

Financial results – first quarter 2021



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Summary – Good customer activity drives total income up; significant decline in impairment charges and progress towards cost-income ratio ambition

Continued lending growth driven by Nordic franchise, lockdown in Denmark resulting in low credit demand

Diversified business model; capital markets platform delivering in current environment

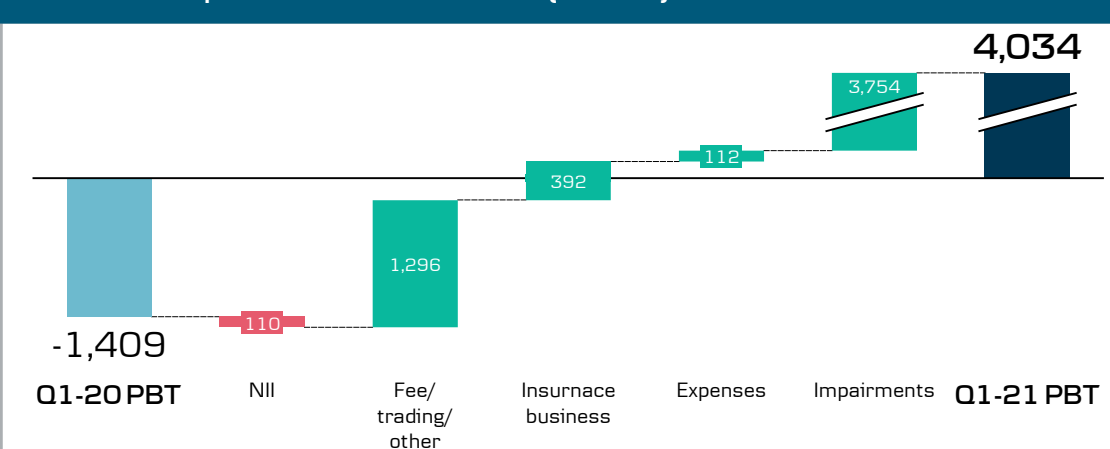
Positive impact from retail deposit repricing in Denmark; margin pressure on lending. Further deposit initiatives launched in April

Credit quality remained; low impairments in Q1 and solid buffers

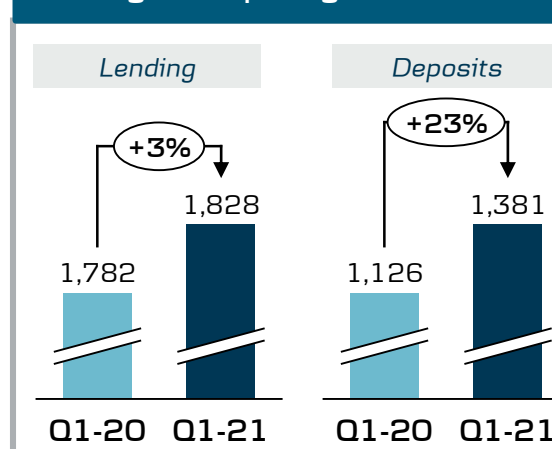
Steady progress with cost initiatives; costs further down in line with expectations

We confirm our net profit guidance for the year as a whole

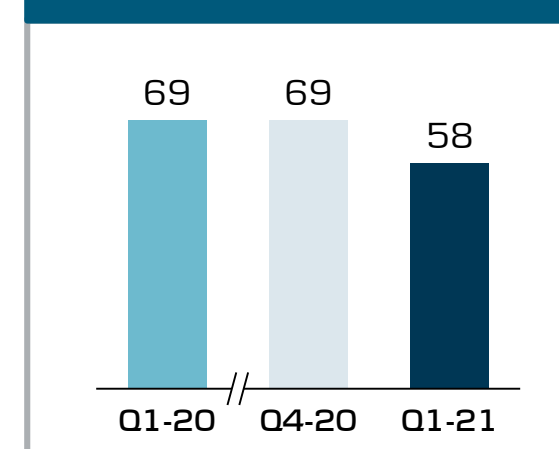
Profit development Q1-21 vs Q1-20 (DKK m)



Lending and deposit growth



Cost-income ratio*



*Excl. impairment charges on intangible assets

Solid trading and fee performance combined with more normalised impairment levels resulting in net profit of DKK 3,139 m

Income statement and key figures (DKK m)					
	Q1-21	Q1-20	Index	Q4-20	Index
Net interest income	5,450	5,560	98	5,447	100
Net fee income	3,402	3,240	105	3,644	93
Net trading income	1,266	141	898	1,044	121
Net income from insurance business	491	99	496	350	140
Other income	195	186	105	97	201
Total income	10,805	9,227	117	10,582	102
Expenses	6,273	6,385	98	7,316	86
Impairment charges on goodwill	-	-	-	-	-
Impairments charges, other intangible assets	-	-	-	379	-
Profit before loan impairment charges	4,531	2,842	159	2,886	157
Loan impairment charges	497	4,251	12	713	70
Profit before tax, core	4,034	-1,409	-	2,173	186
Profit before tax, Non-core	20	-254	-	-113	-
Profit before tax	4,054	-1,663	-	2,059	197
Tax	914	-374	-	609	150
Net profit	3,139	-1,289	-	1,450	216

RoE (%)		C/I *(%)		CET1 (%)		REA (DKK bn)		EPS	
Q1-21	7.5	Q1-21	58.1	Q1-21	18.1	Q1-21	798	Q1-21	3.5
Q4-20	3.4	Q4-20	69.1	Q4-20	18.3	Q4-20	784	Q4-20	1.6
Q1-20	-3.8	Q1-20	69.2	Q3-20	18.2	Q3-20	766	Q1-20	-1.7

Key points, Q1-21 vs Q1-20

- Total income up 17%, driven by the rebound in trading income and net income from insurance business, off-set by slightly lower NII
- Cost-income ratio closer to longterm ambition; down 11 pp due to a combination of higher total income and results from cost management initiatives
- Profit before tax further up due to a significant decrease in impairment levels of 88%, in line with expectations

Key points, Q1-21 vs. Q4-20

- Total income stable from Q4, despite record-high performance fee bookings in Q4 of 628 m
- Cost-income ratio further down from Q4, due mainly to run-off of transformation cost and costs related to AML/Estonia
- Impairments further down from the level in Q4, driven primarily by positive trend in LC&I oil-related exposure

*Excl. impairment charges on intangible assets

P&BC – Commercial momentum across Personal Customers Nordic; deposit repricing partly mitigated NII effect

Highlights

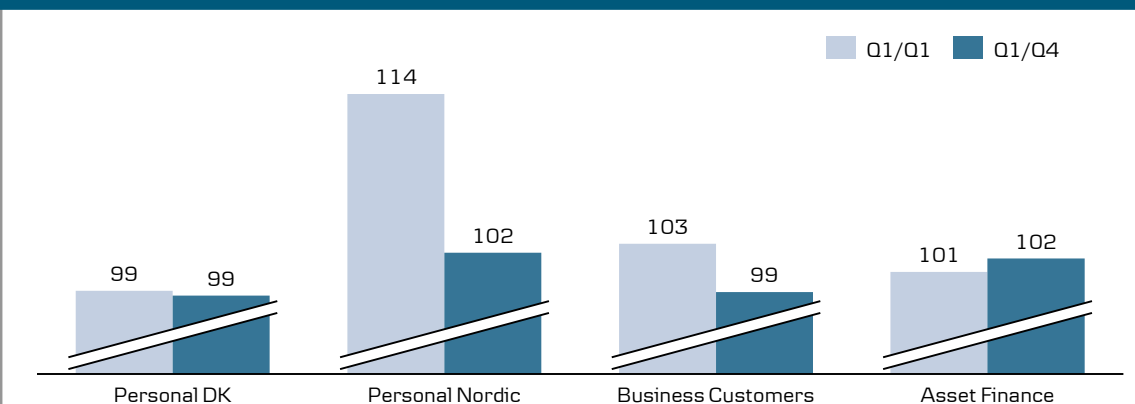
Personal Customers DK saw a positive NII development, as deposit repricing more than offset mortgage product mix effects and increased repayment of bank loans

Good traction in Personal Customers Nordic; continued inflow from partnership agreements, especially Norway, to counter continued margin pressure

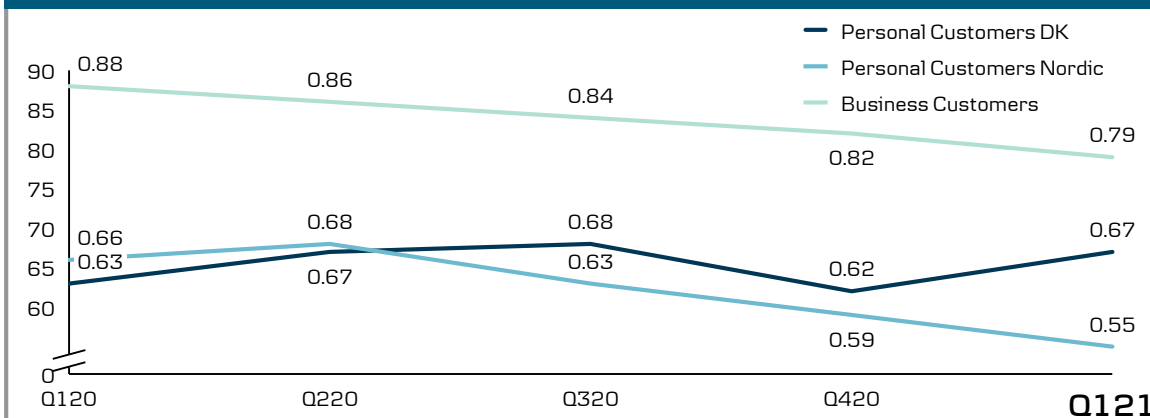
Continued high inflow of low-margin deposits from business customers' liquidity management puts pressure on NII

Launched new green loans for all business customers and lowered threshold from DKK 100 m to DKK 30 DKK m for obtaining green loans offered through RD

Lending development across segments, index



NII as % of loans and deposits



P&BC – Profit before tax significantly up from diversified income streams in DK, lending growth in other Nordic countries and lower impairments

Key figures (DKK m)				
	Q1-21	Q1-21/ Q1-20 (%)	Q1-21/ Q4-20 (%)	
Total income	5,975	-2% ↓	+6% ↑	Q1-21 vs Q1-20 <ul style="list-style-type: none"> PBT significantly up due to considerably lower impairments than the very high model-driven impairments in Q1-20 related to the pandemic Total income slightly down against Q1-20: <ul style="list-style-type: none"> NII tailwind from deposit repricing in Denmark, whereas other Nordic countries' deposit margin trends drove NII slightly down Solid fee performance; high investment activity in Q1 almost fully offsetting the effect from the high remortgaging activity in same period last year Expenses up due to the significant spend on AML and compliance remediation throughout 2020
Operating expenses	3,638	+3% ↑	-16% ↓	
Loan impairments	435	-75% ↓	+685% ↑	
Profit before tax	1,903	+126% ↑	+36% ↑	Q1-21 vs Q4-20 <ul style="list-style-type: none"> PBT significantly up, driven by increasing total income and run-off of transformation costs Total income up against Q4 driven by <ul style="list-style-type: none"> NII tailwind from deposit repricing in DK combined with positive commercial momentum outside DK. However, lending effects in DK and continued margin pressure drove NII for P&BC slightly down positive development for investment activities in Q1 resulting in solid fee income for the quarter relative to Q4, even when excluding negative one-off in Q4 Operating expenses were lower than in Q4 mainly because Q4 saw high costs related to transformation and seasonal bookings related to year's end Impairments significantly up, as Q1 saw impairments against Corona related exposure, whereas Q4 saw net reversal, driven by macroeconomic model updates
Lending (DKK bn)	1,529	+4% ↑	0%	
Deposits (DKK bn)	696	+16% ↑	+2% ↑	

LC&I – Strong activity in capital markets, supportive market conditions and good traction in Asset Management

Highlights

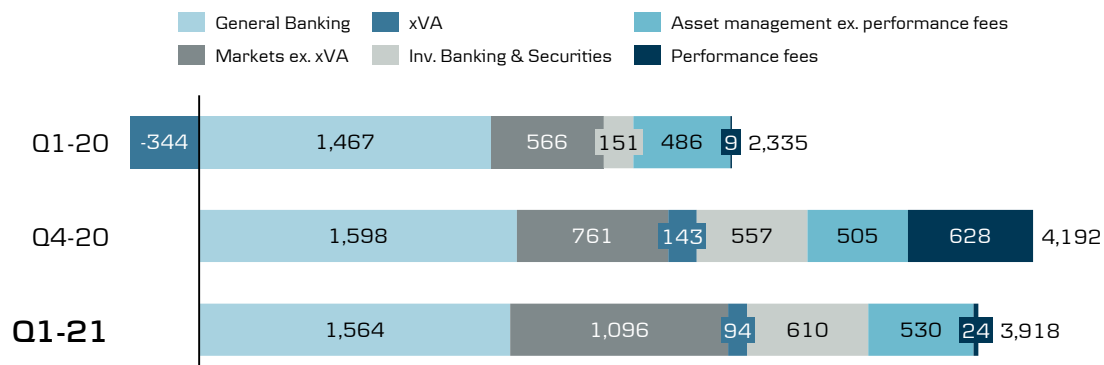
Capital Markets sustaining the positive trend; supported customers in a large number of transactions during the first quarter across loan, debt and equity capital markets

Customer activity was high across the financial markets, and with supportive market conditions, this resulted in high seasonal income from Markets

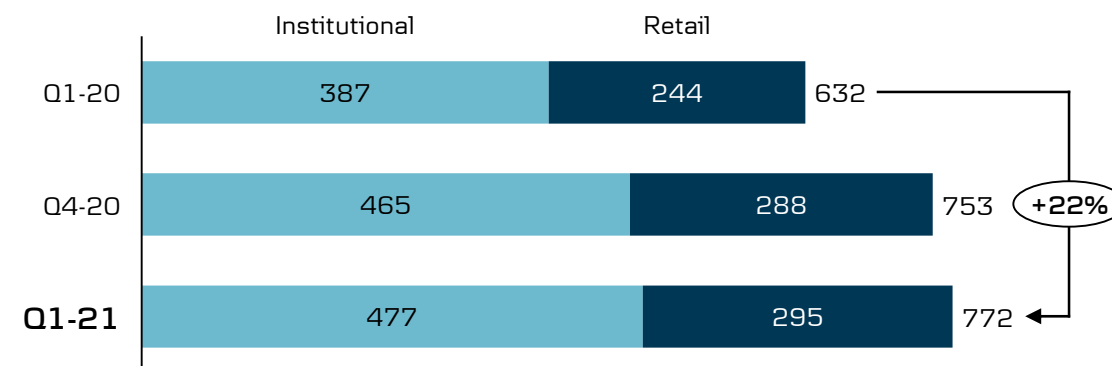
High level of green bond issuance in Q1, in which we maintained our position as a leading bank within sustainable finance in Europe

Good momentum in Asset Management; trend continued in Q1-21 with positive net sales, driven primarily by the retail segment

L&CI income breakdown



Asset Management AuM stock development



LC&I: Good start to the year with commercial momentum and low impairment levels

Key figures (DKK m)				
	Q1-21	Q1-21/ Q1-20 (%)	Q1-21/ Q4-20 (%)	
Total income	3,918	+68%	-7%	Q1-21 vs Q1-20 <ul style="list-style-type: none"> PBT significantly up against Q1-20, as we saw a recovery in the financial markets and significantly lower impairments related to oil exposure Total income significantly up, driven by all income lines, particularly from two trends: <ul style="list-style-type: none"> Strong recovery for fee and trading income from Q1-20, which was highly affected by difficult market conditions and customer activity Operating expenses flat as effects from cost focus mitigated the increasingly higher AML and compliance related costs throughout 2020
Operating expenses	1,851	+2%	-13%	
Loan impairments	69	-94%	-90%	
Profit before tax	1,998	+210%	+46%	Q1-21 vs Q4-20 <ul style="list-style-type: none"> PBT significantly up driven by lower impairments, especially related to oil exposure, continued commercial momentum, favourable market conditions and run-off of transformation costs Reported total income is down against Q4-20, in which we saw record high performance fees. The underlying positive performance of Q1 stems from: <ul style="list-style-type: none"> a continuation of strong capital markets fee performance seen in the latter part of 2020 supportive financial markets and customer activity allowed for a good trading result Asset Management business gained momentum on the back of increased AuM during last year and this continued into the first quarter of 2021
Lending* (DKK bn)	233	-3 %	+3.8%	
AuM (DKKbn)	772	+22%	+3%	

