

Financial results – first nine months 2016



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Executive summary: A satisfactory result for the first nine months of 2016

Low economic growth - continuation of negative interest rates

Financial markets improved from the weak environment in the beginning of the year

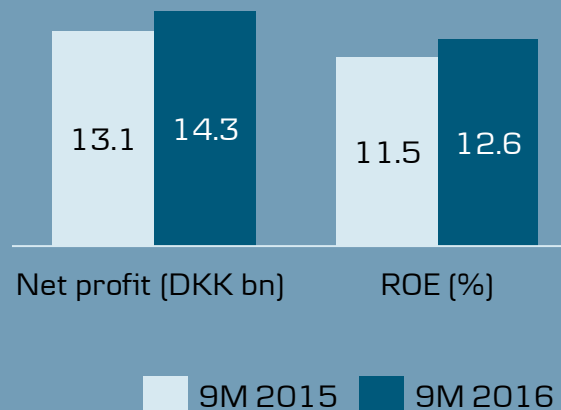
Increased lending activity across customer segments - strong focus on costs continued

Overall customer satisfaction continued to improve



Financial results, 9M 2016

- Net profit of DKK 14.3 bn, up 9% from first nine months of 2015
- ROE of 12.6% - on track to meet long-term target above 12.5%
- Strong capital position, with a CET1 capital ratio of 15.8%
- Net profit outlook for 2016 revised upwards



Net profit: DKK 14.3 bn, up 9% from first nine months of 2015

Income statement and key figures (DKK m)

	9M 2016	9M 2015	Index	Q3 2016	Q2 2016	Index
Net interest income	16,239	16,123	101	5,492	5,489	100
Net fee income	10,151	10,978	92	3,414	3,354	102
Net trading income	6,284	5,348	117	2,549	2,138	119
Other income	2,383	1,575	151	589	562	105
Total income	35,057	34,023	103	12,044	11,543	104
Expenses	16,586	16,964	98	5,471	5,805	94
Profit before loan impairment charges	18,471	17,059	108	6,573	5,738	115
Loan impairment charges	157	197	80	264	22	-
Profit before tax, core	18,314	16,862	109	6,309	5,715	110
Profit before tax, Non-core	5	33	14	-42	65	-
Profit before tax	18,318	16,895	108	6,267	5,780	108
Tax	4,050	3,808	106	1,362	1,362	100
Net profit	14,268	13,087	109	4,905	4,418	111
Return on avg. shareholders' equity (%)	12.6	11.5		12.9	11.8	
Cost/income ratio (%)	47.3	49.9		45.4	50.3	
Common equity tier 1 capital ratio (%)	15.8	15.7		15.8	15.8	
EPS (DKK)	14.4	12.9	112	5.0	4.4	114
Lending (DKK bn)	1,675	1,590	105	1,675	1,664	101
Deposits and RD funding (DKK bn)	1,644	1,566	105	1,644	1,611	102
- of which deposits (DKK bn)	872	824	106	872	855	102
Risk exposure amount (DKK bn)	814	832	98	814	800	102

Key points, 9M 2016 vs 9M 2015

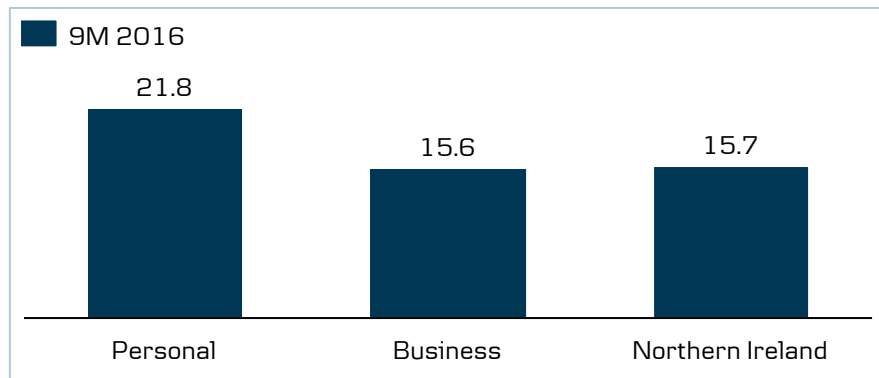
- Return on equity of 12.6%
- Total income up, reflecting higher trading income and other income
- Property sale in Q1 and sale of VISA Europe in Q2 and Q3
- Negative credit value adjustments (CVA) of DKK -0.6 bn in Q2
- Expenses down 2%; cost/income ratio of 47.3%
- Lending volume up 5%

Key points, Q3 2016 vs Q2 2016

- Fee income up 2% owing to increased remortgaging
- Trading income up 19%, driven by strong client activity at C&I
- Expenses down 6% after higher regulatory costs in Q2
- Lending volume up 1%
- CET1 capital ratio at 15.8% as REA rose to DKK 814 bn

Banking units: Income down vs exceptionally strong 9M 2015; all units benefit from net reversals of impairments

Pre-tax return on allocated capital (%)



Financial highlights, 9M 2016 vs 9M 2015

Personal Banking

- NII down due to migration from bank to mortgage loans & competition
- Lower fee income, reflecting lower remortgaging activity
- Profit before tax reflects lower expenses and net reversals

Business Banking

- Total income down 3%, reflecting strong activity in H1 2015
- Lending up 8%, with growth in all markets
- Net reversals driven primarily by higher collateral values

Northern Ireland

- Results adversely affected by the change in the exchange rate
- Cost reductions and net reversals of impairment charges continued

Income statement (DKK m)

	Personal			Business			Northern Ireland		
	9M 2016	9M 2015	Index	9M 2016	9M 2015	Index	9M 2016	9M 2015	Index
Net interest income	5,722	5,937	96	6,279	6,195	101	1,117	1,208	93
Net fee income	2,487	2,686	93	1,224	1,433	85	363	380	95
Net trading income	385	399	97	392	471	83	102	89	115
Other income	456	478	95	405	471	86	16	11	141
Total income	9,050	9,500	95	8,300	8,570	97	1,598	1,688	95
Expenses	5,661	6,248	91	3,527	3,467	102	909	979	93
Profit before loan impairment charges	3,388	3,252	104	4,774	5,103	94	689	709	97
Loan impairment charges	-289	455	-	-54	173	-	-211	-393	-
Profit before tax	3,678	2,797	131	4,828	4,930	98	901	1,102	82
Lending (DKK bn)	741	715	104	661	613	108	46	53	86
Deposits (DKK bn)	267	254	105	224	221	101	58	61	94

C&I and Wealth Management: Strong client activity at C&I; increased lending supports NII at both business units

C&I: Financial highlights, 9M 2016 vs 9M 2015

- Total income up 4%, reflecting stronger client activity at FICC in Q2 and Q3
- NII up 12% as a result of volume growth and less margin pressure
- Trading income includes negative CVA of DKK -0.6 bn in Q2
- Expenses up 5% owing to a higher share of contributions to the new Resolution Fund and performance-based compensation
- Higher impairments owing mainly to collective charges against facilities in the oil sector throughout 2016
- Total collective charges of DKK 0.7 bn booked against oil of which DKK 0.5 bn was booked in 2016

Wealth Management: Financial highlights, 9M 2016 vs 9M 2015

- Asset under management up 3% driven by a positive inflow from net sales and premiums
- Net sales at Danske Capital of DKK 3.7 bn in the first nine months of 2016, with inflow from both institutional and retail clients. Net premiums of DKK 25 bn at Danica Pension
- Fee income down 5% owing to lower average assets under management
- Expenses up by 5%, reflecting the establishment of the new business unit in the first half of 2016
- Improved macroeconomic conditions, especially in Denmark, resulting in further reversals of impairment charges

C&I: Income statement (DKK m)

	9M 2016	9M 2015	Index
Net interest income	2,266	2,030	112
Net fee income	1,596	1,830	87
Net trading income	3,934	3,667	107
Other income	21	3	-
Total income	7,816	7,530	104
Expenses	3,496	3,334	105
Profit before loan impairment charges	4,321	4,197	103
Loan impairment charges	789	-	-
Profit before tax	3,532	4,197	84
Pre-tax return on allocated capital (%)*	12.4	14.9	
Lending (DKK bn)	189	174	108
Deposits (DKK bn)	250	227	110

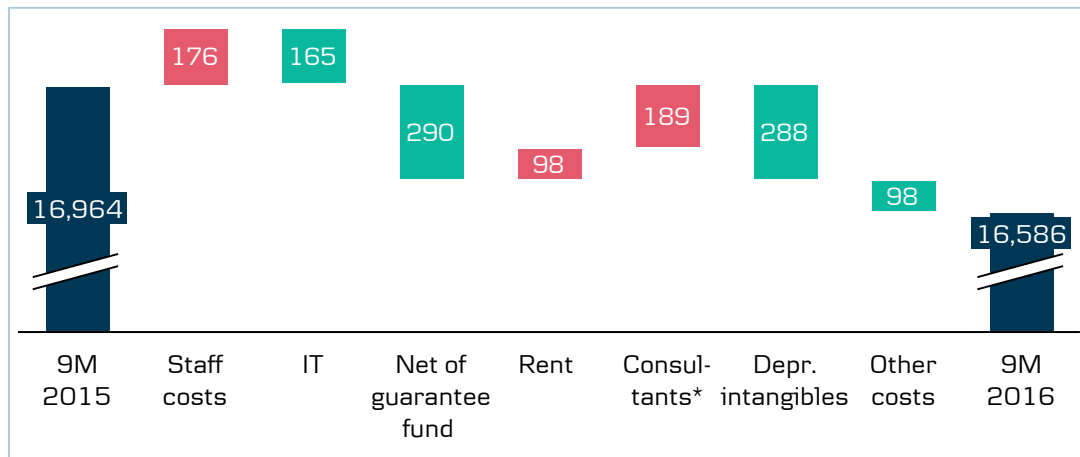
Wealth Management: Income statement (DKK m)

	9M 2016	9M 2015	Index
Net interest income	499	470	106
Net fee income	4,584	4,809	95
Net trading income	443	265	167
Other income	352	414	85
Total income	5,878	5,958	99
Expenses	2,784	2,658	105
Profit before loan impairment charges	3,094	3,300	94
Loan impairment charges	-82	-39	-
Profit before tax	3,176	3,339	95
Pre-tax return on allocated capital (%)*	30.4	28.6	
Lending (DKK bn)	72	67	106
Deposits (DKK bn)	64	55	115
Assets under management (DKK bn)	1,383	1,339	103

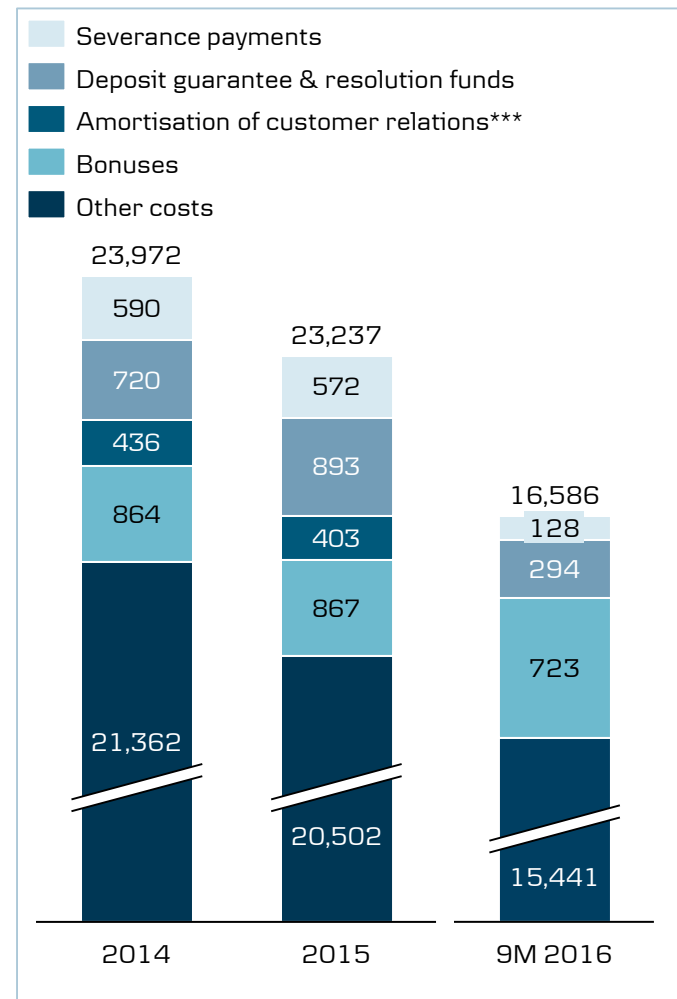
* 9M 2016 reflects new capital allocation framework.

