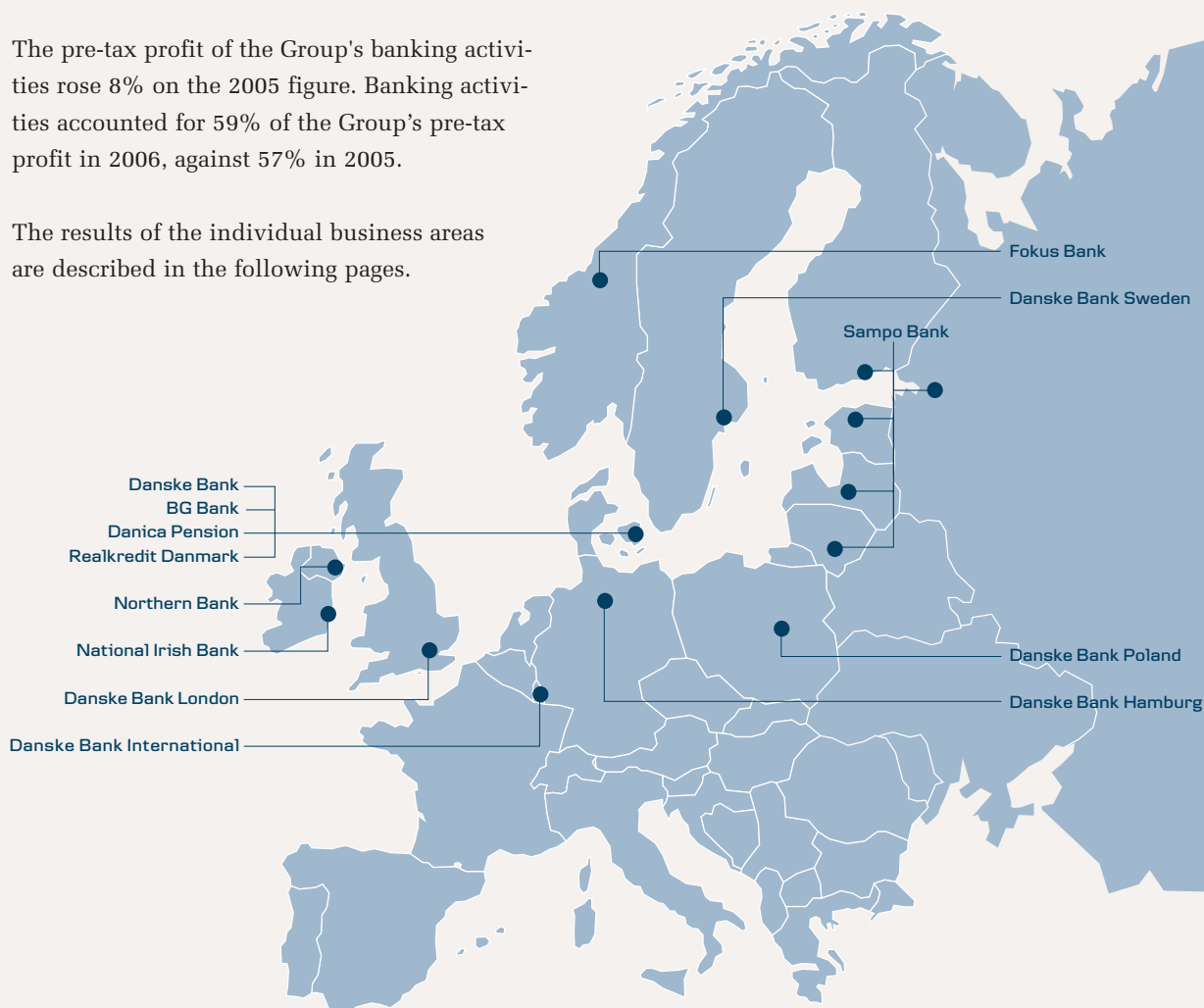


Business areas

PROFIT BEFORE TAX (DKr m)	2006	2005	Index 06/05	Share (%) 2006	Share (%) 2005
Banking Activities Danske Bank	5,772	5,767	100	31	33
Banking Activities BG Bank	1,992	1,782	112	11	10
Banking Activities Sweden	1,013	809	125	5	5
Banking Activities Norway	885	579	153	5	3
Banking Activities Northern Ireland	-104	23	-	-1	-
Banking Activities Ireland	26	-106	-	-	-1
Banking Activities England, USA and other units	-	528	-	-	3
Other Banking Activities	1,308	713	183	7	4
Total Banking Activities	10,892	10,095	108	59	57
Mortgage Finance	2,710	2,755	98	15	16
Danske Markets	3,639	3,719	98	20	21
Danske Capital	560	509	110	3	3
Danica Pension	1,355	1,647	82	7	9
Other areas	-659	-1,119	-	-4	-6
Total Group	18,497	17,606	105	100	100

The pre-tax profit of the Group's banking activities rose 8% on the 2005 figure. Banking activities accounted for 59% of the Group's pre-tax profit in 2006, against 57% in 2005.

The results of the individual business areas are described in the following pages.



Banking Activities

BANKING ACTIVITIES	Population	GDP growth	Lending		Market share		Deposits		Market share	
	(million)	(%)	(DKr bn)		(%)		(DKr bn)		(%)	
	2006	2006	2006	2005	2006	2005	2006	2005	2006	2005
Danske Bank	5.4	3.7	239	198	22	22	236	216	24	25
BG Bank	5.4	3.7	75	64	7	7	79	75	8	8
Sweden	9.0	3.2	138	114	6	4	50	37	5	4
Norway	4.6	3.7	105	87	6	5	47	39	4	4
Northern Ireland	1.7	2.6*	58	40	-	-	61	41	-	-
Ireland	4.1	5.3	51	34	4	3	21	22	3	3
Other	-	-	63	-	-	-	15	-	-	-
Total	-	-	731	537	-	-	510	430	-	-

* The UK

Market share information is based on data reported to local central banks.

BANKING ACTIVITIES	Staff		Branches		Finance Centres		No. of customers (thousands)		No. of eBanking customers (thousands)	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Danske Bank	4,227	4,266	286	291	9	9	1,600	1,600	655	579
BG Bank	1,875	1,898	172	174	2	2	800	800	291	253
Sweden	1,135	1,105	59	58	4	4	194	192	106	71
Norway	1,323	1,161	61	70	5	5	237	257	106	73
Northern Ireland	1,862	1,943	95	95	4	4	429	417	58	25
Ireland	698	715	59	59	-	-	184	170	28	13
Other	598	672	-	-	-	-	-	-	-	-
Total	11,718	11,760	732	747	24	24	3,444	3,436	1,244	1,014

The Danske Bank Group is the market leader in the Danish financial sector. It is the second-largest bank in the Nordic region in terms of market capitalisation and the largest in terms of total assets.

