

SPAR NORD AND SPARBANK CONTEMPLATE MERGER

Investor and analyst briefing 18 September 2012

DISCLAIMER

The information contained in this presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities of Spar Nord Bank A/S or Sparbank A/S, nor shall there be any sale of the securities referred to herein in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction.

Investors must neither accept any offer for, nor acquire any securities of Spar Nord Bank A/S or Sparbank A/S on the basis of information contained in this presentation. Investors must not base their decision on whether to vote for or against the proposed merger on Spar Nord Bank A/S or Sparbank A/S' general meeting on information contained in this presentation, but must base such a decision on the information contained in the mutual merger plan and company announcement concerning the proposed merger announced by Spar Nord Bank A/S and Sparbank A/S.

Certain statements made in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives can generally be identified by terminology such as “targets”, “believes”, “expects”, “aims”, “intends”, “plans”, “seeks”, “will”, “may”, “anticipates”, “continues” or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this presentation, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks and changes in legislation or case law.

We urge you to read our annual report available on www.sparnord.dk for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or operational results could materially differ from that described herein as anticipated, believed, estimated or expected.

Spar Nord are not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

A MERGER MAKING STRATEGIC AND FINANCIAL SENSE

Strategic rationale

- Create a nationwide bank with a strong market position in the North, Central and West Jutland regions as well as in a number of major cities in other parts of Denmark
- Potential for efficiency enhancement and improved earnings power which is expected to rise from the ability to serve a greater number of customers on the same production and support platform
- Strong geographical and corporate culture match between Spar Nord and Sparbank

Financial rationale

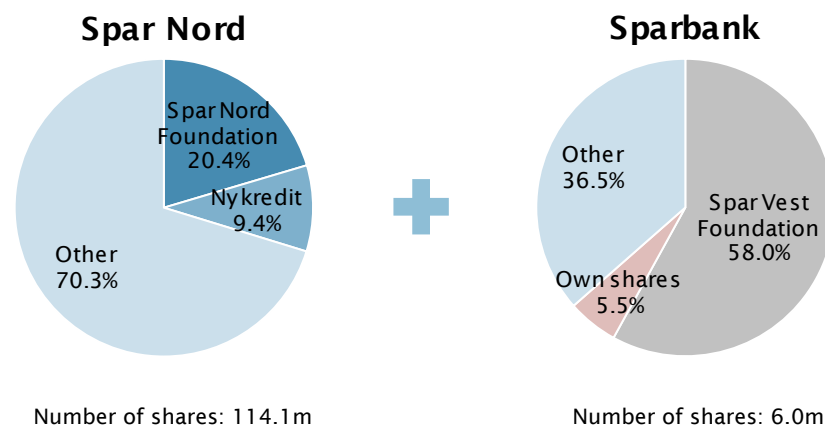
- Significant synergies by integrating Sparbank in the setup of Spar Nord (both banks operate on the same IT platform)
- Synergies especially attributable to staff and support units.
- In addition, synergies will be achieved in connection with merged branches
- Attractive risk/reward relationship expected for shareholders of Spar Nord following extensive due diligence of Sparbank

