

NASDAQ OMX Copenhagen
London Stock Exchange
Bourse de Luxembourg
Other stakeholders

Peberlyk 4 · PO Box 1038
DK-6200 Aabenraa

Tel +45 74 37 37 37
Fax +45 74 37 35 36

sydbank.com
SWIFT SYBKDK22

Sydbank A/S
CVR No DK 12626509, Aabenraa

Company Announcement No 18/2012

2 November 2012

Dear Sirs

Sydbank to take over the banking activities from Tønder Bank

Tønder Bank A/S and Sydbank A/S have concluded a transfer agreement. Under the agreement Sydbank will take over all activities from Tønder Bank, comprising the employees, customers, branches, buildings and other assets but not hybrid capital or supplementary capital.

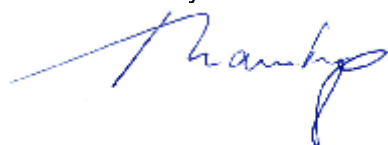
The reason for the takeover is that the Danish FSA in connection with an inspection has ascertained a significant need for impairment charges as regards the exposures of Tønder Bank for which the bank does not have sufficient capital to continue as an independent bank.

Under the purchase Sydbank will take over Tønder Bank's approximately 18,000 customers and a balance sheet total of around DKK 2.3bn. On Monday morning the customers of Tønder Bank will receive services as usual.

As a result of the agreement Sydbank will have branches in Løgumkloster and Toftlund, places where Sydbank is not represented today. In other towns the branches of Tønder Bank will be amalgamated with Sydbank's existing branches. As a result of the takeover, Sydbank will strengthen its position as the region's bank in Southern Jutland.

In addition Sydbank will take over Tønder Bank's obligations to all the bank's existing employees.

Yours sincerely



Anders Thoustrup
Chairman of the Board of Directors



Karen Frøsig
CEO