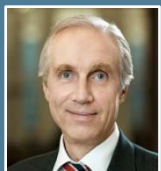


# Financial results for 2010



**Peter Straarup**  
CEO & Chairman of the Executive Board



**Henrik Ramlau Hansen**  
CFO & Member of the Executive Board

10 February 2011

# Agenda

	Slide
• Key messages	3
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• Capital management	16
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• Appendix: Trends in focus areas & business units	20

## Important Notice

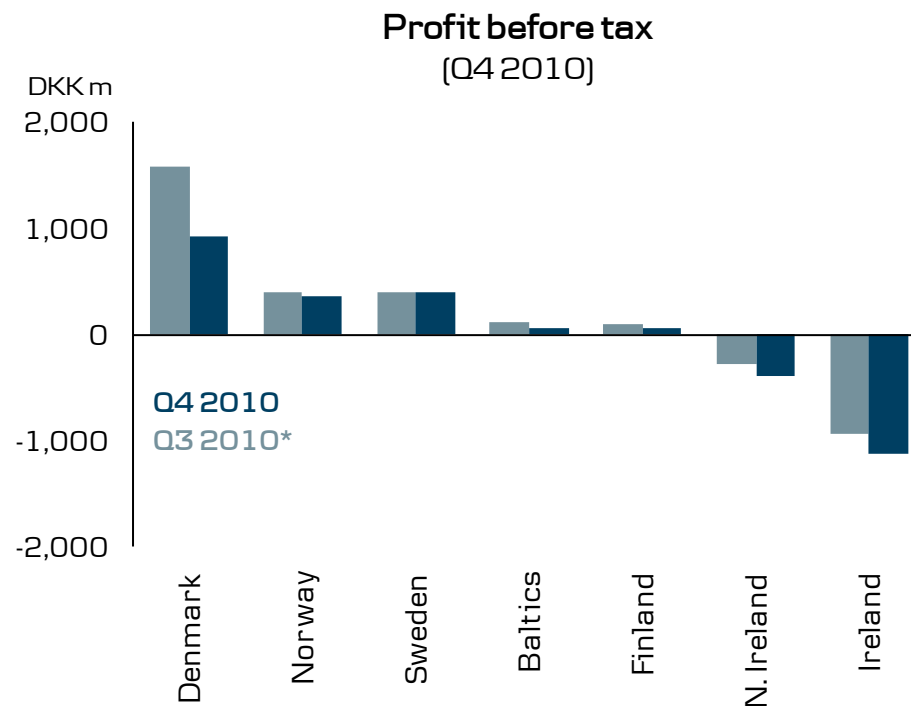
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This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Danske Bank believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors many of which are beyond Danske Bank's control.

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# Earnings recovery continues as impairments decline

- Net profit of DKK 3.7 bn in 2010
- Cost management continues to deliver results
- Declining impairment charges
- No dividend payment for Q4 2010
- Negotiations with Danish government to prepay hybrid capital
- Plan for a rights issue of about DKK 20 bn in H1 to finance the prepayment
- Liquidity remained strong after the discontinuation of the general state guarantee



\* Denmark adjusted for Bank Package I (guarantee fee & loan impairment charges).

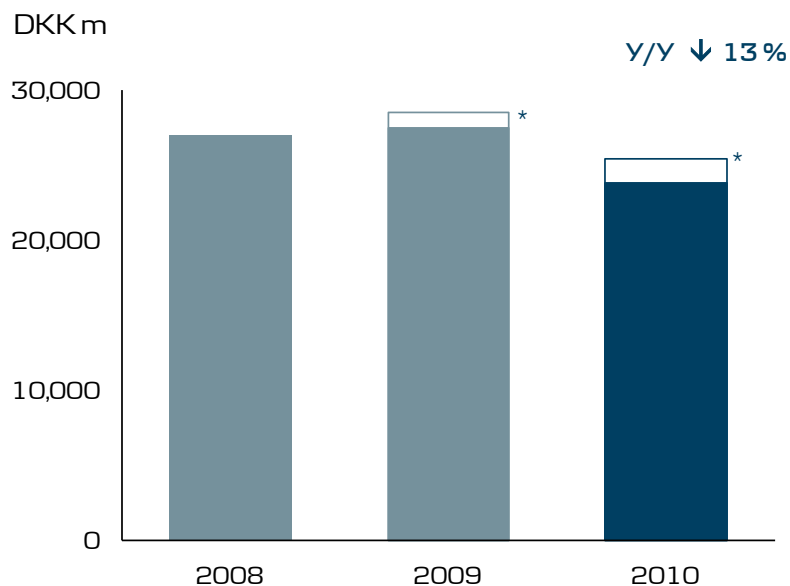
# Declining impairments and expenses more than offset lower income

DKK m	2009	2010	Index	Q3 2010	Q4 2010	Index
Net interest income	27,524	23,843	87	5,840	6,069	104
Net fee income	7,678	8,510	111	2,069	2,325	112
Net trading income	18,244	7,921	43	1,930	795	41
Other income	3,083	3,857	125	703	1,013	144
Net income from insurance business	2,810	2,146	76	705	685	97
<b>Total income</b>	<b>59,339</b>	<b>46,277</b>	<b>78</b>	<b>11,247</b>	<b>10,887</b>	<b>97</b>
Expenses*	28,907	26,010	90	6,294	6,457	103
Profit bef. loan imp. charges	30,432	20,267	67	4,953	4,430	89
Loan impairment charges	25,677	13,817	54	3,083	2,982	97
<b>Profit before tax</b>	<b>4,755</b>	<b>6,450</b>	<b>136</b>	<b>1,870</b>	<b>1,448</b>	<b>77</b>
Tax	3,042	2,786	92	983	377	38
<b>Net profit for the period</b>	<b>1,713</b>	<b>3,664</b>	<b>214</b>	<b>887</b>	<b>1,071</b>	<b>121</b>
Cost/income ratio (%) ex integr.,GW & state guar.fee	40.7	50.7	124	48.9	57.7	118
Core tier 1 capital ratio (%)	9.5	10.1	106	9.8	10.1	103
Risk-weighted assets (DKK bn)	834	844	101	843	844	100
Total loans ex repos (DKK bn)	1,670	1,680	101	1,680	1,680	100
Deposits (ex repos) & issued RD bonds (DKK bn)	1,504	1,529	102	1,487	1,529	103
Total assets (DKK bn)	3,098	3,214	104	3,361	3,214	96

\* Includes state guarantee fees of DKK 625 m per quarter from Q4 2008 until Q3 2010.

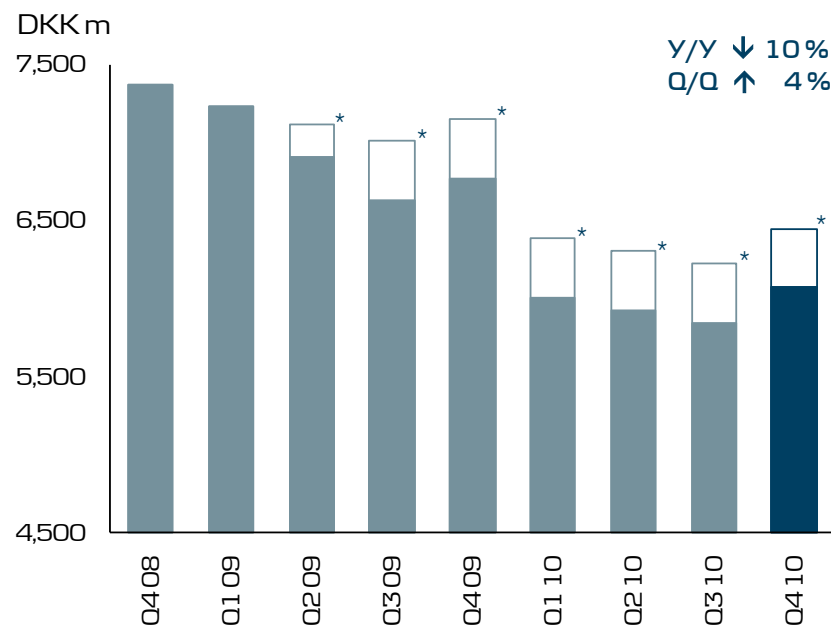
# Net interest income fell in 2010, but rose in Q4

## Annual net interest income



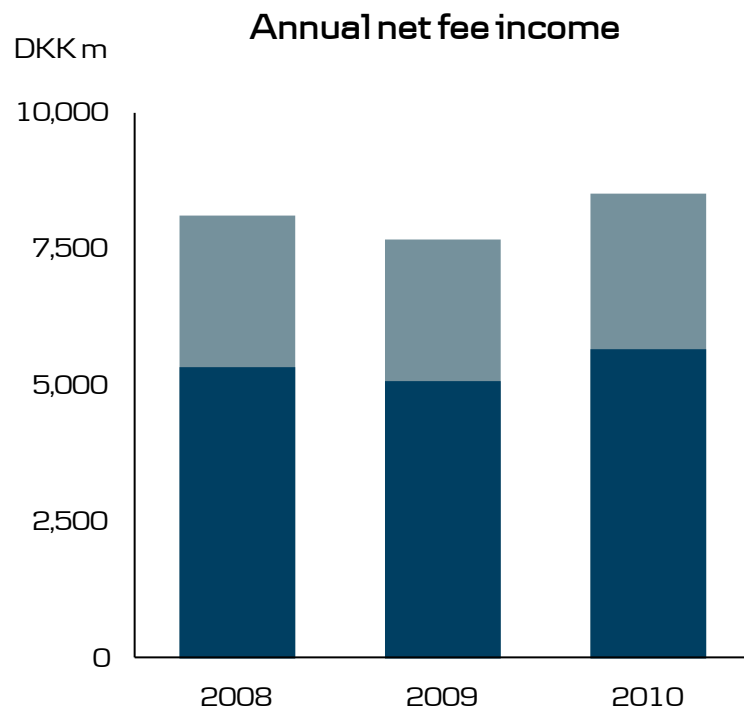
S-T interest rate sensitivity:  
25 bp = DKK 900 m

## Quarterly net interest income



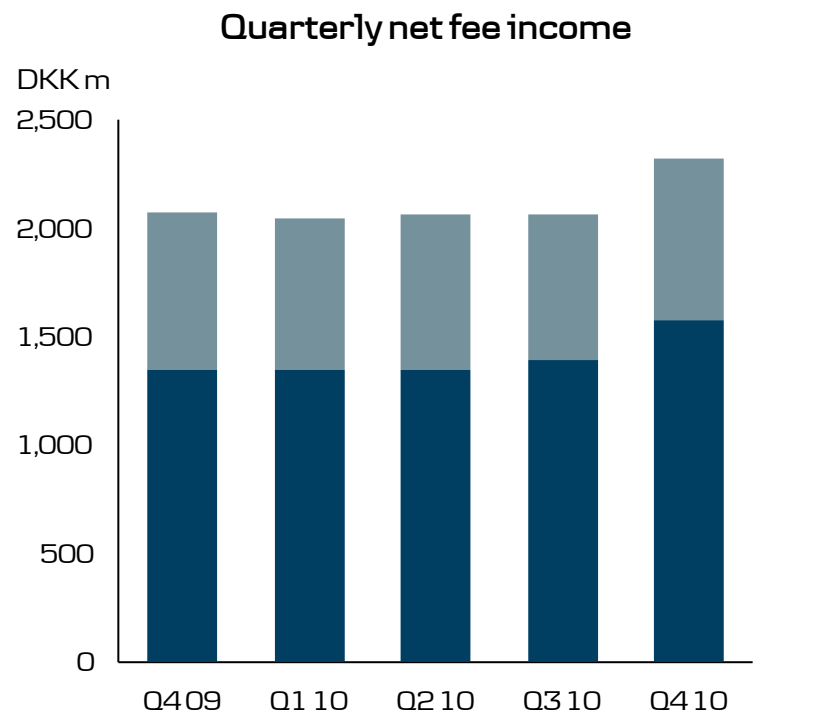
\* White segment is the net cost of government hybrid capital.

# Net fee income up on strong performance at Danske Capital



Activity-based fees  
Portfolio-based fees

Y/Y ↑ 8 %  
Y/Y ↑ 12 %



Activity-based fees  
Portfolio-based fees

Y/Y ↑ 2 %  
Y/Y ↑ 17 %  
Q/Q ↑ 10 %  
Q/Q ↑ 14 %

# Net trading income at normal level despite low activity and difficult markets in Q4

## Breakdown of net trading income

DKK m	2008	2009	2010	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Trading activities	7,361	16,929	5,812	1,791	2,013	1,665	1,420	714
Group Treasury*	-3,996	123	715	-152	119	692	99	-195
Institutional banking (non-Nordic)	398	186	346	24	75	100	54	117
<b>Danske Markets in total</b>	<b>3,763</b>	<b>17,238</b>	<b>6,873</b>	<b>1,663</b>	<b>2,207</b>	<b>2,457</b>	<b>1,573</b>	<b>636</b>
BA Denmark	826	539	508	20	96	159	168	85
Other trading activities	1,487	467	540	278	76	201	189	74
<b>Net trading income</b>	<b>6,076</b>	<b>18,244</b>	<b>7,921</b>	<b>1,961</b>	<b>2,379</b>	<b>2,817</b>	<b>1,930</b>	<b>795</b>
Value at Risk (DKK bn)**				0.2	0.2	0.3	0.3	0.2

\* Q2 10 includes a capital gain of DKK 659 m owing to merger of PBS Holding and Nordito AS.

\*\* 99% confidence level, 10-day horizon. Calculated as an average of daily VaR values during the period.

# Strong insurance income from booking the full risk allowance and shadow account

## Net income from insurance business

DKK m	2008	2009	2010	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Premiums (DKK bn)	21.9	20.4	24.1	6.1	6.5	5.7	5.5	6.4
Share of technical provisions	1,088	1,087	1,126	278	276	279	282	289
Unit-linked (insurance result)	-21	151	327	43	74	63	72	118
Health and accident (insurance result)	-142	-97	81	-41	-29	17	-3	96
Investment result	-961	1,383	799	198	418	102	308	-29
Financing result	-609	-247	-130	-41	-36	-31	-31	-32
Special allotments	0	-40	-641	-40	-100	-100	-100	-341
Net income before postponed risk allowance	-645	2,237	1,562	397	603	330	528	101
Postponed risk allowance	-1,088	573	584	1,382	0	-177	177	584
<b>Net income from insurance business</b>	<b>-1,733</b>	<b>2,810</b>	<b>2,146</b>	<b>1,779</b>	<b>603</b>	<b>153</b>	<b>705</b>	<b>685</b>
Net income as % p.a. of allocated cap.	-33.0	49.0	37.4	123.2	44.6	11.0	48.1	45.0



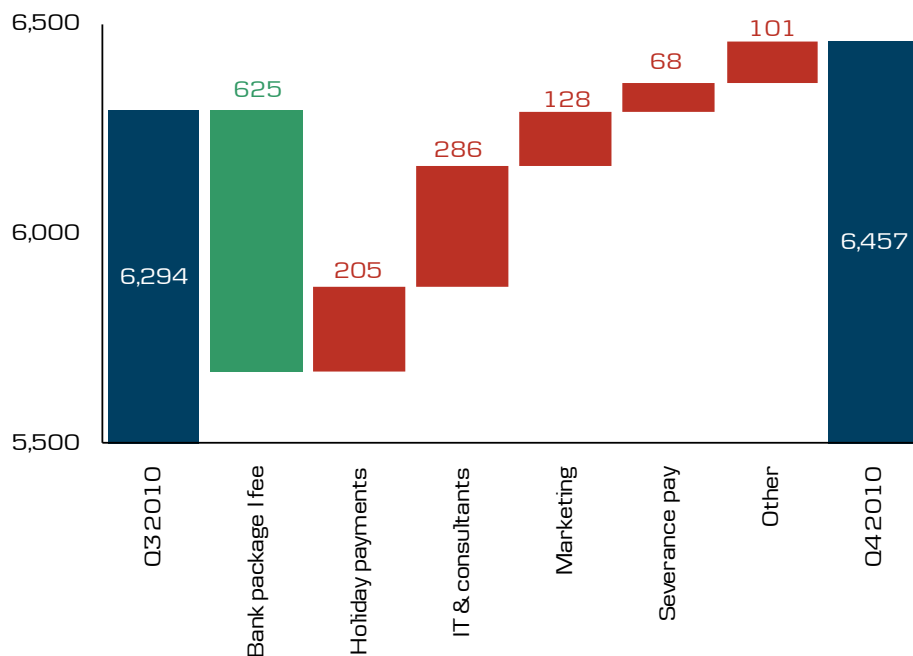
# Underlying cost base continues to fall, but Q4 inflated by seasonal fluctuation and IT investments

## Expenses and number of employees

DKKm	2008	2009	2010	Index
Expenses	28,726	28,907	26,010	90
Integration expenses	774	291	184	63
Amortisation of intangibles	589	505	507	100
Severance payments	152	666	196	29
Goodwill impairment charges	3084	1,458	0	-
State guarantee fee (Bank Package I)	625	2,500	1,875	75
<b>Underlying cost base</b>	<b>23,502</b>	<b>23,487</b>	<b>23,248</b>	<b>99</b>
Total FTEs (end-period)	23,624	22,093	21,522	97

