

**Quarterly report 1Q 2012**



• Annual Meeting in Skjern Bank Arena

Stock Exchange Ann. no 11/2012 - 10th of May 2012

## Satisfactory start to 2012

- Profit before tax of DKK 7.5 million compared to DKK 0.5 million in 2011
- Exchange rate adjustments of DKK 3.1 million
- Write-downs of DKK 14.0 million compared with DKK 10.5 in 2011
- Deposits increased by 5.1 % and loans decreased by 1.6 % in comparison with 31 December 2011
- Solvency and core capital ratio were 16.3 % and 11.5 %, respectively
- Individual solvency requirements are estimated at 11.9 %
- Losses related to Fjordbank Mors of DKK 0.8 million were recognised in the quarterly report
- The base profit is expected to be unchanged at DKK 80 – 95 million before devaluations and exchange rate adjustments
- Operating profit before tax in 2012 is expected to be significantly higher than in 2011

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## 5 years in summary

1,000 DKK	2012	2011	2010	2009	2008	1.1- 31.12 2011
<b>Profit and loss account</b>						
Net income from interest .....	38,787	38,630	40,966	39,583	36,556	161,046
Div. on shares and other holdings .....	136	135	57	110	500	3,287
Charges and commissions (net) .....	14,440	11,754	11,087	10,894	12,311	49,725
<b>Net inc. from int. and charges .....</b>	<b>53,363</b>	<b>50,519</b>	<b>52,110</b>	<b>50,587</b>	<b>49,367</b>	<b>214,058</b>
Value adjustments .....	3,096	-3,668	12,772	-3,362	-1,126	94
Other ordinary income .....	367	151	206	387	498	1,683
Staff costs and administrative expenses .....	33,395	34,961	32,984	30,892	32,979	134,124
Depreciation of intangible and tangible assets .....	1,050	1,050	1,080	1,155	1,320	3,578
Other operating expenses total .....	878	0	4,431	4,635	0	1,052
Contributions to the Guarantee Fund for deposits .....	837	0	0	0	0	1,052
Other operating expenses .....	41	0	4,431	4,635	0	0
Write-downs on loans etc. (net) .....	14,013	10,471	18,111	26,238	3,763	52,181
Profit on holding in associated and affiliated companies .....	0	0	0	0	295	-14,208
<b>Operating profit .....</b>	<b>7,490</b>	<b>520</b>	<b>8,482</b>	<b>-15,308</b>	<b>10,972</b>	<b>10,692</b>
Taxes .....	1,873	130	2,120	-3,727	2,743	5,838
<b>Profit for the period .....</b>	<b>5,617</b>	<b>390</b>	<b>6,362</b>	<b>-11,581</b>	<b>8,229</b>	<b>4,854</b>

### Balance sheet as per 31st March

summary	2012	2011	2010	2009	2008	2011
Total assets .....	5,392,736	5,271,458	5,456,286	5,857,792	5,360,537	5,249,140
Loans and other debtors .....	3,468,988	3,555,281	3,661,704	3,624,829	3,857,185	3,526,544
Guarantees etc. ....	478,454	427,606	534,057	1,065,446	1,775,781	484,656
Bonds .....	826,904	863,253	751,393	391,595	251,349	887,607
Shares etc. ....	181,647	184,640	187,412	177,251	210,349	167,857
Deposits and other debts .....	3,650,860	3,503,306	3,636,909	3,297,692	2,620,683	3,509,897
Subordinated capital investments .....	357,765	356,789	355,852	195,000	220,000	357,521
<b>Capital funds .....</b>	<b>386,874</b>	<b>379,055</b>	<b>379,121</b>	<b>455,708</b>	<b>526,719</b>	<b>380,717</b>
Dividends .....						0
<b>Capital Base .....</b>	<b>610,762</b>	<b>610,543</b>	<b>620,238</b>	<b>554,917</b>	<b>684,801</b>	<b>610,283</b>
Total weighted items .....	3,748,007	3,807,993	3,869,481	4,158,484	5,322,628	3,873,952

### Core earnings

Core income .....	58,088	51,275	54,224	51,510	49,221	232,718
Costs etc. ....	-34,445	-32,439	-34,064	-32,047	-34,299	-136,905
Core earnings before write-downs, value adjustments and Governmental Guarantee Scheme I .....	23,643	18,836	20,160	19,463	14,922	95,813
Guarantee commission for the state *) .....	-3,586	-3,572	-	-	-	-14,420
<b>Total core earnings .....</b>	<b>20,057</b>	<b>15,264</b>	<b>20,160</b>	<b>19,463</b>	<b>14,922</b>	<b>81,393</b>

\*) Commission of 0.95% of issued government-guaranteed bonds.

