Presentation for Q2 conference call

Financial results - first half 2024

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Chief Executive Officer

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Strong financial performance and traction towards targets highlight progress on Forward '28 strategy; distribution outlook for 2024 in line with financial ambitions

Highlights

- Strong performance and constructive outlook underpinned by dedicated customer focus and improved macro environment
- High activity drives fee uplift, contributing to higher core banking income, while some sectors remain impacted by sentiment
- Strong corporate franchise support customer engagement, supported by high DCM activity and improved lending volumes
- Housing market activity gradually recovers and retail deposit volumes improved further
- Progress on commercial agenda with continued traction within prioritised segments and increased engagement in relation to green financing and advisory offerings
- Capital distribution with reaffirmed CET1 target >16%:
  - ✓ Announcing accelerated interim dividend of DKK 7.5/share reflecting ~56% of H124 net profit*
  - ✓ Intention to pay an extraordinary dividend of approx. DKK 5.5bn related to release of capital from PC Norway sale (upon closing)
  - ✓ For FY24, the BoD intends to distribute full remaining net profit in 2025**

Net profit of DKK 5.8bn

Equivalent to a ROE of 13.3% in Q2

Core banking income +11%

Underpinned by NII up 11% and solid fee uplift up 13% y/y

Improved efficiency Y/Y Cost/income 46%

Reflecting prudent cost management and targeted investments

Strong corporate activity supports volumes

Leading Nordic bond arranger coupled with higher balance sheet lending

Strong balance sheet and asset quality

Strong CET1 ratio of 18.5% and loan losses well below through-the-cycle assumption

Execution on capital distribution

Accelerated dividend and PC Norway release taking distribution to DKK 30bn since CMD by year-end

* For 2025, dividend payout will again be proposed to be based on annual payments. **Subject to financial performance and D-FSA approval

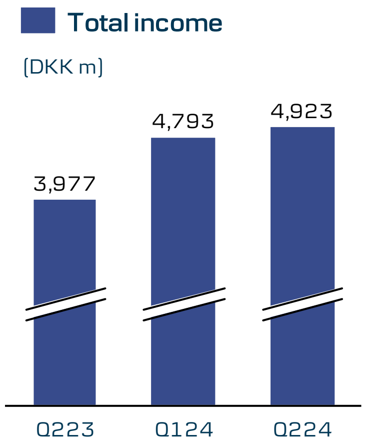
Danske Bank

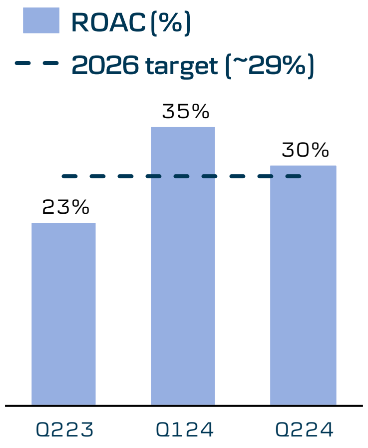
Personal Customers: Improved financial performance underpinned by good activity and uplift in core banking income

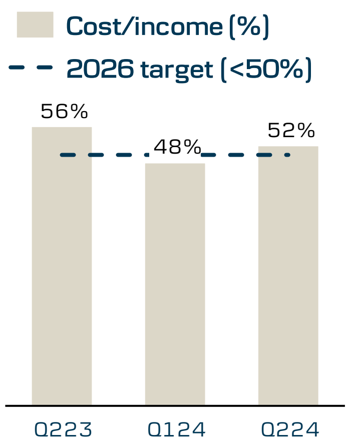
Highlights

- Improved financial performance and customer activity driving 35% y/y increase in profit before tax
- Core banking income up 3% Q/Q and 6% Y/Y, fuelled by higher fee income, particularly from everyday banking and investment fees
- Increase in C/I ratio reflecting ramp-up in investments
- Continued demand for Danske Bolig Fri home loan product partially mitigating muted mortgage demand
- Improved deposit inflow, particularly in PC DK and Global Private Banking
- Sustained momentum for investment products and Private Banking customer inflow - result of strategic ramp-up
- Solid progress with “digital front door” highlights traction for CSAT ambition

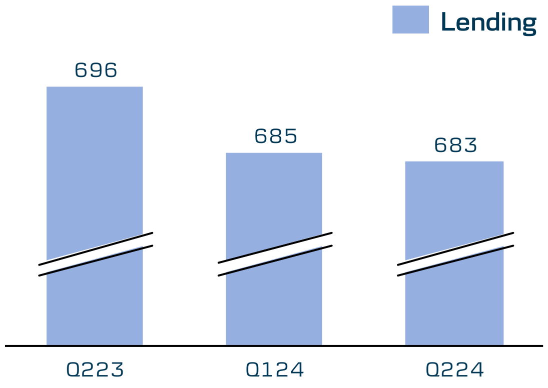
Financial performance KPIs

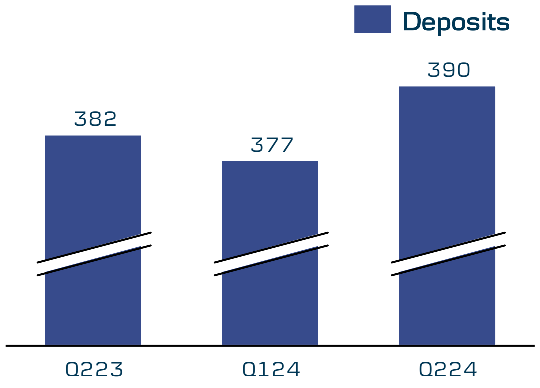






Nominal lending and deposits*
(DKK bn, constant FX)





*PC lending includes RD. PC lending and deposits excludes NO.

