private equity funds was DKr30bn, or less than 1.3% of total lending. The exposure comprises financing of acquisitions and operating companies, primarily in the Nordic market. Credit quality generally deteriorated in the period.

#### Deposits and bonds issued by Realkredit Danmark

Deposits at Banking Activities Denmark grew 3% in the first quarter of 2009. Retail deposits were up 4%, and corporate deposits grew 2%.

Excluding the effects of changes in foreign exchange rates, deposits at units outside Denmark grew 2%. Retail deposits fell 1%, and corporate deposits climbed 4%.

The market value of Realkredit Danmark mortgage bonds, including the Group's own holdings, issued to fund loans provided by Realkredit Danmark was DKr643bn, matching the level at December 31, 2008.

#### Trading and investment activities

Credit exposure relating to trading and investment activities declined from DKr1,003bn at December 31, 2008, to DKr867bn at March 31, 2009. The decline was due primarily to a drop in the positive fair value of conventional interest rate and currency contracts. The Group has made agreements with many of its counterparties to net positive and negative market values. Most of the facilities are secured by collateral management agreements.

The bond portfolio amounted to DKr401bn at March 31, 2009, against DKr423bn at December 31, 2008. Of this amount, the available-for-sale bond portfolio remained at DKr117bn.

Most of the bond portfolio can be refinanced with central banks and therefore forms part of the Group's liquidity reserve.

| BOND PORTFOLIO<br>(%)                            | March 31,<br>2009 | Dec. 31,<br>2008 |
|--|-------------------|------------------|
| Bonds guaranteed by central or local governments | 20                | 16               |
| Bonds issued by quasi-government institutions    | 2                 | 2                |
| Danish mortgage bonds                            | 38                | 40               |
| Swedish covered bonds                            | 19                | 20               |
| Other covered bonds                              | 9                 | 9                |
| Short-dated bonds (CP etc.) primarily with banks | 6                 | 7                |
| Credit bonds                                     | 6                 | 6                |
| <b>Total holdings</b>                            | <b>100</b>        | <b>100</b>       |

Short-term bonds are issued primarily by banks in Scandinavia, Finland, Spain and France. Eighty-eight per cent of the bonds have an external investment grade rating, and of those, 46% are rated AA- or higher.

Holdings of credit bonds consist of corporate bonds, including bonds issued by banks, and covered bonds that are not under public supervision. The majority of issuers are based in Italy, Scandinavia, Ireland, Germany, Portugal and the US. Ninety-four per cent of the bonds have an external investment grade rating, and of those, 31% are rated AA- or higher.



The bond portfolio benefited from declining short- and long-term interest rates in the first quarter of 2009. The continued widening of credit spreads had the opposite effect, however. No issuers of bonds in the Group's portfolio have defaulted on their payment obligations.

At March 31, 2009, the Group's VaR, excluding insurance activities at Danica Pension, stood at DKKr0.3bn, against DKKr0.5bn at the end of 2008. The fall was owing to reduced risk taking, which more than compensated for the increase in VaR caused by a model adjustment in 2009. In the adjustment, the most recent figures in the two-year data used to calculate VaR were given the greatest weighting.

### Solvency

At March 31, 2009, the solvency ratio was 12.9%, with 9.0 percentage points deriving from core (tier 1) capital. At the end of 2008, the solvency ratio was 13.0%, and the core capital ratio was 9.2%.

### Hybrid core capital

Under the loan agreements with the Danish state, the Group will receive DKKr26bn in the form of subordinated loan capital, including a loan of DKKr2bn to Realkredit Danmark. The effective annual yield is 9.765%. The yield is calculated as the Danish five-year government zero-coupon rate (reference rate), a fixed 6-percentage-point risk premium and a margin of 0.375 of a percentage point per annum determined specifically for the Group. The margin is calculated on the basis of the Group's average external ratings.

The effective annual yield will increase if Danske Bank pays dividends in excess of DKKr3.4bn per annum.

The loans are perpetual, but may be redeemed at par until the end of the fifth year, at a price of 105 until the end of the sixth year and at a price of 110 after the end of the sixth year.

The loans bring the Group's total hybrid core capital to 33.5% of core (tier 1) capital, including hybrid core capital. The agreement on the loan to Danske Bank contains an option to convert, in part, the subordinated loan capital into share capital if the hybrid core capital exceeds 35% of total core capital. The conversion option means that the Group will be able to optimise the use of the loan.

Under the agreement, Danske Bank must convert, in part, the loan into share capital if the hybrid core capital exceeds 50% of total core capital, including hybrid core capital. After conversion, the hybrid core capital may not exceed 35% of total core capital. The loan agreement stipulates that the conversion must be made at market price minus 5%. The conversion option runs for the first five years of the loan, and Danske Bank pays 0.50 of a percentage point per annum for this option. This

payment is included in the above effective annual yield.

The conversion option requires an amendment of the articles of association, and Danske Bank plans to call an extraordinary general meeting for this purpose to be held on May 14, 2009.

The terms and conditions of the loan agreements are available at [www.danskebank.com/ir](http://www.danskebank.com/ir).

The subordinated loans will further enhance the capital base, and the Group will be better prepared to withstand losses caused by the economic recession while maintaining a reasonable level of lending activities.

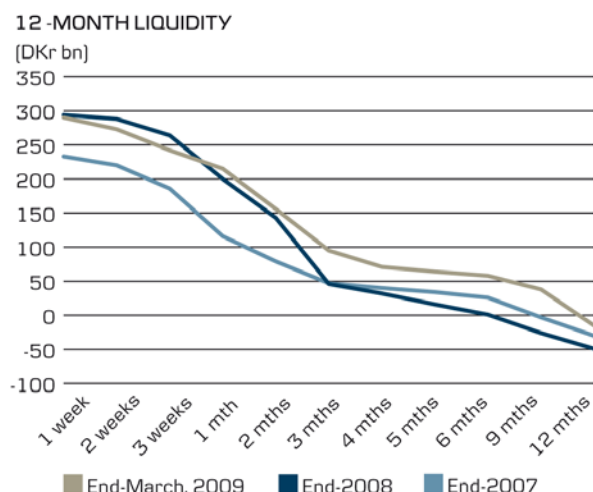
Had the loans been received by March 31, 2009, they would have increased the Group's core (tier 1) capital ratio to 12% and its solvency ratio to 16%. The core capital ratio of the parent company would have increased to 14% and its solvency ratio to 18%. These rates are considerably higher than the statutory minimum requirements.

### Liquidity

The slow improvement of the financial markets that began at the end of 2008, owing to the financial support packages among other things, continued in the first quarter of 2009.

An element of the Group's liquidity management is the 12-month liquidity curve. In its "Bank Financial Strength Ratings: Global Methodology", Moody's has set various classification requirements for banks' liquidity management. One requirement is that the 12-month liquidity curve must generally be positive. Liquidity calculations must assume that the Group is cut off from the capital markets, among other factors. This implies that short- and long-term bonds as well as subordinated debt are not refinanced at maturity.

In the first quarter, the liquidity curve improved by about DKKr40-60bn in the period from three to nine months ahead and by more than DKKr30bn 12 months ahead. The improvement reflects Danske Bank's issuance of bonds with terms of up to 18 months. The liquidity has improved across the curve since the end of 2007.



The international debt markets for long-term funding continue to suffer under the financial crisis. To optimise liquidity management and prepare for the transitional period after the expiry of the Danish state guarantee, the Group is taking various measures to raise long-term funding.

There is much unexploited potential in loans that can serve as collateral for covered bonds. In addition, the Group is making a great effort to factor in liquidity in its pricing of loans and deposits.

In addition to the hybrid core capital from the Danish state, the Group has decided to apply for a Danish state guarantee available to Danish credit institutions that specifically covers senior debt issued up to December 31, 2010, with a term of up to three years. The Group's use of the guarantee will depend on market conditions and its needs.

## Ratings

After the publication of Annual Report 2008, Danske Bank was downgraded by Standard & Poor's (from AA- to A+), Moody's (from Aa1 to Aa3) and Fitch Ratings (from AA- to A+).

## Outlook for 2009

The recession in the real economy and the deep financial crisis have created a generally more difficult business environment.

In 2009, the Group will focus mainly on serving the large existing customer base across all its markets.

Danish GDP is now expected to contract by 2.4% in 2009. At the publication of Annual Report 2008, the forecast was for a contraction of 0.7%. The Group's other markets are expected to see similarly negative developments, and the outlook for Ireland and the Baltic region is particularly bleak.

Short-term interest rates fell by around two percentage points in the first quarter of 2009. The remainder of 2009 is likely to see only minor interest rate cuts.

In recent years, the labour market in Denmark has been very tight. As the demand for goods and services has slowed, unemployment has begun to rise, although the level will probably remain relatively low.

Because of the economic climate, the Group expects the level of loan impairment charges to remain high throughout 2009. The turbulent markets are expected to stabilise gradually, however.

Expenses for the Danish state guarantee scheme and the subordinated loan also reduce the Group's expected earnings for 2009.

The performance of market-related activities – in Danske Markets, Danske Capital and Danica Pension – will depend greatly on trends in the financial markets, including the level of securities prices at the end of the year.

The year 2009 will be a very challenging year for the financial sector. The Group's solid earnings and capital base and its strong focus on risk, liquidity and capital management give it a good foundation for withstanding the effects of the economic slump. The Group will further strengthen this foundation by adjusting prices, product ranges and costs, and by continuing to focus on risk, liquidity and capital management.

## Business units

| INCOME<br>(DKr m)                   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|-------------------------------------|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Banking Activities Denmark          | 5,522      | 4,773      | 116            | 5,522      | 5,631      | 5,335      | 5,254      | 4,773      | 20,993            |
| Other banking activities in Denmark | 227        | 478        | 47             | 227        | 264        | 216        | 245        | 478        | 1,203             |
| Total Denmark                       | 5,749      | 5,251      | 109            | 5,749      | 5,895      | 5,551      | 5,499      | 5,251      | 22,196            |
| Banking Activities Finland          | 1,281      | 1,236      | 104            | 1,281      | 1,320      | 1,141      | 1,011      | 1,236      | 4,708             |
| Banking Activities Sweden           | 616        | 688        | 90             | 616        | 811        | 724        | 730        | 688        | 2,953             |
| Banking Activities Norway           | 902        | 674        | 134            | 902        | 724        | 775        | 795        | 674        | 2,968             |
| Banking Activities Northern Ireland | 398        | 518        | 77             | 398        | 473        | 498        | 524        | 518        | 2,013             |
| Banking Activities Ireland          | 389        | 348        | 112            | 389        | 437        | 371        | 359        | 348        | 1,515             |
| Banking Activities Baltics          | 213        | 220        | 97             | 213        | 257        | 189        | 263        | 220        | 929               |
| Other non-Danish banking activities | 93         | 91         | 102            | 93         | 100        | 91         | 94         | 91         | 376               |
| Total international                 | 3,892      | 3,775      | 103            | 3,892      | 4,122      | 3,789      | 3,776      | 3,775      | 15,462            |
| Danske Markets                      | 7,031      | 912        | -              | 7,031      | 1,399      | -76        | 1,528      | 912        | 3,763             |
| Danske Capital                      | 388        | 470        | 83             | 388        | 369        | 419        | 439        | 470        | 1,697             |
| Danica Pension                      | 91         | -565       | -              | 91         | -403       | -493       | -272       | -565       | -1,733            |
| Other Activities                    | 56         | 436        | 13             | 56         | 654        | -4         | 572        | 436        | 1,658             |
| Total Group                         | 17,207     | 10,279     | 167            | 17,207     | 12,036     | 9,186      | 11,542     | 10,279     | 43,043            |

**Banking Activities** caters to all types of retail and corporate customers. The Group's finance centres serve large businesses and private banking customers. Mortgage finance operations in Denmark are carried out through Realkredit Danmark. Real-estate agency operations are conducted by "home", Skandia Mäklarna and Fokus Krosveen – the Group's real-estate agency chains. The aggregate property finance operations are thus included in Banking Activities. At January 1, 2009, the activities of Banking Activities Russia were transferred from Banking Activities Finland to Other Banking Activities.

**Danske Markets** is responsible for the Group's activities in the financial markets. Trading activities include trading in fixed-income products, foreign exchange, equities and interest-bearing securities. Danske Markets provides financial products, advisory services on mergers and acquisitions, and assistance with equity and debt issues in the international financial markets to large corporate customers and institutional clients. Group Treasury is responsible for the Bank's short-term holdings. The investment portfolio covers the Bank's strategic fixed-income, foreign exchange and equity portfolios. Institutional banking covers facilities with international financial institutions outside the Nordic region. Facilities with Nordic financial institutions form part of the Group's banking activities.

**Danske Capital** develops and sells asset and wealth management products and services. They are marketed through the Group's banking units and directly to businesses, institutional clients and external distributors. Danske Capital supports the advisory and asset management activities of the Group's banking units, and through Danske Bank

International in Luxembourg, it provides international private banking services to clients outside the Group's home markets. Danske Capital is represented in Denmark, Sweden, Norway, Finland, Estonia, Lithuania and Luxembourg.

