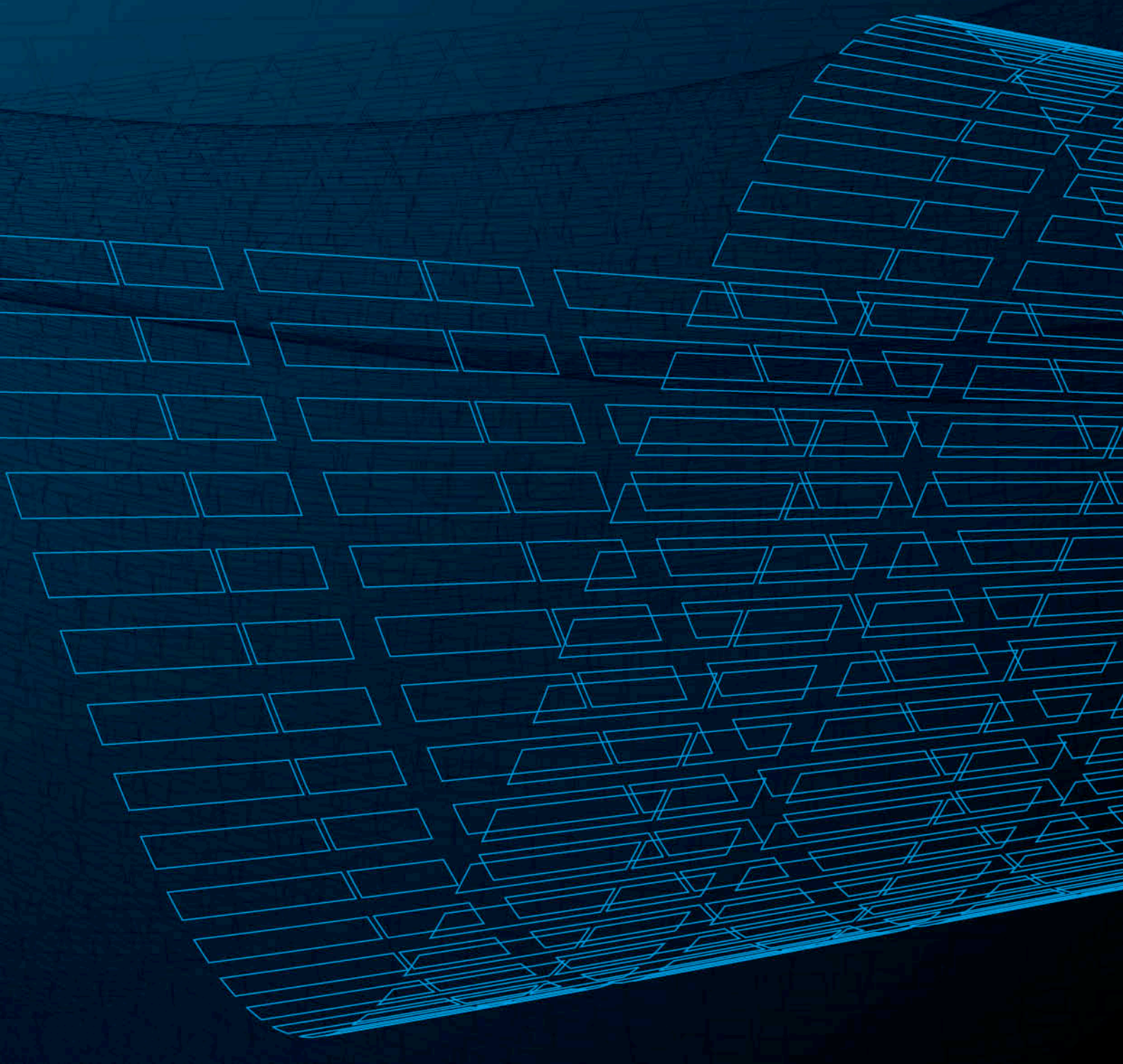


DANSKE BANK GROUP

INTERIM REPORT – FIRST NINE MONTHS 2013



Danske Bank



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Interim Report - First Nine Months 2013 is a translation of the original report in the Danish language [*Delårsrapport - 1. -3. kvartal 2013*].
In case of discrepancies, the Danish version prevails.

Financial highlights – Danske Bank Group

INCOME STATEMENT (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Net interest income	5,606	5,504	102	16,562	17,065	97	5,698	98	22,778
Net fee income	2,278	2,205	103	6,748	6,195	109	2,134	107	8,866
Net trading income	418	2,154	19	4,347	8,732	50	2,199	19	10,562
Other income	301	357	84	954	979	97	333	90	1,285
Net income from insurance business	479	-346	-	474	1,246	38	403	119	2,171
Total income	9,082	9,874	92	29,085	34,217	85	10,767	84	45,662
Expenses	5,545	6,013	92	17,463	18,051	97	5,680	98	24,642
Profit before loan impairment charges	3,537	3,861	92	11,622	16,166	72	5,087	70	21,020
Loan impairment charges	959	924	104	3,342	6,260	53	1,662	58	7,680
Profit before tax, core	2,578	2,937	88	8,280	9,906	84	3,425	75	13,340
Profit before tax, Non-core	-274	-260	-	-1,083	-3,622	-	-1,216	-	-4,801
Profit before tax	2,304	2,677	86	7,197	6,284	115	2,209	104	8,539
Tax	768	493	156	2,005	2,703	74	901	85	3,814
Net profit for the period	1,536	2,184	70	5,192	3,581	145	1,308	117	4,725
Attributable to non-controlling interests	1	-	-	1	4	25	5	20	4

Changes have been made to the highlights for 2012 as presented in note 1.

BALANCE SHEET (END OF PERIOD) (DKK millions)									
Due from credit institutions and central banks	110,818	85,354	130	110,818	141,553	78	141,553	78	113,657
Repo loans	312,942	338,461	92	312,942	305,573	102	305,573	102	307,177
Loans and advances	1,578,973	1,589,768	99	1,578,973	1,663,407	95	1,663,407	95	1,640,656
Trading portfolio assets	707,570	721,484	98	707,570	924,903	77	924,903	77	812,966
Investment securities	121,713	121,526	100	121,713	103,940	117	103,940	117	107,724
Assets under insurance contracts	244,343	239,839	102	244,343	237,232	103	237,232	103	241,343
Assets in Non-core	28,917	30,361	95	28,917	36,584	79	36,584	79	33,100
Other assets	162,954	190,311	86	162,954	184,914	88	184,914	88	228,326
Total assets	3,268,230	3,317,104	99	3,268,230	3,598,106	91	3,598,106	91	3,484,949
Due to credit institutions and central banks	151,429	167,760	90	151,429	250,602	60	250,602	60	241,238
Repo deposits	375,442	346,678	108	375,442	384,442	98	384,442	98	359,276
Deposits	785,839	796,785	99	785,839	736,733	107	736,733	107	783,759
Bonds issued by Realkredit Danmark	605,817	616,457	98	605,817	618,513	98	618,513	98	614,325
Other issued bonds	317,587	342,280	93	317,587	344,791	92	344,791	92	340,005
Trading portfolio liabilities	435,111	455,351	96	435,111	670,039	65	670,039	65	531,860
Liabilities under insurance contracts	263,310	261,088	101	263,310	262,624	100	262,624	100	266,938
Liabilities in Non-core	5,240	5,232	100	5,240	5,944	88	5,944	88	4,831
Other liabilities	126,636	124,944	101	126,636	126,817	100	126,817	100	136,928
Subordinated debt	58,502	58,905	99	58,502	68,652	85	68,652	85	67,785
Shareholders' equity	143,317	141,624	101	143,317	128,949	111	128,949	111	138,004
Total liabilities and equity	3,268,230	3,317,104	99	3,268,230	3,598,106	91	3,598,106	91	3,484,949

RATIOS AND KEY FIGURES									
Earnings per share (DKK)	1.5	2.2		5.2	3.9		1.4		5.1
Diluted earnings per share (DKK)	1.5	2.2		5.2	3.9		1.4		5.1
Return on avg. shareholders' equity [% p.a.]	4.3	6.2		4.9	3.8		4.1		3.7
Return on avg. tangible equity [% p.a.]	5.0	7.3		5.8	4.5		4.9		4.4
Net interest income as % p.a. of loans and deposits	0.95	0.92		0.93	0.95		0.95		0.94
Cost/income ratio [%]	61.1	60.9		60.0	52.8		52.8		54.0
Total capital ratio [%]	19.1	21.8		19.1	19.4		19.4		21.3
Core tier 1 capital ratio [%]	14.2	15.6		14.2	12.7		12.7		14.5
Share price (end of period) (DKK)	118.7	98.0		118.7	104.7		104.7		95.7
Book value per share (DKK)	142.5	140.5		140.8	140.2		140.2		137.9
Full-time-equivalent staff (end of period)	20,039	19,981		20,039	20,651		20,651		20,308

Executive summary

"While our third-quarter result showed some progress, we continue to operate in a challenging environment. To stay competitive and deliver long-term value to customers and shareholders, we need to pay more attention to our customers, to simplify our operations and to become much more efficient," says Thomas F. Borgen, CEO.

"The best way to sustainable profitability is through satisfied customers. Therefore, we will continue to invest in developing market-leading products and services for our customers while taking the necessary steps towards significantly reducing costs related to non-customer facing activities. We will also refocus our business in Ireland. Going forward, we will focus on customers within Corporates & Institutions where our international reach and solid experience provide a strong competitive edge. I am confident that these initiatives will take us one step further towards realising Danske Bank's full potential. We are fully committed to our longer-term target of a return on equity after tax above 12%. We are lowering our target for 2015 from above 12% to 9%, however, on the basis of an assumed prolonged period of subdued market conditions and low interest rate levels."

- Profit after tax for the third quarter of 2013 was DKK 1.5 billion. This result does not live up to our ambitions. For the first nine months, profit after tax was DKK 5.2 billion, an increase of 45%, and return on equity after tax came in at 4.9%.
- Profit before tax for the third quarter rose at all business units except Corporates & Institutions. Net interest income and net fee income increased 2% and 3% respectively, expenses declined 8% and impairments remained at the low level of the preceding quarter. We reduced expenses by 3% and impairments by 47% from the level in the first nine months of 2012.
- Corporates & Institutions saw improvement in all income items except trading income, which halved during the third quarter as market-making activities remained challenged by difficult market conditions, particularly on the fixed income markets. Net income from insurance business rose DKK 0.8 billion as a result of increasing share prices.
- We will enhance the focus on executing on our cost initiatives. Among other things, this will entail a cost efficiency programme of DKK 1 billion with full-year effect in 2014. This will mainly be accomplished through further reductions in the number of employees – primarily at head office functions and other non-customer facing activities.
- We will refocus our business in the Republic of Ireland on Corporates & Institutions customers. With immediate effect, the rendering of Personal Banking and Business Banking services to new customers in Ireland will be discontinued. Existing Personal Banking and Business Banking customers will be transferred to the Non-core unit for servicing and winding down.
- We lower our guidance for full-year 2013 net profit from DKK 6.5-9 billion to DKK 6-8 billion. We do so on the basis of the profit for the third quarter but also because of restructuring charges relating to our operations in Ireland and the acceleration of cost initiatives.
- The Board of Directors appointed Thomas F. Borgen as chief executive officer on 16 September 2013. Glenn Söderholm is appointed as new head of Corporates & Institutions and a member of the executive management with effect from 1 November 2013.

Strategy update

The Board of Directors and executive management remain fully committed to our vision of being recognised as the most trusted financial partner through a focus on enhancing advisory services, continuing digitalisation and improving product offerings. To meet our targets, we need to accelerate the execution of our strategy through a firmer focus on customer attention, simplicity and efficiency.

Customer attention

We are confident that the best way to meet our ambition of delivering shareholder value is through strong customer focus and attention. Recent developments give us confidence that we can strengthen our position in the market place: Our leading mobile and tablet solutions across business units, including the very popular MobilePay app, have been well received by our customers. We have also successfully introduced online meetings that give customers access to personalised advisory services at their convenience. With more than 1.1 million customers registered in Denmark, our customer programme has been well received. We have moved forward the process of empowering customer-facing employees and sped up credit application processing. We have also launched a 360-degree review of our accessibility to customers and service levels in all touch points and across all business units to identify potential improvements. We will use the results to continue to provide strong customer solutions and launch new products and services.

Simplicity

We intend to further simplify our business and remove administrative tasks from customer-facing employees in order to further empower them and make more resources available to our customers. We will also reduce the number of employees at head office functions and simplify procedures. Altogether, these efforts will enable us to significantly enhance the customer experience and improve profitability at the same time.

Efficiency

We will have a firmer focus on costs. We have set a target of DKK 1 billion in annual cost savings with full effect in 2014. We will achieve the cost savings by making internal functions leaner and more efficient and by reducing external expenses. This will entail further reductions in the number of employees in non-customer-facing areas, less hiring in coming quarters and less use of consultancy services.

Republic of Ireland

After a detailed review of our Irish operations, we have decided to focus our business in the Republic of Ireland exclusively on customers at Corporates & Institutions where our international reach and solid experience provide a strong competitive edge. Consequently and with immediate effect, the rendering of Personal Banking and Business Banking services will be discontinued. Existing Personal Banking and Business Banking customers will be transferred to the Non-core unit for servicing and winding down. We will take the steps necessary to support our customers in this process.

We expect the impact of this restructuring on our results to be in the range of DKK 250-300 million for the coming five quarters. We also see a risk of additional impairments in the coming five quarters of up to DKK 500 million above our previous guidance. We therefore currently estimate a risk of impairments on this portfolio over the coming five quarters of up to DKK 2 billion.

Our activities in Northern Ireland are not affected by this decision and will remain part of our core business.

Ambitions and targets

We remain fully committed to attaining a return on equity after tax of above 12% in the longer term. But we will not be able to reach a 12% target in 2015 because the underlying assumption of a central bank interest rate level of 2% is unlikely to materialise.

However, the initiatives described above combined with additional initiatives across our business units to increase net interest and fee income will ensure that we reach our short-term target of a return on equity of 9% – a target substantially above our current return on equity of 4.9%.

We do not find a return on equity of 9% satisfactory. Further improvements and initiatives will be identified going forward to ensure that we will achieve a return on equity of above 12% in the longer term.

Customer satisfaction

Our overall target is to be ranked number one or two in our focus segments by 2015. The figure shows the status on our target at 30 September 2013.



For Personal Banking, customer satisfaction is below target in Denmark, Finland and Norway, even though we see signs of improvement. Personal Banking is on target in Northern Ireland, whereas Sweden has fallen below the target.

Business Banking saw the positive trend in customer satisfaction among focus customers continue in most markets. Business Banking is currently ranked number one in Sweden, Norway and Northern Ireland. In Denmark and Finland, we still need improvement to meet our target of a top-two ranking.

Corporates & Institutions retained their overall third ranking among the wholesale banks operating in the Nordic countries.

Financial targets

We have revised and simplified our financial targets for 2015. Going forward, we will focus on reaching the targets below for return on equity, ratings, capital ratios, costs, cost/income ratio and dividends.

These targets provide full transparency about Danske Bank's financial developments and our progress on strategy execution.

Financial targets	Target	Year to be achieved	Status at 30 September 2013	Comments
Return on equity p.a.	9% Above 12%	2015 Long term	4.9%	In progress after initiating additional cost savings
Ratings	Improve ratings by at least one notch	2015	S&P/Moody's/Fitch A-/Baa1/A Stable/Stable/Stable	In progress
Core tier 1 capital ratio Total capital ratio	Minimum 13% Minimum 17%	End 2013	14.2% 19.1%	Met at end-2012
Nominal costs C/I ratio	Below DKK 23 billion Below 50%	2015	DKK 17.5bn 60%	In progress after initiating additional cost savings
Dividend payments	About 40% of net profit	2015		On track

We have lowered our return on equity target from above 12% to 9% for 2015 as one of the underlying assumptions, a central bank interest rate level of 2%, is unlikely to materialise. The other assumption, normalised impairments, will likely be realised already in 2013. We maintain our long-term target for a return on equity after tax of above 12%.

Danske Bank's ratings were unchanged in the third quarter of 2013. We maintain our 2015 target of an improvement in our ratings by at least one notch.

We met our targets for capital ratios at the end of 2012.

Nominal costs are progressing downwards, and our new cost initiatives will enable us to reach our new target of DKK 23 billion in 2015. We are confident that with our ongoing initiatives to lift income and the new cost efficiency programme, we will meet our target of a C/I ratio of below 50% for 2015.

We aim to resume dividend payments of about 40% of net profit as soon as it is prudent. Until we meet all of our capital and rating targets, the pay-out ratio may be lower.

Our LCR target was met at the end of 2012, and is described under Funding and Liquidity on page 13. Our previous FTE target has been removed as it is an underlying element of our cost target.

Financial summary

Profit before tax for the first nine months of 2013 was DKK 7.2 billion, up DKK 0.9 billion from the level in the first nine months of 2012, primarily because of significantly lower impairments. Total income declined 15% as trading income halved and income from insurance business fell 62%. Net interest income and expenses were largely unchanged. Net fee income increased 9% because of income-generating initiatives across the Group. The loss before tax from Non-core activities was reduced by DKK 2.5 billion. Net profit increased DKK 1.6 billion to DKK 5.2 billion for the period.

In the third quarter of 2013, profit before tax from core activities was DKK 2.6 billion, a decrease of 12% from the level in the second quarter. The decline was attributable to a large drop in Market Making as a result of the difficult market conditions. The net profit was DKK 1.5 billion, down DKK 0.7 billion.

Total income amounted to DKK 9.1 billion, down 8% from the second quarter. Net interest income rose as increased deposit margins and deposit volumes more than offset declining short-term interest rates and lower lending volumes. Net fee income was up slightly, driven by Corporates & Institutions and Danske Capital. Insurance income rose on the strength of a general increase in share prices and return on alternative investments. The decline in income from trading was caused by volatile markets and subdued activity.

Expenses amounted to DKK 5.5 billion, down 0.5 billion from the level in the second quarter mainly because of seasonal effects. Expenses were down 3% from the level in the first nine months of 2012.

Impairments in our core markets were largely unchanged at DKK 1.0 billion, which corresponds to a loan loss ratio of 0.20%. The credit quality of our loan portfolio remained stable.

The Non-core business posted a loss before tax of DKK 0.3 billion, matching the level in the second quarter.

Lending and deposit levels were largely in line with previous quarters.

With a liquidity buffer of DKK 436 billion at the end of September 2013, Danske Bank's liquidity position remained strong. At the end of September, the LCR was 132%.

The core tier 1 and total capital ratios decreased to 14.2% and 19.1%, respectively, as the implementation of an order from the Danish FSA regarding our IRB models increased risk-weighted assets by DKK 96 billion. We issued EUR 1 billion in tier 2 notes and redeemed most of our September 2012 USD 1 billion tier 2 notes because this issue no longer met S&P's rating methodology criteria.

Market conditions

Conditions in the financial markets

Sentiment in the equity markets continued to improve in the third quarter as data in Europe and the US in particular indicated stronger growth prospects. Share prices rose further in developed markets, with European shares performing especially well. Improving Chinese data calmed fears.

The outlook for the US Fed's tapering its asset purchases was the markets' main concern. In combination with stronger economic data, this led to a sharp rise in bond yields over the summer as well as a considerable increase in volatility, particularly in the fixed income markets. Changing signals from the US Fed made investors cautious, and market volumes were very low. Signals of the Fed's tapering also contributed to considerable outflows from emerging markets (EM), causing significant losses in both EM bond markets and equities.