TRANSACTION STRUCTURE

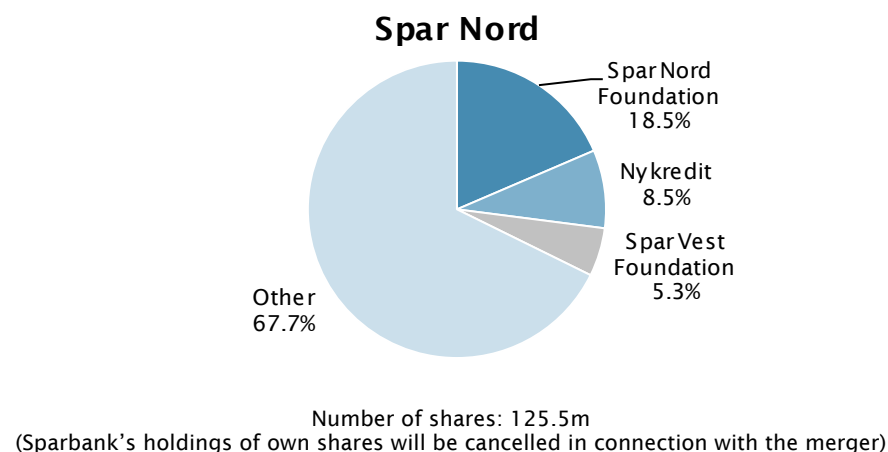
The merger

- Sparbank's shareholders will receive 2 new shares in Spar Nord for each share currently held in Sparbank
- Spar Nord will be the continuing bank and the merged bank will retain the name of Spar Nord
- Completion of the merger is conditional upon:
 - the boards of directors of Spar Nord and Sparbank approving the final merger documentations
 - approval by the Danish Financial Supervisory Authority
 - approval by the Danish Competition and Consumer Authority
 - approval by the extraordinary general meetings of Spar Nord and Sparbank
- The major shareholders of Spar Nord and Sparbank (Spar Nord Foundation, Nykredit and Spar Vest Foundation) all support the merger
- The merger will be carried out as a tax-free merger