## Financial ratios - 31st March

(figures in pct.)	2012	2011	2010	2009	2008
Solvency ratio .....	16.3	16.0	16.0	13.3	12.9
Core capital ratio .....	11.5	11.1	10.8	10.9	10.6
Return on own funds before tax .....	2.0	0.1	2.3	-3.3	2.1
Return on own funds after tax .....	1.5	0.1	1.7	-2.5	1.6
Earning/expense ratio in DKK .....	1.15	1.01	1.15	0.76	1.29
Interest rate risk .....	-2.1	0.8	1.7	0.5	1.0
Foreign currency position .....	0.3	0.8	0.9	2.9	12.9
Foreign currency risk .....	0.0	0.0	0.0	0.0	0.1
Advances against deposits .....	102.9	109.6	136.5	115.1	150.5
Statutory liquidity surplus .....	197.4	157.5	194.9	221.4	92.5
Total large commitments .....	17.1	49.5	86.3	112.9	99.2
Accumulated impairment ratio .....	6.9	6.8	6.7	3.6	1.5
Impairment ratio for the period .....	0.3	0.2	0.4	0.5	0.1
Increase in loans etc. for the period .....	-1.7	-1.9	-0.4	-3.9	-1.6
Ratio between loans etc. and capital funds .....	9.0	9.4	9.7	8.0	7.3
(value per share 100 DKK)					
Earnings per share (result period) .....	24.9	1.7	28.2	-56.0	38.4
Book value per share .....	1,867	1,791	1,848	2,179	2,335
Market value/earning per share .....	3.8	76.5	5.3	-10.0	64.7
Market value/book value .....	0.25	0.38	0.41	0.26	0.94



## Management's review

Skjern Bank may report a satisfactory development and an acceptable profit after the 1st quarter of 2012. However, the profit has continued to be negatively affected by the increased devaluation requirements and payments to the Danish Deposit Guarantee Fund.

The bank still has a strong liquidity reserve, which is quite costly and thus affects the quarter's profit negatively. As a result of the strong liquidity reserves, the bank has chosen to make use of the opportunity to prepay a state guaranteed loan of DKK 250 million in the month of April 2012.

In line with the bank's strategy plan, there is a large focus on deposit volume, which has resulted in an increase of DKK 141 million since the end of the previous year, which is considered very satisfactory.

The modest community activity is reflected on the loan side, and thus there is a lower desire for loans, continued in the bank's loan volume, which has decreased by DKK 58 million since the end of the previous year.

Profit from the primary operations are shown in the base profit on page 3.

### Interest and fee income

Net income from interest was reduced by 0.4 % to DKK 38.8 million

The interest income has increased by 3.3 % to DKK 65.9 million. This is due to a combination of interest rate increases in 2011 and 1st quarter of 2012, but is also inversely affected by reduced loan volume.

The interest fees have increased 7.7 % to DKK 27.1 million, which is primarily due to fees for the bank's excess liquidity and that costs for funding have risen compared with the same period last year.

Overall, the bank's interest margin increased during the first quarter of the year in comparison with the same quarter in 2011 when accounting for the paid guarantee commission.

### Commissions and fees

The net income from fees and commissions have increased by 22.8 % to DKK 14.4 million. The increase was achieved despite reduced guarantee commissions.

The transaction-based income from securities trading fell by DKK 0.2 to DKK 4.4 million. Income from loan transactions, transfer of mortgage loans and other fees and commissions have increased from DKK 8.2 million, which is due to an increased activity level and continued focus on product profitability.

Net interest and fee income amounted to DKK 53.3 million.

### Costs

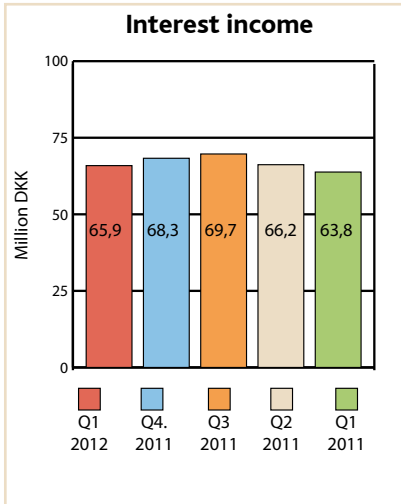
Skjern Bank's costs for staff and administration, etc. amounted to DKK 33.4 million compared with DKK 35.0 million in the 1st quarter 2011.

