

To the editor

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Danske Bank reports net profit of DKK 1.7 billion (EUR 232 million) for 2011

Danske Bank today announced its financial results for 2011. The announcement and the annual report are available at www.danskebank.com. Highlights are shown below:

- In 2011, the Danske Bank Group posted a pre-tax profit of DKK 4.2 billion (EUR 566 million). The net profit was DKK 1.7 billion (EUR 232 million). The result was lower than expected because of the considerable financial turbulence and economic downturn in the second half of the year.
- Total income was DKK 43.4 billion (EUR 5,835 million), down 6% from the level in 2010, mainly because of lower income from the insurance business.
- Net interest income amounted to DKK 23.5 billion (EUR 3,166 million), largely matching the year-earlier level. In the latter part of the year, net interest income rose after the Group raised lending rates.
- Net trading income amounted to DKK 7.3 billion (EUR 985 million) and was satisfactory in the first half of 2011. In the second half of the year, net trading income suffered from the global financial turmoil.
- Expenses remained at the year-earlier level.
- Loan impairment charges amounted to DKK 13.2 billion (EUR 1,774 million), down 5% from the level in 2010. The charges related mainly to the commercial property segments in Ireland and Northern Ireland and to the agricultural, commercial property and personal customer segments in Denmark.
- Lending and deposits generally matched the levels at the end of 2010. In Denmark, new lending, excluding repo loans, amounted to DKK 48.4 billion (EUR 6,510 million). This amount included lending to personal customers of DKK 22.2 billion (EUR 2,986 million).

- At 31 December 2011, the tier 1 capital and total capital ratios were solid at 16.0% and 17.9%, respectively, against 14.8% and 17.7% at the end of 2010.
- The Group's strong financial position was confirmed by the European Banking Authority's capitalisation test, published in December 2011. As expected, the Group passed the test with a capital level substantially above the requirement.
- In 2011, the Group issued covered bonds and senior debt for a total of DKK 59.1 billion (EUR 7,949 million). In the second half of the year, banks' access to long-term funding generally became extremely limited. Nonetheless, the Group successfully carried out issues planned for 2011.
- The Board is recommending to the general meeting that no dividend be paid for 2011.
- The uncertainty in the global credit markets is likely to continue in 2012, and government budgets will generally be tightened. The potential for economic growth therefore appears limited, and the Group expects very low growth rates in Europe in 2012.
- The Group expects earnings to remain low in 2012, but because of the economic climate, the estimate is subject to considerable uncertainty. The Group believes that total impairment charges will remain high in 2012.

"The second half of 2011 was characterised by considerable financial turbulence and economic downturn," says Peter Straarup, Chairman of the Executive Board. "Our results are therefore lower than expected at the beginning of the year. But we are pleased to see that group-wide measurements show that our customers are increasingly satisfied with our services. We have launched initiatives to improve earnings, improve customer satisfaction even further and ensure that our business remains competitive in the future."

Danske Bank

Contacts on 9 February 2012 from 11.00am:

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The annual report will be presented at a **press conference** at 11.00am. The press conference will be webcast live at www.danskebank.com. Danske Bank will hold a **conference call** at 3.30pm. The conference call will be webcast live at www.danskebank.com.

More information about the Danske Bank Group's financial results is available at www.danskebank.com/reports.

*This is a translation of a press release in the Danish language. In case of discrepancies, the Danish version prevails.
Danish kroner translated into euros at an exchange rate of 1:7.4342.*