

Notice to Nasdaq OMX Copenhagen
09/2015

A large, stylized blue bird logo is positioned on the left side of the page, facing right. The bird is composed of solid blue shapes, with a white circle for an eye and white curved lines for the neck and tail. The background features a light gray diagonal gradient.

INTERIM REPORT

FIRST HALF OF 2015

 **The BANK of Greenland**

GER no. 80050410

INTERIM REPORT 2015 IN HEADLINES

Satisfactory interim result for 2015 at the BANK of Greenland

The first half of 2015 gave a result before value adjustments and write-downs of DKK 68.7 million, compared to DKK 70.1 million for the first half of 2014.

In the first half of 2015 the bank achieved an increase in both lending and guarantees totalling DKK 57.6 million. Despite this moderate, but still satisfactory increase, the level of lending was lower than in the same period of 2014.

The lower level of lending, together with the low level of interest rates, affecting the bank as e.g. negative interest payments on surplus liquidity at Danmarks Nationalbank, exerts pressure on net interest rates, resulting in a small decrease compared to the same period of 2014.

Fee income was at a satisfactory level, and was somewhat higher than for the same period of 2014, primarily due to remortgaging activity.

Dividend on shares, etc. fell by DKK 1.3 million compared to the same period of the previous year.

The level of the overall income from basic operations is satisfactory. There is only a small decrease, despite the continuing weak economic conditions and extremely low level of interest rates.

Total costs, including amortisation and depreciation, decreased by 2.8 million to DKK 73.1 million compared to the same period of 2014.

Value adjustments were negative in the first half-year, at DKK 3.9 million, compared to a positive amount of DKK 16.8 million for the same period of the previous year. The primary reason for the capital loss in 2015 is the bank's bond holdings.

Write-downs on loans and guarantees remain low, giving a result before tax of DKK 55.1 million, compared to DKK 78.3 million for the same period of the previous year.

- The result before tax gives a return of 13% per annum on the opening equity after dividend.
- Despite the negative level of interest rates, net interest and fee income only declined by a moderate 1.6%.
- Write-downs and provisions for the period of 0.3%.
- A decrease in total costs, including amortisation and depreciation, by DKK 2.7 million.
- Increase in lending by 1.4% in the first half of 2015.
- Solvency ratio of 18.6 and a solvency requirement of 10.5.

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FINANCIAL HIGHLIGHTS AND KEY FIGURES FOR THE FIRST HALF OF 2015

(DKK 1,000)

	First half-year 2015	First half- year 2014	Full year 2014	First half-year 2013	First half-year 2012	First half- year 2011
Net interest and fee income	142,137	144,408	293,457	138,339	137,629	122,033
Value adjustments	-3,868	16,757	7,687	- 2,363	3,518	- 13,435
Other operating income	-388	1,577	3,750	1,712	1,846	1,079
Staff and administration expenses	69,710	69,241	136,440	64,542	62,150	56,821
Depreciation and impairment of tangible assets	1,988	5,165	9,160	4,381	6,690	4,845
Other operating expenses	1,380	1,444	3,054	1,443	1,174	6,358
Write-downs of loans, etc.	9,734	8,526	24,807	8,696	6,406	5,167
Profit before tax	55,069	78,366	131,433	58,626	66,573	36,486
Tax	17,505	24,901	41,776	18,621	21,160	11,596
Profit for the period	37,564	53,465	89,657	40,005	45,413	24,890
Selected accounting items:						
Lending	2,853,879	2,989,814	2,814,547	2,930,958	3,076,691	2,928,127
Deposits	4,206,595	3,901,128	3,739,768	3,492,635	4,200,537	3,420,234
Equity	878,876	867,978	909,872	829,469	804,086	774,845
Balance sheet total	5,288,495	4,964,276	4,849,621	4,542,982	5,187,616	4,468,473
Contingent liabilities	1,158,038	1,007,362	1,093,349	895,051	866,550	834,623
Key figures:						
Capital ratio	18.6	19.8	20.3	20.5	19.6	20.1
Core capital ratio	18.6	19.3	20.3	20.0	19.0	19.4
The period's return on equity before tax	6.2	9.0	14.7	7.0	8.4	4.8
The period's return on equity after tax	4.2	6.1	10.0	4.8	5.7	3.3
Income per cost krone	1.66	1.93	1.76	1.74	1.87	1.50
Rate of return	0.7	1.1	1.9	0.9	0.9	0.6
Interest rate risk	1.4	1.4	1.3	0.7	1.3	0.6
Foreign exchange position	15.5	1.9	3.1	4.3	7.5	1.5
Loans plus write-downs in relation to deposits	70.1	78.6	77.5	86.0	74.7	87.4
Loans in relation to equity	3.2	3.4	3.1	3.5	3.8	3.8
Growth in lending during the period	1.4	4.0	- 2.1	- 3.7	0.4	0.1
Excess capital base compared to statutory liquidity requirement	180.9	141.8	190.7	172.8	236.8	170.1
The sum of large exposures	68.2	59.3	40.0	63.0	99.3	115.1
The period's write-down percentage	0.3	0.2	0.7	0.3	0.2	0.2
Accumulated write-down percentage	2.6	2.1	2.4	1.9	1.5	1.6
The period's profit per share after tax	20.9	29.7	49.8	22.2	25.2	13.8
Net book value per share	488	486	505	468	456	433
Stock exchange quotation/net book value per share	1.3	1.3	1.2	1.2	0.8	0.9

