

FIH Group Interim Report Q1-Q3 2011
9 November 2011

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Summary

- For Q1-Q3 2011, FIH records profit before loan impairment charges and taxation, excluding the Axcel III fund, of DKK 547.2 million (Q1-Q3 2010: DKK 860.4 million), which is satisfactory and in line with expectations.
- Market value adjustment of the Axcel III fund is negative by DKK 893.5 million in Q1-Q3 2011 (Q1-Q3 2010: positive by DKK 403.2 million).
- Loan impairment charges, excluding the Private Contingency Association, are DKK 555.3 million (Q1-Q3 2010: DKK 536.2 million). As at 30 September 2011, FIH's accumulated loan impairment balance is DKK 2,323 million (year-end 2010: DKK 2,178 million, excluding the Private Contingency Association), equivalent to 4.4 per cent of FIH's loans and guarantees before loan impairment charges.
- Results before taxation for Q1-Q3 2011, excluding the Axcel III fund, are negative by DKK 10.1 million (Q1-Q3 2010: positive by DKK 143.7 million). Results after taxation and including the Axcel III fund are negative by DKK 892.9 million (Q1-Q3 2010: positive by DKK 501.9 million).
- Equity amounts to DKK 7,451 million at the end of Q3 2011 (year-end 2010: DKK 8,334 million), and FIH maintains a high core capital ratio of 14.9 per cent (year-end 2010: 13.3 per cent) and a strong solvency ratio of 16.8 per cent (year-end 2010: 15.4 per cent).
- Liquidity remains strong, and in Q3 2011 FIH redeemed bonds issued under the Danish government's individual guarantee scheme, worth DKK 4.6 billion. Following the redemption of bonds, liquidity amounts to DKK 15.3 billion, equivalent to excess cover of 91.5 per cent relative to the regulatory requirements (year-end 2010: 71.4 per cent).
- In accordance with its business strategy, FIH has reduced its loan balance by DKK 9.6 billion since year-end 2010, DKK 3.8 billion of which in Q3 2011 alone. The loan balance reduction is in full compliance with the aims of FIH's business strategy, and FIH has thus reduced total loans by 16.5 per cent during the past nine months.
- Due to estimated negative market value adjustments of about DKK 200 million in Q4 2011 *inter alia* related to projected disposals of non-continuing activities, expectations to profit for the year before loan impairment charges and taxation, excluding the Axcel III fund, have been revised from about DKK 700 million to about DKK 500 million.

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Management's review

HIGHLIGHTS – FIH GROUP

Result for the period (DKK million)	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2011	2010
Net interest income	592.6	1,021.1	216.6	163.7	212.3	182.0	324.0	1,203.1
Net fee income	92.6	142.5	27.8	30.4	34.4	47.5	60.4	190.0
Net interest and fee income	685.2	1,163.6	244.4	194.1	246.7	229.5	384.4	1,393.1
Market value adjustments excluding Axcel III	257.5	349.5	44.3	76.0	137.2	5.2	-87.9	354.7
Other operating income	52.4	66.0	16.9	17.0	18.5	18.2	19.0	84.2
Profit on net financials excluding Axcel III	995.1	1,579.1	305.6	287.1	402.4	252.9	315.5	1,832.0
Ordinary expenses	402.7	474.5	113.0	141.7	148.0	158.6	150.9	633.1
Other expenses	45.2	244.2	-1.4	40.4	6.2	0.0	81.4	244.2
Profit on net financials excluding Axcel III	547.2	860.4	194.0	105.0	248.2	94.3	83.2	954.7
Market value adjustments on Axcel III	-893.5	403.2	-446.6	-315.2	-131.7	881.1	412.7	1,284.3
Loan impairment charges	557.3	717.6	205.4	180.6	171.3	1,205.0	368.2	1,922.6
Profit from investments in associates and group enterprises	0.0	0.9	0.0	0.0	0.0	-1.0	2.7	-0.1
Profit before taxation	-903.6	546.9	-458.0	-390.8	-54.8	-230.6	130.4	316.3
Taxation	-10.7	45.0	-4.0	-29.9	23.2	-253.3	-68.2	-208.3
Net profit for the period	-892.9	501.9	-454.0	-360.9	-78.0	22.7	198.6	524.6
Ratios								
Solvency ratio, per cent	16.8	15.2	16.8	16.2	15.9	15.4	15.2	15.4
Core capital ratio, per cent	14.9	12.9	14.9	14.5	14.3	13.3	12.9	13.3
Individual solvency requirement, per cent	10.5	9.9	10.5	10.2	10.2	9.9	9.9	9.9
Return on equity before taxation p.a.	-15.3	9.0	-15.3	-11.0	-2.6	3.9	9.0	3.9
Return on equity after taxation p.a.	-15.1	8.3	-15.1	-10.8	-3.8	6.5	8.3	6.5
Cost/income ratio excluding Axcel III	0.40	0.30	0.37	0.49	0.37	0.63	0.48	0.35
Total amount of large exposures	54.0	49.4	54.0	38.7	60.8	66.1	49.4	66.1

Performance for Q1-Q3 2011

Profit before loan impairment charges and taxation, excluding the Axcel III fund, is DKK 547.2 million (Q1-Q3 2010: DKK 860.4 million), which is satisfactory and in line with expectations.

Results before taxation, excluding the Axcel III fund, are negative by DKK 10.1 million (Q1-Q3 2010: positive by DKK 143.7 million), while results after taxation and including the Axcel III fund are negative by DKK 892.9 million (Q1-Q3 2010: positive by DKK 501.9 million).

NET INTEREST AND FEE INCOME

FIH's net interest income for Q1-Q3 2011 totals DKK 592.6 million (Q1-Q3 2010: DKK 1,021.1 million).

As has been the case for the preceding quarters of the year, the decline in net interest income is attributable primarily to an increase of the commission in respect of the government guarantee for bond issues. The increase took effect on 30 September 2010 at the expiry of Bank Package I. The additional interest costs amount to about DKK 25 million per month.

In addition, net interest income has fallen as a result of the decrease of the loan balance in 2011 relative to 2010; however, this is to some extent offset by an increase in lending rates introduced to compensate for higher funding costs. Furthermore, net interest income from the bond portfolio has fallen as a result of lower average bond holdings in Q1-Q3 2011 relative to the year-earlier period.

Net fee income is DKK 92.6 million (Q1-Q3 2010: DKK 142.5 million), representing a decrease of DKK 49.9 million, attributable to a corresponding decline in the income of Corporate Finance to DKK 48.8 million in Q1-Q3 2011 (Q1-Q3 2010: DKK 89.8 million).

MARKET VALUE ADJUSTMENTS

Market value adjustments, excluding the Axcel III fund, have a positive impact of DKK 257.5 million on the profit for the period (Q1-Q3 2010: DKK 349.5 million), of which market value adjustments of FIH's equity investments (excluding the Axcel III fund) account for DKK 188.9 million (Q1-Q3 2010: DKK 10.6 million).

Market value adjustments for Q1-Q3 2011 are affected by market value adjustments of bonds and other derivatives of DKK 54.9 million (Q1-Q3 2010: DKK 288.1 million). In Q1-Q3 2011, FIH repurchased own bonds issued in the amount of DKK 1,226 million, generating income of DKK 64.0 million under market value adjustments (Q1-Q3 2010: DKK 11.0 million).

(DKK million)	Q1-Q3 2011	Q1-Q3 2010
Market value adjustments		
Loan hedging	8.6	14.1
Funding hedging	-5.0	12.1
Investment properties, including hedging	-14.4	14.4
Mortgage loans, including hedging	-1.6	1.6
Bonds and other derivatives	54.9	288.1
Repurchase of bonds issued and subordinated debt	64.0	11.0
Share options	3.5	4.2
Foreign exchange	-41.4	-6.6
Other shares	188.9	10.6
Total	257.5	349.5

Exchange rate adjustments are negative by DKK 41.4 million (Q1-Q3 2010: negative by DKK 6.6 million) due *inter alia* to a loss on hedging of FIH's commission payments in respect of the government guarantee for bond issued in US dollars. The negative exchange rate adjustment reflects the development of the dollar exchange rate in Q1-Q3 2011 and is offset by expectations of lower future commission payments.

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Results for the period are also impacted by a loss of DKK 16.8 million on a financial instrument following the transfer of Amagerbanken to the Financial Stability Company.

Market value adjustment of the Axcel III fund, which e.g. holds a large stake in Pandora A/S, is negative by DKK 893.5 million in Q1-Q3 2011 (Q1-Q3 2010: positive by DKK 403.2 million). This reflects a sharp drop in the market price of Pandora A/S from DKK 336.0 per share as at 31 December 2010 to DKK 37.3 as at 30 September 2011. Especially in Q3 2011, Pandora's share price decreased significantly due to a profit warning for 2011 issued at the beginning of the quarter. FIH has applied the closing price of Pandora as at 30 September 2011 in the Bank's income statement.

EXPENSES

Ordinary expenses are DKK 402.7 million in Q1-Q3 2011 (Q1-Q3 2010: DKK 474.5 million), representing a decline of DKK 71.8 million. Ordinary expenses comprise staff and administrative expenses as well as depreciation, less certain non-recurring items and expenses for the Guarantee Fund for Depositors and Investors and the Private Contingency Association. In May 2011, FIH reduced its cost base to adapt the Bank to a lower future activity level, resulting in restructuring costs of DKK 21.3 million in Q2 2011. The decrease in ordinary expenses is attributable *inter alia* to the restructuring and a general focus on cost savings in the organisation.

In addition to restructuring costs of DKK 21.3 million, other expenses in Q1-Q3 2011 comprise write downs of certain intangible assets related to internal projects of DKK 18.3 million. Other operating expenses are expenses incurred in connection with the Guarantee Fund for Depositors and Investors, totalling DKK 5.6 million in Q1-Q3 related to the transfer of Fjordbank Mors and Amagerbanken to the Financial Stability Company (Q1-Q3 2010: DKK 244.2 million related to the Private Contingency Association). Q3 2011 saw a small adjustment of other operating expenses, reflecting the final dividend ratio in connection with the transfer of Amagerbanken to the Financial Stability Company.

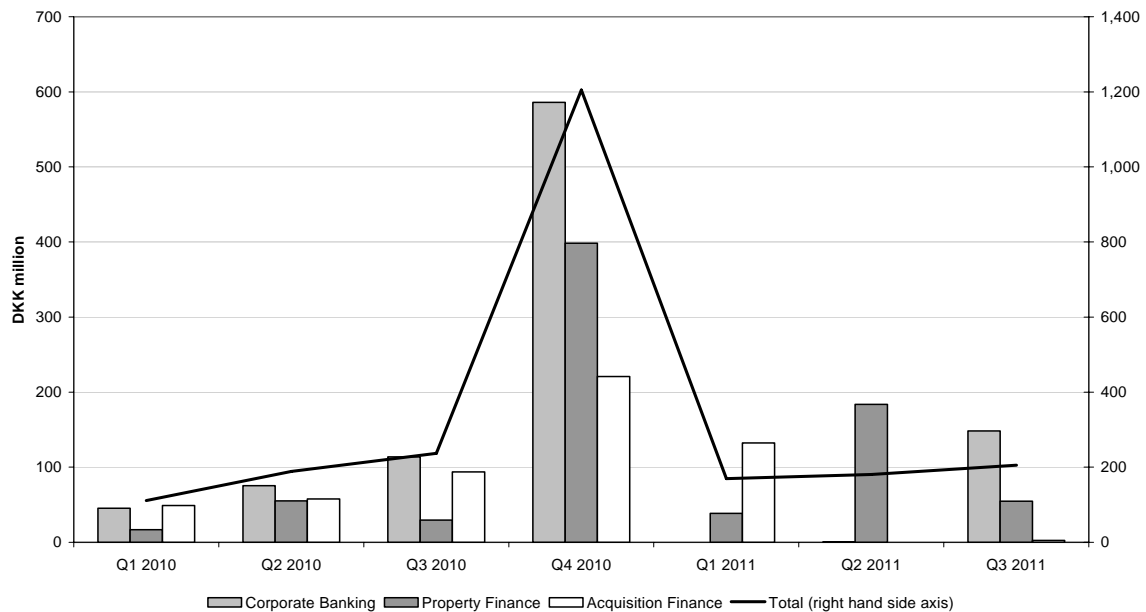
(DKK million)	Q1-Q3 2011	Q1-Q3 2010
Ordinary expenses		
Staff and administrative expenses excluding restructuring costs	386.5	456.2
Depreciation	16.2	18.3
Total ordinary expenses	402.7	474.5
Write downs of intangible assets	18.3	0.0
Restructuring costs	21.3	0.0
Other operating expenses	5.6	244.2
Other expenses	45.2	244.2
Total expenses	447.9	718.7

LOAN IMPAIRMENT CHARGES

Total loan impairment charges are DKK 557.3 million for Q1-Q3 2011, including DKK 2.0 million related to the Private Contingency Association (Q1-Q3 2010: DKK 717.6 million, DKK 181.4 million of which related to the Private Contingency Association). The chart below shows the development in loan impairment charges over the last seven quarters in FIH's Banking business segments, i.e. excluding loan impairment charges related to the Private Contingency Association.