In Norway, Sweden and the Republic of Ireland, the Group is a market challenger and has expanded its business volume and market shares of both lending and deposits since 2005.

Banking Activities Danske Bank



Banking Activities Danske Bank encompasses the banking activities of the Danske Bank division in Denmark. Danske Bank caters to all types of retail and corporate customers. Danske Bank's finance centres serve large corporate and private banking customers. Banking Activities Danske Bank has nine regions with 286 branches, nine finance centres and nearly 4,300 employees.

BANKING ACTIVITIES DANSKE BANK (DKr m)	2006	2005	Index
Net interest income	6,997	6,184	113
Net fee income	3,489	3,319	105
Net trading income	497	455	109
Other income	6	15	40
Total income	10,989	9,973	110
Operating expenses	5,443	5,168	105
Profit before credit loss expenses	5,546	4,805	115
Credit loss expenses	-226	-962	-
Profit before tax	5,772	5,767	100
Loans and advances, end of year	238,631	197,674	121
Deposits, incl. pooled deposits, end of year	236,439	216,219	109
Risk-weighted items (avg.)	217,030	186,653	116
Allocated capital (avg.)	14,107	12,132	116
Profit before tax as % of allocated capital	40.9	47.5	
Cost/income ratio, %	49.5	51.8	

The pre-tax profit of Banking Activities Danske Bank remained at the level recorded in 2005. Profit before credit loss expenses climbed 15%.

The market in 2006

In 2006, as in 2005, the economic climate in Denmark was favourable and generated considerable demand for financial products and services. Interest rates rose throughout the year, but lending margins remained under pressure because of persistently keen competition. Trading volume on the securities markets was substantial in the

first quarter of the year, but returned to more normal levels in the remainder of the year.

The bank's market share at end-2006 was unchanged from the level at the end of 2005.

Income

Net interest income advanced 13% to DKr6,997m. The higher net interest income resulted partly from continued growth in lending, which more than offset the compression of lending margins, and partly from an interest rate-driven

widening of deposit margins. Home financing products secured on real property and increased lending to corporate customers accounted for most of the growth in lending.

Net fee income rose 5% in 2006, mainly because of heavy trading volume on the securities markets in the first quarter; equity trading in particular generated good results. Danske Bank was also the lead manager of a number of issues, and these contributed significantly to the rise in net fee income.

Operating expenses

The 5% increase in operating expenses reflected costs relating to enhancement of the bank's IT systems and growth in activity-based expenses. The rise in income led to an improvement of the cost/income ratio to 49.5%.

Credit loss expenses

Banking Activities Danske Bank recorded a net positive entry for credit loss expenses of DKr226m, against a net positive entry of DKr962m in 2005. The trend was attributable to a persistently favourable economic climate and the high credit quality of the loan portfolio.

Lending

Total lending rose 21% on the level recorded at end-2005. Lending to retail customers was up 17%, primarily because of satisfactory sales of home financing products. Generally stronger demand for credit facilities among corporate customers lifted lending to this segment by 23%.

Deposits

Deposits rose 9% on the 2005 figure. Retail customer deposits were up 6%, while corporate customer deposits rose 14%.

Local initiatives

In 2006, Danske Bank continued its strategy of branding itself as a nation-wide bank with strong community commitment. Through Danske Initiative Funds, the bank provided more than DKr4m in sponsorship funding for local initiatives with-in knowledge, culture and sports. The bank also brought local talent into focus, awarding 160 grants to students going abroad to study.

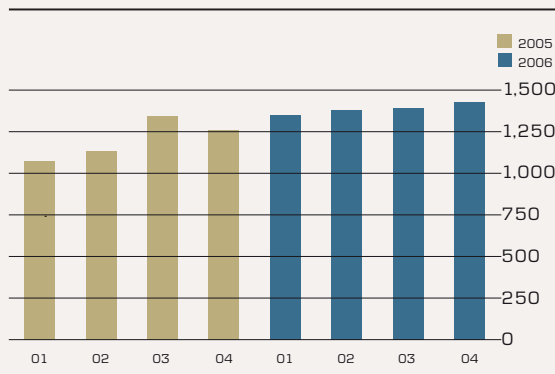
Market outlook for 2007

The healthy economic climate in Denmark is expected to continue in 2007, although with growth rates lower than in 2006. The bank is therefore likely to maintain a high level of activity despite persistently fierce competition.

Danske Bank Group has decided to gather the activities of BG Bank and Danske Bank Denmark in a single banking division with the name Danske Bank.

After the merger with BG Bank, Danske Bank's 2.2 million customers will be able to access the bank at 431 branches, about 1,000 ATMs and post offices throughout the country. Customers can also take advantage of personal telephone service and eBanking facilities 24 hours a day, 365 days a year.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Banking Activities BG Bank



Banking Activities BG Bank encompasses the banking activities of the BG Bank division in Denmark. BG Bank caters to all types of retail customers and most types of corporate customers through its branch network. BG Bank also serves a number of agricultural customers at special agricultural centres. Banking Activities BG Bank has seven regions with 172 branches, two investment desks and nearly 1,900 employees. With effect from April 10, 2007, the BG Bank division will form part of the Danske Bank division.

BANKING ACTIVITIES BG BANK (DKr m)	2006	2005	Index
Net interest income	2,971	2,685	111
Net fee income	1,324	1,306	101
Net trading income	178	149	119
Other income	8	11	73
Total income	4,481	4,151	108
Operating expenses	2,426	2,392	101
Profit before credit loss expenses	2,055	1,759	117
Credit loss expenses	63	-23	-
Profit before tax	1,992	1,782	112
Loans and advances, end of year	75,312	63,803	118
Deposits, incl. pooled deposits, end of year	78,724	74,607	106
Risk-weighted items (avg.)	66,788	58,968	113
Allocated capital (avg.)	4,341	3,833	113
Profit before tax as % of allocated capital	45.9	46.5	
Cost/income ratio, %	54.1	57.6	

The pre-tax profit of BG Bank rose 12% to DKr1,992m, against DKr1,782m in 2005. Profit before credit loss expenses rose 17%.

The market in 2006

In 2006, as in 2005, the economic climate in Denmark was favourable and generated considerable demand for financial products and services. Interest rates rose throughout the year, but lending margins remained under pressure because of the keen competition. Trading volume on the

securities markets was substantial in the first quarter of the year, but returned to more normal levels in the remainder of the year.

The bank's market share at end-2006 was unchanged from the level at the end of 2005.

Income

Net interest income rose 11% on the figure recorded in 2005. The higher net interest income resulted partly from continued growth in lend-

ing, which more than offset the compression of lending margins, and partly from an interest rate-driven widening of deposit margins. The narrower lending margins reflected an increasing percentage of loans secured on real property and fierce competition.

