

PROSPECTUS SUPPLEMENT NO. 1 DATED 21 FEBRUARY 2019  
TO THE BASE PROSPECTUS DATED 8 NOVEMBER 2018



*EUR 30,000,000,000*  
*GLOBAL COVERED BOND PROGRAMME*

This Prospectus Supplement dated 21 (the “**Prospectus Supplement**” or “**Prospectus Supplement No. 2**”) to the Base Prospectus dated 8 November 2018 (as supplemented by the Prospectus Supplement No. 1 dated 12 December 2018, together with the Prospectus Supplement, the “**Base Prospectus**”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and is prepared in connection with the Global Covered Bond Programme (the “**Programme**”) established by Danske Bank A/S (the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Prospectus Supplement.

This Prospectus Supplement has been approved by the Central Bank of Ireland as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Prospectus Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Base Prospectus can be viewed online at <https://danskebank.com/-/media/danske-bank-com/pdf/investor-relations/debt/funding-programmes/global-covered-bond-programme/danske-bank-covered-bond-base-prospectus---8-november-2018-.la=en.pdf>.

## **ANNUAL REPORT 2018**

On 1 February 2019, the Issuer published its consolidated audited financial statements as at and for the year ended 31 December 2018 (the “**Annual Report 2018**”). A copy of the Annual Report 2018 has been filed with the Central Bank of Ireland and, by virtue of this Prospectus Supplement, the Annual Report 2018 is incorporated in, and forms part of, the Base Prospectus, excluding the section “Financial outlook for 2019” of the “Executive summary” on page 11. The Annual Report 2018 incorporated by reference herein can be viewed online at <https://danskebank.com/-/media/danske-bank-com/file-cloud/2019/2/annual-report-2018.pdf>.

## **Cross Reference List**

*Danske Bank Group*

*Annual Report 2018*

*31 December 2018*

Income Statement for the Group for the year ended 31 December 2018	page 70
Statement of Comprehensive Income for the Group for the year ended 31 December 2018	page 71
Balance Sheet for the Group for the year ended 31 December 2018	page 72
Statement of Capital for the Group for the year ended 31 December 2018	pages 73-76
Cash Flow Statement for the Group for the year ended 31 December 2018	page 77
Notes to the Financial Statements for the Group for the year ended 31 December 2018	pages 78-207
Statement by the Management as at and for the year ended 31 December 2018	page 230
Independent Auditor’s Report for the Group for the year ended 31 December 2018	pages 231-235

The Annual Report 2018 is incorporated as set out above. The table above sets out the principal disclosure requirements which are satisfied by the information and is not exhaustive. Each page reference refers to the corresponding page in the Annual Report 2018.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus to which this Prospectus Supplement relates.

## AMENDMENT TO THE BASE PROSPECTUS

The section with two bullet points in “Shareholders’ equity” on pages 153-154 of the Base Prospectus shall be deemed deleted and replaced with the following:

“As of year-end 2018, two shareholder groups had notified the Issuer of holding 5 per cent. or more of the Issuer’s share capital and voting rights:

- A.P. Møller-Holding Group held a total (directly and indirectly) of more than 20.0 per cent. of the shares and the voting rights of the Issuer; and
- BlackRock Inc. held a total (indirectly via shares and other financial instruments with similar economic effect) of more than 5.0per cent. of the shares and the voting rights of the Issuer.

As of 28 January 2019 BlackRock Inc. announced that it held (indirectly via shares and other financial instruments with similar economic effect) 4.99 per cent. of the shares and the voting rights of the Issuer.”

The following paragraph shall be inserted after the fifth paragraph in “Legal Proceedings” at the bottom of page 160 of the Base Prospectus:

“On 7 February 2019, the Issuer was again placed under formal investigation (“mise en examen”) by an investigating judge at the Tribunal de Grande Instance de Paris in connection with an investigation into suspicion of money laundering related to certain transactions in the terminated portfolio of non-resident customers of the Issuer’s branch in Estonia in the period from 2007 to 2014. The investigation covers transactions amounting to around EUR 21.6 million. The Issuer has been ordered to post bail in the amount of EUR 10.8 million.

The terminated portfolio of non-resident customers is described in more detail in the Report on the Non-Resident portfolio at Danske Bank’s Estonian branch dated 19 September 2018 prepared by the Danish law firm Bruun & Hjejle (the “**Report**”). Whilst the Report showed shortcomings and failures, including late and inadequate handling of the issues arising from the Estonia matter, the investigation into the terminated portfolio of non-resident customers has made no findings which enable it to conclude whether money laundering, tax evasion or other criminal activity has actually taken place. The Report has now been included in the investigation in France.”