Loan impairment charges are mainly attributable to higher loan impairment charges in respect of a small number of exposures in the three lending segments. The lion's share of the loan impairment charges can be attributed to exposures in the Property Finance segment, reflecting the negative trend of the property market, and two large exposures in Corporate Banking within the construction and leisure industries. The latter part of the period under review has seen a tendency towards new and increased loan impairment charges in respect of small exposures in the Corporate Banking segment.

Loan impairment charges in Banking business segments



Loan impairment charges for Q1-Q3 2011 are slightly higher than for the year-earlier period, but still remain lower than for the full year 2010. The level of loan impairment charges is also higher than expected at the beginning of the year.

Collective loan impairment charges decreased by DKK 105.7 million in Q3 2011 and by a total of DKK 107.7 million in Q1-Q3 2011. The reversal of collective loan impairment charges in Q3 2011, in particular, is attributable to a reduction of the Management's judgement by DKK 250.0 million, which can be attributed to several factors. Firstly, FIH improved its model for determining loan impairment charges, increasing model impairment charges by DKK 147.3 million, which has been deducted from the management's estimate. Secondly, individual impairments have been made on a number of the areas that was the cause of the significant increase Management's judgement at year-end 2010.

The overall quality of the loan portfolio is assessed to have fallen slightly in Q1-Q3 2011. Impairment charge developments largely reflect the ongoing trend in the market. Large and medium-sized companies have performed satisfactorily following earlier cost adjustments, while some small and medium-sized companies are still working to balance operations. Low liquidity in the Danish property market and limited funding opportunities have caused prices for most commercial property types to fall. In the German property market, funding opportunities and liquidity remain good and prices stable.

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Breakdown of loan impairment charges, loans and guarantees by business segments:

(DKK million)	Total		Corporate Banking		Property Finance		Acquisition Finance	
	Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3
	2011	2010	2011	2010	2011	2010	2011	2010
Individual loan impairment charges	677.9	495.9	249.1	183.7	300.0	111.1	128.8	201.1
Collective loan impairment charges	-107.7	37.3	-94.3	46.1	-13.0	-8.8	-0.4	0.0
MVA, interest rates, etc.	-14.9	3.0	-7.5	4.6	-10.1	-0.9	2.7	-0.6
Total loan impairment charges	555.3	536.2	147.3	234.4	276.9	101.4	131.1	200.5
Loans and guarantees before loan impairment charges	52,382	63,796	28,032	30,130	17,043	19,587	7,307	14,079
Accumulated loan impairments	2,323	1,191	1,181	562	788	225	354	404
Loans and guarantees after loan impairment charges	50,059	62,321	26,851	29,284	16,255	19,362	6,953	13,675
Loan impairment balance in per cent of loans and guarantees before loan impairment charges	4.4%	2.3%	4.2%	2.8%	4.6%	1.1%	4.9%	2.9%

Note: Total loan impairment charges in the Group Highlights table on page 4 also include loan impairment charges in connection with the Private Contingency Association of DKK 2.0 million in Q1-Q3 2011 and DKK 181.4 million in Q1-Q3 2010, respectively. These amounts are not included in this table, which shows loan impairment charges in the Banking segment only. Likewise, the table shows loans and guarantees in FIH's Banking segments only. The total sum for FIH in this respect also includes loans and guarantees in the Markets and Other activities segments.

In Corporate Banking, individual loan impairment charges are DKK 249.1 million for Q1-Q3 2011, up DKK 65.4 million on the same period of 2010. Two weak commitments in the construction and leisure industries account for DKK 120 million of the individual loan impairment charges in the segment. Collective loan impairment charges consist of reversals of DKK 94.3 million. Total loan impairment charges for the Corporate Banking segment are DKK 147.3 million for Q1-Q3 2011.

In Property Finance, loan impairment charges for the period under review are DKK 276.9 million, up DKK 175.5 million relative to the same period in 2010. Loan impairment charges are distributed by DKK 300.0 million on individual loan impairment charges and DKK 13.0 million on reversal of collective loan impairment charges. In 2011, individual loan impairment charges primarily relate to a few large commitments, secondly to a large group of small commitments, and are attributable mainly to price adjustment of collateral to current market value as a result of price developments in the property market.

In Acquisition Finance, loan impairment charges are DKK 131.1 million, down by DKK 69.4 million relative to Q1-Q3 2010. Loan impairment charges for Q1-Q3 2011 are attributable mainly to one single, large commitment.

As at 30 September 2011, FIH's total impairment balance is DKK 2,323 million (year-end 2010: DKK 2,178 million, excluding the Private Contingency Association), equivalent to 4.4 per cent of total loans and guarantees before loan impairment charges of DKK 52,382 million. For further details on the quality of FIH's loan portfolio, see page 13.

BALANCE SHEET PERFORMANCE

Balance sheet (DKK million)	30 September 2011	31 December 2010	30 September 2010
Cash in hand	5,016	3,726	2,454
Loans	48,398	57,994	59,801
Bonds	15,338	32,337	28,965
Shares and associates	1,343	2,406	2,112
Other assets	15,914	12,875	17,068
Total assets	86,009	109,338	110,400
Deposits and other payables	8,466	7,487	4,945
Bond debt and due to credit institutions	51,962	77,372	75,955
Provisions for liabilities	46	438	612
Other liabilities	14,309	11,241	16,096
Subordinated debt	3,775	4,466	4,470
Total equity	7,451	8,334	8,322
Total liabilities	86,009	109,338	110,400

During Q1-Q3 2011, the balance sheet total was reduced by DKK 23,329 million to DKK 86,009 million, attributable mainly to a declining bond portfolio and a reduction of the loan balance. Both of these factors are consistent with FIH's business strategy.

Total loans are DKK 48,398 million (year-end 2010: DKK 57,994 million), a reduction of DKK 9,596 million, or 22.1 per cent on an annualised basis. The loan balance has decreased for all Banking segments, Acquisition Finance accounting for the largest reduction. In the coming quarters, the loan balance is expected to be reduced further for all business segments.

At end-Q3 2011, the bond portfolio totals DKK 15,338 million (year-end 2010: DKK 32,337 million), a decline of DKK 16,999 million. The bond portfolio comprises high-quality liquid assets used in the treasury portfolio, liquidity management and the Bank's Trading department.

Other assets, at DKK 15,914 million (year-end 2010: DKK 12,875 million), consist primarily of the market value of derivative financial instruments, totalling DKK 12,241 million at end-September 2011. Other liabilities, at DKK 14,309 million (year-end 2010: DKK 11,241 million), consist primarily of the market value of derivative financial instruments, totalling DKK 11,055 million at end-September 2011.

During Q1-Q3 2011, deposits and other payables increased by DKK 997 million relative to the end of 2010. Deposits from institutional investors have been reduced since the New Year, while deposits from retail customers and small companies in FIH's webbank have been on the rise throughout the period. In Q3, FIH also drew DKK 1 billion under the DKK 10 billion credit facility provided by ATP at the end of June 2011. The draw-down was made to lock in the operational conditions of the agreement and does not reflect a need for liquidity.

Bonds issued and amounts due to credit institutions have declined by DKK 25,410 million from year-end 2010, amounts due to credit institutions being the main driver of the fall. This is a result of lower funding needs following the reduction of the loan balance and the bond portfolio.

In Q3 2011, FIH redeemed bonds issued under the Danish government's individual guarantee scheme, worth approx. DKK 4.6 billion. The redemption is the first step in the repayment of government-guaranteed bonds maturing in 2012-2013.

Performance for Q3 2011

Results before loan impairment charges and taxation, excluding the Axcel III fund, are a profit of DKK 194.0 million (Q2 2011: DKK 105.0 million). The profit increase is driven by higher net interest income due to higher lending margins, underpinned by lower expenses than in Q2 2011, which was a quarter marked by non-recurring expenses.

Results including the Axcel III fund and after taxation are negative by DKK 454.0 million in Q3 (Q2 2011: a profit of 360.9 million); in addition to the factors listed above, results are impacted by market value adjustments of the Axcel III fund of a negative DKK 446.6 million (Q2 2011: a negative DKK 315.2 million) and loan impairment charges of DKK 205.4 million (Q2 2011: DKK 180.6 million).

Liquidity

At end-Q3 2011, FIH's liquidity, calculated in accordance with the Danish Financial Business Act, totals DKK 15.3 billion, equivalent to excess cover of 91.5 per cent relative to the regulatory requirements (year-end 2010: 71.4 per cent). Current liquidity thus remains high. The implementation of the strategy adopted, aiming both at growing deposits and reducing the Bank's loans contributes significantly to positive liquidity. As a result, FIH does not need to raise funding in the next twelve months.

Moreover, FIH has secured significant reserves totalling DKK 10 billion through the ATP facility. The undrawn portion of the facility, DKK 9 billion, is not included in regulatory liquidity.

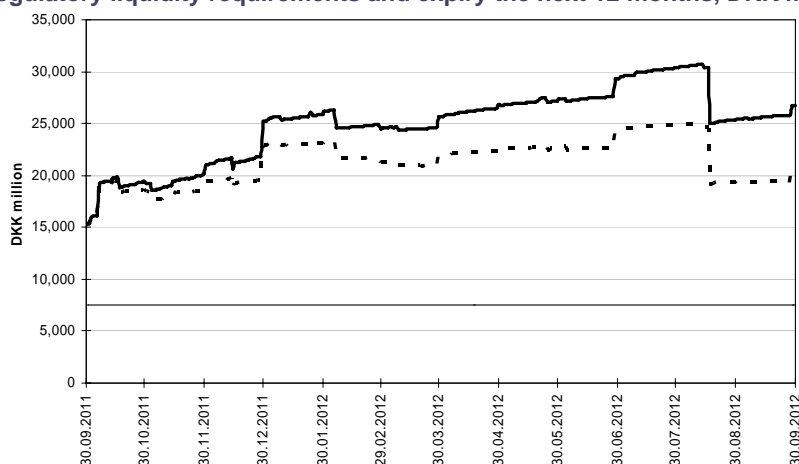
In September, FIH chose to redeem government-guaranteed bonds by an amount equivalent to DKK 4.6 billion. The bonds were issued under Bank Package II guarantee certificates, but were not sold in the market. Accordingly, the bonds were not included in the balance sheet items as debt issued, but formed part of FIH's liquidity reserves. Without the repayment, the Bank's liquidity would therefore have been significantly higher.

FIH thus currently has strong liquidity – and will continue to do so for the next 12 months. However, FIH's liquidity position should be seen in the context of the considerable debt obligations (mainly government-guaranteed bonds), maturing in the period until 30 June 2013.

The Bank's liquidity projection for the next 12 months is set out in the chart below, illustrating two baseline scenarios. The projection is based *inter alia* on principles in which market and timing uncertainties surrounding payments are included.

The dashed line illustrates a conservative scenario for deposits and loans, verifying that FIH's liquidity is solid over a 12-month horizon and that the Bank currently does not need supplementary funding. The black line illustrates the budgeted liquidity impact from the strategy, the assumptions being *inter alia* that the loan balance is reduced and that the volume of deposits continues to rise.

