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## Stock Exchange Announcement No 01/07

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## Sydbank's preliminary announcement of 2006 annual results

### Sydbank's annual results 2006 – extremely satisfactory pre-tax profit of DKK 2,051m

In 2006 the Sydbank Group generated a highly satisfactory pre-tax profit of DKK 2,051m – equalling a 36% return on average shareholders' equity (Tier 1).

The income statement is characterized by:

- 14% increase in core income excl trading income
- 22% rise in trading income
- Growth in costs of just under 10%
- Income recognition of DKK 171m concerning impairment of loans and advances
- Profit from investment portfolios of DKK 173m
- Totalkredit gain of DKK 120m

### Summary income statement

Group (DKKm)	2006	2005
Core income excl trading income	2,298	2,013
Trading income	1,319	1,079
<b>Total core income</b>	<b>3,617</b>	<b>3,092</b>
Costs and depreciation	2,030	1,853
<b>Core income before impairment of loans and advances etc</b>	<b>1,587</b>	<b>1,239</b>
Impairment of loans and advances etc	(171)	65
<b>Core earnings</b>	<b>1,758</b>	<b>1,174</b>
Profit from investment portfolios	173	139
<b>Profit before Totalkredit gain</b>	<b>1,931</b>	<b>1,313</b>
Gain on sale of Totalkredit	120	0
<b>Profit before tax</b>	<b>2,051</b>	<b>1,313</b>
Tax	537	377
<b>Profit for the year</b>	<b>1,514</b>	<b>936</b>

### Group Executive Management

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The Group's core earnings of DKK 1,758m exceed the expectations published in the Q1-Q3 2006 Quarterly Report. The favourable variance in the last three months of the year can be ascribed to income recognition concerning impairment of loans and advances. Core earnings represented DKK 505m in Q4.

The Group's profit after tax makes up DKK 1,514m compared with DKK 936m in 2005, equal to a return of 27% on average shareholders' equity; profit per share has gone up by 61%. The profit is the best in the Group's history.

Group balance sheet highlights in 2006 include:

- 22% rise in ordinary loans and advances to DKK 65.5bn
- 15% growth in deposits and other debt to DKK 50.0bn
- 50% rise in bonds issued to DKK 10.0bn

The Group's solvency (total capital) ratio stands at 11.8%, including a core capital (Tier 1) ratio of 9.0%.

The Group projects core earnings in the region of DKK 1,600-1,900m in 2007.

The following proposals will be put before the AGM: that a dividend of DKK 3 per share be distributed and that an amount of DKK 20m be allocated to the sponsorship fund, "Sydbank Sønderjyllands Fond". The AGM is scheduled for 8 March 2007.

Sydbank's 2006 Annual Report is expected to be available on 20 February 2007.

