

Alm. Brand Bank

interim report - the first quarter

2013

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COMPANY INFORMATION

MANAGEMENT BOARD

Kim Bai Wadstrøm, Chief Executive

INTERNAL AUDITOR

Poul-Erik Winther, Group Chief Auditor

BOARD OF DIRECTORS

Jørgen H. Mikkelsen, Chairman

Boris N. Kjeldsen, Deputy Chairman

Arne Nielsen

Jan Skytte Pedersen

Ebbe Castella

Søren Boe Mortensen

Christian Bundgaard, elected by the employees

Torben Jensen, elected by the employees

Pia Støjfer, elected by the employees

REGISTRATION

Alm. Brand Bank A/S

Company registration (CVR) no. 81 75 35 12

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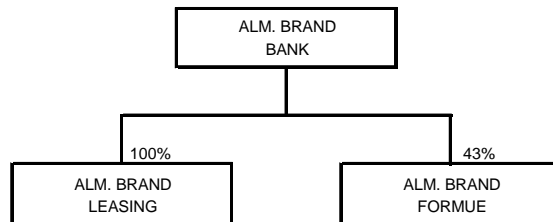
E-mail: bank@almbrand.dk

AUDITORS

Deloitte

Statsautoriseret Revisionspartnerselskab

GROUP STRUCTURE



The bank has two subsidiaries:

- Alm. Brand Leasing A/S
- Alm. Brand Formue A/S

OWNERSHIP

The bank is wholly owned by the listed company Alm. Brand A/S.

The group also comprises three wholly-owned subsidiaries, which have been established or acquired in connection with properties taken over temporarily.

The consolidated financial statements of Alm. Brand Bank A/S are a component of the consolidated financial statements of Alm. Brand A/S and Alm. Brand af 1792 fmba.

In addition, the bank acts as depositary bank for:

- Investeringsforeningen Alm. Brand Invest

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKKm	PRO RATA			GROUP		
	Q1 2013	Q1 2012	Year 2012	Q1 2013	Q1 2012	Year 2012
INCOME STATEMENT						
Interest receivable	152	200	720	155	201	728
Interest payable	98	128	452	99	128	457
Net interest income	54	72	268	56	73	271
Fees and commissions receivable (net) and dividend etc.	32	32	125	32	32	124
Net interest and fee income	86	104	393	88	105	395
Value adjustments	-59	-10	-134	-45	14	-96
Other operating income	16	10	50	16	9	51
Profit before expenses	43	104	309	59	128	350
Staff costs and administrative expenses	102	113	441	102	113	443
Depreciation, amortisation and impairment of property, plant and equipment	11	7	33	11	7	33
Other operating expenses	12	10	43	12	10	43
Impairment of loans, advances and receivables, etc.	42	65	309	42	65	309
Profit from investments in associates and group enterprises	-3	1	-2	-3	1	-2
Profit before tax	-127	-90	-519	-111	-66	-480
Tax	-31	-22	-128	-31	-22	-128
Profit for the period	-96	-68	-391	-80	-44	-352
Share attributable to minority interests	-	-	-	16	24	39
Profit after tax excluding minority interests	-	-	-	-96	-68	-391
<i>Profit before tax excluding minority interests</i>	-	-	-	-127	-90	-519
BALANCE SHEET						
Loans and advances	8,508	10,197	8,698	8,132	10,029	8,396
Deposits	11,359	10,098	11,325	11,358	10,098	11,325
Shareholders' equity	1,599	1,324	996	1,792	1,487	1,169
Share attributable to minority interests	-	-	-	193	163	173
Total assets	17,344	21,790	17,550	17,722	22,155	17,903
KEY RATIOS ETC.						
Average number of employees, full-time equivalents	259	278	275	259	278	275
Interest margin (%)	-	-	-	1.3	1.4	1.4
Income/cost ratio	0.24	0.54	0.37	0.34	0.66	0.42
Impairment ratio	0.4	0.5	2.8	0.4	0.5	2.8
Solvency ratio	-	-	-	19.9	18.6	18.5

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

REPORT

In order to increase the transparency of Alm. Brand Bank A/S' financial statements, the bank publishes pro rata consolidated figures. The figures are set out in the financial highlights and key ratios above and, unless otherwise indicated, the comments provided in the review below concern pro rata figures. Banking group figures are commented on only when found relevant. To the extent it is deemed relevant, the first and fourth quarters of 2012, respectively, are used as benchmarks. The pro rata figures reflect the bank's proportionate ownership interests in the subsidiaries.

Results for Q1 2013

The bank posted a loss of DKK 127 million before tax in Q1 2013. Excluding losses and writedowns, the bank's loss amounted to DKK 35 million.

The performance was not satisfactory and almost DKK 20 million below the expected level. This was due to falling interest income on the winding-up portfolio and capital losses on the bank's bond portfolio caused by interest rate developments in the first quarter of 2013.

The bank recognised aggregate impairment writedowns on loans, including credit-related value adjustments, of DKK 92 million in Q1 2013. Losses and writedowns were within the projected interval but remain high.

Net interest and fee income

In Q1 2013, net interest and fee income totalled DKK 86 million, against DKK 92 million in Q4 2012.

Interest income and expenses

Net interest income amounted to DKK 54 million in Q1 2013, compared with DKK 60 million in Q4 2012. The decline was due to a combination of falling interest income as a result of the bank's winding-up portfolio and falling interest expenses.

The bank has seen a fair inflow of full-service customers since the turn of the year, but due to the generally low borrowing requirement among private customers, it only had limited effect on first quarter earnings.

Moreover, the DKK 430 million repayment of hybrid core capital on 19 March 2013 and the prepayment of government guaranteed bonds in the amount of just over DKK 1 billion on 22 March 2013 only had a small effect on the bank's overall Q1 interest expenses. The full effect will feed through in the second quarter.

The interest margin for the parent company and the banking group was 1.2% and 1.3%, respectively, in the first quarter, against 1.4% in the fourth quarter of 2012. The decline was mainly due to reduced interest income on the winding-up portfolio.

The interest margin level is too low and the bank's strategy aims to ensure a higher interest margin,

including through efforts to attract more full-service customers and reduce funding costs.

Fee income and expenses

Net fee income was DKK 32 million in Q1 2013, which was unchanged from Q4 2012.

Value adjustments

Value adjustments amounted to a loss of DKK 59 million in the first quarter. Excluding credit-related value adjustments of DKK 50 million, value adjustments amounted to a loss of DKK 9 million.

The DKK 9 million loss was composed of positive equity-related value adjustments of DKK 9 million, negative interest-related value adjustments of DKK 13 million, mainly on bonds, and negative currency-related value adjustments of DKK 5 million.

The negative value adjustments of bonds were partly offset by higher interest income.

The bank's equity portfolio is mainly composed of sector equities and illiquid shares taken over, while the volume of the trading portfolio is moderate.

Other operating income

Other operating income was DKK 16 million in Q1 2013, against DKK 15 million and DKK 10 million in the fourth and first quarters of 2012, respectively.

