

**Interim report,
January - June 2005**

Nordea Bank Danmark

Nordea Bank Danmark Group

Summary

The net profit of the Nordea Bank Danmark Group for the first half of 2005 increased by DKK 370m to DKK 1,983m compared to the first half of 2004. The increase reflects a growing volume of business. Return on equity was 17.6%, annualised (14.9%).

Total operating income increased by 5.7% to DKK 6,014m (DKK 5,689m), while total operating expenses rose by 4.6% to DKK 3,443m. Loan losses were a positive amount of DKK 113m (DKK -55m).

The Group's total assets amounted to DKK 718bn (DKK 636bn at the end of June 2004), and the total capital ratio (including the profit for the period) was 9.9% (end of 2004 9.3%) with a tier 1 capital ratio of 6.9% (6.4%).

Net interest income

Net interest income increased by DKK 217m to DKK 3,504m compared to the first half of 2004.

Lending increased by 13% compared to the end of 2004. The increase in lending was strong for both corporates and households. Corporates and households increased by 15% and 11% respectively compared to the end of 2004. However, the positive effect from increased volumes on net interest income was partly offset by the continuous low margins.

Fees and commissions

Net fees and commissions increased by 20% to DKK 1,463m (DKK 1,215m). The increase is due to higher business levels. Loans and receivables and brokerage account for the most significant increases, among other things reflecting the high lending activity in particular for mortgage refinancings.

Gains/losses on items at fair value

Gains/losses on items at fair value decreased by DKK 183m to DKK 569m (DKK 752m). The decrease can partly be related to the investment portfolio income. Gains/losses on items at fair value comprises the total trading income in Markets from fixed income products (apart from fee income) and the bank's investment portfolio income.

Equity method

Investments stated according to the equity method amounted to DKK 124m (DKK 84m). The increase is primarily attributable to positive value adjustments of DKK 30m in private equity investments in the first half of 2005. This item also includes the Group's share of the profit for the PBS companies (Danish Payment Systems) and LR Realkredit.

Other income

Other income was at the same level as in 2004 and amounted to DKK 353m (DKK 352m). Other income mainly consists of income from rendering various intragroup services.

Expenses

Total operating expenses increased by DKK 150m to DKK 3,443m (DKK 3,293m).

Staff costs increased by DKK 48m to DKK 2,163m compared to the first half of 2004. The rise is primarily attributable to general salary increases. Other expenses, including write-offs increased by a net amount of DKK 102m to DKK 1,280m (DKK 1,178m) mainly as a result of higher IT costs.

Loan losses

Loan losses were a positive amount of DKK 113m, an improvement of DKK 168m compared to the first half of 2004. The overall credit quality remains strong.

At 30 June 2005 impaired loans amounted to DKK 5,240m, or 1.3% (end of 2004 1.6%) of total loans before loan losses. Total loan loss reserve were DKK 4.4bn (end of 2004 DKK 4.7bn).

Taxes

The net tax expense amounted to DKK 701m corresponding to an effective tax rate of 26% (31%). The tax liability for the first half-year 2005 is calculated on the basis of the new corporate tax rate of 28%. The lower effective tax rate is primarily a result of the effect from the conversion of deferred tax from 30% to 28%.

Balance sheet

Total assets of Nordea Bank Danmark increased by DKK 82bn to DKK 718bn (end of 2004 DKK 636bn). Lending increased by DKK 65bn in the first half of

2005. In the same period deposits increased by DKK 24bn.

Capital adequacy

The total capital ratio increased from 9.3% at year-end 2004 to 9.9%, with the tier 1 capital ratio amounting to 6.9%. The profit for the period has been included in the calculations. Total risk-weighted amounts increased by DKK 14bn to DKK 313bn.

Legal proceedings

Within the framework of the normal business operations the companies in the Group face a number of claims in lawsuits and other disputes, most of which involve relatively limited amounts. None of these disputes is considered likely to have any significant adverse effect on the bank's or the Group's financial position.

Outlook

Volume growth is expected also in the second half of the year, supported by favourable macroeconomic conditions in Nordea's home markets. Competition is however intense, and the pressure on margins will continue to be challenging.

Costs for the whole year are expected to remain flat.

Based on the overall quality of the credit portfolio and the present economic outlook for the Nordic countries there are no indications of a deteriorating credit quality in 2005.