*Lending volume for General Banking

Positive result at Danica Pension driven by improved life insurance result; Northern Ireland held up well despite subdued economic activity and interest rate drop

Danica Pension, key figures (DKK m)			
	Q1-21	Q1-21/Q1-20 (%)	Q1-21/Q4-20 (%)
Result, life	784	+73%	+38%
Result, H&A	-290	-6%	-245%
Net income*	491	+395%	+40%
Asset under Management	465,520	16%	0%
Premiums, insurance	8,599	+6%	+12%

Q1-21 vs Q1-20

Net income from insurance business significantly up from low levels in Q1-20, primarily driven by a positive result on life insurance due to an increase in fees from higher AuM and positive investment results on life insurance

Q1-21 vs Q4-20

Net income from insurance business up, driven by an increase of 38% in the life insurance business result. Adjusted for one-offs** in Q1 and Q4, underlying income (in both quarters) saw positive effects from the increasing investment results

Northern Ireland, key figures (DKK m)			
	Q1 '21	Q1-21/Q1-20 (%)	Q1-21/Q4-20 (%)
Total income	374	-6%	-27%
Operating expenses	275	-10%	-8%
Loan impairments	-7	-104%	-108%
Profit before tax	106	+116%	+960%

Q1-21 vs Q1-20

Total income held up well; increasing lending and deposit volumes, but offset by lower interest rates, low economic activity and lower trading income
Expenses down 8% as a result of tight cost control

Q1-21 vs Q4-20

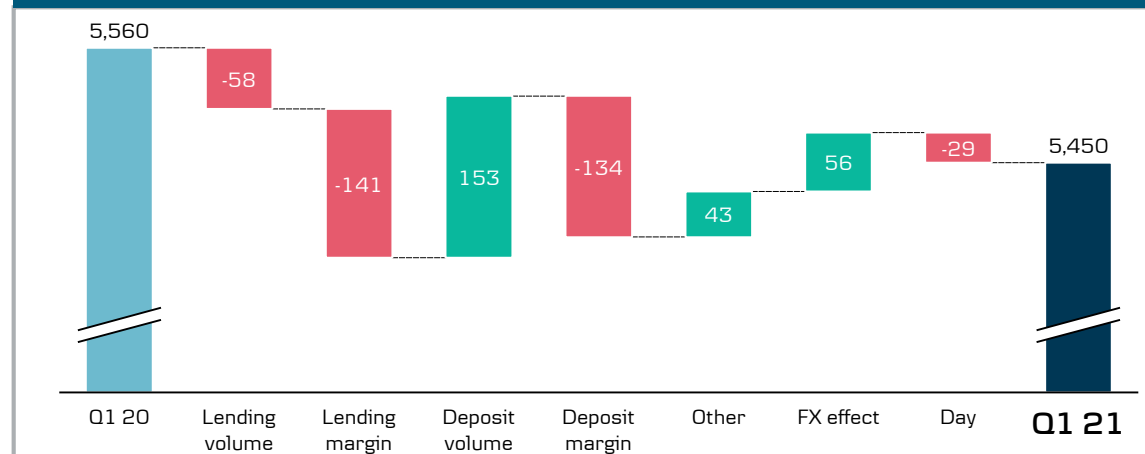
NII up 2 % from higher lending and deposits, however, other income lines drive total income down

*Including 3 m which is booked in Group Treasury,

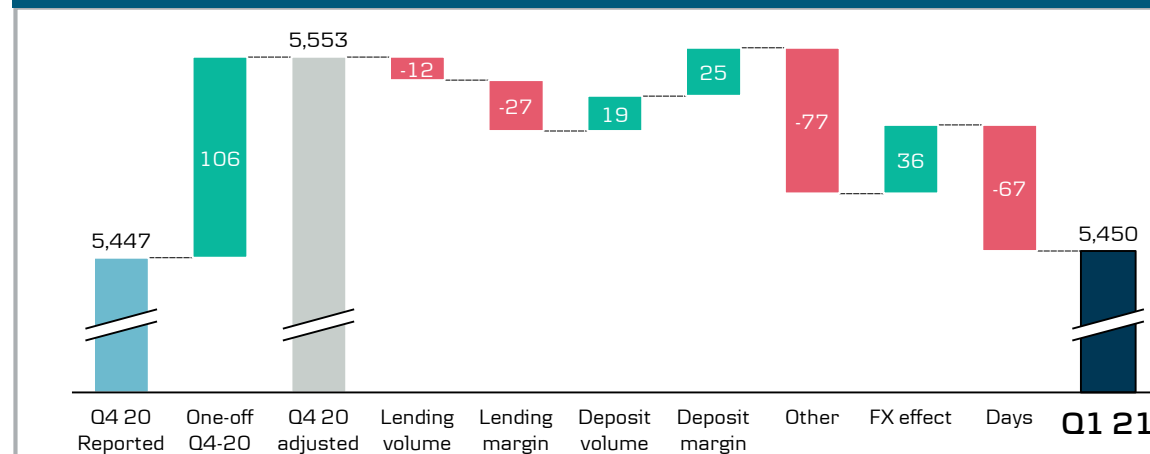
**Provision of -200 m related to pension yield tax in Q1, and Q4 one-offs of -418 m

NII: NII slightly down as increase in deposits and repricing partly mitigates negative effects from lending; Q1 stable due to deposit repricing effect, days and FX

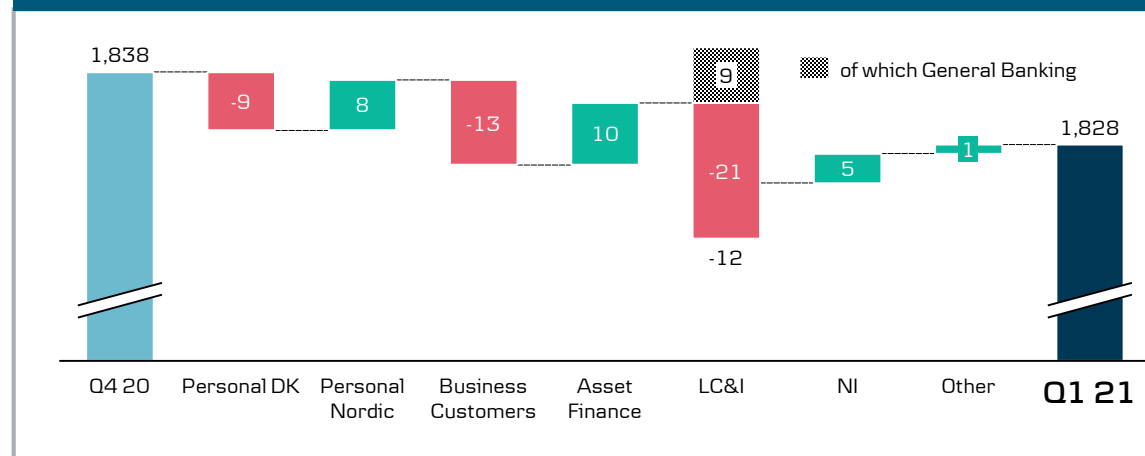
Net interest income, Q1-21/Q1-20 (DKK m)



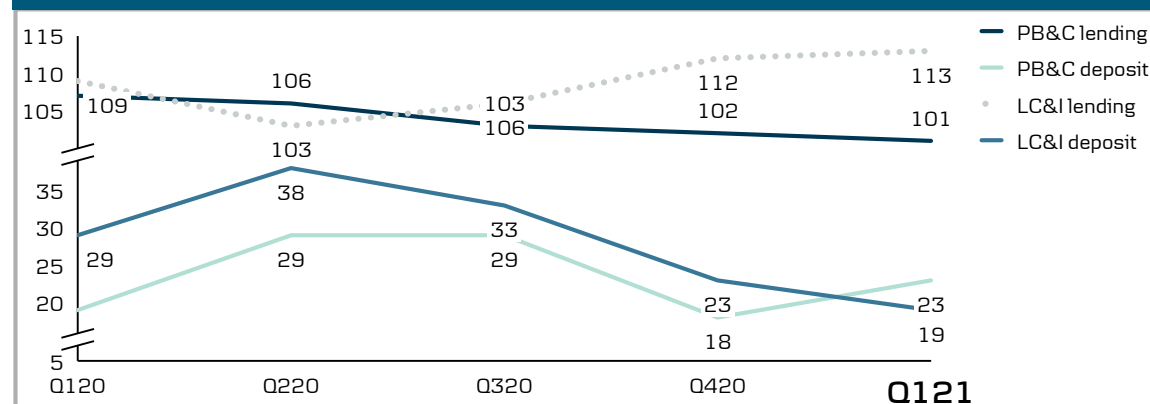
Net interest income, Q1-21/Q4-20 (DKK m)



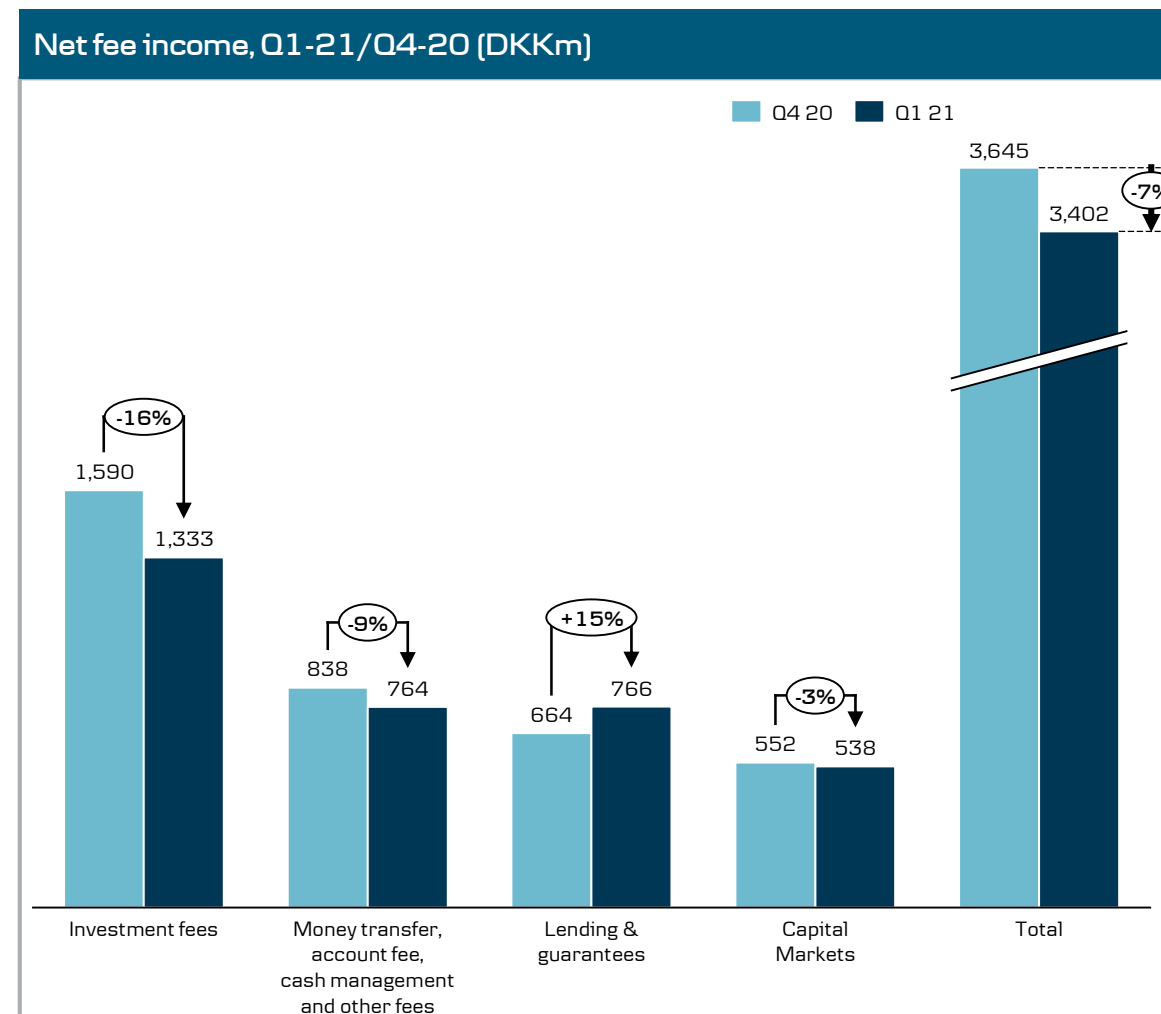
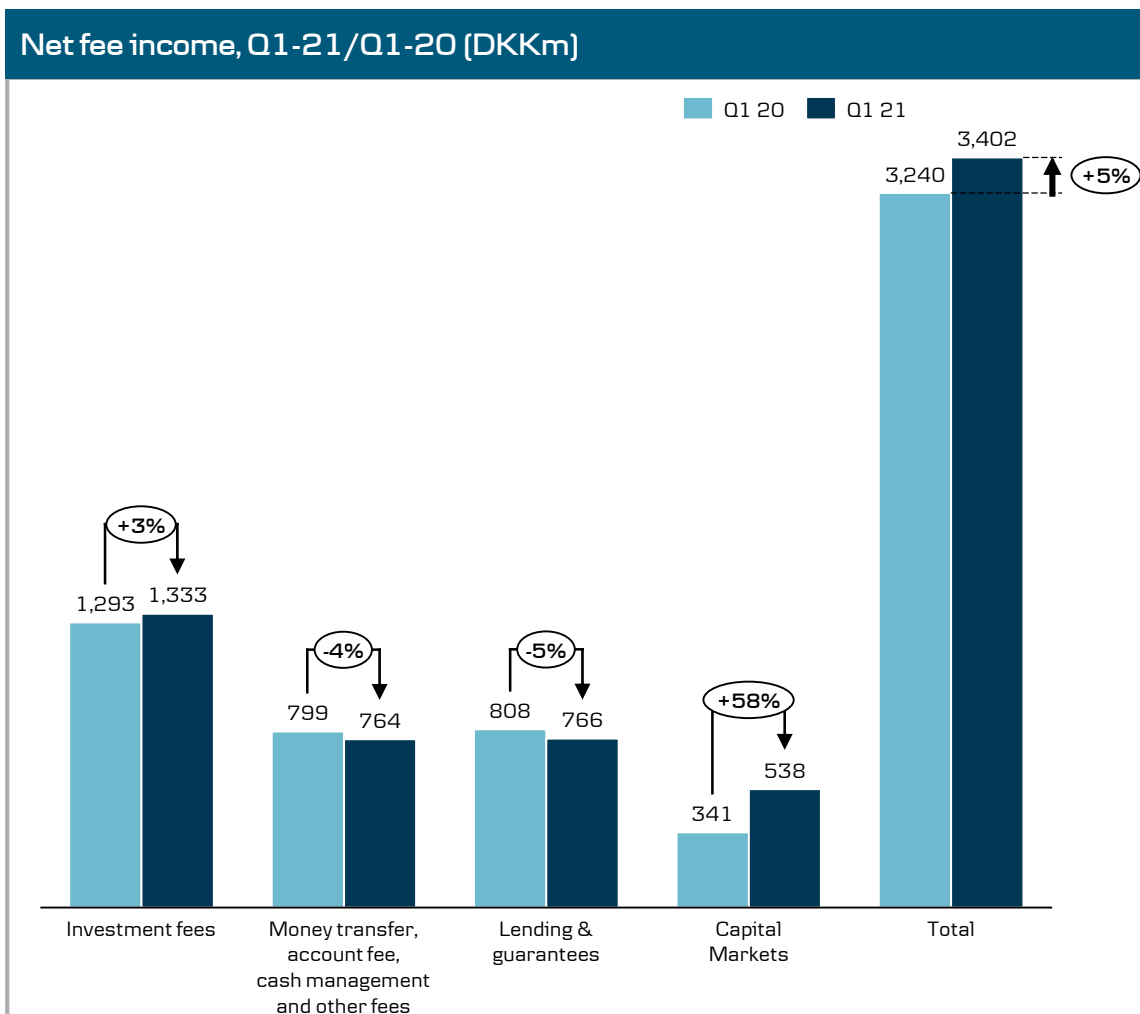
Lending volume; Q1-21/Q4-20 (DKK bn)



