

Fact Book Q4 2018

Supplementary Information for Investors and Analysts
Unaudited

Danske Bank

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1. Group

1.1 Financial result & key figures

1.1.1 Income statement, quarterly – Danske Bank Group

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	5,895	5,852	5,878	5,946	6,108	6,050	5,783	5,866	23,571	23,806
Net fee income	4,078	3,777	3,786	3,762	4,345	3,572	3,819	3,928	15,402	15,664
Net trading income	938	1,236	1,066	1,435	1,346	1,595	1,647	2,500	4,676	7,087
Other income	20	235	152	309	420	328	487	356	716	1,591
Total income	10,931	11,100	10,881	11,452	12,219	11,544	11,736	12,649	44,365	48,149
Operating expenses	6,243	7,367	5,788	5,612	5,757	5,480	5,760	5,724	25,011	22,722
Profit before loan impairment charges	4,688	3,733	5,094	5,841	6,462	6,064	5,976	6,925	19,354	25,427
Loan impairment charges	-43	100	-377	-330	-241	-166	-231	-235	-650	-873
Profit before tax, core	4,731	3,632	5,471	6,171	6,703	6,230	6,208	7,160	20,004	26,300
Profit before tax, Non-core	-286	-44	16	32	27	6	-25	-19	-282	-12
Profit before tax	4,445	3,588	5,487	6,202	6,729	6,236	6,182	7,140	19,722	26,288
Tax	1,029	1,107	1,256	1,329	1,081	1,305	1,392	1,610	4,721	5,388
Net profit for the period	3,415	2,482	4,231	4,873	5,649	4,931	4,790	5,530	15,001	20,900
Attributable to shareholders of Danske Bank A/S (the parent Company)	3,223	2,284	4,034	4,679	5,451	4,733	4,593	5,336	14,220	20,113
Attributable to additional tier 1 capital holders	192	198	197	194	197	198	197	194	781	786

1.1.1 Income statement, yearly – Danske Bank Group

(DKK millions)	2018	2017	2016	2015	2014
Net interest income	23,571	23,806	22,028	21,402	22,198
Net fee income	15,402	15,664	14,183	15,018	14,482
Net trading income	4,676	7,087	8,607	6,848	6,895
Other income	716	1,591	3,140	2,343	1,755
Net income from insurance business	-	-	-	-	-
Total income	44,365	48,149	47,959	45,611	45,330
Operating expenses	25,011	22,722	22,642	23,237	23,972
Goodwill impairment charges	-	-	-	4,601	9,098
Profit before loan impairment charges	19,354	25,427	25,317	17,773	12,260
Loan impairment charges	-650	-873	-3	57	2,788
Profit before tax, core	20,004	26,300	25,320	17,716	9,472
Profit before tax, Non-core	-282	-12	37	46	-1,503
Profit before tax	19,722	26,288	25,357	17,762	7,969
Tax	4,721	5,388	5,500	4,639	4,020
Net profit for the period	15,001	20,900	19,858	13,123	3,948
Net profit for the period before goodwill imp. chg.	15,001	20,900	19,858	17,724	13,047
Attributable to additional tier 1 etc.	781	786	663	607	261
Return on avg. shareholders' equity (%)	9.8	13.6	13.1	8.5	2.5

1.1.2 Balance sheet - Danske Bank Group

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Cash in hand and demand deposits with central banks	40,997	70,445	68,023	82,023	82,818	90,401	77,364	57,917	40,997	82,818
Due from credit institutions and central banks	169,237	204,884	219,213	259,510	277,631	244,051	286,541	288,956	169,237	277,631
Trading portfolio assets	415,811	443,758	523,449	466,739	449,292	467,607	489,463	463,751	415,811	449,292
Investment securities	276,424	275,230	274,104	281,317	324,618	324,181	331,817	337,105	276,424	324,618
Repo lending	316,362	323,131	277,778	267,075	228,538	230,134	225,869	236,614	316,362	228,538
Loans and advances (ex repos)	1,769,438	1,757,868	1,748,393	1,736,524	1,723,025	1,726,397	1,707,291	1,705,483	1,769,438	1,723,025
Assets under pooled schemes and unit-linked investment contracts	93,988	149,108	144,773	110,648	112,065	109,774	106,045	105,125	93,988	112,065
Assets under insurance contracts	377,369	385,391	385,833	284,603	296,867	297,538	290,620	289,697	377,369	296,867
Assets in Non-core	14,346	15,424	16,905	4,849	4,886	17,200	17,492	18,476	14,346	4,886
Holdings in associated undertakings	381	461	450	483	455	420	668	658	381	455
Intangible assets	11,224	11,185	11,125	7,174	7,177	7,087	6,963	6,852	11,224	7,177
Investment property	3,167	3,266	3,314	3,321	4,461	4,901	4,947	4,951	3,167	4,461
Tangible assets	7,768	7,511	7,378	7,146	7,047	6,883	6,552	6,024	7,768	7,047
Current tax assets	2,434	2,988	2,859	3,632	971	1,049	1,741	2,076	2,434	971
Deferred tax assets	471	487	546	575	362	496	542	560	471	362
Others	79,052	21,892	22,277	22,937	19,317	19,665	18,804	19,296	79,052	19,317
Total assets	3,578,467	3,673,028	3,706,419	3,538,555	3,539,528	3,547,785	3,572,717	3,543,540	3,578,467	3,539,528
Due to credit institutions and central banks	148,095	149,820	169,985	157,088	155,528	167,192	147,448	150,017	148,095	155,528
Trading portfolio liabilities	390,222	401,698	447,006	385,635	400,596	408,537	451,663	446,325	390,222	400,596
Repo deposits	262,181	270,805	213,372	235,903	220,371	214,623	234,219	208,196	262,181	220,371
Due to customers (ex repos)	894,495	908,887	926,794	939,988	911,852	923,352	913,639	883,538	894,495	911,852
Bonds issued by Realkredit Danmark	741,092	738,336	732,106	753,664	758,375	749,414	733,172	734,250	741,092	758,375
Deposits under pooled schemes and unit-linked investment contracts	97,840	157,613	153,702	119,809	119,901	117,390	114,537	112,298	97,840	119,901
Liabilities under insurance contracts	417,279	422,288	422,586	314,585	322,726	320,253	309,933	314,759	417,279	322,726
Liabilities in Non-core	4,014	5,282	11,230	3,078	3,094	2,693	2,499	2,892	4,014	3,094
Other issued bonds	330,477	369,641	387,879	388,115	405,080	409,035	428,134	449,234	330,477	405,080
Provisions	716	752	774	862	838	876	902	933	716	838
Current tax liabilities	1,011	922	835	783	1,040	669	514	387	1,011	1,040
Deferred tax liabilities	7,869	8,218	8,188	7,711	7,594	7,632	7,645	7,613	7,869	7,594
Others	96,808	44,183	37,221	42,856	35,158	31,349	35,403	36,639	96,808	35,158
Subordinated debt	23,092	33,882	33,847	28,840	29,120	29,390	30,110	35,922	23,092	29,120
Total liabilities	3,415,191	3,512,325	3,545,522	3,378,918	3,371,272	3,382,406	3,409,819	3,383,002	3,415,191	3,371,272
Share capital	8,960	8,960	8,960	9,368	9,368	9,368	9,368	9,837	8,960	9,368
Foreign currency translation reserve	-745	-623	-766	-706	-681	-654	-650	-636	-745	-681
Reserve for bonds at fair value (OCI)	90	127	132	125	130	236	256	258	90	130
Proposed dividends	7,616	-	-	-	9,368	-	-	-	7,616	9,368
Retained earnings	133,056	137,835	138,232	136,388	135,731	141,995	139,590	136,690	133,056	135,731
Shareholders' equity	148,976	146,299	146,557	145,175	153,916	150,945	148,564	146,149	148,976	153,916
Additional tier 1 capital holders	14,299	14,404	14,340	14,462	14,339	14,435	14,334	14,388	14,299	14,339
Total equity	163,276	160,703	160,897	159,637	168,256	165,380	162,898	160,538	163,276	168,256
Total liabilities and equity	3,578,467	3,673,028	3,706,419	3,538,555	3,539,528	3,547,785	3,572,717	3,543,540	3,578,467	3,539,528
Total risk exposure amount, Group, end of period	748,104	738,241	753,986	755,277	753,409	769,133	778,668	799,363	748,104	753,409

1.1.3 Ratios and key figures

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Profitability										
Net interest income as % p.a. of loans and deposits	0.89	0.87	0.88	0.89	0.93	0.91	0.87	0.91	0.88	0.89
Cost/income ratio for the period (%)	57.1	66.4	53.2	49.0	47.1	47.5	49.1	45.3	56.4	47.2
Return on avg. shareholders' equity [% p.a.] ¹	8.8	6.4	11.9	12.6	14.4	12.8	12.6	14.4	9.8	13.6
Loan loss ratio incl. Non-core (%)	-0.01	0.02	-0.09	-0.08	-0.14	-0.08	-0.05	-0.05	-0.04	-0.08
Capital & liquidity										
Common equity tier 1 capital ratio (%)	17.0	16.4	15.9	16.4	17.6	16.7	16.2	15.5	17.0	17.6
Tier 1 capital ratio (%)	20.1	19.6	19.0	18.9	20.1	19.1	18.6	17.9	20.1	20.1
Total capital ratio (%)	21.3	20.9	21.6	21.4	22.6	21.6	21.1	20.4	21.3	22.6
Total risk exposure amount (DKK billions)	748	738	754	755	753	769	779	799	748	753
Leverage ratio (transitional, %)	4.6	4.3	4.3	4.2	4.4	4.2	4.1	4.1	4.6	4.4
Leverage ratio (fully phased-in, %)	4.5	4.2	4.2	4.2	4.4	4.1	4.1	4.0	4.5	4.4
Liquidity coverage ratio (%)	120.6	134.6	141.7	144.1	170.8	149.7	163.1	156.0	120.6	170.8
Share data										
Earnings per share (DKK) ¹	3.7	2.7	4.7	5.3	6.1	5.3	5.0	5.8	16.5	22.2
Diluted earnings per share (DKK) ¹	3.8	2.7	4.8	5.3	6.1	5.3	5.0	5.8	16.5	22.1
Share price, end of period (DKK)	128.9	168.7	199.8	225.4	241.6	251.8	250.4	237.5	128.9	241.6
Book value per share, end of period (DKK) ¹	174.3	171.0	168.3	164.4	172.2	167.0	162.5	158.3	174.3	172.2
Price/earnings, end of period, p.a.	8.7	15.9	10.6	10.6	9.9	12.0	12.6	10.2	8.8	10.9
Shares outstanding, end of period (millions)	854.8	855.8	871.0	883.1	894.1	904.1	914.2	923.0	854.8	894.1
Issued shares, end of period (millions)	896.0	896.0	896.0	936.8	936.8	936.8	936.8	983.7	896.0	936.8
Share price/book value per share, end of period	0.7	1.0	1.2	1.4	1.4	1.5	1.5	1.5	0.7	1.4
Market capital, end of period (DKK millions)	110,183	144,376	173,976	199,047	216,003	227,642	228,910	219,216	110,183	216,003
Other										
Full-time-equivalent staff, end of period	20,683	20,530	20,357	19,709	19,768	19,653	19,490	19,316	20,683	19,768

For definition of alternative performance measures please see the financial report.

¹ Ratios are calculated as if the additional tier 1 capital were classified as a liability. Average shareholders' equity is calculated as a quarterly average.

1.2.1 Net interest income by Business Unit

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	2,252	2,244	2,245	2,213	2,226	2,223	2,220	2,238	8,955	8,906
Banking Nordic	2,011	1,993	1,982	1,972	1,977	1,945	1,851	1,798	7,957	7,572
Corporates & Institutions	954	992	980	1,002	1,015	935	935	952	3,928	3,837
Wealth Management	180	179	187	179	176	176	174	182	725	709
Northern Ireland	383	373	372	364	347	334	350	342	1,491	1,374
Other Activities	115	71	112	217	366	437	253	354	515	1,410
Total core activities	5,895	5,852	5,878	5,946	6,108	6,050	5,783	5,866	23,571	23,806
Non-core	34	70	75	9	39	42	46	47	188	175
Group Total	5,929	5,922	5,953	5,955	6,147	6,092	5,829	5,913	23,759	23,982

1.2.2 Net interest income (QoQ and YoY)

BANKINGDK (DKK millions)		Change over the past quarter		Change over the past year
Net interest income	(Q318)	2,245	(YTD 2017)	8,906
Lending volume		13		58
Lending margin		-36		-139
Deposit volume		0		-4
Deposit margin		-4		52
Other interest		34		82
Net interest income	(Q418)	2,252	(YTD 2018)	8,955

BANKING NORDIC (DKK millions)		Change over the past quarter		Change over the past year
Net interest income	(Q318)	1,993	(YTD 2017)	7,572
Lending volume		33		580
Lending margin		-30		43
Deposit volume		-6		80
Deposit margin		11		3
Other interest		10		-322
Net interest income	(Q418)	2,011	(YTD 2018)	7,957

CORPORATES & INSTITUTIONS (DKK millions)		Change over the past quarter		Change over the past year
Net interest income	(Q318)	992	(YTD 2017)	3,837
Lending volume		5		-28
Lending margin		12		61
Deposit volume		-7		62
Deposit margin		0		-108
Other interest		-47		104
Net interest income	(Q418)	954	(YTD 2018)	3,928

NORTHERN IRELAND (DKK millions)		Change over the past quarter		Change over the past year
Net interest income	(Q318)	372	(YTD 2017)	1,374
Lending volume		4		67
Lending margin		-1		0
Deposit volume		2		53
Deposit margin		1		118
Other interest		3		-122
Net interest income	(Q418)	383	(YTD 2018)	1,491

1.3.1 Net fee income by Business Unit

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	802	848	864	886	865	837	878	837	3,400	3,417
Banking Nordic	405	384	402	413	415	418	437	431	1,605	1,700
Corporates & Institutions	754	681	752	727	888	647	718	825	2,914	3,077
Wealth Management	2,102	1,828	1,722	1,701	2,149	1,621	1,761	1,749	7,353	7,281
Northern Ireland	94	97	106	95	101	100	113	115	392	429
Other Activities	-79	-62	-61	-59	-73	-51	-87	-30	-261	-241
Total	4,078	3,777	3,786	3,762	4,345	3,572	3,819	3,928	15,402	15,664

1.3.2 Net fee income breakdown

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Investment	1,506	1,351	1,400	1,406	1,818	1,326	1,435	1,421	5,666	6,000
Pension and Insurance	1,048	962	819	781	847	735	763	778	3,610	3,122
Money transfers, account fees and cash management	618	707	730	704	689	689	740	754	2,759	2,873
Lending and Guarantees	535	512	513	570	557	576	538	589	2,126	2,260
Capital markets	371	244	324	302	434	246	343	386	1,241	1,409
Total	4,078	3,777	3,786	3,762	4,345	3,572	3,819	3,928	15,402	15,664

Figures have been restated to reflect the move of brokerage fees in Realkredit Danmark from "Investment" to "Lending & Guarantees".

