

Danske Bank
Capital Markets Day



To protect and selectively grow

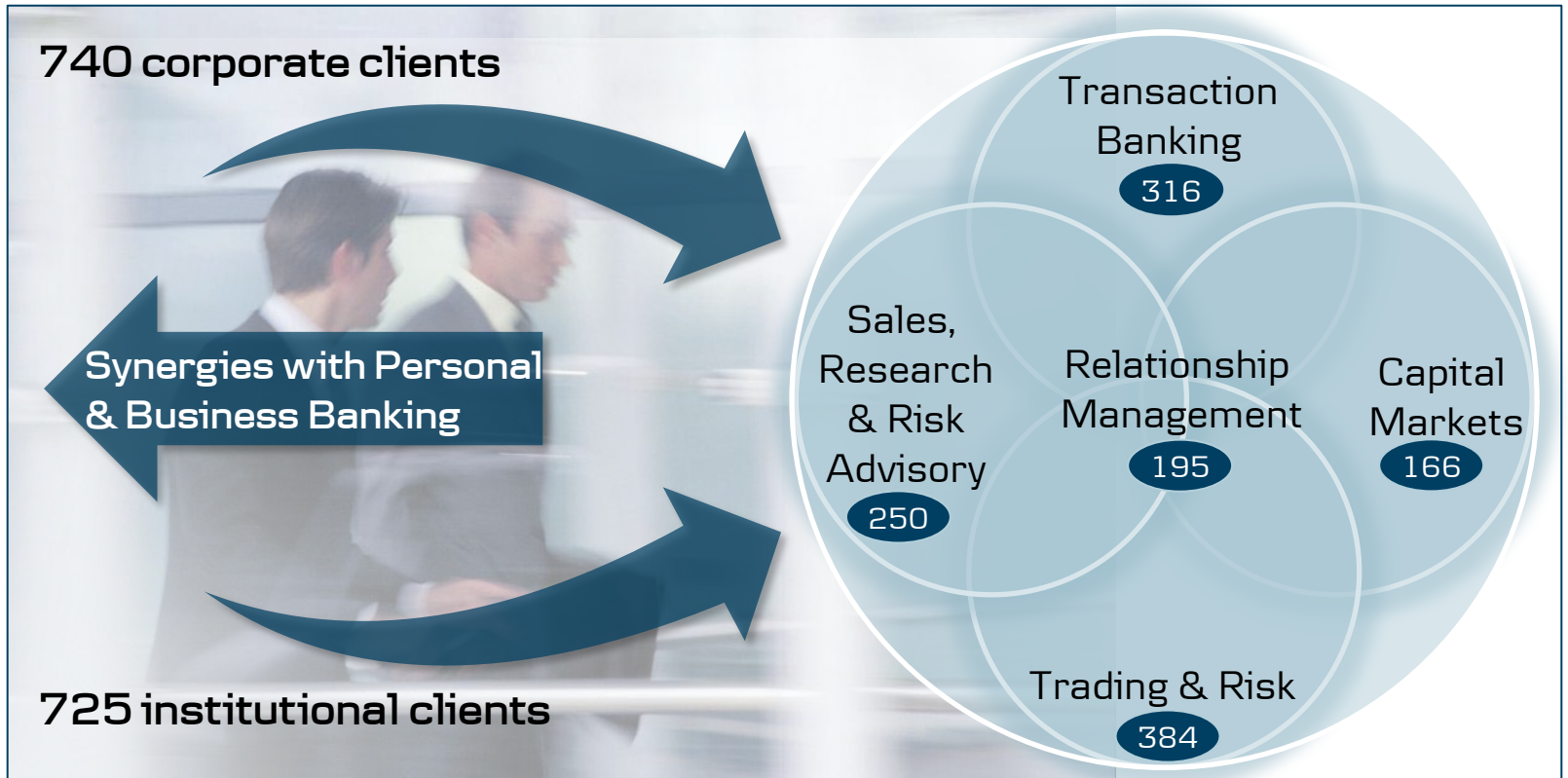
Thomas F. Borgen, Head of Corporates & Institutions



