

PRE-TAX PROFIT OF DKK 491 MILLION, ROE OF 10.6 % AND COST/INCOME RATIO DOWN TO .59 – SOLID DELIEVERY ACCORDING TO PLANS

Presentation of Q1-Q3 2013



KEY MESSAGES

1 Core income 15 % up (y/y) : NII grew by 17 % and net fees and commissions grew by 27 %

2 Lower than expected cost growth following merger – Cost/Income Ratio down to 0.59

3 Core earnings before impairment of DKK 841 million – 16 % up from H1 2012

4 Loan losses of DKK 305 million or .95 % of loans and guarantees – slightly lower than expected

5 Bank lending stabilized at DKK 34.1 billion – bank deposits down DKK 0.4 billion in Q3 driven by move to investment schemes

6 CET 1 ratio of 14.0, solvency ratio of 17.7 and excess capital coverage of DKK 3.2 billion

HEADLINES FROM THE INCOME STATEMENT - SOLID DELIVERY ACCORDING TO PLANS

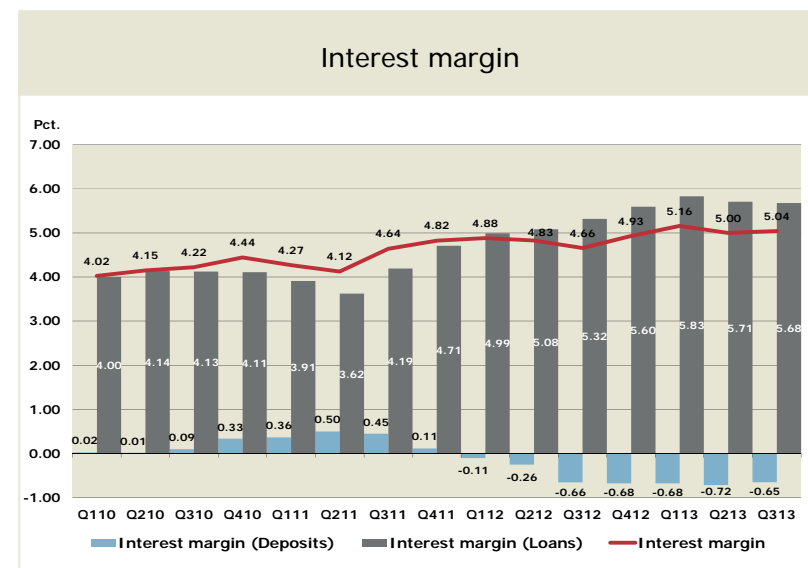
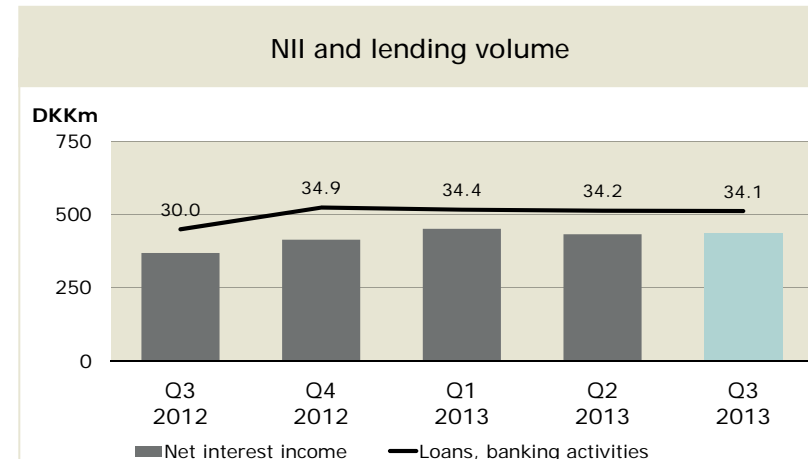
SPAR NORD BANK DKKm	Realized YTD 2013	Realized YTD 2012	Change in pct.
Net interest income	1,320	1,128	17
Net fees, charges and commissions	530	419	27
Market-value adjustments	143	194	-26
Other income	74	61	21
Core income	2,067	1,802	15
Staff costs	729	636	15
Operating expenses etc.	497	438	14
Costs	1,225	1,074	14
Core earnings before impairment	841	728	16
Impairments of loans and advances, etc.	305	438	-30
Core earnings	536	290	85
Investment income	41	25	65
Profit/loss on ordinary activities	577	315	83
Sector Fund	-83	-44	-89
Cost related to merger	-43	-9	-
Profit from continuing operations	451	262	72
Profit from discontinued operations	40	23	75
Profit before tax	491	285	72

