



Independent Auditor's Valuation Statement on the Merger Plan

To the Shareholders of Vestjysk Bank A/S, CVR No 34 63 13 28, and Aarhus Lokalbank Aktieselskab, CVR No 37 72 91 16

Introduction

The Boards of Directors of Vestjysk Bank A/S and Aarhus Lokalbank Aktieselskab have appointed us independent valuation experts in pursuance of section 37, cf section 241, of the Danish Companies Act, in connection with the merger of Vestjysk Bank A/S and Aarhus Lokalbank Aktieselskab with Vestjysk Bank A/S as the continuing bank.

We have accepted the assignment and have prepared this Statement on the Merger Plan in pursuance of section 241 of the Danish Companies Act.

The banks are merged based on terms and conditions established by the Boards of Directors. The terms and conditions established, including the share exchange ratio, are the responsibility of the Boards of Directors.

In our capacity of valuation experts, we are to express a conclusion on the Merger Plan, including whether the consideration for the shares of the discontinuing bank is reasonable and fair.

Merger Plan

In pursuance of section 237 of the Danish Companies Act, the Boards of Directors of Vestjysk Bank A/S and Aarhus Lokalbank Aktieselskab have on 28 February 2012 prepared a Merger Plan relating to the merger of the banks Vestjysk Bank A/S and Aarhus Lokalbank Aktieselskab with Vestjysk Bank A/S as the continuing company. In connection with the merger, all assets and liabilities of the discontinuing bank, Aarhus Lokalbank Aktieselskab, will be transferred to the continuing bank, Vestjysk Bank A/S. The merger will take effect for accounting purposes as of the time of the merger cf. section 6.1 of the Merger Plan.

In connection with the Merger Plan, a Capital Plan has been published which is to be implemented in connection with the merger with a view to strengthening the capital base of the continuing bank. The implementation of the Capital Plan, the individual elements and the related terms and conditions are described in the published Company Announcement on the Merger dated 25 January 2012. The individual elements of the Capital Plan are interdependent and several elements are outside the management scope of authority.

In the signed merger plan, the Managements have described in detail the risk factors related to the merger. Moreover, the Managements have informed us that in case some of the risk factors described become a reality, this may have a material negative impact on the operations, expectations and financial position of the continuing bank.

Based on the Managements' negotiations with relevant authorities and stakeholders, it is the Managements' opinion that the Capital Plan will be completed in its entirety. Our assessment of the reasonableness of the consideration for the shares of the discontinuing bank is based on the Capital Plan being completed in its entirety.

Consideration for the shares of the discontinuing bank – exchange ratio

In accordance with the Merger Plan, the shareholders of Aarhus Lokalbank Aktieselskab will receive one new share of a nominal amount of DKK 10 in Vestjysk Bank A/S in exchange for four shares of a nominal amount of DKK 10 in Aarhus Lokalbank Aktieselskab. The exchange ratio is final and, therefore, no subsequent adjustment of the consideration will be made, including in case of errors etc in the basis for the determination of the exchange ratio.



We refer to section 9 of the Merger Plan for a further description of the consideration in fractional shares.

Determination of the exchange ratio

Based on a number of factors, the exchange ratio has been determined through negotiation between the Boards of Directors of the merging banks. These factors comprise mainly:

1. The current market values of the two banks based on market prices;
2. The values of the two banks expressed by the amount of equity as per the most recent financial statements;
3. The values of the two banks expressed by the amount of equity as per the most recent financial statements adjusted for expected future earnings, including operating synergies as a result of increased business volume, customers and branches, and the quality of the loans and advances of each bank, including impairment charges on loans and advances at estimated fair value;
4. The accounting policies and accounting estimates applied by the two banks;
5. Other matters which are generally included in such negotiations.