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

Statement of income

Net interest income decreased by TDKK 2,780 to TDKK 101,328 in the first half of 2015, compared to the same period of 2014. The background to this decrease is the extremely low level of interest rates, a lower lending volume compared to the first half of 2014, and the negative interest on the bank's certificates of deposit at Danmarks Nationalbank. The bank's holdings of corporate bonds have, however, contributed to reducing the decrease in net interest.

Fee and commission income increased by TDKK 1,927 to TDKK 41,101 compared to the same period of 2014. The greatest increase was seen in guarantee commission, which was due to an increase in remortgaging guarantees. On the other hand, dividend payments on the bank's share portfolio decreased from TDKK 1,817 to TDKK 497.

Staff and administration costs were by and large unchanged compared to the same period of last year, at TDKK 69,710 at the end of June 2015. Staff costs increased by TDKK 1,220, which is attributable to salaries and pensions. This increase is expected and is related to an increase in the number of employees, as well as the increases under collective agreements. Other administration costs decreased by TDKK 751 and were primarily due to non-recurring costs being brought forward and posted during the first half of 2014. In the first half of 2015 the conversion of the branch in Qaqortoq commenced, as well as the head office in Nuuk on a more limited scale.

Depreciation of tangible assets, on the other hand, decreased by TDKK 3,177 to TDKK 1,988 compared to the same period of 2014.

The result before value adjustments and write-downs is thus a moderate decrease by 2%, or TDKK 1,464, to TDKK 68,671, compared to the same period of 2014.

Value adjustments represent a total capital loss of TDKK 3,868, compared to a gain of TDKK 16,757 for the same period of 2014. In 2014, the sale of shares in Nets realised TDKK 5,514. A positive capital gain on Sparinvest Holding amounting to TDKK 7,607 was also booked. In the first half of 2015, the bank's holdings of high-interest corporate bonds led to an unrealised capital loss of TDKK 7,207. During Q2 2015, the bank recognised income of TDKK 3,850 from the value adjustment of the bank's shares in Sparinvest Holding A/S.

Write-downs of loans, etc. increased by TDKK 1,208 compared to the same period last year and amounted to TDKK 9,734 at the end of the first half of 2015. Write-downs and provisions on the bank's loans and guarantees remain limited and thus reflect the continued overall strong credit standing of the bank's private and business customers in Greenland.

The profit before tax was TDKK 55,069, compared to TDKK 78,366 for the same period of 2014.

Development in operations in Q2 2015

Net interest income amounted to TDKK 50,773 in Q2 2015, which was by and large unchanged compared to Q1 2015. The very low level of interest rates and the negative interest at Danmarks Nationalbank continued to exert pressure on net interest income.

In Q2 2015, there was a small decrease in fee income by TDKK 1,559 to TDKK 19,771 compared to Q1 2015. This decrease is solely apparent from the "Other fees" item, under which the bank booked a large amount as income in Q1 2015. Guarantee commission increased, however, due to a larger volume.

