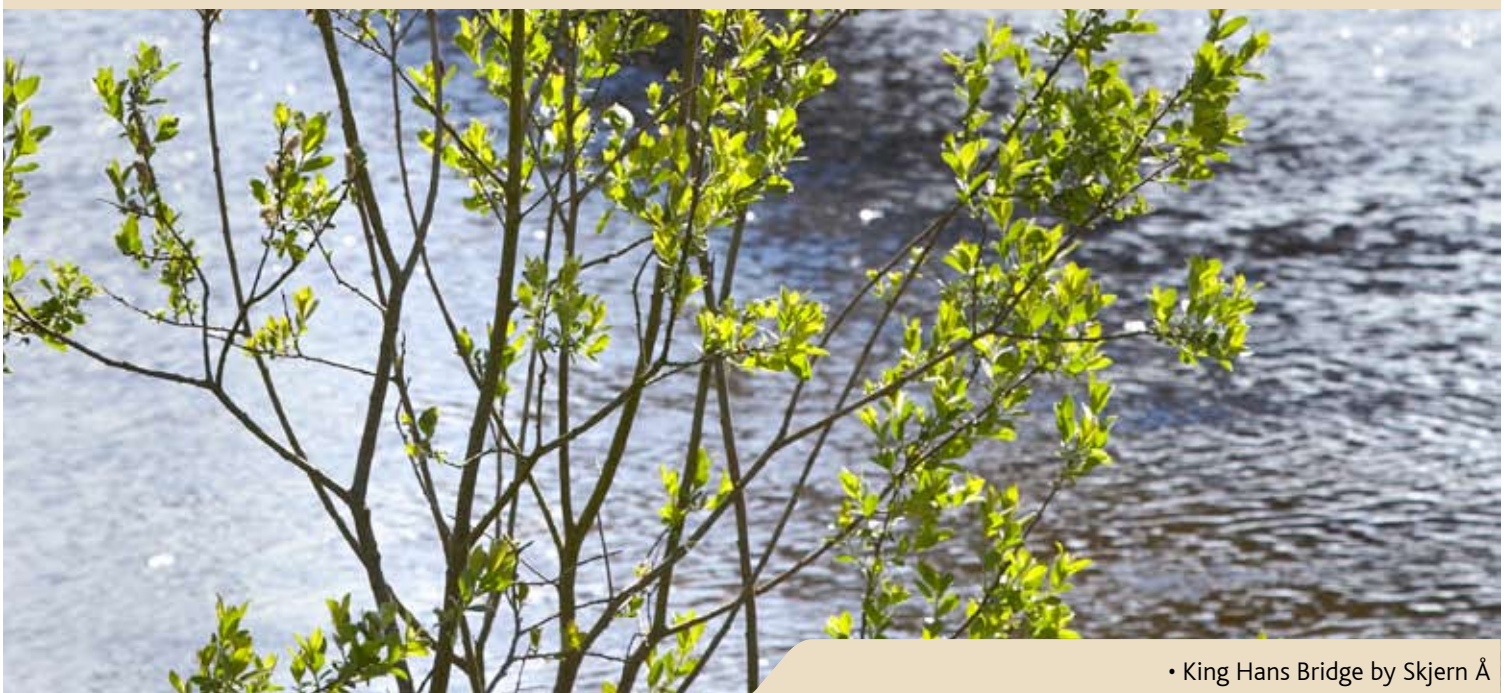




## Interim report 2012



• King Hans Bridge by Skjern Å



• Annual Meeting in Skjern Bank Arena

Stock Exchange Ann. no 13/2012 - 16th of August 2012

## Six month of good rates

- Profit before tax of DKK 5.1 million compared to DKK 4.1 million in 2011
- Devaluation of DKK 33.8 million compared with DKK 27.8 in 2011
- Cost for staff and administration were reduced by DKK 2.4 million compared to 2011
- Positive exchange rate adjustments of DKK 5.7 million
- Strong deposit increase of 19 % and reduced loans of 2 % compared to 31 December 2011. The bank has now mostly achieved a balance between deposits and loans for the year
- Solvency and core capital ratio were 16.1 % and 11.4 %, respectively
- Individual solvency requirements are estimated at 11.9 %
- The base profit is expected to be unchanged at DKK 80 – 95 million before devaluations and exchange rate adjustments
- Events after 30 Juni 2012: Significant deposit increase and repayment of state-guaranteed loans
- Annual profit before tax in 2012 is expected to be higher than in 2011