1.4.1 Net trading income by Business Unit

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	246	156	156	294	274	171	158	272	852	874
Banking Nordic	74	84	77	68	71	83	69	77	302	300
Corporates & Institutions	383	529	511	1,017	868	1,016	1,186	1,874	2,440	4,943
Wealth Management	-44	94	34	-19	55	144	101	103	66	403
Northern Ireland	22	20	25	15	56	10	20	24	82	111
Other Activities	258	353	263	60	21	170	114	151	934	456
Hereof Group Treasury	11	206	158	25	-	145	142	256	399	542
Total	938	1,236	1,066	1,435	1,346	1,595	1,647	2,500	4,676	7,087

1.5.1 Operating expenses by Business Unit

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	1,789	1,698	1,691	1,682	1,752	1,644	1,654	1,695	6,860	6,745
Banking Nordic	1,333	1,217	1,304	1,175	1,360	1,234	1,326	1,283	5,029	5,202
Corporates & Institutions	1,177	1,107	1,153	1,252	1,333	1,183	1,249	1,270	4,689	5,034
Wealth Management	1,448	1,216	1,131	1,015	1,107	940	1,019	1,016	4,810	4,082
Northern Ireland	319	299	300	290	46	298	304	309	1,207	957
Other Activities	178	1,829	210	198	159	182	208	152	2,416	702
Total	6,243	7,367	5,788	5,612	5,757	5,480	5,760	5,724	25,011	22,722

1.5.2 Expense breakdown

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Staff costs	3,563	3,465	3,468	3,447	3,182	3,395	3,473	3,518	13,943	13,568
Severance pay	82	89	160	90	46	37	102	81	422	267
IT expenses	484	466	355	389	464	433	513	463	1,693	1,872
Other operating expenses	1,688	3,022	1,534	1,460	1,774	1,394	1,478	1,441	7,703	6,088
Staff and administration expenses, total	5,816	7,042	5,516	5,386	5,466	5,259	5,566	5,504	23,760	21,795
Depreciation, intangibles	298	190	175	154	167	135	130	123	816	556
Depreciation, tangibles	130	135	96	72	120	87	63	97	434	367
Other expenses	-1	-	-	-	3	-	-	-	-	4
Operating expenses	6,243	7,367	5,788	5,612	5,757	5,480	5,760	5,724	25,011	22,722

1.6.1 Impairments by Business Unit (ex. Non-core)

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	-148	-16	-294	-300	-115	-441	-431	-77	-758	-1,065
Banking Nordic	-82	-79	48	-45	31	185	138	-133	-159	221
Corporates & Institutions	175	235	-99	-32	-42	138	156	59	278	311
Wealth Management	11	-21	-17	-15	-23	-25	-20	-25	-42	-93
Northern Ireland	-1	-22	-12	62	-93	-24	-69	-61	26	-247
Other Activities	3	4	-2	1	1	2	-5	2	5	-
Total core	-43	100	-377	-330	-241	-166	-231	-235	-650	-873

1.6.2 Quarterly breakdown of impairments (ex. Non-core)

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Expected credit losses under IFRS 9:	102	75	-377	-253	-	-	-	-	-453	-
New assets	348	760	502	1,388	-	-	-	-	2,999	-
Assets derecognised	-654	-885	-865	-1,501	-	-	-	-	-3,905	-
Impact of net remeasurement of ECL (incl. changes in models)	408	200	-14	-140	-	-	-	-	453	-
Collective and individual impairment charges under IAS 39	-	-	-	-	-69	-37	-106	-59	-	-270
Write-offs charged directly to income statement	206	177	153	129	70	43	50	71	665	234
Received on claims previously written off	-279	-83	-87	-126	-166	-75	-133	-176	-575	-549
Interest adjustment according to the effective interest method	-72	-68	-66	-81	-77	-97	-43	-71	-287	-287
Total	-43	100	-377	-330	-241	-166	-231	-235	-650	-873

1.6.3 Loan loss ratio

(%)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	-0.07	-0.01	-0.13	-0.14	-0.05	-0.20	-0.20	-0.04	-0.09	-0.12
Banking Nordic	-0.05	-0.05	0.03	-0.03	0.02	0.13	0.10	-0.10	-0.03	0.04
Corporates & Institutions	0.32	0.42	-0.17	-0.03	-0.04	0.13	0.14	0.05	0.07	0.07
Wealth Management	0.05	-0.10	-0.09	-0.08	-0.12	-0.13	-0.10	-0.13	-0.05	-0.12
Northern Ireland	-0.01	-0.18	-0.10	0.53	-0.80	-0.21	-0.59	-0.54	0.06	-0.55
Total core activities	-0.01	0.02	-0.08	-0.07	-0.05	-0.03	-0.05	-0.05	-0.03	-0.04
Non-core	-0.14	-0.12	-4.02	-6.61	-11.00	-5.37	-0.19	0.03	-2.88	-3.75
Group Total	-0.01	0.02	-0.09	-0.08	-0.14	-0.08	-0.05	-0.05	-0.04	-0.08

1.7.1 Loan portfolio by Business Unit

Volume (DKK billions)	Segment	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Share of unit (%)	Share of total (%)
Banking DK	Retail	487.3	488.1	488.5	486.3	486.7	486.6	482.6	481.2	55.5	24.0
	Commercial	391.4	386.7	387.4	381.4	383.0	382.8	381.4	378.1	44.5	19.3
	Total	878.7	874.8	875.9	867.6	869.7	869.4	864.0	859.2	100.0	43.3
Banking Nordic	Finland	143.6	143.1	142.6	140.9	138.6	137.2	135.8	134.6	24.5	7.1
	Sweden	235.0	231.8	221.9	220.9	221.1	220.6	211.2	207.0	40.1	11.6
	Norway	168.9	176.6	173.5	168.9	163.9	168.4	162.2	165.3	28.8	8.3
	Other	39.2	38.8	38.4	37.5	37.7	39.2	38.0	37.0	6.7	1.9
	Total	586.7	590.3	576.4	568.3	561.2	565.3	547.2	543.9	100.0	28.9
Corporates & Institutions	Total	198.3	186.6	191.2	199.4	199.5	202.2	206.9	213.5	100.0	9.8
Wealth Management	Total	77.7	77.5	77.0	75.8	75.0	74.8	73.7	73.4	100.0	3.8
Northern Ireland	Total	49.8	50.9	48.9	49.0	46.3	46.2	46.1	46.5	100.0	2.5
Other Activities	Total	-3.8	-4.2	-1.9	-3.9	-9.4	-11.4	-9.9	-9.6	100.0	-0.2
Allowance account	Banking DK	-10.8	-10.9	-11.5	-11.9	-12.3	-12.6	-13.2	-13.8	60.2	-0.5
	Banking Nordic	-3.7	-3.9	-3.9	-4.0	-3.4	-3.5	-3.4	-3.4	20.9	-0.2
	C&I	-2.2	-2.1	-2.0	-2.2	-2.2	-2.4	-2.3	-2.4	12.4	-0.1
	Wealth Management	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.5	2.2	-
	Northern Ireland	-0.8	-0.8	-0.9	-0.9	-0.8	-0.9	-1.0	-1.2	4.3	-
	Other	-	-	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-	-
	Total	-17.9	-18.0	-19.0	-19.7	-19.4	-20.1	-20.6	-21.6	100.0	-0.9
Bank lending, total (ex. Repos)	Banking DK	867.9	863.9	864.4	855.7	857.5	856.8	850.8	845.5	49.0	42.8
	Banking Nordic	582.9	586.4	572.5	564.3	557.8	561.8	543.8	540.5	32.9	28.7
	C&I	196.1	184.5	189.2	197.2	197.3	199.8	204.6	211.1	11.1	9.7
	Wealth Management	77.3	77.1	76.6	75.4	74.6	74.3	73.2	72.9	4.4	3.8
	Northern Ireland	49.0	50.1	48.0	48.1	45.5	45.3	45.1	45.4	2.8	2.4
	Other	-3.8	-4.2	-2.3	-4.2	-9.7	-11.7	-10.3	-9.9	-0.2	-0.2
	Total	1,769.4	1,757.9	1,748.4	1,736.5	1,723.0	1,726.4	1,707.3	1,705.5	100.0	87.2
Repos	Total	260.0	285.1	231.6	215.0	172.2	185.0	184.6	192.3	100.0	12.8
Lending, total	Total	2,029.5	2,043.0	1,980.0	1,951.6	1,895.2	1,911.4	1,891.9	1,897.8	100.0	100.0

1.7.2 Deposit portfolio by Business Unit

Volume (DKK billions)	Segment	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Share of unit (%)	Share of total (%)
Banking DK	Retail	208.3	206.5	210.8	202.4	200.0	200.1	201.5	194.5	73.7	19.7
	Commercial	74.3	75.2	76.7	75.3	78.0	73.7	77.6	79.2	26.3	7.0
	Total	282.6	281.7	287.5	277.8	278.1	273.8	279.1	273.7	100.0	26.7
Banking Nordic	Finland	86.6	85.2	85.4	84.7	84.0	81.2	81.7	80.2	38.2	8.2
	Sweden	64.5	64.8	65.8	65.2	67.6	66.0	67.3	66.6	28.5	6.1
	Norway	75.4	77.5	86.6	79.3	73.4	79.3	78.3	65.4	33.2	7.1
	Other	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	-
	Total	226.8	227.7	238.1	229.4	225.2	226.6	227.5	212.5	100.0	21.5
Corporates & Institutions		260.8	272.5	268.7	307.4	282.9	294.3	277.0	267.6	100.0	24.7
Wealth Management		66.6	68.1	71.1	67.7	65.8	66.3	66.7	61.9	100.0	6.3
Northern Ireland		62.6	63.5	63.0	60.5	59.0	59.5	59.0	58.9	100.0	5.9
Other Activities		-4.9	-4.7	-1.6	-2.8	0.8	2.9	4.4	8.9	100.0	-0.5
Bank deposits, total (ex. Repos)		894.5	908.9	926.8	940.0	911.9	923.4	913.6	883.5	100.0	84.6
Repos		162.2	155.3	119.5	143.2	133.1	125.8	125.3	110.3	100.0	15.4
Deposits, total		1,056.7	1,064.2	1,046.3	1,083.2	1,044.9	1,049.2	1,039.0	993.8	100.0	100.0
Bonds issued by Realkredit Danmark ¹		798.9	797.4	797.2	791.4	792.0	789.4	777.4	775.4	-	-

¹ Before elimination of the Group's holding of Realkredit Danmark bonds.

1.7.3 Credit exposure by industry

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	% of total Q418	% of total Q417
Public Institutions	219,557	266,219	272,632	307,672	414,426	404,454	452,628	414,678	9.2	15.4
Banks	47,324	54,394	59,193	53,462	53,112	48,104	58,968	66,085	2.0	2.0
Credit Institutes	5,802	4,599	4,993	4,366	9,397	5,096	6,814	7,539	0.2	0.3
Insurance	8,884	10,458	9,935	9,824	38,178	47,775	47,319	51,099	0.4	1.4
Investment funds	24,714	25,193	25,028	22,775	24,693	26,762	30,731	41,462	1.0	0.9
Other financials	10,772	3,223	6,238	5,582	92,800	72,897	48,152	69,610	0.5	3.5
Agriculture	70,795	71,434	72,104	70,051	62,535	63,624	62,312	63,560	3.0	2.3
Commercial property	300,435	305,229	307,235	311,819	296,947	308,168	301,236	309,677	12.6	11.0
Construction & building products	36,261	38,259	38,573	41,650	44,585	43,431	38,119	36,335	1.5	1.7
Consumer discretionary	107,628	107,600	110,813	111,326	105,800	99,667	96,681	99,614	4.5	3.9
Consumer staples	61,938	61,770	60,416	59,621	57,591	56,467	56,986	55,955	2.6	2.1
Energy & Utilities	55,039	49,498	52,517	55,730	50,704	46,595	51,247	50,627	2.3	1.9
Health care	37,909	36,726	39,173	37,914	34,816	36,369	34,573	38,467	1.6	1.3
Industrial Services, Supplies & Machinery	111,989	113,968	114,943	104,322	95,616	101,857	105,988	104,558	4.7	3.6
IT & telecom	29,492	29,602	31,247	29,977	30,501	30,659	28,497	28,227	1.2	1.1
Materials	49,078	49,134	48,357	50,090	49,942	48,532	47,195	47,248	2.1	1.9
Non-profit & Associations	188,610	185,101	181,009	178,289	169,617	166,190	160,312	157,811	7.9	6.3
Other commercials	31,032	36,751	38,174	43,916	85,614	89,399	78,820	61,562	1.3	3.2
Shipping	37,827	40,987	37,868	34,087	35,993	36,225	38,717	38,382	1.6	1.3
Transportation	27,040	26,226	28,787	28,832	24,464	23,946	23,357	21,668	1.1	0.9
Personal customers	930,234	937,695	931,473	918,479	910,648	909,176	899,737	894,094	38.9	33.9
Total	2,392,359	2,454,067	2,470,707	2,479,784	2,687,980	2,665,393	2,668,389	2,658,260	100.0	100.0

1.7.4 Total loans and guarantees

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Loans at amortised cost	974	963	954	949	936	942	935	935
Loans at fair value	796	794	794	788	787	785	772	770
Loans (excl. repo loans)	1,769	1,758	1,748	1,737	1,723	1,726	1,707	1,705
Repo loans	260	285	232	215	172	185	185	192
Guarantees	83	81	80	80	84	81	80	83
Total loans and guarantees	2,113	2,124	2,060	2,032	1,980	1,992	1,972	1,981

1.8 Capital figures and requirements

Danske Bank Group's total capital and ratios

(DKK millions)	31 December 2018	31 December 2017
Total equity	163,276	168,256
Adjustment to total equity	237	236
Total equity calculated according to the rules of the Danish FSA	163,513	168,492
Additional tier 1 (AT1) capital instruments included in total equity	-14,133	-14,158
Adjustments for accrued interest and tax effect on AT1 capital	-130	-132
Common equity tier 1 (CET1) capital instruments	149,250	154,202
IFRS9 transitional arrangement	1,544	-
Deductions from CET1 capital	-23,967	-21,457
- Portion from intangible assets	-7,466	-7,100
- Portion from statutory deductions for insurance subsidiaries	-5,987	-1,349
CET1 capital	126,827	132,744
AT1 capital	23,677	18,574
Deductions from AT1 capital	-	-169
- Portion from statutory deductions for insurance subsidiaries	-	-169
Tier1 capital	150,505	151,150
Tier2 capital instruments	9,161	19,343
Deductions from tier2 capital	-	-169
- Portion from statutory deductions from insurance subsidiaries	-	-169
Total capital	159,666	170,324
Total risk exposure amount	748,104	753,409
Common tier 1 capital ratio	17.0%	17.6%
Tier1 capital ratio	20.1%	20.1%
Total capital ratio	21.3%	22.6%

Capital ratios and requirements

(percentage of total risk exposure amount)	Q4 2018	Fully phased-in*
Capital ratios		
CET1 capital ratio	17.0	16.8
Total capital ratio	21.3	21.2
Capital requirements (incl. buffers)**		
CET1 capital minimum requirement (Pillar I)	4.5	4.5
Capital add-on to be met with CET1 capital (Pillar II)	2.7	2.7
Combined buffer requirement	4.9	6.7
- Portion from countercyclical capital buffer	0.6	1.2
- Portion from capital conservation buffer	1.9	2.5
- Portion from SIFI buffer	2.4	3.0
CET capital requirement	12.1	14.0
Minimum capital requirement (Pillar I)	8.0	8.0
Capital add-on (Pillar II)	3.8	3.8
Combined buffer requirement	4.9	6.7
Total capital requirement	16.7	18.6
Excess capital		
CET1 capital	4.8	2.8
Total capital	4.6	2.6

* Based on fully phased-in CRR and CRD IV rules and requirements.

** The total capital requirement consists of the solvency need and the combined buffer requirement. The fully phased-in countercyclical capital buffer is based on the buffer rates announced at the end of Q4 2018.

1.9.1 Non-performing loans (ex. Non-core)

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Non-default								
Gross exposure	13.9	16.1	16.9	17.5	17.2	17.2	16.0	17.6
Accumulated expected credit losses (IFRS 9)	4.3	5.1	5.2	4.8	-	-	-	-
Accumulated individual impairment charges (IAS 39)	-	-	-	-	6.0	5.8	5.6	5.8
Net exposure	9.6	11.1	11.7	12.7	11.2	11.4	10.4	11.7
Collateral (after haircut)	7.7	8.3	9.0	9.4	9.0	8.3	7.9	8.4
Total unsecured exposure	2.0	2.8	2.8	3.4	2.3	3.1	2.5	3.3
NPL coverage ratio of which not in default (%) ¹	68.6	64.6	65.2	58.6	72.6	65.1	69.2	63.9
Default								
Gross exposure	16.0	15.2	14.8	15.7	16.0	18.2	19.8	19.8
Accumulated expected credit losses (IFRS 9)	8.8	8.2	8.3	8.8	-	-	-	-
Accumulated individual impairment charges (IAS 39)	-	-	-	-	10.0	10.6	11.3	11.8
Net exposure	7.3	7.0	6.5	6.8	6.0	7.7	8.5	8.0
Collateral (after haircut)	6.9	7.0	6.1	6.4	5.7	7.1	8.0	7.2
Total unsecured exposure	0.3	0.0	0.4	0.4	0.3	0.5	0.5	0.8
NPL coverage ratio of which in default (%) ¹	96.2	99.6	95.2	95.4	96.8	95.1	95.4	93.8
Total gross non-performing loans	29.9	31.4	31.7	33.2	33.3	35.4	35.9	37.4
NPL coverage ratio (%)¹	85.0	82.5	80.9	78.2	86.1	81.8	84.8	81.2

The Group defines non-performing loans as facilities in stage 3 for which impairment charges have been booked.

For non-retail exposures with any non-performing loans, the entire amount of the customer's exposure is considered to be non-performing.

For retail exposures, only impaired facilities are included in non-performing loans. The Group's definition of non-performing loans differs from the EBA's definition by excluding fully covered exposures in stage 3 and previously forborne exposures that are now performing and are under probation.