Regulatory liquidity requirements and expiry the next 12 months, DKK million



Scenarios

Black line: Expected liquidity under the strategy

- Continued reduction of the loan balance
- Increase in deposit volume
- All other debt falls due on expiry

Dashed line: Conservative liquidity projection

- Reduction of the loan balance is smaller than expected
- Deposit volume maintained
- All other debt falls due on expiry

Thin line: Regulatory liquidity requirement, end-September 2011

Rating

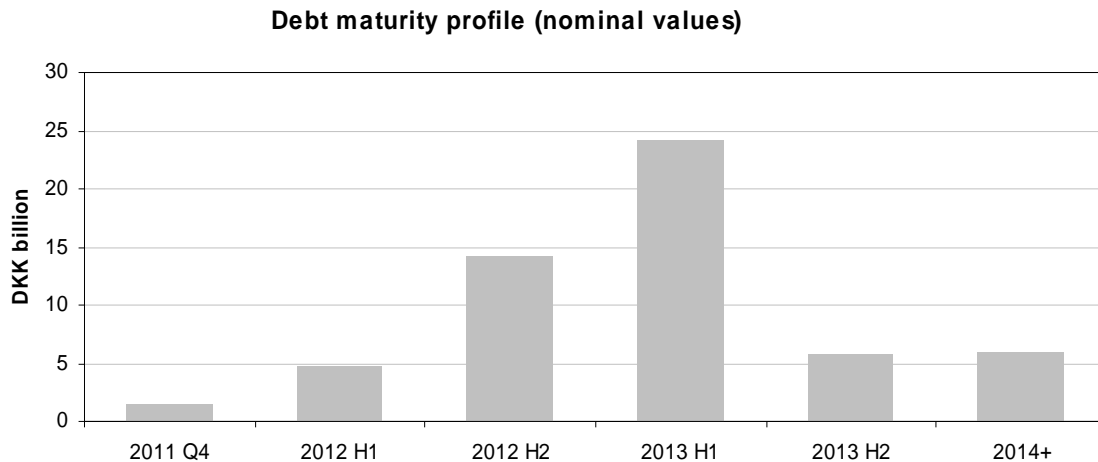
Moody's has assigned a B1 long-term credit rating and a Not Prime short-term debt rating to FIH.

In view of the negative development of the Pandora A/S share price in early August 2011, Moody's initiated a review of FIH's credit rating. The review was completed on 7 October and resulted in a downgrading by two notches.

In connection with the downgrading, Moody's states that FIH's solvency is weakening due to the fall in the Pandora share price and also states reasons such as concerns about refinancing of the government-guaranteed bond issues, credit quality and exposure to the property sector, along with a negative outlook on the Danish economy and Danish banks in general.

Funding

The chart below shows the debt maturity profile for medium and long-term debt over the coming years, i.e. debt with an original maturity of one year or more, calculated on the basis of the nominal value of the debt and the exchange rate at end-September 2011. Subordinated debt falls due at final maturity. Hybrid tier 1 capital is perpetual but is included in the category 2014+.



A core element of FIH's business strategy is to address the issue of the future repayment of all outstanding debt. Once FIH's business strategy has been implemented, the refinancing need will be reduced to less than DKK 15 billion until end-2013, without drawing on the DKK 10 billion credit facility provided by ATP. Due to the reduction of loans and continuing growth of deposits in the webbank, the refinancing need is thus significantly lower than the debt obligations maturing.

The key elements of the funding strategy, all of them aimed at resolving the refinancing issue, are as follows. Active efforts are made to:

- Reduce the refinancing need e.g. through:
 - Re-establishment of the deposit base from corporate and retail customers via FIH's webbank.
 - Continued reduction of the loan balance focusing especially on property exposures
- Establish alternative funding
 - In the short term, the focus is on sources of funding that are less dependent on FIH's rating.
 - Development of funding structures that enable FIH to use existing assets to procure liquidity.

In addition to the elements of the funding strategy, supplementary funding sources have been maintained to underpin FIH's capital resources, including the ATP facility.

In September 2011, FIH made a DKK 1 billion test draw-down under the DKK 10 billion ATP facility. The draw-down was made to lock in the operational conditions of the agreement and does not reflect a need for liquidity.

As at 30 September 2011, Danmarks Nationalbank (central bank) opened up the possibility of pledging part of Danish banks' loans in exchange of liquidity, provided the loans meet a number of specified conditions. While FIH sees this as a positive step for the sector, the Bank does not consider loans from Danmarks Nationalbank to be a lasting source of funding. FIH is currently looking into whether and how the facility from Danmarks Nationalbank may be used in relation to the redemption of government-guaranteed bonds.

Significant risks and uncertainties in 2011

In Q4 2011, loan impairment charges on the Bank's loans will continue to represent a factor of uncertainty for FIH.

Events after the balance sheet date

After the balance sheet date, parts of Max Bank were acquired by the Financial Stability Company. FIH has no direct exposure to Max Bank and the expenses to the Guarantee Fund for Depositors and Investors in relation to the acquisition are assessed to be immaterial. Moreover, FIH redeemed a further approx. DKK 2.2 billion of the bond issue of approx. DKK 10 billion mentioned earlier, 18 October 2011 being the value date.

As part of its strategy, at end-October 2011, FIH entered into conditional agreements on the disposal of assets within non-continuing activities, primarily a large share of the Bank's portfolio of private equities, along with certain loans. The approval and execution of the agreements concluded are contingent on the fulfilment of a number of conditions.

Apart from this, no special events have occurred after the balance sheet date that would affect the financial performance.

Outlook for 2011

FIH's financial performance for Q1-Q3 2011 was in line with expectations at the beginning of the year. FIH expects the results for Q4 2011 to be affected by negative market value adjustments of about DKK 200 million *inter alia* in connection with the disposal of non-continuing activities, including parts of the Bank's portfolio of private equities, as well as certain loans as mentioned above. Based on the expectation that the above mentioned disposals will be finally executed in Q4 2011 and also the execution of further disposals, the estimate of profit for the year before loan impairment charges and taxation, excluding the Axcel III fund, has been revised from about DKK 700 million to about DKK 500 million.

Credit risks and other risks

THE QUALITY OF FIH'S CREDIT EXPOSURES

At end-September 2011, FIH's loans after loan impairment charges total DKK 48,398 million (DKK 50,721 million before loan impairment charges), and, in accordance with the Bank's strategy, have been reduced by DKK 9,596 million since year-end 2010. As illustrated by the chart below, the loan balance is broken down into three categories:

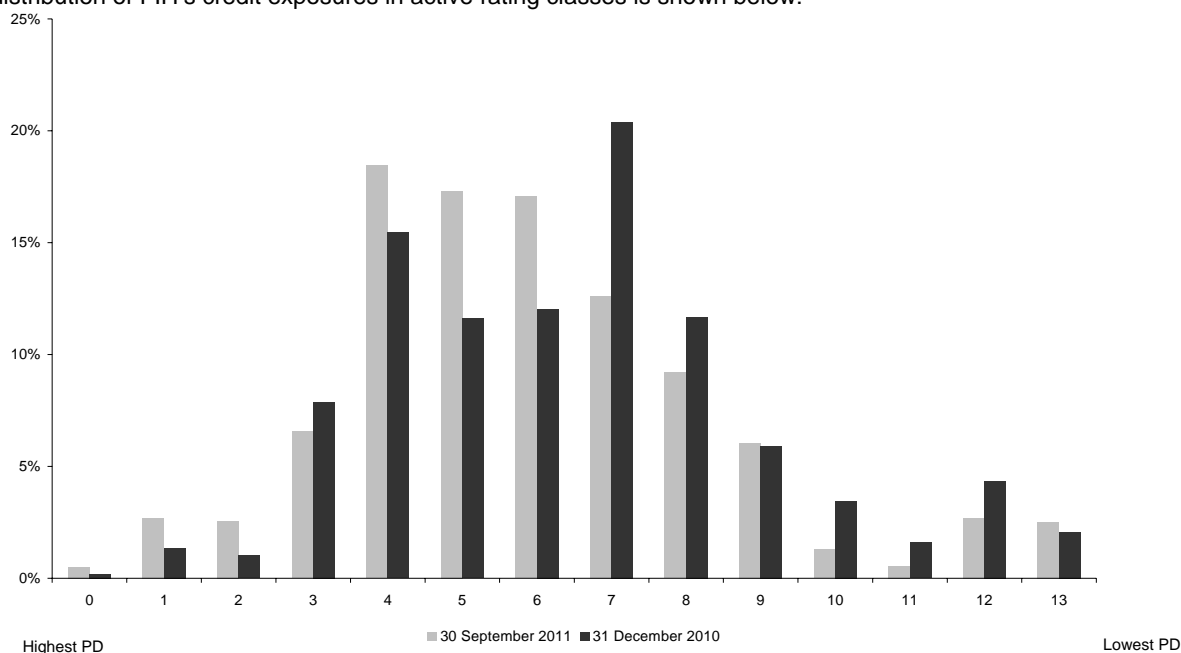
- I. Loans with active ratings (rating classes 0-13), DKK 45,183 million before loan impairment charges at end-September 2011
- II. Default-registered loans (rating class D), DKK 5,538 million before loan impairment charges at end-September 2011
- III. Loans registered with an objective indication of impairment (OII), DKK 8,981 million before loan impairment charges at end-September 2011

The sum of categories I and II is FIH's total loans before loan impairment charges. Category III (loans registered with an objective indication of impairment – OII) comprises loans from categories I and II. Such loans for which no need for loan impairment charges has been found make up DKK 3,443 million. Loans registered with an objective indication of impairment and with a need for loan impairment charges are all placed in rating class D, which totals DKK 5,538 million before loan impairment charges.

D	0	Active rating	13
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Objective indication of impairment

For an elaboration on default-registered loans and loans registered with an objective indication of impairment, see the section "Loans registered with an objective indication of impairment" on page 15. As described above, DKK 45,183 million of total loans before loan impairment charges of DKK 50,721 million has an active rating, i.e. a rating between 0 (highest probability of default (PD)) and 13 (lowest PD). An active rating means that the customer meets its payment obligations to FIH and settles the debt in accordance with the terms and conditions agreed. For a more detailed description of FIH's rating scale, see the FIH Annual Report for 2010, page 41. The distribution of FIH's credit exposures in active rating classes is shown below:



Note: Credit exposures comprise outstanding debt on individual loan facilities, including repayments outstanding, the market value of OTC contracts and guarantees for mortgage loans.

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During 2011, the average probability of default on FIH's credit exposures with active ratings has increased from 1.93 per cent at the beginning of the year to 2.58 per cent at the end of Q3. The increase is attributable to several factors. Firstly, the ongoing reduction of commitments has a negative impact, as a large share of the reduction relates to customers with above-average ratings. Secondly, FIH's rating models have been recalibrated on the basis of data which takes into account the consequences of the economic crisis that started in mid-2008. While this recalibration has generally increased the average probability of default for both the Corporate Banking and Acquisition Finance segments, it mainly relates to the Property Finance segment. These two factors also lead to a shift in the distribution of ratings towards a higher percentage of commitments in rating classes 4-6 and a lower percentage in rating classes 7-8. On the other hand, large and medium-sized Danish companies continue to improve their performance, which to some extent offsets this effect.

Over the last 12 months, the arrears ratio (outstanding amounts 10 banking days after their due date) for non-defaulted loans has been halved to a level of 0.1 per thousand, which also indicates that – despite the rise in the average probability of default – a positive trend is beginning to emerge for FIH's customers. The quality of credit exposures should not be assessed in isolation based on the rating distribution, as this distribution allows only for the probability of default and fails to take into account whether the exposure in question has been secured, in full or in part, by collateral – or in other words: how much will be lost in case of default. As a significant portion of FIH's lending is secured by first priority pledges on the customers' assets and as FIH's loan terms provide the opportunity for renegotiating loan terms and for securing collateral in case of deterioration of the customer's credit quality, FIH's weak commitments are generally well secured.

