

Q1 2014 Quarterly Report for Spar Nord Bank A/S

The sale of Nets shares secures a record post-tax profit of DKK 312 million, equal to an 18.8% p.a. return on equity

- Core income for Q1 ended at DKK 883 million, up 18% on Q1 2013, with price gains on the sale of our Nets shareholding accounting for DKK 178 million.
- Net interest income dropped by 12% (YOY) on account of a lower volume and a downturn in interest income on the Bank's bond portfolio - the decline is partly offset by market-value adjustments of the same portfolio.
- The positive trend of recent quarters continued for fees, charges and commissions, reflected in a 5% growth on the same period of 2013; the activity level was particularly high for asset management and portfolio management.
- Market-value adjustments and dividends were extraordinarily high due to the sale of Nets, viz. DKK 250 million – and market-value adjustments relating to the Bank's bond portfolio were better than expected.
- Costs and expenses ended at DKK 439 million – up 3% on Q1 2013, which is in line with forecasts.
- Accordingly, core earnings before impairment amounted to DKK 444 million.
- Impairment of loans and advances fell to DKK 90 million – corresponding to an impairment ratio of 0.86% p.a.
- Sustained strong capital and liquidity position with a Common Equity (Tier 1) ratio of 14.0%, an overall solvency ratio of 19.4% and a strategic liquidity of DKK 18.0 billion.
- After the end of Q1, an agreement was made with Basisbank regarding the takeover of a portfolio of residential and cooperative housing loans.
- In connection with the sale of Nets, the forecast for the full-year core earnings before impairment – estimated at about DKK 1,100 million at the beginning of the year – was revised upwards by DKK 175 million. This level is maintained in light of the profits recorded in Q1.

DKK m	Q1 2014	Q4 2013	Change in %	Q1 2013	Change in %
Net interest income	397	432	-8	451	-12
Net income from fees, charges and commissions	205	190	8	196	5
Core income	883	717	23	748	18
Costs and expenses	439	421	4	427	3
Core earnings before impairment	444	296	50	321	38
Impairment of loans and advances, etc.	90	104	-13	109	-17
Core earnings	354	192	84	213	66
Contributions to sector-wide solutions	-25	-37	-32	-31	-21
Profit/loss before tax	349	178	96	193	81

For further information, please contact: Ole Madsen, Senior Vice President, tel. +45 9634 4010

Spar Nord Bank A/S • Skelagervej 15 • P. O. Box 162 • 9100 Aalborg • Reg. no. 9380

Tlf. +45 9634 4000 • Fax +45 9634 4560 • Swift spno dk 22 • www.sparnord.dk • sparnord@sparnord.dk • CVR no. 13 73 75 84



Lasse Nyby, Chief Executive Officer, has the following comments on the financial statements:

- From an overall perspective, it is of course difficult not to be satisfied with the best quarterly profits ever recorded by Spar Nord. That said, we should bear in mind that the record profits stem from the non-recurring income attained from selling our Nets shares. However, even without this impact, Q1 actually proved satisfactory in most areas. Customer activity and the consultancy-driven sales continued to develop positively, and as a first our net income from fees, charges and commissions exceeded DKK 200 million over a three-month period. Impairment losses declined, and we expect this trend to continue in the coming quarters. As in previous quarters, the greatest cause for concern with respect to the current development is that both private households and businesses are still not investing or borrowing to an extent that we as a bank might wish. The lack of growth in the Danish economy and customers' demand still make acquisitions a relevant move – as we have done most recently with the agreement we concluded with Basisbank regarding the takeover of lending operations.