**Danica Pension** is responsible for the Group's activities in the life insurance and pensions market. Danica Pension targets both personal and corporate customers. Its products are marketed through a wide range of distribution channels within the Group, primarily banking units and Danica Pension's own insurance brokers and advisers. Danica Pension offers two market-based products, *Danica Balance* and *Danica Link*. These products allow customers to select their own investment profile, and the return on savings depends on market trends. Furthermore, Danica Pension offers *Danica Traditionel*. This product does not offer individual investment profiles, and Danica Pension sets the rate of interest on policyholders' savings.

**Other Activities** covers the Group's support functions, real property activities, and eliminations, including the elimination of returns on own shares.



BRANCHES  
**372**

EMPLOYEES  
**6,172**

PRE-TAX PROFIT  
**DKr-391m**

MARKET SHARE OF LENDING  
**29.4%**

## Banking Activities Denmark

| BANKING ACTIVITIES DENMARK<br>(DKr m)                                | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|--|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income  | 4,211      | 3,521      | 120            | 4,211      | 4,315      | 3,933      | 3,786      | 3,521      | 15,555            |
| Net fee income   | 854        | 971        | 88             | 854        | 880        | 905        | 1,083      | 971        | 3,839             |
| Net trading income   | 233        | 234        | 100            | 233        | 186        | 282        | 124        | 234        | 826               |
| Other income   | 224        | 47         | -              | 224        | 250        | 215        | 261        | 47         | 773               |
| Total income   | 5,522      | 4,773      | 116            | 5,522      | 5,631      | 5,335      | 5,254      | 4,773      | 20,993            |
| Operating expenses   | 3,028      | 2,365      | 128            | 3,028      | 3,245      | 2,394      | 2,604      | 2,365      | 10,608            |
| Profit before loan impairment charges                                | 2,494      | 2,408      | 104            | 2,494      | 2,386      | 2,941      | 2,650      | 2,408      | 10,385            |
| Loan impairment charges  | 2,885      | 335        | -              | 2,885      | 3,319      | 448        | 252        | 335        | 4,354             |
| Profit before tax  | -391       | 2,073      | -              | -391       | -933       | 2,493      | 2,398      | 2,073      | 6,031             |
| Loans and advances (end of period)                                   | 1,034,386  | 1,000,668  | 103            | 1,034,386  | 1,043,312  | 1,016,831  | 1,005,836  | 1,000,668  | 1,043,312         |
| Deposits (end of period)   | 315,274    | 316,702    | 100            | 315,274    | 305,373    | 300,204    | 306,911    | 316,702    | 305,373           |
| Bonds issued by Realkredit Danmark                                   | 643,149    | 611,061    | 105            | 643,149    | 647,731    | 607,518    | 602,219    | 611,061    | 647,731           |
| Allocated capital (avg.)   | 40,002     | 37,552     | 107            | 40,002     | 39,682     | 38,753     | 38,626     | 37,552     | 38,656            |
| Profit before loan impairment charges as % p.a. of allocated capital | 24.9       | 25.6       |                | 24.9       | 24.1       | 30.4       | 27.4       | 25.6       | 26.9              |
| Pre-tax profit as % p.a. of allocated capital (ROE)                  | -3.9       | 22.1       |                | -3.9       | -9.4       | 25.7       | 24.8       | 22.1       | 15.6              |
| Cost/income ratio [%]  | 54.8       | 49.5       |                | 54.8       | 57.6       | 44.9       | 49.6       | 49.5       | 50.5              |

At April 1, 2008, the activities of Nordania Leasing within real property, construction and agricultural machinery, and capital and IT equipment were transferred from Other Banking Activities. Comparative figures have not been restated.

- Large loan impairment charges caused a pre-tax loss
- Profit before loan impairment charges up 4%
- Net interest income up 20%
- Improved lending margins
- Growth in lending
- Unchanged market share

The crisis in the Danish economy continued into the first quarter of 2009. Against the backdrop of declining asset values in the equity and housing markets and rising unemployment, the Group expects consumer spending to continue to decrease throughout the year. Danish GDP is set to contract by about 2.4% in 2009.

Net interest income rose 20%, mainly because of the widening of lending margins since the first quarter of 2008. By contrast, deposit margins fell, with a negative effect on earnings.

Total lending exceeded the level in the first quarter of 2008 by 3%, with retail lending up 4% and corporate lending up 3%. Total deposits matched the level in the first quarter of 2008: retail deposits rose 5%, while corporate deposits fell 6%. The market value of mortgage bonds issued to fund loans provided by Realkredit Danmark increased 5%.

Operating expenses included the guarantee commission of DKr0.6bn paid to the Danish state.

Loan impairment charges came to DKr2.9bn, against DKr3.3bn for the fourth quarter of 2008. The amount included charges against loans to retail customers and small and medium-sized businesses within the consumer durables and real property sectors. The Group also recognised an individual impairment charge of DKr0.3bn to cover expected losses under the loss guarantee to the Danish state under Bank Package I. With increases in forced sales and unemployment, the need for impairment charges against facilities to retail customers grew. Total financial stability expenses thus amounted to DKr0.9bn in the first quarter of 2009.

Most of Realkredit Danmark's impairment charges related to corporate loans. At the end of March, 2009, payments were more than 90 days past due on 1,966 out of a total of 421,000 loans. The figure was 1,451 at the end of 2008.

Banking Activities Denmark's market share of lending, including mortgage loans, was 29.4% at March 31, 2009, down from 29.9% a year earlier, while its share of deposits was 29.1%, down from 30.4%.



## Banking Activities Finland

| BANKING ACTIVITIES FINLAND<br>(DKr m)                                   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 921        | 796        | 116            | 921        | 930        | 826        | 800        | 796        | 3,352             |
| Net fee income  | 263        | 362        | 73             | 263        | 326        | 206        | 143        | 362        | 1,037             |
| Net trading income  | 13         | 11         | 118            | 13         | 44         | 23         | -          | 11         | 78                |
| Other income  | 84         | 67         | 125            | 84         | 20         | 86         | 68         | 67         | 241               |
| Total income  | 1,281      | 1,236      | 104            | 1,281      | 1,320      | 1,141      | 1,011      | 1,236      | 4,708             |
| Amortisation of intangible assets                                       | 118        | 117        | 101            | 118        | 116        | 118        | 118        | 117        | 469               |
| Integration expenses  | 69         | 172        | 40             | 69         | 107        | 64         | 239        | 172        | 582               |
| Other operating expenses  | 692        | 760        | 91             | 692        | 720        | 612        | 800        | 760        | 2,892             |
| Operating expenses  | 879        | 1,049      | 84             | 879        | 943        | 794        | 1,157      | 1,049      | 3,943             |
| Profit before loan impairment charges                                   | 402        | 187        | 215            | 402        | 377        | 347        | -146       | 187        | 765               |
| Loan impairment charges   | 385        | -28        | -              | 385        | 395        | 123        | 21         | -28        | 511               |
| Profit before tax   | 17         | 215        | 8              | 17         | -18        | 224        | -167       | 215        | 254               |
| Profit before tax in local currency (€)                                 | 2          | 29         | 7              | 2          | -2         | 30         | -23        | 29         | 34                |
| Loans and advances (end of period)                                      | 169,178    | 167,778    | 101            | 169,178    | 172,617    | 171,180    | 166,679    | 167,778    | 172,617           |
| Deposits (end of period)  | 95,801     | 93,306     | 103            | 95,801     | 90,358     | 89,282     | 88,855     | 93,306     | 90,358            |
| Allocated capital (avg.)  | 7,774      | 7,765      | 100            | 7,774      | 7,675      | 7,568      | 7,484      | 7,765      | 7,623             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 20.7       | 9.6        |                | 20.7       | 19.6       | 18.3       | -7.8       | 9.6        | 10.0              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | 0.9        | 11.1       |                | 0.9        | -0.9       | 11.8       | -8.9       | 11.1       | 3.3               |
| Cost/income ratio (%)   | 68.6       | 84.9       |                | 68.6       | 71.4       | 69.6       | 114.4      | 84.9       | 83.8              |
| Cost/income ratio, excluding total<br>integration expenses (%)          | 54.0       | 61.5       |                | 54.0       | 54.5       | 53.6       | 79.1       | 61.5       | 61.4              |

- Profit before loan impairment charges up 115%
- Net interest income up 16%
- Significantly improved cost/income ratio
- Higher impairment charges than in the first quarter of 2008

The first quarter of 2009 saw lower growth in Finland because of the global recession, and this resulted in falling demand and rising unemployment. Forecasts indicate a contraction of Finnish GDP of about 3.5% in 2009.

Net interest income rose 16% over the level in the first quarter of 2008. One reason was extraordinary income of about DKr60m from the favourable outcome of a lawsuit.

Owing primarily to a decline in integration expenses and realised synergies, operating expenses fell 16% and were significantly lower than in 2008.

Total lending was in line with the level in the first quarter of 2008. Retail lending was down 4%, while corporate lending was up 7%.

Total deposits rose 3% over the year-earlier figure. Retail deposits were unchanged, while corporate deposits climbed 5%.

Loan impairment charges were on a par with the level in the fourth quarter of 2008 and related mainly to facilities to small and medium-sized businesses. The economic downturn led to a need for collective impairment charges.

At March 31, 2009, Banking Activities Finland's market share of lending was 13.6%, down from 14.4% a year earlier, while its share of deposits was 11.9%, down from 13.6%.





## Banking Activities Sweden

| BANKING ACTIVITIES SWEDEN<br>(DKr m)                                    | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 456        | 472        | 97             | 456        | 610        | 531        | 507        | 472        | 2,120             |
| Net fee income  | 130        | 180        | 72             | 130        | 162        | 153        | 178        | 180        | 673               |
| Net trading income  | 21         | 26         | 81             | 21         | 26         | 28         | 28         | 26         | 108               |
| Other income  | 9          | 10         | 90             | 9          | 13         | 12         | 17         | 10         | 52                |
| Total income  | 616        | 688        | 90             | 616        | 811        | 724        | 730        | 688        | 2,953             |
| Operating expenses  | 341        | 384        | 89             | 341        | 390        | 380        | 401        | 384        | 1,555             |
| Profit before loan impairment charges                                   | 275        | 304        | 90             | 275        | 421        | 344        | 329        | 304        | 1,398             |
| Loan impairment charges   | 297        | 67         | -              | 297        | 391        | 30         | 32         | 67         | 520               |
| Profit before tax   | -22        | 237        | -              | -22        | 30         | 314        | 297        | 237        | 878               |
| Profit before tax in local currency (SKr)                               | -33        | 301        | -              | -33        | 5          | 402        | 373        | 301        | 1,081             |
| Loans and advances (end of period)                                      | 174,973    | 167,561    | 104            | 174,973    | 173,732    | 187,636    | 178,809    | 167,561    | 173,732           |
| Deposits (end of period)  | 59,294     | 57,130     | 104            | 59,294     | 56,187     | 59,368     | 60,431     | 57,130     | 56,187            |
| Allocated capital (avg.)  | 8,484      | 7,766      | 109            | 8,484      | 9,006      | 8,612      | 8,367      | 7,766      | 8,440             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 13.0       | 15.7       |                | 13.0       | 18.7       | 16.0       | 15.7       | 15.7       | 16.6              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | -1.0       | 12.2       |                | -1.0       | 1.3        | 14.6       | 14.2       | 12.2       | 10.4              |
| Cost/income ratio (%)   | 55.4       | 55.8       |                | 55.4       | 48.1       | 52.5       | 54.9       | 55.8       | 52.7              |

- Profit before loan impairment charges up 6% in local currency
- Depreciation of local currency (Swedish krona)
- Improved lending margins
- Deposit margins under pressure
- Higher impairment charges than in the first quarter of 2008

Lower economic growth as a result of lower demand, rising unemployment and continued financial turmoil were characteristic factors of the first quarter of 2009 in Sweden. Forecasts indicate a contraction of Swedish GDP of about 4.5% in 2009.

Total income declined 10% from the year-earlier figure. The reasons included a decrease in net fee income caused by lower brokerage and custody fees, particularly within investments. Moreover, net interest income declined from the level in the first quarter of 2008 owing to narrower deposit margins in the retail and corporate segments. Deposit margins came under pressure because the Swedish central bank made several large interest rate cuts. Another factor was the keener market-driven competition for deposits. Lending margins exceeded the level in the first quarter of 2008.

Operating expenses fell 11% from the level in the first quarter of 2008. The decline was attributable to the depreciation of the Swedish krona and stronger focus on costs in general.

Lending rose 22% over the level a year ago in local currency, with retail lending gaining 18% and corporate lending 24%.

In local currency, total deposits increased 21% over the figure for the first quarter of 2008, with retail deposits up 14% and corporate deposits up 24%.

Difficult conditions for businesses led to loan impairment charges of DKr297m, against DKr391m for the fourth quarter of 2008.

At March 31, 2009, Banking Activities Sweden's market share of lending was 6.6%, up from 5.9% a year earlier, while its share of deposits was 5.2%, up from 4.7%.