The bank has continued to focus on cost consumption, and a lower cost level is expected than in 2011.

### The bank's loan and guarantee debtors distributed on segments constitute:

	31/3-12	31/12-11	31/12-10
Public authorities	1.3 %	1.2 %	1.4 %
Agriculture, hunting, forestry and fishing			
Plant production	1.8 %	1.5 %	2.0 %
Cattle farming	7.1 %	7.0 %	6.7 %
Pig farming	3.4 %	3.2 %	3.5 %
Mink production	0.7 %	1.0 %	1.4 %
Other agriculture	1.6 %	1.5 %	1.1 %
Manufacturing and extraction of raw materials	3.5 %	3.4 %	3.4 %
Energy supply	2.4 %	3.6 %	1.8 %
Constructions	4.9 %	5.0 %	4.5 %
Trade	7.8 %	7.9 %	8.2 %
Transport, hotels and restaurants	2.1 %	1.0 %	0.9 %
Information and communication	0.3 %	0.3 %	0.3 %
Finance and insurance	8.3 %	8.3 %	8.5 %
Real-estate	20.6 %	20.6 %	22.2 %
Other industries	4.7 %	4.5 %	3.8 %
Private persons	29.5 %	30.0 %	30.3 %

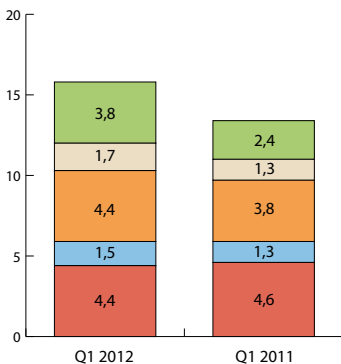
From the above sectoral distribution represents alternative energy 3.85 %.



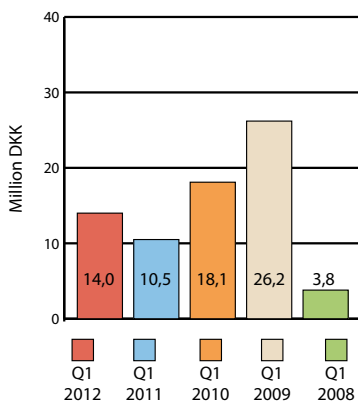
### Charges and commissions receivable

(Million DKK)

- Securities trading and custodies
- Payment management
- Charges from loan applications
- Commissions on guarantees
- Other charges and commissions



### Write-downs in loans etc.



### Exchange rate adjustments

Exchange rate adjustments of securities and currency, etc. show a gain of DKK 3.1 million compared with a loss of DKK 3.7 million in the same period of 2011.

The exchange rate adjustment of the bond portfolio has been positive during the period by DKK 2.6 million. In particular, the portfolio of corporate bonds has contributed positively during the quarter. The yield on corporate bonds has benefited well from the investors' greater confidence in the economy and the issuing companies.

On the bank's shareholdings, a loss of DKK 0.2 million was realised in the 1st quarter 2012. Conversely, exchange rates and derivative financial instruments have achieved income of DKK 0.7 million.

### Devaluations

Devaluations on loans, etc. amounted to DKK 14.0 million in the 1st quarter of 2012 compared with DKK 10.5 million during the same period last year. Reported losses in the 1st quarter 2012 amounted to DKK 16.8 million, of which only a small portion had not previously been devalued.

Devaluations on loans, etc. correspond to 0.35 % of the total loans and guarantees, which is still too high, but the management expects that in the future, the devaluations will decline compared to the last fiscal year.

The devaluations are spread over a wide range of the bank's customer relationships, and include engagements both private and commercial in a series of different industries. The devaluations are predominantly on customer relationships in the bank's local areas.

### Profit for the period

The total profit before tax amounted to DKK 7.5 million before tax compared with DKK 0.5 million in 2011. After taxes, the period's net profit amounted to DKK 5.6 million. The improvement is assessed to be satisfactory and is due to a positive development of several of the bank's business areas.