Total costs decreased by TDKK 3,746 to TDKK 33,672 in Q2 2015. Holiday allowance in accordance with Greenlandic law was paid out in Q1 2015, and was the primary reason for the decrease in staff costs in Q2. For other administration costs, the decrease in Q2 was mainly related to the advertising and marketing.

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

Depreciation of tangible assets amounted to TDKK 1,965. The increase from Q1 2015 can be attributed to the write-down of the bank's branch in Qaqortoq due to the commencement of extensive renovation work.

The result before value adjustments and write-downs is by and large unchanged at TDKK 34,124 compared to Q1 2015.

Value adjustments in Q2 2015 result in a moderate gain of TDKK 269, compared to a loss of TDKK 4,137 in Q1 2015. In Q2 the bank recognised income concerning a significant capital gain on its shareholding in Sparinvest Holding A/S. On the other hand, capital losses were incurred on the bond portfolio.

Net write-downs in Q2 2015 amount to TDKK 4,558, which is a decrease by TDKK 618 from Q1 2015. The profit before tax is TDKK 29,835 for Q2 2015, compared to TDKK 25,234 for Q1 2015.

Selected Highlights and Key Figures (not audited)

(DKK 1,000)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	2015	2015	2014	2014	2014	2014	2013	2013
Net interest and fee income	70,439	71,698	73,324	75,724	75,867	68,542	69,477	67,934
Costs, depreciation and amortisation	35,637	37,442	37,258	35,546	37,114	38,736	38,724	35,160
Other operating income	- 678	290	878	1,295	794	783	507	929
Result before value adjustments and write-downs	34,124	34,546	36,944	41,473	39,547	30,589	31,260	33,703
Value adjustments	269	- 4,136	-10,295	1,226	8,987	7,769	4,088	2,314
Impairment of loans, etc.	4,558	5,176	10,768	5,513	4,807	3,719	4,304	2,186
Profit before tax	29,835	25,234	15,881	37,186	43,727	34,639	31,044	33,831

Balance sheet and equity

The bank's lending has increased moderately by TDKK 39,332 since the end of 2014, amounting to TDKK 2,853,879 at the end of June 2015. The level of lending is thus lower than in the first half of 2014, but it is positive that lending increased during the period, after a strong decrease in lending in the second half of 2014.

The bond portfolio is by and large unchanged, at TDKK 838,260.

The bank's deposits, of which the largest element is deposits on demand, amounted to TDKK 4,206,595 at the end of the first half of 2015, having increased by TDKK 466,827 from the end of 2014. The Bank's deposit surplus remains very comfortable, but in view of the negative interest on certificates of deposit at Danmarks Nationalbank, the deposit surplus in the first half of 2015 had a negative impact on the bank's operations. The deposit volume is extraordinarily high at the end of the first half-year, however, and is expected to be reduced continuously during the next quarters.

The total balance sheet increased by TDKK 438,874 to TDKK 5,288,495. Equity amounted to TDKK 878,371 at the close of the first half of 2015.

Outside the balance sheet, the bank's guarantees and irrevocable undertakings to customers increased by TDKK 64,689 to TDKK 1,158,038 at the end of June 2015.

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

Uncertainty of recognition and measurement

The main uncertainties concerning recognition and measurement are related to write-downs on loans, provisions on guarantees and the valuation of unlisted securities, properties and financial instruments. The management believes that the presentation of the accounts for the first half of 2015 is subject to an appropriate level of uncertainty.

Financial risks

The BANK of Greenland is exposed to various financial risks, which are managed at different levels of the organisation. The Bank's financial risks consist of:

Credit risk: Risk of loss as a consequence of debtors' or counterparties' default on actual payment obligations.

Market risk: Risk of loss as a consequence of fluctuation in the fair value of financial instruments and derivative financial instruments due to changes in market prices. The BANK of Greenland classifies three types of risk within the market risk area: interest rate risk, foreign exchange risk and share risk.

Liquidity risk: Risk of loss as a consequence of the financing costs increasing disproportionately, the risk that the Bank is prevented from maintaining the adopted business model due to a lack of financing/funding, or ultimately the risk that the Bank cannot fulfil agreed payment commitments when they fall due, as a consequence of the lack of financing/funding.

