



Interim Report January-June 2011

Nordea Bank Danmark

Business registration number 13522197

Nordea Bank Danmark A/S is part of the Nordea Group. Nordea's vision is to be a Great European bank, acknowledged for its people, creating superior value for customers and shareholders. We are making it possible for our customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has around 11 million customers, approx 1,400 branch offices and is among the ten largest universal banks in Europe in terms of total market capitalisation. The Nordea share is listed on the NASDAQ OMX Nordic Exchange in Stockholm, Helsinki and Copenhagen.

Contents

Directors' report	3
Key financial figures	6
Income statement	7
Statement of comprehensive income . .	7
Balance sheet	8
Statement of changes in equity	9
Cash flow statement	11
Notes to the financial statements	12
Statement by the Board of Directors and the Executive Management	22

The following is a translation of the Danish original document. The original Danish text is the governing text for all purposes and in case of any discrepancy the Danish wording is applicable.

Nordea Bank Danmark Group Directors' Report

Result summary January-June 2011

The NBD Group's operating profit increased by 46% compared to the same period in 2010 and reached DKK 2.2bn (DKK 1.5bn) (the comparative figures in brackets refer to the first half of 2010). Net profit increased by 38% to DKK 1.6bn (DKK 1.2bn).

In the first half-year total operating income was DKK 8.9bn (DKK 8.6bn), which is an increase of 4% compared to the same period last year. Total operating expenses increased by 9% to DKK 5.7bn (DKK 5.2bn). Net loan losses decreased by DKK 0.9bn to DKK 1.0bn.

Income

Total operating income increased by 4% to DKK 8.9bn (DKK 8.6bn), which is related to increased net interest income and net fee and commission income.

Net interest income increased by 3% to DKK 5.6bn (DKK 5.5bn). The increase was mainly driven by increased lending volumes on household and corporate customers and increased volumes of the short-term bond portfolio in Group Treasury. The level of deposit margins from household customers increased, but was partly offset by decreased lending margins on corporate customers. Loans to the public excluding reverse repurchase agreements increased by 4% to DKK 586bn (DKK 566bn). Deposits from the public excluding repurchase agreements increased by 3% to DKK 299bn (DKK 291bn).

Net fee and commission income increased by 21% to DKK 2.3bn (DKK 1.9bn), primarily related to lending and savings related commissions. Lending related commissions increased by 33% to DKK 0.5bn, mainly due to higher business activity. Savings related commissions increased by 24% to DKK 1.5bn, mainly due to higher asset management commissions and brokerage. Total

commission expenses at DKK 0.2bn remained unchanged.

Net result from items at fair value decreased by DKK 0.1bn to DKK 0.6bn. Improved results in Group Treasury's fixed income and equity portfolio were more than offset by a somewhat lower performance in the customer-driven Capital Markets Products and a negative fair value adjustment of the unlisted private equity company Axcel III.

Profit from companies accounted for under the equity method decreased to DKK 0.1bn from DKK 0.2bn in the same period last year. The decrease is primarily related to the associated companies Nets Holding A/S and LR Realkredit A/S. In May 2011 NBD purchased Nordea Bank Norge ASA's 5% share of Nets Holding A/S at fair value. NBD's total holding of Nets Holding A/S is 21%.

Other operating income at DKK 0.3bn remained unchanged.

Expenses

Total operating expenses increased by 9% to DKK 5.7bn (DKK 5.2bn). Group strategic initiatives are the main reason for the increase.

Staff costs increased by 9% to DKK 3.1bn (DKK 2.9bn) due to the yearly salary adjustments in July 2010 and April 2011, higher number of FTEs and refund of payroll tax in 2010. The number of FTEs at the end of June 2011 increased by 2% compared to one year ago due to insourcing of IT operations. Other expenses increased to DKK 1.8bn (DKK 1.6bn) due to increased IT costs, premises and consulting expenses and lower VAT refunds.

Other operating expenses at DKK 0.7bn remained unchanged. In 2011 other operating expenses cover an estimated loss to the Danish deposit

Throughout this report, "Nordea Bank Danmark" and "NBD" refer to the parent company Nordea Bank Danmark A/S, business registration number 13522197, and its subsidiaries. The registered office of the company is in Copenhagen. Nordea Bank Danmark A/S is a wholly owned subsidiary of Nordea Bank AB (publ), the listed parent company of the whole Nordea Group. The Second Quarter Report 2011 for Nordea Bank AB (publ) is available on nordea.com.

The consolidated interim report of Nordea Bank AB (publ) embraces all the activities of the Nordea Group and provides the most complete and fair view. This statutory interim report covers the operations of the legal entity Nordea Bank Danmark A/S with its subsidiaries.

guarantee fund at DKK 0.7bn in connection with the bankruptcy of Amagerbanken and Fjordbank Mors. The expected dividend for Amagerbanken is 66%. NBD's share of the Danish deposit guarantee fund was approximately 19% at the end of June. Other operating expenses in 2010 consisted of the guarantee commission for the Danish state guarantee scheme under Bank Package I.

The cost/income ratio increased to 64% compared to 61% in the first half of 2010.

Net loan losses

Net loan losses decreased by 45% or DKK 0.9bn to DKK 1.0bn. The decrease was primarily due to a decrease in net loan losses regarding collectively assessed loans by DKK 0.7bn and a decrease regarding a provision related to the Danish guarantee scheme (Bank Package I) by DKK 0.4bn. The decrease was partly offset by an increase in net loan losses regarding individually assessed loans by DKK 0.2bn.

Net loan losses as well as impaired loans continue to stem from a large number of smaller and medium-sized exposures.

Income tax expense

Income tax expense was DKK 0.5bn (DKK 0.3bn). The effective tax rate was 25% compared to 20% in the first half of last year. In 2010 the effective tax rate was positively affected by a change in earlier years' taxable income and high non-taxable income from companies accounted for under the equity method.