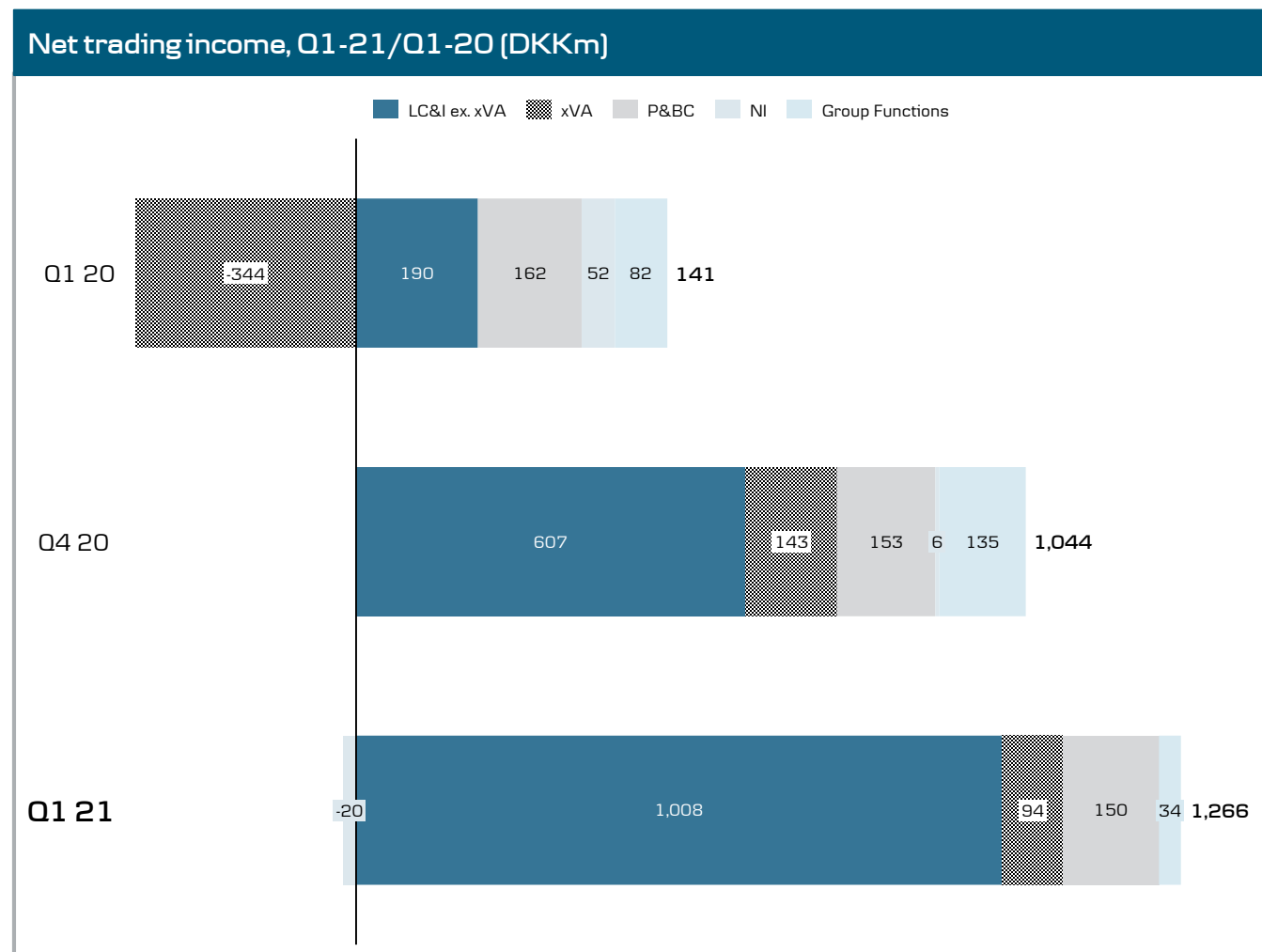
Margin development (bps)



Fee: Increase in fee driven by capital markets performance and AuM; Q1 impact from mortgage-related fees



Trading: Rebound in trading income from difficult Q1 last year; strong underlying trading income Q/Q driven by customer activity and favourable market conditions



Highlights

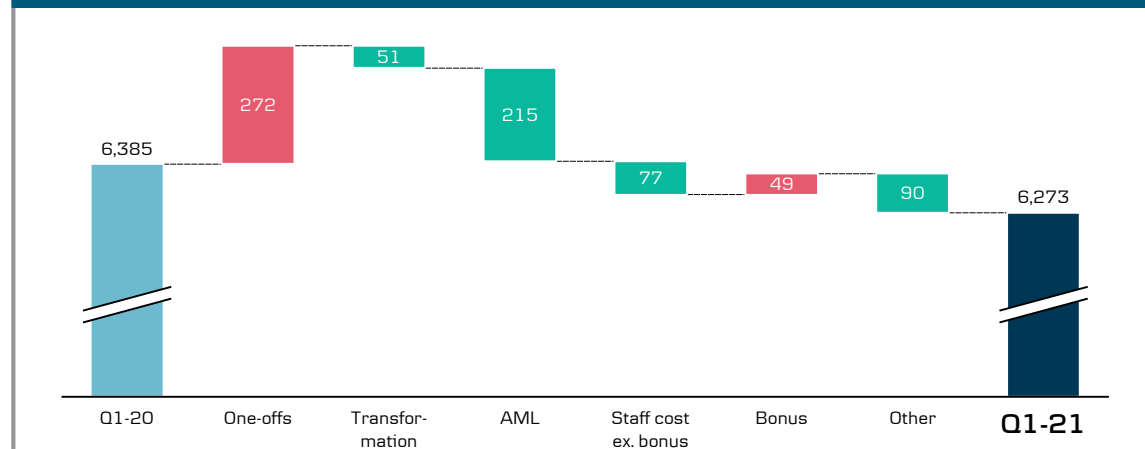
Trading income improved significantly from an extraordinarily turbulent Q1-20

Trading income in Q1 positively affected by one-off of DKK 227 m from sale of Visa shares booked in Group Functions (Q4: one off of DKK +106 m)

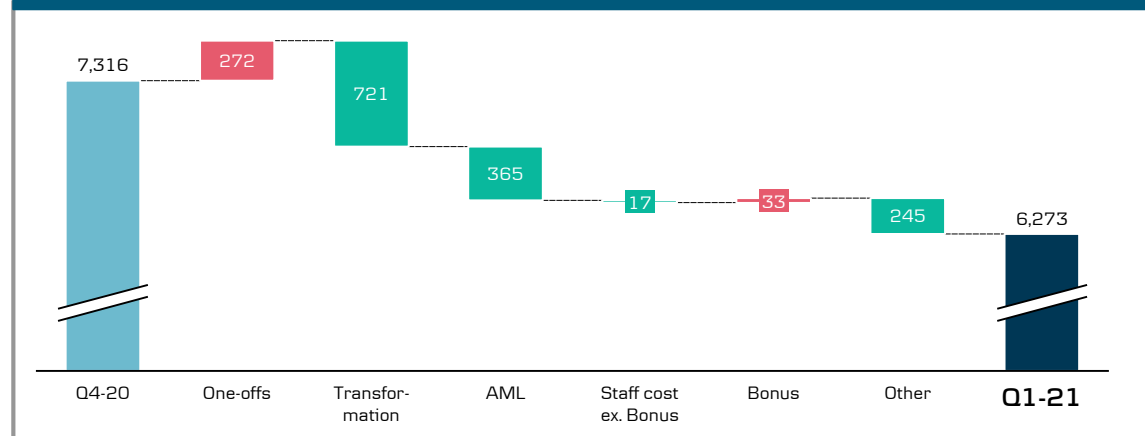
Solid trading income at LC&I driven by seasonally high customer activity in Q1, positive value adjustments and benign market conditions

Expenses: Downwards trajectory according to plan, including lower costs for AML/Estonia and transformation

Expenses, Q1-21/Q1-20 (DKKm)



Expenses, Q1-21/Q4-20 (DKKm)



Highlights

Expenses adjusted for one-offs down 6% vs Q1-20 and 18% vs Q4-20

One-off of DKK 150 m related to provision for upcoming changes in the VAT setup following the ECJ ruling, and booking of DKK 122 m for Group-wide initiative to enable employees to work more effective, from home

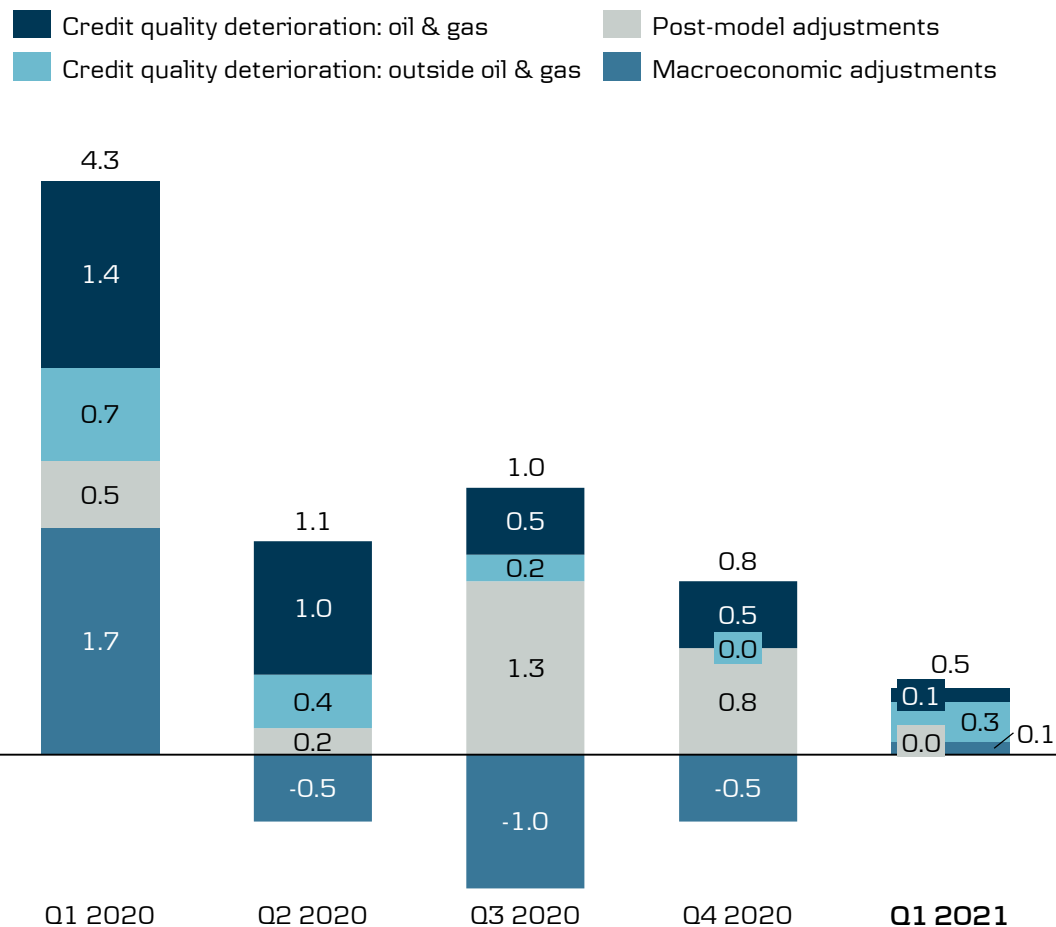
Transformation costs significantly down from Q4-20, when most of 2020's transformation costs were booked, including provision for '21

AML and Estonia case costs trending down according to plan

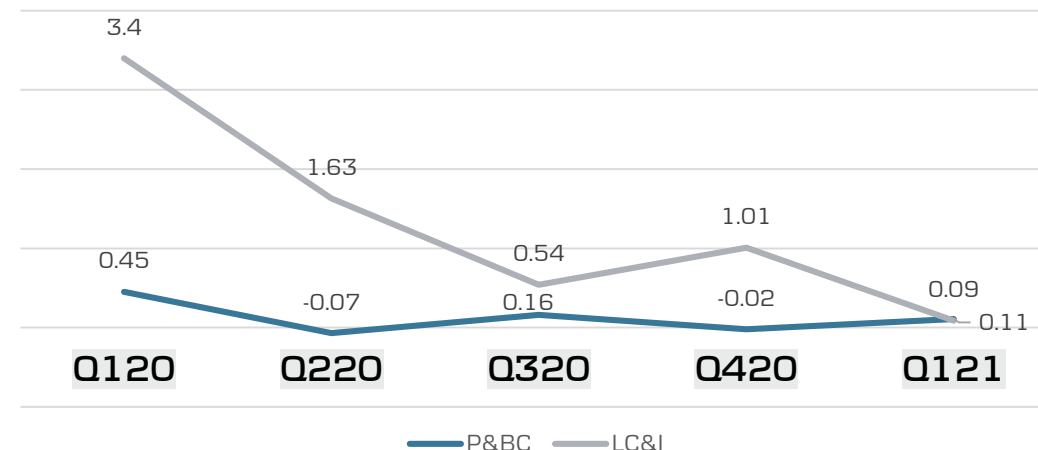
Underlying staff cost down as the layoff round at the end 2020 gathered effect. FTEs down 398 from Q4-20 and 604 from Q3-20

Impairments: Strong credit quality and low level of actual credit deterioration; individual exposures affected by pandemic accounted for most of the impairments in Q1

Impairment charges by category (DKK bn)



Loan loss ratio by business unit



Highlights

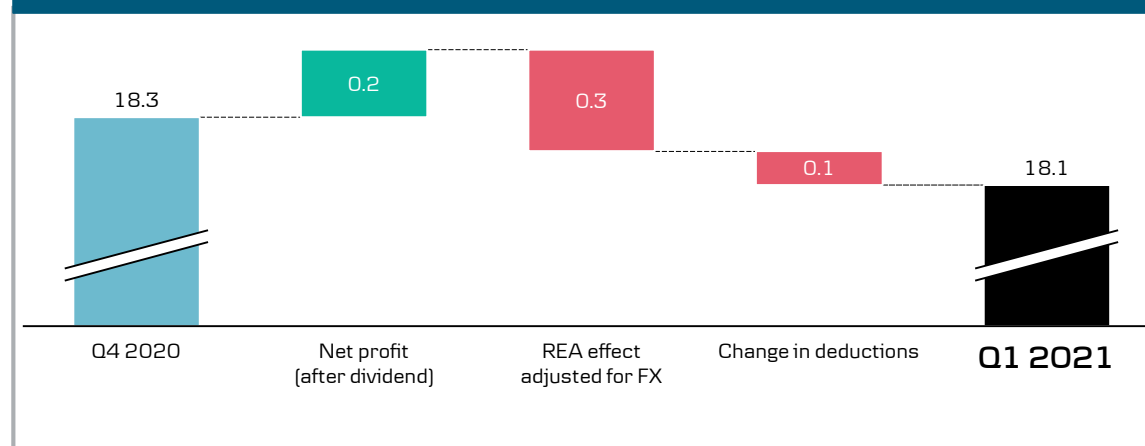
- P&BC accounted for the main part of impairment charges due to individual credit exposures affected by the corona crisis, for instance in the hotel, restaurants, and leisure segment. New charges were in line with expectations, and with limited spillover to other sectors
- Impairments decreased notably at LC&I owing to lower impairment charges against oil-related exposure; limited charges outside this sector

Capital: Strong capital base; CET1 capital ratio of 18.1% (buffer of 4.9%)