Danish bond yields increased in tandem with the rise in German yields. The euro debt crisis remained tame as peripheral bond markets performed well, even during the period of uncertainty about emerging markets in the summer.

Conditions in our home markets

The Danish economy has shown signs of slight improvement throughout the year. GDP rose in the second quarter, and economic indicators suggest that growth is continuing in the second half of 2013. Real wage growth, low interest rates and a slowly recovering housing market are expected to lead to modest economic growth. The housing market is still a risk factor.

Swedish growth has been slowing in the past year, and in the second quarter, the economy contracted. Survey data indicate that this was only a temporally decline in activity and that Sweden returned to growth in the third quarter. Housing prices have increased substantially in recent years, and there is a risk of a negative adjustment in the years ahead because prices are high, even considering the strong underlying economy.

The Norwegian economy remains strong, but growth has declined because of lower oil prices. Since oil prices are still high despite a drop from their peak, the deceleration is expected to be temporary. Export growth and a continuation of strong domestic demand will serve as stimuli for the Norwegian economy. The possibility of declining housing prices is also a risk factor in Norway.

The Finnish economy is expected to see economic contraction again in 2013 because of weak exports and a tight fiscal policy. Housing prices have been quite flat.

In Northern Ireland, we expect low growth this year. Housing prices appear to have found their floor. In Ireland, no economic growth is expected in 2013. Housing prices have stabilised some 50% below their peak.

Outlook for 2013

We lower our guidance for full-year 2013 net profit from DKK 6.5-9 billion to DKK 6-8 billion. We do so on the basis of the profit for the third quarter but also because of restructuring charges relating to our operations in Ireland and the acceleration of cost initiatives.

We expect total income to be below the level in 2012. Net interest income is also expected to be slightly below the 2012 level. The adverse effects of lower interest rate levels and weak loan demand more than offset the results of initiatives to lift interest income.

Net fee income is expected to be above the level in 2012 because of the management actions taken. Net trading income and insurance income at Danica Pension are expected to be well below the 2012 levels.

Expenses are expected to be around DKK 24 billion because the positive effects of our ongoing cost-efficiency initiatives are partly offset by restructuring costs.

Total impairments are expected to fall well below the level in 2012. After our decision to discontinue our Personal Banking and Business Banking activities in Ireland, we currently estimate a risk of impairments on this portfolio over the coming five quarters of up to DKK 2 billion.

In preparation for repayment of the state hybrid capital in the first half of 2014, we expect to issue further capital in the form of debt instruments in the coming quarters.

This guidance is subject to uncertainty and depends on economic conditions.

Financial review

In the third quarter of 2013, Danske Bank posted a profit before tax from core activities of DKK 2.6 billion, a decrease of 12% from the second-quarter level. The net profit was DKK 1.5 billion, down DKK 0.7 billion. The result does not live up to our ambitions.

Income

Total income amounted to DKK 9.1 billion, down 8% from the second-quarter level.

Net interest income totalled DKK 5.6 billion, up 2% from the level in the second quarter. Increased deposit margins and deposit volumes more than offset the effects of declining short-term interest rates and lower lending volumes.

Net trading income totalled DKK 0.4 billion, a decrease of DKK 1.7 billion. Market Making at Corporates & Institutions was adversely affected by the erratic market conditions. The trend in trading income turned positive in September, though. Net trading income was also adversely affected by an increase in non-allocated funding costs and early redemption of our tier 2 issue.

The insurance business posted net income of DKK 0.5 billion, against a net loss of DKK 0.3 billion in the second quarter. Higher share prices and returns on alternative investments led to a positive return on investments. As a result, the risk allowance for the third quarter of 2013 could be booked to income in full or in part for three of the four interest rate groups.

Expenses

Expenses amounted to DKK 5.5 billion, down 0.5 billion from the level in the second quarter. The decline was caused mainly by seasonal effects.

Danske Bank's contribution to the Danish Guarantee Fund for Depositors and Investors amounted to DKK 0.2 billion, the same as in each of the first two quarters. In the first quarter, Danske Bank also expensed DKK 0.1 billion as its expected share of the banking sector's commitment to cover losses arising from the resolution of certain small Danish banks.

Danske Bank increased its headcount by 58 in the third quarter due to hirings under the graduate programme and offshoring of certain back-office functions. At the end of the quarter and with full effect in 2013, severance agreements had been made with 303 employees.

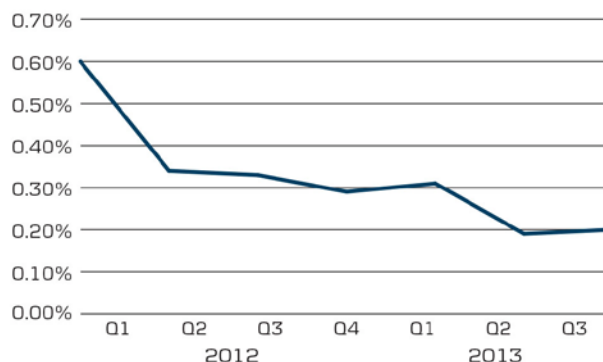
Expenses for VAT, bank tax and financial services employer tax amounted to DKK 0.5 billion, unchanged from the second-quarter level.

Impairments

Impairments in core activities amounted to DKK 1.0 billion, or 0.20% p.a. of lending and guarantees, against DKK 0.9 billion, or 0.19% p.a. of lending and guarantees, in the second quarter.

The level of impairments in core activities reflects an improving macroeconomic environment in our core markets. Impairments at Personal Banking and Business Banking were in line with the second-quarter level. Impairments at Corporates & Institutions, which fluctuate by nature, increased from a low level.

LOAN LOSS RATIO, CORE ACTIVITIES



Third-quarter impairments at Non-core were DKK 0.2 billion.

Tax

Tax on the profit for the third quarter amounted to DKK 0.8 billion, or 33% of profit before tax. The tax charge was high relative to the profit, mainly because DKK 0.1 billion was expensed as a result of a decrease in the deferred tax asset owing to lower corporate tax rates in the UK.

First nine months 2013 vs first nine months 2012

- Profit before tax from core activities amounted to DKK 8.3 billion, down from DKK 9.9 billion, in the first nine months of 2012.
- Net interest income fell 3% to DKK 16.6 billion, primarily because of lower lending volumes and lower deposit margins.
- The insurance business generated net income of DKK 0.5 billion, against a net income of DKK 1.2 billion in the first nine months of 2012. Income fell because the risk allowance could be booked in full for only one of the four interest rate groups.
- Expenses fell 3% and amounted to DKK 17.5 billion. In the first nine months of 2012, expenses included a write-down related to the Sampo Bank brand name as well as expenses for severance payments and branch mergers.
- Impairments from core activities fell 47% to DKK 3.3 billion. All three banking units booked lower impairments than in the first nine months of 2012.
- Impairments at Non-core activities fell from DKK 3.7 billion to DKK 1.0 billion.

Balance sheet

(DKK billions)	Q3	Q2	Index	Q1-Q3	Q1-Q3	Index	Q3	Index	Full year
Lending (end of period)	2013	2013	03/02	2013	2012	13/12	2012	13/12	2012
Personal Banking	836.7	843.1	99	836.7	887.3	94	887.3	94	871.8
Business Banking	620.9	630.2	99	620.9	654.9	95	654.9	95	641.1
Corporates & Institutions	160.7	155.2	104	160.7	168.5	95	168.5	95	161.1
Other Activities incl. eliminations	-3.3	-3.1	-	-3.3	-10.8	-	-10.8	-	0.8
Allowance account, lending	36.0	35.6	101	36.0	36.5	99	36.5	99	34.1
Total lending	1,579.0	1,589.8	99	1,579.0	1,663.4	95	1,663.4	95	1,640.7

Deposits (end of period)									
Personal Banking	358.7	364.9	98	358.7	366.1	98	366.1	98	360.2
Business Banking	261.7	269.3	97	261.7	247.5	106	247.5	106	264.0
Corporates & Institutions	168.2	162.7	103	168.2	128.5	131	128.5	131	162.8
Other Activities incl. eliminations	-2.9	-0.1	-	-2.9	-5.3	-	-5.3	-	-3.2
Total deposits	785.7	796.8	99	785.7	736.8	107	736.8	107	783.8

Bonds issued by Realkredit Danmark (end of period)									
Bonds issued	605.8	616.5	98	605.8	618.5	98	618.5	98	614.3
Own holdings of bonds	124.1	112.8	110	124.1	109.9	113	109.9	113	121.8
Total Realkredit Danmark bonds	729.9	729.3	100	729.9	728.4	100	728.4	100	736.1
Total covered bonds	194.6	204.3	95	194.6	204.8	95	204.8	95	220.8
Deposits and issued mortgage bonds etc.	1,710.2	1,730.4	99	1,710.2	1,670.0	102	1,670.0	102	1,740.7
Lending as % of deposits and issued mortgage bonds etc.	92	92		92	100		100		94

Lending

At the end of September 2013, total lending was down 4% from the level at the end of 2012. Most of Danske Bank's markets saw weak growth, which suppressed the demand for credit.

New gross lending in the third quarter, excluding repo loans, amounted to DKK 12.1 billion.

Danske Bank's market share of total lending in Denmark rose to 27.9% from 26.6% at the end of 2012, whereas the market shares fell marginally in Finland, Sweden and Norway.

MARKET SHARE OF LENDING [%]	30 September 2013	31 December 2012
Denmark (including mortgage loans)	27.9	26.6
Finland	10.6	11.3
Sweden	4.9	5.2
Norway	4.5	4.9

Lending equalled 92% of total deposits, mortgage bonds and covered bonds, a decline from 94% at the end of 2012. Excluding exchange rate effects, the lending ratio was down at all three banking units.

Deposits

At the end of September 2013, total deposits largely matched the level at the end of 2012.

Danske Bank's market share of total deposits in Denmark fell to 28.0% from 29.1% at the end of 2012. In the other Nordic countries, Danske Bank maintained its market shares of deposits.

MARKET SHARE OF DEPOSITS [%]	30 September 2013	31 December 2012
Denmark	28.0	29.1
Finland	11.6	11.2
Sweden	4.7	4.6
Norway	5.5	5.0

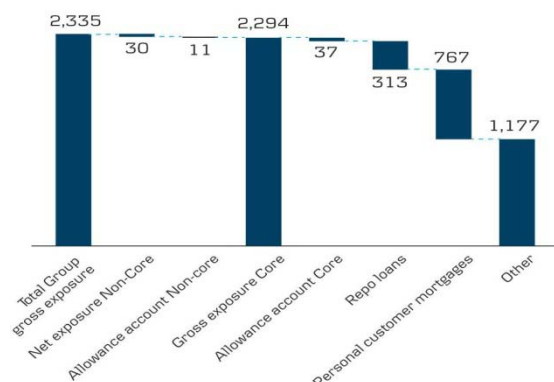
Credit exposure

Credit exposure totalled DKK 3,431 billion, against DKK 3,656 billion at the end of 2012. Exposure from trading and investment activities amounted to DKK 830 billion of the total credit exposure, against DKK 921 billion at the end of 2012. Exposure from lending activities amounted to DKK 2,257 billion, against DKK 2,389 billion at the end of 2012.

Some 14% of the exposure from lending activities related to repo transactions. Personal customers with home loans accounted for 33% of the exposure and generally had a good credit quality. Some 62% of the remaining credit exposure in core activities

related to counterparties with an investment grade rating.

BREAKDOWN OF CREDIT EXPOSURE FROM LENDING (DKK billions)



Risk Management 2012, which is available at danskebank.com/ir, provides more details on Danske Bank's credit risks.

Credit quality

Credit quality was generally strong. It has been stable since the end of 2012, supported by improved customer ratings in the Personal Banking portfolio.

Danish personal customers, commercial property customers and agricultural customers accounted for the vast majority of impaired loans. The impairment coverage ratios after haircuts on these loans remained high. The ratios are based on the exposure to customers in rating categories 10 (performing) and 11 (non-performing) for which an individual impairment charge has been made.

LOAN IMPAIRMENT COVERAGE		
(%)	Q3 2013	Q4 2012
Total impaired loans	87	95
- Performing	69	64
- Non-performing	100	98

Impairment coverage is calculated as individual allowance account amounts relative to gross impaired loans net of collateral (after haircuts).

Allowance account

The allowance account represents accumulated impairments, including both collective and individual impairments.

At 30 September 2013, accumulated individual impairments amounted to DKK 33.7 billion, or 1.7% of lending and guarantees. Accumulated collective impairments amounted to DKK 3.4 billion, or 0.2% of lending and guarantees. The corresponding figures at 31 December 2012 were DKK 32.7 billion and DKK 3.4 billion.

ALLOWANCE ACCOUNT	30 September 2013		31 December 2012	
(DKK millions)	Balance	% of loans and guarantees	Balance	% of loans and guarantees
Personal Banking	9,525	1.12	9,314	1.05
Business Banking	24,650	3.85	23,961	3.59
Corporates & Institutions	2,986	0.51	2,877	0.56
Other	1	0.00	3	0.00
Total core activities	37,162	1.92	36,155	1.83
Non-core	10,727	27.05	11,638	26.08
Total	47,889	2.43	47,793	2.36

Write-offs amounted to DKK 1.0 billion, down from DKK 1.4 billion in the second quarter. Of the write-offs in the period, DKK 0.2 billion was attributable to facilities not already subject to impairment.

Trading and investment activities

At 30 September, credit exposure from trading and investment activities amounted to DKK 830 billion, against DKK 921 billion at 31 December 2012.

Danske Bank has made agreements with many of its counterparties to net positive and negative market values. The net exposure was DKK 74 billion, against DKK 105 billion at the end of 2012, and most of it was secured by collateral management agreements.

The value of the bond portfolio, excluding customer funds at Danica Pension, was DKK 546 billion. Of the total bond portfolio, 98.7% was recognised at fair value.

BOND PORTFOLIO (%)	30 September 2013	31 December 2012
Government bonds and bonds guaranteed by central or local governments	37	36
Bonds issued by quasi-government institutions	2	1
Danish mortgage bonds	41	42
Swedish covered bonds	11	11
Other covered bonds	3	5
Short-term bonds (CP etc.), primarily with banks	-	2
Corporate bonds	6	3
Total holdings	100	100
Available-for-sale bonds included in total holdings	12	13

Holdings of government bonds consisted primarily of bonds issued by the Nordic countries, Germany, France and the UK. The total risk exposure to government bonds from Ireland, Portugal, Spain and Italy was DKK 6.1 billion (2012: DKK 3.2 billion). All holdings of government bonds issued by these countries were recognised at fair value. Danica Pension's exposure to government bonds from Ireland, Portugal, Spain and Italy totalled DKK 10.8 billion (2012: DKK 8.1 billion), with policyholders receiving most of the return and assuming most of the risk.

Capital and solvency

The Group's capital base consists of tier 1 capital (equity capital and hybrid capital after deductions) and tier 2 capital. At 30 September 2013, the capital base amounted to DKK 165.5 billion, and the total capital ratio was 19.1%. The core tier 1 capital ratio stood at 14.2%.

In September 2013, Danske Bank issued EUR 1 billion of tier 2 notes with settlement on 4 October 2013. The issue was made as part of our preparation for redemption in 2014 of the hybrid capital raised from the Danish state and to prepare for the coming capital requirements for European banks.

We also announced a tender offer for the USD 1 billion tier 2 notes issued in September 2012. The tender was settled on 4 October, and 91% of the note holders participated. We exercised our early redemption right because of a change in the Standard & Poor's [S&P] rating methodology criteria in July 2013. We expect to exercise our right to call the notes still outstanding in the fourth quarter of 2013.

In the second quarter of 2013, we received orders from the Danish FSA concerning our use of the internal ratings-based approach (the IRB approach) for risk-weighted asset calculations. In the third quarter, we implemented the first of these orders by increasing the risk weights for our corporate portfolio. This increased risk-weighted assets by DKK 96 billion to DKK 868 billion at 30 September 2013, against DKK 819 billion at 31 December 2012. The remaining orders are for now addressed in the Group's solvency need with temporary Pillar 2 add-ons of a combined DKK 4 billion. The add-ons will be removed when the Group is ready to implement the orders sometime during 2014.

We estimate that the effect of CRR/CRD IV on our core tier 1 capital ratio at 30 September 2013 will be a reduction of about 2.0 percentage points in 2018. The increase from the figure disclosed at 30 June 2013 (1.8 percentage points) derives mainly from the Credit Valuation Adjustment (CVA) risk charge applicable from 1 January 2014. In calculating the charge, we have excluded the mitigating effect of the implementation of an internal model for counterparty risk. Danske Bank is preparing an application to the Danish FSA to use such model.

At 30 September 2013, Danske Bank's solvency need ratio was 10.1% (31 December 2012: 11.0%). Under Danish law, Danske Bank must publish its solvency need on a quarterly basis. More detailed information is available at danskebank.com/ir.

Ratings

In the third quarter of 2013, Fitch Ratings, Moody's and S&P maintained their long- and short-term ratings of Danske Bank. All three rating agencies have the long-term rating on stable outlook.

DANSKE BANK'S RATINGS AT 30 SEPTEMBER 2013

	Moody's	S&P	Fitch
Long-term	Baa1	A-	A
Short-term	P-2	A-2	F1
Outlook	Stable	Stable	Stable

Danske Bank's current ratings are not satisfactory. One of our financial targets for 2015 is to improve our ratings by at least one notch.

Mortgage bonds and mortgage-covered bonds issued by Realkredit Danmark are rated AAA by S&P (stable outlook).

Realkredit Danmark bonds are also rated by Fitch Ratings. Bonds issued from capital centre S are rated AAA, while bonds issued from capital centre T are rated AA+. Both ratings have a stable outlook.

SIFI regulation

On 10 October 2013, the Danish Parliament reached a political agreement on the requirements for Danish SIFIs. In addition to the minimum capital requirement of 8% of risk-weighted assets, Danske Bank will face a combined buffer requirement consisting of a capital conservation buffer of 2.5% and a unique SIFI capital requirement of 3%, bringing the fully phased-in capital requirement to 13.5% in 2019. The total minimum core tier 1 requirement for Danske Bank will be 10%. An additional countercyclical capital buffer of up to 2.5% may be imposed during periods of high loan growth.

Rangvid report

We acknowledge the extensive work documented in the Danish Rangvid report on the causes and consequences of the financial crisis in Denmark and wish to contribute actively to the avoidance of financial crises in the future. We also agree with the Rangvid Committee's conclusion that financial institutions should have higher capital and solvency levels and look forward to participating in further discussions of recommendations under the auspices of the Danish Bankers' Association.

Supervisory Diamond

The FSA has identified a number of specific risk indicators for banks (the Supervisory Diamond) and has introduced limit values that all Danish banks must comply with. At 30 September 2013, Danske Bank A/S was in compliance with all the limit values. A separate report is available at danskebank.com/ir.

Funding and liquidity

With a liquidity buffer of DKK 436 billion at the end of September 2013, Danske Bank's liquidity position remained strong. The buffer consists of cash and holdings at central banks of DKK 83 billion; securities issued or guaranteed by sovereigns, central banks or multilateral development banks of DKK 72 billion; covered bonds (including mortgage bonds) of DKK 258 billion; and other holdings of DKK 23 billion.

With an LCR of 132% at the end of September, Danske Bank complied with the LCR requirement. Danske Bank also complied with all other liquidity requirements. Stress tests show that we have a sufficient liquidity buffer for the coming 12 months.