Expenses: Down 2% despite upward pressure from regulatory cost

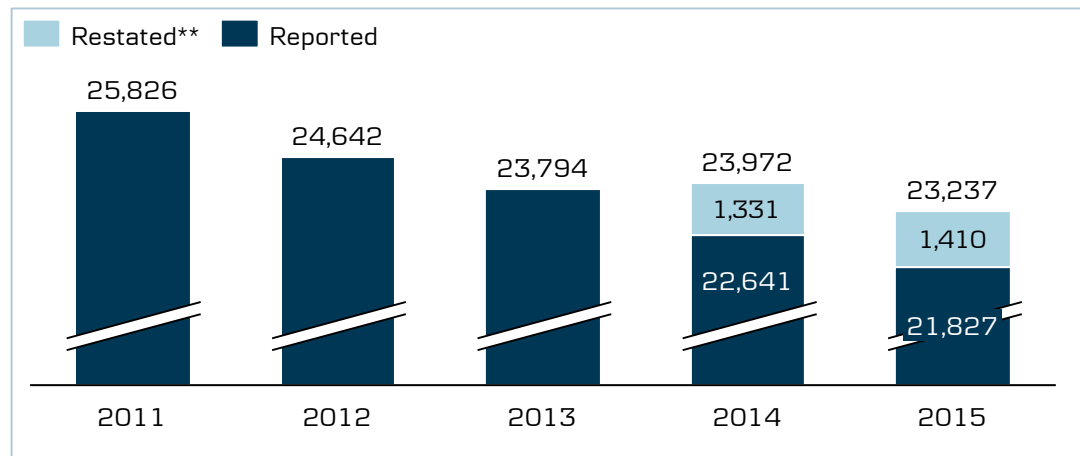
Change in expenses (DKK m)



Total expenses ex goodwill charge (DKK m)



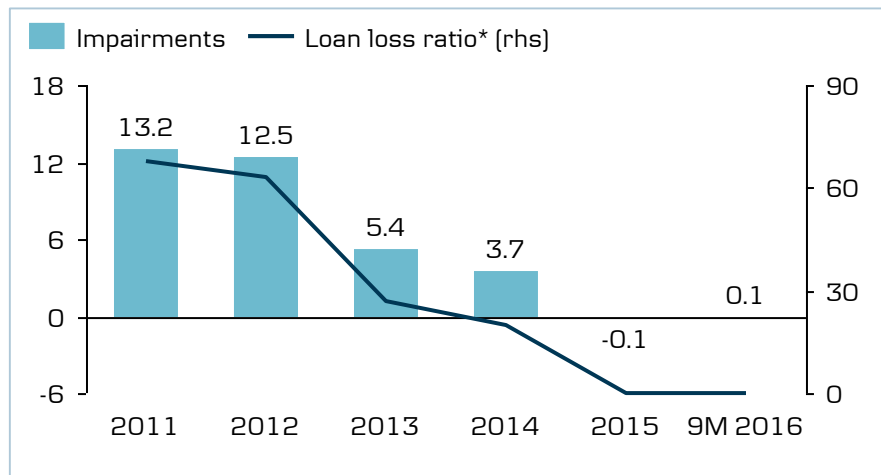
Total expenses ex goodwill charge, 2011-2015 (DKK m)



* Owing mainly to increased regulatory requirements. ** Expenses for 2014 and 2015 are restated to reflect the new Wealth Management unit. ***2015 charge represents 11 months of amortisation because of write-down in December 2015.

Impairments: Loan loss ratio of 1 bp ex Non-core in first nine months of 2016

Group impairments,* 2011 to 9M 2016 (DKK bn/bp)



Impairment drivers, Q3 2016 vs Q2 2016

- Impairments remain low despite increased impairments for oil-related exposure; overall, credit quality remains sound
- Personal Banking and Wealth Management continue to benefit from improved macroeconomic conditions and stronger collateral values, especially in Denmark
- Net reversals at Business Banking and Northern Ireland driven by increased commercial property prices. In Denmark, the agriculture sector remains challenged
- Increased impairments for oil-related exposure at C&I, including DKK 0.2 bn in collective charges. Total collective charges against oil-related exposure amount to DKK 0.7 bn

Impairments (DKK m)

	9M2016	9M2015	Q3 2016	Q2 2016
Personal Banking	-289	455	-110	-14
Business Banking	-54	173	-31	5
C&I	789	-	468	125
Wealth Management	-82	-39	-8	-23
Northern Ireland	-211	-393	-60	-71
Other activities	5	-	5	-
Total core	157	197	264	22
Non-core	-98	-81	-17	-82
Group	59	116	247	-60

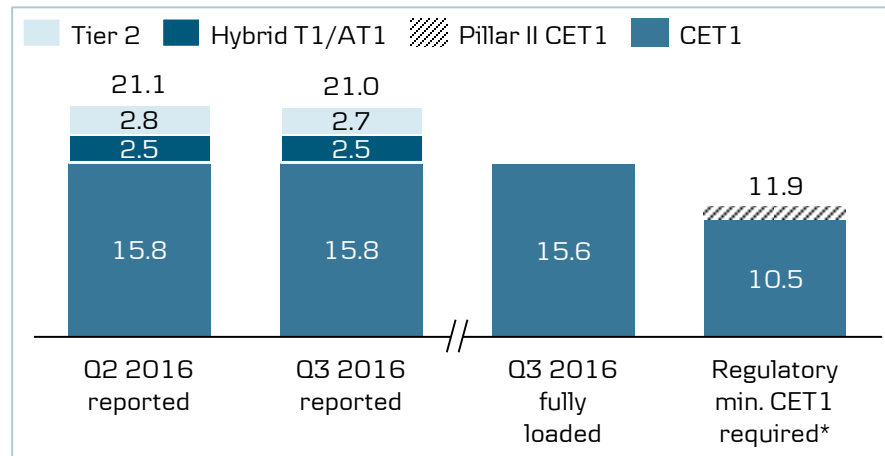
Loan loss ratio,** annualised (bp)

	9M2016	9M2015	Q3 2016	Q2 2016
Personal Banking	-5	9	-6	-1
Business Banking	-1	4	-2	-
C&I	26	-	42	11
Wealth Management	-16	-7	-4	-13
Northern Ireland	-56	-113	-54	-61
Other activities	20	-	78	-
Total core	1	2	5	0
Non-core	-55	-35	-33	-143
Group	0	1	5	-1

* Incl. Non-core **The loan loss ratio is defined as annualised quarterly impairment charges as a percentage of loans and guarantees.

Capital: Strong capital base; CET1 capital ratio unchanged at 15.8% as REA increase offsets earnings

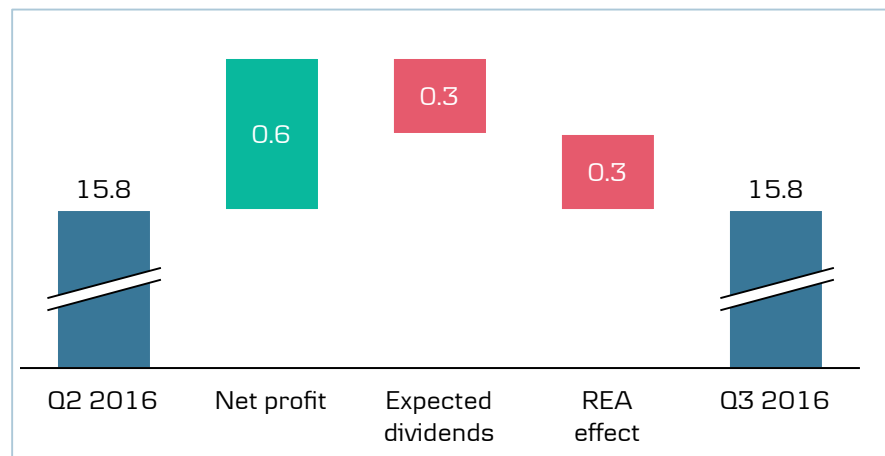
Capital ratios, under Basel III/CRR (%)



Capital highlights, Q3 2016

- Market risk up from a low level in Q2, leading to higher REA, partly because of CVA hedging
- Leverage ratio of 4.3% under transitional rules and 4.0% fully phased-in
- Effect of CRR/CRD IV on fully loaded CET1 ratio is a drop of 0.2 of a percentage point from the Q3 2016 level
- Capital targets: CET1 in the range of 14-15% in the short to medium term in light of regulatory uncertainty, and total capital ratio target of around 19%

CET1 capital ratio, Q2 2016 to Q3 2016 (%)



Total REA, Q2 2016 to Q3 2016 (DKK bn)



* Pro-forma fully phased-in minimum CET1 requirement in 2019: min. CET1 requirement of 4.5%, capital conservation buffer of 2.5%, SIFI requirement of 3%, countercyclical buffers of 0.5% and CET1 component of Pillar II requirement. NB: Pillar II requirement is not relevant for the purpose of Maximum Distributable Amount (MDA).

Outlook for full-year 2016: We now expect net profit higher than in 2015*

NII**

We expect somewhat less pressure on margins for the remainder of 2016, and we will benefit from volume growth and somewhat lower funding costs

Fee income**

In light of weak activity levels and uncertainty in the financial markets, we expect net fee income to be lower than in 2015

Trading income

Net trading income remains subject to customer activity and volatility in the financial markets

Expenses

Expenses are expected to decline from the level in 2015

Impairments

Loan impairments are expected to be at a low level because of our ongoing efforts to improve credit quality and generally unchanged macroeconomic climate

Non-core

Non-core pre-tax result is expected to be close to zero

Net profit

Revised: We now expect net profit for 2016 to be higher than net profit before goodwill impairments in 2015***. This is primarily due to higher than expected net trading income

* Before goodwill impairments. **Outlook revised in connection with the financial report for the first half of 2016. *** Previously, we expected net profit for 2016 to be in line with net profit before goodwill impairments in 2015. Note: This guidance is subject to uncertainty and depends on economic conditions, including developments in monetary policy at central banks.

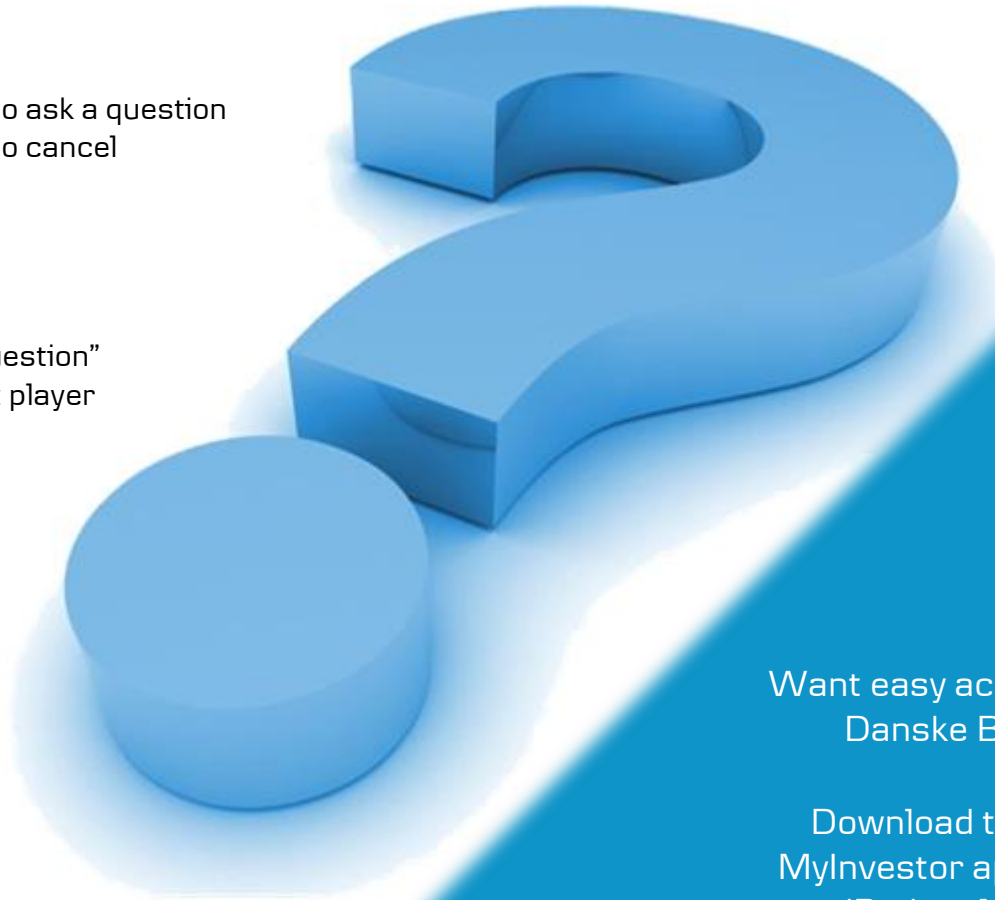
Q&A session



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Press * then 2 to cancel



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Appendix

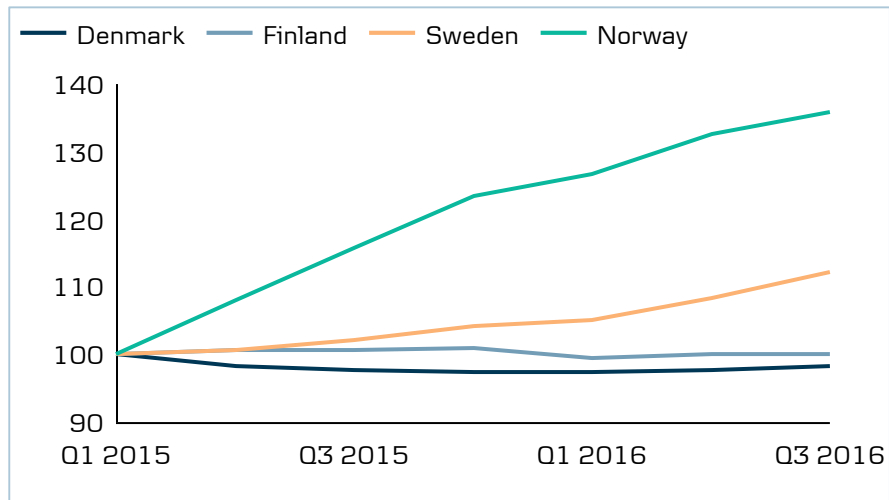
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Personal Banking: PBT up 13% driven by fees and net reversals; strong customer activity in Sweden and Norway continues