Net profit

Net profit for the period increased by 38% to DKK 1.6bn (DKK 1.2bn), corresponding to a return on equity of 10.3% compared to 7.9% in the first half of last year.

Credit portfolio

Loans to the public excluding reverse repurchase agreements increased by 1% to DKK 586bn compared to the end of 2010. Loans to the public including reverse repurchase agreements decreased by 9%. The share of lending to corporate customers was 54%.

Impaired loans, gross in the NBD Group increased by 5% to DKK 13.9bn compared to

year-end 2010, corresponding to 204 basis points of total loans. 68% of impaired loans, gross are performing loans and 32% are non-performing loans.

Impaired loans, net, after allowances for individually assessed impaired loans, amounted to DKK 8.1bn (DKK 8.0bn at the end of 2010), corresponding to 119 basis points of total loans.

Repurchase agreements and reverse repurchase agreements

In the fourth quarter 2010 it was decided that all repurchase agreements and reverse repurchase agreements in Capital Markets Products should be executed from Nordea Bank Finland. Consequently, in NBD repurchase agreements decreased by DKK 98bn to DKK 31bn and reverse repurchase agreements decreased by DKK 100bn to DKK 61bn compared to the end of 2010.

Capital position and capital management

At the end of June 2011 the NBD Group's risk-weighted assets (RWA) were DKK 300bn compared to DKK 310bn at the end of 2010. The decrease was primarily related to lower RWAs on credit risk.

In order to strengthen the capital base a subordinated loan of EUR 1.45bn (approximately DKK 10.8bn) was issued in February 2011 and included in the tier 2 capital. The subordinated loan affected the total capital ratio by approximately 3.5% points.

The tier 1 capital ratio was 9.6% (end of 2010: 8.9%) and the total capital ratio was 16.1% (end of 2010: 11.9%) including result for the period.

Under Danish law the NBD Group must publish its Individual Solvency Need report on a quarterly basis. For further information, see nordea.com/investor+relations.

Funding ratio

Nordea Bank Danmark continues to have a strong funding position with surplus of deposits. The stable funding ratio for the bank calculated in accordance with definitions of the FSA Diamond was 0.81 (end of 2010 the ratio was 0.82). If all Nordea Group internal funding (including equity) is excluded, the stable funding ratio was 0.97 (end of 2010 the ratio was 0.94).

Changes in the Executive Management

A new Nordea organisation was implemented on 1 June 2011. The new organisation builds on the value-chain thinking that has been central in the Nordea operating model since 2007. The reorganisation was developed around the three main business areas: Retail Banking, Wholesale Banking and Wealth Management. All parts of the value chains - customer responsibility, support, products, staff and IT development - are incorporated into these business areas with the clear objective to improve efficiency, increase ROE and deepen the customer relationship.

In connection with the reorganisation Peter Schütze decided to retire and Michael Rasmussen was appointed chairman of the Executive Management.

Risk and uncertainties

For information on risk and uncertainties, see note 10.

Ratings

The ratings for Nordea Bank Danmark A/S are unchanged except for Moody's long-term rating that changed one notch from Aa2 to Aa3 following a change of view from Moody's upon the Danish banking sector. Nordea Kredit continues to have the highest ratings for covered bonds by Moody's and Standard & Poor's.

Key financial figures

Income statement (DKK m)	Group			Parent		
	Jan-Jun 2011	Jan-Jun 2010	Change %	Jan-Jun 2011	Jan-Jun 2010	Change %
Net interest income	5,625	5,480	3	4,312	4,235	2
Net fee and commission income	2,315	1,921	21	2,540	2,093	21
Net result from items at fair value	633	678	-7	796	761	5
Equity method	66	178	-63	-	-	-
Other operating income	285	339	-16	783	628	25
Total operating income	8,924	8,596	4	8,431	7,717	9
Staff costs	-3,133	-2,878	9	-3,024	-2,718	11
Other expenses	-1,800	-1,561	15	-1,760	-1,437	22
Depreciation of tangible and intangible assets	-115	-110	5	-105	-75	40
Other operating expenses	-652	-675	-3	-652	-675	-3
Total operating expenses	-5,700	-5,224	9	-5,541	-4,905	13
Profit before loan losses	3,224	3,372	-4	2,890	2,812	3
Net loan losses	-1,030	-1,873	-45	-919	-1,745	-47
Operating profit	2,194	1,499	46	1,971	1,067	85
Income tax expense	-545	-302	80	-491	-171	187
Net profit for the period	1,649	1,197	38	1,480	896	65

Business volumens, key items¹

DKK bn	Group					Parent				
	30 Jun 2011	30 Jun 2010	Change %	31 Dec 2010	Change %	30 Jun 2011	30 Jun 2010	Change %	31 Dec 2010	Change %
Loans to the public	615	695	-11	679	-9	292	383	-24	361	-19
Deposits and borrowings from the public	302	356	-15	347	-13	305	357	-15	348	-12
of which savings deposits	218	216	1	225	-3	218	216	1	225	-3
Equity	31	31	2	33	-5	22	22	-3	24	-8
Total assets	807	1,077	-25	997	-19	614	872	-30	892	-31

¹ For exchange rates used in the consolidation of NBD Group, see Note 1.

Ratios and key figures (%)	Group		Parent	
	Jan-Jun 2011	Jan-Jun 2010	Jan-Jun 2011	Jan-Jun 2010
Return on equity	10.3	7.9	13.0	8.0
Cost/income ratio	64	61	66	64
Tier 1 capital ratio ¹	9.6	9.2	9.6	9.2
Total capital ratio ¹	16.1	12.3	16.4	12.7
Tier 1 capital ¹ , DKK m	28,739	29,035	28,100	28,231
Risk-weighted assets, DKK bn	300	314	293	306
Loan loss ratio, basis points	30.3	55.9	50.9	94.6
Number of employees (full-time equivalents)	8,081	7,928	7,741	7,622

¹ End of period including result for the period.

