

Presentation for Q4 conference call

Financial results – 2025



Carsten Egeriis
Chief Executive Officer



Cecile Hillary
Chief Financial Officer



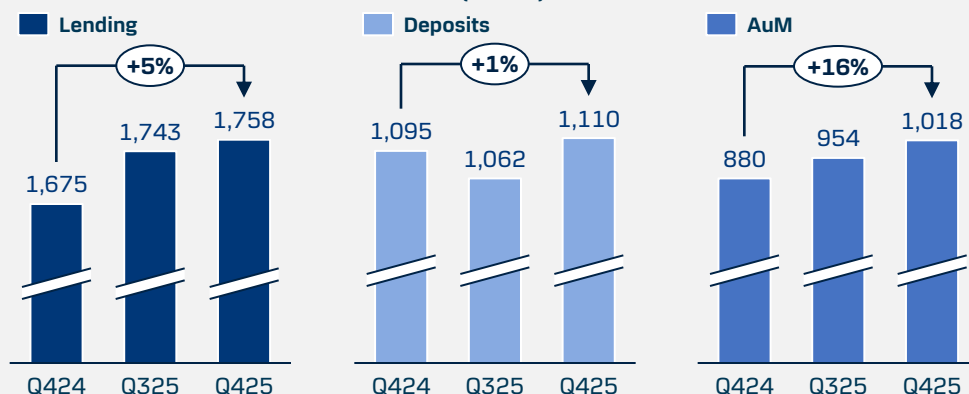


Highlights: Financial performance underpinned by record-high core banking income, driven by strategy execution and continued business momentum

Commercial highlights

- Beneficial operating environment and macro backdrop in the Nordics underpin financial performance and net profit outlook for 2026
- Solid financial performance with net profit of DKK 23.0bn reflects record-high core income, disciplined cost management and sustained strong credit quality
- Commercial momentum driven by growth in lending volumes from expanded corporate customer base and growing market shares* across the Nordics, as well as higher AuM and investment activities
- Launch of new SBB programme of DKK 4.5bn along with 60% ordinary dividend and ~20% extraordinary dividend, taking total DPS to DKK 22.7** and total 2025 distribution to 100%

Group lending, deposits and AuM
(DKK bn)



Net profit 2025
DKK 23.0bn - ROE 13.3%

F'28 target for 2026: 13%

Commercial momentum

Increase in business volumes from strong corporate activity

Cost/income 45.5%
Reflecting continued cost discipline

F'28 target for 2026 : ~45%

Strong credit quality

Loan loss ratio of 2bps

Prudent macro scenarios and
PMA buffer ~30bps

Solid capital position & 100% distribution

CET1 capital ratio of 17.6% fully phased-in (+280bps above requirement)

2026 Net profit outlook

DKK 22 - 24bn

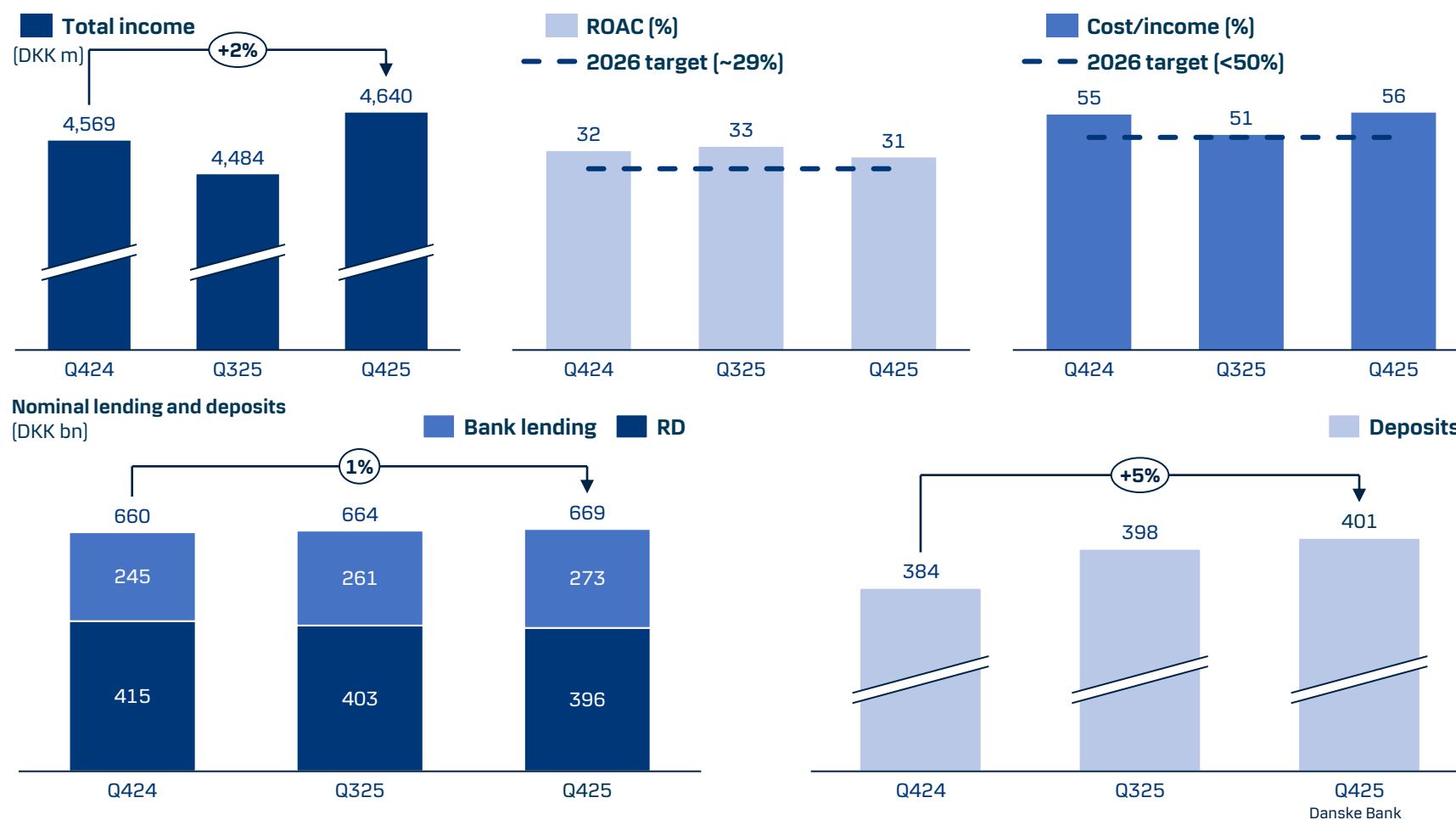
*Non-financial corporates, Source: Central bank lending market shares. ** Subject to AGM decision.