The table below shows the share of credit exposures and the average secured part for each rating class. The value of the collateral is calculated on the basis of a current market value less a security margin – a haircut. FIH applies a haircut in the range of 25-50 per cent on the vast majority of asset classes, depending on the underlying asset, however. In the statement of collateral values, FIH quantifies only certain types of collateral. Thus, the value of charges that are subject to high volatility, such as floating charges and guarantees/sureties, is generally not included. Moreover, certain legal structures in which FIH is the only creditor are generally not assigned any collateral value either. For commitments with an objective indication of impairment, the current value of collateral is used, established on the basis of the disposal scenario less expenses related to lay days, etc. For commitments registered with an objective indication of impairment, the collateral value is thus equivalent to the value on which the calculation of impairment charges is based. The table shows that FIH is best protected in the lowest rating classes and that the secured part generally falls as debtor credit quality increases.

30 September 2011

Total FIH Banking			Corporate Banking	Property Finance	Acquisition Finance
Rating	Exposure	Average secured part including haircut	Average secured part including haircut	Average secured part including haircut	Average secured part including haircut
0	0%	88%	95%	86%	0%
1	3%	87%	89%	85%	100%
2	3%	82%	91%	76%	0%
3	7%	85%	81%	88%	72%
4	18%	66%	70%	66%	22%
5	17%	65%	70%	80%	0%
6	16%	52%	60%	84%	2%
7	13%	37%	48%	82%	2%
8	9%	31%	43%	68%	0%
9	6%	40%	35%	75%	0%
10	1%	23%	22%	82%	0%
11	1%	21%	16%	66%	0%
12	3%	2%	2%	0%	0%
13	3%	0%	0%	0%	0%
Total	100%	51%	51%	78%	7%

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In Q1-Q3 2011, the average secured part has risen slightly. This reflects a relatively higher reduction of the loan balance in the Acquisition Finance segment in which the secured part is lower than in the other segments. Loans in Acquisition Finance are primarily collateralised by assets that are not attributed any value in FIH's credit systems, such as financial covenants and collateral in private equities. The table also shows that the secured part is high for commitments in both Corporate Banking and Property Finance. For Corporate Banking, the secured part falls as the debtor credit quality increases. For Property Finance no such pattern is seen, since FIH, as a main rule, requires first priority pledges or similar collateral for all Property Finance loans.

LOANS REGISTERED WITH AN OBJECTIVE INDICATION OF IMPAIRMENT

Of the total loan balance of DKK 50,721 million before loan impairment charges, loans registered with an objective indication of impairment (OII) account for DKK 8,981 million. These loans are objectively impaired in accordance with the definition in the Danish Executive Order on the Presentation of Financial Statements by Credit Institutions and Investment Firms, etc.

For all loans registered with an objective indication of impairment, FIH calculates the need for loan impairment charges for the individual loan facilities. The calculation is based on a conservative market valuation of the collateral, from which selling and lay-day costs are deducted. In these cases, the market valuation takes into account whether the asset in question is expected to be realised on the open market or subject to a compulsory sale scenario. Furthermore, a conservative estimate is made of possible dividends. As shown by the table below, the outcome of an assessment of the need for loan impairment charges may also be that no basis is found for making loan impairment charges, in which case the loan will retain its active rating.

If there is a need for individual loan impairment charges, the loan will be default-registered and transferred to rating class D (corresponding to the Group's non-performing loans, cf. the definition in the Executive Order on Capital Adequacy). Rating class D is divided into two sub-classes: one for loans for which interest is still calculated and paid and for which the customer meets its payment obligations to FIH (rating class D+) and one for loans where e.g. a bankruptcy petition has been filed, a bankruptcy order issued against the customer, the customer has been granted similar creditor protection or FIH has suspended accrual of interest (rating class D-).

The table below shows the breakdown of loans registered with an objective indication of impairment before loan impairment charges:

FIH Banking total			Corporate Banking	Property Finance	Acquisition Finance
(DKK million)	30 Sept. 2011	31 Dec. 2010	30 Sept. 2011	30 Sept. 2011	30 Sept. 2011
Loans registered with an OII:					
OII – loans not default-registered	3,443	3,442	739	2,336	368
OII – default-registered loans	5,538	5,342	3,071	1,803	664
Of which rating class D+	4,346	3,882	2,335	1,696	315
<i>Of rating class D+, individually impaired*</i>	1,270	1,144	735	477	58
Of which rating class D-	1,192	1,460	736	107	349
<i>Of rating class D-, individually impaired*</i>	621	558	290	96	235
<i>Of rating class D-, non-performing loans constitute</i>	982	1,293	582	51	349
Total loans registered with an OII	8,981	8,784	3,810	4,139	1,032

Note: Collective loan impairment charges amount to DKK 390 million at end-September 2011. The loan impairment charges in the table are exclusive of write downs of guarantees, which amount to DKK 42 million at end-September 2011. *The table shows the impaired portion of all rating class D- loans, amounting to DKK 647 million, while note 6 on pages 36 shows the impaired portion of non-performing loans only.

The table shows a slight increase in loans registered with an objective indication of impairment to DKK 8,981 million, reflecting, however, a fall of DKK 88 million since the end of Q2. Moreover, there has been a slight increase in default-registered loans from DKK 5,342 million at year-end 2010 to DKK 5,538 million at end-September 2011. The net increase is attributable mainly to a single commitment in Property Finance. Non-

performing loans have decreased from DKK 1,293 million at year-end 2010 to DKK 982 million at end-September 2011.

Property Finance accounts for a relatively large share of the total portfolio of loans registered with an objective indication of impairment, reflecting the current situation in the market for investment properties. At the same time, it should be noted that Property Finance is underrepresented in rating class D-, the reason being that despite the financial challenges faced by these customers, vacancy rates are relatively low and the customers are still able to meet their obligations to FIH. Moreover, the sum of loans registered with an objective indication of impairment in Property Finance should be viewed in the light of the collateral values in this segment.

MARKET RISKS

Market risk is the risk of loss of market value arising from movements in financial markets (interest rate, foreign exchange, equity and commodity risks, etc.). Through its business activities, FIH naturally incurs a number of market risks. Limits for the various types of market risks are determined at the overall level by FIH's Rules of Procedure for the Board of Directors, the Board of Directors' instructions to the Executive Board and, furthermore, through instructions endorsed by the Executive Board and the Risk Committee, and risk is continuously managed and reported in accordance with these rules and instructions.

Approach to market risk

In general, FIH wishes to assume only limited risk within the areas of listed shares and foreign exchange (except EUR). FIH does not want to assume commodity risk.

Value-at-Risk

With Value-at-Risk (VaR), a portfolio approach is adopted in the calculation of market risk on financial assets. This means that allowance is made not only for the standard deviation, but also for the inter-correlation of assets. Using VaR, it is thus possible to summarise, in a single figure expressed in DKK, the total risk for FIH's balance sheet. The market risk of FIH's total balance sheet (including the market risk not included in the trading portfolio), determined as VaR (calculated on the basis of historical simulation at a one-day horizon and 99-per-cent probability) of interest rate, foreign exchange and equity risks, was DKK 14 million at end-September 2011 (year-end 2010: DKK 11 million).

Interest rate risk

Interest rate risk is the risk of loss arising from changes in market rates. Interest rate risk is managed through changes in the composition of the bond portfolio and through positions in financial instruments. Due to FIH's business model, interest rate risk is the market risk element of the greatest importance to FIH and, consequently, interest rate risk is monitored closely.

Interest rate risk, calculated using the method of accounting of the Danish Financial Supervisory Authority, is the risk arising from a one percentage point parallel rise in the interest rate level of all currencies, amounting to a negative DKK 67 million at end-September 2011 (year-end 2010: a negative DKK 166 million).

Foreign exchange risk

Foreign exchange risk is the risk of loss arising from adverse changes in exchange rates. Most of FIH's funding is raised in foreign currency, which is subsequently swapped into the currency in which the loan is granted. Accordingly, the exchange rate risk is modest. In general, FIH wishes to assume only limited risk within the area of foreign exchange (except EUR).

The exchange rate risk is managed *inter alia* on the basis of VaR targets and limits on open positions in individual currencies and a limit on the total foreign exchange position. FIH's foreign exchange risk, based on the VaR for foreign exchange (calculated parametrically at a one-day horizon and 99-per-cent probability) was DKK 1 million at end-September 2011 (year-end 2010: DKK 1 million).

Equity risk

Equity risk is the risk of loss arising from fluctuations in equity prices. FIH previously invested in private equities in the Private Equity segment, which – in compliance with the Bank's business strategy – is being wound up. In general, FIH wishes to assume only limited risk within the area of listed shares, but through its investment in the

Axcel III fund, it has become indirectly exposed to developments in the price of Pandora shares. At end-September 2011, FIH's share portfolio, etc., totals DKK 1,343 million, the value of the Pandora shares accounting for DKK 146 million (year-end 2010: DKK 1,116 million). As described in the FIH Annual Report for 2010, a one percentage point change in the Pandora share results in a market value adjustment of about DKK 3.8 million at FIH. At end-September 2011, FIH has no direct exposure to listed shares.

Further information about credit and market risks

For further information about FIH's credit and market risks and risk management, see the FIH Annual Report for 2010 and the report "Risk Management in FIH 2010", available for download at fih.com/financials/reports.

LIQUIDITY RISKS

Liquidity risk is the risk of loss arising from excessive increases in FIH's funding costs or, ultimately, the risk that FIH does not have sufficient financial resources to meet its payment obligations when they fall due. Based on statutory requirements, the Board of Directors has formulated a liquidity policy, establishing the framework for FIH's short-term net liquidity needs. In its liquidity policy, FIH has opted *inter alia* to raise the 10 per cent requirement for total liabilities and guarantee commitments by 50 per cent, equivalent to 15 per cent.

Most of FIH's future cash flows can be determined with reasonable certainty as the volume of FIH's irrevocable credit approvals is limited and the volume of demand deposits received is also limited. Instead, FIH has an ongoing refinancing need from maturing market-based funding and fixed-term deposits. This is reflected in FIH's choice of methods and limits for liquidity risks. On a daily basis, FIH performs liquidity stress tests and defines scenarios for liquidity under various assumptions for developments in assets and liabilities. All projections are based on known cash flows at the end of the previous business day, with the addition of possible cash flows depending on the scenario/stress test.

FIH's liquidity, managed by Treasury, is invested in the treasury portfolio and consists of bonds with low risk and high liquidity – all but exclusively Danish government and mortgage bonds. Moreover, also in Q3 2011, the treasury portfolio has been exposed solely to the Nordic countries and Germany. Most of the bonds in the treasury portfolio can be pledged as collateral with Danmarks Nationalbank (central bank).

Banking

(DKK million)	Q1-Q3		Q1-Q3					
	2011	2010	Q3 2011	Q2 2011	Q1 2010	Q4 2010	Q3 2010	2010
Banking total								
Income*	665.9	812.2	206.2	223.8	235.9	267.4	284.7	1.082.4
Operating expenses	200.7	195.7	53.9	68.8	78.0	71.5	58.9	267.1
Loan impairment charges etc.	555.3	536.3	205.4	180.6	169.3	1.205.0	236.8	1.741.2
Profit before taxation	-90.1	83.1	-53.1	-25.6	-11.4	-1.009.1	-11.0	-925.9
Loans	48,062	59,531	48,062	51,841	53,936	57,412	59,531	57,412
The period's growth in total loans**	-16.3%	-1.7%	-7.3%	-3.9%	-6.1%	-3.6%	-1.7%	-
Corporate Banking								
Income*	277.8	333.7	83.5	95.6	98.7	144.0	120.7	477.6
Operating expenses	127.4	128.8	34.8	43.1	49.5	47.8	37.5	176.5
Loan impairment charges etc.	147.3	234.4	148.2	0.6	-1.5	586.1	113.7	820.4
Profit before taxation	3.1	-29.5	-99.5	51.9	50.7	-489.9	-30.5	-519.3
Loans	25,489	27,420	25,489	25,629	26,041	28,326	27,420	28,326
The period's growth in total loans**	-10.0%	-1.6%	-0.5%	-1.6%	-8.1%	3.3%	-1.6%	-
Property Finance								
Income*	168.9	159.0	55.2	54.7	59.0	55.8	52.4	214.8
Operating expenses	50.1	45.0	12.7	16.3	21.1	16.9	14.9	61.8
Loan impairment charges etc.	276.9	101.4	54.7	183.7	38.5	398.2	29.4	499.6
Profit before taxation	-158.1	12.7	-12.2	-145.3	-0.6	-359.3	8.1	-346.6
Loans	15,653	18,476	15,653	17,181	17,845	18,389	18,476	18,389
The period's growth in total loans**	-14.8%	0.1%	-8.9%	-3.7%	-3.0%	-0.5%	0.1%	-
Acquisition Finance								
Income*	219.2	322.3	67.5	73.5	78.2	67.6	111.6	390.0
Operating expenses	23.3	21.9	6.4	9.4	7.4	6.8	6.5	28.8
Loan impairment charges etc.	131.1	200.5	2.5	-3.7	132.3	220.7	93.7	421.2
Profit before taxation	64.9	99.9	58.6	67.8	-61.5	-159.9	11.4	-60.0
Loans	6,920	13,635	6,920	9,031	10,050	10,697	13,635	10,697
The period's growth in total loans**	-35.4%	-4.1%	-23.4%	-10.1%	-6.0%	-21.5%	-4.1%	-

* Income consists of net interest and fee income, market value adjustments and other operating income.