Net fee income was up 1%, mainly because of considerable trading volume on the securities markets in the first quarter of 2006. BG Bank's investment desks also achieved substantial earnings on currency trading and investment services. Refinancing fees were lower, however, because of the decrease in refinancing activity.

Operating expenses

Operating expenses rose 1% on the figure for 2005. The rise was due to costs relating to enhancement of BG Bank's IT systems. An increase in income led to an improvement of the cost/income ratio to 54.1%, down from 57.6% in 2005.

Credit loss expenses

Credit loss expenses amounted to Dkr63m, against a net positive entry of Dkr23m in 2005. The loss was attributable to a few individual facilities.

Lending

Total lending rose 18% on the level recorded for 2005. Lending to retail customers grew 17%. This growth came primarily from healthy sales of the home financing product *Bolig Plus*. A general increase in demand for credit facilities among corporate customers lifted lending to this segment by 19%.

Deposits

Deposits rose 6% on the 2005 figure. Retail customer deposits were up 3%, while corporate customer deposits rose 13%.

Retail investing

In October 2006, BG Bank launched two new offers to retail customers investing in securities: To self-service customers, BG Bank now offers its eBanking product *BG Investering Online*, and for customers who invest with the assistance of an adviser, a new and more simplified brokerage structure has been set up.

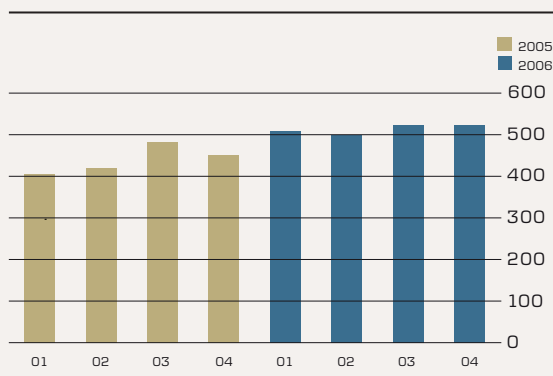
Merger of BG Bank and Danske Bank

Danske Bank Group has decided to gather the activities of BG Bank and Danske Bank Denmark in a single banking division with the name Danske Bank.

The change will mean that 60 branch offices of BG Bank and Danske Bank will merge into 30 branches during the spring. These are branches that are located very close to each other. Customers will continue to be served by the advisers they know because the advisers will move to the continuing branch.

The change will take effect on April 10, 2007, when all building facades and printed matter from the Bank will bear the Danske Bank name.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Banking Activities Sweden



Banking Activities Sweden encompasses the banking activities of Östgöta Enskilda Bank and Provinsbankerne in Sweden, which serve all types of retail and corporate customers. Banking Activities Sweden has four regions with 59 branches, four finance centres and nearly 1,150 employees. Real-estate agency business is carried out primarily through the 70 offices of Skandia Mäklarna.

BANKING ACTIVITIES SWEDEN (DKr m)	2006	2005	Index
Net interest income	1,812	1,474	123
Net fee income	614	485	127
Net trading income	71	54	131
Other income	47	19	247
Total income	2,544	2,032	125
Operating expenses	1,460	1,257	116
Profit before credit loss expenses	1,084	775	140
Credit loss expenses	71	-34	-
Profit before tax	1,013	809	125
Profit before tax in local currency (SKr)	1,253	1,012	124
Loans and advances, end of year	138,454	113,964	121
Deposits, end of year	50,062	37,329	134
Risk-weighted items (avg.)	106,104	84,194	126
Allocated capital (avg.)	6,897	5,473	126
Profit before tax as % of allocated capital	14.7	14.8	
Cost/income ratio, %	57.4	61.9	

The pre-tax profit of Banking Activities Sweden rose 25% to DKr1,013m, against DKr809m in 2005. In local currency, the increase was 24%. Profit before credit loss expenses was up 40%.

The market in 2006

In 2006, as in 2005, the economic climate in Sweden was favourable and generated considerable demand for financial products and services.

The market was highly competitive in 2006, and lending margins remained under pressure despite the gradual rise in interest rates during the year.

The market share of Banking Activities Sweden improved in 2006 to 5.6% for lending and 4.3% for deposits, against 5.3% and 3.9%, respectively, in 2005.

Income

Net interest income increased 23% over the 2005 figure as a result of high lending growth – which more than compensated for the narrower lending margins – and a small, interest rate-driven widening of deposit margins. In addition to fierce competition, the narrowing of lending margins was due to a higher proportion of home financing products and increased lending to corporate customers.

Net fee income rose 27% owing to the larger business volume and extensive securities trading.

Operating expenses

Operating expenses rose 16%, reflecting the higher level of activity, including the expansion of the branch network in 2005 and 2006 as well as a rise in the number of employees.

Credit loss expenses

Credit loss expenses amounted to Dkr71m, against a net positive entry of Dkr34m in 2005.

Lending

Banking Activities Sweden continued to expand its lending business in 2006. In local currency, lending to retail customers rose 21%, while lending to corporate customers increased 15%. The growth in corporate lending came primarily from large and medium-sized businesses, whereas sales of home financing products lifted lending to retail customers considerably. Business with the Skandia Mäklarna estate-agency chain contributed to a higher number of home financing loans.

Deposits

In local currency, deposits rose 29% on the figure recorded at the end of 2005. Retail customer deposits were up 25%, while corporate customer deposits grew 31%.

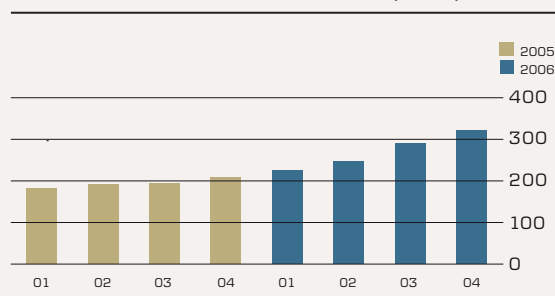
Awards

Banking Activities Sweden received several awards in 2006. For example, Danske Bank Sweden was named business bank of the year by Finansbarometern, one of Sweden’s largest independent surveys of the Swedish banking, finance and insurance market. The survey showed that Danske Bank’s business model based on community involvement and excellent staff qualifications was of decisive importance to Banking Activities Sweden’s success.

Market outlook for 2007

Banking Activities Sweden expects to achieve continued growth in 2007 provided that the economic climate in Sweden remains favourable. Economic growth is expected to be marginally lower than in 2006, however. The expansion of the Swedish branch network in recent years, the organisational adjustments and the acquisition of real-estate agency chains are expected to make the Group’s Swedish banking operations well prepared for further profitable growth.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Banking Activities Norway



Banking Activities Norway encompasses primarily the banking activities of Fokus Bank in Norway. Fokus Bank serves all types of retail and corporate customers. Banking Activities Norway has five regions with 61 branches, five finance centres and around 1,300 employees. Real-estate agency business is carried out primarily through the 40 offices of Krogsveen.