Personal Customers: Financial performance supported by improving volumes and good customer activity

Highlights

- Q425/Q424 total income increase of 2% as NII stability was supplemented by higher fee income. ROAC remained above target as seasonally high costs were mitigated by sustained low impairments
- Q425/Q325 income driven by higher NII from increasing bank lending and strong deposits. Fee income increased 14%, driven by Q4 refinancing activity and investment fee income
- Growing volumes across Nordic countries and within private banking, incl. growth in DK bank home lending exceeding decrease in Realkredit Danmark lending volumes
- Sustained momentum in Private Banking, with continued inflow of customers and record-high AuM underpinning market share gains

Financial performance KPIs

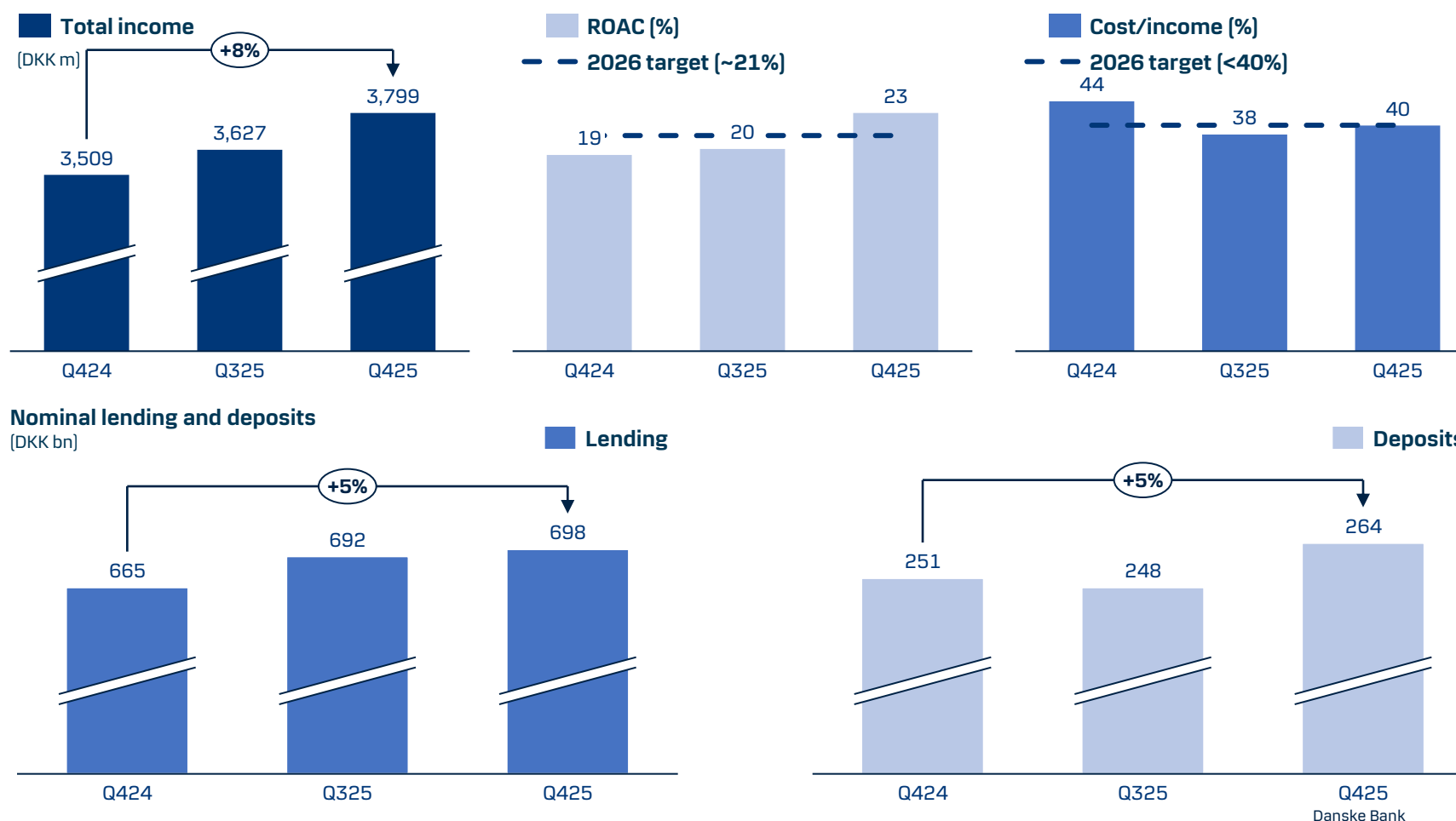


Business Customers: Sustained commercial momentum supported by expanding customer base and strong growth in business volumes

Highlights

- Q425/Q424 total income up 8%, driven by 10% higher NII and 5% higher fee income, underpinning profitability and a C/I ratio in line with target. ROAC further supported by reversals of impairments
- Q425/Q325 total income up 5%, with NII growing 3% on the back of higher volumes. Fee income 11% higher driven by financing activity and everyday banking fee income
- Total lending up 5% Y/Y, as improved credit demand and a growing customer base led to increasing market shares across all Nordic countries
- Deposits increased 5% and remain elevated, driven by advisory banking customer segment and cash management volumes, particularly in Sweden and Denmark

