

**Announcement: Sampo Bank plc**

**Moody's affirms Danske Bank's ratings on Sampo Bank acquisition**

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London, 09 November 2006 -- Moody's Investors Service affirmed Danske Bank's Aa1 long-term and Prime-1 short-term foreign currency deposit ratings and its A- bank financial strength rating (BFSR), with stable outlook, following the recent announcement that it is to acquire Finnish institution Sampo Bank Plc (rated A1/P-1/B-). Sampo Bank's A1 long-term foreign currency deposit rating was placed on review for possible upgrade and its Prime-1 short-term foreign currency deposit rating and B- Bank Financial Strength Rating were affirmed with stable outlook (see separate press release on Sampo Bank).

Moody's understands that the transaction is expected to be completed in the first quarter of 2007, subject to regulatory approval. The acquisition price is agreed at EUR4.1 billion (DKK30.1 billion) and will be chiefly financed by equity and a hybrid capital offering. Sampo will continue to provide banking and investment services in Finland under its current brands.

The affirmation of Danske Bank's ratings is based on (i) Moody's opinion that Sampo Bank provides a good fit for the Danish institution, both from a cultural standpoint and in terms of the latter's strategy of pursuing retail banking in north-western Europe; (ii) the relatively small contribution that Sampo will make to the Danske group (based on Q3 2006 data, Sampo will account for 12% of total group risk-weighted assets and 13% of pre-tax profit); and (iii) Danske Bank's good track record in managing similar acquisitions in the past.

Danske Bank is the largest Danish financial institution with a dominant franchise in Denmark in banking, but also through its insurance company Danica and mortgage subsidiary Realkredit Danmark. The bank has also gained good market shares in Sweden, Norway and Ireland. The acquisition of Sampo Bank will complement Danske Bank's Nordic presence, providing it with a good foothold in Finland, where Sampo Bank has market shares of about 13% in deposits and lending. Through Sampo Bank, Danske Bank will also gain access to the Baltic and Russian markets.

The expected synergies represent around 19% of Sampo Bank's cost base and will primarily relate to a higher level of efficiency following the integration of Sampo Bank into Danske Bank's IT systems, as well as moving Sampo Bank's financing, product development, communications, support and administrative functions to Danske Bank's platform.

Moody's notes that the acquisition will further increase Danske Bank's leverage and the bank's core Tier 1 ratio is set to decline to 5.2% at the beginning of 2007. Although Danske Bank's core Tier 1 target remains low at 5.5%-6%, Moody's derives some comfort from the bank's low risk profile, its stable recurring revenues and an expectation that the Tier 1 capital ratio is expected to be maintained at 7.0%. However, the acquisition of Sampo Bank would appear to have accelerated Danske Bank's plan to reduce their level of capital and this has the potential to become a negative rating driver in the future.

The following ratings were placed on review for possible upgrade:

- Sampo Bank's A1 long-term local and foreign currency deposit rating

The following ratings were affirmed:

- Danske Bank's Aa1/P-1 deposit ratings and A- financial strength rating
- Sampo Bank's Prime-1 short-term foreign currency deposit rating
- Sampo Bank's B- financial strength rating

Danske Bank is headquartered in Copenhagen, Denmark. At the end of September 2006, it had total assets of EUR355.7 billion and it reported EUR1.3 billion in year-to-date pre-tax profit. Sampo Bank is headquartered in Helsinki, Finland. At the end of September 2006, it had total assets of EUR26.4 billion and it reported EUR277 million in year-to-date pre-tax profit.

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