## Banking Activities Norway

| BANKING ACTIVITIES NORWAY<br>(DKr m)                                    | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 666        | 468        | 142            | 666        | 588        | 529        | 510        | 468        | 2,095             |
| Net fee income  | 90         | 101        | 89             | 90         | 87         | 102        | 104        | 101        | 394               |
| Net trading income  | 49         | 43         | 114            | 49         | 15         | 50         | 44         | 43         | 152               |
| Other income  | 97         | 62         | 156            | 97         | 34         | 94         | 137        | 62         | 327               |
| Total income  | 902        | 674        | 134            | 902        | 724        | 775        | 795        | 674        | 2,968             |
| Goodwill impairment charge  | -          | -          | -              | -          | 141        | -          | -          | -          | 141               |
| Other operating expenses  | 451        | 422        | 107            | 451        | 421        | 452        | 478        | 422        | 1,773             |
| Operating expenses  | 451        | 422        | 107            | 451        | 562        | 452        | 478        | 422        | 1,914             |
| Profit before loan impairment charges                                   | 451        | 252        | 179            | 451        | 162        | 323        | 317        | 252        | 1,054             |
| Loan impairment charges   | 297        | 28         | -              | 297        | 437        | 6          | 18         | 28         | 489               |
| Profit before tax   | 154        | 224        | 69             | 154        | -275       | 317        | 299        | 224        | 565               |
| Profit before tax in local currency (Nkr)                               | 184        | 241        | 76             | 184        | -404       | 343        | 318        | 241        | 498               |
| Loans and advances (end of period)                                      | 154,541    | 144,327    | 107            | 154,541    | 141,446    | 156,682    | 155,406    | 144,327    | 141,446           |
| Deposits (end of period)  | 51,514     | 56,417     | 91             | 51,514     | 47,426     | 52,752     | 57,442     | 56,417     | 47,426            |
| Allocated capital (avg.)  | 7,705      | 6,688      | 115            | 7,705      | 7,921      | 7,761      | 7,410      | 6,688      | 7,447             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 23.4       | 15.1       |                | 23.4       | 8.2        | 16.6       | 17.1       | 15.1       | 14.2              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | 8.0        | 13.4       |                | 8.0        | -13.9      | 16.3       | 16.1       | 13.4       | 7.6               |
| Cost/income ratio (%)   | 50.0       | 62.6       |                | 50.0       | 77.6       | 58.3       | 60.1       | 62.6       | 64.5              |
| Cost/income ratio, excluding goodwill<br>impairment charge (%)          | 50.0       | 62.6       |                | 50.0       | 58.1       | 58.3       | 60.1       | 62.6       | 59.7              |

- Profit before loan impairment charges up 79%
- Depreciation of local currency (Norwegian krone)
- Improved cost/income ratio
- Higher impairment charges than in the first quarter of 2008

The first three months of 2009 saw continued turmoil in the financial markets and a slowdown in the Norwegian economy, as evidenced by markedly lower consumer spending. Against this background, Norwegian GDP is set to contract by about 0.5% in 2009.

Total income rose 34% over the level a year earlier. Net interest income increased because of wider deposit and lending margins.

Total lending exceeded the level recorded in the first quarter of 2008 by 18% in local currency, with retail lending up 6% and corporate lending up 26%.

Total deposits rose 1% over the year-earlier figure in local currency. Retail deposits grew 6%, while corporate deposits slipped 1%.

Loan impairment charges of DKr297m, against DKr437m for the fourth quarter of 2008, were occasioned mainly by conditions in the increasingly troubled industrial sector.

At the end of March 2009, Banking Activities Norway's market share of lending was 6.3%, while its share of deposits was 4.4%, both largely unchanged from the levels at March 31, 2008.



## Banking Activities Northern Ireland

| BANKING ACTIVITIES NORTHERN IRELAND<br>(DKr m)                          | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 326        | 400        | 82             | 326        | 344        | 372        | 392        | 400        | 1,508             |
| Net fee income  | 70         | 95         | 74             | 70         | 82         | 94         | 91         | 95         | 362               |
| Net trading income  | -          | 21         | -              | -          | 43         | 28         | 32         | 21         | 124               |
| Other income  | 2          | 2          | 100            | 2          | 4          | 4          | 9          | 2          | 19                |
| Total income  | 398        | 518        | 77             | 398        | 473        | 498        | 524        | 518        | 2,013             |
| Operating expenses  | 316        | 371        | 85             | 316        | 321        | 336        | 335        | 371        | 1,363             |
| Profit before loan impairment charges                                   | 82         | 147        | 56             | 82         | 152        | 162        | 189        | 147        | 650               |
| Loan impairment charges   | 445        | 29         | -              | 445        | 415        | 143        | 54         | 29         | 641               |
| Profit before tax   | -363       | 118        | -              | -363       | -263       | 19         | 135        | 118        | 9                 |
| Profit before tax in local currency (£)                                 | -45        | 12         | -              | -45        | -40        | 2          | 14         | 12         | -12               |
| Loans and advances (end of period)                                      | 49,694     | 58,137     | 85             | 49,694     | 53,376     | 66,482     | 63,052     | 58,137     | 53,376            |
| Deposits (end of period)  | 42,807     | 52,088     | 82             | 42,807     | 44,459     | 57,288     | 55,845     | 52,088     | 44,459            |
| Allocated capital (avg.)  | 1,947      | 2,614      | 74             | 1,947      | 2,219      | 2,457      | 2,510      | 2,614      | 2,449             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 16.8       | 22.5       |                | 16.8       | 27.4       | 26.4       | 30.1       | 22.5       | 26.5              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | -74.6      | 18.1       |                | -74.6      | -47.4      | 3.1        | 21.5       | 18.1       | 0.4               |
| Cost/income ratio (%)   | 79.4       | 71.6       |                | 79.4       | 67.9       | 67.5       | 63.9       | 71.6       | 67.7              |

- Large loan impairment charges caused a pre-tax loss
- Profit before loan impairment charges down 31% in local currency
- Depreciation of local currency (pound sterling)
- Deposits unchanged in local currency

In Northern Ireland, the economic downturn and the turmoil in the financial markets continued in the first quarter of 2009, as reflected in shrinking demand, declining activity in the housing market and a depreciation of the pound sterling. Forecasts indicate a contraction of Northern Ireland GDP of about 1.3% in 2009.

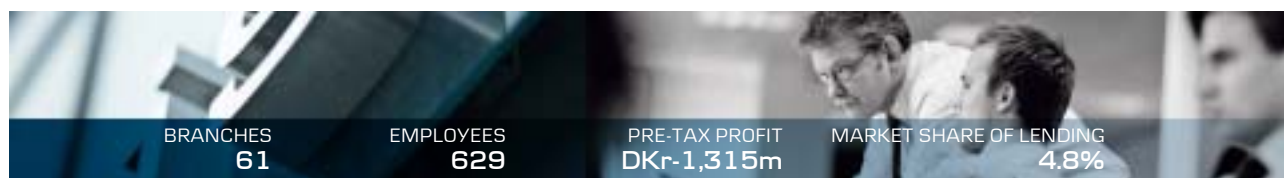
In comparison with the first quarter of 2008, net interest income fell 3% in local currency, reflecting lower activity and increased price competition. Retail deposit margins – and to a lesser degree corporate deposit margins – narrowed sharply because of central-bank interest rate cuts. A moderate widening of lending margins was not sufficient to offset the decline.

The difficult market conditions, coupled with the depreciation of the pound sterling, caused total income to decline 23% from the level a year earlier.

Operating expenses in the first quarter of 2009 included DKr49m in expenses for the Financial Services Compensation Scheme.

Retail lending rose 12% in local currency over the level in the first quarter of 2008. Excluding public-sector loans and deposits, corporate lending was up 6%. Deposits were stable.

Loan impairment charges came to DKr445m, against DKr415m for the fourth quarter of 2008. The charges were made against a number of corporate facilities within the property segment in particular.



## Banking Activities Ireland

| BANKING ACTIVITIES IRELAND<br>(DKr m)                                   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 339        | 287        | 118            | 339        | 378        | 317        | 302        | 287        | 1,284             |
| Net fee income  | 33         | 42         | 79             | 33         | 42         | 37         | 39         | 42         | 160               |
| Net trading income  | 15         | 14         | 107            | 15         | 16         | 14         | 18         | 14         | 62                |
| Other income  | 2          | 5          | 40             | 2          | 1          | 3          | -          | 5          | 9                 |
| Total income  | 389        | 348        | 112            | 389        | 437        | 371        | 359        | 348        | 1,515             |
| Goodwill impairment charge  | -          | -          | -              | -          | 2,940      | -          | -          | -          | 2,940             |
| Other operating expenses  | 231        | 265        | 87             | 231        | 248        | 243        | 235        | 265        | 991               |
| Operating expenses  | 231        | 265        | 87             | 231        | 3,188      | 243        | 235        | 265        | 3,931             |
| Profit before loan impairment charges                                   | 158        | 83         | 190            | 158        | -2,751     | 128        | 124        | 83         | -2,416            |
| Loan impairment charges   | 1,473      | 34         | -              | 1,473      | 1,002      | 509        | 155        | 34         | 1,700             |
| Profit before tax   | -1,315     | 49         | -              | -1,315     | -3,753     | -381       | -31        | 49         | -4,116            |
| Profit before tax in local currency (€)                                 | -177       | 6          | -              | -177       | -503       | -51        | -4         | 6          | -552              |
| Loans and advances (end of period)                                      | 80,035     | 71,836     | 111            | 80,035     | 79,352     | 78,717     | 75,365     | 71,836     | 79,352            |
| Deposits (end of period)  | 26,738     | 23,874     | 112            | 26,738     | 24,556     | 25,620     | 24,284     | 23,874     | 24,556            |
| Allocated capital (avg.)  | 3,307      | 3,035      | 109            | 3,307      | 3,360      | 3,233      | 3,128      | 3,035      | 3,190             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 19.1       | 10.9       |                | 19.1       | -327.5     | 15.8       | 15.9       | 10.9       | -75.7             |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | -159.1     | 6.5        |                | -159.1     | -446.8     | -47.1      | -4.0       | 6.5        | -129.0            |
| Cost/income ratio, excluding goodwill<br>impairment charge (%)          | 59.4       | 76.1       |                | 59.4       | 56.8       | 65.5       | 65.5       | 76.1       | 65.4              |

- Large loan impairment charges caused a pre-tax loss
- Profit before loan impairment charges up 90%
- Operating expenses down 13%
- Significant loan impairment charges
- Improved cost/income ratio

In the first three months of 2009, Ireland experienced lower economic growth and turmoil in the financial markets, as reflected in rising unemployment and falling housing prices. Because of the critical market situation, Irish GDP is set to contract by about 6.0% in 2009.

Total income rose 12% over the level in the first quarter of 2008, owing primarily to an increase in net interest income generated by higher lending volumes and wider margins. Increased competition has squeezed deposit margins. Net interest income also suffered from higher funding costs.

Operating expenses declined 13% from the year-earlier figure, mainly because of lower marketing expenses and staff costs as well as generally tight cost control.

Total lending exceeded the level in the first quarter of 2008 by 11%, with retail lending up 11% and corporate lending up 12%, but has been unchanged for the past three quarters.

Deposits grew 12% over the level a year earlier. Retail deposits fell 7%, while corporate deposits rose 40%.

Loan impairment charges amounted to DKr1,473m, against DKr1,002m for the fourth quarter of 2008. In the first quarter of 2009, the Group had a high level of individual impairment charges against facilities to corporate customers in the property sector.

At March 31, 2009, Banking Activities Ireland's market share of lending was 4.8%, while its share of deposits was 3.1% – on a par with the shares a year before.



## Banking Activities Baltics

| BANKING ACTIVITIES BALTICS<br>(DKr m)                                   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 143        | 162        | 88             | 143        | 173        | 140        | 163        | 162        | 638               |
| Net fee income  | 32         | 36         | 89             | 32         | 39         | 43         | 44         | 36         | 162               |
| Net trading income  | 35         | 18         | 194            | 35         | 37         | 2          | 52         | 18         | 109               |
| Other income  | 3          | 4          | 75             | 3          | 8          | 4          | 4          | 4          | 20                |
| Total income  | 213        | 220        | 97             | 213        | 257        | 189        | 263        | 220        | 929               |
| Operating expenses  | 98         | 132        | 74             | 98         | 126        | 132        | 135        | 132        | 525               |
| Profit before loan impairment charges                                   | 115        | 88         | 131            | 115        | 131        | 57         | 128        | 88         | 404               |
| Loan impairment charges   | 559        | 15         | -              | 559        | 213        | 41         | 26         | 15         | 295               |
| Profit before tax   | -444       | 73         | -              | -444       | -82        | 16         | 102        | 73         | 109               |
| Loans and advances (end of period)                                      | 29,852     | 27,833     | 107            | 29,852     | 30,426     | 30,146     | 29,164     | 27,833     | 30,426            |
| Deposits (end of period)  | 15,442     | 11,503     | 134            | 15,442     | 14,962     | 12,967     | 11,502     | 11,503     | 14,962            |
| Allocated capital (avg.)  | 1,512      | 1,409      | 107            | 1,512      | 1,555      | 1,536      | 1,472      | 1,409      | 1,493             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 30.4       | 25.0       |                | 30.4       | 33.7       | 14.8       | 34.8       | 25.0       | 27.1              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | -117.5     | 20.7       |                | -117.5     | -21.1      | 4.2        | 27.7       | 20.7       | 7.3               |
| Cost/income ratio (%)   | 46.0       | 60.0       |                | 46.0       | 49.0       | 69.8       | 51.3       | 60.0       | 56.5              |

| PROFIT BEFORE LOAN IMPAIRMENT CHARGES<br>(DKr m) |     |    |     |     |     |     |     |    |     |
|--|-----|----|-----|-----|-----|-----|-----|----|-----|
| Estonia  | 109 | 69 | 158 | 109 | 86  | 74  | 108 | 69 | 337 |
| Latvia   | 11  | 2  | -   | 11  | 10  | -4  | 1   | 2  | 9   |
| Lithuania  | -5  | 17 | -   | -5  | 35  | -13 | 19  | 17 | 58  |
| Total Banking Activities Baltics                 | 115 | 88 | 131 | 115 | 131 | 57  | 128 | 88 | 404 |

- Large loan impairment charges caused a pre-tax loss
- Profit before loan impairment charges up 31%
- Improved cost/income ratio
- Increase in deposits
- Large imbalances in the Baltic economies

The first quarter of 2009 saw large imbalances in the economies of Estonia, Latvia and Lithuania. Against this backdrop, Baltic GDPs are set to contract by an average of 11.0% in 2009.