Financial performance KPIs



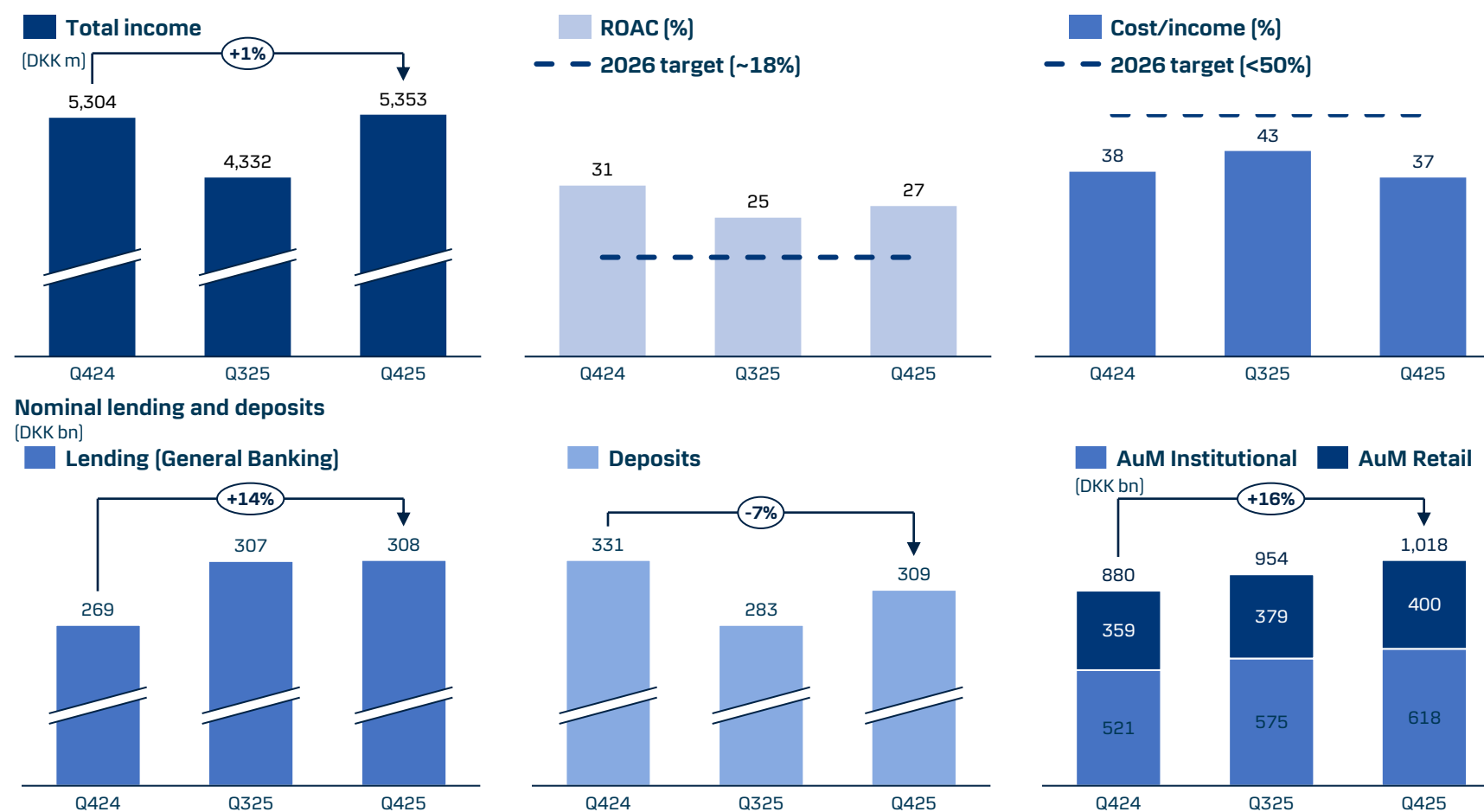


Large Corporates & Institutions: Record-high total income driven by corporate lending activity and fees from Asset Management

Highlights

- Total income up 24% Q/Q, driven by NII from strong lending growth and very strong fee income driven by everyday banking fees and record performance fee income in Asset Management
- ROAC was impacted by lower profit before tax due to higher loan impairments
- Cost/income ratio stable and remains better than target
- Sustained strong lending growth (+14% Y/Y), driven by corporate customers in Sweden and Denmark. Fluctuations in deposits mostly related to corporate M&A activity
- Strong performance in Asset Management and improved market share for Danske Invest
- AuM up (+16% Y/Y), leading to record-high AuM driven by strong net sales and strong investment performance

Financial performance KPIs





Solid financial performance driven by income trajectory and cost management

Highlights

- FY/FY: Total income supported by resilient NII and record fee income. Trading income reflects higher customer activity while insurance business was affected by one-offs
- Q4/Q3: NII up 2% excluding DKK 0.2bn tax-related contribution. Significant fee income growth from record-high performance fee income and sustained uplift in daily banking fee income. Trading income impacted by seasonality and lower fixed income activity. Net income from insurance business impacted by net DKK -0.2bn following model recalibration
- Continued cost management and structural takeouts related to normalisation of financial crime plan and lower resolution fund fee. Q/Q seasonality related to performance compensation and severance
- Strong credit quality and well-provisioned portfolio leading to PMA reversals and sustained low level of impairments

Income statement (DKK m)

	2025	2024	Index	Q4 25	Q3 25	Index
Net interest income	36,611	36,697	100	9,453	9,074	104
Net fee income	15,423	14,912	103	4,855	3,502	139
Net trading income	2,872	2,668	108	510	626	81
Net income from insurance business	1,357	1,387	98	260	382	68
Other income	577	741	78	149	111	134
Total income	56,840	56,405	101	15,228	13,696	111
Operating expenses	25,848	25,736	100	6,858	6,320	109
Profit before loan impairments	30,992	30,669	101	8,370	7,376	113
Loan impairment charges	294	-543	-	35	-8	-
Profit before tax	30,699	31,212	98	8,334	7,384	113
Tax	7,662	7,583	101	2,028	1,864	109
Net profit	23,037	23,629	97	6,307	5,520	114