Income statement

DKK m	Note	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Operating income							
Interest income		12,574	14,003	27,280	7,439	8,672	16,990
Interest expenses		-6,949	-8,523	-15,639	-3,127	-4,437	-7,920
Net interest income		5,625	5,480	11,641	4,312	4,235	9,070
Fee and commission income		2,526	2,151	4,535	2,709	2,256	4,755
Fee and commission expenses		-211	-230	-506	-169	-163	-364
Net fee and commission income	2	2,315	1,921	4,029	2,540	2,093	4,391
Net result from items at fair value	3	633	678	1,628	796	761	1,108
Profit from companies accounted for under the equity method		66	178	219	-	-	-
Dividends		-	-	-	476	199	203
Other operating income		285	339	774	307	429	921
Total operating income		8,924	8,596	18,291	8,431	7,717	15,693
Operating expenses							
General administrative expenses:	4						
Staff costs		-3,133	-2,878	-6,001	-3,024	-2,718	-5,733
Other expenses		-1,800	-1,561	-3,086	-1,760	-1,437	-2,930
Depreciation, amortisation and impairment charges of tangible and intangible assets		-115	-110	-235	-105	-75	-180
Other operating expenses		-652	-675	-1,013	-652	-675	-1,013
Total operating expenses		-5,700	-5,224	-10,335	-5,541	-4,905	-9,856
Profit before loan losses		3,224	3,372	7,956	2,890	2,812	5,837
Net loan losses	5	-1,030	-1,873	-3,399	-919	-1,745	-3,172
Operating profit		2,194	1,499	4,557	1,971	1,067	2,665
Income tax expenses		-545	-302	-1,077	-491	-171	-566
Net profit for the period		1,649	1,197	3,480	1,480	896	2,099
Attributable to:							
Shareholder of Nordea Bank Danmark A/S		1,649	1,197	3,480	1,480	896	2,099
Non-controlling interests		-	-	-	-	-	-
Total		1,649	1,197	3,480	1,480	896	2,099

Statement of comprehensive income

DKK m	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Net profit for the period	1,649	1,197	3,480	1,480	896	2,099
Currency translation differences during the period	7	18	16	-	-	-
Available-for-sale investments:						
Valuation gains/losses during the period	-	-	-	-	-	-
Tax on valuation gains/losses during the period	-	-	-	-	-	-
Other comprehensive income, net of tax	7	18	16	-	-	-
Total comprehensive income	1,656	1,215	3,496	1,480	896	2,099
Attributable to:						
Shareholder of Nordea Bank Danmark A/S	1,656	1,215	3,496	1,480	896	2,099
Non-controlling interests	-	-	-	-	-	-
Total	1,656	1,215	3,496	1,480	896	2,099

Balance sheet

DKKm	Note	30 Jun 2011	Group 31 Dec 2010	30 Jun 2010	30 Jun 2011	Parent 31 Dec 2010	30 Jun 2010
Assets							
Cash and balances with central banks		2,704	3,213	5,422	2,704	3,213	5,422
Loans to credit institutions	6	60,101	77,898	135,162	93,977	148,437	148,272
Loans to the public	6	614,948	679,315	694,837	292,233	361,114	383,043
Interest-bearing securities		75,895	99,833	114,494	103,687	160,121	148,134
Financial instruments pledged as collateral		4,548	21,479	70,444	56,286	34,896	109,316
Shares		17,425	16,949	15,509	17,030	16,392	15,500
Derivatives		3,817	4,631	3,335	3,817	4,631	3,334
Fair value changes of the hedged items in portfolio hedge of interest rate risk		218	305	446	218	305	446
Investments in group undertakings		-	-	-	16,591	16,579	16,414
Investments in associated undertakings		868	521	472	556	160	151
Intangible assets		2,900	2,791	2,378	2,872	2,761	2,339
Property and equipment		647	683	551	382	379	263
Investment property		281	199	133	49	43	41
Deferred tax assets		150	150	391	-	-	-
Current tax assets		815	1,071	1,916	1,004	1,279	2,322
Retirement benefit assets		176	173	158	176	173	158
Other assets		19,527	84,162	27,349	19,319	138,455	31,821
Prepaid expenses and accrued income		2,426	3,358	3,847	3,020	3,323	4,557
Total assets		807,446	996,731	1,076,844	613,921	892,261	871,533
<i>Of which assets customer bearing the risk</i>		<i>28,466</i>	<i>31,972</i>	<i>26,636</i>	<i>28,466</i>	<i>31,972</i>	<i>26,636</i>
Liabilities							
Deposits by credit institutions		153,416	239,805	332,525	208,583	277,900	372,669
Deposits and borrowings from the public		301,989	346,942	356,120	304,784	348,020	356,505
Debt securities in issue		250,588	271,709	246,547	-	-	11,170
Derivatives		7,421	7,077	6,562	7,421	7,077	6,562
Fair value changes of the hedged items in portfolio hedge of interest rate risk		-	-	81	-	-	81
Current tax liabilities		189	172	169	208	170	181
Other liabilities		35,570	78,316	84,736	47,112	219,455	85,091
Accrued expenses and prepaid income		5,338	7,307	7,109	2,611	3,750	4,459
Deferred tax liabilities		802	801	654	39	39	53
Provisions		482	2,079	2,105	1,040	2,678	2,801
Retirement benefit obligations		34	37	42	34	37	42
Subordinated liabilities		20,325	9,504	9,497	20,325	9,504	9,497
Total liabilities		776,154	963,749	1,046,147	592,157	868,630	849,111
Equity							
Non-controlling interests		25	26	26	-	-	-
Share capital		5,000	5,000	5,000	5,000	5,000	5,000
Other reserves		-1	-8	-6	-	-	-
Proposed dividends		-	3,350	-	-	3,350	-
Retained earnings		26,268	24,614	25,677	16,764	15,281	17,422
Total equity		31,292	32,982	30,697	21,764	23,631	22,422
Total liabilities and equity		807,446	996,731	1,076,844	613,921	892,261	871,533
Assets pledged as security for own liabilities		282,083	460,909	464,361	87,912	171,009	274,847
Other assets pledged		-	-	-	-	-	-
Contingent liabilities		28,922	31,093	33,610	114,763	125,321	128,370
Credit commitments ¹		175,196	176,798	182,093	182,690	184,105	189,086

¹ Including unutilised portion of approved overdraft facilities of DKK 142m (31 Dec 2010: 139m, 30 Jun 2010: 145m) for the group and DKK 151m (31 Dec 2010: 150m, 30 Jun 2010: 157m) for the parent.