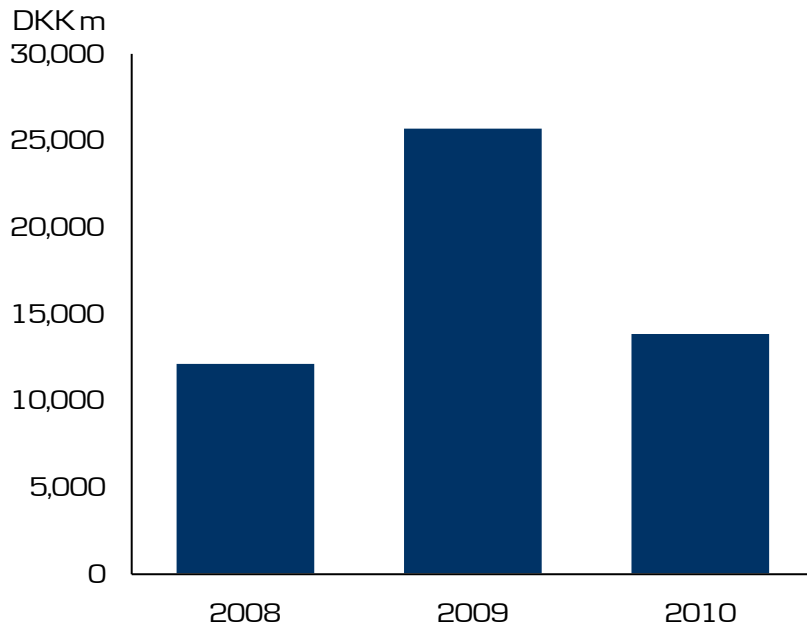
DKK m

## Quarterly trend in expenses

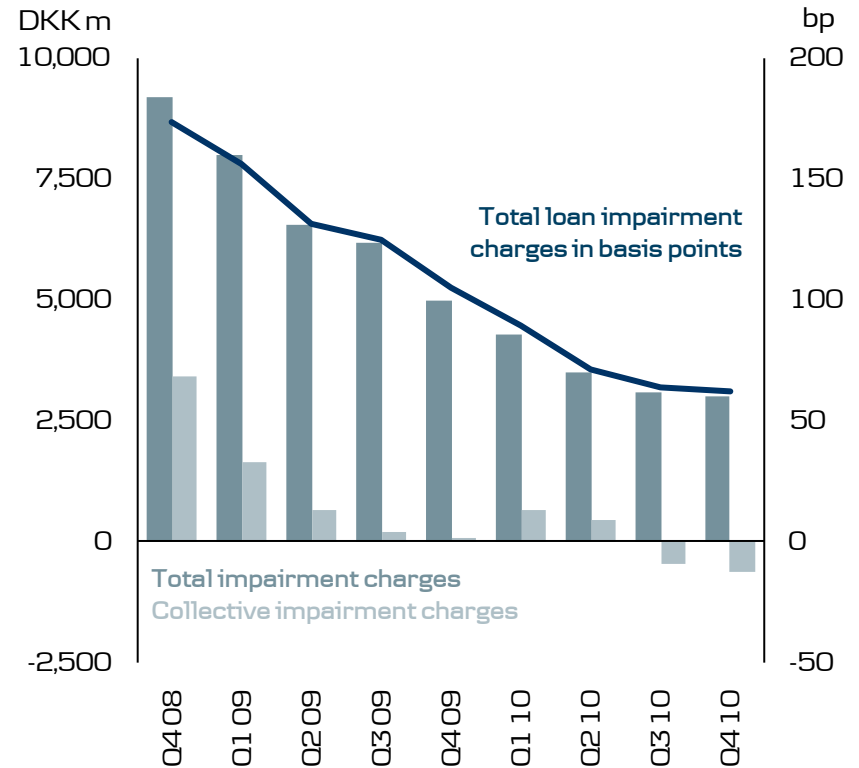


# Impairment charges cut in half in 2010 and under DKK 3 bn in Q4

## Loan impairment charges



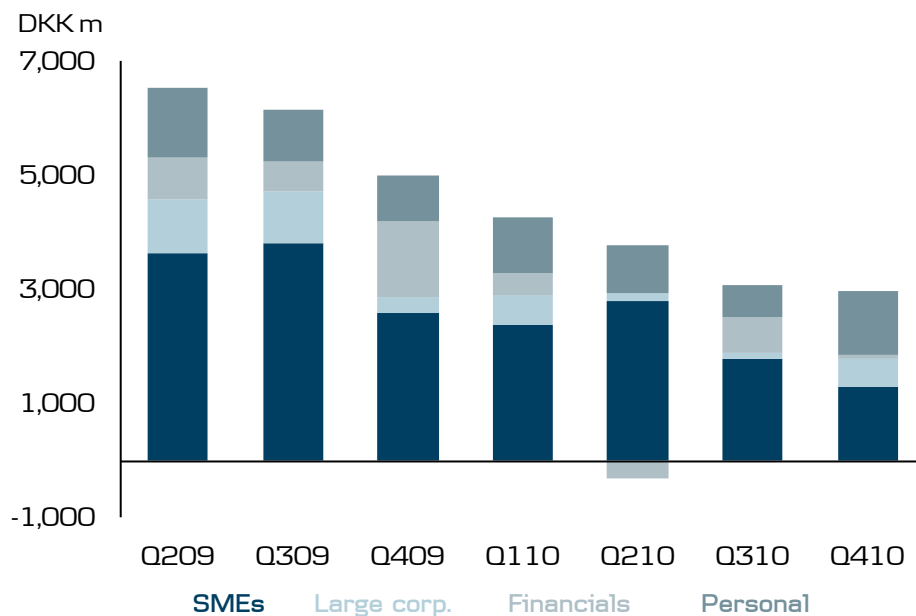
## Quarterly loan impairment charges



# SMEs dominate impairment charges in 2010

## Impairments by customer segment

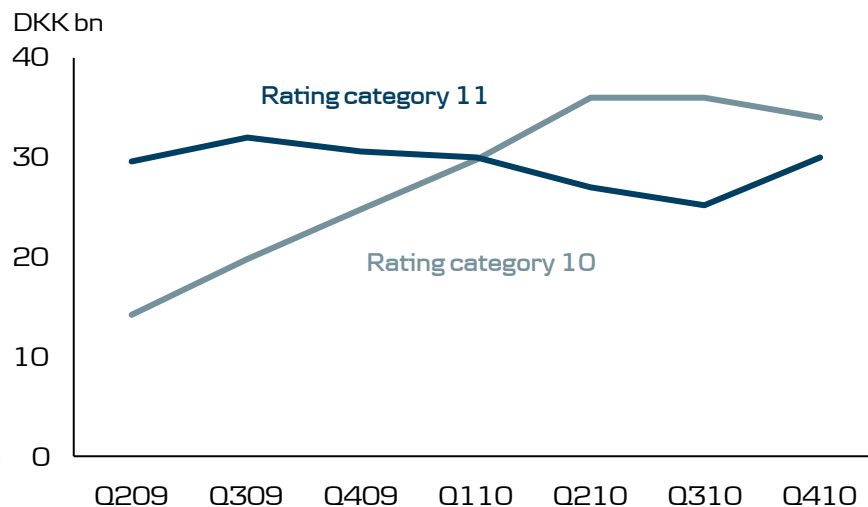
- Charges on personal loans are increasing



Personal customers Q4 2010 includes a 0.6 bn DKK transfer of collective impairments on investment housing loans from SMEs

## Net exposures in rating categories 10 and 11

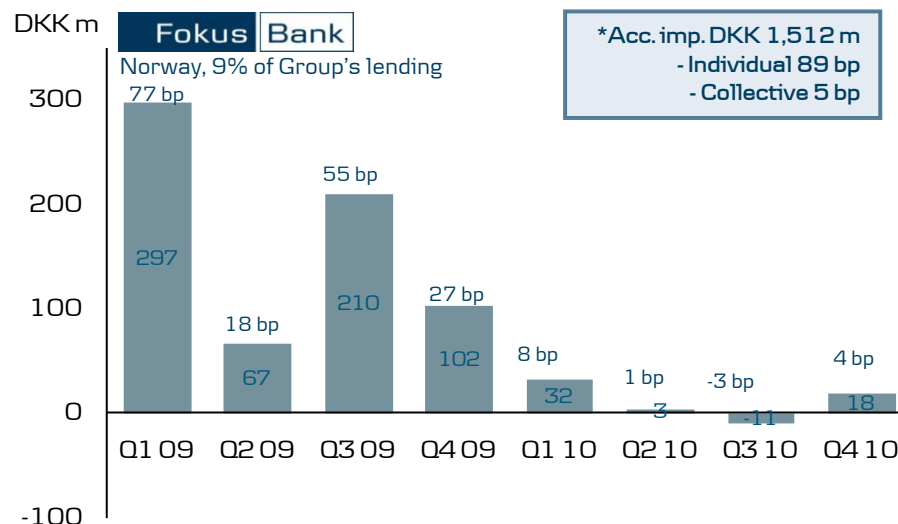
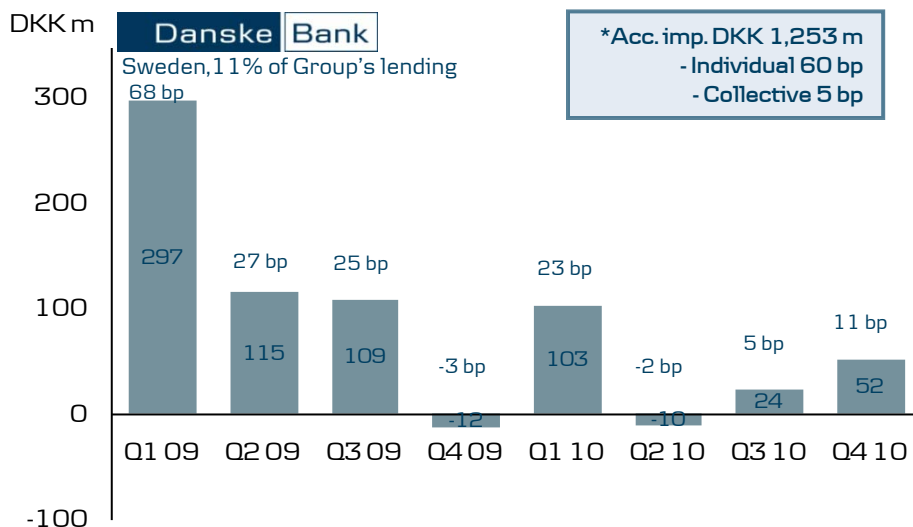
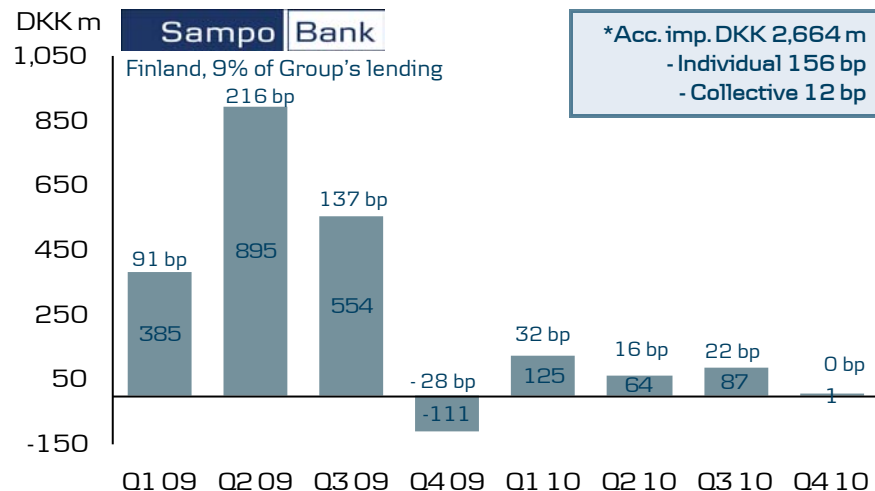
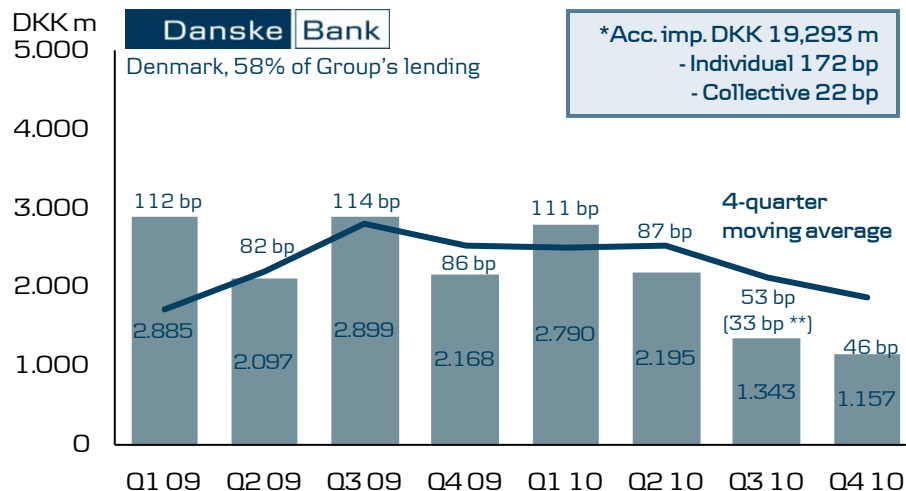
- Exposure in cat. 11 increased due to partial write-offs in cat. 10



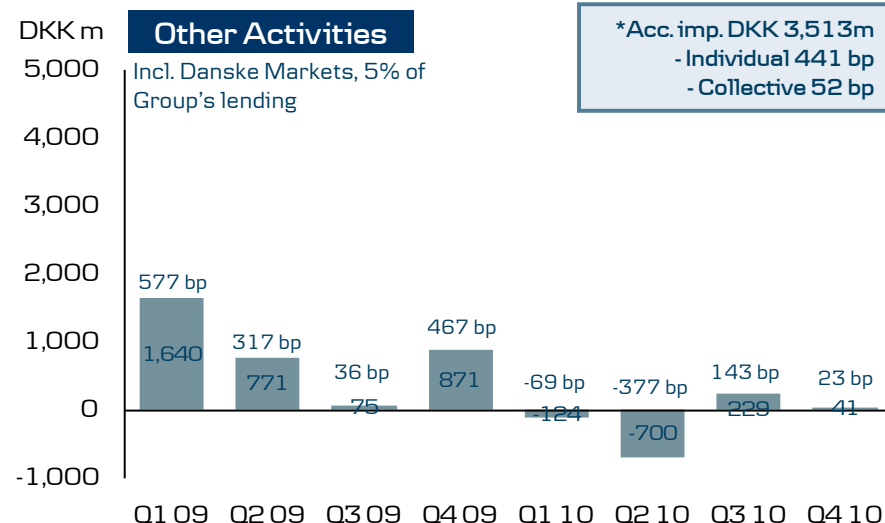
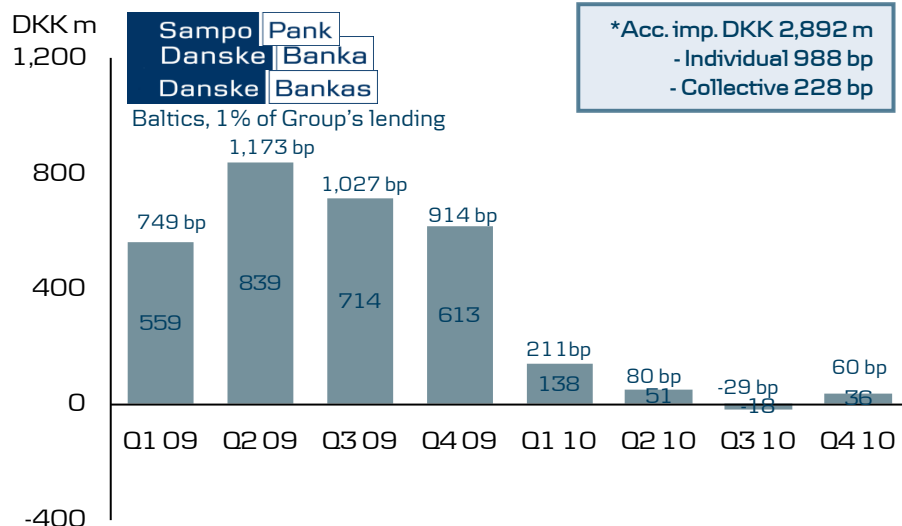
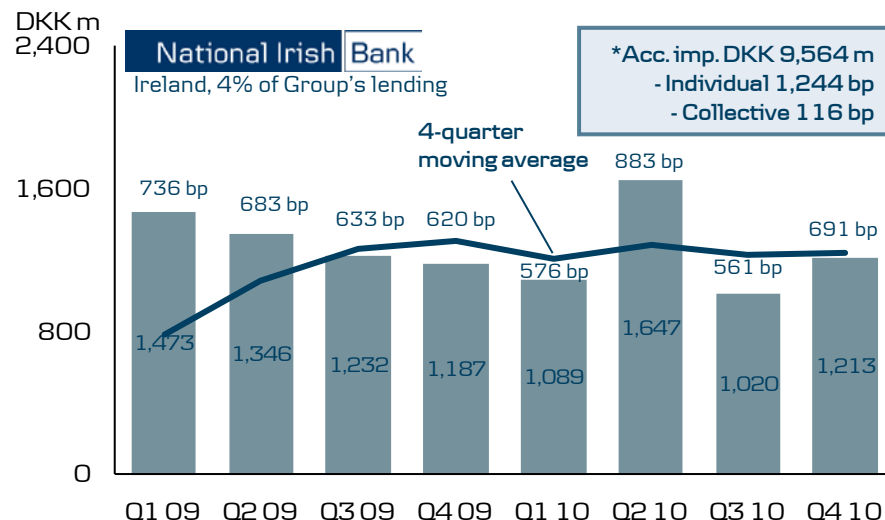
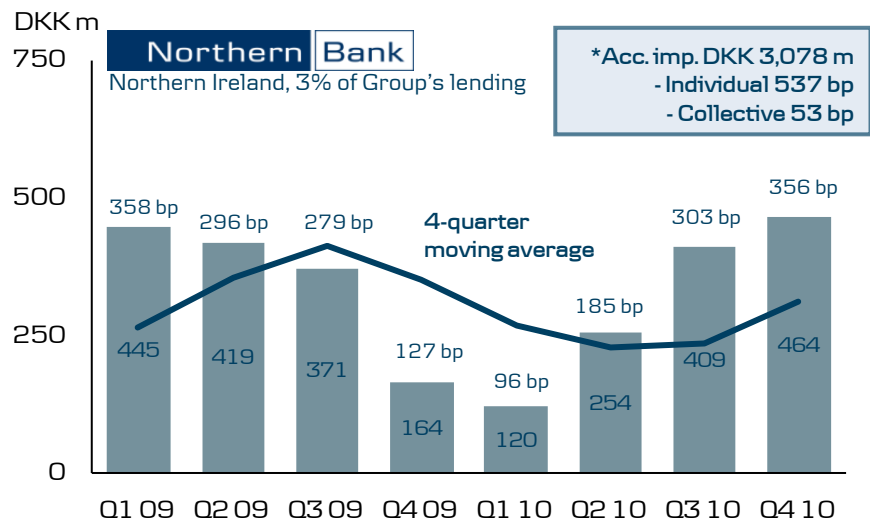
Rating category 11 (customers in default)

Rating category 10 (financial difficulty, not in default)

# Nordic impairments: Stable, except that Denmark is still struggling



# Other impairments: Northern Ireland and Ireland remain the most problematic

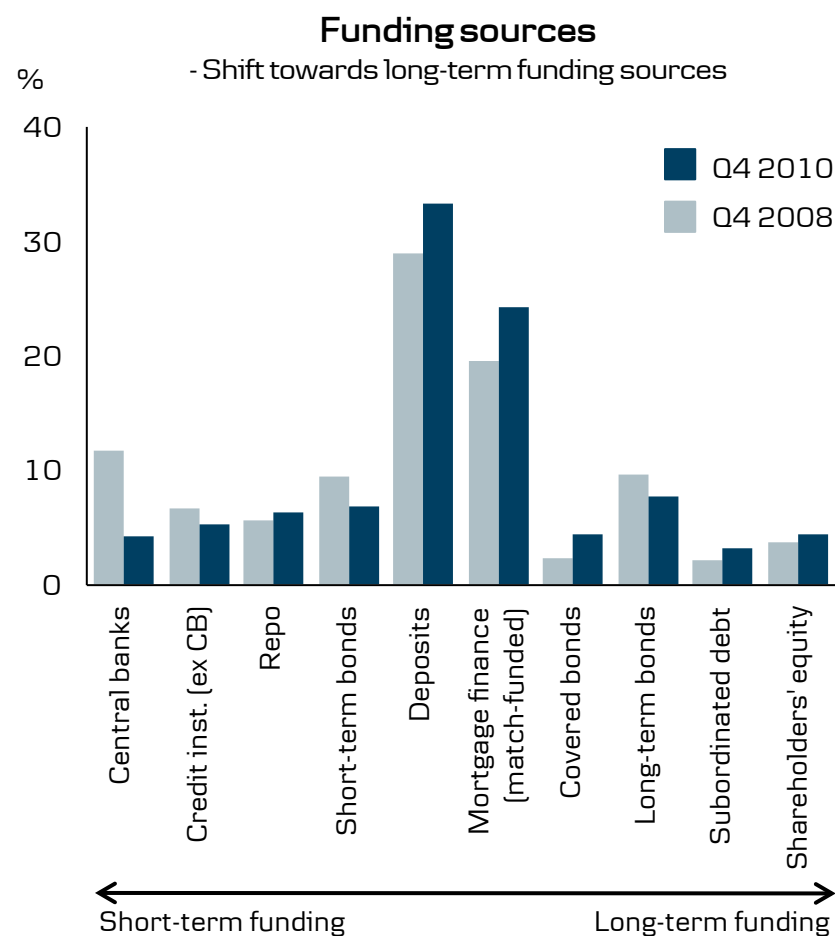
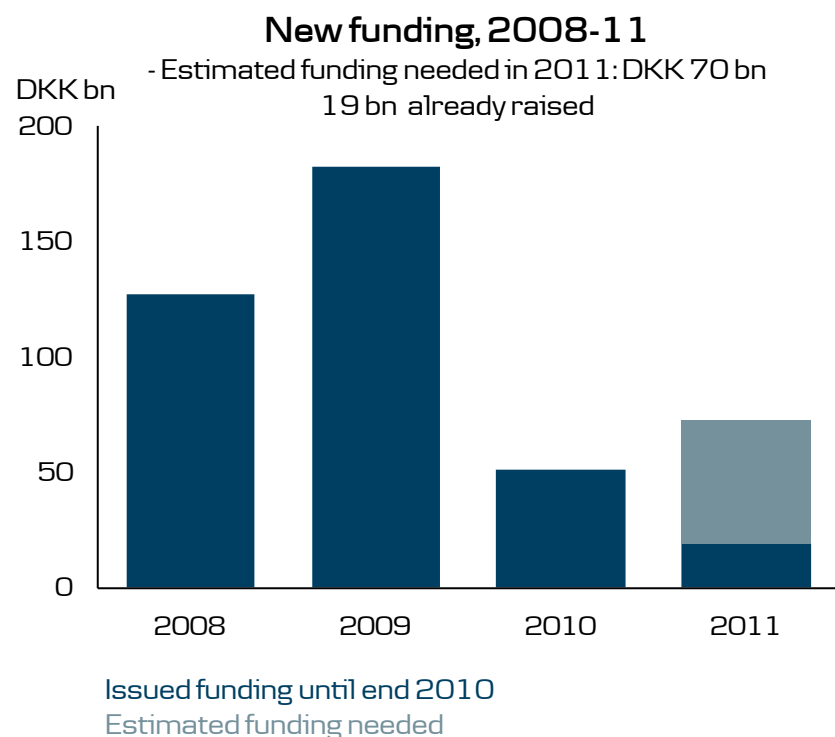