Other operating income primarily consists of leasing activities, and the volume of operating leases has increased.

Costs

The bank's total payroll costs and administrative expenses amounted to DKK 102 million in Q1 2013, against DKK 113 million for the same period of 2012.

Total depreciation, amortisation and impairment charges amounted to DKK 11 million in Q1 2013, against DKK 7 million in Q1 2012. The increase was attributable to the higher level of leasing activities.

Other operating expenses

Other operating expenses amounted to DKK 12 million in Q1 2013, of which DKK 8 million related to the bank's expenses to the Guarantee Fund for

REPORT

Depositors and Investors and DKK 4 million related to costs and value adjustment of properties taken over temporarily.

Of the DKK 8 million expense to the Guarantee Fund for Depositors and Investors, DKK 1.6 million was attributable to an additional payment required in respect of the bankruptcy of Fjordbank Mors in 2012.

Impairment of loans, etc.

The bank's impairment writedowns on loans amounted to DKK 42 million in Q1 2013. Losses and writedowns remain affected in particular by the tough economic conditions faced by dairy farmers as well as by private customers impacted by the generally weak housing market.

In addition, the bank recognised credit-related value adjustments of DKK 50 million in Q1 2013, against DKK 77 million in Q4 2012.

These losses and writedowns are recognised under value adjustments but have been included in the table set out in the section "Lending portfolio", which further describes the lending portfolio and losses and writedowns.

Total impairment writedowns on loans, including credit-related value adjustments, amounted to DKK 92 million in Q1 2013, against DKK 148 million in Q4 2012.

Balance sheet

Loans and advances

The bank's loans and advances amounted to DKK 8.5 billion at 31 March 2013, against DKK 8.7 billion at 31 December 2012. Excluding developments in reverse transactions, intra-group transactions and writedowns, this marked a decline in loans and advances of DKK 148 million, of which the winding-up portfolio made up DKK 107 million.

Consistent with its strategy, the bank expects to continue to reduce its total loans and advances in the winding-up portfolio.

Debt to credit institutions

The bank's debt to credit institutions amounted to DKK 1.8 billion at 31 March 2013, against DKK 1.2 billion at 31 December 2012. The increase was attributable to repo contracts entered into.

Deposits

The bank had deposits of DKK 11.4 billion at 31 March 2013, which was unchanged from 31 December 2012.

As a result of developments in deposits and lending in the first quarter of 2013, the DKK 2.6 billion deposit surplus reported at 31 December 2012 grew to DKK 2.9 billion at 31 March 2013.

Liquidity

At 31 March 2013, the bank had cash funds of DKK 5.1 billion and excess liquidity of DKK 3.6 billion, equivalent to an excess cover of 227% relative to the statutory requirement. This marked a decline relative to the excess cover of 256% reported at 31 December 2012.

Capitalisation

Since 1 January 2013, the bank has been calculating the individual solvency need according to the 8+ model. The transition to the 8+ model produced a marginal decline in the individual solvency need equivalent to 0.1 of a percentage point.

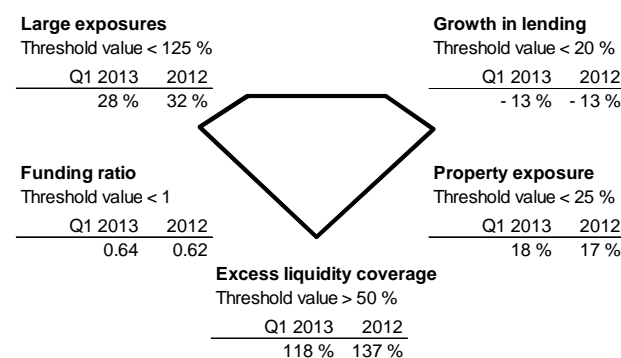
The bank's equity stood at DKK 1.6 billion at 31 March 2013. The capital base totalled DKK 2.1 billion, and the risk-weighted items amounted to DKK 9.9 billion at 31 March 2013.

Accordingly, the solvency ratio was 21.2, and the core capital ratio was 19.1. The bank's individual solvency need was calculated at 14.8%, which means that the bank's solvency ratio exceeded the individual solvency need by 6.4 percentage points.

The banking group's equity stood at DKK 1.8 billion at 31 March 2013, and the capital base totalled DKK 2.2 billion. Risk-weighted items in the banking group came to DKK 10.9 billion at 31 March 2013. Accordingly, the solvency ratio was 19.9, and the core capital ratio was 18.0.

Supervisory diamond

At 31 March 2013, the bank was in compliance with all five threshold values of the Danish FSA's supervisory diamond as shown in the figure below.



REPORT

The changes in the bank's supervisory diamond indicators reflect that the winding-up portfolio is developing according to plan. Growth in lending remains negative, which had been expected considering the bank's lending strategy of focusing exclusively on private customers. The fall in the bank's excess liquidity coverage was due to the bank's repayment in March of loans raised through bonds issued under Bank Package II.

Major events

Capital injection

On 26 February 2013, Alm. Brand A/S injected DKK 700 million as equity into Alm. Brand Bank A/S. The capital injection was used to make a DKK 430 million partial repayment of the state-funded hybrid core capital on 19 March 2013 and to ensure that the bank has adequate capital excess coverage.

Prepayment of government guaranteed bonds

On 22 March 2013, the bank repaid government guaranteed bonds in the amount of just over DKK 1 billion. After the repayment, DKK 950 million of the government guaranteed bond issue remains outstanding. The DKK 950 million will fall due for repayment on 30 June 2013.

Changes to the Board of Directors

At the bank's annual general meeting held on 17 April 2013, Ebbe Castella was elected as a new member of the Board of Directors.

Election of employee representatives and alternates to the Board of Directors took place in March 2013. After the general meeting, the

employee representatives elected to Board of Directors are: Christian Bundgaard, Torben Jensen and Pia Støjfer.

Inspection by the Danish FSA

In the period from November 2012 to February 2013, the Danish FSA carried out an inspection of Alm. Brand Bank. The bank agrees with the Danish FSA in its assessment of the impairment writedown and capital requirements. The FSA also issued a few orders against the bank, which are not assessed to be of a critical nature.

Outlook

The full-year guidance excluding losses and writedowns is lowered by DKK 50 million to a loss of DKK 45 million.

The downgrade is based on the results achieved in the first quarter of 2013 and on falling interest income on the winding-up portfolio as a result of exposures written down for impairment.

The expected reduction of the bank's winding-up portfolio excluding losses and writedowns is maintained at around DKK 0.6 billion in 2013.

The bank maintains its guidance for losses and writedowns of DKK 300–400 million in 2013. The amount of losses and writedowns and credit-related value adjustments is subject to considerable uncertainty and the guidance is based on current economic and market conditions.

Disclaimer

The forecast is based on the interest rate and price levels that prevailed at mid-May 2013. All other forward-looking statements are based exclusively on the information available when this interim report was released.