Strategic KPIs

	Q2 24 progress	2026 target
Number of meetings per advisor (index)	120	163
Net new customer in growth segments	~3k	~40k
Customer satisfaction with Mobile Banking	8.5	8.5

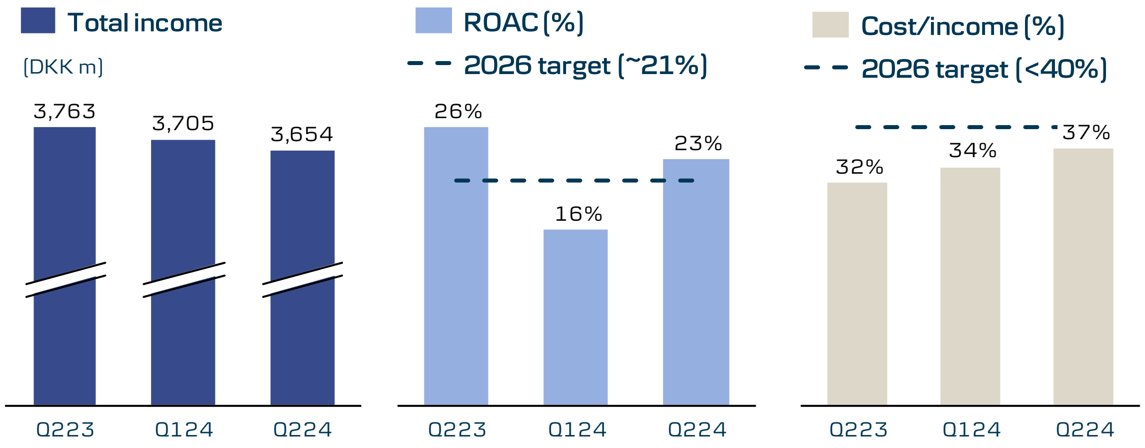
Danske Bank

Business Customers: Stable core income supported by commercial activity and a strong uplift in lending demand in Q2

Highlights

- Rebound in profit before tax, supported by steady core banking income and reversals of impairments Q/Q
- Higher activity as well as repricing actions generated an increase in net fee income of 5%, driven primarily by everyday banking fees
- Higher C/I ratio from strategic investments as part of F'28 agenda
- Positive trend in lending volumes, credit demand increased across all Nordic markets Q/Q
- Net inflow of mid-corporate customers and increasing business with existing customers
- 5% YTD increase in customers highly satisfied with advisory services, reflecting investments in upskilling advisors and enhancing analytical capabilities

Financial performance KPIs



Nominal lending and deposits
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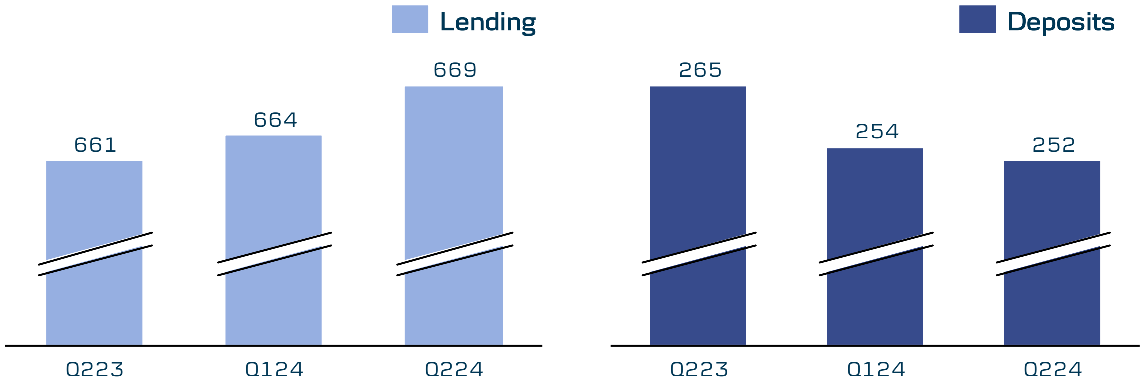


Strategic KPIs

	Q2 24 progress	2026 target
Annual growth in Daily Banking fees in BC	4.4%	5%*
Credit cases with automatic decisioning	34%	50%
Customers highly satisfied with advisory	+5%	+15%

* Shared growth target with LC&I as part of the One Corporate Bank platform.

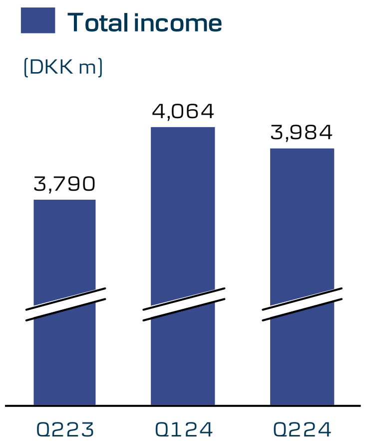
Danske Bank

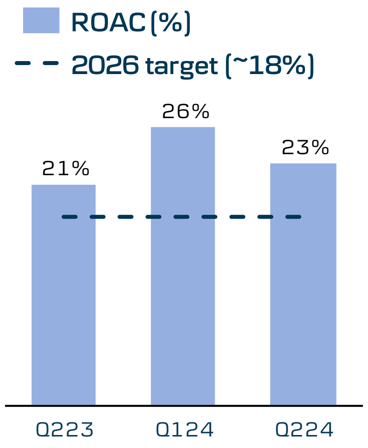
Large Corporates & Institutions: Strong activity and commercial momentum lift core banking income

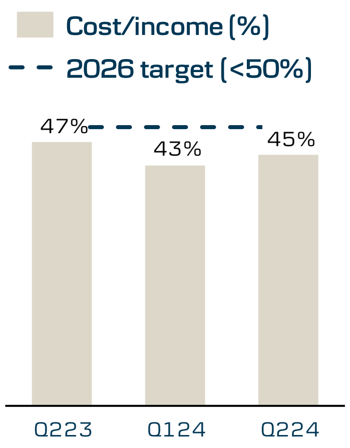
Highlights

- Strong financial performance as NII is supplemented by higher fee income from everyday banking activity, capital markets and investment fees, offsetting more normalised contribution from trading income Q/Q
- Strong activity in DCM, maintaining status as leading Nordic bank by volumes supported (#1 in league table)
- Capital markets activity supplemented by improved lending volumes, particularly in DK and SE
- Positive trend in AuM and net sales reflects progress in our Asset Management strategy
- Strong growth in no. of customers outside Denmark – on track towards 2026 targets