Capital requirement, risk management

The BANK of Greenland must by law have a capital base that supports the risk profile. The Bank compiles the credit and market risk according to the standard method and the operational risk according to the basic indicator method. It is still the Bank's assessment that there is no need for more sophisticated methods to be used.

In accordance with the Danish Financial Business Act the Board of Directors and the Executive Management must ensure that the BANK of Greenland has an adequate capital base. The capital requirement is the capital which, according to the management's assessment, as a minimum is needed to cover all risks.

As of 1 January, 2014, the requirements concerning equity capital, as well as the compilation of risk-weighted assets, were tightened, and in future further requirements will also be made of liquidity and gearing. Based on the Bank's solvency ratio, the BANK of Greenland is not significantly affected by the introduction of the latest new capital adequacy rules based on directives and regulations. Reference is made to the "Equity Statement" on page 13 and in Note 15.

The BANK of Greenland's reported individual capital requirement according to the 8+ model

In DKK 1,000	First half of 2015		End of 2014	
	Capital requirement	Capital requirement in %	Capital requirement	Capital requirement in %
Pillar I requirement	355,999	8.00%	325,338	8.00%
Credit risk	73,188	1.64%	62,556	1.54%
Market risk	24,676	0.56%	10,078	0.25%
Operational risk	5,500	0.12%	5,000	0.12%
Other conditions	9,163	0.21%	11,533	0.28%
Capital requirement	468,526	10.53%	414,505	10.19%

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

The BANK of Greenland's capital ratio, excluding the result for the period and after deduction of the tax asset due to payment of dividend, stands at 18.6. At the end of 2014 the capital ratio was 20.3 and the decrease as at 30.06.2015 is mainly due to a larger short-term currency position in euro. At the beginning of July 2015 the capital ratio again stood at around 20.

At the end of the first half of 2015 the Bank's individual capital requirement was compiled at 10.5% according to the 8+ model and the Bank thus has surplus cover of 8.1% points, or TDKK 358,685.

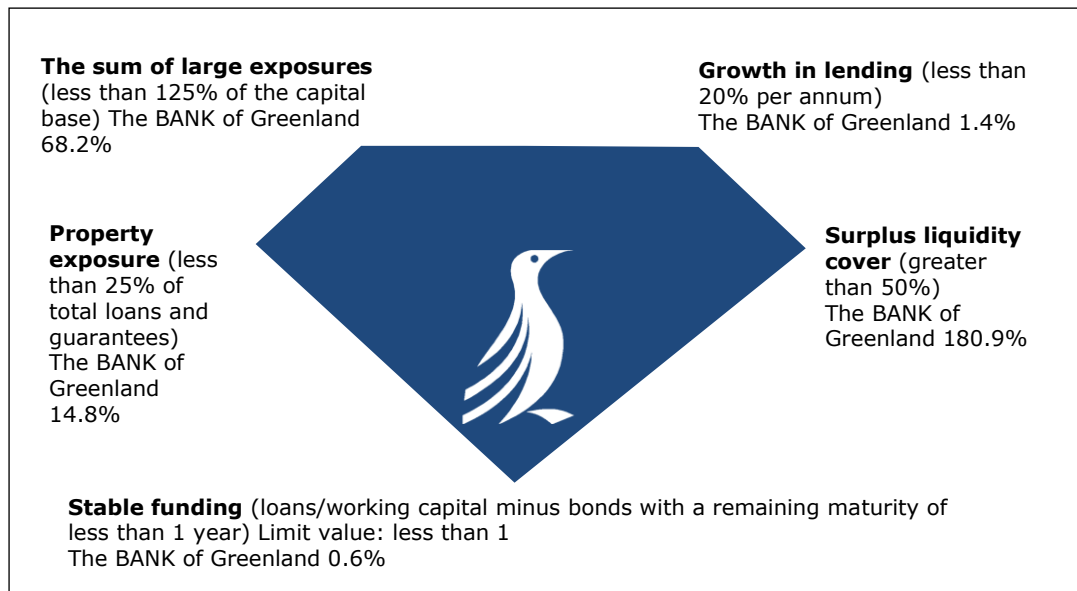
The BANK of Greenland has published further details of the calculated capital requirement in a report on the website <http://www.banken.gl/report/>