** In Q4 2010, four credit commitments, including the related income, were transferred from Acquisition Finance to Corporate Banking. In Q3 2011 an additional credit commitment was moved from Acquisition Finance to Corporate Banking. Comparative figures have not been restated.

BUSINESS AREA

Banking comprises three sub-units:

- Corporate Banking: Financial solutions for the Danish corporate sector
- Property Finance: Financing and advisory services for property investors in connection with property purchases. As part of FIH's business strategy it has been decided that Property Finance is not a continuing business area in FIH.
- Acquisition Finance: Integrated financing solutions for Nordic private equity funds and industrial buyers in connection with mergers and acquisitions

MARKET DEVELOPMENT AND ACTIVITIES

Corporate Banking has to some extent been facing an increasingly challenging market environment in Q3 in the small and medium-sized company segment, while this has not to the same degree been the case for the largest companies. The continued focus on the implementation of FIH's strategy and ordinary repayments of loans, in

combination with Corporate Banking's focus on increased profitability on existing customer relationships, has resulted in a continued reduction of Corporate Banking's loan balance.

Looking ahead, Corporate Banking will continue to focus on creating good customer profitability, ensuring an optimum loan portfolio composition and, finally, maintaining good customer relations, the future focus being on financial advisory services and deposits.

In Q3, Property Finance has continued the implementation of the strategy, focusing on reducing the loan balance and, accordingly, has reduced its exposure to the property sector. The Danish property market remains challenging with an increasing supply of commercial properties and limited financing opportunities. Demand for prime-location residential and office properties in Copenhagen and Århus is healthy, while there is still a limited group of buyers for other property types in Denmark. The German and Swedish property markets are efficient, with several potential buyers and sound financing opportunities.

In 2011, Acquisition Finance has seen limited M&A activity in the Danish market for private equity acquisitions. Although Acquisition Finance participated in a large syndicated facility earlier this year, the balance sheet total has been reduced on account of exits of several loan facilities in the portfolio, primarily to industrial buyers.

PERFORMANCE FOR Q1-Q3 2011

Banking's results before taxation for Q1-Q3 2011 are negative by DKK 90.1 million; results are positively impacted by higher lending margins, but negatively affected by rising funding costs. Also adversely impacting results are loan impairment charges of DKK 555.3 million. Loan impairment charges are related primarily to a few large commitments, secondarily to a large group of small commitments, and are attributable mainly to price adjustment of collateral to current market value due to price developments in the property market. Despite high loan impairment charges, results before taxation are positive for both Acquisition Finance and Corporate Banking, while results for Property Finance are negative.

Total loans in Banking were reduced by DKK 9,350 million in Q1-Q3 2011, equivalent to 16.3 per cent. Developments are in accordance with FIH's business strategy and are expected to continue in the coming quarters.

Markets

(DKK million)	Q1-Q3	Q1-Q3						
	2011	2010	Q3 2011	Q2 2011	Q1 2010	Q4 2010	Q3 2010	2010
Income*	162.0	392.7	-24.5	47.8	138.7	7.7	62.4	400.4
Operating expenses	130.9	164.7	29.0	57.4	44.5	45.3	51.9	210.1
Profit before taxation	31.1	228.0	-53.5	-9.6	94.2	-37.6	10.5	190.3

* Income consists of net interest and fee income, market value adjustments and other operating income.

BUSINESS AREA

Markets is responsible for FIH's financial market activities and for handling trading and customer-oriented activities in the interest rate, foreign exchange and securities markets. Markets is also responsible for FIH's market risk and liquidity management. Markets is divided into Financial Solutions, Trading and Treasury. For reporting purposes, Treasury is part of "Other activities".

MARKET DEVELOPMENT AND ACTIVITIES

In Q1-Q3 2011, the financial markets have been facing growing uncertainty, escalating towards the end of the period. The increasing market uncertainty stems from the countries on the periphery of the eurozone and their insufficient fiscal policy management for a number of years, resulting in unsustainable levels of public debt. So far, the eurozone attempts to contain the crisis have failed, triggering a substantial downward revision of the growth forecast for Europe in 2012. The US growth forecast for 2012 has also been revised downwards, but as US competitiveness and willingness to compete are stronger than Europe's, higher growth is expected in the USA. The market uncertainty will continue, albeit at a lower level, until a credible long-term political solution is found to the eurozone debt challenges.

Growing financial market uncertainty over the summer and into Q3, resulting in falling interest rates and continued high volatility, negatively impacted earnings in Trading in Q3 2011.

Financial Solutions, which is responsible for customer-oriented advisory and trading activities in derivatives for hedging of, particularly, interest rate and foreign exchange risks for the Bank's customers, reported a reasonable level of activity in Q3 2011. While severely increased financial uncertainty has resulted in an increase in activities, FIH's limited volume of new loans sets a natural limit to new activities.

PERFORMANCE FOR Q1-Q3 2011

Markets' profit before taxation for Q1-Q3 2011 is DKK 31.1 million (Q1-Q3 2010: DKK 228.0 million).

Corporate Finance

(DKK million)	Q1-Q3	Q1-Q3	Q3 2011	Q2 2011	Q1 2010	Q4 2010	Q3 2010	2010
	2011	2010						
Income*	49.8	90.4	22.5	12.4	14.9	43.7	31.5	134.1
Operating expenses	36.1	59.3	12.4	12.8	10.9	33.3	19.3	92.6
Profit before taxation	13.7	31.1	10.1	-0.4	4.0	10.4	12.2	41.5

* Income consists of net interest and fee income.

BUSINESS AREA

Corporate Finance provides financial advisory services on mergers and acquisitions (M&A), IPOs, privatisations and capital injections. The subsidiary FIH PARTNERS A/S is in charge of FIH's Corporate Finance activities.

MARKET DEVELOPMENT AND ACTIVITIES

In Q1-Q3 2011, FIH PARTNERS A/S provided advisory services related to e.g.:

- The FLS acquisition of Essa (Australia)
- The sale of Superfos to RPC
- Advisory services to the management of FIH in connection with the sale of FIH to ATP, PFA and others
- Monberg & Thorsen in connection with the sale of Dyrup to PPG Industries (USA)
- Glud & Marstrand in connection with the sale to Envasas Universales de Mexico
- Torm in connection with the refinancing of selected parts of the company's interest-bearing debt
- Dong Energy in connection with the sale of 50 per cent of Anholt wind farm to PensionDanmark and PKA
- The East Asiatic Company (EAC) in connection with the acquisition of Interdean (UK)
- LD Invest Equity in connection with the sale of Bisca to Scandza (Norway)

In Q1-Q3, FIH PARTNERS A/S experienced satisfactory addition of new mandates and high activity. The pipeline is assessed to be very strong and the activities of Q1-Q3 have highlighted the market leading position of FIH PARTNERS in the Danish market.

PERFORMANCE FOR Q1-Q3 2011

Profit before taxation for Q1-Q3 2011 is DKK 13.7 million (Q1-Q3 2010: DKK 31.1 million).

Private Equity

(DKK million)	Q1-Q3	Q1-Q3	Q3 2011	Q2 2011	Q1 2010	Q4 2010	Q3 2010	2010
	2011	2010						
Income	-745.4	424.4	-389.2	-292.8	-63.4	893.0	428.7	1,317.5
Operating expenses	2.1	1.8	1.0	1.0	0.1	0.4	0.7	2.3
Profit from investments in associates and group enterprises	0.0	1.0	0.0	0.0	0.0	-1.1	2.7	-0.1
Profit before taxation	-747.5	423.6	-390.2	-293.8	-63.5	891.5	430.7	1,315.1
Shares and investments in associates	1,342.6	2,112.0	1,342.6	1,799.7	2,365.4	2,405.7	2,112.0	2,405.7

* Income consists of net interest and fee income and market value adjustments.

BUSINESS AREA

Private Equity previously made long-term investments in private equities, including in private equity funds. Under FIH's strategy, it has been decided to close down the Private Equity business area. This process was initiated in Q2 2011, and FIH has thus divested three shareholdings during the period. This development is expected to continue in the coming quarters.

MARKET DEVELOPMENT AND ACTIVITIES

As in the preceding quarters, Private Equity's performance in Q1-Q3 2011 is significantly influenced by the development in the value of the Axcel III fund, which is included by a negative DKK 893.5 million in Q1-Q3 2011. FIH's private equity investments, excluding the Axcel III fund, generated a substantial, positive return of DKK 188.9 million in Q1-Q3 2011.

PERFORMANCE FOR Q1-Q3 2011

Private Equity's results before taxation are negative by DKK 747.5 million for Q1-Q3 2011 (Q1-Q3 2010: positive by DKK 423.6 million).

Other activities

(DKK million)	Q1-Q3	Q1-Q3	Q3 2011	Q2 2011	Q1 2010	Q4 2010	Q3 2010	2010
	2011	2010						
Income*	-30.7	202.2	44.0	-19.3	-55.4	-77.9	-79.0	181.9
Operating expenses	78.1	297.2	15.3	42.1	20.7	8.0	101.5	305.2
Impairment charges for loans and receivables**	2.0	181.4	0.0	0.0	2.0	0.0	131.4	181.4
Profit before taxation	-110.8	-218.8	28.7	-61.4	-78.1	-85.9	-311.9	-304.7

* Income consists of net interest and fee income, market value adjustments and other operating income.

** Impairment charges for loans and receivables relate to provisions under the Private Contingency Association

BUSINESS AREA

The business area "Other activities" comprises all of FIH's other activities, including Treasury, which manages the Bank's treasury portfolio, and is responsible for money market activities (Money Market).

TREASURY PORTFOLIO

FIH's liquidity, managed by Treasury, is invested in the treasury portfolio and consists of bonds with low risk and high liquidity – all but exclusively Danish government and mortgage bonds. Moreover, also in Q3 2011, the treasury portfolio has been exposed solely to the Nordic countries and Germany. Most of the bonds in the treasury portfolio can be pledged as collateral with Danmarks Nationalbank (central bank).

MONEY MARKET

Money Market is responsible for optimising FIH's interest rate, cash and foreign exchange flows and for pricing of funding to the Bank's other business areas. The price of funding from the capital markets has gone up in connection with the financial crisis, reflected in higher funding costs for FIH e.g. for participation in the bank packages, commission payments on the government guarantee for bonds issued amounting to DKK 334.3 million in Q1-Q3 2011.

PERFORMANCE FOR Q1-Q3 2011

Results before taxation for Q1-Q3 are negative by DKK 110.8 million, an improvement of DKK 108.0 million compared with the same period last year. As previously described, results are impacted by higher funding costs, especially commission on the government guarantee for bond issues, while expenses are lower in 2011, as expenses are no longer payable to the Private Contingency Association.