In the third quarter, Danske Bank issued covered bonds for DKK 0.8 billion and senior debt for DKK 3.8 billion, a total of DKK 4.6 billion, and redeemed long-term debt of DKK 16.8 billion.

At 30 September 2013, the total amount of outstanding long-term funding, excluding senior debt issued by Realkredit Danmark, was DKK 334 billion, against DKK 355 billion at the end of 2012. The long-term funding is shown in the table below:

DANSKE BANK EXCLUDING REALKREDIT DANMARK		
DKK billions	30 September 2013	31 December 2012
Covered bonds	166	167
Senior unsecured debt	109	120
Subordinated debt	59	68
Total	334	355

Personal Banking

Personal Banking serves personal and Private Banking customers through a strong network of branches, finance centres, contact centres and online channels. The unit offers a wide range of financial products and services within banking, property financing, leasing, insurance and pensions.

Key developments from Q2 2013 to Q3 2013

- Return on allocated capital of 9.5% p.a., up 2.3 percentage points
- Profit before tax of DKK 0.8 billion, up 47%
- Total income of DKK 4.1 billion, matching the level in Q2
- Net interest income of DKK 2.8 billion, on a par with the level in Q2
- Expenses down 5% to DKK 2.9 billion
- Impairments down 13%

We see clear signs that the execution of our strategy is beginning to pay off: Profit before tax improved 47% from the second to the third quarter, and the return on allocated capital increased to 9.5%, mainly as a result of lower expenses and lower impairments. Year-on-year, the return on allocated capital improved 3.0 percentage points to 8.3%. Profit before tax increased significantly, from DKK 1.1 billion to DKK 1.9 billion, also as a result of lower expenses and lower impairments. Total income remained under pressure, though.



1 OF 5 MARKETS ON TARGET

CUSTOMER SATISFACTION



RETURN ON ALLOCATED CAPITAL



63%

CUSTOMERS USING ONLINE CHANNELS

PERSONAL BANKING (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Net interest income	2,817	2,793	101	8,382	8,718	96	2,874	98	11,672
Net fee income	1,045	1,043	100	3,086	2,751	112	961	109	3,730
Net trading income	131	97	135	428	528	81	169	78	819
Other income	154	187	82	484	462	105	138	112	608
Total income	4,147	4,120	101	12,380	12,459	99	4,142	100	16,829
Expenses	2,919	3,079	95	8,954	9,315	96	2,974	98	12,430
Profit before loan impairment charges	1,228	1,041	118	3,426	3,144	109	1,168	105	4,399
Loan impairment charges	445	509	87	1,543	2,057	75	419	106	2,749
Profit before tax	783	532	147	1,883	1,087	173	749	105	1,650
Loans and advances before impairments	836,679	843,110	99	836,679	887,296	94	887,296	94	871,759
Allowance account, loans	8,808	8,981	98	8,808	8,487	104	8,487	104	9,314
Deposits	358,748	364,886	98	358,748	366,053	98	366,053	98	360,175
Bonds issued by Realkredit Danmark	418,744	418,630	100	418,744	424,854	99	424,854	99	428,078
Allocated capital (average)	33,088	29,550	112	30,401	27,556	110	28,318	117	28,539
Net interest income as % p.a. of loans and deposits	0.95	0.93		0.94	0.92		0.92		0.95
Profit before loan impairment charges as % p.a. of allocated capital	14.8	14.1		15.0	15.2		16.5		15.4
Profit before tax as % p.a. of allocated capital (ROE)	9.5	7.2		8.3	5.3		10.6		5.8
Cost/income ratio (%)	70.4	74.7		72.3	74.8		71.8		73.9
Full-time-equivalent staff	7,400	7,575	98	7,400	8,304	89	8,304	89	8,016

PERSONAL BANKING Q1-Q3 2013 (DKK millions)	Denmark	Finland	Sweden	Norway	Northern Ireland	Ireland	Other	Total
Total income	8,003	1,671	653	1,306	613	161	-27	12,380
Loan impairment charges	1,414	16	-5	-22	38	108	-6	1,543
Loans and advances before impairments	547,714	97,922	77,569	74,787	17,072	16,182	5,433	836,679
Deposits	210,152	46,165	32,127	27,084	27,710	10,606	4,904	358,748

Developments in Q3 2013

Satisfied customers are the foundation for our business, and we constantly strive to further strengthen relationships and dialogue. For Private Banking customers, we introduced an exclusive new design in all channels that supports the "Your assets refined" campaign, which highlights our recognition of these customers' special requirements and expectations. And with a new, simplified method for measuring customer satisfaction, we call customers after meetings to get their feedback.

We want to make banking easy for our customers. With online meetings, we give customers the opportunity to decide the time and place of the meeting. For many customers, the most convenient place is their living room. So far, one in ten customer meetings in Denmark and Finland are online meetings, and the number is rising in all markets. Customer satisfaction with these meetings is just as high as with conventional, face-to-face meetings.

The customer programme launched in Denmark in January 2013 has exceeded our expectations, with more than 1.1 million customers registered. At the same time, we have maintained our market share of bank lending in Denmark, while our market share has improved at Realkredit Danmark.

Customer satisfaction

We do not see a uniform trend in customer satisfaction. In Denmark, Finland and Norway, customer satisfaction is below target, even though we see signs of improvement. Personal Banking is on target in Northern Ireland, whereas Sweden has fallen below the target.

Our own figures for customer feedback on face-to-face meetings show that customers give the meetings an average score of 9 on a 10-point scale across all markets. We are very proud of this direct feedback on our advisers. It tells us that customers who meet with us are very satisfied and that we can lift overall customer satisfaction through more frequent meetings and interaction with customers.

Q3 2013 vs Q2 2013

Profit before tax increased 47% to DKK 0.8 billion, and return on allocated capital improved 2.3 percentage points to 9.5%, mainly as a result of lower expenses and lower impairments.

Total income amounted to DKK 4.1 billion; net interest income stood at DKK 2.8 billion; and net fee income was DKK 1 billion. All income items matched the levels in Q2.

In September, fees were charged for first time for the new customer programme in Denmark.

Expenses decreased 5% because of lower staff costs. Impairments fell 13% to DKK 0.4 billion because of improved household finances.

Q1-Q3 2013 vs Q1-Q3 2012

The return on allocated capital improved 3.0 percentage points to 8.3%. Profit before tax increased significantly, from DKK 1,087 million to DKK 1,883 million, as a result of lower expenses and lower impairments.

Total income was in line with the income for the first nine months of 2012. Net interest income fell 4% owing to a decrease in average lending volumes and falling short-term interest rates that put deposit margins under pressure.

Net fee income rose 12%. Most of the increase came from higher charges on account packages in most markets and stronger customer investment activity.

Expenses fell 4% because of lower expenses in most categories and staff costs in particular. IT expenses were up 28% because we continued to develop seamless online solutions to the benefit of our customers.

Impairment charges continued to fall, and at DKK 1.5 billion they were 25% lower than in the first nine months of 2012. Charges fell mainly because of improved household finances and slightly rising housing prices in some markets. We expect impairment levels to continue the downward trend in coming quarters.

Credit exposure

Credit exposure covers mortgages, loans secured on other assets, customer loans, and fully or partially secured credits.

Total credit exposure declined to DKK 830 billion as a result of low lending appetite from our customers and the fact that more customers focus on repaying debt. Furthermore, the low interest rate level and NOK and SEK exchange rate effects also had a negative effect on the total value of credit exposure in Danish kroner.

	Credit exposure (DKK millions)		Impairment (ann.) %
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013
Denmark	544,025	574,377	0.35
Finland	97,043	106,074	0.02
Sweden	77,751	80,688	-0.01
Norway	74,699	84,598	-0.04
Northern Ireland	16,627	17,712	0.30
Ireland	14,699	15,376	0.98
Other	5,509	5,638	-0.15
Total	830,353	884,463	0.25

Strong credit quality

The increase in customers' disposable incomes strengthened the credit quality of Personal Banking Denmark's portfolio. The delinquency rate at Realkredit Danmark in 2013 has thus been low and stable, on a par with the level at the end 2012 and showing a small decline in the third quarter of 2013. The loan loss ratio was 0.23%.

The credit quality of Personal Banking customers in the other Nordic markets is also improving. The number of low-quality and non-performing loans is gradually decreasing in most markets.

	30 September 2013		31 December 2012	
[DKK billions]	LTV [%]	Credit exposure	LTV [%]	Credit exposure
Denmark	73.6	504	73.6	519
Finland	62.0	88	64.4	93
Sweden	68.4	70	68.2	74
Norway	62.1	69	62.0	78
Northern Ireland	77.8	16	77.9	16
Ireland	97.4	14	109.2	15
Average	71.3	761	71.6	795

Business Banking

Business Banking serves business customers with a turnover of up to EUR 300 million through a network of finance centres, business centres, contact centres and online channels. The unit offers leading solutions in fields such as online banking, financing, cash management and risk management.

Key developments from Q2 2013 to Q3 2013

- Return on allocated capital of 11.5% p.a., up 1.1 percentage points
- Profit before tax of DKK 1.3 billion, up 7%
- Total income of DKK 3.0 billion, matching the level in Q2
- Net interest income of DKK 2.3 billion, on a par with the level in Q2
- Expenses of DKK 1.3 billion, down 6%
- Impairments still at a relatively low level

Profit before tax rose 7% from the second quarter to the third quarter, and year-on-year, the increase was 64%. Slightly improving market conditions combined with initiatives to improve asset quality kept impairments at the same level as in Q2.



ON TARGET IN 3 OF 5 MARKETS

CUSTOMER SATISFACTION



RETURN ON ALLOCATED CAPITAL



DKK 1,279 MILLION

PROFIT BEFORE TAX

BUSINESS BANKING (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Net interest income	2,252	2,191	103	6,649	6,915	96	2,361	95	9,243
Net fee income	466	471	99	1,427	1,542	93	643	72	2,149
Net trading income	129	161	80	489	358	137	55	235	479
Other income*	112	141	79	377	373	101	125	90	481
Total income	2,959	2,964	100	8,942	9,188	97	3,184	93	12,352
Expenses*	1,290	1,371	94	4,022	3,984	101	1,294	100	5,466
Profit before loan impairment charges	1,669	1,593	105	4,920	5,204	95	1,890	88	6,886
Loan impairment charges	390	395	99	1,364	3,031	45	582	67	3,825
Profit before tax	1,279	1,198	107	3,556	2,173	164	1,308	98	3,061
Loans and advances before impairments	620,943	630,167	99	620,943	654,933	95	654,933	95	641,133
Allowance account, loans	23,878	23,235	103	23,878	25,708	93	25,708	93	23,961
Deposits	261,727	269,343	97	261,727	247,455	106	247,455	106	263,976
Bonds issued by Realkredit Danmark	291,217	297,142	98	291,217	291,538	100	291,538	100	296,302
Allocated capital [average]	44,456	45,992	97	45,211	42,028	108	42,741	104	42,791
Net interest income as % p.a. of loans and deposits	1.05	1.00		1.03	1.00		1.09		1.05
Profit before loan impairment charges as % p.a. of allocated capital	15.0	13.9		14.5	16.5		17.7		16.1
Profit before tax as % p.a. of allocated capital (ROE)	11.5	10.4		10.5	6.9		12.2		7.2
Cost/income ratio (%)	43.6	46.3		45.0	43.4		40.6		44.3
Full-time-equivalent staff	3,734	3,761	99	3,734	3,803	98	3,803	98	3,772

BUSINESS BANKING Q1-Q3 2013 (DKK millions)	Denmark	Finland	Sweden	Norway	Northern Ireland	Ireland	Baltics	Other	Total
Total income*	4,742	951	1,316	891	638	24	591	-211	8,942
Expenses*	1,525	608	656	430	359	62	296	86	4,022
Profit before loan impairment charges	3,217	343	660	461	279	-38	295	-297	4,920
Loan impairment charges	954	-7	-39	266	335	38	-176	-7	1,364
Loans and advances before impairments	365,478	45,837	104,591	50,179	34,747	1,552	18,553	6	620,943

* Operational leasing, excluding property leasing, is presented on a net basis under Other income.

Developments in Q3 2013

We continued to execute the Business Banking strategy. We have developed new service models for large business and large real estate customers, and we will introduce the improved offerings to our customers in the Nordic markets by the end of the fourth quarter. Our introduction of the Danish mortgage bond financing model to selected customers in Norway and Sweden led to increased business with some of the strongest customers in this segment.

The digitalisation of our distribution channels saw increasing interest. The number of users who have downloaded our Mobile Business and Tablet Business apps rose.

Customer satisfaction

The positive trend in customer satisfaction among our focus customers continued in most markets. We are currently ranked number one in Sweden, Norway and Northern Ireland. In Denmark and Finland, we still need improvement to meet our satisfaction target of a top-two ranking.

Q3 2013 vs Q2 2013

Business Banking's return on allocated capital improved from 10.4% in the second quarter to 11.5% in the third quarter as profit before tax rose 7%.

Total income matched the level in the second quarter, with demand for lending remaining low.

Deposits were on a par with the level in the second quarter, and the deposit/lending ratio was stable.

Net interest income increased 3% as lower bank lending and a shift towards low-risk and low-margin mortgage lending in Denmark were offset primarily by a rise in lending margins.

Slightly lower investment and financing activity had an adverse effect on net fee income.

Trading income from day-to-day customer business improved in the third quarter. Total trading income was adversely affected by mark-to-market revaluations, however.

Total expenses fell 6%, mainly because of seasonally lower expenses for holiday payments and lower amortisation of intangible assets.

Q1-Q3 2013 vs Q1-Q3 2012

Profit before tax increased to DKK 3.6 billion, and the return on allocated capital rose from 6.9% to 10.5% as a result of improved credit quality.

Total income was down from DKK 9.2 billion to DKK 8.9 billion because of lower activity and business volumes.

Net interest income declined, primarily because of lower lending, while net fee income fell because of lower activity in general.

Trading income was up as a result of an adjustment of trading commissions and positive value adjustments of bond holdings and currency and derivatives positions at the beginning of 2013.

Total expenses increased slightly because of wage inflation in some countries. All other expenses decreased year-on-year. The total number of FTEs declined as Business Banking continued the process of improving efficiency.

Credit exposure

Credit exposure to business customers totalled DKK 637 billion at the end of September 2013, against DKK 651 billion at the end of 2012.

	Credit exposure (DKK millions)		Impairment (ann.) %
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013
Denmark	367,619	360,536	0.35
Finland	51,248	50,931	-0.02
Sweden	110,351	113,681	-0.05
Norway	56,001	69,043	0.63
Northern Ireland	29,299	26,899	1.52
Ireland	1,343	2,644	3.77
Baltics	20,785	21,387	-1.13
Other	11	6,140	-84.85
Total	636,657	651,261	0.29

In Norway, the decrease in credit exposure was partly attributable to exchange rate effects and transfers of customers to other business units.

Credit quality improving

Slightly improving market conditions combined with initiatives to improve asset quality resulted in a decline in impairments of more than 50% since the end of September 2012. At the end of September 2013, impairments amounted to DKK 1,364 million, against DKK 3,031 million a year earlier.

At DKK 390 million, impairments remained relatively low in the third quarter. Impairments amounted to DKK 395 million in the second quarter.

Commercial property and agriculture remained the most challenged segments.

Corporates & Institutions

Corporates & Institutions is a leading provider of wholesale banking services for the largest institutional and corporate clients in the Nordic region. Products and services include cash management, trade finance and custody services; equity, fixed income, foreign exchange and derivative products; and corporate and acquisition finance.

Key developments from Q2 2013 to Q3 2013

- Return on allocated capital of 6.1% p.a., down 5.9 percentage points
- Profit before tax of DKK 464 million, down significantly from Q2 because of lower net trading income
- Total income of DKK 1.6 billion, down 27%
- Expenses of DKK 1.0 billion, down 14%
- Impairments maintained at a low level, as in Q2

Profit before tax fell more than 50% from the second quarter to the third quarter, mainly because of a significant drop in net trading income. In the third quarter, net trading income from Market Making decreased as the US Fed announcement in June led to difficult market conditions for most of the third quarter. The contradicting signals on short-term interest rates led to low market activity throughout the quarter, especially within fixed income.



CLIENT SATISFACTION



RETURN ON ALLOCATED CAPITAL



PROFIT BEFORE TAX

CORPORATES & INSTITUTIONS (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Net interest income	582	557	104	1,643	1,467	112	475	123	1,918
Net fee income	308	272	113	872	806	108	264	117	1,118
Net trading income	671	1,300	52	3,552	7,056	50	1,972	34	8,341
Other income	3	2	150	10	10	100	4	75	19
Total income	1,564	2,131	73	6,077	9,339	65	2,715	58	11,396
Expenses	976	1,140	86	3,216	3,200	101	1,019	96	4,307
Profit before loan impairment charges	588	991	59	2,861	6,139	47	1,696	35	7,089
Loan impairment charges	124	20	-	435	1,124	39	588	21	1,160
Profit before tax	464	971	48	2,426	5,015	48	1,108	42	5,929
Loans and advances before impairments	160,736	155,203	104	160,736	168,493	95	168,493	95	161,112
Allowance account, loans	2,686	2,823	95	2,686	3,028	89	3,028	89	2,877
Deposits	168,249	162,694	103	168,249	128,496	131	128,496	131	162,817
Bonds issued by Realkredit Danmark	19,920	13,464	148	19,920	12,060	165	12,060	165	11,695
Allocated capital (average)	30,215	32,374	93	31,587	27,833	113	28,882	105	28,653
Net interest income as % p.a. of loans and deposits	0.71	0.71		0.67	0.65		0.65		0.60
Profit before loan impairment charges as % p.a. of allocated capital	7.8	12.2		12.1	29.4		23.5		24.7
Profit before tax as % p.a. of allocated capital (ROE)	6.1	12.0		10.2	24.0		15.3		20.7
Cost/income ratio (%)	62.4	53.5		52.9	34.3		37.5		37.8
Full-time-equivalent staff	1,594	1,554	103	1,594	1,467	109	1,467	109	1,499

TOTAL INCOME (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
General Banking	930	871	107	2,644	2,347	113	773	120	3,126
Capital Markets	75	161	47	410	449	91	160	47	655
Sales and Research	625	702	89	2,042	1,966	104	576	109	2,597
Market Making	-66	397	-	981	4,577	21	1,206	-	5,018
Total income	1,564	2,131	73	6,077	9,339	65	2,715	58	11,396

Developments in Q3 2013

Corporates & Institutions continued to execute its strategy. We introduced a new clearing solution with central counterparty clearing and successfully onboarded the first clients. We also introduced a risk-scanning tool for advisory services to SMEs. Capital Markets continued to expand its scope of bond issuance activities.

Client satisfaction

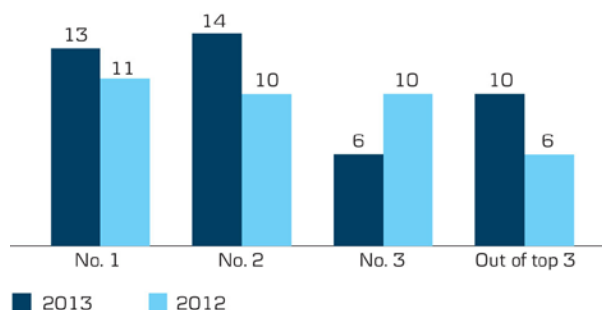
Danske Bank uses Prospera customer surveys as indicators of client satisfaction. The surveys are conducted across a number of areas throughout the year.

In the first three quarters, Danske Bank ranked in the top three in 77% of relevant surveys published. The results of the surveys confirmed Danske Bank's position as a leading wholesale bank in the Nordic region.