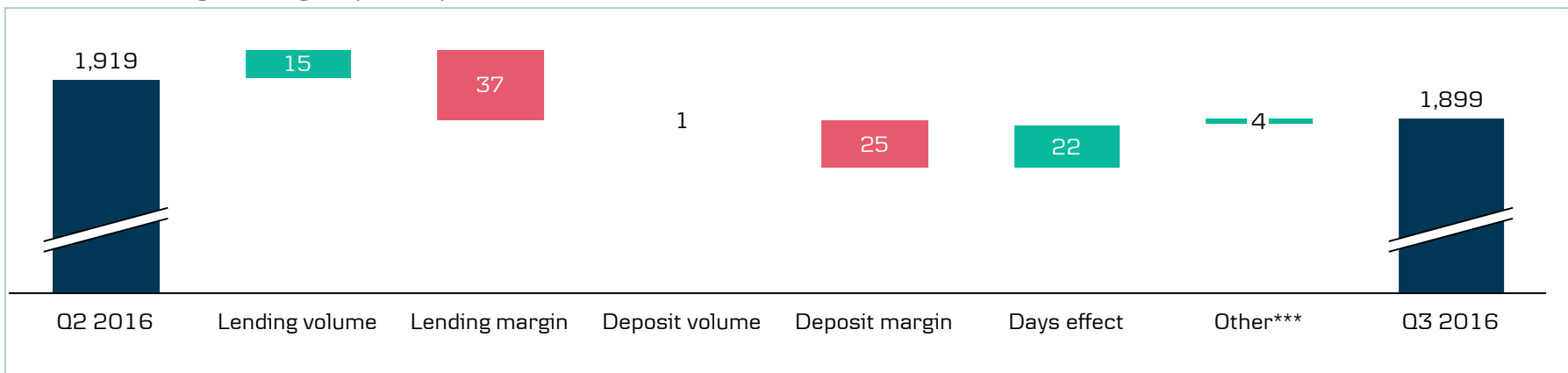
Income statement & key figures (DKK m)

	Q3 2016	Q2 2016	Index
Net interest income	1,899	1,919	99
Net fee income	890	808	110
Net trading income	121	103	118
Other income	144	187	77
Total income	3,054	3,017	101
Expenses	1,926	1,939	99
Profit before loan impairment charges	1,128	1,079	105
Loan impairment charges	-110	-14	-
Profit before tax	1,238	1,093	113
Lending (DKK bn)	741	731	101
Deposits (DKK bn)	267	267	100

Lending volume by country* (Q1 2015 = Index 100)



Personal Banking NII bridge** (DKK m)



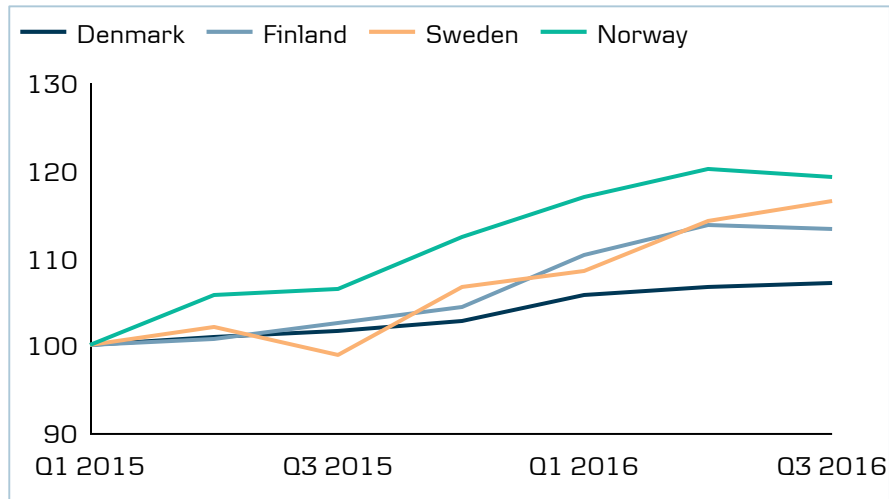
* Based on local currency lending volumes. ** Based on average volumes. *** Includes capital costs and off-balance-sheet items.

Business Banking: Lending growth driven by Denmark and Sweden; competition remains tough

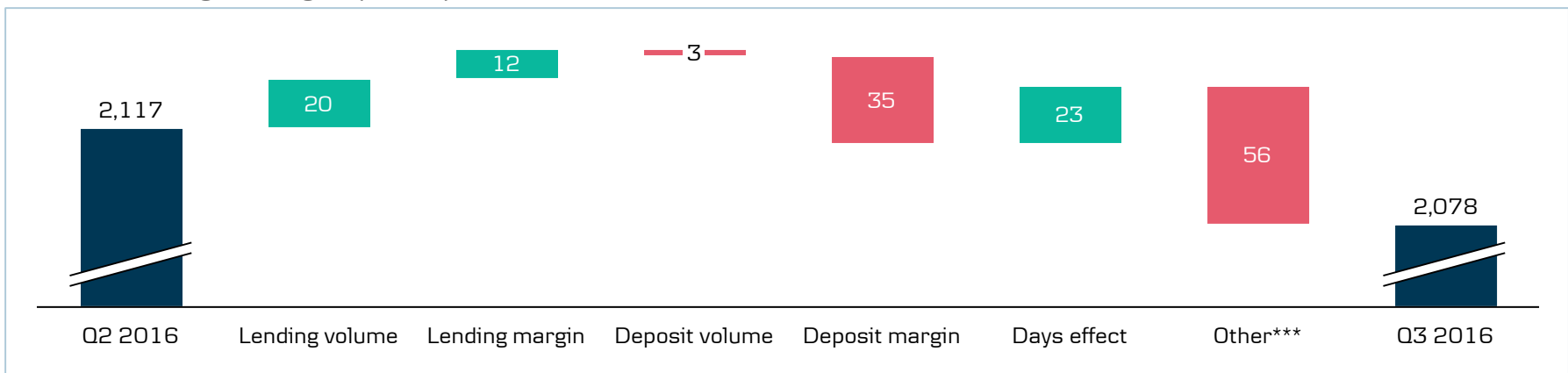
Income statement & key figures (DKK m)

	Q3 2016	Q2 2016	Index
Net interest income	2,078	2,117	98
Net fee income	435	396	110
Net trading income	100	138	72
Other income	117	156	75
Total income	2,729	2,808	97
Expenses	1,198	1,187	101
Profit before loan impairment charges	1,532	1,621	94
Loan impairment charges	-31	5	-
Profit before tax	1,563	1,616	97
Lending (DKK bn)	661	657	101
Deposits (DKK bn)	224	224	100

Lending volume by country* (Q1 2015 = Index 100)



Business Banking NII bridge** (DKK m)



* Based on local currency lending volumes. ** Based on average volumes. *** Includes capital costs and off-balance-sheet items.

Corporates & Institutions: Strong client activity in FICC; impairment charges against oil sector

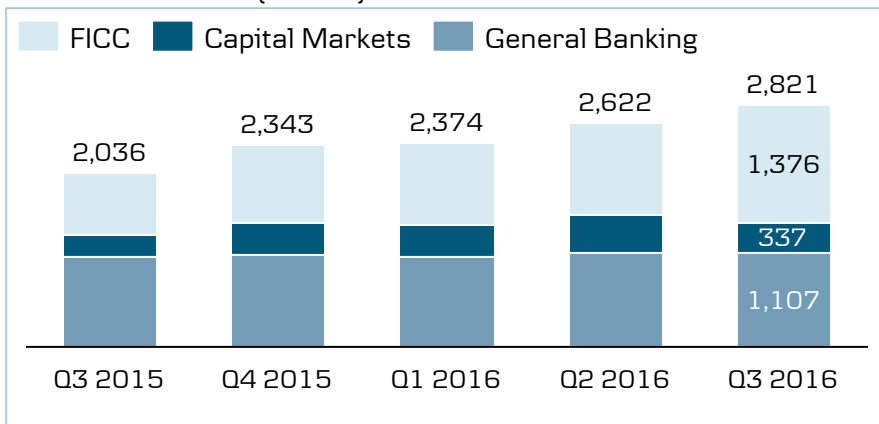
Income statement & key figures (DKK m)

	Q3 2016	Q2 2016	Index
Net interest income	778	761	102
Net fee income	478	574	83
Net trading income	1,560	1,284	121
Other income	5	3	184
Total income	2,821	2,622	108
Expenses	1,176	1,219	96
Profit before loan impairment charges	1,644	1,403	117
Loan impairment charges	468	125	-
Profit before tax	1,176	1,278	92
Lending (DKK bn)	189	192	98
Deposits (DKK bn)	250	239	105

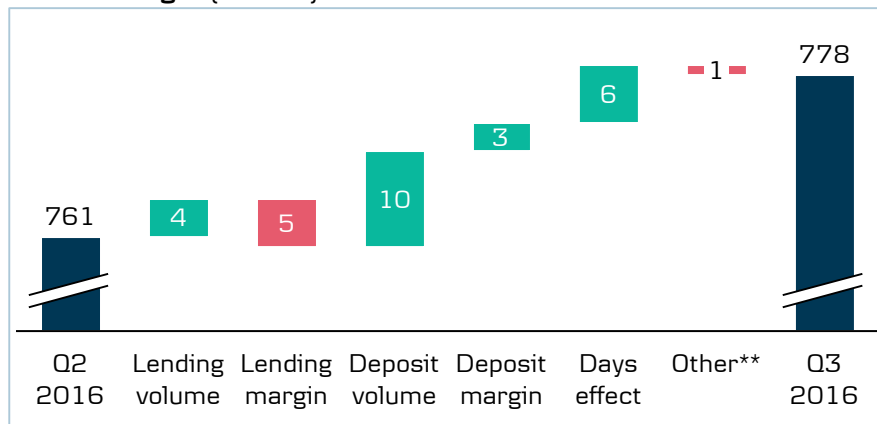
Key points, Q3 2016 vs. Q2 2016

- Total income up 8% because of higher customer activity resulting from improved market conditions
- Fee income down owing to seasonality in the summer months
- Income from FICC drove trading income up
- Impairments up because of increased impairments against oil-related exposure
- Allocated capital unchanged from Q2 at DKK 37 bn

Income breakdown (DKK m)



C&I NII bridge* (DKK m)



* Based on average volumes. ** Includes capital costs and off-balance-sheet items.

Wealth Management: AUM up 4%; improved ROAC due to capital efficiency

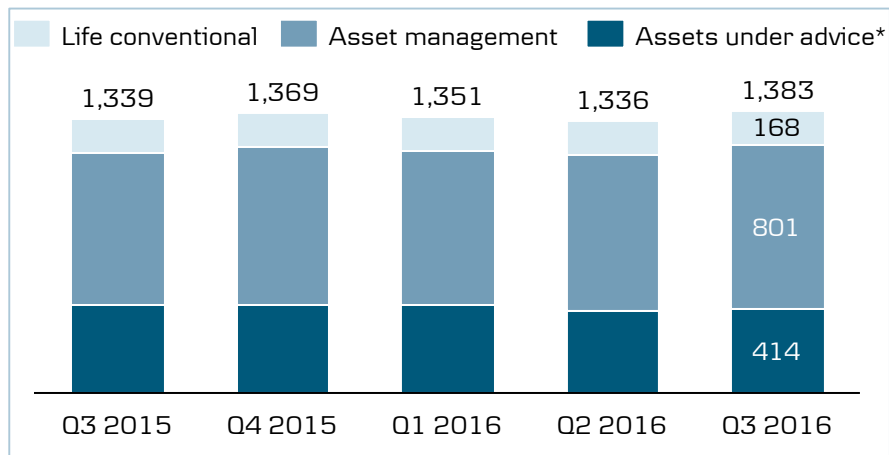
Income statement (DKK m)

	Q3 2016	Q2 2016	Index
Net interest income	167	164	102
Net fee income	1,533	1,501	102
Net trading income	299	59	-
Other income	90	158	57
Total income	2,089	1,882	111
Expenses	902	964	94
Profit before loan impairment charges	1,188	918	129
Loan impairment charges	-8	-23	-
Profit before tax	1,195	941	127
Lending (DKK bn)	72	71	101
Deposits (DKK bn)	64	63	102
Allocated capital (average, DKK bn)	12.5	13.1	95
Pre-tax return on allocated capital (%)	38.3	28.8	
AuM (DKK bn)	1,383	1,336	104
- Life conventional (Traditional)	168	166	101
- Asset Management (unit-linked)	801	766	105
- Assets under advice*	414	403	103

Key points, Q3 2016 vs Q2 2016

- Assets under management up 4% driven by performance, net sales (DKK 1 bn) and net premiums (DKK 9 bn) at Danica
- Net sales driven by inflow from retail clients
- Fee income up 2% on higher assets under management
- Trading income includes one-off income of DKK 175 m owing to the transfer of a portfolio of insurance contracts
- Operating expenses down 6%, reflecting establishment costs of new unit in Q2
- ROAC improved to 38.3%

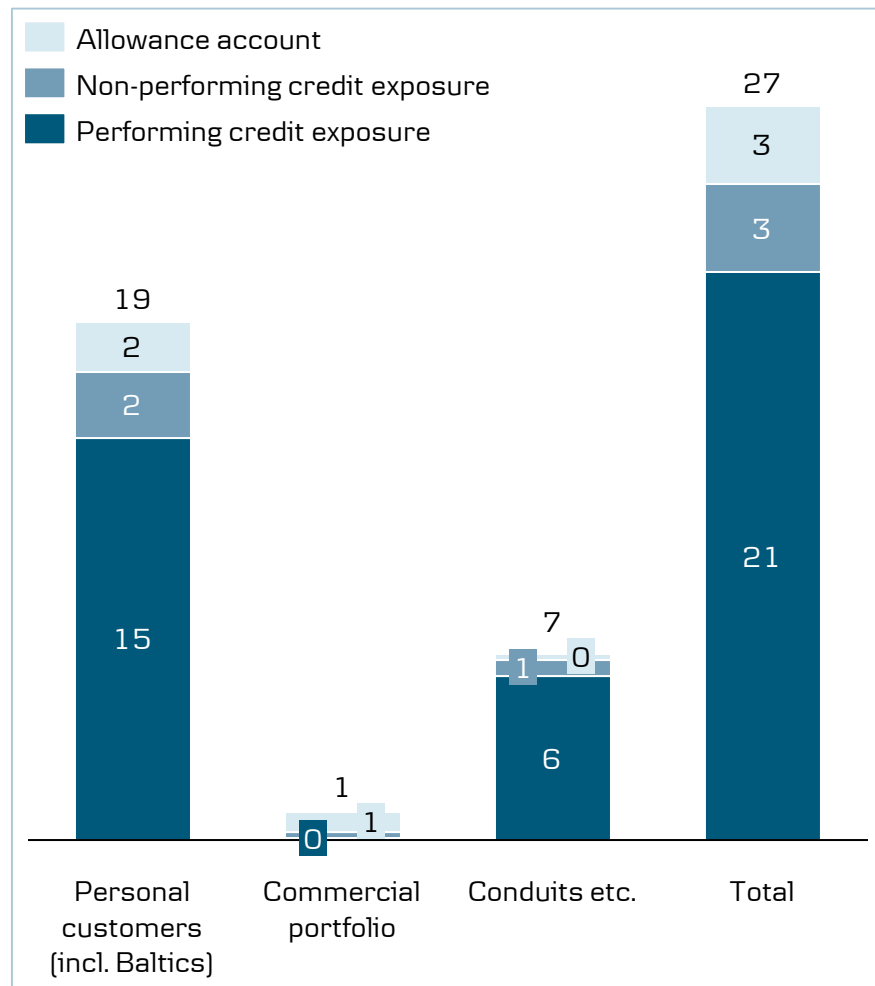
AuM breakdown (DKK bn)