The actual performance may be affected by major changes in a number of factors. Such impacts include changes in conditions in the financial market, legislative changes, changes in the competitive environment, loans and advances, etc. and guarantees, etc.

The above-mentioned risk factors are not exhaustive. Investors and others who base their decisions on the information contained in this report should independently consider any uncertainties of significance to their decision.

This interim report has been translated from Danish into English. In the event of any discrepancy between the Danish text and the English-language translation, the Danish text shall prevail.

LENDING PORTFOLIO

The banking group's total loans and advances excluding reverse transactions came to DKK 8 billion at 31 March 2013. The bank's loans and advances were reduced by DKK 240 million in Q1 2013, of which DKK 92 million was attributable to losses and writedowns. Adjusted for losses and writedowns, the lending portfolio was reduced by DKK 148 million.

The banking group's accumulated writedowns amounted to DKK 1,535 million at 31 March 2013, against DKK 1,557 million at 31 December 2012. The reduction in loans, advances and guarantees lifted the accumulated impairment ratio from 14.3 at 31 December 2012 to 14.4 at 31 March 2013.

The table shows a consolidated segment-by-segment breakdown of the bank's lending portfolio. The individual segments have been calculated for the banking group.

Based on the bank's intention to focus its lending activities on private customers, the lending portfolio has been divided into a continuing portfolio and a winding-up portfolio. The winding-up portfolio amounted to DKK 5.5 billion, equivalent to just over 64% of total loans and advances.

Losses and writedowns in a total amount of DKK 92 million were charged to the income statement in Q1 2013, equivalent to 1.1% of the average lending portfolio for the banking group excluding reverse transactions.

The performance of the individual lending segments is reviewed in the following sections. The loss and impairment ratio is calculated relative to average lending for the period.

LOSSES AND WRITEDOWNS DKKm	Loans			Total loss and writedowns		Loss ratio % ^{a)}
	31.12.2012	31.03.2013	Share of portfolio (%)	2012	Q1 2013	
Continuing portfolio	2,647	2,577	30.3%	57	29	1.1%
Lending to private customers	2,442	2,379	28.0%	57	28	1.2%
Other loans and advances ^{b)}	205	198	2.3%	-	1	0.5%
Winding-up portfolio	5,642	5,472	64.3%	423	63	1.1%
Agriculture	955	957	11.2%	156	26	2.7%
Car finance	230	200	2.4%	-1	-	0.0%
Commercial lending	1,158	1,120	13.2%	73	-18	-1.6%
Property development projects	254	262	3.1%	1	2	0.8%
Mortgage deed financing	115	106	1.2%	23	3	2.7%
Mortgage deeds ^{c)}	2,930	2,827	33.2%	155	50	1.7%
Shares ^{d)}	-	-	-	16	-	-
Total group lending - excl. Reverse Transactions	8,289	8,049	94.6%	480	92	1.1%
Reverse Transactions including intercompany transactions	107	83	1.0%	-	-	-
Total group lending	8,396	8,132	95.6%	480	92	1.1%
Minority interests	302	376	4.4%	-	-	-
Total pro rata	8,698	8,508	100.0%	480	92	1.1%

^{a)} Losses and writedowns as a percentage of the average portfolio in Q1 2013. The percentage is not comparable with the impairment ratio in the bank's financial highlights and key ratios

^{b)} Leasing (continuing portfolio) is not included, as it is recognised as other property, plant and equipment and not as loans and advances

^{c)} Credit losses and writedowns on mortgage deeds are recognised in value adjustments

^{d)} Shareholding taken over in connection with the winding up of a former credit exposure. Value adjustment of the shareholding is recognised under value adjustments

LENDING PORTFOLIO

Continuing portfolio

Lending to private customers

This portfolio consists of loans and advances to private customers and is geographically diversified across Denmark. The portfolio includes car loans to private customers and represents the majority of the bank's continuing loans and advances.

Total loans and advances to private customers declined by DKK 63 million from 31 December 2012 to 31 March 2013. Adjusted for losses and writedowns, the decline was DKK 35 million. Among other things, the decline was attributable to conversion of home loans to mortgage loans through the bank's business partner Totalkredit.

Although the bank saw a fair inflow of full-service customers in the first quarter of 2013, this was not enough to offset the continued weak borrowing appetite among private customers and the loan conversions to Totalkredit.

In the first quarter of 2013, losses and writedowns amounted to DKK 28 million, equivalent to 1.2% of the average portfolio. Writedowns on the bank's private customers remain high, reflecting a weak housing market, which has only shown signs of improvement in the major cities.

Other loans and advances

This segment covers loans where an investment mandate is placed with Alm. Brand Markets. These loans form part of the bank's continuing business area.

Other loans and advances declined by DKK 7 million relative to 31 December 2012. In Q1 2013, losses and writedowns amounted to DKK 1 million, equivalent to 0.5% of the average portfolio.

Winding-up portfolio

The bank's strategy is not to accept new customers in the winding-up portfolio, and the business volume with existing customers is expected to be wound up over a number of years.

As part of the implementation of a controlled winding up of the individual exposures, the bank intends to grant additional loans as part of its credit defence efforts in relation to its collateral. This means that lending may increase in individual segments, even if a lending segment is being wound up.

Total loans and advances in the winding-up portfolio declined by DKK 170 million in Q1 2013 to stand at DKK 5,472 million at 31 March 2013.

Adjusted for losses and writedowns, the decline was DKK 107 million.

Agriculture

The portfolio increased by DKK 2 million from 31 December 2012 to 31 March 2013. Adjusted for losses and writedowns, the portfolio increased by DKK 28 million because the bank has granted loans for necessary investments and to secure continuing operations, thereby protecting the underlying value to the bank.

In Q1 2013, losses and writedowns amounted to DKK 26 million, equivalent to 2.7% of the average portfolio.

The level of losses and writedowns reflects the difficult conditions agricultural customers, particularly dairy farmers, continue to face.

Car finance

Car finance loans typically have a maximum term of five years, and the portfolio is expected to be settled in all material respects by the end of 2013. The overall portfolio declined by DKK 30 million during the period from 31 December 2012 to 31 March 2013 to stand at DKK 200 million. No losses or writedowns were recognised on this segment in the first quarter of 2013.

Commercial customer segment

The portfolio consists of loans for financing of investment properties, loans provided to small businesses and syndicated loans provided to medium-sized Danish businesses.

The overall portfolio declined by DKK 38 million from 31 December 2012 to 31 March 2013. Adjusted for losses and writedowns, the portfolio declined by DKK 56 million.

In Q1 2013, losses and writedowns amounted to an income of DKK 18 million, which was due to reversed writedowns in connection with the partial closing down of an exposure and to the underlying operations of certain commercial customers.

Property development projects

The portfolio consists of a limited number of property development projects. The bank will only finance the completion of ongoing projects pursuant to existing agreements.

The portfolio increased by DKK 8 million from 31 December 2012 to 31 March 2013. Losses and writedowns amounted to DKK 2 million in Q1 2013, corresponding to 0.8% of the average portfolio.

