

PRESS CONFERENCE

# Annual Report 2011



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9 February 2012

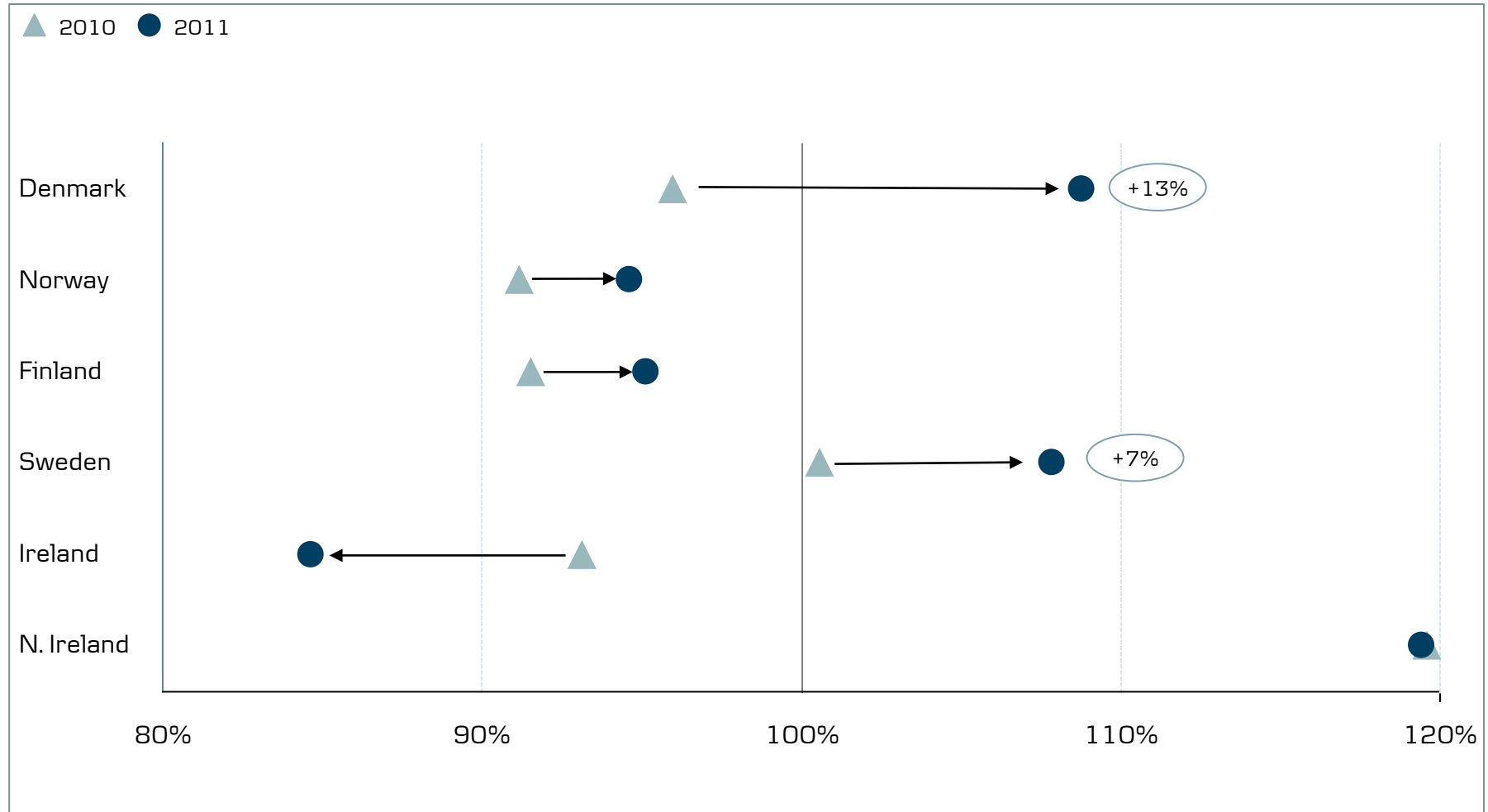
# Financial results for 2011: Decline in earnings because of economic downturn

## Income statement (DKK m)

	2011	2010	Index	
Net interest income	23,537	23,843	99	
Net fee income	8,298	8,699	95	
Net trading income	7,325	7,707	95	
Other income	3,648	3,882	94	
Income from insurance	569	2,146	27	
<b>Total income</b>	<b>43,377</b>	<b>46,277</b>	<b>94</b>	Robust income
<b>Operating expenses</b>	<b>25,987</b>	<b>26,010</b>	<b>100</b>	Expenses unchanged
Profit bef. loan imp. charges	17,390	20,267	86	
<b>Loan impairment charges</b>	<b>13,185</b>	<b>13,817</b>	<b>95</b>	Impairment charges down a modest 5%
Profit before tax	4,205	6,450	65	
Tax	2,482	2,786	89	
<b>Net profit</b>	<b>1,723</b>	<b>3,664</b>	<b>47</b>	Net profit lower by half

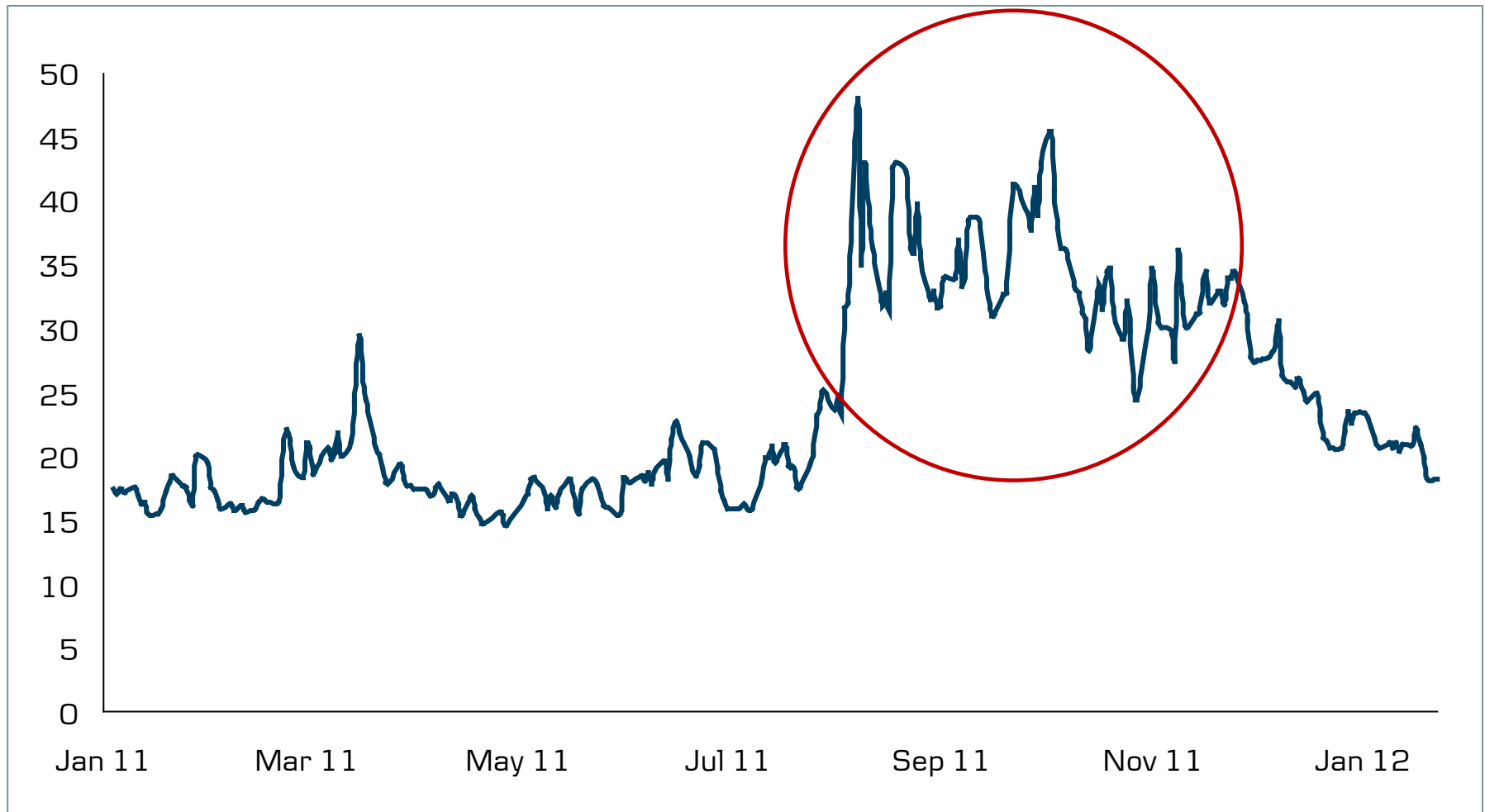
# Positive trend in customer satisfaction in most markets