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## 5 years in summary

1,000 DKK	2012	2011	2010	2009	2008	1.1- 31.12 2011
<b>Profit and loss account</b>						
Net income from interest .....	76,103	78,489	82,271	82,184	79,366	161,046
Div. on shares and other holdings .....	2,834	3,087	1,931	3,040	4,422	3,287
Charges and commissions (net) .....	29,761	26,940	21,740	24,598	25,857	49,725
<b>Net inc. from int. and charges .....</b>	<b>108,698</b>	<b>108,516</b>	<b>108,942</b>	<b>109,822</b>	<b>109,645</b>	<b>214,058</b>
Value adjustments .....	5,759	-2,637	17,004	6,353	-5,699	94
Other ordinary income .....	614	719	471	1,525	784	1,683
Staff costs and administrative expenses .....	66,283	68,716	66,026	65,424	67,783	134,124
Depreciation of intangible and tangible assets .....	2,100	2,100	2,160	2,310	2,640	3,578
Other operating expenses total .....	3,872	3,892	9,008	6,761	71	1,052
Contributions to the Guarantee Fund for deposits .....	3,752	3,892	151	88	71	1,052
Other operating expenses .....	120	0	8,857	6,673	0	0
Write-downs on loans etc. (net) .....	33,761	27,831	38,704	66,256	17,117	52,181
Profit on holding in associated and affiliated companies .....	-3,811	0	350	0	295	-14,208
<b>Operating profit .....</b>	<b>5,244</b>	<b>4,059</b>	<b>10,869</b>	<b>-23,051</b>	<b>17,485</b>	<b>10,692</b>
Taxes .....	1,311	1,015	2,717	-5,863	4,354	5,838
<b>Profit for the period .....</b>	<b>3,933</b>	<b>3,044</b>	<b>8,152</b>	<b>-17,188</b>	<b>13,131</b>	<b>4,854</b>
<b>Balance sheet as per 30th June</b>						
summary						
Total assets .....	5,642,129	5,378,686	6,291,167	5,611,410	5,382,837	5,249,140
Loans and other debtors .....	3,463,829	3,602,428	3,688,788	3,897,768	3,940,592	3,526,544
Guarantees etc. ....	479,795	514,618	491,603	708,061	1,319,166	484,656
Bonds .....	866,896	894,541	1,233,774	451,495	434,210	887,607
Shares etc. ....	182,081	193,143	163,919	185,415	211,833	167,857
Deposits and other debts .....	4,163,969	3,603,715	3,718,191	3,347,040	2,679,583	3,509,897
Subordinated capital investments .....	358,009	357,033	356,096	195,000	195,000	357,521
<b>Capital funds .....</b>	<b>385,347</b>	<b>380,517</b>	<b>380,957</b>	<b>448,115</b>	<b>527,574</b>	<b>380,717</b>
Dividends .....						0
<b>Capital Base .....</b>	<b>609,512</b>	<b>610,595</b>	<b>622,811</b>	<b>554,200</b>	<b>656,088</b>	<b>610,283</b>
Total weighted items .....	3,776,472	3,953,324	3,977,088	4,125,634	5,502,640	3,873,952

### Core earnings

Core income .....	117,468	117,862	115,520	113,014	111,586	232,718
Costs etc. ....	-68,383	-70,816	-68,186	-67,734	-70,423	-136,905
Core earnings before write-downs, value adjustments and Governmental Guarantee Scheme I .....	49,085	47,046	43,334	45,280	41,163	95,813
Guarantee commission for the state *) .....	-6,671	-7,164	-	-	-	-14,420
<b>Total core earnings .....</b>	<b>42,414</b>	<b>39,882</b>	<b>43,331</b>	<b>45,280</b>	<b>41,163</b>	<b>81,393</b>

\*) Commission of 0.95% of issued government-guaranteed bonds.

## Financial ratios - 30th June

(figures in pct.)	2012	2011	2010	2009	2008
Solvency ratio .....	16.1	15.4	15.7	13.4	11.9
Core capital ratio .....	11.4	10.7	10.9	11.1	10.2
Return on own funds before tax .....	1.4	1.1	2.9	-5.1	3.3
Return on own funds after tax .....	1.0	0.9	2.2	-3.8	2.5
Earning/expense ratio in DKK .....	1.05	1.04	1.09	0.84	1.20
Interest rate risk .....	-4.5	1.3	1.8	1.3	1.0
Foreign currency position .....	0.5	3.2	3.6	2.3	13.1
Foreign currency risk .....	0.0	0.0	0.0	0.0	0.0
Advances against deposits .....	90.6	107.6	107.7	122.1	150.8
Statutory liquidity surplus .....	232.8	158.3	276.9	148.8	92.5
Total large commitments .....	17.3	74.6	74.6	112.4	107.5
Accumulated impairment ratio .....	7.3	6.4	7.1	4.1	1.9
Impairment ratio for the period .....	0.8	0.6	0.9	1.4	0.3
Increase in loans etc. for the period .....	-1.8	-0.6	0.3	3.4	0.5
Ratio between loans etc. and capital funds .....	9.0	9.5	9.7	8.7	7.5
(value per share 100 DKK)					
Earnings per share (result period) .....	17.4	13.5	48.2	-82.6	61.2
Book value per share .....	1,857	1,815	1,853	2,165	2,474
Market value/earning per share .....	26.4	40.7	14.0	-9.4	32.7
Market value/book value .....	0.25	0.30	0.40	0.35	0.81



## Management's report

For the first half of the year, Skjern Bank has continued with good rates and realised an acceptable profit. The profit is marked by a continued high devaluation requirement, partly as a result of the Danish Financial Supervisory Authority's new guidelines. The Danish Financial Supervisory Authority's new guidelines do not change Skjern Bank's assessment of the loan portfolio's risk, which is underscored by the unchanged individual solvency requirements of 11.9 % compared to last quarter.

