SOLVENCY NEED AT END-SEPTEMBER 2012

The Bank's calculation methods and model for calculating the solvency need ratio are unchanged compared with the past:

Breakdown of combined solvency need ratio by risk area

The combined solvency need ratio is broken down by risk area according to the following principles:

Credit risks: The risk as a result of borrowers or other counterparties defaulting on their payment obligations, including the risks attaching to customers having financial difficulties, large exposures, concentration risks and risks attaching to granted, unutilized credit lines.

Market risks: The risk of loss due to the fact that the fair value of the Bank's assets or obligations changes on account of changes in prices on the financial markets.

Operational risks: The risk of financial loss as a result of deficient or inexpedient or erroneous internal procedures, human or system errors and similar errors, or losses as a result of external events.

Other risks: Comprise the risk of loss as a result of business profile, strategic risks, reputation risks, real property risks, risks in connection with capital procurement, liquidity risks and other risks (Group risks, the Bank's size, settlement risks, external risks, etc.). The capital required for covering these risks is reduced by the recognized positive results before impairment of loans, etc.

Statutory requirements: The situations in which the requirements laid down in the Danish Financial Business Act stipulate a lower limit for the solvency need ratio.

At end-September 2012, the necessary capital base stood at DKK 3.6 billion, and is thus unchanged relative to the statement at end-June 2012. There have been some underlying minor shifts in the capital need to cover the various risks, which outbalanced each other on an overall basis. The Group recorded a decline of DKK 2.2 billion in risk-weighted items from end-June 2012 to end-September 2012. The solvency need calculated in per cent stood at 9.3% at end-September 2012 compared with 8.8% at end-June 2012.

Of the total capital need, DKK 2,790 million, or 78%, is attributable to credit risks, while market risks and operational risks account for 22% and 10%, respectively, of the total capital need.

The capital need in connection with other risks has been calculated at DKK -374 million (net), as the capital need for covering these risks is reduced by the recognized positive results before impairment of loans, etc.

SOLVENCY NEED BY RISK AREA, END-SEPTEMBER 2012

Risk area	Necessary capital base DKK m	The Group Solvency need %	Parent Company Solvency need %
Credit risks	2,790	7.3	7.4
Market risks	770	2.0	2.0
Operational risks	369	1.0	1.0
Other risks	-374	-1.0	-1.0
Supplement, if required by law	0	0.0	0.0
Total	**3,555**	**9.3**	**9.4**

Excess coverage relative to statutory requirement and internal targets

The solvency ratio at Group level stood at 16.8% at end-September 2012. The excess capital coverage amounted to 80% relative to the necessary capital base.

EXCESS COVERAGE RELATIVE TO THE STATUTORY REQUIREMENT, END-SEPTEMBER 2012

	The Group	Parent Company
Core capital after deductions, DKK m	6,409	6,394
Adequate capital base, DKK m	3,555	3,555
Excess coverage, DKK m	2,854	2,839
Solvency ratio, %	16.8	16.9
Solvency need ratio, %	9.3	9.4
Excess coverage, %	80	80

The internal capital goals are that the Common Equity (Tier 1) ratio (the core capital ratio, excl. hybrid capital), must be at least 12%, and that the solvency ratio must be at least 15%. In addition, the Bank's objective is to have a solvency ratio that is at least 3 percentage points higher than the solvency need ratio. At end-September 2012, the solvency ratio was 16.8% and is thus 7.5 percentage points higher than the solvency need ratio.