Key financial figures

Income statement

	Jan-June 2005	Jan-June 2004	Change %	Full year 2004
DKK m				
Net interest income	3,504	3,287	7	6,938
Net fee and commission income	1,463	1,215	20	2,513
Net gains/losses on items at fair value	569	752	-24	980
Equity method	124	84	49	331
Other income	353	352	0	640
Total operating income	6,014	5,689	6	11,403
General administrative expenses				
Staff costs	-2,163	-2,115	2	-4,359
Other expenses	-1,216	-1,073	13	-2,376
Depreciation of tangible and intangible assets	-64	-105	-39	-199
Total operating expenses	-3,443	-3,293	5	-6,935
Loan losses	113	-55	-304	124
Operating profit	2,684	2,341	15	4,592
Income tax expense	-701	-729	-4	-1,385
Net profit	1,983	1,613	23	3,208

Balance sheet

	30 June 2005	30 June 2004	31 Dec 2004
DKK bn			
Treasury bills and other interest-bearing securities	117	121	90
Loans and receivables to credit institutions	135	144	130
Loans and receivables to the public	399	334	352
Financial assets, customer bearing the risk	26	24	24
Derivatives	4	3	4
Other assets	36	10	36
Total assets	718	636	636
Deposits by credit institutions	220	219	188
Deposits and borrowings from the public	224	200	212
Debt securities in issue	167	137	138
Derivatives	6	5	7
Subordinated liabilities	10	9	9
Other liabilities and minority interests	70	45	58
Core equity	22	21	23
Total liabilities and equity	718	636	636

Ratios and key figures

Return on equity, %	17.6	14.9	14.2
Cost/income ratio, %	57	58	61
Tier 1 capital ratio ¹ , %	6.9	7.0	6.4
Total capital ratio ¹ , %	9.9	9.7	9.3
Risk-weighted assets, DKK bn	313	302	299
Number of employees (full-time equivalents)	7,286	7,402	7,380

¹ Including the result for the first six months at 30 June 2005.

Half-year development

	Jan-June 2005	Jan-June 2004
Net fee and commission income, DKKm		
Loans and receivables	308	247
Guarantees and documentary payments	132	137
Life insurance	25	30
Investment products / services	219	204
Deposits, payments and e-services	428	409
Brokerage	507	339
Other commission income	313	204
Fee and commission income	1,931	1,569
Life insurance	0	0
Payments and e-services	-48	-45
Other commission expenses	-420	-310
Fee and commission expenses	-468	-355
Net fee and commission income	1,463	1,215

	Jan-June 2005	Jan-June 2004
General administrative expenses, DKKm		
Staff	2,124	2,065
Profit sharing	39	50
Information technology	409	303
Marketing	46	43
Postage, telephone and office expenses	148	156
Rents, premises and real estate expenses	374	322
Other	239	250
Total	3,379	3,188

Income statement

DKKm	Note	Jan-June 2005	Jan-June 2004	Full year 2004
Operating income				
<i>Interest income</i>		10,577	9,270	19,146
<i>Interest expense</i>		-7,074	-5,983	-12,208
Net interest income		3,504	3,287	6,938
<i>Fee and commission income</i>		1,931	1,569	3,233
<i>Fee and commission expense</i>		-468	-355	-720
Net fee and commission income		1,463	1,215	2,513
Net gains/losses on items at fair value	2	569	752	980
Profit from companies accounted for under the equity method		124	84	331
Dividends		5	5	5
Other operating income		348	348	635
Total operating income		6,014	5,689	11,403
Operating expenses				
General administrative expenses:				
Staff costs		-2,163	-2,115	-4,359
Other expenses		-1,216	-1,073	-2,376
Depreciation, amortisation and impairment charges of tangible and intangible assets		-64	-105	-199
Total operating expenses		-3,443	-3,293	-6,935
Loan losses	3	113	-55	124
Operating profit		2,684	2,341	4,592
Income tax expense		-701	-729	-1,385
Net profit		1,983	1,613	3,208
Attributable to:				
Shareholders of Nordea Bank Danmark A/S		1,983	1,613	3,208
Minority interest		0	0	0
		1,983	1,613	3,208