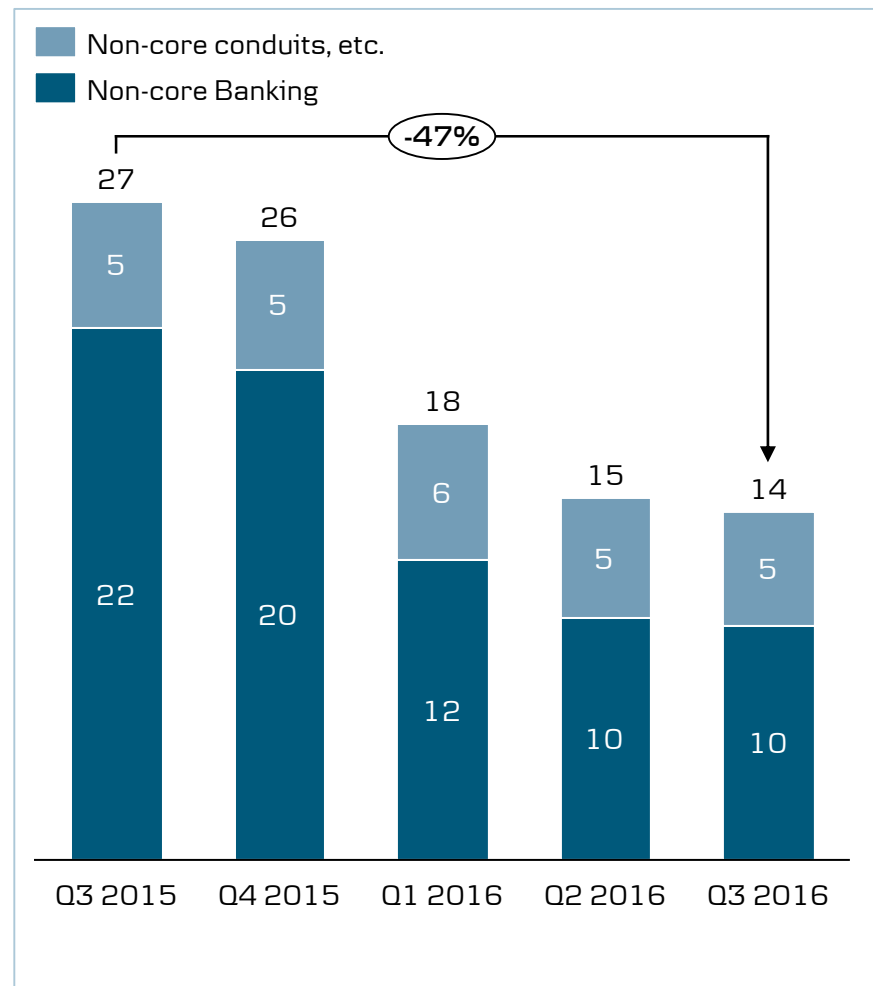
* Assets under advice from personal, business and private banking customers, where the investment decisions is taken by the client.

Non-core: Deleveraging continues; full-year pre-tax result is expected to be close to zero

Non-core loan portfolio, Q3 2016 (DKK bn)

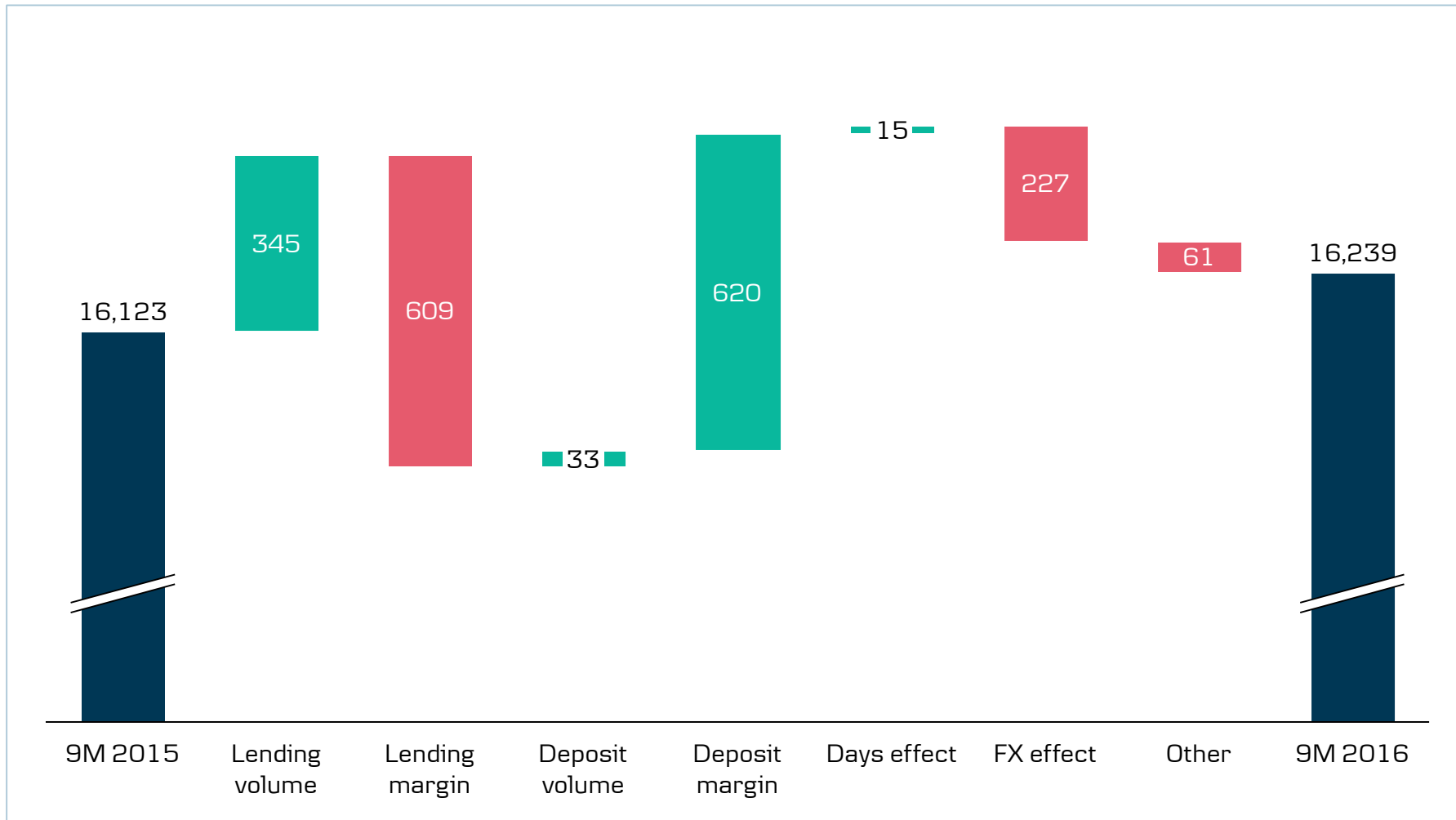


Total REA (DKK bn)



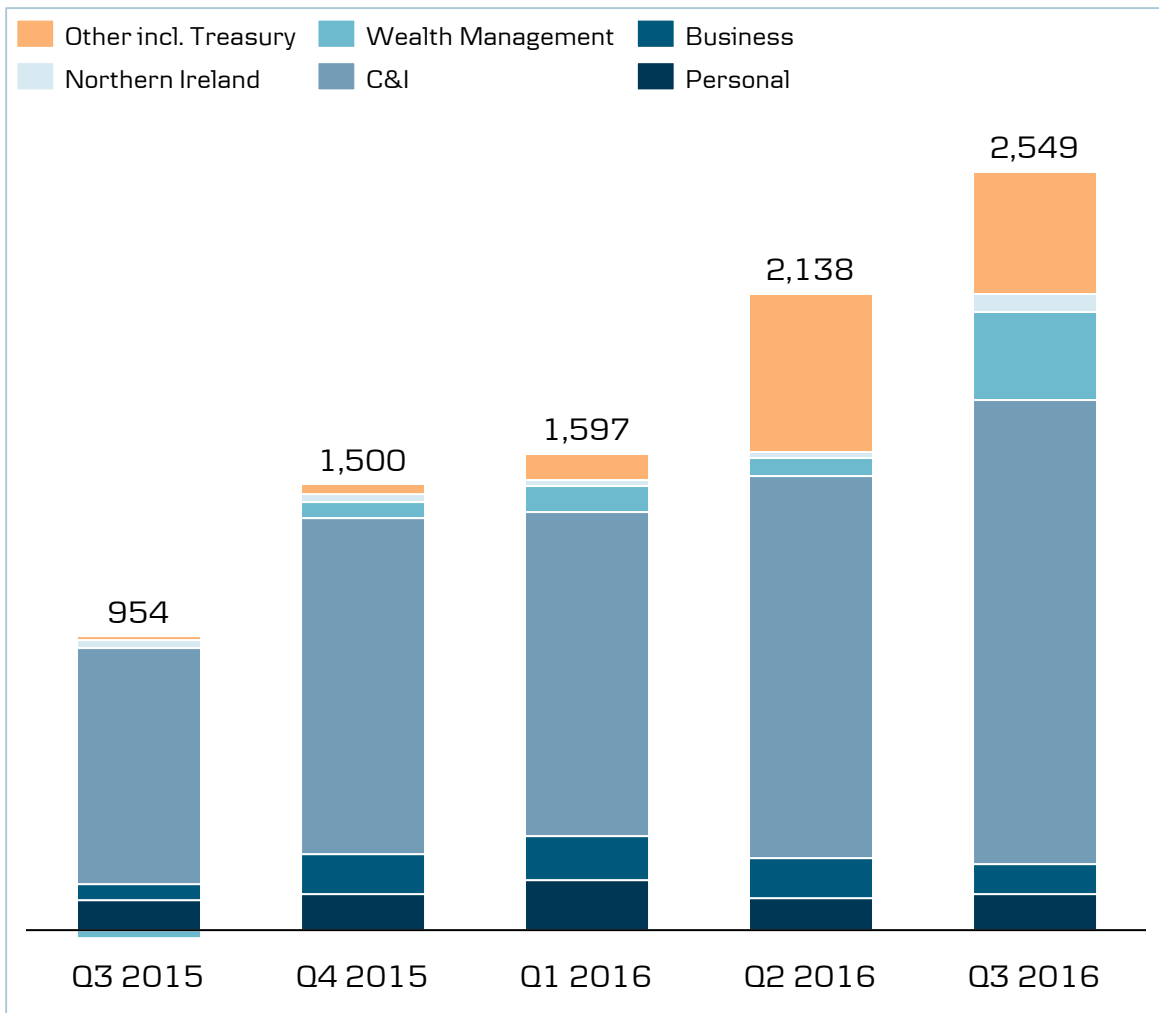
Net interest income: Up 2% adjusted for FX effects despite lending margin pressure in the first nine months of 2016

Change in net interest income (DKK m)



Trading income: Up significantly driven by increased client activity at C&I

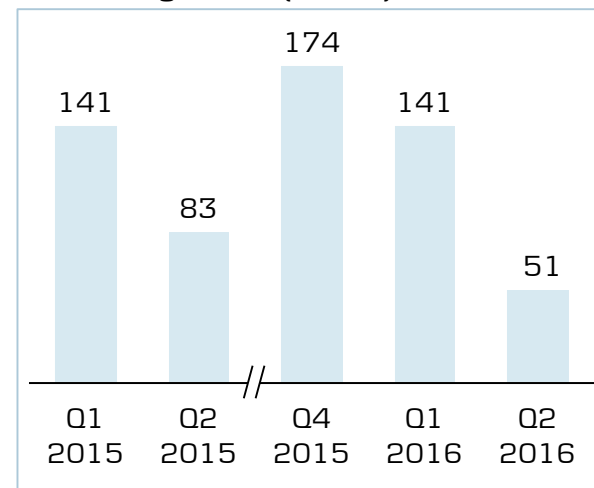
Trading income by business unit (DKK m)