Ownership structure before the merger

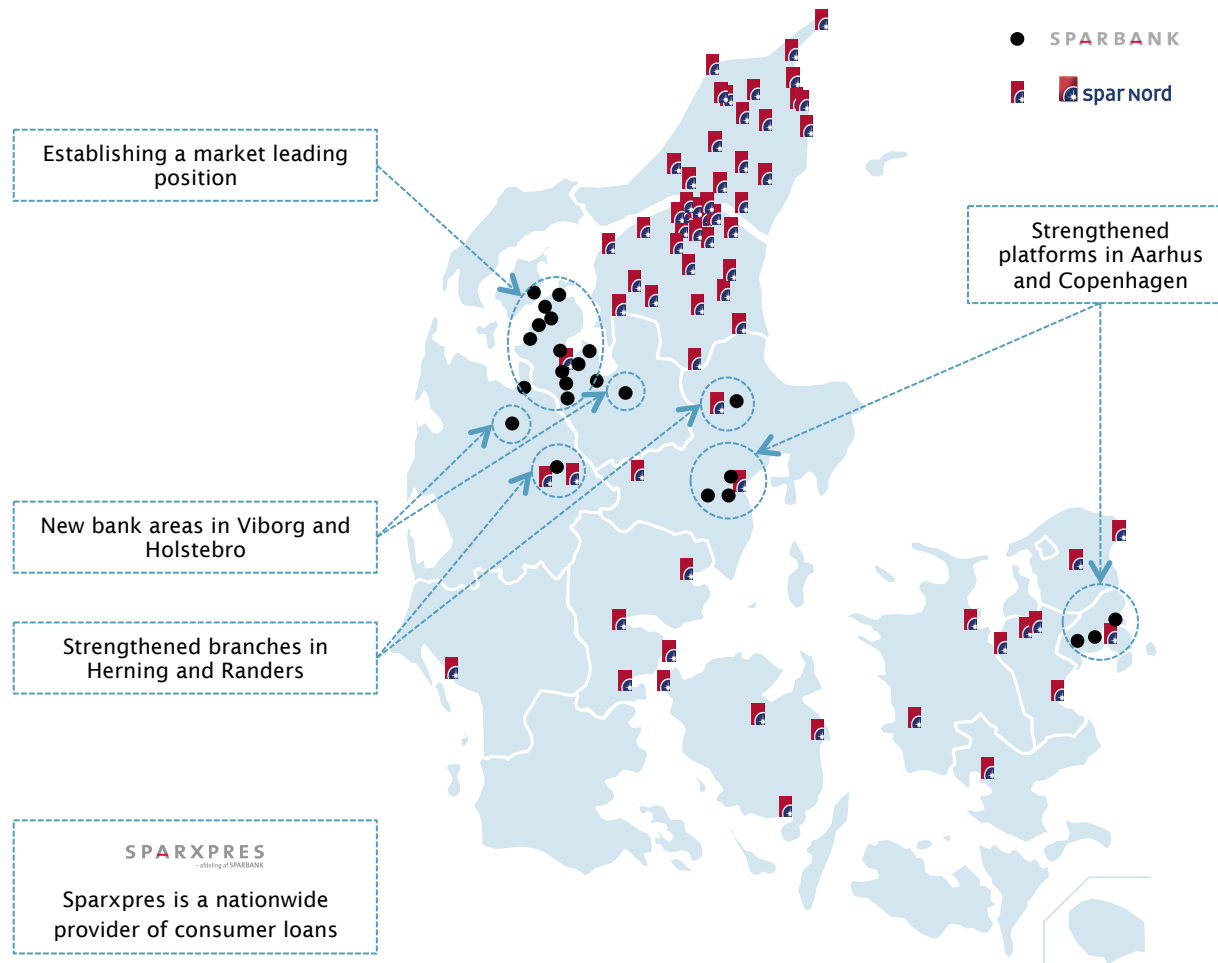


Ownership structure following the merger



SPAR NORD AND SPARBANK

Branch network following the merger



Spar Nord

- **250,000 customers**
 - 230,000 Private customers
 - 20,000 Corporate customers
- **67 branches**
 - Of which 42 are located in North Jutland
- **Business activity**
 - Lending: DKK 34.4bn
 - Deposits: DKK 38bn
 - Guarantees: DKK 5.9bn
 - RWA: DKK 40.3bn
- **1,328 employees**

Sparbank

- **66,000 customers**
- **23 branches**
 - Of which 19 are located in Mid and West Jutland
- **Business activity**
 - Lending: DKK 7.9bn
 - Deposits: DKK 7.9bn
 - Guarantees: DKK 2.4bn
 - RWA: DKK 11.2bn
- **333 employees**

SYNERGIES

Headquarters

Spar Nord

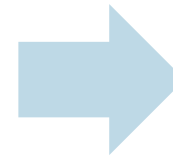


- Located in Aalborg
- 324 employees

Sparbank



- Located in Skive
- 106 employees



Headquarter after the merger

- Staff and support functions will be gathered in Aalborg
- A number of business units and a few decentralised support functions will remain in Skive

Branch network

Spar Nord

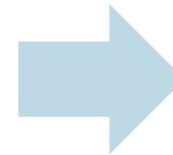


- 67 branches
- 1,004 employees

Sparbank



- 23 branches
- 227 employees



Branch network after the merger

- Merged branches
- Branch relocations – if current branches are too small for consolidation

Synergies of approximately DKK 130m annually (when fully implemented)

Implementation costs of approximately DKK 110-120m

EXPECTED FINANCIALS

Expectations for 2012		Expectations following the merger	
Spar Nord	<ul style="list-style-type: none"> Core earnings before impairment of approximately DKK 900m Following the extraordinary high level of impairment losses in Q2 2012, impairment losses are expected to return to the level of Q1 2012 	2012	<ul style="list-style-type: none"> Core earnings before impairment losses and non-recurring costs for 2012 will only deviate marginally from the forecasts for 2012 previously announced by Spar Nord (the merger is expected to take place late in the fiscal year) Implementation costs are expected to be about DKK 100m
Sparbank	<ul style="list-style-type: none"> Earnings before impairment losses, value adjustments and tax of approximately DKK 135-165m 	2013	<ul style="list-style-type: none"> Core earnings before impairment losses and non-recurring costs of approximately DKK 1,100m of which cost synergies are expected to contribute with DKK 90-100m Impairment ratio is expected to be about 1% of the total loans and guarantees Non-recurring costs are expected to be about DKK 15m Contribution to the Guarantee Fund of approximately DKK 83m