8 November 2012

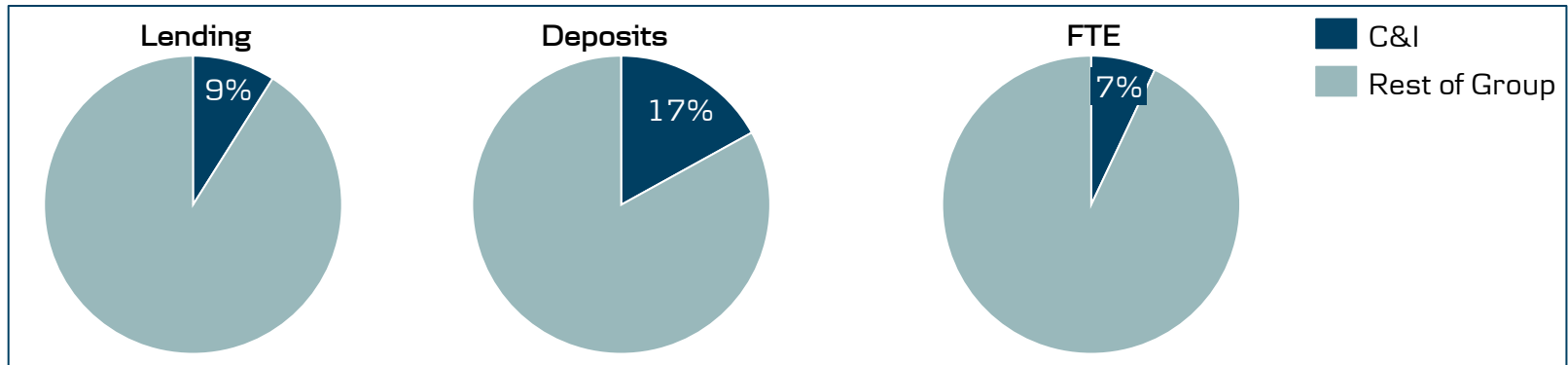
of employees

Customer relations with major corporate and institutional clients are the foundation for C&I

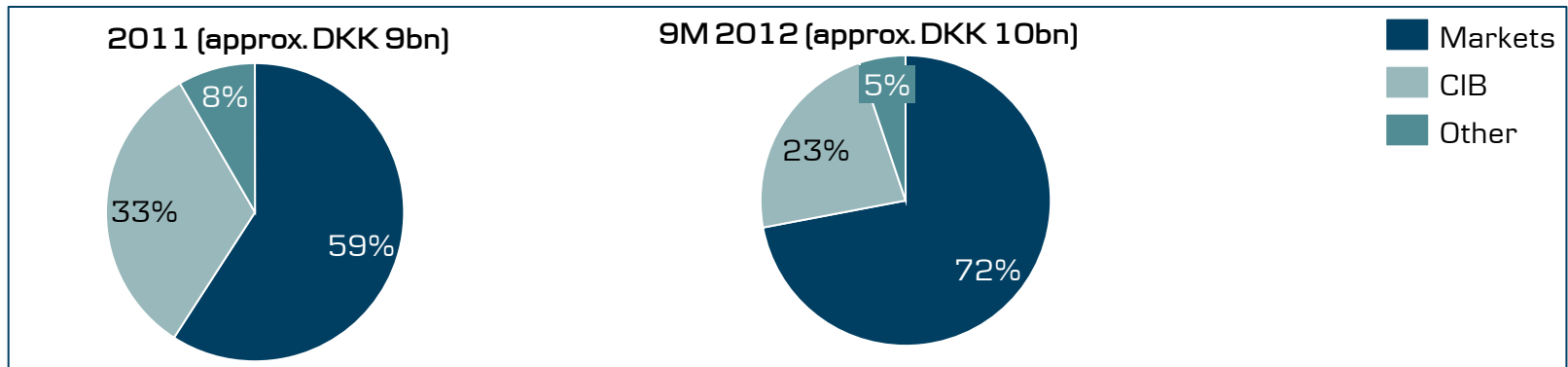


C&I generates a significant part of Group income, but accounts for a small portion of the balance sheet and FTEs