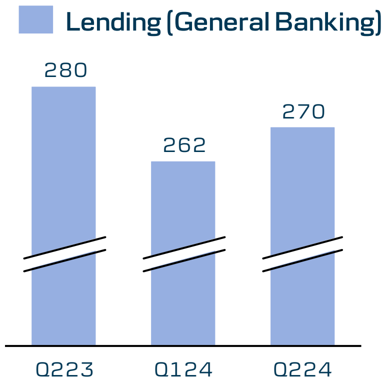
Financial performance KPIs

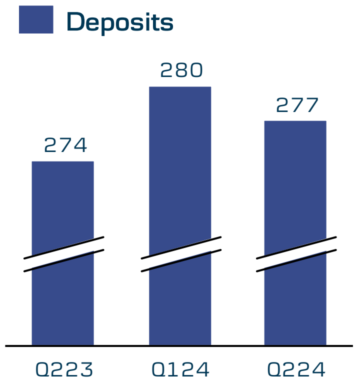


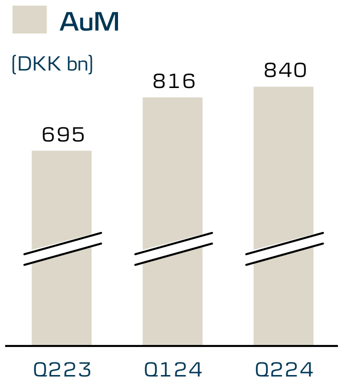




Nominal lending and deposits
(DKK bn)







Strategic KPIs

	Q2 24 progress	2026 target
New customers outside Denmark	23	40
Annual growth in Daily Banking fees in LC&I	9.1%	5%*
Ranking in Capital Markets advisory fees	#3	Top 2

* Shared growth target with BC as part of the One Corporate Bank platform.

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Strong income uplift driven by NII and continued momentum for fee income; cost trajectory according to plan; strong credit quality and net reversals of impairments

Highlights

- Total income up 9% Y/Y and 1% Q/Q supported by sustained uplift in core banking income, up 11% Y/Y
- NII trajectory in line with expectations
- Multi-period high fee income as a result of high customer activity, incl. cash management, everyday banking activity and strong DCM performance
- Trading income normalising, although Q2 was impacted by slightly lower customer activity and cautious sentiment
- Danica income benefiting from stable financial markets and higher premiums
- Other income affected by lower income from leasing assets
- Cost trajectory Y/Y in line with expectations as inflation and targeted investments are mitigated by efficiency gains and lower FCRP and legacy spend
- Robust credit quality and well-provisioned portfolio led to net reversals in Q2
- Net profit up 13% Y/Y, resulting in a RoE of 13.1%

Income statement (DKK m)

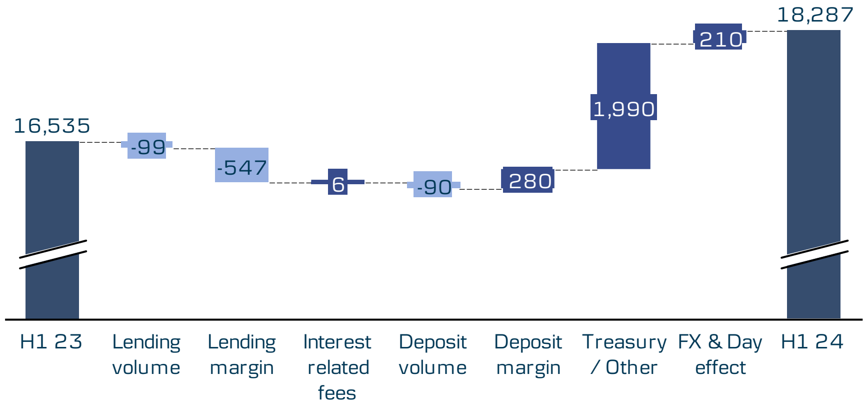
	H1 24	H1 23	Index	Q2 24	Q1 24	Index
Net interest income	18,287	16,535	111	9,145	9,142	100
Net fee income	7,074	6,270	113	3,698	3,376	110
Net trading income	1,377	2,238	62	608	769	79
Net income from insurance business	949	689	138	457	492	93
Other income	324	-145	-	147	176	-
Total income	**28,011**	**25,586**	**109**	**14,055**	**13,955**	**101**
Operating expenses	12,818	12,642	101	6,481	6,337	102
Profit before loan impairments	**15,193**	**12,944**	**117**	**7,574**	**7,618**	**99**
Loan impairment charges	-99	-28	-	-200	101	-
Profit before tax	**15,292**	**12,972**	**118**	**7,774**	**7,517**	**103**
Tax	3,824	2,794	137	1,936	1,888	103
Net profit	**11,468**	**10,178**	**113**	**5,839**	**5,629**	**104**

NII: Sustained uplift in NII as positive volume contribution and treasury portfolio mitigate normalisation of CB policy rates

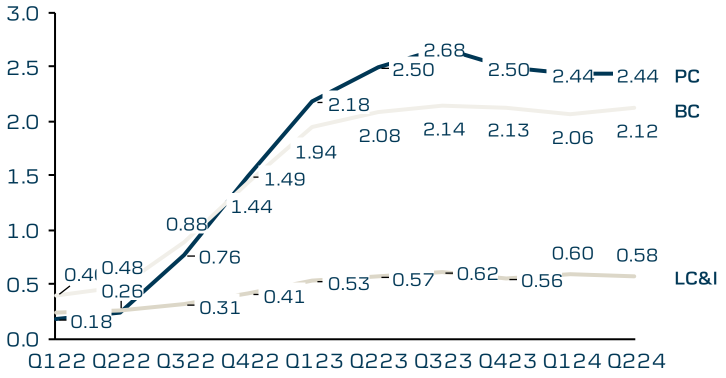
Highlights

- Net interest income trajectory in line with expectations as central banks initiate their path to normalisation of policy rates
- Y/Y benefited from higher return on shareholders' equity along with deposit margin expansion. Lending margins affected by competitive pricing and lagging effects
- Q/Q resilience supported by positive contribution from both lending and deposit volumes. Margins slightly impacted by the CB policy rate cuts and timing of pricing adjustments
- NII sensitivity in year 1: DKK (+/-) 500m (per 25bps move) with assumed migration to savings products. Additional impact in year 2 and 3 of DKK (+/-)300m and DKK (+/-)200m, respectively, all else equal