The results show a very encouraging overall increase in client satisfaction, and our ambition is to be number one in the consolidated survey of all areas by 2015. In 2012, Corporates & Institutions ranked third overall.

The surveys also highlighted areas in which improvements can be made. We will use the recommendations to further enhance the client experience.

CLIENT SATISFACTION

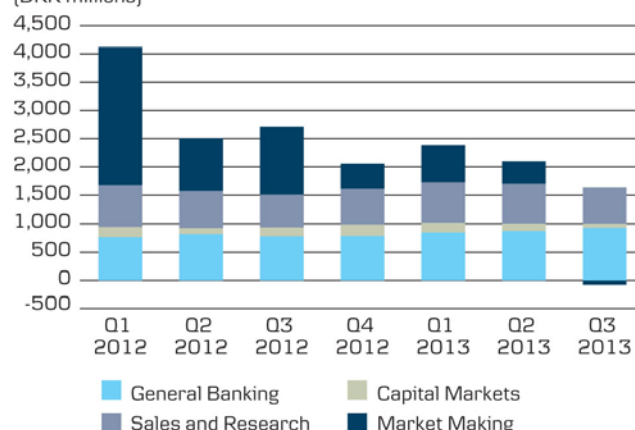


Source: TNS SIFO Prospera 2013.

Q3 2013 vs Q2 2013

Total income fell to DKK 1.6 billion, or 27%, from the second quarter to the third quarter. The main reason was a fall in net trading income from Market Making. The general market reaction to the US Fed's announcement in June that it would scale down its quantitative easing increased uncertainty among many market participants. This created difficult market conditions, especially in July and August, and there was generally low activity in the market. Towards the end of the quarter, central banks' use of forward guidance to convince the markets of their intention to keep rates low and the Fed's postponement of the planned tapering of quantitative easing were well received by market participants, and market activity picked up.

TOTAL INCOME (DKK millions)



General Banking income continued to improve as both net interest income and net fee income remained high. Net interest income was partly driven by higher lending margins as market conditions remained uncertain. Net fee income was fuelled by loan origination and refinancing activity. Expansion within cash management improved both net interest income and net fee income and also led to an increase in deposits.

In Capital Markets, bond issuance decreased slightly. The underlying positive trend was unchanged, however. In the third quarter, certain fixed income sales activities, not related to origination, were moved from Capital Markets to Sales and Research. Corporate Finance continued to build its pipeline, and fees increased, albeit from a low level.

Sales and Research had a satisfactory quarter, although income was slightly down from the preceding quarter. Earnings from client-driven trading were affected by low market activity over the summer months.

Market Making income decreased as erratic market conditions continued because of mixed signals on short-term interest rates. The uncertainty reduced risk appetite among investors, which left little possibility of generating earnings, particularly within fixed income and derivatives.

Expenses decreased 14%, mainly because of lower performance-based compensation.

Despite a slight increase in the third quarter, impairments remained low. New impairments related to a small number of clients.

Q1-Q3 2013 vs Q1-Q3 2012

At DKK 6.1 billion, total income in the first nine months of 2013 fell by 35% compared with the extraordinarily high income in the same period last year. The main reason for the difference in total income was last year's favourable market conditions as the ECB introduced its LTRO (Long Term Refinancing Operation) programme. Market Making's opportunities to profit from positive market senti-

ment in the same way as in the first three quarters of 2012 have been limited in 2013.

General Banking income rose 13%, reflecting increases in net interest income and net fee income.

Overall, income from client-driven activity (General Banking, Capital Markets and Sales and Research) rose a satisfactory 7% from the level in the first nine months of 2012.

Expenses remained stable as higher IT investments and staff costs were offset by a reduction in performance-based compensation.

In the first nine months of 2013, impairments fell 61% from the level in the same period last year.

Credit exposure

The loan portfolio at Corporates & Institutions is considered strong. At 30 September 2013, total credit exposure from lending activities amounted to DKK 745 billion. The portfolio fell 4.6% from the level at year-end 2012, mainly because of natural fluctuations.

Impairments have fluctuated over the past six quarters and are expected to continue to do so quarter-on-quarter. Accumulated impairments, which totalled DKK 3 billion, related mainly to large corporate clients.

Impairments in the third quarter remained low. They derived mainly from adjustments of existing charges for clients in the large corporate portfolio.

	Credit exposure (DKK millions)		Impairment (ann.) %
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013
Sovereign	111,011	149,796	0.00
Financial Institutions	355,071	352,140	0.00
Corporate	278,832	276,290	0.30
Other	119	2,374	-0.45
Total	745,033	780,600	0.08

Sovereign

The sovereign portfolio consists primarily of exposure to the stable and highly rated Nordic sovereigns as well as to central banks. Credit exposure amounted to DKK 111 billion. The decrease from the year-end 2012 figure was caused by lower deposits with central banks.

At 30 September 2013, credit exposure to rating category 1 sovereigns and central banks represented 94% of credit exposure.

Financial institutions

Most of the exposure to financial institutions consists of repo lending facilities. At 30 September

2013, credit exposure amounted to DKK 355 billion, up 0.8% from year-end 2012.

Large corporate clients

The corporate portfolio is a diverse portfolio consisting mainly of large companies based in the Nordic countries and large international clients with activities in the Nordic region. At 30 September 2013, credit exposure to large corporate clients amounted to DKK 279 billion, up 0.9% from year-end 2012.

Danske Capital

Danske Capital develops and provides asset management and investment products and services that are marketed through Personal Banking and directly to businesses, institutional clients and external distributors. The unit also provides advisory services to certain Personal Banking customer segments.

Key developments from Q2 2013 to Q3 2013

- Profit before tax of DKK 0.2 billion, up 7%
- Total income of DKK 0.5 billion, up 3%
- Expenses of DKK 0.2 billion, unchanged
- Assets under management of DKK 712 billion, matching the level in Q2

Profit before tax was up 7% from the second quarter to the third quarter of 2013 because of higher income and unchanged expenses. Assets under management rose 7% year-on-year, reflecting improved sales to institutional clients and retail customers.



EMPLOYEES



DKK 244 MILLION

PROFIT BEFORE TAX



11.3%

MARKET SHARE IN THE NORDIC REGION

DANSKE CAPITAL (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Net interest income	-12	-8	-	-29	-18	-	-7	-	-25
Net fee income	472	454	104	1,413	1,124	126	400	118	1,945
Other income	4	3	133	9	-2	-	2	200	-3
Total income	464	449	103	1,393	1,104	126	395	117	1,917
Expenses	220	221	100	711	666	107	210	105	982
Profit before loan impairment charges	244	228	107	682	438	156	185	132	935
Loan impairment charges	-	-	-	-	-	-	-	-	-
Profit before tax	244	228	107	682	438	156	185	132	935
Loans and advances before impairments	239	237	101	239	209	114	209	114	211
Allowance account, loans	-	-	-	-	-	-	-	-	-
Deposits	172	200	86	172	178	97	178	97	155
Allocated capital (average)	2,627	2,538	104	2,549	2,297	111	2,330	113	2,321
Cost/income ratio (%)	47.4	49.2		51.0	60.3		53.2		51.2
Assets under management (DKK billions)	712	704	101	712	666	107	666	107	687

Developments in Q3 2013

In September 2013, Danske Capital introduced a new Danske Invest fund that invests in corporate bonds issued by companies in the Nordic region. It was the first time a mutual fund was introduced simultaneously in the four Nordic countries, and in less than a month, investors put more than DKK 900 million into the fund. This was a milestone in Danske Invest's fund-hub strategy, and it shows the potential of Danish mutual funds in the Nordic region. It also highlights the growing interest in the corporate bond market as an alternative to conventional corporate financing through banks.

Q3 2013 vs Q2 2013

Total income rose 3% from DKK 449 million to DKK 464 million. Performance fees were down from DKK 13 million to zero in the third quarter. Excluding performance fees, income increased 7%.

Total expenses were unchanged.

Net sales to institutional clients were a negative DKK 3.5 billion, with the life insurance segment accounting for a negative DKK 4.2 billion. Net sales to retail customers amounted to DKK 0.4 billion.

The negative net sales figures were expected because of changes in the tax rules in Denmark. Clients with capital pension schemes can save money by converting to retirement savings schemes and paying their tax upfront instead of waiting until they reach retirement. We have advised customers to take advantage of the new rules. Consequently, we saw an outflow of capital pension assets from retail customers of an estimated DKK 5.4 billion, and this factor alone caused a decline in assets under management at Danske Capital of DKK 3.6 billion.

Q1-Q3 2013 vs Q1-Q3 2012

Total income rose from DKK 1,104 million in the first nine months of 2012 to DKK 1,393 million in the first nine months of 2013, a gain of 26%. Performance-related fees rose from DKK 10 million to DKK 63 million. Non-performance-related income was up 22%.

Expenses rose 7% above the level in the first nine months of 2012. Excluding the loss provision made in the first quarter of 2013, total expenses were up 1%.

Profit before tax was up 56%.

Assets under management amounted to DKK 712 billion, up DKK 46 billion from the end of September 2012. Net sales for the first nine months of 2013 totalled DKK 25 billion: DKK 9.9 billion to retail customers and DKK 15.1 billion to institutional clients (alpha, solution and life insurance clients).

For the first nine months of 2013, 62% of all Danske Invest funds generated above-benchmark returns.

Of the bond-based funds, 87% delivered above-benchmark returns, but for equity-based funds, the figure was an unsatisfactory 50%. Of balanced products, 57% performed above their benchmarks. Some 36% of Danske Invest funds ranked in the top third of European funds in their categories.

Danica Pension

Danica Pension provides life insurance and pension products to both personal and business customers. The products are marketed through a range of channels, mainly Personal Banking and our own insurance brokers and advisers. We offer three unit-linked products on the Danish market: *Danica Balance*, *Danica Link* and *Danica Select*. With these products, customers choose an investment profile or invest individually, and the return depends on market developments. We also offer *Danica Traditionel*. With this product, customers do not have any influence on the investment profile, and Danica Pension sets the rate of interest on policyholders' savings.

Key developments

- Net income of DKK 0.5 billion in Q3, against a negative DKK 0.3 billion in the second quarter
- Part of risk allowance postponed to a later period
- Premiums on insurance and investment contracts up 8.8% from the year-earlier period
- Expense ratio of 4.1 %, down 0.6 of a percentage point from the year-earlier period

Higher share prices and returns on alternative investments led to a positive return on investments. As a result, the risk allowance for the first nine months of 2013 could be booked to income in full or in part for three of the four interest rate groups. Some DKK 0.6 billion was transferred to the shadow account.



775

EMPLOYEES



DKK 479 MILLION

INCOME



DKK 19,992 MILLION

TOTAL PREMIUMS YTD

DANICA PENSION [DKK millions]	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Danica Traditionel	289	287	101	898	950	95	335	86	1,232
Unit-linked business	152	109	139	382	267	143	90	169	367
Health and accident business	-43	-27	-	-129	-94	-	-41	-	-146
Return on investments	110	-27	-	179	435	41	132	83	521
Financing result	-46	-43	-	-133	-137	-	-50	-	-194
Special allotment	-18	-32	-	-113	-69	-	-25	-	-17
Change in shadow account	35	-613	-	-610	-106	-	-38	-	408
Net income from insurance business	479	-346	-	474	1,246	38	403	119	2,171
Premiums, insurance contracts	4,776	4,811	99	15,100	14,879	101	4,780	100	19,984
Premiums, investment contracts	1,191	1,561	76	4,892	3,488	140	983	121	4,665
Provisions, insurance contracts	259,412	257,435	101	259,412	256,417	101	256,417	101	259,726
Provisions, investment contracts	30,236	31,160	97	30,236	28,583	106	28,583	106	29,071
Customer funds, investment assets									
Danica Traditionel	170,680	174,203	98	170,680	193,379	88	193,379	88	195,106
Danica Balance	55,090	52,587	105	55,090	36,585	151	36,585	151	41,108
Danica Link	59,249	56,898	104	59,249	53,689	110	53,689	110	54,731
Allocated capital (average)	11,908	11,048	108	11,555	10,867	106	11,073	108	11,077
Net income as % p.a. of allocated capital	16.1	-12.5		5.5	15.3		14.6		19.6

Developments in Q3 2013

Danica Pension is developing new digital solutions and working to improve customers' financial overview.

An increasing number of business customers ask for tools to help their employees prevent health problems before they require treatment. To meet this demand, Danica Pension launched a customised health portal. The portal gives Danica customers access to an online health check, tips on preventing illness, and tools for healthy living. The portal was very well received by customers and the media.

Q3 2013 vs Q2 2013

Income from insurance business was DKK 0.5 billion, against a negative DKK 0.3 billion in the second quarter of 2013. Because of developments in the financial markets, the risk allowance for the third quarter could be booked to income in full or in part for three of the four interest rate groups.

As a result, DKK 0.6 billion was transferred to the shadow account, which at the end of September 2013 stood at DKK 1.4 billion. In the second quarter, the risk allowance could be booked to income for only one of the four interest rate groups. The shadow account balance will be booked at a later date, when the return on investments permits and sufficient buffers have been established.

The return on investment for *Danica Traditionel* customer funds was 0.2%, against a negative 1.7% in the second quarter. Including changes in technical provisions, the return on customer funds was 0.9%, against a negative 1.0% in the second quarter.

The return on investment for customers with the *Danica Balance*, *Danica Link* and *Danica Select* unit-linked products totalled DKK 1.7 billion, representing an average rate of return of 2.1%, against a negative 1.1% in the second quarter.

Q1-Q3 2013 vs Q1-Q3 2012

Income from insurance business amounted to DKK 0.5 billion, against DKK 1.2 billion in the first nine months of 2012.

The return on investment of *Danica Traditionel* customer funds was a negative 1.4% p.a., against 9.8% p.a. in the first nine months of 2012. Including changes in technical provisions, the return on customer funds was 1.2% p.a., against 6.0% p.a. in the first nine months of 2012.

The return on investment for customers with the *Danica Balance*, *Danica Link* and *Danica Select* products totalled DKK 3.6 billion, representing an average rate of return of 7.3% p.a., against 13.4% p.a. in the first nine months of 2012. The return on

investment for customers with *Danica Balance* ranged from 2.1% p.a. to 13.6% p.a.

Driven by a higher business volume, the result for the unit-linked business increased from DKK 267 million in the first nine months of 2012 to DKK 382 million.

Total premiums rose 8.8% to DKK 20.0 billion.

Premiums for the *Danica Balance*, *Danica Link* and *Danica Select* products, including transfers from *Danica Traditionel*, amounted to DKK 16.7 billion. As expected, total premiums for *Danica Traditionel* saw a downward trend, falling DKK 3.9 billion.

At the Swedish unit, total premiums rose 27% to DKK 4.7 billion, reflecting increased sales of the custody account savings product.

At the Norwegian unit, total premiums rose 19% to DKK 1.4 billion.

Danica Pension and Danske Bank want to enhance advisory services within banking and insurance. We have hired more advisers and are working to improve our advisory tools, for example for customers who are nearing retirement age. In the first nine months of 2013, Danske Bank's sales of Danica products increased 28%.

Non-core

The Non-core business unit is responsible for the controlled winding-up or divestment of the loan portfolio that is no longer considered part of Danske Bank's core activities. The portfolio consists mainly of loans to customers in Ireland.

Key developments from Q2 2013 to Q3 2013

- Loss before tax of DKK 0.3 billion, matching the level at the end of Q2
- Impairments of DKK 0.2 billion, down 2%
- Loan portfolio down DKK 1.6 billion

In the third quarter of 2013, we continued to reduce the Non-core loan portfolio. Impairments declined for the fourth consecutive quarter, largely because of lower impairments for commercial property customers in Ireland.



EMPLOYEES



LOAN IMPAIRMENTS



PROFIT BEFORE TAX

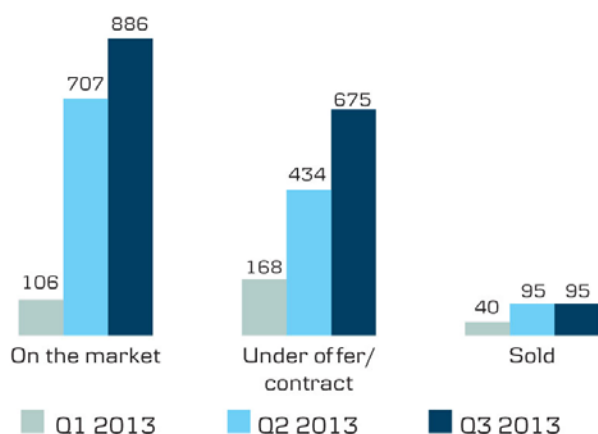
NON-CORE (DKK millions)	Q3 2013	Q2 2013	Index Q3/Q2	Q1-Q3 2013	Q1-Q3 2012	Index 13/12	Q3 2012	Index 13/12	Full year 2012
Total income	17	31	55	103	228	45	79	22	323
Expenses	79	75	105	208	200	104	78	101	275
Profit before loan impairment charges	-62	-44	-	-105	28	-	1	-	48
Loan impairment charges	212	216	98	978	3,650	27	1,217	17	4,849
Profit before tax	-274	-260	-	-1,083	-3,622	-	-1,216	-	-4,801
Loans and advances before impairments	39,552	41,116	96	39,552	46,463	85	46,463	85	44,537
Allowance account, loans	10,693	10,775	99	10,693	10,023	107	10,023	107	11,638
Deposits	5,137	5,134	100	5,137	5,872	87	5,872	87	4,748
Allocated capital (average)	8,624	8,480	102	8,223	9,850	83	8,964	96	9,521
Net interest income as % p.a. of loans and deposits	0.14	0.32		0.35	0.74		0.61		0.81
Profit before loan impairment charges as % p.a. of allocated capital	-2.9	-2.1		-1.7	0.4		-		0.5
Profit before tax as % p.a. of allocated capital (ROE)	-12.7	-12.3		-17.6	-49.0		-54.3		-50.4
Cost/income ratio (%)	-	241.9		201.9	87.7		98.7		85.1
Full-time-equivalent staff	89	91	98	89	94	95	94	95	93

Developments in Q3 2013

Developments in the portfolio continued as expected, in terms of both volume reduction and quality.

We continued to place properties on the market and saw an increasing number of properties come under offer. Property sales increased 70% from the level in the second quarter.

PROPERTY SALES AND PIPELINE (NO. OF PROPERTIES)



Q3 2013 vs Q2 2013

At DKK 17 million, total income was down DKK 14 million because of the continued decline in portfolio size.

Impairments were down DKK 4 million as charges on the commercial property portfolio in Ireland declined.

Lending amounted to DKK 39.6 billion and consisted mainly of commercial and investment property exposures, conduits and exposure to personal customers with buy-to-let facilities. Total lending fell DKK 1.6 billion in the third quarter as a result of asset sales, settlements and write-offs.

Q1-Q3 2013 vs Q1-Q3 2012

Impairments fell DKK 2.7 billion to DKK 1.0 billion. The large decline was attributable to lower impairments against commercial property customers in Ireland.

Total lending fell DKK 6.9 billion from the first nine months of 2012 as a result of asset sales, settlements and write-offs.

Asset quality of credit portfolio

At 30 September 2013, credit exposure totalled DKK 29.9 billion, against DKK 34.5 billion at the end of 2012. Exposure to customers in Ireland and institutional clients amounted to DKK 15.9 billion and DKK 14.1 billion, respectively. Accumulated impairments, which derived primarily from the Irish portfolio, amounted to DKK 10.7 billion.