Q3: A QUIET PERIOD WITH FIRM COST CONTROL

SPAR NORD BANK DKKm	Realized Q3 2013	Realized Q2 2013	Change in pct.	Realized Q3 2012	Change in pct.
Net interest income	436	432	1	368	18
Net fees, charges and commissions	158	176	-10	123	28
Market-value adjustments	22	44	-50	53	-58
Other income	20	30	-33	17	19
Core income	636	683	-7	561	13
Staff costs	211	264	-20	185	14
Operating expenses etc.	155	169	-8	131	18
Costs	366	433	-15	316	16
Core earnings before impairment	270	250	8	245	10
Impairments of loans and advances, etc.	102	95	8	111	-8
Core earnings	168	155	9	134	25
Investment income	11	14	-19	20	-46
Profit/loss on ordinary activities	179	169	6	154	16
Sector Fund	-25	-27	6	-16	-56
Cost related to merger	-4	-23	84	-9	60
Profit from continuing operations	150	119	27	129	16
Profit from discontinued operations	9	21	-57	6	51
Profit before tax	159	139	14	135	18

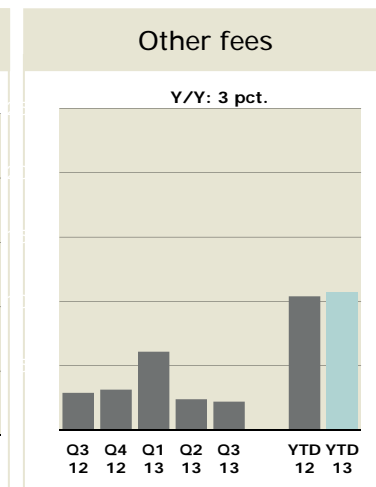
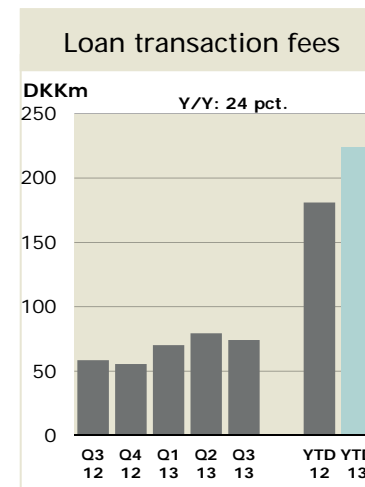
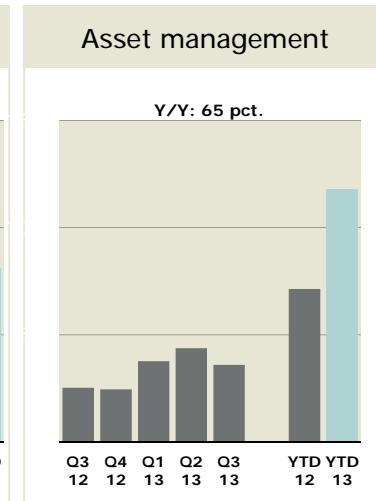
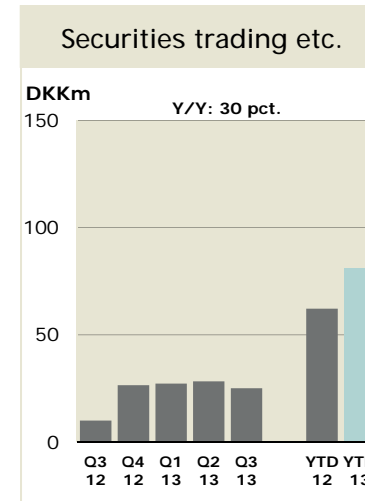
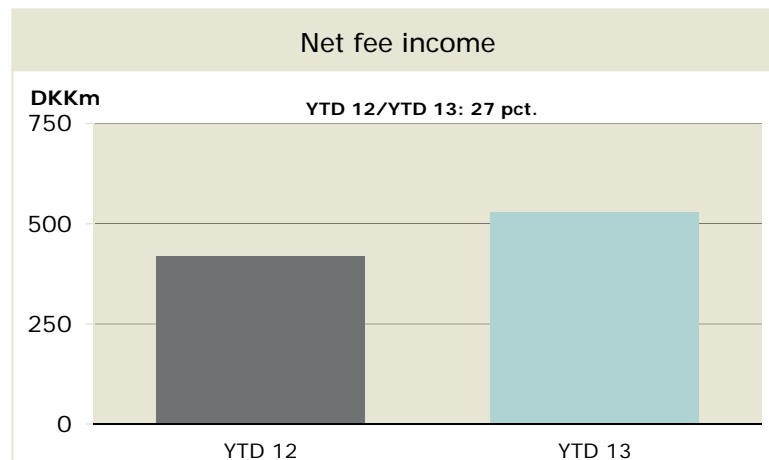
NII: VOLUMES AND MARGINS STABILIZED IN Q3