# Adjusted tax rate close to normal, but actual rate fluctuates owing to Ireland and one-offs

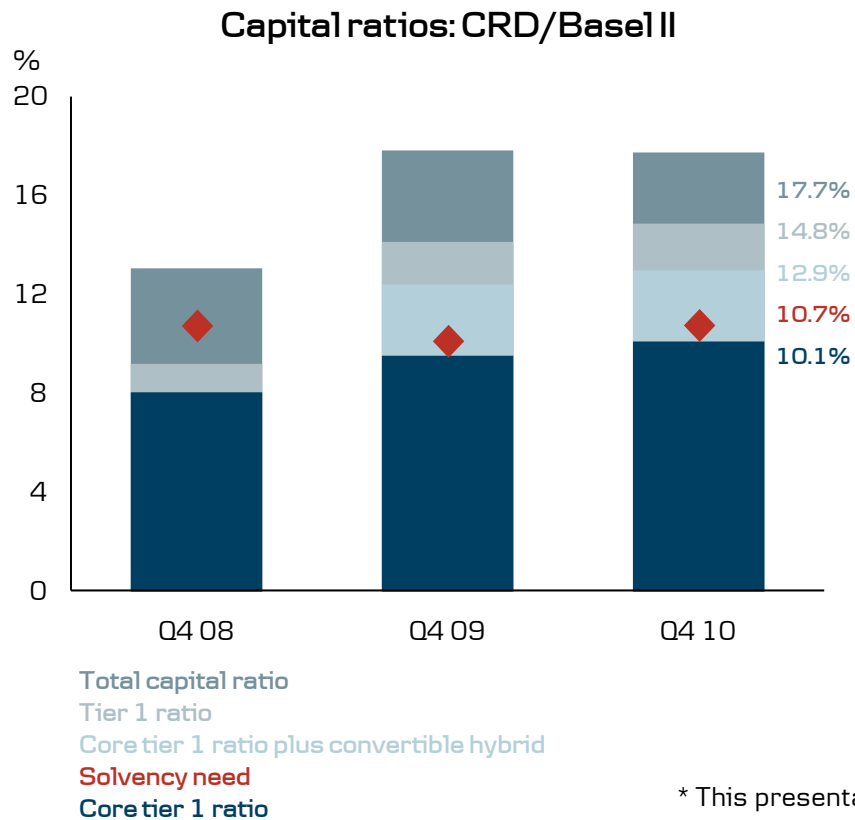
## Explanation of tax rate

DKK m	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2010
Pre-tax profit, Group	1,391	1,741	1,870	1,448	6,450
Pre-tax loss, BA Ireland	992	1,553	942	1,118	4,605
Non-taxable differences	32	649	57	498	1,236
Adjusted pre-tax profit, Group	2,351	2,645	2,755	2,068	9,819
Tax according to P&L	622	804	983	377	2,786
Portion from adj. of previous years	0	103	314	-162	255
Adjusted tax	622	701	669	539	2,531
Adjusted tax rate	26.5%	26.5%	24.3%	26.1%	25.8%
Actual tax rate	44.7%	46.2%	52.6%	26.0%	43.2%

# Limited funding needed in 2011, partly frontloaded in 2010



# Tier 1 ratio improved in 2010; rights issue planned for H1 2011, possible prepayment of hybrid capital

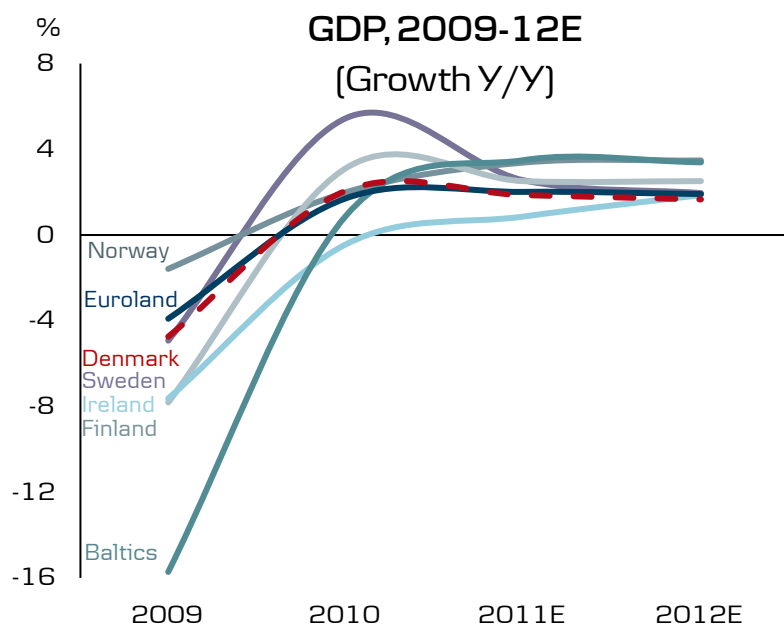


- Negotiations with the Danish government to prepay the 24 bn of hybrid capital in May 2012
- Rights issue of DKK 20 bn planned for first half of 2011 \*
- AP Møller and Realdania support the rights issue

\* This presentation does not constitute an offer to sell, or a solicitation of offers to purchase or subscribe for, securities in the United States. The securities referred to herein have not been, and will not be, registered under the Securities Act of 1933, as amended, and may not be offered, exercised or sold in the United States absent registration or an applicable exemption from registration requirements. This notice is issued pursuant to Rule 135c of the Securities Act of 1933, as amended.



# Economic recovery is improving, but is still uneven



Source: Danske Research and Nordic Outlook December 2010.

## Public finances

	Gross public debt % of GDP 2010	Budget bal. % of GDP 2011	Sovereign rating & outlook [S&P]
Denmark	44.3	-4.8	AAA/Stable
Sweden	42.2	-1.4	AAA/Stable
Norway	33.1	13.0	AAA/Stable
Finland	49.0	-1.5	AAA/Stable
Ireland*	94.2	-9.4	A-/Negative watch
Euroland	84.1	-5.1	-

\* Ex one-off bank bailout costs.

Source: Danske Research and Nordic Outlook December 2010.

# Outlook for 2011: Recovery continues

Macroeconomic recovery continues, but stable short-term rates and volumes keep NII under pressure

Banking activities remain robust, but still difficult conditions in some markets

Focus on costs will continue, and costs are expected to decline, partly because of the end of Bank Package I

Danica's income is likely to be lower

The performance of Danske Markets and Danske Capital is highly dependent on market developments

Impairments continue to trend down but are likely to remain high in Ireland, Northern Ireland and Denmark

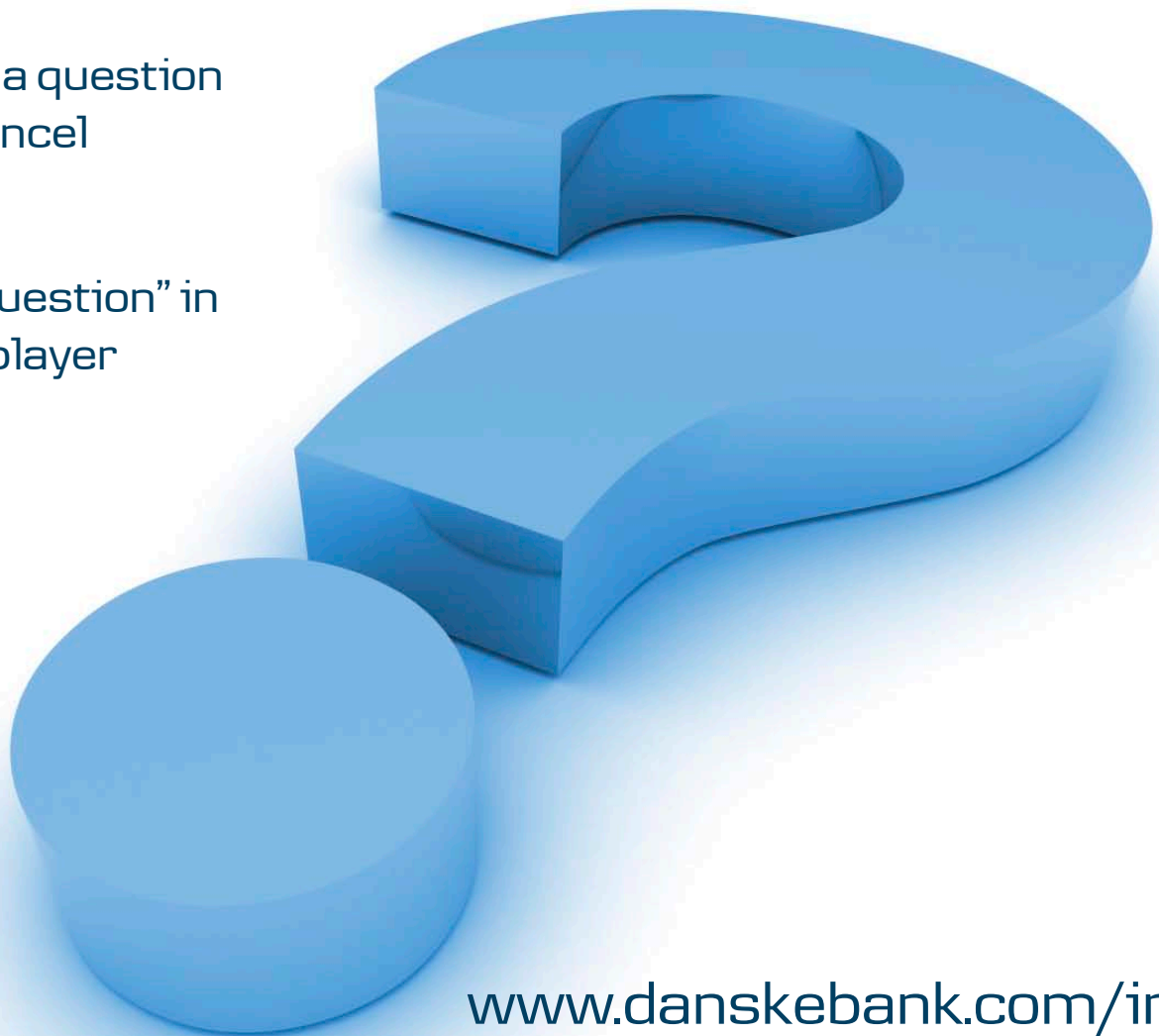
# Q&A session



Press 1 to ask a question  
Press “#” to cancel



Press “Ask a question” in  
your webcast player

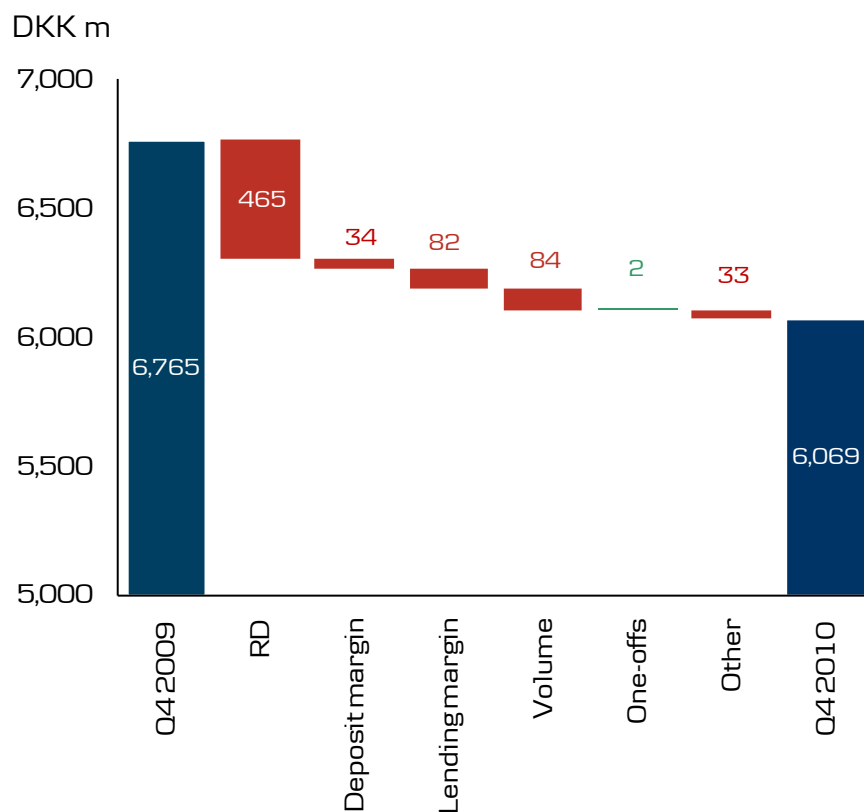


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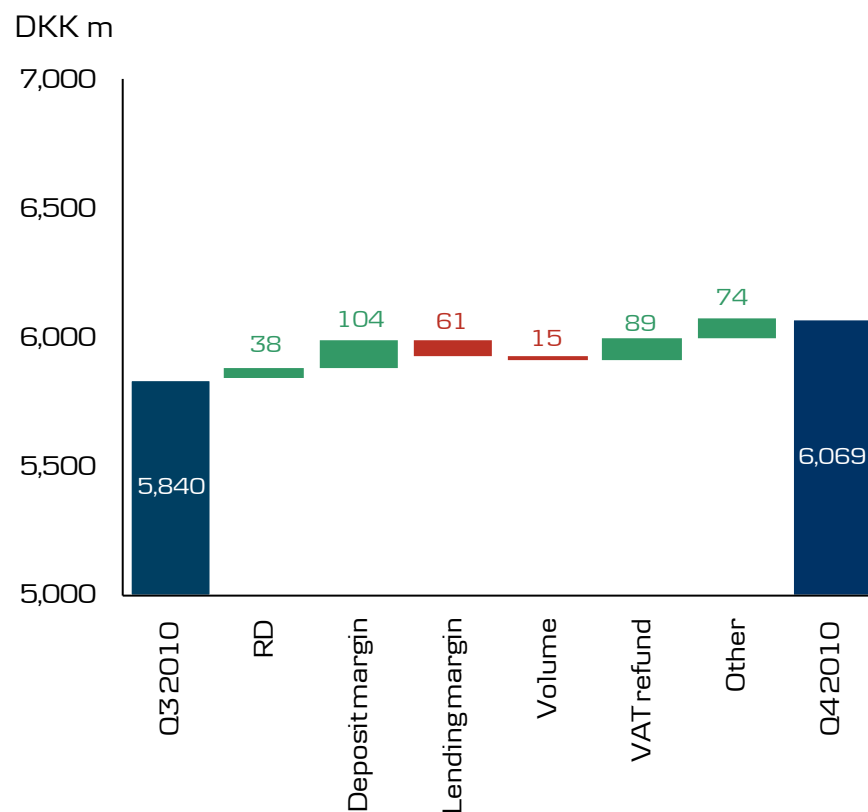
# Appendix