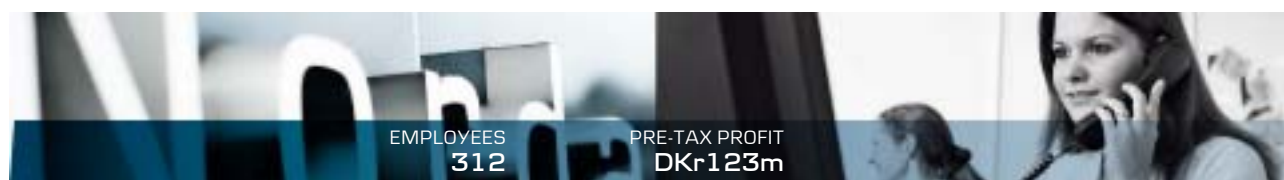
Despite lower net interest and net fee income, total income was on a par with the year-earlier figure, due mainly to an increase in net trading income.

Operating expenses declined 26% from DKr132m in the first quarter of 2008 to DKr98m. Staff reductions contributed to the decline.

Total lending exceeded the level in the first quarter of 2008 by 7%, with retail lending up 11% and corporate lending up 4%. Lending has been stable for the past four quarters.

Total deposits rose 34%. Retail deposits advanced 40%, and corporate deposits grew 32%.

Loan impairment charges came to DKr559m, against DKr213m for the fourth quarter of 2008. The economic recession in the Baltic countries led the Group to make additional collective impairment charges of DKr0.4bn. The exposure is relatively modest, however.



## Other Banking Activities

| OTHER BANKING ACTIVITIES<br>(DKr m)                                     | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income   | 86         | 106        | 81             | 86         | 98         | 87         | 78         | 106        | 369               |
| Net fee income  | 22         | 25         | 88             | 22         | 21         | 11         | 16         | 25         | 73                |
| Net trading income  | 7          | 11         | 64             | 7          | 13         | 12         | 9          | 11         | 45                |
| Other income  | 205        | 427        | 48             | 205        | 232        | 197        | 236        | 427        | 1,092             |
| Total income  | 320        | 569        | 56             | 320        | 364        | 307        | 339        | 569        | 1,579             |
| Operating expenses  | 263        | 421        | 62             | 263        | 364        | 195        | 229        | 421        | 1,209             |
| Profit before loan impairment charges                                   | 57         | 148        | 39             | 57         | -          | 112        | 110        | 148        | 370               |
| Loan impairment charges   | -66        | 60         | -              | -66        | 40         | -77        | -1         | 60         | 22                |
| Profit before tax   | 123        | 88         | 140            | 123        | -40        | 189        | 111        | 88         | 348               |
| Loans and advances (end of period)                                      | 22,778     | 34,654     | 66             | 22,778     | 22,867     | 24,571     | 24,551     | 34,654     | 22,867            |
| Deposits (end of period)  | 3,728      | 4,375      | 85             | 3,728      | 4,269      | 4,078      | 4,175      | 4,375      | 4,269             |
| Allocated capital (avg.)  | 1,597      | 2,379      | 67             | 1,597      | 1,655      | 1,698      | 1,619      | 2,379      | 1,837             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 14.3       | 24.9       |                | 14.3       | -          | 26.4       | 27.2       | 24.9       | 20.1              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | 30.8       | 14.8       |                | 30.8       | -9.7       | 44.5       | 27.4       | 14.8       | 18.9              |
| Cost/income ratio (%)   | 82.2       | 74.0       |                | 82.2       | 100.0      | 63.5       | 67.6       | 74.0       | 76.6              |

| PROFIT BEFORE TAX<br>(DKr m)   |     |    |     |     |      |     |     |    |     |
|--------------------------------|-----|----|-----|-----|------|-----|-----|----|-----|
| Nordania Leasing               | -16 | 46 | -   | -16 | -110 | 29  | 39  | 46 | 4   |
| Banking Activities Germany     | 121 | 24 | -   | 121 | 45   | 138 | 56  | 24 | 263 |
| Banking Activities Poland      | 17  | 18 | 94  | 17  | 25   | 22  | 16  | 18 | 81  |
| Banking Activities Russia      | 1   | -  | -   | 1   | -    | -   | -   | -  | -   |
| Total Other Banking Activities | 123 | 88 | 140 | 123 | -40  | 189 | 111 | 88 | 348 |

- Profit before loan impairment charges down 61%
- Lower earnings from the sale of lease assets

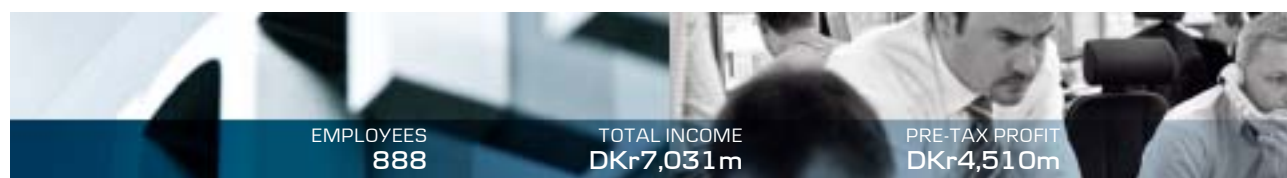
The economic slowdown and the global financial turmoil affected Other Banking Activities in the first quarter of 2009. Both Germany and Poland are likely to see their GDPs contract in 2009.

Nordania Leasing's pre-tax profit fell DKr62m from the year-earlier figure to a pre-tax loss of DKr16m. At April 1, 2008, Nordania Leasing activities were merged into Banking Activities Denmark and partly Banking Activities Norway, and this change alone added DKr183m to the profit before tax. The overall fall in profit was attributable to loan impairment charges, lower earnings from the sale of lease assets, higher funding costs and severance payments.

Banking Activities Germany's profit before tax rose DKr97m over the level in the first quarter of 2008, primarily because of reversals of impairment charges.

Profit before tax at Banking Activities Poland was on a par with the year-earlier level.

Operating expenses were down 38% from the level in the first quarter of 2008, owing mainly to the transfer of activities from Nordania Leasing.



## Danske Markets

| DANSKE MARKETS<br>(DKr m)   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Total income  | 7,031      | 912        | -              | 7,031      | 1,399      | -76        | 1,528      | 912        | 3,763             |
| Operating expenses  | 823        | 741        | 111            | 823        | 549        | 616        | 624        | 741        | 2,530             |
| Profit before loan impairment charges                                   | 6,208      | 171        | -              | 6,208      | 850        | -692       | 904        | 171        | 1,233             |
| Loan impairment charges   | 1,698      | -          | -              | 1,698      | 2,679      | 558        | -          | -          | 3,237             |
| Profit before tax   | 4,510      | 171        | -              | 4,510      | -1,829     | -1,250     | 904        | 171        | -2,004            |
| Loans and advances (end of period)                                      | 71,550     | 51,393     | 139            | 71,550     | 71,357     | 61,016     | 48,606     | 51,393     | 71,357            |
| Deposits (end of period)  | 180,969    | 228,510    | 79             | 180,969    | 207,524    | 179,911    | 253,028    | 228,510    | 207,524           |
| Net trading and investment portfolio                                    | 455,878    | 374,898    | 122            | 455,878    | 499,560    | 473,771    | 444,394    | 374,898    | 499,560           |
| Allocated capital (avg.)  | 5,351      | 2,141      | 250            | 5,351      | 4,470      | 2,842      | 2,480      | 2,141      | 2,987             |
| Profit before loan impairment charges<br>as % p.a. of allocated capital | 464.1      | 31.9       |                | 464.1      | 76.1       | -97.4      | 145.8      | 31.9       | 41.3              |
| Pre-tax profit as % p.a. of allocated<br>capital (ROE)                  | 337.1      | 31.9       |                | 337.1      | -163.7     | -175.9     | 145.8      | 31.9       | -67.1             |
| Cost/income ratio (%)   | 11.7       | 81.3       |                | 11.7       | 39.2       | -810.5     | 40.8       | 81.3       | 67.2              |
| <b>TOTAL INCOME</b><br>(DKr m)  |            |            |                |            |            |            |            |            |                   |
| Trading activities  | 7,534      | 1,745      | -              | 7,534      | 2,634      | 1,402      | 1,580      | 1,745      | 7,361             |
| Group Treasury  | -589       | -943       | -              | -589       | -1,289     | -1,582     | -182       | -943       | -3,996            |
| Institutional banking   | 86         | 110        | 78             | 86         | 54         | 104        | 130        | 110        | 398               |
| Total Danske Markets  | 7,031      | 912        | -              | 7,031      | 1,399      | -76        | 1,528      | 912        | 3,763             |

Proprietary trading activities were merged into Group Treasury at January 1, 2009.

- Strong increase in profit before loan impairment charges, fuelled by Trading activities
- High customer activity
- Successful exploitation of global market imbalances
- Need for loan impairment charges, in contrast to the first quarter of 2008

Profit before tax rose to DKr4.5bn, up from DKr0.2bn in the first quarter of 2008.

Customer-driven trading income increased as a result of improved margins on customers and stronger demand for instruments to hedge interest rate and foreign exchange risks in particular.

Trading activities benefited greatly from a high level of activity and good position-taking in relation to volatility, and trends in exchange rates and Danish and European interest rates. Income from Trading activities thus increased DKr5.8bn over the year-earlier figure to DKr7.5bn.

Group Treasury posted a negative income of DKr589m, against a negative DKr943m in the first quarter of 2008. The investment portfolio generated a profit of DKr562m. The difference between the total loss suffered by Group Treasury and the profit generated by the investment portfolio was mainly attributable to Group Treasury's role as an internal bank and thus a funding source for the Group.

Loan impairment charges were charges against facilities to financial counterparties.

Operating expenses rose 11%, owing primarily to higher performance-based compensation to Trading activities staff. In line with international recommendations, the Group has adjusted its practices for measurement and structure of performance-based compensation in 2009.

The outlook for 2009 is still subject to some uncertainty, especially because of volatile equity markets and the probable economic contraction in Europe and the US. These factors are, however, likely to have a positive impact on customer-driven trading activities throughout 2009.





EMPLOYEES  
560

PRE-TAX PROFIT  
DKr139m

MARKET SHARE IN THE NORDIC REGION  
13%

## Danske Capital

| DANSKE CAPITAL<br>(DKr m)   | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Total income  | 388        | 470        | 83             | 388        | 369        | 419        | 439        | 470        | 1,697             |
| Amortisation of intangible assets                                     | 10         | 10         | 100            | 10         | 10         | 10         | 8          | 10         | 38                |
| Other operating expenses  | 231        | 228        | 101            | 231        | 229        | 203        | 224        | 228        | 884               |
| Operating expenses  | 241        | 238        | 101            | 241        | 239        | 213        | 232        | 238        | 922               |
| Profit before loan impairment charges                                 | 147        | 232        | 63             | 147        | 130        | 206        | 207        | 232        | 775               |
| Loan impairment charges   | 8          | 2          | -              | 8          | 308        | -6         | 15         | 2          | 319               |
| Profit before tax   | 139        | 230        | 60             | 139        | -178       | 212        | 192        | 230        | 456               |
| Loans and advances (end of period)                                    | 19,297     | 27,677     | 70             | 19,297     | 22,306     | 26,546     | 27,692     | 27,677     | 22,306            |
| Deposits (end of period)  | 6,840      | 11,211     | 61             | 6,840      | 7,276      | 9,739      | 11,144     | 11,211     | 7,276             |
| Allocated capital (avg.)  | 545        | 781        | 70             | 545        | 705        | 731        | 783        | 781        | 750               |
| Cost/income ratio (%)   | 62.1       | 50.6       |                | 62.1       | 64.8       | 50.8       | 52.8       | 50.6       | 54.3              |
| Cost/income ratio, excluding<br>amortisation of intangible assets (%) | 59.5       | 48.5       |                | 59.5       | 62.1       | 48.4       | 51.0       | 48.5       | 52.1              |
| Assets under management (DKr bn)                                      | 502        | 581        |                | 502        | 513        | 552        | 572        | 581        | 513               |

- Profit before loan impairment charges down 37%
- All units adversely affected by equity market trends

Danske Capital's income declined 17% from DKr470m in the first quarter of 2008 to DKr388m in the first quarter of 2009. Income fell at all Danske Capital units.