Key figures for new C&I organisation

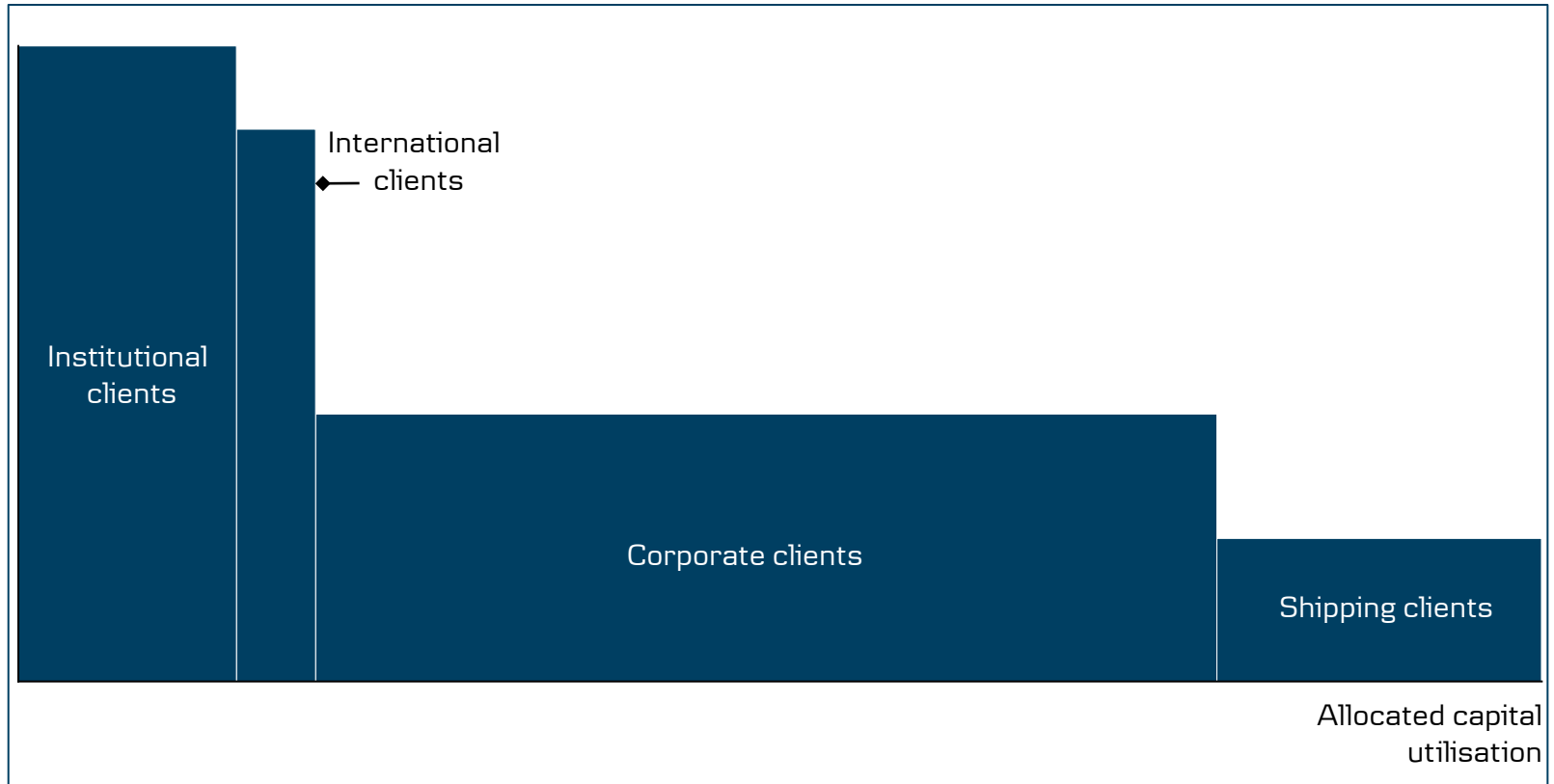


Split of total income



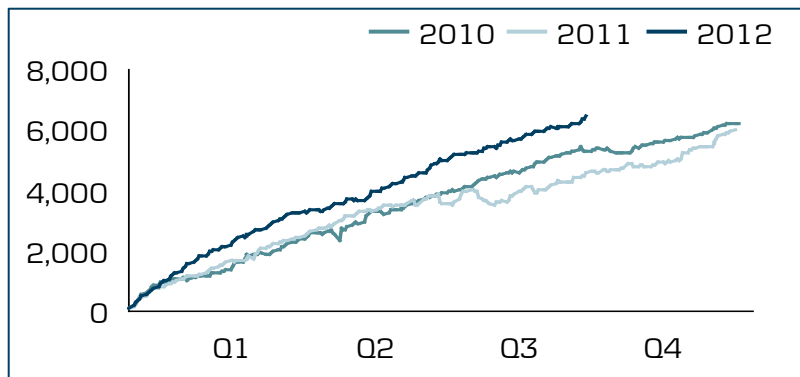
All major C&I client segments are value creating

Return on allocated capital, 9M 2012 (%)