The net profit is significantly affected by devaluations of DKK 14.0 million and positive exchange rate adjustments of DKK 3.1 million.

The bank's management believes the outcome to be acceptable.

### Capital requirements

Equity amounted to DKK 386.9 million compared to DKK 380.7 million at the end of the previous year.

After addition of subordinated capital contributions of DKK 357.8 million and adjusted for other deductions, the bank's base capital at the end of the quarter amounted to DKK 610.7 million.

The solvency is 16.3 % compared to 16.0 % in the same period last year, while the core capital ratio is 11.5 % compared to 11.1 % in 2011.

The necessary capital corresponding to the individual solvency needs is estimated at 11.9 %.

The bank thus has solid foundation capital with a sufficient surplus in comparison with the necessary capital.

The management regularly assesses the bank's base capital in light of the development of the financial markets and changing requirements for capitalisation, including equity.



Annual Meeting in Esbjerg

In assessing Skjern Bank's capital ratio, other considerations are included regarding the possibility of an increase in share capital, which could contribute to adapting the core capital in light of future adjustment.

### Deposits and liquidity

Pure customer deposits amounted to DKK 2,908 million. In the main figures on page 2 of this announcement, deposits of DKK 3,651 million are shown, which includes other debt of DKK 743 million.

Of the pure customer deposits, DKK 2,720 million were covered by the Danish Deposit Guarantee Scheme. The deposits are considered stable, since it is primarily base customers who have deposits in the bank. The bank's offensive placement in the deposit market has resulted in a deposit increase of DKK 140 million or 5.1 % compared to 31 December 2011. A significant portion of the deposit growth has irredeemability, where the average maturity is 2.7 years, and in light of this, the deposits are not considered volatile deposits.

Skjern Bank has, for strategic and cost reasons, decided to reduce the liquidity reserve to a lower – but still sound and plentiful – level. The liquidity reserve is calculated at 197 %, and the high surplus has led to the bank having chosen to honor a state-guaranteed loan of DKK 250 million in the month of April 2012.

### Skjern Bank shares

At the end of the quarter, the bank owned 14,700 shares, which is unchanged compared to the end of the first quarter 2011.

### General Assembly and Annual Meetings

In connection with the annual general meeting and the following two annual meetings in the bank's marketing area, this year we have been in contact with about 2,000 customers and shareholders. It is extremely gratifying that so

many have shown a particular interest in the bank.

### Consolidated Statement

Skjern Bank owns all the share capital in Knud Eskildsen Ejendomme A/S, whose sole activity is owning a town house in Esbjerg. The reason the property is located there is that it was originally intended for the Esbjerg department's new branch. The town house is expected to be sold at the posted value. The shares are recorded at DKK 3.4 million, which is the recorded net asset value.

Consolidated accounts have not been prepared, since the subsidiaries' business, both in terms of balance and activity, is negligible in relation to the bank's.

### Expectations

The bank's profit expectations for 2012 are maintained with a base profit in the interval of DKK 80 – 95 million.

### „The Supervisory Diamond“

The Danish Financial Supervisory Authority has launched the so-called supervisory diamond - applicable as of 2013 - which specifies five benchmarks for financial institutions with elevated risk.

### Liquidity reserve (min. 50 %):

Skjern Bank's liquidity reserve is significant and amounts to 197.4 % as of 31 March 2012 compared to 159.8 % as of 31 December 2011.

### Funding ratio (max. 100 %):

The current funding situation leaves room for significantly more loans, since the bank's deposits compared to loans, equity and debt securities are only 67 % compared to 71 % as of 31 December 2011.

### Property exposure (max. 25 %):

Skjern Bank has an attractive industry spread, and compared to the real estate sector, the exposure is 20.6 %, which is unchanged compared to 31 December 2011.

### Supplementary capital distributed on exercise date (final closing date)

	1,000 DKK
2014	25,000
2015	100,000
2016	-
2017	97,930
Infinite	134,835
<b>Total</b>	<b>357,765</b>

### Supplementary capital distributed on possible maturity date (first call date)

	1,000 DKK
2012	259,835
2013	-
2014	97,930
<b>Total</b>	<b>357,765</b>

**Major engagements (max. 125 %):**

Skjern Bank primarily focuses on private customers and small and medium businesses. As of 31 March 2012, the bank only has one major engagement, namely the shareholdings in DLR Kredit. Major engagements can be calculated at 17.1 %, compared to 34.8 % as of 31 December 2011. Major engagements are defined as the sum of major engagements that constitute more than 10 percent of the base capital.