Key points, Q3 2016 vs Q2 2016

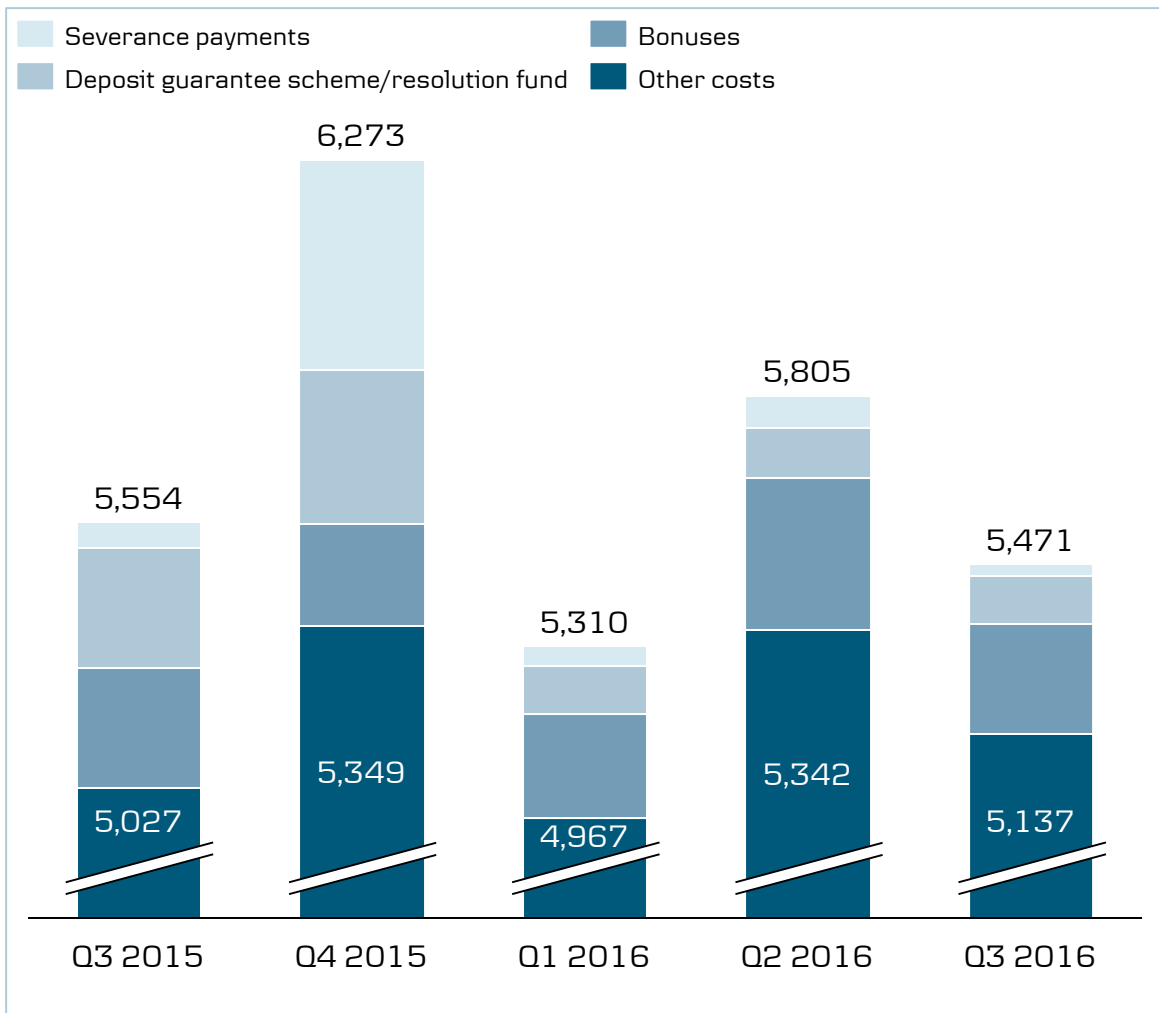
- Trading income up 19% owing mainly to higher client activity at C&I
- One-off at Wealth Management owing to adjustment of pension plans of DKK 175 m
- Other activities includes an additional gain of DKK 0.1bn related to the sale of VISA Europe
- Q2 includes negative CVA of DKK 0.6bn and a gain of DKK 0.3bn on the sale of VISA Europe

Refinancing income (DKK m)

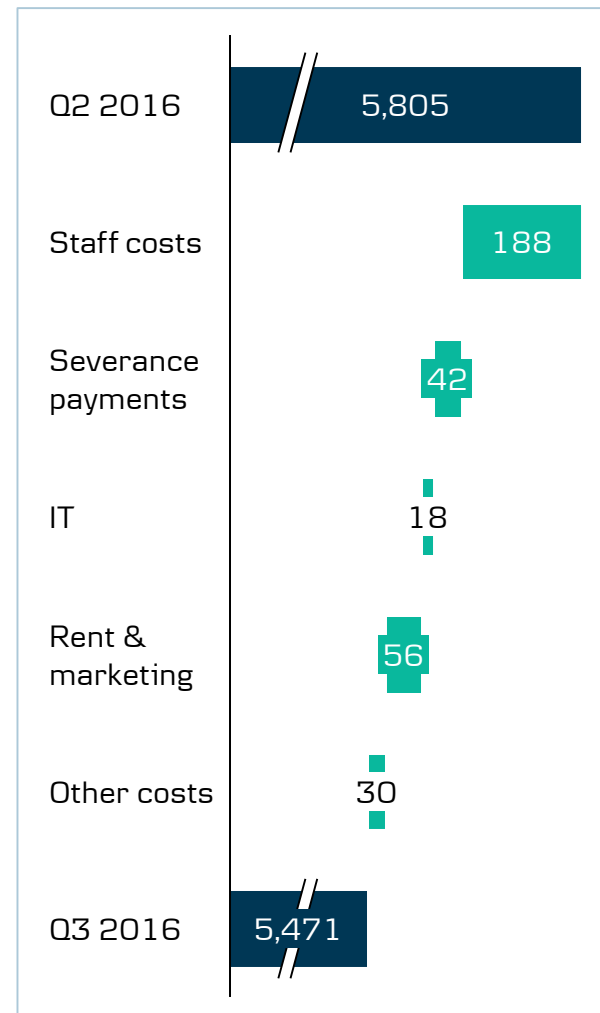


Expenses: Decrease of 6% owing to ongoing cost efficiency

Total expenses ex goodwill charge (DKK m)

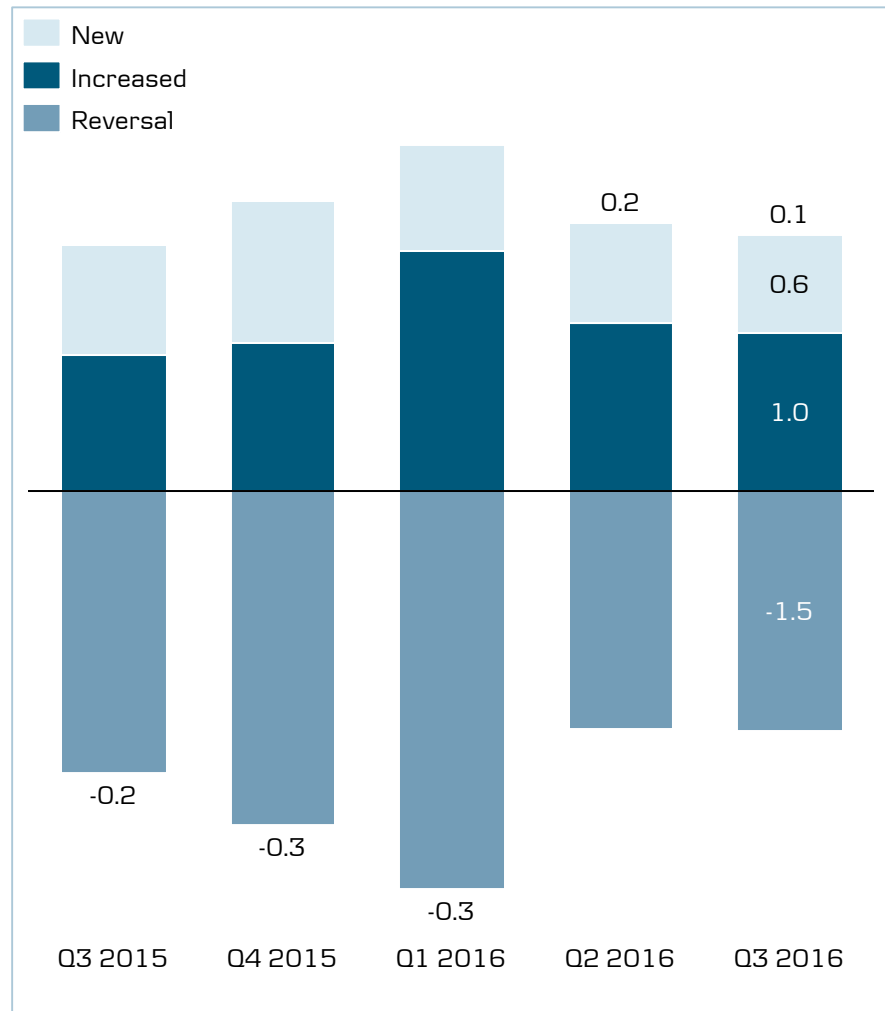


Change in expenses ex goodwill (DKK m)

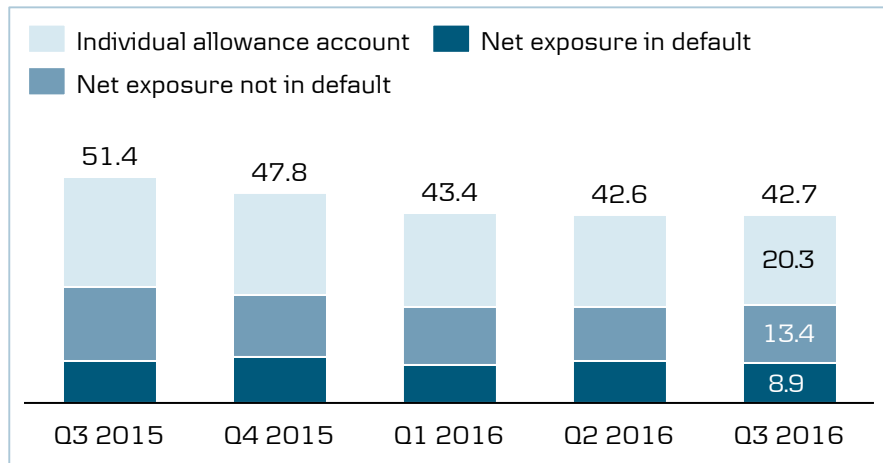


Credit quality: Positive underlying trend in credit quality continues; NPLs affected by exposure to the oil sector

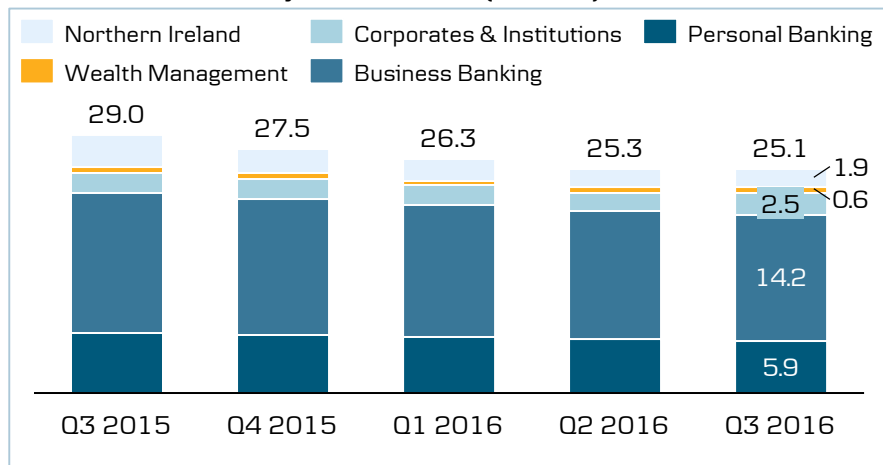
Individual loan impairment charges* (DKK bn)



Gross non-performing loans (DKK bn)



Allowance account by business unit (DKK bn)

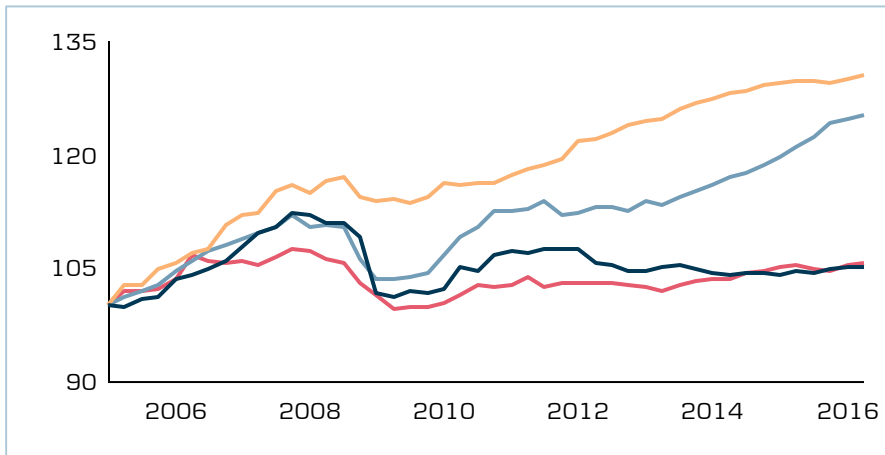


* Ex Baltics. Note: Non-performing loans are loans in rating categories 10 and 11 against which individual impairments have been made.

