

Spar Nord Bank A/S prepares fully underwritten rights issue

Spar Nord Bank A/S wants to strengthen its capital base and consequently plans to launch a rights issue that is expected to be fully underwritten by Carnegie Investment Bank AB and Danske Bank A/S, subject to customary terms and conditions. The gross proceeds are expected to amount to about DKK 850 million subject to price and subscription ratio, and the rights issue is therefore likely to contribute to lifting the Bank's Common Equity (Tier 1) ratio to a level of 12.5%.

With due regard to market conditions and other factors, the rights issue is expected to be launched before the end of Q1 2012 at a discount consistent with market practice. Accordingly, an Extraordinary General Meeting is convened, to be held on 1 March 2012, with a view to asking shareholders to grant their authorization to the Board of Directors to increase the Bank's share capital.

A key factor behind Spar Nord's decision to strengthen the Bank's capital base is the development on financial markets in recent years, including new statutory and regulatory measures that have entailed increased requirements and higher expectations among investors regarding financial institutions' capitalization.

In addition, Spar Nord's Management has focus on improving the Bank's potential for continued organic growth through an increased inflow of new customers and a larger business volume, notably at the branches established in recent years.

Finally, Management expects opportunities to arise in coming years for small acquisitions of banking activities that are strategically attractive for Spar Nord.

Rights issue

The gross proceeds from the planned rights issue are expected to amount to about DKK 850 million subject to price and subscription ratio and, with due regard being paid to market conditions and other factors, the rights issue is expected to be launched before the end of Q1 2012 at a discount that is consistent with market practice. As an element in the process, the Bank's Board of Directors resolved today to convene an Extraordinary General Meeting to be held on 1 March 2012, with a view to asking shareholders to grant their authorization to the Board of Directors to increase the Bank's share capital.

Carnegie Bank A/S and Danske Bank A/S will act as Joint Global Coordinators & Bookrunners in connection with the offering, and Carnegie Investment Bank AB and Danske Bank A/S are expected to fully underwrite the rights issue subject to customary terms and conditions.

The Spar Nord Foundation, which represents 29.0% of the share capital has informed the Bank that it is prepared to exercise allocated pre-emptive rights for about DKK 30 million, corresponding to about half of the Foundation's unallocated funds, and to subscribe further shares on a "cash neutral" basis. In addition, Nykredit Realkredit A/S, which represents 7.7% of the share capital, has informed the Bank that it is prepared to exercise allocated rights and has made a commitment to purchase shares subscribed for by Carnegie Investment Bank AB and Danske Bank A/S under the underwriting agreement for an amount corresponding to about DKK 25 million. In addition, 'Finanssektorens Pensionskasse' (the Financial Sector's Pension Fund), which represents 1.6% of the share capital, has indicated to the Bank that it is prepared to exercise allocated rights and has made a commitment to purchase shares subscribed for by Carnegie Investment Bank AB and



Danske Bank A /S under the underwriting agreement for an amount corresponding to about DKK 15 million.

The rights issue is backed by a number of foundations and institutional and private investors, including Fondsmæglerselskabet Maj Invest A/S, Skandinaviska Enskilda Banken A/S and SmallCap Danmark A/S, which have issued a commitment, on customary terms and conditions, to Carnegie Investment Bank AB and Danske Bank A/S to purchase shares subscribed for under the underwriting agreement.

As an element in the preparation of the contemplated rights issue an independent review of selected issues in relation to balance-sheet items and exposures, among other issues, has been undertaken at the initiative of the Joint Global Coordinators & Bookrunners. The work has not been performed to express an audit opinion or a review conclusion with a view to making an assurance statement.

Further information

Spar Nord Bank will publish a prospectus stating all offer terms and the offer period for the rights issue when the Board of Directors makes the final decision to proceed.

If the rights issue is completed, the Bank expects to obtain a Common Equity (Tier 1) ratio of about 12.5% and a solvency ratio of about 15.0%.

Sincerely yours,
Spar Nord Bank A/S

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In connection with the offering of securities, a prospectus will be prepared in accordance with Danish laws and regulations, including Executive Order No. 883 of 9 August 2011 on securities

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