Balance sheet

DKKm	Note	30 June 2005	31 Dec 2004	30 June 2004
Assets				
Cash and balances with central banks		2,815	2,725	2,256
Loans and receivables to credit institutions	5	134,927	130,077	143,846
Loans and receivables to the public	5	399,079	352,332	333,764
Interest-bearing securities		116,853	89,881	120,576
Shares		3,701	1,422	2,205
Derivatives	6	4,473	4,560	2,916
Fair value changes of the hedged items in portfolio hedge of interest rate risk		747	731	0
Shares in associated undertakings		485	527	508
Shares in subsidiaries		1	1	4
Intangible assets		59	44	30
Tangible assets		233	244	320
Investment property		572	695	728
Retirement benefit assets		107	71	60
Prepaid expenses and accrued income		1,590	3,688	3,307
Other assets ¹		51,990	48,916	25,237
Total assets		717,633	635,913	635,756
<i>¹Of which financial assets, customer bearing the risk</i>		<i>26,206</i>	<i>23,721</i>	<i>24,198</i>
Liabilities				
Deposits by credit institutions		219,945	188,201	219,418
Deposits and borrowings from the public		223,753	211,830	199,659
Debt securities in issue		166,883	138,372	137,224
Derivatives	6	5,592	6,561	4,849
Fair value changes of the hedged items in portfolio hedge of interest rate risk		278	179	0
Current tax liabilities		518	172	2
Other liabilities		63,172	53,048	39,531
Accrued expenses and prepaid income		4,986	4,189	4,020
Deferred tax liabilities		674	722	801
Provisions		90	83	100
Subordinated liabilities		10,022	9,337	8,891
Total liabilities		695,913	612,693	614,495
Equity				
Minority interests		46	47	47
<i>Core equity</i>				
Share capital		5,000	5,000	5,000
Other reserves		3,331	4,865	4,262
Retained earnings		13,343	13,309	11,952
Total core equity		21,674	23,174	21,214
Total equity		21,720	23,221	21,261
Total liabilities and equity		717,633	635,913	635,756
Assets pledged for own liabilities		156,877	135,709	154,219
Contingent liabilities		27,909	26,333	25,166
Commitments		132,703	138,298	93,972

Other notes

Note 4 Classification of financial instruments

Note 7 Capital adequacy

Movements in equity

	Attributable to shareholders of Nordea Bank Danmark A/S			Minority interests	Total
DKKm	Share capital	Other reserves	Retained earnings		
Balance at end of year, at 31 December 2004	5,000	4,865	12,944	47	22,856
Change in accounting policies:					
IAS 39 Loan loss provisions, net of tax	-	-	360	-	360
IAS 39 Financial instruments, net of tax	-	-	5	-	5
Other opening balance issues	-	-	-	-	-
Balance at end of year, at 31 December 2004, restated	5,000	4,865	13,309	47	23,221
Net change in available-for-sale investments, net of tax	-	-	16	-	16
Currency translation differences	-	-	0	-0	0
Dividend for 2004	-	-	-3,500	-	-3,500
Transfer of share premium account	-	-1,534	1,534	-	0
Net profit for the period	-	-	1,983	-	1,983
Balance at 30 June 2005	5,000	3,331	13,343	46	21,720

	Attributable to shareholders of Nordea Bank Danmark A/S			Minority interests	Total
DKKm	Share capital	Other reserves	Retained earnings		
Balance at end of year, at 31 December 2003	5,000	4,262	10,176	-	19,438
Change in accounting policies:					
IAS 1 Minority interests	-	-	-	47	47
IAS 19 Pension, net of tax	-	-	31	-	31
IAS 10 Dividends	-	-	2,250	-	2,250
Other opening balance issues, net of tax	-	-	133	-	133
Balance at end of year, at 31 December 2003, restated	5,000	4,262	12,590	47	21,898
Currency translation differences	-	-	0	-	0
Dividend for 2003	-	-	-2,250	-	-2,250
Net profit for the period	-	-	1,613	-	1,613
Balance at 30 June 2004	5,000	4,262	11,952	47	21,261

Note 1 Accounting policies

Basis of presentation

The financial statements for Nordea Bank Danmark A/S and for the Group are prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the EU. The presentation of the interim report for 2005 is based on IAS 34 "Interim Financial Reporting" with the exception that the interim report is presented without a cash flow statement and segment reporting. All the operations of the Nordea Bank Danmark Group are integrated in the operations of the Nordea Bank AB Group, whose interim report, with segment reporting, encompasses the operations of the Nordea Bank Denmark Group in their entirety.

The disclosure requirements in IFRS 1 "First-time Adoption of International Financial Reporting Standards" have been applied when presenting the changes to the financial statements following the adoption of IFRS. In order to facilitate comparisons, opening balances as of 1 January 2005, based on IFRS, have been reported as closing balances as of 31 December 2004. The comparative figures under IFRS do not include the standard IAS 39 "Financial Instruments" in accordance with IFRS 1. This standard came into force on 1 January 2005. As Nordea has not based its relevant business operations on the principles of IAS 39 during 2004, remeasured figures would not provide meaningful information.