- NII of DKK 1,320 million – up 17 % from Q1-Q3 2013
 - 1 % up Q/Q
- Positive trends
 - Volume taken over in merger secures growth
 - Lower funding costs due to solid liquidity position
 - Volumes stabilized from Q2 to Q3
 - Margins stabilized from Q2 to Q3
- Negative trends
 - Demand remains modest – in spite of significant net customer influx in 2013 bank lending is down DKK 0.8 billion YTD
 - Low market interest rates – deposit margin remains negative
- Outlook
 - Volumes – have we finally seen the bottom?
 - Competition puts pressure on lending margins



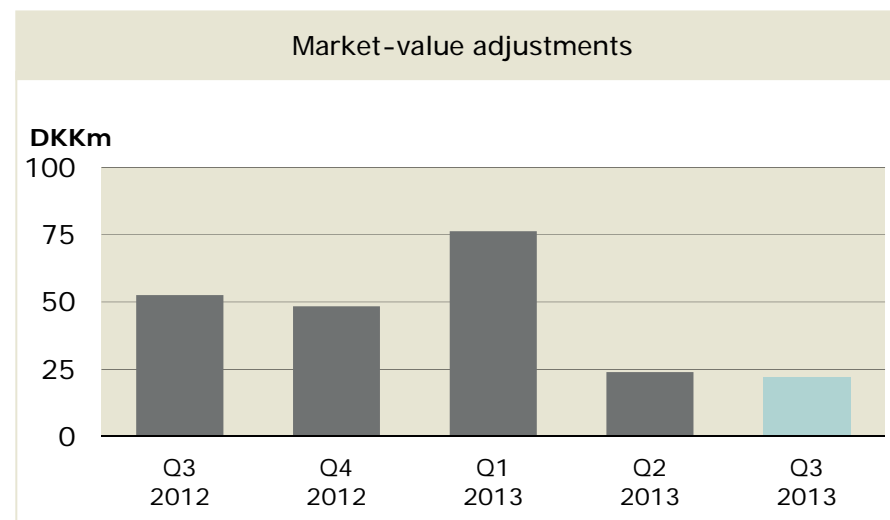
STRONG GROWTH IN NET FEES AND COMMISSIONS

- Net fees and commissions of DKK 530 million – 27 % up from Q1-Q3 2012
- Generally fee income has been taken to new level after merger – especially in the mortgage area
- But organic growth is also high
 - Growth in asset management driven by customers' move towards more active investment strategies
 - Strong volume trend in the mortgage-credit area
- Further growth expected in Q4 as Nykredit's mortgage margin hikes kick in