**Loan growth (max. 20 %):**

The limited desire for loans in the community has resulted in a decline in lending in Skjern Bank, and the loan growth can thus be calculated at -1.7 % compared to -2.7 % as of 31 December 2011.

The following figure shows the benchmarks that the Danish Financial Supervisory Authority has established and Skjern Bank's placement within each area as of 31 March 2012.

Skjern Bank complies with all limit values as of 31 March 2012.

**Transactions with related parties**

During the first quarter of the year, there have not been major transactions between Skjern Bank and the bank's related parties.

**Contribution to the Danish Deposit Guarantee Scheme**

The Danish Deposit Guarantee Scheme has required a contribution from the banks in the month of March in connection with a recorded deficit in the bankrupt institute Fjordbank Mors, which in Skjern Bank's case can be calculated at DKK 0.8 million. The contribution is expensed during the 1st quarter 2012 and is allowed to stand as an amount due.

**Accounting practices used**

The quarterly report was prepared in accordance with the Danish Financial Business Act, including the Danish Financial Supervisory Authority's Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for interim reports for listed companies.

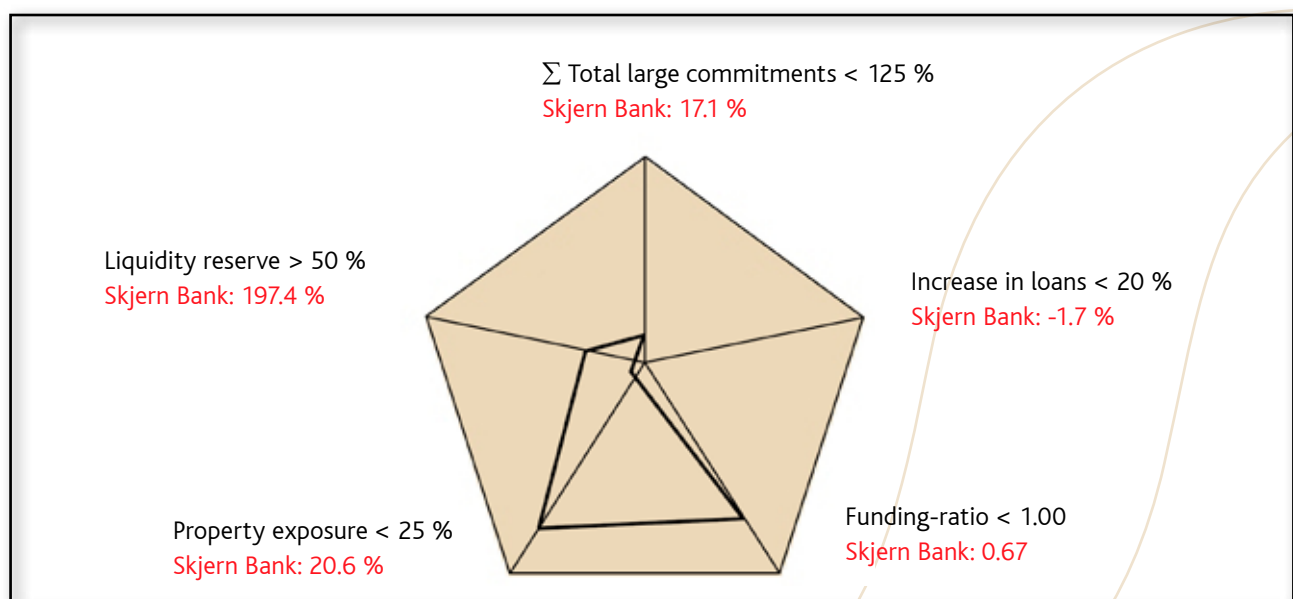
The accounting practice used is unchanged compared to the annual report for 2011.

The quarterly report is not audited nor has it undergone review.

**Events after 31 March 2012**

No events have occurred after the balance date that are of significance for the assessment of the profit for the period.

## The Supervisory Diamond







• Welcome in Skjern Bank, Varde

## Financial Calendar

16th August 2012:

Half-year report 2012

1st November 2012:

Quarterly report after 3rd Quarter

2012  
2012  
2012  
2012

Yours sincerely,  
Skjern Bank

Hans Ladekjær Jeppesen  
Chairman of the Board of Directors

Per Munck  
Director





• Annual Meeting in Skjern Bank Arena

## Statement by the board of directors and executive board

We have today discussed and approved the quarterly report for the period of 1 January - 31 March 2011 for Skjern Bank A/S.