Changed accounting policies

In the Annual Report for 2004 the Danish Financial Supervisory Authority's rules for the presentation of financial statements by banks were applied. The main differences between the old Danish rules and IFRS are:

IAS 10, Dividend

Proposed dividend is not booked as an obligation in the yearly accounts, but is instead included in equity until the decision regarding dividend is formally adopted.

IAS 19, Pension commitment

In connection with the implementation of IFRS retirement benefit assets and retirement benefit obligations are recognised in accordance with the principles in IAS 19.

IAS 27, Consolidated and separate financial statements

Pursuant to IAS 27 and Interpretation SIC 12 a limited number of Special Purpose Entities (SPEs) are now consolidated. Consolidation is undertaken in the

instances where the relationship with Nordea Bank Danmark indicates that the SPE is subject to controlling interest.

In the financial statements for Nordea Bank Danmark A/S investments in subsidiaries and associates are measured at cost and dividends are recognised in the banks profit. Previously the equity method was applied.

IAS 28, Associated undertakings

In the consolidated accounts for the group associated undertakings are measured at the bank's share of the undertaking's net asset value (equity method). The bank's share of the associate's profits is recognised during the financial year. Previously, the profit in associated undertakings was recognised in the bank's profit at the date of the presentation of the annual accounts of the undertaking.

IAS 39, Financial instruments

Classification of financial instruments

Each financial instrument within the scope of IAS 39 has been classified into one of the following categories in accordance with the standard:

Financial assets

- Financial assets at fair value through profit or loss
 - Held for trading
 - Financial assets designated upon inception as measured at fair value through profit or loss
- Loans and receivables
- Held to maturity investments
- Available for sale financial assets

Financial liabilities

- Held for trading
- Other financial liabilities

The classification is the basis for how each financial instrument is measured in the balance sheet and how changes in its fair value are recognised.

Financial assets at fair value through profit or loss and financial liabilities held for trading are measured at fair value and changes in fair value are recognised directly in the income statement.

Financial assets classified as available for sale are also measured at fair value. However, effects of changes in interest rates are recognised directly in equity as a separate component in the consolidated financial statements. Other changes are recognised in the income statement.

Financial assets classified as loans and receivables, held to maturity investments as well as other financial liabilities are measured at amortised cost. Fee income which makes up an integral share of the financial instrument's effective interest is recognised at cost during the term to maturity.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when Nordea Bank Danmark becomes a party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flow from the financial asset expire, or when the financial asset is sold.

A financial liability is removed from the balance sheet when it is extinguished, meaning when the obligation specified in the contract is discharged, cancelled or expired.

Derivatives, quoted securities and foreign exchange transactions are recognised and derecognised using trade date accounting.

Interest income from impaired loans

Implementation of IAS 39 regarding impairment means that the interest income from impaired loans is recognised as interest income, calculated at the effective interest rate, while the value of a loan at the time of impairment is calculated based on net present value of future cash flows. This means that interest income and impairment losses are showing changes of the same magnitude. The net effect on reported profits is, however, expected to be marginal.

Loan loss provisions

Loan loss provisions are not allowed under IAS 39 based on expected loss. The standard instead requires impairment to be objectively identified in large individual loans or in groups of loans with similar risk characteristics and the loan loss provisions to be calculated by discounting of expected future cash flows.

Own bonds

Own bonds are eliminated in the consolidated financial statements of Nordea Bank Danmark. In accordance with the old accounting rules own bonds were not previously eliminated.

Hedge accounting

Following the implementation of IAS 39 all derivatives are measured at fair value, including those that are accounted for under hedge accounting requirements. Fair value hedge accounting is applied, meaning that both the hedged instrument and the hedged item are measured at fair value, with changes in fair value recognised directly in the income statement. The effectiveness of the hedging relationships is consequently measured and evaluated and any ineffectiveness is affecting the income statement.

Mortgage loans and related issued bonds

The Danish mortgage loans and closely related issued mortgage bonds in the fully owned subsidiary Nordea Kredit Realkreditaktieselskab are measured at fair value, in line with the principles applied in the subsidiary. These items have not affected the equity in the opening balance 1 January 2005. Issued Danish mortgage bonds are included in the classification category "Held for trading".

Trading income in Markets

The trading income in Markets (apart from fee income) is included in the income statement as Net gains/losses on items at fair value. Previously, trading income was split between interest and the securities and foreign exchange result.

IAS 40, Investment properties

Investment properties are measured at fair value with value adjustment directly in the income statement. Previously, investment properties were measured at cost of acquisition.