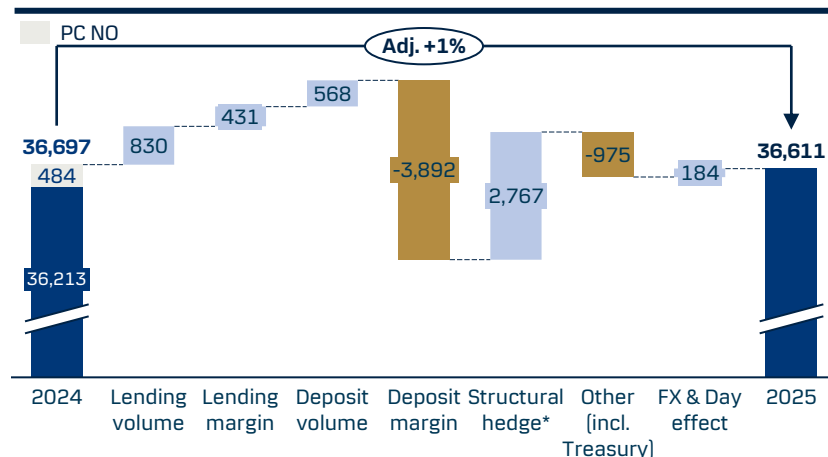


NII: Resilient NII underpinned by continued growth in volumes and stability derived from structural hedge

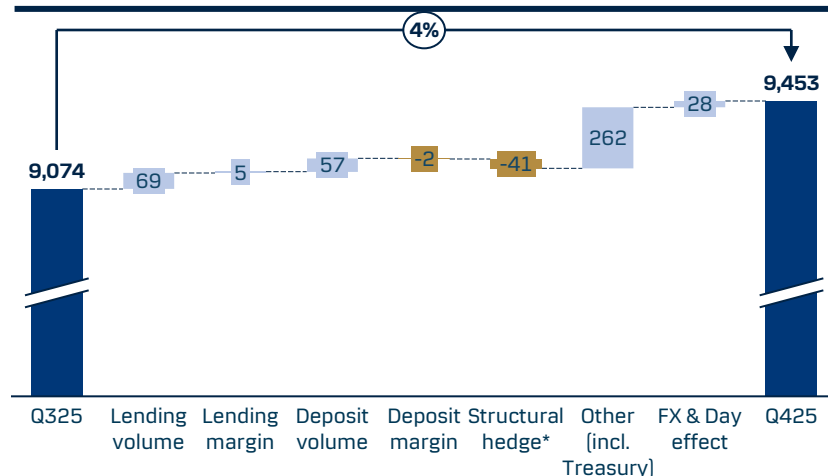
Highlights

- NII stability Y/Y from growing business volumes and structural hedge contribution offsetting impact of lower Central Bank rates and PC Norway income
- Steadily improving trend throughout 2025 highlights positive trajectory as growing lending and deposit volumes along with hedge more than mitigated impact of H1 rate cuts on deposit margins and yield on shareholders' equity
- The bond structural hedge notional grew to circa DKK 180 bn as at Q4 2025 (Q3: DKK ~170bn)
- Q/Q highlights resilient trajectory of NII and was further supported by DKK 0.2bn tax-related benefit as well as other business-related interest items
- NII sensitivity unchanged:
Year 1: DKK +450m/-650m (per 25bps move up/down). Additional impact in year 2 and 3 of DKK (+/-)300m and DKK (+/-)100m, respectively, all else equal

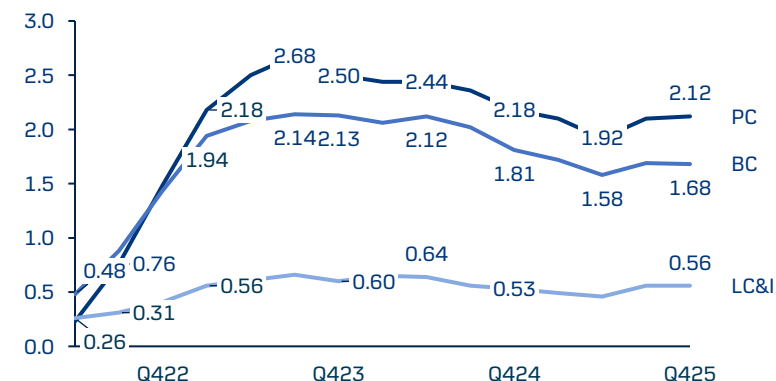
NII 2025 vs 2024 (DKKm)



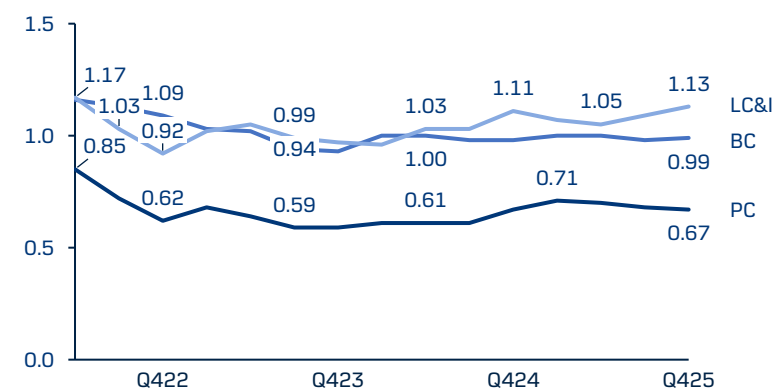
NII Q425 vs Q325 (DKKm)



Deposit margin development** [%]



Lending margin development** [%]



* Structural hedge income includes benefits from our bond portfolio and fixed rate assets, net of the development in the yield on shareholders' equity at Danske Bank A/S.

**Margin development trends are the annualised net interest income on lending/deposits as a percentage of average lending/deposits for the period. They include effects from FX, volumes and other interest-related items, incl. structural hedge



Fee income: Record fee income driven by strong performance in Asset Management and corporate activity

Highlights

Everyday banking fees (e.g. transfers, accounts)

- Sustained high customer activity and good demand for our cash management solutions and house bank solutions for corporate customers

Lending and guarantee fees

- Continued solid corporate credit demand both Q/Q and Y/Y, as well as solid refinancing activity for adjustable-rate mortgages in Q4 at Realkredit Danmark

