*[Translation by Danske Bank of a memorandum from the Danish Financial Supervisory Authority (*Finanstilsynet*) dated 20 December 2012. In case of discrepancies, the Danish version prevails.]*

Statement on inspection at Danske Bank (lending to finance company acquisitions)

1. Introduction

In November 2012, the Danish Financial Supervisory Authority (FSA) conducted an inspection of Danske Bank A/S. The inspection was a function-based inspection, that is, an inspection of one or more selected areas.

In the inspection, the FSA reviewed the credit area involving lending to finance company acquisitions. In 2012 and 2013, the FSA will inspect similar loans at other major banks.

The purpose of the inspection was to assess the bank's credit policy, credit management, risk appetite, impairment charges and solvency need.

2. Summary and risk assessment

The FSA reviewed 40 loans exceeding about DKK 10 million. The loans reviewed constituted a significant amount of the bank's portfolio in this area, which at 30 September 2012 totalled DKK 29.6 billion, including DKK 10.4 billion that was unutilised. Danske Bank Group's lending at 30 September 2012 totalled DKK 1,700 million.

The inspection did not give rise to changes in the bank's impairment charges.

The rating of loans to finance company acquisitions is generally made difficult by the special nature of the transactions and usually also the limited number of loans in the portfolios. In some cases, the FSA concluded that Danske Bank's customer rating was too positive owing to a positive short-term financial development.

The FSA considers it relevant that the bank has planned a revision of its credit policy to make it more operational and precise.

The inspection did not result in the issuance of any orders or risk information to the bank.

Danske Bank Group has calculated its solvency need at 30 September 2012 at 10.8%. Its actual solvency at 30 September 2012 was 19.4%.