¹ Accumulated individual impairment charges as a percentage of gross impaired loans net of collateral (after haircut).

1.9.2 Non-performing loans by Business Unit (ex. Non-core)

(DKK millions)	Q418			Q417		
	Gross exposure	Acc. individual imp. charges	Net exposure	Gross exposure	Acc. individual imp. charges	Net exposure
Non-default	13,879	4,265	9,614	17,220	5,979	11,241
Banking DK	6,881	2,287	4,595	6,720	4,307	2,413
Banking Nordic	2,485	801	1,684	7,337	845	6,492
C&I	3,617	925	2,692	2,370	564	1,806
Wealth Management	382	113	269	391	130	261
Northern Ireland	513	139	374	399	132	267
Other	-	-	-	2	1	1
Default	16,045	8,755	7,289	16,035	9,986	6,049
Banking DK	8,842	5,319	3,523	7,156	6,309	847
Banking Nordic	2,805	1,650	1,155	6,479	2,090	4,389
C&I	3,171	1,123	2,048	999	721	278
Wealth Management	283	188	95	387	271	117
Northern Ireland	935	474	461	1,012	595	418
Other	9	1	7	2	2	-
Total NPL core	29,923	13,020	16,903	33,255	15,965	17,290

1.9.3 Forbearance (ex. Non-core)

(DKK millions)	Performing							
	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Active forbearance	9,143	10,715	10,495	13,710	8,255	2,890	3,990	1,900
Under probation	6,482	6,742	6,464	4,253	6,472	10,626	11,318	9,596
Total	15,625	17,456	16,959	17,963	14,727	13,516	15,308	11,496

(DKK millions)	Non-performing*							
	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Active forbearance	8,828	9,268	9,247	9,044	12,718	13,264	12,859	14,399
Under probation	-	-	-	-	-	-	-	-
Total	8,828	9,268	9,247	9,044	12,718	13,264	12,859	14,399

* These loans are part of the total non-performing loan amount.

1.10.1 Total allowance account by Business Unit

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Banking DK	12,185	12,511	12,785	13,203	12,922	13,200	13,869	14,461
Stage 1	1,161	1,134	1,073	1,078	-	-	-	-
Stage 2	3,224	2,934	3,004	2,954	-	-	-	-
Stage 3	7,800	8,443	8,708	9,170	-	-	-	-
Banking Nordic	4,134	4,255	4,334	4,321	3,540	3,587	3,478	3,556
Stage 1	217	216	193	206	-	-	-	-
Stage 2	1,369	1,398	1,389	1,365	-	-	-	-
Stage 3	2,548	2,641	2,752	2,749	-	-	-	-
Corporates & Institutions	2,806	2,715	2,492	2,709	2,379	2,489	2,635	2,711
Stage 1	113	115	127	133	-	-	-	-
Stage 2	562	606	849	988	-	-	-	-
Stage 3	2,131	1,994	1,516	1,588	-	-	-	-
Wealth Management	423	414	436	471	460	464	480	513
Stage 1	27	29	28	27	-	-	-	-
Stage 2	96	63	62	64	-	-	-	-
Stage 3	300	322	346	381	-	-	-	-
Northern Ireland	792	859	905	959	764	922	989	1,173
Stage 1	49	41	42	62	-	-	-	-
Stage 2	123	69	77	93	-	-	-	-
Stage 3	620	749	786	805	-	-	-	-
Other Activities	12	11	4	6	3	2	-	1
Stage 1	6	4	1	2	-	-	-	-
Stage 2	1	1	1	1	-	-	-	-
Stage 3	6	5	2	3	-	-	-	-
Total Core	20,353	20,765	20,956	21,669	20,069	20,663	21,452	22,414
Non-core	816	804	773	581	680	1,810	2,223	2,433
Stage 1	28	33	68	7	-	-	-	-
Stage 2	76	75	33	35	-	-	-	-
Stage 3	713	696	672	539	-	-	-	-
Total allowance account	21,170	21,569	21,729	22,250	20,749	22,472	23,675	24,847
Stage 1	1,601	1,573	1,533	1,516	-	-	-	-
Stage 2	5,450	5,147	5,415	5,499	-	-	-	-
Stage 3	14,118	14,849	14,781	15,235	-	-	-	-

Impairment charges include amounts for credit institutions, loans and guarantees.

1.10.2 Change in allowance account (ex. Non-core)

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Accumulated expected credit losses, beginning of quarter	20,765	20,956	21,669	22,631	20,663	21,452	22,414	23,479
Net changes in credit losses	102	75	-377	-253	-69	-37	-106	-59
Foreign currency translation	-107	30	85	-60	-145	6	-197	-24
Write-offs debited to allowance account	-412	-315	-242	-685	-695	-767	-582	-787
Other additions and disposals	5	20	-179	35	314	8	-78	-193
Accumulated expected credit losses, end of quarter	20,353	20,765	20,956	21,669	20,069	20,663	21,452	22,414

Allowance account increased by DKK 2.6 bn in Q118 due to the implementation of IFRS 9.

2. Business Units

2.1 Banking DK

2.1.1 Banking DK, income statement

Serves retail and commercial customers in Denmark. Banking DK has 3,341 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	2,252	2,245	2,245	2,213	2,226	2,223	2,220	2,238	8,955	8,906
Net fee income	802	848	864	886	865	837	878	837	3,400	3,417
Net trading income	246	156	156	294	274	171	158	272	852	874
Other income	63	57	61	54	65	69	68	63	234	264
Total income	3,364	3,306	3,326	3,446	3,430	3,299	3,324	3,409	13,442	13,461
Operating expenses	1,789	1,698	1,691	1,682	1,752	1,644	1,654	1,695	6,860	6,745
Profit before loan impairment charges	1,575	1,608	1,635	1,764	1,677	1,655	1,669	1,714	6,582	6,715
Loan impairment charges	-148	-16	-294	-300	-115	-441	-431	-77	-758	-1,065
Profit before tax	1,723	1,624	1,929	2,064	1,792	2,096	2,101	1,792	7,340	7,780
Net interest income as % p.a. of loans and deposits ¹	0.78	0.78	0.78	0.78	0.78	0.79	0.79	0.80	0.78	0.78
Lending margin (%)	1.14	1.15	1.17	1.19	1.17	1.18	1.19	1.20	1.16	1.19
Deposit margin (%)	-0.05	-0.04	-0.05	-0.10	-0.12	-0.07	-0.07	-0.06	-0.06	-0.08
Combined average weighted margin (%) ²	0.84	0.85	0.86	0.86	0.85	0.87	0.87	0.89	0.85	0.87
Cost/income ratio before goodwill impairment charges (%)	53.2	51.4	50.8	48.8	51.1	49.8	49.8	49.7	51.0	50.1
Profit before loan impairment charges as % p.a. of allocated capital before goodwill impairment charges	18.9	18.9	19.0	20.6	18.9	18.5	19.5	20.1	19.3	19.2
Profit before tax as % p.a. of allocated capital (ROAC) before goodwill impairment charges	20.7	19.1	22.4	24.1	20.2	23.4	24.5	21.0	21.6	22.3
Loans, excluding reverse transactions before impairments	878,689	874,789	875,862	867,647	869,740	869,359	863,983	859,248	878,689	869,740
Allowance account, loans	10,790	10,880	11,469	11,905	12,285	12,577	13,181	13,781	10,790	12,285
Allowance account, guarantees	1,393	1,630	1,315	1,297	635	622	686	678	1,393	635
Deposits, excluding repo deposits	282,640	281,747	287,496	277,769	278,074	273,761	279,070	273,711	282,640	278,074
Bonds issued by Realkredit Danmark ³	732,295	731,738	730,627	731,883	735,481	728,036	713,446	714,779	732,295	735,481
Allocated capital (average)	33,312	34,028	34,472	34,326	35,406	35,794	34,260	34,175	34,032	34,914
No. of customers, end of period (000s)	1,700	1,715	1,723	1,725	1,729	1,725	1,730	1,731	1,700	1,729
No. of eBanking customers, end of period (000s)	1,172	1,187	1,197	1,208	1,208	1,197	1,200	1,201	1,172	1,208
No. of full-time employees, end of period	3,341	3,352	3,396	3,350	3,380	3,392	3,413	3,403	3,341	3,380

¹ Including bonds issued by Realkredit Danmark

² Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

³ Before elimination of the Group's holding of Realkredit Danmark bonds.

2.1.2 Banking DK, income statement by category

Retail

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	1,280	1,286	1,276	1,271	1,265	1,281	1,295	1,319	5,112	5,160
Net fee income	606	639	640	647	622	603	651	602	2,531	2,478
Net trading income	150	104	92	187	170	110	99	183	532	561
Other income	63	56	60	53	65	66	68	62	232	260
Total income	2,098	2,084	2,069	2,158	2,121	2,059	2,113	2,166	8,408	8,459
Operating expenses	1,256	1,208	1,214	1,205	1,260	1,180	1,190	1,234	4,883	4,864
Profit before loan impairment charges	843	875	855	953	861	879	924	932	3,525	3,596
Loan impairment charges	-46	-48	-81	-103	-55	-28	-40	58	-279	-65
Profit before tax	889	923	936	1,056	916	907	964	874	3,804	3,661
Net interest income as % p.a. of loans and deposits	0.74	0.74	0.73	0.74	0.74	0.75	0.76	0.79	0.74	0.76
Cost/income ratio before goodwill impairment charges (%)	59.9	58.0	58.7	55.8	59.4	57.3	56.3	57.0	58.1	57.5
Loans, excluding reverse transactions before impairments	487,317	488,090	488,455	486,260	486,696	486,587	482,603	481,165	487,317	486,696
Allowance account, loans	3,670	3,766	3,850	4,019	4,037	4,147	4,242	4,340	3,670	4,037
Allowance account, guarantees	583	583	622	622	321	344	373	377	583	321
Deposits, excluding repo deposits	208,308	206,523	210,823	202,422	200,046	200,074	201,469	194,511	208,308	200,046

Commercial

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	973	959	969	942	961	942	925	919	3,843	3,746
Net fee income	196	209	224	239	244	234	227	235	868	939
Net trading income	96	53	64	107	104	61	59	89	320	312
Other income	-	2	-	-	-	3	-	-	2	4
Total income	1,265	1,223	1,257	1,289	1,309	1,239	1,210	1,243	5,034	5,001
Operating expenses	533	490	477	477	493	464	464	461	1,977	1,882
Profit before loan impairment charges	732	732	780	812	816	776	746	782	3,057	3,120
Loan impairment charges	-102	32	-213	-197	-59	-414	-391	-136	-480	-1,000
Profit before tax	834	701	993	1,009	875	1,189	1,137	918	3,536	4,120
Net interest income as % p.a. of loans and deposits	0.85	0.84	0.85	0.84	0.85	0.84	0.82	0.82	0.84	0.83
Cost/income ratio before goodwill impairment charges (%)	42.1	40.1	37.9	37.0	37.7	37.4	38.3	37.1	39.3	37.6
Loans, excluding reverse transactions before impairments	391,372	386,699	387,407	381,386	383,043	382,772	381,380	378,083	391,372	383,043
Allowance account, loans	7,121	7,113	7,620	7,885	8,248	8,430	8,939	9,441	7,121	8,248
Allowance account, guarantees	810	1,048	692	675	314	278	313	301	810	314
Deposits, excluding repo deposits	74,332	75,224	76,673	75,347	78,028	73,687	77,600	79,200	74,332	78,028

2.1.3 Banking DK, credit exposure

(DKK millions)	Banking DK		Total	% of total	Total	% of total
	Retail	Commercial	Q418	Q418	Q417	Q417
Public Institutions	28	33,960	33,988	3.5	35,928	3.8
Banks	-	126	126	-	-	-
Credit Institutes	-	-	-	-	-	-
Insurance	-	13	13	-	16	-
Investment funds	5	2,910	2,916	0.3	3,167	0.3
Other financials	-	2	2	-	4	-
Agriculture	29	46,876	46,905	4.9	47,972	5.1
Commercial property	55	134,616	134,671	14.0	133,865	14.2
Construction & building products	36	5,234	5,270	0.5	5,914	0.6
Consumer discretionary	257	29,312	29,569	3.1	29,966	3.2
Consumer staples	27	7,874	7,901	0.8	7,607	0.8
Energy & Utilities	3	4,469	4,472	0.5	4,584	0.5
Health care	52	6,340	6,392	0.7	7,740	0.8
Industrial Services, Supplies & Machinery	91	16,616	16,707	1.7	13,467	1.4
IT & telecom	33	2,948	2,981	0.3	2,972	0.3
Materials	25	4,319	4,344	0.5	3,755	0.4
Non-profit & Associations	62	151,352	151,414	15.8	137,941	14.6
Other commercials	3,252	4,017	7,270	0.8	3,175	0.3
Shipping	-	148	149	-	148	-
Transportation	32	2,121	2,153	0.2	2,359	0.3
Personal customers	497,142	4,526	501,668	52.3	501,301	53.2
Total	501,130	457,779	958,909	100.0	941,879	100.0

2.2 Banking Nordic

2.2.1 Banking Nordic, income statement

Serves retail and commercial customers in Sweden, Norway and Finland as well as Asset Finance within all four Nordic countries. Banking Nordic has 2,442 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	2,011	1,993	1,982	1,972	1,977	1,945	1,851	1,798	7,957	7,572
Net fee income	406	384	402	413	415	418	437	431	1,605	1,700
Net trading income	74	84	77	68	71	83	69	77	302	300
Other income	126	145	154	224	276	240	273	259	648	1,047
Total income	2,616	2,606	2,614	2,676	2,739	2,685	2,630	2,565	10,512	10,619
Operating expenses	1,333	1,217	1,304	1,175	1,360	1,234	1,326	1,283	5,029	5,202
Profit before loan impairment charges	1,283	1,389	1,310	1,501	1,379	1,451	1,305	1,282	5,483	5,417
Loan impairment charges	-82	-79	48	-45	31	185	138	-133	-159	221
Profit before tax	1,365	1,468	1,263	1,546	1,348	1,266	1,167	1,415	5,642	5,196
Net interest income as % p.a. of loans and deposits ¹	0.99	0.98	0.98	0.99	1.01	0.99	0.96	0.96	0.98	0.97
Lending margin (%)	1.19	1.21	1.22	1.26	1.27	1.22	1.19	1.15	1.22	1.21
Deposit margin (%)	0.39	0.38	0.38	0.33	0.28	0.37	0.38	0.43	0.37	0.36
Combined average weighted margin (%) ²	0.97	0.97	0.98	0.99	0.99	0.97	0.96	0.95	0.98	0.97
Cost/income ratio before goodwill impairment charges (%)	51.0	46.7	49.9	43.9	49.7	46.0	50.4	50.0	47.8	49.0
Profit before loan impairment charges as % p.a. of allocated capital before goodwill impairment charges	15.7	16.7	16.0	18.7	17.3	18.3	16.4	15.8	16.8	16.9
Profit before tax as % p.a. of allocated capital (ROAC) before goodwill impairment charges	16.7	17.7	15.5	19.2	16.9	15.9	14.6	17.4	17.2	16.2
Loans, excluding reverse transactions before impairments	586,679	590,280	576,438	568,300	561,215	565,311	547,175	543,948	586,679	561,215
Allowance account, loans	3,746	3,851	3,940	3,959	3,412	3,472	3,364	3,442	3,746	3,412
Allowance account, guarantees	388	404	391	357	126	111	110	109	388	126
Deposits, excluding repo deposits	226,808	227,730	238,053	229,359	225,216	226,647	227,509	212,460	226,808	225,216
Bonds issued by Realkredit Danmark ³	11,042	11,225	11,219	10,557	9,826	9,678	9,732	9,805	11,042	9,826
Allocated capital (average)	32,769	33,192	32,684	32,148	31,870	31,788	31,877	32,543	32,701	32,017
No. of customers, end of period (OOOs)	1,135	1,134	1,138	1,139	1,143	1,144	1,148	1,149	1,135	1,143
No. of eBanking customers, end of period (OOOs)	802	786	786	784	781	774	775	770	802	781
No. of full-time employees, end of period	2,442	2,522	2,546	2,418	2,723	2,744	2,800	2,769	2,442	2,723

¹ Including bonds issued by Realkredit Danmark.

² Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

³ Before elimination of the Group's holding of Realkredit Danmark bonds.