Liquidity

Since Q1 2014, the BANK of Greenland has reported according to the new liquidity requirements (LCR) in accordance with the new capital adequacy rules, although formal compliance is not required until as from 1 October 2015, when the new rules will be phased in up to 2019. The rules have not yet been finally determined, but the preliminary calculations indicate that the Bank already fulfils the expected requirements. Based on the current requirements (Section 152 of the Danish Financial Business Act), at the end of the first half of 2015, the Bank will have excess liquidity cover of 180.9%.

The Supervisory Diamond

The BANK of Greenland has considered the benchmarks set out in the Danish Financial Supervisory Authority's Supervisory Diamond for banks. The Supervisory Diamond indicates five benchmarks for banking activities. The bank's business model states that the sum of large exposures should not exceed 100% of the capital base. The sum of large exposures constituted 68.2% at the end of the first half of 2015, of which exposures to publicly owned and sector companies constituted 20.8%.



The BANK of Greenland has property-related exposures with publicly owned companies (included in public authorities in the breakdown of the bank's loans by industry). These exposures are not included in the calculation of commercial property exposures in the Supervisory Diamond.

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

Shareholders and dividend

The BANK of Greenland's overall financial goal is to achieve a competitive return for the shareholders.

At a price of 619 per 100 at the end of the first half of 2015, the price of the BANK of Greenland's shares has decreased from the end of 2014, when the price was 662. During Q1 2015, the Bank paid dividend to its shareholders totalling DKK 99 million, or DKK 55 per share.

In accordance with Section 28a of the Danish Companies Act, five shareholders have notified shareholdings in excess of 5%.

The Bank aims to maintain a low holding of own shares at between 0 and 3% of the share capital. The Bank may therefore in open trading windows choose to buy and sell own shares within this objective. At the end of the first half of 2015, the Bank had no holdings of own shares.

The BANK of Greenland's mission, values and corporate governance

The BANK of Greenland conducts banking activities in Greenland in open competition with domestic and foreign banks and provides advice and services in the financial field to all citizens and businesses in Greenland.

The Bank's mission should be viewed in a broader perspective whereby the BANK of Greenland can be seen as the Bank for all of Greenland. This entails an enhanced responsibility to participate positively and actively in society's development and to help to create opportunities in Greenland, while ensuring sound financial activities. The BANK of Greenland is extremely aware of this vital role.

The BANK of Greenland's values are firmly anchored in the Bank and its employees. The values are **Commitment, Room for Diversity, Decency and Competency**. These values act as a guide for how we act and want to be seen within and outside the Bank.

The BANK of Greenland considers all of the Corporate Governance recommendations and the Danish Executive Order on Management and Control of Banks, etc. and it is the Bank's objective to observe these recommendations at all times and to the greatest possible extent. The Bank's Corporate Governance Statement may be found on the Bank's website www.banken.gl

The BANK of Greenland has endorsed the UN Global Compact, which has ten principles for ethical conduct. The BANK of Greenland publishes its report every year. This is available on the Bank's website.

Outlook for 2015

After probably three years of negative GDP development in Greenland, the Bank still expects zero GDP growth in 2015. Based especially on an expected increase in construction activity, which will notably affect the Bank's customers, the Bank does, however, expect satisfactory operations.

The BANK of Greenland continues to expect a moderate increase in lending during the year, guarantees at a high level, and an unchanged to slightly falling interest rate margin. There is still considerable uncertainty related to the extremely low level of interest rates, including for how much longer the rate of interest on certificates of deposit at Danmarks Nationalbank will be negative. On this basis the Bank expects a slight decrease in overall income compared to 2014.

Total costs including amortisation and depreciation are still expected to show a slight increase by approximately 1% in relation to 2014. This is based on the expectation that all positions will continue to be filled, and that the planned renovation and maintenance of some of the Bank's staff accommodation will be completed. Conversion of the head office in Nuuk has commenced and the planned renovation of the branch in Qaqortoq

MANAGEMENT REVIEW FOR THE FIRST HALF OF 2015

was begun in Q2 2015.