Statement of changes in equity

Group

DKKm	Attributable to the shareholder of Nordea Bank Danmark A/S						Non-controlling interests	Total equity
	Share capital	Translation of foreign operations	Other reserves Available-for-sale investments	Proposed dividends	Retained earnings	Total		
Opening balance at 1 Jan 2011	5,000	-8	-	3,350	24,614	32,956	26	32,982
Total comprehensive income	-	7	-	-	1,649	1,656	-	1,656
Share-based payments	-	-	-	-	4	4	-	4
Dividends paid	-	-	-	-3,350	-	-3,350	-	-3,350
Proposed dividends	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-1	-1
Closing balance at 30 Jun 2011	5,000	-1	-	-	26,268	31,267	25	31,292
Opening balance at 1 Jan 2010	5,000	-24	-	750	24,469	30,195	26	30,221
Total comprehensive income	-	16	-	-	3,480	3,496	-	3,496
Share-based payments	-	-	-	-	16	16	-	16
Dividends paid	-	-	-	-750	-	-750	-	-750
Proposed dividends	-	-	-	3,350	-3,350	-	-	-
Other changes	-	-	-	-	-	-	-	-
Closing balance at 31 Dec 2010	5,000	-8	-	3,350	24,614	32,956	26	32,982
Opening balance at 1 Jan 2010	5,000	-24	-	750	24,469	30,195	26	30,221
Total comprehensive income	-	18	-	-	1,197	1,215	-	1,215
Share-based payments	-	-	-	-	11	11	-	11
Dividends paid	-	-	-	-750	-	-750	-	-750
Proposed dividends	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Closing balance at 30 Jun 2010	5,000	-6	-	-	25,677	30,671	26	30,697

Parent company

DKKm	Share capital ¹	Other reserves		Proposed dividends	Retained earnings	Total equity
		Translation of foreign operations	Available-for-sale investments			
Opening balance at 1 Jan 2011	5,000	-	-	3,350	15,281	23,631
Total comprehensive income	-	-	-	-	1,480	1,480
Share-based payments	-	-	-	-	4	4
Dividends paid	-	-	-	-3,350	-	-3,350
Proposed dividends	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Closing balance at 30 Jun 2011	5,000	-	-	-	16,764	21,764
Opening balance at 1 Jan 2010	5,000	-	-	750	16,515	22,265
Total comprehensive income	-	-	-	-	2,099	2,099
Share-based payments	-	-	-	-	16	16
Dividends paid	-	-	-	-750	-	-750
Proposed dividends	-	-	-	3,350	-3,350	-
Other changes	-	-	-	-	-	-
Closing balance at 31 Dec 2010	5,000	-	-	3,350	15,281	23,631
Opening balance at 1 Jan 2010	5,000	-	-	750	16,515	22,265
Total comprehensive income	-	-	-	-	896	896
Share-based payments	-	-	-	-	11	11
Dividends paid	-	-	-	-750	-	-750
Proposed dividends	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Closing balance at 30 Jun 2010	5,000	-	-	-	17,422	22,422

¹ Total shares registered were 50 million (31 Dec 2010: 50 million, 30 Jun 2010: 50 million).

Reporting to the Danish Financial Supervisory Authority at 30 June 2011 (DKK m)

Equity	Group	Parent
Interim report January-June 2011	31,292	21,764
Adjustments:		
- Non-controlling interests ¹	1,241	-
- Fair value adjustment of owner-occupied property	20	20
- Retirement benefit assets	-71	-71
- Difference between cost and net asset value in subsidiaries and associates	-	9,503
Reported to the Danish FSA as at June 2011	32,482	31,216
Result		
Interim report January-June 2011	1,649	1,480
Adjustments:		
- Difference between profit from companies accounted for under the equity method and dividends	-	169
Reported to the Danish FSA for the period January-June 2011	1,649	1,649

¹ Non-controlling interests relate primarily to a special reserve in an associated undertaking.

Cash flow statement

DKKm	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Operating activities						
Operating profit	2,194	1,499	4,557	1,971	1,067	2,665
Adjustments for items not included in cash flow	1,202	2,034	3,538	1,021	1,905	3,335
Income taxes paid	-271	-384	-152	-178	-319	304
Cash flow from operating activities before changes in operating assets and liabilities	3,125	3,149	7,943	2,814	2,653	6,304
Changes in operating assets and liabilities	-3,956	-6,058	-2,234	21,485	12,980	14,001
Cash flow from operating activities	-831	-2,909	5,709	24,299	15,633	20,305
Investing activities						
Sale/acquisition of business operations	-	-	-335	-	-	1,813
Sale/acquisition of group undertakings	-	-	-	-10	-6,062	-6,072
Sale/acquisition of associated undertakings	-399	-2	-8	-399	-32	-39
Property and equipment	-74	-9	-229	-63	-19	-205
Intangible assets	-159	-147	-359	-155	-1,438	-352
Cash flow from investing activities	-632	-158	-931	-627	-7,551	-4,855
Financing activities						
Issued/redeemed/amortised subordinated liabilities	10,821	9	16	10,821	9	16
Dividend paid	-3,350	-750	-750	-3,350	-750	-750
Cash flow from financing activities	7,471	-741	-734	7,471	-741	-734
Cash flow for the period	6,008	-3,808	4,044	31,143	7,341	14,716
Cash and cash equivalents at beginning of period	17,079	13,035	13,035	28,668	13,952	13,952
Cash and cash equivalents at end of period	23,087	9,228	17,079	59,811	21,293	28,668
Change	6,008	-3,808	4,044	31,143	7,341	14,716

	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Cash and cash equivalents						
The following items are included in cash and cash equivalents (DKKm):						
Cash and balances with central banks	2,704	5,422	3,213	2,704	5,422	3,213
Loans to credit institutions, payable on demand	20,383	3,806	13,866	57,107	15,871	25,455

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:

- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available at any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes to the financial statements

Note 1 Accounting policies

The financial statements of Nordea Bank Danmark A/S and the consolidated financial statements for the Group are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the EU Commission, and additional Danish disclosure requirements for interim reports laid down in the Danish IFRS Executive Order on financial services enterprises issued pursuant to the Danish Financial Business Act.