2.2.2 Banking Nordic, income statement by category

	Sweden									Norway											
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117		Full year 2018	Full year 2017	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	804	764	764	780	763	720	673	647		3,112	2,803	547	560	562	568	590	615	570	564	2,237	2,339
Net fee income	128	110	109	126	134	122	121	114		474	491	89	84	81	87	80	77	78	84	341	320
Net trading income	33	36	34	37	35	39	34	35		139	143	29	36	30	22	27	34	27	28	118	115
Other income	-1	-1	-	2	1	1	3	2		1	6	1	-	1	36	81	80	122	101	38	384
Total income	965	909	907	944	932	883	831	798		3,725	3,443	667	680	674	713	779	806	797	777	2,734	3,158
Operating expenses	404	367	365	358	390	354	360	350		1,494	1,454	344	329	339	318	382	390	415	408	1,329	1,594
Profit before loan impairment charges	560	543	541	586	542	528	471	448		2,231	1,989	323	351	337	395	397	416	382	368	1,406	1,563
Loan impairment charges	9	17	85	-68	-5	-8	-18	-55		43	-86	-100	-89	-35	36	98	94	138	-22	-188	308
Profit before tax	552	525	456	654	547	536	489	503		2,187	2,075	423	440	371	359	299	322	244	390	1,594	1,256
Net interest income as % p.a. of loans and deposits	1.08	1.03	1.07	1.09	1.06	1.01	0.97	0.95		1.04	0.97	0.90	0.89	0.87	0.92	1.00	1.00	0.95	0.98	0.92	0.99
Cost/income ratio before goodwill impairment charges (%)	41.9	40.4	40.2	37.9	41.8	40.1	43.3	43.9		40.1	42.2	51.6	48.4	50.1	44.6	49.0	48.4	52.1	52.5	48.6	50.5
Loans, excluding reverse transactions before impairments	235,035	231,830	221,906	220,914	221,059	220,629	211,162	206,990		235,035	221,059	168,911	176,553	173,452	168,945	163,855	168,361	162,173	165,291	168,911	163,855
Allowance account, loans	923	938	914	877	533	561	575	616		923	533	1,257	1,310	1,368	1,420	1,290	1,253	1,143	1,046	1,257	1,290
Allowance account, guarantees	66	55	66	57	14	12	15	15		66	14	192	233	231	197	98	87	82	85	192	98
Deposits, excluding repo deposits	64,546	64,791	65,846	65,199	67,622	66,009	67,345	66,629		64,546	67,622	75,398	77,453	86,581	79,297	73,369	79,283	78,321	65,440	75,398	73,369

	Retail									Retail											
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117		Full year 2018	Full year 2017	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income as % p.a. of loans and deposits	0.74	0.89	0.93	1.02	0.95	0.87	0.89	0.85		0.85	0.86	0.65	0.70	0.68	0.76	0.91	0.95	0.88	0.82	0.70	0.90
Loans, excluding reverse transactions before impairments	92,409	89,884	85,548	84,005	85,611	84,316	81,036	78,230		92,409	85,611	104,551	107,305	105,518	102,510	99,406	101,996	99,084	101,563	104,551	99,406
Deposits, excluding repo deposits	28,813	28,715	28,356	27,207	28,687	28,293	28,096	27,251		28,813	28,687	28,062	28,924	28,952	26,558	25,510	25,628	25,450	25,158	28,062	25,510

	Commercial									Commercial											
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117		Full year 2018	Full year 2017	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income as % p.a. of loans and deposits	1.31	1.13	1.15	1.14	1.13	1.09	1.02	1.01		1.17	1.04	1.20	1.11	1.08	1.10	1.10	1.05	1.03	1.18	1.19	1.10
Loans, excluding reverse transactions before impairments	142,625	141,946	136,358	136,909	135,448	136,313	130,126	128,760		142,625	135,448	64,360	69,248	67,934	66,435	64,449	66,365	63,089	63,729	64,360	64,449
Deposits, excluding repo deposits	35,733	36,076	37,490	37,992	38,935	37,716	39,249	39,378		35,733	38,935	47,336	48,529	57,629	52,739	47,859	53,655	52,871	40,282	47,336	47,859

2.2.2 Banking Nordic, income statement by category

(DKK millions)	Finland									Other										
	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
	Net interest income	414	417	397	378	380	376	363	346	1,606	1,465	245	252	259	246	245	233	244	242	1,003
Net fee income	252	243	263	260	269	278	290	293	1,018	1,129	-63	-53	-51	-60	-68	-59	-52	-60	-227	-240
Net trading income	12	13	13	10	11	11	10	16	48	47	-1	-1	-	-2	-1	-1	-1	-2	-4	-5
Other income	-20	10	12	40	48	31	17	21	42	117	145	136	140	146	145	128	132	135	568	540
Total income	658	682	686	688	708	696	679	676	2,714	2,759	327	334	348	330	320	301	324	314	1,339	1,259
Operating expenses	456	405	458	377	439	391	431	421	1,696	1,672	129	117	143	121	149	109	120	104	510	482
Profit before loan impairment charges	202	277	228	311	269	314	248	255	1,018	1,087	198	217	205	209	171	192	204	211	829	778
Loan impairment charges	69	-41	-1	-43	-24	3	27	-10	-16	-4	-59	34	-1	29	-39	97	-9	-46	3	3
Profit before tax	132	319	229	354	293	311	222	265	1,034	1,091	257	184	206	179	210	96	213	256	826	774
Net interest income as % p.a. of loans and deposits	0.72	0.73	0.70	0.67	0.69	0.69	0.67	0.65	0.70	0.66	2.52	2.62	2.72	2.65	2.62	2.39	2.58	2.63	2.58	2.57
Cost/income ratio before goodwill impairment charges (%)	69.3	59.4	66.8	54.8	62.0	54.7	63.5	62.3	62.5	60.6	39.4	35.0	41.1	36.7	46.6	36.2	37.0	33.1	38.1	38.3
Loans, excluding reverse transactions before impairments	143,568	143,097	142,643	140,903	138,606	137,152	135,806	134,618	143,568	138,606	39,165	38,799	38,437	37,537	37,695	39,169	38,034	37,048	39,165	37,695
Allowance account, loans	1,028	987	1,047	1,060	1,184	1,218	1,287	1,408	1,028	1,184	538	616	611	602	405	440	359	372	538	405
Allowance account, guarantees	99	77	69	72	13	11	12	8	99	13	30	38	24	31	-	-	-	-	30	-
Deposits, excluding repo deposits	86,615	85,238	85,409	84,694	84,040	81,169	81,655	80,206	86,615	84,040	249	248	218	169	184	186	188	185	249	184

Retail										
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income as % p.a. of loans and deposits	0.66	0.68	0.63	0.62	0.63	0.65	0.62	0.61	0.64	0.62
Loans, excluding reverse transactions before impairments	90,890	91,620	92,007	91,930	91,956	91,928	91,394	90,705	90,890	91,956
Deposits, excluding repo deposits	55,055	54,145	54,145	52,762	52,882	50,821	50,905	49,253	55,055	52,882

Commercial										
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income as % p.a. of loans and deposits	0.83	0.82	0.83	0.77	0.80	0.78	0.76	0.72	0.80	0.75
Loans, excluding reverse transactions before impairments	52,677	51,478	50,635	48,973	46,651	45,224	44,412	43,913	52,677	46,651
Deposits, excluding repo deposits	31,560	31,093	31,264	31,932	31,158	30,348	30,750	30,953	31,560	31,158

2.2.3 Banking Nordic, credit exposure

(DKK millions)	Banking Nordic				Total	% of total	Total	% of total
	Sweden	Norway	Finland	Other	Q418	Q418	Q417	Q417
Public Institutions	2,201	1,280	6,305	2,289	12,075	1.7	10,650	1.6
Banks	31	142	25	9	207	-	4	-
Credit Institutes	714	-	-	3	717	0.1	547	0.1
Insurance	24	1	2	4	31	-	16	-
Investment funds	2,725	693	653	10	4,080	0.6	3,407	0.5
Other financials	734	-	600	8	1,341	0.2	1,450	0.2
Agriculture	8,610	1,078	461	2,261	12,409	1.8	4,904	0.8
Commercial property	86,841	35,549	20,029	372	142,791	20.3	136,706	21.2
Construction & building products	6,505	4,694	4,161	3,412	18,772	2.7	18,565	2.9
Consumer discretionary	20,532	7,015	5,474	4,337	37,358	5.3	30,624	4.7
Consumer staples	4,876	5,490	3,155	2,934	16,455	2.3	14,985	2.3
Energy & Utilities	381	5,690	3,569	328	9,967	1.4	10,565	1.6
Health care	2,126	1,043	852	375	4,396	0.6	3,706	0.6
Industrial Services, Supplies & Machinery	15,313	10,285	4,228	4,590	34,416	4.9	28,313	4.4
IT & telecom	4,327	1,264	1,510	784	7,885	1.1	7,167	1.1
Materials	6,858	1,982	1,953	3,129	13,922	2.0	10,199	1.6
Non-profit & Associations	15,020	1,546	16,096	47	32,709	4.7	26,861	4.2
Other commercials	1,569	1,471	1,825	2,678	7,542	1.1	9,407	1.5
Shipping	215	2,025	67	6	2,314	0.3	1,972	0.3
Transportation	4,676	2,291	941	5,705	13,613	1.9	12,756	2.0
Personal customers	104,426	120,212	91,104	13,085	328,828	46.9	312,639	48.4
Total	288,703	203,751	163,010	46,364	701,828	100.0	645,443	100.0

2.3 Corporates & Institutions

2.3.1 Corporates & Institutions, income statement

Serves large Nordic corporate and institutional customers in the Nordic countries and beyond. This wholesale division of the bank provides strategic advice, financial solutions and products within Capital Markets, Fixed Income & Currencies, and Transaction Banking. Corporates & Institutions has 1,815 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	954	992	980	1,002	1,015	935	935	952	3,928	3,837
Net fee income	754	681	752	727	887	647	718	825	2,914	3,077
Net trading income	383	529	511	1,017	868	1,016	1,186	1,874	2,440	4,943
Other income	2	-4	6	3	1	-	1	1	7	3
Total income	2,093	2,199	2,249	2,748	2,772	2,597	2,839	3,652	9,289	11,860
Operating expenses	1,177	1,107	1,153	1,252	1,333	1,183	1,249	1,270	4,689	5,034
Profit before loan impairment charges	916	1,092	1,096	1,497	1,440	1,414	1,590	2,382	4,600	6,826
Loan impairment charges	175	235	-99	-32	-42	138	156	59	278	311
Profit before tax	741	857	1,195	1,529	1,481	1,277	1,435	2,322	4,322	6,515
Net interest income as % p.a. of loans and deposits ¹	0.84	0.87	0.86	0.79	0.85	0.76	0.78	0.80	0.86	0.80
Lending margin (%)	1.16	1.20	1.17	1.14	1.15	1.12	1.10	1.11	1.17	1.12
Deposit margin (%)	0.33	0.32	0.33	0.31	0.31	0.34	0.37	0.42	0.32	0.36
Combined average weighted margin (%) ²	0.68	0.69	0.69	0.65	0.67	0.67	0.69	0.73	0.68	0.69
Cost/income ratio (%)	56.2	50.3	51.3	45.6	48.1	45.6	44.0	34.8	50.5	42.4
Profit before loan impairment charges as % p.a. of allocated capital	11.3	13.4	12.7	17.1	16.3	15.6	16.2	23.2	13.7	18.0
Profit before tax as % p.a. of allocated capital (ROAC)	9.1	10.5	13.9	17.5	16.8	14.1	14.6	22.6	12.9	17.2
Loans and advances, excluding reverse transactions before impairments	198,320	186,627	191,187	199,358	199,524	202,168	206,912	213,521	198,320	199,524
Allowance account, loans	2,223	2,135	2,025	2,173	2,234	2,352	2,284	2,408	2,223	2,234
Allowance account, credit institutions	13	17	15	14	10	10	12	14	13	10
Allowance account, guarantees	133	564	451	522	135	127	339	289	133	135
Deposits excluding repo deposits	260,781	272,480	268,651	307,411	282,913	294,291	277,031	267,630	260,781	282,913
Bonds issued by Realkredit Danmark ³	18,022	17,197	18,300	15,202	14,373	17,765	19,455	18,620	18,022	14,373
Allocated capital (average)	32,433	32,663	34,427	35,033	35,243	36,141	39,211	41,051	33,629	37,891
VaR for trading-related activities in C&I (DKK millions) (Avg.) ⁴	27.7	27.6	32.4	33.4	43.8	47.7	47.8	44.8	30.2	46.0
VaR for trading-related activities in C&I (DKK millions) (end of period)	30.4	26.5	35.2	32.3	37.1	46.9	52.9	53.2	30.4	37.1
No. of customers, end of period	1,815	1,819	1,830	1,853	1,854	1,892	1,901	1,906	1,815	1,854
No. of full-time employees, end of period	1,858	1,847	1,836	2,138	2,136	2,115	2,125	2,147	1,858	2,136

¹ Including bonds issued by Realkredit Danmark

² Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

³ Before elimination of the Group's holding of Realkredit Danmark bonds.

⁴ The internal VaR model is used to calculate the Group's market risk at portfolio level. The VaR is calculated at 95% confidence level, 1-day horizon. The average VaR is calculated as an average of daily VaR values during the period.

2.3.2 Corporates & Institutions, income breakdown

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
FI&C	280	623	570	1,068	896	996	1,127	1,853	2,541	4,871
Capital markets	403	325	434	393	543	368	505	540	1,556	1,956
General banking	1,410	1,250	1,245	1,287	1,334	1,234	1,207	1,259	5,192	5,033
Total income	2,093	2,199	2,249	2,748	2,772	2,597	2,839	3,652	9,289	11,860

2.3.3 Corporates & Institutions, credit exposure

[DKK millions]	Total	% of total	Total	% of total
	Q418	Q418	Q417	Q417
Public Institutions	154,132	27.4	352,154	37.9
Banks	43,095	7.7	43,612	4.7
Credit Institutes	5,085	0.9	8,850	1.0
Insurance	8,824	1.6	38,127	4.1
Investment funds	14,141	2.5	14,417	1.6
Other financials	7,927	1.4	90,279	9.7
Agriculture	6,356	1.1	5,005	0.5
Commercial property	15,764	2.8	18,946	2.0
Construction & building products	10,497	1.9	18,396	2.0
Consumer discretionary	36,593	6.5	41,171	4.4
Consumer staples	35,347	6.3	32,962	3.5
Energy & Utilities	40,445	7.2	35,410	3.8
Health care	25,298	4.5	21,854	2.4
Industrial Services, Supplies & Machinery	58,059	10.3	51,732	5.6
IT & telecom	18,281	3.2	20,263	2.2
Materials	29,351	5.2	34,336	3.7
Non-profit & Associations	172	-	315	-
Other commercials	7,713	1.4	58,153	6.3
Shipping	35,179	6.3	33,825	3.6
Transportation	10,451	1.9	8,551	0.9
Personal customers	85	-	918	0.1
Total	562,793	100.0	929,275	100.0

2.4 Wealth Management

2.4.1 Wealth Management, income statement

Serves the Group's entire customer base and encompasses expertise within pension savings, private banking, and wealth and asset management. The unit includes Danica Pension, Danske Capital and Private Banking customers with complex finances. Wealth Management has 2,201 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	180	179	187	179	176	176	174	182	725	709
Net fee income	2,102	1,828	1,722	1,701	2,149	1,621	1,761	1,749	7,353	7,281
Net trading income	-44	94	34	-19	55	144	101	103	66	403
Other income	-165	18	-63	16	53	24	69	28	-193	174
Total income	2,073	2,119	1,880	1,877	2,433	1,966	2,106	2,062	7,950	8,567
Operating expenses	1,448	1,216	1,131	1,015	1,107	940	1,019	1,016	4,810	4,082
Profit before loan impairment charges	625	903	750	862	1,326	1,027	1,087	1,046	3,140	4,485
Loan impairment charges	11	-21	-17	-16	-23	-25	-20	-25	-42	-93
Profit before tax	615	924	767	878	1,350	1,052	1,107	1,070	3,183	4,579
Net interest income as % p.a. of loans and deposits ¹	0.50	0.49	0.51	0.50	0.50	0.50	0.50	0.54	0.50	0.50
Lending margin (%)	1.02	1.05	1.05	1.08	1.09	1.06	1.05	1.05	1.05	1.06
Deposit margin (%)	0.25	0.24	0.24	0.19	0.17	0.23	0.24	0.28	0.23	0.22
Combined average weighted margin (%) ²	0.66	0.66	0.66	0.66	0.65	0.66	0.67	0.69	0.66	0.67
Cost/income ratio (%)	69.9	57.4	60.2	54.1	45.5	47.8	48.4	49.3	60.5	47.6
Profit before loan impairment charges as % p.a. of allocated capital	14.3	21.0	22.2	25.5	39.0	29.3	30.2	30.9	20.3	32.3
Profit before tax as % p.a. of allocated capital (ROAC)	14.1	21.5	22.7	26.0	39.7	30.0	30.7	31.6	20.6	33.0
Loans, excluding reverse transactions before impairments	77,704	77,464	77,008	75,798	75,028	74,790	73,652	73,399	77,704	75,028
Allowance account, loans	392	374	405	438	434	444	438	475	392	434
Allowance account, guarantees	32	40	31	33	26	20	42	38	32	26
Deposits excluding repo deposits	66,641	68,143	71,145	67,696	65,849	66,280	66,707	61,911	66,641	65,849
Bonds issued by Realkredit Danmark ³	37,494	37,259	37,018	33,716	32,278	33,938	34,750	32,226	37,494	32,278
Assets under management (DKK billions) ⁴	1,575	1,668	1,648	1,513	1,530	1,515	1,493	1,463	1,575	1,530
Allocated capital (average)	17,446	17,187	13,515	13,524	13,610	14,030	14,403	13,529	15,434	13,894
No. of customers, end of period (000s) ⁵	64	64	64	64	64	65	65	64	64	64
Assets under management margin (%) ⁶	0.53	0.51	0.46	0.50	0.64	0.52	0.56	0.56	0.53	0.56
No. of full-time employees, end of period	2,201	2,180	2,203	1,898	1,851	1,870	1,906	1,946	2,201	1,851

Effective 7 June 2018, Danica Pension has acquired SEB Pension Danmark. Income statement and balances include SEB Pension Danmark from this date.