# Net interest income: Only minor changes in margins and volume

Net interest income Q4 2009 vs Q4 2010

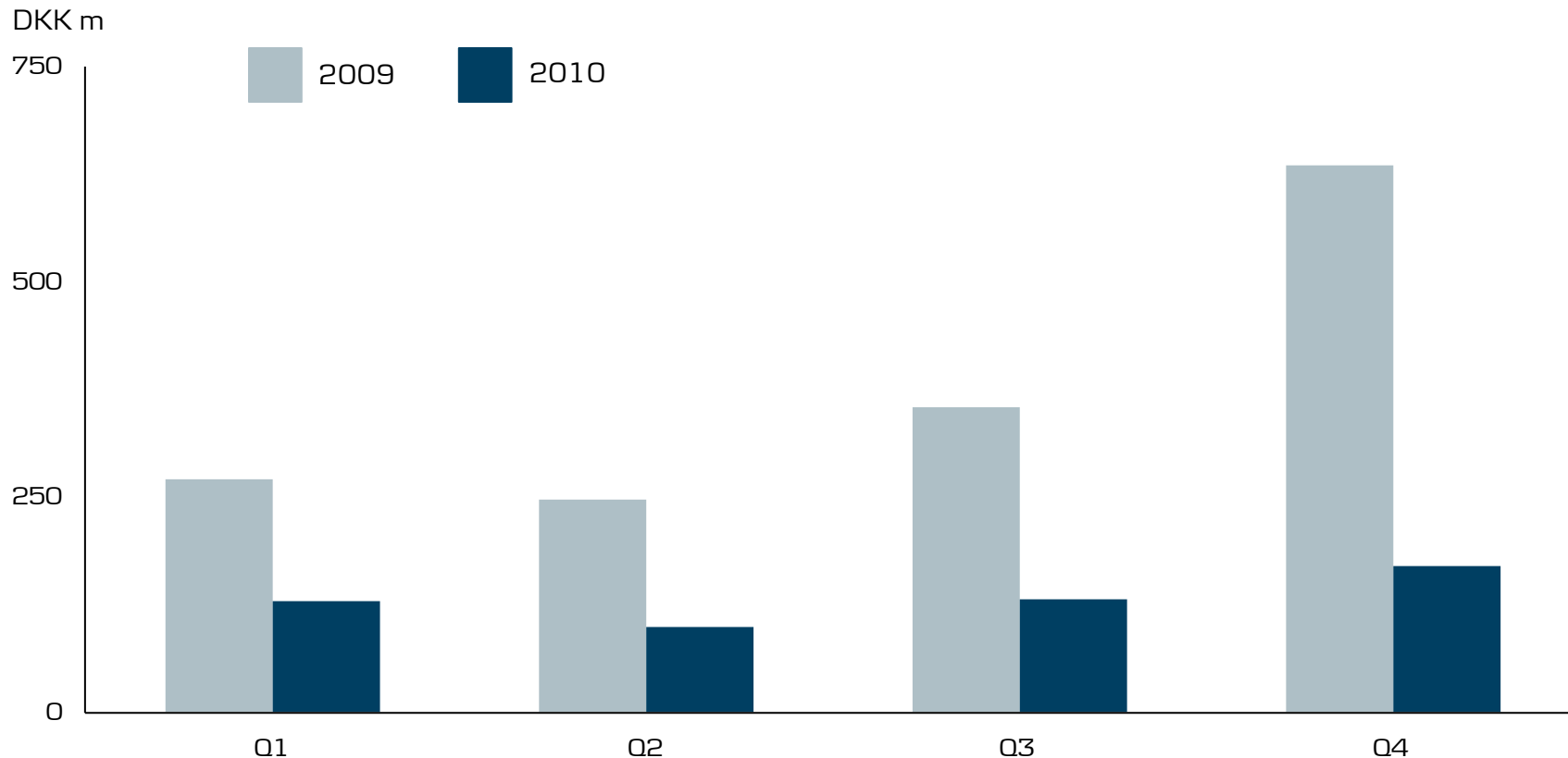


Net interest income Q3 2010 vs Q4 2010



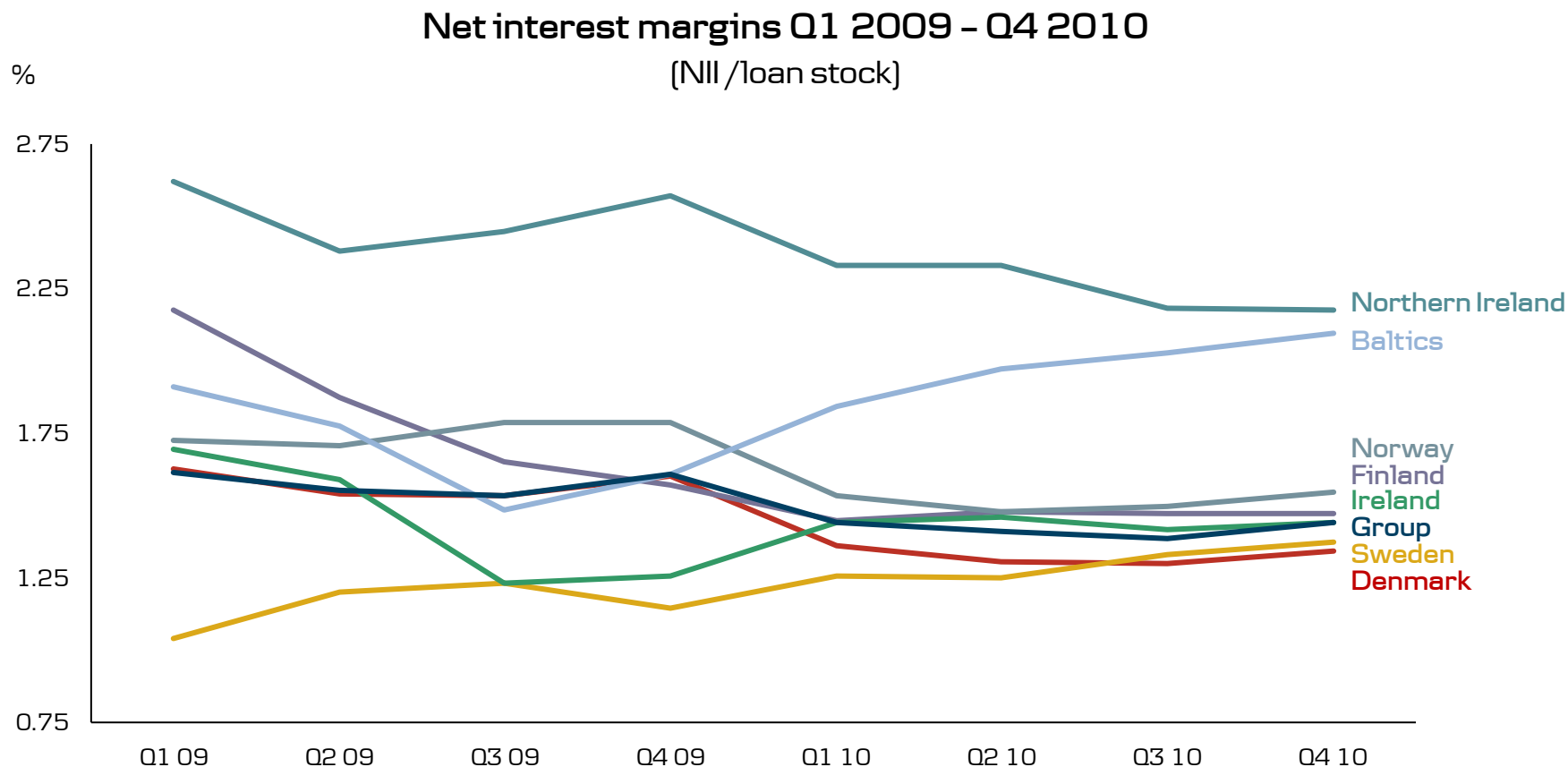
# Net interest income, Realkredit Danmark

## - Q4 2010 activity less than 10% of Q4 2009



Note: Ex customer margin and interest on convertible government hybrid capital.

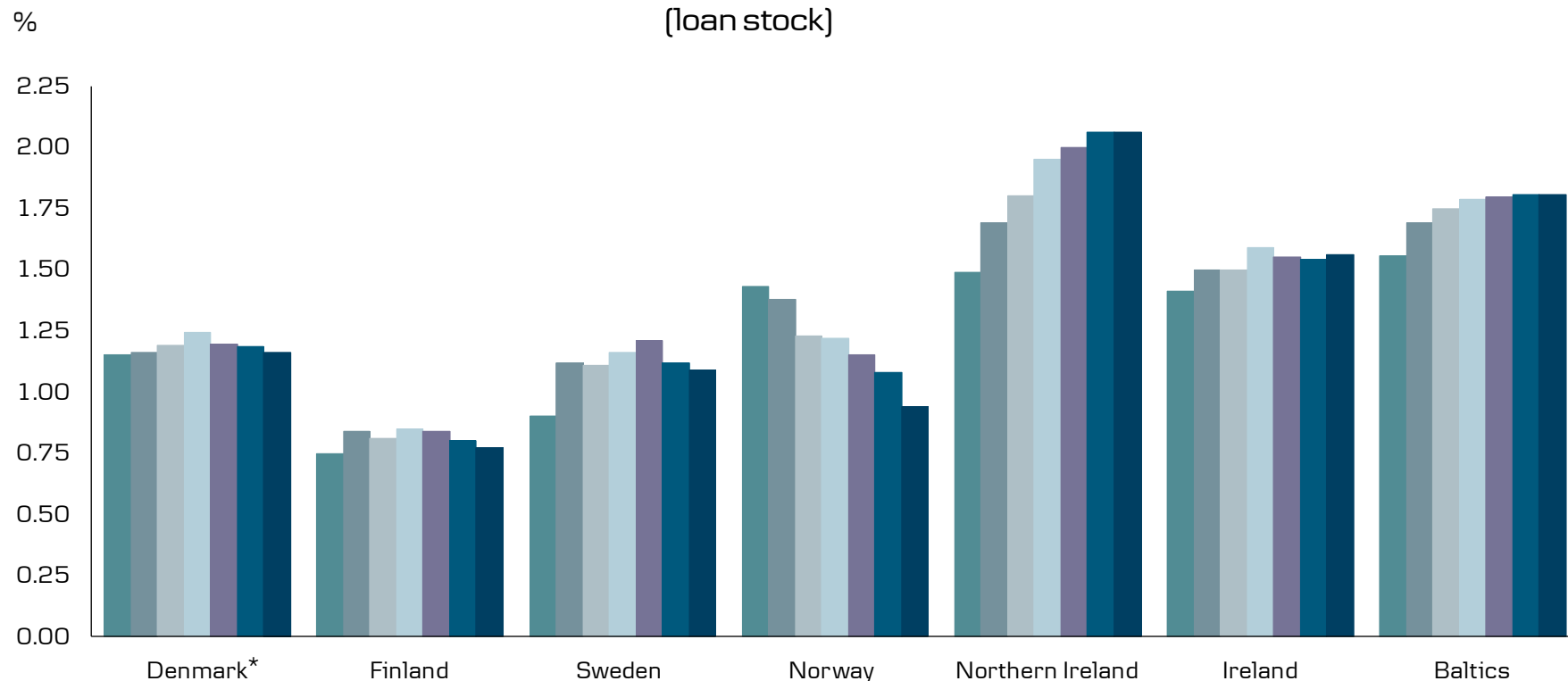
# Net interest income: NII margins by business unit



# Lending margins remain under pressure as competition grows

Quarterly lending margins Q2 2009 – Q4 2010

(loan stock)

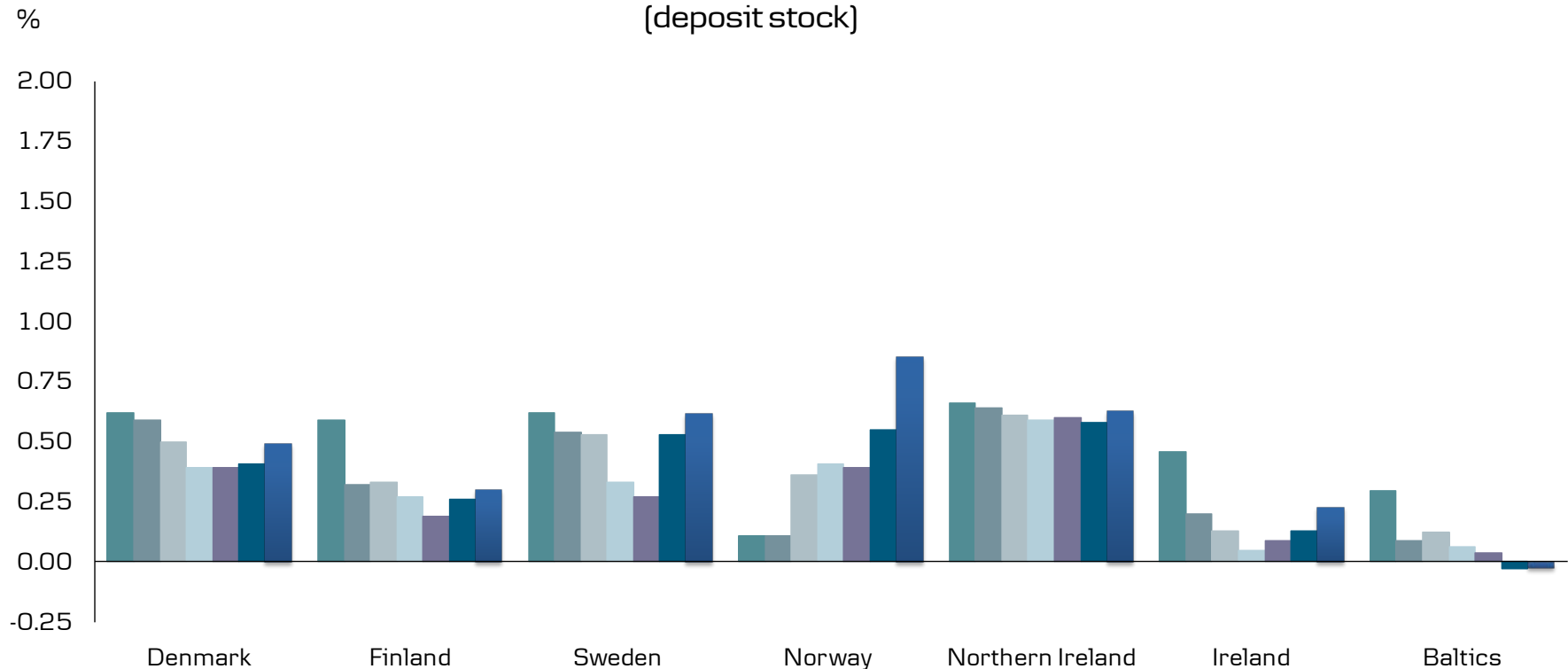


\* Including Realkredit Danmark.



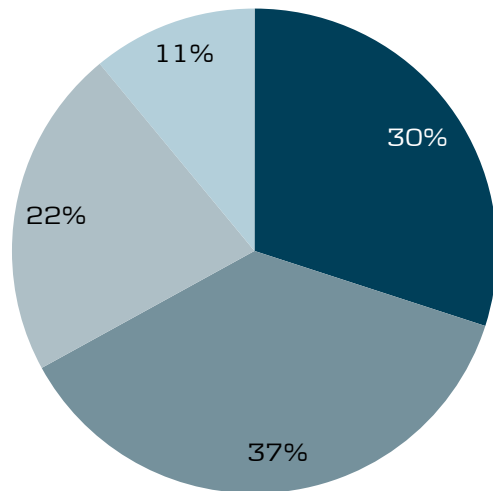
# Deposit margins are benefiting from increasing short-term rates

Quarterly deposit margins Q2 2009 - Q4 2010  
(deposit stock)

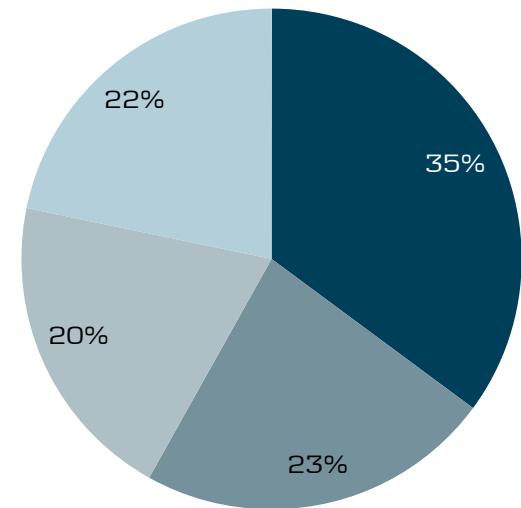


# Danske Markets' income distribution is dominated by forex, fixed income and related products

2010

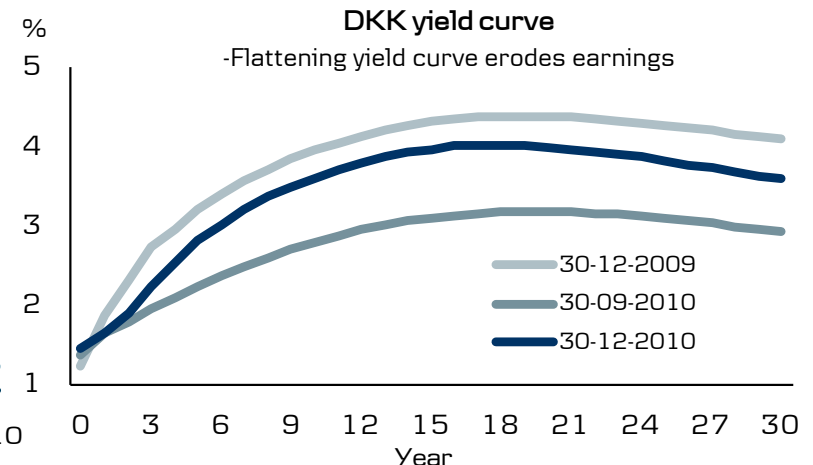
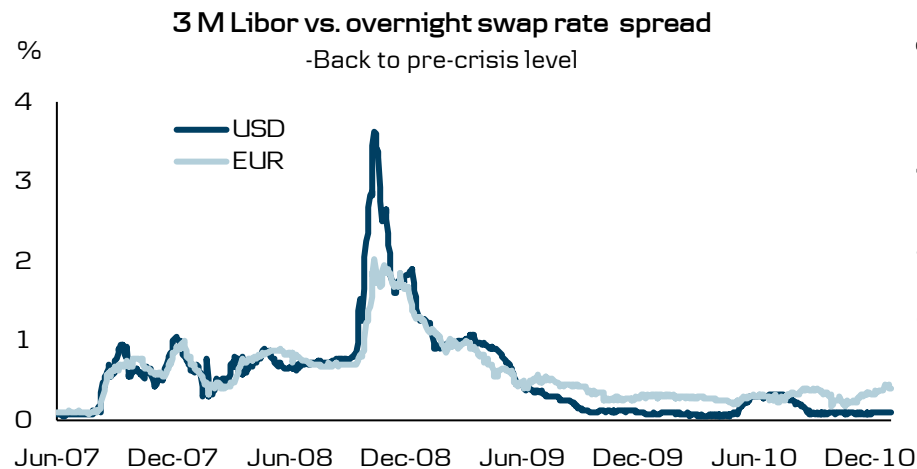
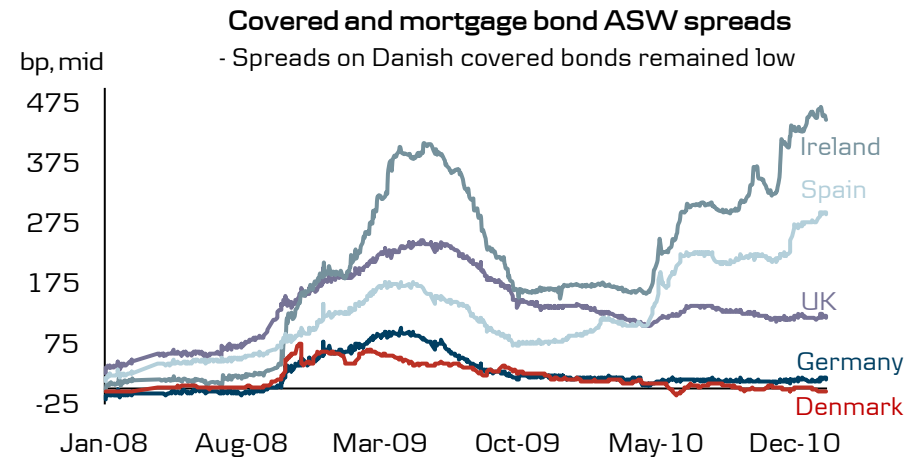
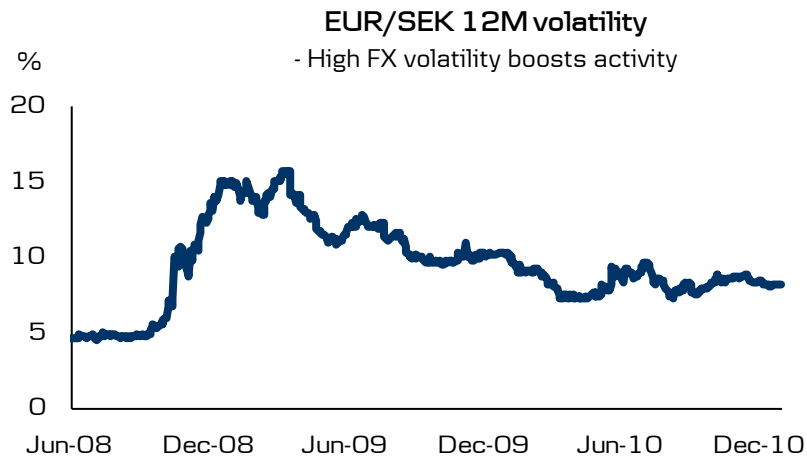