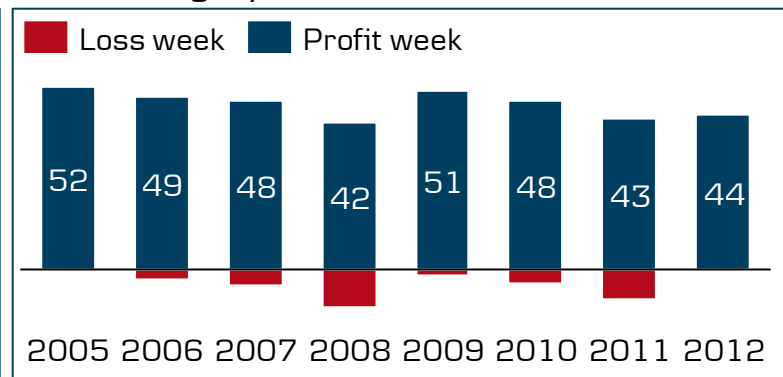


Trading activities show low volatility, but earnings run rate varies according to market opportunities

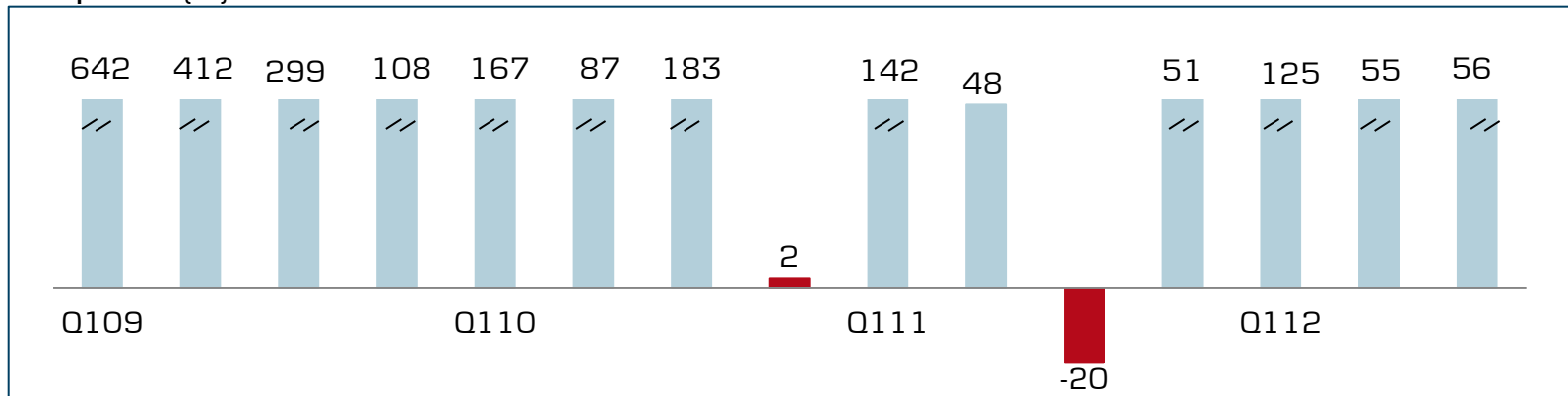
Trading activities, accumulated income (DKK bn)



Weeks with gain/loss

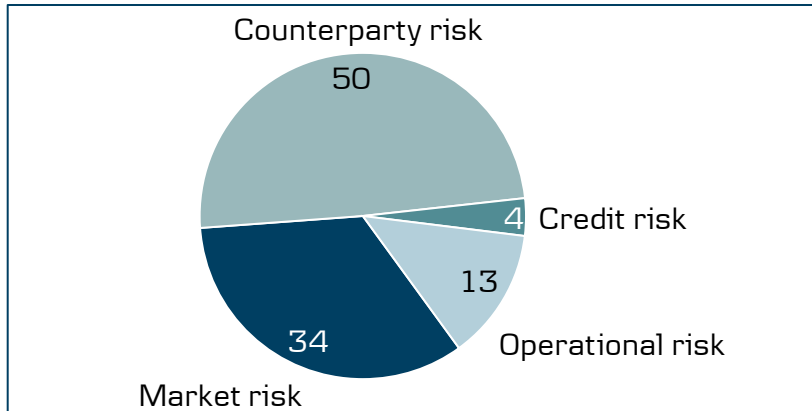


ROE pre-tax (%)