LENDING PORTFOLIO

Mortgage deed exposure

The bank's overall mortgage deed exposure, comprising mortgage deed financing and mortgage deeds, declined by DKK 112 million to DKK 2,933 million in Q1 2013.

Mortgage deeds run off naturally as a result of regular payments and redemptions. In the first quarter of 2013, natural run-off on the aggregate mortgage deed exposure was around 6% p.a. when excluding credit-related writedowns and interest rate effects.

Mortgage deed financing

The DKK 106 million portfolio consists of investment exposures secured against mortgage deeds. The portfolio declined by DKK 9 million from 31 December 2012 to 31 March 2013. The decline was primarily attributable to the bank closing out a number of investment exposures and in that connection taking over the mortgage deeds provided as security.

Losses and writedowns amounted to DKK 3 million in Q1 2013, corresponding to 2.7% of the average portfolio. The writedowns were attributable to mortgage deed debtors defaulting on their loans and to a declining excess cover on the exposures as a result of price falls on mortgage deeds provided as security.

Mortgage deeds

This segment comprises the bank's own portfolio of private mortgage deeds and commercial mortgage deeds.

Private mortgage deeds amounted to DKK 2,127 million, comprising the bank's portfolio of mortgage deeds secured primarily against single-family houses, commonhold flats and summer houses. The properties are located throughout Denmark.

Commercial mortgage deeds amounted to DKK 700 million and comprise mortgage deeds secured against residential rental property, commercial property for office, trade and industrial use as well as land and mixed residential/commercial property.

The portfolio is marked to market on a current basis using a cash flow-based pricing model, which takes into account factors such as estimated prepayments and credit losses. Individual writedowns are taken on all mortgages in arrears or known to be showing signs of weakness.

The portfolio is a winding-up portfolio, but new mortgage deeds may be added when the bank winds up an investment facility whose collateral security consists wholly or partly of mortgage deeds.

The portfolio declined by DKK 103 million from 31 December 2012 to 31 March 2013. For the year to date, credit-related value adjustments amounted to DKK 50 million, equivalent to 1.7% of the average portfolio. Of this amount, DKK 26 million was private mortgage deeds and DKK 24 million was commercial mortgage deeds.

The private mortgage deed portfolio was adversely affected by the economic conditions. The number of private mortgage deeds in arrears remains high.

The bank continues to feel the effects of a weak commercial property letting market. Higher vacancy rates have resulted in revaluations, causing impairment writedowns to increase.

Capital reservation

The banking group's total capital reservation amounted to DKK 3,435 million at 31 March 2013, against DKK 3,478 million at 31 December 2012.

The capital reservation equalled 33% of gross loans and advances and the residual debt on mortgage deeds at 31 March 2013, which was unchanged relative to 31 December 2012.

The capital reservation on the continuing portfolio corresponds to 18% of gross loans and advances, and the capital reservation on the winding-up portfolio represents 39% of gross loans and advances and residual debt on mortgage deeds.

CAPITAL RESERVATION	31.03.2013						31.12.2012	
	Gross lending/ outstanding debt	Balance	Difference ^{a)}	Required capital	Total reservation	Reservation relative to gross lending	Total reservation	Reservation relative to gross lending
DKKmn								
Continuing portfolio	2,791	2,577	214	288	502	18%	515	18%
Winding-up portfolio	7,525	5,472	2,053	864	2,917	39%	2,952	38%
Total - excl. reverse Transactions	10,316	8,049	2,267	1,152	3,419	33%	3,467	33%
Reverse Transactions and intra-group transactions	83	83	-	16	16	19%	11	10%
Total group	10,399	8,132	2,267	1,168	3,435	33%	3,478	33%

^{a)} Accumulated writedowns and value adjustments of mortgage deeds

STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

The Board of Directors and the Management Board have today considered and adopted the interim report for the three months ended 31 March 2013 of Alm. Brand Bank A/S.

The consolidated interim financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, and the interim financial statements of the parent company have been prepared in accordance with the Danish Financial Business Act. In addition, the consolidated and parent company interim financial statements have been presented in accordance with additional Danish disclosure requirements for the interim financial statements of listed financial companies.

In our opinion, the consolidated and parent company interim financial statements give a true and fair view of the group's and the parent company's assets and liabilities and financial position at 31 March 2013 and of the results of the group's and the parent company's operations and the cash flows of the group for the three months ended 31 March 2013.

Moreover, in our opinion, the management's review includes a fair review of developments in the activities and financial position of the group and the parent company and fairly describes significant risk and uncertainty factors that may affect the group and the bank.

MANAGEMENT BOARD

Copenhagen, 22 May 2013

Kim Bai Wadstrøm
Chief Executive

BOARD OF DIRECTORS

Copenhagen, 22 May 2013

Jørgen H. Mikkelsen
Chairman

Boris N. Kjeldsen
Deputy Chairman

Arne Nielsen

Jan Skytte Pedersen

Ebbe Castella

Søren Boe Mortensen

Christian Bundgaard

Torben Jensen

Pia Støjfer

INCOME STATEMENT AND COMPREHENSIVE INCOME

Parent company

DKK '000	Note	Q1 2013	Q1 2012	Year 2012
Interest receivable	1	147,963	195,485	702,373
Interest payable	2	97,148	126,680	447,448
Net interest income		50,815	68,805	254,925
Dividend on participating interests		-	0	694
Fees and commissions receivable		38,182	38,526	149,815
Fees and commissions payable		7,811	8,040	31,338
Net interest and fee income		81,186	99,291	374,096
Value adjustments	3	-69,883	-30,503	-165,476
Other operating income		1,655	985	5,952
Profit before expenses		12,958	69,773	214,572
Staff costs and administrative expenses	4	93,749	106,007	409,912
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		56	105	354
Other ordinary expenses		11,987	10,322	42,557
Impairment of loans, advances and receivables, etc.	5	42,041	65,625	309,657
Profit from participating interests in associated and group undertakings		8,423	21,779	28,776
Profit before tax		-126,452	-90,507	-519,132
Tax		-30,531	-22,911	-127,939
Profit for the period		-95,921	-67,596	-391,193
Other comprehensive income		-	-	-
Total comprehensive income		-95,921	-67,596	-391,193
PROFIT/LOSS ALLOCATION				
Share attributable to Alm. Brand Bank		-95,921	-67,596	-391,193
Transferred to Total shareholders' equity		-95,921	-67,596	-391,193