Change in accounting estimates

Previously, tangible assets of less than DKK 100,000 were written off immediately through profit or loss. As from 2005 the tax limit for immediate write-off is used (DKK 11,000 in 2005). The change is made in order to adjust the accounting policies of Nordea Bank Danmark to those of the Nordea Bank AB Group.

Effects of IFRS

The application of IFRS have had the following effects on net profit, and equity balance sheets for comparative figures:

DKKm	Jan-June 2004	Full year 2004
Net profit under Danish GAAP	1,694	3,211
IAS 19, Pension commitments	-4	+18
IAS 28, Associated companies	-51	+71
Other	-1	+1
Tax	-25	-94
Net profit under IFRS	1,613	3,208

DKKm	31 Dec 2004	30 June 2004	31 Dec 2003
Equity under Danish GAAP	19,149	21,131	19,438
IAS 1, Minority interests	+47	+47	+47
IAS 10, Dividends	+3,500	0	+2,250
IAS 18, Revenue recognition, net of tax	-58	-59	-59
IAS 19, Pension, net of tax	+49	+28	+31
IAS 28, Associated companies, net of tax	+110	+55	+133
IAS 39, Loan loss provisions, net of tax	+360	-	-
IAS 39, Financial instruments, net of tax	+5	-	-
IAS 40, Investment properties, net of tax	+53	+53	+53
Other	+6	+6	+5
Equity under IFRS	23,221	21,261	21,898

Balance sheet

DKKbn	Danish GAAP 31 Dec 2004	IAS adjustment	IFRS GAAP 31 Dec 2004
Treasury bills and other interest-bearing securities	126	-36	90
Loans and receivables to credit institutions	130	0	130
Loans and receivables to the public	352	0	352
Financial assets, customer bearing the risk	22	2	24
Derivatives	4	0	4
Other assets	11	25	36
Total assets	645	-9	636
Deposits by credit institutions	188	0	188
Deposits and borrowings from the public	212	0	212
Debt securities in issue	173	-35	138
Derivatives	6	1	7
Subordinated liabilities	9	0	9
Other liabilities and minority interests	37	21	58
Core equity	19	4	23
Total liabilities and equity	645	-9	636

Balance sheet

DKKbn	Danish GAAP 30 Jun 2004	IAS adjustment	IFRS GAAP 30 Jun 2004
Treasury bills and other interest-bearing securities	150	-29	121
Loans and receivables to credit institutions	144	0	144
Loans and receivables to the public	336	-2	334
Financial assets, customer bearing the risk	22	2	24
Derivatives	3	0	3
Other assets	10	0	10
Total assets	665	-29	636
Deposits by credit institutions	219	0	219
Deposits and borrowings from the public	200	0	200
Liabilities to policyholders	0	0	0
Debt securities in issue	166	-29	137
Derivatives	5	0	5
Subordinated liabilities	9	0	9
Other liabilities and minority interests	45	0	45
Core equity	21	0	21
Total liabilities and equity	665	-29	636

Amendment to IAS 39

In June 2005 IAS 39 was amended with rules on The Fair Value Option, that are expected to be endorsed by the EU in the autumn 2005. The overall consequence of the amended rules is that Nordea can continue to measure Danish issued mortgage bonds and the closely related mortgage loans at fair value.

The amendments are to be applied as from 1 January 2006, but earlier application is possible.

As the discussions on the amendments to IAS 39 on the hedge accounting rules are still ongoing, this consequently continues to be closely monitored by Nordea.

Exchange rates

	Jan-June 2005	Jan-Dec 2004	Jan-June 2004
EUR 1 = SEK			
Income statement (average)	9.1487	9.1276	9.1733
Balance sheet (at end of period)	9.4640	9.0153	9.1536
EUR 1 = DKK			
Income statement (average)	7.4445	7.4385	7.4441
Balance sheet (at end of period)	7.4495	7.4390	7.4330
EUR 1 = NOK			
Income statement (average)	8.1391	8.3725	8.4493
Balance sheet (at end of period)	7.9145	8.2484	8.2585

	Jan-June 2005	Jan-June 2004
Note 2 Net gains/losses on items at fair value, DKKm		
Shares/participations and other share-related instruments	224	271
Interest-bearing securities and other interest-related instruments	310	838
Foreign exchange gains/losses	35	-356
Total	569	752