Skjern Bank's solvency is 16.1% and the core capital is 11.4%. Individual solvency requirements amount to 11.9 %. Compared to the actual base capital of DKK 610 million, at the end of the first six months of 2012, there was a surplus of DKK 160 million, which represents an increase of DKK 11 million in the first six months of 2012.

At the beginning of 2012, the bank put a very major emphasis on bringing balance to the ratio between the total deposits and loans. These efforts have been extremely successful, with total deposits increased by an entire DKK 654 million in the first six months!

Since the loans - unfortunately due to limited demand for credit - fell by DKK 63 million in the same period, the bank has achieved balance between the total deposits and loans with almost DKK 43 million, and the deposits and loans amount to DKK 3,421 million and DKK 3,464 million, respectively.

The bank's liquidity reserves have thus been strengthened significantly, which is why the decision was made to prepay an additional DKK 402 million of the state-guaranteed loan. The repayment occurred on 4 July 2012, and then there was a total repayment on the state-guaranteed loan of DKK 652 million for the year as a result of the bank's large and still very strong liquidity reserves.

The costs were reduced by almost 4 %, which is a result of the continued focus on cost savings.

The core earnings follow the annual budget, and are at the highest level in the bank's history, which is satisfactory, especially considering the limited demand for credit.

Profit from the primary operations are shown in the base profit on page 3.

Net income from interest was reduced by 3.0 % to DKK 76.1 million.

The interest income has increased by 0.7 % to DKK 130.1 million. This is primarily due to interest rate increases in 2011 and the first six months of 2012, but is also inversely affected by reduced loan volume.

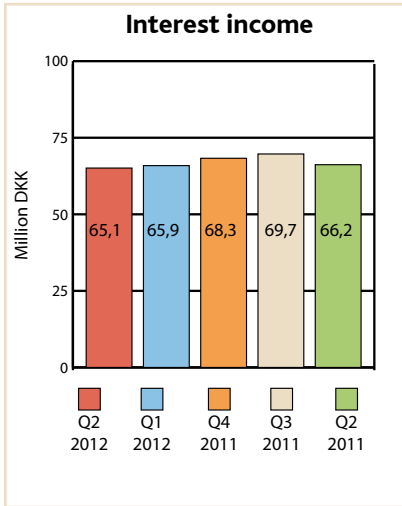
As a result of the increasing financing and capital costs for the financial sector and other market conditions, the entire Danish banking sector has found it necessary to increase interest rates and fees, which has also been the case in Skjern Bank.

Interest expenses have increased by 6.5 % to DKK 54.9 million, which is caused by the rising costs of the bank's surplus liquidity. The planned focus on greater balance between deposits and loans, which is a step in the bank's liquidity plan, has resulted in increased interest expenses on deposits. The increase is as expected. Overall, the bank's interest margin increased slightly during the first six months of the year in comparison with the same period in 2011, when the paid guarantee commission was taken into account.

### The bank's loan and guarantee debtors distributed on segments constitute:

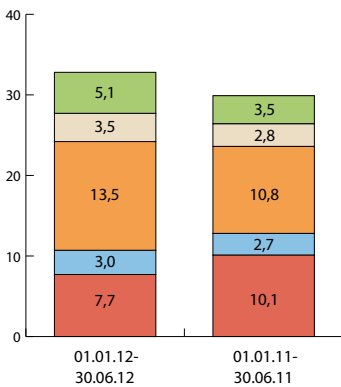
	30/6-12	31/12-11	31/12-10
Public authorities	1.4 %	1.2 %	1.4 %
Agriculture, hunting, forestry and fishing			
Plant production	2.0 %	1.5 %	2.0 %
Cattle farming	7.2 %	7.0 %	6.7 %
Pig farming	3.6 %	3.2 %	3.5 %
Mink production	0.6 %	1.0 %	1.4 %
Other agriculture	1.5 %	1.5 %	1.1 %
Manufacturing and extraction of raw materials	3.8 %	3.4 %	3.4 %
Energy supply	1.8 %	3.6 %	1.8 %
Constructions	5.1 %	5.0 %	4.5 %
Trade	7.7 %	7.9 %	8.2 %
Transport, hotels and restaurants	2.2 %	1.0 %	0.9 %
Information and communication	0.3 %	0.3 %	0.3 %
Finance and insurance	7.9 %	8.3 %	8.5 %
Real-estate	20.3 %	20.6 %	22.2 %
Other industries	4.8 %	4.5 %	3.8 %
Private persons	29.8 %	30.0 %	30.3 %

From the above sectoral distribution represents alternative energy 3.2 %.

