

The Danish Financial Supervisory Authority
NASDAQ OMX Copenhagen A/S

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vestjyskBANK's Half-Year Report 2015

In the first half of 2015, vestjyskBANK realised a profit before tax of DKK 45 million. The result is not deemed satisfactory. However, in light of the continued large need for impairments, particularly relating to the very disturbing financial situation within the agricultural sector due to very low settlement prices for milk and pork, the result is viewed as acceptable and within the scope of Management's current expectations for 2015.

The Bank's basic operations are performing well, and core earnings before impairments of DKK 216 million are deemed satisfactory.

The Bank continues its efforts to improve its capital situation by, among other things, strengthening its solvency surplus and its coverage in relation to the requirement for Common Equity Tier 1 capital ratio.

Summary of vestjyskBANK's results in the first half of 2015:

- Profit before tax at DKK 45 million (H1 2014: DKK 70 million)
- Core income of DKK 495 million (H1 2014: DKK 564 million), of which market value adjustments represented DKK 15 million (H1 2014: DKK 68 million)
- Cost ratio at 56.5 per cent (H1 2014: 52.1 per cent)
- Core earnings before impairments at DKK 216 million (H1 2014: DKK 270 million)
- Impairments of loans and receivables, etc., at DKK 171 million (H1 2014: DKK 200 million). Impairments related to the agricultural sector constitute the greatest share of the impairments charged in the first half of 2015.
- Deposit surplus of DKK 4.8 billion at 30 June 2015, compared with a deposit surplus of DKK 1.9 billion at 30 June 2014
- The minimum requirements for continued banking activities are 8 per cent (total capital ratio) and 4.5 per cent (Common Equity Tier 1 capital ratio), respectively, of the Bank's weighted risk exposures. At 30 June 2015 the Bank has a surplus of DKK 790 million and DKK 527 million, respectively.
- Total capital ratio at 12.5 per cent and an individual solvency need of 10.5 per cent. This corresponds to a surplus of 2.0 percentage points or DKK 347 million at 30 June 2015.
- Common Equity Tier 1 capital ratio of 7.5 per cent at 30 June 2015, compared to a calculated requirement of 7.0 per cent. Surplus of 0.5 percentage points, equivalent to DKK 84 million, which is the gap to the requirement to prepare a recovery plan.
- Liquidity surplus at 145.3 per cent at 30 June 2015
- The negotiations with the EU Commission in relation to the Bank's restructuring plan are still on-going, but the Bank remains in continuous dialogue with the EU Commission via the Ministry of Business and Growth. The timeframe for the approval is still not known.

Based on vestjyskBANK's results in the first half of 2015, the Bank maintains its 2015 outlook of core earnings before impairments of approximately DKK 350-400 million.

Please address any enquiries regarding the present announcement to Jan Ulsø Madsen, CEO, at tel. +45 96 63 21 04.

Vestjysk Bank A/S

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