The main reason was a 14% decline in assets under management to DKr502bn as a result of the prolonged crisis in the equity markets.

Operating expenses rose DKr3m in the first quarter of 2009. Of the total amount of operating expenses, DKr18m was attributable to the consolidation of Danske Invest Management A/S, which was acquired in May 2008.

Danske Capital's net sales amounted to DKr4.2bn. Products managed by Danske Capital's Asset Management unit accounted for DKr5.8bn, while sales of investment products offered by external providers and structured products were negative by DKr1.6bn.

Asset Management's net sales of DKr5.8bn consisted of net sales to institutional clients of DKr7.6bn and net sales to retail customers of a negative DKr1.8bn.

Danske Capital maintained its 13% market share of unit trust business in the Nordic region. Denmark and Finland remained Danske Capital's most

important markets with market shares of 27% and 18%, respectively.

In the first quarter of 2009, the unit trust business posted above-benchmark returns in 56% of the funds marketed in Denmark and internationally. Sixty per cent of the equity-based funds saw above-benchmark returns, while returns in bond-based funds were generally in line with benchmark levels.

The trends in the capital markets for the remainder of the year will be decisive for the overall result for 2009. The outlook is very uncertain, and with a smaller amount of assets under management and declining investment appetite among retail customers in particular, the Group expects a challenging earnings environment.





## Danica Pension

| DANICA PENSION<br>(DKr m)                 | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Share of technical provisions             | 272        | 270        | 101            | 272        | 266        | 270        | 282        | 270        | 1,088             |
| Unit-linked business                      | 1          | -6         | -              | 1          | 8          | -3         | -20        | -6         | -21               |
| Health and accident business              | -28        | -28        | -              | -28        | -41        | -46        | -27        | -28        | -142              |
| Return on investments                     | 212        | -387       | -              | 212        | -203       | -290       | -81        | -387       | -961              |
| Financing result                          | -94        | -144       | -              | -94        | -167       | -154       | -144       | -144       | -609              |
| Postponed risk allowance                  | -272       | -270       | -              | -272       | -266       | -270       | -282       | -270       | -1,088            |
| Net income from insurance business        | 91         | -565       | -              | 91         | -403       | -493       | -272       | -565       | -1,733            |
| Premiums, insurance contracts             | 4,709      | 4,881      | 96             | 4,709      | 5,013      | 4,714      | 4,684      | 4,881      | 19,292            |
| Premiums, investment contracts            | 490        | 706        | 69             | 490        | 588        | 348        | 945        | 706        | 2,587             |
| Provisions, insurance contracts           | 207,220    | 209,816    | 99             | 207,220    | 204,123    | 206,042    | 207,801    | 209,816    | 204,123           |
| Provisions, investment contracts          | 8,918      | 9,680      | 92             | 8,918      | 8,464      | 9,761      | 10,559     | 9,680      | 8,464             |
| Customer funds, investment assets         |            |            |                |            |            |            |            |            |                   |
| Danica Traditionel                        | 173,331    | 177,894    | 97             | 173,331    | 175,778    | 171,418    | 174,577    | 177,894    | 175,778           |
| Danica Balance                            | 8,216      | 6,119      | 134            | 8,216      | 7,583      | 7,453      | 6,910      | 6,119      | 7,583             |
| Danica Link                               | 21,602     | 23,611     | 91             | 21,602     | 20,895     | 23,467     | 22,820     | 23,611     | 20,895            |
| Allocated capital (avg.)                  | 5,741      | 5,142      | 112            | 5,741      | 5,352      | 5,217      | 5,269      | 5,142      | 5,245             |
| Net income as % p.a. of allocated capital | 6.3        | -44.0      |                | 6.3        | -30.1      | -37.8      | -20.6      | -44.0      | -33.0             |

- Net income from insurance business of DKr91m, but the result was adversely affected by the equity market plunge
- Total premiums down, but regular premiums on Danish market products up 14%

Net income from insurance business was a positive DKr91m, up from a negative DKr565m in the first quarter of 2008.

The continuing equity market woes had an adverse effect on the result.

The investment return on customer funds was a negative 1.2% for *Danica Traditionel*, and this made it impossible to book the risk allowance. The Group can book its risk allowance at a later date if the return on investments permits and the bonus potential of paid-up policies is restored. The return on customer funds, including changes in technical provisions, ended at a negative 0.5%.

Premiums declined 7% to DKr5.2bn in the first quarter of 2009. The decline was caused by lower single premiums as regular premiums rose 2%. Market products accounted for the increase in regular premiums. The generally falling premiums should be seen in the light of staff reductions among several of Danica Pension's corporate customers and a sector-wide introduction of a charge on transfer and surrender that reduced transfers of custody accounts.

Danica also saw a decrease in premiums generated by its activities outside Denmark. Premium income from its Swedish activities dropped a full 21% from the year-earlier level, mainly because of the depreciation of the Swedish krona.

Expenses were lower than a year before, and this led to an improvement of the cost/income ratio from 6.4% to 5.9%.

The collective bonus potential stood at DKr1.3bn at the end of March 2009 and related to a small, limited portfolio of policies. The collective bonus potential declined DKr0.3bn from the level at the beginning of the year, and the development necessitated the drawing of another DKr1.0bn from the bonus potential of paid-up policies. The total amount drawn at March 31, 2009, was DKr3.8bn.

The market is likely to remain difficult as a result of the economic downturn and the introduction of the charge on transfer and surrender. The Group believes that the Danish spring tax reform will have a positive net effect on the trend in premiums in 2009 as customers are expected to take advantage of the last year of full tax relief on annuity pension contributions at high marginal tax rates. On balance, premiums are therefore likely to remain on a par with the 2008 level.



## Other Activities

| OTHER ACTIVITIES<br>(DKr m)           | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|---------------------------------------|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Net interest income                   | -1         | -34        | -              | -1         | -147       | -69        | 63         | -34        | -187              |
| Net fee income                        | -4         | -4         | -              | -4         | -6         | -2         | -8         | -4         | -20               |
| Net trading income                    | 42         | 54         | 78             | 42         | 435        | 3          | 317        | 54         | 809               |
| Other income                          | 19         | 420        | 5              | 19         | 372        | 64         | 200        | 420        | 1,056             |
| Total income                          | 56         | 436        | 13             | 56         | 654        | -4         | 572        | 436        | 1,658             |
| Operating expenses                    | 225        | -65        | -              | 225        | 37         | 74         | 180        | -65        | 226               |
| Profit before loan impairment charges | -169       | 501        | -              | -169       | 617        | -78        | 392        | 501        | 1,432             |
| Loan impairment charges               | -          | -          | -              | -          | -          | -          | -          | -          | -                 |
| Profit before tax                     | -169       | 501        | -              | -169       | 617        | -78        | 392        | 501        | 1,432             |

| PROFIT BEFORE TAX<br>(DKr m)             | Q1<br>2009 | Q1<br>2008 | Index<br>09/08 | Q1<br>2009 | Q4<br>2008 | Q3<br>2008 | Q2<br>2008 | Q1<br>2008 | Full year<br>2008 |
|--|------------|------------|----------------|------------|------------|------------|------------|------------|-------------------|
| Real property                            | 52         | 365        | 14             | 52         | 26         | 41         | 197        | 365        | 629               |
| Own shares                               | 28         | 65         | 43             | 28         | 455        | 56         | 264        | 65         | 840               |
| Other, including Group support functions | -249       | 71         | -              | -249       | 136        | -175       | -69        | 71         | -37               |
| Total Other Activities                   | -169       | 501        | -              | -169       | 617        | -78        | 392        | 501        | 1,432             |

Other Activities covers the Group's real property activities, support functions, and eliminations, including the elimination of returns on own shares and bonds.

Other Activities recorded a pre-tax loss of DKr169m in the first quarter of 2009, against a profit of DKr501m in the year-earlier period.

Total income declined DKr380m from DKr436m in the first quarter of 2008 to DKr56m. The main reason for the decline was that property sales produced income of DKr333m in the first quarter of 2008.

Operating expenses rose DKr290m, one reason being severance payments to about 350 Group support staff laid off in February 2009.

Some customer savings held in pooled schemes and at Danica are invested in Danske Bank shares. In accordance with accounting regulations, the return on Danske Bank shares must be eliminated in the financial statements, while the return on customer savings is recognised in the income statement. This elimination led to an income of DKr28m in the first quarter of 2009, against DKr65m in the first quarter of 2008.

# Income statement – Danske Bank Group

| (DKr m)  | Q1<br>2009 | Q1<br>2008 |
|--|------------|------------|
| Interest income                                      | 30,950     | 36,690     |
| Interest expense                                     | 18,119     | 27,520     |
| Net interest income                                  | 12,831     | 9,170      |
| Fee income   | 2,373      | 3,147      |
| Fee expenses   | 728        | 1,027      |
| Net trading income                                   | 939        | -2,287     |
| Other income   | 904        | 1,284      |
| Net premiums   | 4,527      | 4,757      |
| Net insurance benefits                               | 3,476      | 4,541      |
| Income from associated undertakings                  | 77         | 44         |
| Profit on sale of associated and group undertakings  | -          | -          |
| Staff costs and administrative expenses              | 6,332      | 5,737      |
| Amortisation, depreciation and impairment charges    | 804        | 854        |
| Profit before loan impairment charges                | 10,311     | 3,956      |
| Loan impairment charges                              | 7,981      | 542        |
| Profit before tax                                    | 2,330      | 3,414      |
| Tax  | 777        | 847        |
| Net profit for the period                            | 1,553      | 2,567      |
| Portion attributable to                              |            |            |
| Shareholders of Danske Bank A/S (the Parent Company) | 1,567      | 2,566      |
| Minority interests                                   | -14        | 1          |
| Net profit for the period                            | 1,553      | 2,567      |
| Earnings per share (DKr)                             | 2.3        | 3.7        |
| Diluted earnings per share (DKr)                     | 2.3        | 3.7        |

## Statement of comprehensive income – Danske Bank Group

| (DKr m)   | Q1<br>2009 | Q1<br>2008 |
|---|------------|------------|
| Net gains not recognised in the income statement                    |            |            |
| Translation of foreign units  | 138        | -686       |
| Foreign unit hedges   | -24        | 711        |
| Unrealised value adjustments of available-for-sale financial assets | -651       | -          |
| Realised value adjustments of available-for-sale financial assets   | 34         | -          |
| Tax on other comprehensive income                                   | 160        | -177       |
| Total   | -343       | -152       |
| Net profit for the period   | 1,553      | 2,567      |
| Total comprehensive income for the period                           | 1,210      | 2,415      |
| Portion attributable to   |            |            |
| Shareholders of the Parent Company                                  | 1,224      | 2,414      |
| Minority interests  | -14        | 1          |
| Total comprehensive income for the period                           | 1,210      | 2,415      |