Customer satisfaction, large corporates, score relative to sector average



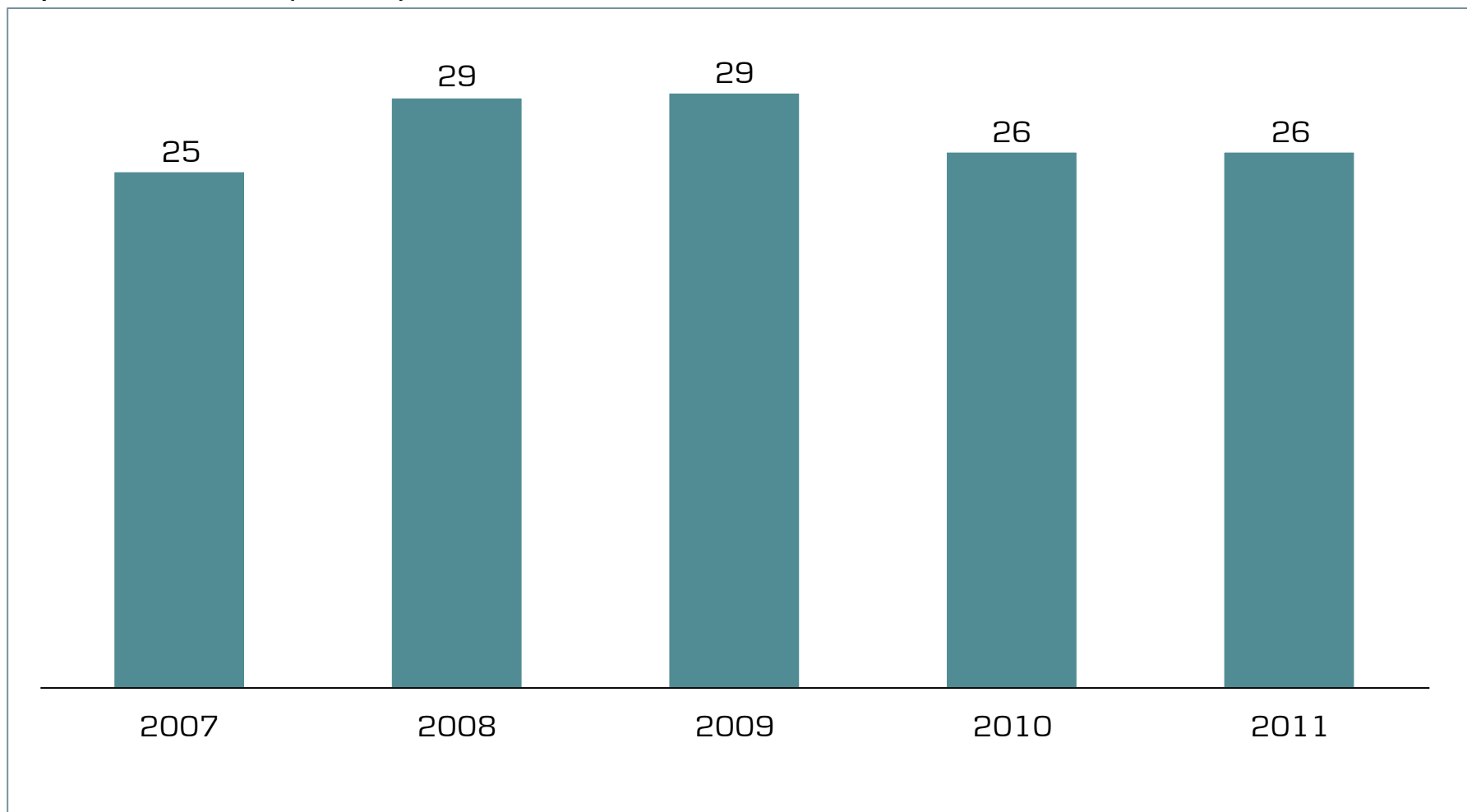
# Macroeconomic trend: Euro crisis caused uncertainty in the capital markets

Equity market volatility, European equity market volatility



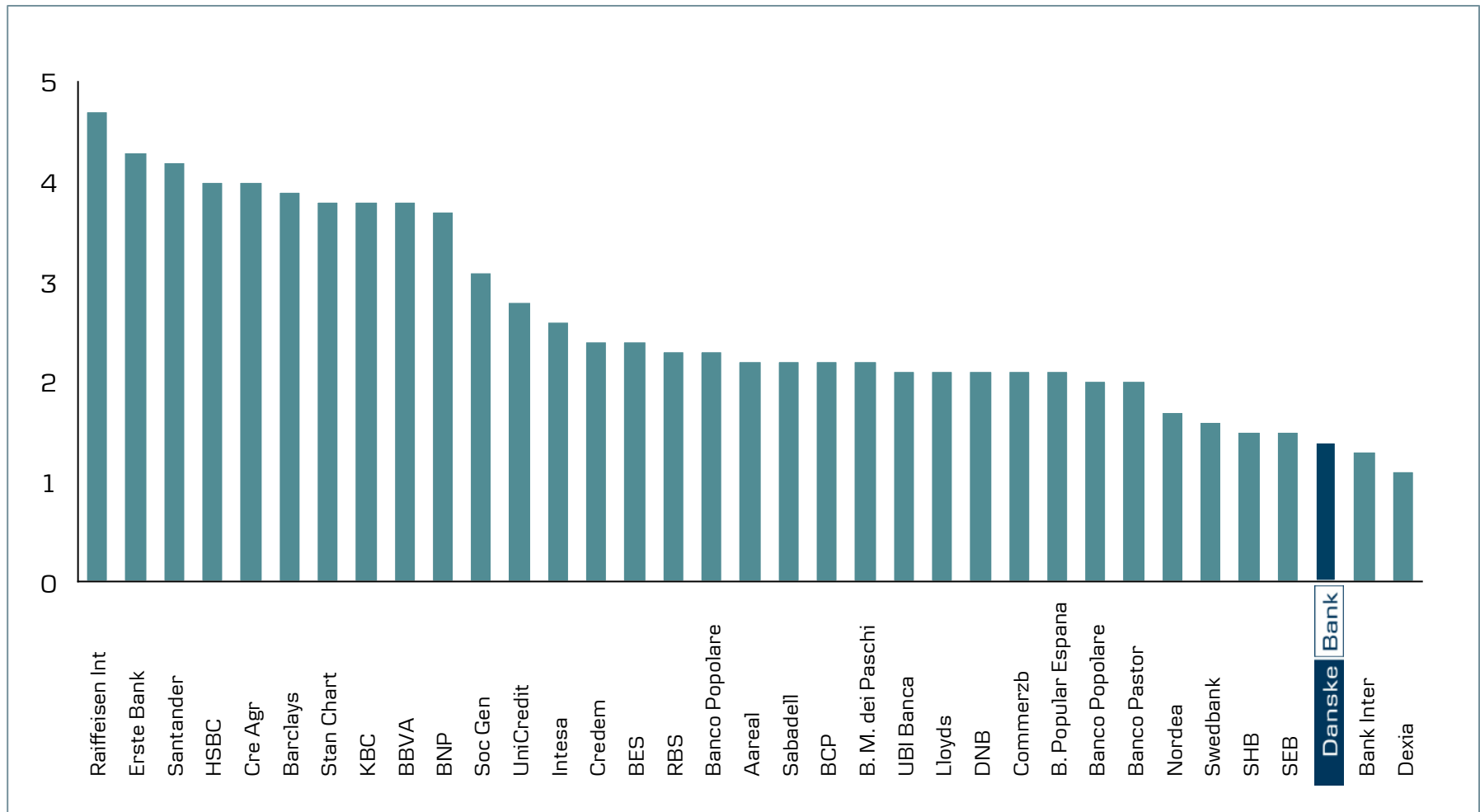
# We continue to reduce costs

Expenses, 2007-11 (DKK bn)