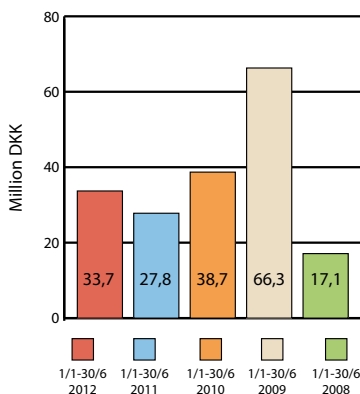


**Charges and commissions receivable**  
(Million DKK)

- Securities trading and custodies
- Payment management
- Charges from loan applications
- Commissions on guarantees
- Other charges and commissions



**Write-downs on loans etc.**



**Commissions and fees**

The net income from fees and commissions has increased by 10.5 % to DKK 29.7 million. The increase was primarily achieved from loan transaction fees and other fees and provisions, while the transaction-based income from securities trading fell by DKK 2.4 to DKK 7.7 million.

Income from loan transactions, transfer of mortgage loans and other fees and commissions have increased by 28.5 % to DKK 18.5 million, which is due to an increased activity level and continued focus on product profitability.

Net interest and fee income amounted to DKK 108.7 million, which is a marginal improvement compared to the same period last year.

**Costs**

Skjern Bank's costs for staff and administration, etc. amounted to DKK 66.2 million compared with DKK 68.7 million in the first six months of 2011, and were thus reduced by almost 4 %.

The bank has continued to focus on cost consumption, and a lower cost level is expected than in 2011.

**Exchange rate adjustments**

Exchange rate adjustments of securities and currency, etc. show a gain of DKK 5.7 million compared with a loss of DKK 2.9 million in the same period of 2011.

The exchange rate adjustment of the bond portfolio has been positive during the period by DKK 2.5 million, partly as a result of the continued unrest in southern Europe having resulted in rising bond prices.

On the bank's shareholdings, a gain of DKK 1.7 million was realised in the first six months of 2012. Exchange rates and derivative financial instruments have achieved income of DKK 1.5 million.

**Devaluations**

Devaluations on loans, etc. amounted

to DKK 33.8 million in the first six months of 2012 compared with DKK 27.8 million during the same period last year. Reported losses in the first six months of 2012 amounted to DKK 22.6 million, of which only a small portion had not previously been devalued.

Devaluations on loans, etc. correspond to 0.8 % of the total loans and guarantees, which is still too high a level. The management expects that in the future, the devaluations will decline compared to the recent fiscal years.

The devaluations are spread over a wide range of the bank's customer relationships, and include engagements both private and commercial in a series of different industries. The devaluations are predominantly on customer relationships in the bank's local areas.

**Profit for the period**

The total profit before tax amounted to DKK 5.2 million compared with DKK 4.1 million in 2011. After taxes, the period's net profit amounted to DKK 3.9 million. The improvement is considered acceptable, especially in light of the continued elevated devaluation levels, and the planned high liquidity reserves. The liquidity reserves significantly affect the bank's interest expenses, which have increased by DKK 3.3 million compared to the same period last year.

The improvement in net profit was realised as a result of a positive development in several of the bank's business areas, including improvement of the bank's interest margin, earnings from fees, and positive exchange rate adjustments of DKK 5.7 million.

The bank's management believes the outcome to be acceptable.

**Capital requirements**

Equity amounted to DKK 385.3 million compared to DKK 380.7 million at the end of the previous year.



Summer by Skjern Å

After addition of subordinated capital contributions of DKK 358.0 million and adjusted for other deductions, the bank's base capital at the end of the six months amounted to DKK 609.5 million.

The solvency is 16.1 % compared to 15.4 % in the same period last year, while the core capital ratio is 11.4 % compared to 10.7 % in 2011.

The necessary capital corresponding to the individual solvency needs is estimated at 11.9 %.

The bank thus has foundation capital with a sufficient surplus of 35 % in comparison with the necessary capital.

The management regularly assesses the bank's base capital in light of the development of the financial markets and changing requirements for capitalisation, including equity.

In assessing the bank's capital ratio, other considerations are included regarding the possibility of an increase in share capital, which could contribute to adapting the core capital in light of future adjustment.

#### Deposits and liquidity

Pure customer deposits amounted to DKK 3,421 million. In the main figures on page 2 of this announcement, deposits of DKK 4,164 million are shown, which includes other debt of DKK 743 million, which is a state-guaranteed loan to be repaid no later than the month of March 2013.

Of the pure customer deposits, DKK 3,229 million were covered by the Danish Deposit Guarantee Scheme. The deposits are considered stable, since it is primarily base customers who have deposits in the bank. The bank's offensive placement in the deposit market has resulted in a deposit increase of DKK 654 million or 19.0 % compared to 31 December 2011. A significant portion of the deposit growth has irredeemability, where the average maturity is 2.7 years, and in light of this, the deposits are not considered volatile deposits.

Skjern Bank has, for strategic and cost

reasons, decided to reduce the liquidity reserve to a lower – but still sound and plentiful – level. The liquidity reserve is calculated at 232.8 %, and the high surplus has led to the bank having chosen to honour a state-guaranteed loan of DKK 250 million in the month of April 2012. It was also decided to repay DKK 402 million more of the state-guaranteed loan on 4 July 2012, after 4 July 2012, the total re-payments for the year were DKK 652 million.