MARKET-VALUE ADJUSTMENTS: FIVE STRONG MONTHS FOLLOW BY FOUR-MONTH SLUMP

- Market-value adjustments and dividends of DKK 143 million – DKK 50 million down on Q1-Q3 2012 but still higher than expected
- January-May: Strong performance on bond portfolio, especially related to spread between Danish mortgage bonds and interest swaps
- June-September: Market turmoil and higher volatility
- Growth in market-value adjustments and dividends on portfolio of shares in financial-sector companies (DLR Kredit, BankInvest, PRAS mv.)
- Customers' interest and FX related activity on par with last year



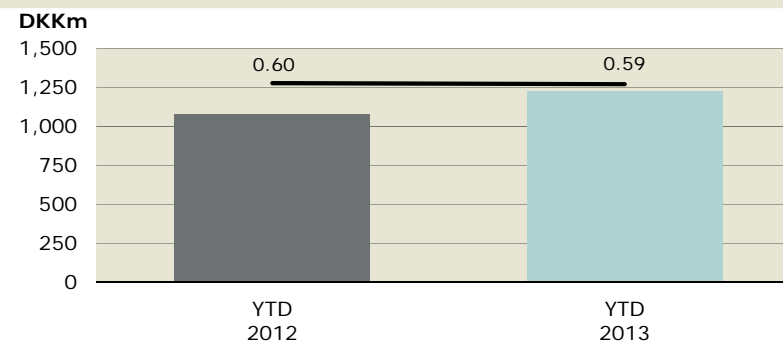
Break-down on types

DKKm	YTD 2013	YTD 2012	Change
Market-valued adjustments in Trading, Financial Markets & The International Division	53	119	-66
Tangible assets	31	19	12
Currency trade and -agio	39	40	-1
Total	122	177	-55

COSTS LOWER THAN EXPECTED

- Total costs and expenses of DKK 1,225 million – up 14 % on Q1-Q3 2012
 - Increase exclusively related to merger
 - Increase lower than expected
- Payroll costs 15 % up on Q1-Q3 last year
 - Total headcount (FTE) 169 higher than 12 months ago
 - But down 132 YTD
- Operating expenses up 15 %
 - Driven by merger, especially higher IT-costs and cost of premises
- Improvement of Cost/Income Ratio to 0.59
- YTD, 12 branches have been closed or merged
 - 5 related to merger with SPARBANK
 - 7 in North Jutland
 - 2 in the Skive-region

Total costs and Cost/Income Ratio



Breakdown on types

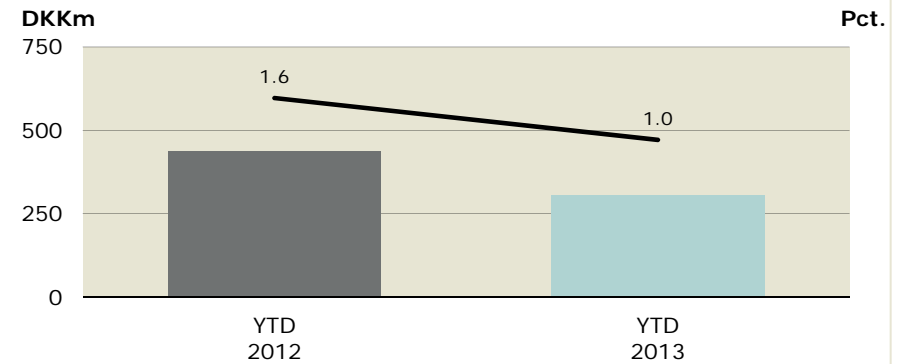
Costs (DKKm)	YTD 2013	YTD 2012	Change in pct.
Staff costs	729	636	15
Operating expenses	445	386	15
Depreciation	52	52	1
Costs	1,225	1,074	14

Operating expenses (DKKm)	YTD 2013	YTD 2012	Change
Staff-related expenses	31	31	-1
Travel expenses	10	8	2
Marketing costs	68	65	3
IT expenses	225	185	39
Cost of premises	69	54	16
Other administrative expenses	41	42	-1
Operating expenses	445	386	59