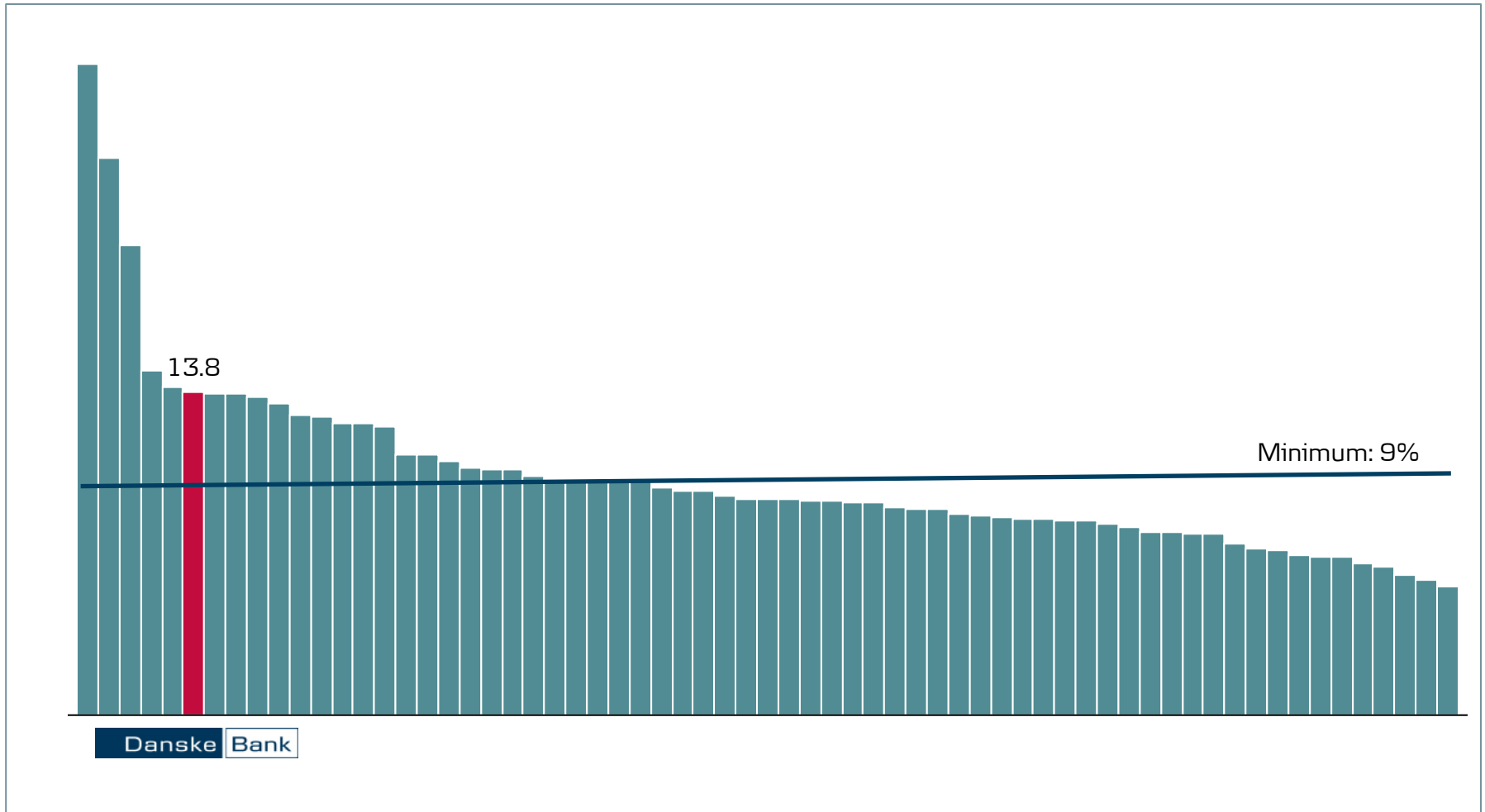
# Focus on raising earnings & value-creating customer relationships; the Bank's net interest margin is among Europe's lowest

Net interest margin (net interest income/lending), [%]



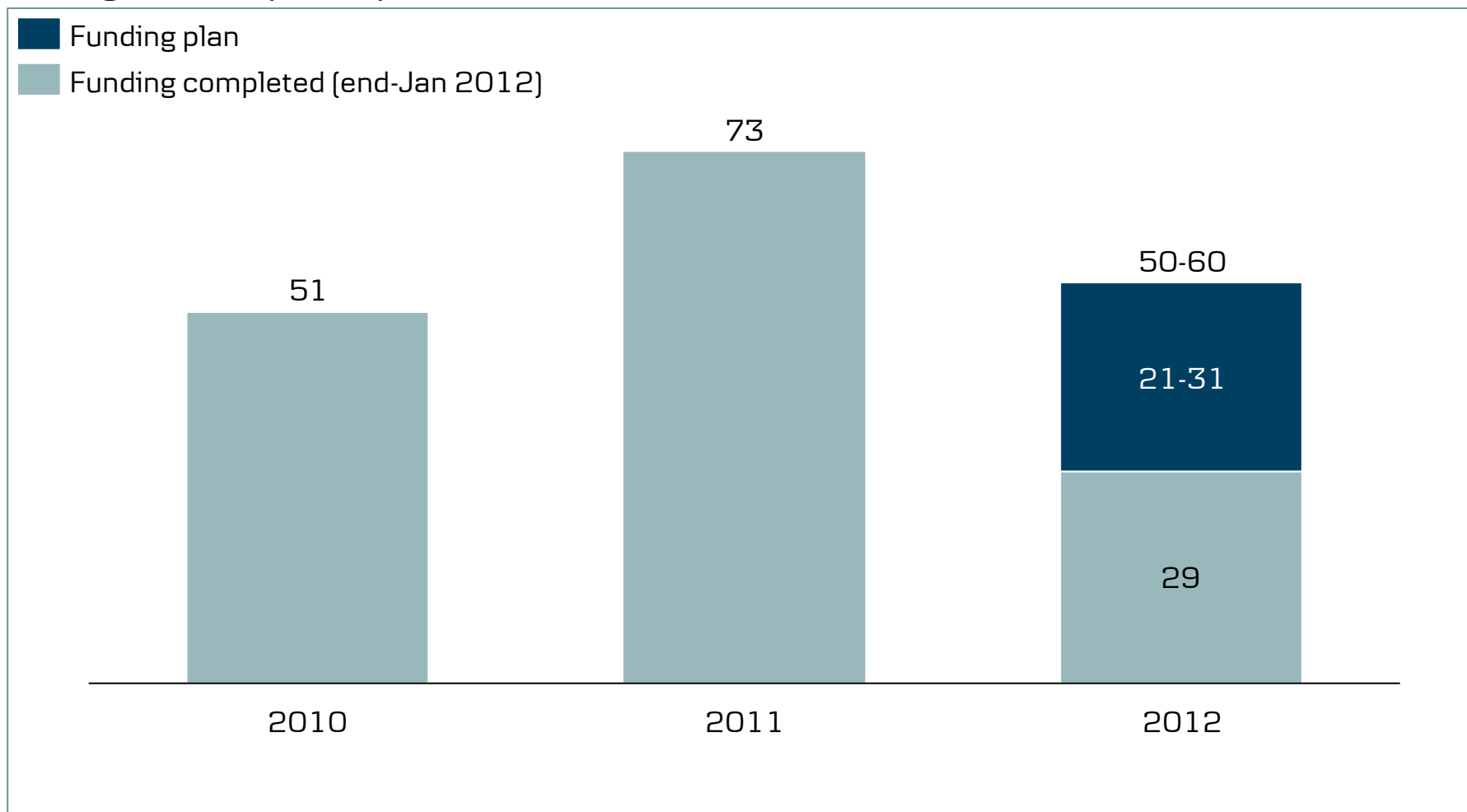
# EBA's capital test from December 2011: Danske Bank is one of the best-capitalised banks in Europe

Tier 1 capital ratio, including hybrid capital from the Danish state, Q3 2011 (%)



## Half of the funding for 2012 has already been completed

Funding, 2010-12 (DKK bn)