# Balance sheet – Danske Bank Group

| (DKr m)  | March 31,<br>2009 | Dec. 31,<br>2008 | March 31,<br>2008 |
|--|-------------------|------------------|-------------------|
| <b>ASSETS</b>  |                   |                  |                   |
| Cash in hand and demand deposits with central banks                | 29,056            | 16,379           | 35,807            |
| Due from credit institutions and central banks                     | 206,842           | 215,823          | 350,673           |
| Trading portfolio assets   | 719,675           | 860,788          | 710,982           |
| Investment securities  | 146,488           | 140,793          | 42,685            |
| Assets held for sale   | 49                | 119              | 260               |
| Loans and advances   | 1,274,664         | 1,352,113        | 1,354,902         |
| Loans and advances at fair value                                   | 679,220           | 667,181          | 639,876           |
| Assets under pooled schemes and unit-linked investment contracts   | 34,431            | 34,635           | 39,836            |
| Assets under insurance contracts                                   | 182,403           | 181,259          | 186,912           |
| Holdings in associated undertakings                                | 977               | 939              | 1,118             |
| Intangible assets  | 24,981            | 25,094           | 29,064            |
| Investment property  | 4,540             | 4,470            | 5,360             |
| Tangible assets  | 9,045             | 9,061            | 9,001             |
| Current tax assets   | 2,052             | 2,103            | 1,118             |
| Deferred tax assets  | 1,585             | 1,248            | 625               |
| Other assets   | 27,625            | 31,969           | 35,186            |
| <b>Total assets</b>  | <b>3,343,633</b>  | <b>3,543,974</b> | <b>3,443,405</b>  |
| <b>LIABILITIES</b>   |                   |                  |                   |
| Due to credit institutions and central banks                       | 451,125           | 562,726          | 597,007           |
| Trading portfolio liabilities                                      | 514,475           | 623,290          | 431,795           |
| Deposits   | 843,110           | 874,690          | 1,005,134         |
| Bonds issued by Realkredit Danmark                                 | 511,118           | 479,534          | 502,538           |
| Deposits under pooled schemes and unit-linked investment contracts | 40,808            | 41,827           | 47,273            |
| Liabilities under insurance contracts                              | 208,972           | 210,988          | 211,669           |
| Other issued bonds   | 562,128           | 526,606          | 436,305           |
| Current tax liabilities  | 1,015             | 930              | 1,037             |
| Deferred tax liabilities   | 2,565             | 3,082            | 3,395             |
| Other liabilities  | 50,783            | 64,194           | 48,298            |
| Subordinated debt  | 58,027            | 57,860           | 57,830            |
| <b>Total liabilities</b>   | <b>3,244,126</b>  | <b>3,445,727</b> | <b>3,342,281</b>  |
| <b>SHAREHOLDERS' EQUITY</b>  |                   |                  |                   |
| Share capital  | 6,988             | 6,988            | 6,988             |
| Foreign currency translation reserve                               | -176              | -290             | -5                |
| Reserve for available-for-sale financial assets                    | -2,554            | -1,937           | -                 |
| Proposed dividends   | -                 | -                | -                 |
| Retained earnings  | 95,249            | 93,464           | 94,108            |
| Shareholders of the Parent Company                                 | 99,507            | 98,225           | 101,091           |
| Minority interests   | -                 | 22               | 33                |
| <b>Total shareholders' equity</b>                                  | <b>99,507</b>     | <b>98,247</b>    | <b>101,124</b>    |
| <b>Total liabilities and equity</b>                                | <b>3,343,633</b>  | <b>3,543,974</b> | <b>3,443,405</b>  |

# Statement of capital – Danske Bank Group

(DKr m)

## Changes in shareholders' equity

|   | Shareholders of the Parent Company |                                      |                           |                    |                   |         |      | Minority interests | Total |
|---|------------------------------------|--------------------------------------|---------------------------|--------------------|-------------------|---------|------|--------------------|-------|
|   | Share capital                      | Foreign currency translation reserve | Available-for-sale assets | Proposed dividends | Retained earnings | Total   |      |                    |       |
| Shareholders' equity at January 1, 2009 | 6,988                              | -290                                 | -1,937                    | -                  | 93,464            | 98,225  | 22   | 98,247             |       |
| Total comprehensive income              | -                                  | 114                                  | -617                      | -                  | 1,727             | 1,224   | -14  | 1,210              |       |
| Dividends paid                          | -                                  | -                                    | -                         | -                  | -                 | -       | -8   | -8                 |       |
| Acquisition of own shares               | -                                  | -                                    | -                         | -                  | -2,933            | -2,933  | -    | -2,933             |       |
| Sale of own shares                      | -                                  | -                                    | -                         | -                  | 2,975             | 2,975   | -    | 2,975              |       |
| Share-based payments                    | -                                  | -                                    | -                         | -                  | 9                 | 9       | -    | 9                  |       |
| Addition of minority interests          | -                                  | -                                    | -                         | -                  | -                 | -       | -    | -                  |       |
| Tax on entries on shareholders' equity  | -                                  | -                                    | -                         | -                  | 7                 | 7       | -    | 7                  |       |
| Shareholders' equity at March 31, 2009  | 6,988                              | -176                                 | -2,554                    | -                  | 95,249            | 99,507  | -    | 99,507             |       |
| Shareholders' equity at January 1, 2008 | 6,988                              | -30                                  | -                         | 5,940              | 91,325            | 104,223 | 132  | 104,355            |       |
| Total comprehensive income              | -                                  | 25                                   | -                         | -                  | 2,389             | 2,414   | 1    | 2,415              |       |
| Dividends paid                          | -                                  | -                                    | -                         | -5,940             | 109               | -5,831  | -100 | -5,931             |       |
| Acquisition of own shares               | -                                  | -                                    | -                         | -                  | -8,555            | -8,555  | -    | -8,555             |       |
| Sale of own shares                      | -                                  | -                                    | -                         | -                  | 8,728             | 8,728   | -    | 8,728              |       |
| Share-based payments                    | -                                  | -                                    | -                         | -                  | 9                 | 9       | -    | 9                  |       |
| Addition of minority interests          | -                                  | -                                    | -                         | -                  | -                 | -       | -    | -                  |       |
| Tax on entries on shareholders' equity  | -                                  | -                                    | -                         | -                  | 103               | 103     | -    | 103                |       |
| Shareholders' equity at March 31, 2008  | 6,988                              | -5                                   | -                         | -                  | 94,108            | 101,091 | 33   | 101,124            |       |

Through the Private Contingency Association, Danske Bank participates in the two-year Danish state guarantee under the Act on Financial Stability adopted by the Danish parliament on October 10, 2008. The guarantee prohibits dividend payments and share buybacks by the participating banks for as long as the guarantee remains in force. In March 2008, the Group made dividend payments of Dkr8.50 per share.

|   | March 31, 2009 | Dec. 31, 2008 | March 31, 2008 |
|---|----------------|---------------|----------------|
| Share capital (DKr)   | 6,988,042,760  | 6,988,042,760 | 6,988,042,760  |
| Number of shares  | 698,804,276    | 698,804,276   | 698,804,276    |
| Number of shares outstanding                                    | 691,932,764    | 689,803,461   | 684,508,678    |
| Average number of shares outstanding, including dilutive shares | 690,962,086    | 686,909,354   | 685,579,568    |

## Statement of capital – Danske Bank Group

| (DKr m)  | March 31,<br>2009 | Dec. 31,<br>2008 | March 31,<br>2008 |
|--|-------------------|------------------|-------------------|
| <b>Solvency</b>  |                   |                  |                   |
| Shareholders' equity   | 99,507            | 98,247           | 101,124           |
| Revaluation of domicile property   | 1,362             | 1,410            | 1,698             |
| Pension obligations at fair value  | -172              | 486              | 549               |
| Tax effect   | -30               | -163             | -174              |
| Minority interests   | 2,992             | 2,979            | 3,017             |
| Shareholders' equity calculated in accordance with the rules of the Danish FSA | 103,659           | 102,959          | 106,214           |
| Proposed dividends   | -                 | -                | -1,026            |
| Intangible assets of banking business  | -25,082           | -25,204          | -29,175           |
| Deferred tax assets  | -1,433            | -971             | -388              |
| Deferred tax on intangible assets  | 1,362             | 1,433            | 1,529             |
| Revaluation of real property   | -874              | -924             | -1,223            |
| Core (tier 1) capital, excluding hybrid core capital                           | 77,632            | 77,293           | 75,931            |
| Hybrid core capital  | 13,700            | 13,640           | 13,399            |
| Difference between expected losses and impairment charges                      | -                 | -                | -838              |
| Statutory deduction for insurance subsidiaries                                 | -2,539            | -2,555           | -2,296            |
| Other statutory deductions   | -20               | -31              | -19               |
| Core (tier 1) capital  | 88,773            | 88,347           | 86,177            |
| Subordinated debt, excluding hybrid core capital                               | 35,254            | 35,023           | 36,239            |
| Hybrid core capital  | 1,523             | 1,120            | 2,289             |
| Revaluation of real property   | 874               | 924              | 1,223             |
| Difference between expected losses and impairment charges                      | 3,266             | 2,036            | -838              |
| Statutory deduction for insurance subsidiaries                                 | -2,539            | -2,555           | -2,296            |
| Other statutory deductions   | -20               | -31              | -19               |
| Capital base   | 127,131           | 124,864          | 122,775           |
| <b>Capital requirements</b>  |                   |                  |                   |
| Credit risk (IRB approach)   | 47,037            | 44,153           | 39,931            |
| Credit risk (standardised approach)  | 17,656            | 17,531           | 18,422            |
| Counterparty risk  | 2,421             | 3,450            | 2,128             |
| Total credit risk  | 67,114            | 65,134           | 60,481            |
| Market risk  | 5,202             | 5,408            | 5,716             |
| Operational risk   | 6,436             | 6,264            | 6,124             |
| Capital requirement under Pillar I   | 78,752            | 76,806           | 72,321            |
| Pillar II and transitional rules   | 12,413            | 25,711           | 24,452            |
| ICAAP result   | 91,165            | 102,517          | 96,773            |
| Total risk-weighted assets   | 984,406           | 960,079          | 904,017           |
| Core (tier 1) capital ratio, excluding hybrid core capital (%)                 | 7.89              | 8.05             | 8.40              |
| Core (tier 1) capital ratio (%)  | 9.02              | 9.20             | 9.53              |
| Solvency ratio (%)   | 12.91             | 13.01            | 13.58             |

Risk-weighted assets calculated under the Basel I rules amounted to DKr1,424,460m at March 31, 2009. The ICAAP result, taking the transitional rules into consideration, was DKr91,165m, equal to 80% of the capital requirement of 8% of risk-weighted assets.



# Cash flow statement – Danske Bank Group

| (DKr m)  | Q1<br>2009 | Q1<br>2008 |
|--|------------|------------|
| <b>Cash flow from operations</b>                     |            |            |
| Net profit for the period                            | 1,553      | 2,567      |
| Adjustment for non-cash operating items              | 8,734      | -4,980     |
| Cash flow from operating capital                     | 14,699     | 17,398     |
| Cash flow from operations                            | 24,986     | 14,985     |
| <b>Cash flow from investing activities</b>           |            |            |
| Acquisition/sale of businesses                       | -          | -          |
| Acquisition/sale of own shares                       | 42         | 173        |
| Acquisition of intangible assets                     | -75        | -296       |
| Acquisition/sale of tangible assets                  | -584       | -355       |
| Cash flow from investing activities                  | -617       | -478       |
| <b>Cash flow from financing activities</b>           |            |            |
| Changes in subordinated debt and hybrid core capital | -1,118     | -991       |
| Dividends  | -          | -5,831     |
| Change in minority interests                         | -22        | -99        |
| Cash flow from financing activities                  | -1,140     | -6,921     |
| Cash and cash equivalents, beginning of period       | 202,728    | 338,327    |
| Change in cash and cash equivalents                  | 23,229     | 7,586      |
| Acquisition/sale of businesses                       | -          | -          |
| Cash and cash equivalents, end of period             | 225,957    | 345,913    |

# Notes – Danske Bank Group

## Note

### 1 Significant accounting policies

The Danske Bank Group's interim report for the first quarter of 2009 has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions.

The Group has not changed its significant accounting policies from those followed in Annual Report 2008, which provides a full description of the Group's significant accounting policies, except in the instances mentioned below.

The Group has implemented the 2007 amendments to IAS 1, Presentation of Financial Statements. This standard requires disclosure of a statement of comprehensive income that is displayed immediately after the income statement. Comprehensive income was previously included in the statement of changes in shareholders' equity.

#### *Accounting estimates and assessments*

The preparation of the financial statements is based on updated estimates and assessments of future events that will significantly affect the carrying amounts of assets and liabilities. The estimates and assessments are based on assumptions that the management finds reasonable but that are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected future events or situations may occur. Other people may make other estimates. Similarly to year-end 2008, the amounts most influenced by critical estimates and assessments are

- impairment charges for loans and advances
- impairment charges for goodwill
- the fair value of financial instruments
- the value of liabilities under insurance contracts
- the value of defined benefit pension plans

Impairment charges for loans and advances consist of individual and collective charges and are subject to a number of estimates, including assessments of the loans or portfolios of loans where objective evidence of impairment exists, expected future cash flows and the value of collateral.

Goodwill is tested for impairment if indications of impairment exist. Impairment testing requires estimates of future cash flows and thus the economic development in countries where the Group has acquired goodwill. The impairment test conducted at March 31, 2009, did not identify any need for impairment charges.

Particularly at times when macroeconomic forecasts are difficult to make, impairment charges for loans and advances and goodwill are to a high degree based on estimates.

Fair value measurements of financial instruments that are only to a limited extent based on market prices or observable market data are subject to estimates.

Similarly to year-end 2008, this applies to unlisted shares and certain bonds for which there is no longer an active market.

The calculation of liabilities under insurance contracts and the net obligation under defined benefit pension plans is based on a number of actuarial computations that rely on assumptions about a number of variables, including mortality and disability rates and salary increases. The liabilities are also affected by the discount rate.

For a detailed description of the Group's significant risks and external conditions that may affect the Group, see Annual Report 2008 and Risk Management 2008.

#### *Standards and interpretations not yet in force*

The International Accounting Standards Board (IASB) has issued a number of international accounting standards that have not yet come into force. Similarly, the International Financial Reporting Interpretations Committee (IFRIC) has issued a number of interpretations that have not yet come into force.

None of these is expected to materially affect the Group's future financial reporting.