	Jan-June 2005	Jan-June 2004
Note 3 Loan losses, DKKm		
Loan losses divided by category		
Write-downs and provisions for loans and receivables to the public	-616	-736
Reversals and recoveries for loans and receivables to the public	729	680
Total	113	-55
Specifications		
<i>Specific provisions for individually assessed loans</i>		
Realised loan losses during the period	-388	-433
Reversed amount of previous provisions made for realised losses during the period	311	348
This period's provisions for probable loan losses	-535	-650
Recoveries of previous periods' realised loan losses	129	88
Reversals of provisions for probable loan loss no longer required	584	559
This period's costs for individually assessed loans, net	102	-87
<i>Provisions for groups of significant loans</i>		
Allocation to reserve	0	0
Withdrawal from reserve	0	0
This period's change of provisions for groups of significant loans	0	0
<i>Provisions for groups of non-significant loans</i>		
Realised loan losses during the period	0	0
Recoveries of previous periods' realised loan losses	0	0
Allocation to reserve	0	0
Withdrawal from reserve	0	0
This period's net costs of provisions for groups of non-significant loans	0	0
<i>Transfer risks</i>		
Allocation to reserve for transfer risks	-5	-1
Withdrawal from reserve for transfer risks	16	33
This period's change of provisions for transfer risks	11	32
<i>Contingent liabilities</i>		
Net cost for redemption of guarantees and other contingent liabilities	0	0
This period's net cost for redemption of guarantees and other contingent liabilities	0	0
Change in value of assets taken over for protection of claims	0	0
Loan losses	113	-55

Note 4 Classification of financial instruments, DKKm

30 June 2005	Held for trading	Assets at fair value	Loans and receivables	Held to maturity	Available for sale	Total
Financial assets						
Cash and balances with central banks	0	0	2,815	0	0	2,815
Loans and receivables to credit institutions	116,537	0	18,390	0	0	134,927
Loans and receivables to the public	62,039	0	337,040	0	0	399,079
Interest-bearing securities	116,495	0	0	0	358	116,853
Derivatives	4,473	0	0	0	0	4,473
Shares	0	3,701	0	0	0	3,701
Financial assets, customer bearing the risk	26,206	0	0	0	0	26,206
Total	325,751	3,701	358,245	0	358	688,055

30 June 2005	Held for trading	Liabilities at fair value	Other financial liabilities	Total
Financial liabilities				
Deposits by credit institutions	91,369	0	128,575	219,945
Deposits and borrowings from the public	22,149	0	201,604	223,753
Debt securities in issue	0	0	166,883	166,883
Derivatives	5,592	0	0	5,592
Other liabilities	35,662	0	27,510	63,172
Subordinated liabilities	0	0	10,022	10,022
Total	154,772	0	534,595	689,367

Note 5 Loan portfolio and its impairment

	30 June 2005	31 Dec 2004	30 June 2004
DKKm			
Loans and receivables to credit institutions	135,674	130,808	143,846
Loans and receivables to the public	399,079	352,332	333,764
Total	534,753	483,140	477,610

Loan portfolio by categories of borrowers

30 June 2005, DKKm	Credit institutions	Corporates	Households	Public sector	Total
Loans before reserves	135,674	225,922	170,488	7,024	539,109
- of which impaired loans	0	4,035	1,205	0	5,240
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	155	96	0	251
- of which non-performing loans, which are impaired	0	1,468	317	0	1,784
- of which performing loans, which are impaired	0	2,568	888	0	3,456
Reserves	0	3,371	984	0	4,355
- of which reserves for impaired loans	0	3,371	984	0	4,355
- of which reserves for non-performing loans, which are impaired	0	804	96	0	899
- of which reserves for performing loans, which are impaired	0	2,568	888	0	3,456
Loans at book value	135,674	222,551	169,505	7,024	534,753
- of which impaired loans	0	664	221	0	885
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	155	96	0	251
- of which non-performing loans, which are impaired	0	664	221	0	885
- of which performing loans, which are impaired	0	0	0	0	0

Specification of reserves

Specific reserves for individually assessed loans	0	3,071	684	0	3,755
Reserves for groups of significant loans	0	300	100	0	400
Reserves for groups of non-significant loans	0	0	200	0	200
Total reserves	0	3,371	984	0	4,355

Note 5, continued

31 December 2004, DKKm	Credit institutions	Corporates	Households	Public sector	Total
Loans before reserves	130,808	197,948	154,145	4,947	487,848
- of which impaired loans	0	4,585	1,196	0	5,781
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	192	94	0	286
- of which non-performing loans, which are impaired	0	1,901	615	0	2,516
- of which performing loans, which are impaired	0	2,684	581	0	3,265
Reserves	0	3,748	959	0	4,707
- of which reserves for impaired loans	0	3,748	959	0	4,707
- of which reserves for non-performing loans, which are impaired	0	1,063	379	0	1,442
- of which reserves for performing loans, which are impaired	0	2,684	581	0	3,265
Loans at book value	130,808	194,200	153,185	4,947	483,140
- of which impaired loans	0	838	236	0	1,074
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	192	94	0	286
- of which non-performing loans, which are impaired	0	838	236	0	1,074
- of which performing loans, which are impaired	0	0	0	0	0