BANKING ACTIVITIES NORWAY (DKr m)	2006	2005	Index
Net interest income	1,567	1,286	122
Net fee income	416	377	110
Net trading income	111	61	182
Other income	312	113	276
Total income	2,406	1,837	131
Operating expenses	1,552	1,331	117
Profit before credit loss expenses	854	506	169
Credit loss expenses	-31	-73	-
Profit before tax	885	579	153
Profit before tax in local currency (Nkr)	954	622	153
Loans and advances, end of year	105,319	87,309	121
Deposits, end of year	46,667	39,315	119
Risk-weighted items (avg.)	76,760	62,505	123
Allocated capital (avg.)	4,989	4,063	123
Profit before tax as % of allocated capital	17.7	14.3	
Cost/income ratio, %	64.5	72.5	

The pre-tax profit of Banking Activities Norway rose DKr306m from the level recorded a year ago to DKr885m, an increase of 53%. In local currency, the increase was also 53%. Profit before credit loss expenses climbed 69%.

The market in 2006

Banking Activities Norway saw strong market growth again in 2006, reflecting the positive international economic trends and high economic activity in Norway. The year was characterised by rising interest rates, but lending margins remained under pressure because of the fierce competition.

The market share of Banking Activities Norway improved in 2006 to 5.6% for lending and 4.4% for deposits, against 5.3% and 4.1%, respectively, in 2005.

Income

Net interest income rose 22% on the figure recorded in 2005. The rise was due to a larger volume of business with both existing customers and the many new customers acquired in recent years. This trend more than offset the effect of ongoing competition on interest margins. A small, interest rate-driven increase in deposit margins also contributed to the rise in net interest income.

Net fee income was up 10%, reflecting the larger business volume.

Other income was up Dkr199m to Dkr312m, mainly because of the recognition of income generated by Fokus Krogsvæn for the full year 2006, against only the second half-year in 2005. With effect from August 1, 2006, Fokus Krogsvæn took over the estate-agency chain Nylander. This acquisition also contributed to the rise in other income.

Operating expenses

Operating expenses were up 17%, primarily because of the recognition of expenses at Fokus Krogsvæn for the full year and the acquisition of Nylander. The recruitment of more employees to serve customers and the reinforcement of centralised advisory expertise to serve corporate customers contributed to the 5% increase in expenses (excluding expenses incurred by Fokus Krogsvæn and Nylander) over the level a year ago.

Credit loss expenses

Banking Activities Norway recorded a net positive entry for credit loss expenses of Dkr31m, against a net positive entry of Dkr73m in 2005. The low level of losses was attributable to the favourable economic climate in Norway and the high credit quality of the loan portfolio.

Lending

In local currency, lending to retail customers increased 8% and lending to corporate customers rose 42% over the level at end-2005. The rise in the business volume of Banking Activities Norway came from both new and existing customers.

Deposits

In local currency, deposits rose 23% on the 2005 figure. Retail customer deposits were up 5%, while corporate customer deposits rose 31%.

Focus on customers and advisers

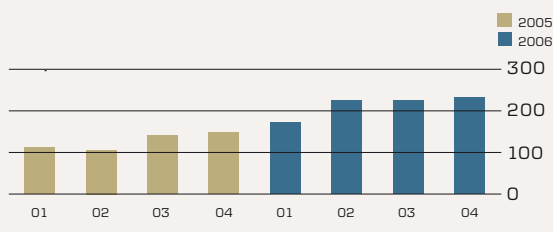
In 2006, Banking Activities Norway focused on retail and corporate customers with healthy finances and a need for a wide range of banking services. For staff, Banking Activities Norway focused on recruiting highly qualified and specialised advisers, and the bank is developing, for example, an extensive certification programme for retail customer advisers. Corporate advisers benefited from a comprehensive competency development programme.

In December 2006, Fokus Bank entered into an agreement with Sparebanken Vest on the sale of Fokus Bank's branches in Sogn og Fjordane county in western Norway. The proceeds from the sale will be recognised in the first half of 2007. The sale was a natural consequence of Fokus Bank's strategy of establishing and expanding its business in larger towns. At the end of 2006, Fokus Bank was represented in 18 of the 20 largest towns in Norway.

Market outlook for 2007

The healthy economic climate in Norway is expected to continue in 2007. Economic growth is expected to be marginally lower than in 2006, however. The development of the Norwegian branch network in recent years, the organisational adjustments and the acquisition of real-estate agency chains are expected to make the Group's Norwegian banking operations well prepared for further profitable growth.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Banking Activities Northern Ireland



Banking Activities Northern Ireland encompasses the banking activities of Northern Bank, which serves both retail and corporate customers. Banking Activities Northern Ireland has four regions with 95 branches, four finance centres and around 1,900 employees.

BANKING ACTIVITIES NORTHERN IRELAND (DKr m)	2006	2005	Index
Net interest income	1,702	1,317	-
Net fee income	485	464	-
Net trading income	87	9	-
Other income	19	20	-
Total income	2,293	1,810	-
Amortisation of intangible assets	459	374	-
Integration expenses	445	349	-
Other operating expenses	1,449	1,028	-
Operating expenses	2,353	1,751	-
Profit before credit loss expenses	-60	59	-
Credit loss expenses	44	36	-
Profit before tax	-104	23	-
Profit before tax in local currency (£)	-9	2	-
Loans and advances, end of year	58,442	40,497	144
Deposits, end of year	60,969	40,501	151
Risk-weighted items (avg.)	38,474	35,337	109
Allocated capital (avg.)	2,501	2,297	109
Profit before tax as % of allocated capital	-4.2	1.2	
Cost/income ratio, %	102.6	96.7	
Operating expenses, excl. integration expenses, as % of income	83.2	77.5	

2005 comprises the months March to December.

The pre-tax result of Banking Activities Northern Ireland in 2006 was a loss of DKr104m, against a profit of DKr23m for the months of March to December 2005. Excluding integration expenses and amortisation of intangible assets, the pre-tax profit amounted to DKr800m, against DKr746m in 2005.

The market in 2006

In 2006, Northern Ireland continued to enjoy good economic growth that generated strong demand for credit facilities among both retail and corporate customers. Intensive competitive pressure resulted in a further narrowing of lending margins, although it was more than offset by the growth in both lending and deposits.

Northern Bank's market share of retail banking was 20%, and its share of corporate banking was 31%.

Income

In line with expectations, income rose to DKr2,293m, with growth driven by solid performances in both lending and deposits. Net interest income increased to DKr1,702m and reflected the strong growth of deposits and lending as well as a small, interest rate-driven widening of deposit margins.

Operating expenses

Operating expenses increased to DKr2,353m, partly as a result of higher integration and marketing expenses. Amortisation of intangible assets accounted for DKr459m and integration expenses for DKr445m of total operating expenses. The increase in other operating expenses was due to overtime payments and rebranding costs relating to integration. Operating expenses for 2006 also reflected the transition to the Danske Bank IT platform.