INCOME STATEMENT AND COMPREHENSIVE INCOME

Group

DKK '000	Note	Q1 2013	Q1 2012	Year 2012
Interest receivable	1	154,898	202,177	727,497
Interest payable	2	98,968	129,269	456,620
Net interest income		55,930	72,908	270,877
Dividend on participating interests		1,802	1,441	6,168
Fees and commissions receivable		37,677	38,731	149,533
Fees and commissions payable		7,828	8,042	31,435
Net interest and fee income		87,581	105,038	395,143
Value adjustments	3	-44,561	13,651	-96,125
Other operating income		15,833	10,473	50,485
Profit before expenses		58,853	129,162	349,503
Staff costs and administrative expenses	4	102,271	113,571	442,560
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		10,398	6,714	32,638
Other ordinary expenses		12,125	10,342	42,773
Impairment of loans, advances and receivables, etc.	5	42,239	64,506	309,120
Profit from participating interests in associated and group undertakings		-2,503	292	-2,345
Profit before tax		-110,683	-65,679	-479,933
Tax		-30,639	-22,221	-127,410
Profit for the period		-80,044	-43,458	-352,523
Other comprehensive income		-	-	-
Total comprehensive income		-80,044	-43,458	-352,523
PROFIT/LOSS ALLOCATION				
Share attributable to Alm. Brand Bank		-95,921	-67,596	-391,193
Share attributable to minority interests		15,877	24,138	38,670
Transferred to Total shareholders' equity		-80,044	-43,458	-352,523

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		31.03.2013	31.03.2012	31.12.2012	31.03.2013	31.03.2012	31.12.2012
ASSETS							
Cash in hand and receivables at call from central banks		521,844	35,884	304,623	521,844	35,884	304,623
Receivables from credit institutions and central banks		631,438	1,398,597	554,086	631,438	1,398,597	554,086
Loans, advances and other receivables at fair value		2,827,056	3,102,162	2,930,050	2,827,056	3,102,162	2,930,050
Loans, advances and other receivables at amortised cost	6	6,168,245	7,228,956	6,213,956	5,304,818	6,927,212	5,465,944
Bonds at fair value		5,393,766	7,774,076	5,785,654	6,381,385	8,397,015	6,643,258
Shares etc.		283,363	284,570	247,873	576,367	631,619	539,356
Participating interests in associated undertakings		43,668	47,643	43,748	43,668	47,643	43,748
Participating interests in group undertakings		226,112	369,785	223,090	-	-	-
Other property, plant and equipment		922	2,051	1,322	173,259	122,445	158,000
Current tax assets		326,758	220,398	299,314	322,327	203,511	286,009
Deferred tax assets		289,823	430,867	286,736	414,799	553,800	420,250
Assets held temporarily		111,174	151,571	117,461	131,749	170,439	136,455
Other assets		352,578	542,984	392,411	366,417	557,163	414,480
Prepayments		26,966	7,815	6,370	26,977	7,825	6,381
Total assets		17,203,713	21,597,359	17,406,694	17,722,104	22,155,315	17,902,640

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		31.03.2013	31.03.2012	31.12.2012	31.03.2013	31.03.2012	31.12.2012
LIABILITIES AND EQUITY							
Payables							
Payables to credit institutions and central banks		1,669,919	4,123,949	1,105,289	1,961,544	4,450,574	1,396,914
Deposits and other payables		11,361,163	10,098,345	11,324,932	11,358,025	10,098,340	11,324,932
Issued bonds		950,000	4,000,000	2,000,000	950,000	4,000,000	2,000,000
Liabilities temporarily acquired		18,241	30,962	19,214	35,923	49,762	36,899
Other liabilities		597,250	577,799	522,040	615,848	627,279	535,480
Deferred income		1,119	1,680	1,216	1,120	1,680	1,216
Total payables		14,597,692	18,832,735	14,972,691	14,922,460	19,227,635	15,295,441
Provisions							
Provisions for pensions and similar liabilities		1,361	1,852	1,361	1,361	1,852	1,361
Provisions for losses on guarantees		5,424	9,277	7,094	5,424	9,277	7,094
Total provisions		6,785	11,129	8,455	6,785	11,129	8,455
Subordinated debt							
Supplementary capital	7	400,000	400,000	400,000	400,000	400,000	400,000
Hybrid tier 1 capital	7	600,606	1,029,720	1,030,108	600,606	1,029,720	1,030,108
Total subordinated debt		1,000,606	1,429,720	1,430,108	1,000,606	1,429,720	1,430,108
Shareholders' equity							
Share capital	8	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000
Other reserves		78,734	1,456	78,734	-	-	-
Retained earnings		498,896	301,319	-104,294	577,630	302,775	-25,560
Minority interests		-	-	-	193,623	163,056	173,196
Total shareholders' equity		1,598,630	1,323,775	995,440	1,792,253	1,486,831	1,168,636
Total liabilities and equity		17,203,713	21,597,359	17,406,694	17,722,104	22,155,315	17,902,640

STATEMENT OF CHANGES IN EQUITY

DKK '000	Parent company				Group	
	Share capital	Other reserves	Retained earnings	Total	Minority interests	Total
Shareholders' equity at 1 January 2012	1,021,000	1,456	70,405	1,092,861	140,839	1,233,700
Equity movements in Q1 2012						
Other change in respect of subsidiaries				-	-1,921	-1,921
Profit/loss for the period			-67,596	-67,596	24,138	-43,458
Comprehensive income in Q1 2012	-	-	-67,596	-67,596	22,217	-45,379
Capital increases			300,000	300,000		300,000
Other change in respect of subsidiaries			-1,863	-1,863		-1,863
Tax of equity entries			373	373		373
Dividend paid			-	-		-
Total equity movements in Q1 2012	-	-	230,914	230,914	22,217	253,131
Shareholders' equity at 31 March 2012	1,021,000	1,456	301,319	1,323,775	163,056	1,486,831
Shareholders' equity at 1 January 2012	1,021,000	1,456	70,405	1,092,861	140,839	1,233,700
Equity movements in 2012						
Profit/loss for the year		26,086	-417,279	-391,193	38,670	-352,523
Comprehensive income 2012	-	26,086	-417,279	-391,193	38,670	-352,523
Capital increases			300,000	300,000		300,000
Other change in respect of subsidiaries				-	14,275	14,275
Other change in respect of subsidiaries		201,192	-207,420	-6,228	-20,588	-26,816
Dividend paid		-150,000	150,000	-		-
Total changes in equity in 2012	-	77,278	-174,699	-97,421	32,357	-65,064
Shareholders' equity at 31 December 2012	1,021,000	78,734	-104,294	995,440	173,196	1,168,636
Shareholders' equity at 1 January 2013	1,021,000	78,734	-104,294	995,440	173,196	1,168,636
Equity movements in Q1 2013						
Other change in respect of subsidiaries				-	4,550	4,550
Profit for the period			-95,921	-95,921	15,877	-80,044
Comprehensive income in Q1 2013	-	-	-95,921	-95,921	20,427	-75,494
Capital increases			700,000	700,000		700,000
Other change in respect of subsidiaries			-889	-889		-889
Tax of equity entries			-	-		-
Dividend paid			-	-		-
Total equity movements in Q1 2013	-	-	603,190	603,190	20,427	623,617
Shareholders' equity at 31 March 2013	1,021,000	78,734	498,896	1,598,630	193,623	1,792,253