¹ Including bonds issued by Realkredit Danmark.

² Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

³ Before elimination of the Group's holding of Realkredit Danmark bonds.

⁴ Assets under management consists of our life conventional business (Danica Traditionel), asset management (Danica unit-linked and Danske Capital) and assets under advice from retail, commercial and private banking

⁵ Private Banking customers only.

⁶ Calculated as total income annualised as a percentage of Assets under management.

2.4.2 Wealth Management, fee breakdown

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Management fees	1,699	1,502	1,421	1,421	1,440	1,356	1,475	1,466	6,043	5,737
Performance fees	154	21	6	23	368	8	24	16	204	415
Risk allowance fees	249	305	296	256	342	258	262	268	1,105	1,130
Total net fee income	2,102	1,828	1,722	1,701	2,149	1,621	1,761	1,749	7,353	7,281

2.4.3 Wealth Management, breakdown of assets under management

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Life conventional	200	201	203	151	155	155	155	158	200	155
Asset management	927	968	951	890	911	894	878	875	927	911
Assets under advice	449	499	493	472	464	467	460	429	449	464
Total assets under management	1,575	1,668	1,648	1,513	1,530	1,515	1,493	1,463	1,575	1,530

Assets under management consists of our life conventional business (Danica Traditionel), asset management (Danica unit-linked and Asset Management) and assets under advice (the investment decision is taken by the customer) from retail, commercial and private banking customers.

2.4.4 Wealth Management, net sales & premiums

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net sales (Asset Management)	-8.9	-6.1	-4.3	0.8	9.9	-1.8	3.0	9.9	-18.4	20.9
Premiums (Danica)	10.5	10.8	10.0	12.9	10.4	8.9	9.0	11.4	44.1	39.7

2.4.5 Wealth Management, credit exposure

(DKK millions)	Wealth Management						Total Q418	% of total Q418	Total Q417	% of total Q417
	Denmark	Finland	Sweden	Norway	Luxembourg	Other				
Public Institutions	1,465	-	-	-	1,138	-	2,603	3.0	1,139	1.3
Banks	-	-	-	-	1	-	1	-	1	-
Credit Institutes	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	1	-	4	-	6	-	3	-
Investment funds	1,412	-	95	215	1,841	-	3,563	4.1	3,699	4.3
Other financials	-	17	-	-	-	-	17	-	25	-
Agriculture	160	6	436	15	4	-	620	0.7	168	0.2
Commercial property	469	24	457	366	125	-	1,440	1.6	1,209	1.4
Construction & building products	37	12	13	53	25	-	140	0.2	110	0.1
Consumer discretionary	58	29	139	49	8	-	282	0.3	185	0.2
Consumer staples	9	15	2	2	-	-	28	-	12	-
Energy & Utilities	3	-	-	1	-	-	5	-	5	-
Health care	4	4	6	23	-	-	38	-	42	-
Industrial Services, Supplies & Machinery	174	23	124	63	23	-	407	0.5	228	0.3
IT & telecom	5	-	38	-	-	-	43	-	27	-
Materials	24	-	331	-	-	-	355	0.4	126	0.1
Non-profit & Associations	158	1	11	9	78	-	257	0.3	142	0.2
Other commercials	1,367	122	154	57	20	-	1,721	2.0	1,736	2.0
Shipping	7	-	1	-	-	-	8	-	6	-
Transportation	16	-	-	-	-	-	16	-	25	-
Personal customers	52,578	2,907	5,076	10,443	4,795	-	75,798	86.8	76,291	89.6
Total	57,943	3,160	6,886	11,296	8,062	-	87,347	100.0	85,180	100.0

2.5 Northern Ireland

2.5.1 Northern Ireland, income statement

Serves personal and business customers through a network of branches in Northern Ireland and digital channels. Northern Ireland has 1,322 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	383	372	372	364	347	334	350	342	1,491	1,374
Net fee income	94	97	106	95	101	100	113	115	392	429
Net trading income	22	20	25	15	56	10	20	24	82	111
Other income	3	3	4	3	40	2	3	3	12	48
Total income	502	492	507	477	544	447	486	484	1,978	1,961
Operating expenses	319	299	300	290	46	298	304	309	1,207	957
Profit before loan impairment charges	183	193	207	187	499	148	181	176	770	1,004
Loan impairment charges	-1	-22	-12	62	-93	-24	-69	-61	26	-247
Profit before tax	185	215	219	125	591	173	250	237	744	1,251
Net interest income as % p.a. of loans and deposits ¹	1.37	1.31	1.34	1.34	1.33	1.27	1.35	1.31	1.34	1.32
Lending margin (%)	1.55	1.58	1.59	1.65	1.52	1.50	1.45	1.58	1.59	1.51
Deposit margin (%)	1.28	1.29	1.20	1.12	1.06	0.92	1.00	1.05	1.23	1.00
Combined average weighted margin (%) ²	1.40	1.42	1.37	1.35	1.26	1.17	1.20	1.28	1.39	1.23
Cost/income ratio before goodwill impairment charges (%)	63.5	60.8	59.2	60.8	8.5	66.7	62.6	63.8	61.0	48.8
Profit before loan impairment charges as % p.a. of allocated capital before goodwill impairment charges	10.6	11.4	12.4	11.2	29.9	9.7	11.9	11.8	11.3	16.2
Profit before tax as % p.a. of allocated capital (ROAC) before goodwill impairment charges	10.7	12.7	13.1	7.5	35.4	11.4	16.4	15.9	10.9	20.1
Loans, excluding reverse transactions before impairments	49,805	50,902	48,854	48,985	46,272	46,241	46,078	46,541	49,805	46,272
Allowance account, loans	762	757	862	858	757	914	980	1,164	762	757
Allowance account, guarantees	30	101	43	101	7	9	9	9	30	7
Deposits excluding repo deposits	62,555	63,461	63,029	60,529	58,971	59,460	58,965	58,912	62,555	58,971
Allocated capital (average) ³	6,905	6,786	6,673	6,700	6,684	6,081	6,107	5,980	6,843	6,215
No. of customers, end of period (000s)	437	433	431	429	429	426	424	423	437	429
No. of eBanking customers, end of period (000s)	202	200	192	196	193	190	186	185	202	193
No. of full-time employees, end of period	1,322	1,319	1,289	1,257	1,260	1,318	1,323	1,306	1,322	1,260

¹ Including bonds issued by Realkredit Danmark.

² Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

³ Allocated capital equals the legal entity's capital.

2.5.2 Northern Ireland, credit exposure

(DKK millions)	Total	% of total	Total	% of total
	Q418	Q418	Q417	Q417
Public Institutions	14,919	21.6	13,163	20.9
Banks	76	0.1	161	0.3
Credit Institutes	-	-	-	-
Insurance	11	-	17	-
Investment funds	1	-	2	-
Other financials	12	-	9	-
Agriculture	4,503	6.5	4,486	7.1
Commercial property	5,325	7.7	5,953	9.4
Construction & building products	1,534	2.2	1,550	2.5
Consumer discretionary	3,757	5.4	3,854	6.1
Consumer staples	2,207	3.2	2,025	3.2
Energy & Utilities	141	0.2	140	0.2
Health care	1,778	2.6	1,473	2.3
Industrial Services, Supplies & Machinery	2,312	3.3	1,876	3.0
IT & telecom	237	0.3	72	0.1
Materials	794	1.1	1,201	1.9
Non-profit & Associations	4,036	5.8	4,357	6.9
Other commercials	3,713	5.4	2,552	4.0
Shipping	30	-	42	0.1
Transportation	789	1.1	774	1.2
Personal customers	23,012	33.3	19,312	30.6
Total	69,187	100.0	63,019	100.0

2.6 Non-core

2.6.1 Non-core, income statement

Non-core includes certain customer segments that are no longer considered part of the Group's core business. The Non-core unit is responsible for the controlled winding-up of this part of the loan portfolio. Existing exposures are either being wound up or divested. Non-core has 259 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Total income	38	78	91	7	41	41	42	44	213	169
Operating expenses	329	127	122	54	484	268	76	62	632	890
Profit before loan impairment charges	-292	-49	-31	-47	-443	-227	-34	-18	-419	-722
Loan impairment charges	-5	-5	-48	-79	-470	-233	-9	1	-137	-710
Profit before tax	-286	-44	16	32	27	6	-25	-19	-282	-12
Net interest income as % p.a. of loans and deposits	0.82	1.40	1.11	0.54	2.35	0.88	0.95	0.91	1.14	2.63
Lending margin (%)	1.16	1.18	1.41	0.08	1.27	0.93	0.91	0.89	1.08	0.98
Deposit margin (%)	0.55	0.49	0.43	0.69	0.79	0.67	0.68	0.71	0.50	0.71
Combined average weighted margin (%) ¹	1.04	0.97	1.03	0.28	1.20	0.90	0.88	0.87	0.90	0.95
Cost/income ratio (%)	865.8	162.8	134.1	771.4	1,180.5	653.7	181.0	140.9	296.7	526.6
Profit before loan impairment charges as % p.a. of allocated capital	-48.5	-7.2	-6.2	-14.3	-74.4	-32.8	-5.0	-2.6	-19.8	-27.7
Profit before tax as % p.a. of allocated capital (ROAC)	-47.5	-6.5	3.2	9.7	4.5	0.9	-3.7	-2.7	-13.3	-0.5
Loans and advances, excluding reverse transactions before impairments	14,906	16,158	17,495	5,270	5,380	18,817	19,517	20,723	14,906	5,380
Allowance account, loans	784	786	749	570	653	1,781	2,192	2,405	784	653
Allowance account, guarantees	32	18	25	11	27	29	31	28	32	27
Deposits, excluding repo deposits	2,399	4,600	10,258	1,940	1,925	1,958	1,978	2,241	2,399	1,925
Allocated capital (average)	2,408	2,707	2,012	1,315	2,382	2,768	2,714	2,776	2,115	2,604
No. of full-time employees, end of period	259	332	386	123	122	124	131	143	259	122

¹ Combined average weighted margin is calculated as: (Lending margin * Average lending volume + Deposit margin * Average deposit volume) / (Average Lending volume + average deposit volume)

2.6.2 Non-core, loan impairment charges

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Non-core banking ¹	30	-46	-54	-67	-556	-233	-9	1	-137	-796
Non-core conduits etc.	-36	41	6	-12	86	-	-	-	-	86
Total	-5	-5	-48	-79	-470	-233	-9	1	-137	-710

¹ Non-core banking encompasses Non-core Baltics (personal customers in the Baltics) and Non-core Ireland.

2.7 Other activities

2.7.1 Other activities, income statement

Other Activities encompasses Group Treasury, Group IT, Group Services and eliminations, including the elimination of returns on own shares. Group Treasury is responsible for the Group's liquidity management and funding. Other Activities has 9,260 employees.

(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Net interest income	115	71	112	217	366	437	253	354	515	1,410
Net fee income	-80	-62	-61	-59	-73	-51	-87	-30	-261	-241
Net trading income	258	353	263	60	21	170	114	151	933	456
Other income	-9	15	-9	9	-14	-8	72	4	7	55
Total income	283	378	305	228	301	548	352	479	1,194	1,680
Operating expenses	178	1,829	210	198	159	182	208	152	2,416	702
Profit before loan impairment charges	106	-1,452	95	29	142	366	143	327	-1,222	978
Loan impairment charges	3	4	-2	1	1	2	-5	2	5	-
Profit before tax	103	-1,455	97	28	140	364	149	325	-1,227	978
PROFIT BEFORE TAX										
(DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Group Treasury	-29	79	91	81	177	401	275	420	223	1,273
Own shares	214	155	104	28	34	-6	-43	-112	500	-127
Additional tier 1 capital	193	198	197	194	197	198	198	194	782	787
Group support functions	-274	-1,888	-295	-274	-268	-230	-282	-176	-2,731	-955
Total Other Activities	103	-1,455	97	28	140	364	149	325	-1,227	978

3. Product Units

3.1 Realkredit Danmark

NEW LOANS BY LOAN TYPE, NOMINAL VALUE

RETAIL (DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
<u>Interest-only</u>										
RD BOR	-	-	-	-	-	-	-	14	-	14
FlexKort®	495	349	329	637	736	769	630	1,009	1,810	3,144
Flexlån® F1	517	251	308	647	890	642	592	471	1,723	2,596
Flexlån® F2	39	13	16	45	59	27	52	32	113	171
Flexlån® F3	620	309	391	725	969	655	496	528	2,046	2,648
Flexlån® F4	43	36	27	68	112	44	35	47	174	238
Flexlån® F5	4,696	3,450	3,969	6,142	6,803	3,957	3,223	4,011	18,257	17,994
Flexlån® F6 - F10	131	78	79	283	196	66	33	160	572	455
Fixed rate	2,756	2,861	2,495	2,866	2,326	3,665	2,570	2,528	10,978	11,089
Total Interest-only	9,298	7,348	7,614	11,413	12,091	9,826	7,633	8,799	35,672	38,349
<u>Repayment</u>										
RD BOR	-	-	-	-	-	-	-	-	-	-
FlexKort®	244	139	132	278	374	350	259	420	794	1,403
Flexlån® F1	181	105	118	312	440	262	261	257	715	1,220
Flexlån® F2	13	9	12	16	38	16	33	18	50	105
Flexlån® F3	285	167	174	412	420	251	261	321	1,038	1,253
Flexlån® F4	23	9	10	31	33	16	16	12	73	77
Flexlån® F5	2,412	1,662	1,882	3,266	3,228	1,994	1,772	2,471	9,221	9,464
Flexlån® F6 - F10	42	16	20	91	65	18	11	84	169	178
Fixed rate	5,914	6,096	4,831	5,682	5,776	8,746	5,303	5,526	22,524	25,352
Total Repayment	9,115	8,203	7,179	10,089	10,374	11,653	7,916	9,110	34,585	39,052
Total	18,413	15,550	14,793	21,502	22,464	21,479	15,549	17,909	70,257	77,401

3.1 Realkredit Danmark

NEW LOANS BY LOAN TYPE, NOMINAL VALUE

COMMERCIAL (DKK millions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
<u>Interest-only</u>										
RD BOR	1,675	759	2,193	2,352	5,823	2,709	834	2,114	6,979	11,479
FlexKort®	326	208	191	192	362	110	48	336	916	856
Flexlån® F1	116	155	43	390	190	15	107	45	703	357
Flexlån® F2	4	-	-	12	4	-	62	8	16	74
Flexlån® F3	518	114	371	726	647	226	184	315	1,730	1,371
Flexlån® F4	17	-	20	132	245	12	9	108	170	373
Flexlån® F5	1,234	657	633	1,797	2,323	1,193	530	955	4,322	5,001
Flexlån® F6 - F10	334	35	396	1,133	808	171	759	817	1,898	2,554
Fixed rate	1,234	618	1,310	560	840	1,208	474	504	3,720	3,026
Total Interest-only	5,458	2,546	5,157	7,294	11,241	5,642	3,007	5,202	20,455	25,092
<u>Repayment</u>										
RD BOR	1,012	1,056	1,554	753	1,292	1,098	1,005	1,177	4,375	4,573
FlexKort®	123	85	74	22	122	32	5	172	303	331
Flexlån® F1	160	75	699	872	178	61	82	52	1,805	373
Flexlån® F2	3	-	4	4	-	-	-	12	11	12
Flexlån® F3	201	44	235	193	616	263	84	71	673	1,033
Flexlån® F4	-	22	3	18	34	13	-	17	43	65
Flexlån® F5	907	362	551	734	2,738	1,629	873	2,824	2,555	8,064
Flexlån® F6 - F10	2,161	3,110	100	189	137	108	114	140	5,560	499
Fixed rate	3,948	2,615	3,107	4,041	3,644	3,914	3,551	4,068	13,711	15,177
Total Repayment	8,515	7,371	6,327	6,825	8,761	7,118	5,715	8,534	29,038	30,127
Total	13,974	9,917	11,484	14,119	20,002	12,760	8,722	13,735	49,493	55,219