These statements are presented in accordance with IAS 34 "Interim Financial Reporting".

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2010 Annual Report.

The financial statements have not been reviewed or audited.

Exchange rates

	Jan-Jun 2011	Jan-Dec 2010	Jan-Jun 2010
EUR 1 = DKK			
Income statement (average)	7.4561	7.4472	7.4422
Balance sheet (at end of period)	7.4587	7.4535	7.4488
EUR 1 = SEK			
Income statement (average)	8.9390	9.5463	9.7965
Balance sheet (at end of period)	9.1739	8.9655	9.5259
EUR 1 = NOK			
Income statement (average)	7.8252	8.0080	8.0119
Balance sheet (at end of period)	7.7875	7.8000	7.9725

Note 2 Net fee and commission income

DKKm	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Asset Management commissions	432	357	764	432	357	764
Life insurance	16	17	35	16	17	35
Brokerage	934	739	1,581	929	731	1,564
Custody	90	74	145	90	74	145
Deposits	12	11	23	12	11	23
Total savings-related commissions	1,484	1,198	2,548	1,479	1,190	2,531
Payments	206	242	447	206	201	405
Cards	157	142	289	155	140	284
Total payment commissions	363	384	736	361	341	689
Lending	318	174	410	274	103	250
Guarantees and document payments	187	206	409	446	476	940
Total lending-related commissions	505	380	819	720	579	1,190
Other commission income	174	189	432	149	146	345
Fee and commission income	2,526	2,151	4,535	2,709	2,256	4,755
Payment expenses	-89	-74	-148	-85	-68	-139
Other commission expenses	-122	-156	-358	-84	-95	-225
Fee and commission expenses	-211	-230	-506	-169	-163	-364
Net fee and commission income	2,315	1,921	4,029	2,540	2,093	4,391

Note 3

Net result from items at fair value

DKKkm	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Shares/participations and other share-related instruments	392	381	1,512	469	369	737
Interest-bearing securities and other interest-related instruments	615	1,165	1,560	705	1,258	1,825
Other financial instruments	-464	-835	-1,620	-472	-835	-1,649
Foreign exchange gains/losses	97	-31	191	96	-31	198
Investment properties	-7	-2	-15	-2	0	-3
Total	633	678	1,628	796	761	1,108

Note 4

General administrative expenses

DKKkm	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Staff	-3,133	-2,878	-6,001	-3,024	-2,718	-5,733
Information technology ¹	-707	-571	-1,257	-698	-562	-1,237
Marketing and entertainment	-80	-80	-177	-77	-78	-175
Postage, transportation, telephone and office expenses	-179	-207	-382	-173	-200	-370
Rents, premises and real estate expenses	-460	-408	-857	-462	-407	-856
Other	-374	-295	-413	-350	-190	-292
Total	-4,933	-4,439	-9,087	-4,784	-4,155	-8,663

¹ Refers to IT operations, service expenses and consultant fees.

Note 5

Net loan losses

DKKkm	Jan-Jun 2011	Group Jan-Jun 2010	Full year 2010	Jan-Jun 2011	Parent Jan-Jun 2010	Full year 2010
Loan losses divided by class						
Loans to credit institutions	0	0	0	0	0	0
Loans to the public	-926	-1,407	-2,527	-857	-1,169	-2,284
- of which provisions	-1,886	-2,006	-3,999	-1,621	-1,646	-3,394
- of which write-offs	-805	-564	-1,610	-724	-486	-1,416
- of which allowances used for covering write-offs	716	436	1,353	642	370	1,180
- of which reversals	959	646	1,565	758	528	1,215
- of which recoveries	90	81	164	88	65	131
Off-balance sheet items ¹	-104	-466	-872	-62	-576	-887
Total	-1,030	-1,873	-3,399	-919	-1,745	-3,172

¹ Included in Provisions in the balance sheet.

Key ratios

Loan loss ratio, basis points ¹	30.3	55.9	50.8	50.9	94.6	86.0
- of which individual	39.4	44.1	49.8	67.4	72.8	84.0
- of which collective	-9.1	11.8	1.0	-16.5	21.9	2.0

¹ Net loan losses (annualised) divided by opening balance of loans to the public (lending).

Note 6

Loans and their impairment

Group

	30 Jun 2011	Total 31 Dec 2010	30 Jun 2010
DKKm			
Loans, not impaired	668,579	751,199	826,153
Impaired loans:	13,901	13,236	10,935
- Performing	9,487	9,386	7,138
- Non-performing	4,414	3,850	3,797
Loans before allowances	682,480	764,435	837,088
Allowances for individually assessed impaired loans	-5,769	-5,247	-4,786
- Performing	-3,332	-3,153	-2,841
- Non-performing	-2,437	-2,094	-1,945
Allowances for collectively assessed impaired loans	-1,662	-1,975	-2,303
Allowances	-7,431	-7,222	-7,089
Loans, carrying amount	675,049	757,213	829,999