CASH FLOW STATEMENT

	Group		
DKK '000	Q1 2013	Q1 2012	Year 2012
Operating activities			
Profit for the period before tax	-110,683	-65,679	-479,933
Tax paid during the period	-228	-744	156,039
Adjustment for amounts with no cash flow impact:			
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	10,398	6,714	32,638
Impairment of loans, advances and receivables, etc.	38,457	66,103	271,244
Other adjustments to cash flows from operating activities	-10,580	10,420	-75,847
Total, operating activities	-72,636	16,814	-95,859
Working capital			
Loans and advances	196,384	87,101	1,568,625
Deposits	33,093	2,103,643	3,330,235
Bonds	385,157	-319,867	1,512,227
Shares	-6,457	-30,145	59,426
Total, working capital	608,177	1,840,732	6,470,513
Investing activities			
Investments in associates	-	-	9,200
Investments in group enterprises	3	-	1,486
Property, plant and equipment	-25,582	-30,770	-81,086
Total, investing activities	-25,579	-30,770	-70,400
Financing activities			
Net proceeds from capital increase	700,000	300,000	300,000
Distribution of dividends	-430,000	-	-
Payables to credit institutions	564,611	290,988	-2,762,262
Bonds issued	-1,050,000	-2,000,000	-4,000,000
Total, financing activities	-215,389	-1,409,012	-6,462,262
Change in cash and cash equivalents	294,573	417,764	-158,008
Cash and cash equivalents, beginning of year	858,709	1,016,717	1,016,717
Change in cash and cash equivalents	294,573	417,764	-158,008
Cash and cash equivalents, end of period	1,153,282	1,434,481	858,709
Cash and cash equivalents, end of period			
Cash in hand and balances at call with central banks	521,844	35,884	304,623
Balances due from credit institutions less than 3 months	631,438	1,398,597	554,086
Cash and cash equivalents, end of period	1,153,282	1,434,481	858,709

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1 2013	Q1 2012	Year 2012	Q1 2013	Q1 2012	Year 2012
NOTE 1 Interest receivable						
Balances due from credit institutions and central banks	145	1,770	3,916	145	1,770	3,916
Loans, advances and other receivables	115,952	141,768	544,002	113,886	142,183	543,922
Bonds	41,541	57,203	185,732	50,510	63,461	210,788
Total derivatives	-9,675	-5,256	-31,354	-9,643	-5,237	-31,212
Of which:						
Foreign exchange contracts	122	-1,239	-3,130	155	-1,220	-2,988
Interest rate contracts	-9,797	-4,017	-28,224	-9,798	-4,017	-28,224
Other interest income	-	-	77	-	-	83
Total interest receivable	147,963	195,485	702,373	154,898	202,177	727,497
Interest receivable from genuine purchase and resale transactions:						
Balances due from credit institutions and central banks	-4	-	35	-4	-	35
Loans, advances and other receivables	-8	118	138	-8	118	138
NOTE 2 Interest payable						
Credit institutions and central banks	879	15,198	26,998	2,696	17,786	36,164
Deposits and other payables	61,321	48,545	228,053	61,321	48,545	228,053
Bonds issued	7,392	33,477	75,550	7,392	33,477	75,550
Total subordinated debt	27,356	29,115	115,549	27,356	29,115	115,549
Other interest expenses	200	345	1,298	203	346	1,304
Total interest payable	97,148	126,680	447,448	98,968	129,269	456,620
Interest payable on genuine sale and repurchase transactions:						
Payables to credit institutions and central banks	15	118	1,095	15	118	1,095
Deposits and other payables	-	-	18	-	-	18
NOTE 3 Value adjustments						
Loans, advances and other receivables at fair value	-66,747	-12,598	-76,975	-66,747	-12,598	-76,975
Bonds	-9,919	-28,406	-26,902	-7,445	-27,188	-16,096
Shares, etc.	8,828	13,608	4,200	32,610	56,053	65,392
Foreign currency	-5,068	-2,529	-9,942	-4,523	-2,729	-8,791
Total derivatives	3,023	-798	-56,568	1,544	-107	-60,366
Other liabilities	-	220	711	-	220	711
Total value adjustments	-69,883	-30,503	-165,476	-44,561	13,651	-96,125

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	Q1 2013	Q1 2012	Year 2012	Q1 2013	Q1 2012	Year 2012
NOTE 4 Staff costs and administrative expenses						
Remuneration to the Management Board and Board of Directors:						
Remuneration to the Management Board:						
Salaries and wages	683	631	2,730	683	631	2,730
Pensions	83	83	332	83	83	332
Total remuneration to the Management Board	766	714	3,062	766	714	3,062
Remuneration to the Board of Directors:						
Fees	262	75	1,050	262	75	1,050
Total remuneration to the Management Board and Board of Directors	1,028	789	4,112	1,028	789	4,112
Staff costs:						
Salaries and wages	37,758	41,681	170,794	37,866	41,806	171,270
Pensions	4,297	4,523	18,582	4,304	4,532	18,612
Social security costs	4,353	4,722	18,250	4,362	4,730	18,285
Total staff costs	46,408	50,926	207,626	46,532	51,068	208,167
Other administrative expenses	46,313	54,292	198,174	54,711	61,714	230,281
Total staff costs and administrative expenses	93,749	106,007	409,912	102,271	113,571	442,560
Number of employees						
Average number of employees during the financial year, full-time equivalents						
	259	278	275	259	278	275
NOTE 5 Impairment of loans, advances and receivables, etc.						
Individual assessment:						
Impairment and value adjustments, respectively, during the year	126,677	71,639	434,356	127,693	72,388	436,165
Reversal of impairment in previous years	68,124	29,447	236,532	68,789	31,814	239,909
Total individual assessment	58,553	42,192	197,824	58,904	40,574	196,256
Group assessment:						
Impairment and value adjustments, respectively, during the year	26,115	31,275	104,526	26,294	31,347	104,877
Reversal of impairment in previous years	38,853	5,208	22,660	39,312	5,818	25,278
Total group assessment	-12,738	26,067	81,866	-13,018	25,529	79,599
Losses not previously provided for	4,109	1,468	48,001	4,515	2,861	52,575
Bad debts recovered	7,883	4,102	18,034	8,162	4,458	19,310
Total impairment of loans, advances and receivables, etc., end of period	42,041	65,625	309,657	42,239	64,506	309,120

