

DANMARKS NATIONALBANK

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Large share buybacks and dividends in 2021

During 2021, Danish companies and banks repurchased shares and paid dividends for a historically high amount of almost kr. 114 billion. This took place on the backdrop of an upturn in both the global and Danish economy.

Companies and banks can pay their shareholders in cash either by repurchasing shares or by paying dividends. The companies decide on repurchases and dividends at the annual general meetings.

Share buybacks and dividend payments do not differ financially from each other. In both cases, shareholders receive a cash payment. There can be various reasons why companies buy back shares or pay

dividends. Share buybacks can, for example, be used if the company has excess capital, while dividend payments can be linked to the current earnings in the company.

Record for share buybacks in 2021

Danish companies repurchased shares for kr. 56 billion, which is a new high. The largest Danish companies are driving the development: The three largest repurchases in 2021 were made by Novo Nordisk, DSV Panalpina and A.P. Møller - Mærsk. Together, they repurchased shares for kr. 41 billion, corresponding to 71 per cent of the total repurchases.

Four companies account for half of the dividends

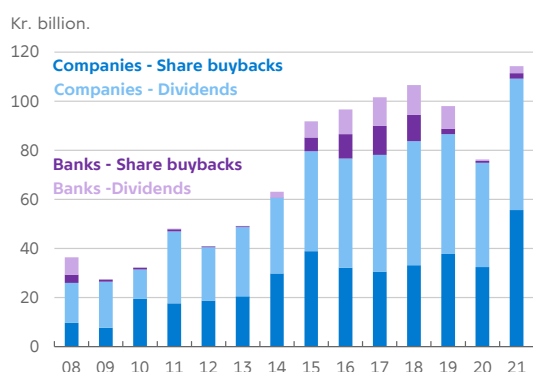
During 2021, Danish companies paid dividends of almost kr. 54 billion. Novo Nordisk, A.P. Møller - Mærsk, Coloplast and Ørsted account for kr. 32 billion, which is more than half of the total dividend payments.

Foreign shareholders own a significant share of the Danish securities, and just over half of the total dividend payments that are therefore sent abroad. In 2021, the foreign shareholders received dividends of kr. 29 billion.

Banks hold back

In line with the Danish Financial Supervisory Authority's recommendation on capital preservation, the Danish listed banks have been reluctant to remunerate shareholders since 2020. The recommendation expired at the end of the third quarter of 2021.

Share buybacks and dividends for Danish companies reached record levels in 2021



Note: Dividends and share buybacks for listed and VP registered companies since 2008. Companies include all non-bank listed companies. A.P. Møller - Mærsk's extraordinary dividend in 2015 has been omitted. Find chart data here ([link](#)).

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