



Annual Report 2013

6 February 2014

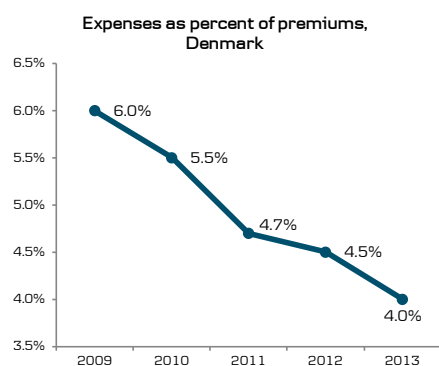
THE FINANCIAL STATEMENTS DESCRIBE THE ENTIRE DANICA GROUP, INCLUDING BUSINESS ACTIVITIES IN DENMARK, SWEDEN AND NORWAY.

DANICA PENSION IS ONE OF THE LEADING PROVIDERS OF PENSION PLANS, LIFE INSURANCE AND HEALTH CARE INSURANCE IN THE NORDIC COUNTRIES.

WE HAVE MORE THAN 16,000 BUSINESS CUSTOMERS AND 880,000 PERSONAL CUSTOMERS.

Satisfactory performance and significantly higher customer satisfaction

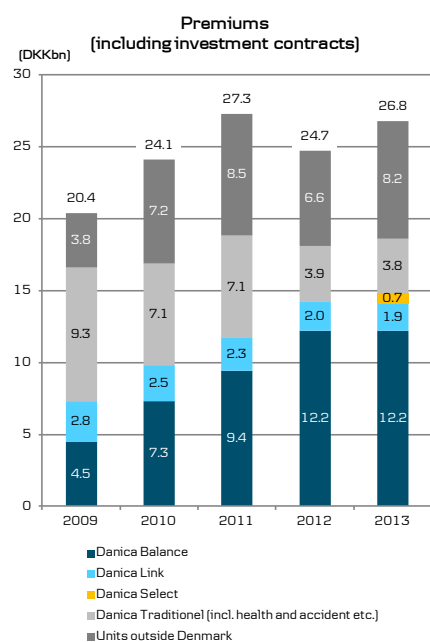
- 9% increase in pension premiums to DKK 26.8 billion
- Expense ratio in Denmark down from 4.5% to 4.0%
- Average return of 8.6% on market rate products
- Continued improvement in technical result to DKK 1,509 million. Pre-tax profit of DKK 1,261 million
- Danica Pension is second in customer satisfaction according to recent Aalund Firmapension Barometer survey.



Strong performance

"We succeeded in continuing the positive development of our business activities. In 2013 we significantly lifted customer satisfaction through measures such as new digital solutions, new health care initiatives and greater accessibility for our customers. The technical result was up from DKK 1,452 million in 2012 to a record DKK 1,509 million in 2013", says Per Klitgård, CEO.

Pre-tax profit for the year was DKK 1,261 million. The profit could have been larger than that, as it was not possible to book a risk allowance of DKK 438 million as a result of the investment return. The risk allowance will be booked when the future investment return so permits.



Danica Pension's capitalisation is strong. After distribution of dividends, the solvency ratio was 230% at 31 December 2013, against 207% at year end 2012.

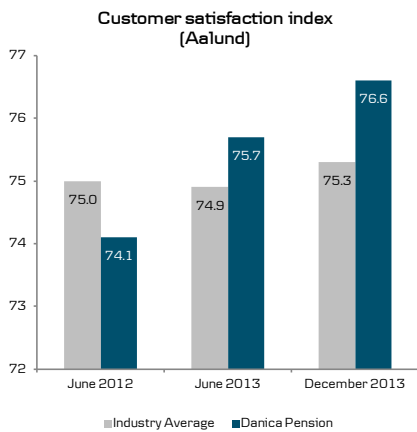
One of Scandinavia's leading pension providers

"Growth continues in the Nordic markets. Premiums grew by 28% in Sweden and by 24% in Norway. In all, we now have close to 300,000 customers in the two countries. Measured in terms of premiums, the Danica Group was the second-largest pension provider in the Nordic region in 2012. Through our subsidiaries in the two countries we provide comprehensive pension solutions for companies and their employees operating across Nordic borders", says Per Klitgård.

Total premiums in the Danica Group amounted to DKK 26.8 billion, representing a 9% increase, including a 3% increase in premiums in Denmark.

"In 2013 we strengthened our position in the Danish market through our collaboration with Danske Bank. Many customers request holistic advice that encompasses their total finances, including pensions and insurance matters. Danske Bank hired several pension advisers during the year. Also, our customers' corporate pensions are now encompassed by Danske Bank's customer programme. The sale of pension products through Danske Bank was up 30%. We expect this trend to continue in 2014", says Per Klitgård.

In the corporate market, in 2013 Danica Pension held on to several major agreements following tenders, including our two largest customers, A.P. Møller-Maersk and Pension for Selvstændige.