The bank's remaining state-guaranteed loan then amounted to about DKK 841 million, which is due for repayment in the first six months of 2013. The implemented liquidity plan also ensures a solid and satisfactory liquidity reserve after repayment of the remaining state-guaranteed loan in the first six months of 2013.

#### Skjern Bank shares

At the end of the quarter, the bank owned 14,789 shares, which is largely unchanged compared to the end of the first quarter 2012.

#### Consolidated Statement

Skjern Bank owns all the share capital in Knud Eskildsen Ejendomme A/S, whose sole activity is owning a town house in Esbjerg. The reason the property is located there is that it was originally intended for the Esbjerg department's new branch. The town house is expected to be sold at the posted value. The shares are recorded at DKK 3.4 million, which is the recorded net asset value. Consolidated accounts have not been prepared, since the subsidiaries' business, both in terms of balance and activity, is negligible in relation to that of the bank.

#### Expectations

The bank's profit expectations for 2012 are maintained with a base profit in the interval of DKK 80 – 95 million.

#### Supplementary capital distributed on exercise date (final closing date)

	1.000 DKK
2014	25.000
2015	100.000
2016	-
2017	98.112
Infinite	134.897
<b>Total</b>	<b>358.009</b>

#### Supplementary capital distributed on possible maturity date (first call date)

	1.000 DKK
2012	259.897
2013	-
2014	98.112
<b>Total</b>	<b>358.009</b>

### „The Supervisory Diamond“

The Danish Financial Supervisory Authority has launched the so-called supervisory diamond - applicable as of 2013 - which specifies five benchmarks for financial institutions with elevated risk.

#### Liquidity reserve (min. 50 %):

Skjern Bank's liquidity reserve is significant and amounts to 232.8 % as of 30 June 2012 compared to 159.8 % as of 31 December 2011.

#### Funding ratio (max. 100 %):

The current funding situation leaves room for significantly more loans, since the bank's deposits compared to loans, equity and debt securities are only 71 %, which is unchanged compared to 31 December 2011.

#### Property exposure (max. 25 %):

Skjern Bank has an attractive industry spread, and compared to the real estate sector, the exposure is 20.3 %, compared to 20.6 % as of 31 December 2011.

#### Major engagements (max. 125 %):

Major engagements are defined as the sum of major engagements that constitute more than 10 percent of the base capital. Skjern Bank primarily targets pri-

vate customers and small and medium businesses and as of 30 June 2012, it had no major customer engagements. The bank's share of DLR Kredit is subject to the rules on major engagements, and the shares can be estimated as a major engagement of 17.3 % as of 30 June 2012, compared to 17.1 % as of 31 March 2012.

#### Loan growth (max. 20 %):

The limited desire for loans in the community has resulted in a decline in lending in Skjern Bank, and the loan growth can thus be calculated at -1.8 % compared to -2.7 % as of 31 December 2011.

The following figure shows the benchmarks that the Danish Financial Supervisory Authority has established and Skjern Bank's placement within each area as of 30 June 2012. Skjern Bank complies with all limit values as of 30 June 2012.

#### Transactions with related parties

During the first six months of the year, there have not been major transactions between Skjern Bank and the bank's related parties.

### Contribution to the Danish Deposit Guarantee Scheme

The contribution to the Danish Deposit Guarantee Scheme in the first six months can be estimated at DKK 3.8 million, which is largely unchanged compared to the same period last year.

#### Accounting practices used

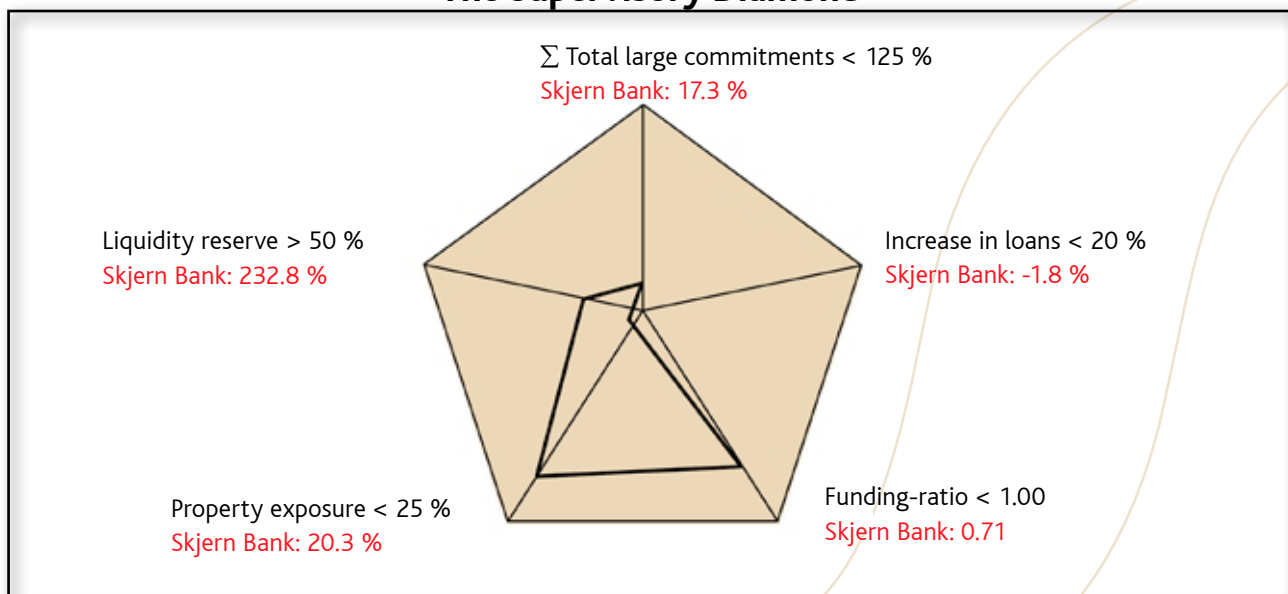
The interim report was prepared in accordance with the Danish Financial Business Act, including the Danish Financial Supervisory Authority's Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirements for interim reports for listed companies. The accounting practice used is unchanged compared to the annual report for 2011.