Low-risk asset base

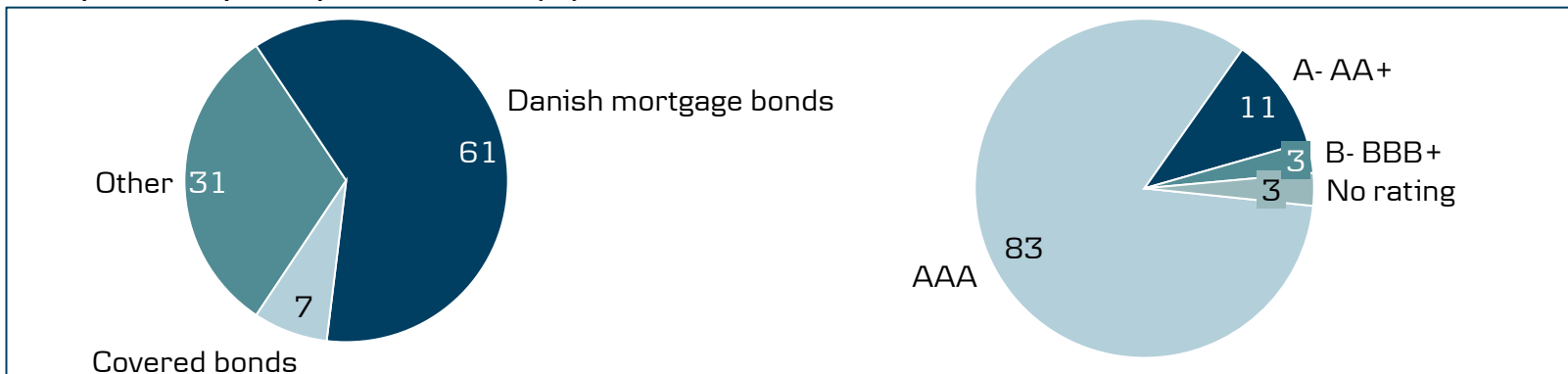
Markets RWA split, September 2012 (%)