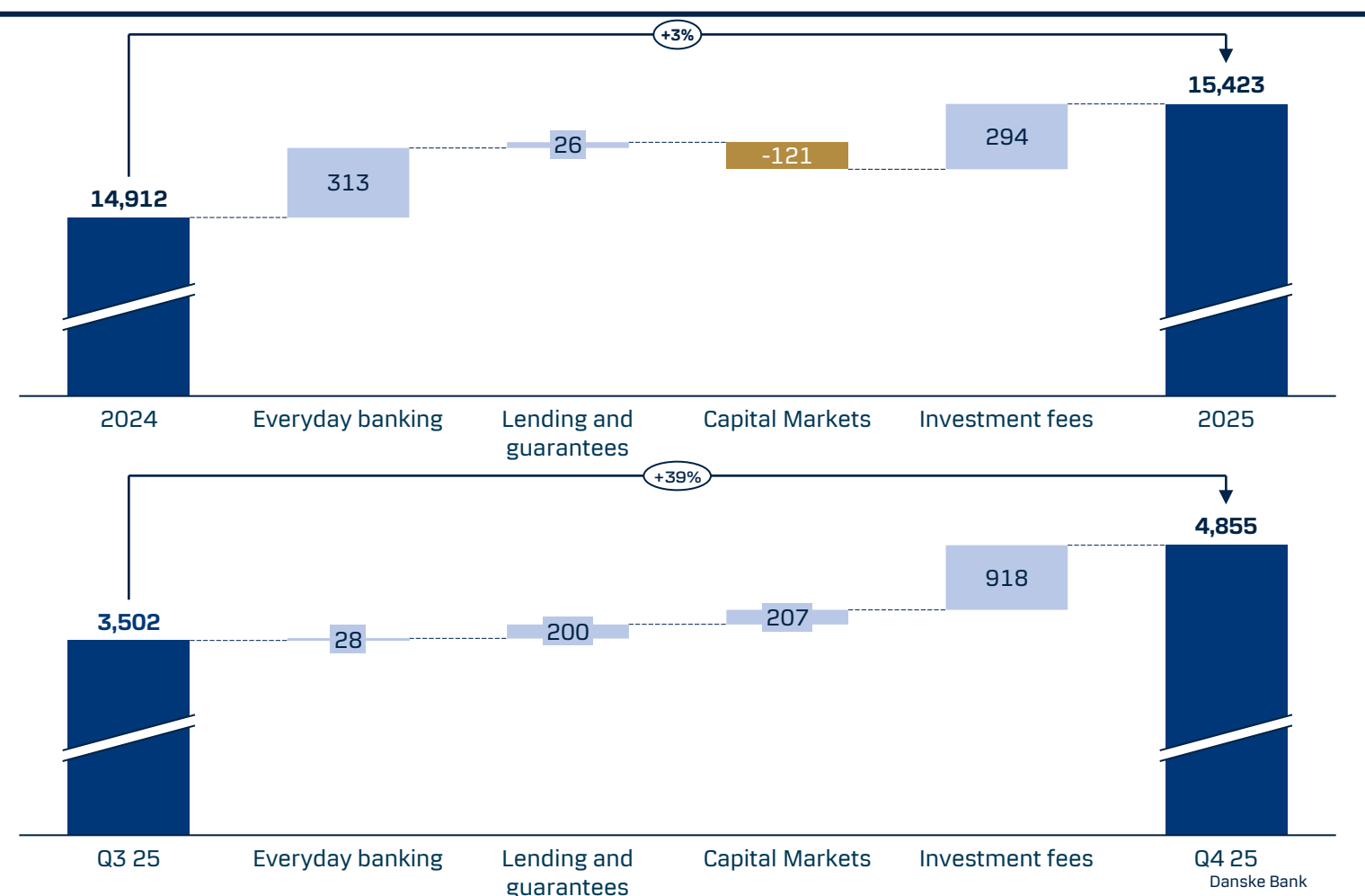
Capital markets fees

- Primary markets volatility through the year partially offset by solid DCM activity; muted ECM but rebound in Q4 driven by Ørsted's rights issue and a pick-up in the Swedish IPO market

Investment fees

- Y/Y: All time high AuM (DKK 1.018bn, +16% Y/Y) driven by growing market share for Danske Invest, strong inflow across segments and improved market conditions
- Q/Q: Record high performance fees (DKK 909m in Q4, +40% relative to Q4-24) primarily driven by investment performance

Net fee income (DKK m)





Trading income: Slightly lower customer activity and impact of valuation adjustments