LOAN LOSSES IN LINE WITH GUIDANCE

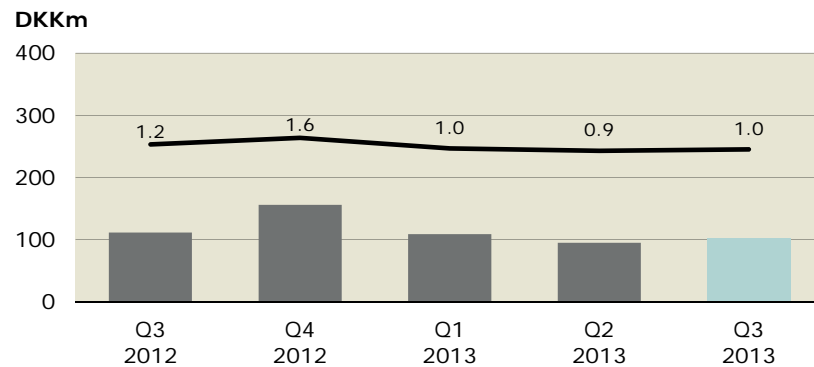
- Total loan losses of DKK 305 million corresponding to .95 % – in line with guidance
- Impairment percentage including mortgage lending: .40
- Breakdown on segments
 - Household: DKK 50 million corresponding to 0.4 %.
 - Corporate: DKK 255 million corresponding to 1.3 %
- FSA report confirms
 - Adequate provisioning level
 - Adequate ICAAP ratio
 - Strong centralized credit management
- Guidance 2013
 - Impairment ratio still expected in the 1 % range