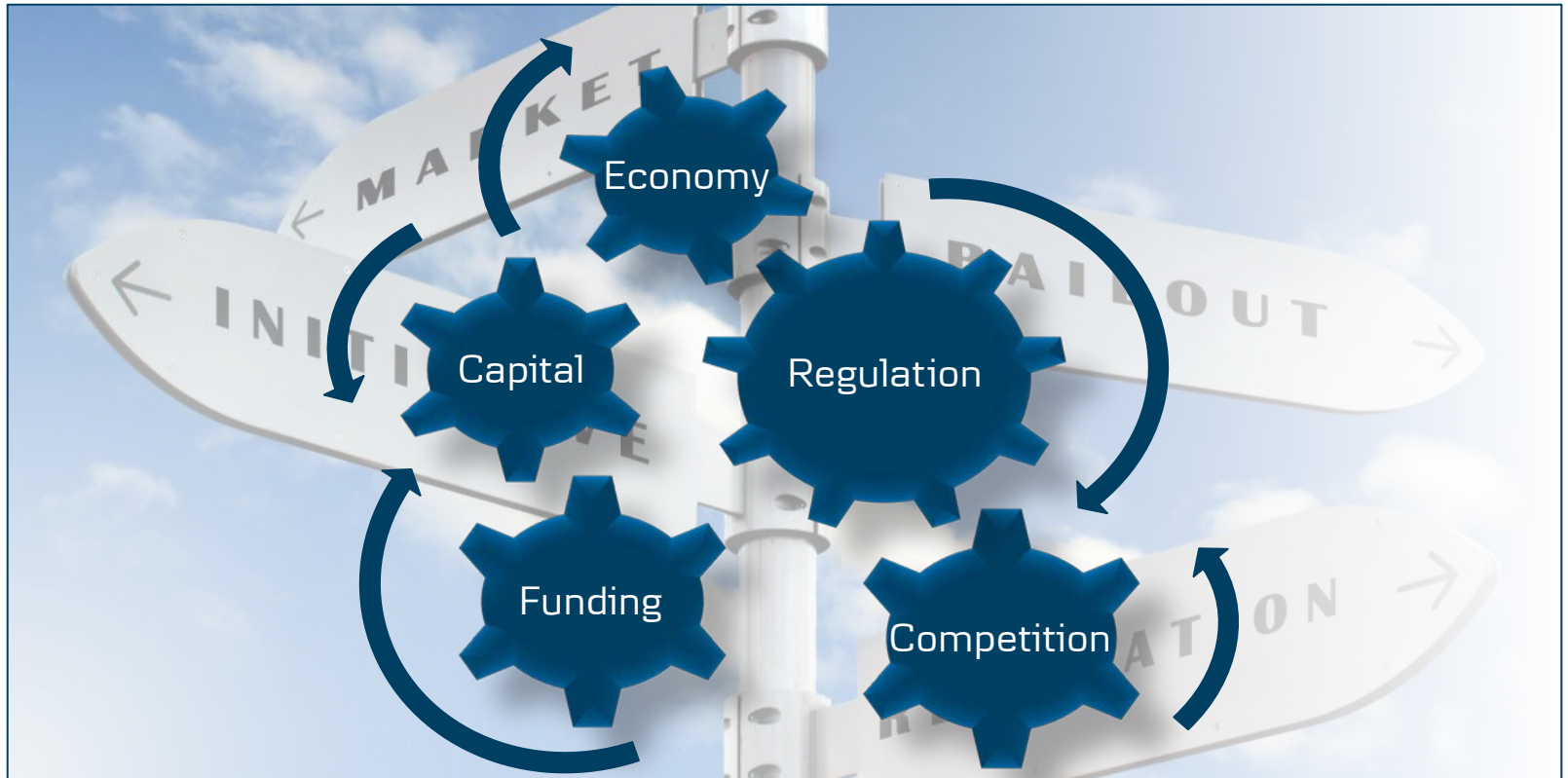
Trading activities

- Stress VaR of DKK 185 m in Q3 2012
- Markets income is split between customer income (60-40%) and market making (40-60%)

Bond portfolio split, September 2012 (%)



Getting used to the 'New Normal'