Non-core Ireland

Commercial property and buy-to-let exposures amounted to DKK 5.5 billion and DKK 6.2 billion, respectively.

Impairments decreased significantly in the first nine months of 2013. Impairments of DKK 0.2 billion were booked in Q3. These were mainly adjustments of existing impairments for commercial property customers.

	Credit exposure (DKK millions)		Impairment (ann.) (%)
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013
Commercial property	5,518	7,206	3.58
Consumer discretionary	1,169	1,437	19.28
Buy-to-let (personal customers)	6,218	7,142	1.61
Other	2,948	2,531	11.79
Total	15,853	18,316	5.10

Credit exposure to personal customers related mainly to buy-to-let exposures. A slight increase in residential property prices had a positive effect on the quality of this portfolio. The LTV ratio of the personal customer portfolio was 118%, against 120% at the end of 2012.

Non-core institutional clients

The institutional portfolio consists mainly of liquidity facilities for SPVs and conduits. The credit quality of the portfolio remained stable in the third quarter.

Since the end of 2012, liquidity facilities have been reduced by 24% to DKK 13.2 billion through sales and portfolio run-off.

Income statement – Danske Bank Group

		Q1-Q3 2013	Q1-Q3 2012	Q3 2013	Q3 2012	Full year 2012
	(DKK millions)					
	Interest income	54,082	59,192	17,872	18,856	77,939
	Interest expense	28,891	32,629	9,393	10,081	42,985
	Net interest income	25,191	26,563	8,479	8,775	34,954
	Fee income	9,467	8,648	3,209	2,846	12,168
	Fee expenses	3,229	2,876	1,077	889	3,935
	Net trading income	4,300	9,970	1,207	3,832	12,735
	Other income	2,760	3,584	1,004	1,003	4,451
	Net premiums	15,036	14,755	4,757	4,755	19,858
	Net insurance benefits	23,076	23,790	7,942	8,804	31,089
	Income from associates	304	149	-37	71	166
	Profit on sale of associates and group undertakings	3	2	3	-1	6
	Staff costs and administrative expenses	17,444	18,053	5,534	5,827	24,554
3	Amortisation, depreciation and impairment charges	1,795	2,758	594	673	3,692
	Profit before loan impairment charges	11,517	16,194	3,475	5,088	21,068
	Loan impairment charges	4,320	9,910	1,171	2,879	12,529
	Profit before tax	7,197	6,284	2,304	2,209	8,539
	Tax	2,005	2,703	768	901	3,814
	Net profit for the period	5,192	3,581	1,536	1,308	4,725
	Portion attributable to shareholders of Danske Bank A/S (the Parent Company)	5,191	3,577	1,535	1,303	4,721
	non-controlling interests	1	4	1	5	4
	Net profit for the period	5,192	3,581	1,536	1,308	4,725
	Earnings per share (DKK)	5.2	3.9	1.5	1.4	5.1
	Diluted earnings per share (DKK)	5.2	3.9	1.5	1.4	5.1
	Proposed dividend per share (DKK)	-	-	-	-	-

Statement of comprehensive income – Danske Bank Group

(DKK millions)	Q1-Q3 2013	Q1-Q3 2012	Q3 2013	Q3 2012	Full year 2012
Net profit for the period	5,192	3,581	1,536	1,308	4,725
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans	-133	-1,324	109	-579	-590
Tax	61	249	-21	114	51
Items that will not be reclassified to profit or loss	-72	-1,075	88	-465	-539
Items that are or may be reclassified subsequently to profit or loss					
Translation of units outside Denmark	-457	689	180	348	472
Hedging of units outside Denmark	410	-732	-185	-265	-481
Unrealised value adjustments of available-for-sale financial assets	757	447	130	243	605
Realised value adjustments of available-for-sale financial assets	-12	105	-2	92	125
Tax	-264	10	3	-24	-88
Items that are or may be reclassified subsequently to profit or loss	434	519	126	394	633
Total other comprehensive income	362	-556	214	-71	94
Total comprehensive income for the period	5,554	3,025	1,750	1,237	4,819
Portion attributable to					
shareholders of Danske Bank A/S (the Parent Company)	5,553	3,021	1,749	1,232	4,815
non-controlling interests	1	4	1	5	4
Total comprehensive income for the period	5,554	3,025	1,750	1,237	4,819

Balance sheet – Danske Bank Group

		30 September 2013	31 December 2012	30 September 2012
	(DKK millions)			
	ASSETS			
	Cash in hand and demand deposits with central banks	38,512	97,267	61,812
	Due from credit institutions and central banks	181,518	200,646	213,823
	Trading portfolio assets	707,571	812,927	924,905
	Investment securities	121,713	107,724	103,940
	Loans and advances at amortised cost	1,122,988	1,161,816	1,207,405
	Loans at fair value	727,086	732,762	725,795
	Assets under pooled schemes and unit-linked investment contracts	70,034	70,625	69,630
	Assets under insurance contracts	244,343	241,343	237,232
	Holdings in associates	1,373	1,118	1,131
	Intangible assets	20,697	21,181	21,572
	Investment property	4,051	4,131	4,237
	Tangible assets	6,358	6,544	6,525
	Current tax assets	356	147	291
	Deferred tax assets	1,217	1,418	1,793
	Other assets	20,413	25,300	18,015
	Total assets	3,268,230	3,484,949	3,598,106
	LIABILITIES			
	Due to credit institutions and central banks	416,452	459,932	518,983
	Trading portfolio liabilities	435,111	531,860	670,039
	Deposits	901,395	929,092	858,666
	Bonds issued by Realkredit Danmark	605,817	614,325	618,513
	Deposits under pooled schemes and unit-linked investment contracts	77,247	78,741	77,360
	Liabilities under insurance contracts	263,310	266,938	262,624
8	Other issued bonds	317,587	340,005	344,791
	Current tax liabilities	859	575	338
	Deferred tax liabilities	7,623	7,583	6,849
	Other liabilities	41,010	50,109	42,342
	Subordinated debt	58,502	67,785	68,652
	Total liabilities	3,124,913	3,346,945	3,469,157
	SHAREHOLDERS' EQUITY			
	Share capital	10,086	10,086	9,317
	Foreign currency translation reserve	-242	-195	-229
	Reserve for available-for-sale financial assets	-778	-1,523	-1,701
	Retained earnings	134,250	129,632	121,558
	Proposed dividends	-	-	-
	Shareholders of Danske Bank A/S (the Parent Company)	143,316	138,000	128,945
	Non-controlling interests	1	4	4
	Total shareholders' equity	143,317	138,004	128,949
	Total liabilities and equity	3,268,230	3,484,949	3,598,106

Statement of capital – Danske Bank Group

(DKK millions)

Changes in shareholders' equity

	Shareholders of Danske Bank A/S (the Parent Company)							
	Share capital	Foreign currency translation reserve	Reserve for available-for-sale assets	Retained earnings	Proposed dividends	Total	Non-controlling interests	Total
Shareholders' equity at 1 January 2013	10,086	-195	-1,523	129,862	-	138,230	4	138,234
Changed recognition of defined benefit plans	-	-	-	-230	-	-230	-	-230
Restated shareholders' equity at 1 January 2013	10,086	-195	-1,523	129,632	-	138,000	4	138,004
Net profit for the period	-	-	-	5,191	-	5,191	1	5,192
Other comprehensive income								
Remeasurement of defined benefit plans	-	-	-	-133	-	-133	-	-133
Translation of units outside Denmark	-	-457	-	-	-	-457	-	-457
Hedging of units outside Denmark	-	410	-	-	-	410	-	410
Unrealised value adjustments	-	-	757	-	-	757	-	757
Realised value adjustments	-	-	-12	-	-	-12	-	-12
Tax	-	-	-	-203	-	-203	-	-203
Total other comprehensive income	-	-47	745	-336	-	362	-	362
Total comprehensive income for the period	-	-47	745	4,855	-	5,553	1	5,554
Transactions with owners								
Dividends paid	-	-	-	-	-	-	-4	-4
Acquisition of own shares	-	-	-	-12,987	-	-12,987	-	-12,987
Sale of own shares	-	-	-	12,782	-	12,782	-	12,782
Share-based payments	-	-	-	-	-	-	-	-
Tax	-	-	-	-32	-	-32	-	-32
Shareholders' equity at 30 September 2013	10,086	-242	-778	134,250	-	143,316	1	143,317
Shareholders' equity at 1 January 2012	9,317	-186	-2,253	118,917	-	125,795	60	125,855
Changed recognition of defined benefit plans	-	-	-	333	-	333	-	333
Restated shareholders' equity at 1 January 2012	9,317	-186	-2,253	119,250	-	126,128	60	126,188
Net profit for the period	-	-	-	3,577	-	3,577	4	3,581
Other comprehensive income								
Remeasurement of defined benefit plans	-	-	-	-1,324	-	-1,324	-	-1,324
Translation of units outside Denmark	-	689	-	-	-	689	-	689
Hedging of units outside Denmark	-	-732	-	-	-	-732	-	-732
Unrealised value adjustments	-	-	447	-	-	447	-	447
Realised value adjustments	-	-	105	-	-	105	-	105
Tax	-	-	-	259	-	259	-	259
Total other comprehensive income	-	-43	552	-1,065	-	-556	-	-556
Total comprehensive income for the period	-	-43	552	2,512	-	3,021	4	3,025
Transactions with owners								
Dividends paid	-	-	-	-	-	-	-10	-10
Acquisition of own shares	-	-	-	-11,017	-	-11,017	-	-11,017
Sale of own shares	-	-	-	10,853	-	10,853	-	10,853
Share-based payments	-	-	-	-	-	-	-	-
Disposal of non-controlling interests	-	-	-	-	-	-	-50	-50
Tax	-	-	-	-40	-	-40	-	-40
Shareholders' equity at 30 September 2012	9,317	-229	-1,701	121,558	-	128,945	4	128,949

Statement of capital – Danske Bank Group

(DKK millions)	30 Sep. 2013	31 Dec. 2012	30 Sep. 2012
For as long as the Danish state holds hybrid capital in Danske Bank, Danske Bank A/S may distribute dividends if such dividends can be paid in full out of the net profit.			
Share capital (DKK)	10,086,200,000	10,086,200,000	9,317,390,340
Number of shares	1,008,620,000	1,008,620,000	931,739,034
Number of shares outstanding	1,000,137,545	1,001,694,581	925,151,975
Average number of shares outstanding for the period	1,000,669,937	938,770,538	926,196,313
Average number of shares outstanding, including dilutive shares, for the period	1,000,911,690	938,770,538	926,196,313
Capital base and total capital ratio			
Shareholders' equity	143,317	138,004	128,949
Revaluation of domicile property at fair value	1,189	1,048	1,222
Tax effect	-228	-62	-131
Reserves in undertakings consolidated on a pro rata basis	3,002	3,002	3,002
Shareholders' equity calculated in accordance with the rules of the Danish FSA	147,280	141,992	133,042
Expected dividends	-1,730	-	-1,200
Intangible assets of banking operations	-20,815	-21,279	-21,435
Deferred tax assets	-1,260	-1,389	-1,936
Deferred tax on intangible assets	561	642	690
Revaluation of domicile property	-588	-642	-633
Other statutory deductions	-227	-227	-71
Core tier 1 capital	123,221	119,097	108,457
Hybrid capital	39,928	40,248	40,731
Difference between expected losses and impairment charges	-	-	-
Statutory deduction for insurance subsidiaries	-4,064	-4,292	-4,273
Other statutory deductions	-18	-19	-
Tier 1 capital	159,067	155,034	144,915
Subordinated debt, excluding hybrid capital	9,951	23,009	23,412
Revaluation of domicile property	588	642	633
Difference between expected losses and impairment charges	-	-	-
Statutory deduction for insurance subsidiaries	-4,064	-4,292	-4,273
Other statutory deductions	-18	-19	-
Capital base	165,524	174,374	164,687
Risk-weighted assets	867,974	819,436	850,674
Core tier 1 capital ratio (%)	14.2	14.5	12.7
Tier 1 capital ratio (%)	18.3	18.9	17.0
Total capital ratio (%)	19.1	21.3	19.4

The total capital and tier 1 capital ratios are calculated in accordance with the Capital Requirements Directive. Risk-weighted assets calculated under the Basel I rules amounted to DKK 1,366,026 million at 30 September 2013 (31 December 2012: DKK 1,411,357 million). The solvency need under the transitional rules was DKK 87,426 million, equal to 6.4% of risk-weighted assets under the Basel I rules (31 December 2012: DKK 90,327 million).

Risk Management 2012 provides more details about the Group's solvency need. Risk Management 2012 is not covered by the statutory audit.

Cash flow statement – Danske Bank Group

[DKK millions]	Q1-Q3 2013	Q1-Q3 2012	Full year 2012
Cash flow from operations			
Profit before tax	7,197	6,284	8,539
Tax paid	-1,730	-1,564	-1,908
Adjustment for non-cash operating items	4,486	11,798	15,013
Changes in operating capital	-78,888	50,855	61,002
Total	-68,935	67,373	82,646
Cash flow from investing activities			
Acquisition/sale of businesses	3	37	276
Acquisition/sale of own shares	-205	-164	-220
Acquisition of intangible assets	-204	-231	-395
Acquisition/sale of tangible assets	-68	-99	-138
Total	-474	-457	-477
Cash flow from financing activities			
Changes in subordinated debt and hybrid capital	-8,146	732	732
Dividends	-	-	-
Share capital increase	-	-	7,115
Change in non-controlling interests	-3	-56	-56
Total	-8,149	676	7,791
Cash and cash equivalents at 1 January	296,257	206,297	206,297
Change in cash and cash equivalents	-77,558	67,592	89,960
Cash and cash equivalents, end of period	218,699	273,889	296,257

Notes – Danske Bank Group

Note

1 Significant accounting policies and estimates

1. General

Danske Bank's interim report for the first nine months of 2013 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.

Danske Bank has made changes to the recognition of actuarial gains and losses on defined benefit pension plans. In the financial highlights and segment reporting, changes have been made to the definition of business units, the allocation of a calculated share of shareholders' equity to each business unit, and the internal funds transfer pricing model.

Danske Bank has adopted the amended IFRS 13, Fair Value Measurement. The standard introduces a new definition of fair value and provides guidance on how to measure fair value along with disclosure requirements for fair value. IFRS 13 applies when another standard requires fair value to be used or disclosed. Adoption did not result in any significant effect on Danske Bank's financial results.

With the exception of these changes, Danske Bank has not changed its significant accounting policies from those followed in Annual Report 2012, which provides a full description of the significant accounting policies.

2. Changes to accounting policies

Changes to defined benefit pension plans

Danske Bank has adopted the amended IAS 19, Employee Benefits, from 1 January 2013. Comparative figures for 2012 have been restated.

The standard eliminates the option of deferring the recognition of actuarial gains and losses on defined benefit pension plans, known as the "corridor method". The present value of pension obligations and the fair value of pension plan assets must be recognised in the balance sheet on a net basis instead.

The new requirements have increased shareholders' equity at 1 January 2012 by DKK 333 million (the amount previously deferred under the corridor method net of tax). The end-2012 effect is an increase of net pension obligations of DKK 232 million, a reduction of deferred tax of DKK 2 million and a reduction of shareholders' equity of DKK 230 million. The net profit for 2012 has been reduced by DKK 24 million because of lower interest on pension assets, which has been offset partly by reduced pension costs. Actuarial losses of DKK 539 million after tax have been recognised in Other comprehensive income for 2012.

The effect on earnings per share is insignificant, and the Statement of capital is not affected as it was already prepared without the use of the corridor method.

Changes to financial highlights and segment reporting

As part of the Group's new strategy, Danske Bank reorganised its business unit structure in June 2012, switching from operations based on geography to operations based on customer segments. Focus is on three new business units: Personal Banking, Business Banking and Corporates & Institutions. In addition, the non-core activities were transferred to a separate business unit. The non-core activities consist of Irish property exposures and securitisation transactions (conduits), which are not considered part of Danske Bank's core business. The income statement effect and total assets and total liabilities of non-core activities are presented as separate line items. The reorganisation is reflected in the financial reporting effective from 1 January 2013.

At the same time, Danske Bank made changes to the allocation of capital to each business unit and to its internal funds transfer pricing model. Core tier 1 capital was previously allocated on the basis of each unit's share of Group risk-weighted assets calculated prior to transition to the Capital Requirements Directive (CRD).

Total equity is now allocated to the business units assuming that goodwill is financed by equity. Core tier 1 capital is allocated on the basis of the CRD, with capital for credit risk being allocated on the basis of the internal economic capital framework. The capital allocation model and the internal funds transfer pricing model were updated to better reflect the risks associated with the individual business units.

Finally, effective from 1 January 2013, operational leasing, excluding property leasing, is presented on a net basis under Other income to better reflect the development in the cost basis.

The changes have affected financial highlights and business segment reporting, whereas the income statement, balance sheet, shareholders' equity, earnings per share and statement of capital remain unaffected. The effect on the financial highlights for 2012 is presented in the table below. Comparative figures for 2012 have been restated. Minor changes have been made to the adjusted financial highlights for 2012 presented in note 44 to Annual Report 2012.

Notes – Danske Bank Group

Note

1
(cont'd)

INCOME STATEMENT (DKK millions)	Highlights 2012	Change					Adjusted highlights 2012
		Funds transfer pricing	Non-core	Leasing	Pension	Other	
Net interest income	24,788	-1,489	-305	-	-49	-167	22,778
Net fee income	8,782	-	-26	-	-	110	8,866
Net trading income	8,901	1,581	8	-	-	72	10,562
Other income	2,951	-	-	-1,666	-	-	1,285
Net income from insurance business	2,263	-92	-	-	-	-	2,171
Total income	47,685	-	-323	-1,666	-49	15	45,662
Expenses	26,588	-	-275	-1,666	-20	15	24,642
Profit before loan impairment charges	21,097	-	-48	-	-29	-	21,020
Loan impairment charges	12,529	-	-4,849	-	-	-	7,680
Profit before tax, core	8,568	-	4,801	-	-29	-	13,340
Profit before tax, Non-core	-	-	-4,801	-	-	-	-4,801
Profit before tax	8,568	-	-	-	-29	-	8,539
Tax	3,819	-	-	-	-5	-	3,814
Net profit for the year	4,749	-	-	-	-24	-	4,725

3. Significant accounting estimates

Management's estimates and assumptions of future events that will significantly affect the carrying amounts of assets and liabilities underlie the preparation of the consolidated financial statements. The estimates and assumptions that are deemed critical to the consolidated financial statements are

- the fair value measurement of financial instruments
- the measurement of loans and advances
- the measurement of goodwill
- the measurement of liabilities under insurance contracts and the net obligation for defined benefit pension plans
- the recognition of deferred tax

The estimates and assumptions are based on premises that management finds reasonable but which are inherently uncertain and unpredictable. The premises may be incomplete, unexpected future events or situations may occur, and other parties may arrive at other estimated values.

Fair value measurement of financial instruments

Significant estimates are not used for measuring the fair value of financial instruments where the value is based on prices quoted in an active market or on generally accepted models employing observable market data.

Measurements of financial instruments that are only to a limited extent based on observable market data, such as the measurement of unlisted shares and certain bonds for which there is no active market, are subject to estimates. The estimated fair value of illiquid bonds depends on the credit spread estimate. If the credit spread widens 50bp at 30 September 2013, the fair value of the bonds will decrease DKK 17 million (2012: DKK 14 million).