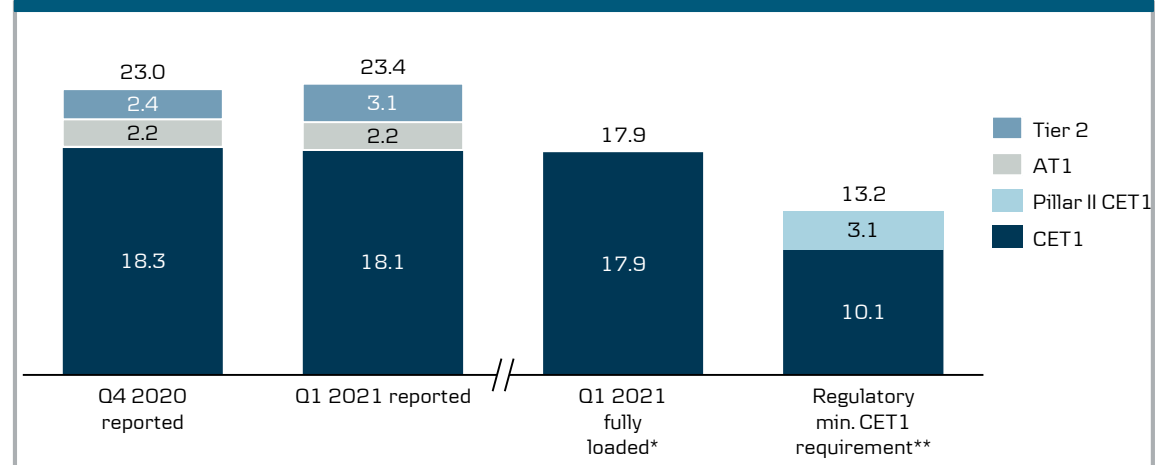
Key points

- **CET1 capital ratio** has decreased from 18.3% to 18.1% since Q4-20, due primarily to an increase in REA excl. FX of 0.3% points
- **Total REA** increased due mainly to the higher market risk and credit risk.
- Of the DKK 25-35 bn expected REA ¹⁾ increase for H1-21 related to implementation of EBA guidelines, approx. 12 bn has been implemented in Q1-21 and expect the remainder to take effect in Q2-20. Further increases expected for H2-21 of a similar magnitude as H1
- The Group's **leverage ratio** under transitional rules and under fully phased-in rules has decreased 0.1% point to 4.4% since Q4-2020

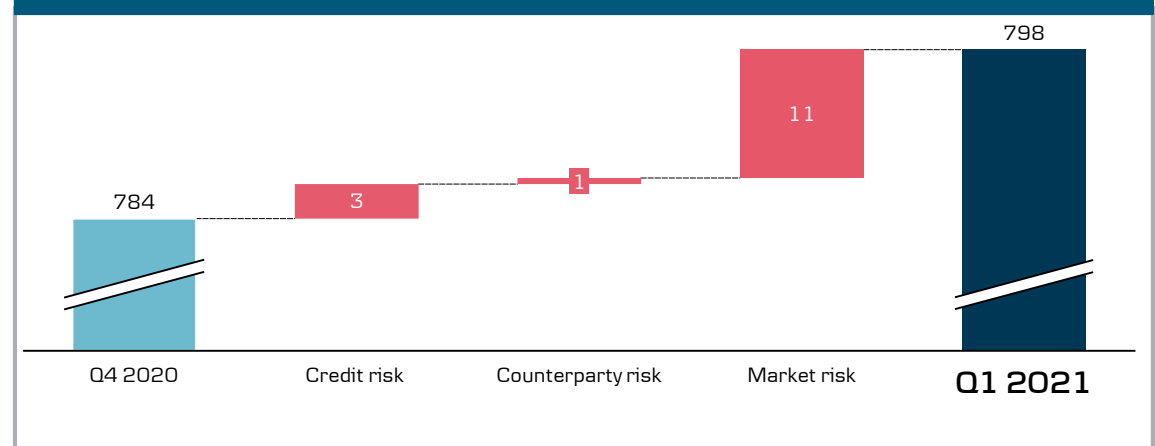
CET1 (%)



Capital ratios (%)



Total REA (DKK bn)



1) See Q4 2020 conference call presentation page 13

2021 outlook – We confirm our net profit guidance for the rest of the year



Total income

We expect total income to be slightly higher than the level in 2020, subject mainly to commercial momentum and broader economic developments



Expenses

Expenses are expected to be no more than DKK 24.5 bn, driven by ongoing cost initiatives and lower costs for transformation and remediation



Impairments

Loan impairments are expected to be no more than DKK 3.5bn, subject to a modest macroeconomic recovery based on a positive impact from COVID-19 vaccines



Net profit

We expect net profit to be in the range of DKK 9-11bn

Q&A session



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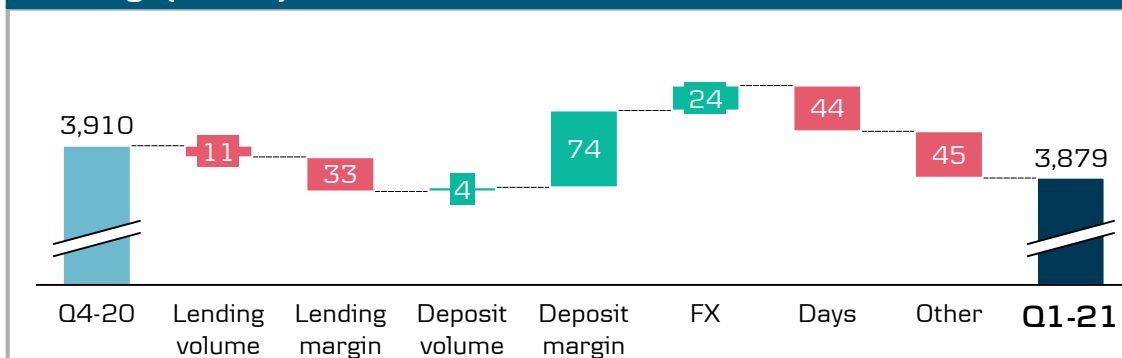
Appendix

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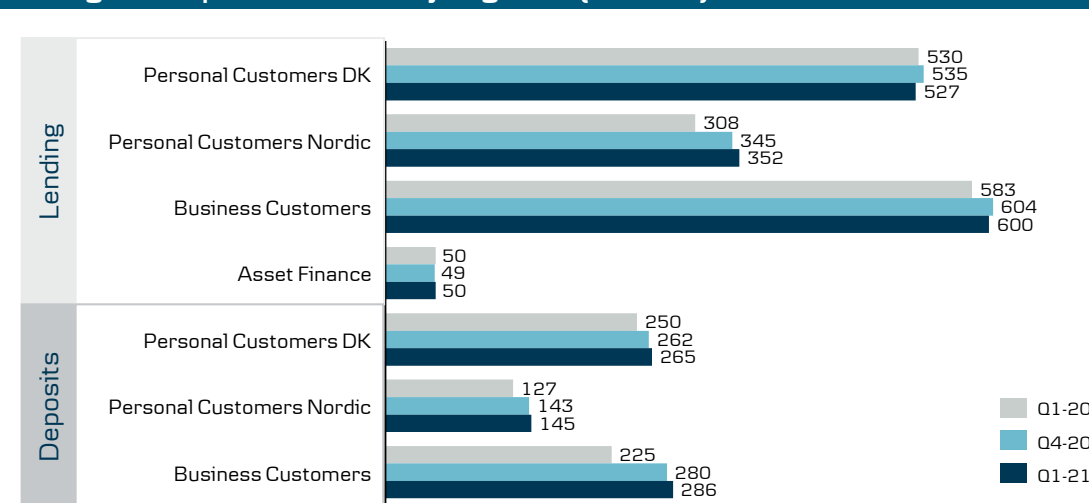
Personal & Business Customers

Income statement (DKK m)					
	Q1-21	Q1-20	Index	Q4-20	Index
Net interest income	3,879	3,951	98	3,910	99
Net fee income	1,750	1,815	96	1,414	124
Net trading income	150	162	93	153	98
Other income	196	194	101	164	120
Total income	5,975	6,122	98	5,641	106
Expenses	3,638	3,528	103	4,318	84
Impairment charges on goodwill	-	-	-	-	-
Profit before loan impairment charges	2,337	2,594	90	1,322	177
Loan impairment charges	435	1,751	25	-73	-
Profit before tax	1,903	843	226	1,396	136

NII bridge (DKK m)



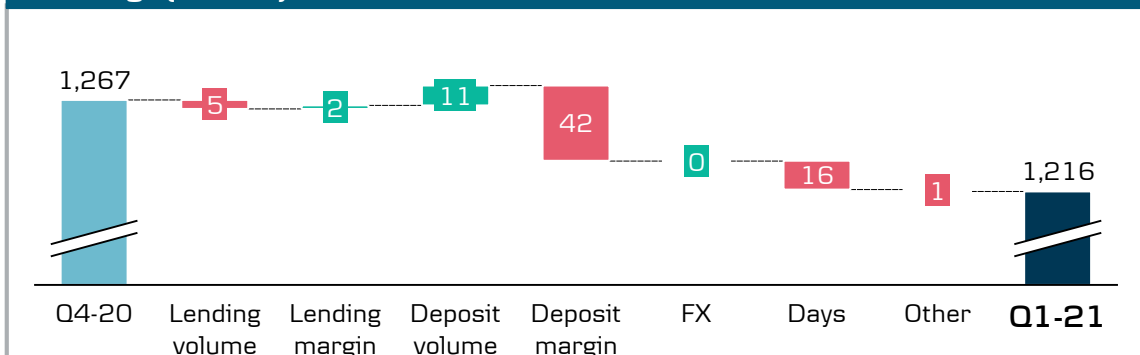
Lending and deposit volumes by segment (DKK bn)



Large Corporates and Institutions

Income statement (DKK m)					
	Q1-21	Q1-20	Index	Q4-20	Index
Net interest income	1,216	1,143	106	1,267	96
Net fee income	1,599	1,347	119	2,176	73
Net trading income	1,102	-154	-716	750	147
Other income	1	-	-	-1	-
Total income	3,918	2,336	168	4,191	93
Expenses	1,851	1,812	102	2,119	87
Impairment charges on goodwill	-	-	-	-	-
Profit before loan impairment charges	2,067	523	395	2,072	100
Loan impairment charges	69	2,328	3	703	10
Profit before tax	1,998	-1,804	-	1,368	146

NII bridge (DKK m)



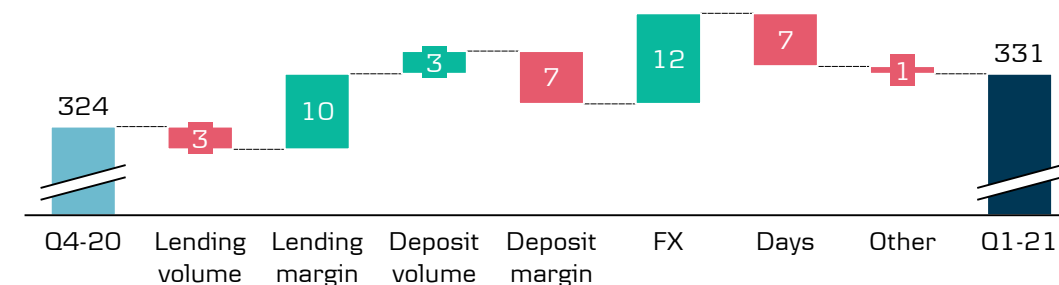
ECM Nordic League Table, [Source: Dealogic April 22]

Rank	Bookrunner	Deal value EUR (m)
1	Danske Bank	3,760
2	Morgan Stanley	3,163
3	Carnegie	1,576
4	ABG Sundal Collier	1,431
5	Pareto Securities	975
6	Nordea	879
7	SpareBank 1 Markets AS	594
8	DNB Markets	528
9	SEB	485
10	Arctic Securities AS	405

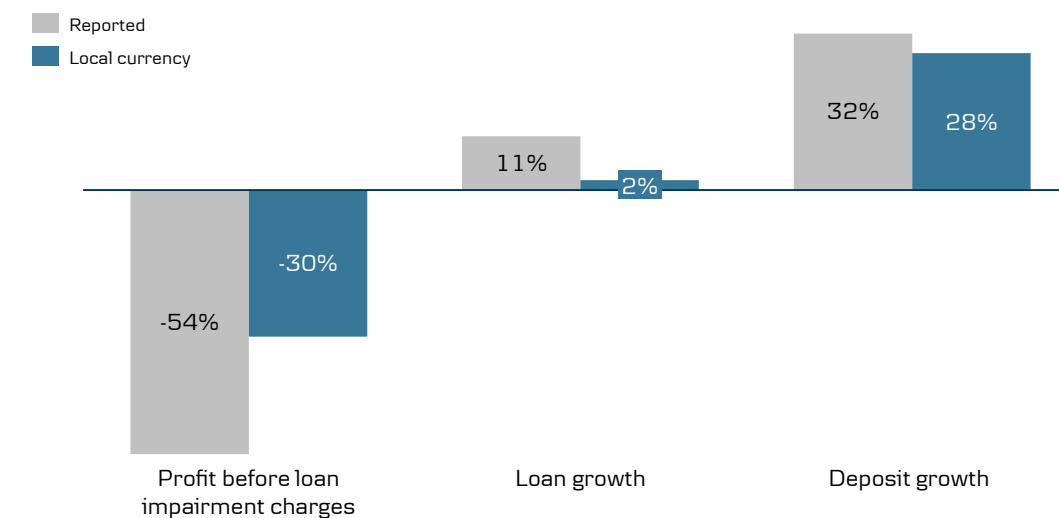
Northern Bank

Income statement (DKK m)					
	Q1-21	Q1-20	Index	Q4-20	Index
Net interest income	331	375	88	324	102
Net fee income	60	83	72	66	91
Net trading income	-20	52	-	6	-
Other income	3	4	75	4	75
Total income	374	515	73	400	94
Expenses	275	300	92	307	90
Profit before loan impairment charges	99	215	46	93	106
Loan impairment charges	-7	165	-	83	
Profit before tax	106	49	216	10	1,060

NII bridge (DKK m)



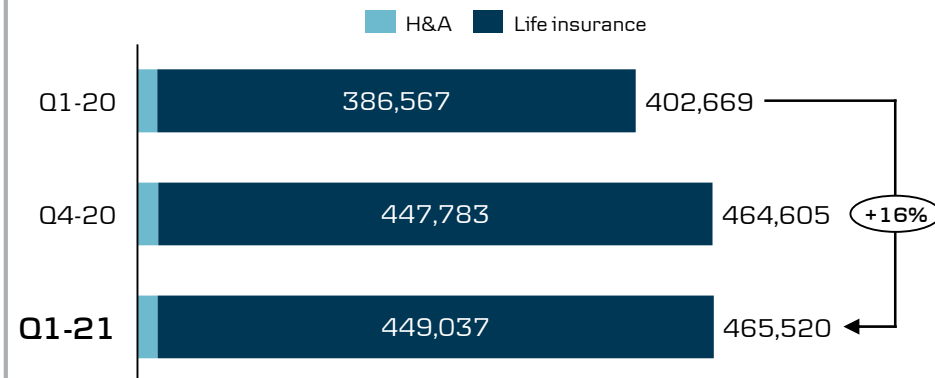
Currency-adjusted development Q1-21 vs Q1-20



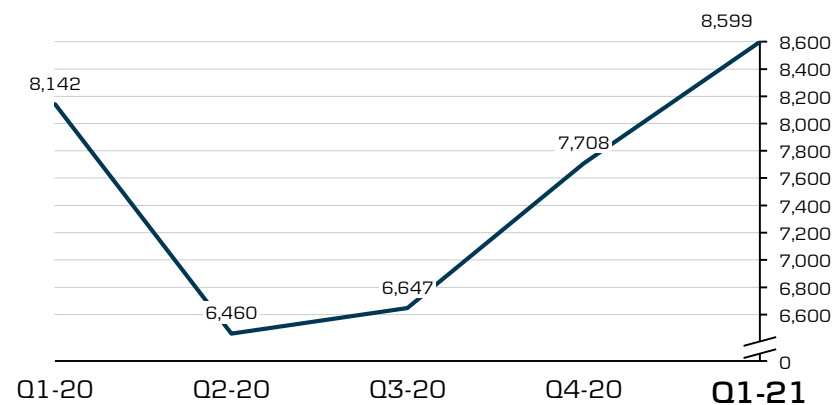
Danica Pension

Income statement and key figures (DKK m)					
	Q1-21	Q1-20	Index	Q4-20	Index
Result, life insurance	784	453	173	569	138
Result, health and accident insurance	-290	-274	106	-84	345
Return on investments, shareholders' equity, etc.	0	-157	0	-76	0
Goodwill impairment	0	0		0	
Discontinued operations	0	0		0	
Net income before tax at Danica Pension¹	494	22	2245	409	121
Included within Group Treasury	-3	77	-	-59	-
Net income from insurance business	491	99	496	350	140
Premiums, insurance contracts	8,599	8,142	106	7,708	112
Premiums, investment contracts	649	401	162	375	173
Provisions, insurance contracts	427,885	384,333	111	428,736	100
Provisions, investment contracts	32,317	21,917	147	29,525	109