# Key figures for Danske Bank 2011

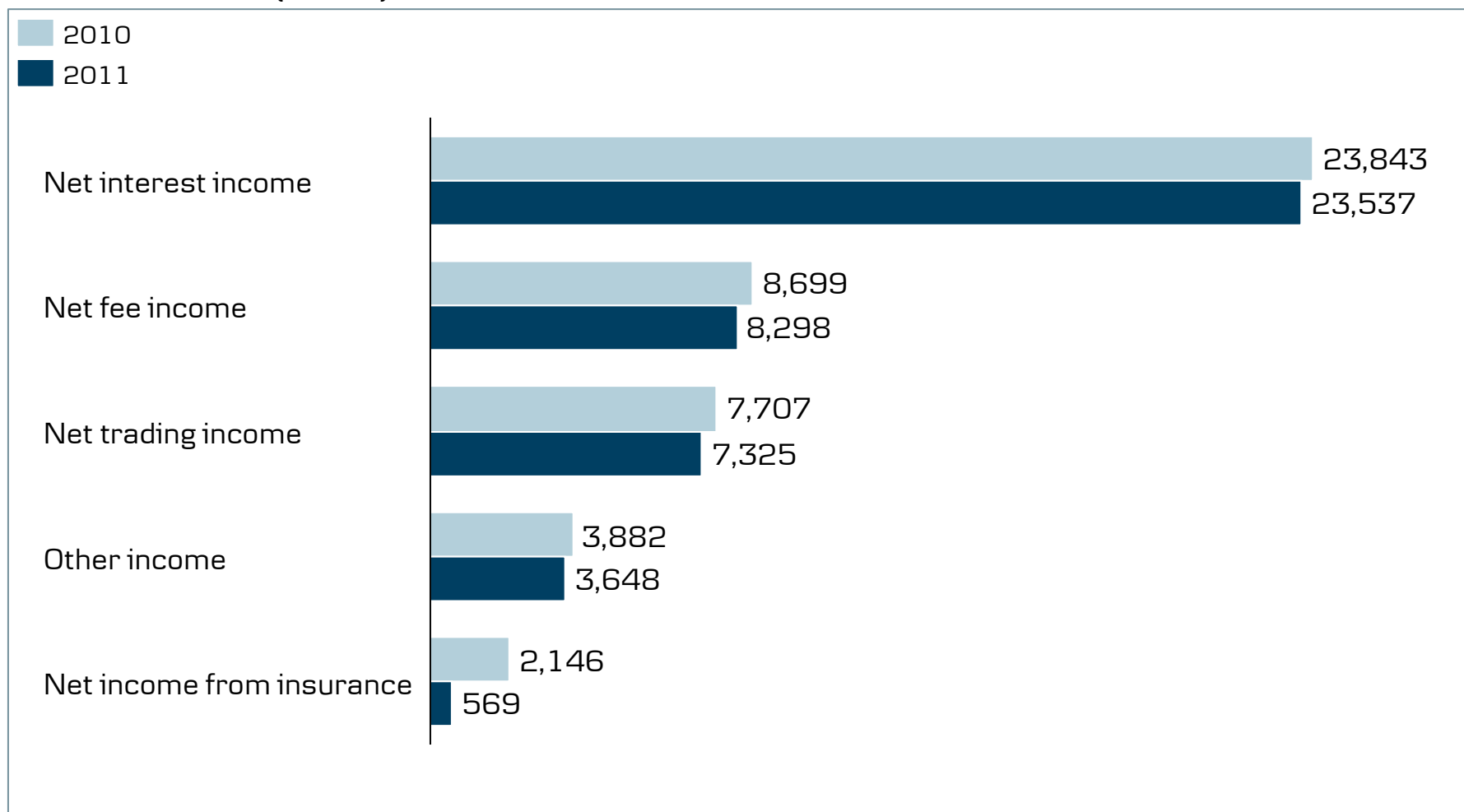
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Net profit lower by half

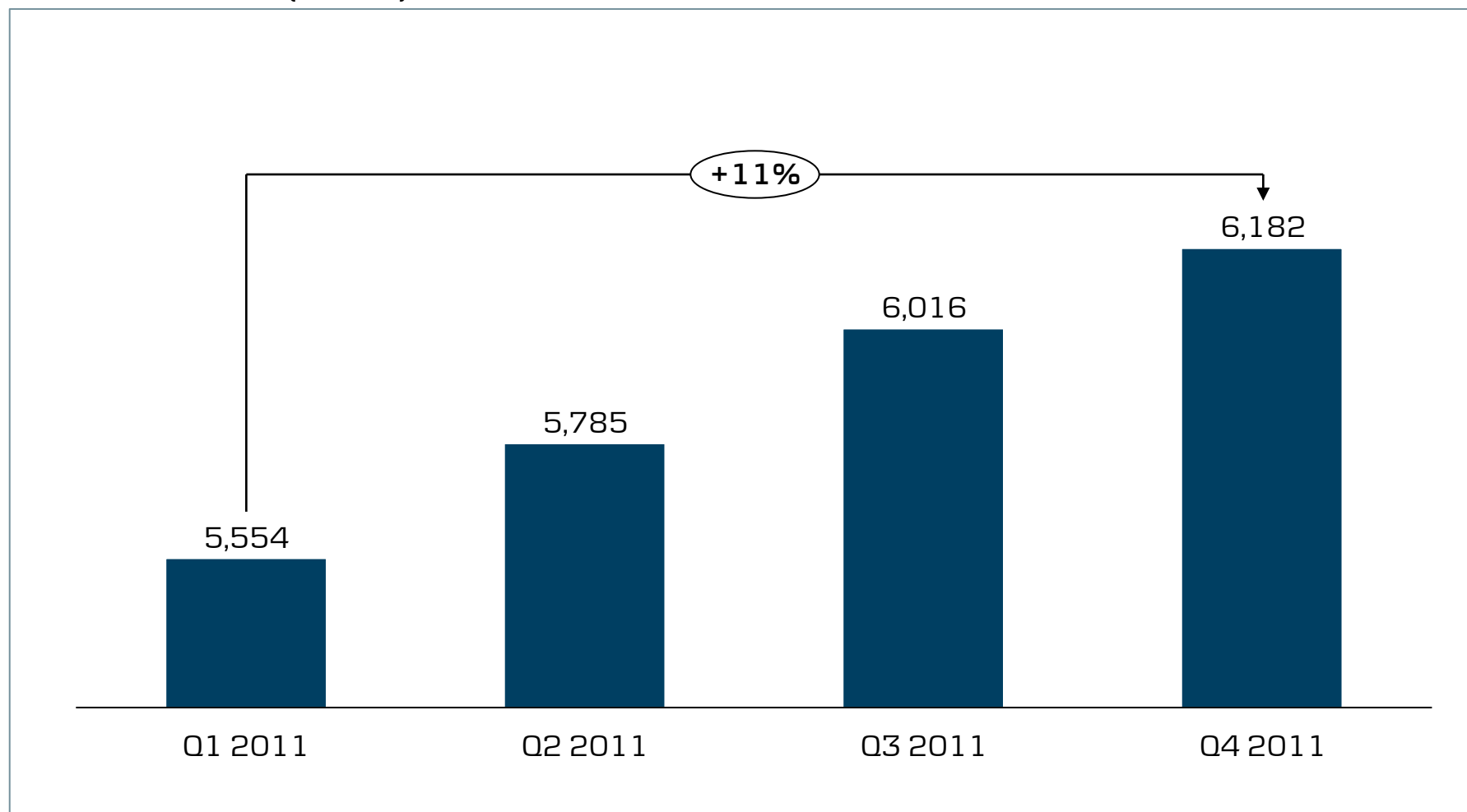
## Income declined 6%, mainly because of lower earnings at Danica

Income breakdown (DKK m)



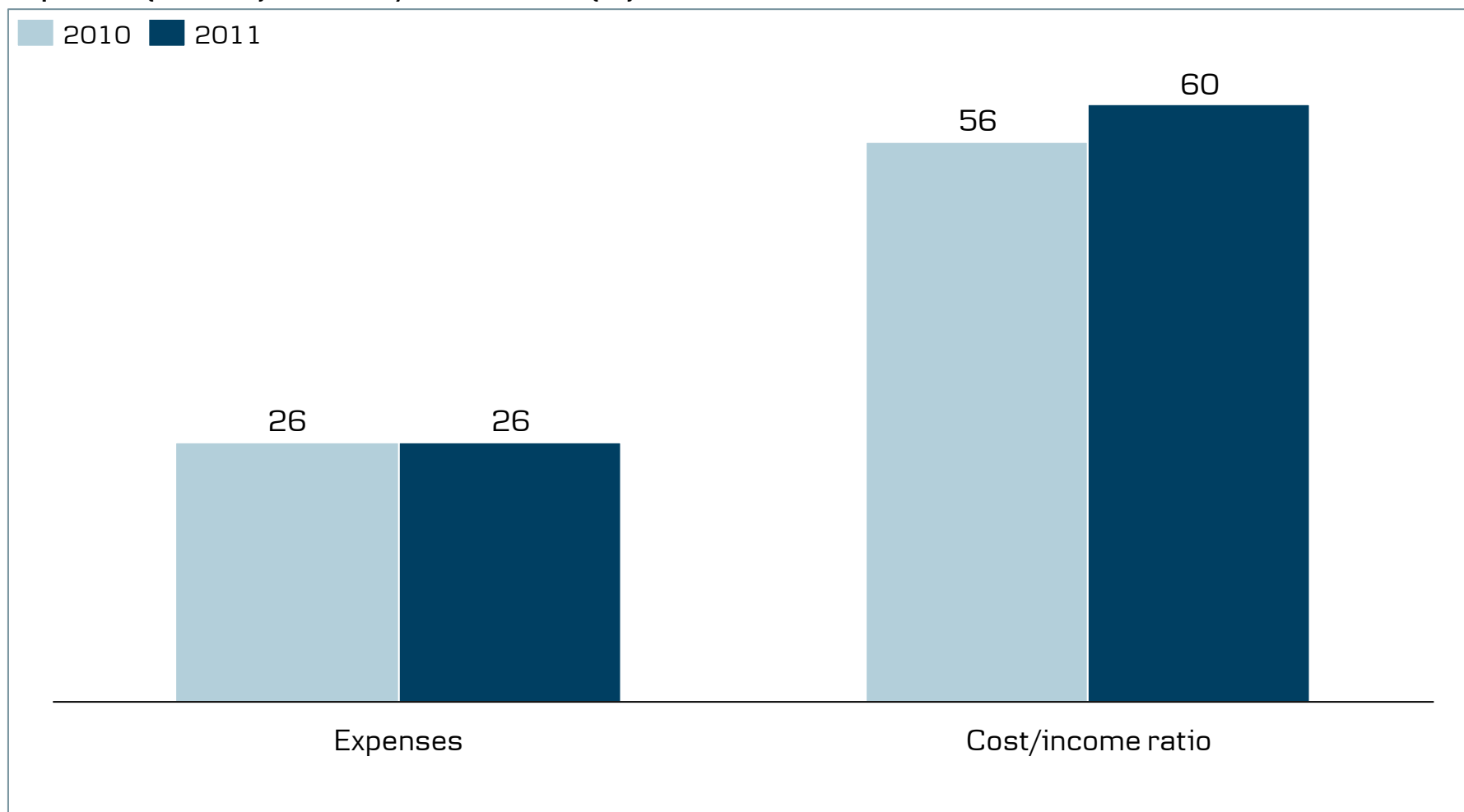
## Net interest income rose during the year because of increasing lending margins

