

Notification to Nasdaq OMX Copenhagen

06/2017



QUARTERLY REPORT

Q1 2017



GER no. 80050410

Q1 REPORT FOR 2017 IN HEADLINES

Very satisfactory start to 2017.

In Q1 2017, the BANK of Greenland achieved a significantly improved profit before tax of DKK 38.2 million, compared to DKK 21.5 million in 2016.

The result before value adjustments and write-downs has increased by DKK 6.1 million compared to the same period of 2016, and amounts to DKK 38.1 million.

After the increase in lending in 2016, in Q1 2017 the Bank continued to develop favourably, with a very satisfactory increase in lending of DKK 122.1 million.

Very satisfactory development in net interest and fee income, with an increase of DKK 7.5 million to DKK 77.4 million, compared to the same period of 2016. The increase is mainly due to the increase in lending.

Costs, including depreciation and amortisation, amount to DKK 40.6 million, compared to DKK 39.3 million in Q1 2016.

Value adjustments in Q1 are positive at DKK 4.0 million, having improved by DKK 10.4 million from the same period of 2016, when the capital loss amounted to DKK 6.4 million.

Write-downs on loans and guarantees remain low, amounting to DKK 3.9 million, compared to DKK 4.1 million in Q1 2016.

The BANK of Greenland maintains its expectation of a result for the year before value adjustments and write-downs of DKK 125-145 million.

The BANK of Greenland expects SIFI designation before the end of Q2 2017.

- The profit before tax gives a return of 17.8% p.a. on opening equity after disbursement of dividend.
- Increase in lending by DKK 122.1 million to a new "all-time-high" of DKK 3.196 billion.
- Deposits increase to DKK 4.926 billion.
- Increase in the net interest and fee income of 10.7%.
- A small increase in total costs, including depreciation and amortisation, of 3.4%.
- Write-downs and provisions for the period of 0.1%.
- Capital ratio of 20.7 and a solvency requirement of 9.9.
- A good influx of customers in Q1 2017.

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FINANCIAL HIGHLIGHTS AND KEY FIGURES FOR Q1 2017

(DKK 1,000)

	Q1 2017	Q1 2016	Full year 2016	Q1 2015	Q1 2014	Q1 2013
Net interest and fee income	77,400	69,891	289,760	71,698	68,542	68,473
Value adjustments	4,010	-6,369	-12,899	-4,136	7,769	572
Other operating income	1,258	1,297	4,854	1,440	1,305	1,521
Staff and administration expenses	38,517	37,533	144,207	36,729	35,861	32,017
Depreciation and impairment of tangible assets	1,633	1,033	5,981	23	2,153	2,145
Other operating expenses	450	709	4,136	1,840	1,244	1,179
Impairment of loans, etc.	3,859	4,063	13,971	5,176	3,719	3,132
Profit before tax	38,209	21,481	113,420	25,234	34,639	32,093
Tax	12,142	6,831	36,029	8,022	11,008	10,206
Profit for the period	26,067	14,650	77,391	17,212	23,631	21,887
Selected accounting details:						
Lending	3,195,960	2,809,026	3,073,861	2,838,689	2,913,038	2,969,511
Deposits	4,926,085	4,558,795	4,822,362	3,994,265	4,105,788	3,329,783
Equity	892,165	861,565	926,210	859,760	833,790	809,948
Balance sheet total	5,977,811	5,651,493	5,911,496	5,068,400	5,165,367	4,427,200
Contingent liabilities	1,112,308	1,141,157	1,266,537	1,173,529	869,773	885,106
Key figures:						
Capital ratio	20.7	19.8	21.2	20.7	20.2	19.7
Core capital ratio	20.7	19.8	21.2	20.7	19.7	19.2
The period's return on equity before tax	4.2	2.4	12.3	2.9	4.1	3.9
The period's return on equity after tax	2.9	1.6	8.4	1.9	2.8	2.6
Income per cost krone	2.0	1.5	1.3	1.6	1.8	1.8
Rate of return	0.4	0.3	1.67	0.3	0.5	0.5
Interest rate risk	1.3	1.2	1.3	1.2	1.0	1.3
Foreign exchange position	1.6	6.7	2.4	-1.0	6.1	7.5
Loans plus write-downs in relation to deposits	67.4	64.1	66.2	73.3	72.7	89.3
Loans in relation to equity	3.6	3.3	3.3	3.3	3.5	3.7
Growth in lending during the period	4.0	-0.5	8.9	0.9	1.3	-2.5
Excess capital base compared to statutory liquidity requirement	159.6	164.5	193.6	150.8	178.5	144.9
The sum of large exposures	69.3	69.7	90.3	35.6	58.9	76.5
The period's write-down percentage	0.1	0.1	0.3	0.2	0.1	0.1
Accumulated write-down percentage	3.0	2.9	2.9	2.4	2.1	1.7
The period's profit per share after tax	14.5	8.1	43.0	9.6	13.1	12.2
Net book value per share	496	479	515	478	468	458
Stock exchange quotation/net book value per share	1.2	1.3	1.2	1.3	1.4	1.4