Income statement

DKK m	2011		H1 2012	
	Spar Nord	Sparbank	Spar Nord	Sparbank
Net income from interest, fees, charges and commission	1,959	470	1,072	263
Market-value adjustments	116	80	126	6
Other operating income	41	33	17	17
Staff costs and administrative expenses	1,381	393	721	185
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	73	28	36	17
Other operating expenses	0	3	27	11
Profit/loss before impairment, associated companies, subsidiaries and tax	661	-1	431	72
Impairment of loans, advances and receivables, etc.	403	311	327	262
Profit/loss on equity investments in associated and group enterprises	45	n.a.	29	n.a.
Profit/loss on continuing activities before tax	303	-313	133	-190
Tax on continuing activities	53	77	27	1
Profit/loss on continuing activities	250	-236	106	-191
Profit/loss on discontinuing activities	25	n.a.	11	n.a.
Profit/loss for the year	275	-236	117	-191

DUE DILIGENCE WITH STRONG FOCUS ON LOAN BOOK

Due diligence

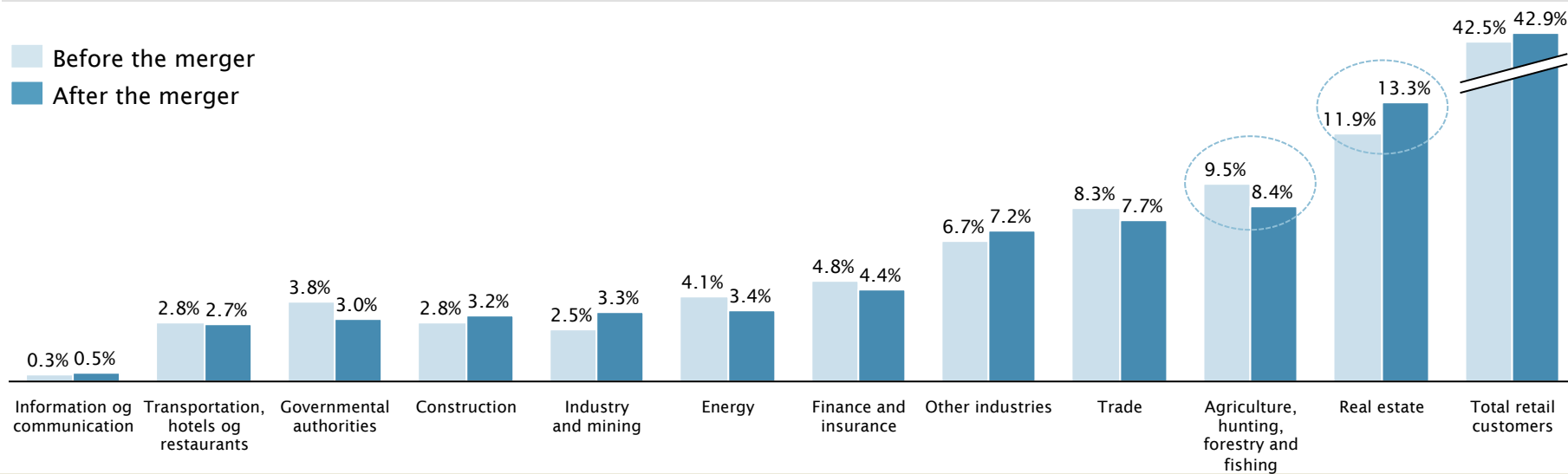
- Due diligence performed by each bank
- Due diligence of Sparbank included examination of 2,080 commitments (75% of loans)
- Balance sheets as of 31st July 2012 for Spar Nord and Sparbank are to be audited by external auditors
- Market value adjustment of Sparbank's assets and liabilities in connection with the merger

Expectations for impairment in 2013

- Impairment ratio for the merged bank in 2013 is expected to be about 1% of total loans and guarantees
- Expectations for the impairment losses are subject to greater uncertainty than has applied to similar previous announcements by Spar Nord