Yours faithfully



Carsten Andersen  
Group Chief Executive

## Group Financial Highlights

	2006	2005	2004	2003	2002
<b>Income statement (DKKmn)</b>					
Core income excl trading income	2,298	2,013	1,965	1,865	1,846
Trading income	1,319	1,079	712	638	515
<b>Total core income</b>	<b>3,617</b>	<b>3,092</b>	<b>2,677</b>	<b>2,503</b>	<b>2,361</b>
Costs and depreciation	2,030	1,853	1,714	1,654	1,573
Impairment of loans and advances etc	(171)	65	225	300	299
<b>Core earnings</b>	<b>1,758</b>	<b>1,174</b>	<b>738</b>	<b>549</b>	<b>489</b>
Profit from investment portfolios	173	139	160	217	120
<b>Profit before Totalkredit gain</b>	<b>1,931</b>	<b>1,313</b>	<b>898</b>	<b>766</b>	<b>609</b>
Gain on sale of Totalkredit	120	-	87	282	-
<b>Profit before tax</b>	<b>2,051</b>	<b>1,313</b>	<b>985</b>	<b>1,048</b>	<b>609</b>
Tax	537	377	235	376	195
<b>Profit for the year</b>	<b>1,514</b>	<b>936</b>	<b>750</b>	<b>672</b>	<b>414</b>
<b>Balance sheet highlights (DKKbn)</b>					
Loans and advances at amortised cost	65.5	53.5	41.8	34.9	33.9
Loans and advances at fair value	7.7	7.2	5.7	4.7	4.7
Deposits and other debt	50.0	43.6	38.6	37.8	33.4
Bonds issued at amortised cost	10.0	6.7	1.9	1.9	1.9
Subordinated capital (Tier 2)	3.5	2.8	1.8	1.3	1.3
Shareholders' equity (Tier 1)	6.3	5.0	4.4	4.3	3.6
Total assets	114.8	98.9	78.6	73.5	66.8
<b>Financial ratios per share (DKK per share of DKK 10)</b>					
EPS Basic	22.1	13.7	10.7	9.1	5.6
EPS Diluted	22.1	13.7	10.7	9.1	5.6
Share price at year-end	270.0	151.0	107.8	80.3	49.0
Book value	92.1	72.9	63.6	57.8	47.7
Share price/book value	2.93	2.07	1.69	1.39	1.03
Average number of shares outstanding (in millions)	68.5	68.6	70.3	73.6	73.3
Proposed dividend	3.0	3.0	3.0	2.0	1.5
<b>Other financial ratios and key figures</b>					
Solvency (total capital) ratio	11.8	11.1	11.4	11.1	11.4
Core capital (Tier 1) ratio	9.0	8.1	9.3	8.9	8.3
Pre-tax profit as % of avg shareholders' equity	36.2	27.9	22.3	25.7	17.8
Post-tax profit as % of avg shareholders' equity	26.7	19.9	17.0	16.5	12.1
Income/cost ratio (DKK)	2.10	1.68	1.51	1.53	1.32
Interest rate risk *	2.0	2.3	3.4	4.8	5.9
Foreign exchange position *	10.3	2.8	1.5	4.1	11.2
Foreign exchange risk *	0.1	0.1	0.0	0.1	0.1
Loans and advances relative to deposits **	1.2	1.1	1.1	0.9	1.0
Loans and advances relative to shareholders' equity **	10.3	10.7	9.4	8.1	9.5
Growth in loans and advances for the year	22.4	28.0	19.9	3.1	3.4
Excess cover relative to statutory liquidity requirements *	74.0	95.1	114.2	139.4	120.4
Total large exposures *	34.7	93.9	61.5	79.1	70.0
Accumulated impairment ratio	1.6	2.1	2.6	2.9	2.8
Impairment ratio for the year	(0.2)	0.1	0.4	0.6	0.6
Number of full-time staff at year-end	2,190	2,123	2,075	1,988	1,945

\* Ratios for 2002-2004 have not been restated.

\*\* Loans and advances at amortised cost.

### Core income excl trading income

Total core income excl trading income grew by DKK 285m to DKK 2,298m.

Core income excl trading income (DKKm)	2006	2005
Interest margins etc	1,821	1,528
Mortgage credit	173	179
Payment services	132	114
Remortgaging and loan fees	63	77
Other commission	84	89
Other operating income	25	26
<b>Total</b>	<b>2,298</b>	<b>2,013</b>

Income from interest margins etc represents DKK 1,821m, a rise of 19%. The positive developments have been generated by a 22% increase in ordinary loans and advances.

A slowdown in remortgaging and consequently mortgage credit activity resulted in a slight decline in income from mortgage credit as well as from remortgaging and loan fees in 2006. In contrast income from international and national payment services has gone up as a consequence of increased business activity.

Other commission went down by DKK 5m in 2006 to DKK 84m, which is solely ascribable to reduced income (DKK 9m) from company administration in the subsidiary DMK-Holding.