	Credit institutions			The public		
	30 Jun 2011	31 Dec 2010	30 Jun 2010	30 Jun 2011	31 Dec 2010	30 Jun 2010
DKKm						
Loans, not impaired	60,101	77,898	135,162	608,478	673,301	690,991
Impaired loans:	-	-	-	13,901	13,236	10,935
- Performing	-	-	-	9,487	9,386	7,138
- Non-performing	-	-	-	4,414	3,850	3,797
Loans before allowances	60,101	77,898	135,162	622,379	686,537	701,926
Allowances for individually assessed impaired loans	-	-	-	-5,769	-5,247	-4,786
- Performing	-	-	-	-3,332	-3,153	-2,841
- Non-performing	-	-	-	-2,437	-2,094	-1,945
Allowances for collectively assessed impaired loans	0	0	-	-1,662	-1,975	-2,303
Allowances	0	0	-	-7,431	-7,222	-7,089
Loans, carrying amount	60,101	77,898	135,162	614,948	679,315	694,837

Allowances and provisions

	30 Jun 2011	31 Dec 2010	30 Jun 2010
DKKm			
Allowances for items in the balance sheet	-7,431	-7,222	-7,089
Provisions for off-balance-sheet items	-253	-2,042	-2,041
Total allowances and provisions	-7,684	-9,264	-9,130

Key ratios (basis points)

Impairment rate, gross ¹	203.7	173.1	130.6
Impairment rate, net ²	119.2	104.5	73.5
Total allowance rate ³	108.9	94.5	84.7
Allowances in relation to impaired loans ⁴ , %	41.5	39.6	43.8
Total allowances in relation to impaired loans ⁵ , %	53.5	54.6	64.8
Non-performing loans, not impaired ⁶ , DKKm	1,551	1,250	1,283

¹ Individually assessed impaired loans before allowances divided by total loans before allowances.

² Individually assessed impaired loans after allowances divided by total loans before allowances.

³ Total allowances divided by total loans before allowances.

⁴ Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

⁵ Total allowances divided by total impaired loans before allowances.

⁶ Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 6

Loans and their impairment *(continued)*

Parent company

DKKm	30 Jun 2011	Total 31 Dec 2010	30 Jun 2010
Loans, not impaired	384,439	507,683	530,257
Impaired loans:	8,204	8,082	7,026
- Performing	4,946	5,085	4,160
- Non-performing	3,258	2,997	2,866
Loans before allowances	392,643	515,765	537,283
Allowances for individually assessed impaired loans	-5,045	-4,579	-4,116
- Performing	-2,608	-2,484	-1,763
- Non-performing	-2,437	-2,095	-2,353
Allowances for collectively assessed impaired loans	-1,388	-1,636	-1,852
Allowances	-6,433	-6,215	-5,968
Loans, carrying amount	386,210	509,551	531,315

DKKm	Credit institutions			The public		
	30 Jun 2011	31 Dec 2010	30 Jun 2010	30 Jun 2011	31 Dec 2010	30 Jun 2010
Loans, not impaired	93,977	148,437	148,272	290,462	359,246	381,985
Impaired loans:	-	-	-	8,204	8,082	7,026
- Performing	-	-	-	4,946	5,085	4,160
- Non-performing	-	-	-	3,258	2,997	2,866
Loans before allowances	93,977	148,437	148,272	298,666	367,328	389,011
Allowances for individually assessed impaired loans	-	-	-	-5,045	-4,579	-4,116
- Performing	-	-	-	-2,608	-2,484	-1,763
- Non-performing	-	-	-	-2,437	-2,095	-2,353
Allowances for collectively assessed impaired loans	0	0	-	-1,388	-1,636	-1,852
Allowances	0	0	-	-6,433	-6,215	-5,968
Loans, carrying amount	93,977	148,437	148,272	292,233	361,114	383,043

Allowances and provisions

DKKm	30 Jun 2011	31 Dec 2010	30 Jun 2010
Allowances for items in the balance sheet	-6,433	-6,215	-5,968
Provisions for off-balance-sheet items	-814	-2,644	-2,740
Total allowances and provisions	-7,247	-8,859	-8,708

Key ratios (basis points)

Impairment rate, gross ¹	208.9	156.7	130.8
Impairment rate, net ²	80.5	67.9	54.2
Total allowance rate ³	163.8	120.5	111.1
Allowance in relation to impaired loans ⁴ , %	61.5	56.7	58.6
Total allowance in relation to impaired loans ⁵ , %	78.4	76.9	84.9
Non-performing loans, not impaired ⁶ , DKKm	1,172	855	715

¹ Individually assessed impaired loans before allowances divided by total loans before allowances.

² Individually assessed impaired loans after allowances divided by total loans before allowances.

³ Total allowances divided by total loans before allowances.

⁴ Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

⁵ Total allowances divided by total impaired loans before allowances.

⁶ Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 7

Classification of financial instruments

Group

DKKkm	Loans	Held to maturity	Held for trading	Fair value option	Derivatives used for hedging	Available for sale	Total
Financial assets							
Cash and balances with central banks	2,704	-	-	-	-	-	2,704
Loans to credit institutions	12,110	-	32,329	15,662	-	-	60,101
Loans to the public	259,010	-	28,621	327,317	-	-	614,948
Interest-bearing securities	-	2,178	73,717	-	-	-	75,895
Financial instruments pledged as collateral	-	-	4,548	-	-	-	4,548
Shares	-	-	17,425	-	-	-	17,425
Derivatives	-	-	3,548	-	269	-	3,817
Fair value changes of the hedged items in portfolio hedge of interest rate risk	218	-	-	-	-	-	218
Other assets	19,527	-	-	-	-	-	19,527
Prepaid expenses and accrued income	1,429	-	997	-	-	-	2,426
Total 30 Jun 2011	294,998	2,178	161,185	342,979	269	-	801,609
Total 31 Dec 2010	363,363	16,598	287,899	323,077	206	-	991,143
Total 30 Jun 2010	294,312	16,694	422,703	336,890	246	-	1,070,845

