

## Statement on lending developments in the second half of 2009 in accordance with the Danish Act on State-Funded Capital Injections into Credit Institutions

In May 2009, Danske Bank A/S raised subordinated loan capital in the form of hybrid capital of Dkr24bn from the Danish state. Under Danish law, banks that raise state-funded capital must publish semi-annual statements on developments in their Danish lending activities.

Danske Bank A/S grants loans to retail and corporate customers in a number of countries. The table below shows loans and advances, irrevocable loan commitments and guarantees before impairment charges held by customers (including public sector) and retail customers with Danske Bank A/S.

### Loans etc. before impairment charges

	Dec. 31, 2009				Jun. 30, 2009			
	Corporate customers	Retail customers	Total	Share (%)	Corporate customers	Retail customers	Total	Share (%)
Denmark	333,822	175,387	509,209	38	367,227	163,222	530,449	36
Finland	18,596	11	18,607	1	29,640	9	29,649	2
Sweden	155,829	65,447	221,276	17	150,666	61,153	211,819	15
Ireland	56,151	29,860	86,011	6	60,096	30,998	91,094	6
UK	93,337	494	93,831	7	118,197	515	118,712	8
Germany	14,233	257	14,490	1	15,869	216	16,085	1
Baltics	15,997	14,240	30,237	2	16,253	14,676	30,929	2
Other EU member states	39,974	785	40,759	3	41,216	709	41,925	3
Norway	115,823	62,363	178,186	13	118,482	53,689	172,171	12
Eastern Europe	556	32	588	-	641	20	661	0
Other European countries	5,220	300	5,520	-	6,350	309	6,659	0
North America	141,163	451	141,614	11	185,502	451	185,953	13
Rest of world	9,245	596	9,841	1	20,280	921	21,201	2
<b>Total</b>	<b>999,946</b>	<b>350,223</b>	<b>1,350,169</b>	<b>100</b>	<b>1,130,419</b>	<b>326,888</b>	<b>1,457,307</b>	<b>100</b>

Danske Bank A/S's markets suffered from considerably negative developments in macroeconomic conditions, including steeply declining industrial output and consumer confidence. At the end of 2009, economic indicators pointed to a stabilisation, although at a low level. The unemployment rate is expected to continue its upward trend. This has an adverse effect on customers' creditworthiness and moderates their investment appetite and thus the demand for loans.

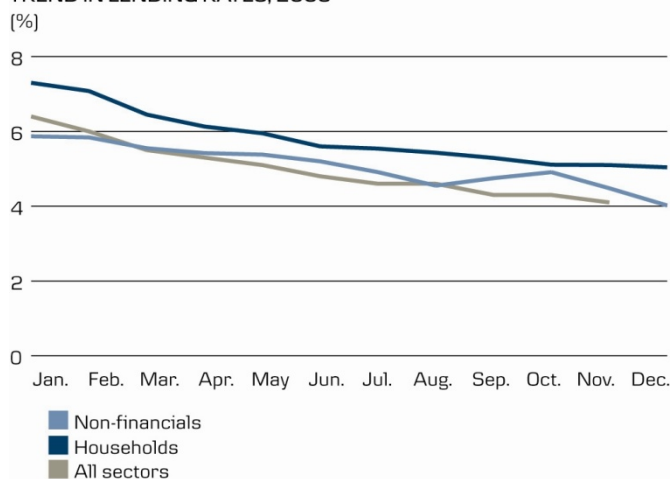
Danske Bank A/S grants credits on the basis of insight into its customers' financial situation. Danske Bank monitors the financial position of customers to determine whether the basis for granting credit has changed. Facilities should reasonably match the customers' financial situation, including capital position and assets, and the customers must be able to demonstrate repayment ability. Collateral is generally required for long-term credit facilities (usually facilities with a term of more than five years). Danske Bank A/S is particularly careful in granting credit to businesses in troubled or cyclical industries. The Group's credit system is used to monitor credit facilities regularly. The system contains data on limits and amounts drawn for all types of facilities and collateral.

Danske Bank A/S supported its creditworthy customers throughout the second half of 2009. Since Danske Bank A/S's tightening of lending terms for less creditworthy corporate customers in 2008 and the first half of 2009, lending terms were not tightened further. Danske Bank has increased its focus on certain industries, including property developers and the agricultural sector, however.

For retail customers, the requirements for the amount available for consumption and loan-to-value ratio for mortgage loans were unchanged from the level established in mid-2008. More information about the Group's lending policy, rating of customers and risk management is provided in section 4 of Risk Management 2009, published on February 4, 2010. Risk Management 2009 is available at [www.danskebank.com/ir](http://www.danskebank.com/ir).

In step with the lowering of leading interest rates by the Danish central bank, Danske Bank Denmark lowered its variable deposit and lending rates in the second half of 2009. In the first half of 2009, the lending margins were widened to mirror the deteriorating creditworthiness of customers. Lending margins widened at a slower pace in the second half of 2009.

TREND IN LENDING RATES, 2009



Source: the Danish central bank

Danish corporate customers' demand for credit, measured in terms of the loan amounts applied for, fell 13% from the level in the first half of 2009. For existing customers, the number of loan applications fell 17% in the second half of 2009. For new customers, the demand also fell in the same period. The share of approved applications from existing customers was unchanged at 89% at the end of the second half of 2009. Loan applications from new customers saw a similar trend.

Loans and advances etc. before impairment charges to retail customers in Denmark rose above the level in the first half of 2009 and amounted to Dkr175bn at the end of 2009. Demand for credit, primarily for mortgages on real property, rose 17% from the level in the first half of 2009. For existing customers, demand grew as the average loan amount applied for increased 25%. For new customers, demand for credit rose above the level in the first half of 2009, also as a result of an increase in the average loan amount applied for. The share of approved applications was 92% in the second half of 2009, against 91% in the first half of 2009.

Danske Bank A/S reduced loans and advances etc. to credit institutions, financial institutions and insurance companies by Dkr21bn, and lower demand for credit from other corporate customers reduced loans etc. by Dkr4bn in comparison with the level at June 30, 2009. Both figures are exclusive of impairment charges.

The table below shows the trend in loans and advances, irrevocable loan commitments and guarantees before impairment charges for customers of Danske Bank A/S resident in Denmark.

Loans etc. before impairment charges

	Dec. 31, 2009			Jun. 30, 2009
	Existing customers	New customers	Total	Total
Public sector	9,621	30	9,651	17,823
Corporate sector				
Agriculture, hunting and forestry	10,733	52	10,785	10,895
Fisheries	966	15	981	1,485
Manufacturing industries, extraction of raw materials and utilities	67,468	201	67,669	65,696
Building and construction	7,815	96	7,911	9,509
Trade, restaurants and hotels	23,800	129	23,929	26,396
Transport, mail and telephone	27,954	42	27,996	31,240
Credit, finance and insurance	131,664	3,414	135,078	156,328
Property administration, purchase and sale, and business services	35,137	397	35,534	36,767
Other	14,242	46	14,288	11,088
Total corporate sector	319,779	4,392	324,171	349,404
Retail customers				
Mortgages	132,396	2,638	135,034	124,243
Other	39,987	366	40,353	38,979
Total retail customers	172,383	3,004	175,387	163,222
<b>Total</b>	<b>501,783</b>	<b>7,426</b>	<b>509,209</b>	<b>530,449</b>

New customers are customers to whom Danske Bank A/S has not granted loans or other credit facilities within the past 12 months.