MANAGEMENT REVIEW FOR Q1 2017

Income statement

Net interest income increased by TDKK 5,844 to TDKK 54,137 in Q1 2017, compared to the same period of 2016. In Q1 2017 the Bank saw stable high lending. The impact of the negative return on the Bank's surplus liquidity and declining income from bond interest has thus been reduced, while some of the Bank's largest deposits are subject to negative deposit interest rates.

Share dividend at the end of Q1 2017 amounted to TDKK 636. In the same period of 2016 no dividend had yet been booked.

Fee and commission income increased by TDKK 796 to TDKK 22,789 compared to the same period of 2016. The increase primarily concerns other commission income.

Other operating income, mainly external rental income on the Bank's housing, fell marginally to TDKK 1,258, from TDKK 1,297 for the same period of 2016.

Staff and administration expenses increased by TDKK 984 to TDKK 38,517 compared to the same period of 2016. The increase solely concerns other administration expenses and is primarily due to an increase in the Bank's payment for IT services and the costs of the Bank's 50th anniversary celebrations.

Other operating expenses, which concern operation and maintenance of the Bank's bank buildings, fell in Q1 2017 to TDKK 450, from TDKK 709 for the same period of 2016.

Depreciation of tangible assets increased by TDKK 600 to TDKK 1,633 compared to the same period of 2016.

The result before value adjustments and write-downs of TDKK 38,058 has thus improved significantly from the same period of 2016, when the result amounted to TDKK 31,913.

Value adjustments represent a total capital gain of TDKK 4,010, compared to a capital loss for the same period of 2016 of TDKK 6,369. The capital gain for the year is distributed on the Bank's share holdings and bond holdings.

Selected Highlights and Key Figures (not audited)

(DKK 1,000)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest and fee income	77,400	74,514	73,383	71,972	69,891	70,398	71,639	70,439
Costs, depreciation and amortisation	40,600	39,964	38,268	36,817	39,275	39,782	37,512	37,458
Other operating income	1,258	1,191	1,245	1,121	1,297	2,213	1,205	1,144
Profit before value adjustments and write-downs	38,058	35,741	36,360	36,276	31,913	32,829	35,332	34,125
Value adjustments	4,010	-2,779	1,399	-5,150	-6,369	-4,001	-2,906	268
Impairment of loans, etc.	3,859	2,036	2,997	4,875	4,063	5,011	4,687	4,558
Profit before tax	38,209	30,926	34,762	26,251	21,481	23,817	27,739	29,835

Impairment of loans, etc. amounting to TDKK 3,859 at the end of March 2017 is a little lower than for the same period of 2016, when impairments amounted to TDKK 4,063. Write-downs and provisions on the Bank's loans and guarantees remain limited and thus reflect the continued generally strong credit standing of the Bank's private and business customers in Greenland. This is supported by how the Bank's accumulated write-downs in recent years have increased considerably, and the very moderate level of written-off claims.