3.1 Realkredit Danmark

STOCK OF LOANS BY LOAN TYPE AND SEGMENT END OF YEAR, NOMINAL VALUE

(DKK billions)	Retail	Rental Residential	Commercial	Agriculture	Total
<u>Interest-only</u>					
RD BOR	-	13	44	3	60
FlexKort®	15	1	1	6	22
Flexlån® F1	20	1	1	2	25
Flexlån® F2	3	-	-	-	3
Flexlån® F3	31	4	1	4	40
Flexlån® F4	4	-	1	-	6
Flexlån® F5	88	9	5	9	112
Flexlån® F6 - F10	5	10	4	1	20
Fixed rate	49	7	2	3	61
Total Interest-only	216	45	60	29	350
<u>Repayment</u>					
RD BOR	-	5	24	2	32
FlexKort®	6	1	1	2	11
Flexlån® F1	13	11	3	2	29
Flexlån® F2	1	-	-	-	1
Flexlån® F3	19	3	4	2	27
Flexlån® F4	1	-	1	-	2
Flexlån® F5	54	23	9	3	89
Flexlån® F6 - F10	2	8	2	-	12
Fixed rate	137	63	19	6	225
Total Repayment	233	115	63	17	428
Total	449	160	123	46	778

3.1 Realkredit Danmark

LOANS BY BUSINESS SEGMENT & LENDINGSPREAD, NOMINAL VALUE

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	711	711	709	707	704	702	694	692	711	704
Retail	410	410	409	408	406	404	400	397	410	406
Commercial	301	300	300	299	299	298	294	295	301	299
Banking Nordic	11	11	11	11	10	10	10	10	11	10
Sweden	7	7	7	7	7	7	7	7	7	7
Norway	4	4	4	3	3	3	3	3	4	3
Corporates & Institutions	18	17	19	18	19	20	20	21	18	19
Wealth Management	37	37	37	36	36	35	35	34	37	36
Total loans, nominal value	778	776	776	772	769	766	758	757	778	769
Fair value	799	797	797	791	792	789	777	775	799	792
Lending spread (%)	0.79	0.80	0.81	0.82	0.81	0.81	0.81	0.83	0.79	0.81
Retail	0.83	0.83	0.84	0.86	0.84	0.84	0.84	0.86	0.83	0.84
Commercial	0.74	0.74	0.76	0.77	0.76	0.77	0.77	0.78	0.74	0.76

(DKK billions)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Loan to value, end of period (%)	61	61	61	62	63	63	64	64	61	63
Retail	61	61	62	63	63	64	64	65	61	63
Commercial	60	60	60	61	62	61	62	62	60	62
Rating (covered bond/long-term - S&P/Fitch/Scope)	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA

BOND DEBT OUTSTANDING BY GEOGRAPHIC AREA, NOMINAL VALUE

(DKK millions)	Retail	Rental Residential	Commercial	Agriculture	Total DKK
- Metropolitan area	201,353	62,890	50,238	3,422	317,904
- Other Zealand	85,038	15,956	10,043	12,952	123,990
- Region South Denmark	69,726	28,081	23,224	15,789	136,820
- Region Central Jutland	70,616	38,060	18,191	8,466	135,333
- Region North Jutland	21,862	11,875	5,521	5,372	44,630
- Other area	1	3,176	15,896	-	19,073
Total	448,595	160,038	123,114	46,002	777,749

DISTRIBUTION OF LOAN PORTFOLIO BY LOAN-TO-VALUE RATIOS, FAIR VALUE

Sector (%)	0-20%	20-40%	40-60%	60-80%	>80%	Total (DKK billions)	Average LTV end of period
Retail market	37.5	31.5	21.1	8.6	1.4	457.7	61.0
Commercial market		41.3	34.4	19.4	1.7	125.2	53.0
Agriculture		40.0	33.1	20.5	1.1	46.8	56.0
Residential rental property		42.4	27.2	17.1	7.8	169.1	66.0
Weighted share		39.3	31.1	19.9	7.4	2.3	100.0
Total (DKK billions) ¹		313.7	248.7	159.2	58.8	18.5	798.8

¹ Before eliminations and impairment of mortgage loans, end of period

3.2 Online Banking

(End of period)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
No. of eBanking customers, end of period (000s) ¹	2,176	2,173	2,175	2,182	2,182	2,161	2,161	2,156
Hereof eBanking customers from Denmark (000s)	1,172	1,187	1,197	1,208	1,208	1,197	1,200	1,201
No. of Mobile Banking customers, Denmark, end of period (000s)	1,048	968	N/A	973	955	933	910	889
No. of app downloads	157,261	171,952	196,806	106,854	108,514	132,699	115,462	122,250
No. of app downloads, aggregated (000s)	4,687	4,530	4,358	4,161	4,055	3,946	3,813	3,698
Number of self-service eBanking payments and transactions (000s) ²	12,654	11,868	12,592	13,050	13,573	13,155	14,061	14,788
Number of self-service Mobile Banking payments and transactions (000s)	12,707	11,754	11,847	11,038	11,114	11,044	10,861	10,058
Number of self-service Tablet Banking payments and transactions (000s)	971	933	1,014	1,053	1,110	1,079	1,147	1,191
Number of teller payments and transactions (000s)	1,689	2,811	2,981	2,987	3,209	3,209	3,266	3,363

¹ Consists of active eBanking customers including Mobile Banking and Tablet Banking.

² Direct debits and automatic payments are not included.

3.3 Mobile pay

MOBILEPAY Denmark

	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Number of transactions (mio.)	77	70	75	59	63	58	60	50	281	231
Volume of transactions, DKK (mio.)	23,093	21,619	21,487	17,604	18,196	16,746	16,625	13,278	83,803	64,846
Number of registered users EOP	4,061,493	3,964,362	3,887,916	3,821,078	3,744,560	3,661,458	3,603,770	3,457,498	4,061,493	3,744,560

MOBILEPAY Finland

	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Number of transactions (000s)	3,168	2,664	2,073	1,545	1,341	1,109	832	580	9,450	3,862
Volume of transactions, EUR (000s)	89,884	78,215	59,430	43,383	37,109	31,929	23,470	16,195	270,912	108,703
Number of registered users EOP	796,942	685,899	584,749	498,809	431,240	376,844	322,424	245,808	796,942	431,240

4. About Danske Bank

4.1 Market share

(%.end of period)	Segment	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Denmark ¹	Lending	26.6	26.5	26.7	26.7	26.6	26.7	26.7	26.7
	Deposits	27.8	28.4	28.4	28.4	27.9	28.4	28.7	28.9
Finland	Lending	9.5	9.6	9.7	9.6	9.6	9.7	9.7	9.7
	Deposits	11.0	12.1	11.7	13.2	13.5	13.0	12.8	12.5
Sweden ²	Lending	5.9	5.8	5.8	5.7	5.6	5.6	5.5	5.4
	Deposits	4.1	4.1	4.2	4.3	4.0	3.8	4.1	3.9
Norway	Lending	6.0	6.0	5.9	6.1	6.1	6.0	5.9	6.0
	Deposits	6.4	6.1	6.5	6.6	6.6	6.7	6.1	5.5
Northern Ireland	Personal	19.8	20.0	19.4	18.8	18.6	18.2	18.8	19.3
	Business	24.0	24.0	23.0	24.0	26.0	27.0	28.0	25.0
Ireland ³	Lending, incl. property finance	0.4	3.0	0.3	0.3	1.9	1.9	2.0	2.1
	Deposits	0.9	1.0	1.1	1.0	1.1	1.1	1.4	1.4

Note: The market shares for Denmark, Finland, Sweden and Norway are based on the MFI3 reporting to the respective central banks.

The market share for Northern Ireland is based on an annual survey completed by PWC, where customers are asked who they consider to be their main bank.

Market shares for Northern Ireland are per end of September 2018, Finland, Norway, Sweden and Ireland are per end of November 2018 and Denmark are per end of December 2018.

¹ The market share is excl. repo lending and deposits, but incl. Realkredit Danmark.

² The market share is excl. repo lending and deposits.

³ Figures include both Corporates & Institutions Ireland and Non-core Ireland.

4.2 FTE by Business Unit

(End of period)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117	Full year 2018	Full year 2017
Banking DK	3,341	3,352	3,396	3,350	3,380	3,392	3,413	3,403	3,341	3,380
Banking Nordic	2,442	2,522	2,546	2,418	2,723	2,744	2,800	2,769	2,442	2,723
Corporates & Institutions	1,858	1,847	1,836	2,138	2,136	2,115	2,125	2,147	1,858	2,136
Wealth Management	2,201	2,180	2,203	1,898	1,851	1,870	1,906	1,946	2,201	1,851
Northern Ireland	1,322	1,319	1,289	1,257	1,260	1,318	1,323	1,306	1,322	1,260
Other Activities	9,260	8,978	8,701	8,526	8,296	8,090	7,793	7,602	9,260	8,296
Total core	20,424	20,198	19,971	19,587	19,646	19,529	19,360	19,173	20,424	19,646
Non-core	259	332	386	123	122	124	131	143	259	122
Group total	20,683	20,530	20,357	19,709	19,768	19,653	19,490	19,316	20,683	19,768

4.3 Branches

(End of period)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Denmark	95	95	95	100	100	100	100	105
Finland	39	39	39	39	38	39	39	41
Sweden	34	34	34	34	34	34	34	35
Norway	25	25	25	25	25	26	26	27
Northern Ireland	42	44	44	44	44	44	44	46
Baltics								
Estonia	1	4	4	4	4	4	4	4
Latvia	1	1	1	1	1	1	1	1
Lithuania	0	3	4	4	4	4	4	4
Branches, total	237	245	246	251	250	252	252	263

4.4 Dividends and share buybacks

Danske Bank's longer-term ambition is to provide shareholders with a competitive return through share price appreciation and ordinary dividend payments of 40-60% of net profit.

We intend to return excess capital to our shareholders if capital is available after we have met our capital targets and paid out ordinary dividends.

At 31 December 2018, we had bought back 33.8 million shares for a total purchase amount of DKK 6.9 billion (figures at trade date) of our planned DKK 10.0 billion share buy-back programme. The programme was discontinued on 4 October 2018.

PROFIT, DIVIDENDS AND SHARE BUYBACKS					
(DKK millions)	2018	2017	2016	2015	2014
Dividends	7,616	9,368	8,853	8,069	5,547
Share buybacks	7,757	10,026	8,147	5,000	-
Total	15,373	19,394	17,000	13,069	5,547
Net profit for the year before goodwill impairment charges	15,001	20,900	19,858	17,724	13,048
Dividend payout ratio	51	45	45	46	43
Dividend per share (DKK)	8.5	10.0	9.0	8.0	5.5
Dividend yield (%)	6.6	4.1	4.2	4.3	3.3

4.5 Share data

The Danske Bank Group is the largest financial services organisation in Denmark. The average daily trading volume of Danske Bank shares during 2018 was 2.6 million. With a total turnover of DKK 118.8 billion, the Danske Bank share was the second most actively traded share on the Copenhagen Stock Exchange (part of the OMX Exchange group) during 2018.

At the beginning of 2018, the share capital totalled DKK 9,368,277,220 and consisted of 936,827,722 shares with a nominal value of DKK 10 each.

Danske Bank shares are negotiable, and no special rights are attached to them. No shareholder is obligated to redeem shares in full or in part. The shares are issued to the bearer, but they can be registered by name in the Bank's register of shareholders.

Number of shares	
Issued shares at 1 January 2018	936,827,722
Issued shares at 31 December 2018	895,953,621
The Group's portfolio of own shares acquired under the share buy-back programme	-33,769,000
Not settled own shares acquired under the share buy-back programme	-
The Group's trading portfolio of own shares	-2,746,086
The Group's investments in own shares on customers' behalf	-4,643,147
Shares outstanding at 31 December 2018	854,795,388

Calculation of average number of outstanding shares ¹	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Issued shares (beginning of period)	895,953,621	895,953,621	936,827,722	936,827,722	936,827,722	936,827,722	983,712,835	983,712,835
Adjustment for share buy-back	-	-	-40,874,101	-	-	-	-46,885,113	-
Issued shares (end of period)	895,953,621	895,953,621	895,953,621	936,827,722	936,827,722	936,827,722	936,827,722	983,712,835
Adjustment for average outstanding shares	-	-	5,282,397	-	-	-	12,365,305	-
Average number of issued shares	895,953,621	895,953,621	901,236,018	936,827,722	936,827,722	936,827,722	949,193,027	983,712,835
Average holding of own shares	41,217,667	32,854,553	20,461,512	49,951,774	39,758,530	29,302,993	19,108,869	56,019,086
Average number of outstanding shares	854,735,954	863,099,068	880,774,506	886,875,948	897,069,192	907,524,729	930,084,158	927,693,749
Average dilutive shares (related to share-based payments)	-219,710	782,974	771,590	688,948	451,154	621,214	609,830	527,188
Average number of outstanding shares (diluted)	854,516,244	863,882,042	881,546,096	887,564,896	897,520,346	908,145,943	930,693,988	928,220,937

¹ The table shows how the denominator in the adjusted share-related key figures has been calculated.

4.6 Ratings

Danske Bank Group is currently rated by the three large international credit rating agencies: Moody's, S&P Global and Fitch Ratings.

The credit rating agencies each have their own rating scales with AAA/Aaa being the highest rating (see table below). Ratings in the AAA/Aaa to BBB-/Baa3 range are considered to be investment grade.

On 12 October 2018, Moody's downgraded Danske Bank's issuer and senior unsecured debt ratings to A2 from A1, while maintaining the negative outlook assigned on 21 September 2018. The rating action follows the announcement that Danske Bank is the subject of investigations by the US Department of Justice (DoJ). S&P and Fitch did not take rating action following the announcement by the DoJ, however the rating outlooks remain negative due to uncertainty relating to the ultimate impact on the bank's capitalisation, franchise and funding profile of the Estonia case.

Danske Bank is rated in the A category.

Moody's Investors Service		S&P Global		Fitch Ratings	
Short-term	Long-term	Short-term	Long-term	Short-term	Long-term
P-1	Aaa	A-1+	AAA	F1+	AAA
P-2	Aa1	A-1	AA+	F1	AA+
P-3	Aa2	A-2	AA	F2	AA
	Aa3	A-3	AA-	F3	AA-
	A1		A+		A+
	A2		A		A
	A3		A-		A-
	Baa1		BBB+		BBB+
	Baa2		BBB		BBB
	Baa3				


5. Macroeconomics

5.1 Exchange rates (cross currency: Danish kroner)

(End of period)	Q418	Q318	Q218	Q118	Q417	Q317	Q217	Q117
Euro (EUR)	746.73	745.65	745.25	745.09	744.51	744.22	743.66	743.80
US dollar (USD)	652.13	643.77	639.58	600.63	620.67	629.94	652.01	696.20
British pound sterling (GBP)	827.03	839.45	840.99	849.82	838.87	843.39	846.36	869.22
Swedish krona (SEK)	72.68	72.38	71.28	72.52	75.67	77.15	77.10	78.00
Norwegian krona (NOK)	74.73	78.77	78.33	77.32	75.71	79.09	77.74	81.19
Polish zloty (PLN)	173.54	174.33	170.59	177.09	178.24	172.67	176.00	176.09
Latvian lat (LVL)	1,062.29	1,062.29	1,062.29	1,062.29	1,062.29	1,062.29	1,062.29	1,062.29
Lithuanian litas (LTL)	215.58	215.58	215.58	215.58	215.58	215.58	215.58	215.58


Source: Danmarks Nationalbank (www.nationalbanken.dk).