Solvency requirements and capital position

In Q1-Q3 2011, FIH increased its core capital ratio to 14.9 per cent (year-end 2010: 13.3 per cent). The solvency ratio has also increased to 16.8 per cent (year-end 2010: 15.4 per cent). The increases in the core capital and solvency ratios in Q1-Q3 2011 are driven by a decline in risk-weighted assets. FIH's individual solvency requirement is 10.5 per cent at end-September 2011 (year-end 2010: 9.9 per cent). The difference between the solvency ratio and the individual solvency requirement set by the Management is known as the capital buffer. At the end of Q3 2011, the capital buffer is 6.3 percentage points (year-end 2010: 5.5 percentage points),

The table below shows the composition of FIH's capital position:

Capital position in FIH Group (DKK million)	30 September 2011	31 December 2010
Capital base		
Share capital	513	513
Transferred	0	531
Reserves	0	0
Retained earnings	7,819	7,288
Core capital	8,332	8,332
Statutory deductions in core capital:		
Retained earnings	0	0
Deferred capitalised tax assets	-21	-33
Intangible assets	-19	-42
Deduction for the current deficit for the year	-893	0
Difference between valuation of trading portfolio	142	0
Core tier 1 capital after deductions	7,542	8,257
Hybrid core capital in accordance with the Financial Business Act, section 129(2)	1,900	1,900
Total tier 1 capital incl. hybrid core capital	9,442	10,157
Supplementary capital		
Revaluation reserve property	1	1
Subordinated debt (excl. hybrid core capital)	1,707	2,426
Statutory deductions	-495	-806
Supplementary capital that may be included in the calculation of the solvency ratio	1,213	1,620
Capital base after deductions	10,655	11,778
Minimum capital requirement		
Risk-weighted assets for market risk, standard approach	6,150	8,763
Risk-weighted assets for credit risk including collective loan impairment charges, standard approach	54,263	64,907
Risk-weighted assets for operational risk, basic indicator approach	3,079	2,862
Total risk-weighted assets (RWA)	63,492	76,532
Capital requirement under pillar I	5,079	6,123
Solvency requirement		
Capital requirement for credit risk, internal model	5,454	6,423
Capital requirement for market risk, internal model	630	446
Capital requirement for operational risk, internal model	285	355
Add-on from appendix 1 in the Danish Financial Supervisory Authority's new guide for the calculation of the solvency requirement	0	0
Capital requirement for other risks, internal model	279	368
Capital requirement under pillar II	6,648	7,592
Individual solvency requirement (per cent)	10.5	9.9
Core tier 1 capital ratio (excl. hybrid core capital - per cent)	11.7	10.8
Core tier 1 capital ratio (per cent)	14.9	13.3
Solvency ratio (per cent)	16.8	15.4

Other information

Estimates are used in recognition and measurement of certain assets and liabilities and, accordingly, the valuation may be uncertain. Such estimates are performed by FIH's Management in accordance with FIH's accounting policies and based on generally accepted valuation models, historical experience and assumptions considered to be realistic and reasonable by the Management. The most significant estimates relate to the Bank's loan impairment charges and provisions for losses on guarantees, valuation of private equities and determination of fair values for financial instruments. Loan impairment charges, including provisions for losses on guarantees, will continue to be significantly affected by economic trends in the time to come. Otherwise, no special uncertainties have affected recognition and measurement in the interim report.

Copenhagen, 9 November 2011 at 6:30 pm.

On behalf of the Board of Directors

Hans Skov Christensen
Chairman

For further information, please contact Bjarne Graven Larsen, CEO, telephone +45 7222 5003, or Henrik Sjøgreen, CEO, telephone +45 7222 5250.

FIH will host a conference call regarding Q1-Q3 results on Thursday 10 November at 14:00 CET (1:00 pm UK). Please call before 14:00 CET to register name and organisation. A short presentation of the Q1-Q3 results (in English) will be available at fih.com/financials/reports shortly after release of the interim report. After the presentation questions will be taken.

Conference dial-in details (please state confirmation code 5891375):

Danish local dial-in number:	+45 327 147 67
UK participants will dial:	+44 207 509 5139
US participants will dial:	+1 718 354 1226
German participants will dial:	+49 211 5407 3883
International participants will dial:	+44 207 509 5139

Statement by the Executive Board and the Board of Directors

The Executive Board and the Board of Directors have today considered and presented the interim report of FIH Erhvervsbank A/S for the period 1 January to 30 September 2011.

The consolidated interim financial statements are presented in accordance with IAS 34, "Presentation of interim reports", and the Parent Company's interim financial statements are presented in accordance with executive order on financial reports of credit institutions, investment companies, etc. Furthermore, the interim report is presented in accordance with additional Danish disclosure requirements for interim financial statements for financial institutions with listed debt instruments.

The interim report has not been subject to audit or review.

In our opinion, the consolidated interim financial statements and the interim financial statements give a true and fair view of the Group's and the Parent Company's financial position at 30 September 2011 and of the results of the Group's and the Parent Company's operations and cash flows for the period 1 January to 30 September 2011.

Furthermore, in our opinion, the Management's review gives a true and fair account of developments in the Group's and the Parent Company's operations and financial position, results for the period and the Group's and the Parent Company's financial position as a whole, as well as a description of significant risks and uncertainties facing the Group and the Parent Company.

Copenhagen, 9 November 2011

EXECUTIVE BOARD

Bjarne Graven Larsen
CEO

Henrik Sjøgreen
CEO

BOARD OF DIRECTORS

Hans Skov Christensen
(Chairman)

Henrik Heideby
(Deputy chairman)

Christian Dyvig

Daniel Eriksson

Henrik Gade Jepsen

Lars Rohde

Jacob Baggers Willemoes

Lene Foged Nothlevsen

Randi Holm Franke

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Income Statement and comprehensive income Q1-Q3 2011

(DKK million)	Note	FIH Group			FIH Erhvervsbank A/S		
		30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Interest income	2	2,161.6	2,392.5	3,142.4	1,988.0	2,182.7	2,859.3
Interest expense	3	1,569.0	1,371.4	1,939.3	1,566.5	1,359.2	1,924.0
Net interest income		592.6	1,021.1	1,203.1	421.5	823.5	935.3
Dividends from shares, etc.		0.1	0.1	0.1	0.1	0.1	0.0
Fee and commission income		118.2	169.0	237.6	68.6	79.9	106.4
Fees and commissions paid		25.7	26.6	47.7	13.2	17.2	23.1
Net interest and fee income		685.2	1,163.6	1,393.1	477.0	886.3	1,018.6
Market value adjustments	4	-636.0	752.7	1,639.0	83.7	312.3	272.0
Other operating income		52.4	66.0	84.2	98.4	119.8	153.4
Staff costs and administrative expenses	5	407.8	456.1	607.5	376.4	402.3	521.6
Depreciation, amortisation and impairment losses; property, plant and equipment as well as intangible assets		34.5	18.4	25.6	34.3	18.1	25.2
Other operating expenses		5.6	244.2	244.2	5.6	204.7	204.7
Loan impairment charges	6	557.3	717.6	1,922.6	542.3	647.4	1,746.7
Profit from investments in group enterprises and associates		0.0	0.9	-0.1	-659.8	472.2	1,325.9
Profit before taxation		-903.6	546.9	316.3	-959.3	518.1	271.7
Taxation		-10.7	45.0	-208.3	-72.9	3.6	-268.4
Net profit for the period		-892.9	501.9	524.6	-886.4	514.5	540.1
Comprehensive income							
Net profit for the period		-892.9	501.9	524.6	-886.4	514.5	540.1
Other comprehensive income		0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income		-892.9	501.9	524.6	-886.4	514.5	540.1

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Balance Sheet 30 September 2011

(DKK million)	Note	FIH Group			FIH Erhvervsbank A/S		
		30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
ASSETS							
Cash in hand and demand deposits with central banks		297.5	164.4	90.1	297.5	164.4	90.1
Debt instruments eligible for refinancing with central banks		2,999.4	0.0	1,499.8	2,999.4	0.0	1,499.8
Due from credit institutions and central banks		1,719.0	2,289.3	2,135.9	9,247.8	13,068.5	12,967.3
Loans and other receivables at fair value		259.6	391.3	333.2	0.0	0.0	0.0
Loans and other receivables at amortised cost		48,138.0	59,409.4	57,660.4	38,522.1	49,273.6	47,249.1
Bonds at fair value		15,337.8	28,964.8	32,337.4	14,436.8	26,699.3	30,140.9
Shares, etc.		1,298.6	2,083.7	2,361.3	41.4	95.7	94.3
Investments in associates		44.0	28.3	44.3	0.2	0.2	0.2
Investments in group enterprises		0.0	0.0	0.0	5,232.1	5,039.6	5,891.9
Intangible assets		19.0	34.4	42.0	19.0	34.3	42.0
Land and buildings:							
Investment properties		858.4	944.7	842.6	858.4	944.7	842.6
Domicile properties		3.9	4.0	4.0	3.9	4.0	4.0
Other tangible assets		6.3	14.4	14.8	6.2	14.3	14.7
Current tax assets		22.8	39.9	0.1	129.4	41.0	41.4
Assets held temporarily		0.0	2.0	0.0	0.0	2.0	0.0
Deferred tax assets		21.5	0.0	33.3	32.5	0.0	47.6
Other assets		14,902.9	15,898.9	11,832.5	14,967.1	15,807.7	11,638.7
Prepayments		80.7	130.1	106.5	34.9	113.7	106.4
Total assets		86,009.4	110,399.6	109,338.2	86,828.7	111,303.0	110,671.0

Balance sheet 30 September 2011 - continued

(DKK million)	Note	FIH Group			FIH Erhvervsbank A/S		
		30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
LIABILITIES							
Debt							
Due to credit institutions and central banks		8,651.4	27,746.1	30,457.0	8,979.0	28,026.7	31,105.1
Deposits and other debt		8,465.9	4,944.6	7,486.9	9,052.2	5,993.7	8,572.6
Bonds issued at amortised cost	7	43,058.2	47,836.9	46,622.0	43,058.2	47,836.9	46,622.0
Bonds issued at fair value	7	252.5	372.2	292.9	0.0	0.0	0.0
Current tax liabilities		0.0	34.9	0.0	0.0	10.4	0.0
Other liabilities		14,304.7	16,054.7	11,238.2	14,233.5	15,815.1	10,956.5
Accruals and deferred income		4.6	6.4	3.4	4.3	6.1	2.6
Total debt		74,737.3	96,995.8	96,100.4	75,327.2	97,688.9	97,258.8
Provisions for liabilities							
Provisions for pensions and similar commitments		4.0	3.4	4.0	4.0	3.4	4.0
Provisions for deferred tax		0.0	174.9	0.0	0.0	194.5	0.0
Provisions for losses on guarantees		41.8	434.0	434.0	48.9	411.7	392.5
Total provisions for liabilities		45.8	612.3	438.0	52.9	609.6	396.5
Subordinated debt	8	3,774.9	4,470.0	4,465.7	3,774.9	4,470.0	4,465.7
Total equity		7,451.4	8,321.5	8,334.1	7,673.7	8,534.5	8,550.0
Total liabilities		86,009.4	110,399.6	109,338.2	86,828.7	111,303.0	110,671.0
Off-balance-sheet items							
Guaranties, etc.	9	1,959.0	2,615.7	2,503.3	2,291.8	2,977.4	2,858.7
Other contingent liabilities	9	2,754.3	4,555.8	4,490.4	7,031.3	4,694.5	4,586.4
Total off-balance-sheet items		4,713.3	7,171.5	6,993.7	9,323.1	7,671.9	7,445.1

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Statement of changes in equity 30 September 2011

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Total equity, beginning of period	8,334.1	7,819.6	7,819.6	8,550.0	8,020.0	8,020.0
Distributed dividend	0.0	0.0	0.0	0.0	0.0	0.0
Provision for purchases of treasury shares	10.1	0.0	-10.1	10.1	0.0	-10.1
Total comprehensive income	-892.9	501.9	524.6	-886.4	514.5	540.1
Total changes in equity	-882.7	501.9	514.5	-876.3	514.5	530.0
Total equity, end of period	7,451.4	8,321.5	8,334.1	7,673.7	8,534.5	8,550.0
SPECIFICATION OF CHANGES IN EQUITY						
Share capital beginning of period	513.6	513.6	513.6	513.6	513.6	513.6
Share capital, end of period	513.6	513.6	513.6	513.6	513.6	513.6
Revaluation reserve property, beginning of period	1.4	1.4	1.4	1.4	1.4	1.4
Revaluation for the period	0.0	0.0	0.0	0.0	0.0	0.0
Revaluation reserve property, end of period	1.4	1.4	1.4	1.4	1.4	1.4
Net revaluation reserve according to the equity method, beginning of period	0.0	10.0	10.0	1,986.7	680.1	680.1
Transferred	0.0	0.0	0.0	-659.9	466.1	1,319.7
Other disposal/additions, transferred to retained	0.0	-10.0	-10.0	0.0	-12.1	-13.1
Net revaluation reserve according to the equity method, end of period	0.0	0.0	0.0	1,326.8	1,134.1	1,986.7
Retained earnings, beginning of period	7,819.1	7,294.6	7,294.6	6,048.3	6,824.9	6,824.9
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Provision for purchases of treasury shares	10.1	0.0	-10.1	10.1	0.0	-10.1
Transferred	-892.9	501.9	524.6	-226.6	48.4	-779.6
Other disposals/additions, transferred from net revaluation reserve according to the equity method	0.0	10.0	10.0	0.0	12.1	13.1
Retained earnings, end of period	6,936.4	7,806.5	7,819.1	5,831.9	6,885.4	6,048.3
Total equity, end of period	7,451.4	8,321.5	8,334.1	7,673.7	8,534.5	8,550.0