Credit loss expenses

Credit loss expenses amounted to DKr44m for 2006, against DKr36m in 2005. The level of losses reflected the strong economic growth and the persistently high credit quality of the loan portfolio with accordingly low impairment charges.

Lending

At the end of 2006, lending amounted to DKr58bn, an increase of DKr18bn, of which DKr13bn related to a new method of recognising loans and advances under which loans and advances are no longer netted against deposits held by the same customers. Adjusted for this effect, total lending increased 12%.

Deposits

Deposits totalled DKr61bn at the end of 2006. Adjusted for the new method of recognising loans and advances, total deposits grew 18%.

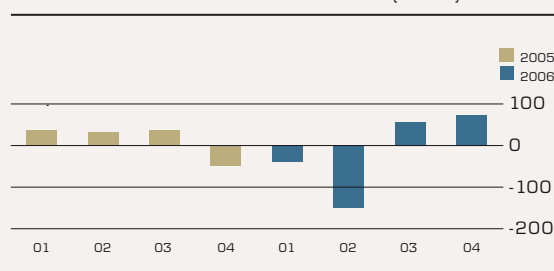
Customer packages

The introduction of new products after Northern Bank's migration to the Danske Bank IT platform generated solid sales of banking packages. Package sales exceeded expectations, and new customers accounted for around 30% of sales. Northern Bank's product range and price structure are now highly competitive and support its aim to be customers' first choice in the Northern Ireland market.

Market outlook for 2007

The rate of economic growth in Northern Ireland is expected to be high again in 2007. The rebranding of Northern Bank and the successful migration during Easter 2006 have created a strong business trend that, together with marketing campaigns and competitive products and prices, forms the basis for a promising outlook for 2007.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Banking Activities Ireland



Banking Activities Ireland encompasses the banking activities of National Irish Bank, which serves both retail and corporate customers. Banking Activities Ireland has five regions with 59 branches and around 700 employees.

BANKING ACTIVITIES IRELAND (DKr m)	2006	2005	Index
Net interest income	918	621	-
Net fee income	133	111	-
Net trading income	61	6	-
Other income	6	15	-
Total income	1,118	753	-
Amortisation of intangible assets	102	85	-
Integration expenses	159	204	-
Other operating expenses	834	566	-
Operating expenses	1,095	855	-
Profit before credit loss expenses	23	-102	-
Credit loss expenses	-3	4	-
Profit before tax	26	-106	-
Profit before tax in local currency (€)	4	-14	-
Loans and advances, end of year	51,250	34,028	151
Deposits, end of year	21,390	21,668	99
Risk-weighted items (avg.)	35,993	23,920	150
Allocated capital (avg.)	2,340	1,555	150
Profit before tax as % of allocated capital	1.1	-8.2	
Cost/income ratio, %	97.9	113.5	
Operating expenses, excl. integration expenses, as % of income	83.7	86.5	

2005 comprises the months March to December.

The pre-tax profit of Banking Activities Ireland amounted to DKr26m in 2006, against a loss of DKr106m for the months March to December 2005. Excluding integration expenses and amortisation of intangible assets, the pre-tax profit amounted to DKr287m, against DKr183m in 2005.

The market in 2006

The Republic of Ireland continued to enjoy solid economic growth that generated strong demand for credit facilities among retail and corporate customers. Strong competition put further pressure on lending margins, but its effect was more

than offset by the growth in both lending and deposits. National Irish Bank lifted its market share of lending from 3% at the end of 2005 to 4% at the end of 2006.

Income

Income rose to DKr1,118m, which was in line with expectations. The rise in net interest income reflected strong growth in lending and deposits as well as a small, interest rate-driven widening of deposit margins.

Operating expenses

Operating expenses rose to DKr1,095m and reflected expenses for rebranding and activity-based costs deriving from the strong growth in the business volume.

Credit loss expenses

Banking Activities Ireland recorded a net positive entry of DKr3m for credit loss expenses, reflecting the positive economic climate and the consistently high credit quality of the loan portfolio.

Lending

Lending amounted to DKr51bn at the end of 2006. Measured in local currency, retail lending grew 52%, while lending to corporate customers was up 50%.

Deposits

Deposits totalled DKr21bn at the end of 2006, around the same level as in 2005. However, as deposits from large businesses were transferred to Danske Markets as a result of the conversion at Easter 2006, deposits actually rose about DKr6bn.

Migration and new branches

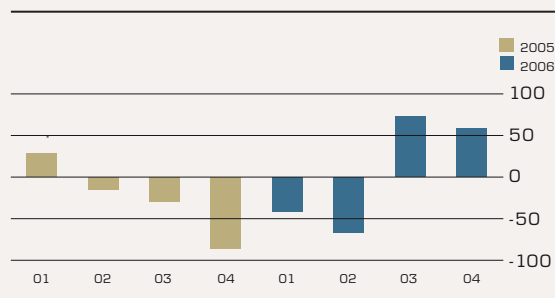
In April 2006, National Irish Bank successfully completed its migration to the Danske Bank IT platform. The bank received a number of awards for its work on this project.

The growth strategy for banking activities in the Republic of Ireland includes the opening of a number of new branches over the next three years.

Market outlook for 2007

The rate of economic growth is expected to slow down marginally in the Republic of Ireland in 2007, although growth is still likely to significantly outperform average European growth. Lending growth at National Irish Bank is expected to exceed market growth again in 2007.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Other Banking Activities



Other Banking Activities comprises the activities of Nordania and the activities of Danske Bank International S.A., Luxembourg, Hamburg Branch, Poland Branch and Helsinki Branch.

OTHER BANKING ACTIVITIES (DKr m)	2006	2005	Index
Net interest income	807	755	107
Net fee income	282	230	123
Net trading income	104	91	114
Other income	1,432	1,288	111
Total income	2,625	2,364	111
Operating expenses	1,571	1,432	110
Profit before credit loss expenses	1,054	932	113
Credit loss expenses	-254	219	-
Profit before tax	1,308	713	183
Loans and advances, end of year	63,384	55,925	113
Deposits, end of year	15,326	13,033	118
Risk-weighted items (avg.)	61,854	52,284	118
Allocated capital (avg.)	4,021	3,398	118
Profit before tax as % of allocated capital	32.5	21.0	
Cost/income ratio, %	59.8	60.6	

PROFIT BEFORE TAX (DKr m)	2006	2005	Index
Nordania	421	395	107
Other non-Danish banking activities	887	318	279
Other Banking Activities	1,308	713	183

The pre-tax profit of Other Banking Activities amounted to Dkr1,308m, against Dkr713m in 2005. Profit before credit loss expenses was up 13%.