A result before value adjustments and write-downs at the level of DKK 125-145 million, compared to DKK 148 million in 2014, is still expected.

The bank assesses that the quality of the lending portfolio is satisfactory. Value adjustment of lending at a moderate level is therefore expected in 2015, and probably slightly lower than in 2014.

12 August 2015
Board of Directors

(DKK 1,000)

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

Notes	First half-year 2015	Full year 2014	First half-year 2014	
3	Interest income	104,025	227,264	111,465
4	Interest expenses	2,697	13,399	7,357
	Net interest income	101,328	213,865	104,108
	Share dividend, etc.	497	1,821	1,817
5	Fee and commission income	41,101	79,324	39,174
	Fees paid and commission expenses	789	1,553	691
	Net interest and fee income	142,137	293,457	144,408
6	Value adjustments	-3,868	7,687	16,757
	Other operating income	-388	3,750	1,577
7	Staff and administration costs	69,710	136,440	69,241
	Depreciation and impairment of tangible assets	1,988	9,160	5,165
	Other operating expenses	1,380	3,054	1,444
10	Write-downs on loans, etc.	9,734	24,807	8,526
	Profit before tax	55,069	131,433	78,366
8	Tax	17,505	41,776	24,901
	Profit for the period	37,564	89,657	53,465
Statement of comprehensive income				
	Profit for the period	37,564	89,657	53,465
	Revaluation of domicile properties	472	1,613	2,588
	Reversed revaluation of domicile properties	-2,000	-2,104	0
	Tax on other comprehensive income	486	156	-823
	Comprehensive income for the year	36,522	89,322	55,230

(DKK 1,000)

BALANCE SHEET

Notes	30 June 2015	31 December 2014	30 June 2014
ASSETS			
	451,937	547,362	491,999
	451,937	547,362	491,999
9	761,106	297,493	264,092
10	2,853,879	2,814,547	2,989,814
11	838,260	834,807	850,887
	73,079	61,509	61,868
	190,779	187,591	192,138
	8,304	7,899	7,394
	14,101	0	6,906
	92,192	95,583	93,587
	4,858	2,830	5,591
Total assets	5,288,495	4,849,621	4,964,276
LIABILITIES			
	48,765	44,254	47,105
12	4,206,595	3,739,768	3,901,128
	11,490	11,490	10,855
	63,848	64,253	56,982
	5,802	5,095	5,651
Total debt	4,336,500	3,864,860	4,021,721
	55,422	55,908	58,216
	11,050	11,761	8,564
	6,647	7,220	7,797
Total provisions	73,119	74,889	74,577
Equity			
13	180,000	180,000	180,000
	15,505	16,547	18,647
	683,371	713,325	669,331
Total equity	878,876	909,872	867,978
Total liabilities	5,288,495	4,849,621	4,964,276
01	Applied accounting policies		
02	Accounting estimates		
14	Contingent liabilities		
15	Capital conditions and solvency		

(DKK 1,000)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Re-valuation reserves	Retained earnings	Proposed dividend, net	Total equity
Equity, 1 January 2014	180,000	16,882	611,835	67,518	876,235
Paid dividend				-99,000	- 99,000
Taxation value of dividend paid				31,482	31,482
Trading in own shares, net			4,031		4,031
Other comprehensive income		1,765			1,765
Profit for the period			53,465		53,465
Equity, 30 June 2014	180,000	18,647	669,331	0	867,978
Trading in own shares, net			7,802		7,802
Other comprehensive income		- 2,100			-2,100
Profit for the period			36,192		36,192
Equity, 31 December 2014	180,000	16,547	713,325	0	909,872
Equity at the beginning of 2015 after distribution of dividend	180,000	16,547	645,807	67,518	909,872
Paid dividend				- 99,000	- 99,000
Taxation value of dividend paid				31,482	31,482
Other comprehensive income		-1,042			-1,042
Profit for the period			37,564		37,564
Equity, 30 June 2015	180,000	15,505	683,371	0	878,876

NOTES

Note 1

Applied accounting policies etc.

The interim report has been prepared in accordance with the Danish Financial Business Act, the statutory order on financial reports for credit institutions and investment service companies, etc. and the Danish disclosure requirements for the interim reports of listed financial companies.