# Notes – Danske Bank Group

| Note   | (DKr m)                           |                   |                   |                   |         |                  |           |                       |            |
|--|-----------------------------------|-------------------|-------------------|-------------------|---------|------------------|-----------|-----------------------|------------|
| 2  | <b>Business segments, Q1 2009</b> |                   |                   |                   |         |                  |           |                       |            |
|  | Banking<br>Activities             | Danske<br>Markets | Danske<br>Capital | Danica<br>Pension | Other   | Elimina-<br>tion | Total     | Reclassi-<br>fication | Highlights |
| Net interest income                                      | 7,148                             | 3,613             | 80                | 1,925             | -2      | 67               | 12,831    | -5,604                | 7,227      |
| Net fee income   | 1,494                             | 17                | 272               | -135              | -3      | -                | 1,645     | 118                   | 1,763      |
| Net trading income                                       | 373                               | 3,317             | 33                | -2,760            | 15      | -39              | 939       | 6,540                 | 7,479      |
| Other income   | 626                               | 1                 | 3                 | 251               | 39      | -16              | 904       | -257                  | 647        |
| Net premiums   | -                                 | -                 | -                 | 4,527             | -       | -                | 4,527     | -4,527                | -          |
| Net insurance benefits                                   | -                                 | -                 | -                 | 3,476             | -       | -                | 3,476     | -3,476                | -          |
| Income from equity<br>investments                        | -                                 | 83                | -                 | -1                | -5      | -                | 77        | -77                   | -          |
| Net income from<br>insurance business                    | -                                 | -                 | -                 | -                 | -       | -                | -         | 91                    | 91         |
| Total income   | 9,641                             | 7,031             | 388               | 331               | 44      | 12               | 17,447    | -240                  | 17,207     |
| Operating expenses                                       | 5,607                             | 823               | 241               | 240               | 241     | -16              | 7,136     | -240                  | 6,896      |
| Profit before loan<br>impairment charges                 | 4,034                             | 6,208             | 147               | 91                | -197    | 28               | 10,311    | -                     | 10,311     |
| Loan impairment charges                                  | 6,275                             | 1,698             | 8                 | -                 | -       | -                | 7,981     | -                     | 7,981      |
| Profit before tax  | -2,241                            | 4,510             | 139               | 91                | -197    | 28               | 2,330     | -                     | 2,330      |
| Loans and advances,<br>excluding reverse<br>transactions | 1,699,420                         | 66,541            | 18,984            | -                 | 1,412   | -15,872          | 1,770,485 | -                     | 1,770,485  |
| Other assets   | 357,715                           | 4,773,689         | 16,067            | 232,878           | 217,507 | -4,024,708       | 1,573,148 | -                     | 1,573,148  |
| Total assets   | 2,057,135                         | 4,840,230         | 35,051            | 232,878           | 218,919 | -4,040,580       | 3,343,633 | -                     | 3,343,633  |
| Deposits, excluding<br>repo deposits                     | 610,598                           | 180,969           | 6,840             | -                 | 6,534   | -8,492           | 796,449   | -                     | 796,449    |
| Other liabilities  | 1,374,210                         | 4,653,910         | 27,666            | 227,137           | 196,842 | -4,032,088       | 2,447,677 | -                     | 2,447,677  |
| Allocated capital  | 72,327                            | 5,351             | 545               | 5,741             | 15,543  | -                | 99,507    | -                     | 99,507     |
| Total liabilities<br>and equity                          | 2,057,135                         | 4,840,230         | 35,051            | 232,878           | 218,919 | -4,040,580       | 3,343,633 | -                     | 3,343,633  |
| Internal income  | 2,226                             | 6,232             | 107               | 710               | -9,274  | -                | -         | -                     | -          |
| Amortisation and<br>depreciation charges                 | 556                               | 1                 | 10                | -                 | 237     | -                | 804       | -                     | -          |
| Impairment charges for<br>intangible and tangible assets | -                                 | -                 | -                 | -                 | -       | -                | -         | -                     | -          |
| Reversals of<br>impairment charges                       | -                                 | -                 | -                 | -                 | -       | -                | -         | -                     | -          |
| Pre-tax profit as % p.a. of<br>allocated capital (avg.)  | -12.4                             | 337.1             | 102.0             | 6.3               | -5.1    | -                | 9.4       | -                     | -          |
| Cost/income ratio (%)                                    | 58.2                              | 11.7              | 62.1              | 72.5              | 547.7   | -                | 40.9      | -                     | -          |
| Full-time-equivalent<br>staff (avg.)                     | 13,917                            | 916               | 572               | 960               | 6,972   | -                | 23,337    | -                     | -          |

In its financial highlights, the Group recognises earnings contributed by Danske Markets as net trading income and earnings contributed by Danica Pension as net income from insurance business. The Reclassification column shows the adjustments made to the detailed figures in the calculation of the highlights.

Internal income and expenses are allocated to the individual segments on an arm's-length basis. Liquidity was previously settled primarily on the basis of short-term money market rates. The method was changed at January 1, 2009. Liquidity expenses are now allocated on the basis of a maturity analysis of loans and deposits. Prices are based on interbank rates and funding spreads. The new settlement method resulted in a relatively large share of liquidity expenses at Danske Markets and at banking units with insufficient liquidity to fund activities.

# Notes – Danske Bank Group

| Note   | (DKr m)                           |                   |                   |                   |         |                  |           |                       |            |
|--|-----------------------------------|-------------------|-------------------|-------------------|---------|------------------|-----------|-----------------------|------------|
| 2  | <b>Business segments, Q1 2008</b> |                   |                   |                   |         |                  |           |                       |            |
| (cont'd)   | Banking<br>Activities             | Danske<br>Markets | Danske<br>Capital | Danica<br>Pension | Other   | Elimina-<br>tion | Total     | Reclassi-<br>fication | Highlights |
| Net interest income                                      | 6,212                             | 1,431             | 58                | 1,451             | -32     | 50               | 9,170     | -2,934                | 6,236      |
| Net fee income   | 1,812                             | 78                | 405               | -171              | -4      | -                | 2,120     | 93                    | 2,213      |
| Net trading income                                       | 378                               | -586              | 14                | -2,095            | -12     | 14               | -2,287    | 3,645                 | 1,358      |
| Other income   | 624                               | 1                 | -                 | 293               | 376     | -10              | 1,284     | -247                  | 1,037      |
| Net premiums   | -                                 | -                 | -                 | 4,757             | -       | -                | 4,757     | -4,757                | -          |
| Net insurance benefits                                   | -                                 | -                 | -                 | 4,541             | -       | -                | 4,541     | -4,541                | -          |
| Income from equity<br>investments                        | -                                 | -12               | -7                | 9                 | 54      | -                | 44        | -44                   | -          |
| Net income from<br>insurance business                    | -                                 | -                 | -                 | -                 | -       | -                | -         | -565                  | -565       |
| Total income   | 9,026                             | 912               | 470               | -297              | 382     | 54               | 10,547    | -268                  | 10,279     |
| Operating expenses                                       | 5,409                             | 741               | 238               | 268               | -55     | -10              | 6,591     | -268                  | 6,323      |
| Profit before loan<br>impairment charges                 | 3,617                             | 171               | 232               | -565              | 437     | 64               | 3,956     | -                     | 3,956      |
| Loan impairment charges                                  | 540                               | -                 | 2                 | -                 | -       | -                | 542       | -                     | 542        |
| Profit before tax  | 3,077                             | 171               | 230               | -565              | 437     | 64               | 3,414     | -                     | 3,414      |
| Loans and advances,<br>excluding reverse<br>transactions | 1,667,738                         | 51,393            | 27,672            | -                 | -12,252 | -14,179          | 1,720,372 | -                     | 1,720,372  |
| Other assets   | 432,090                           | 3,592,334         | 17,096            | 233,232           | 711,715 | -3,263,434       | 1,723,033 | -                     | 1,723,033  |
| Total assets   | 2,099,828                         | 3,643,727         | 44,768            | 233,232           | 699,463 | -3,277,613       | 3,443,405 | -                     | 3,443,405  |
| Deposits, excluding<br>repo deposits                     | 615,395                           | 228,510           | 11,211            | -                 | 6,803   | 9,225            | 871,144   | -                     | 871,144    |
| Other liabilities  | 1,415,224                         | 3,413,076         | 32,776            | 228,090           | 668,809 | -3,286,838       | 2,471,137 | -                     | 2,471,137  |
| Allocated capital  | 69,209                            | 2,141             | 781               | 5,142             | 23,851  | -                | 101,124   | -                     | 101,124    |
| Total liabilities<br>and equity                          | 2,099,828                         | 3,643,727         | 44,768            | 233,232           | 699,463 | -3,277,613       | 3,443,405 | -                     | 3,443,405  |
| Internal income  | 2,418                             | 5,256             | 223               | 528               | -8,425  | -                | -         | -                     | -          |
| Amortisation and<br>depreciation charges                 | 631                               | 3                 | 10                | -                 | 210     | -                | 854       | -                     | -          |
| Impairment charges for<br>intangible and tangible assets | -                                 | -                 | -                 | -                 | -       | -                | -         | -                     | -          |
| Reversals of<br>impairment charges                       | -                                 | -                 | -                 | -                 | -       | -                | -         | -                     | -          |
| Pre-tax profit as % p.a. of<br>allocated capital (avg.)  | 17.8                              | 31.9              | 117.9             | -44.0             | 7.3     | -                | 13.5      | -                     | -          |
| Cost/income ratio (%)                                    | 59.9                              | 81.3              | 50.6              | -90.2             | -14.4   | -                | 62.5      | -                     | -          |
| Full-time-equivalent<br>staff (avg.)                     | 14,362                            | 900               | 546               | 951               | 6,976   | -                | 23,735    | -                     | -          |

In its financial highlights, the Group recognises earnings contributed by Danske Markets as net trading income and earnings contributed by Danica Pension as net income from insurance business. The Reclassification column shows the adjustments made to the detailed figures in the calculation of the highlights.

# Notes – Danske Bank Group

| Note                                  | (DKr m)                               |         |         |        |        |                  |         |         |       |        |  |
|---------------------------------------|---------------------------------------|---------|---------|--------|--------|------------------|---------|---------|-------|--------|--|
| 3                                     | <b>Banking Activities, Q1 2009</b>    |         |         |        |        |                  |         |         |       |        |  |
|                                       | <b>Geographical breakdown</b>         | Denmark | Finland | Sweden | Norway | Northern Ireland | Ireland | Baltics | Other | Total  |  |
|                                       | Net interest income                   | 4,211   | 921     | 456    | 666    | 326              | 339     | 143     | 86    | 7,148  |  |
|                                       | Net fee income                        | 854     | 263     | 130    | 90     | 70               | 33      | 32      | 22    | 1,494  |  |
|                                       | Net trading income                    | 233     | 13      | 21     | 49     | -                | 15      | 35      | 7     | 373    |  |
|                                       | Other income                          | 224     | 84      | 9      | 97     | 2                | 2       | 3       | 205   | 626    |  |
|                                       | Total income                          | 5,522   | 1,281   | 616    | 902    | 398              | 389     | 213     | 320   | 9,641  |  |
|                                       | Operating expenses                    | 3,028   | 879     | 341    | 451    | 316              | 231     | 98      | 263   | 5,607  |  |
|                                       | Profit before loan impairment charges | 2,494   | 402     | 275    | 451    | 82               | 158     | 115     | 57    | 4,034  |  |
|                                       | Loan impairment charges               | 2,885   | 385     | 297    | 297    | 445              | 1,473   | 559     | -66   | 6,275  |  |
|                                       | Profit before tax                     | -391    | 17      | -22    | 154    | -363             | -1,315  | -444    | 123   | -2,241 |  |
|                                       |                                       |         |         |        |        |                  |         |         |       |        |  |
|                                       | <b>Banking Activities, Q1 2008</b>    |         |         |        |        |                  |         |         |       |        |  |
|                                       | <b>Geographical breakdown</b>         |         |         |        |        |                  |         |         |       |        |  |
|                                       | Net interest income                   | 3,521   | 796     | 472    | 468    | 400              | 287     | 162     | 106   | 6,212  |  |
|                                       | Net fee income                        | 971     | 362     | 180    | 101    | 95               | 42      | 36      | 25    | 1,812  |  |
|                                       | Net trading income                    | 234     | 11      | 26     | 43     | 21               | 14      | 18      | 11    | 378    |  |
| Other income                          | 47                                    | 67      | 10      | 62     | 2      | 5                | 4       | 427     | 624   |        |  |
| Total income                          | 4,773                                 | 1,236   | 688     | 674    | 518    | 348              | 220     | 569     | 9,026 |        |  |
| Operating expenses                    | 2,365                                 | 1,049   | 384     | 422    | 371    | 265              | 132     | 421     | 5,409 |        |  |
| Profit before loan impairment charges | 2,408                                 | 187     | 304     | 252    | 147    | 83               | 88      | 148     | 3,617 |        |  |
| Loan impairment charges               | 335                                   | -28     | 67      | 28     | 29     | 34               | 15      | 60      | 540   |        |  |
| Profit before tax                     | 2,073                                 | 215     | 237     | 224    | 118    | 49               | 73      | 88      | 3,077 |        |  |

The tables break down the Banking Activities segment by country.

At April 1, 2008, the activities of Nordania Leasing within real property, construction and agricultural machinery, and capital and IT equipment were transferred from Other Banking Activities to Banking Activities Denmark and Banking Activities Norway. This change added DKr183m to the profit before tax of Other Banking Activities. Comparative figures have not been restated.