Asset under management (DKK m)

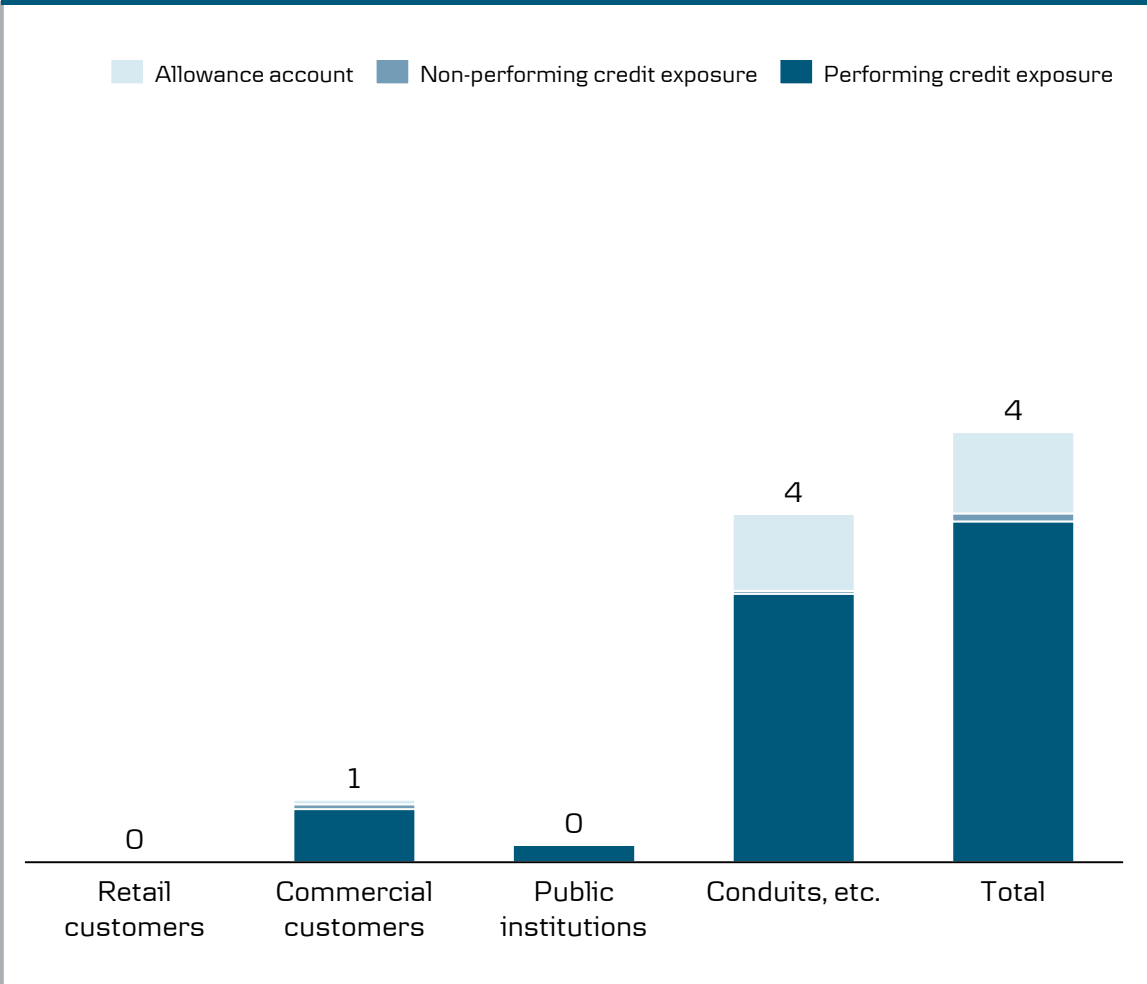


Development in premiums, insurance contracts

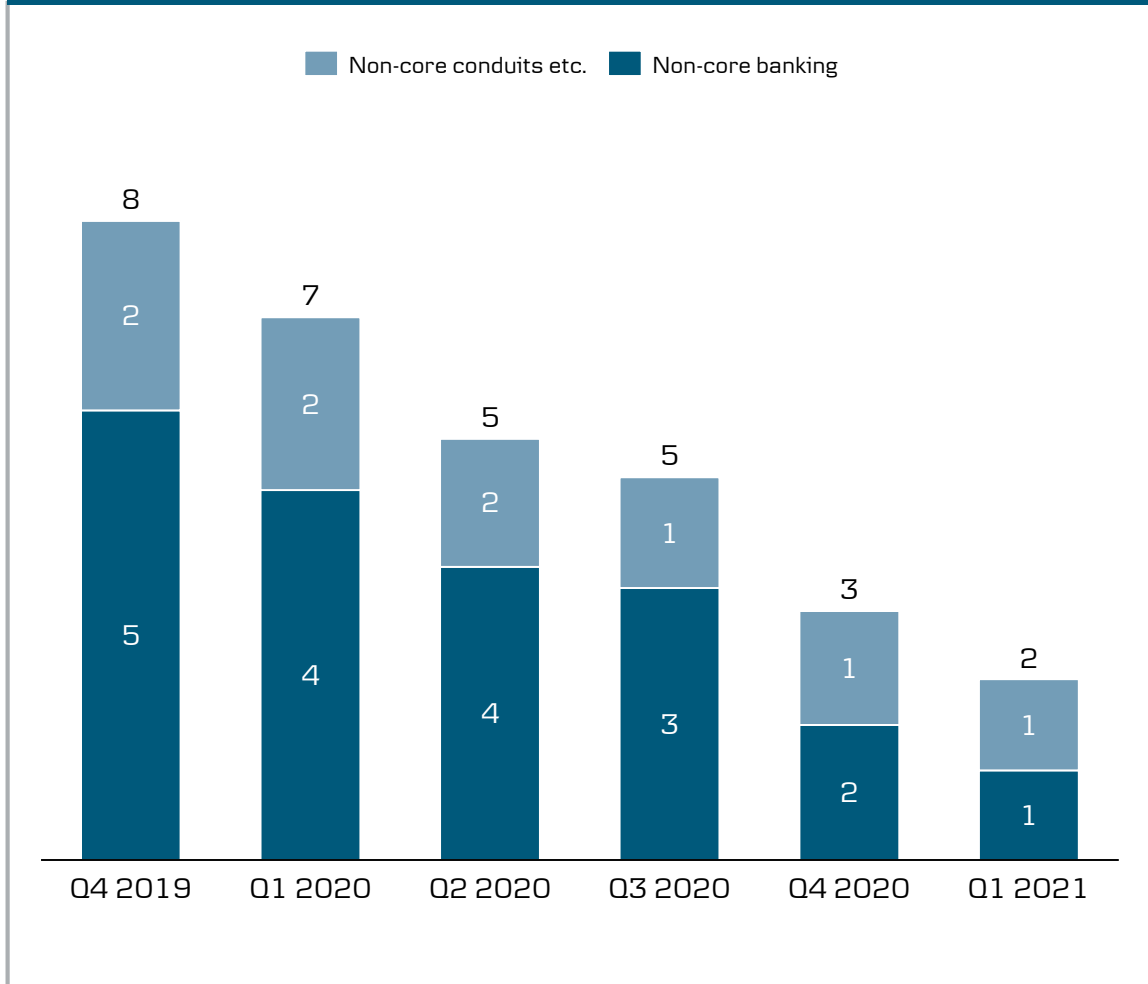
¹Figures for Danica Group

Non-core

Non-core loan portfolio, Q1-21 (DKK bn)

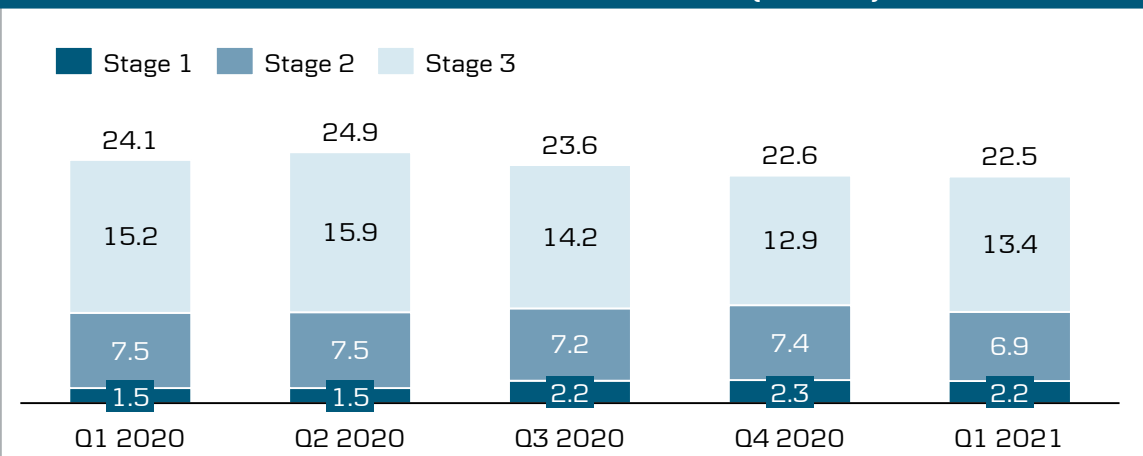


Non-core, Q1-21 REA (DKK bn)

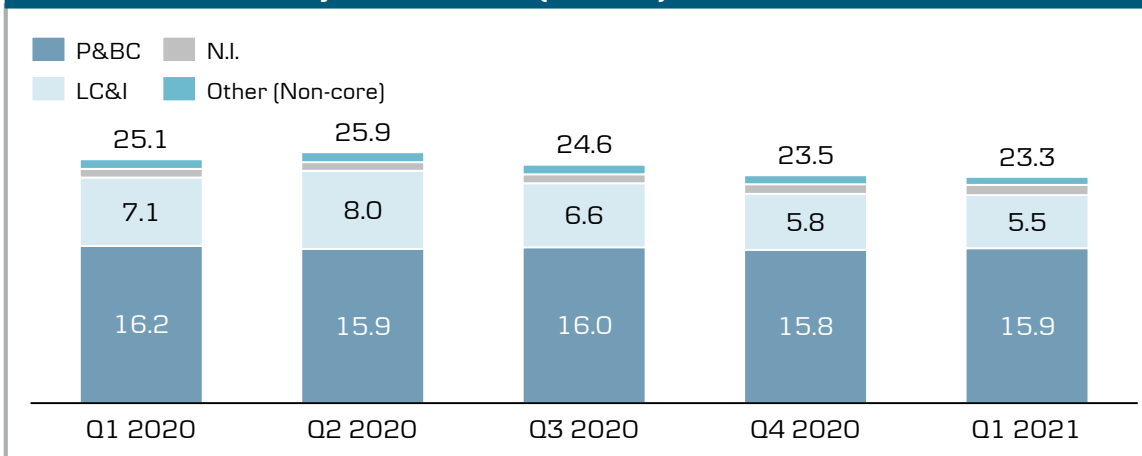


Credit quality: Low level of actual credit deterioration

Breakdown of core allowance account under IFRS 9 (DKK bn)



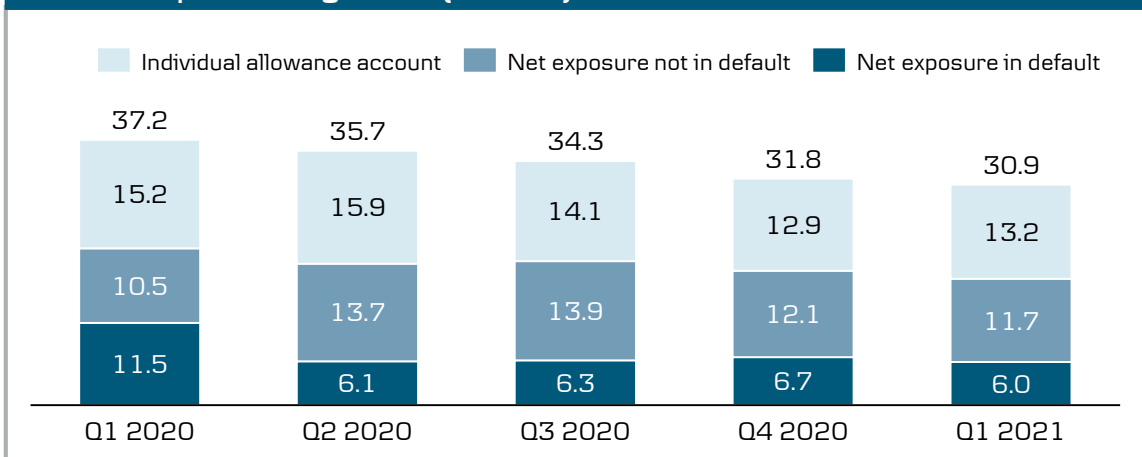
Allowance account by business unit (DKK bn)



Breakdown of stage 2 allowance account and exposure (DKK bn)

	Allowance account	Gross credit exposure	Allowance as % of gross exposure
Personal customers	2.2	1,029.1	0,21%
Agriculture	0.9	70.7	1,22%
Commercial property	1.1	318.7	0,34%
Shipping, oil and gas	0.4	47.2	0,86%
Services	0.2	6.7	0,26%
Other	2.2	1,199.0	0,18%
Total	6.9	2,732.0	0,25%

Gross non-performing loans* (DKK bn)



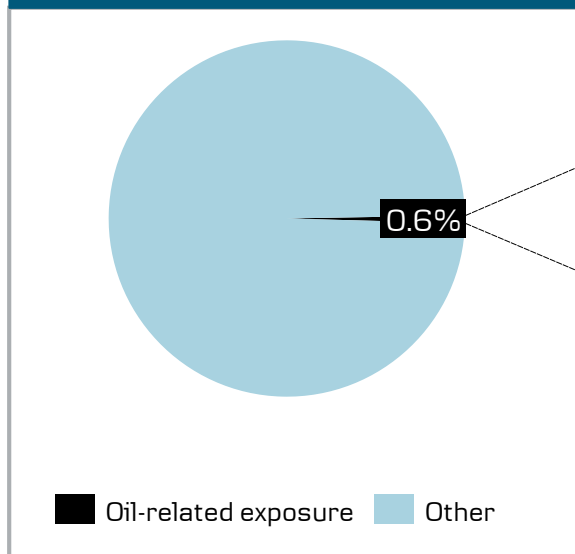
* Non-performing loans are loans in stage 3 against which significant impairments have been made.