For derivatives where the value is not based on prices quoted in an active market, Danske Bank makes fair value adjust-

ments at portfolio level to cover model risk and bid-offer spreads. At 30 September 2013, fair value adjustments amounted to DKK 0.2 billion (31 December 2012: DKK 0.3 billion).

Determination of fair value in note 45 and note 42 of Annual Report 2012 provide more details.

Measurement of loans and advances

Danske Bank makes impairment charges to account for any impairment of loans and advances that occurs after initial recognition. Impairment charges consist of individual and collective charges and rely on a number of estimates, including identification of loans or portfolios of loans with objective evidence of impairment, expected future cash flows and the value of collateral. Danske Bank determines the need for impairment charges on the basis of the customer's expected ability to repay debt. This ability depends on a number of factors, including the customer's earnings capacity and trends in general economic growth and unemployment. Expectations of deteriorating repayment ability reduce credit quality and lead to downgrading of the customer.

If all customers were downgraded one rating category, collective impairment charges would increase by about DKK 3.8 billion (2012: DKK 5.5 billion). The losses incurred under non-performing loan agreements depend, among other factors, on the value of collateral received. If the value of collateral decreased 10%, individual impairment charges would increase by about DKK 2.7 billion (2012: DKK 3.0 billion). The notes on risk management provide more details on impairment charges for loans and advances. At 30 September 2013, loans and advances accounted for about 57% of total assets (31 December 2012: 54%).

Notes – Danske Bank Group

Note

1 **Measurement of goodwill**
(cont'd) Goodwill on acquisition is tested for impairment once a year or more frequently if indications of impairment exist. Impairment testing requires management to estimate future cash flows from acquired units. A number of factors affect the value of such cash flows, including discount rates, changes in the real economy, customer behaviour and competition. Note 22 of Annual Report 2012 provides more information about impairment tests and sensitivity to changes in impairment test assumptions. At 30 September 2013, goodwill amounted to DKK 18.5 billion (31 December 2012: DKK 18.5 billion).

Measurement of liabilities under insurance contracts

Calculations of liabilities under insurance contracts are based on a number of actuarial computations that rely on assumptions about a number of variables, including mortality and disability rates. Assumptions are based on data from Danske Bank's own portfolio of insurance contracts. The liabilities also depend on the discount yield curve, which is fixed on the basis of a zero-coupon yield curve estimated on the basis of euro swap market rates to which are added the yield spread between Danish and German government bonds and a mortgage yield curve spread. The yield spread is calculated as a 12-month moving average. The risk management notes of Annual Report 2012 contain a sensitivity analysis.

Measurement of the net obligation for defined benefit pension plans

The calculation of the net obligation is based on computations made by external actuaries. These computations rely on assumptions about a number of variables, including discount and mortality rates and salary increases. The measurement of the net obligation for defined benefit pension plans is particularly sensitive to changes in the discount rate. The discount rate is determined by reference to yields on high-quality corporate bonds with terms matching the terms of the pension obligations. If the discount rate is lowered one percentage point, the net obligation will increase by DKK 2.9 billion.

Recognition of deferred tax

Recognition of deferred tax requires management to assess the probability and amount of future profit. Deferred tax assets arising from unused tax losses are recognised to the extent that such losses can be offset against tax on future profit. At 30 September 2013, deferred tax assets from recognised tax loss carry-forwards stood at DKK 0.9 billion (31 December 2012: DKK 1.1 billion). The tax base of unrecognised tax loss carry-forwards, relating primarily to the banking operations in Ireland, amounted to DKK 3.1 billion (31 December 2012: DKK 2.9 billion). The full deferred tax liability arising from international joint taxation was recognised and amounted to DKK 5.6 billion at 30 September 2013 (31 December 2012: DKK 5.0 billion).

Annual Report 2012 and Risk Management 2012 provide a detailed description of the significant risks and the external factors that may affect Danske Bank. Risk Management 2012 is not covered by the statutory audit.

Notes – Danske Bank Group

Note [DKK millions]

2 Business segments Q1-Q3 2013

	Personal Banking	Business Banking	C&I	Danske Capital	Danica Pension	Other Activities	Non- core	Elimina- tions	Total	Reclassi- fication	Highlights
Net interest income	8,382	6,649	5,514	-29	4,005	472	89	109	25,191	-8,629	16,562
Net fee income	3,086	1,427	1,002	1,413	-657	-44	11	-	6,238	510	6,748
Net trading income	428	489	-452	8	4,886	-864	2	-197	4,300	47	4,347
Other income	484	1,331	13	1	866	167	1	-103	2,760	-1,806	954
Net premiums	-	-	-	-	15,036	-	-	-	15,036	-15,036	-
Net insurance benefits	-	-	-	-	23,076	-	-	-	23,076	-23,076	-
Income from equity investments	-	-	-	-	27	280	-	-	307	-307	-
Net income from insurance business	-	-	-	-	-	-	-	-	-	474	474
Total income	12,380	9,896	6,077	1,393	1,087	11	103	-191	30,756	-1,671	29,085
Expenses	8,954	4,976	3,216	711	613	664	208	-103	19,239	-1,776	17,463
Profit before loan impairment charges	3,426	4,920	2,861	682	474	-653	-105	-88	11,517	105	11,622
Loan impairment charges	1,543	1,364	435	-	-	-	978	-	4,320	-978	3,342
Profit before tax, core	1,883	3,556	2,426	682	474	-653	-1,083	-88	7,197	1,083	8,280
Profit before tax, Non-core										-1,083	-1,083
Profit before tax	1,883	3,556	2,426	682	474	-653	-1,083	-88	7,197	-	7,197
Loans and advances, excluding reverse transactions	827,871	597,065	158,050	239	-	24,802	28,858	-29,054	1,607,831	-28,858	1,578,973
Other assets	204,288	245,242	4,220,825	21,970	325,218	1,670,650	5,517	-5,033,311	1,660,399	-59	1,660,340
Assets in Non-core										28,917	28,917
Total assets	1,032,159	842,307	4,378,875	22,209	325,218	1,695,452	34,375	-5,062,365	3,268,230	-	3,268,230
Deposits, excluding repo deposits	358,748	261,727	168,249	172	-	8,160	5,137	-11,217	790,976	-5,137	785,839
Other liabilities	640,242	536,376	4,180,208	19,470	313,310	1,674,671	20,808	-5,051,148	2,333,937	-103	2,333,834
Allocated capital	33,169	44,204	30,418	2,567	11,908	12,621	8,430	-	143,317	-	143,317
Liabilities in Non-core										5,240	5,240
Total liabilities and equity	1,032,159	842,307	4,378,875	22,209	325,218	1,695,452	34,375	-5,062,365	3,268,230	-	3,268,230
Internal income	-1,759	-665	-1,284	328	325	3,248	-193	-	-		
Amortisation and depreciation charges	182	1,109	28	1	-	469	-	-	1,789	-954	835
Impairment charges for intangible and tangible assets	-	-	-	-	-	22	-	-	22	-	22
Reversals of impairment charges	-	-	-	-	-	16	-	-	16	-	16
Profit before tax as % of allocated capital (avg.)	8.3	10.5	10.2	35.7	5.5	-7.8	-17.6	-	6.7		
Cost/income ratio (%)	72.3	50.3	52.9	51.0	56.4	-	201.9	-	62.6		
Full-time-equivalent staff (end of period)	7,400	3,734	1,594	498	775	5,949	89	-	20,039		

In its financial highlights, Danske Bank recognises earnings contributed by Danske Bank Markets (part of C&I) as net trading income, earnings contributed by Danica Pension as net income from insurance business, earnings from Non-core activities as profit before tax, Non-core and operational leasing, excluding property leasing, on a net basis under Other income. 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. Funding costs for lending and deposit activities are allocated on the basis of a maturity analysis of loans and deposits, interbank rates and funding spreads, and depend on financial market trends.

Notes – Danske Bank Group

Note (DKK millions)

2 Business segments Q1-Q3 2012

(cont'd)	Personal Banking	Business Banking	C&I	Danske Capital	Danica Pension	Other Activities	Non- core	Elimina- tions	Total	Reclassi- fication	Highlights
Net interest income	8,718	6,915	5,434	-18	4,447	677	232	158	26,563	-9,498	17,065
Net fee income	2,751	1,542	1,080	1,124	-698	-48	21	-	5,772	423	6,195
Net trading income	528	358	2,816	-3	6,871	-294	-25	-281	9,970	-1,238	8,732
Other income	462	1,712	9	1	283	1,217	-	-99	3,584	-2,605	979
Net premiums	-	-	-	-	14,755	-	-	-	14,755	-14,755	-
Net insurance benefits	-	-	-	-	23,790	-15	-	15	23,790	-23,790	-
Income from equity investments	-	-	-	-	3	148	-	-	151	-151	-
Net income from insurance business	-	-	-	-	-	-	-	-	-	1,246	1,246
Total income	12,459	10,527	9,339	1,104	1,871	1,686	228	-208	37,005	-2,788	34,217
Expenses	9,315	5,323	3,200	666	625	1,581	200	-99	20,811	-2,760	18,051
Profit before loan impairment charges	3,144	5,204	6,139	438	1,246	105	28	-109	16,194	-28	16,166
Loan impairment charges	2,057	3,031	1,124	-	-	-25	3,650	-	9,910	-3,650	6,260
Profit before tax, core	1,087	2,173	5,015	438	1,246	57	-3,622	-109	6,284	3,622	9,906
Profit before tax, Non-core										-3,622	-3,622
Profit before tax	1,087	2,173	5,015	438	1,246	57	-3,622	-109	6,284	-	6,284
Loans and advances, excluding reverse transactions	881,981	620,517	165,846	209	-	12,120	36,439	-17,266	1,699,846	-36,439	1,663,407
Other assets	153,060	231,406	4,973,715	15,416	324,648	1,536,966	4,851	-5,341,802	1,898,260	-145	1,898,115
Assets in Non-core										36,584	36,584
Total assets	1,035,041	851,923	5,139,561	15,625	324,648	1,549,086	41,290	-5,359,068	3,598,106	-	3,598,106
Deposits, excluding repo deposits	366,053	247,455	128,496	178	-	7,341	5,872	-12,790	742,605	-5,872	736,733
Other liabilities	640,670	561,737	4,982,183	13,141	313,575	1,535,070	26,454	-5,346,278	2,726,552	-72	2,726,480
Allocated capital	28,318	42,731	28,882	2,306	11,073	6,675	8,964	-	128,949	-	128,949
Liabilities in Non-core										5,944	5,944
Total liabilities and equity	1,035,041	851,923	5,139,561	15,625	324,648	1,549,086	41,290	-5,359,068	3,598,106	-	3,598,106
Internal income	-2,040	-6,916	5,910	352	486	2,492	-284	-	-		
Amortisation and depreciation charges	169	1,537	26	6	-	504	-	-	2,242	-1,339	903
Impairment charges for in- tangible and tangible assets	-	-	-	-	-	516	-	-	516	-	516
Reversals of impairment charges	-	-	-	-	-	-	-	-	-	-	-
Profit before tax as % of allocated capital (avg.)	5.1	6.8	23.1	25.3	15.0	1.1	-53.9	-	6.5		
Cost/income ratio (%)	74.8	50.6	34.3	60.3	33.4	93.8	87.7	-	56.2		
Full-time-equivalent staff (end of period)	8,304	3,803	1,467	469	803	5,711	94	-	20,651		

Notes – Danske Bank Group

Note	(DKK millions)			
3	Amortisation, depreciation and impairment charges			
	Expenses for the first nine months of 2012 included a write-down of DKK 0.5 billion related to the Sampo Bank brand name.			
4	Contingent liabilities			
	Danske Bank uses a variety of loan-related financial instruments to meet customers' financial requirements. Instruments include loan offers and other credit facilities, guarantees and instruments not recognised in the balance sheet.			
		30 September 2013	31 December 2012	30 September 2012
	Guarantees			
	Financial guarantees	11,816	14,274	12,480
	Mortgage finance guarantees	1,241	1,350	1,367
	Other guarantees	60,394	64,491	66,056
	Total	73,451	80,115	79,903
	Other contingent liabilities			
	Irrevocable loan commitments shorter than 1 year	39,863	53,056	55,813
	Irrevocable loan commitments longer than 1 year	112,807	108,614	103,798
	Other unutilised loan commitments	535	550	602
	Total	153,205	162,220	160,213
	In addition to credit exposure from lending activities, Danske Bank had made loan offers and granted revocable credit facilities of DKK 315 billion (31 December 2012: DKK 323 billion). These items are included in the calculation of risk-weighted assets in accordance with the Capital Requirements Directive.			
	Owing to its business volume, Danske Bank is continually a party to various lawsuits and disputes and has an ongoing dialogue with public authorities such as the Danish FSA. In view of its size, Danske Bank does not expect the outcomes of pending lawsuits and disputes or its dialogue with public authorities 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 they reach their normal retirement age, an extraordinary severance and/or pension payment in excess of their entitlement under ordinary terms of employment. As the sponsoring employer, Danske Bank is also liable for the pension obligations of a number of company pension funds.			
	Through participation in the Danish Guarantee Fund for Depositors and Investors, Danish banks undertake to cover the losses incurred by the Fund from the bankruptcy or resolution of distressed banks. Danske Bank's share is just over one third of any loss incurred by the Fund. The intention is that losses should be covered by the participating banks' annual contributions.			
	Danske Bank is the lessee in a number of non-cancellable operating leases, involving mainly leasing of real property, equipment, furniture and fixtures. Danske Bank recognises lease payments as an expense over the lease term but does not recognise the operating lease assets in its balance sheet. Such assets are recognised by lessors.			
	Danske Bank is registered jointly with all Danish companies in the Group for corporation tax, withholding tax etc., for which it is jointly and severally liable.			

Notes – Danske Bank Group

Note	(DKK millions)
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5 Transferred financial assets that are not derecognised

Danske Bank enters into transactions that transfer ownership of financial assets, such as bonds and shares, to a counterparty while retaining the risks associated with the assets. If Danske Bank retains all significant risks, the securities remain in the balance sheet, and the transactions are accounted for as loans received against collateral. Such transactions are repo transactions and securities lending. Repo transactions involve selling securities to be repurchased at a fixed price at a later date. Securities lending is similar to repo transactions, but instead of cash payments, they involve payment in other securities and exchange of the securities at the expiry of the transaction.

	Trading portfolio	
	Bonds	Shares
Carrying amount of transferred assets		
Repo transactions	352,735	-
Securities lending	-	-
Total transferred assets	352,735	-
Repo transactions, own issued bonds	16,914	-
Carrying amount of associated liabilities	375,442	-
Net positions	-5,793	-

Counterparties are entitled to sell the securities or deposit them as collateral for loans.

Danske Bank has not entered into any agreements on the sale of assets that entail Danske Bank's continuing involvement in derecognised financial assets.

6 Assets provided or received as collateral

At 30 September 2013, Danske Bank had deposited securities worth DKK 1.0 billion as collateral with Danish and international clearing centres and other institutions (31 December 2012: DKK 33.0 billion).

At 30 September 2013, Danske Bank had provided cash and securities worth DKK 50.9 billion as collateral for derivatives transactions (31 December 2012: DKK 75.8 billion).

Danske Bank had registered assets under insurance contracts worth DKK 259.4 billion (31 December 2012: DKK 259.7 billion) at 30 September 2013 as collateral for policyholders' savings of DKK 265.7 billion (31 December 2012: DKK 262.3 billion).

At 30 September 2013, Danske Bank had registered loans at fair value and securities worth DKK 727.1 billion and DKK 1.7 billion, respectively (31 December 2012: DKK 732.8 billion and DKK 1.8 billion, respectively) as collateral for bonds issued by Realkredit Danmark, including mortgage-covered bonds, worth a total of DKK 605.8 billion (31 December 2012: DKK 614.3 billion).

Similarly, Danske Bank had registered loans and other assets worth DKK 240.0 billion and DKK 2.7 billion, respectively (31 December 2012: DKK 269.9 billion and DKK 6.5 billion, respectively) as collateral for covered bonds issued under Danish and Finnish law.

The table below shows assets provided as collateral for obligations, including obligations under repo transactions and securities lending:

	30 Sept. 2013			31 Dec. 2012		
	Repo	Other	Total	Repo	Other	Total
Due from credit institutions	-	16,369	16,369	-	24,251	24,251
Trading portfolio securities	352,735	37,638	390,373	300,383	85,262	385,645
Loans at fair value	-	727,086	727,086	-	732,762	732,762
Loans and advances at amortised cost	-	258,268	258,268	-	291,241	291,241
Assets under insurance contracts	-	249,431	249,431	-	248,294	248,294
Other assets	-	226	226	-	187	187
Total	352,735	1,289,018	1,641,753	300,383	1,381,997	1,682,380
Own issued bonds	16,914	96,326	113,240	55,093	110,397	165,490
Total including own issued bonds	369,649	1,385,344	1,754,993	355,476	1,492,394	1,847,870

Notes – Danske Bank Group

Note	
6 (cont'd)	<p>Securities provided as collateral under agreements that entitle the counterparty to sell the securities or provide them as collateral for other loans amounted to DKK 352.7 billion (31 December 2012: DKK 300.4 billion).</p> <p>At 30 September 2013, Danske Bank had received securities worth DKK 308.0 billion (31 December 2012: DKK 304.3 billion) as collateral for reverse repo transactions, securities lending, derivatives transactions and other transactions entered into on the standard terms for such transactions. As the party receiving the collateral, Danske Bank is entitled in some cases to sell the securities or provide the securities as collateral for other loans in exchange for returning similar securities to the counterparty at the expiry of the transactions. At 30 September 2013, Danske Bank had sold securities or provided securities as collateral worth DKK 174.1 billion (31 December 2012: DKK 143.2 billion).</p> <p>Danske Bank also receives many other types of assets as collateral in connection with its ordinary lending activities. Danske Bank has not transferred the ownership of these assets. The notes on risk management in Annual Report 2012 provide more details on assets received as collateral.</p>

Notes – Danske Bank Group

Note (DKK millions)

7 Fair value information for financial instruments

Financial instruments are carried in the balance sheet at fair value or amortised cost.

	30 September 2013		31 December 2012	
	Fair value	Amortised cost	Fair value	Amortised cost
Financial assets				
Cash in hand and demand deposits with central banks	-	38,512	-	97,267
Due from credit institutions and central banks	-	181,518	-	200,646
Trading portfolio assets	707,571	-	812,927	-
Investment securities	114,536	7,177	99,414	8,310
Loans and advances at amortised cost	-	1,122,988	-	1,161,816
Loans at fair value	727,086	-	732,762	-
Assets under pooled schemes and unit-linked investment contracts	70,034	-	70,625	-
Assets under insurance contracts	213,112	-	214,056	-
Total	1,832,339	1,350,195	1,929,784	1,468,039
Financial liabilities				
Due to credit institutions and central banks	-	416,452	-	459,932
Trading portfolio liabilities	435,111	-	531,860	-
Deposits	-	901,395	-	929,092
Bonds issued by Realkredit Danmark	605,817	-	614,325	-
Deposits under pooled schemes and unit-linked investment contracts	77,247	-	78,741	-
Other issued bonds	-	317,587	-	340,005
Subordinated debt	-	58,502	-	67,785
Other liabilities (irrevocable loan commitments and guarantees)	-	574	-	1,253
Total	1,118,175	1,694,510	1,224,926	1,798,067

The global debt crisis continued to have a significant impact on the bond markets, and volatility remained high. Sentiment gradually shifted towards a more benign environment for the riskier bond segments. Volatility persisted but the bond markets were generally well-functioning.

