

Deutsche Bank Global Financial Conference

Danske Bank – A financial overview



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Vision — Recognised as the most trusted financial partner

Customer satisfaction 2015

We want to be in the top two in customer satisfaction in our prioritised customer segments



Financial results 2015

We want to be in the top three of our Nordic peer group as measured by return on equity (ROE)



Mission — Setting New Standards in financial services

Financial results: Lower impairments key driver for profit improvement, however, profit lower than expected

Income statement & key figures (DKK m)

	Q1 13	Q1 12	Index	Q4 12	Index
Net interest income	5,452	5,650	96	5,713	95
Net fee income	2,265	2,012	113	2,671	85
Net trading income	1,775	3,638	49	1,830	97
Other income	296	321	92	306	97
Net income from insurance business	341	164	208	925	37
Total income	10,129	11,785	86	11,445	89
Expenses	5,905	6,324	93	6,591	90
Profit before loan impairment charges	4,224	5,461	77	4,854	87
Loan impairment charges	1,459	2,913	50	1,420	103
Profit before tax, core	2,765	2,548	109	3,434	81
Profit before tax, Non-core	-549	-973	-	-1,179	-
Profit before tax	2,216	1,575	141	2,255	98
Tax	744	797	93	1,110	67
Profit	1,472	778	189	1,145	129
Return on avg. shareholders' equity [%]	4.3	2.5		3.5	
Cost/income ratio	58.3	53.7		57.6	
Core tier 1 capital ratio [%]	15.1	12.0		14.5	

Key messages in Q1 13

Net profit improved 29% from Q4 12



Expenses 10% below Q4 12 and cost programme on track



Total impairments down compared with Q4 12



Total income lower than expected and below our ambitions



Strong capital and liquidity levels - CT1 of 15.1% and LCR of 126%



ROE improved from 3.7% in 2012 to 4.3%



Outlook for net profit in 2013 of DKK 7.5-10 bn

Financial targets: Four targets already reached

Financial target	End-Q1 13 (adj.)	Ambitions	Status
ROE	4.3%	Above 12%	In progress
Ratings	S&P/Moody's/Fitch A-/Baa1/A Pos./Stable/Neg.	Improve ratings by at least one notch	In progress Improved SACP* from S&P
Core tier 1 ratio	15.1%	Min. 13% by end of 2013	Above ✓
Total capital ratio	21.6%	Min. 17% by end of 2013	Above ✓
LCR compliance	126%	Meet EU 2015 requirement by end-2012	Above ✓
Nominal costs	DKK 5.9 bn	Below DKK 24 bn in 2015	In progress
C/I ratio	58.3%	Below 46% in 2015	In progress
FTE target 2012		Reduced by 1,000 in 2012	Reached ✓
FTE target 2015	20,184	Reduced by 2,000 in 2013-2015	In progress
Dividend payment		About 40% of annual profit, although lower until capital and rating targets are reached	In progress

Initiatives taken as a part of New Standards within Personal Banking and Business Banking

Personal Banking

New customer programme

- 650,000 customers have registered and the market share in Denmark improved in Q1 13
- The programme has advantages for all customers - the benefits depend on the customer's business volume
- The new prices in the programme will take effect on 1 September 2013



Simple & transparent

More benefits

Fair

Business Banking

Q1 initiatives

- Selective expansion of Realkredit Danmark products to Norway and Sweden has been successful because of customer demand for this attractive loan type
- First successful corporate bond issue in the Danish SME segment
- Launch of Mobile Business, a market-leading app that lets customers do business banking on the go

Business on the go

With our Mobile Business app you can monitor your business and approve transactions. Anytime. Anywhere.

- View accounts across Danske Bank's markets
- Check the balance on accounts in other banks
- Authorise all types of payments and payment files
- Set up local payments across Danske Bank's markets
- And much more

Danske Bank
New Standards

Outlook for 2013: Unchanged guidance despite slow start to the year

Macro	Economic growth remains low; growth forecast revised down in most markets
Income	NII likely flat at 2012 level (DKK 22.8 bn) Increasing net fee income (2012: DKK 8.9 bn) Trading income and insurance income below 2012 levels (DKK 10.6 bn and DKK 2.2 bn)
Expenses	Cost programme on track; full-year guidance of flat expenses (2012: DKK 24.6 bn)
Loan losses	Core activities: Slightly below 2012 level (DKK 7.7 bn) Non-core activities: Significantly below 2012 level (DKK 4.9 bn)
Net profit*	Net profit guidance unchanged in the range of DKK 7.5-10 bn, management actions expected to mitigate slow start to the year

* The profit guidance is subject to uncertainty and depends on normalised trading income and insurance income.