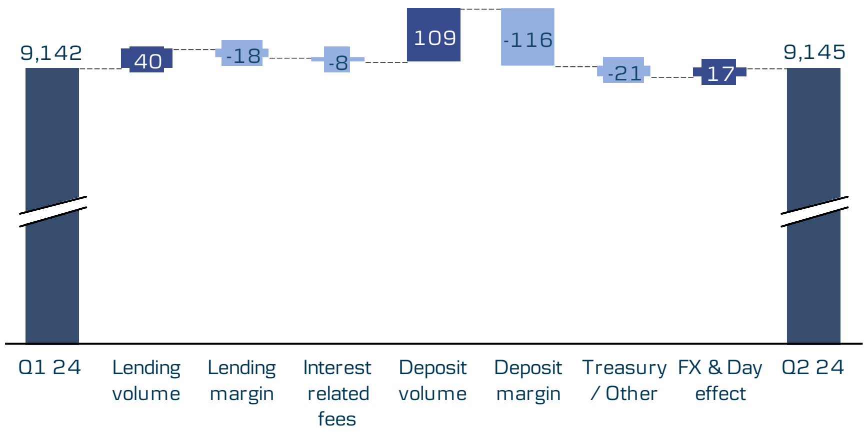
Net interest income H124 vs H123 (DKKm)



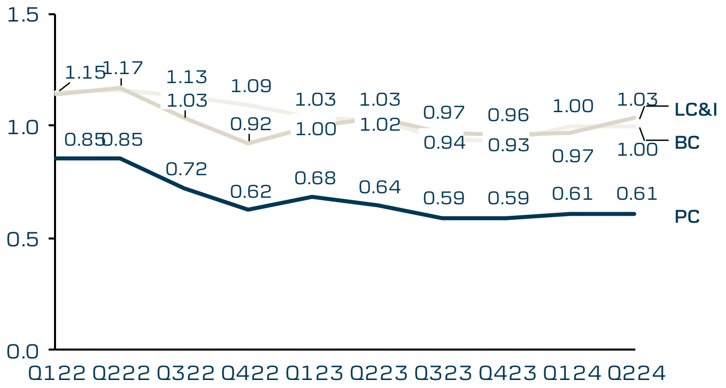
Deposit margin development (%)



Net interest income Q224 vs Q124 (DKKm)



Lending margin development (%)



Fees: Strong fee income, up 13% Y/Y, driven by high customer activity across products lines, especially in investments and everyday banking fees

Highlights

Activity-driven fees (transfers, accounts, etc.)

- Demand for everyday banking solutions such as cards and corporate cash management services continued to be high, underpinned by consumer spending and economic activity

Lending and guarantee fees

- Y/Y: Gradual recovery in housing market activity was a positive, although overall activity remains subdued
- Q/Q: Good activity in short floating rate bond auctions benefited the line