Net interest income (DKK m)



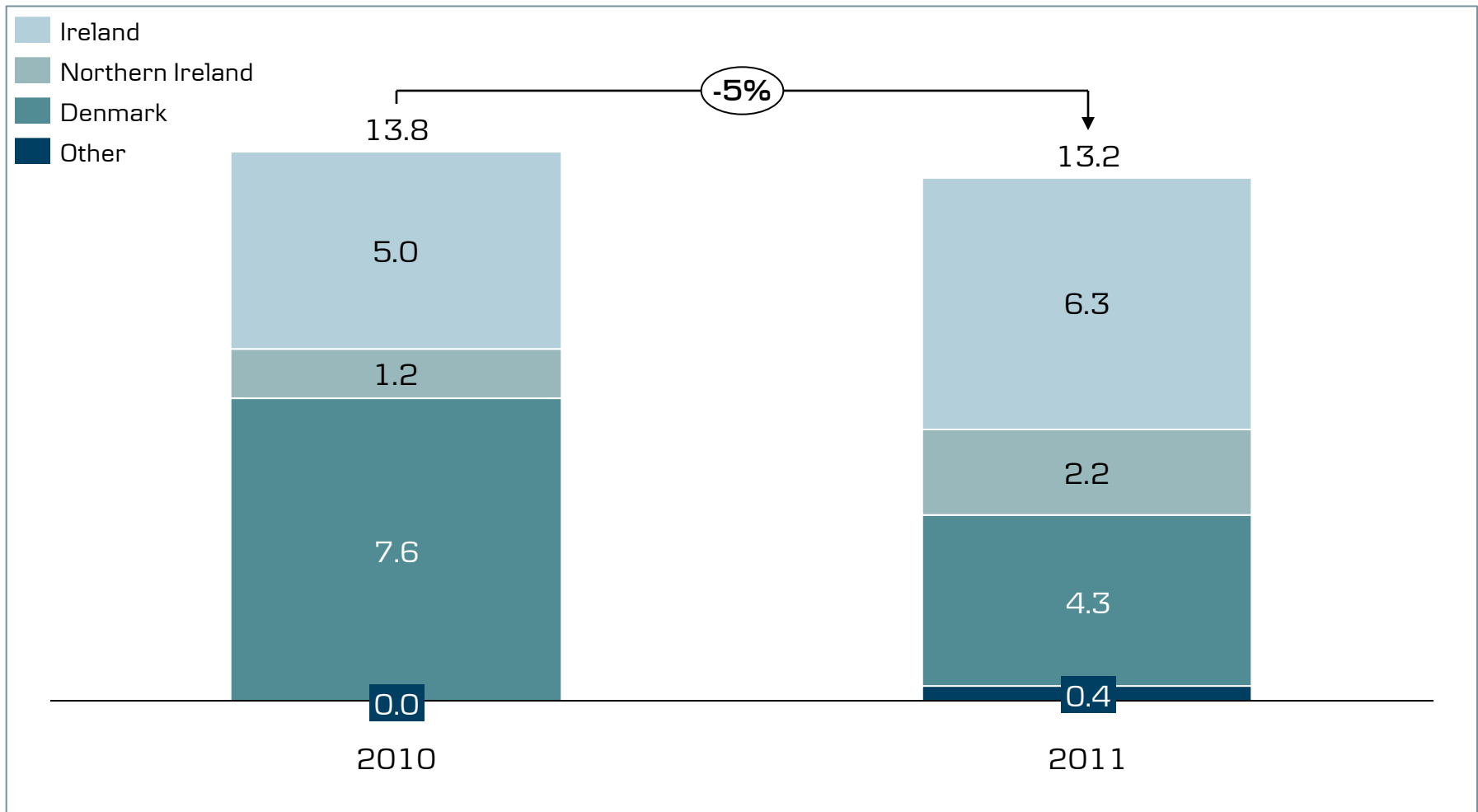
## Expenses held in check, but cost/income ratio up because of lower income

Expenses (DKK bn) and cost/income ratio (%)



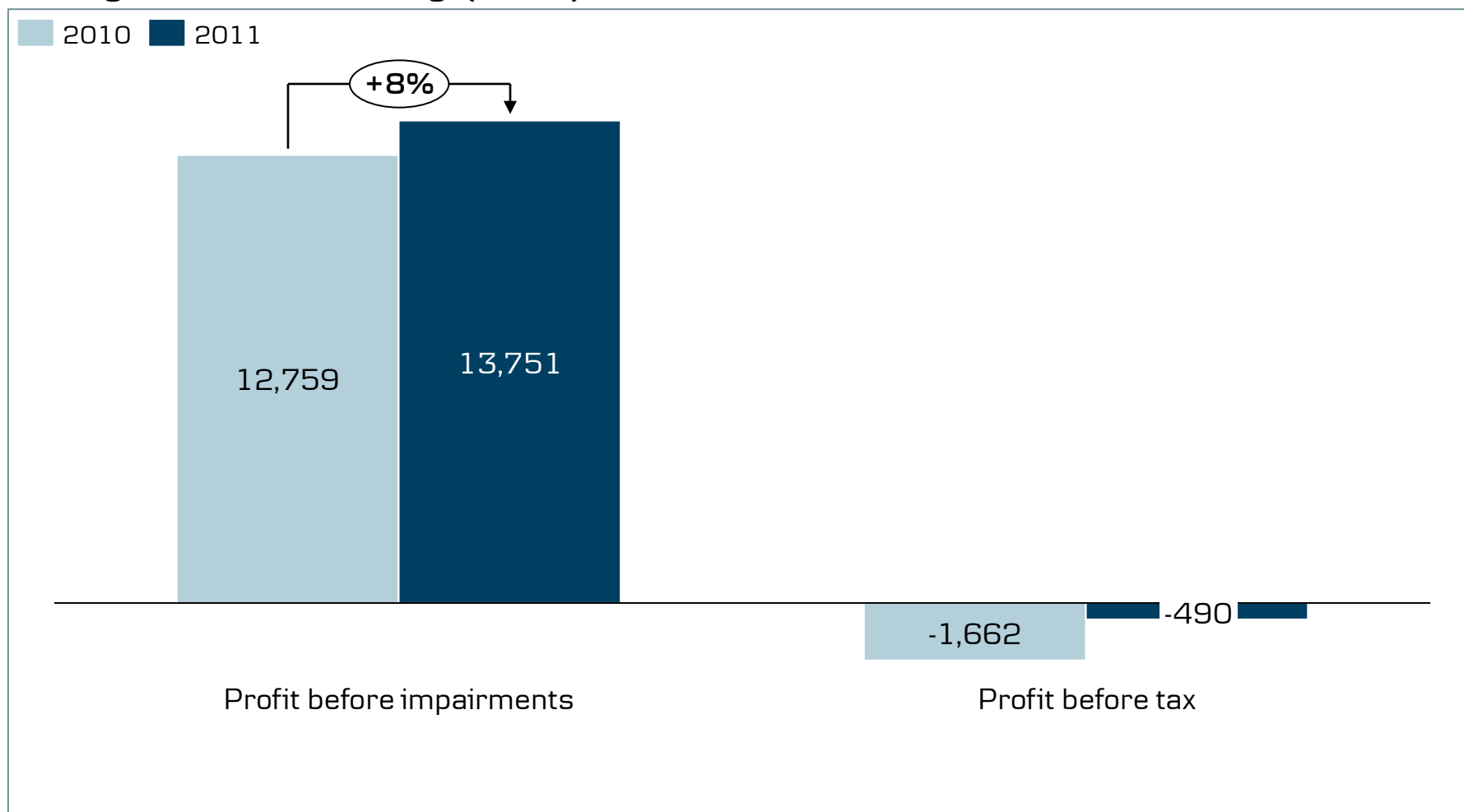
# Loan impairment charges decline, but less than expected because of worsening conditions in the second half of the year