The interim report is not audited nor has it undergone review.

#### Events after 30 Juni 2012

Since 30 June 2012, the bank's deposit increase continued, which means that the bank's deposits as of 31 July 2012 exceeded the bank's loans by DKK 300 million. No further events other than the above have occurred after the balance date that are of significance for the assessment of the profit for the period.

## The Supervisory Diamond







• Welcome in Skjern Bank, Ribe

## Financial Calendar

1st November 2012: Quarterly report after 3rd Quarter

2012  
2012  
2012  
2012

Yours sincerely,  
Skjern Bank

Hans Ladekjær Jeppesen  
Chairman of the Board of Directors

Per Munck  
Director





• Annual Meeting in Skjern Bank Arena

## Statement by the board of directors and executive board

We have today discussed and approved the quarterly report for the period of 1 January - 30 June 2012 for Skjern Bank A/S.

The report was prepared in accordance with the Danish Financial Business Act, including the Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for

interim reports for listed financial institutions.

We consider the chosen accounting practice to be appropriate such that accounts give a true picture of the bank's assets and liabilities, financial position and profit.

We consider the management's statement to contain a fair review of the de-

velopment in the bank's activities and economic conditions and a description of the significant risks and uncertainty factors that the business may be affected by.

Skjern, 16th August 2012

### Skjern Bank A/S

Per Munck  
Director

### The board of directors

Hans Ladekjær Jeppesen  
Chairman

Jens Okholm  
Deputy Chairman

Bjørn Jepsen

Finn Erik Kristiansen

Lars Skov Hansen

Lars Lerke

*This document has been translated from Danish. The Danish text shall govern for all purposes and prevail in case of discrepancy with the English version.*

## Profit and loss account and Statement of comprehensive income 1st January - 30th June

1,000 DKK	2012	2011	1.1-31.12 2011
Interest receivable .....	130,974	130,026	268,016
Interest payable .....	54,871	51,537	106,970
<b>Net income from interest .....</b>	<b>76,103</b>	<b>78,489</b>	<b>161,046</b>
Dividend on shares and other holdings .....	2,834	3,087	3,287
Charges and commissions receivable .....	32,772	29,989	55,451
Charges and commissions payable .....	3,011	3,049	5,726
<b>Net income from interest and charges .....</b>	<b>108,698</b>	<b>108,516</b>	<b>214,048</b>
Exchange rate adjustments .....	5,759	-2,637	94
Other ordinary income .....	614	719	1,683
Staff costs and administrative expenses .....	66,283	68,716	134,124
Depreciation of intangible and tangible assets .....	2,100	2,100	3,578
Other operating expenses total .....	3,872	3,892	1,052
Contributions to the Guarantee Fund for deposits .....	3,752	3,892	1,052
Other operating expenses .....	120	0	0
Write-downs .....	33,761	27,831	52,181
Profit on holdings in associated and affiliated companies .....	-3,811	0	-14,208
<b>Profit on ordinary activities before tax .....</b>	<b>5,244</b>	<b>4,059</b>	<b>10,692</b>
Tax .....	1,311	1,015	5,838
<b>Profit for the financial year .....</b>	<b>3,933</b>	<b>3,044</b>	<b>4,854</b>

### Statement of comprehensive income

Profit for the financial year .....	3,933	3,044	4,854
Other comprehensive income after tax .....	0	0	0
<b>Total comprehensive income .....</b>	<b>3,933</b>	<b>3,044</b>	<b>4,854</b>