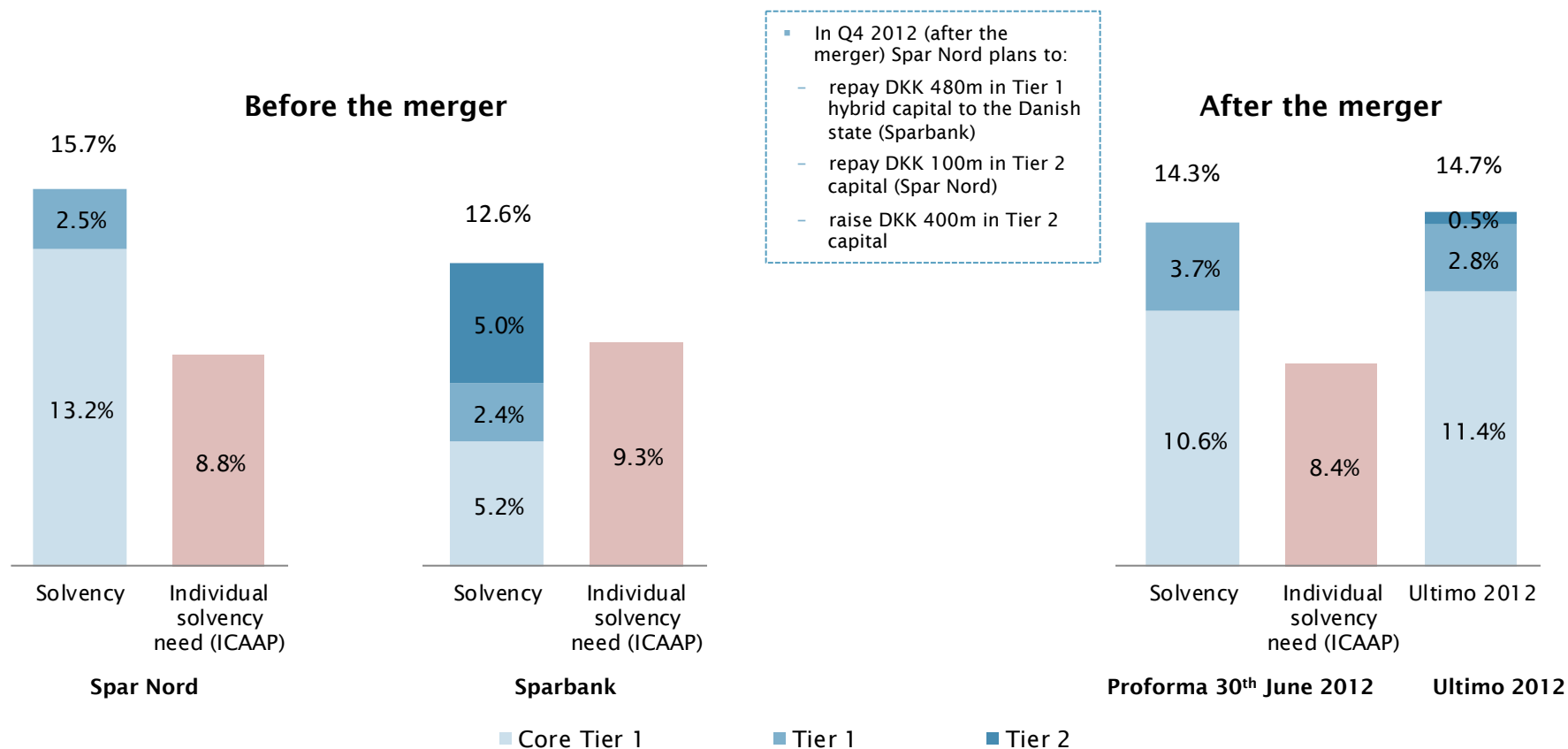
Lending

Before the merger
After the merger



CAPITALIZATION