Nordania

Profit before credit loss expenses at Nordania rose 8% relative to 2005. Net interest income at Nordania was 7% lower than in 2005. The decline was due mainly to narrower lending margins resulting from keener competition. An increase in operating leases produced a rise in other income at Nordania relative to the result achieved in 2005.

Other non-Danish banking activities

Profit before credit loss expenses of other non-Danish banking activities rose 17%. All of these units contributed to the improvement, which resulted from a positive business trend.

Operating expenses

The operating expenses of Other Banking Activities rose 10% on the figure recorded in 2005. The rise was attributable primarily to higher costs deriving from an increase in activity-based costs, enhancement of IT systems and the conversion of Danske Bank's operations in Poland into a branch.

Credit loss expenses

Credit loss expenses at Nordania amounted to Dkr7m, against Dkr4m in 2005.

Other non-Danish banking activities recorded a net positive entry of Dkr261m for credit loss expenses, against an expense of Dkr215m in 2005. The 2005 result suffered from a few individual impairment charges that were partially reversed in the third quarter of 2006. The positive trend in 2006 was also attributable to a favourable economic climate and the high credit quality of the loan portfolio.

Mortgage Finance



Mortgage Finance encompasses the Danske Bank Group's mortgage finance and real-estate agency business in Denmark. The division markets its financing solutions through Realkredit Danmark, Danske Bank, BG Bank and "home". Real-estate agency business is carried out through "home", which has 199 offices throughout the country.

MORTGAGE FINANCE (DKr m)	2006	2005	Index
Net interest income	3,621	3,423	106
Net fee income	-234	83	-
Net trading income	215	195	110
Other income	179	178	101
Total income	3,781	3,879	97
Operating expenses	1,176	1,242	95
Profit before credit loss expenses	2,605	2,637	99
Credit loss expenses	-105	-118	-
Profit before tax	2,710	2,755	98
Mortgage loans, end of year	602,584	569,092	106
Risk-weighted items (avg.)	287,040	271,182	106
Allocated capital (avg.)	18,658	17,627	106
Profit before tax as % of allocated capital	14.5	15.6	
Cost/income ratio, %	31.1	32.0	

The pre-tax profit fell 2% to DKr2,710m in 2006, against DKr2,755m the year before. Profit before credit loss expenses was down 1%.

The market in 2006

In 2006, the Danish mortgage credit market returned to a lower and more normal level after a long period of refinancing waves and many product launches. Total gross lending on the market fell DKr469bn, or 37%, relative to the figure recorded a year earlier.

This fall should be seen in light of a general rise in interest rates that, as expected, led to a cessation of significant interest rate-driven refinancing activity.

The lower level of activity in the mortgage credit market was due not only to the rise in interest rates, but also to a decline in property sales. Prices of owner-occupied housing continued to soar, but in the second half of the year, a slow-down set in. Moreover, turnover in the housing

KEY FIGURES	2006			2005		
	Private	Corporate	Total	Private	Corporate	Total
Loan portfolio, nom., end of year (DKr bn)	378	231	609	348	215	563
Share, %	62	38	100	62	38	100
Share of interest-only loans, %	39	9	28	33	5	22
Market share, gross lending, %	29.9	29.3	29.7	30.5	27.6	29.5
Market share, portfolio, end of year, %	33.7	31.3	32.8	34.6	31.6	33.4

market was substantially lower in 2006 than the year before, in particular in the market for owner-occupied flats and holiday homes.

Income

The 6% increase in net interest income reflected a rise in administration margins due to a larger loan portfolio.

Net fee income declined DKr317m to a negative DKr234m as a result of the decline in refinancing activity and larger payments to Danske Bank and BG Bank for loans arranged through them.

Operating expenses

Operating expenses fell 5%. The cost/income ratio improved marginally due to the fall in costs.

Credit loss expenses

Credit loss expenses amounted to a net positive entry of DKr105m, against a net positive entry of DKr118m in 2005. The credit quality of the loan portfolio remained good, with the average loan-to-value ratio at 53% at end-2006, against 58% at end-2005.

Lending

In 2006, mortgage loans measured at fair value rose DKr33bn to DKr603bn. The outstanding

nominal bond debt increased DKr46bn to DKr609bn. Gross lending amounted to DKr145bn in 2006, against DKr224bn the year before. The table provides a breakdown of lending.

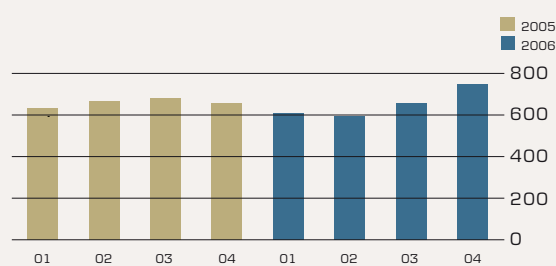
Further development of local strategy

In 2006, Realkredit Danmark continued to develop its local strategy of playing a more active role in the local community. In September, Realkredit Danmark launched its Smart Square Metres sponsorship initiative, awarding grants to schools and companies that give special priority to “physical and functional settings that inspire learning, co-operation and new ideas”.

Market outlook for 2007

The level of activity in the Danish mortgage credit market in 2007 is expected to remain largely unchanged from the level in 2006. The volume of interest rate-driven refinancing is expected to be relatively modest because of a slight rise in interest rates in 2007.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Danske Markets



Danske Markets is responsible for the Group's activities in the financial markets. Trading activities include trading in fixed-income products, foreign exchange, equities and interest-bearing securities, providing the largest corporate customers and institutional clients with financial products and advisory services on mergers and acquisitions, and assisting customers in connection with their issue of equity and debt on the international financial markets. Proprietary trading encompasses the Bank's short-term investments. The investment portfolio covers the Bank's strategic fixed-income, foreign exchange, and equity portfolios. Institutional banking includes facilities with international financial institutions outside the Nordic region. Institutional facilities with Nordic financial institutions form part of the Group's banking activities.

DANSKE MARKETS (DKr m)	2006	2005	Index
Total income	5,535	5,491	101
Operating expenses	1,950	1,779	110
Profit before credit loss expenses	3,585	3,712	97
Credit loss expenses	-54	-7	-
Profit before tax	3,639	3,719	98
Loans and advances, end of year	38,718	32,807	118
Risk-weighted items (avg.)	114,329	99,424	115
Allocated capital (avg.)	7,431	6,463	115
Profit before tax as % of allocated capital	49.0	57.5	
Cost/income ratio, %	35.2	32.4	

TOTAL INCOME (DKr m)	2006	2005	Index
Trading activities	3,502	3,068	114
Proprietary trading	390	378	103
Investment portfolio	1,159	1,589	73
Institutional banking	484	456	106
Total Danske Markets	5,535	5,491	101

The pre-tax profit of Danske Markets fell 2% to DKr3,639m, against DKr3,719m in 2005. Excluding profits from the sale of HandelsFinans in the fourth quarter of 2005, the pre-tax result was up a satisfactory 11%.