Oil-related exposure: Q1 saw impairment charges at a lower level

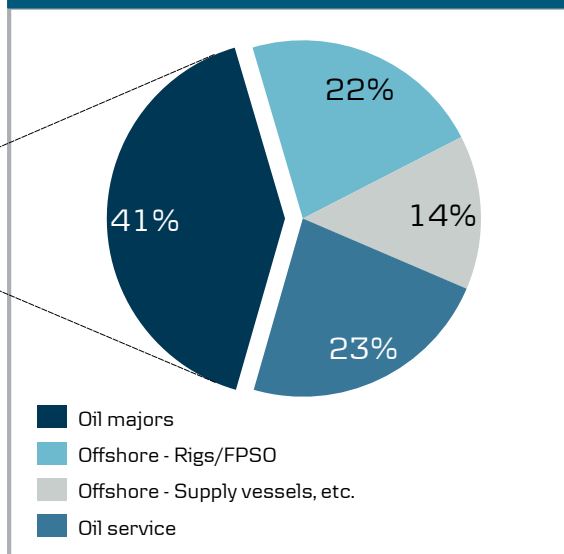
Key points, Q1-21

- The offshore segment, in which we see credit deterioration, makes up 36% of the exposure and accounts for 75% of expected credit losses. Uncertainty continues in the oil & gas industry
- Looking at oil-related exposures, the main risk lies with exposures other than oil majors. Since the end of 2019, these net exposures have been actively brought down 45%
- Furthermore, of the remaining net credit exposure of DKK 8.3 billion, 72% is covered by collateral

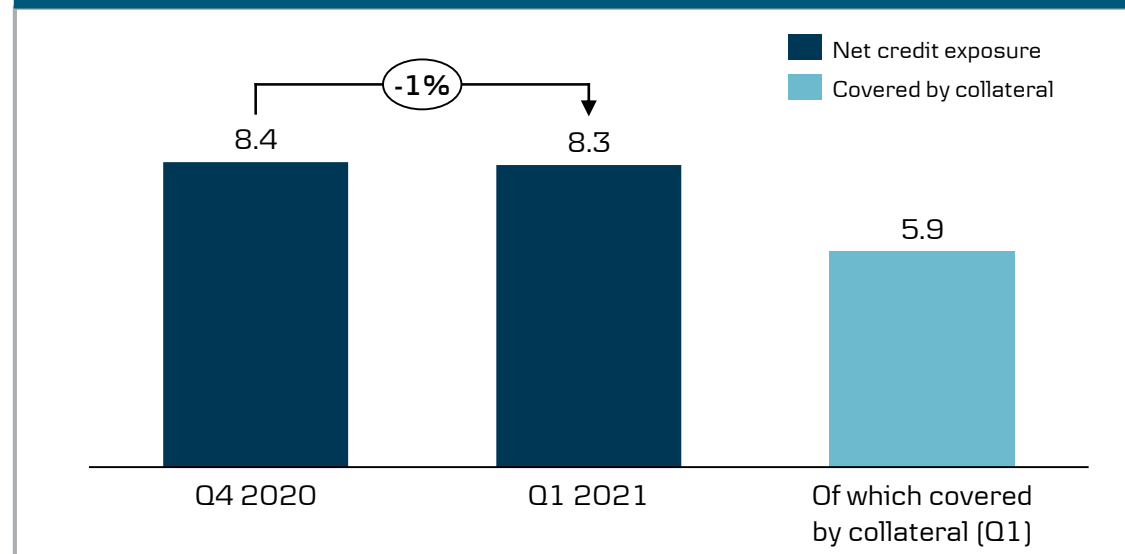
Group gross credit exposure
(DKK 2,73 bn)



Oil-related gross credit exposure
(DKK 17.8 bn)



Development in oil-related net credit exposure (excl. oil majors)



Credit exposure: Limited agriculture and directly oil-related exposure

Agriculture exposure

- African Swine Fever (ASF), which spread to Germany in Q3 2020, continues to cause uncertainty for the industry. Therefore, the post-model adjustments applied remain in place. Milk and pork prices weakened slightly from levels of the preceding quarter
- Total accumulated impairments amounted to DKK 2.5 bn in Q1-21 against DKK 2.4 bn in Q4-20

Oil-related exposure

- Total oil-related exposure was more or less unchanged from the preceding quarter
- Accumulated impairments at LC&I decreased to DKK 2.2 bn, driven by write-offs. However, some additional impairments were still made in the quarter, mainly in the offshore segment.
- Most of the oil-related exposure is managed by specialist teams for customer relationship and credit management at LC&I

Agriculture by segment, Q1 2021 (DKK m)

	Gross credit exposure	Portion from RD	Expected credit loss	Net credit exposure	NPL coverage ratio
P&BC	56,794	36,475	2,360	54,434	95%
Growing of crops, cereals, etc.	23,511	18,348	593	22,919	95%
Dairy	10,024	6,735	930	9,094	95%
Pig breeding	10,468	8,335	590	9,878	99%
Mixed operations etc.	12,791	3,058	247	12,544	77%
LC&I	8,911	1,654	48	8,863	45%
Northern Ireland	5,007		94	4,913	50%
Others	0		0	0	-
Total	70,712	38,130	2,502	68,210	90%
	Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4		
	2.5%	7.6%	2,447		

Oil-related exposure, Q1 2021 (DKK m)

	Gross credit exposure	Expected credit loss	Net credit exposure
LC&I	17,714	2,211	15,504
Oil majors	7,370	2	7,367
Oil service	3,924	538	3,386
Offshore	6,420	1,670	4,751
P&BC	160	5	155
Oil majors	15	0	15
Oil service	139	5	134
Offshore	6	0	6
Others	2	0	2
Total	17,876	2,216	15,661
	Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4
	0.6%	16.8%	2,390

* The credit exposure is reported as part of the shipping, oil and gas industry in our financial statements.

Credit exposure: Limited exposure to transportation, hotels, restaurants and leisure

Transportation exposure

- Total gross exposure* increased DKK 1 bn to DKK 16.6 bn from the Q4-20 level due mainly to increased exposure to a few A-rated customers in passenger transport
- Demand for cross-border passenger transport remains dramatically reduced. Danske Bank's spending monitor of 22 April shows that even though airline spending has increased it is only around 30% of the level 2019. At DKK 0.9 bn, our exposure to passenger air transport remains limited
- Accumulated impairments amounted to DKK 310 million in Q1, which is in line with Q4-20. Post-model adjustments for corona crisis high-risk industries remains in place

Hotels, restaurant and leisure exposure

- Total gross exposure was down slightly from the preceding quarter. While exposure to leisure and restaurants increased, exposure to hotels decreased DKK 0.5 bn
- Impairments increased to DKK 629 million from 552 million in Q4 2020

Transportation by segment, Q1-21(DKK m)

	Gross credit exposure	Expected credit loss	Net credit exposure
Freight transport	9,038	112	8,925
Passenger transport	6,589	178	6,411
- of which air transport	888	49	840
Postal services	993	20	974
Total	16,620	310	16,310
Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4	
0.6%	4.1%	325	

Hotels, restaurants and leisure by segment, Q1-21 (DKK m)

	Gross credit exposure	Expected credit loss	Net credit exposure
Hotels	6,832	228	6,604
Restaurants	4,800	184	4,616
Leisure	4,269	216	4,052
Total	15,902	629	15,272
Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4	
0.6%	5.2%	552	

* The numbers do not include exposure to businesses that are hit by a second wave impact, e.g. airports and service companies.

Credit exposure: Limited exposure to retailing and stable credit quality in commercial real estate

Retailing

- Total gross exposure stayed at DKK 27.1 bn while the Q/Q changes in two subsegments was single-name driven. The share of Group net exposure remained at 1.0%.
- In recent years, we have had a selective approach to this segment and have generally decreased exposure
- Accumulated impairments did not change significantly in Q1-21

Commercial real estate

- Gross exposure decreased to DKK 319 bn in Q1-21 from DKK 331 bn in Q4-20 - driven mainly by single-name exposure
- Overall, credit quality was stable
- Exposure is managed through the Group's credit risk appetite and includes a selective approach to sub-segments and markets
- Commercial property exposure is managed by a specialist team

Retailing by segment, Q1 2021 (DKK m)

	Gross credit exposure	Expected credit loss	Net credit exposure
Consumer discretionary	11,904	999	10,905
Consumer staples	15,235	79	15,157
Total	27,140	1,077	26,062

Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4
1.0%	5.6%	1,264

Commercial real estate by segment, Q1 2021 (DKK m)

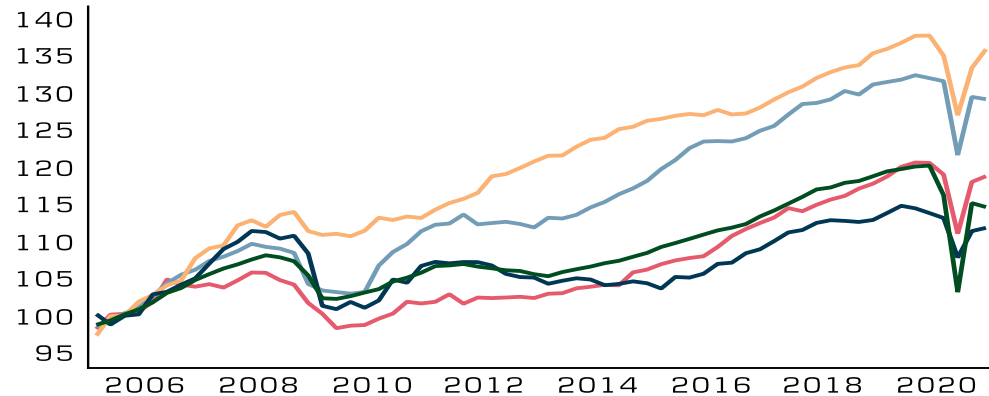
	Gross credit exposure	Expected credit loss	Net credit exposure
Non-residential	170,656	1,947	168,709
Residential	137,065	751	136,314
Property developers	10,566	163	10,403
Buying/selling own property, etc	396	-	396
Total	318,683	2,861	315,821

Share of Group net exposure 2021Q1	Share of Group net NPL 2021Q1	Expected credit loss 2020Q4
11.7%	12.7%	2,628

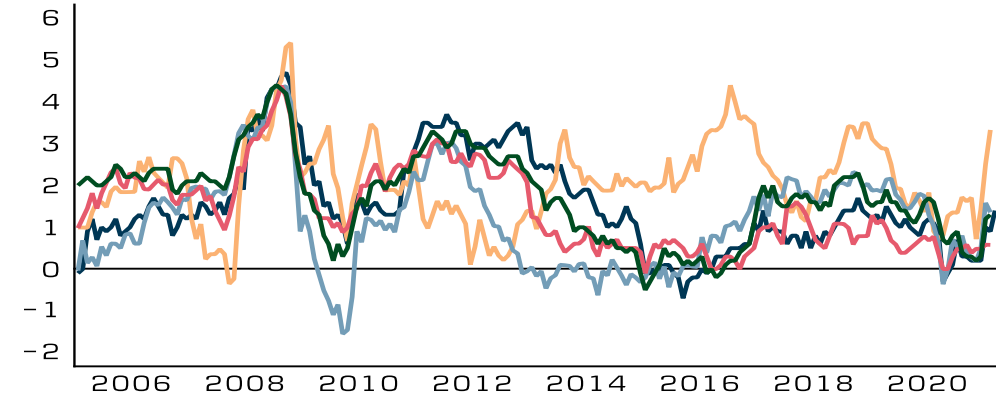
Nordic macroeconomics

Denmark Sweden Norway Finland EU

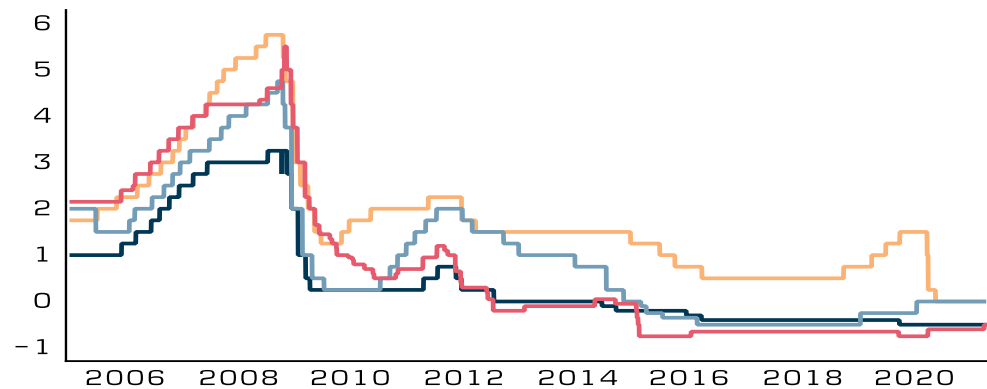
Real GDP, constant prices (index 2005 = 100)



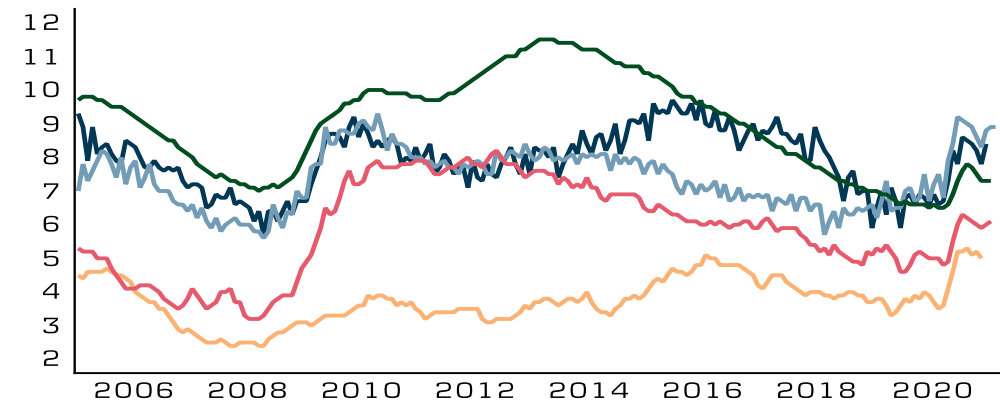
Inflation (%)



Interest rates, leading (%)



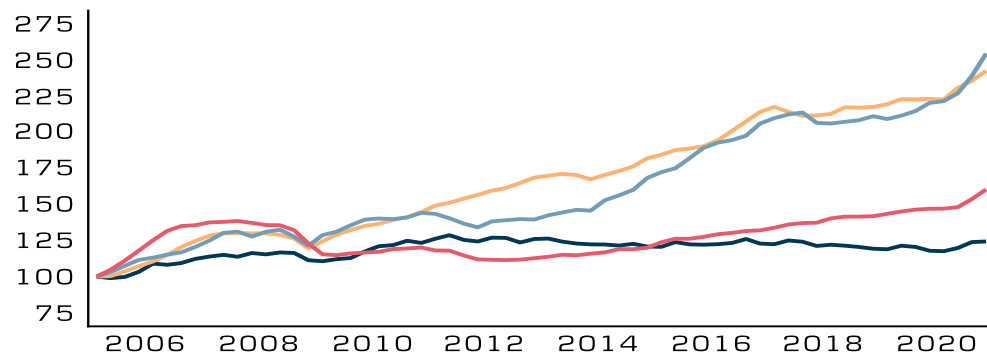
Unemployment (%)



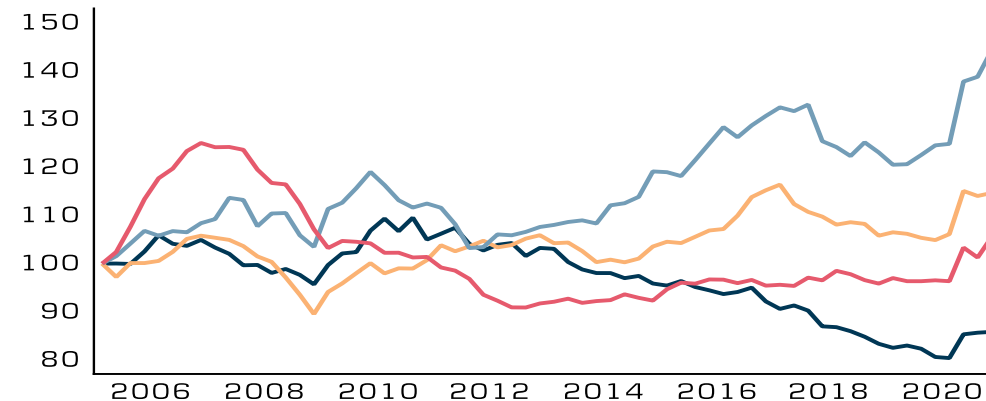
Nordic housing markets

Denmark Sweden Norway Finland EU

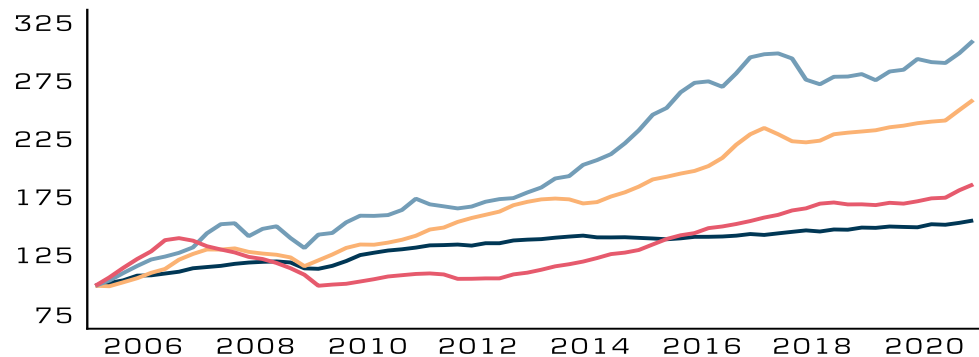
Property prices (index 2005 = 100)