Loan impairment charges (DKK bn)



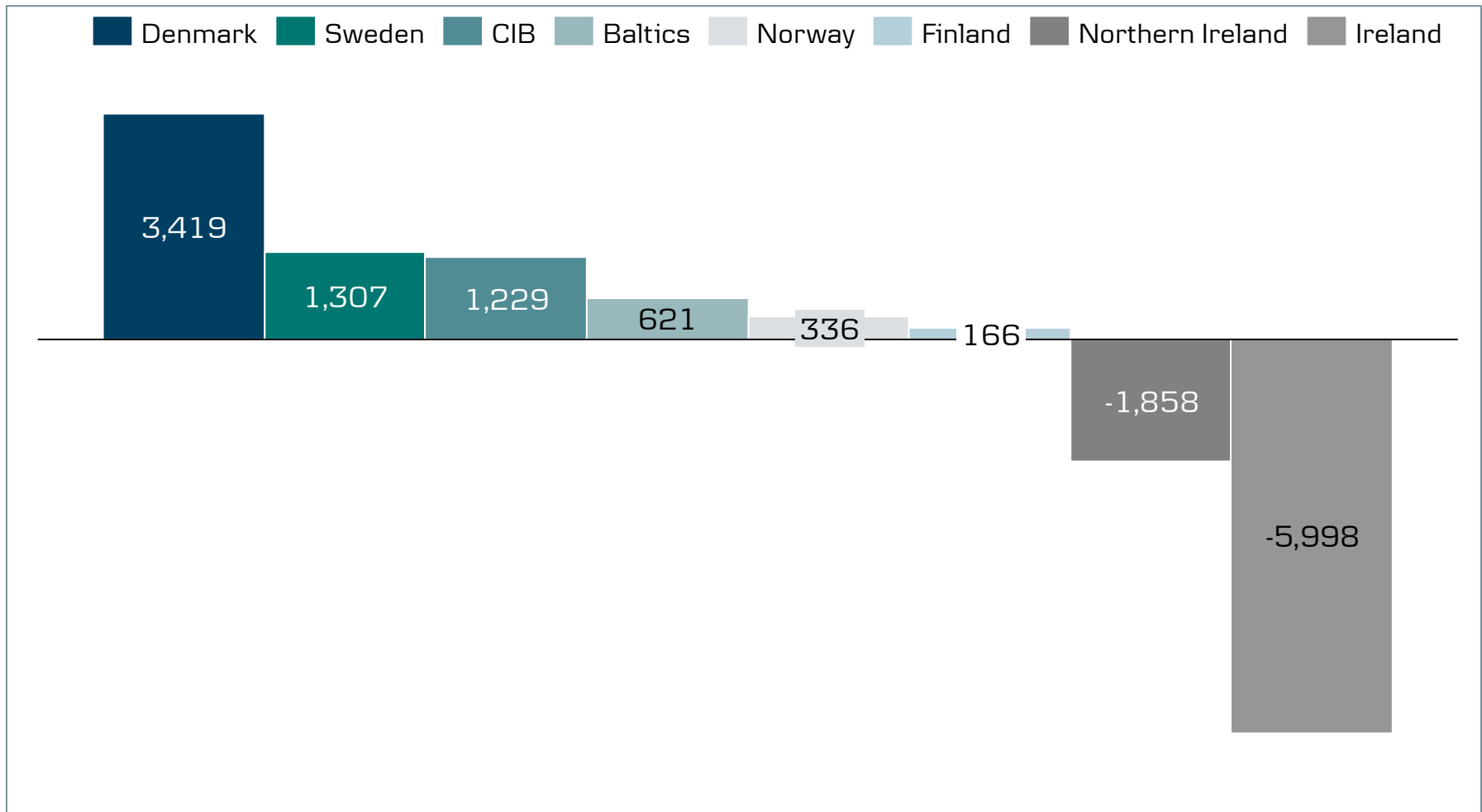
## Improved earnings at Banking Activities units

Banking Activities, total earnings (DKK m)



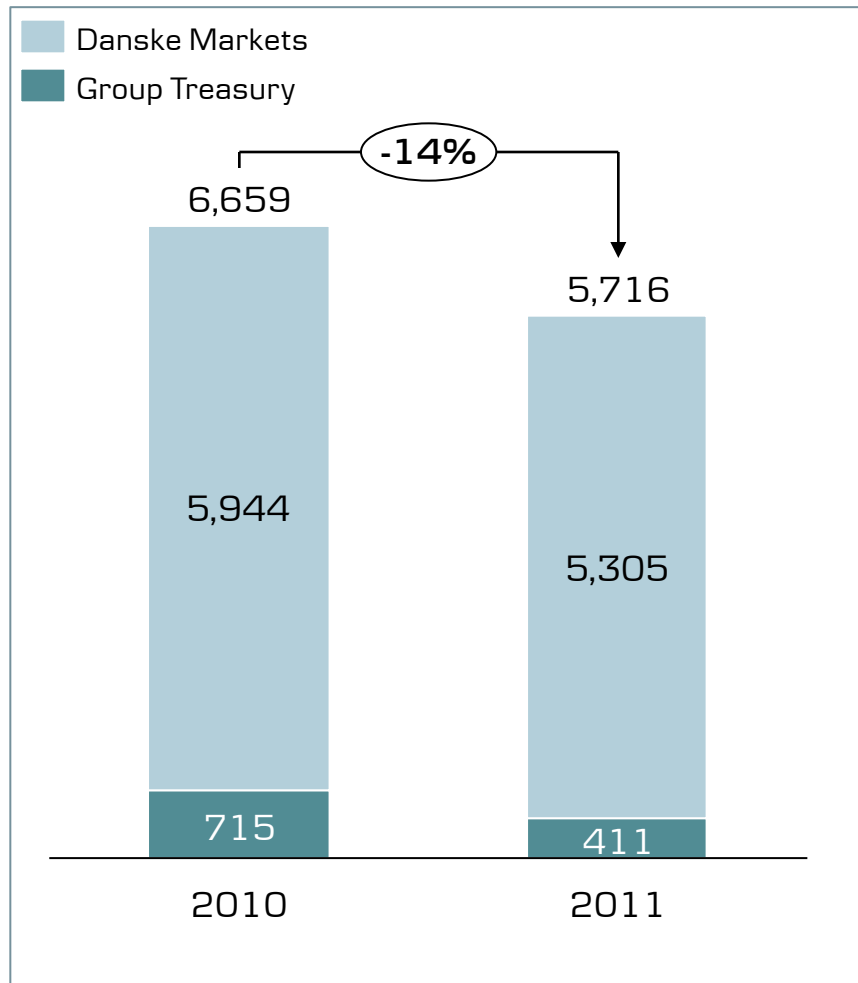
# All Banking Activities units showed a profit except Ireland and Northern Ireland

Banking Activities, profit before tax broken down by country, 2011 (DKK m)