5.2 Macroeconomic indicators


DENMARK											
Rating (S&P): AAA											
(%)		2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth		1.6	2.0	1.0	2.3	2.4	2.3	1.6	0.9	0.2	
Export		2.0	2.7	0.2	3.6	3.9	3.6	3.1	1.6	1.2	
Private consumption*		2.3	1.9	2.4	2.1	2.1	2.3	1.0	0.4	0.4	
Public consumption		0.4	0.4	0.4	0.7	0.2	1.7	1.9	-0.1	0.8	
Inflation		1.6	1.3	0.8	1.1	0.3	0.5	0.6	0.8	2.4	
Unemployment rate**		3.8	3.9	4.0	4.2	4.1	4.5	5.0	5.8	6.1	
3-month interest rate (avg.)		0.2	-0.3	-0.3	-0.3	-0.1	-0.1	0.3	0.3	0.6	
10-year interest rate (avg.)		0.9	0.7	0.5	0.1	0.6	0.7	1.2	1.7	1.5	
Gross public debt (% of GDP)		33.2	33.1	33.5	36.1	37.9	39.9	44.3	44.0	45.2	
Budget balance (% of GDP)		-0.1	0.1	0.3	1.1	-0.4	-1.5	1.1	-1.2	-3.5	
House prices		2.5	2.7	3.4	4.0	4.0	6.1	3.4	2.7	-3.3	

*Household consumption

**Gross, average year


FINLAND											
Rating (S&P): AA+											
(%)		2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth		1.5	1.7	2.3	2.8	2.5	0.1	-0.6	-0.8	-1.4	
Export		2.0	2.5	1.1	7.5	3.9	0.9	-2.7	1.1	1.2	
Private consumption		1.3	1.6	1.5	1.3	2.0	1.7	0.8	-0.5	0.3	
Public consumption		0.5	0.5	2.0	-0.5	1.8	0.2	-0.5	1.1	0.5	
Inflation		1.5	1.5	1.1	0.8	0.4	-0.2	1.0	1.5	2.8	
Unemployment rate		6.9	7.0	7.5	8.6	8.8	9.4	8.7	8.2	7.7	
3-month interest rate (avg.)		0.1	-0.3	-0.3	-0.3	-0.3	-0.1	0.1	0.3	0.2	
10-year interest rate (avg.)		1.0	0.8	0.6	0.5	0.4	0.7	1.4	1.9	1.9	
Gross public debt (% of GDP)		56.5	57.9	59.2	61.3	63.0	63.6	60.2	56.5	53.9	
Budget balance (% of GDP)		0.1	0.0	-0.3	-0.7	-1.7	-2.8	-3.2	-2.6	-2.2	
House prices		1.0	0.5	1.1	1.0	0.9	-0.8	-0.6	1.6	1.7	


SWEDEN											
Rating (S&P): AAA											
(%)		2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth		1.9	1.4	2.2	2.4	2.7	4.5	2.6	1.2	-0.3	
Export		3.1	2.3	2.3	3.2	3.0	5.7	5.3	-0.8	1.0	
Private consumption		1.9	0.8	1.2	2.2	2.9	3.1	2.1	1.9	0.8	
Public consumption		1.8	0.3	0.6	0.0	3.6	2.4	1.5	1.3	1.1	
Inflation		1.6	1.9	1.9	1.8	1.0	0.0	-0.2	0.0	0.9	
Unemployment rate		6.9	6.5	6.3	6.7	6.9	7.4	7.9	8.0	8.0	
3-month interest rate (avg.)		0.2	-0.2	-0.4	-0.5	-0.5	-0.2	0.7	1.2	2.0	
10-year interest rate (avg.)		0.9	0.8	0.7	0.7	0.5	0.7	1.7	2.1	1.6	
Gross public debt (% of GDP)		33.0	34.0	37.0	40.7	42.5	44.5	42.7	41.0	37.4	
Budget balance (% of GDP)		0.8	0.5	0.9	1.6	1.1	0.2	-1.6	-1.4	-1.0	
House prices		-1.0	-5.0	-3.0	8.3	8.4	10.8	6.9	3.6	-1.3	


NORWAY											
Rating (S&P): AAA											
(%)		2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth - mainland		2.4	2.6	2.2	2.0	1.1	1.4	2.2	2.3	3.7	
Export		3.0	3.5	-0.5	-0.2	1.1	4.7	3.1	-1.7	1.6	
Private consumption		2.3	2.2	1.9	2.2	1.3	2.6	2.1	2.8	3.5	
Public consumption		1.8	1.7	1.9	2.5	2.1	2.4	2.7	1.0	1.6	
Inflation		1.7	1.6	2.7	1.8	3.6	2.1	2.1	2.1	0.6	
Unemployment rate		2.2	2.3	2.4	2.7	3.0	2.9	2.8	2.6	2.5	
3-month interest rate (avg.)		1.9	1.6	1.1	0.9	1.1	1.3	1.7	1.8	2.2	
10-year interest rate (avg.)		2.3	2.1	1.8	1.6	1.3	1.6	2.5	2.6	2.1	
Gross public debt (% of GDP)		34.8	34.8	35.0	35.3	35.6	32.0	33.0	35.1	34.7	
Budget balance (% of GDP)		7.6	7.6	7.5	5.1	4.0	6.1	8.8	10.8	13.8	
House prices		3.0	2.0	1.0	2.6	3.1	4.0	4.6	3.2	5.3	


Source: Danske Bank Research (www.danskebank.com/danske-research), Macrobond Financial, national statistical offices. Last updated in January 2019. Danske Bank Research's next economic forecast for the Nordic countries will be published in March 2019.


5.2 Macroeconomic indicators (continued)


ESTONIA										
Rating (S&P): AA-										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	2.6	2.8	3.5	4.9	3.5	1.9	2.9	1.9	4.3	
Export	3.7	3.9	4.6	3.5	5.2	-1.4	2.8	2.8	4.8	
Private consumption	2.7	3.4	4.1	2.6	4.4	4.4	3.2	3.5	4.3	
Public consumption	0.7	0.9	0.3	0.6	2.2	3.0	1.9	2.7	3.2	
Inflation	2.5	3.3	3.5	3.7	0.8	0.1	0.5	3.2	4.2	
Unemployment rate	6.0	6.0	5.7	5.8	6.8	6.2	7.4	8.6	10.0	
3-month interest rate (avg.)	0.1	-0.3	-0.3	-0.3	-0.3	0.0	0.2	0.2	0.6	
10-year interest rate (avg.)*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

LATVIA										
Rating (S&P): A										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	2.9	3.2	4.1	4.6	2.1	3.0	1.9	2.4	4.0	
Export	3.0	3.3	3.6	6.2	4.4	3.1	6.0	1.1	9.8	
Private consumption	4.0	4.0	4.5	4.1	1.4	2.5	1.4	5.1	3.1	
Public consumption	1.8	1.8	4.0	4.1	3.9	1.9	1.9	1.6	0.3	
Inflation	2.4	2.7	2.7	2.9	0.1	0.2	0.7	0.0	2.3	
Unemployment rate	6.5	6.7	7.3	5.8	6.8	6.2	7.4	8.6	10.0	
3-month interest rate (avg.)	0.1	-0.3	-0.3	-0.3	-0.3	0.0	0.2	0.2	0.6	
10-year interest rate (avg.)	1.3	1.1	1.1	1.0	0.5	1.0	2.5	3.2	3.4	

LITHUANIA										
Rating (S&P): A										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	2.5	2.8	3.4	4.1	2.4	2.0	3.5	3.5	3.8	
Export	3.7	4.1	5.2	13.6	4.0	0.9	3.3	9.9	12.4	
Private consumption	3.3	3.8	4.2	3.3	5.0	4.0	4.0	4.3	3.1	
Public consumption	0.6	0.6	0.7	-0.4	-0.1	0.2	0.3	0.7	1.3	
Inflation	2.1	2.2	2.6	3.7	0.7	-0.7	0.2	1.2	3.2	
Unemployment rate	6.3	6.3	6.5	7.1	7.9	9.1	10.7	11.8	13.4	
3-month interest rate (avg.)	0.1	-0.3	-0.3	-0.3	-0.3	0.0	0.2	0.2	0.6	
10-year interest rate (avg.)	1.5	1.3	1.2	1.0	0.9	1.4	2.8	3.8	4.1	

UK										
Rating (S&P): AA										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	1.5	1.6	1.3	1.8	1.8	2.3	2.9	2.0	1.4	
Export	2.4	2.8	1.5	5.6	1.0	4.4	2.3	1.5	1.4	
Private consumption	1.6	1.7	1.7	2.2	3.2	2.7	2.1	2.0	1.7	
Public consumption	0.4	0.6	0.5	-0.2	0.8	1.4	2.2	-0.2	1.2	
Inflation	1.5	1.6	2.5	2.7	0.7	0.0	1.5	2.6	2.8	
Unemployment rate	3.9	3.9	4.1	4.4	4.9	5.4	6.2	7.6	8.0	
3-month interest rate (avg.)	1.8	1.0	0.7	0.4	0.5	0.6	0.5	0.5	0.8	
10-year interest rate (avg.)	1.7	1.7	1.4	1.2	1.3	1.8	2.5	2.4	1.9	

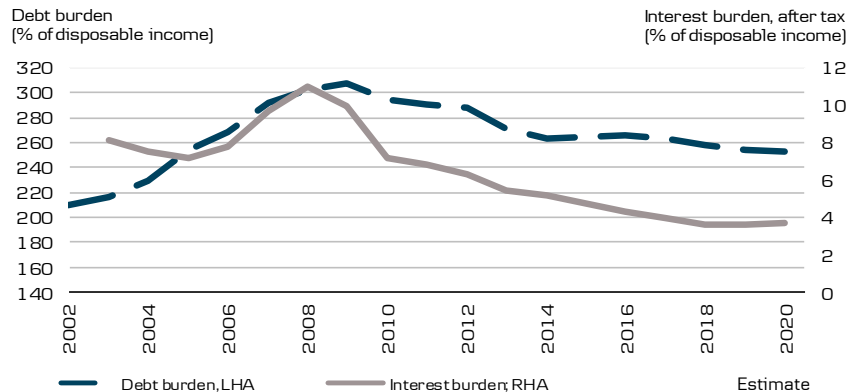
IRELAND										
Rating (S&P): A+										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	3.7	4.2	7.9	7.2	5.0	25.1	8.8	1.3	0.2	
Export	4.5	5.5	8.3	7.8	4.4	39.3	14.6	2.9	-0.9	
Private consumption	2.5	2.7	3.0	1.6	4.0	3.6	2.1	-0.6	-0.8	
Public consumption	2.3	3.0	4.3	3.9	3.5	1.4	4.5	0.4	-3.8	
Inflation (HICP)	1.6	1.4	0.7	0.3	-0.2	0.0	0.3	0.5	1.9	
Unemployment rate	5.1	5.2	5.7	6.7	8.4	10.0	11.9	13.8	15.5	
3-month interest rate (avg.)	0.1	-0.3	-0.3	-0.3	-0.3	-0.1	0.1	0.3	0.2	
10-year interest rate (avg.)	1.2	1.0	0.9	0.7	0.7	1.2	2.4	3.8	6.1	
Gross public debt (% of GDP)	57.0	61.5	64.0	68.4	73.4	76.8	104.1	119.7	119.9	
Budget balance (% of GDP)	0.2	0.0	0.0	-0.2	-0.5	-1.9	-3.6	-6.1	-8.1	
House prices	5.5	6.5	10.5	10.9	7.5	11.5	16.6	1.2	-13.5	

EURO ZONE (EA 19)										
Rating (S&P): A+										
(%)	2020E	2019E	2018E	2017	2016	2015	2014	2013	2012	
GDP growth	1.5	1.5	1.8	2.4	1.9	2.1	1.4	-0.2	-0.9	
Export	2.7	2.5	2.7	5.2	3.0	6.5	4.7	2.2	2.4	
Private consumption	1.6	1.6	1.3	1.6	2.0	1.8	0.9	-0.8	-1.2	
Public consumption	2.4	2.0	1.0	1.2	1.8	1.3	0.7	0.4	-0.3	
Inflation	1.6	1.5	1.7	1.5	0.2	0.0	0.4	1.3	2.5	
Unemployment rate	7.5	7.8	8.2	9.1	10.0	10.9	11.6	12.0	11.4	
3-month interest rate (avg.)	0.1	-0.3	-0.3	-0.3	-0.3	-0.1	0.1	0.3	0.2	
10-year interest rate (avg.)	0.8	0.6	0.5	0.4	0.2	0.6	0.5	1.9	1.3	
Gross public debt (% of GDP)*	82.8	84.9	86.9	86.8	89.1	89.9	91.8	91.6	89.7	
Budget balance (% of GDP)*	-0.7	-0.8	-0.6	-1.0	-1.6	-2.0	-2.5	-3.1	-3.7	

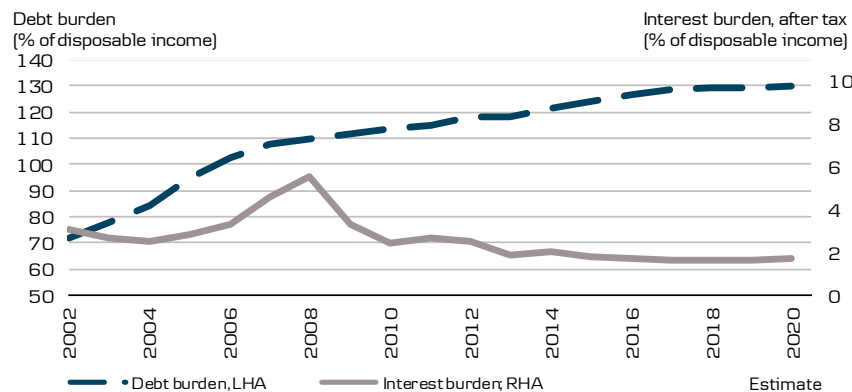
* euro area 19

5.3 Charts

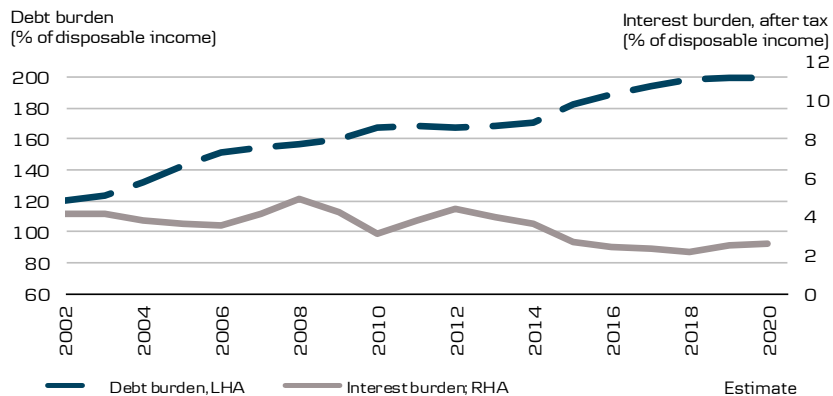
Household debt and interest payments, Denmark



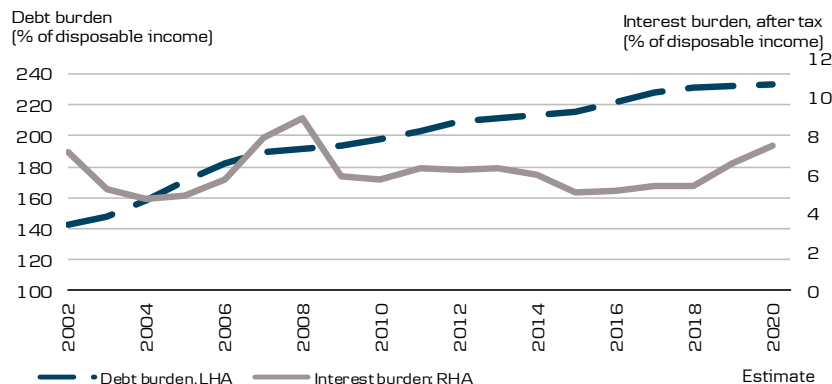
Household debt and interest payments, Finland



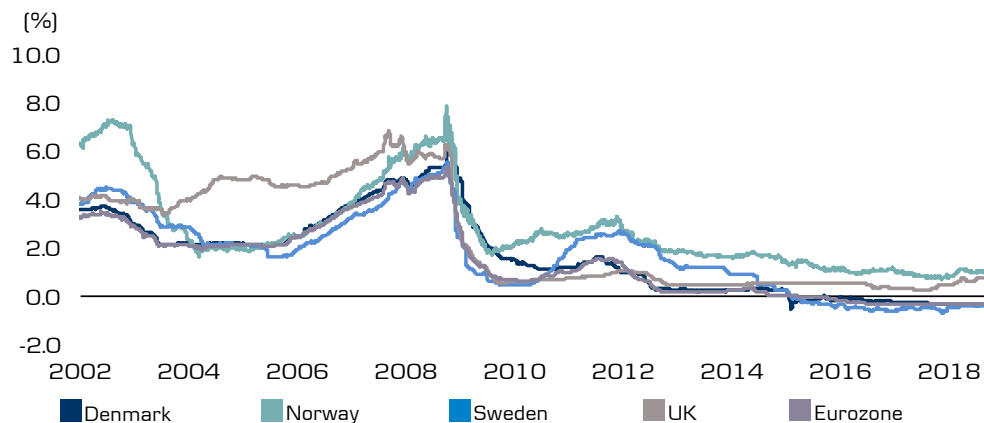
Household debt and interest payments, Sweden