Financial instruments at amortised cost

Fair value calculations for financial instruments recognised at amortised cost are significantly affected by estimates as almost all calculations are made on the basis of non-observable input. Danske Bank uses fair value hedge accounting for most of its interest rate risk. Fair value adjustments to the credit risk on loans and advances measured at amortised cost are recognised under loan impairment charges.

General trends in the financial markets have caused bond credit spreads to narrow. The fair value of bonds issued by the Group and measured at amortised cost equalled the amortised cost at both 30 September 2013 and 31 December 2012.

Financial instruments at fair value

Note 42 of Annual Report 2012 provides more information about fair value calculation methods for financial instruments.

Financial instruments valued on the basis of quoted prices in an active market are recognised in the Quoted prices category. Financial instruments valued substantially on the basis of other observable input are recognised in the Observable input category. This category covers instruments such as derivatives valued on the basis of observable yield curves and exchange rates and illiquid mortgage bonds valued by reference to the value of similar, liquid bonds. Other financial instruments are recognised in the Non-observable input category. This category covers instruments such as unlisted shares and derivatives, where valuation relies on extrapolation of yield curves, correlations or other model input of material importance to valuation.

Developments in the financial markets did not result in any significant reclassification of bonds between the Quoted prices and Observable input categories in the first nine months of 2013.

Danske Bank has not reclassified bonds to available-for-sale financial assets since 2008.

Notes – Danske Bank Group

Note	(DKK millions)				
7	30 September 2013	Quoted prices	Observable input	Non-observable input	Total
(cont'd)					
	Financial assets				
	Derivatives	4,925	261,784	10,796	277,505
	Trading portfolio bonds	414,781	12,363	-	427,144
	Trading portfolio shares	2,325	-	597	2,922
	Investment securities, bonds	99,670	11,669	-	111,339
	Investment securities, shares	49	-	3,148	3,197
	Loans at fair value	-	727,086	-	727,086
	Assets under pooled schemes and unit-linked investment contracts	70,034	-	-	70,034
	Assets under insurance contracts, bonds	141,473	2,940	650	145,063
	Assets under insurance contracts, shares	57,087	495	8,151	65,733
	Assets under insurance contracts, derivatives	831	1,485	-	2,316
	Total	791,175	1,017,822	23,342	1,832,339
	Financial liabilities				
	Derivatives	5,159	247,124	8,756	261,039
	Obligations to repurchase securities	173,938	119	15	174,072
	Bonds issued by Realkredit Danmark	605,817	-	-	605,817
	Deposits under pooled schemes and unit-linked investment contracts	-	77,247	-	77,247
	Total	784,914	324,490	8,771	1,118,175
	31 December 2012				
	Financial assets				
	Derivatives	2,843	390,406	15,741	408,990
	Trading portfolio bonds	384,075	16,666	-	400,741
	Trading portfolio shares	2,675	-	521	3,196
	Investment securities, bonds	85,317	11,013	-	96,330
	Investment securities, shares	52	-	3,032	3,084
	Loans at fair value	-	732,762	-	732,762
	Assets under pooled schemes and unit-linked investment contracts	70,625	-	-	70,625
	Assets under insurance contracts, bonds	149,514	2,133	586	152,233
	Assets under insurance contracts, shares	48,442	647	6,641	55,730
	Assets under insurance contracts, derivatives	2,397	3,696	-	6,093
	Total	745,940	1,157,323	26,521	1,929,784
	Financial liabilities				
	Derivatives	3,313	369,475	15,908	388,696
	Obligations to repurchase securities	142,965	189	10	143,164
	Bonds issued by Realkredit Danmark	614,325	-	-	614,325
	Deposits under pooled schemes and unit-linked investment contracts	-	78,741	-	78,741
	Total	760,603	448,405	15,918	1,224,926

Notes – Danske Bank Group

Note	(DKK millions)
7	At 30 September 2013, financial instruments valued on the basis of non-observable input comprised unlisted shares of DKK 11,881 million (31 December 2012: DKK 10,184 million), illiquid bonds of DKK 650 million (31 December 2012: DKK 586 million) and derivatives with a net market value of DKK 2,040 million (31 December 2012: DKK -167 million).

A 10% increase or decrease in the fair value of unlisted shares would amount to DKK 1,188 million (31 December 2012: DKK 1,018 million), with DKK 815 million (31 December 2012: DKK 664 million) relating to shares allocated to policyholders, who assume most of the risk on the shares.

The estimated fair value of illiquid bonds depends significantly on the estimated credit spread. If the credit spread widens 50bp, fair value will decrease DKK 17 million (31 December 2012: DKK 14 million). If the credit spread narrows 50bp, fair value will increase DKK 18 million (31 December 2012: DKK 15 million). A substantial number of derivatives valued on the basis of non-observable input are hedged by similar derivatives or are used for hedging the credit risk on bonds also valued on the basis of non-observable input.

In the first nine months of 2013, Danske Bank recognised unrealised value adjustments of unlisted shares and credit bonds valued on the basis of non-observable input of DKK 298 million (31 December 2012: DKK 707 million).

Shares, bonds and derivatives valued on the basis of non-observable input

	30 September 2013			31 December 2012		
	Shares	Bonds	Derivatives	Shares	Bonds	Derivatives
Fair value at 1 January	10,184	586	-167	7,641	151	-1,255
Value adjustment through profit or loss	356	-58	77	707	-3	879
Value adjustment through other comprehensive income	-	-	-	-	-	-
Acquisitions	2,305	227	-204	2,723	421	-809
Sale and redemption	-964	-	323	-887	-	1,018
Transferred from quoted prices and observable input	-	-	-	-	105	-
Transferred to quoted prices and observable input	-	-105	2,011	-	-88	-
Fair value end of period	11,881	650	2,040	10,184	586	-167

8	Other issued bonds	30 September 2013	31 December 2012
	Commercial paper	27,230	36,982
	Other	290,357	303,023
	Total	317,587	340,005

Other issued bonds are recognised at amortised cost.

Nominal value	1 January 2013	Issued	Redeemed	Foreign currency translation	30 September 2013
Commercial paper	38,662	80,916	90,225	-2,121	27,232
Other	351,433	29,221	57,031	-3,931	319,692
Other issued bonds	390,095	110,137	147,256	-6,052	346,924

Nominal value	1 January 2012	Issued	Redeemed	Foreign currency translation	31 December 2012
Commercial paper	98,891	706,296	768,662	2,137	38,662
Other	311,769	130,857	93,254	2,061	351,433
Other issued bonds	410,660	837,153	861,916	4,198	390,095

Notes – Danske Bank Group

[DKK millions]

Risk Management

Annual Report 2012 provides a detailed description of Danske Bank's risk management practices. Management's report describes the most recent changes to the risk management practices.

Breakdown of credit exposure							
30 September 2013	Total	Credit exposure, lending activities	Counterparty risk (derivatives)	Credit exposure, other trading and investing activities	Insurance risk	Contracts, full risk assumed by customers	Non- core
Balance sheet items							
Demand deposits with central banks	29,058	29,058	-	-	-	-	-
Due from credit institutions and central banks	110,818	110,626	-	-	-	-	192
Repo loans with credit institutions and central banks	70,700	70,700	-	-	-	-	-
Trading portfolio assets	707,571	-	277,504	430,066	-	-	1
Investment securities	121,713	-	-	121,713	-	-	-
Loans and advances at amortised cost	880,746	851,888	-	-	-	-	28,858
Repo loans	242,242	242,242	-	-	-	-	-
Loans at fair value	727,086	727,086	-	-	-	-	-
Assets under pooled schemes and unit-linked investment contracts	70,034	-	-	-	-	70,034	-
Assets under insurance contracts	244,343	-	-	-	244,343	-	-
Off-balance-sheet items							
Guarantees	73,451	73,381	-	-	-	-	70
Irrevocable loan commitments shorter than 1 year	39,863	39,095	-	-	-	-	768
Irrevocable loan commitments longer than 1 year	112,807	112,773	-	-	-	-	34
Other unutilised commitments	535	-	-	535	-	-	-
Total	3,430,967	2,256,849	277,504	552,314	244,343	70,034	29,923
31 December 2012							
Balance sheet items							
Demand deposits with central banks	86,032	86,032	-	-	-	-	-
Due from credit institutions and central banks	113,657	113,491	-	-	-	-	166
Repo loans with credit institutions and central banks	86,989	86,989	-	-	-	-	-
Trading portfolio assets	812,927	-	409,029	403,937	-	-	-39
Investment securities	107,724	-	-	107,724	-	-	-
Loans and advances at amortised cost	941,628	908,524	-	-	-	-	33,104
Repo loans	220,188	220,188	-	-	-	-	-
Loans at fair value	732,762	732,762	-	-	-	-	-
Assets under pooled schemes and unit-linked investment contracts	70,625	-	-	-	-	70,625	-
Assets under insurance contracts	241,343	-	-	-	241,343	-	-
Off-balance-sheet items							
Guarantees	80,115	80,075	-	-	-	-	40
Irrevocable loan commitments shorter than 1 year	53,056	51,915	-	-	-	-	1,141
Irrevocable loan commitments longer than 1 year	108,614	108,586	-	-	-	-	28
Other unutilised commitments	550	-	-	550	-	-	-
Total	3,656,210	2,388,562	409,029	512,211	241,343	70,625	34,440

In addition to credit exposure from lending activities, Danske Bank had made loan offers and granted revocable credit facilities of DKK 315 billion (31 December 2012: DKK 323 billion). These items are included in the calculation of risk-weighted assets in accordance with the Capital Requirements Directive.

Notes – Danske Bank Group

[DKK millions]

Credit exposure from lending activities

The table below shows the credit exposure of Danske Bank's core banking business by industry and customer segment. The breakdown follows the Global Industry Classification Standard (GICS), supplemented by the Personal customers, Non-profit and associations, and Public institutions categories.

Credit exposure broken down by industry (GICS)

30 September 2013	Personal	Business	C&I	Other	Total	Past due but not impaired	Impaired loans*	
	Banking	Banking					Performing	Non-performing
Public institutions	80	23,819	111,011	16,285	151,195	1	21	-
Banks	3	5,698	70,751	16,792	93,244	-	4	-
Credit institutions	-	333	38,180	47	38,560	-	-	-
Insurance	19	336	55,868	1	56,224	-	16	1
Investment funds	3,283	3,842	87,775	2	94,902	7	87	43
Other financials	163	1,999	102,497	8,487	113,146	3	782	5
Agriculture	442	57,068	7,116	63	64,689	187	662	73
Commercial property	3,018	214,706	22,065	190	239,979	393	7,176	3,486
Construction, engineering and building products	631	18,701	14,124	67	33,523	59	244	549
Consumer discretionary	888	51,151	23,098	117	75,254	234	1,676	791
Consumer staples	101	19,357	30,909	44	50,411	30	224	80
Energy and utilities	77	10,186	25,796	8	36,067	3	55	10
Health care	207	7,278	19,231	36	26,752	42	34	-
Industrial services, supplies and machinery	452	29,515	40,186	885	71,038	89	765	169
IT and telecommunication services	229	5,223	14,261	296	20,009	17	81	-
Materials	196	13,627	27,188	145	41,156	44	270	133
Non-profit and associations	313	116,809	81	7	117,210	81	1,464	1,364
Other commercial	1,775	11,445	13,828	1,132	28,180	22	-	50
Shipping	94	1,352	35,728	-	37,174	4	2,035	10
Transportation	74	11,741	5,302	17	17,134	23	158	150
Personal customers	818,308	32,471	38	185	851,002	3,873	4,377	4,534
Total	830,353	636,657	745,033	44,806	2,256,849	5,112	20,131	11,448
31 December 2012								
Public institutions	2,085	21,915	149,797	41,803	215,600	-	-	-
Banks	22	13,967	76,125	16,418	106,532	-	4	184
Credit institutions	-	394	43,731	2	44,127	-	-	-
Insurance	27	451	39,714	273	40,465	-	-	2
Investment funds	3,264	4,855	86,572	4	94,695	64	192	214
Other financials	1,168	2,027	105,999	7,359	116,553	8	1,065	4
Agriculture	5,078	54,617	7,830	2	67,527	1,920	946	367
Commercial property	5,873	216,152	18,485	210	240,720	1,635	6,323	6,077
Construction, engineering and building products	2,040	17,773	14,592	133	34,538	124	567	792
Consumer discretionary	4,461	49,175	22,441	414	76,491	335	1,829	912
Consumer staples	1,573	20,143	26,596	43	48,355	232	242	108
Energy and utilities	675	12,667	25,401	40	38,783	3,666	7	46
Health care	445	6,955	16,421	62	23,883	26	63	-
Industrial services, supplies and machinery	2,183	27,806	37,323	633	67,945	358	1,696	333
IT and telecommunication services	944	5,322	14,971	465	21,702	30	394	-
Materials	1,041	13,883	24,636	172	39,732	617	476	302
Non-profit and associations	1,220	120,444	2,319	14	123,997	454	1,320	1,649
Other commercial	2,563	12,563	20,003	3,839	38,968	74	-	80
Shipping	277	1,811	41,646	1	43,735	6	2,732	-
Transportation	398	12,689	5,944	43	19,074	354	55	-
Personal customers	849,126	35,652	54	308	885,140	7,990	4,291	5,583
Total	884,463	651,261	780,600	72,238	2,388,562	17,893	22,202	16,653

*Impaired loans are individually assessed loans in rating categories 10 and 11 with objective evidence of impairment for which an impairment charge has been made. Performing loans (rating category 10) are loans to customers not in default. Non-performing loans (rating category 11) are loans to customers in default.

Notes – Danske Bank Group

[DKK millions]

Credit exposure broken down by geographical area

The table shows the credit exposure of Danske Bank's core banking business by country and customer segment.

30 September 2013	Personal Banking	Business Banking	C&I	Other	Total	Past due but not impaired	Impaired loans*	
							Performing	Non-performing
Denmark	537,711	362,238	321,997	13,489	1,235,435	1,588	14,041	4,588
Finland	96,997	51,352	45,480	9,608	203,437	1,392	843	1,763
Sweden	78,102	114,566	81,505	1,157	275,330	145	213	795
Ireland	14,673	1,422	13,005	2,778	31,878	204	1,044	877
UK	19,171	28,347	90,429	4,571	142,518	250	1,147	1,546
Germany	540	307	20,066	844	21,757	6	150	31
Estonia	14	5,581	457	10	6,062	353	330	225
Latvia	8	2,699	128	5	2,840	69	55	45
Lithuania	28	8,347	7	-	8,382	121	534	442
Spain	657	21	6,457	486	7,621	1	-	12
France	637	51	3,721	539	4,948	4	1	-
Italy	79	28	189	19	315	1	-	8
Portugal	69	2	24	3	98	-	-	1
Greece	35	2	-	-	37	-	-	-
Belgium	364	6	2,872	2,961	6,203	-	2	10
Cyprus	17	1,065	1,840	-	2,922	-	37	-
Netherlands	149	344	1,142	197	1,832	1	7	-
Luxembourg	576	127	54,424	551	55,678	1	-	5
Poland	50	62	2,169	19	2,300	-	1	4
Other EU member states	195	55	554	147	951	1	-	-
Norway	75,300	57,321	47,513	935	181,069	960	1,573	873
Eastern Europe	107	231	1,078	239	1,655	-	5	1
Switzerland	931	159	2,324	474	3,888	7	6	17
Turkey	46	7	1,965	112	2,130	-	-	1
Other European countries	389	12	6	370	777	2	1	174
North America	1,210	766	38,860	2,468	43,304	2	134	13
Central and South America	306	1,154	486	74	2,020	-	-	-
Africa	152	6	1,599	116	1,873	1	-	8
Asia	1,622	335	3,822	2,417	8,196	3	4	7
Oceania	218	44	914	217	1,393	-	3	2
Total	830,353	636,657	745,033	44,806	2,256,849	5,112	20,131	11,448

*Impaired loans are individually assessed loans in rating categories 10 and 11 with objective evidence of impairment for which an impairment charge has been made. Performing loans (rating category 10) are loans to customers not in default. Non-performing loans (rating category 11) are loans to customers in default.

Geographical segmentation is based on the customer's country of residence rather than the location in which the individual transaction is recorded. The table lists the countries to which Danske Bank has a total exposure above DKK 1 billion as well as the following countries: Ireland, Portugal, Italy and Greece.

Notes – Danske Bank Group

[DKK millions]

31 December 2012	Personal Banking	Business Banking	C&I	Other	Total	Past due but not impaired	Impaired loans*	
							Performing	Non-performing
Denmark	567,997	360,564	316,646	24,219	1,269,426	9,036	16,615	8,390
Finland	105,510	51,641	43,667	22,466	223,284	1,656	753	2,165
Sweden	81,058	114,972	104,411	1,642	302,083	4,789	880	906
Ireland	15,408	2,668	13,655	5,106	36,837	312	632	764
UK	20,412	27,784	82,473	5,711	136,380	147	828	1,946
Germany	764	217	34,959	1,306	37,246	9	41	41
Estonia	35	9,040	490	17	9,582	408	197	272
Latvia	6	2,287	57	-	2,350	66	162	75
Lithuania	14	8,194	20	4	8,232	1	432	586
Spain	847	33	650	288	1,818	8	12	18
France	701	61	9,535	272	10,569	6	2	88
Italy	84	84	255	284	707	103	-	10
Portugal	61	2	7	8	78	-	5	-
Greece	36	2	-	-	38	-	1	-
Belgium	382	10	4,304	1,313	6,009	6	1	8
Cyprus	36	1,090	2,128	4	3,258	-	34	-
Netherlands	170	429	1,525	198	2,322	4	7	25
Luxembourg	535	254	56,733	571	58,093	-	-	9
Poland	98	18	3,266	12	3,394	2	1	12
Other EU member states	212	58	810	163	1,243	1	-	3
Norway	85,102	68,570	50,582	1,065	205,319	1,313	1,325	1,124
Eastern Europe	356	989	1,486	672	3,503	-	-	1
Switzerland	869	128	2,943	283	4,223	4	-	26
Turkey	40	15	1,194	178	1,427	-	-	1
Other European countries	438	7	6	388	839	5	4	171
North America	1,039	1,655	37,845	2,719	43,258	7	260	7
Central and South America	326	-	3,503	26	3,855	1	-	1
Africa	135	11	1,945	620	2,711	-	-	1
Asia	1,613	474	4,963	2,183	9,233	6	10	3
Oceania	179	4	542	520	1,245	3	-	-
Total	884,463	651,261	780,600	72,238	2,388,562	17,893	22,202	16,653

*Impaired loans are individually assessed loans in rating categories 10 and 11 with objective evidence of impairment for which an impairment charge has been made. Performing loans (rating category 10) are loans to customers not in default. Non-performing loans (rating category 11) are loans to customers in default.