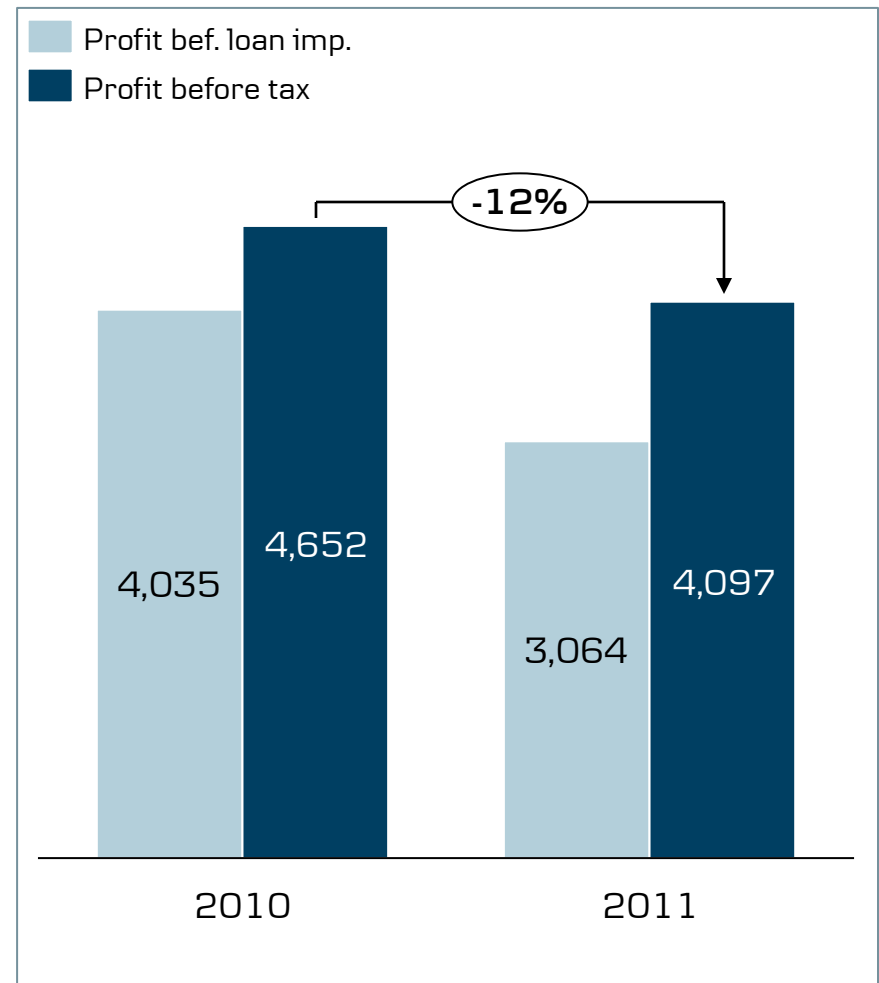


# Danske Markets and Group Treasury achieved their expected earnings despite difficult markets

Total income (DKK m)



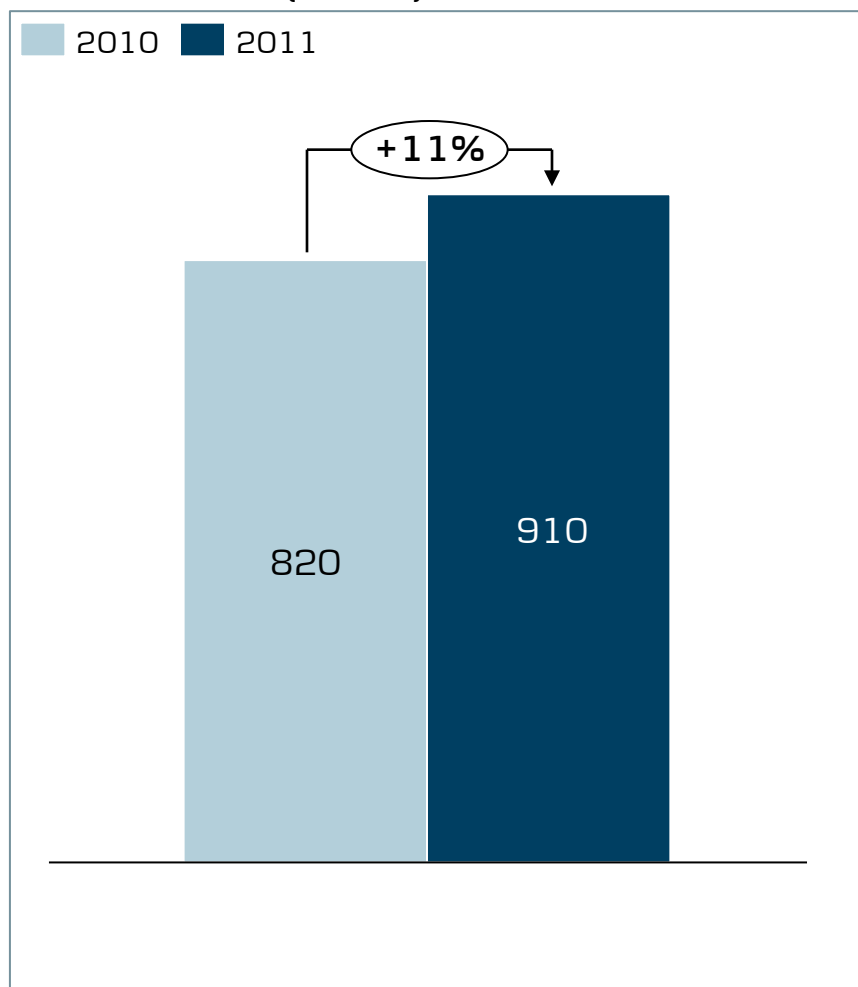
Profit before impairment charges & tax (DKK m)



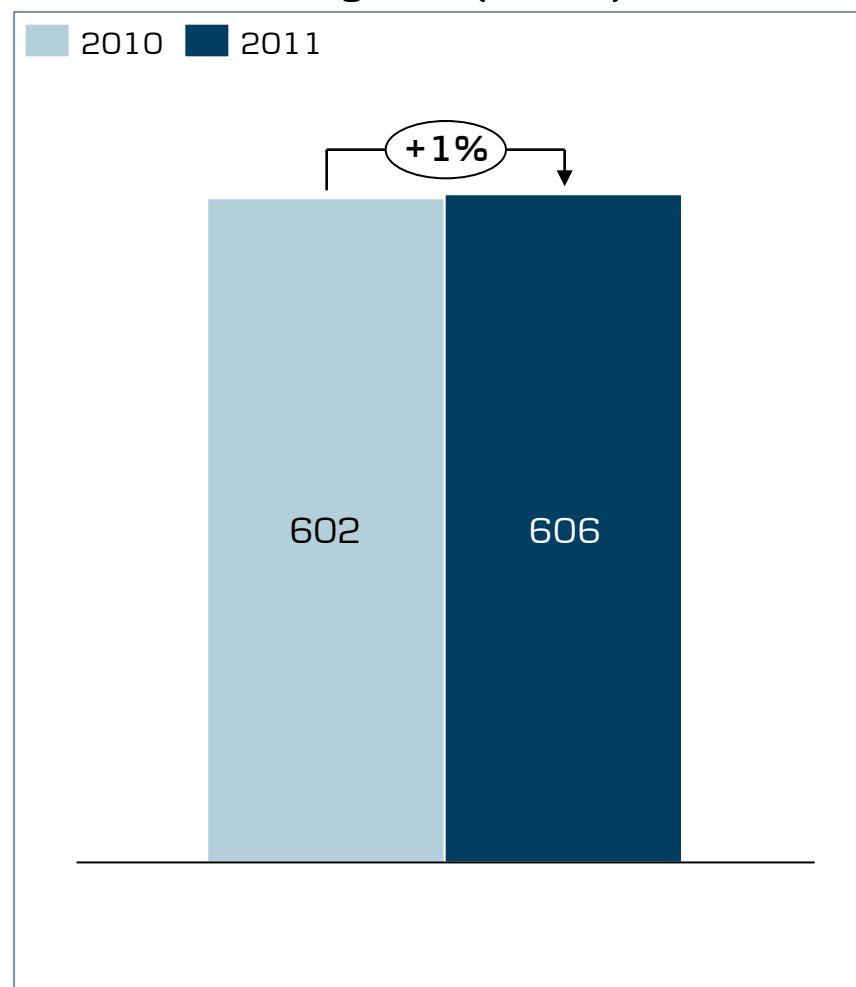


## Continued growth in earnings at Danske Capital despite difficult markets

Profit before tax (DKK m)