The report was prepared in accordance with the Danish Financial Business Act, including the Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for

interim reports for listed financial institutions.

We consider the chosen accounting practice to be appropriate such that accounts give a true picture of the bank's assets and liabilities, financial position and profit.

We consider the management's statement to contain a fair review of the de-

velopment in the bank's activities and economic conditions and a description of the significant risks and uncertainty factors that the business may be affected by.

Skjern, 10th May 2012

### Skjern Bank A/S

Per Munck  
Director

### The board of directors

Hans Ladekjær Jeppesen  
Chairman

Jens Okholm  
Deputy Chairman

Bjørn Jepsen

Finn Erik Kristiansen

Lars Skov Hansen

Lars Lerke

*This document has been translated from Danish. The Danish text shall govern for all purposes and prevail in case of discrepancy with the English version.*

## Profit and loss account and Statement of comprehensive income 1st January - 31st March

1,000 DKK	2012	2011	1.1- 31.12 2011
Interest receivable .....	65,854	63,765	268,016
Interest payable .....	27,067	25,135	106,970
<b>Net income from interest</b> .....	<b>38,787</b>	<b>38,630</b>	<b>161,046</b>
Dividend on shares and other holdings .....	136	135	3,287
Charges and commissions receivable .....	15,751	13,410	55,451
Charges and commissions payable .....	1,311	1,656	5,726
<b>Net income from interest and charges</b> .....	<b>53,363</b>	<b>50,519</b>	<b>214,048</b>
Exchange rate adjustments .....	3,096	-3,668	94
Other ordinary income .....	367	151	1,683
Staff costs and administrative expenses .....	33,395	34,961	134,124
Depreciation of intangible and tangible assets .....	1,050	1,050	3,578
Other operating expenses total .....	878	0	1,052
Contributions to the Guarantee Fund for deposits .....	837	0	1,052
Other operating expenses .....	41	0	0
Write-downs .....	14,013	10,471	52,181
Profit on holdings in associated and affiliated companies .....	0	0	-14,208
<b>Profit on ordinary activities before tax</b> .....	<b>7,490</b>	<b>520</b>	<b>10,692</b>
Tax .....	1,873	130	5,838
<b>Profit for the financial year</b> .....	<b>5,617</b>	<b>390</b>	<b>4,854</b>

### Statement of comprehensive income

Profit for the financial year .....	5,617	390	4,854
Other comprehensive income after tax .....	0	0	0
<b>Total comprehensive income</b> .....	<b>5,617</b>	<b>390</b>	<b>4,854</b>

## Balance by 31st March

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Assets</b>			
Cash in hand and claims at call on central banks .....	135,429	204,545	67,582
Claims on credit institutions and central banks .....	578,670	230,314	378,716
Loans and advances at amortized cost price .....	3,468,988	3,555,281	3,526,544
Bonds at market value .....	826,904	763,880	887,607
Bonds at amortized cost .....	0	99,373	0
Shares etc. ....	181,647	184,640	167,857
Holdings in associated enterprises .....	3,111	5,934	3,111
Holdings in group enterprises .....	3,365	6,745	3,365
Land and buildings (total) .....	69,247	69,662	69,538
Investments properties .....	9,361	9,361	9,361
Domicile properties .....	59,886	60,301	60,177
Other tangible assets .....	10,629	4,725	10,755
Deferred tax assets .....	44,138	50,940	46,010
Assets temporarily acquired .....	0	0	1,000
Other assets .....	70,550	94,049	86,939
Prepayments and accrued income .....	58	1,370	116
<b>Total assets</b> .....	<b>5,392,736</b>	<b>5,271,458</b>	<b>5,249,140</b>