Q4 2010

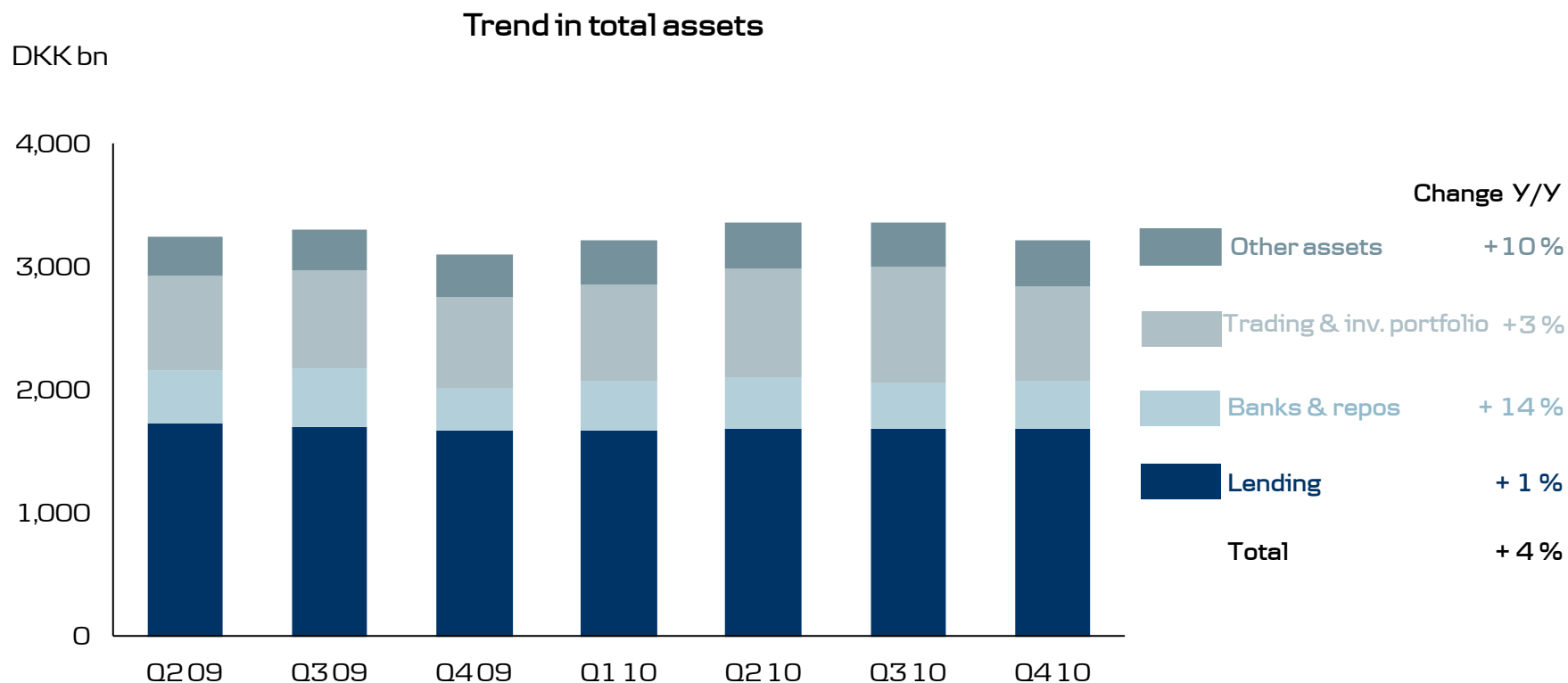


- Forex & Money market
- Bonds & DCM
- Repo & Derivatives
- Equities & CF

# Normalised market conditions for Danske Markets in 2010, but Q4 was difficult



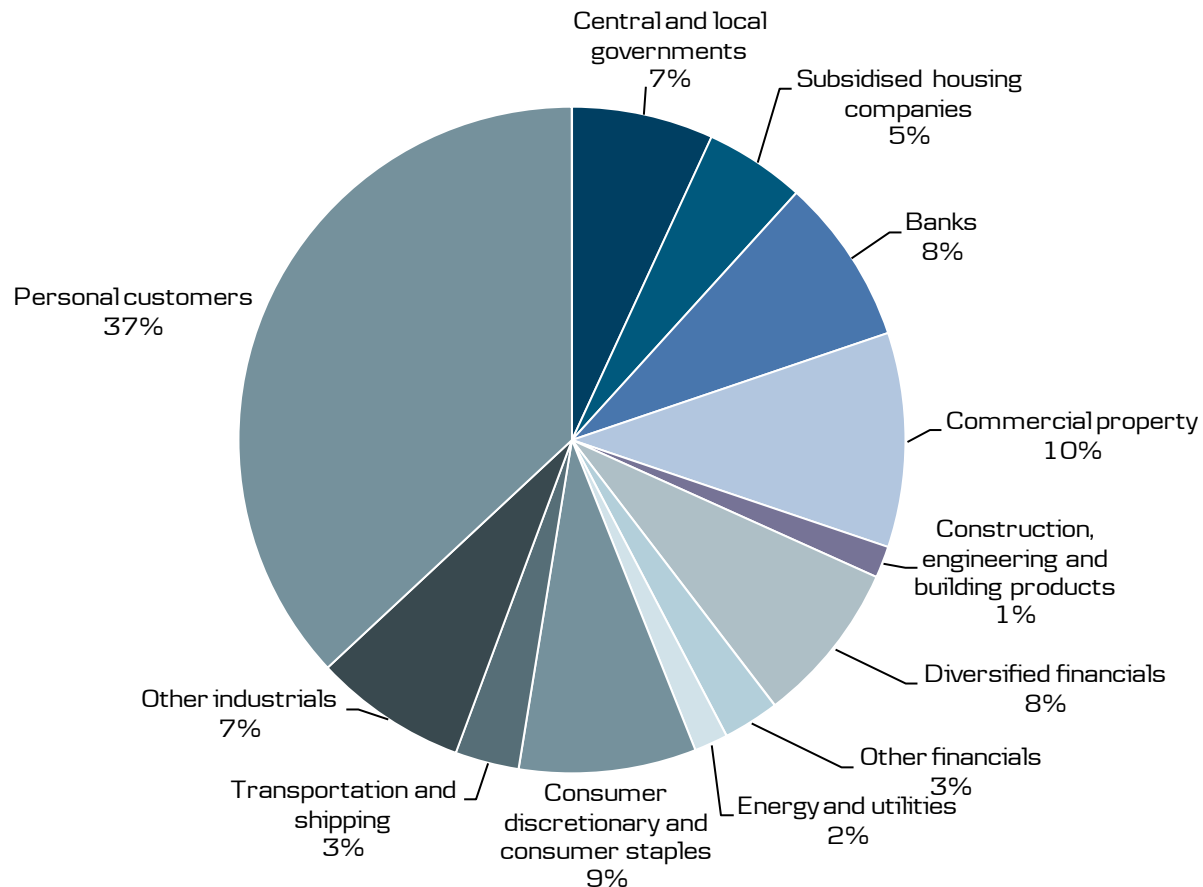
# Total assets up slightly Y/Y



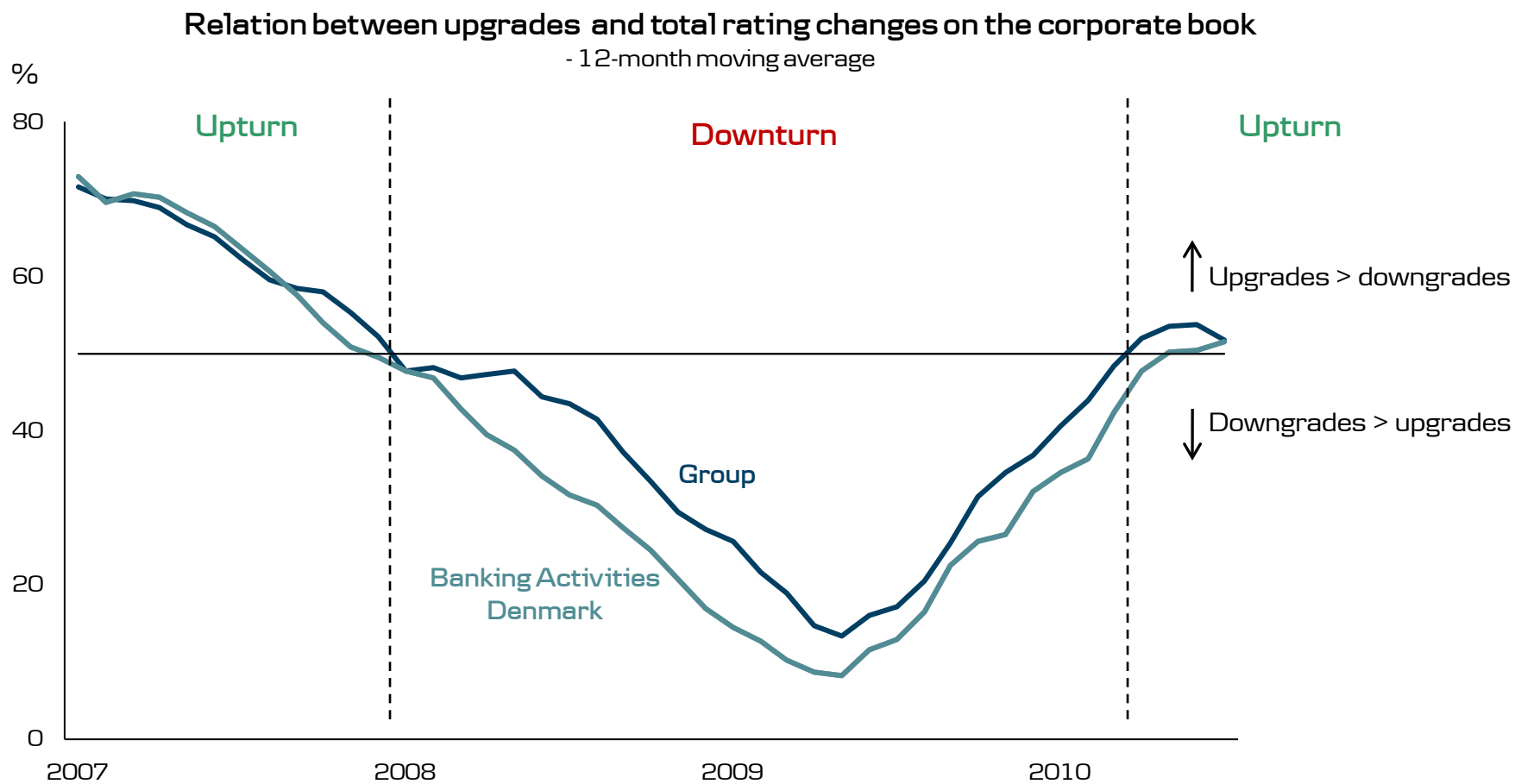
# Credit exposure increased by 3% Y/Y

## Credit exposure from lending activity, end-Q4 2010

(DKK 2,364 bn, including DKK 1,848 bn in lending and repos)

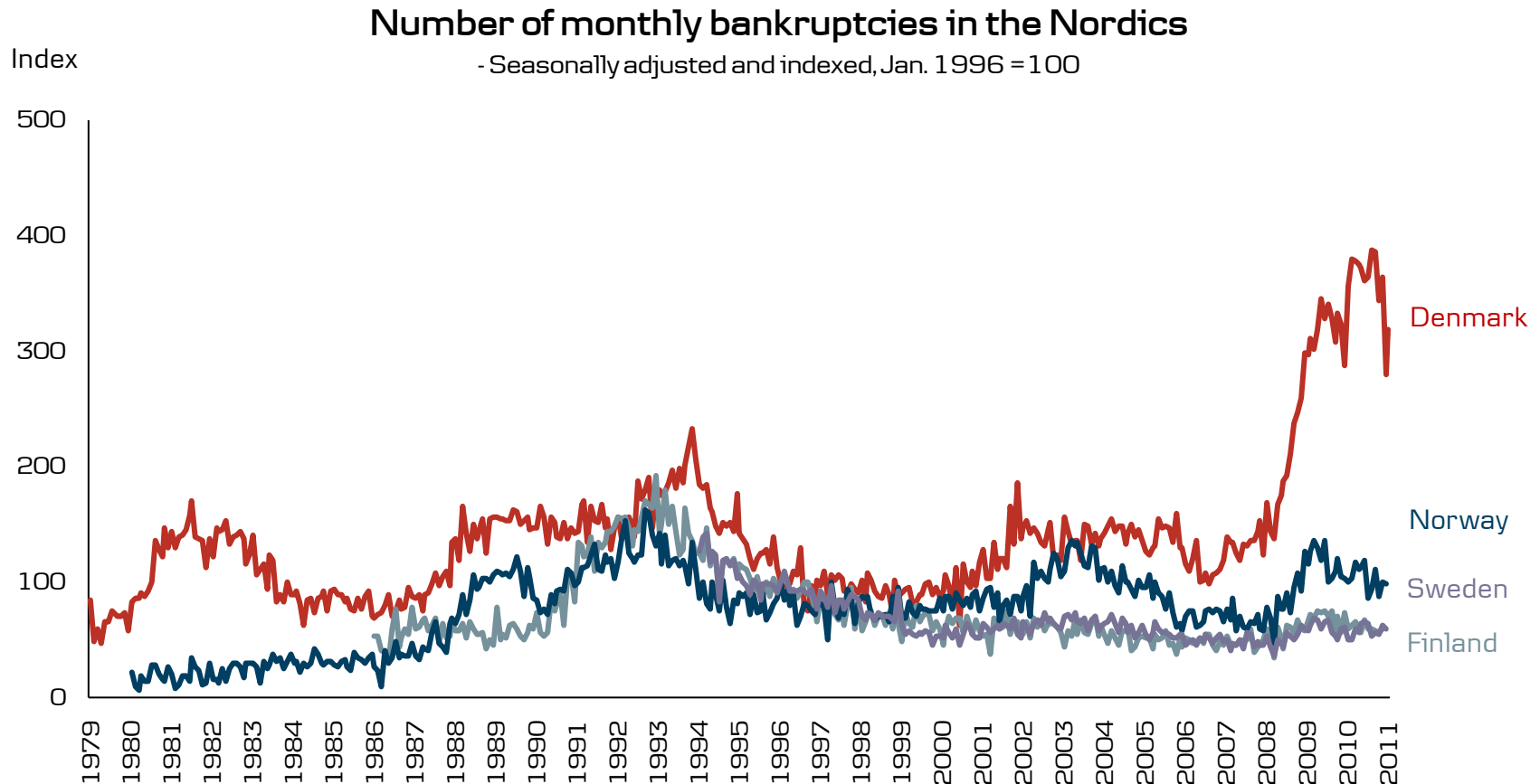


# Upgrades/downgrades ratio is improving, but Denmark continues to lag



Source: Own data.

# High monthly volatility in Danish bankruptcies, but downward trend in Q4 2010



Denmark updated until January 2010.

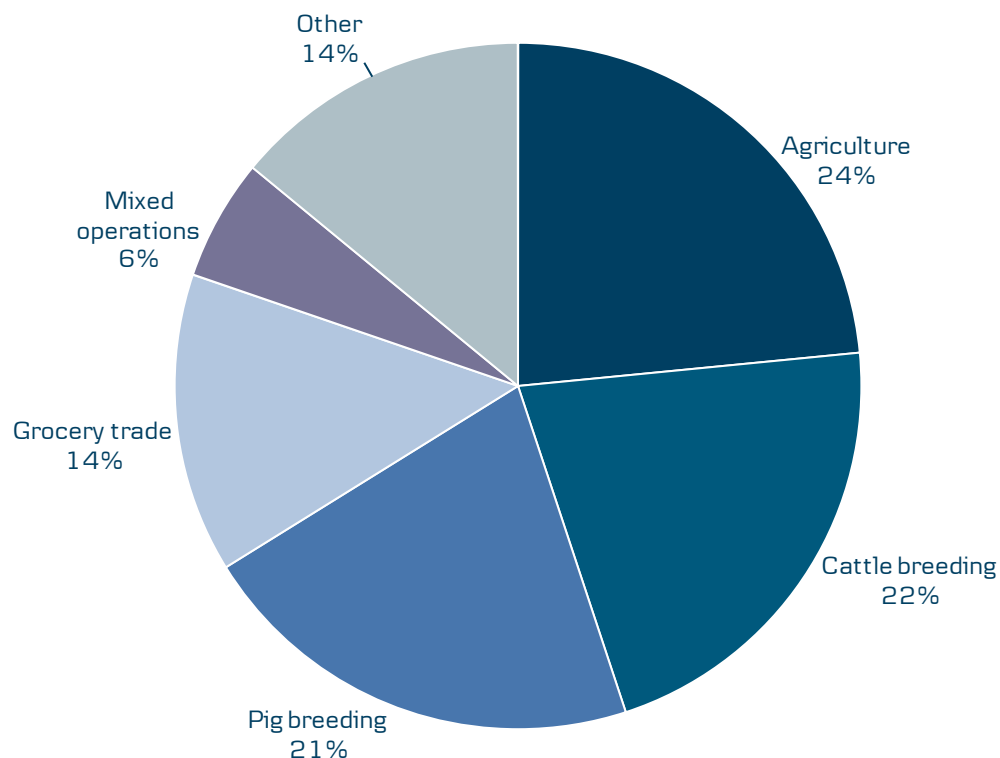
Source: EcoWin.

# Credit exposure to commercial property and construction segments

DKK bn	Commercial property	Portion from developers	Construction and building materials	Sector in total
Denmark	110.0	0.9	12.4	122.5
Finland	15.6	0.5	7.1	22.7
Sweden	58.8	0.2	4.9	63.8
Norway	32.8	2.1	2.4	35.2
Northern Ireland	9.4	3.0	4.0	13.4
Ireland	15.6	4.8	3.2	18.8
Baltics	2.0	0.7	0.4	2.4
Other	1.1	0.1	1.8	2.8
<b>Total</b>	<b>245.3</b>	<b>12.3</b>	<b>36.3</b>	<b>281.6</b>
Gross exp. subject to individual imp.testing	33.8		6.6	40.4
Individual impairment charges	11.3		2.8	14.1
Portion from BA Ireland				6.5

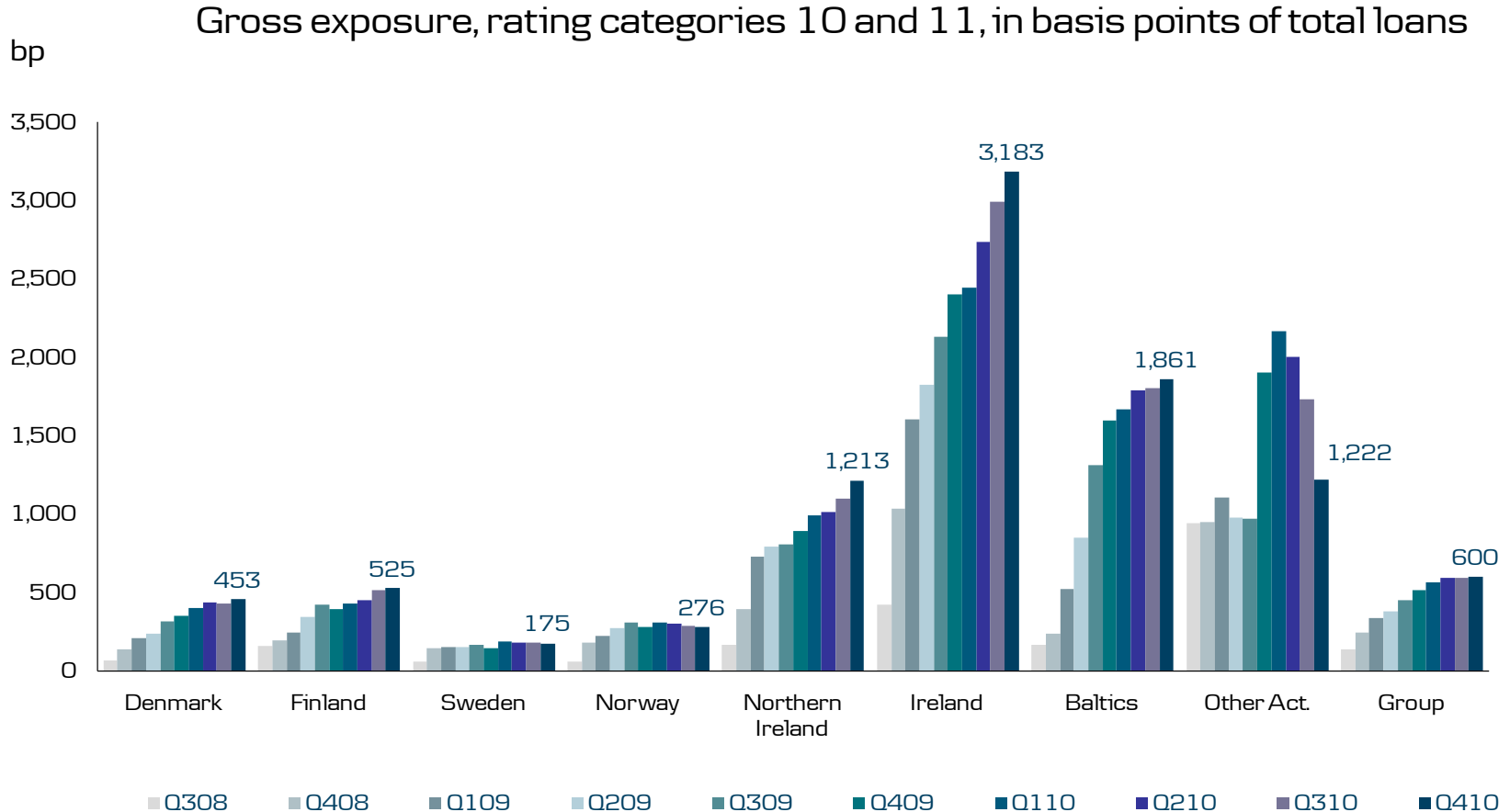


# Danish agriculture sector pressured by lower property and output prices



Exposure to agriculture	DKK bn
Realkredit Danmark	45
Banking Activities Denmark	11
Other business units	13
<b>Agriculture</b>	<b>69</b>
<b>Agriculture LTV, Realkredit Danmark</b>	<b>%</b>
Q4 2008	46
Q4 2009	64
Q3 2010	71
Q4 2010	73