Loan impairment and impairment percentage

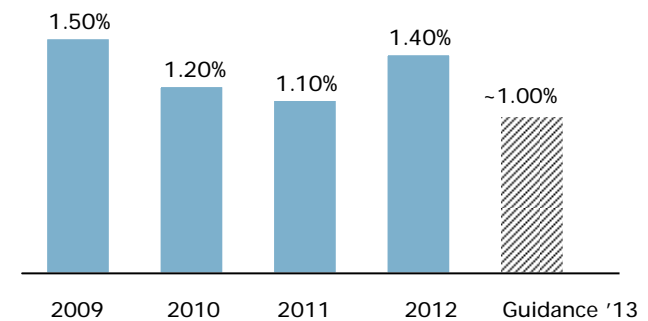


Note: Based on average loans and guarantees

Loan impairment and impairment percentage

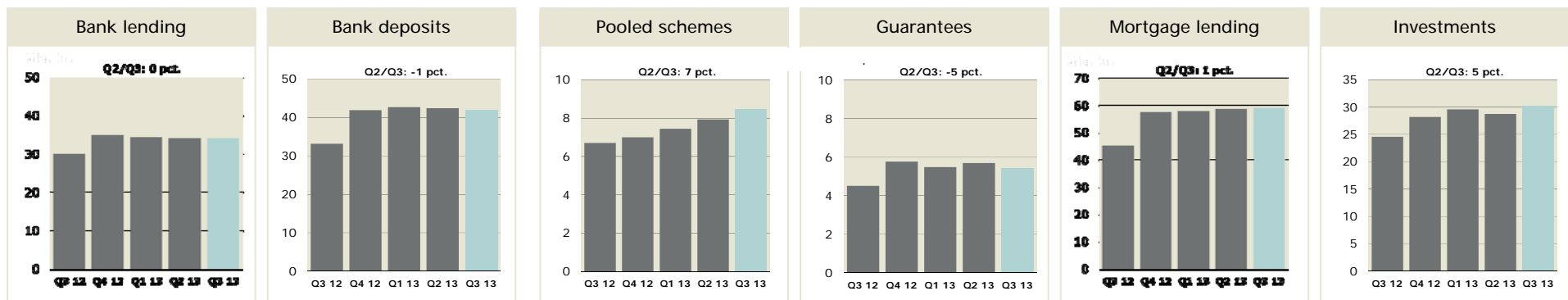


Recent years' trend in impairment percentage



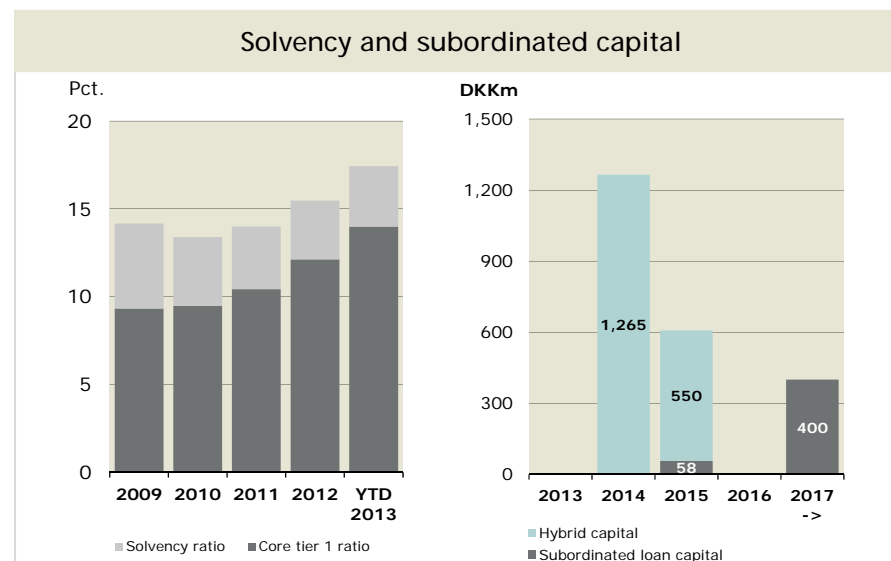
STRONG CUSTOMER INFLOW SECURE GROWTH IN TOTAL BUSINESS VOLUME

- Bank lending stabilized after long decline
 - DKK 34.1 billion end of Q3 – same level as end of Q2
 - DKK 0,8 billion decline YTD – solely attributable to run-off portfolio from SPARBANK and public sector
- Very satisfactory growth in mortgage-credit distribution
 - Total lending up to DKK 59.2 billion – hereof DKK 50.7 billion in Totalkredit and DKK 8.5 billion in DLR Kredit
- Great demand for investment products lead to small decline in bank deposits
 - Bank deposits up DKK 0.5 billion (1%) YTD – but down DKK 0.4 billion Q/Q
 - Deposits in pooled schemes up DKK 1.5 billion (21%) YTD
 - In the same period, AUM from household segment has grown by DKK 2.1 billion



CAPITAL POSITION FURTHER STRENGTHENED

- Strategic targets
 - Core equity tier 1 ratio (CET1): minimum 12 %
 - Solvency ratio: minimum 15 % (at least 3 pp above ICAAP ratio)
- End of Q3 2013 CET1 stands at 14.1 % - up from 12.1 % at YE 2012
- Solvency ratio stands at 17.4 % - up from 15.5 % at YE 2012
- Individual solvency need (ICAAP ratio) of 10.1 %
 - Capital surplus of DKK 3.2 billion (7.3 pp)



Capital base

Pct.	Q3 2013	2012	2011	2010
Core tier 1 ratio	14.0	12.1	10.4	9.5
Hybrid capital	4.2	3.9	3.8	3.8
Deductions in hybrid capital	-1.0	-1.0	-0.9	-0.2
Tier 1 ratio	17.2	15.1	13.3	13.2
Subordinated debt	1.3	1.4	1.6	2.0
Deductions in capitalbase	-1.0	-1.0	-0.9	-1.8
Solvency ratio	17.4	15.5	14.0	13.4