At January 1, 2009, Banking Activities Russia was transferred from Banking Activities Finland to Other Banking Activities. This caused a decrease of DKr1m in the profit before tax of Banking Activities Finland. Comparative figures have not been restated.

## Notes – Danske Bank Group

| Note | (DKr m)  |                   |                  |                   |
|------|--|-------------------|------------------|-------------------|
| 4    | <b>Contingent liabilities</b>  |                   |                  |                   |
|      | The Group uses a variety of loan-related financial instruments to meet the financial needs of its customers. These include loan offers and other credit facilities, guarantees and instruments that are not recognised on the balance sheet. |                   |                  |                   |
|      |  | March 31,<br>2009 | Dec. 31,<br>2008 | March 31,<br>2008 |
|      | Guarantees   | 98,974            | 107,648          | 113,506           |
|      | Other liabilities  | 165,579           | 168,179          | 227,442           |
|      | <b>Total</b>   | <b>264,553</b>    | <b>275,827</b>   | <b>340,948</b>    |

Owing to its business volume, the Danske Bank Group is continually a party to various lawsuits. In view of its size, the Group does not expect the outcomes of the cases pending to have any material effect on its financial position.

A limited number of employees are employed under terms which grant them, if they are dismissed before reaching their normal retirement age, an extraordinary severance and/or pension payment in excess of their entitlement under ordinary terms of employment.

Together with the majority of Danish banks, Danske Bank is participating through the Private Contingency Association in the Danish state guarantee under the Act on Financial Stability adopted by the Danish parliament on October 10, 2008. The scheme runs from October 5, 2008, to September 30, 2010, and includes an unconditional state guarantee for the obligations of Danish banks, except for subordinated debt and covered bonds.

Each bank's share of the state guarantee commission and the commitment to cover losses is calculated on the basis of the part of the bank's capital base that can be allocated to activities covered by the guarantee. Danske Bank's share is expected to be around one third of the total amount, or an annual guarantee commission of around DKr2.5bn and a commitment to cover losses of around DKr6bn. Half of the latter amount, DKr3bn, becomes payable only if the Danish financial sector's need for capital exceeds DKr25bn. At March 31, 2009, Danske Bank had made provisions of DKr0.6bn for the commitment.

## Notes – Danske Bank Group

| Note                                     | (DKr m)  |                      |                  |                      |                  |
|--|--|----------------------|------------------|----------------------|------------------|
| 5  | <b>Capital requirements and risk-weighted assets</b> |                      |                  |                      |                  |
|  |  | Capital requirements |                  | Risk-weighted assets |                  |
|  |  | March 31,<br>2009    | Dec. 31,<br>2008 | March 31,<br>2009    | Dec. 31,<br>2008 |
| Credit risk                              |  |                      |                  |                      |                  |
| Institutions                             |  | 2,817                | 3,186            | 35,216               | 39,823           |
| Corporate customers                      |  | 28,427               | 28,003           | 355,333              | 350,037          |
| Retail customers                         |  | 8,286                | 9,140            | 103,581              | 114,248          |
| Securitisation                           |  | 6,190                | 2,590            | 77,369               | 32,381           |
| Non-credit-obligation assets             |  | 1,317                | 1,234            | 16,462               | 15,420           |
| Credit risk (IRB approach)               |  | 47,037               | 44,153           | 587,961              | 551,909          |
| Governments and other public authorities |  | 22                   | 17               | 271                  | 212              |
| Institutions                             |  | 271                  | 231              | 3,390                | 2,884            |
| Corporate customers                      |  | 10,476               | 10,986           | 130,944              | 137,326          |
| Retail customers                         |  | 3,070                | 2,507            | 38,377               | 31,343           |
| Exposures secured on real property       |  | 2,905                | 3,105            | 36,307               | 38,818           |
| Other items                              |  | 912                  | 685              | 11,407               | 8,562            |
| Credit risk (standardised approach)      |  | 17,656               | 17,531           | 220,696              | 219,145          |
| Counterparty risk                        |  | 2,421                | 3,450            | 30,270               | 43,124           |
| Total credit risk                        |  | 67,114               | 65,134           | 838,927              | 814,178          |
| Market risk                              |  | 5,202                | 5,408            | 65,019               | 67,602           |
| Operational risk                         |  | 6,436                | 6,264            | 80,460               | 78,299           |
| Total                                    |  | 78,752               | 76,806           | 984,406              | 960,079          |

Other items comprises the following exposure classes: past due items, covered bonds, securitisation positions and exposures in other items, including non-credit-obligation assets.



# Notes – Danske Bank Group

(DKr m)

## Risk management

For a detailed description of the Danske Bank Group's risk management practices, see Annual Report 2008 and Risk Management 2008. Both publications are available at [www.danskebank.com/ir](http://www.danskebank.com/ir).

## Credit exposure

The Group's credit exposure is calculated on the basis of selected items on and off the balance sheet.

|   | March 31,<br>2009 | Dec. 31,<br>2008 |
|---|-------------------|------------------|
| <b>Credit exposure relating to lending activities</b>                     |                   |                  |
| Balance-sheet items:  |                   |                  |
| Demand deposits with central banks  | 23,639            | 9,968            |
| Due from credit institutions and central banks                            | 206,842           | 215,823          |
| Loans and advances  | 1,274,664         | 1,352,113        |
| Loans and advances at fair value  | 679,220           | 667,181          |
| Off-balance-sheet items:  |                   |                  |
| Guarantees  | 98,974            | 107,648          |
| Loan commitments < 1 year   | 52,270            | 51,874           |
| Loan commitments > 1 year   | 112,282           | 115,263          |
| <b>Total credit exposure relating to lending activities</b>               | <b>2,447,891</b>  | <b>2,519,870</b> |
| <b>Credit exposure relating to trading and investing activities</b>       |                   |                  |
| Balance-sheet items:  |                   |                  |
| Trading portfolio assets  | 719,675           | 860,788          |
| Investment securities   | 146,488           | 140,793          |
| Off-balance-sheet items:  |                   |                  |
| Other unutilised commitments  | 1,027             | 1,042            |
| <b>Total credit exposure relating to trading and investing activities</b> | <b>867,190</b>    | <b>1,002,623</b> |
| <b>Total credit exposure</b>  | <b>3,315,081</b>  | <b>3,522,493</b> |

# Notes – Danske Bank Group

(DKr m)

## Impairment charges

The allowance account includes all impairment charges for loans and advances, loans and advances at fair value, amounts due from credit institutions and central banks, and provisions for losses on irrevocable loan commitments and guarantees.

Individual impairment charges comprise charges for credit facilities in rating categories 10 and 11. Credit facilities held by customers in the other rating categories are subject to collective impairment testing.

## Allowance account broken down by type of impairment

|   | Individual<br>impairment charges | Collective<br>impairment charges | Total impairment<br>charges |
|---|----------------------------------|----------------------------------|-----------------------------|
| At January 1, 2008                                    | 3,575                            | 1,325                            | 4,900                       |
| New impairment charges                                | 9,750                            | 3,790                            | 13,540                      |
| Reversals of impairment charges from previous periods | 1,122                            | 412                              | 1,534                       |
| Write-offs debited to allowance account               | 967                              | -                                | 967                         |
| Foreign currency translation                          | -129                             | -25                              | -154                        |
| Other items   | 83                               | -10                              | 73                          |
| At December 31, 2008                                  | 11,190                           | 4,668                            | 15,858                      |
| New impairment charges                                | 7,590                            | 2,255                            | 9,845                       |
| Reversals of impairment charges from previous periods | 1,318                            | 610                              | 1,928                       |
| Write-offs debited to allowance account               | 521                              | -                                | 521                         |
| Foreign currency translation                          | 151                              | 117                              | 268                         |
| Other items   | 2                                | -                                | 2                           |
| At March 31, 2009                                     | 17,094                           | 6,430                            | 23,524                      |

Collective impairment charges include charges made upon the up- or downgrading of customers to other rating categories.

|   | Q1<br>2009 | Q1<br>2008 |
|---|------------|------------|
| <b>Loan impairment charges</b>                        |            |            |
| New impairment charges                                | 9,845      | 1,374      |
| Reversals of impairment charges from previous periods | 1,928      | 839        |
| Write-offs charged directly to the income statement   | 128        | 159        |
| Received on claims previously written off             | 64         | 152        |
| Total loan impairment charges                         | 7,981      | 542        |

# Statement by the management

The Board of Directors and the Executive Board (the management) have considered and approved the interim report of the Danske Bank Group for the period starting on January 1, 2009, and ending on March 31, 2009.

The interim financial statements for the first quarter of 2009 have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions.

In our opinion, the interim financial statements give a true and fair view of the Group's assets, liabilities and financial position at March 31, 2009, and of the results of the Group's operations and the consolidated cash flows for the period starting on January 1, 2009, and ending on March 31, 2009. Moreover, in our opinion, the financial review gives a true and fair view of developments in the Group's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group.

Copenhagen, May 5, 2009

## Executive Board

Peter Straarup  
Chairman

Tonny Thierry Andersen  
Chief Financial Officer

Sven Lystbæk  
Member of the Executive Board

Per Skovhus  
Member of the Executive Board

## Board of Directors

Alf Duch-Pedersen  
Chairman

Eivind Kolding  
Vice Chairman

Henning Christophersen

Peter Højland

Mats Jansson

Niels Chr. Nielsen

Sten Scheibye

Majken Schultz

Claus Vastrup

Birgit Aagaard-Svendsen

Helle Brøndum

Charlotte Hoffmann

Per Alling Toubro

Verner Usbeck

Solveig Ørteby

# Auditors' review reports

## Internal Audit's Review Report

We have reviewed the interim report of the Danske Bank Group for the period starting on January 1, 2009, and ending on March 31, 2009.

### Scope of review

A review of interim reports consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit, and, accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report of the Group has not been prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions.

Copenhagen, May 5, 2009

Jens Peter Thomassen  
Group Chief Auditor

Niels Thor Mikkelsen  
Deputy Group Chief Auditor

## Independent Auditors' Review Report

To the shareholders of Danske Bank A/S

We have reviewed the interim financial statements of the Danske Bank Group for the period starting on January 1, 2009, and ending on March 31, 2009, comprising income statement, statement of comprehensive income, balance sheet, statement of capital, cash flow statement and notes, pp. 25-38.

Management is responsible for the preparation and fair presentation of the interim financial statements of the Group in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions. Our responsibility is to express a conclusion on the interim financial statements based on our review.

### Scope of review

We conducted our review in accordance with the Danish Standard on Auditing RS 2410, Review of Interim Financial Information Performed by the Independent Auditor. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Danish Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit, and, accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group have not been prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions.

Copenhagen, May 5, 2009

KPMG

Statsautoriseret Revisionspartnerselskab

Per Gunslev

Lars Rhod Søndergaard

State Authorised Public Accountants

Copenhagen, May 5, 2009

Grant Thornton

Statsautoriseret Revisionsaktieselskab

Ole Fabricius

Christian F. Jakobsen

State Authorised Public Accountants

# Supplementary information

## Conference call

Danske Bank will hold a conference call on May 5, 2009, after the presentation of its interim report for the first quarter of 2009. The conference call is scheduled for 2.30pm CET and will be transmitted live at [www.danskebank.com](http://www.danskebank.com).

## Financial calendar

|                  |   |
|------------------|---|
| August 11, 2009  | Interim Report – First Half 2009        |
| November 3, 2009 | Interim Report – First Nine Months 2009 |

## Contacts

|  |                 |
|--|-----------------|
| Peter Straarup,<br>Chairman of the Executive Board | +45 45 14 60 01 |
| Tonny T. Andersen,<br>Chief Financial Officer      | +45 45 14 07 07 |
| Martin Gottlob,<br>Head of Investor Relations      | +45 45 14 07 92 |

## Useful links

|                                     |  |
|-------------------------------------|--|
| Danske Bank Group                   | <a href="http://www.danskebank.com">www.danskebank.com</a>             |
| Banking Activities Denmark          | <a href="http://www.danskebank.dk">www.danskebank.dk</a>               |
| Banking Activities Finland          | <a href="http://www.sampobank.com">www.sampobank.com</a>               |
| Banking Activities Sweden           | <a href="http://www.danskebank.se">www.danskebank.se</a>               |
| Banking Activities Norway           | <a href="http://www.fokus.no">www.fokus.no</a>                         |
| Banking Activities Northern Ireland | <a href="http://www.northernbank.co.uk">www.northernbank.co.uk</a>     |
| Banking Activities Ireland          | <a href="http://www.nationalirishbank.ie">www.nationalirishbank.ie</a> |
| Realkredit Danmark                  | <a href="http://www.rd.dk">www.rd.dk</a>                               |
| Danske Capital                      | <a href="http://www.danskecapital.com">www.danskecapital.com</a>       |
| Danica Pension                      | <a href="http://www.danicapension.dk">www.danicapension.dk</a>         |

View Danske Bank's interactive accounts at [www.danskebank.com/interactiveaccounts](http://www.danskebank.com/interactiveaccounts).