Cash flow statement for the FIH Group Q1-Q3 2011

(DKK million)	FIH Group		
	30.09.2011	30.09.2010	31.12.2010
Cash flow from operating activities			
Interest received	2,145.5	2,908.1	3,725.3
Interest paid	-1,641.3	-1,654.2	-2,487.6
Fees received and paid	92.6	142.5	190.0
Expenses paid	-805.4	-608.7	-745.3
Other ordinary income	52.1	66.0	84.1
Received on claims previously written off	2.1	2.8	3.4
Loans disbursed	-6,282.9	-10,008.1	-13,312.9
Repayments on loans	15,238.8	14,594.2	18,601.8
Change in bond holdings	17,421.1	20,997.8	19,065.8
Securities, purchase	-134.6	-101.8	-137.3
Securities, sale	530.9	204.7	864.6
Dividends from shares and equity investments	0.4	0.0	0.0
Tax paid	0.0	-11.9	41.0
Total	26,619.3	26,531.4	25,892.9
Cash flow from investing activities			
Net investment property, plant and equipment as well as intangible assets	-22.6	138.7	223.3
Sundry assets	1,923.5	785.0	701.3
Total cash flow from investing activities	1,900.9	923.7	924.6
Cash flow from financing activities			
New bonds issues	455.3	60,874.9	61,598.9
Repayments on bonds issues	-3,346.4	-62,843.6	-65,100.8
Change in bank loans	-21,825.7	-7,436.5	-4,488.7
Change in short-term funding	974.5	-16,035.3	-13,466.2
New subordinated debt	0.0	0.0	0.0
Repayment on subordinated debt	-745.7	0.0	0.0
Adjustments, minority interests	0.0	0.0	0.0
Changes of minority interests	0.0	0.0	0.0
Sundry liabilities	-3,081.3	-3,593.7	-4,932.1
Total cash flow from financing activities	-27,569.3	-29,034.2	-26,388.9
Total cash flow	950.9	-1,579.1	428.6
Cash and cash equivalents, beginning of period	3,725.8	3,805.0	3,805.0
Value adjustments of cash	339.2	227.9	-507.8
Cash and cash equivalents, end of period	5,015.9	2,453.8	3,725.8
Cash and cash equivalents, end of year			
Cash in hand and demand deposits with central banks, etc.	297.5	164.5	90.1
Debt instruments which can be refinanced by central banks	2,999.4	0.0	1,499.8
Due from credit institutions, etc.	1,719.0	2,289.3	2,135.9
Bonds with maturity under 3 months	0.0	0.0	0.0
Cash and cash equivalents, end of period	5,015.9	2,453.8	3,725.8

Accounting policies

The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) as approved by the EU. The consolidated financial statements are also presented in accordance with the additional Danish disclosure requirements of the Nasdaq OMX Copenhagen Stock Exchange for financial institutions with listed debt instruments and the IFRS Executive Order on financial institutions issued under the Danish Financial Business Act (lov om finansiel virksomhed). The interim report of the parent company is presented in accordance with the Danish Financial Business Act, including Executive Order on the Presentation of Financial Statements by Credit Institutions and Investment Firms, etc. (Executive Order on the Presentation of Financial Statements). The rules regarding recognition and measurement in the Parent Company comply with IFRS – except for measurement of group enterprises and associates at equity value, as required by the Danish FSA, where IFRS prescribes measurement at cost or fair value. The interim report is also presented in accordance with the additional Danish disclosure requirements of the Nasdaq OMX Copenhagen Stock Exchange for financial institutions with listed debt instruments and the Danish Financial Business Act.

The accounting policies applied are consistent with those applied in Annual Report 2010. Please refer to Annual Report 2010 for a detailed description of the accounting policies applied. However, FIH has implemented the standards effective as of Q1-Q3 2011. These standards have no effect on the financial statements. For a description of estimates etc. please refer to page 25.

Related parties:

All related-party transactions are conducted on an arm's length basis or on a cost recovery basis.

Notes

Note 1 – Segment information

Segment financial statements based on the primary activities of the FIH Group are presented below.

Q1-Q3 2011 (DKK million)	Corporate Banking	Property Finance	Acquisition Finance*	Markets*	Corporate Finance	Private Equity	Other Activities	Group total
Income statement								
Net interest and Fee income	258.2	161.6	218.1	64.6	49.8	-37.9	-29.2	685.2
Market value adjustments	13.3	7.3	0.0	97.4	0.0	-707.5	-46.5	-636.0
Other operating income	6.3	0.0	1.1	0.0	0.0	0.0	45.0	52.4
Operating costs	127.4	50.1	23.2	130.9	36.1	2.1	78.1	447.9
Loan impairment charges	147.3	276.9	131.1	0.0	0.0	0.0	2.0	557.3
Profit/loss on equity investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxation	3.1	-158.1	64.9	31.1	13.7	-747.5	-110.8	-903.6
Tax	0.8	-39.0	16.0	7.7	3.6	27.6	-27.4	-10.7
Net profit for the period	2.3	-119.1	48.9	23.4	10.1	-775.1	-83.5	-892.9
Balance sheet								
Loans	25,488.5	15,653.3	6,920.0	307.6	0.0	0.0	28.1	48,397.5
Bonds	0.0	0.0	0.0	810.8	0.0	0.0	14,527.0	15,337.8
Shares	0.0	0.0	0.0	0.0	0.0	1,298.6	0.0	1,298.6
Investments in associates	0.0	0.0	0.0	0.0	0.0	44.0	0.0	44.0
Other assets. etc.	783.1	0.0	75.3	9,710.5	0.0	0.0	10,362.6	20,931.5
Total assets	26,271.6	15,653.3	6,995.3	10,828.9	0.0	1,342.6	24,917.7	86,009.4

Segmental financial statements are prepared on the basis of the margins, etc., recognised for individual business areas. Accordingly, no intercompany interest rates are allocated between segments and no liabilities are allocated.

Expenses relating to Bank Package I are recognised under other activities and come to DKK 2.0 million recognised under loan impairment charges. Restructuring costs of DKK 21.3 million in May 2011 is also recognised under other activities.

* The "Structured Finance" business area was renamed into "Acquisition Finance" in December 2010. In Q2 2011, the business area Capital Markets was renamed into "Markets".

In Q4 2010, four credit commitments were transferred from Acquisition Finance to Corporate Banking. Comparative figures for Q1 2010 have not been restated to reflect the transfer. In Q3 2011, an additional credit commitment was transferred from Acquisition Finance to Corporate Banking.

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Note 1 – continued

Q1-Q3 2011 (DKK million)	Corporate Banking	Property Finance	Acquisition Finance*	Markets*	Corporate Finance	Private Equity	Other Activities	Group total
Income statement								
Net interest and Fee income	276.5	156.6	321.9	51.5	90.4	-21.6	288.3	1,163.6
Market value adjustments	50.0	1.6	0.0	341.2	0.0	446.0	-86.1	752.7
Other operating income	7.2	0.8	0.4	0.0	0.0	0.0	57.7	66.0
Operating costs	128.8	45.0	21.9	164.7	59.3	1.8	297.2	718.7
Loan impairment charges	234.4	101.4	200.5	0.0	0.0	0.0	181.4	717.6
Profit/loss on equity investments	0.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
Profit before taxation	-29.5	12.7	99.9	228.0	31.1	423.6	-218.8	546.9
Tax	-7.4	3.2	25.1	57.4	8.0	13.8	-55.1	45.0
Net profit for the period	-22.1	9.5	74.7	170.6	23.1	409.8	-163.7	501.9
Balance sheet								
Loans	27,420.6	18,475.9	13,635.0	0.4	0.0	0.0	268.8	59,800.7
Bonds	1,012.3	0.0	0.0	13,161.9	0.0	0.0	14,790.6	28,964.8
Shares	0.0	0.0	0.0	0.0	0.0	2,033.4	50.3	2,083.7
Investments in associates	0.0	0.0	0.0	0.0	0.0	28.3	0.0	28.3
Other assets. etc.	1,070.6	82.3	78.9	10,113.2	0.0	0.0	8,177.0	19,522.0
Total assets	29,503.5	18,558.2	13,713.8	23,275.5	0.0	2,061.7	23,286.7	110,399.6

Segmental financial statements are prepared on the basis of the margins, etc., recognised for individual business areas. Accordingly, no intercompany interest rates are allocated between segments and no liabilities are allocated.

Expenses relating to Bank Package I are recognised under other activities and come to DKK 244.2 million recognised under operating costs and DKK 181.4 million under loan impairment charges.

* The "Structured Finance" business area was renamed into "Acquisition Finance" in December 2010. In Q2 2011, the business area Capital Markets was renamed into "Markets".

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(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Note 2 – Interest income:						
Due from credit institutions and central banks	14.8	34.3	49.2	179.6	150.8	216.1
Reverse repurchase transactions	16.7	6.9	13.9	16.7	6.9	13.9
Loans and other receivables	1,632.5	1,683.3	2,248.5	1,295.5	1,337.4	1,775.0
Contributions	2.7	3.9	5.0	0.0	0.0	0.0
Reverse repurchase transactions	0.6	2.3	2.3	0.6	2.3	2.3
Bonds	451.4	660.9	848.2	412.7	615.2	787.4
Total derivative financial instruments	42.8	-1.0	-29.0	82.8	68.1	61.3
Other interest income	0.1	1.9	4.3	0.1	1.9	3.3
Total interest income	2,161.6	2,392.5	3,142.4	1,988.0	2,182.7	2,859.3
Note 3 – Interest expenses:						
Credit institutions and central banks	72.5	125.0	163.0	73.9	125.8	164.0
Repurchase transactions (repos)	160.3	75.4	139.1	160.3	75.4	139.1
Deposits and other debt	0.9	0.6	0.6	0.9	0.6	0.6
Repurchase transactions (repos)	96.0	146.7	178.7	102.1	151.0	184.4
Bonds issued	1,035.8	817.6	1,180.2	1,025.8	801.7	1,160.0
Subordinated debt	203.4	204.7	275.9	203.4	204.7	275.9
Other interest expenses	0.1	1.4	1.8	0.1	0.0	0.0
Total interest expenses	1,569.0	1,371.4	1,939.3	1,566.5	1,359.2	1,924.0
Note 4 – Market value adjustments						
Mortgage loans	-3.5	7.2	2.1	0.0	0.0	0.0
Other loans and receivables at amortised cost. hedging	60.8	117.1	0.6	62.8	101.9	14.5
Bonds	-125.2	-352.0	-557.0	-121.0	-370.9	-569.2
Shares. etc.	-704.6	413.7	1,331.6	4.2	5.0	3.5
Investment properties	-11.5	20.0	4.5	-11.5	20.0	4.5
Foreign exchange	-41.4	-6.6	-16.4	-44.0	-23.6	-37.1
Derivative financial instruments	108.9	1,039.5	1,117.3	114.6	1,060.4	1,100.2
Mortgage bonds issued	1.9	-5.6	0.7	0.0	0.0	0.0
Other liabilities	78.6	-480.6	-244.4	78.6	-480.5	-244.4
Total market value adjustments	-636.0	752.7	1,639.0	83.7	312.3	272.0

FIH ERHVERVS BANK

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Note 5 – Staff costs and administrative expenses						
Salaries and remuneration of Board of Directors and Executive Board	11.7	7.8	9.9	11.6	6.8	9.5
Staff costs:						
Salaries	227.4	247.9	337.2	205.2	205.7	267.3
Pensions	17.2	17.2	23.3	16.9	16.8	22.7
Social security costs	27.5	22.8	31.2	24.5	19.5	25.6
Share-based payments	0.0	6.0	7.1	0.0	6.0	7.1
Total	272.1	293.9	398.8	246.6	248.0	322.7
Other administrative expenses	124.0	154.4	198.8	118.2	147.5	189.4
Total staff costs and administrative expenses	407.8	456.1	607.5	376.4	402.3	521.6

Restructuring costs constitute DKK 21.3 million of total staff costs and administrative expenses.