Notes – Danske Bank Group

[DKK millions]

Credit exposure and collateral broken down by rating category

30 September 2013

Rating category	Upper PD	Lower PD	Personal Banking	Business Banking	C&I	Other	Total
1	0.00	0.01	2,267	17,780	104,775	10,617	135,439
2	0.01	0.03	71,612	10,904	58,352	14,676	155,544
3	0.03	0.06	140,592	71,146	187,867	7,418	407,023
4	0.06	0.14	202,508	77,361	128,385	1,574	409,828
5	0.14	0.31	172,938	131,727	151,243	4,364	460,272
6	0.31	0.63	101,056	112,161	79,702	3,320	296,239
7	0.63	1.90	81,806	113,553	21,400	1,491	218,250
8	1.90	7.98	30,501	48,847	5,241	506	85,095
9	7.98	25.70	11,795	14,184	4,635	27	30,641
10	25.70	99.99	8,490	26,282	3,322	658	38,752
Impaired portion	25.70	99.99	3,820	13,305	2,348	658	20,131
11 (Non-performing loans)	99.99	100.00	6,788	12,712	111	155	19,766
Impaired portion	99.99	100.00	3,928	7,267	98	155	11,448
Total			830,353	636,657	745,033	44,806	2,256,849

31 December 2012

Rating category	Upper PD	Lower PD	Personal Banking	Business Banking	C&I	Other	Total
1	0.00	0.01	6,056	5,901	143,706	36,352	192,015
2	0.01	0.03	82,390	17,445	57,950	11,502	169,287
3	0.03	0.06	135,925	76,358	174,901	5,334	392,518
4	0.06	0.14	190,543	74,350	142,357	4,772	412,022
5	0.14	0.31	170,125	130,924	106,304	4,481	411,834
6	0.31	0.63	113,141	125,173	112,484	6,545	357,343
7	0.63	1.90	94,124	114,055	27,452	1,192	236,823
8	1.90	7.98	51,938	54,964	8,028	1,003	115,933
9	7.98	25.70	17,609	19,464	3,939	127	41,139
10	25.70	99.99	10,857	21,464	3,438	-	35,759
Impaired portion	25.70	99.99	6,716	12,667	2,818	-	22,201
11 (Non-performing loans)	99.99	100.00	11,755	11,163	41	930	23,889
Impaired portion	99.99	100.00	10,529	5,191	32	902	16,654
Total			884,463	651,261	780,600	72,238	2,388,562

Notes – Danske Bank Group

[DKK millions]

Impairment charges

Rating categories 10 and 11 include customers with exposures for which objective evidence of impairment exists. Exposure to customers in the other rating categories is subject to collective impairment testing.

The allowance account includes all impairments on loans and advances at amortised cost, loans at fair value, amounts due from credit institutions and central banks, and irrevocable loan commitments and guarantees.

Allowance account broken down by segment and type of impairment

	Personal Banking	Business Banking	C&I	Other Activities	Allowance account, total	Impairment charges	
						Individual	Collective
1 January 2012	7,873	22,713	2,042	137	32,765	29,327	3,438
New impairment charges	3,516	7,494	2,011	28	13,049	11,252	1,797
Reversals of impairment charges from previous periods	1,144	3,467	847	49	5,507	3,689	1,818
Write-offs debited to allowance account	1,019	3,183	329	112	4,643	4,643	-
Foreign currency translation	36	266	-10	-	292	263	29
Other items	52	138	10	-1	199	199	-
31 December 2012	9,314	23,961	2,877	3	36,155	32,709	3,446
New impairment charges	3,370	4,301	803	-	8,474	7,416	1,058
Reversals of impairment charges from previous periods	1,813	2,802	345	-	4,960	3,897	1,063
Write-offs debited to allowance account	1,474	1,054	130	-	2,658	2,658	-
Foreign currency translation	-27	-245	-39	-	-311	-284	-27
Other items	155	489	-180	-2	462	463	-1
30 September 2013	9,525	24,650	2,986	1	37,162	33,749	3,413

Collective impairments include charges that reflect the migration of customers from one rating category to another. If all customers were downgraded one rating category with no corresponding interest rate change, collective impairment charges would increase by about DKK 3.8 billion (31 December 2012: about DKK 5.5 billion).

If the value of collateral provided by customers in rating categories 10 and 11 decreased 10%, individual impairment charges would increase by about DKK 2.7 billion (31 December 2012: about DKK 3.0 billion).

Allowance account broken down by balance sheet items

	30 September 2013	31 December 2012
Due from credit institutions and central banks	88	91
Loans and advances at amortised cost	32,220	30,990
Loans at fair value	3,737	3,096
Other liabilities	1,117	1,978
Total	37,162	36,155

Loan impairment charges, including non-core

	Q1-Q3 2013	Q1-Q3 2012
New and increased impairment charges	10,674	15,458
Reversals of impairment charges	6,115	5,847
Write-offs charged directly to income statement	858	1,053
Received on claims previously written off	702	614
Interest income, effective interest method	-395	-140
Total	4,320	9,910

Notes – Danske Bank Group

[DKK millions]

Credit exposure, collateral, allowance account and impairment charges broken down by industry

	Credit exposure		Collateral after haircut		Allowance account		Impairment charges	
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	Q1-Q3 2013	Q1-Q3 2012
Public institutions	151,195	215,600	15,287	17,036	11	-	7	-1
Banks	93,244	106,532	42,132	46,903	98	92	-1	2
Credit institutions	38,560	44,127	27,347	30,489	-	-	-	-
Insurance	56,224	40,465	45,257	29,915	18	6	13	1
Investment funds	94,902	94,695	87,770	77,851	572	575	-26	-41
Other financials	113,146	116,553	86,333	92,043	162	34	-3	44
Agriculture	64,689	67,527	51,814	52,434	3,162	2,568	300	139
Commercial property	239,979	240,720	202,206	194,116	8,642	7,581	635	1,013
Construction, engineering and building products	33,523	34,538	9,122	9,785	3,496	3,187	267	458
Consumer discretionary	75,254	76,491	35,432	35,078	3,431	3,188	-129	488
Consumer staples	50,411	48,355	19,288	17,081	469	387	37	15
Energy and utilities	36,067	38,783	6,788	6,968	111	75	19	41
Health care	26,752	23,883	10,851	7,231	120	103	1	25
Industrial services, supplies and machinery	71,038	67,945	16,378	16,446	2,204	1,970	31	316
IT and telecommunication services	20,009	21,702	2,299	2,253	276	542	-119	80
Materials	41,156	39,732	9,126	9,768	960	909	112	75
Non-profit and associations	117,210	123,997	108,646	104,357	1,265	990	290	243
Other commercial	28,180	38,968	6,587	8,003	373	2,640	-17	201
Shipping	37,174	43,735	20,651	25,246	2,068	1,950	70	1,171
Transportation	17,134	19,074	8,599	8,965	354	358	32	-2
Personal customers	851,002	885,140	731,897	747,848	9,370	9,000	1,823	1,992
Total	2,256,849	2,388,562	1,543,810	1,539,816	37,162	36,155	3,342	6,260

Notes – Danske Bank Group

[DKK millions]

Credit exposure, collateral, allowance account and impairment charges broken down by geographical area

	Credit exposure		Collateral after haircut		Allowance account		Impairment charges	
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	Q1-Q3 2013	Q1-Q3 2012
Denmark	1,235,435	1,269,426	888,439	866,882	21,408	20,026	2,886	3,327
Finland	203,437	223,284	124,998	131,500	1,989	2,687	-283	449
Sweden	275,330	302,083	178,410	181,088	1,295	1,525	-86	346
Ireland	31,878	36,837	16,813	16,941	1,829	1,259	155	542
UK	142,518	136,380	105,611	96,716	6,948	6,696	460	1,287
Germany	21,757	37,246	2,647	2,876	274	255	32	73
Estonia	6,062	9,582	6,791	6,655	368	540	-84	-188
Latvia	2,840	2,350	1,269	1,013	258	293	1	-32
Lithuania	8,382	8,232	5,072	5,004	679	848	-96	-148
Spain	7,621	1,818	6,071	635	37	21	17	7
France	4,948	10,569	2,031	6,076	37	89	89	48
Italy	315	707	77	83	9	7	2	1
Portugal	98	78	56	49	2	3	-1	-1
Greece	37	38	29	29	-	-	-	-
Belgium	6,203	6,009	1,106	2,619	7	8	-	-
Cyprus	2,922	3,258	1,575	1,804	52	56	-3	45
Netherlands	1,832	2,322	242	334	16	40	-23	14
Luxembourg	55,678	58,093	53,928	54,225	43	43	-3	1
Poland	2,300	3,394	428	918	5	10	-4	3
Other EU member states	951	1,243	176	190	22	22	1	10
Norway	181,069	205,319	119,121	136,581	1,571	1,419	263	310
Eastern Europe	1,655	3,503	550	377	4	3	-3	3
Switzerland	3,888	4,223	715	1,041	23	41	1	16
Turkey	2,130	1,427	106	130	1	1	1	1
Other European countries	777	839	532	535	67	64	3	1
North America	43,304	43,258	22,383	16,578	166	151	10	141
Central and South America	2,020	3,855	312	3,415	2	2	-	-
Africa	1,873	2,711	1,098	1,484	4	2	2	1
Asia	8,196	9,233	3,032	3,888	43	44	2	3
Oceania	1,393	1,245	192	150	3	-	3	-
Total	2,256,849	2,388,562	1,543,810	1,539,816	37,162	36,155	3,342	6,260

Notes – Danske Bank Group

[DKK millions]

Credit exposure, Non-core

The tables below show the credit exposure of Danske Bank's Non-core business.

Credit exposure, collateral, allowance account and impairment charges broken down by industry

	Credit exposure		Collateral after haircut		Allowance account		Impairment charges
	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	30 Sept. 2012	Q1-Q3 2013
Financials	14,162	16,608	9,743	11,762	55	159	-156
Commercial property	5,518	7,206	4,400	5,493	5,998	6,519	261
Consumer discretionary	1,169	1,437	572	677	1,000	845	232
Personal customers	6,219	7,143	4,713	5,058	1,718	1,822	284
Other	2,855	2,085	2,007	2,389	1,956	2,291	357
Total	29,923	34,479	21,435	25,379	10,727	11,636	978

Credit exposure and collateral broken down by rating category

Rating category	Upper PD	Lower PD	Credit exposure		Collateral after haircut	
			30 Sept. 2013	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012
1	0.00	0.01	3,042	3,810	2,621	3,293
2	0.01	0.03	4,001	3,948	3,515	3,349
3	0.03	0.06	772	708	528	619
4	0.06	0.14	2,100	2,606	1,329	1,745
5	0.14	0.31	3,491	3,638	1,826	1,910
6	0.31	0.63	1,372	1,710	1,181	1,619
7	0.63	1.90	447	873	573	772
8	1.90	7.98	2,339	4,078	1,679	2,685
9	7.98	25.70	2,588	2,465	1,097	1,490
10	25.70	99.99	3,059	2,068	1,736	1,379
Impaired portion	25.70	99.99	1,958	884	1,443	1,071
11 (Non-performing loans)	99.99	100.00	6,712	8,575	5,350	6,518
Impaired portion	99.99	100.00	6,383	8,222	5,129	6,273
Total			29,923	34,479	21,435	25,379

Notes – Danske Bank Group

[DKK millions]

Credit exposure from trading and investing activities

At 30 September 2013, Danske Bank's credit exposure from trading and investing activities amounted to DKK 830 billion, relating primarily to bonds (DKK 546 billion) and derivatives with positive fair value (DKK 278 billion).

Bond portfolio

	Central and local govern- ment bonds	Quasi- government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Short-term bonds (CP etc.)	Corporate bonds	Total
30 September 2013								
Held-for-trading	191,072	7,636	125,924	59,241	11,953	-	31,318	427,144
Designated	4,288	-	42,843	459	679	-	449	48,718
Available-for-sale	156	573	56,840	-	4,938	-	115	62,622
Held-to-maturity	6,958	-	35	-	45	-	139	7,177
Total	202,474	8,209	225,642	59,700	17,615	-	32,021	545,661
31 December 2012								
Held-for-trading	173,090	4,783	127,787	56,007	14,462	9,536	15,076	400,741
Designated	2,009	-	27,435	-	832	-	78	30,354
Available-for-sale	160	614	57,469	-	7,615	-	118	65,976
Held-to-maturity	6,561	-	-	-	46	-	1,703	8,310
Total	181,820	5,397	212,691	56,007	22,955	9,536	16,975	505,381

The bond portfolio includes bonds worth DKK 145,063 million (31 December 2012: DKK 152,233 million) recognised as assets under insurance contracts. For bonds classified as held-to-maturity, fair value equalled amortised cost at 30 September 2013. At the end of 2012, fair value also equalled amortised cost.

Notes – Danske Bank Group

[DKK millions]

Bond portfolio broken down by geographical area

30 September 2013	Central and local government bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Short-term bonds (CP etc.)	Corporate bonds	Total
Denmark	20,783	-	225,642	-	486	-	4,629	251,540
Sweden	21,083	-	-	59,700	-	-	14,027	94,810
UK	9,502	150	-	-	4,820	-	930	15,402
Norway	6,700	-	-	-	5,917	-	4,268	16,885
USA	3,402	1,325	-	-	41	-	735	5,503
Spain	6,625	-	-	-	3,790	-	-	10,415
France	32,835	-	-	-	991	-	1,665	35,491
Luxembourg	-	6,711	-	-	-	-	19	6,730
Canada	417	-	-	-	-	-	86	503
Finland	9,911	23	-	-	659	-	1,936	12,529
Ireland	3,304	-	-	-	113	-	130	3,547
Italy	7,929	-	-	-	-	-	-	7,929
Portugal	142	-	-	-	-	-	-	142
Austria	3,013	-	-	-	-	-	15	3,028
Netherlands	6,326	-	-	-	555	-	2,467	9,348
Germany	60,860	-	-	-	166	-	430	61,456
Belgium	7,224	-	-	-	77	-	-	7,301
Lithuania	1,389	-	-	-	-	-	-	1,389
Other	1,029	-	-	-	-	-	684	1,713
Total	202,474	8,209	225,642	59,700	17,615	-	32,021	545,661

31 December 2012								
Denmark	25,221	-	212,691	-	77	883	5,350	244,222
Sweden	41,407	-	-	56,007	-	2,569	2,674	102,657
UK	12,358	20	-	-	8,268	378	119	21,143
Norway	3,593	-	-	-	6,544	2,680	3,305	16,122
USA	5,839	1,478	-	-	237	-	883	8,437
Spain	3,161	-	-	-	4,513	179	19	7,872
France	14,191	-	-	-	1,719	1,283	489	17,682
Luxembourg	-	3,791	-	-	-	-	1,609	5,400
Canada	1,027	-	-	-	-	-	54	1,081
Finland	6,278	108	-	-	654	215	660	7,915
Ireland	2,582	-	-	-	71	-	47	2,700
Italy	4,614	-	-	-	4	-	-	4,618
Portugal	120	-	-	-	-	-	120	240
Austria	3,233	-	-	-	-	-	162	3,395
Netherlands	8,946	-	-	-	593	1,139	1,112	11,790
Germany	44,877	-	-	-	19	210	372	45,478
Belgium	3,419	-	-	-	53	-	-	3,472
Lithuania	327	-	-	-	-	-	-	327
Other	627	-	-	-	203	-	-	830
Total	181,820	5,397	212,691	56,007	22,955	9,536	16,975	505,381

Credit exposure to government bonds issued by Ireland, Portugal, Italy and Spain amounted to DKK 18 billion at 30 September 2013 (31 December 2012: DKK 10.5 billion). All government bonds issued by these countries were recognised at fair value. When unsettled transactions in bonds issued by these countries and hedging transactions are taken into account, the total risk exposure was DKK 6.1 billion (31 December 2012: DKK 3.2 billion). At 30 September 2013, the bond portfolio did not include government bonds issued by Greece or Cyprus. Exposures below DKK 1 billion are aggregated in the Other category. Risk Management 2012 provides additional details about Danske Bank's risk on its bond portfolio. The publication is not covered by the statutory audit.

Notes – Danske Bank Group

(DKK millions)		
Derivatives with positive fair value	30 Sept. 2013	31 Dec. 2012
Derivatives with positive fair value before netting	472,469	711,023
Netting (under accounting rules)	194,964	302,033
Carrying amount	277,505	408,990
Netting (under capital adequacy rules)	203,280	303,974
Net current exposure	74,225	105,016
Derivatives with positive fair value after netting for accounting purposes:		
Interest rate contracts	203,818	309,743
Currency contracts	70,664	96,318
Other contracts	3,023	2,929
Total	277,505	408,990

Statement by the management

The Board of Directors and the Executive Board (management) have considered and approved Interim Report – First Nine Months 2013 of Danske Bank Group.

The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. Furthermore, the interim report has been prepared in accordance with 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, shareholders' equity and financial position at 30 September 2013 and of the results of the Group's operations and the consolidated cash flows for the period starting on 1 January 2013 and ending on 30 September 2013. Moreover, in our opinion, management's report includes a fair review of developments in the Group's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group.

Copenhagen, 31 October 2013

Executive Board

Thomas F. Borgen
CEO

Tonny Thierry Andersen

Robert Endersby

Lars Mørch

Henrik Ramlau-Hansen

Board of Directors

Ole Andersen
Chairman

Niels B. Christiansen
Vice Chairman

Urban Bäckström

Lars Förberg

Jørn P. Jensen

Carol Sergeant

Jim Hagemann Snabe

Trond Ø. Westlie

Susanne Arboe

Helle Brøndum

Carsten Eilertsen

Charlotte Hoffmann

Per Alling Toubro

Auditors' review reports

Internal Audit's review report on the interim financial statements

We have reviewed the interim financial statements of Danske Bank Group for the period starting on 1 January 2013 and ending on 30 September 2013, pp. 29-57.

Scope of review

A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, as well as performing analytical procedures and other review procedures. A review is substantially less in scope than an audit and consequently, the review does not provide assurance that we have become aware of all significant matters that might be identified in an audit. We have not conducted an audit, and, accordingly, we express no audit opinion.

Opinion

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

Copenhagen, 31 October 2013

Jens Peter Thomassen
Group Chief Auditor

Independent auditors' review report on the interim financial statements

To the shareholders of Danske Bank A/S

We have reviewed the interim financial statements of Danske Bank Group for the period starting on 1 January 2013 and ending on 30 September 2013, pp. 29-57, which comprise the income statement, statement of comprehensive income, balance sheet, statement of capital, cash flow statement and notes. The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for listed financial institutions.

Management is responsible for the interim financial statements. 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 ISRE 2410 DK, Review of Interim Financial Information Performed by the Independent Auditor, and additional requirements under Danish audit regulation. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, as well as performing analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and additional requirements under Danish audit regulation, and, consequently, the review does not provide assurance that we have become aware of all significant matters that might be identified in an audit. We have not conducted an audit, and, accordingly, we express no audit opinion.

Opinion

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

Copenhagen, 31 October 2013

KPMG
Statsautoriseret Revisionspartnerselskab

Lars Rhod Søndergaard
State Authorised
Public Accountant

Jesper Ridder Olsen
State Authorised
Public Accountant

Supplementary information

Conference call

Danske Bank will hold a conference call on 31 October 2013 upon the presentation of its interim report for the first nine months of 2013. The conference call will be webcast live at danskebank.com.

Financial calendar

6 February 2014	Annual Report 2013
1 May 2014	Interim Report – First Quarter 2014
24 July 2014	Interim Report – First Half 2014
30 October 2014	Interim Report – First Nine Months 2014

Contacts

Henrik Ramlau-Hansen Chief Financial Officer	+45 45 14 06 66
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Links

Danske Bank	danskebank.com
Denmark	danskebank.dk
Finland	danskebank.fi
Sweden	danskebank.se
Norway	danskebank.no
Northern Ireland	danskebank.co.uk
Ireland	danskebank.ie
Realkredit Danmark	rd.dk
Danske Capital	danskecapital.com
Danica Pension	danicapension.dk

For more information about Danske Bank's financial statements, please go to danskebank.com/Reports.

Danske Bank A/S
Holmens Kanal 2-12
DK-1092 København K
Telefon 33 44 00 00
Cvr-nr. 611262 28-København
www.danskebank.com