MANAGEMENT REVIEW FOR Q1 2017

The profit before tax of TDKK 38,209 is thus TDKK 16,728 better than for the same period of 2016.

Balance sheet and equity

The Bank's lending increased very satisfactorily by TDKK 122,099 in Q1 2017 to the highest level ever, of TDKK 3,195,960.

The Bank's deposits, of which the largest element is deposits on demand, amounted to TDKK 4,926,085 at the end of Q1 2017, having increased by TDKK 103,723 from the end of 2016.

The total balance sheet increased by TDKK 66,315 to TDKK 5,977,811. Equity amounted to TDKK 892,166 at the end of Q1 2017.

Outside the balance sheet, the Bank's guarantees and irrevocable undertakings to customers decreased as expected by TDKK 154,229 to TDKK 1,112,308 at the end of March 2017.

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 properties, unlisted securities and financial instruments. The management believes that the presentation of the accounts for Q1 2017 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.

Operational risk: The risk that the Bank in full or in part has financial losses as a consequence of inadequate or deficient internal procedures, human errors, IT systems, etc.

Capital requirement

The BANK of Greenland must by law have a capital base that supports the risk profile. The BANK of Greenland 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.

MANAGEMENT REVIEW FOR Q1 2017

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, stood at 20.7 at the end of Q1 2017.

The Board of Directors still has the objective for the BANK of Greenland's capital ratio to be approximately 8-10% points above the Bank's individual solvency requirement. The BANK of Greenland expects to be SIFI-designated before the end of Q2 2017, after which a new capital adequacy target will be set. It is the Board of Directors' assessment that the Bank's current capital ratio will also be satisfactory after any SIFI designation.

At the end of Q1 2017, the Bank's individual capital requirement was compiled at 9.9% according to the 8+ model and the Bank thus has surplus cover of 10.8% points, or TDKK 442,468.

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

In DKK 1,000	Q1 2017		End of 2016	
	Capital requirement	Capital requirement in %	Capital requirement	Capital requirement in %
Pillar I requirement	326,081	8.0%	324,152	8.0%
Credit risk	55,520	1.4%	65,587	1.6%
Market risk	12,212	0.3%	12,212	0.3%
Operational risk	5,500	0.1%	5,500	0.1%
Other conditions	3,600	0.1%	3,600	0.1%
Capital requirement	402,913	9.9%	411,051	10.1%

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

The BANK of Greenland has a comfortable deposit surplus, with liquidity according to the current Section 152 key figures of 159.6% at the end of March 2017, equivalent to TDKK 1,767,215. The Bank's funding is based solely on deposits.

Up to 2018, new liquidity management rules, the liquidity coverage ratio (LCR) for credit institutions, will be phased in. LCR is a minimum requirement of the ratio between short-term assets and liabilities, to ensure a satisfactory liquidity ratio. The LCR in 2018 must be at least 100% for non-SIFI institutions. For SIFI institutions, as of 1 October 2015 the coverage ratio must already be 100%.