The market in 2006

The year 2006 was generally characterised by central banks' raising key money market rates. Rates were lifted gradually, however, and over the year as a whole, long-term interest rates rose only moderately.

A number of financial markets were fairly volatile, with a quite fast rise in long-term bond yields during the spring that led to a sharp – if short-lived – correction in the Nordic equity markets. Overall, the equity markets performed well in 2006, and the Nordic markets all gained in the course of the year.

In the foreign exchange market, the US dollar weakened considerably, while the Swedish krona was one of the best-performing currencies.

Danske Markets' activities

The satisfactory trend in Danske Markets' activities in the Nordic region continued, and the Group consolidated its position in these markets.

As a result of the rise in volatility in both the fixed-income and the equity markets, Danske Markets experienced stronger demand for instruments to hedge risk. Demand for Danish as well as international equities also grew.

Income

Income from trading activities amounted to Dkr3,502m, up 14% on the income recorded in 2005. Corporate Finance took part in a large number of mergers, acquisitions and capital market transactions again in 2006, and Acquisition & Leveraged Finance took part in and arranged a number of major debt-financed transactions.

Income from proprietary trading rose 3% on the 2005 level.

Income from the investment portfolio was lower in 2006 than in 2005 as the 2005 figure benefited from extraordinary income items, such as the sale of HandelsFinans and of shares in compa-

nies providing the financial infrastructure in Denmark and shares in property companies. In 2006, the investment portfolio benefited from exposure to emerging markets equities and its good positioning for the rise in interest rates in the spring.

Income from institutional banking remained satisfactory.

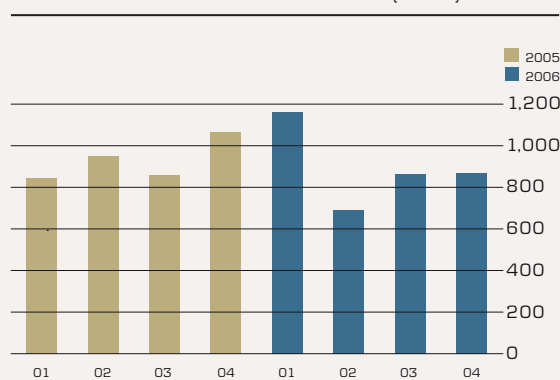
Operating expenses

Operating expenses rose 10% to Dkr1,950m in 2006, mainly because of an increase in activity, including a rise in performance-based compensation and IT costs.

Market outlook for 2007

The high level of activity at Danske Markets is expected to continue in 2007. The gradual tightening of monetary policy in Europe and elsewhere in the world may, however, cause the markets to be volatile again in 2007. Against this background, Danske Markets does not expect volume growth in the mortgage credit and securities markets to continue at the pace recorded in 2006.

PROFIT BEFORE CREDIT LOSS EXPENSES (DKr m)



Danske Capital



Danske Capital is responsible for developing wealth management services to the retail banks and manages the funds of retail customers and institutional investors and the funds of Danica Pension, Danske Fund, Puljeinvest (pooled investment) and Flexinvest. The division also provides advisory services to Danske Invest and BG Invest. Through Danske Bank International in Luxembourg, Danske Capital provides wealth management services to clients outside the Group's home markets. Danske Capital is also responsible for developing asset management products sold through the retail banks and directly to companies, institutional investors and external distributors.

DANSKE CAPITAL (DKr m)	2006	2005	Index
Total income	1,026	893	115
Operating expenses	466	384	121
Profit before tax	560	509	110
Risk-weighted items (avg.)	544	149	365
Allocated capital (avg.)	35	10	365
Cost/income ratio, %	45.4	43.0	
Assets under management (DKr bn)	491	468	105

The pre-tax profit of Danske Capital rose 10% to DKr560m, against DKr509m in 2005.

The market in 2006

The Nordic units of Danske Capital maintained their position in the market for asset management in 2006. The units in Finland, Sweden, Norway and Luxembourg expanded their business segments, while the Danish unit focused on investment solutions for retail and institutional customers.

Danske Capital's market share of unit trust business targeting Danish retail customers was 33% of total assets at December 31, 2006, against 35% a year earlier.

Sales totalled DKr7.4bn in 2006, of which DKr3.5bn derived from Danske Capital units outside Denmark and DKr3.9bn from units in Denmark.

Income

Income was up 15% to DKr1,026m, owing mostly to product development and the increase in activities outside Denmark. In 2006, Danske Capital earned performance fees of DKr95m, against DKr97m the year before. Income at non-Danish units was 31% higher than in 2005, and the rise was broadly based. Non-Danish units accounted for 25% of income in 2006, against 24% in 2005.

Operating expenses

The rise in costs was 21%, owing primarily to an inflow of staff and an increase in activities at non-Danish units.

Investment performance

Danske Capital's investment performance in 2006 was satisfactory, with above-benchmark returns in a number of key areas. In equities, Danske Capital strengthened its position with Nordic, European and eastern European equities delivering good returns. Most bond products delivered returns above the benchmark, and credit bonds significantly outperformed the benchmark. Danske Capital also achieved satisfactory returns on bond- and equity-based hedge funds.

For a number of years, Danske Capital has generated satisfactory investment results, owing primarily to increased focus on the Group's principal markets combined with outsourcing of products related to remote markets.

In 2006, Danske Capital also launched a number of investment products – most recently *Flexinvest Fri*, under which Danske Capital carries out the day-to-day management of liquid customer funds, a solution similar to the *Flexinvest* pension savings scheme. Sales of *Flexinvest Fri* totalled DKr2.7bn in 2006.

Stronger wealth management

As of January 1, 2007, Danske Capital is responsible for developing and providing wealth management services to all other areas in the Group. Wealth management helps affluent customers optimise their overall financial solution. With the gathering of the Group's wealth man-

ASSETS UNDER MANAGEMENT	[DKr bn]		Share (%)	
	2006	2005	2006	2005
Equities	154	114	31	24
Private equity	11	9	2	2
Bonds	315	337	64	72
Cash	11	8	2	2
Total	491	468	100	100

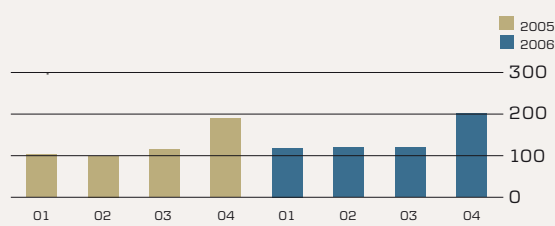
BREAKDOWN ON INVESTORS	[DKr bn]		Share (%)	
	2006	2005	2006	2005
Life insurance	191	181	39	39
Unit trusts - retail	139	140	28	30
Pooled schemes	54	45	11	10
Institutions, incl. unit trusts	107	102	22	22
Total	491	468	100	100

agement expertise at Danske Capital, the Group seeks to meet the increasing demand for such services.