According to the Danish Act on Capital Injections it is a condition that the credit institution, while receiving the capital contribution, is not allowed to deduct more than half of the remuneration of the individual executive director in the tax accounts. In Q1-Q3 2011 this deduction amounted to DKK 4.2 million. The amount is identical in the FIH Group and in FIH Erhvervsbank A/S.

Note 6 – Loan impairment charges

Loans and guarantees. individual loan impairment charges

Loan impairment charges. beg. of period	2,114.2	1,126.9	1,126.9	1,767.3	819.1	819.1
Reversal of previous loan impairment charges	223.7	121.6	126.0	202.1	98.4	107.6
Loan impairment charges during the period	890.8	804.7	1,611.5	840.0	723.9	1,501.6
Losses recorded	847.9	278.7	498.2	771.6	226.1	445.8
Individual loan impairment charges. end of period	1,933.4	1,531.3	2,114.2	1,633.6	1,218.5	1,767.3

Loans and guarantees. collective loan impairment charges

Loan impairment charges. beg. of period	497.6	57.1	57.1	405.9	50.9	50.9
Reversal of previous loan impairment charges	107.7	0.0		93.5	0.0	
Loan impairment charges during the period	0.0	37.3	440.5	0.0	23.6	355.0
Collective loan impairment charges. end of period	389.9	94.4	497.6	312.4	74.5	405.9

Loans and guarantees. total loan impairment charges

Loan impairment charges. beg. of period	2,611.8	1,184.0	1,184.0	2,173.2	870.0	870.0
Reversal of previous loan impairment charges	331.4	121.6	126.0	295.6	98.4	107.6
Loan impairment charges during the period	890.8	842.0	2,052.0	840.0	747.5	1,856.6
Losses recorded	847.9	278.7	498.2	771.6	226.1	445.8
Total loan impairment charges. end of period	2,323.3	1,625.7	2,611.8	1,946.0	1,293.0	2,173.2

Recognised loan impairment charges

Reversal of previous loan impairment charges	331.4	121.6	126.0	295.6	98.4	107.6
Loan impairment charges during the period	890.8	842.0	2,052.0	840.0	747.5	1,856.6
Received on loans and guarantees previously written off	2.1	2.8	3.4	2.1	2.8	2.3
Total recognised loan impairment charges	557.3	717.6	1,922.6	542.3	647.4	1,746.7

FIH ERHVERVS BANK

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Total loans and guarantee debtors for which an objective indication for impairment has occurred before loan impairment charges	9,442.4	5,696.7	9,373.7	7,962.4	4,199.0	7,760.9
Total loans and guarantee debtors for which an objective indication for impairment has occurred after loan impairment charges	7,509.0	4,071.1	7,259.5	6,328.8	2,906.1	5,993.6
Accumulated loan impairment charges and guarantee debtors, as a percentage of loans and guarantees, end of period	4.4%	2.5%	4.1%	4.9%	2.4%	4.2%
Losses and loan impairment charges as a percentage of loans and guarantees, end of period	3.8%	1.1%	3.1%	1.4%	1.2%	3.3%
Net losses recorded, as a percentage of the write down balance, beginning of period	32.5%	23.3%	41.8%	35.6%	25.8%	51.0%
Non-performing loans:						
Non-performing loans amounts due, end of period	982.0	1,398.1	1,293.0	643.7	978.4	877.1
Of which unsecured portion (included in loan impairment charges)	565.1	512.6	522.8	309.4	274.0	300.8

The figure for Q1-Q3 2011 and 31 December 2010 concerning loans and receivables with an objective indication for impairment is not directly comparable with the figure from Q1-Q3 2010. This is due to the fact that in Q1-Q3 2010 only default marked loans was included. The other periods include both loans that are default marked but also loans that are only marked with an objective indication for impairment.

Losses recorded in Q1-Q3 2011 of DKK 847.9 million of which DKK 436.0 million relates to the Sector Fund.

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Note 7 - Bonds issued:						
Bonds issued at amortised cost						
Bonds issued at amort. cost, beg. of period	46,622.0	48,723.8	48,723.8	46,622.0	48,723.8	48,723.8
New issues	444.5	60,837.0	61,166.5	444.5	60,837.0	61,166.5
Buy-backs	1,225.9	394.1	834.0	1,225.9	394.1	834.0
Redemptions	2,141.7	62,356.5	64,104.3	2,141.7	62,356.5	64,104.3
Market value adjustments	-640.7	1,026.7	1,670.0	-640.7	1,026.7	1,670.0
Bonds issued at amortised costs, end of period	43,058.2	47,836.9	46,622.0	43,058.2	47,836.9	46,622.0
Bonds issued at fair value						
Bonds issued at fair value, beg. of period	292.9	472.8	472.8	0.0	0.0	0.0
Redemptions	38.5	106.2	179.2	0.0	0.0	0.0
Market value adjustments	-1.9	5.6	-0.7	0.0	0.0	0.0
Bonds issued at fair value, end of period	252.5	372.2	292.9	0.0	0.0	0.0

FIH bought back own issues totalling DKK 1,225.9 million in Q1-Q3 2011 (Q1-Q3 2010: DKK 394.1 million). These buy-backs generated income under market value adjustments of DKK 64.0 million (Q1-Q3 2010: DKK 11.0 million).

FIH ERHVERVS BANK

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Note 8 – Subordinated debt						
Subordinated debt, beginning of period	4,465.7	4,299.4	4,299.4	4,465.7	4,299.4	4,299.4
New issues	0.0	0.0	0.0	0.0	0.0	0.0
Buy-backs	0.0	0.0	0.0	0.0	0.0	0.0
Redemptions	745.7	0.0	0.0	745.7	0.0	0.0
Market value adjustments	54.9	170.6	166.3	54.9	170.6	166.3
Subordinated debt, end of period	3,774.9	4,470.0	4,465.7	3,774.9	4,470.0	4,465.7
Subordinated debt – maturity profile						
Tier 1						
11.15 % DKK 1.900 perpetual	1,918.3	1,932.5	1,926.8	1,918.3	1,932.5	1,926.8
Tier 2						
4.80 % JPY 10-bn 31.03.2032	868.0	802.5	803.3	868.0	802.5	803.3
Var. % EUR 133-m 26.03.2013	988.6	989.8	990.2	988.6	989.8	990.2
Var. % EUR 100-m 22.03.2011	0.0	745.2	745.4	0.0	745.2	745.4
Total subordinated debt	3,774.9	4,470.0	4,465.7	3,774.9	4,470.0	4,465.7
Subordinated debt that may be included in the calculation of the base capital	3,113.2	3,672.9	3,520.1	3,113.2	3,672.9	3,520.1

On March 22 2011 FIH exercised a call option on subordinated debt and repaid the subordinated debt.

(DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Note 9 – Off-balance-sheet items						
Guarantees etc.						
Financial guarantees	198.0	287.2	217.9	387.4	482.8	412.5
Guarantees against losses for mortgage loans	1,760.4	2,215.6	2,172.5	1,903.8	2,381.9	2,333.4
Other contingent liabilities	0.6	112.9	112.9	0.6	112.7	112.8
Total guarantees etc.	1,959.0	2,615.7	2,503.3	2,291.8	2,977.4	2,858.7
Other contingent liabilities						
Irrevocable loan commitments	2,228.8	3,842.0	3,797.4	7,026.7	4,640.8	4,532.7
Other liabilities	525.5	713.8	693.0	4.6	53.7	53.7
Total other contingent liabilities	2,754.3	4,555.8	4,490.4	7,031.3	4,694.5	4,586.4

The FIH Group's volume of business implicates that the Group is party in various legal proceedings. The pending legal proceedings are not expected to have a marked effect on the Group's financial position.

Assets pledged as collateral

FIH has deposited bonds with Danmarks Nationalbank (central bank) and VP Securities Services totalling DKK 6,159.8 million in connections with clearing and settlement, etc. (Q3 2010: DKK 6,559.2 million). As far as repurchase transactions are concerned, i.e. sale of securities for which an agreement is simultaneously entered into for repurchase at a later date. The securities concerned will remain in the balance sheet and the amounts received will be recognised as amounts due to credit institutions. Securities in the form of repurchase transactions are treated as assets pledged as collateral for liabilities. At the end of September 2011, these securities totalled DKK 7,003.1 million (Q3 2010: DKK 20,729.9 million). In addition, FIH has pledged cash and bonds as collateral (CSA-agreements) for exposures totalling DKK 1,737.5 million (Q3 2010: DKK 5,660.6 million). Apart from this FIH has no pledging or pledging of collateral and the like.

Ratios

Ratios (percent or DKK million)	FIH Group			FIH Erhvervsbank A/S		
	30.09.2011	30.09.2010	31.12.2010	30.09.2011	30.09.2010	31.12.2010
Capital base relative to minimum capital adequacy requirement	286.3	320.8	316.0	292.1	326.3	321.4
Solvency ration. per cent	16.8	15.2	15.4	18.2	16.7	17.0
Core capital ratio. per cent	14.9	12.9	13.3	16.1	14.3	14.7
Return on equity before taxation	-15.3	9.0	3.9	-15.8	9.0	3.3
Return on equity after taxation	-15.1	8.3	6.5	-14.6	8.3	6.5
Income/cost ratio	0.10	1.38	1.11	0.00	1.41	1.11
Interest rate risk	0.7	0.8	1.6	0.7	0.7	1.5
Foreign exchange position	1.6	1.1	1.4	1.6	1.3	1.3
Foreign exchange risk	0.0	0.0	0.0	0.0	0.0	0.0
Loans and loan impairment charges relative to deposits (x)	6.0	12.3	8.1	4.5	8.4	5.7
Gearing of loans (x)	6.5	7.2	7.0	5.0	5.8	5.5
Growth in loans for the period. per cent	-16.5	-6.8	-9.6	-18.5	-7.0	-10.8
Excess cover relative to statutory liquidity requirements	91.5	39.6	71.4	67.8	18.8	49.6
Total amount of large exposures	54.0	49.4	66.1	52.8	36.4	67.1
Impairment ratio for the period. per cent	1.1	1.1	3.1	1.3	1.2	3.4

Information on parent company and subsidiaries

FIH Holding A/S, Langelinie Alle 43, 2100 Copenhagen O, is the parent company for FIH Erhvervsbank A/S, Langelinie Allé 43, 2100 Copenhagen O, who owns the following subsidiaries:

(DKK million)	Activity	Holdings	Assets	Equity	Liabilities	Turnover	Results
Consolidated subsidiaries:							
FIH Realkredit A/S. Copenhagen	Mortgage loans	100%	392.1	117.8	274.4	4.5	1.6
FIH Leasing og Finans A/S. Copenhagen	Leasing and financing	100%	448.5	437.4	11.1	2.6	1.6
FIH Finance A/S. Copenhagen	Financing and investment	100%	2,365.7	2,279.9	85.8	5.5	-743.4
FIH PARTNERS A/S. Copenhagen	Investment banking	100%	216.6	199.1	17.5	48.8	11.3
FIH Kapital Bank A/S. Copenhagen	Financing and investment	100%	10,912.7	2,002.7	8,910.0	143.8	69.1
FIH Aztec Holding ApS**. Copenhagen	Investment	100%	948.8	628.6	320.3	-2.4	70.2

* There is no difference between holding and voting share.

** FIH Aztec Holding ApS is a subsidiary of FIH Finance A/S.