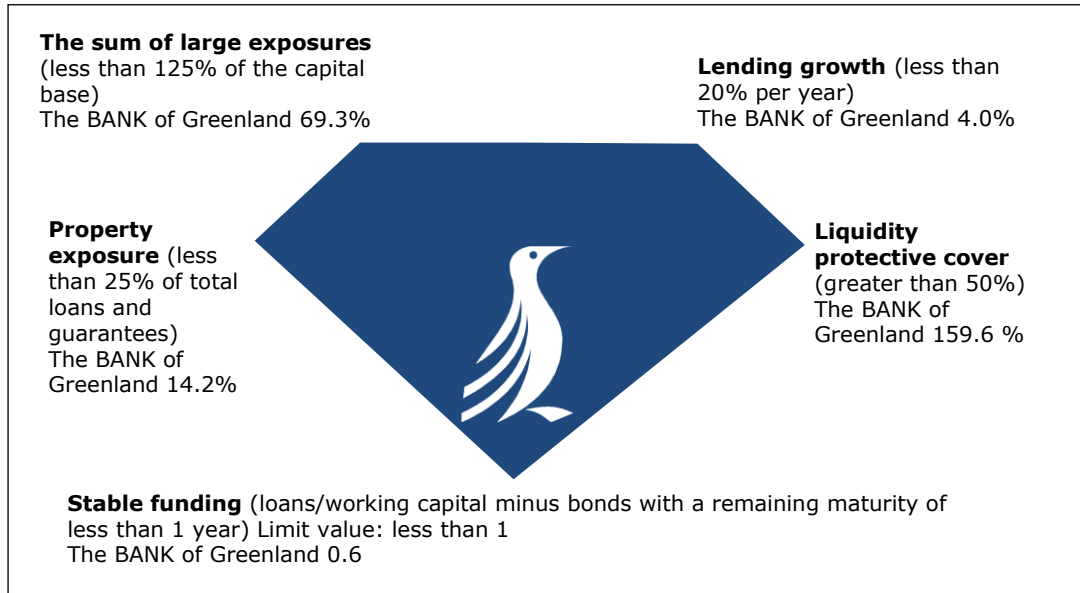
Since the BANK of Greenland expects to be designated as an SIFI during Q2 2017, the Bank already wishes to adhere to the same rules as apply to SIFI institutions. At the end of Q1 2017, the Bank had an LCR of 374.5% and thereby fulfils the LCR requirement for SIFI institutions.

For Danish banks, as of 31 December 2016 the LCR replaced the Section 152 statutory requirement, with the latter requirement being phased out. For Greenland and the Faroe Islands, the liquidity requirement pursuant to Section 152(1)-(3) of the Financial Business Act still applies.

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.

MANAGEMENT REVIEW FOR Q1 2017



The sum of large exposures constituted 69.3% at the end of Q1 2017, of which exposures to publicly owned and sector companies constituted 22.0%. As of 1 January 2018, the benchmark for the calculation of large exposures was amended. The BANK of Greenland today already complies with the new benchmark.

Shareholders and dividend

The BANK of Greenland's overall financial objective is to achieve a competitive return for the shareholders. At a price of 588 at the end of Q1 2017, the price of the BANK of Greenland's shares has decreased from the end of 2016, when the price was 614. During March 2017, 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%.

At the end of Q1 2017, 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 area to all citizens and businesses in Greenland.

The BANK of Greenland's mission was reworded in 2016 and to a greater extent than before must 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 also ensuring sound financial activities.

The BANK of Greenland's values are firmly anchored in the Bank and its employees. The values are **Commitment, Decency, Customer-oriented** and **Development-oriented**. These values serve as a guide for how we act and wish to be seen within and outside the Bank.

MANAGEMENT REVIEW FOR Q1 2017

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 can 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 2017

At the end of 2016, the Bank noted increased activity, leading to a substantial increase in lending. This was especially due to the relatively strong cyclical upturn in 2016, primarily driven by increased fish volumes and good fish prices. In 2017, a further small increase in GDP is expected, which will also affect the Bank's customers positively.

In 2017, the BANK of Greenland expects average higher lending and falling deposits, an improved deposit interest margin and declining income from bond interest. We still expect considerable uncertainty related to the extremely low level of interest rates, including the negative rate of interest on certificates of deposit at Danmarks Nationalbank. On this basis the Bank expects an increase in overall income in 2017.

In the longer term, customers' opportunities to establish tax-deductible pension savings schemes as from the beginning of 2017 are expected to make a significant contribution to the Bank's business volume. However, the BANK of Greenland does not expect this area to make a significant contribution in 2017.

Total costs including depreciation and amortisation are expected to increase during the remainder of 2017, due to higher IT and development costs and the expected costs related to the BANK of Greenland's 50th anniversary celebrations in August.

The Bank assesses that the quality of the loan portfolio is satisfactory. Value adjustment of lending at a moderate level is therefore expected in 2017, and probably below the level in 2016.