## Balance by 31st March (continued)

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Liabilities</b>			
<b>Debt</b>			
Debt to credit institutions .....	149,306	158,863	149,061
Deposits and other debts .....	3,650,860	3,503,306	3,509,897
Deposit .....	2,907,565	2,759,027	2,767,346
Other debts .....	743,295	744,279	742,551
Bonds issued at amortised cost .....	754,164	755,668	755,838
Other liabilities .....	83,586	85,003	90,650
Accruals and deferred income .....	1,141	879	248
<b>Total debt</b> .....	<b>4,639,057</b>	<b>4,523,719</b>	<b>4,753,082</b>
<b>Provisions for commitments</b>			
Provisions for loss on guarantees .....	9,040	11,895	5,208
<b>Total provisions for commitments</b> .....	<b>9,040</b>	<b>11,895</b>	<b>5,208</b>
<b>Subordinated capital investments</b> .....			
Subordinated loan capital .....	222,930	222,204	222,749
Hybrid core capital .....	134,835	134,585	134,772
<b>Subordinated capital investments total</b> .....	<b>357,765</b>	<b>356,789</b>	<b>357,521</b>
<b>Capital funds</b>			
Share capital .....	22,560	22,560	22,560
Revaluation reserves .....	417	417	417
Retained earnings .....	363,897	356,078	357,740
<b>Total capital funds</b> .....	<b>386,874</b>	<b>379,055</b>	<b>380,717</b>
<b>Total liabilities</b> .....	<b>5,392,736</b>	<b>5,271,458</b>	<b>5,249,140</b>

## Off-balance-sheet items by 31st March

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Guarantees</b>			
<b>Guarantees</b>			
Finance guarantees .....	41,097	3,115	37,248
Guarantees against losses on mortgage credit loans .....	149,135	107,809	125,724
Registration and conversion guarantees .....	77,291	79,659	86,097
Other guarantees .....	210,931	237,023	235,587
<b>Total guarantees .....</b>	<b>478,454</b>	<b>427,606</b>	<b>484,656</b>
<b>Other contingent liabilities</b>			
Irrevocable credit-undertakings .....	91,928	57,411	123,200
<b>Total other contingent liabilities .....</b>	<b>91,928</b>	<b>57,411</b>	<b>123,200</b>



## Information on changes in equity 31st March

1,000 DKK	2012	2011	1.1- 31.12 2011
Share capital beginning-of-year .....	22,560	22,560	22,560
<b>Share capital end-of-year .....</b>	<b>22,560</b>	<b>22,560</b>	<b>22,560</b>
Revaluation reserves beginning-of-year .....	417	417	417
Additions related to reassessed value .....	0	0	0
Other movements .....	0	0	0
<b>Revaluation reserves end-of-year .....</b>	<b>417</b>	<b>417</b>	<b>417</b>
Retained earnings beginning-of-year .....	357,740	357,444	357,444
Sale of own funds .....	1,692	1,831	7,722
Purchase of own funds .....	-1,152	-3,587	-12,280
Comprehensive income for the period .....	5,617	390	4,854
<b>Retained earnings end-of-year .....</b>	<b>363,897</b>	<b>356,078</b>	<b>357,740</b>
<b>Total equity .....</b>	<b>386,874</b>	<b>379,055</b>	<b>380,717</b>

## Notes per 31st March

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Interest receivable</b>			
Claims on credit institutions and central banks .....	592	885	4,535
Loans and other debtors etc. ....	60,094	56,585	236,367
Bonds .....	4,636	5,184	21,465
Total other financial instruments of which .....	535	1,116	5,649
Foreign exchange contracts .....	141	670	3,276
Interest-rate contracts .....	394	446	2,373
Other interest income .....	-3	-5	0
<b>Total interest receivable .....</b>	<b>65,854</b>	<b>63,765</b>	<b>268,016</b>
<b>Interest payable</b>			
Credit institutions and central banks .....	360	400	1,656
Deposits .....	15,948	14,072	61,194
Bonds issued .....	4,971	4,812	20,788
Subordinated capital investments .....	5,788	5,851	23,332
Other interest expenses .....	0	0	0
<b>Total interest payable .....</b>	<b>27,067</b>	<b>25,135</b>	<b>106,970</b>
<b>Charges and commissions receivable</b>			
Securities trading and custodies .....	4,361	4,600	18,493
Payment management .....	1,482	1,294	5,637
Charges from loan applications .....	4,402	3,760	18,076
Commissions on guarantees .....	1,659	1,345	6,682
Other charges and commissions .....	3,847	2,411	6,563
<b>Total charges and commissions receivable .....</b>	<b>15,751</b>	<b>13,410</b>	<b>55,451</b>
<b>Value adjustments</b>			
Bonds .....	2,583	-4,589	3,418
Total shares .....	-159	425	-4,831
Shares in sector companies etc. ....	-1,002	568	3,433
Other shares .....	843	-143	-8,264
Foreign currency .....	773	605	2,557
Other financial instruments .....	-101	-109	-1,050
<b>Total value adjustments .....</b>	<b>3,096</b>	<b>-3,668</b>	<b>94</b>