Highlights

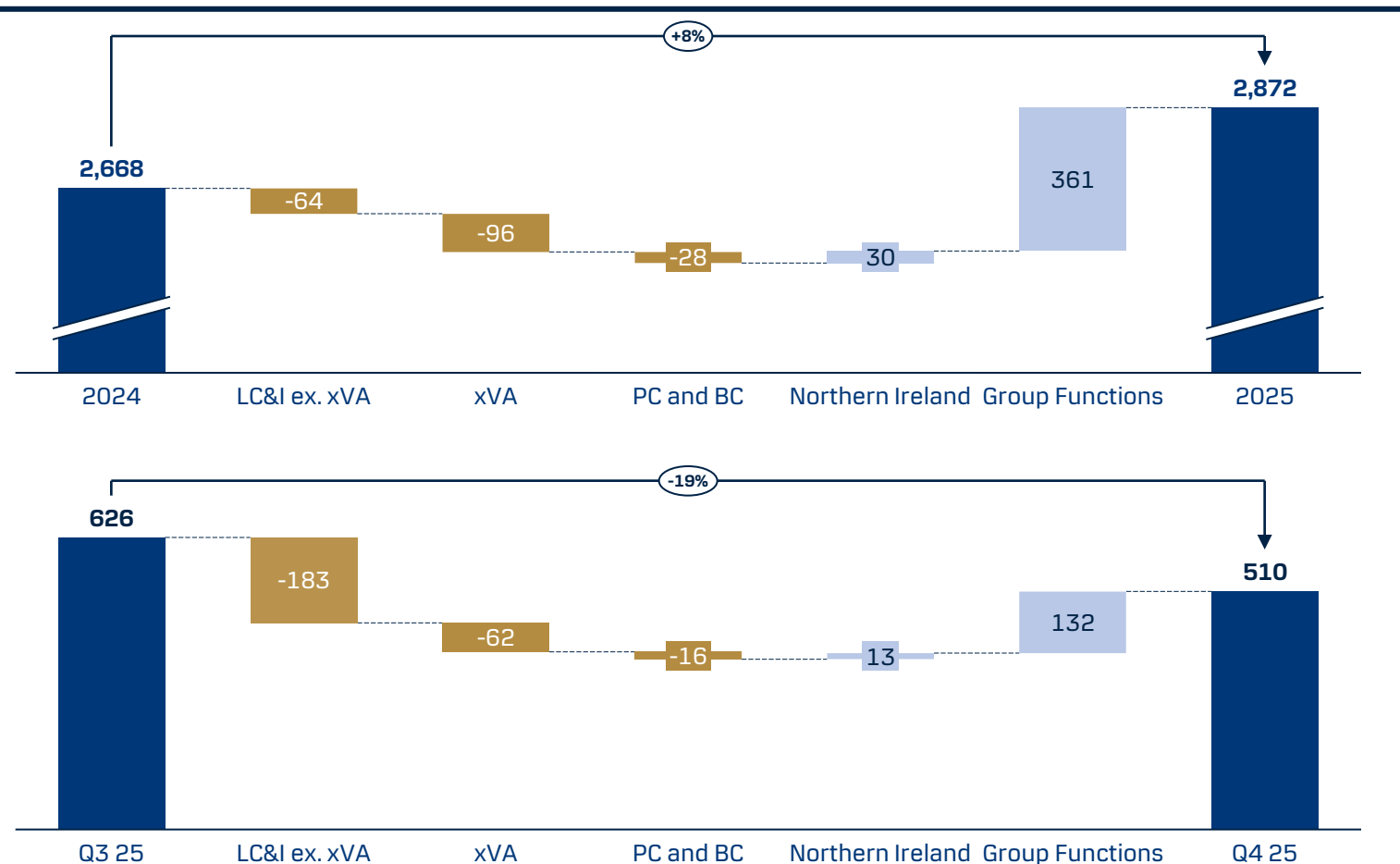
LC&I

- Y/Y: Stable development as robust customer activity in Fixed Income & Currencies business helped to partially offset lower activity in Equities Sales and Trading
- Q/Q: Seasonality and lower activity in secondary fixed income markets affected the quarter

Group Functions

- Increase primarily driven by value adjustments in Treasury related to cross-currency swaps and market value adjustments related to interest rate risk management

Net trading income (DKK m)



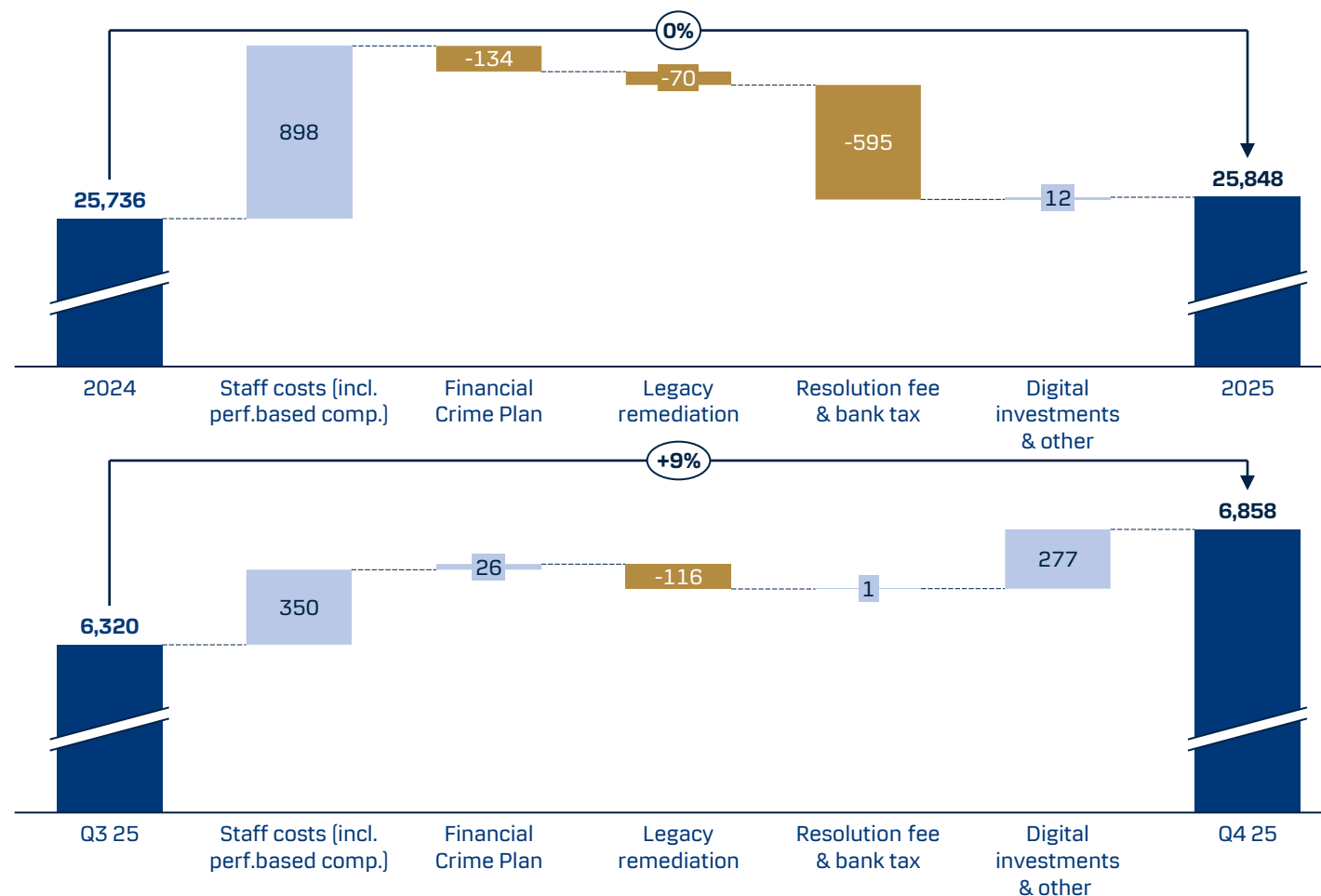


Expenses: 2025 costs in line with full-year guidance

Highlights

- FY/FY: Flat cost development as higher staff costs, performance-based compensation and investments were offset by lower FCRP costs, lower remediation costs and lower resolution fund payments as planned
- Q/Q: As guided, costs were higher due to year-end seasonality and investments
- Q/Q: Group FTE's down by ~200 as we continue to simplify and improve efficiency, which also drove higher severance costs in the quarter. Cost/income ratio for 2025 stands at 45.5%
- FY2026 cost outlook in the range of DKK 26 - 26.5 billion and C/I ratio of ~45%