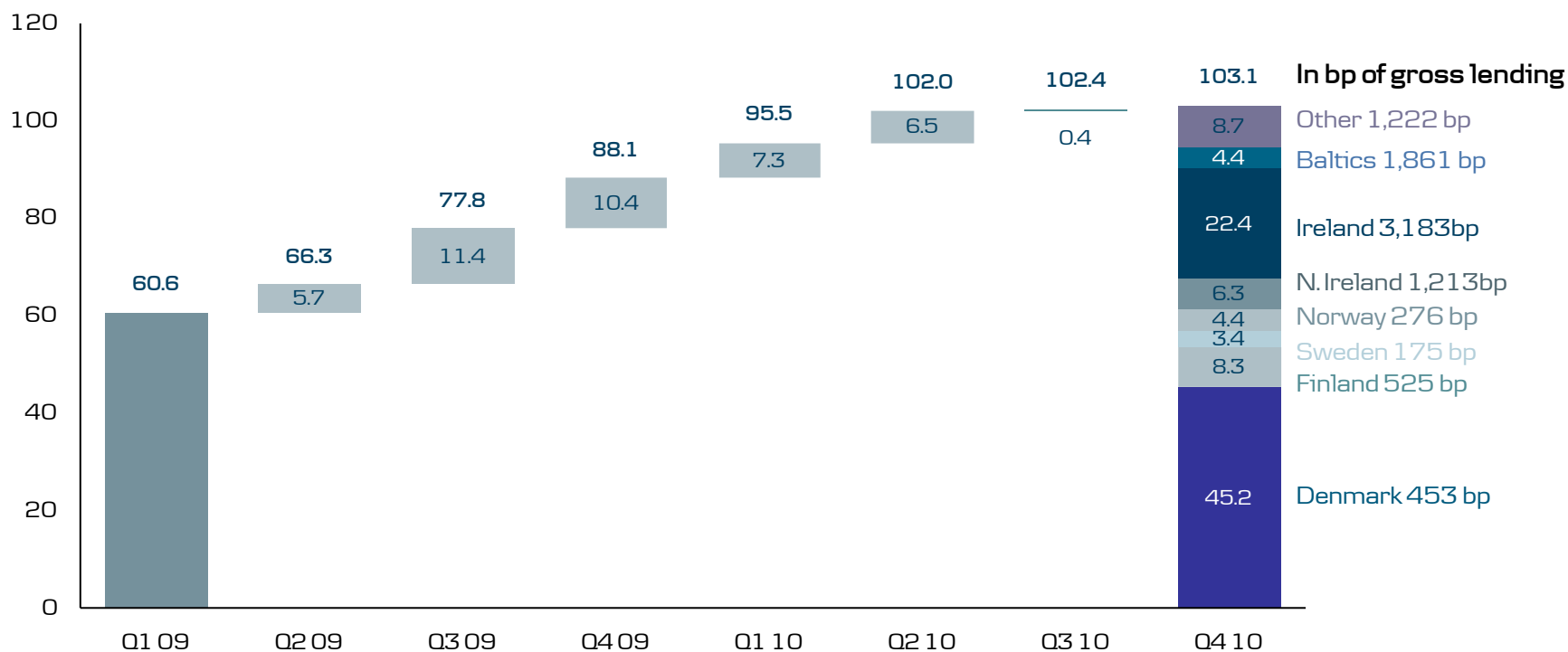
# Gross exposure subject to individual impairment test



# Quarterly trend in gross exposure subject to individual impairment test

Gross exposure, rating categories 10 and 11, subject to individual impairment test

DKK bn



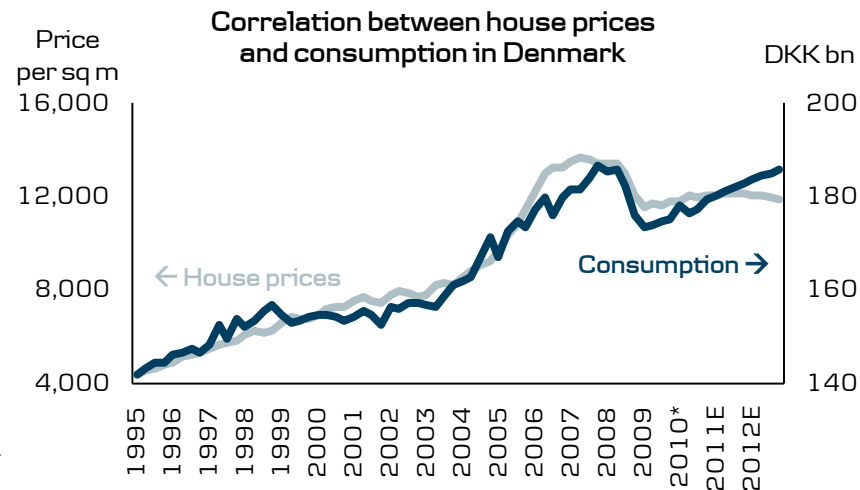
# Signs of housing market stabilisation

Danish house prices by regions

Region	Prices peaked	Change since peak (%)	Change in Q3 10 (%)	* Preview Q4 10 (%)
Copenhagen	Q3 2006	-24.9	1.4	
Zealand	Q3 2007	-21.6	0.4	
South Denmark	Q1 2008	-3.8	-0.6	
Central Jutland	Q4 2007	-1.8	1.3	
North Jutland	Q2 2010	-1.4	-1.4	
<b>Denmark overall</b>	<b>Q2 2007</b>	<b>-12.5</b>	<b>0.6</b>	<b>0.4</b>

Source: Realkreditforeningen.

\* Leading indicator, based on monthly statistics from "home" that cover about 1/3 of the market.

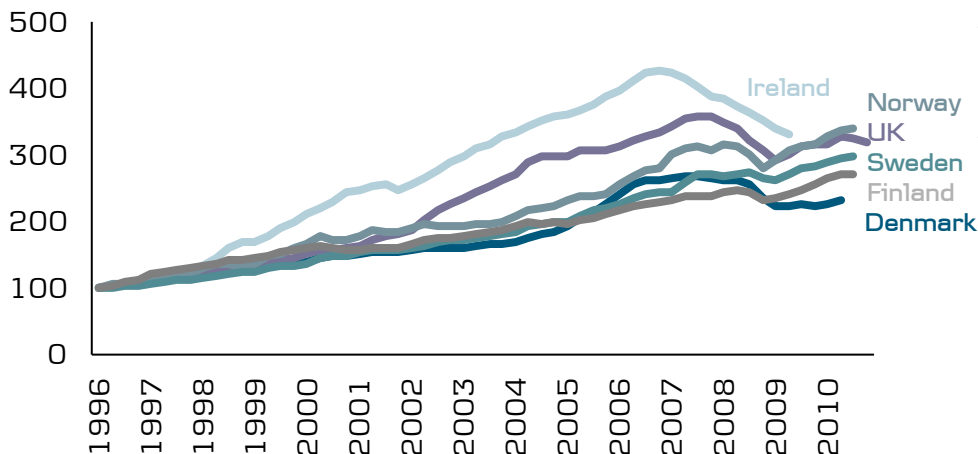


Source: Danske Research.

\*Q4 2010 is an estimate

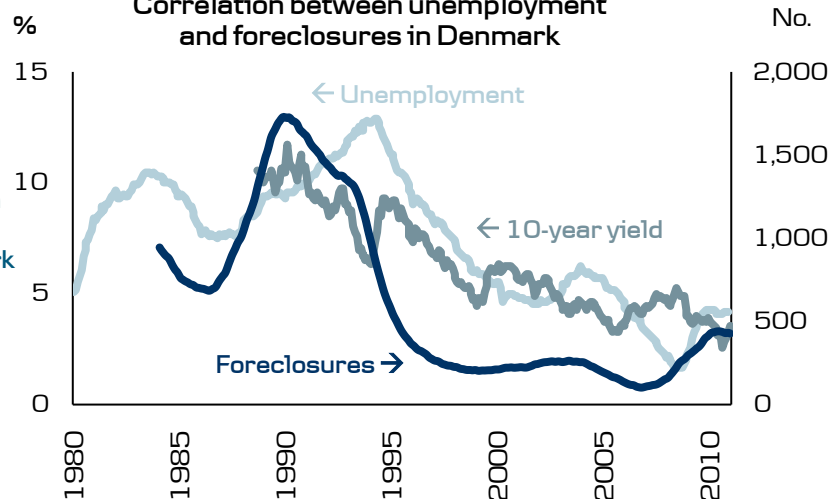
Property prices

Index 1996 = 100



Source: Danske Research.

Correlation between unemployment and foreclosures in Denmark



Source: Danske Research.

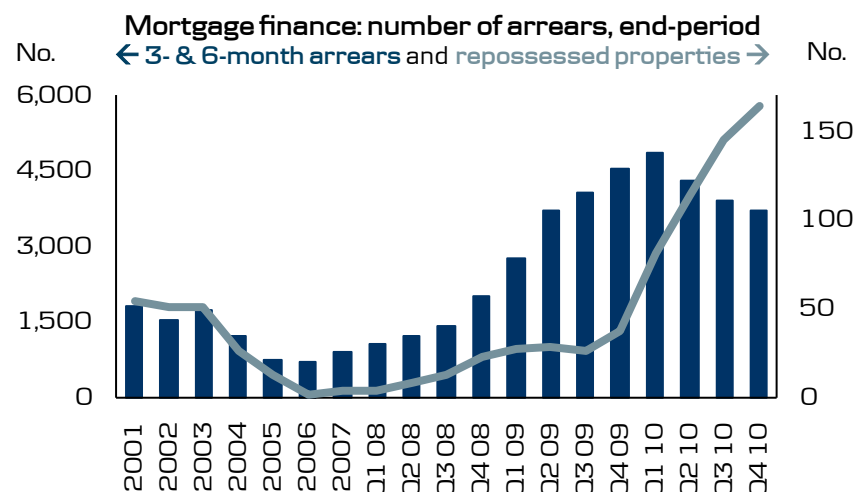
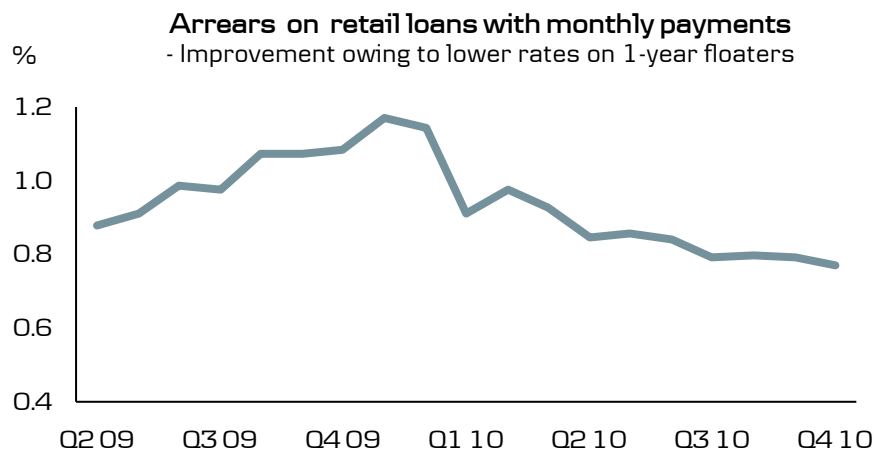
# Mortgages in Denmark: Low average LTV ratio, arrears declining

## Danish mortgages

- 164 repossessed properties and 3,720 arrears out of 410,033 loans at end-2010 (0.9%)
- 1.1% of loans with LTV > 80% and low rating
- Max. 80% LTV on origination for private individuals (legal requirement)
- Max. 60% LTV on origination for commercial mortgages (legal requirement)
- Average LTV of 67% at end-Q4

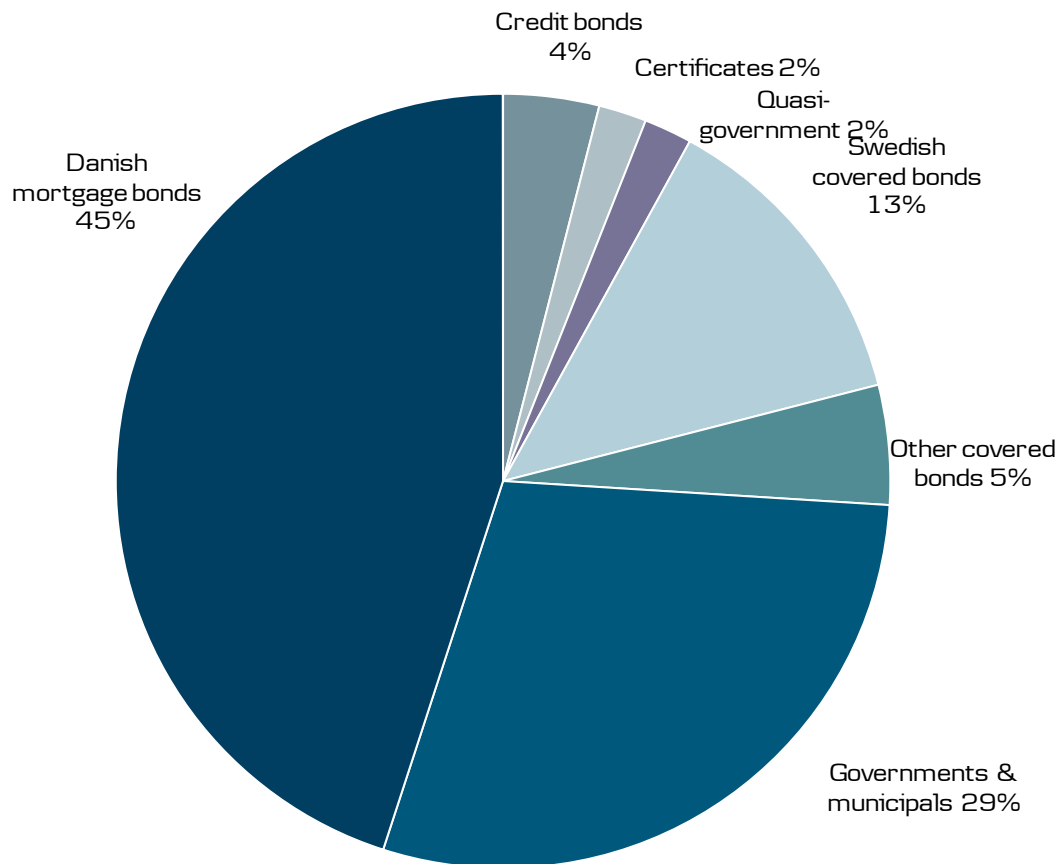
**Breakdown of loans by LTV and rating category**  
Mortgage finance (residential & commercial)  
End-Q410

LTV/rating	1-3	4-7	8-11	Total
0-20%	8.6%	22.4%	4.2%	35.3%
20-40%	5.8%	18.8%	3.8%	28.6%
40-60%	3.4%	13.9%	3.3%	20.5%
60-80%	1.6%	7.6%	2.1%	11.3%
>80%	0.8%	2.5%	1.1%	4.4%
Total (DKK bn)	142	462	102	706



# Liquid, highly rated bond portfolio

**Bond portfolio**  
(DKK 422 bn)



**Rating distribution**

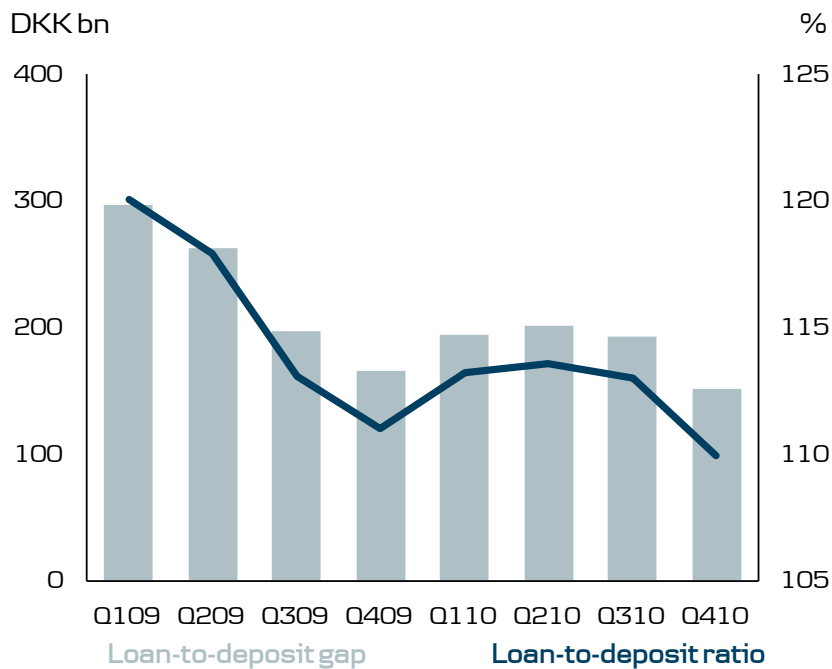
AAA	82%
AA+	7%
AA	1%
AA-	3%
A+	2%
A	1%
A-	1%
BBB+	1%
BBB	1%
BBB-	0%
Lower or NA	1%

**Level 1-3 assets**

Level 1	91%
Level 2	9%
Level 3	0%

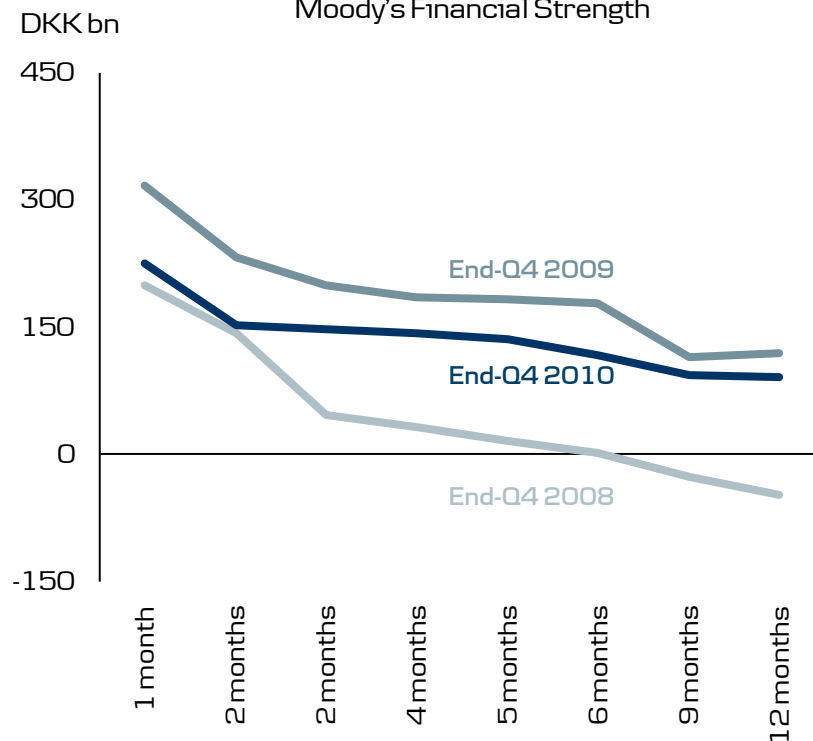
# Strong loan-to-deposit ratio and liquidity position

Loan-to-deposit gap (DKK bn) and ratio (%)



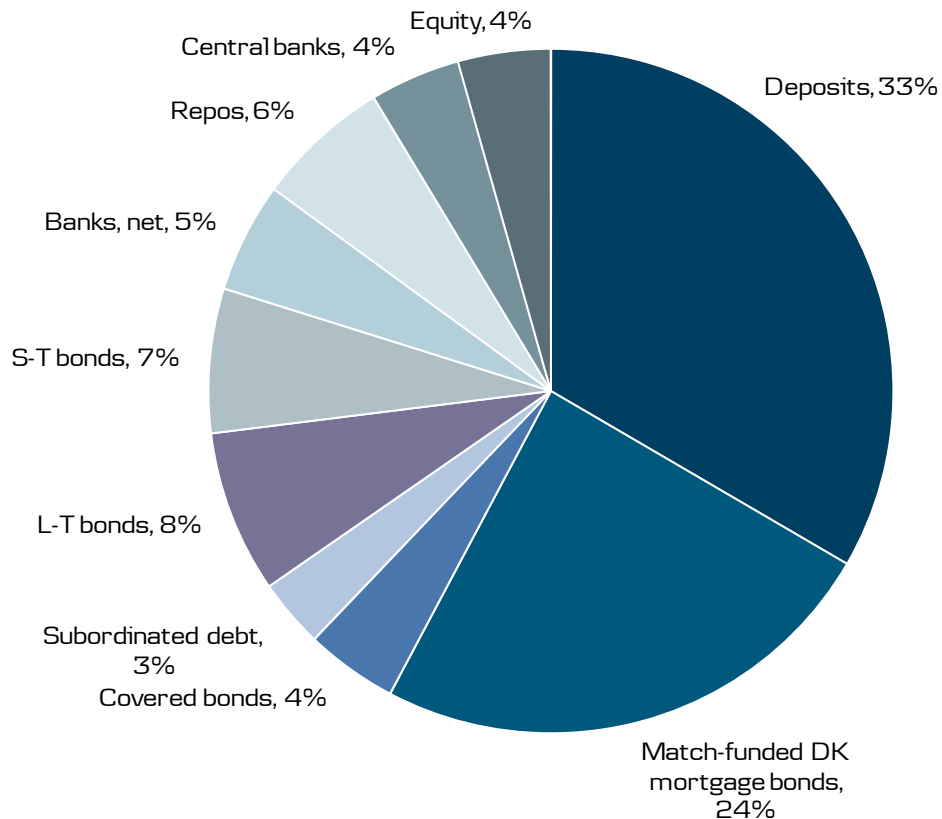
Note: Deposits include Realkredit Denmark bonds.