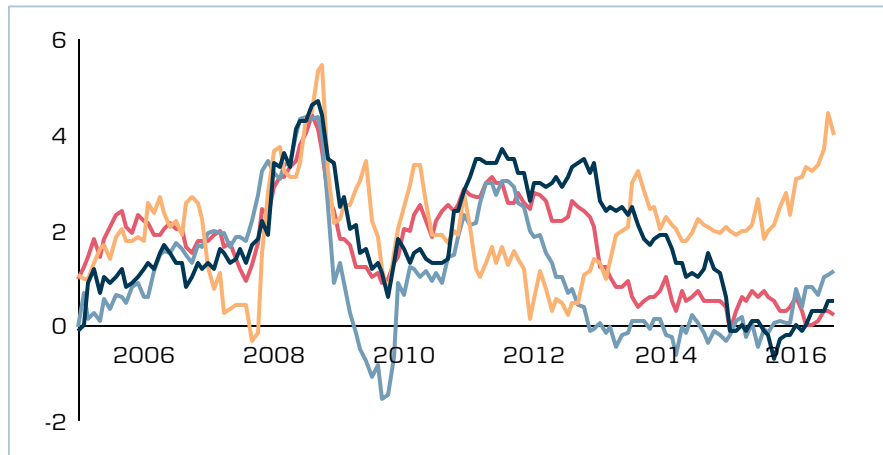
Nordic macro economy

— Denmark — Sweden — Norway — Finland

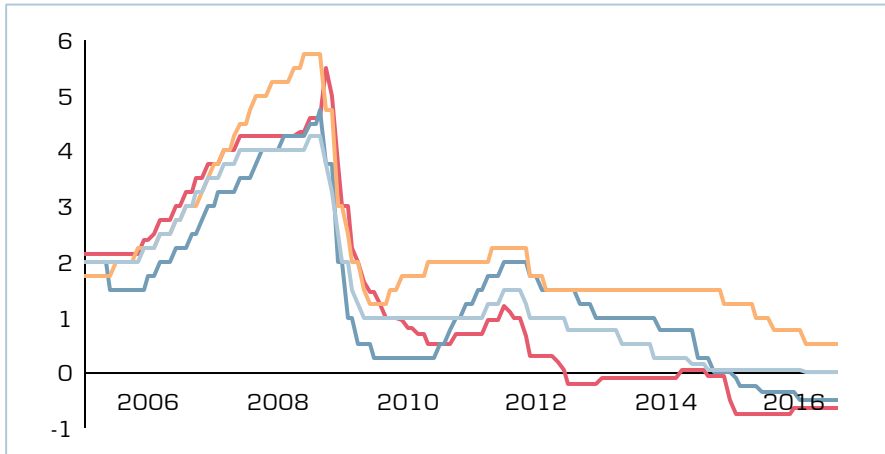
Real GDP, constant prices (index 2005 = 100)



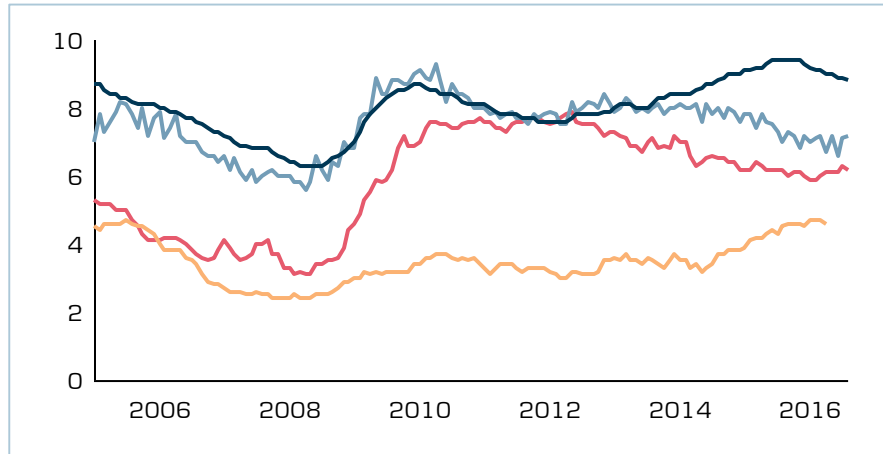
Inflation (%)



Interest rates, leading (%)



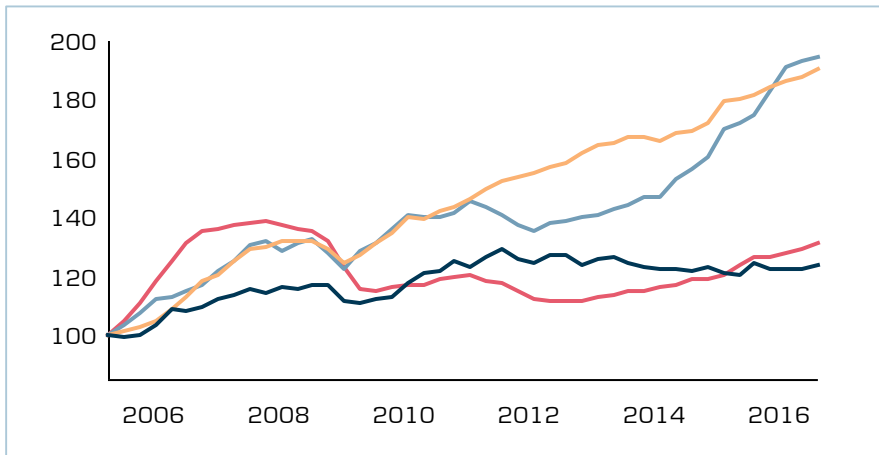
Unemployment (%)



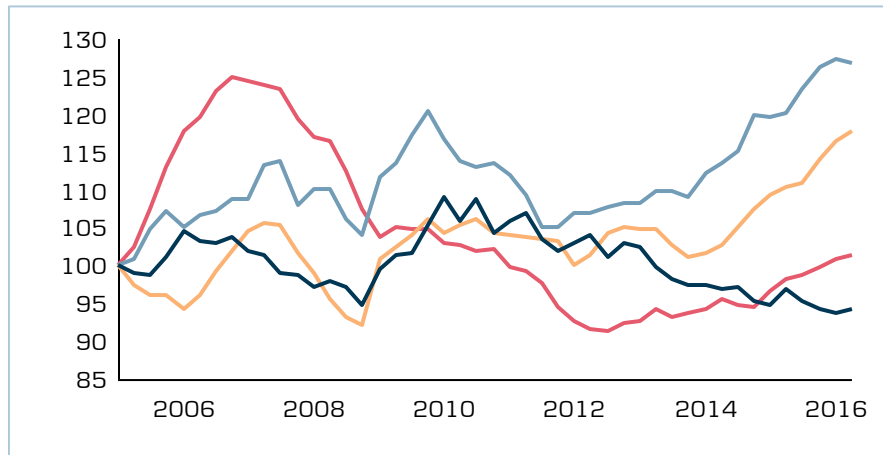
Nordic housing markets

Denmark Sweden Norway Finland

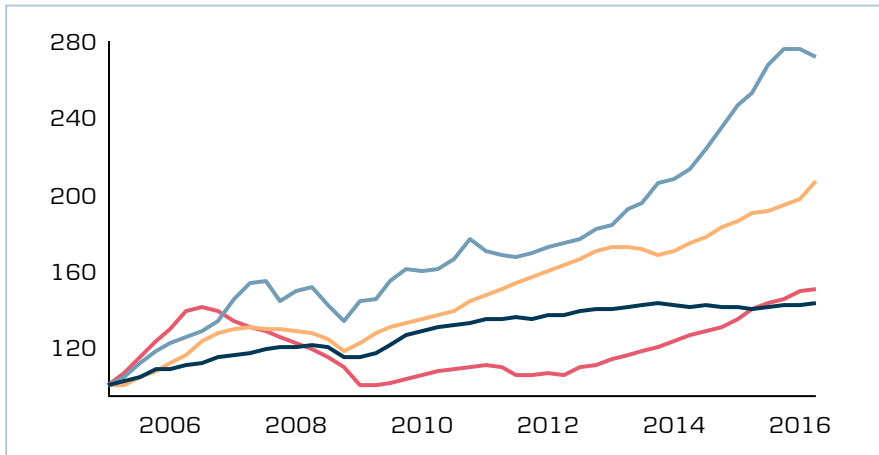
Property prices (index 2005 = 100)



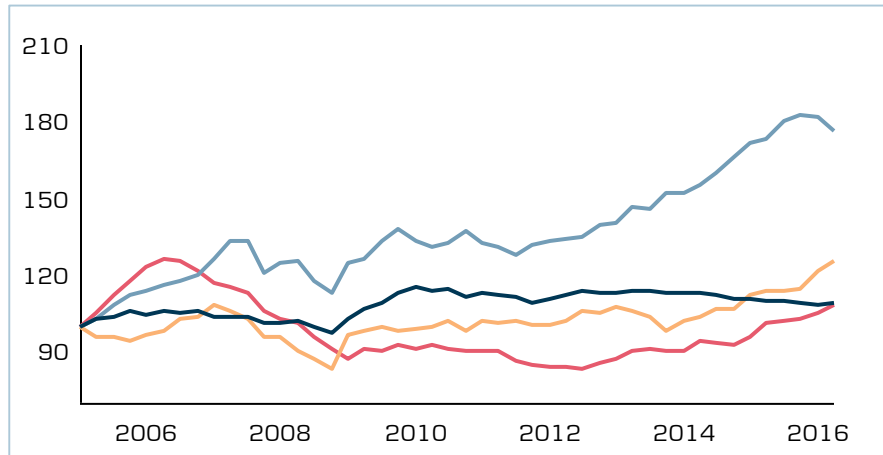
House prices/nom. GDP (index 2005 = 100)



Apartment prices (index 2005 = 100)



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



Realkredit Danmark and the Danish housing market: Portfolio overview

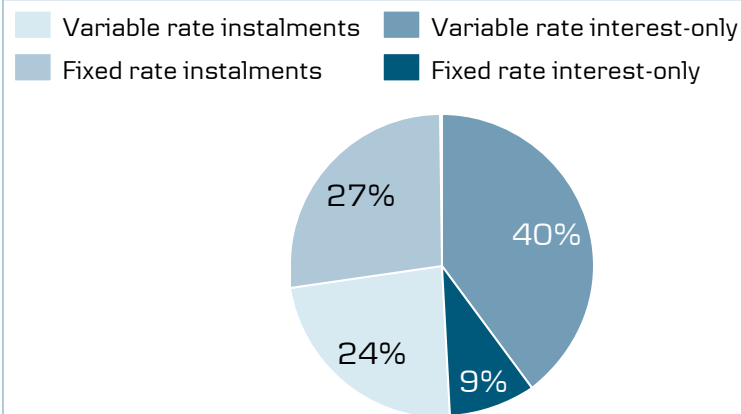
Portfolio facts, Realkredit Danmark, end-Q3 2016

- Approx. 372,000 loans (residential and commercial)
- 1,614 loans in 3- and 6-month arrears
- 56 repossessed properties
- DKK 11 bn of loans with LTV ratio > 100%, including DKK 3 bn with public guarantee
- Average LTV ratio of 65%

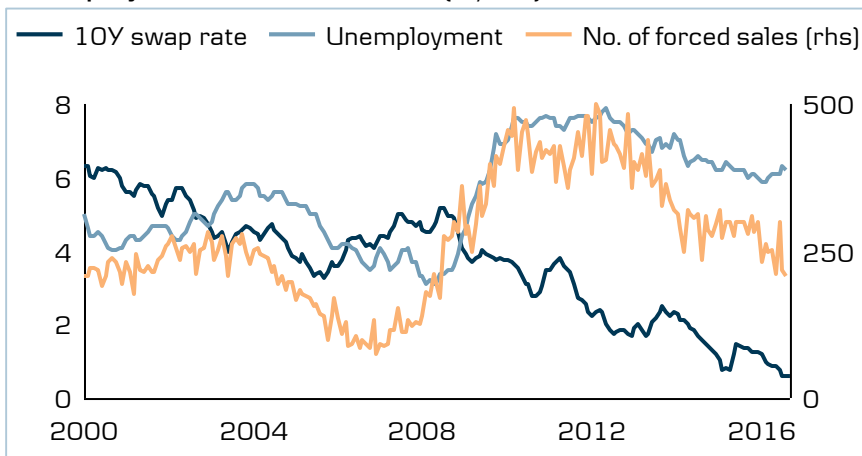
LTV ratio at origination (legal requirement)

- Residential: max. 80%
- Commercial: max. 60%

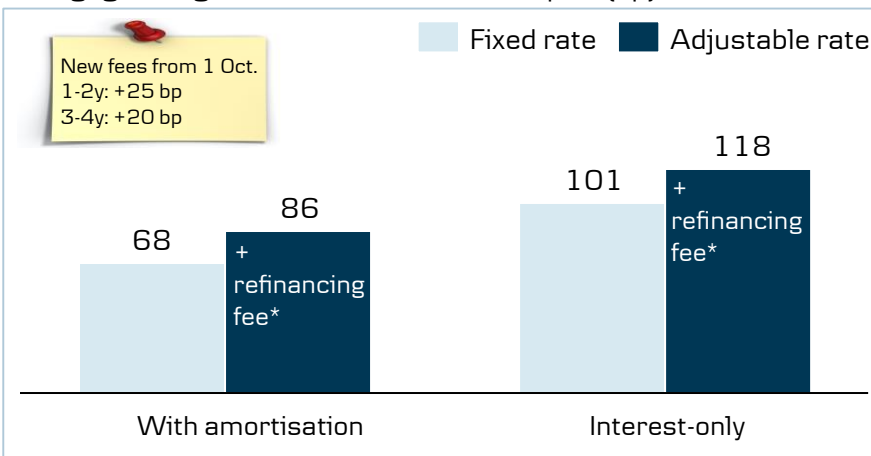
Stock of retail loans, Realkredit Danmark, end-Q3 2016 (%)



Unemployment and foreclosures (%/No.)