The applied accounting policies are unchanged compared to the annual report for 2014.

This interim report is presented in accordance with the going concern principle, based on current practice and interpretation of the rules for Danish banking institutions.

Tax, which consists of current tax and changes in deferred tax, is recognised in the income statement when it relates to the result for the period, and directly to equity when it relates to items recognised directly in equity.

On calculating the taxable income, Greenland allows tax deduction of dividends for the dividend-paying company. The tax value of this is therefore added to equity at the time of the Annual General Meeting's approval of the dividend.

Deferred tax assets are recognised in the balance sheet at the value at which the asset is expected to be realised.

The interim report has not been audited or reviewed.

Note 2

Significant accounting estimates

Calculation of the accounting value of certain assets and liabilities is related to an estimate of how future events will affect the value of these assets and liabilities. The most significant estimates relate to write-downs on loans, provisions for guarantees, determination of the fair value of unlisted financial instruments and valuation of domicile properties, as well as to provisions.

The estimates are based on assumptions that the management considers reasonable, but which are uncertain. In addition, the Bank is subject to risks and uncertainties that may lead the actual results to deviate from the estimates.

For write-downs of loans there are significant estimates associated with the quantification of the risks that not all future payments will be received. Furthermore, collective write-downs and the determination of the management reserve in write-downs remains uncertain.

Listed financial instruments may be priced in markets with low turnover, which means that the use of the stock exchange prices when measuring fair value may be subject to some uncertainty.

Unlisted financial instruments which involve significant estimates in connection with the measurement of fair value.

For provisions, there are significant estimates related to the determination of the future rate of employee turnover, as well as determining the interest commitment on tax-free savings accounts.

Evaluation of the Bank's domicile properties is also subject to significant estimates.

NOTES TO THE INCOME STATEMENT

(DKK 1,000)	First half-year 2015	Full year 2014	First half-year 2014
3 Interest income/periodic premium on			
Amounts receivable from credit institutions and central banks	-1,715	591	285
Loans	96,576	208,341	102,851
Bonds	11,218	23,093	10,602
Foreign exchange, interest rate, equity, commodity and other contracts, as well as derivative financial instruments	-2,054	-4,761	- 2,273
Interest income total	104,025	227,264	111,465
4 Interest expenses to			
Credit institutions and central banks	199	479	304
Deposits	2,498	12,920	7,053
Total interest expenses	2,697	13,399	7,357
5 Fee and commission income distributed on			
Securities and securities accounts	2,931	6,372	3,639
Funds transfer	15,967	31,884	15,311
Loan case fees	6,132	12,474	6,216
Guarantee commission	8,843	15,630	7,298
Other fees and commission	7,228	12,964	6,710
Total fee and commission income	41,101	79,324	39,174
6 Value adjustments of			
Lending at fair value	-3,111	4,527	2,318
Bonds	-11,310	-9,756	1,678
Shares	6,679	14,268	14,385
Currency	465	4,990	2,259
Derivative financial instruments	3,409	-6,342	- 3,883
Total value adjustments	-3,868	7,687	16,757

NOTES TO THE INCOME STATEMENT

(DKK 1,000)	First half-year 2015	Full year 2014	First half-year 2014
7 Staff and administration costs			
Salaries and remuneration of the Board of Directors and the Executive Management			
Board of Directors	621	1,050	525
Executive Management	1,506	3,188	1,656
Total	2,127	4,188	2,181
Staff expenses			
Salaries	28,378	54,329	26,890
Other staff expenses	1,492	2,452	1,955
Pensions	3,560	6,815	3,329
Social security expenses	273	512	255
Total	33,703	64,108	32,429
Other administration expenses	33,880	68,210	34,631
Average no. of full-time employees	118.3	119.0	115.0
8 Tax			
30%	16,521	39,430	23,510
Paid dividend tax for Danish shares	-124	- 329	- 325
6% supplement	984	2,346	1,391
Total tax on ordinary profit	17,381	41,447	24,576
Paid dividend tax	124	329	325
Taxes in total	17,505	41,776	24,901
Deferred tax	0	- 1,525	0
Taxation value of dividend paid	17,381	31,482	24,576
Tax to be paid	124	11,819	325
No company tax was paid during the period			