Expenses (DKK m)



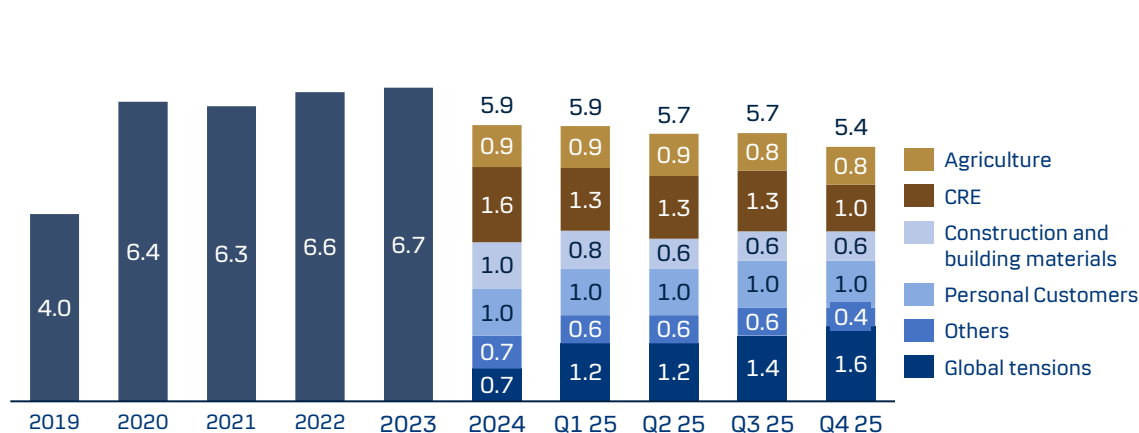


Asset quality: Strong credit quality drives below-cycle level of impairments; prudent macro scenarios and PMA reversals

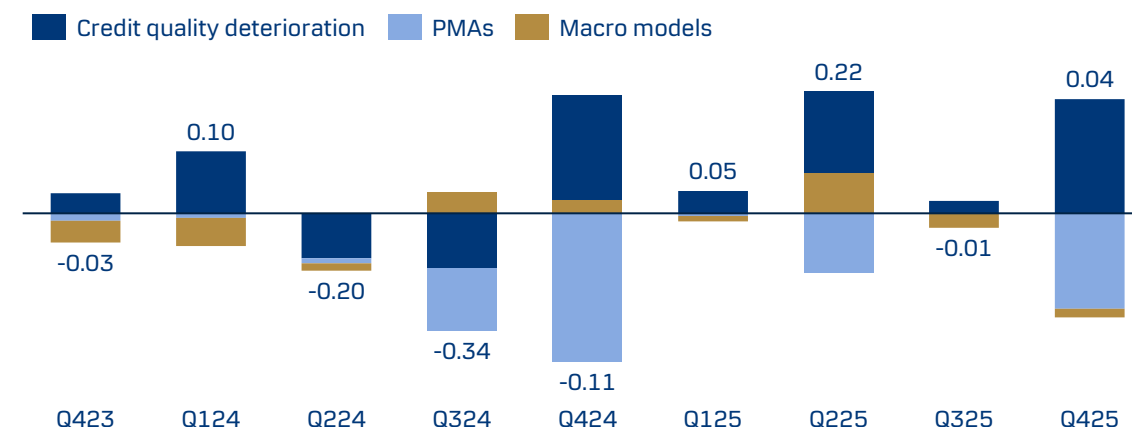
Highlights

- Strong credit quality and few single-name impairments offset by workout cases and releases of PMAs led to a DKK 35m impairment charge in Q4. Full-year impairments of DKK 294m highlight below-cycle loan loss level of 2 bps
- Macroeconomic charges remain modest. Scenarios continue to reflect ongoing tariff and trade tensions to capture a severe and prolonged adverse impact
- PMA buffer led to net DKK 0.3bn in releases primarily driven by CRE while the buffer related to global tension was further bolstered, underpinning our prudent approach

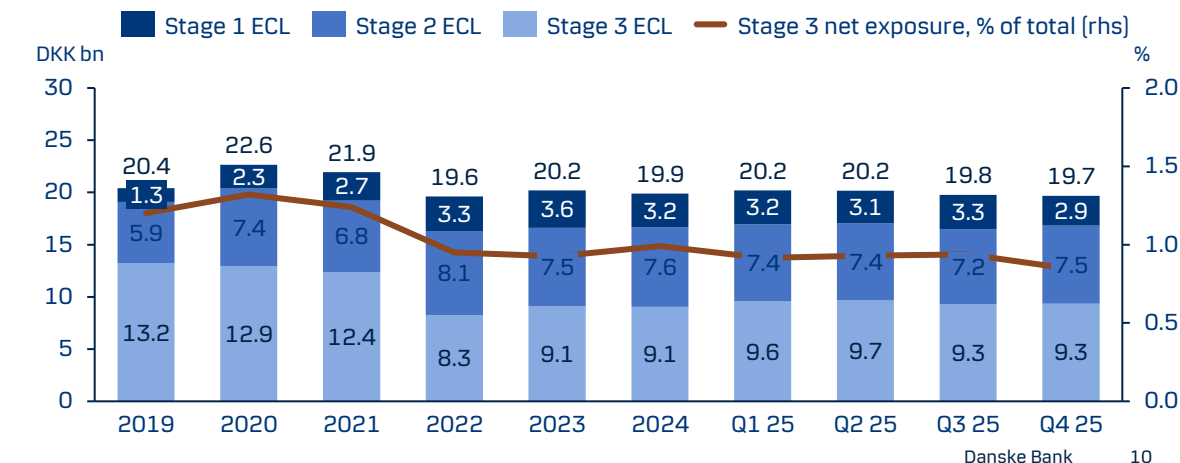
Post-model adjustments (DKK bn)



Impairment charges by category (DKK bn)



Allowance account by stages (DKK bn)