Mortgage margins, 80% LTV, owner-occupied (bp)



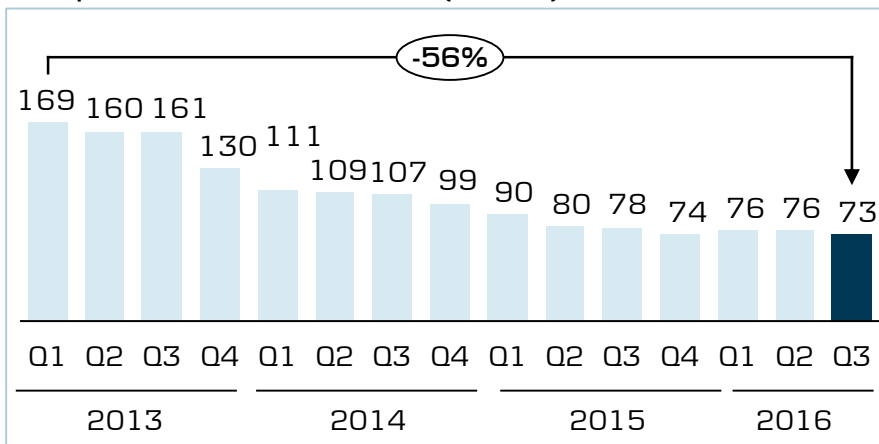
* We charge a fee of 30 bp of the bond price for refinancing of 1- and 2-year floaters and a fee of 20 bp for floaters of 3 or more years.

Realkredit Danmark: Two-thirds of new retail loans are fixed rate loans; compliant with all regulatory requirements

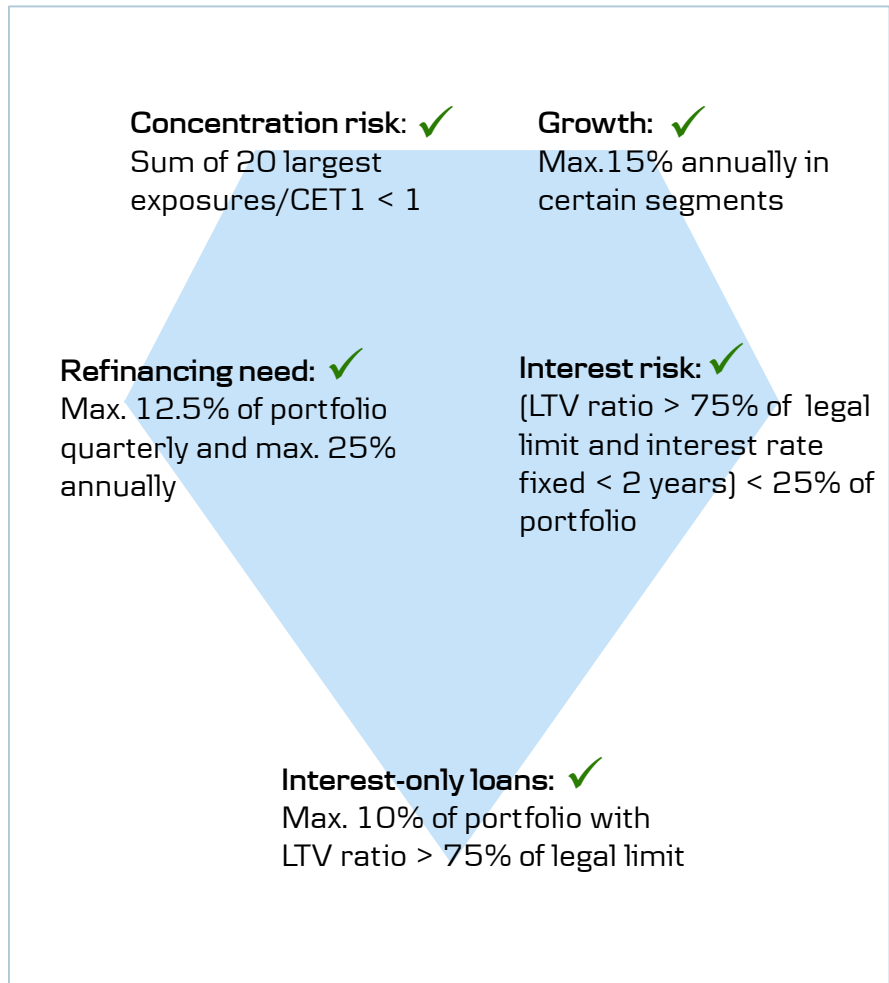
Key points

- In new retail lending, the share of fixed-rate loans increased to 67% from 46% in Q2 2016
- Total stock of fixed rate loans to retail customers amounted to 36%
- Since Q1 2013, the amount of Flexlån® F1 and F2 loans has been reduced by DKK 96 bn, or 56%

Loan portfolio, FlexLån F1 and F2 (DKK bn)



Supervisory diamond for Danish mortgage institutions



Credit exposure: Limited agriculture and directly oil-related exposure

Agriculture exposure [2.5% of Group net exposure]

- The Danish agriculture industry remains under pressure, and we booked DKK 50 m in additional collective charges in Q3
- Total collective impairment charges amount to DKK 929 m, representing 1.4% of gross credit exposure.
- In Q3, pig prices stayed at their highest level since 2014, while milk prices remained low
- RD represents 68% of total gross exposure and 14% of total accumulated impairment charges

Oil-related exposure [0.9% of Group net exposure]

- Net exposure of DKK 22 bn* relates to offshore, oil majors and oil service providers
- The vast majority of oil-related exposure is managed by specialist teams for customer relationship and credit management at C&I
- In Q3, we booked DKK 0.2 bn in collective impairment charges against direct oil exposure; total collective charges now stand at DKK 0.7 bn
- In addition, charges against second-round effects stand at DKK 0.2 bn

Agriculture by segment, Q3 2016 (DKK m)

	Gross credit exposure	Portion from RD	Acc. Individual impairment charges	Net credit exposure	NPL coverage ratio
Business Banking	56,157	43,199	3,128	53,029	89%
Growing of crops, cereals, etc.	18,075	14,638	372	17,703	94%
Dairy	9,298	7,089	1,145	8,153	86%
Pig breeding	13,505	10,594	1,415	12,091	92%
Mixed operations etc.	15,278	10,878	196	15,083	82%
Northern Ireland	4,800	-	93	4,708	89%
C&I	5,117	2,447	-	5,117	100%
Others	243	13	2	241	-
Total before collective impairments	66,318	45,658	3,223	63,095	89%
Collective impairment charges	929	252			
Total gross exposure	67,247				

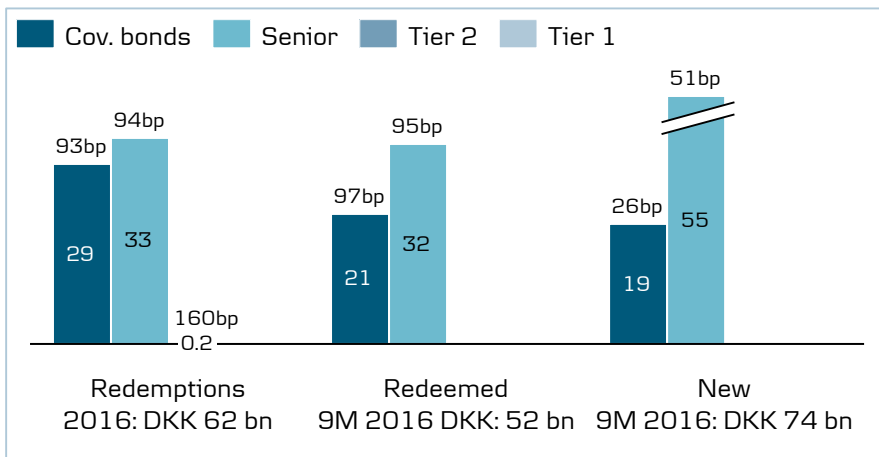
Oil-related exposure, Q3 2016 (DKK m)

	Gross credit exposure	Acc. Individual impairment charges	Net credit exposure
C&I	21,861	317	21,544
Oil majors	3,593	-	3,593
Oil service	9,606	-	9,606
Offshore	8,662	317	8,345
Business Banking	936	14	923
Oil majors	2	-	2
Oil service	822	14	808
Offshore	112	-	112
Others	5	0	5
Total before collective impairments	22,803	331	22,472
Collective impairment charges	708		
Total gross exposure	23,510		

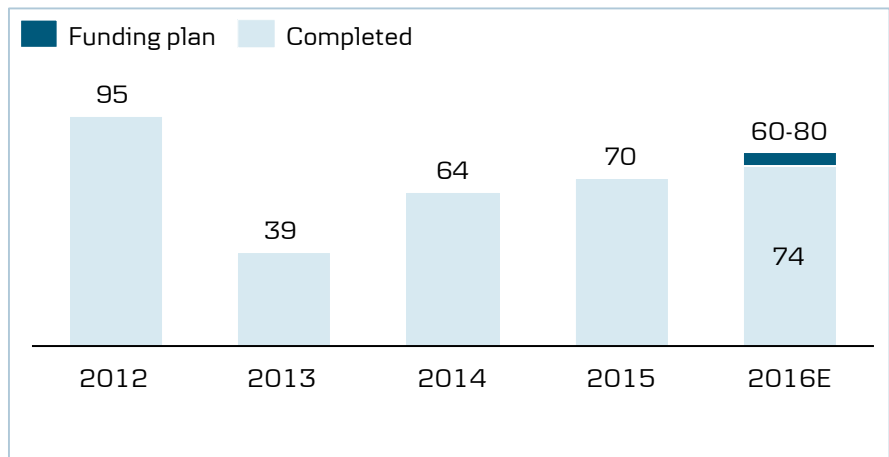
* The oil-related net credit exposure of DKK 22 bn is part of the Energy & Utilities industry (DKK 13 bn) and Shipping (DKK 9 bn) industry.

Funding and liquidity: DKK 74 bn of long-term funding issued in the first nine months of 2016; LCR-compliant at 137%

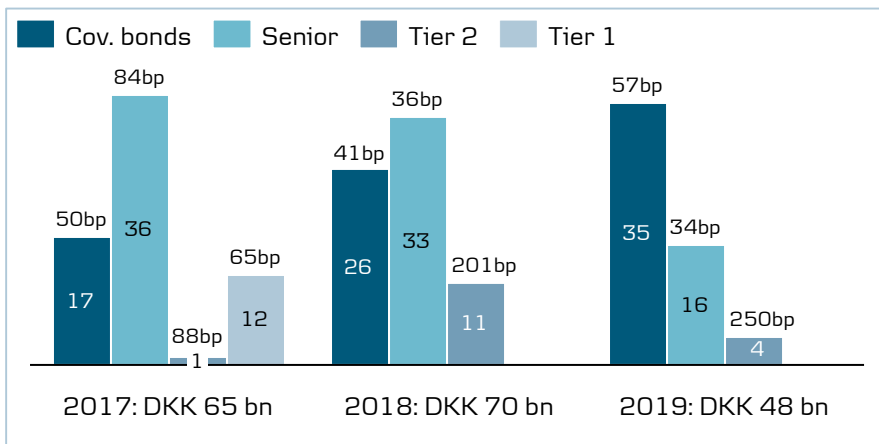
Changes in funding,* 9M 2016 (DKK bn and bp)



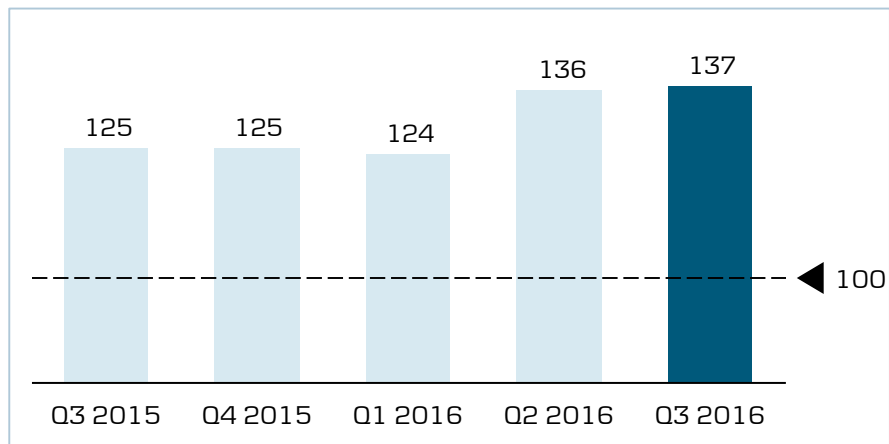
Long-term funding ex RD*** (DKK bn)



Maturing funding,* 2017-2019 (DKK bn and bp)



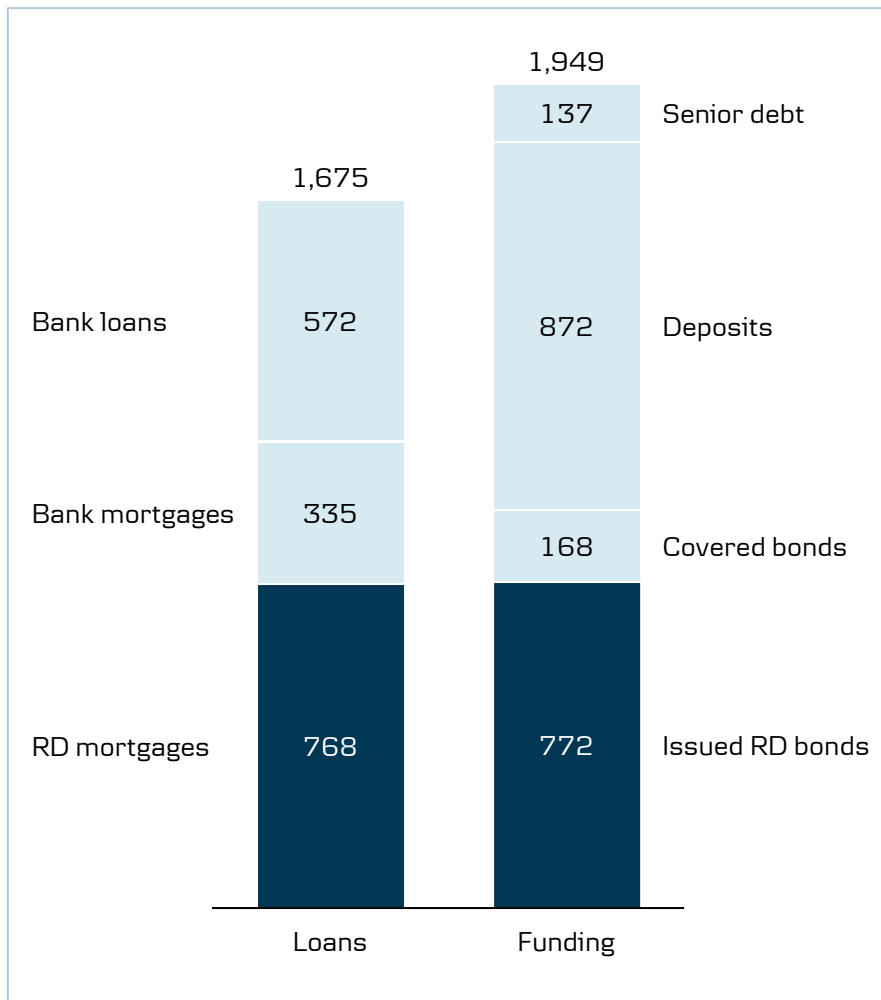
Liquidity coverage ratio** [%]