Moreover, the Boards of Directors have attached importance to the fact that it is expected that as a result of the merger under Bank Package IV and the implementation of the subsequent Capital Plan, Vestjysk Bank A/S will receive state guarantees for loans of up to DKK 8.6 billion until 2016.

In connection with the negotiations relating to the exchange ratio, the exchange ratio has been determined by the Boards of Directors subsequent to an assessment based on various valuation methods, including market prices, accounting values and adjustments of increase and decrease in value. The increase and decrease in value are based on forecasts which rest on subjective expectations and estimates. Consequently, there are inherent risks that not all assumptions are satisfied and that unforeseen events may occur which may result in material deviations from expectations. This may imply material changes to the values stated.

Special difficulties connected with the valuation

Our valuations have been connected with special difficulties, cf section 241(4), last sentence, of the Danish Companies Act. This is due to the estimates made being subject to special uncertainty as the market price or the net asset value for accounting purposes cannot alone be used as a measure for the value of the two banks. The special difficulties connected with the valuation comprise:

- The valuation of the shares of Aarhus Lokalbanc Aktieselskab, which is very sensitive to the parameters applied, including the relatively limited sale of the shares compared with the material risks and difficulties facing the bank if the bank continues as an independent bank, ie if it does not, as planned, merge with Vestjysk Bank A/S.
- The assets and liabilities of the banks appear from the Financial Statements of Vestjysk Bank A/S and Aarhus Lokalbanc Aktieselskab, respectively, for 2011. The Financial Statements of the banks for 2011 which have both been provided with an unqualified auditor's report but with emphasis of matter have formed the basis of our work. We draw attention to the emphasis of matter clauses in the auditor's reports on the Financial Statements of Vestjysk Bank A/S og Aarhus Lokalbanc Aktieselskab for 2011.
- The valuation of the bank's credit portfolios and collateral provided, as the value of these may to a wide extent be affected by the development of the overall economic conditions.
- Access to future short-term and long-term funding based on the expected issue of new individual state guarantees of up to DKK 8.6 million to the continuing bank.



- The assumptions for the completion of the Capital Plan in its entirety, which are naturally connected with uncertainty. Based on the negotiations of the parties and the current circumstances it is, however, the Managements' and our assessment that it must be considered likely that the Capital Plan will be completed.
- The "Risk factors" mentioned in section 4 of the published Company Announcement on the Merger of today's date describing the continuing bank's risks and in this connection especially section 4.1, "Risks connected with the actual situation of the continuing bank", section 4.4 "Credit risks" and section 4.6 "Liquidity and capital risks".

On the basis of the above assessments which are based on a number of assumptions and risks, the exchange ratio as determined by negotiations between the Boards of Directors of the banks is in our opinion reasonable and fair as the exchange ratio agreed upon lies within an acceptable range.

Scope of Work

We conducted our work in accordance with the Danish standard on other assurance engagements in order to obtain reasonable assurance in respect of our conclusion. Our work included an examination of the Merger Plan in pursuance of section 241 of the Danish Companies Act.

In connection with the valuation of the fair values of the banks, we considered whether the valuation methods applied are appropriate considering the circumstances. Furthermore, we assessed the propriety of the assumptions forming the basis of the valuations and tested the data applied in the valuations. We have moreover performed an examination of the financial development of the banks since the presentation of the Annual Reports for 2011 and until the date of issuing this Statement. As a part of our work, we have discussed the accounting disclosures and other assumptions for the valuations with the Managements of Vestjysk Bank A/S and Aarhus Lokalbanc Aktieselskab with a view to assessing whether they are made on a factual basis.

We believe that the work performed provides a reasonable basis for our conclusion.

Conclusion

In our opinion the procedure applied by the banks' Boards of Directors in connection with the assessment of the banks' values and determination of the exchange ratio is appropriate. Based on this the consideration for the shares of Aarhus Lokalbanc Aktieselskab is in our opinion reasonable and fair.

Holstebro, 28 February 2012
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

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State Authorised Public Accountant