Profit before value adjustments and write-downs at the level of DKK 125-145 million is still expected, compared to DKK 140 million in 2016.

27 April 2017
Board of Directors

(DKK 1,000)

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

Notes	Q1 2017	Full year 2016	Q1 2016	
3	Interest income	55,869	212,965	51,427
4	Negative interest income	-3,084	-11,783	-2,475
5	Interest expenses	35	2,611	668
6	Positive interest expenses	+1,386	+ 2,953	0
	Net interest income	54,136	201,524	48,284
	Share dividend, etc.	636	3,634	0
7	Fee and commission income	22,789	85,879	21,993
	Fees paid and commission expenses	161	1,277	386
	Net interest and fee income	77,400	289,760	69,891
8	Value adjustments	4,010	-12,899	-6,369
	Other operating income	1,258	4,854	1,297
9	Staff and administration expenses	38,517	144,207	37,533
	Depreciation and impairment of tangible assets	1,633	5,981	1,033
	Other operating expenses	450	4,136	709
12	Write-downs on loans, etc.	3,859	13,971	4,063
	Profit before tax	38,209	113,420	21,481
10	Tax	12,142	36,029	6,831
	Profit for the period	26,067	77,391	14,650
Statement of comprehensive income				
	Profit for the period	26,067	77,391	14,650
	Other comprehensive income:			
	Property exposures	10,859	3,013	221
	Tax on other comprehensive income	- 3,453	- 958	-70
	Total other comprehensive income	7,406	2,055	151
	Comprehensive income for the year	33,473	79,446	14,801

(DKK 1,000)

BALANCE SHEET

Notes	31 March 2017	31 December 2016	30 March 2016
ASSETS			
	155,786	153,750	361,395
11	1,272,032	1,371,201	1,154,141
12	3,195,960	3,073,861	2,809,026
13	919,338	925,514	903,146
	98,792	86,281	89,454
	207,026	197,128	195,526
	7,746	7,443	7,922
	19,480	0	24,651
	97,610	93,401	102,139
	4,041	2,917	4,093
Total assets	5,977,811	5,911,496	5,651,493
LIABILITIES			
	23,715	21,238	54,178
14	4,926,085	4,822,362	4,558,795
	4,107	4,107	2,769
	54,451	61,162	103,841
	2,061	4,796	2,342
Total debt	5,010,419	4,913,665	4,721,925
	308	245	0
	59,277	55,823	55,130
	9,093	8,994	5,879
	6,548	6,559	6,994
Total provisions	75,226	71,621	68,003
15	180,000	180,000	180,000
	24,852	17,446	15,358
	687,314	728,764	666,207
Total equity	892,166	926,210	861,565
Total liabilities	5,977,811	5,911,496	5,651,493
01	Applied accounting policies		
02	Accounting estimates		
16	Contingent liabilities		
17	Capital conditions and solvency		

(DKK 1,000)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Re-valuation reserves	Retained earnings	Proposed dividend, net	Total
Equity, 1 January 2016	180,000	15,207	651,557	67,518	914,282
Dividend paid				-99,000	-99,000
Taxation value of dividend paid				31,482	31,482
Other comprehensive income		151			151
Profit for the period			14,650		14,650
Equity, 31 March 2016	180,000	15,358	666,207	0	861,565
Other comprehensive income		2,088	-184		2,055
Profit for the period			62,741		62,741
Equity, 31 December 2016	180,000	17,446	728,764	0	926,210
Equity at the beginning of 2017 after distribution of dividend	180,000	17,446	661,246	67,518	926,210
Dividend paid				-99,000	-99,000
Taxation value of dividend paid				31,482	31,482
Other comprehensive income		7,406			7,406
Profit for the period			26,067		26,067
Equity, 31 March 2017	180,000	24,852	687,313	0	892,165

NOTES

Note 1

Accounting policies applied, 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 accounting policies applied are unchanged compared to the Annual Report for 2016.