NOTES TO THE BALANCE SHEET

(DKK 1,000)	30 June 2015	31 December 2014	30 June 2014
9	Amounts receivable from credit institutions and central banks		
Receivables subject to terms of notice at central banks	4,000	0	0
Receivables from credit institutions	757,106	297,493	264,092
Total amounts receivable	761,106	297,493	264,092
10	Loans		
Write-downs on loans and receivables			
Loans	10,445	21,796	8,577
Guarantees	-711	3,011	- 51
Total write-downs during the period	9,734	24,807	8,526
Hereof losses not previously written down	81	410	158
Individual write-downs			
Start of the period	66,664	57,359	57,359
Write-downs during the period	19,608	24,945	15,532
Reversal of write-downs in previous financial years	9,255	7,156	6,358
Final loss (depreciated) previously individually depreciated	2,981	7,687	1,747
Other movements	0	-797	0
End of period	74,036	66,664	64,785
Group write-downs			
Start of the period	18,551	10,626	10,626
Write-downs during the period	3,090	8,527	1,483
Reversal of write-downs in previous financial years	804	436	378
Other movements	0	-166	0
End of period	20,837	18,551	11,731
11	Bonds		
Of which nominal TDKK 50,000 pledged as security for accounts with Danmarks Nationalbank			
12	Deposits		
On demand	3,784,923	3,214,899	3,452,437
On terms of notice	274,949	273,979	279,558
Fixed-term deposits	44,000	149,101	68,262
Special deposit conditions	102,723	101,789	100,871
Total deposits	4,206,595	3,739,768	3,901,128

NOTES TO THE BALANCE SHEET

(DKK 1,000)	30 June 2015	31 December 2014	30 June 2014
13 Share capital			
Share capital consists of 1,800,000 shares of DKK 100 each			
Own holdings of capital investments			
Number of own shares	0	0	12,909
Nominal own holdings of capital investments	0	0	1,291
Percentage of share capital at year-end	0.00	0.00	0.7
14 Contingent liabilities			
Financial guarantees	1,800	455	110,446
Mortgage finance guarantees	598,364	550,127	549,715
Registration and remortgaging guarantees	103,772	173,853	79,657
Other guarantees	405,622	366,814	265,134
Guarantees, etc. in total	1,109,558	1,091,249	1,004,952
Provision balance for guarantees	11,050	11,761	8,564
Irrevocable loan commitments	48,480	2,100	2,410
Other contingent liabilities in total	48,480	2,100	2,410
15 Capital conditions and solvency			
Risk-weighted items			
Credit risk	3,654,987	3,396,490	3,205,282
Market risk	242,133	117,360	374,234
Operational risk	552,871	552,871	500,229
Weighted items in total	4,449,991	4,066,721	4,079,745
Capital ratio	18.6	20.3	19.8
Core capital ratio	18.6	20.3	19.3
Statutory capital ratio requirements	8.0	8.0	8.0
Capital base	827,211	825,807	807,607
Core capital	827,211	825,807	788,960

MANAGEMENT STATEMENT

The Board of Directors and Executive Management have today considered and approved the interim report for the period from 1 January 1 to 30 June 2015, for the public limited liability company, GrønlandsBANKEN A/S.

The interim report was prepared in accordance with the Danish Financial Business Act, and the management review was drawn up in accordance with the Danish Financial Business Act. The interim report was furthermore prepared in accordance with additional Danish disclosure requirements for listed financial companies.

It is our opinion that the interim report gives a true and fair view of the bank's assets, liabilities and financial position as at 30 June 2015, and of the result of the Banks activities in the first half of 2015.

The management review gives a true and fair review of the development in the bank's activities and financial affairs, as well as a description of the significant risks and uncertainties that the BANK of Greenland faces.

12 August 2015

Executive Management

Martin Kviesgaard

Board of Directors

Gunnar í Liða
Chairman

Kristian Lennert
Deputy Chairman

Frank Bagger

Anders Brøns

Christina F. Bustrup

Allan Damsgaard

Lars Holst

Yvonne Kyed

Arne G. Petersen

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