### Trading income

Increased activity in the Bank concerning asset management as well as securities trading etc has generated a 22% rise in trading income – from DKK 1,079m in 2005 to DKK 1,319m in 2006. The favourable developments in income and business volume are supported by high activity and substantial demand not least resulting from private banking clients' trading in equities and investment units. Moreover businesses' foreign exchange and interest rate hedging contributes to the appreciable rise in trading income.

Trading income (DKKm)	2006	2005
Bonds	182	175
Shares	448	320
Foreign exchange	220	233
Money market	79	36
Asset management	390	315
<b>Total</b>	<b>1,319</b>	<b>1,079</b>

### Costs and depreciation

The Group's costs and depreciation recorded DKK 2,039m, equal to a rise of just under 10% compared with 2005.

Costs and depreciation (DKKm)	2006	2005
Staff costs	1,186	1,074
Other administrative expenses	740	673
Depreciation and impairment of property, plant and equipment	111	105
Other operating expenses	2	10
<b>Total</b>	<b>2,039</b>	<b>1,862</b>
Of which profit from investment portfolios	9	9

At year-end 2006 the Group's staff numbered 2,190 (full-time equivalent) compared with 2,123 in 2005.

In 2006 three small branches merged with other branches and in September the Bank opened a newly built branch in Ballerup – bringing the number of branches to 110.

Two of the 110 branches are located in Germany – in Flensburg and Hamburg. On 1 April 2007 Sydbank will open its third German branch – in Kiel – as the Bank will take over the retail banking segment of the Kiel based bank, BCN. From the outset Sydbank's branch in Kiel will have around 3,500 customers, a business volume of approximately EUR 100m and a staff number of 12 at its address Wall 55, Kiel.

### Impairment of loans and advances etc

In 2006 impairment of loans and advances etc of DKK 171m was recognised as net income in contrast to 2005 when DKK 65m was charged to the income statement. The positive developments can be ascribed to improved credit quality of the lending portfolio, triggered by the favourable business conditions in Denmark.

### Core earnings

Core earnings total DKK 1,758m – an increase of DKK 584m or 50%.

### Profit from investment portfolios

In 2006 profit from investment portfolios amounts to DKK 173m (2005: DKK 139m) less funding charges, and less related costs of DKK 9m.

### Totalkredit gain

Overall profit before Totalkredit gain rose by DKK 618m to DKK 1,931m, an improvement of 47%.

In 2006 Sydbank sold its remaining shareholding of 117,373 shares in Totalkredit to Nykredit. This sale generated a gain of DKK 120m.

### Subsidiaries

Sydleasing, mainly engaged in leasing and factoring, contributed a pre-tax profit of DKK 40m (2005: DKK 19m). Sydleasing's loans and advances rose by DKK 533m to DKK 3,327m. Effective 1 January 2007 Sydleasing and Sydbank will merge with the aim of reaping administrative and management related benefits.

DMK-Holding, engaged in company administration, contributed a pre-tax profit of DKK 14m (2005: DKK 21m). The reduced income is attributable to a decline in business volume.

The subsidiary bank, Sydbank (Schweiz) AG, which operates private banking activities in St. Gallen, Switzerland, recorded a pre-tax profit of DKK 7m (2005: loss of DKK 7m). Business developments have been satisfactory.

Ejendomsselskabet recorded a pre-tax loss of DKK 20m (2005: loss of DKK 8m).

### Profit for the year

Pre-tax profit amounts to DKK 2,051m compared with DKK 1,313m in 2005. The calculated tax charge represents DKK 537m (2005: DKK 377m). Profit for the year amounts to DKK 1,514m compared with DKK 936m in 2005.

Return on shareholders' equity (Tier 1) went up from 19.9% in 2005 to 26.7%. Profit per share rose from DKK 13.7 to DKK 22.1, equal to an increase of 61%.

### Balance sheet

The Group's total assets make up DKK 114.8bn at year-end 2006 against DKK 98.9bn at year-end 2005.