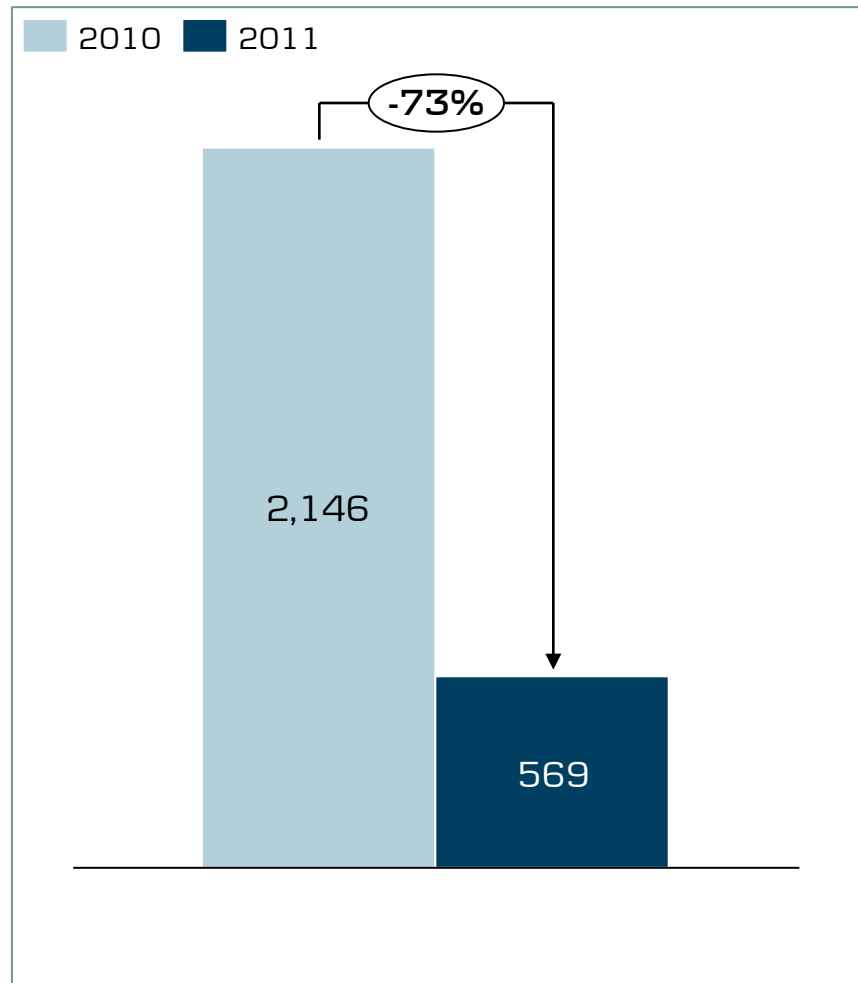


Assets under management (DKK bn)

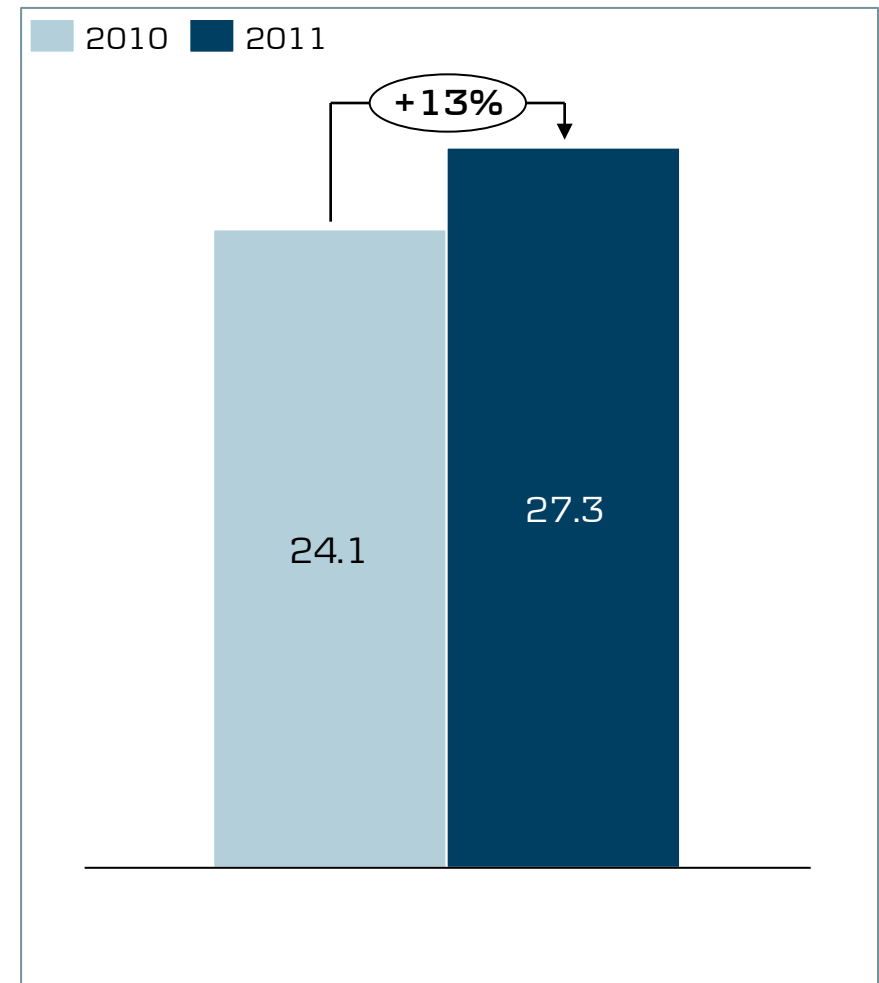


## High premium growth at Danica Pension, but lower earnings because of unfavourable capital markets

Profit before tax (DKK m)

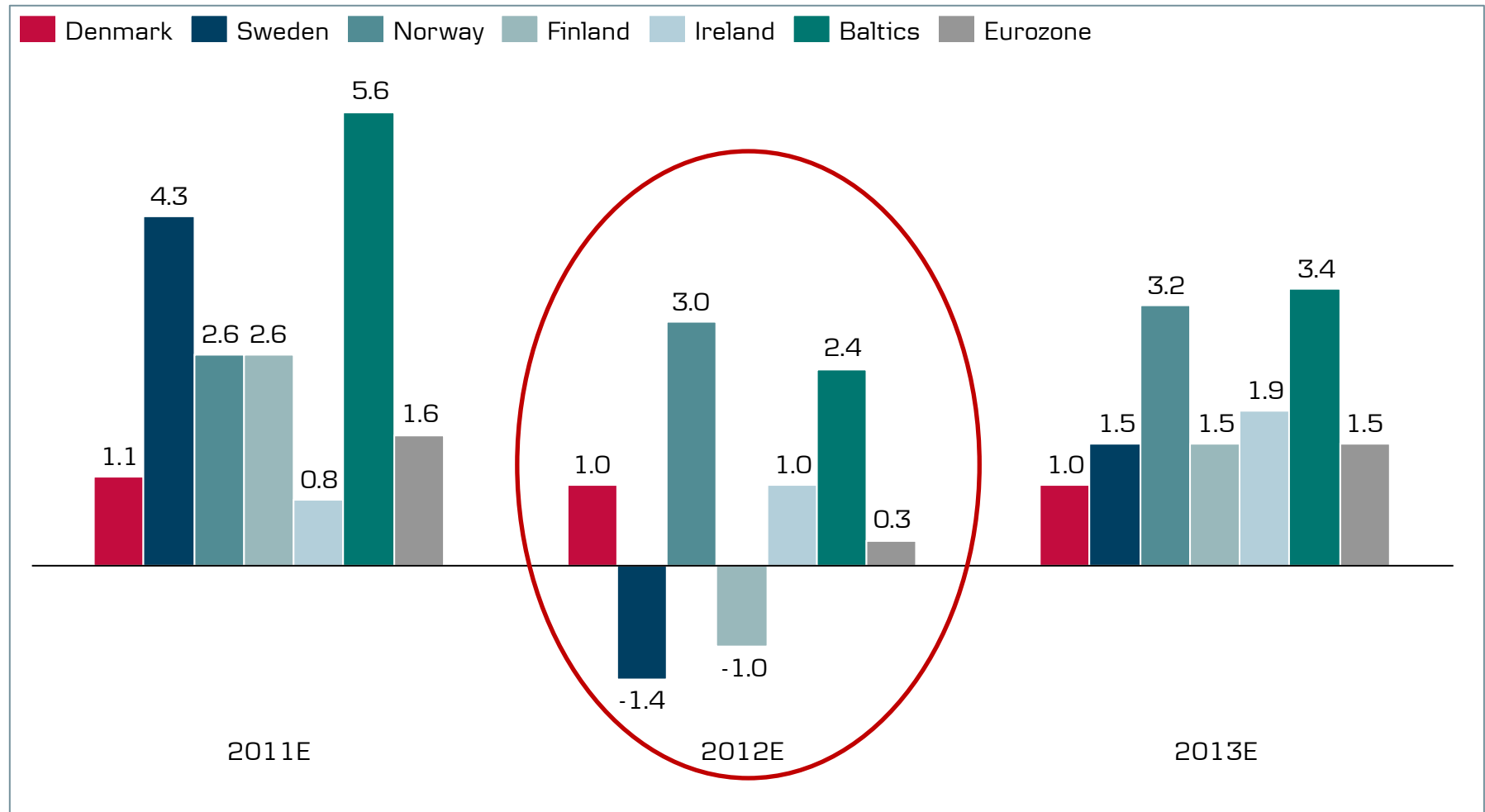


Premium income (DKK bn)



# Low economic growth in Europe in 2012

## GDP growth (%)



## Outlook for 2012: Focus on increasing income and managing costs because of weak economies

Net profit for 2012 expected to be at a low level, but there is much uncertainty

Rising net interest income because of higher margins, assuming unchanged central bank rates

Trading income and insurance income depend on the capital markets, but little chance of booking the risk allowance at Danica

Expenses in line with 2011 level, with the first effects of the new cost-saving and efficiency programme evident during the year

Loan impairment charges expected to remain high

Strong capital and liquidity positions support the Group's positive trend

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