Specification of reserves

Specific reserves for individually assessed loans	0	3,448	659	0	4,107
Reserves for groups of significant loans	0	300	100	0	400
Reserves for groups of non-significant loans	0	0	200	0	200
Total reserves	0	3,748	959	0	4,707

30 June 2004, DKKm	Credit institutions	Corporates	Households	Public sector	Total
Loans before reserves	143,847	189,582	146,574	3,598	483,601
- of which impaired loans	1	6,199	1,256	0	7,456
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	204	93	0	297
- of which non-performing loans, which are impaired	0	2,930	608	0	3,538
- of which performing loans, which are impaired	1	3,269	648	0	3,918
Reserves	1	4,984	1,006	0	5,991
- of which reserves for impaired loans	1	4,984	1,006	0	5,991
- of which reserves for non-performing loans, which are impaired	0	1,715	358	0	2,073
- of which reserves for performing loans, which are impaired	1	3,269	648	0	3,918
Loans at book value	143,846	184,598	145,568	3,598	477,610
- of which impaired loans	0	1,215	250	0	1,465
- of which non-performing loans, which are not impaired and					
where interest is accrued	0	204	93	0	297
- of which non-performing loans, which are impaired	0	1,215	250	0	1,465
- of which performing loans, which are impaired	0	0	0	0	0

Note 5, continued

	30 June 2005	31 Dec 2004	30 June 2004
Reserves/impaired loans, gross, %	83	81	80
Impaired loans, gross/loans and receivables to the public, gross, %	1.3	1.6	2.2

	30 June 2005	31 Dec 2004	30 June 2004
Assets taken over for protection of claims, DKKm			
Current assets			
Land and buildings	6	7	3
Shares and other participations	0	0	0
Other assets	5	2	2
Total	11	9	5

Note 6 Derivatives, DKKm

	Assets Fair value	Liabilities Fair value	Total Nom value
30 June 2005			
Derivatives held for trading			
Interest rate derivatives	3,592	4,045	1,404,089
Equity derivatives	144	154	28,896
Foreign exchange derivatives	400	561	31,811
Other derivatives	14	43	21,423
Total	4,150	4,803	1,486,219

Derivatives used for hedging

Interest rate derivatives	321	781	35,995
Equity derivatives	0	0	0
Foreign exchange derivatives	2	8	11,090
Other derivatives	0	0	0
Total	323	789	47,085

Derivatives, total

Interest rate derivatives	3,913	4,826	1,440,084
Equity derivatives	144	154	28,896
Foreign exchange derivatives	402	569	42,901
Other derivatives	14	43	21,423
Total	4,473	5,592	1,533,304

	30 June 2005	31 Dec 2004	30 June 2004
Note 7 Capital adequacy			
Tier 1 capital, DKKm ¹	21,598	18,992	21,039
Capital base, DKKm ¹	31,086	27,851	29,389
Risk-weighted assets, DKKm	312,524	298,559	301,773
Tier 1 capital ratio, %	6.9	6.4	7.0
Total capital ratio, %	9.9	9.3	9.7

¹ Including profit for the period.

Nordea Bank Danmark A/S

Income statement

DKKm	Jan-June 2005	Jan-June 2004	Full year 2004
Operating income			
<i>Interest income</i>	6,340	5,623	11,855
<i>Interest expense</i>	-3,610	-3,002	-6,354
Net interest income	2,731	2,621	5,501
<i>Fee and commission income</i>	1,938	1,585	3,294
<i>Fee and commission expense</i>	-387	-281	-582
Net fee and commission income	1,551	1,305	2,712
Net gains/losses on items at fair value	636	793	1,079
Dividends and profit from group companies and associated companies	362	326	482
Dividends	4	5	5
Other operating income	306	295	592
Total operating income	5,590	5,344	10,370
Operating expenses			
General administrative expenses:			
Staff costs	-2,077	-2,012	-4,191
Other expenses	-1,154	-1,048	-2,284
Depreciation, amortisation and impairment charges of tangible and intangible assets	-41	-70	-159
Total operating expenses	-3,272	-3,130	-6,634
Loan losses	132	-24	158
Operating profit	2,450	2,190	3,894
Income tax expense	-675	-704	-1,291
Net profit	1,775	1,486	2,603