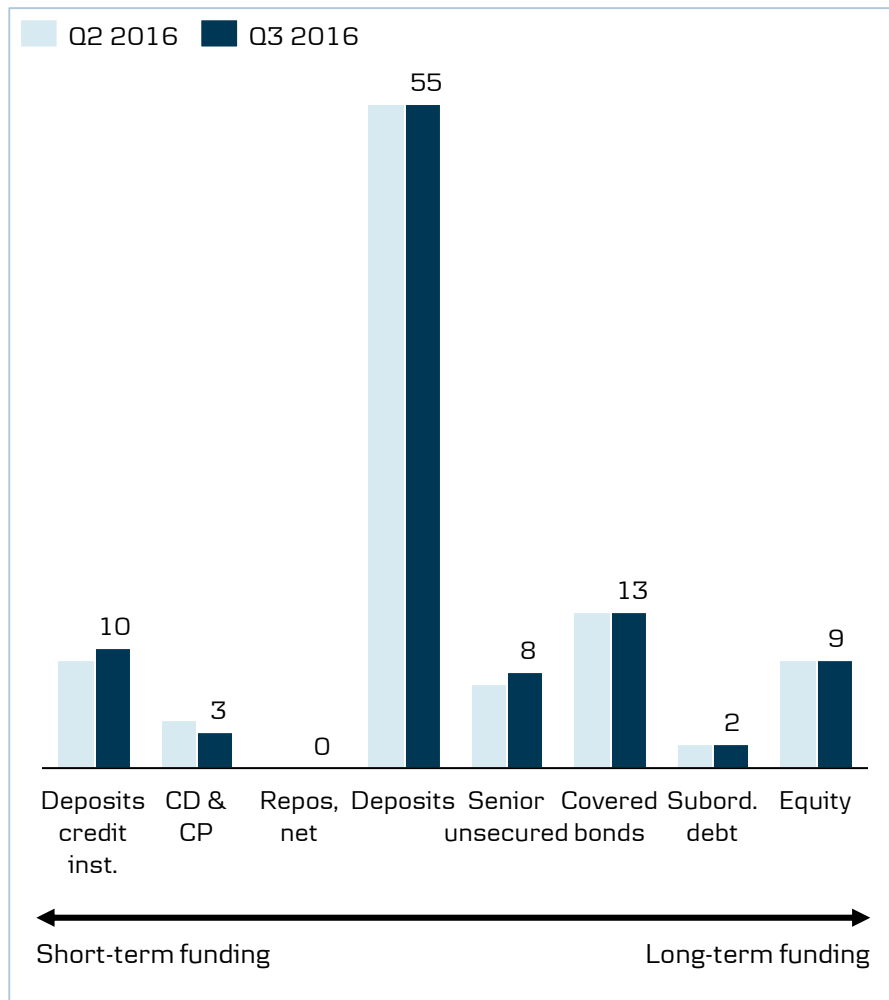
* Spread over 3M EURIBOR. ** Until Q3 2015, LCR was calculated according to the Danish FSA's specifications and included holdings of covered bonds and Danish mortgage bonds, including own issued bonds. Since October 2015, LCR has been calculated according to the new EU standards. ***We expect the funding need for 2017 to be at a level similar to this year's.

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

Loan portfolio and long-term funding, Q3 2016 (DKK bn)

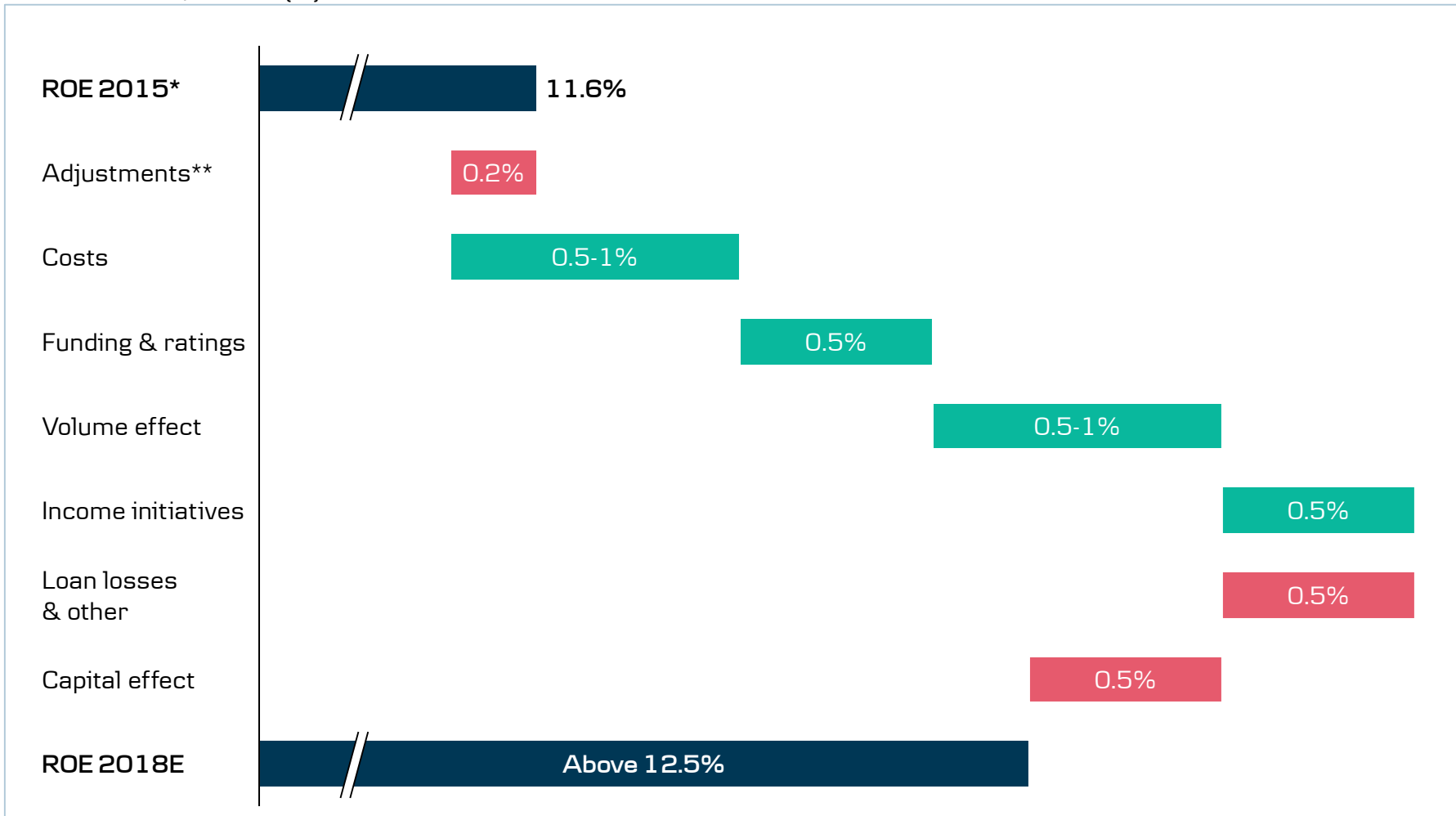


Funding sources (%)



Bridge to above 12.5% ROE in 2018 with negative rates

ROE 2015-18E, after tax (%)



* Excluding goodwill impairment charges.

** Adjustments for equity effect of goodwill impairment charges, remortgaging fees, payroll tax refund, one-off gain on property sales, resolution fund payment and tax.

Three distinct methods of rating banks

Rating methodology

S&P Global Ratings

Anchor SACP ¹	+	1	+	2	+	3	+	4	=	SACP	=	Extraord. Support	+	ALAC	+	Add. factors	=	Issuer Rating
bbb+		+1		+1		0		0		a		0		0		0		A (Stable)

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

MOODY'S

Macro Profile	+	1	+	2	+	3	+	4	+	5	+	Qualitative Factors	=	BCA ²	+	Affiliate Support	+	LGF ³	+	Gov. Support	=	Issuer Rating
Strong Plus		a2		a2		baa2		baa2		a3		0		Baa1		0		+1		+1		A2 (Positive)

1=Asset Risk, 2=Capital, 3=Profitability, 4=Funding Structure, 5=Liquidity Resources

Fitch Ratings
KNOW YOUR RISK

Operating Environment	+	1	+	2	+	3	+	4	+	5	+	6	+	7	=	Viability Rating	Support Rating Floor	=	Issuer Rating ⁵	
aa-		a+		a		a		a		a		a		a		a		NF ⁴		A (Stable)

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 No Floor. ⁵ Issuer rating is the higher of the Viability Rating and Support Rating Floor.

Tax





Actual and adjusted tax rates (DKK m)

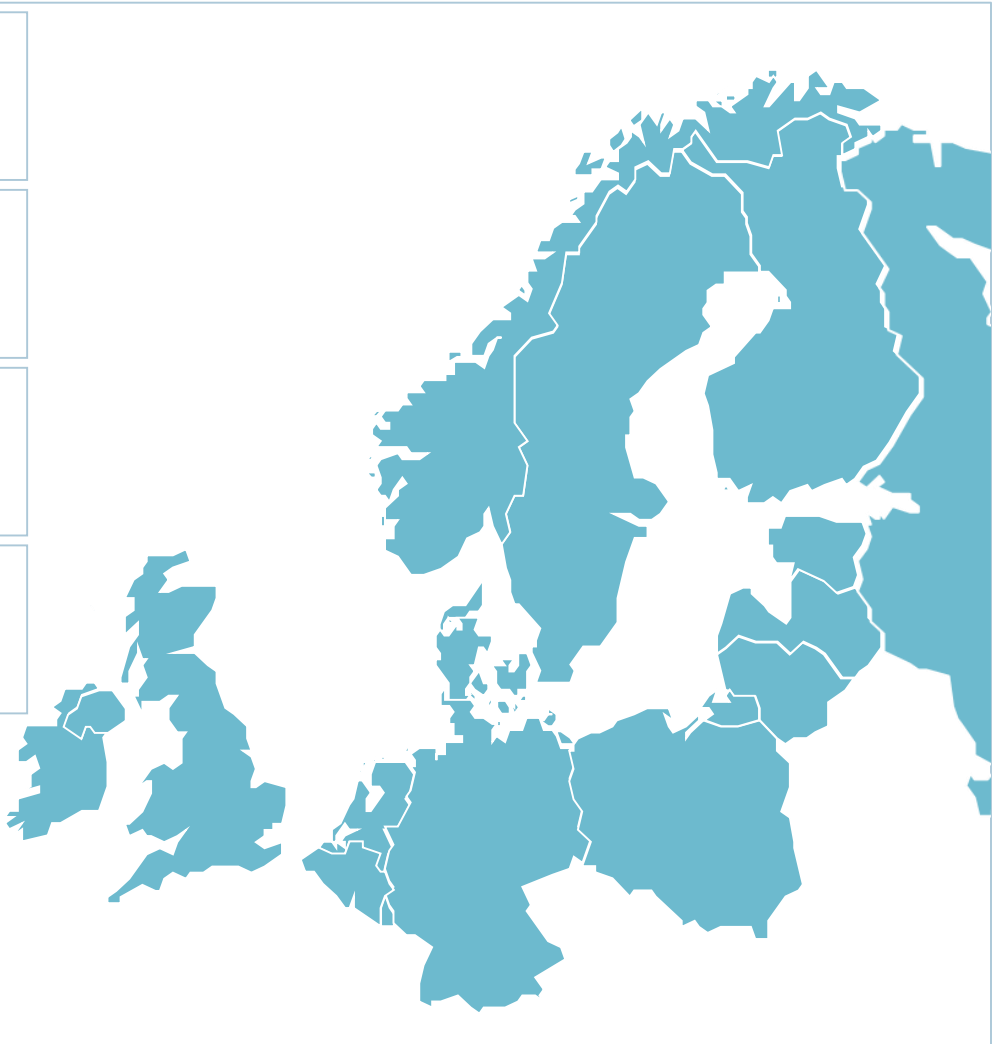
	Q32016	Q22016	Q12016	Q42015	Q32015
Profit before tax	6,267	5,780	6,271	866	4,720
Ireland core and non-core	-68	-23	-67	-104	-193
Permanent non-taxable difference	-203	224	-274	4,704	-87
Adjusted pre-tax profit, Group	5,997	5,981	5,930	5,467	4,439
Tax according to P&L	1,362	1,362	1,326	831	1,051
Taxes from previous years	-6	-7	22	322	-12
Adjusted tax	1,356	1,354	1,348	1,153	1,039
Adjusted tax rate	22.6%	22.6%	22.7%	21.1%	23.4%
Actual tax rate	21.7%	23.6%	21.1%	95.9%	22.3%

Tax drivers

- The difference between profit before tax and adjusted pre-tax profit mainly relates to:
 - Previous years' losses in Ireland
 - Permanent non-taxable difference deriving mainly from tax-exempt value adjustments on shares, and not recognized losses in the Baltics
- The Danish tax rate was reduced to 22% in 2016 from 23.5% in 2015

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