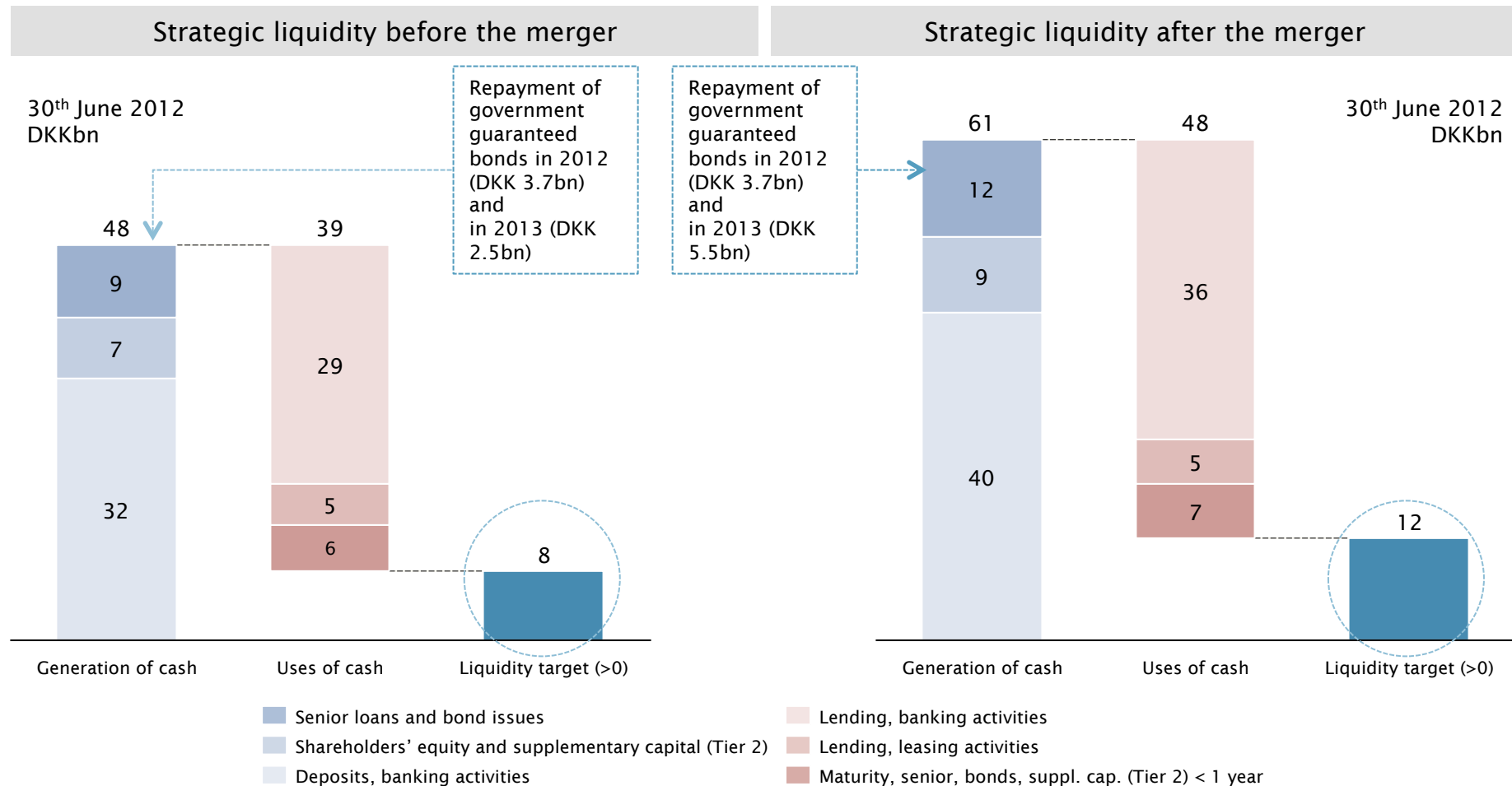
The effect of the merger on the capitalization of Spar Nord