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	31.03.2013	31.03.2012	Year 2012	31.03.2013	31.03.2012	Year 2012
NOTE 6 Loans, advances and other receivables at amortised cost						
Loans and advances	7,692,683	8,889,426	7,758,431	6,762,619	8,493,515	6,941,835
Leases	-	-	-	71,322	101,932	73,696
Total before impairment, etc.	7,692,683	8,889,426	7,758,431	6,833,941	8,595,447	7,015,531
Impairment, etc.	1,524,438	1,660,470	1,544,475	1,529,123	1,668,235	1,549,587
Loans, advances and other receivables at amortised cost, end of period	6,168,245	7,228,956	6,213,956	5,304,818	6,927,212	5,465,944
NOTE 7 Subordinated debts						
Supplementary capital:						
Floating rate bullet loans in DKK maturing 9 May 2013	100,000	100,000	100,000	100,000	100,000	100,000
Floating rate bullet loans in DKK maturing 9 May 2014	100,000	100,000	100,000	100,000	100,000	100,000
Floating rate bullet loans in DKK maturing 3 December 2015	200,000	200,000	200,000	200,000	200,000	200,000
Supplementary capital, end of period	400,000	400,000	400,000	400,000	400,000	400,000
Hybrid Tier 1 capital:						
Fixed rate bullet loans in DKK with indefinite terms	175,000	175,000	175,000	175,000	175,000	175,000
State-funded capital injection, bullet loan in DKK with an indefinite term	425,606	854,720	855,108	425,606	854,720	855,108
Hybrid Tier 1 capital, end of period	600,606	1,029,720	1,030,108	600,606	1,029,720	1,030,108
Subordinated debt, end of period	1,000,606	1,429,720	1,430,108	1,000,606	1,429,720	1,430,108
Interest on subordinated debt	27,356	29,115	115,549	27,356	29,115	115,549
Of this, amortisation of costs incurred on raising the debt	498	128	517	498	128	517
Extraordinary instalments	430,000	-	-	430,000	-	-
Costs incurred in raising subordinated debt	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	31.03.2013	31.03.2012	Year 2012	31.03.2013	31.03.2012	Year 2012
NOTE 8 Share capital						
Unlisted share capital:						
Nominal value at 1 January 2008	351,000	351,000	351,000	351,000	351,000	351,000
Capital increase April 2009	300,000	300,000	300,000	300,000	300,000	300,000
Capital increase September 2009	90,000	90,000	90,000	90,000	90,000	90,000
Capital increase November 2009	280,000	280,000	280,000	280,000	280,000	280,000
Nominal value, end of period	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000	1,021,000
The share capital consists of 1,021,000 shares of DKK 1,000 nominal value and is paid up in full.						
NOTE 9 Capital Base						
Shareholders' equity	1,598,630	1,323,775	995,440	1,792,253	1,486,831	1,168,636
Proposed dividends	-	-	-	-	-	-
Deferred tax assets	-289,823	-430,867	-286,736	-414,799	-553,800	-420,250
Tier 1 capital after deductions	1,308,807	892,908	708,704	1,377,454	933,031	748,386
Hybrid Tier 1 capital	600,606	1,029,720	1,030,108	600,606	1,029,720	1,030,108
Transferred to Supplementary capital	0	-136,812	-321,404	-	-96,689	-281,722
Deduction of ownership interest in financial institution	-18,727	-15,588	-15,740	-18,727	-15,588	-15,740
Tier 1 capital including hybrid Tier 1 capital after deduction	1,890,686	1,770,228	1,401,668	1,959,333	1,850,474	1,481,032
Supplementary capital	400,000	400,000	400,000	400,000	400,000	400,000
Transferred from Hybrid Tier 1 capital	-	136,812	321,404	-	96,689	281,722
Deduction of ownership interest in financial institution	-18,727	-15,588	-15,740	-18,727	-15,588	-15,740
Reduction of 25% per year in the three final years of the term to maturity	-175,000	-75,000	-175,000	-175,000	-75,000	-175,000
Capital base	2,096,959	2,216,452	1,932,332	2,165,606	2,256,575	1,972,014
Risk-weighted items:						
Weighted items involving credit risk	8,218,471	9,465,098	8,313,354	8,009,581	9,215,931	8,102,528
Weighted items involving market risk	1,269,533	1,961,594	1,205,991	2,356,183	2,410,532	2,023,763
Weighted items involving operational risk	424,893	522,931	424,893	520,436	533,897	520,436
Risk-weighted items, end of period	9,912,897	11,949,623	9,944,238	10,886,200	12,160,360	10,646,727
The solvency requirement represents 8% of the risk-weighted items	793,032	955,970	795,539	870,896	972,829	851,738
Core capital including hybrid Tier 1 capital and capital base is calculated in accordance with the Executive Order on Calculation of Capital Base.						

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	31.03.2013	31.03.2012	Year 2012	31.03.2013	31.03.2012	Year 2012
NOTE 10 Off-balance sheet items						
Contingent liabilities:						
Financial guarantees	359,816	367,302	360,838	359,816	367,302	360,838
Loss guarantees for mortgage loans	364,186	392,132	370,841	364,186	392,132	370,841
Registration and conversion guarantees	22,182	22,156	17,575	22,182	22,156	17,575
Other contingent liabilities	212,114	249,402	220,661	212,114	249,402	220,661
Contingent liabilities, end of period	958,298	1,030,992	969,915	958,298	1,030,992	969,915
Other commitments:						
Irrevocable loan commitments	-	-	-	-	-	-
Other miscellaneous commitments	-	-	-	-	-	-
Other commitments, end of period	-	-	-	-	-	-
Off-balance sheet items, end of period	958,298	1,030,992	969,915	958,298	1,030,992	969,915

Other contingent liabilities

Alm. Brand Bank A/S is jointly and severally liable with the other jointly taxed and jointly registered group companies for the total tax liability of these companies for income years up till 2004. As from 2005, Alm. Brand Bank A/S is only jointly and severally liable for the indirect tax liability.

Alm. Brand Bank A/S has entered into operating leases with Alm. Brand Leasing A/S. The residual value of future lease payments under these operating leases totalled DKK 6 million at 31 March 2013.

Alm. Brand Bank A/S is a member of Bankdata, which operates the bank's key banking systems. Termination of this membership would cause the bank to incur a significant liability which would have to be calculated in accordance with Bankdata's by-laws.

Being an active financial services group, the group is a party to a number of lawsuits. The cases are reviewed on an ongoing basis, and the necessary provisions are made. Management believes that these cases will not inflict further losses on the group.

Collateral security

Monetary-policy counterparties with Danmarks Nationalbank can obtain credit only against security through the pledging of approved securities.

As part of the ongoing business, at end Q1 2013 the bank provided bonds as security vis-à-vis Danmarks Nationalbank at a market value of DKK 1,453 million (Q1 2012: DKK 748 million) and loans representing a loan value of DKK 542 million (Q1 2012: DKK 0 million).

As collateral for positive and negative fair values of derivative financial instruments, respectively, cash in the amount of DKK 8 million was received and cash in the amount of DKK 413 million was paid at 31 March 2013 (Q1 2012: DKK 1 million and DKK 406 million).