Assets, year-end (DKKbn)	2006	2005
Amounts owed by credit institutions etc	16.3	15.0
Loans and advances at fair value (reverse repo transactions)	7.7	7.2
Loans and advances at amortised cost (ordinary loans and advances)	65.5	53.5
Securities and holdings etc	14.4	13.4
Assets related to pooled plans	6.5	5.6
Other assets etc	4.4	4.2
<b>Total</b>	<b>114.8</b>	<b>98.9</b>

The Group's ordinary loans and advances total DKK 65.5bn – an increase of 22% of which DKK 1.6bn has been granted by Sydbank in Germany and Switzerland. Individual and collective impairment and provisions stand at DKK 1,458m at year-end 2006 (2005: DKK 1,569m), equal to 1.6% of total loans and advances and guarantees (2005: 2.1%).

Shareholders' equity and liabilities, year-end (DKKbn)	2006	2005
Amounts owed to credit institutions etc	26.5	25.7
Deposits and other debt	50.0	43.6
Deposits in pooled plans	6.5	5.6
Bonds issued	10.0	6.7
Other liabilities etc	11.6	9.2
Provisions	0.4	0.3
Subordinated capital (Tier 2)	3.5	2.8
Shareholders' equity (Tier 1)	6.3	5.0
<b>Total</b>	<b>114.8</b>	<b>98.9</b>

The Group's deposits and other debt make up DKK 50.0bn against DKK 43.6bn at year-end 2005. The rise of 15% is mainly ascribable to deposits on demand and at notice. With the aim of strengthening and refinancing the Bank's long-term funding, Sydbank issued EUR 650m callable floating-rate notes, bringing bonds issued to DKK 10.0bn (2005: DKK 6.7bn).

#### **Subordinated capital (Tier 2)**

Supplementary capital (Tier 2) constitutes DKK 2,536m at the end of 2006 (2005: DKK 2,271m). In the course of the year supplementary capital amounting to EUR 65m has been repaid and EUR 100m has been raised.

To further strengthen and optimize the Bank's capital structure, EUR 51m hybrid Tier 1 capital was raised in 2006. Total hybrid Tier 1 capital constitutes EUR 126m at year-end 2006.

Total subordinated capital (Tier 2) represents DKK 3,475m at the end of 2006 (2005: DKK 2,831m).

#### **Share capital**

Share capital makes up DKK 700,000,000 at year-end 2006.

The number of shares outstanding increased from 68,355,127 (97.7%) at the end of 2005 to 68,926,051 (98.5%) at the end of 2006. The Sydbank share's book value represents 92. At year-end 2006 the closing price of the Sydbank share stands at 270 and price/book value at 2.93.

#### **Shareholders' equity (Tier 1)**

At year-end 2006 shareholders' equity constitutes DKK 6.349m – an increase of DKK 1,363m since 1 January 2006. The changes in shareholders' equity comprise disposals deriving from dividend distribution etc of net DKK 213m in March 2006 and tax on equity items of DKK 41m, as well as additions from profit for the year of DKK 1,514m and net sale of own shares of DKK 103m.

The Board of Directors recommends to the AGM that DKK 3 per share totalling DKK 210m be distributed and that DKK 20m be paid to the sponsorship fund, "Sydbank Sønderjyllands Fond".

## **Solvency**

The capital base (Tiers 1+2) after deductions rose by DKK 1,948m to DKK 9,244m in the course of the year. The increase in risk-weighted items from DKK 65.7bn at 31 December 2005 to DKK 78.6bn at 31 December 2006 is mainly ascribable to the sharp growth in loans and advances.

At year-end 2006 solvency (total capital) ratio stands at 11.8%, including 9.0% which can be ascribed to core capital (Tier 1) (incl hybrid core capital) compared with 11.1% and 8.1%, respectively, at year-end 2005. The core capital (Tier 1) ratio excluding hybrid core capital represents 7.8% against 7.3% at end-2005.