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:

- measurement of loans and guarantees
- financial instruments
- fair value of domicile properties
- 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 risk that not all future payments will be received. Furthermore, collective write-downs and the determination of the management reserve in write-downs remain 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 may 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 obligation on tax-free savings accounts.

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

NOTES TO THE INCOME STATEMENT

(DKK 1,000)	Q1 2017	Full year 2016	Q1 2016
3 Interest income			
Loans	53,073	197,196	47,892
Bonds	2,796	15,769	3,535
Total interest income	55,869	212,965	51,427
4 Negative interest income			
Amounts receivable from credit institutions and central banks	- 1,555	-6,001	-1,116
Foreign exchange, interest rate, equity, commodity and other contracts, as well as derivative financial instruments	- 1,529	-5,782	-1,359
Total negative interest	- 3,084	-11,783	-2,475
5 Interest expenses			
Credit institutions and central banks	35	170	62
Deposits	136	2,441	606
Total interest expenses	171	2,611	668
6 Positive interest expenses			
Deposits and other liabilities	1,522	2,953	0
Total positive interest expenses	1,522	2,953	0
7 Fees and commission income			
Securities and securities accounts	880	3,960	897
Funds transfer	8,727	34,288	7,943
Loan case fees	3,010	15,099	2,678
Guarantee commission	4,116	17,763	4,396
Other fees and commission	6,056	14,769	6,079
Total fee and commission income	22,789	85,879	21,993
8 Value adjustments			
Lending at fair value	- 1,024	-218	1,515
Bonds	2,153	-14,103	-5,829
Shares	1,251	-1,704	-131
Currency	453	3,446	293
Derivative financial instruments	1,177	-208	-2,217
Other assets	0	-112	0
Total value adjustments	4,010	-12,899	-6,369

NOTES TO THE INCOME STATEMENT

(DKK 1,000)	Q1 2017	Full year 2016	Q1 2016
9 Staff and administration expenses			
Salaries and remuneration to the Board of Directors and the Executive Management			
Board of Directors	334	1,338	334
Executive Management, incl.free car and other benefits	942	3,318	828
Total	1,276	4,656	1,162
<p>The Bank has established a defined benefit pension scheme for the Bank's managing director. Under this scheme, the Bank is obliged to pay a fixed benefit for a period after the managing director's retirement. The present value of the benefit as of 31 March 2017 is compiled at TDKK 61, which is carried as an element of the Executive Management's remuneration under staff expenses and administration costs. This obligation, which is earned over the 2016-2024 period, may comprise 0-24 months' salary.</p> <p>Two other employees whose activities have a significant influence on the Bank's risk profile</p>			
Salaries and pensions, including free car and other benefits	733	2,661	719
Staff expenses			
Salaries	15,609	58,759	15,528
Other staff expenses	545	2,028	830
Pensions	1,734	7,206	1,829
Social security expenses	163	538	112
Total	18,051	68,531	18,298
Other administration expenses	19,218	71,095	18,101
Average no. of full-time employees	116.7	117.6	121.3
10 Tax			
30% of the result	11,463	34,026	6,444
Paid dividend tax for Danish shares	-140	-634	0
6% supplement	679	2,003	387
Total tax on ordinary profit	12,002	35,395	6,831
Paid dividend tax	140	634	0
Taxes in total	12,142	36,029	6,831
Deferred tax	0	-194	0
Taxation value of dividend paid	12,142	31,482	6,831
Tax to be paid	0	4,738	0
No company tax was paid during the period			