DKKkm	Held for trading	Fair value option	Derivatives used for hedging	Other and non-financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	27,617	-	-	125,799	153,416
Deposits and borrowings from the public	2,948	39,502	-	259,539	301,989
Debt securities in issue	-	250,163	-	425	250,588
Derivatives	6,963	-	458	-	7,421
Other liabilities	13,251	-	-	22,319	35,570
Accrued expenses and prepaid income	47	2,690	-	2,601	5,338
Subordinated liabilities	-	-	-	20,325	20,325
Total 30 Jun 2011	50,826	292,355	458	431,008	774,647
Total 31 Dec 2010	175,018	332,129	500	451,336	958,983
Total 30 Jun 2010	266,650	396,888	569	379,070	1,043,177

Note 7
Classification of financial instruments *(continued)*

Parent

DKKkm	Loans	Held to maturity	Held for trading	Fair value option	Derivatives used for hedging	Available for sale	Total
Financial assets							
Cash and balances with central banks	2,704	-	-	-	-	-	2,704
Loans to credit institutions	45,242	-	33,073	15,662	-	-	93,977
Loans to the public	260,082	-	28,621	3,530	-	-	292,233
Interest-bearing securities	-	16,093	87,594	-	-	-	103,687
Financial instruments pledged as collateral	-	-	56,286	-	-	-	56,286
Shares	-	-	17,030	-	-	-	17,030
Derivatives	-	-	3,548	-	269	-	3,817
Fair value changes of the hedged items in portfolio hedge of interest rate risk	218	-	-	-	-	-	218
Other assets	19,319	-	-	-	-	-	19,319
Prepaid expenses and accrued income	1,335	-	1,685	-	-	-	3,020
Total 30 Jun 2011	328,900	16,093	227,837	19,192	269	-	592,291
Total 31 Dec 2010	428,393	16,598	420,757	4,933	206	-	870,887
Total 30 Jun 2010	298,535	16,694	497,283	37,087	246	-	849,845

DKKkm	Held for trading	Fair value option	Derivatives used for hedging	Other and non-financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	82,241	-	-	126,342	208,583
Deposits and borrowings from the public	2,948	39,502	-	262,334	304,784
Debt securities in issue	-	-	-	-	-
Derivatives	6,963	-	458	-	7,421
Other liabilities	13,251	-	-	33,861	47,112
Accrued expenses and prepaid income	47	-	-	2,564	2,611
Subordinated liabilities	-	-	-	20,325	20,325
Total 30 Jun 2011	105,450	39,502	458	445,426	590,836
Total 31 Dec 2010	206,305	61,032	500	596,261	864,098
Total 30 Jun 2010	305,904	158,107	569	381,454	846,034

Note 8

Financial instruments

Determination of fair value from quoted market prices or valuation techniques

Group	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non- observable data (Level 3)	Total
30 Jun 2011, DKKm				
Assets				
Loans to credit institutions	-	47,991	-	47,991
Loans to the public	-	355,938	-	355,938
Debt securities ¹	47,071	26,779	803	74,653
Shares ²	14,673	-	6,364	21,037
Derivatives	3,148	669	-	3,817
Prepaid expenses and accrued income	-	997	-	997
Liabilities				
Deposits by credit institutions	-	27,617	-	27,617
Deposits and borrowings from the public	-	42,450	-	42,450
Debt securities in issue	250,163	-	-	250,163
Derivatives	2,224	5,197	-	7,421
Other liabilities	-	13,251	-	13,251
Accrued expenses and prepaid income	-	2,737	-	2,737

¹ DKK 936m relates to the balance sheet item Financial instruments pledged as collateral.

² DKK 3,612m relates to the balance sheet item Financial instruments pledged as collateral.

Parent company

	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non- observable data (Level 3)	Total
30 Jun 2011, DKKm				
Assets				
Loans to credit institutions	-	48,735	-	48,735
Loans to the public	-	32,151	-	32,151
Debt securities ¹	112,686	26,779	803	140,268
Shares ²	14,672	-	5,970	20,642
Derivatives	3,148	669	-	3,817
Prepaid expenses and accrued income	-	1,685	-	1,685
Liabilities				
Deposits by credit institutions	-	82,241	-	82,241
Deposits and borrowings from the public	-	42,450	-	42,450
Debt securities in issue	-	-	-	-
Derivatives	2,224	5,197	-	7,421
Other liabilities	-	13,251	-	13,251
Accrued expenses and prepaid income	-	47	-	47

¹ DKK 52,674m relates to the balance sheet item Financial instruments pledged as collateral.

² DKK 3,612m relates to the balance sheet item Financial instruments pledged as collateral.

Note 9

Capital adequacy

Capital base

Group	30 Jun 2011	31 Dec 2010	30 Jun 2010
DKKm			
Core Tier 1 capital, including profit for the period	28,739	27,621	29,035
Total capital base, including profit for the period	48,403	36,900	38,764
Core Tier 1 capital, excluding profit for the period	27,090	27,621	27,838
Total capital base, excluding profit for the period	46,754	36,900	37,567

Capital requirements

	30 Jun 2011 Capital requirement	30 Jun 2011 RWA	31 Dec 2010 Capital requirement	31 Dec 2010 RWA	30 Jun 2010 Capital requirement	30 Jun 2010 RWA
DKKm						
Credit risk	20,897	261,216	21,898	273,730	22,084	276,045
IRB	19,588	244,851	19,901	248,763	19,712	246,405
- of which corporate	12,348	154,345	13,112	163,901	13,420	167,753
- of which institutions	462	5,772	594	7,430	322	4,022
- of which retail	6,617	82,716	5,877	73,466	5,765	72,062
- of which other	161	2,018	317	3,966	205	2,567
Standardised	1,309	16,365	1,997	24,967	2,371	29,640
- of which retail	294	3,680	522	6,526	462	5,769
- of which sovereign	32	401	13	164	145	1,811
- of which other	983	12,284	1,462	18,277	1,765	22,059
Market risk	804	10,056	708	8,850	877	10,961
- of which trading book, VaR	398	4,971	275	3,437	149	1,857
- of which trading book, non-VaR	407	5,085	433	5,413	711	8,882
- of which FX, non-VaR	0	0	0	0	18	222
Operational risk	2,295	28,692	2,178	27,224	2,178	27,224
Standardised	2,295	28,692	2,178	27,224	2,178	27,224
Sub total	23,997	299,964	24,784	309,804	25,138	314,230
Adjustment for transition rules						
Additional capital requirement according to transition rules	7,698	96,224	7,919	98,993	7,146	89,326
Total	31,695	396,188	32,704	408,797	32,284	403,556