## Balance by 30th June

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Assets</b>			
Cash in hand and claims at call on central banks .....	524,109	46,194	67,582
Claims on credit institutions and central banks .....	409,879	408,913	378,716
Loans and advances at amortized cost price .....	3,463,829	3,602,428	3,526,544
Bonds at market value .....	866,896	406,135	887,607
Bonds at amortized cost .....	0	488,406	0
Shares etc. ....	182,081	193,143	167,857
Holdings in associated enterprises .....	900	5,934	3,111
Holdings in group enterprises .....	3,365	6,745	3,365
Land and buildings (total) .....	68,990	69,390	69,538
Investments properties .....	9,367	9,361	9,361
Domicile properties .....	59,623	60,028	60,177
Other tangible assets .....	9,830	4,729	10,755
Deferred tax assets .....	44,700	50,056	46,010
Assets temporarily acquired .....	0	0	1,000
Other assets .....	66,550	96,568	86,939
Prepayments and accrued income .....	0	45	116
<b>Total assets .....</b>	<b>5,642,129</b>	<b>5,378,685</b>	<b>5,249,140</b>



## Balance by 30th June (continued)

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Liabilities</b>			
<b>Debt</b>			
Debt to credit institutions .....	140,236	174,903	149,061
Deposits and other debts .....	4,163,969	3,603,715	3,509,897
Deposit .....	3,421,151	2,859,062	2,767,346
Other debts .....	742,818	744,653	742,551
Bonds issued at amortised cost .....	504,402	755,591	755,838
Other liabilities .....	84,481	98,628	90,650
Accruals and deferred income .....	870	692	248
<b>Total debt .....</b>	<b>4,893,958</b>	<b>4,633,529</b>	<b>4,753,082</b>
<b>Provisions for commitments</b>			
Provisions for loss on guarantees .....	4,815	7,606	5,208
<b>Total provisions for commitments .....</b>	<b>4,815</b>	<b>7,606</b>	<b>5,208</b>
<b>Subordinated capital investments .....</b>			
Subordinated loan capital .....	223,112	222,386	222,749
Hybrid core capital .....	134,897	134,647	134,772
<b>Subordinated capital investments total .....</b>	<b>358,009</b>	<b>357,033</b>	<b>357,521</b>
<b>Capital funds</b>			
Share capital .....	22,560	22,560	22,560
Revaluation reserves .....	417	417	417
Retained earnings .....	362,370	357,540	357,740
<b>Total capital funds .....</b>	<b>385,347</b>	<b>380,517</b>	<b>380,717</b>
<b>Total liabilities .....</b>	<b>5,642,129</b>	<b>5,378,685</b>	<b>5,249,140</b>

## Off-balance-sheet items by 30th June

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Guarantees</b>			
<b>Guarantees</b>			
Finance guarantees .....	57,778	20,873	37,248
Guarantees against losses on mortgage credit loans .....	138,319	109,374	125,724
Registration and conversion guarantees .....	59,500	84,928	86,097
Other guarantees .....	224,198	299,443	235,587
<b>Total guarantees .....</b>	<b>479,795</b>	<b>514,618</b>	<b>484,656</b>
<b>Other contingent liabilities</b>			
Irrevocable credit-undertakings .....	52,623	77,473	123,200
<b>Total other contingent liabilities .....</b>	<b>52,623</b>	<b>77,473</b>	<b>123,200</b>

## Information on changes in equity 30th June

1,000 DKK	2012	2011	1.1- 31.12 2011
Share capital beginning-of-year .....	22,560	22,560	22,560
<b>Share capital end-of-year .....</b>	<b>22,560</b>	<b>22,560</b>	<b>22,560</b>
Revaluation reserves beginning-of-year .....	417	417	417
Additions related to reassessed value .....	0	0	0
Other movements .....	0	0	0
<b>Revaluation reserves end-of-year .....</b>	<b>417</b>	<b>417</b>	<b>417</b>
Retained earnings beginning-of-year .....	357,740	357,444	357,444
Sale of own funds .....	2,710	5,658	7,722
Purchase of own funds .....	-2,013	-8,606	-12,280
Comprehensive income for the period .....	3,933	3,044	4,854
<b>Retained earnings end-of-year .....</b>	<b>362,370</b>	<b>357,540</b>	<b>357,740</b>
<b>Total equity .....</b>	<b>385,347</b>	<b>380,517</b>	<b>380,717</b>

## Notes per 30th June

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Interest receivable</b>			
Claims on credit institutions and central banks .....	1,150	2,127	4,535
Loans and other debtors etc. ....	119,679	114,795	236,367
Bonds .....	9,359	10,383	21,465
Total other financial instruments of which .....	786	2,721	5,649
Foreign exchange contracts .....	228	1,421	3,276
Interest-rate contracts .....	558	1,300	2,373
Other interest income .....	0	0	0
<b>Total interest receivable .....</b>	<b>130,974</b>	<b>130,026</b>	<b>268,016</b>
<b>Interest payable</b>			
Credit institutions and central banks .....	692	823	1,656
Deposits .....	34,748	29,059	61,194
Bonds, issued .....	7,959	9,981	20,788
Subordinated capital investments .....	11,468	11,674	23,332
Other interest expenses .....	4	0	0
<b>Total interest payable .....</b>	<b>54,871</b>	<b>51,537</b>	<b>106,970</b>
<b>Charges and commissions receivable</b>			
Securities trading and custodies .....	7,695	10,117	18,493
Payment management .....	3,032	2,664	5,637
Charges from loan applications .....	13,462	10,847	18,076
Commissions on guarantees .....	3,546	2,817	6,682
Other charges and commissions .....	5,037	3,544	6,563
<b>Total charges and commissions receivable .....</b>	<b>32,772</b>	<b>29,989</b>	<b>55,451</b>
<b>Value adjustments</b>			
Bonds .....	2,523	-3,768	3,418
Total shares .....	1,686	577	-4,831
Shares in sectorcompanies etc. ....	661	1,288	3,433
Other shares .....	1,025	-711	-8,264
Foreign currency .....	1,485	1,462	2,557
Other financial instruments .....	65	-908	-1,050
<b>Total value adjustments .....</b>	<b>5,759</b>	<b>-2,637</b>	<b>94</b>