## Notes per 31st March (continued)

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Staff costs and administrative expenses</b>			
<b>Salaries and remuneration of board of directors, managers etc.</b>			
Board of managers .....	618	618	2,830
Fixed fee .....	608	608	2,790
Pension contributions .....	10	10	40
Board of directors .....	191	172	637
Audit Committee .....	0	0	50
Board of representatives.....	0	0	184
<b>Total salaries and remunerations of board etc. ....</b>	<b>809</b>	<b>790</b>	<b>3,701</b>
<b>Staff costs</b>			
Wages and salaries .....	15,159	16,427	62,078
Pensions .....	1,716	1,817	7,242
Social security costs .....	128	134	798
Payroll tax .....	1,805	1,935	7,460
<b>Total staff costs .....</b>	<b>18,808</b>	<b>20,313</b>	<b>77,578</b>
<b>Other administrative expenses .....</b>	<b>13,778</b>	<b>13,858</b>	<b>52,845</b>
<b>Total staff costs and administrative expenses .....</b>	<b>33,395</b>	<b>34,961</b>	<b>134,124</b>
<b>Number of employees</b>			
Average number of employees .....	131	139	131



## Notes per 31st March (continued)


1,000 DKK	2012	2011	1.1 31.12 2011
<b>Write-downs on loans and receivables</b>			
Write-downs and provisions during the year .....	32,177	18,688	118,890
Reversal of write-downs made in previous years .....	-17,724	-5,136	-61,522
Finally lost, not previously written down .....	1,684	323	6,977
Interests on the written-down part of loans .....	-2,000	-1,800	-7,200
Recoveries of previously written-down debt .....	-124	-1,608	-4,964
<b>Individual write-downs on loans etc. ....</b>	<b>14,013</b>	<b>10,471</b>	<b>52,181</b>
<b>Profit on holdings in associated and group companies</b>			
Profit on holdings in associated companies .....	0	0	-10,828
Profit on holdings in group companies .....	0	0	-3,380
<b>Total profit on holdings in associated and group companies .....</b>	<b>0</b>	<b>0</b>	<b>-14,208</b>
<b>Individual write-downs and provisions</b>			
Write-downs as per beginning of the year .....	274,981	264,439	264,439
Write-downs during the period (net) .....	29,182	19,578	114,090
Reversal of write-downs made in previous years .....	-16,023	-5,136	-61,522
Write-downs in previous years, now lost .....	-15,141	-2,371	-42,026
<b>Individual write-downs total .....</b>	<b>272,999</b>	<b>276,510</b>	<b>264,439</b>
<b>Group write-downs on and provisions</b>			
Write-downs as per beginning of the year .....	14,718	13,268	13,268
Write-downs during the period .....	-1,701	-890	1,450
<b>Group write-downs on loans etc. ....</b>	<b>13,017</b>	<b>12,378</b>	<b>14,718</b>
<b>Write-downs total .....</b>	<b>286,016</b>	<b>288,888</b>	<b>289,699</b>


## Notes per 31st March (continued)


1,000 DKK	2012	2011	1.1 31.12 2011
<b>Guarantees</b>			
Provisions beginning of the year .....	5,208	6,000	6,000
Provisions during the year .....	3,832	5,895	5,208
Transferred to liabilities.....	0	0	-6,000
<b>Guarantees total .....</b>	<b>9,040</b>	<b>11,895</b>	<b>5,208</b>
<b>Total loans etc. with suspended calc. of interest .....</b>	<b>238,773</b>	<b>223,887</b>	<b>202,692</b>
<b>Share capital</b>			
Number of shares at DKK 20 each .....	1,128,000	1,128,000	1,128,000
<b>Share capital .....</b>	<b>22,560</b>	<b>22,560</b>	<b>22,560</b>
<b>Own capital shares</b>			
Number of shares (pcs).....	91,744	69,729	97,102
Nominal value hereof.....	1,835	1,395	1,942
Market value hereof .....	8,624	9,065	7,817
Own shares proportion of share capital (per cent) .....	8.1%	6.2%	8,6%


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