12-month liquidity\*  
Moody's Financial Strength



\* Main assumptions: No access to capital markets; no refinancing of debt to credit institutions, issued bonds or subordinated capital; and moderate reduction of business activities.

# Well-diversified funding position



- 57% deposits and fully match-funded Danish mortgage bonds (net)
- Long-term bonds: DKK 184 bn
- Issued covered bonds: DKK 120 bn
- Termination of state guarantee at end-September has not changed the funding market.
- Total borrowing increased by DKK 10 bn in Q4 2010



# Funding in 2010: Completed with long duration and without guarantees

- In 2010 Danske Bank issued bonds for DKK 51 bn covering more than the estimated long-term funding needed (DKK 30 bn)
- 59% of the issuance was covered bonds and 41% was senior debt
- Longest maturity: 16 years
- Weighted average maturities:
  - All issues: 6.8 years
  - Covered bonds: 8.8 years
  - Senior debt: 4.2 years

Issues by type and currency

Issue type	Currency	DKK bn
Covered bonds	EUR	26
	NOK	2
	CHF	1
Senior debt	EUR	12
	USD	4
	GBP	3
	Other	2
Total		51

# Banking Activities Denmark: Improvement from lower costs and impairments, but S-T rate hurts

Profit before loan impairment charges ↓ 16%

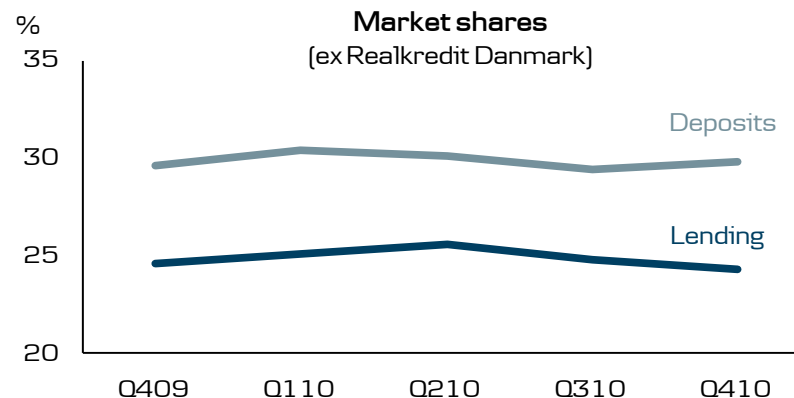
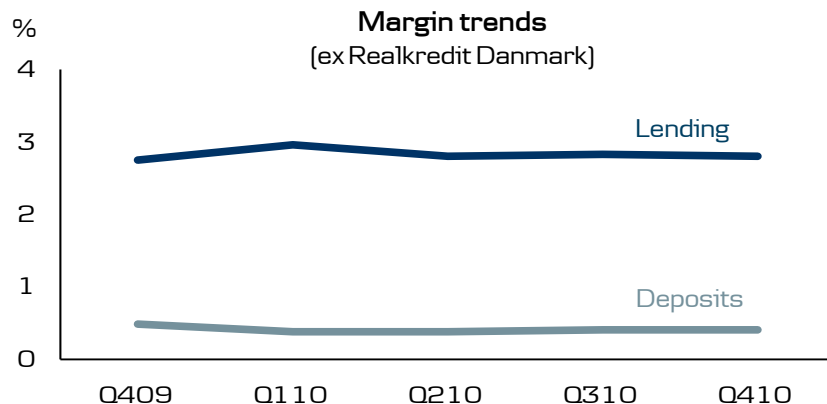
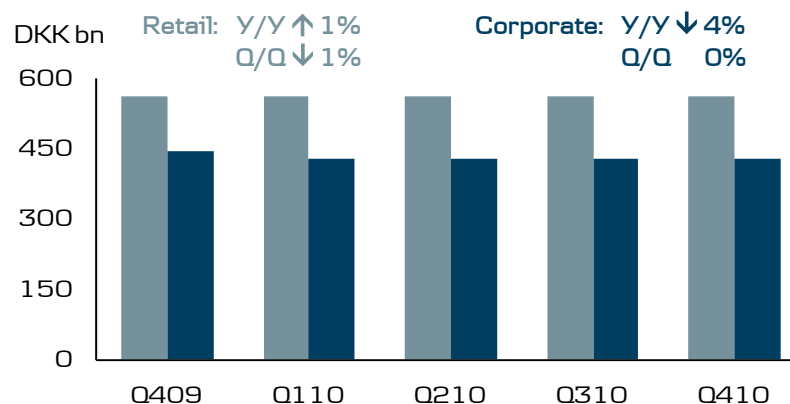
- Declining NII reduces income, partly offset by drop in expenses

DKK m	2009	2010	Index
Net interest income	16,124	13,381	83
Net fee income	3,658	3,931	107
Other income	1,495	956	64
Total income	21,277	18,268	86
Total expenses	12,450	10,872	87
Profit bef. loan imp. charges	8,827	7,396	84
Loan impairment charges	10,049	7,485	74
<b>Profit before tax</b>	<b>-1,222</b>	<b>-89</b>	<b>-</b>
Bank pack 1 (fees & loan imp.charges)	4,112	3,268	79
<b>Adj. profit before tax</b>	<b>2,890</b>	<b>3,179</b>	<b>110</b>

ROE before loan imp. chgs | 22.9 | 19.8

Note: On 1.1. 2010 operating leasing moved from BA Denmark to Other Banking Act. The move reduces BA Denmark's other income and expenses by about DKK 150 m per quarter.

Trend in lending volume  
(average)

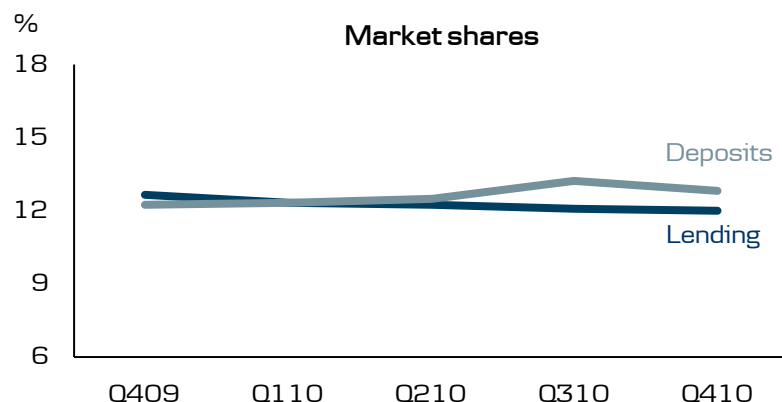
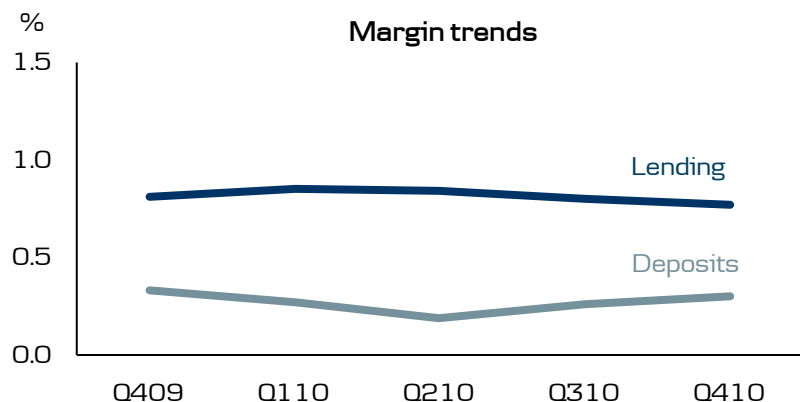


# Banking Activities Finland: Lower costs and imp. charges, but declining NII reduces profit

Profit before loan impairment charges ↓54%

- NII pressured by low interest rates despite strong deposit growth

DKK m	2009	2010	Index
Net interest income	3,015	2,324	77
Net fee income	1,110	1,155	104
Other income	452	455	101
Total income	4,577	3,934	86
Total integration expenses	682	654	96
Expenses ex total intgr. exp.	2,708	2,729	101
Profit bef. loan imp. charges	1,187	551	46
Loan impairment charges	1,723	277	16
Profit before tax	-536	274	
ROE before loan imp. chgs	16.0	8.3	



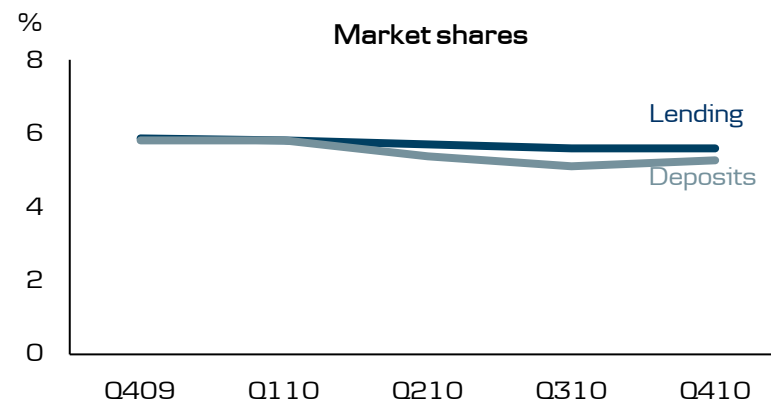
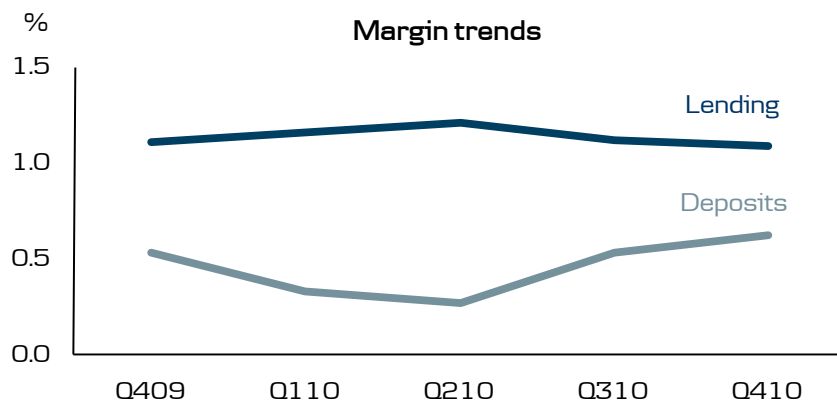
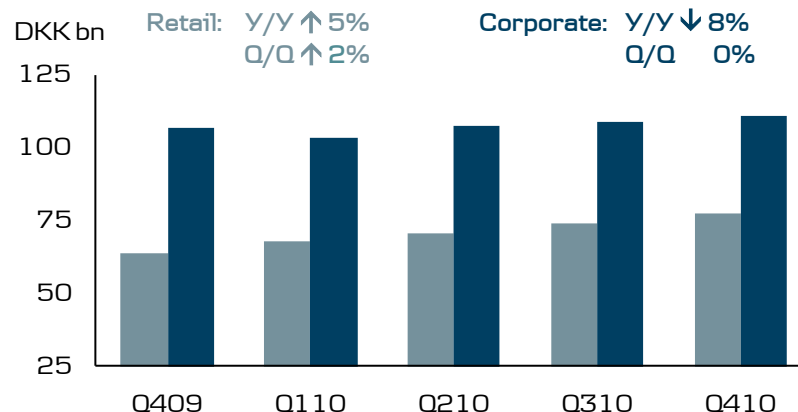
# Banking Activities Sweden: Benefits from increasing short-term rates and low impairments

Profit before loan impairment charges  $\uparrow$  30%

- Affected by 13% appreciation of SEK against DKK

DKK m	2009	2010	Index
Net interest income	1,997	2,364	118
Net fee income	642	721	112
Other income	137	169	123
Total income	2,776	3,254	117
Expenses	1,513	1,614	107
Profit bef. loan imp. charges	1,263	1,640	130
Loan impairment charges	509	169	33
<b>Profit before tax</b>	<b>754</b>	<b>1,471</b>	<b>195</b>
ROE before loan imp. chgs	15.3	19.7	

Trend in lending volume  
(average, %-change in local currency)



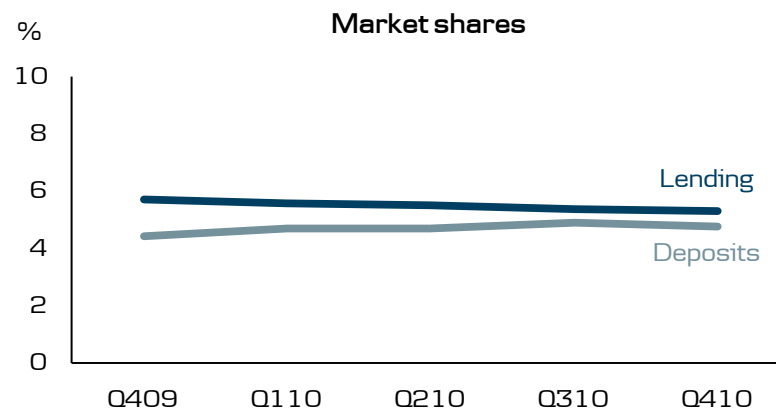
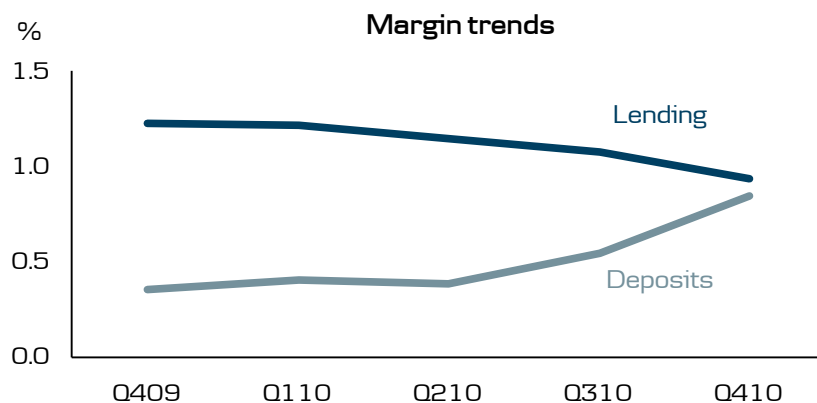
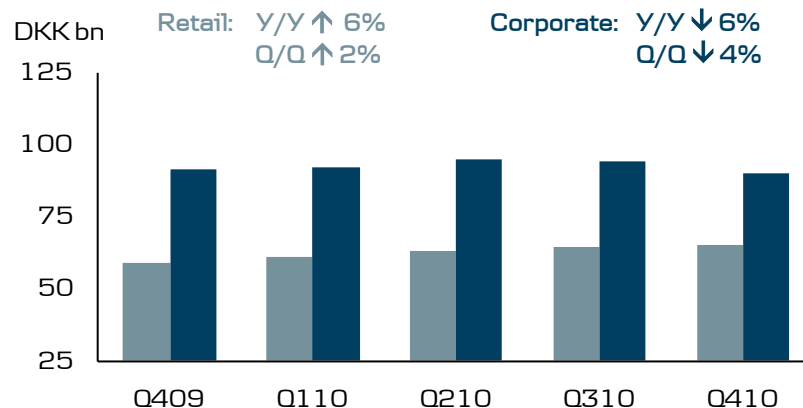
# Banking Activities Norway: Lower impairment charges lead to improved profit before taxes

Profit before loan impairment charges ↓15%

- Costs ↓4% in local currency; 9% appreciation of NOK vs DKK

DKK m	2009	2010	Index
Net interest income	2,666	2,378	89
Net fee income	342	362	106
Other income	612	700	114
Total income	3,620	3,440	95
Expenses	1,807	1,908	106
Profit bef. loan imp. charges	1,813	1,532	85
Loan impairment charges	676	42	6
<b>Profit before tax</b>	<b>1,137</b>	<b>1,490</b>	<b>131</b>
ROE before loan imp. chgs	23.6	19.9	

Trend in lending volume  
(average %-change in local currency)



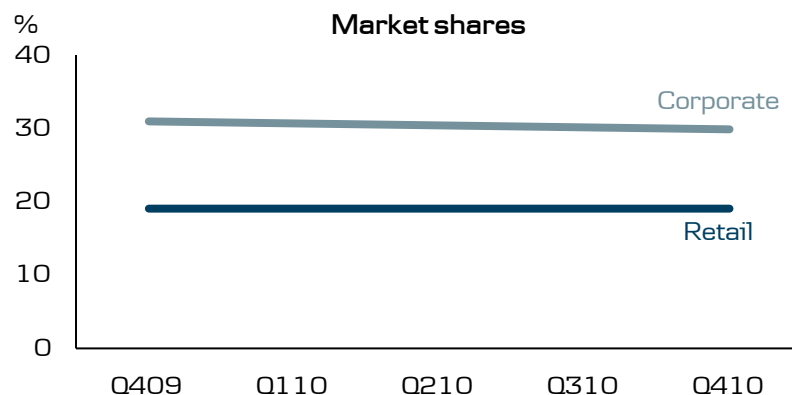
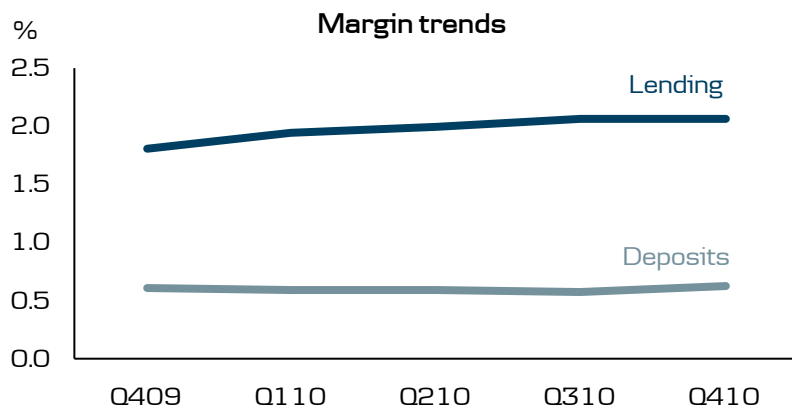
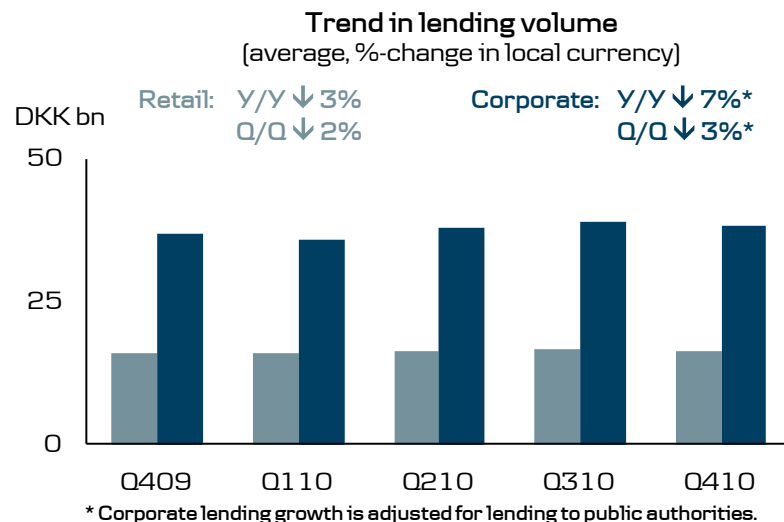
# Banking Activities Northern Ireland: Resilient top line, but impairments remain high

Profit before loan impairment charges ↓ 27%

- Slightly declining NII despite higher deposits

DKK m	2009	2010	Index
Net interest income	1,315	1,188	90
Net fee income	296	306	103
Other income	84	103	123
Total income	1,695	1,597	94
Total integration expenses	53	0	-
Expenses ex total intgr. exp.	1,073*	1,183*	110
Profit bef. loan imp. charges	569	414	73
Loan impairment charges	1,399	1,247	89
<b>Profit before tax</b>	<b>-830</b>	<b>-833</b>	-
ROE before loan imp. chgs	29.2	21.9	

\* Includes a levy of DKK 49 m in 2009 and DKK 45 m in 2010 by the UK financial services compensation scheme.