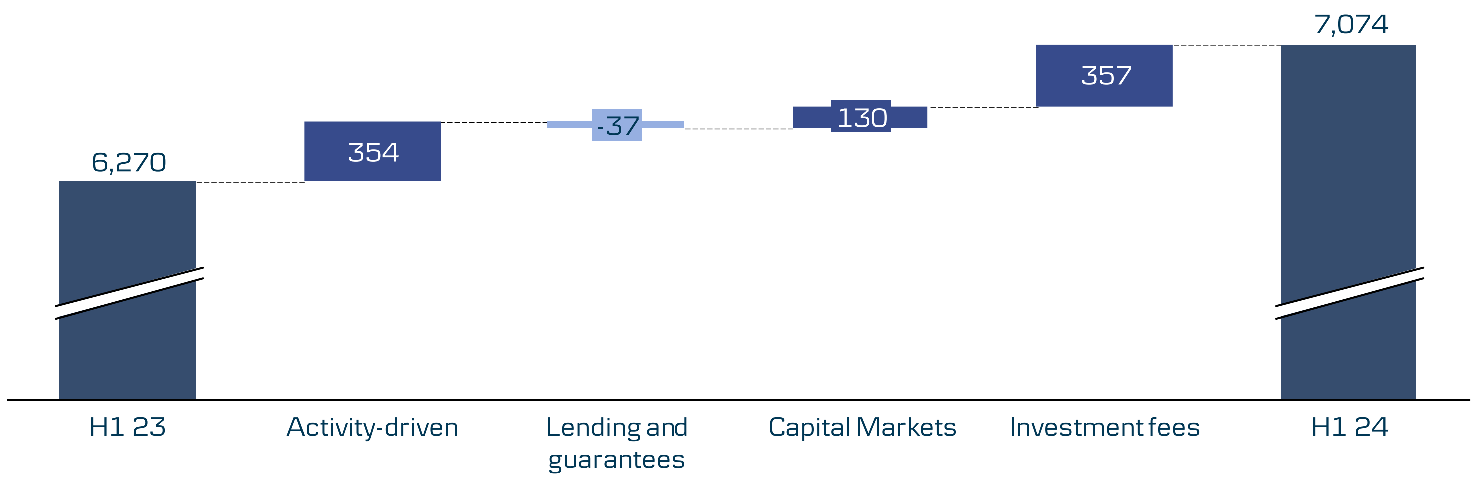
Capital markets fees

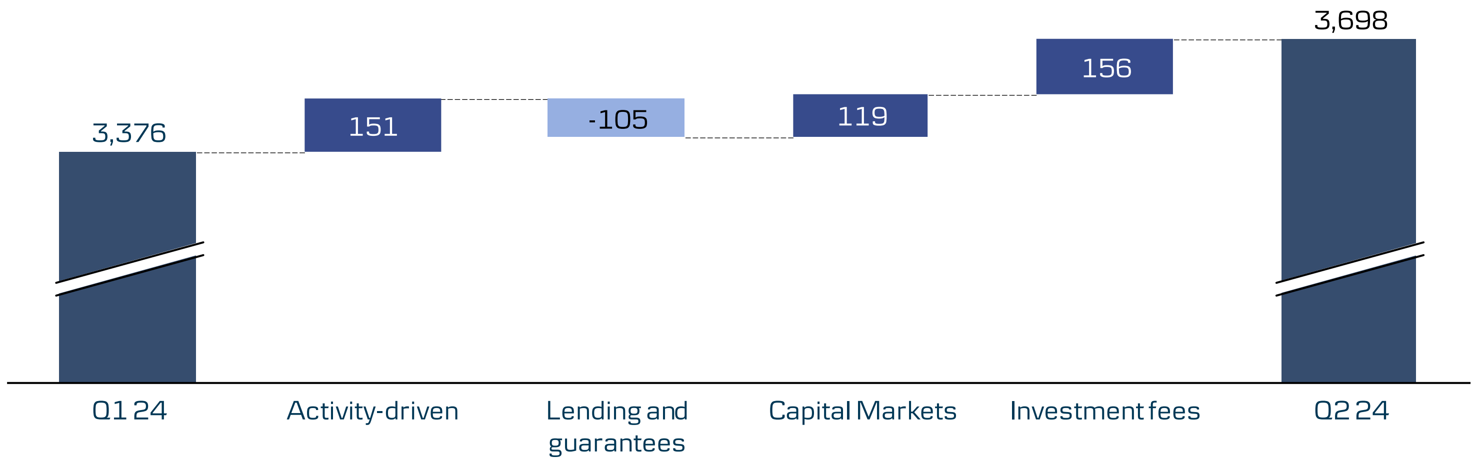
- Strong activity in Debt Capital Markets as we remained the leading Nordic bank in both Nordic and European debt capital markets in terms of volumes supported

Investment fees

- AuM continued to grow – up DKK 24bn Q/Q to DKK 840bn driven by rising asset prices and positive net sales of DKK 4bn
- Q/Q: Investment fees up 14% due to strong customer activity and higher AuM

Net fee income (DKK m)





Trading income: Lower customer activity following strong H1-23

Highlights

LC&I

- Y/Y: Lower customer activity and exceptionally strong customer activity at LC&I in H123 led to the decline
- Q/Q: Customer activity was seasonal low in Q224 relative to Q124

