

SPAR NORD CHANGES IT-PLATFORM FROM SDC TO BEC

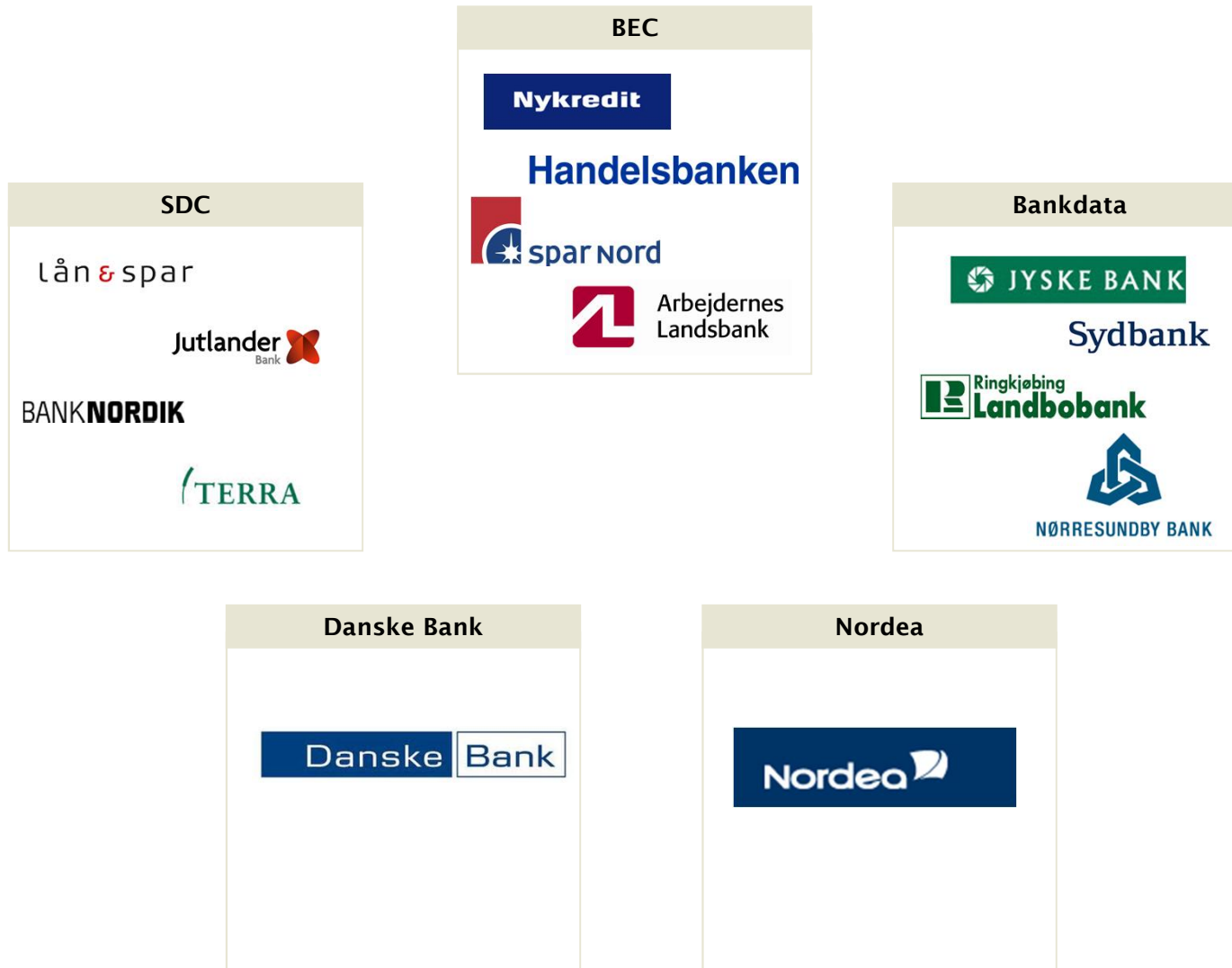
Investor and analyst briefing



■ CHANGING FROM SDC TO BEC IS A GOOD IDEA BECAUSE...

- 1 The solution is feasible – a full-scale merger is not at the present time
- 2 The transition to BEC will result in substantial savings and synergies
- 3 We will team up with stronger partners – and be well equipped for the future
- 4 BEC's focuses on standard solutions – great match for AN UNCOMPLICATED BANK

THE NEW COMPETITIVE LANDSCAPE AMONG IT-PROVIDERS



A HIGHLY ATTRACTIVE BUSINESS CASE

- Spar Nord's investment
 - Write-down of shareholding in SDC: DKK 195 million (Q4 2014)
 - Conversion costs of approx. DKK 40 million (2016)
 - At the time of our withdrawal from SDC, BEC will grant us a discount roughly the same size as our costs of withdrawal
- BEC's pricing structure ensures economical operation
 - More attractive prices for key account customers
 - Spar Nord's annual IT bill will be cut by DKK 35 million in 2016 and by DKK 55 million from 2017 and onwards
 - Viewed in isolation, Spar Nord's cost/income ratio will be reduced by 2 percentage points
- Some of our wholesale customers in Trading, Financial Markets & the International Division may choose to leave us
 - But we will do our best to remain an attractive provider – and hold on to them
 - Our base case scenario includes a reduction in income
- Synergies expected to arise from better cohesion between work processes and IT platform
 - Not yet quantified and factored in

BUSINESS PERSPECTIVES

- Well-functioning digital solutions will be a key competitive parameter in future – at BEC we will team up with partners that focus sharply on IT and strong development potential
 - Nykredit, Handelsbanken, Arbejdernes Landsbank, Nationalbanken and others
- BEC's concept is well-matched to Spar Nord's strategy of being AN UNCOMPLICATED BANK
 - Focus on well-functioning standard systems that enable an optimum work flow
- BEC provides good system integration
 - Good linkage between data used for business and for reporting purposes, etc.
- We have taken a closer look at the systems
 - And our evaluation is highly positive
- Challenges
 - Change is always a challenge – and the actual conversion is a large-scale project
 - The increased use of standard solutions requires the Spar Nord organization to be open to change