



The Danish FSA
NASDAQ OMX Copenhagen A/S
The Oslo Stock Exchange

Torvet 4-5
DK-7620 Lemvig
Tel. 96 63 20 00

1 April 2014

Company announcement:

Establishment of capital adequacy requirement, imposition of restricting order and order for plan for re-establishment

The bank's capital challenges were last dealt with in the bank's 2013 annual report and in company announcement of 3 March 2014. As per 31 March 2014 it has not been possible to carry through the structural measures to the extent necessary in order to comply with the capital adequacy requirements under the new capital adequacy rules of CRD IV.

Based on its 2013 annual report, Vestjysk Bank has most recently established the bank's individual capital adequacy requirement at 10.9 as at 31 December 2013. As at 31 March 2014, according to CRD IV, Vestjysk Bank's present capital adequacy requirement is made up at 10.0, and the bank has therefore notified the Danish FSA that the bank does not comply with the capital adequacy requirement. The decline in the solvency ratio reflects, inter alia, that there are capital elements in the form of additional loan capital that can no longer be allowed for. The Danish FSA has consequently under section 124(3) of the Danish Financial Business Act established the bank's individual capital adequacy requirement at 10.9 and has under section 225(2) of the Danish Financial Business Act imposed on Vestjysk Bank that the bank must take the necessary measures in order to comply with this capital adequacy requirement. The Danish FSA has also in pursuance of section 225(2) of the Danish Financial Business Act ordered Vestjysk Bank not later than 7 April 2014 to file a plan for re-establishment to the Danish FSA. The plan for re-establishment must contain a description of the measures, which Vestjysk Bank will take in order to bring the actual solvency ratio up above the individual capital adequacy requirement.

Also, a restriction order is imposed on the bank as described in the Danish FSA's decision of 1 April 2014, which is attached to this company announcement.

Concurrently with the preparation of the plan for re-establishment, the bank will continue its measures for seeking to improve the solvency ratio.

Vestjysk Bank A/S

Vagn Thorsager Michael Nelander Petersen
chairman of the board *acting CEO*

Any inquiries may be directed to Vagn Thorsager, chairman of the board, tel. 96 63 21 03.