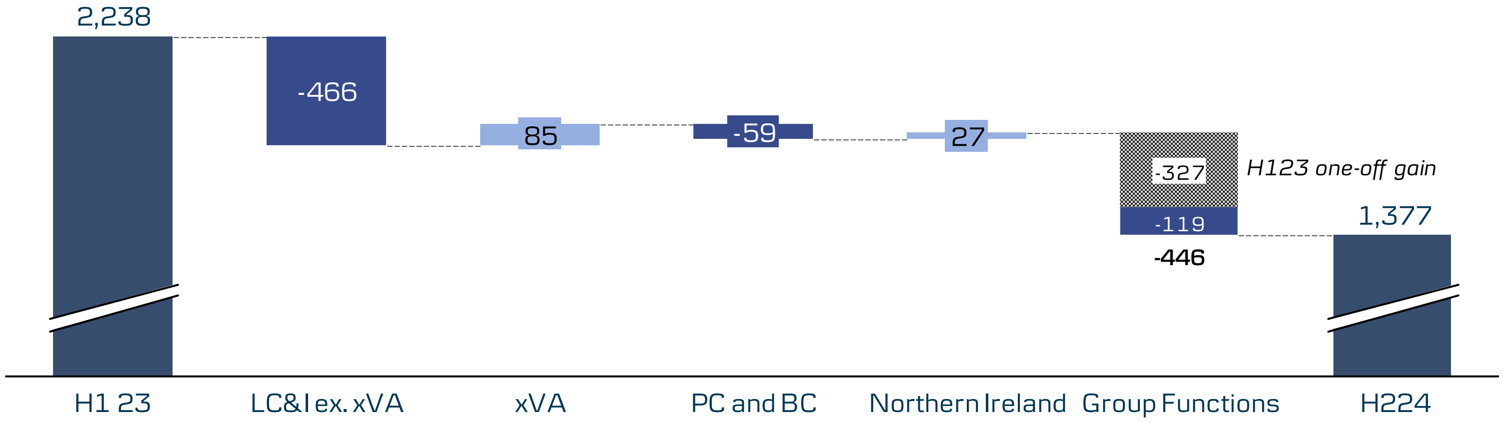
PC and BC

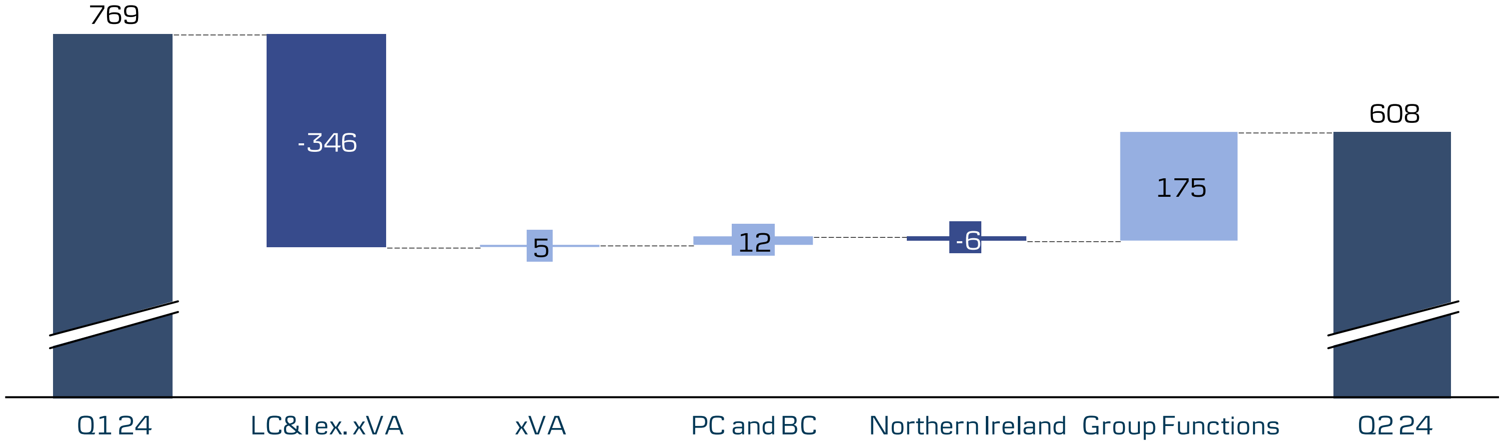
- Y/Y: Trading income at PC was negatively affected by lower income in connection with loans in Sweden and Finland

Group Functions

- Development in currencies drove market value adjustments in Group Treasury's currency transformation instruments
- H123 was positively affected by a one-off gain of DKK 327 million related to the sale of shares taken over in connection with a loan

Net trading income (DKK m)



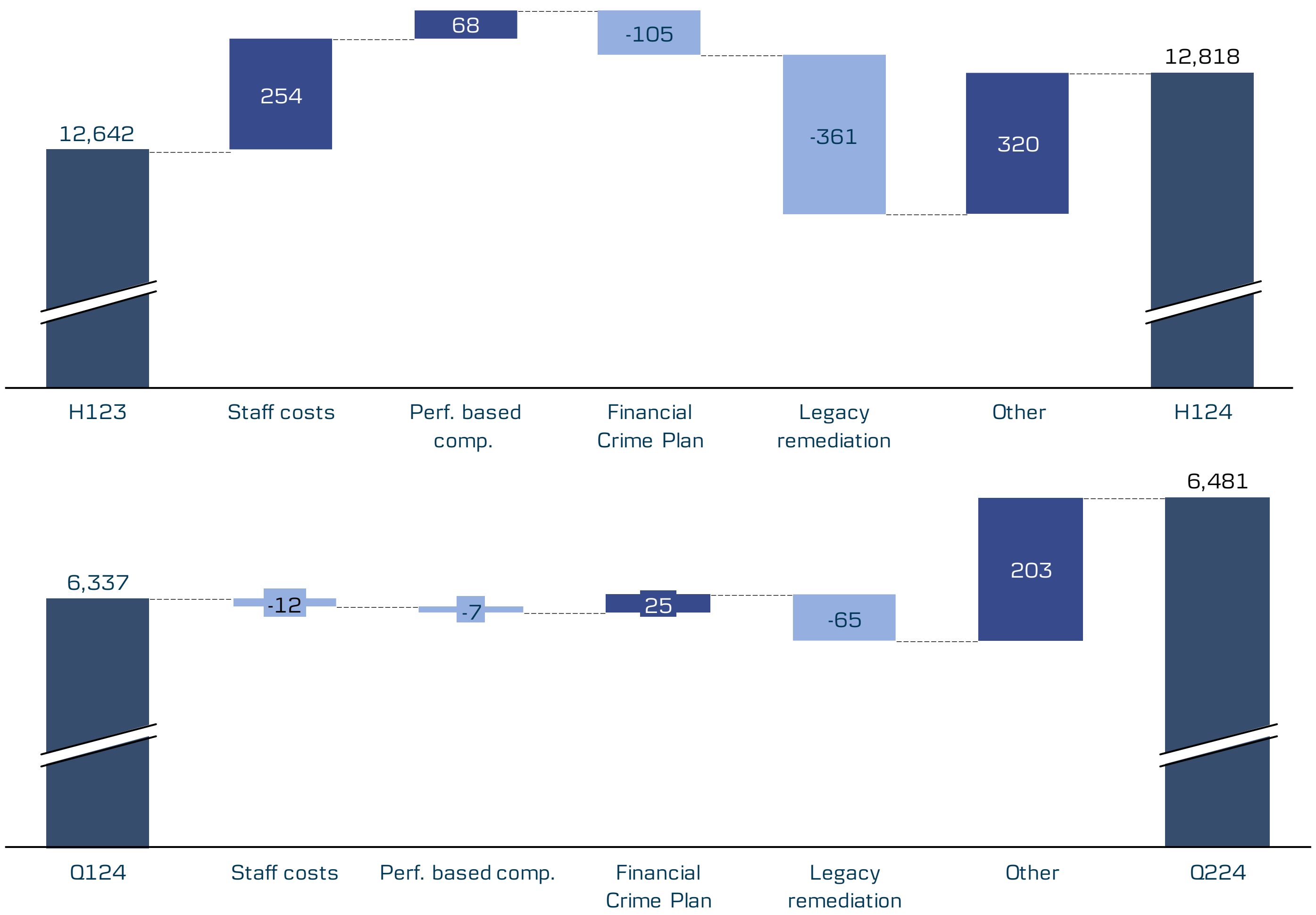


Expenses: Prudent cost management delivering in line with 2026 financial target

Highlights

- Total operating expenses up 2% Q/Q, due to inflation and execution of targeted investments
- Cost/income ratio down to 46% from 49% a year ago
- Staff costs impacted by wage inflation. Also higher performance-based compensation Y/Y while flat Q/Q
- Number of FTEs down 6% since Q2 2023
- Cost trajectory according to plan and FY2024 cost outlook is maintained

Expenses (DKK m)