## **Outlook for 2007**

The Group's 2007 budget is based on expectations of more subdued growth in the Danish economy in 2007. The overall level of prices and interest rates is forecast to be stable albeit a minor interest rate increase is anticipated during the year.

Consequently the good credit quality of the lending portfolio is expected to continue and the Group's ordinary loans and advances are projected to grow by 15%, assisted by for example higher growth in ordinary loans and advances granted by Sydbank in Germany and Switzerland.

A rise of approx 3% in staffing and an increase in costs of 6-7% are provided for in the budget.

Overall the Group projects core earnings in the region of DKK 1,600-1,900m in 2007.

Profit from investment portfolios will depend on financial market developments.

The Group's tax charge is budgeted at 28%.

## **Rating**

Moody's ratings remain unchanged: A2 (long-term), P-1 (short-term) and C+ (financial strength).



## Income Statement

DKKm	2006	2005
Interest income	4,012	2,904
Interest expense	2,126	1,192
<b>Net interest income</b>	<b>1,886</b>	<b>1,712</b>
Dividends on shares	26	16
Fee and commission income	1,397	1,132
Fee and commission expense	219	149
<b>Net interest and fee income</b>	<b>3,090</b>	<b>2,711</b>
Market value adjustments	802	503
Other operating income	24	25
Staff costs and administrative expenses	1,926	1,747
Depreciation and impairment of property, plant and equipment	111	105
Other operating expenses	2	10
Impairment of loans and advances etc	(171)	65
Profit/(Loss) on holdings in associates and subsidiaries	3	(1)
Profit on assets temporarily acquired	0	2
<b>Profit before tax</b>	<b>2,051</b>	<b>1,313</b>
Tax	537	377
<b>Profit for the year</b>	<b>1,514</b>	<b>936</b>

### Distribution of profit for the year including proposed dividend

Profit for the year	1,514	936
<b>Total amount to be allocated</b>	<b>1,514</b>	<b>936</b>
Proposed dividend	210	210
Proposal for allocation for other purposes	20	10
Transfer to shareholders' equity	1,284	716
<b>Total amount allocated</b>	<b>1,514</b>	<b>936</b>

EPS Basic (DKK) *	22.1	13.7
EPS Diluted (DKK) *	22.1	13.7
Proposed dividend per share (DKK)	3	3

\* Calculated on the basis of average number of shares outstanding.

## Balance Sheet

DKKm	2006	2005
<b>ASSETS</b>		
Cash and balances on demand at central banks	571	4,037
Amounts owed by credit institutions and central banks	15,708	10,967
Loans and advances at fair value	7,671	7,174
Loans and advances at amortised cost	65,512	53,538
Bonds at fair value	13,112	12,248
Shares etc	1,159	1,026
Holdings in associates etc	149	143
Holdings in subsidiaries	-	-
Assets related to pooled plans	6,522	5,615
Total land and buildings	769	748
– investment property	44	45
– owner-occupied property	725	703
Other property, plant and equipment	108	94
Current tax assets	55	84
Deferred tax assets	6	-
Assets temporarily acquired	-	-
Other assets	3,379	3,203
Prepayments	37	36
<b>Total assets</b>	<b>114,758</b>	<b>98,913</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Amounts owed to credit institutions and central banks	26,498	25,692
Deposits and other debt	49,991	43,590
Deposits in pooled plans	6,522	5,615
Bonds issued at amortised cost	10,049	6,701
Current tax liabilities	28	20
Other liabilities	11,433	9,155
Deferred income	67	56
<b>Total liabilities</b>	<b>104,588</b>	<b>90,829</b>
Provisions	346	267
Subordinated capital (Tier 2)	3,475	2,831
Shareholders' equity (Tier 1):		
Share capital	700	700
Other reserves:		
Reserves according to articles of association	388	381
Other reserves	8	8
Retained earnings	5,253	3,897
Total shareholders' equity (Tier 1) *)	6,349	4,986
<b>Total shareholders' equity and liabilities</b>	<b>114,758</b>	<b>98,913</b>
*) Including proposed dividend etc.	230	220