NOTES TO THE FINANCIAL STATEMENTS

DKK '000							Group
	Banking activities	Markets & Asset Ma- nagement	Alm. Brand Leasing	Alm. Brand Pantebreve	Alm. Brand Formue	Other/ Elimina- tions	Alm. Brand Bank Group
NOTE 11 Segment information							
Interest receivable	185,051	23,130	3,706	-	9,002	-65,992	154,898
Interest payable	146,141	1,241	2,057	0	5,536	-56,008	98,968
Net interest income	38,910	21,889	1,650	0	3,466	-9,984	55,930
Net fee and commission income, etc.	11,800	19,620	1,183	-	96	-1,049	31,651
Value adjustments	-49,154	-3,762	-	-	25,322	-16,967	-44,561
Other operating income	1,144	238	14,176	-	-	274	15,833
Profit/loss on ordinary activities before expenses (Net income)	2,700	37,985	17,010	0	28,884	-27,726	58,853
Operating expenses	56,351	12,327	18,030	0	834	25,127	112,669
Other operating expenses	3,642	-	138	-	-	8,345	12,125
Impairment of loans, advances and receivables, etc.	41,281	761	196	-	-	1	42,239
Profit/loss on participating interests	-80	555	-	-	-	-2,978	-2,503
Profit/loss on activities before tax	-98,653	25,452	-1,355	0	28,050	-64,177	-110,683

DKK '000							Group
	Banking activities	Markets & Asset Ma- nagement	Alm. Brand Leasing	Alm. Brand Pantebreve	Alm. Brand Formue	Other/ Elimina- tions	Alm. Brand Bank Group
Interest receivable	208,590	9,579	6,134	-	6,277	-28,403	202,177
Interest payable	138,836	1,262	2,941	-	5,367	-19,137	129,269
Net interest income	69,754	8,317	3,193	-	910	-9,266	72,908
Net fee and commission income, etc.	10,589	22,194	1,465	-	178	-2,296	32,130
Value adjustments	4,509	8,111	-	-	44,154	-43,123	13,651
Other operating income	268	416	9,487	-	-	302	10,473
Profit/loss on ordinary activities before expenses (Net income)	85,120	39,038	14,145	-	45,242	-54,383	129,162
Operating expenses	65,274	13,497	13,319	-	854	27,341	120,285
Other operating expenses	-	-	20	-	-	10,322	10,342
Impairment of loans, advances and receivables, etc.	66,832	-8	-1,119	-	-	-1,199	64,506
Profit/loss on participating interests	-	1,154	-	-	-	-862	292
Profit/loss on activities before tax	-46,986	26,703	1,925	-	44,388	-91,709	-65,679

NOTES TO THE FINANCIAL STATEMENTS

Group

DKK '000	Q1 2013	Q1 2012	Q1 2011	Q1 2010	Q1 2009
NOTE 12 Financial highlights and key ratios					
Net interest and fee income	87,581	105,038	145,831	177,503	149,355
Value adjustments	-44,561	13,651	-49,325	-12,532	6,353
Staff costs and administrative expenses	102,271	113,571	116,803	122,924	134,189
Impairment of loans, advances and receivables, etc.	42,239	64,506	113,133	69,897	64,959
Profit/loss from investments in associates group enterprises	-2,503	292	-2,512	10,022	-184
Profit for the year	-80,044	-43,458	-116,666	-24,958	-40,392
Loans and advances	8,131,874	10,029,374	11,799,260	14,271,112	16,916,798
Shareholders' equity	1,792,253	1,486,831	1,637,193	1,539,458	1,195,224
Total assets	17,722,104	22,155,315	25,239,222	25,142,521	25,117,069
Solvency ratio	19.9	18.6	18.0	15.3	13.1
Tier 1 ratio	18.0	15.2	15.3	12.1	7.0
Return on equity before tax (%)	-7.5	-4.8	-9.1	-13.8	-20.6
Return on equity after tax (%)	-5.4	-3.2	-6.9	-10.6	-13.0
Income/cost ratio	0.34	0.66	0.41	0.83	0.73
Interest rate risk (%)	2.6	-4.4	2.6	7.2	14.4
Foreign exchange position (%)	8.5	28.5	4.9	4.6	21.0
Foreign exchange risk (%)	0.1	0.3	0.2	0.1	1.0
Loans and advances as a percentage of deposits (%)	85.1	115.8	162.4	138.4	140.9
Gearing of loans and advances	4.5	6.7	7.2	9.3	14.2
Annual growth in lending (%)	-3.1	-1.8	-5.5	-17.5	-1.2
Excess cover relative to statutory liquidity requirement (%)	220.7	347.2	257.1	115.5	145.9
Total amount of large exposures (%)	44.3	40.9	68.8	97.7	162.0
Impairment ratio for the year	0.4	0.5	0.8	0.4	0.3

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

NOTES TO THE FINANCIAL STATEMENTS

Parent company

DKK '000	Q1 2013	Q1 2012	Q1 2011	Q1 2010	Q1 2009
NOTE 12 Financial highlights and key ratios - continued					
Net interest and fee income	81,186	99,291	137,982	157,007	131,718
Value adjustments	-69,883	-30,503	-39,714	-21,817	24,203
Staff costs and administrative expenses	93,749	106,007	108,222	111,904	119,727
Impairment of loans, advances and receivables, etc.	42,041	65,625	111,370	63,008	56,897
Profit/loss from investments in associates group enterprises	8,423	21,779	-5,059	11,818	-11,547
Profit for the year	-95,921	-67,596	-111,529	-35,683	-30,004
Loans and advances	8,995,301	10,331,118	12,299,812	14,516,846	16,544,777
Shareholders' equity	1,598,630	1,323,775	1,451,249	1,326,520	906,722
Total assets	17,203,713	21,597,359	24,633,399	24,667,204	24,531,681
Solvency ratio	21.2	18.5	17.3	14.6	11.1
Tier 1 ratio	19.1	14.8	14.5	11.0	5.5
Return on equity before tax (%)	-9.7	-9.7	-9.9	-13.8	-20.6
Return on equity after tax (%)	-7.4	-7.3	-7.4	-10.6	-13.0
Income/cost ratio	0.14	0.50	0.39	0.76	0.76
Interest rate risk (%)	-0.5	-5.8	-0.2	3.7	4.8
Foreign exchange position (%)	11.9	34.5	3.7	5.3	8.9
Foreign exchange risk (%)	0.2	0.2	0.1	0.0	0.1
Loans and advances as a percentage of deposits (%)	92.6	118.7	168.2	139.6	137.3
Gearing of loans and advances	5.6	7.8	8.5	10.9	18.2
Annual growth in lending (%)	-1.6	-1.8	-4.3	-3.7	-2.7
Excess cover relative to statutory liquidity requirement (%)	227.3	350.7	263.6	99.8	137.7
Total amount of large exposures (%)	45.7	40.9	77.0	100.2	227.4
Impairment ratio for the year	0.4	0.5	0.8	0.3	0.3

Financial highlights and key ratios have been prepared in accordance with the Danish Financial Business Act.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 Accounting policies group

The consolidated interim financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU. The parent company interim financial statements are prepared in accordance with the provisions of the Danish Financial Business Act, including the Executive Order on financial reports presented by credit institutions and investment companies.

In addition, the interim consolidated financial statements are presented in accordance with additional Danish disclosure requirements for interim financial statements of listed financial companies.

The accounting policies are unchanged from the policies applied in the financial statements for 2012.

The interim financial statements for Q1 2013 are unaudited.