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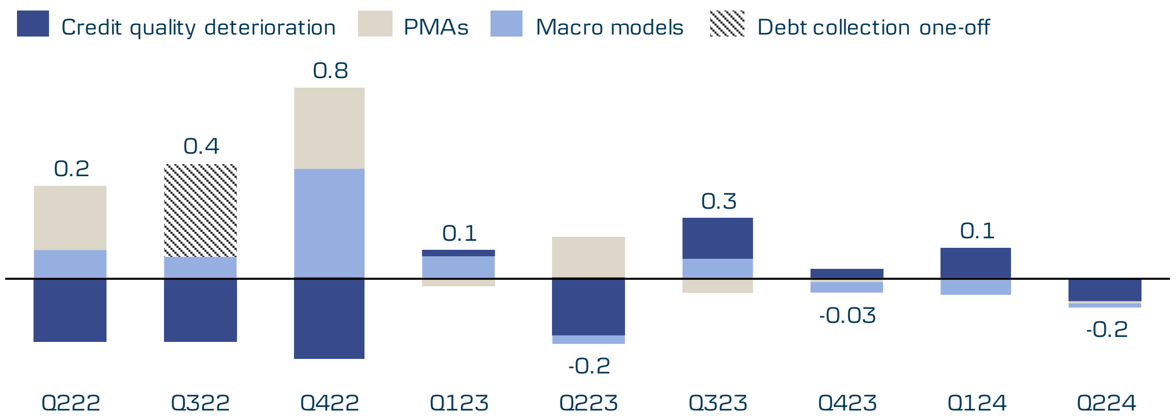
Impairments: Strong credit quality with net reversals of impairments; PMA buffers remain in place

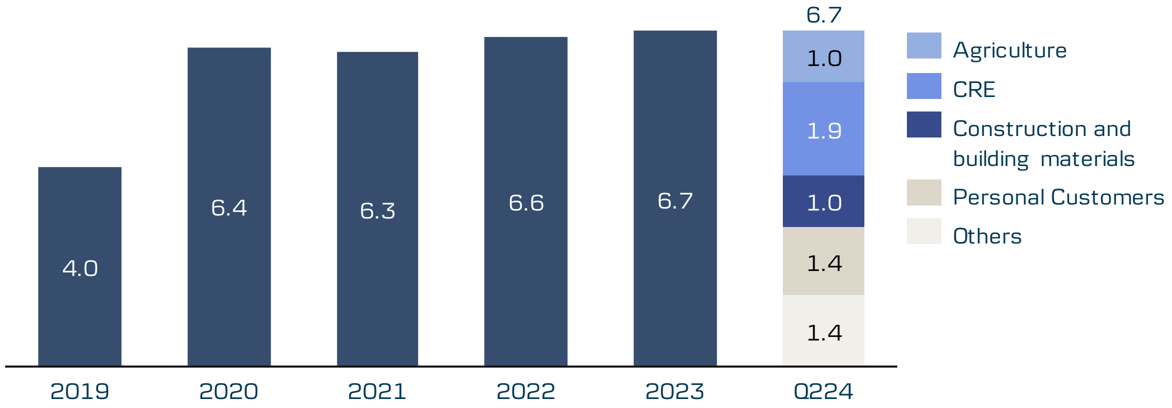
Highlights

- Strong credit quality and single-name work out cases led to net reversals of DKK 0.2 bn in Q2
- Modest revisions in the provisions from macroeconomic models as base case macro-outlook has improved. Model continue to include a severe downturn scenario
- Significant PMA buffers remain in place to mitigate any tail risk not visible in the portfolio or captured by macro models

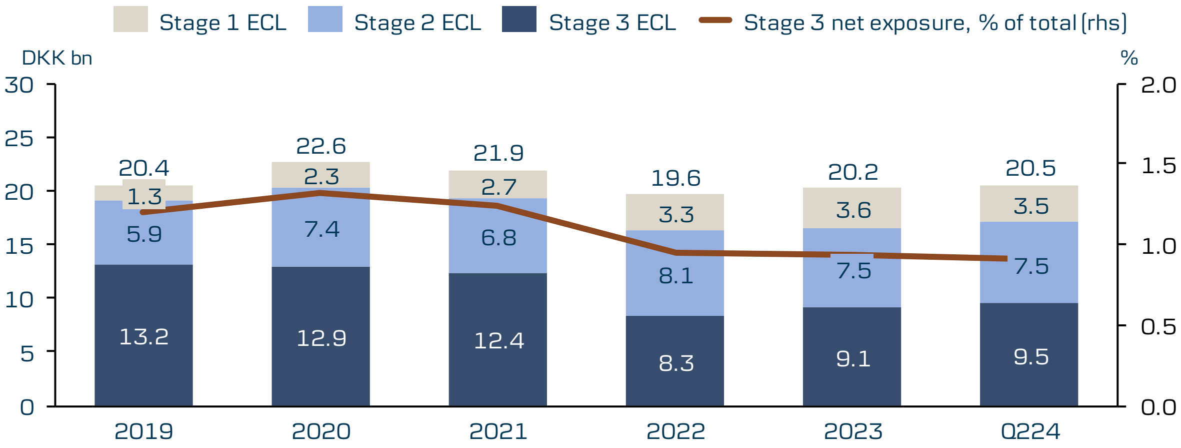
Impairment charges by category (DKK bn)



Post-model adjustments (DKK bn)



Allowance account by stages (DKK bn)