## Capital – the Sydbank Group

<b>Changes in capital:</b>						
DKKm	Share capital	Restricted savings bank reserve	Reserve for net revaluation according to equity method	Retained earnings	Proposed dividend etc	Total
Shareholders' equity 1 Jan 2006	700	381	8	3,677	220	4,986
<b>Changes in equity in 2006:</b>						
Translation of foreign entities	-	-	-	(6)	-	(6)
Hedge of net investment in foreign entities	-	-	-	6	-	6
Profit for the year	-	7	-	1,277	230	1,514
<b>Total income</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>1,277</b>	<b>230</b>	<b>1,514</b>
Purchase of own shares	-	-	-	(3,378)	-	(3,378)
Sale of own shares	-	-	-	3,464	-	3,464
Employee shares	-	-	-	17	-	17
Tax on equity items	-	-	-	(41)	-	(41)
Adopted dividend etc	-	-	-	-	(220)	(220)
Dividends, own shares	-	-	-	7	-	7
<b>Total changes in equity in 2006</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>1,346</b>	<b>10</b>	<b>1,363</b>
<b>Shareholders' equity 31 Dec 2006</b>	<b>700</b>	<b>388</b>	<b>8</b>	<b>5,023</b>	<b>230</b>	<b>6,349</b>

### Solvency (total capital) ratio and capital base (Tiers 1+2):

DKKm	2006	2005
<b>Solvency:</b>		
Solvency (total capital) ratio	11.8	11.1
Core capital (Tier 1) ratio	9.0	8.1
Core capital (Tier 1) ratio (excl hybrid core capital)	7.8	7.3
<b>Composition of capital and weighted items:</b>		
Core capital (Tier 1)	6,349	4,986
Deductions	236	220
Hybrid core capital (Tier 1)	939	560
Core capital (Tier 1) (incl hybrid core capital) after deductions	7,052	5,326
Subordinated capital (Tier 2) included	2,536	2,271
Deductions	344	301
Supplementary capital (Tier 2) after deductions	2,192	1,970
<b>Capital base (Tiers 1+2) after deductions</b>	<b>9,244</b>	<b>7,296</b>
Capital base requirement (solvency requirement 8%)	6,290	5,257
Weighted assets and off-balance sheet items	69,023	58,186
Weighted items with market risk	9,597	7,532
<b>Total weighted items</b>	<b>78,620</b>	<b>65,718</b>

## Cash Flow Statement

DKKm	2006	2005
<b>Operating activities:</b>		
Pre-tax profit for the year	2,051	1,313
Taxes paid	(471)	(238)
Adjustment of non-cash operating items:		
Profit/(Loss) on holdings in associates	(3)	1
Depreciation of property, plant and equipment	111	105
Impairment of loans and advances/guarantees	(149)	97
Other non-cash operating items	(18)	37
<b>Total</b>	<b>1,521</b>	<b>1,315</b>
Changes in working capital:		
Credit institutions and central banks	(1,703)	4,389
Trading portfolio	(997)	(2,019)
Other financial instruments at fair value	(107)	5
Loans and advances	(12,275)	(13,234)
Deposits	6,401	4,970
Other assets/liabilities	2,232	2,103
<b>Cash flows from operating activities</b>	<b>(4,928)</b>	<b>(2,471)</b>
<b>Investing activities:</b>		
Purchase of holdings in associates	(3)	0
Sale of holdings in associates	0	3
Purchase of property, plant and equipment	(152)	(129)
Sale of property, plant and equipment	6	9
<b>Cash flows from investing activities</b>	<b>(149)</b>	<b>(117)</b>
<b>Financing activities:</b>		
Purchase and sale of own holdings	69	(165)
Dividend	(220)	(215)
Raising of subordinated capital (Tier 2)	644	1,015
Issue of bonds	3,348	4,842
<b>Cash flows from financing activities</b>	<b>3,841</b>	<b>5,477</b>
<b>Cash flows for the year</b>	<b>(1,236)</b>	<b>2,889</b>
Cash equivalent positions at 1 Jan	7,315	4,426
Cash flows for the year (changes during the year)	(1,236)	2,889
<b>Cash equivalent positions at 31 Dec</b>	<b>6,079</b>	<b>7,315</b>