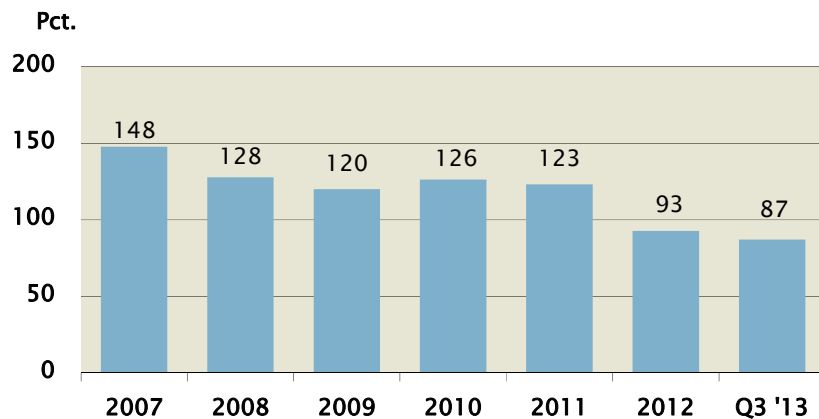
COMFORTABLE STRATEGIC LIQUIDITY OF DKK 15.9 BILLION

- Strategic liquidity of DKK 15.9 billion – up DKK 1.1 billion YTD
- Deposit base continues to grow
- Reduction in leasing and bank lending
- Redemption of DKK 6.3 billion bond issues in Q1-Q3 2013
- Last state guaranteed bonds issue redeemed in July

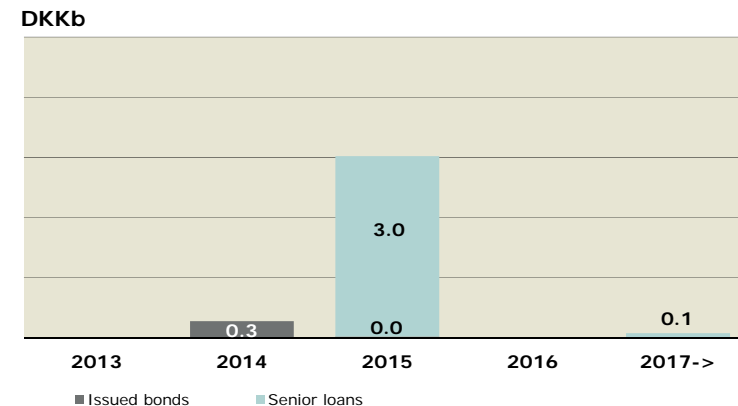
Strategic liquidity

DKKb	YTD		
	2013	Q2 13	2012
Deposits, banking activities	42.0	42.4	41.9
Seniorfunding	3.3	5.3	9.6
Core capital and sub. capital	8.7	8.6	8.5
Stable long term funding	54.0	56.3	60.0
Loans, banking activities	34.1	34.2	34.9
Loans, leasing activities	2.5	2.9	4.0
Maturity < 1 year	-1.5	-3.5	-6.3
Liquidity target	15.9	15.7	14.8

Loan to deposit ratio



Maturity

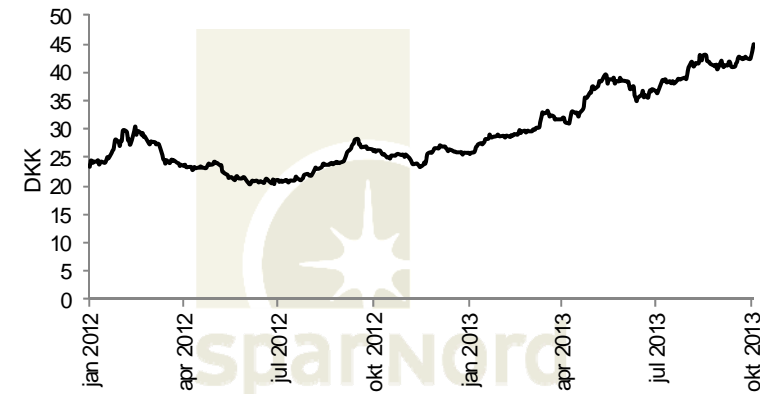


GUIDANCE AND SHARE PERFORMANCE

Guidance for 2013

- Core earnings before impairment and one-offs still expected in the DKK 1,000-1,100 million range
- Impairment still expected to amount to approx. 1,0 % of loans and guarantees
- Special merger-related items: DKK 40 million
- Contributions to sector-wide solutions: DKK 107 million
- Positive contribution from discontinued activities – potentially as high as DKK 55-60 million

Share price



Share price	46,00	DKK
Market cap	5,775	DKKm
EPS (2012)	1.7	DKK
EPS (2013) ¹	3.7	DKK
P/B (10/ 2013)	0.90	

¹Concensus estimate
Source: Factset

THE ROAD TO AN AFTER TAX ROE OF 10 %