Capital ratio, excl transition rules	30 Jun 2011	31 Dec 2010	30 Jun 2010
Core Tier 1 ratio, %, incl profit for the period	9.6	8.9	9.2
Capital ratio, %, incl profit for the period	16.1	11.9	12.3
Core Tier 1 ratio, %, excl profit for the period	9.0	8.9	8.9
Capital ratio, %, excl profit for the period	15.6	11.9	12.0

Note 9

Capital adequacy *(continued)*

Analysis of capital requirements

Exposure class, 30 Jun 2011	Average risk weight (%)	Capital requirement (DKKm)
Corporate	54	12,348
Institutions	15	462
Retail IRB	23	6,617
Sovereign	1	32
Other	44	1,439
Total credit risk		20,897

Parent

	30 Jun 2011	31 Dec 2010	30 Jun 2010
DKKm			
Capital base			
Core Tier 1 capital, including profit for the period	28,100	26,711	28,231
Total capital base, including profit for the period	48,202	36,553	38,777
Core Tier 1 capital, excluding profit for the period	26,451	26,711	27,034
Total capital base, excluding profit for the period	46,553	36,553	37,580
Risk-weighted assets			
Risk-weighted assets, excl transition rules	293,347	304,554	305,931
Risk-weighted assets, incl transition rules	343,291	363,416	355,195
Capital ratio, excl transition rules			
Core Tier 1 ratio, %, incl profit for the period	9.6	8.8	9.2
Capital ratio, %, incl profit for the period	16.4	12.0	12.7
Core Tier 1 ratio, %, excl profit for the period	9.0	8.8	8.8
Capital ratio, %, excl profit for the period	15.9	12.0	12.3

Note 10

Risks and uncertainties

NBD's revenue base reflects the NBD Group's business with a large and diversified customer base, comprising household customers, corporate customers and financial institutions, representing different geographic areas and industries.

NBD's main risk exposure is credit risk. NBD also assumes risks such as market risk, liquidity risk and operational risk. For further information on risk composition, see the Annual Report.

The financial crisis and the deteriorated macroeconomic situation have not had material impact on NBD's financial position. However, the macroeconomic development remains uncertain.

None of the above exposures and risks is expected to have any significant adverse effect on the NBD Group or its financial position in the medium term.

Within the framework of the normal business operations, the NBD Group faces claims in civil 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 NBD Group or its financial position in the next six months.

Note 11

Related-party transactions

Nordea defines related parties as Shareholders with significant influence, Group undertakings and other Group companies, Associated undertakings, Key management personnel and Other related parties. Key management personnel include the Board of Directors and the Executive Management. Other related parties comprise companies significantly influenced by Key management personnel in Nordea Group as well as companies significantly influenced by close family members to these Key management personnel. Except from the purchase of shares in Nets Holding A/S at fair value from Nordea Bank Norge there have, during the first half of 2011, not been any significant related-party transactions compared to the information provided in the Annual Report.

Business definitions

Return on equity

Net profit for the period excluding non-controlling interests as a percentage of average equity for the period. Average equity including net profit for the period and dividend until paid, non-controlling interests excluded.

Cost/income ratio

Total operating expenses divided by total operating income.

Tier 1 capital

The proportion of the capital base, which includes consolidated shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets in the banking operations and half of the expected shortfall deduction, – the negative difference between expected losses and provisions. Subsequent to the approval of the supervisory authorities, Tier 1 capital also includes qualified forms of subordinated loans. (Tier 1 capital contributions and hybrid capital loans.) The Core tier 1 capital constitutes the Tier 1 capital excluding hybrid capital loans.

Tier 1 capital ratio

Tier 1 capital as a percentage of risk-weighted assets. The Core tier 1 ratio is calculated as Core tier 1 capital as a percentage of risk-weighted assets.

Risk-weighted assets

Total assets and off-balance-sheet items valued on the basis of the credit and market risks as well as operational risks of the Groups undertakings, in accordance with regulations governing capital adequacy, excluding book value of shares which have been deducted from the capital base and intangible assets.

Loan loss ratio

Net loan losses (annualised) divided by opening balance of loans to the public (lending).

Impairment rate, gross

Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net

Individually assessed impaired loans after allowances divided by total loans before allowances.

Total allowance rate

Total allowances divided by total loans before allowances.

Allowances in relation to impaired loans

Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio)

Total allowances divided by total impaired loans before allowances.

Non-performing, not impaired

Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have today discussed and approved the interim report of Nordea Bank Danmark A/S for January-June 2011.

The interim report January-June 2011 has been prepared in accordance with IAS 34, Interim Financial Reporting, and additional Danish disclosure requirements for interim financial reports of financial companies. It is our opinion that the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities, financial position at 30 June 2011 and of the results of the Group's and the parent company's operations and cash flows for the financial half year 1 January – 30 June 2011.

Further, in our opinion, the Director's report provides a fair review of the development in the Group's and the parent company's operations and financial matters, the results of the Group's and the parent company's operations and financial position and describes material risks and uncertainties that may affect the Group and the parent company.

Stockholm, 18 July 2011

Board of Directors

Ari Kaperi (Chairman)

Fredrik Rystedt

Gunn Wærsted

Anne Rømer

Executive Management

Michael Rasmussen (Chairman)

Peter Lybecker

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