The following paragraphs shall be inserted after the last paragraph in “Legal Proceedings” on page 161 of the Base Prospectus:

“On 9 January 2019, an action was filed in New York by an alleged holder of the Issuer’s American Depositary Receipts, representing its ordinary shares, against the Issuer. The complaint seeks unspecified damages on behalf of a putative class of purchasers of the Issuer’s American Depositary Receipts between 9 January 2014 and 23 October 2018. The Issuer intends to defend itself against the claims. The timing of completion of the lawsuit and the outcome are uncertain.

As stated in the press release of 4 October 2018, the Issuer is currently in a dialogue with the U.S. Department of Justice (“**DOJ**”), which is conducting a criminal investigation in relation to the case of possible money laundering at the Issuer’s branch in Estonia. As stated in the press release of 21 February 2019, in addition to the dialogue with the DOJ, the Issuer has received an inquiry from the U.S. Securities and Exchange Commission which is also carrying out an investigation. The Issuer is cooperating with all relevant authorities in order to clarify the full details of the case.

Recent reports in the media have pointed to potential further legal actions being raised against the Issuer in connection with the Estonian case. The timing of completion of any such lawsuits and their outcomes are uncertain.”

## **RECENT DEVELOPMENTS**

In Company Announcement No. 4/2019 released on 19 February 2019, Danske Bank A/S announced that it will close down its banking activities in the Baltics and Russia. Accordingly, the following sections are to be added to the bottom of the “Recent Developments” section on page 167 of the Base Prospectus:

### ***“Danske Bank closes down its banking activities in the Baltics and in Russia***

Following the case of suspicious transactions in Estonia in the period from 2007 to 2015, the Estonian Financial Supervision Authority (the “**Estonian FSA**”) has ordered the Issuer to cease banking operations in Estonia, which the Issuer has agreed to do.

Independently of the notification from the Estonian FSA and in line with its strategy of focusing on its Nordic core markets, the Issuer has for some time considered the future of its remaining activities in Estonia, Latvia and Lithuania, as well as the activities in Russia. The Issuer has now decided to close down all of these activities.

However, the Issuer’s shared services centre in Lithuania, which undertakes a number of administrative functions for the Issuer, will continue its operations.”

## **GENERAL INFORMATION**

Paragraphs “Material Change and Significant Change” and “Legal Proceedings” of the section “General Information” on page 186 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs, respectively:

### **“Material Change and Significant Change**

- (i) There has been no significant change in the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole since 31 December 2018, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and
- (ii) On 9 January 2019, an action was filed in New York by an alleged holder of the Issuer’s American Depositary Receipts, representing its ordinary shares, against the Issuer. The complaint seeks unspecified damages on behalf of a putative class of purchasers of the Issuer’s American Depositary Receipts between 9 January 2014 and 23 October 2018. The Issuer intends to defend itself against the claims. On 7 February 2019, the Issuer was again placed under formal investigation (“mise en examen”) by an investigating judge at the Tribunal de Grande Instance de Paris in connection with an investigation into suspicion of money laundering related to certain transactions in the terminated portfolio of non-resident customers of the Issuer’s branch in Estonia in the period from 2007 to 2014. The investigation covers transactions amounting to around EUR 21.6 million. The Issuer has been ordered to post bail in the amount of EUR 10.8 million. The timing of completion of the lawsuit and the investigations and the outcomes are uncertain. Save for such lawsuit and investigations, there has been no material adverse change in the prospects of the Issuer since 31 December 2018, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.

### **Legal Proceedings**

Save as outlined in the section “Legal Proceedings” and the first, fourth, fifth, ninth, eleventh and twelfth bullets on page 13 of the Annual Report 2018, there are no governmental, legal or arbitration proceedings against or affecting the Issuer or any of its Subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous twelve months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole.”

## **GENERAL**

To the extent that there is any inconsistency between (a) any statement in this Prospectus Supplement and or any statement incorporated by reference into the Base Prospectus by this Prospectus Supplement (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Prospectus Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

See “Risk Factors” in the Base Prospectus for a discussion of certain risks that should be considered in connection with certain types of Covered Bonds which may be offered under the Programme.