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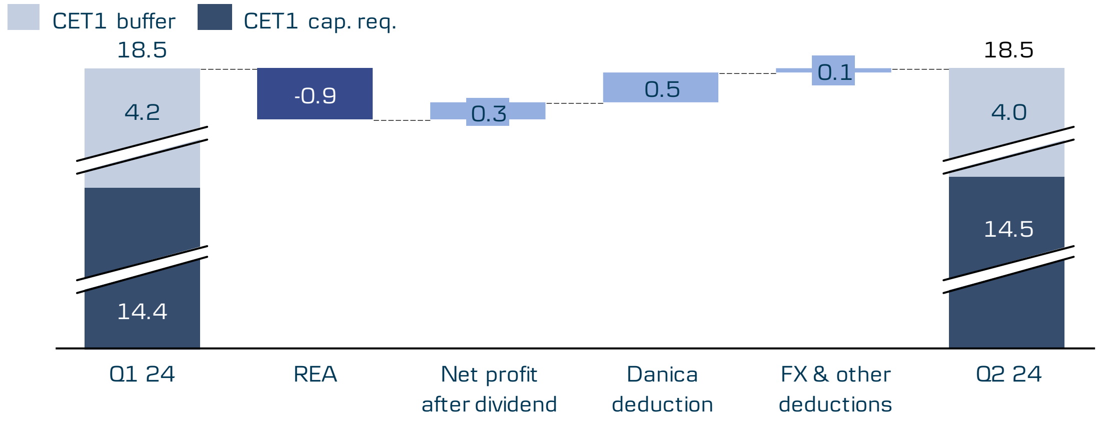
Capital: Strong capital base with CET1 capital ratio of 18.5%

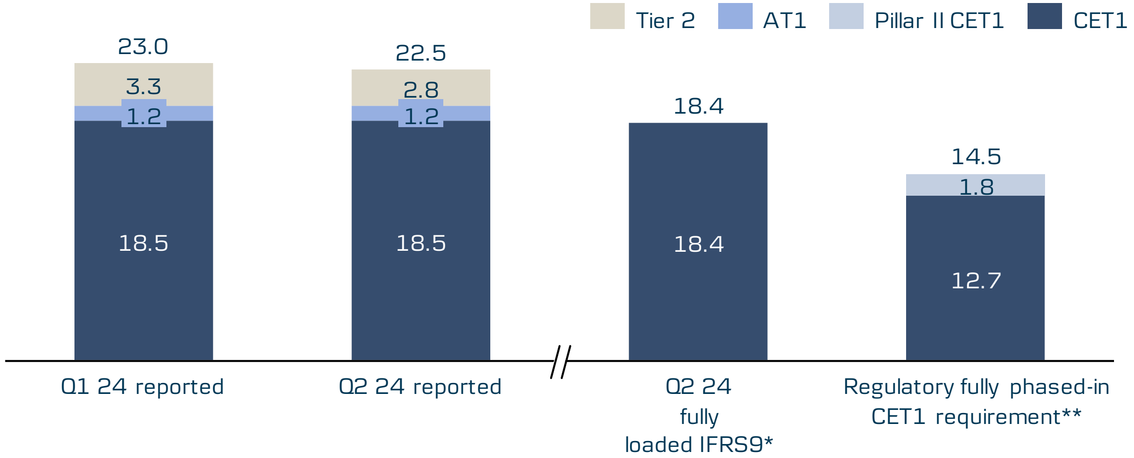
Highlights

- CET1 capital ratio remained strong at 18.5%, stable from the level in Q1, as REA increases were offset by retained earnings and lower deduction for Danica due to changed methodology for its solvency capital requirement
- The Group's total REA increased by around DKK 37 bn due primarily to higher credit risk REA and a prudent buffer to front-load the majority of expected Basel IV impact from January 2025
- The leverage ratio improved to 4.9% under transitional rules as well as fully phased-in rules

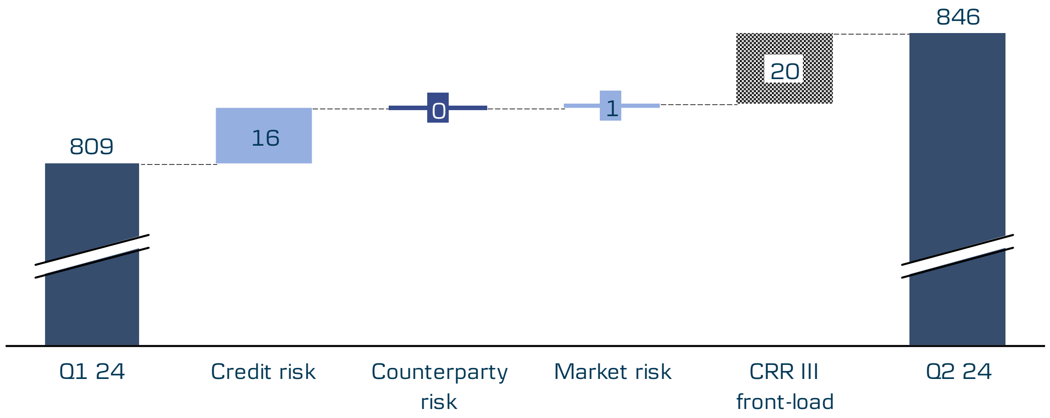
CET1 development (%)



Total capital ratios (%)



Total REA (DKK bn)



* Based on fully phased-in rules including fully phased-in impact of IFRS 9. ** Fully phased-in minimum CET1 requirement in March 2025 of 4.5%, capital conservation buffer of 2.5%, SIFI buffer of 3%, countercyclical buffer of 2.0%, systemic risk buffersof 0.7%, and CET1 component of Pillar II requirement

Danske Bank

Financial outlook revised upwards on 26th June
Net profit for 2024 will reflect progress on financial ambitions for 2026

Income	**Total income** is expected to grow in 2024, driven by higher core income, our continued efforts to drive commercial momentum and in line with our financial targets for 2026. Income from trading and insurance activities will be subject to financial market conditions
Expenses	We expect **operating expenses** in 2024 to be in the range of 26-26.5 billion, reflecting increased investments in line with our financial targets for 2026 and continued focus on cost management. The outlook includes non-recurring items of approximately DKK 0.6 billion related to the relocation to the new domicile and minor costs for the divestment of Personal Customers Norway
Impairments	**Loan impairment charges** remain subject to an elevated level of geopolitical and macroeconomic uncertainty. Given our strong credit quality and the reversals seen in H1 24, we now expect full-year loan impairment charges to be up to DKK 0.6 billion
Net profit *	We expect **net profit** to be in the range of DKK 21-23 billion

* Note – The outlook is subject to uncertainty and depends on volume growth and financial markets/macroeconomic conditions.

Q&A Session

Press ***11** to ask a question