## Notes

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DKKm	2006	2005
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### Accounting policies:

The accounting policies applied are consistent with those adopted in the 2005 Annual Report.

### Provisions:

Provisions for pensions and similar obligations	2	2
Provisions for deferred tax	110	58
Provisions for guarantees	198	152
Other provisions	36	55
<b>Total provisions</b>	<b>346</b>	<b>267</b>

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### Guarantees:

Financial guarantees	3,622	3,427
Mortgage finance guarantees	6,281	5,319
Registration and remortgaging guarantees	3,529	3,545
Other guarantees	1,448	1,413
<b>Total guarantees</b>	<b>14,880</b>	<b>13,704</b>

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### Other contingent liabilities:

Irrevocable credit commitments	237	38
Other liabilities	74	77
<b>Total other contingent liabilities</b>	<b>311</b>	<b>115</b>

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The Group is party to a number of legal actions. These actions are under continuous review and the necessary provisions made are based on an assessment of the risk of loss. Pending legal actions are not expected to have any significant impact on the financial position of the Group.

## Notes

DKKm	2006	2005
<b>Impairment of loans and advances and provisions for guarantees</b>		
<b>Individual impairment of loans and advances and provisions for guarantees:</b>		
Impairment and provisions at 1 Jan	1,407	1,545
Adjustment concerning new accounting policies	-	(201)
Adjusted impairment and provisions at 1 Jan	1,407	1,344
Exchange rate adjustment	0	0
Impairment and provisions during the year	1,087	1,108
Reversal of impairment and provisions made in previous years	1,196	912
Write-offs covered by impairment and provisions	36	133
<b>Impairment and provisions at 31 Dec</b>	<b>1,262</b>	<b>1,407</b>
Sum of loans and advances and amounts owed with objective evidence of impairment	2,279	3,035
Individual impairment and provisions	1,262	1,407
<b>Loans and advances and amounts owed after individual impairment and provisions</b>	<b>1,017</b>	<b>1,628</b>
<b>Collective impairment of loans and advances and provisions for guarantees:</b>		
Impairment and provisions at 1 Jan	162	-
Adjustment concerning new accounting policies	-	188
Adjusted impairment and provisions at 1 Jan	162	188
Impairment and provisions during the year	49	31
Reversal of impairment and provisions made in previous years	15	57
Write-offs covered by impairment and provisions	0	0
<b>Impairment and provisions at 31 Dec</b>	<b>196</b>	<b>162</b>
Sum of loans and advances and amounts owed subject to collective impairment and provisions	58,211	47,346
Collective impairment and provisions	196	162
<b>Loans and advances and amounts owed after collective impairment and provisions</b>	<b>58,015</b>	<b>47,184</b>
<b>Impairment and provisions at 31 Dec:</b>		
Individual impairment and provisions	1,262	1,407
Collective impairment and provisions	196	162
<b>Total impairment and provisions at 31 Dec</b>	<b>1,458</b>	<b>1,569</b>
<b>Impairment of loans and advances recognised in the income statement:</b>		
Impairment and provisions	(149)	97
Write-offs not covered by impairment and provisions	36	36
Recovered from debt previously written off	58	68
<b>Impairment of loans and advances etc</b>	<b>(171)</b>	<b>65</b>