NOTES TO THE BALANCE SHEET

(DKK 1,000)	31 March 2017	31 December 2016	31 March 2016
11	Amounts receivable from credit institutions and central banks		
	486,000	618,000	332,000
	Receivables subject to terms of notice at central banks		
	786,032	753,201	822,141
	Receivables from credit institutions		
	1,275,032	1,371,201	1,154,141
	Total amounts receivable		
12	Loans		
	Write-downs on loans and receivables		
	3,760	12,597	5,804
	Loans		
	99	1,374	-1,741
	Guarantees		
	3,859	13,971	4,063
	Total write-downs during the period		
	59	299	4
	Of which losses not previously written down		
	Individual write-downs		
	85,380	77,423	77,423
	Start of the period		
	15,664	34,527	14,216
	Write-downs during the period		
	10,876	19,858	6,674
	Reversal of write-downs in previous financial years		
	262	5,542	12
	Final loss (depreciated) previously individually depreciated		
	-1,498	-1,170	-1,219
	Other movements		
	88,408	85,380	83,734
	End of period		
	Group write-downs		
	31,841	27,126	27,126
	Start of the period		
	5,693	14,954	3,634
	Write-downs during the period		
	2,729	9,588	2,439
	Reversal of write-downs in previous financial years		
	- 239	- 651	-201
	Other movements		
	34,566	31,841	28,120
	End of period		
13	Bonds		
	Of which nominal TDKK 50,000 pledged as security for accounts with Danmarks Nationalbank		
14	Deposits		
	4,394,814	4,175,603	3,815,577
	On demand		
	303,197	461,377	280,906
	On terms of notice		
	113,702	73,361	354,223
	Fixed-term deposits		
	114,371	112,021	108,089
	Special deposit conditions		
	4,926,084	4,822,362	4,558,795
	Total deposits		

NOTES TO THE BALANCE SHEET

(DKK 1,000)	31 March 2017	31 December 2016	31 March 2016
15 Share capital			
Share capital consists of 1,800,000 shares of DKK 100			
There have been no changes in the share capital in recent years.			
Own holdings of capital investments			
Number of own shares	0	0	0
16 Contingent liabilities			
Financial guarantees	0	0	1,200
Mortgage finance guarantees	645,520	638,316	624,260
Registration and remortgaging guarantees	42,221	201,952	76,058
Other guarantees	374,167	376,269	439,459
Guarantees, etc. in total	1,061,908	1,216,537	1,140,977
Provision balance for guarantees	9,093	8,994	5,879
Irrevocable loan commitments	50,400	50,000	180
Other contingent liabilities in total	50,400	50,000	180
The Bank is a member of BEC (Bankernes EDB Central). On any withdrawal the Bank will be obliged to pay a withdrawal fee to BEC equivalent to the preceding three years' IT costs.			
17 Capital conditions and solvency			
Risk-weighted items			
Credit risk	3,416,037	3,384,094	3,441,361
Market risk	116,326	124,150	159,454
Operational risk	543,651	543,651	545,958
Weighted items in total	4,076,014	4,051,895	4,146,773
Capital ratio	20.7	21.2	19.8
Core capital ratio	20.7	21.2	19.8
Statutory capital ratio requirements	8.0	8.0	8.0
Capital base	845,381	857,468	821,042
Core capital	845,381	857,468	821,042

MANAGEMENT STATEMENT

The Board of Directors and Executive Management have today considered and approved the quarterly report for the period 1 January - 31 March 2017 for the limited liability company, GrønlandsBANKEN A/S.

The quarterly report is presented in accordance with the Danish Financial Business Act, and the Management Review is prepared in accordance with the Danish Financial Business Act. The quarterly report is furthermore prepared in accordance with additional Danish disclosure requirements for listed financial companies.

It is our opinion that the quarterly financial statement gives a true and fair view of the Bank's assets, liabilities and financial position as of 31 March, 2017, and of the result of the Bank's activities for Q1 2017.

It is our opinion that 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 to which the BANK of Greenland is subject.

27 April 2017

Executive Management

Martin Birkmose Kviesgaard

Board of Directors

Gunnar í Liða
Chairman

Kristian Frederik Lennert
Vice Chairman

Frank Olsvig Bagger

Anders Jonas Brøns

Christina Finderup Bustrup

Allan Damsgaard

Lars Holst

Yvonne Jane Poulsen Kyed

Arne Ilannguaq Guldmann Petersen

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