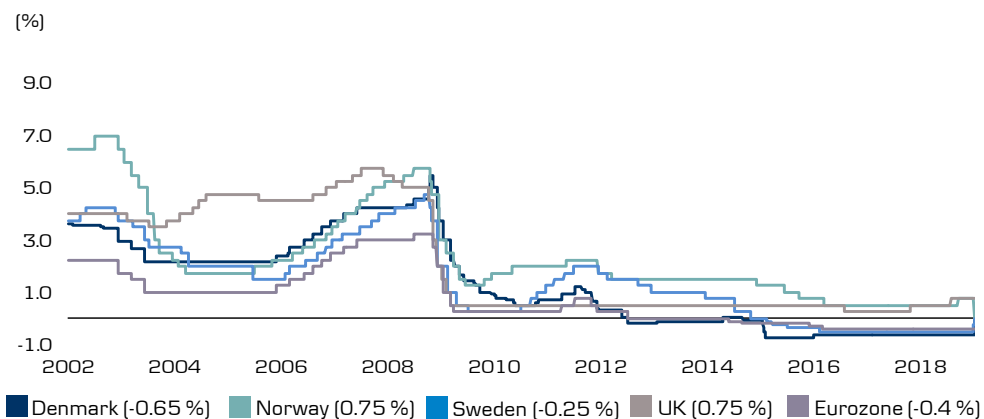
Household debt and interest payments, Norway



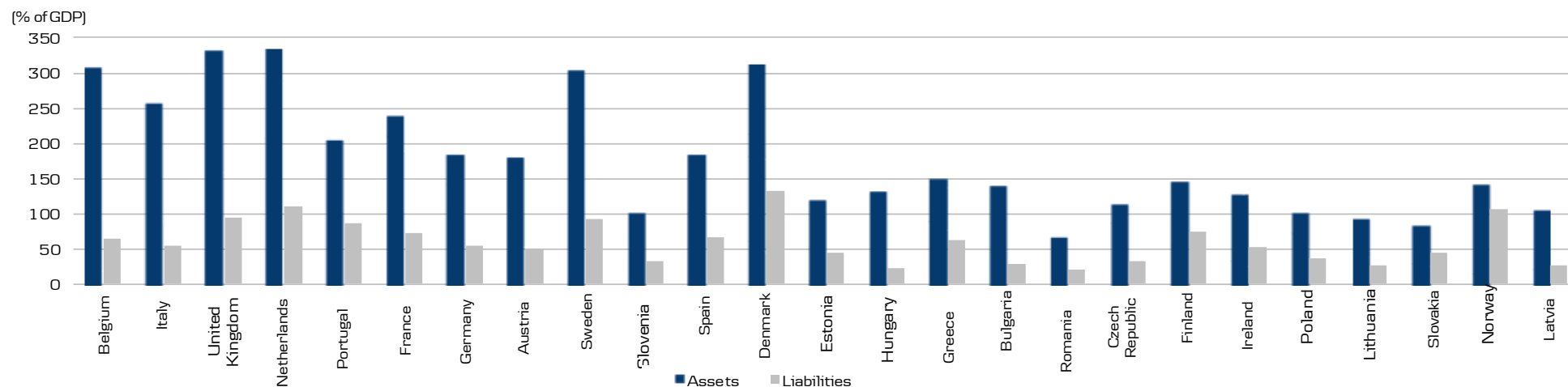
Interbank rates, 3-months



Central bank policy rates



Household leverage



*Financial assets and liabilities. The assets include cash, deposits, shares, bonds, investment funds and pension savings (i.e. real estate assets are not included). The liabilities primarily consist of bank- and mortgage loans.

Appendix 6. Additional Pillar 3 disclosures

6.1 Risk exposures amount & risk weights

Risk exposure amount and risk weights				
(DKK million)	31 December 2018		30 September 2018	
	REA	Weights (%)	REA	Weights (%)
Credit risk				
A-IRB approach				
- Institutions	4,848	23	5,719	27
- Corporates	262,613	30	268,310	31
- Exposures secured by real property	152,195	17	140,349	17
- Other retail	18,722	23	18,980	23
- Securitisation	424	19	442	18
- Other assets	12,742	85	11,600	82
A-IRB approach, total	451,543	24	445,400	25
F-IRB approach, total	29,650	53	29,838	54
Standardised approach, total	121,661	18	120,362	17
Credit risk, total	602,855		595,601	
Counterparty credit risk	30,581	10	29,584	11
Central Counterparty (CCP) default risk	921	6	656	5
Credit value added (CVA) risk charge	4,686		4,785	
Counterparty credit risk (incl. CCP and CVA)	36,188		35,025	
Market risk, total	30,702		31,566	
Operational risk, total	78,358		76,050	
Total risk exposure amount	748,104		738,241	

6.2 Risk-weighted assets flow statement of CCR exposures under IMM

Risk-weighted assets flow statement of CCR exposures under IMM

At 31 December 2018 (DKK million)

	RWA amounts	Capital requirements
1 RWAs as at 30 September 2018	24,160	1,933
2 Asset size	1,371	110
3 Credit quality of counterparties	-741	-59
4 Model updates (IMM only)	-180	-14
5 Methodology and policy (IMM only)	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	-	-
9 RWAs as at 31 December 2018	24,610	1,969

6.3 Risk-weighted assets flow statements of market risk exposures under IMM approach

Risk-weighted assets flow statements of market risk exposures under internal model approach

At 31 December 2018 (DKK million)

	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total capital requirements
1 RWAs at 30 September 2018	6,393	21,678	3,001	-	-	31,072	2,486
1a Regulatory adjustment	2,174	6,452	2,808	-	-	11,434	915
1b RWAs at the previous year-end (end of the day)	4,219	15,226	193	-	-	19,638	1,571
2 Movement in risk levels	-315	-1,106	-851	-	-	-2,271	-182
3 Model updates/changes	-	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-	-
5 Acquisitions and disposals	-	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-	-
7 Other	-	-	-	-	-	-	-
8a RWAs at the end of the reporting period (end of the day)	1,616	5,366	2,296	-	-	9,278	742
8b Regulatory adjustment	4,843	15,295	754	-	-	20,892	1,671
8 RWAs at 31 December 2018	6,459	20,661	3,050	-	-	30,170	2,414

Market risk REA under internal model approach from VaR decreased by 62% compared to previous quarter end due to lower interest rate risk. REA from SVaR decreased by 65% compared to previous quarter end mainly due to lower interest rate risk. IRC increased eleven times compared to the previous quarter end due to bond portfolio composition changes

6.4 Geographical breakdown of exposures

Geographical breakdown of exposures									
At 31 December 2018 (DKK million)									
	Net value								Total
	Denmark	Sweden	Norway	Finland	United Kingdom	Baltics	Rest of Europe	Other	
1 Central governments or central banks	-	-	-	-	-	-	-	-	-
2 Institutions	5,269	4,919	1,053	513	2,321	215	13,058	9,635	36,982
3 Corporates	556,775	268,361	155,667	101,515	12,461	924	66,615	31,302	1,193,620
4 Retail	624,925	122,630	137,582	100,955	1,580	46	3,296	3,074	994,088
5 Equity	-	-	-	-	-	-	-	-	-
6 Securitisations	-	-	-	-	2,738	-	137	-	2,875
7 Other non-credit obligation assets	11,230	682	833	1,905	24	-	265	65	15,004
8 Total IRB approach	1,198,199	396,592	295,135	204,888	19,123	1,184	83,370	44,076	2,242,567
9 Central governments or central banks	136,139	3,382	2,530	10,466	31,049	393	70,802	11,270	266,032
10 Regional governments or local authorities	22,342	15,112	1,293	10,388	1,387	1,712	553	-	52,786
11 Public sector entities	-	-	-	437	-	-	-	-	437
12 Multilateral development banks	-	-	-	565	100	-	985	210	1,860
13 International organisations	-	-	-	-	-	-	1,024	-	1,024
14 Institutions	-	3	8	61	240	108	1,480	86	1,986
15 Corporates	3,256	261	49	8,555	28,399	8,580	3,097	804	53,002
16 Retail	387	60	56	8,082	9,940	988	1,006	313	20,832
17 Secured by mortgages on immovable property	420	422	148	9,557	24,233	4,228	624	31	39,663
18 Exposures in default	28	2	7	237	569	303	59	18	1,222
19 Items associated with particularly high risk	154	-	4	59	1,418	-	43	-	1,678
20 Covered bonds	169,286	12,371	2,099	937	1,596	-	1,727	-	188,016
21 Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
22 Collective investment undertakings	-	-	-	-	-	-	-	-	-
23 Equity exposures	13,153	68	396	3	30	-	261	5	13,918
24 Other exposures	26,836	1	37	180	593	405	24	-	28,077
25 Total standardised approach	372,001	31,681	6,627	49,526	99,555	16,718	81,686	12,738	670,533
26 Total	1,570,200	428,273	301,761	254,414	118,678	17,903	165,056	56,814	2,913,100

6.5 Concentration of exposures by industry or counterparty types

Concentration of exposures by industry or counterparty types

At 31 December 2018 (DKK million)

	Consumer discretionary	Consumer staples	Industrials	Energy and utilities	Health care	Information technology	Financials	Telecommunication	Materials and building products	Real Estate	Personal	Government and public administration	Other	Total
1 Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Institutions	675	-	-	-	-	-	31,321	-	-	-	-	361	4,625	36,982
3 Corporates	109,816	115,369	223,781	70,472	39,968	24,075	60,839	7,597	51,485	462,712	17,350	1,130	9,025	1,193,620
4 Retail	7,611	7,530	7,252	169	1,556	912	833	31	1,079	12,527	947,215	22	7,352	994,088
5 Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Securitisations	-	-	-	-	-	-	2,875	-	-	-	-	-	-	2,875
7 Other non-credit obligation assets	495	156	1,612	36	98	159	36	189	174	45	1,663	9	10,332	15,004
8 Total IRB approach	118,596	123,054	232,645	70,677	41,622	25,146	95,903	7,816	52,738	475,285	966,228	1,522	31,335	2,242,567
9 Central governments or central banks	375	-	192	-	12	-	14,727	-	1	3	-	239,819	10,903	266,032
10 Regional governments or local authorities	169	-	150	327	1,234	-	6,893	-	-	-	-	43,821	192	52,786
11 Public sector entities	437	-	-	-	-	-	-	-	-	-	-	-	-	437
12 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	1,860	1,860
13 International organisations	-	-	-	-	-	-	-	-	-	-	-	-	1,024	1,024
14 Institutions	-	-	-	-	-	-	205	-	-	-	-	-	1,781	1,986
15 Corporates	5,064	7,017	17,948	772	2,002	1,496	4,418	37	2,469	6,007	4,419	13	1,341	53,002
16 Retail	1,029	2,911	2,585	50	148	113	253	15	549	379	10,954	4	1,842	20,832
17 Secured by mortgages on immovable property	143	116	636	1	320	-	71	-	8	12,463	25,888	-	17	39,663
18 Exposures in default	72	107	265	1	-	3	12	-	29	123	605	-	5	1,222
19 Items associated with particularly high risk	-	-	568	-	-	-	237	-	-	874	-	-	-	1,678
20 Covered bonds	-	-	-	-	-	-	188,016	-	-	-	-	-	-	188,016
21 Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23 Equity exposures	-	-	200	-	-	28	822	-	-	299	-	-	12,568	13,918
24 Other exposures	-	-	136	-	-	-	1	-	-	-	22,505	4	5,430	28,077
25 Total standardised approach	7,288	10,151	22,680	1,151	3,716	1,640	215,655	52	3,056	20,148	64,370	283,662	36,964	670,533
26 Total	125,884	133,205	255,324	71,829	45,338	26,786	311,558	7,868	55,794	495,432	1,030,598	285,184	68,299	2,913,100

6.6 Geographical distribution of relevant credit exposures

Geographical distribution of relevant credit exposures

At 31 December 2018 (DKK million)

	General credit exposure		Trading book exposure		Securitisation exposure		Own funds requirements				Own funds requirement weights	Countercyclical capital buffer rate
	Exposure value for SA	Exposure value for IRB	Sum of long and short position of trading book	Value of trading book exposure for internal models	Exposure value for SA	Exposure value for IRB	Of which: General credit exposures	Of which: Trading book exposures	Of which: Securitisation exposures	Total		
Denmark	214,020	1,089,554	31	705	-	-	23,552	71	-	23,624	0.4733	0.00%
Sweden	13,055	341,827	1	1,136	-	-	8,015	39	-	8,054	0.1614	2.00%
Norway	2,989	256,211	1	359	-	-	5,655	20	-	5,676	0.1137	2.00%
Finland	22,832	176,394	-	2,162	-	-	5,805	26	-	5,831	0.1168	0.00%
United Kingdom	50,418	31,911	6	150	-	2,738	3,072	18	33	3,122	0.0626	1.00%
Iceland	-	623	-	-	-	-	9	-	-	9	0.0002	1.25%
Slovakia	-	8	-	-	-	-	-	-	-	-	0.0000	1.25%
Czech republic	1	397	-	-	-	-	11	-	-	11	0.0002	1.00%
Hong Kong	3	343	-	1	-	-	8	-	-	8	0.0002	1.88%
Lithuania	3,728	177	-	-	-	-	244	-	-	244	0.0049	0.50%
Other countries	13,684	113,721	39	954	-	181	3,033	297	1	3,331	0.0667	0.00%
Total	320,730	2,011,168	78	5,467	-	2,919	49,406	471	34	49,911	1.0000	0.62%

Countercyclical capital buffer is calculated only for the relevant credit exposure classes as defined in Article 140(4) of the Capital Requirement Directive. Exposure classes not included in the calculation are exposures to a) central governments or central banks; b) regional governments or local authorities; c) public sector entities; d) multilateral development banks; e) international organisations; f) institutions.

6.7 Leverage ratio

Leverage ratio common disclosure		
At 31 December 2018 (DKK million)		
		CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)		
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)	2,526,712
Derivative exposures		
11	Total derivatives exposures	145,054
SFT exposures		
16	Total securities financing transaction exposures	335,471
Other off-balance sheet exposures		
19	Other off-balance sheet exposures	271,325
Capital and total exposure measure		
20	Tier 1 capital	150,505
21	Leverage ratio total exposure measure	3,278,560
Leverage ratio		
22	Leverage ratio	4.6%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Transitional
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	-

6.8 Liquidity coverage ratio

Liquidity coverage ratio *		
Scope of consolidation (consolidated)		
Currency and units (DKK million)	Total unweighted value (average)	Total weighted value (average)
Quarter ending on	31 December 2018	31 December 2018
Number of data points used in the calculation of averages	12	12
HIGH-QUALITY LIQUID ASSETS		
1	Total high-quality liquid assets (HQLA)	539,107
CASH - OUTFLOWS		
2	Retail deposits and deposits from small business customers	33,947
5	Unsecured wholesale funding	258,576
9	Secured wholesale funding	14,529
10	Additional requirements	48,831
14	Other contractual funding obligations	10,573
15	Other contingent funding obligations	56,495
16	TOTAL CASH OUTFLOWS	422,952
CASH - INFLOWS		
17	Secured lending (e.g. reverse repos)	7,305
18	Inflows from fully performing exposures	13,115
19	Other cash inflows	19,752
20	TOTAL CASH INFLOWS	40,172
		TOTAL ADJUSTED VALUE
21	LIQUIDITY BUFFER	539,107
22	TOTAL NET CASH OUTFLOWS	382,780
23	LIQUIDITY COVERAGE RATIO (%)	141%

* All numbers on Liquidity coverage ratio are a simple arithmetic average of end of month data for the period January 2018 to December 2018.

This publication is meant as a supplement to the information published in the quarterly interim reports and the annual report. Additional information can be found on www.danskebank.com

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Financial calendar

Date	Event
18 March 2019	Annual general meeting
30 April 2019	Interim report - first quarter 2019
18 July 2019	Interim report - first half 2019
1 November 2019	Interim report - first nine months 2019

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