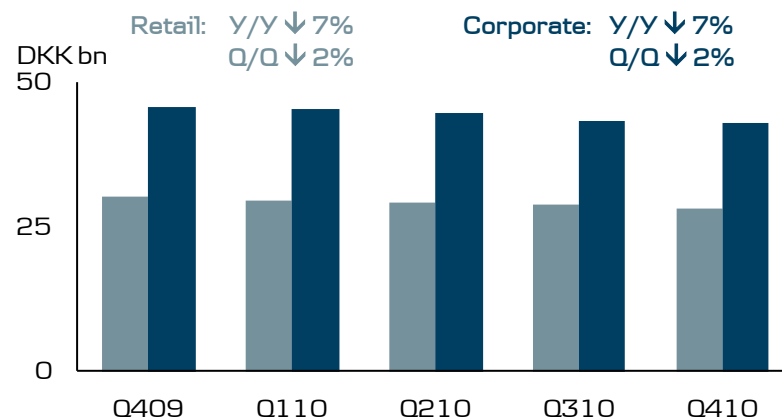
# Banking Activities Ireland: Impairment charges for commercial property segment still high

Profit before loan impairment charges  $\uparrow$  16%

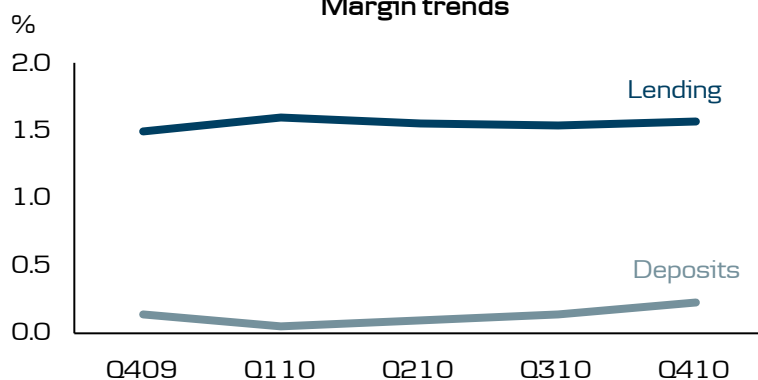
- Income under pressure; cost reductions not fully visible until 2011

DKK m	2009	2010	Index
Net interest income	1,140	1,067	94
Net fee income	126	96	76
Other income	59	45	76
Total income	1,325	1,208	91
Total integration expenses	24	0	-
Expenses ex total intgr. exp.	986	844	86
Profit bef. loan imp. charges	315	364	116
Loan impairment charges	5,238	4,969	95
Profit before tax	-4,923	-4,605	-
ROE before loan imp. chgs	9.8	13.0	

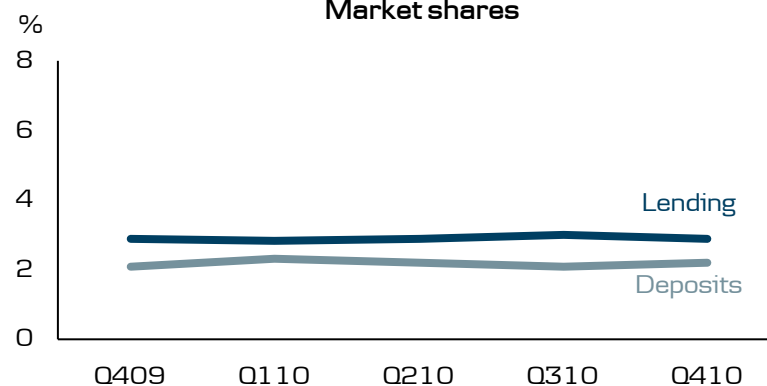
Trend in lending volume  
(average)



Margin trends



Market shares

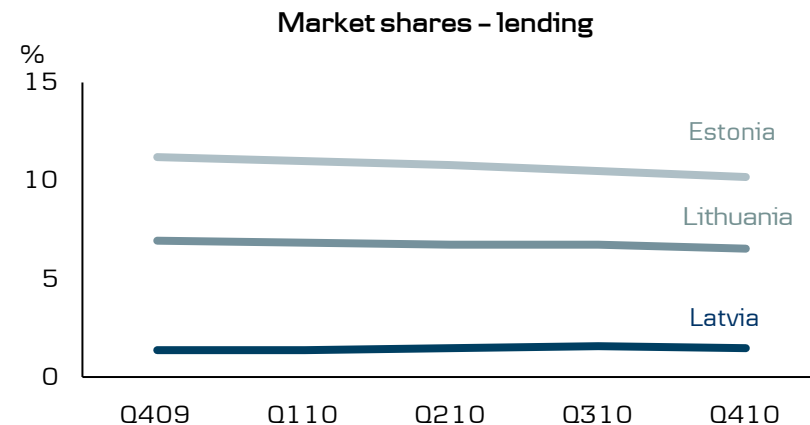
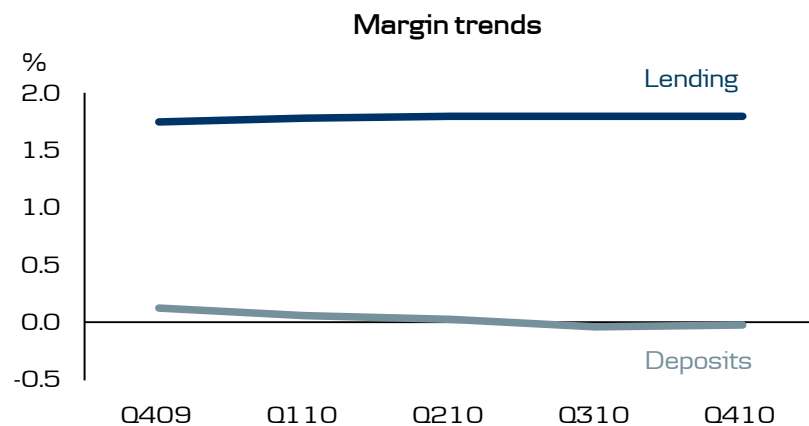


# Banking Activities Baltics: Profitable again as loan impairment charges return to normal

## Returns to profit after loan impairment charges

- Increased efficiency and profitability from tight cost control

DKK m	2009	2010	Index
Net interest income	488	503	103
Net fee income	136	155	114
Other income	138	107	78
<b>Total income</b>	<b>762</b>	<b>765</b>	<b>100</b>
Goodwill impairment charges	1,417	0	-
Expenses ex. gw imp. charges	388	353	91
Profit bef. loan imp. charges	-1,043	412	-
Loan impairment charges	2,725	207	8
<b>Profit before tax</b>	<b>-3,768</b>	<b>205</b>	<b>-</b>
ROE before loan imp.chgs & gw	27.5	35.9	





# Danske Markets: Income down to more normal level

**Weak Q4 from low-risk profile, but 2010 in normal range**  
 - Decline reflects exceptionally high income in 2009





DKK m	2009	2010	Index
Total income	17,238	6,873	40
Expenses	2,886	2,780	96
Profit bef. loan imp. charges	14,352	4,093	29
Loan impairment charges	3,237	-617	-
<b>Profit before tax</b>	<b>11,115</b>	<b>4,710</b>	<b>42</b>
ROE before loan imp. chgs	338.1	82.4	

**Quarterly breakdown of income**

DKK m	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Trading activities	2,013	1,665	1,420	714
Group Treasury	119	* 692	99	-195
Institutional banking (non-Nordic)	75	100	54	117
<b>Danske Markets in total</b>	<b>2,207</b>	<b>2,457</b>	<b>1,573</b>	<b>636</b>

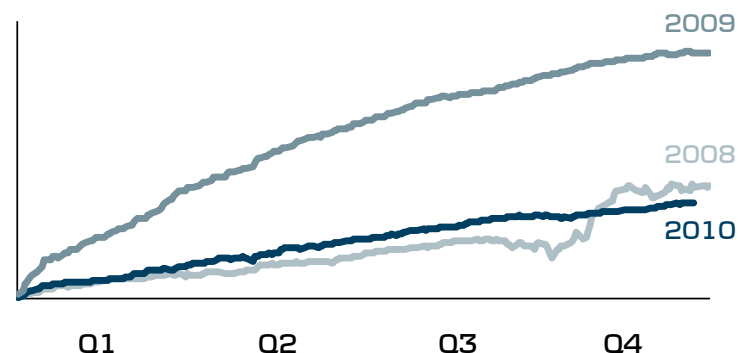
\* Includes a capital gain of DKK 659 m owing to merger of PBS Holding and Nordito AS.

**Market position in the Nordics**  
 - Strong position in all main product areas

Product area / #					Nordic
Fixed income	2	1	4	2	2
Forex	1	2	4	2	2
Derivatives	1	1	1	n/a	1
Equities	1	5	n/a	3	4

Source: Prospera.

**Trading activities – accumulated income**  
 Fixed income and forex

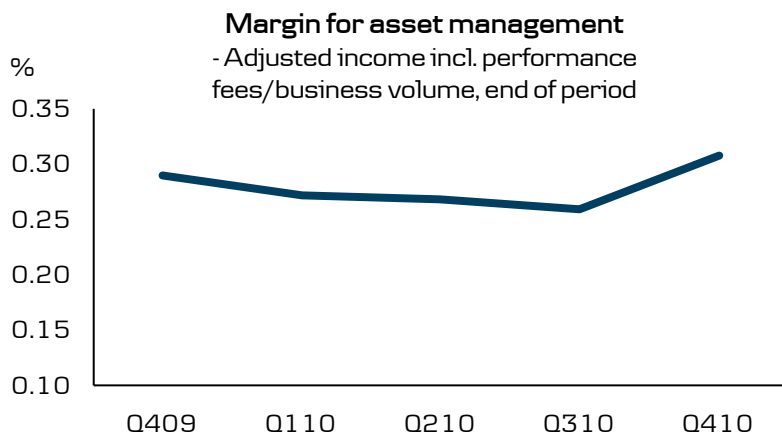


# Danske Capital: Net fees up 32% on to higher volume and performance fees

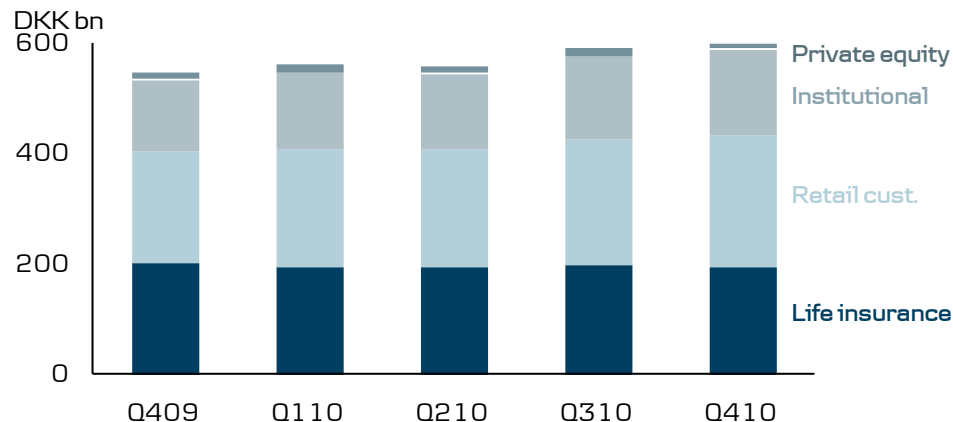
## Profit before loan impairment charges ↑ 17%

- Limited growth in total income reflects change of business in Luxembourg

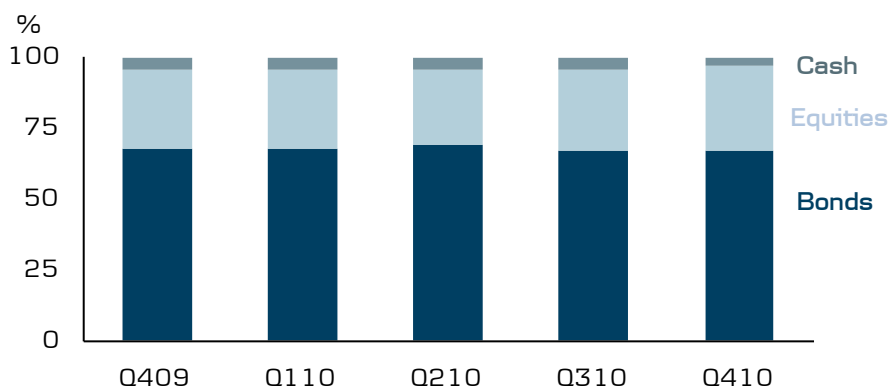
DKK m	2009	2010	Index
Net fee income	1,297	1,707	132
- of which performance fees	161	271	168
Total income	1,728	1,873	108
Expenses	1,014	1,040	103
Profit bef. loan imp. chrg ex.GL&off-offs	714	833	117
Loan impairment charges	-46	13	-
<b>Profit before tax</b>	<b>760</b>	<b>820</b>	<b>108</b>



## AuM - Customer breakdown



## AuM - Asset breakdown

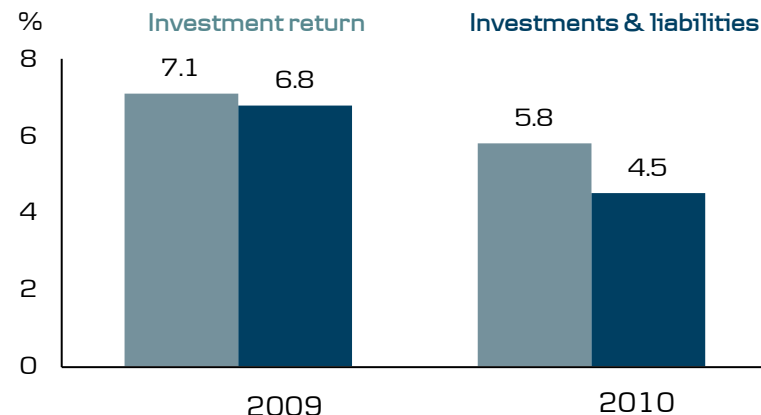


# Danica Pension: Books full risk allowance and shadow account

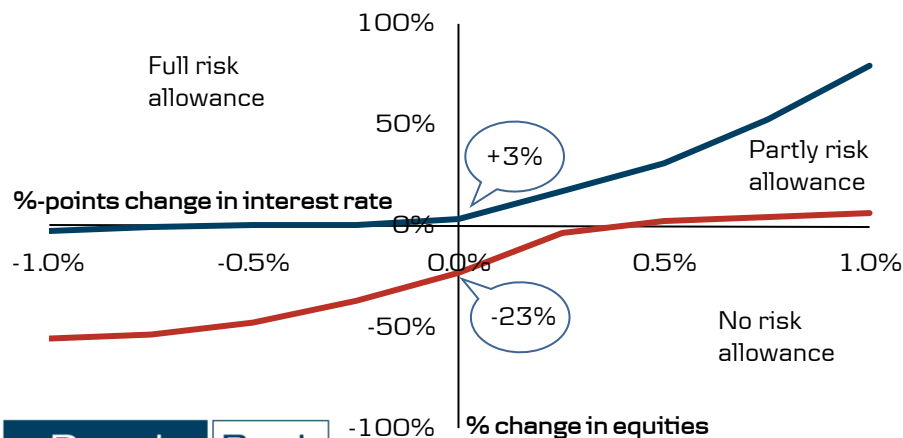
Net income from insurance business ↓ 24%

DKK m	2009	2010	Index
Premiums (DKK bn)	20.4	24.1	118
Share of technical provisions	1,087	1,126	104
Unit-linked (insurance result)	151	327	217
Health and accident (insurance result)	-97	81	-
Investment result	1,383	799	58
Financing result	-247	-130	-
Special allotments	-40	-641	-
Net income before postponed risk allowance	2,237	1,562	70
Postponed risk allowance	573	584	102
<b>Net income from insurance business</b>	<b>2,810</b>	<b>2,146</b>	<b>76</b>
Net income as % p.a. of allocated cap.	49.0	37.4	

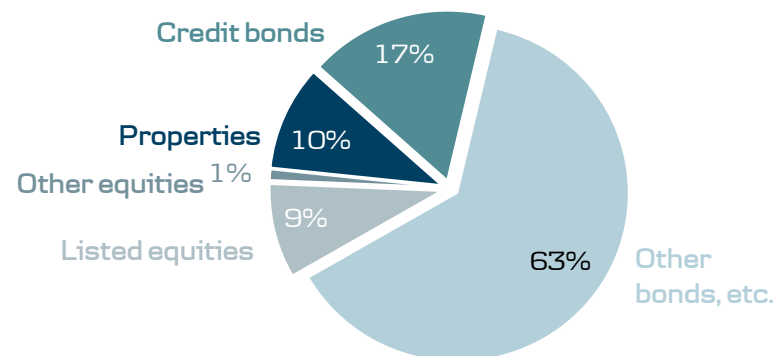
Investment returns, YTD  
Customers' funds



Possibility of booking risk allowance  
Base: YE 2010



Asset allocation  
Customers' funds



# Danica's profit model

	Profit model	Condition / sensitivity	2010	DKK m
1	<ul style="list-style-type: none"> <li>Risk allowance 64 bp of technical prov. (DKK 176 bn)</li> </ul>	<ul style="list-style-type: none"> <li>No usage of bonus potential of paid-up policies and sufficient investment income</li> </ul>	<ul style="list-style-type: none"> <li>Positive technical basis of DKK 2.3 bn</li> </ul>	1,126
+				
2	<ul style="list-style-type: none"> <li>Return on investment portfolio at shareholders' risk</li> </ul>	<ul style="list-style-type: none"> <li>Equity markets, interest rates</li> </ul>	<ul style="list-style-type: none"> <li>Annualised investment return: 4.9%</li> </ul>	799
+				
3	<ul style="list-style-type: none"> <li>Financing result</li> </ul>	<ul style="list-style-type: none"> <li>ST interest rate (equity – alloc. cap. + subord. bonds)</li> </ul>	<ul style="list-style-type: none"> <li>Low short-term interest rate</li> </ul>	-130
+				
4	<ul style="list-style-type: none"> <li>Insurance result, unit-linked long-term: 0.4-0.5% of AuM</li> </ul>	<ul style="list-style-type: none"> <li>High new sales will lower result and vice versa</li> </ul>	<ul style="list-style-type: none"> <li>Solid income base from existing customers</li> </ul>	327
+				
5	<ul style="list-style-type: none"> <li>Special allotments, depending on profit and business volume</li> </ul>	<ul style="list-style-type: none"> <li>Expected to be DKK -0.5 bn p.a. in next 2-4 years, then declining</li> </ul>	<ul style="list-style-type: none"> <li>Higher due to income from shadow account</li> </ul>	-641
+				
6	<ul style="list-style-type: none"> <li>Shadow account</li> <li>Health &amp; accident</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient investment income</li> <li>Combined ratio</li> </ul>		584 81
=				
Σ	Total			2,146

# Investment distribution within Danica Traditionel