NEW AMBITION

Setting

New Standards

for wholesale banking

2015 1091.02

Reliable



Competent



Coordinated



Dynamic



Solutions-oriented Partner



Focus areas

Capital

Adaptation to new capital requirements

Clients

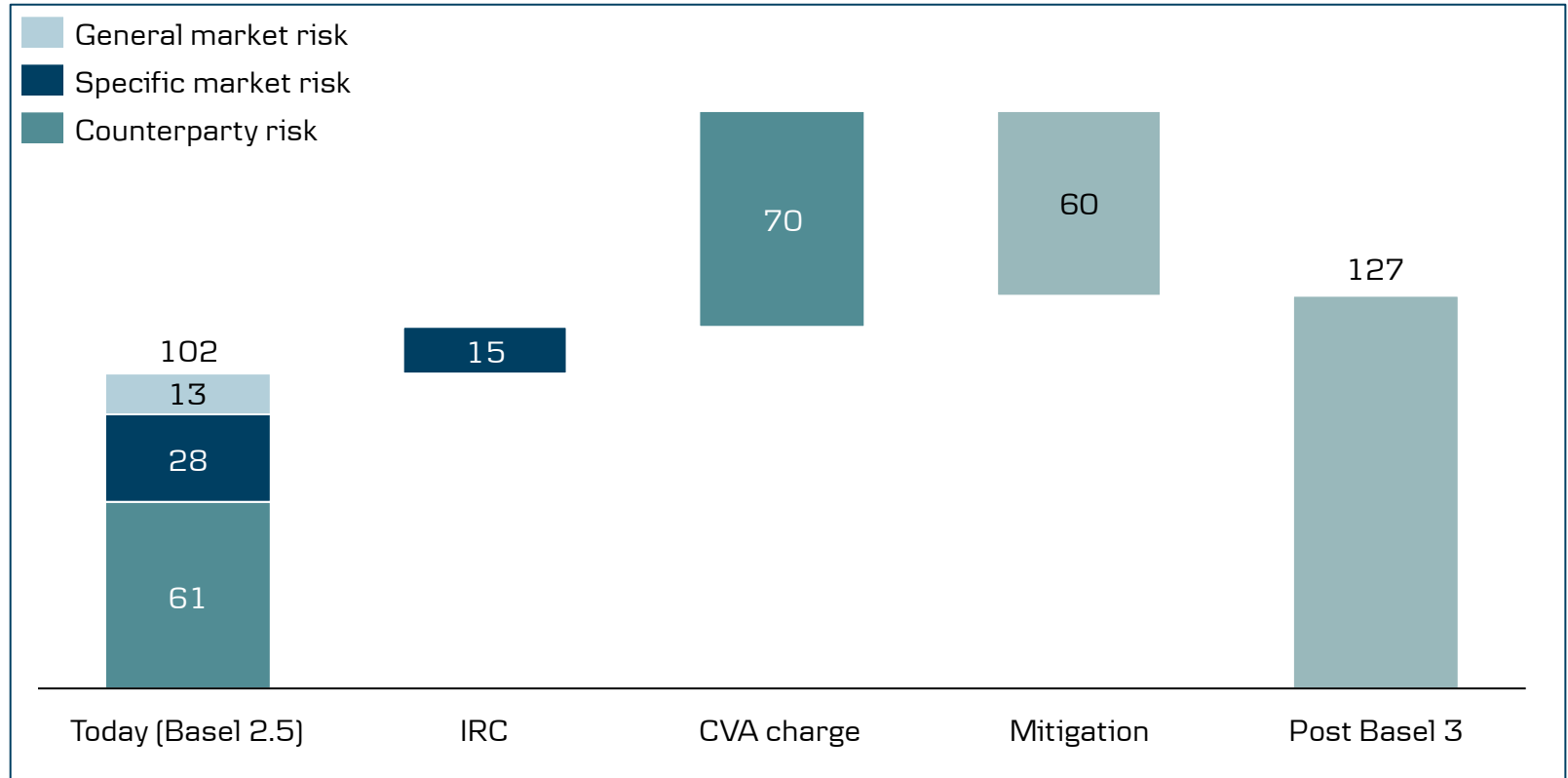
Prioritisation of clients

Products

Prioritisation of product offering

New regulatory effects to be largely mitigated

Expected effects on RWA - Markets (DKK bn)



C&I will be positioned towards clients in respect of which core strengths can be leveraged

Clients with complex needs

- Leverage competitive advantages and product strengths
- Increase advisory and fee-based services
- Cost-efficient service of clients with simple needs



International footprint

- Nordic products for global clients
- Global support to Nordic clients
- Focus on clients where our strong Nordic base can be leveraged



Capital-efficient client offering

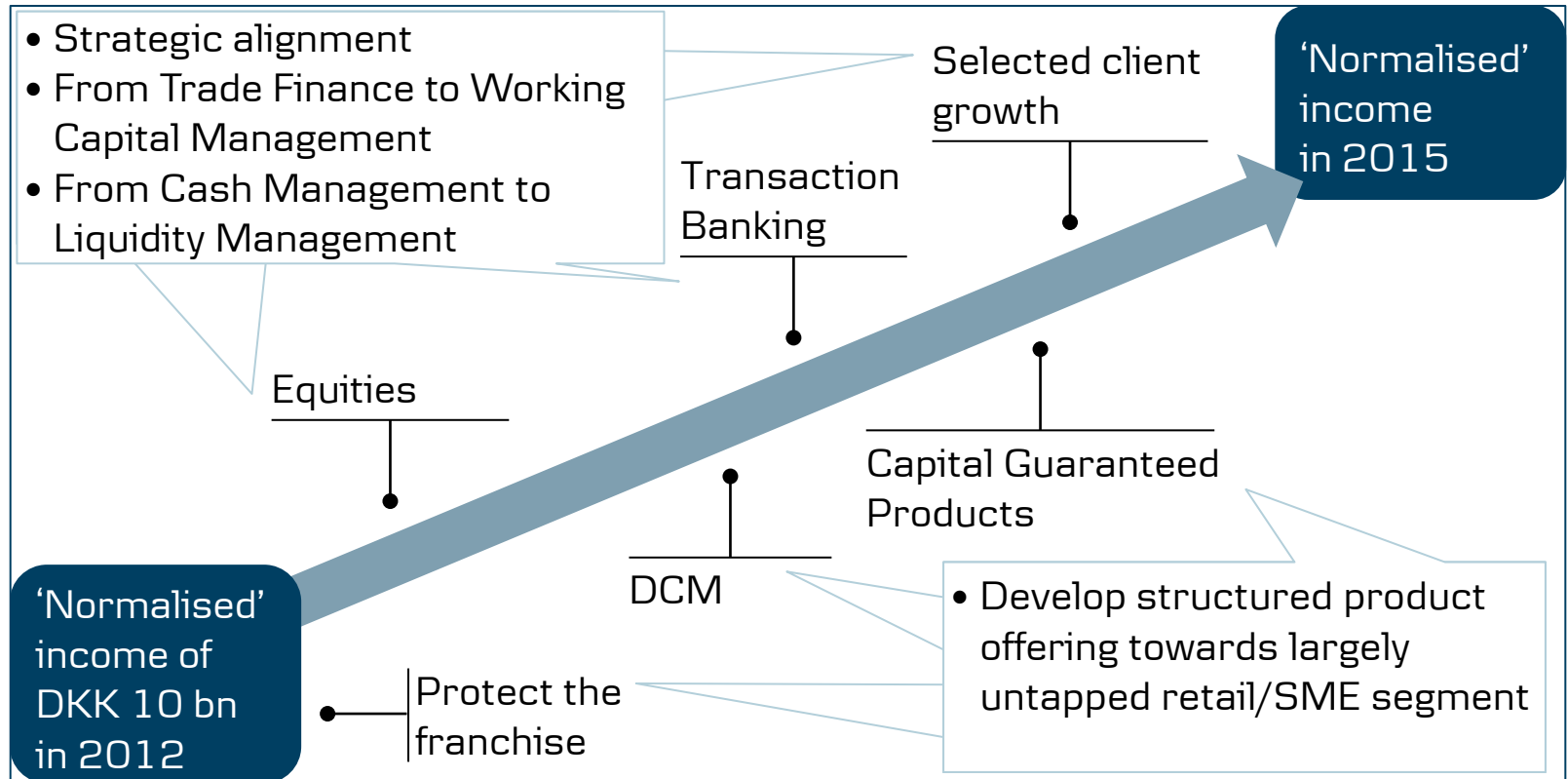
- Optimise the capital efficiency of products
- Adapt offering to new regulatory demands
- Limit capital- and funding - intensive segments