Customer satisfaction significantly improved

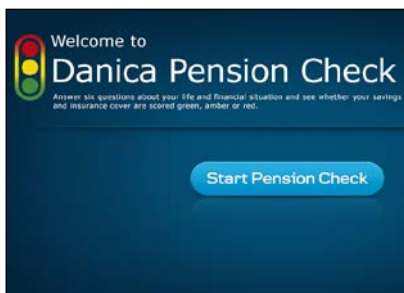
"Our aim is to be among the top two in customer satisfaction by 2015. To this end, in 2013 we have systematically worked on enhancing the customer experience each time customers are in contact with us. We are also continually developing our digital solutions and improving our accessibility in order to make it easier to be a Danica customer", says Per Klitgård.

This focused effort already yielded promising results in 2013: Danica Pension advanced from fourth to second position in the most recent Aalund Firmapension Barometer survey. The survey indicated that Danica was the best in the industry on:

- Information about products and services
- Options for decision makers on the website
- Advice on health care services
- Advice on senior solutions

New digital solutions make it easier to be a customer with Danica

Danica Pension Check was launched in 2013. On the basis of information about their insurance policies and pension schemes with Danica Pension and other companies, customers can use this tool to determine whether they have the appropriate savings and insurance cover by answering six simple questions. We then contact the customer if any changes should be made. In 2013, Danica Pension Check won the prestigious IPE (Investment Pensions Europe) award.



Furthermore, Danica was the first pension company to offer a digital tool, Danica Health Check, through which customers can obtain advice on health care issues and individual recommendations on healthier living. More than 10,000 customers so far have carried out a digital health check. In health care, our products were improved in several areas. For example, our customer service is now open round the clock to guide customers. Furthermore, we now offer advice to our customers and their families on treatment in the public health care sector.

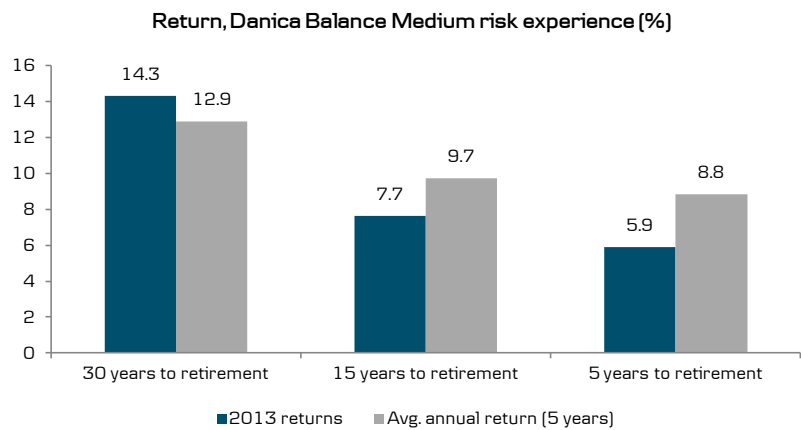


For corporate pension plan administrators, our online tool Netpension Firma was improved with new functionalities, making the day-to-day management of their company's pension scheme even simpler. Netpension Firma now includes a report on customer satisfaction and an overall report on employees' pension checks.

Good long-term returns on market products

The market products Danica Link and Danica Balance yielded average returns of 8.6% in 2013. While the returns for 2013 were certainly high, they were at the lower end compared with the market in general. In the European market, Danica Pension typically invests in classic high-dividend equities with solid long-term earnings. In 2013 these equities yielded lower returns than the rest of the market. Also, the return was adversely affected by our investments in emerging markets due to the devaluation of local currencies.

Over a five-year period, Danica Balance with a medium risk experience has yielded average annual returns of between 8.8% and 12.9%, depending on the number of years to retirement.



The return on customer funds in Danica Traditionel was negative in the amount of DKK 0.4 billion or 0.2% before tax on pension returns. Following the reversal of an allocation of DKK 3.7 billion from life insurance provisions, the return was 2.2%.

Further information:

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The Danica Group's financial statements are incorporated in the financial statements of the Danske Bank Group.

Financial highlights for the Danica Group

DKKbn	2013	2012
Total premiums	26.8	24.7
Premiums in Denmark	18.6	18.1
Return on customer funds (%)*	-0.2	9.2
Expenses as percent of premiums, Denmark	4.0	4.5
Expenses as percent of premiums, Danica Group	4.2	4.8
Expense ratio relative to provisions, Denmark	0.32	0.36
Technical result, (DKKm)	1,509	1,452
Profit before tax (DKKm)	1,261	2,364
Financial strength	10.6	8.6
Total pension savings (total assets)	327	324
Bonus rate	0.8	0.6
Common reserves (collective bonus potential)*	1.1	0.9
Additional provisions*	27.6	32.7
Shareholders' equity	19.4	19.0

* Applies to Danica Traditional customers only.