## Notes per 30th June (continued)

1,000 DKK	2012	2011	1.1- 31.12 2011
<b>Staff costs and administrative expenses</b>			
<b>Salaries and remuneration of board of directors, managers etc.</b>			
Board of managers .....	1,326	1,326	2,830
Fixed fee .....	1,305	1,305	2,790
Pension contributions .....	21	21	40
Board of directors .....	299	324	637
Audit Committee .....	0	0	50
Board of representatives.....	0	0	184
<b>Total salaries and remunerations of board etc. ....</b>	<b>1,625</b>	<b>1,650</b>	<b>3,701</b>
<b>Staff costs</b>			
Wages and salaries .....	30,268	31,954	62,078
Pensions .....	3,413	3,667	7,242
Social security costs .....	259	247	798
Payroll tax .....	3,640	3,815	7,460
<b>Total staff costs .....</b>	<b>37,580</b>	<b>39,683</b>	<b>77,578</b>
<b>Other administrative expenses .....</b>	<b>27,078</b>	<b>27,383</b>	<b>52,845</b>
<b>Total staff costs and administrative expenses .....</b>	<b>66,283</b>	<b>68,716</b>	<b>134,124</b>
<b>Number of employees</b>			
Average number of employees .....	130	139	131



## Notes per 30th June (continued)


1,000 DKK	2012	2011	1.1 31.12 2011
<b>Write-downs on loans and receivables</b>			
Write-downs and provisions during the year .....	70,577	69,293	118,890
Reversal of write-downs made in previous years .....	-33,586	-38,122	-61,522
Finally lost, not previously written down .....	2,184	7,952	6,977
Interests on the written-down part of loans .....	-4,400	-3,600	-7,200
Recoveries of previously written-down debt .....	-744	-7,692	-4,964
<b>Individual write-downs on loans etc. ....</b>	<b>33,761</b>	<b>27,831</b>	<b>52,181</b>
<b>Profit on holdings in associated and group companies</b>			
Profit on holdings in associated companies .....	-3,811	0	-10,828
Profit on holdings in group companies .....	0	0	-3,380
<b>Total profit on holdings in associated and group companies .....</b>	<b>-3,811</b>	<b>0</b>	<b>-14,208</b>
<b>Individual write-downs and provisions</b>			
Write-downs as per beginning of the year .....	274,981	264,439	264,439
Write-downs during the period (net) .....	70,577	68,060	114,090
Reversal of write-downs made in previous years .....	-32,185	-38,122	-61,522
Write-downs in previous years, now lost .....	-20,451	-29,558	-42,026
<b>Individual write-downs total .....</b>	<b>292,922</b>	<b>264,819</b>	<b>274,981</b>
<b>Group write-downs on and provisions</b>			
Write-downs as per beginning of the year .....	14,718	13,268	13,268
Write-downs during the period .....	-1,671	1,233	1,450
<b>Group write-downs on loans etc. ....</b>	<b>13,047</b>	<b>14,501</b>	<b>14,718</b>
<b>Write-downs total .....</b>	<b>305,969</b>	<b>279,320</b>	<b>289,699</b>


## Notes per 30th June (continued)


1,000 DKK	2012	2011	1.1 31.12 2011
<b>Guarantees</b>			
Provisions beginning of the year .....	5,208	6,000	6,000
Provisions during the year .....	5,953	7,606	5,208
Transferred to liabilities.....	-6,346	-6,000	-6,000
<b>Guarantees total</b> .....	<b>4,815</b>	<b>7,606</b>	<b>5,208</b>
<b>Total loans etc. with suspended calc. of interest</b> .....	<b>254,364</b>	<b>201,362</b>	<b>202,692</b>
<b>Share capital</b>			
Number of shares at DKK 20 each .....	1,128,000	1,128,000	1,128,000
<b>Share capital</b> .....	<b>22,560</b>	<b>22,560</b>	<b>22,560</b>
<b>Own capital shares</b>			
Number of shares (pcs).....	90,253	79,677	97,102
Nominal value hereof.....	1,805	1,594	1,942
Market value hereof .....	8,303	8,764	7,817
Own shares proportion of share capital (per cent) .....	8.0%	7.1%	8,6%


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