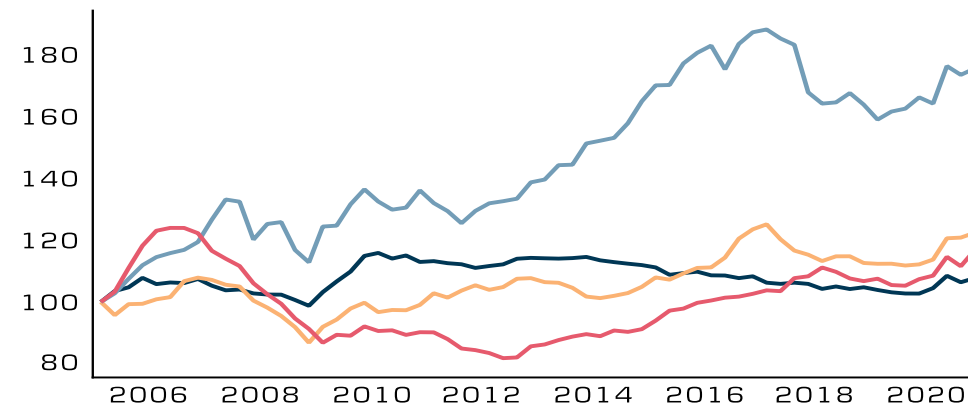
House prices/nom. GDP (index 2005 = 100)



Apartment prices (index 2005 = 100)

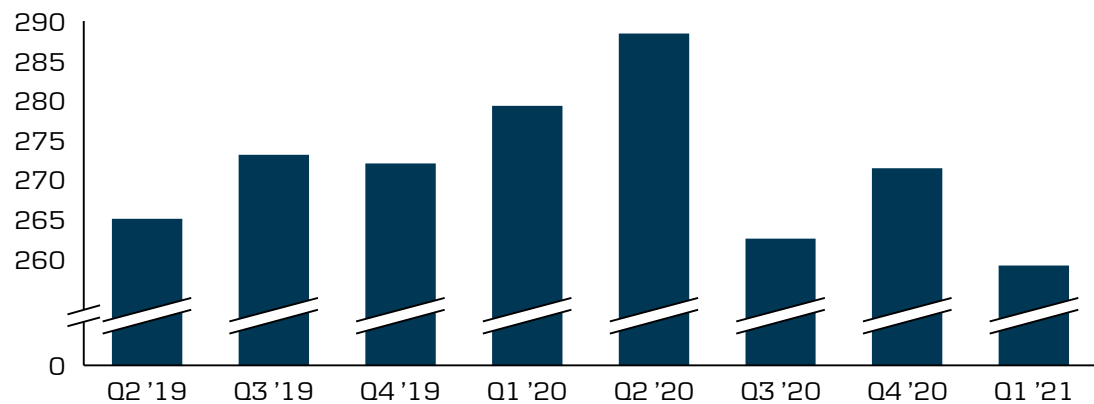


Apartment prices/nom. GDP (index 2005 = 100)

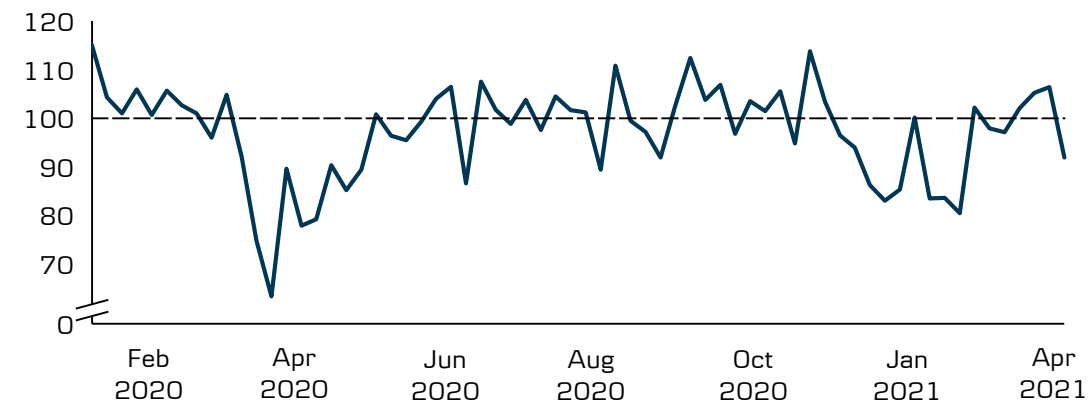


Consumer behavioural metrics

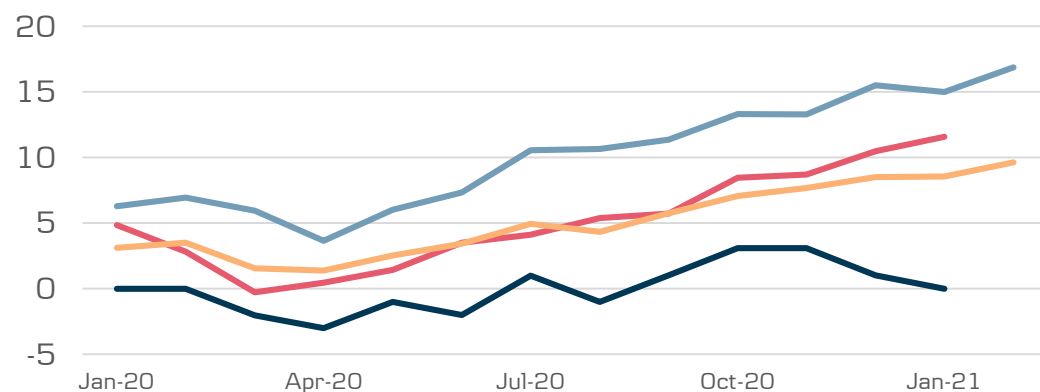
C&I lending volume (DKK bn)



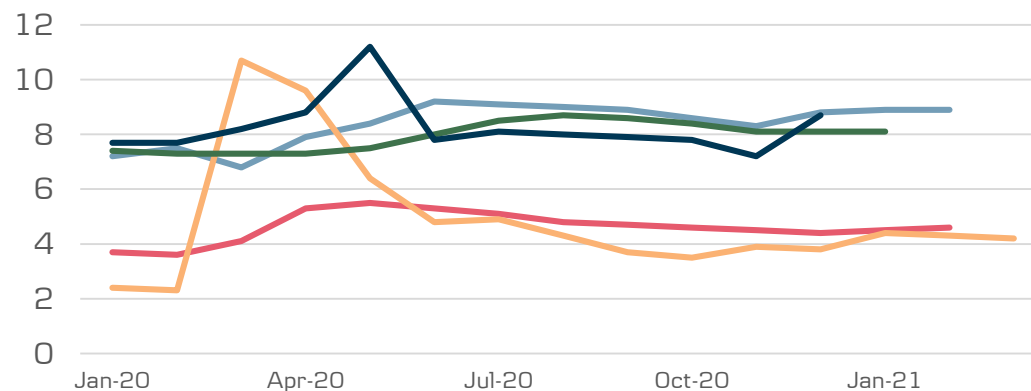
Consumer spending, Denmark (same weekday 2019 = 100)



Property prices (change y/y in %)



Unemployment (%)



Realkredit Danmark portfolio overview: 71% of new retail lending in Q1 was fixed-rate vs 48% of stock

C&I lending volume (DKK bn)

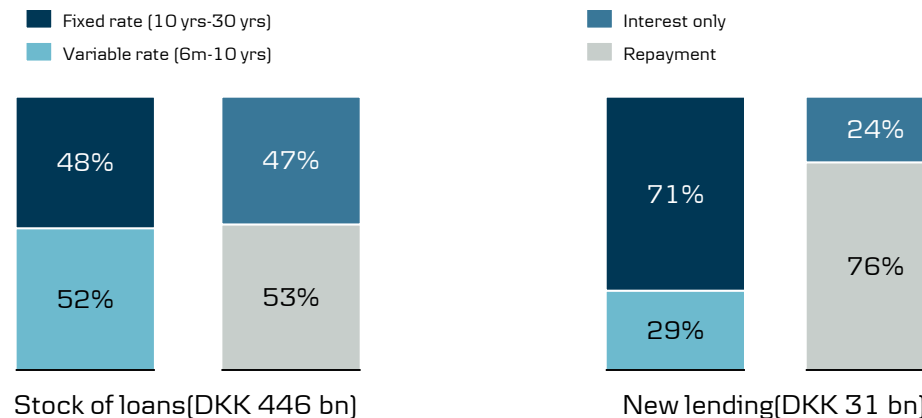
Portfolio facts, Realkredit Danmark, Q1 2021

- Approx. 336,000 loans (residential and commercial)
- 849 loans in 3- and 6-month arrears (-10% since Q4 2020)
- 13 repossessed properties (-8 since Q4 2020)
- DKK 9 bn in loans with an LTV ratio >100%, including DKK 7 bn covered by a public guarantee
- Average LTV ratio of 58%
- We comply with all five requirements of the supervisory diamond for Danish mortgage credit institutions

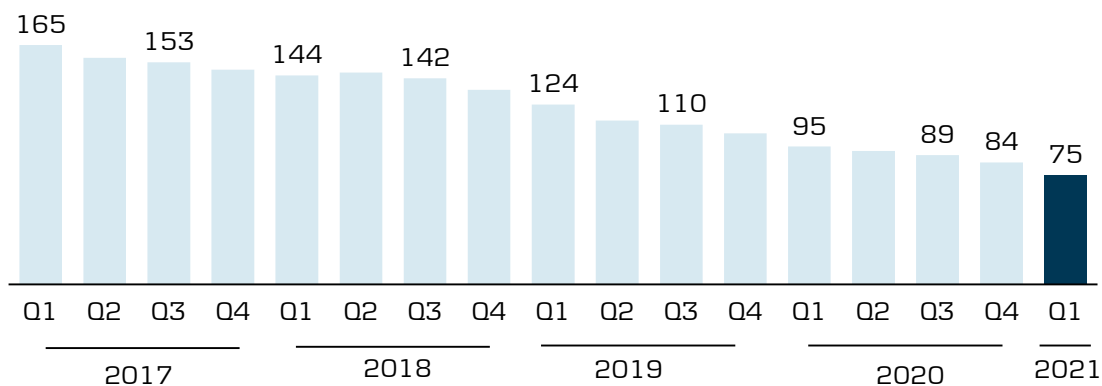
LTV ratio limit at origination (legal requirement)

- Residential: 80%
- Commercial: 60%

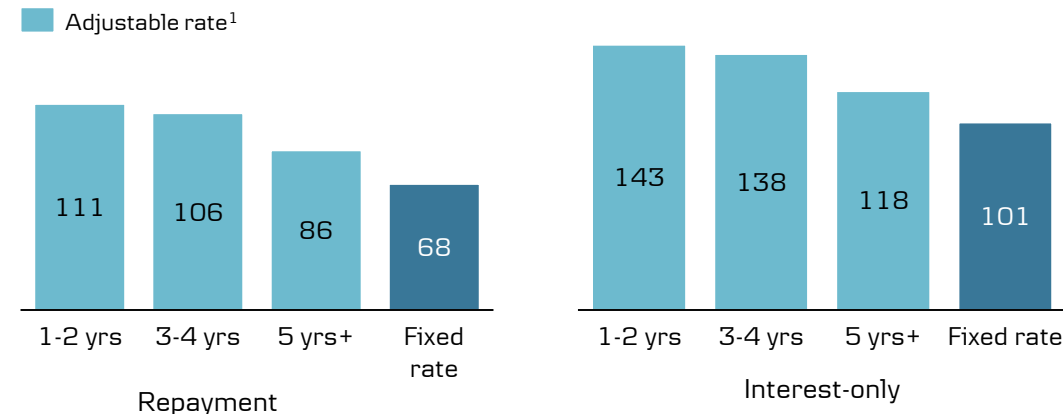
Retail loans, Realkredit Danmark, Q1 2021 (%)



Total RD loan portfolio of FlexLån® F1-F4 (DKK bn)



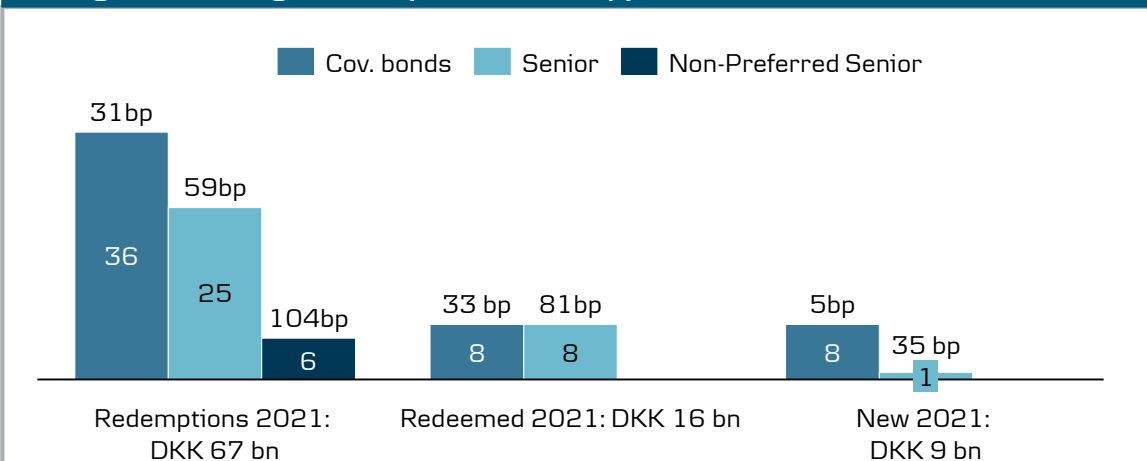
Retail mortgage margins, LTV of 80%, owner-occupied (bp)



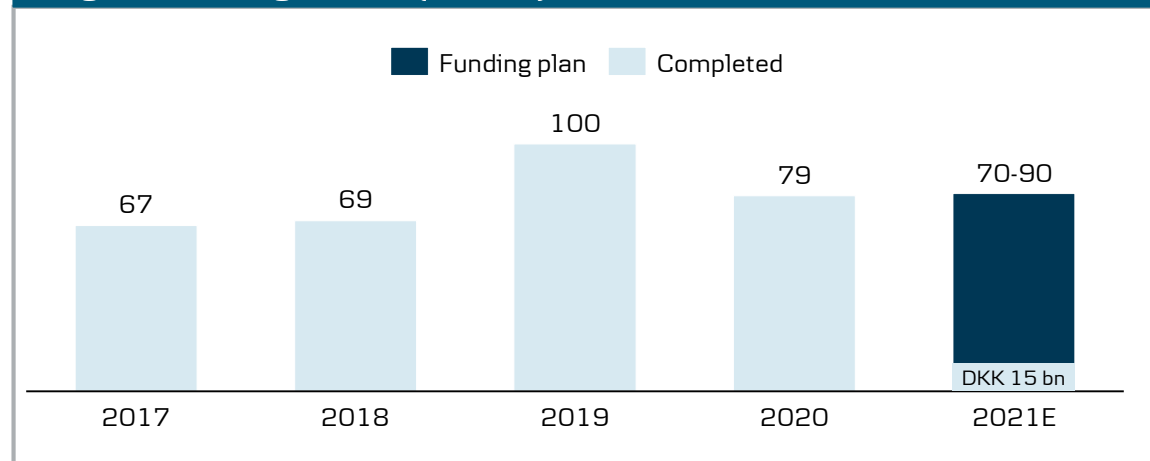
¹ In addition, we charge 30 bp of the bond price for refinancing of 1- and 2-year floaters and 20 bp for floaters of 3 or more years (booked as net fee income).