Nordea Bank Danmark A/S

Balance sheet

DKKm	30 June 2005	31 Dec 2004	30 June 2004
Assets			
Cash and balances with central banks	2,815	2,725	2,256
Loans and receivables to credit institutions	141,380	109,890	145,504
Loans and receivables to the public	222,524	190,455	184,593
Interest-bearing securities	143,394	125,799	148,463
Shares	3,696	1,419	2,196
Derivatives	4,473	4,366	2,991
Fair value changes of the hedged items in portfolio hedge of interest rate risk	747	731	0
Shares in associated undertakings	426	414	444
Shares in subsidiaries	6,248	6,248	6,281
Intangible assets	45	41	30
Tangible assets	136	138	172
Investment property	26	25	25
Retirement benefit assets	107	71	60
Prepaid expenses and accrued income	2,334	3,853	3,810
Other assets ¹	50,787	47,051	23,354
Total assets	579,138	493,226	520,180
<i>¹Of which financial assets, customer bearing the risk</i>	<i>25,305</i>	<i>22,583</i>	<i>22,471</i>
Liabilities			
Deposits by credit institutions	254,797	191,640	241,148
Deposits and borrowings from the public	224,208	212,370	200,521
Debt securities in issue	344	415	4,979
Derivatives	5,537	5,829	4,924
Fair value changes of the hedged items in portfolio hedge of interest rate risk	278	179	0
Current tax liabilities	530	197	46
Other liabilities	62,479	52,558	38,891
Accrued expenses and prepaid income	2,819	825	2,290
Deferred tax liabilities	674	722	801
Provisions	85	83	100
Subordinated liabilities	10,022	9,337	8,891
Total liabilities	561,775	474,154	502,589
<i>Core equity</i>			
Share capital	5,000	5,000	5,000
Other reserves	0	1,534	1,534
Retained earnings	12,364	12,538	11,055
Total core equity	17,364	19,072	17,590
Total equity	17,364	19,072	17,590
Total liabilities and equity	579,138	493,226	520,180

DKKm	Attributable to shareholders of Nordea Bank Danmark A/S			Minority interests	Total
	Share capital	Other reserves	Retained earnings		
Balance at end of year, at 31 December 2004	5,000	2,137	11,570	-	18,707
Change in accounting policies:					
Transfer of subsidiary reserves	-	-603	603	-	0
IAS 39 Loan loss provisions, net of tax	-	-	360	-	360
IAS 39 Financial instruments, net of tax	-	-	5	-	5
Other opening balance issues	-	-	-	-	-
Balance at end of year, at 31 December 2004, restated	5,000	1,534	12,538	0	19,072
Net change in available-for-sale investments, net of tax	-	-	16	-	16
Currency translation differences	-	-	0	0	0
Dividend for 2004	-	-	-3,500	-	-3,500
Transfer of share premium account	-	-1,534	1,534	-	0
Net profit for the period	-	-	1,775	-	1,775
Balance at 30 June 2005	5,000	0	12,364	0	17,364

DKKm	Attributable to shareholders of Nordea Bank Danmark A/S			Minority interests	Total
	Share capital	Other reserves	Retained earnings		
Balance at end of year, at 31 December 2003	5,000	4,262	10,176	-	19,438
Change in accounting policies:					
Transfer of subsidiary reserves	-	-2,728	2,728	-	0
IAS 27 Consolidation	-	-	-3,498	-	-3,498
IAS 19 Pension, net of tax	-	-	31	-	31
IAS 10 Dividends	-	-	2,250	-	2,250
Other opening balance issues, net of tax	-	-	133	-	133
Balance at end of year, at 31 December 2003, restated	5,000	1,534	11,820	0	18,354
Currency translation differences	-	-	0	-	0
Dividend for 2003	-	-	-2,250	-	-2,250
Net profit for the period	-	-	1,486	-	1,486
Balance at 30 June 2004	5,000	1,534	11,055	0	17,590

	30 June 2005	31 Dec 2004	30 June 2004
Capital adequacy			
Tier 1 capital, DKKm ¹	21,584	18,995	21,039
Capital base, DKKm	31,072	27,853	29,389
Risk-weighted assets, DKKbn	288,686	273,888	278,286
Tier 1 capital ratio, %	7.5	6.9	7.6
Total capital ratio, %	10.8	10.2	10.6

¹ Including profit for the period