Market outlook for 2007

Danske Capital expects to continue the positive trend in its business in 2007. With the integration of Sampo Bank Asset Management, the unit will further strengthen its international platform.

PROFIT BEFORE TAX (DKr m)



Danica Pension



Danica Pension encompasses all the Danske Bank Group's activities in the life insurance and pensions market. Marketed under the name of Danica Pension, the unit targets both personal and corporate customers. Products are marketed through a range of distribution channels within the Group, primarily Banking Activities' outlets and Danica Pension's insurance brokers and advisers.

DANICA PENSION (DKr m)	2006	2005	Index
Share of technical provisions, etc.	1,037	1,127	92
Unit-linked business	-53	-25	-
Health and accident business	-101	-486	-
Return on investments	772	783	99
Financing result	-300	-193	-
Postponed risk allowance	-	441	-
Net income from insurance business	1,355	1,647	82
Premiums, insurance contracts	16,232	15,293	106
Premiums, investment contracts	2,014	1,655	122
Technical provisions (avg.)	176,757	167,406	106
Allocated capital (avg.)	7,310	8,402	87
Net income as % of allocated capital	18.5	19.6	

Danica Pension saw a sound business trend in 2006 with a rise in gross premiums, including payments under investment contracts, of 8% to DKr18.2bn.

Total premiums for the market-based products *Danica Balance* and *Danica Link* rose by 87% to DKr6.0bn, against DKr3.2bn in 2005. One effect of this increase was that premiums for *Danica Traditionel* declined by DKr0.7bn. In 2006, market-based products accounted for 49% of new contracts. At the end of 2006, some 72,000 customers had opted for the market-based products.

The presentation of Danica Pension's results has been changed from the 2005 presentation to match the future profit policy, according to which the risk allowance consists exclusively of Danske Bank's share of technical provisions and does not include the health and accident result.

Market position in 2006

In 2006, Danica Pension strengthened its position as the leading supplier of life and pension products on the Danish market, partly as a result of declining costs and enhanced efficiency.

The decline in the level of expenses allowed Danica Pension to reduce its prices for *Danica Traditionel*, *Danica Balance* and *Danica Link* in 2006.

Activities outside Denmark

Danica Pension's business in Sweden recorded a growth rate of 22%, and premium income stood at DKr1.6bn, against DKr1.3bn in 2005.

In Norway, the business volume was at the same level as in 2005, with premium income of DKr0.5bn.

Earnings

Net income from insurance business fell 18% to DKr1,355m in 2006.

Excluding the booking of postponed risk allowance of DKr441m in 2005, earnings rose by 12%.

Increased position taking in equities helped maintain the high level of the investment return. The raising of additional subordinated debt reduced allocated capital and thereby the financing result. Moreover, the fall in net income from insurance business was attributable to the change in profit policy in 2006 that reduced the risk allowance.

The health and accident result remained unsatisfactory, although better than in 2005, when Danica Pension had to strengthen provisions.

For more information about Danica Pension's profit policy and consolidation in the accounts of the Danske Bank Group, visit www.danskebank.com/ir.

Investment return

Danica Traditionel posted a return on investments of customer funds of 2.9% in 2006, against 12.6% in 2005. Given the market conditions and the chosen risk profile, the return was satisfactory. In 2006, Danica Pension increased the portion of customer funds invested in equities to 23%. As equities provided a return of 15% in 2006, this contributed to a rise in the total return. The return on property holdings was 19.5%. *Danica Traditionel* customers received interest on their savings at a rate of 4.5%.

Danica Balance customers with a 75% equity allocation and a medium risk profile saw a return of 10.5% in 2006. The majority of *Danica Link* customers have chosen *Danica Valg*, the Danica-managed investment pool, with a medium risk profile, and they achieved a return of 5.3%, against 21.7% in 2005.

The collective bonus potential rose by DKr2.6bn to DKr13.9bn at the end of 2006 because increasing interest rates reduced provisions by 3.6%. A 30% fall in equity prices would have reduced the collective bonus potential by DKr11.2bn and shareholders' equity by DKr0.9bn. An increase in interest rates of 1.0 percentage point would have reduced the collective bonus potential by DKr1.2bn and shareholders' equity by DKr0.1bn.

CUSTOMER FUNDS - DANICA TRADITIONEL

Holdings and returns	Share (%)		Return (%)	
	2006	2005	2006	2005
Real property	9	8	19.5	11.6
Bonds, etc.	68	76	-2.1	11.1
Equities	23	16	15.0	24.8
Total	100	100	2.9	12.6

Given the change in the collective bonus potential in 2006 and the forecasts for future returns, Danica Pension fixed the rate of interest on policyholders' savings at 4.5%. Danica Pension intends to apply this rate throughout 2007.

Subordinated loan capital

In October 2006, Danica Pension issued subordinated loan capital in an amount of €0.4bn. Part of it was used to repay existing loans worth Dkr2bn and part will be used for continuing expansion. The subordinated loan capital was rated A+ by Standard & Poor's.

Openness and transparency

In 2006, the issue of transparency at life insurance companies received increased attention. Danica Pension contributed to the debate by focusing on clearly exhibiting its cost and risk results on conventional products. Furthermore, Danica Pension is the only company in the sector that has published processing times on its Web site in recent years. In 2006, Danica Pension decided to compensate customers if processing times exceeded the targets.

Market outlook for 2007

The growth in premiums is expected to continue in 2007. The investment result is not expected to remain at the same high level in 2007 as in 2006, and the financing result will be adversely affected by the raising of subordinated loan capital.

Other areas



Other areas encompasses the Group's real property activities, unallocated cost of capital and expenses for Group support functions. Moreover, the area covers the elimination of returns on own shares.

OTHER AREAS (DKr m)	2006	2005
Net interest income	-902	-845
Net fee income	-209	-32
Net trading income	-249	-306
Other income	693	593
Total income	-667	-590
Operating expenses	-7	529
Profit before credit loss expenses	-660	-1,119
Credit loss expenses	-1	-
Profit before tax	-659	-1,119
PROFIT BEFORE TAX (DKr m)	2006	2005
Cost of capital	-956	-796
Own shares	-240	-320
Others	537	-3
Total Other areas	-659	-1,119

The pre-tax result of Other areas was affected by an increase in the cost of capital as a result of the acquisition of Northern Bank and National Irish Bank.

The higher profit from Others was attributable to the following factors: the closing of the Group's

Norwegian pension fund, which resulted in a Dkr0.2bn reduction of operating expenses; proceeds from the sale of properties, including Realkredit Danmark's former head office building, of Dkr0.1bn; and a reduction of severance payments of Dkr0.1bn.