C&I has a strong product palette, but room for improvement

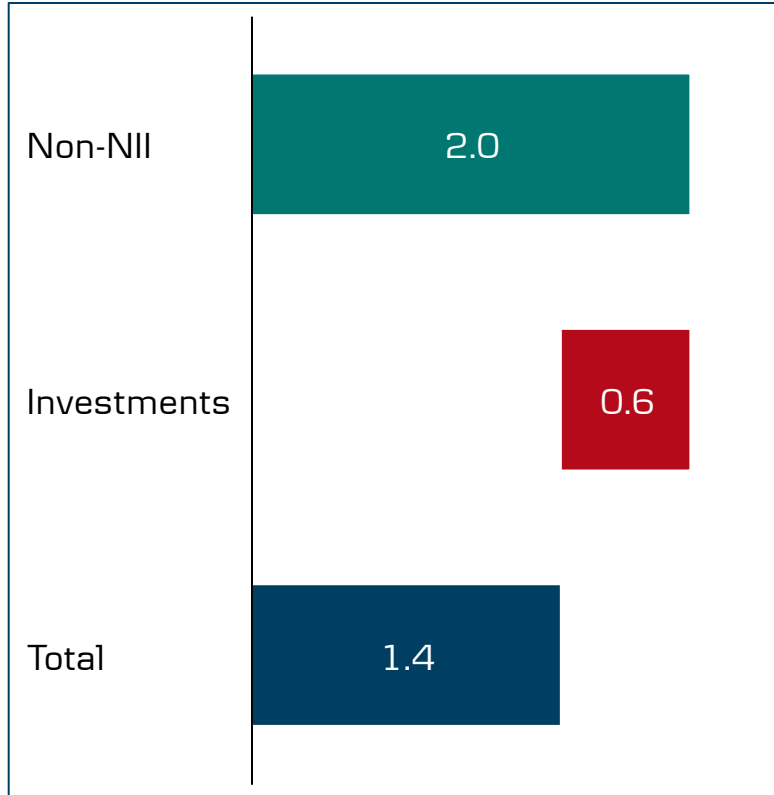
PROSPERA RANKING		1	2	3
Cash management		SEB	Danske Bank	Nordea
Trade finance		Danske Bank	SEB	Nordea
FX		Nordea	SEB	Danske Bank
DCM		Danske Bank	BARCLAYS Swedbank	
Derivatives	FI	Danske Bank	Nordea	Pohjola
	SE	Danske Bank	Nordea	Swedbank
	DK	Danske Bank Nordea		BARCLAYS
	NO	Nordea	Danske Bank	SEB
Fixed income	FI	BARCLAYS	Danske Bank	JPMorgan
	SE	Danske Bank	Nordea	SEB
	DK	Danske Bank	Nordea	Nykredit
	NO	DNB	SEB	Danske Bank
Equities	FI	SEB	Nordea	Danske Bank
	SE	SEB	Handelsbanken	Carnegie
	DK	Danske Bank	Nordea	Carnegie
	NO	Carnegie SEB		ARCTIC SECURITIES

Strategic initiatives will increase 'normalised' income by approximately DKK 2 bn over the next three years



C&I management actions

Effect from normalised level to 2015 (DKK bn)



Management actions

Non-NII

- Equities strategy
- Increase customer penetration
- Product development
- Transaction Banking growth
- Enhancement of DCM offerings

Investments

- E-trade capabilities
- Central clearing
- Selective FTE investments

In summary, C&I will combine protecting the existing franchise with selective growth





Disclaimer



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