No need for additional equity following the merger

Spar Nord still intends to repay state funded hybrid loan (DKK 1,265m) in 2014

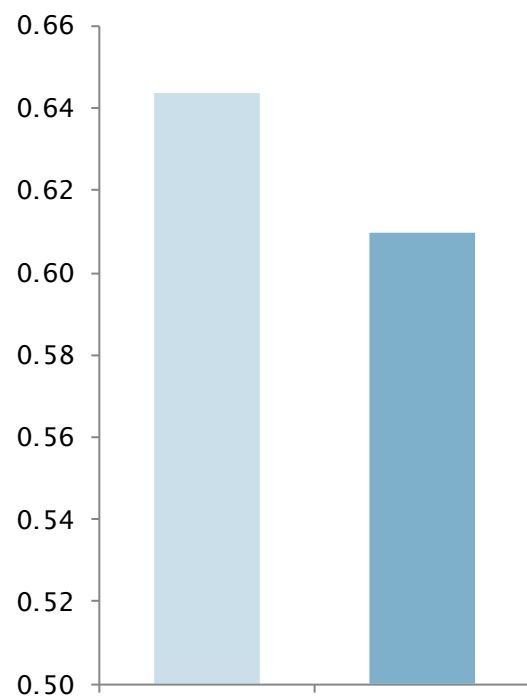
LIQUIDITY



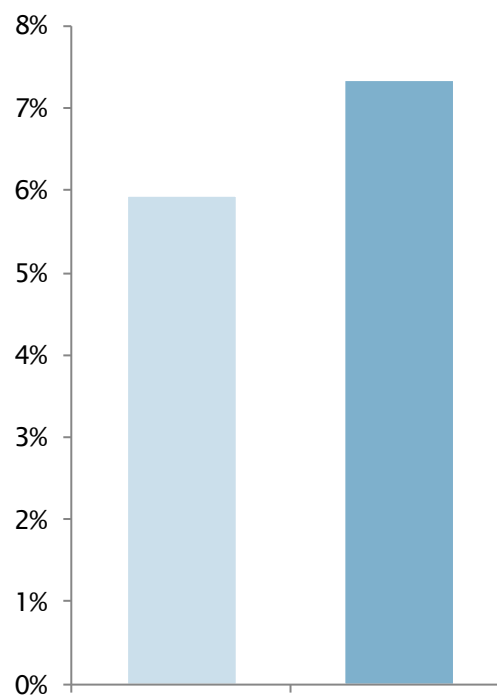
Significant excess liquidity will be used to repay government guaranteed bonds in 2012 and 2013
After the merger Spar Nord is planning to raise DKK 3bn in loans through a 3 year facility offered by the Danish Central Bank and subsequently prematurely redeem government guaranteed bonds of DKK 1.25bn (with ordinary maturity in 2013)

POSITIVE EFFECTS ON C/I, ROE and EPS

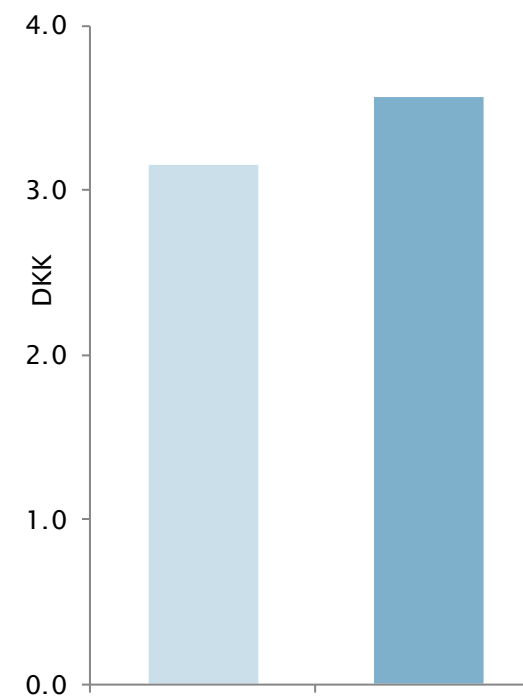
Cost/income ratio (C/I)



Return on equity (ROE)



Earnings per share (EPS)



■ 2013 consensus estimates for Spar Nord (excluding Sparbank)
■ 2013 Spar Nord guidance (including Sparbank but excluding non-recurring costs)

EXPECTED TIMETABLE