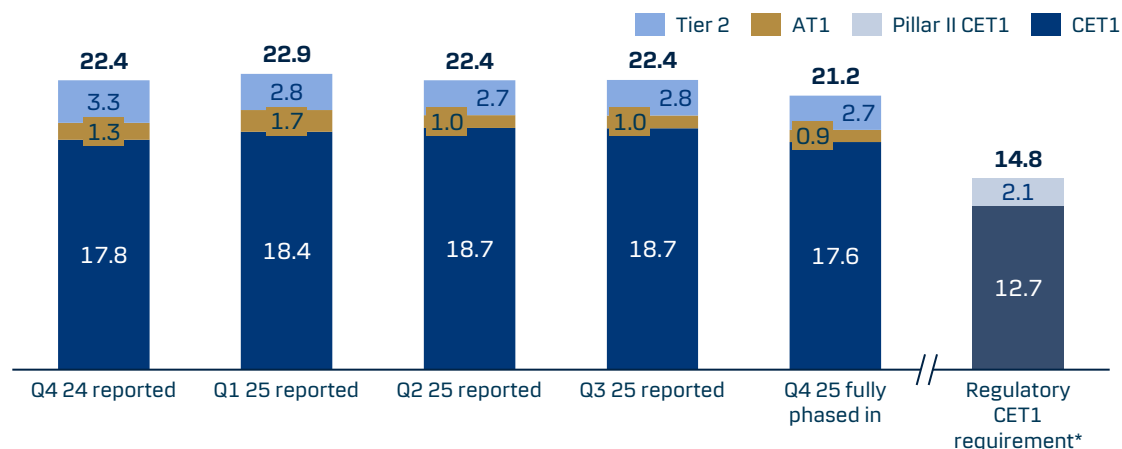


Capital: Strong capital generation with CET1 capital ratio of 17.6% when fully deducting the announced 40% additional distribution

Highlights

- Capital position remained strong with CET1 ratio of 17.6% when incl. the effect of the new conglomerate directive (as of Jan 1st). CET1 ratio reflects the full deduction of the announced 40% distribution in addition to the already accrued 60% ordinary dividend
- REA grew DKK 24bn as a result of the annual operational risk calibration, higher lending related credit risk REA, as well as market risk REA driven by interest rate volatility
- CET1 capital requirements were stable in Q4, reflecting a CET1 headroom of 280bp
- Following completion of DKK 5bn share buy-back programme, a new DKK 4.5bn programme will be launched in addition to a DKK 5.8/share extraordinary dividend**, each accounting for ~20% of 2025 net profit. Total distribution of 100% highlights capital flexibility

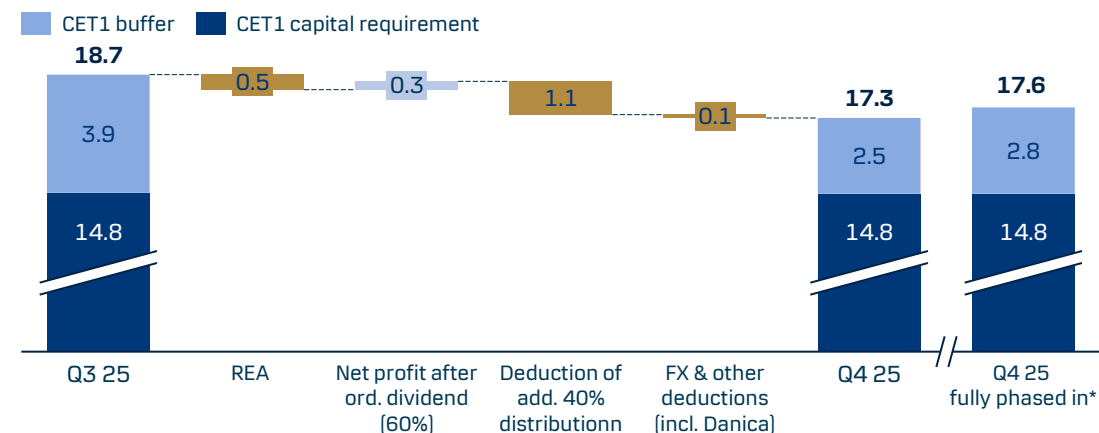
Total capital ratios (%)



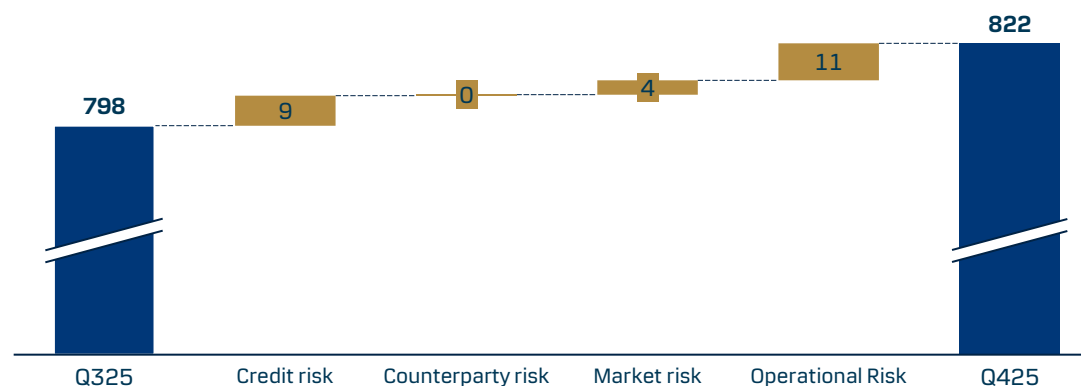
* Fully phased in CET1 ratio and requirements

** Subject to BoD decision.

CET1 development (%)



Total REA (DKK bn)





Financial outlook for 2026

Income

We expect **total income** to be around DKK 58 billion driven by growing core banking income and our continued efforts to drive commercial momentum and growth in line with our financial targets for 2026

Income from trading and insurance activities remains subject to financial market conditions

Expenses

We expect **operating expenses** in the range of DKK 26 – 26.5 billion in 2026, reflecting our growth ambitions and continued investment spend alongside a sustained focus on cost management

Cost/Income ratio expected to be ~45% in line with target for 2026

Impairments

Loan impairment charges expected to be around DKK 1 billion, below our normalized loan loss ratio of ~8bps, as a result of continued strong credit quality

Net profit *

We expect **net profit** to be in the range of DKK 22 – 24 billion, reflecting a Return on Equity above our 2026 ambition of 13%

* 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