Funding and liquidity: LCR compliant at 151%

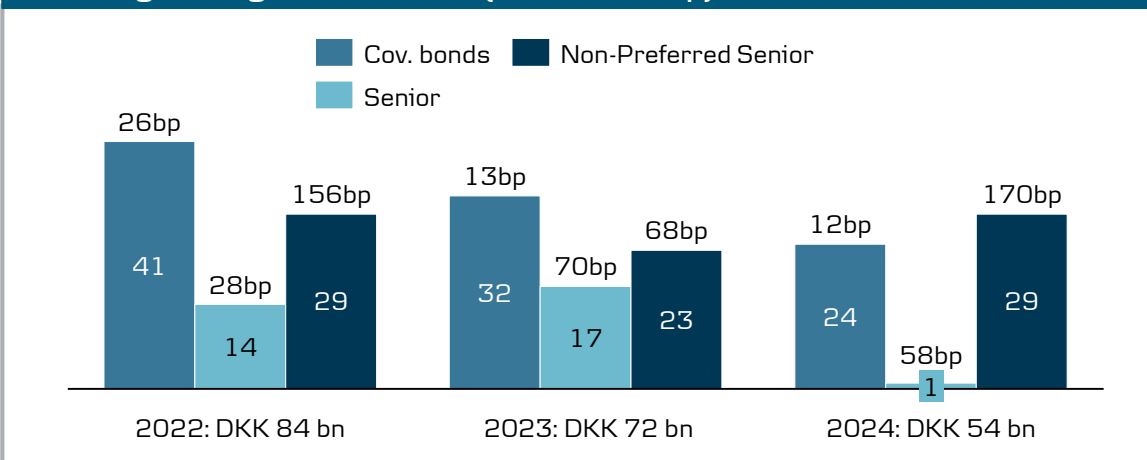
Changes in funding,* 2021 (DKK bn and bp)



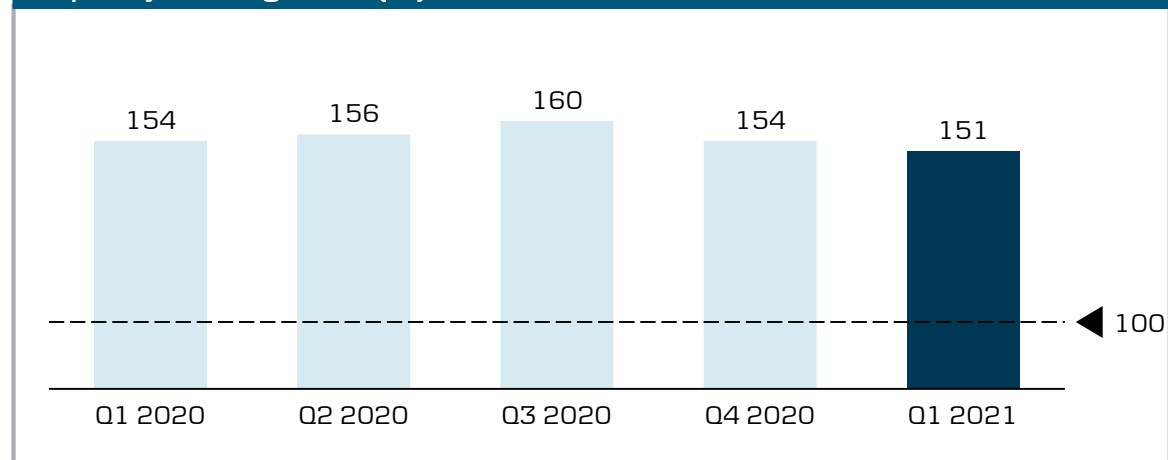
Long-term funding excl. RD (DKK bn)**



Maturing funding,* 2022-2024 (DKK bn and bp)



Liquidity coverage ratio (%)

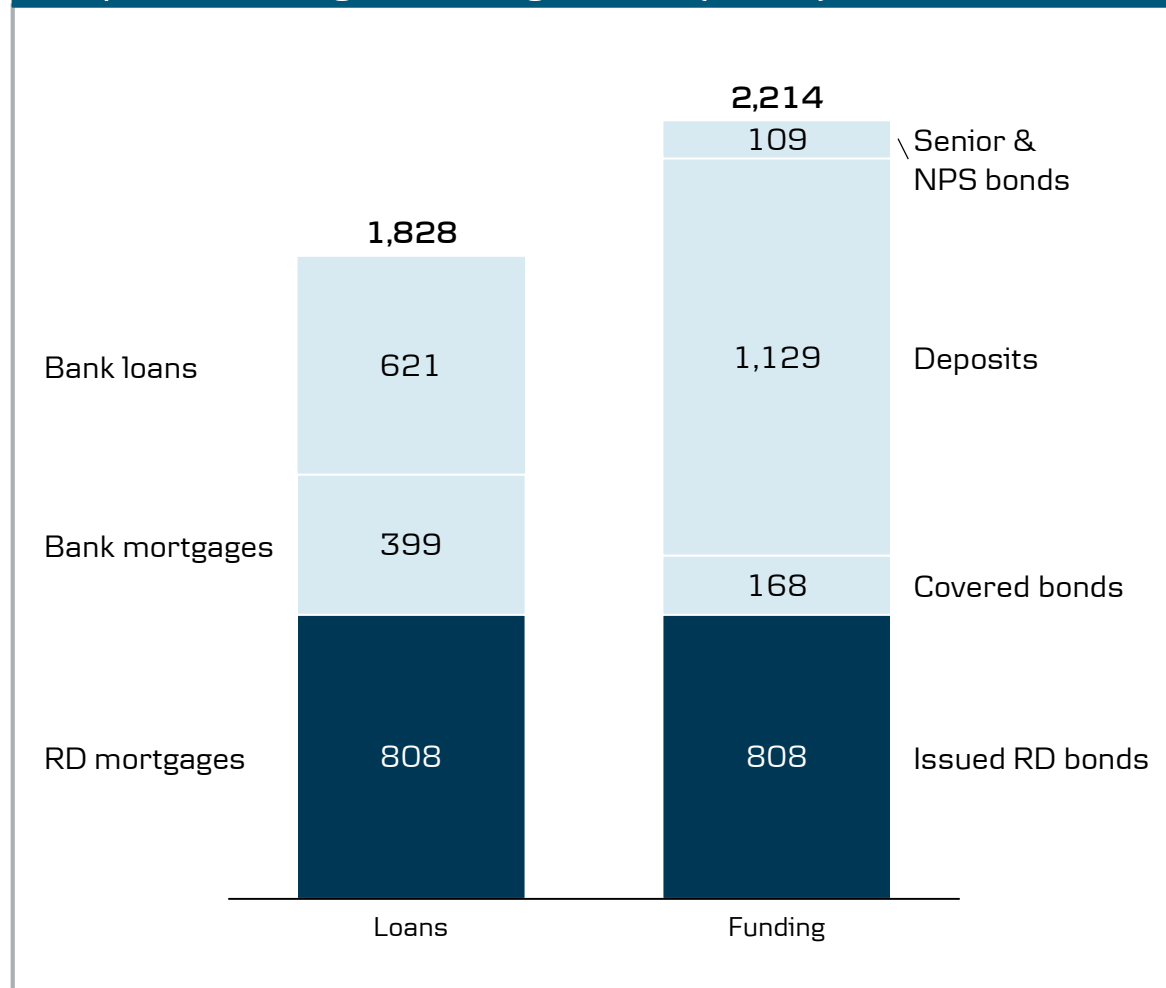


* Spread over 3M EURIBOR.

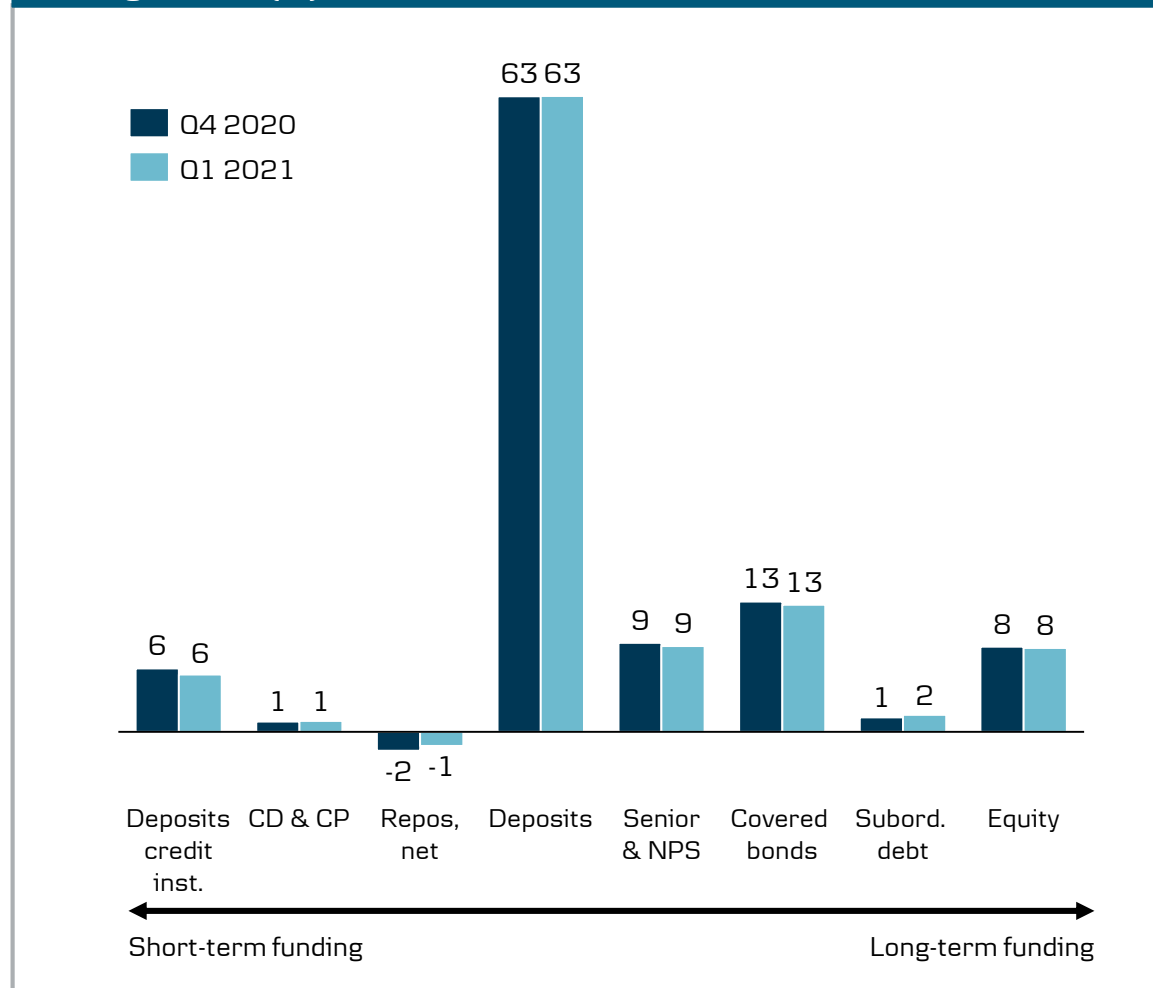
** Includes covered bonds, senior, non-preferred senior and capital instruments, excl. RD, .

Funding structure and sources: Danish mortgage system is fully pass-through

Loan portfolio and long-term funding, Q1 2021 (DKK bn)



Funding sources (%)

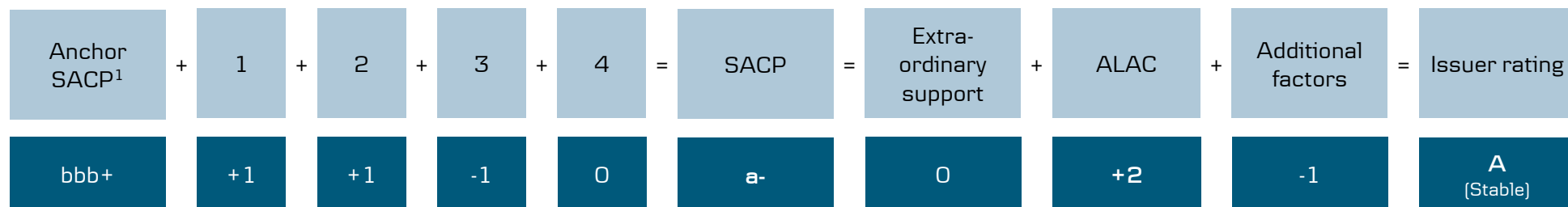


Three distinct methods for rating banks

Danske Bank's rating

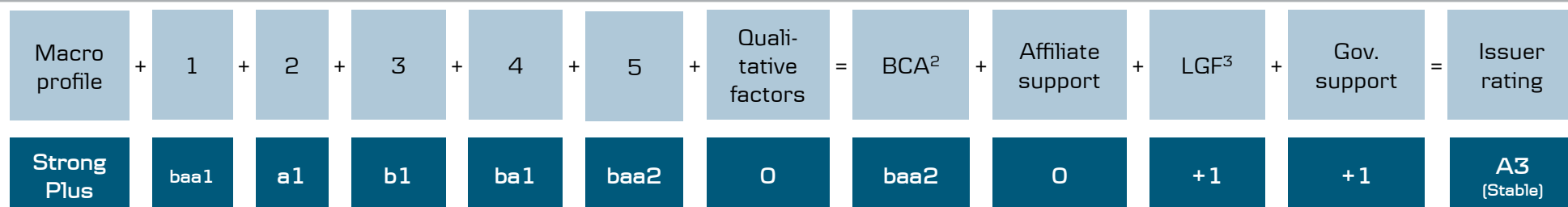
Rating methodology

S&P Global Ratings



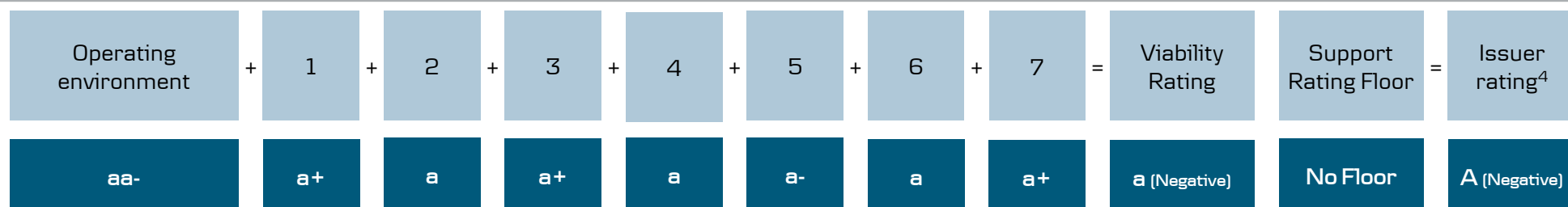
1=Business Position, 2=Capital & Earnings, 3=Risk Position, 4=Funding & Liquidity

MOODY'S



1=Asset Risk, 2=Capital, 3=Profitability, 4=Funding Structure, 5=Liquid resources

Fitch Ratings



1=Company Profile, 2=Management/Strategy, 3=Risk Appetite, 4=Asset Quality, 5=Profitability, 6=Capitalisation, 7=Funding/Liquidity

¹ Stand-Alone Credit Profile. ² Baseline Credit Assessment. ³ Loss Given Failure. ⁴ Issuer rating is the higher of the Viability Rating and Support Rating Floor.

Tax

Actual and adjusted tax rates (DKK m)

	Q12021	Q42020	Q32020	Q22020	Q12020
Profit before tax	4,054	2,059	2,796	3,112	-1,663
Permanent non-taxable difference	164	1,409	295	365	-76
Adjusted pre-tax profit, Group	4,217	3,468	3,091	3,477	-1,739
Tax according to P&L	914	609	693	787	-374
Taxes from previous years	10	120	-32	-16	-24
Adjusted tax	924	729	661	771	-398
Adjusted tax rate	21.9%	21.0%	21.4%	22.2%	22.3%
Actual/Effective tax rate	21.7%	29.6%	24.8%	25.3%	20.6%
Actual/Effective tax rate excluding one-offs & prior year reg.	22.8%	35.4%	23.6%	24.8%	23.9%

Tax drivers, Q1 2021

- The actual tax rate of 22.8% (excluding prior-year regulations) is higher than the Danish rate of 22% due primarily to the tax effect from non-deductible expenses
- The permanent non-taxable difference derives from tax-exempt income/expenses, such as value adjustments on shares
- The adjusted tax rate of 21.9% is on level with the Danish rate of 22% as the higher tax rate in Norway is being offset by lower tax rates in Sweden and Finland.

Material extraordinary items in Q1 2021

One-off items in Q1 2021	Impact (DKK m)	P&L line affected
Gain on sale of Visa C shares	227	Trading
Provision for home office allowance	-122	Expenses
Provision for upcoming changes in the VAT setup following ruling from ECJ	-150	Expenses
Provision for changed method for PAL tax in Danica H&A	-200	Net income from insurance business

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