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PERFORMANCE INDICATORS AND FINANCIAL RATIOS - THE GROUP

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CORE EARNINGS – QUARTERLY

DKK m	Q1 2014	Q1 2013	Change in %	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Full year 2013
INCOME STATEMENT									
Net interest income *)	397.3	450.8	-11.9	397.3	432.0	436.3	432.4	450.8	1,751.5
Net income from fees, charges and commissions	205.2	196.2	4.6	205.2	189.8	157.6	175.8	196.2	719.4
Market-value adjustments and dividends	249.6	76.6	225.8	249.6	58.2	22.2	44.4	76.6	201.4
Other operating income	8.3	8.1	2.5	8.3	12.8	8.3	15.8	8.1	45.0
Profit/loss on equity investments in associates and group enterprises	22.7	16.1	41.0	22.7	24.4	11.8	14.1	16.1	66.4
Core income	883.1	747.8	18.1	883.1	717.2	636.2	682.5	747.8	2,783.7
Salaries	258.8	253.6	2.1	258.8	277.7	211.0	264.0	253.6	1,006.3
Operating expenses	164.0	155.8	5.3	164.0	128.0	137.5	151.5	155.8	572.8
Depreciation, amortization and impairment	16.6	17.2	-3.5	16.6	15.3	17.5	17.3	17.2	67.3
Costs	439.4	426.6	3.0	439.4	421.0	366.0	432.8	426.6	1,646.4
Core earnings before impairment	443.7	321.2	38.1	443.7	296.2	270.2	249.7	321.2	1,137.3
Impairment of loans, advances and receivables, etc. *)	90.0	108.6	-17.1	90.0	103.9	102.0	94.7	108.6	409.2
Core earnings	353.7	212.6	66.4	353.7	192.3	168.2	155.0	212.6	728.1
Earnings from investment portfolios	11.1	16.8	-33.9	11.1	2.3	11.0	13.5	16.8	43.6
Profit/loss on ordinary operations	364.8	229.4	59.0	364.8	194.6	179.2	168.5	229.4	771.7
Contributions to sector-wide solutions	-24.7	-31.2	-20.8	-24.7	-37.1	-25.2	-26.7	-31.2	-120.2
Special merger-related items	0.0	-15.9	-	0.0	-3.5	-3.6	-23.1	-15.9	-46.1
Profit/loss on continuing activities before tax	340.1	182.3	86.6	340.1	154.0	150.4	118.7	182.3	605.4
The Group's leasing activities (discontinuing activities)	9.0	10.3	-12.6	9.0	24.3	8.9	20.6	10.3	64.1
Profit/loss before tax	349.1	192.6	81.3	349.1	178.3	159.3	139.3	192.6	669.5
Tax on continuing activities	34.3	41.5	-17.3	34.3	25.8	33.4	35.7	41.5	136.4
Tax on discontinuing activities	3.3	2.4	37.5	3.3	-0.2	2.3	-7.5	2.4	-3.0
Profit/loss	311.5	148.7	109.5	311.5	152.7	123.6	111.1	148.7	536.1
BALANCE SHEET DISCLOSURES									
Total assets	76,026	78,492	-3.1	76,026	74,605	75,080	75,842	78,492	74,605
Loans and advances	35,778	37,998	-5.8	35,778	37,648	37,166	37,684	37,998	37,648
- Lending, banking activities	32,987	34,442	-4.2	32,987	33,772	34,134	34,193	34,442	33,772
- Lending, reverse transactions	1,030	46	-	1,030	1,786	542	572	46	1,786
- Lending, leasing activities	1,761	3,510	-49.8	1,761	2,090	2,490	2,919	3,510	2,090
Deposits	52,292	50,147	4.3	52,292	50,883	50,463	50,359	50,147	50,883
- Deposits, banking activities	42,427	42,700	-0.6	42,427	41,831	41,998	42,426	42,700	41,831
- Deposits, repo transactions	0	0	-	0	0	0	0	0	0
- Deposits in pooled schemes	9,865	7,447	32.5	9,865	9,052	8,465	7,933	7,447	9,052
Subordinated debt	2,992	2,546	17.5	2,992	3,002	2,319	2,329	2,546	3,002
Shareholders' equity	6,854	6,143	11.6	6,854	6,533	6,377	6,249	6,143	6,533
Contingent liabilities	5,312	5,485	-3.2	5,312	5,380	5,435	5,693	5,485	5,380
Total risk exposure	44,672	45,054	-0.8	44,672	42,697	43,111	43,928	45,054	42,697
Core capital	7,738	7,167	8.0	7,738	7,437	7,400	7,269	7,167	7,437
Impairment account and discount on commitments taken over **)	2,100	2,766	-24.1	2,100	2,117	2,155	2,430	2,766	2,117
Contractual non-performing loans	708	1,217	-41.8	708	672	761	997	1,217	672
Business volume	182,850	177,579	3.0	182,841	180,297	179,443	177,494	177,579	180,297

*) In the core earnings format, an amount was reclassified between the items Net interest income, Other operating income and Impairment of loans, advances and receivables, etc., which relates to the share of the discount, recognized as income, on commitments taken over from Sparbank; see note 3.

**) Spar Nord's impairment account amounts to DKK 1,646 million (end-2013: DKK 1,606 million) (note 12) and the discount on commitments taken over from Sparbank amounts to DKK 443 million (end-2013: DKK 511 million).

The breakdown of earnings from investment portfolios, contributions to sector-wide solutions and special merger-related items, which have been recognized separately, appears from note 3.

The Spar Nord Group's pre-tax profits came to DKK 349 million in Q1 2014 versus DKK 193 million in Q1 2013 and DKK 178 million in Q4 2013. This performance corresponds to an annualized 21% return on equity before tax.

Core income rose 18% on Q1 2013 and 23% on the previous quarter, and the 3% increase in costs and expenses was in line with forecasts.

If the impact from selling our Nets shares is excluded, core income ended 2% down on the previous quarter and 6% lower than in Q1 2013.

Loan impairment dropped to DKK 90 million, equal to 0.86% p.a., while contributions to sector-wide solutions amounted to DKK 25 million.

Both earnings from investment portfolios and profits from discontinuing activities (leasing) ended at a reasonably positive level.

Management finds the profit performance satisfactory and thus maintains the previous outlook for full-year total core earnings before impairment.

NET INTEREST INCOME DOWN, DRIVEN BY THE BOND PORTFOLIO

Net interest income in Q1 amounted to DKK 397 million, which is DKK 54 million, or 12%, lower than in the same period last year – and DKK 35 million, or 8%, down on Q4 2013.

Among other factors, the decline compared with the same period last year is attributable to the Bank's bond portfolio, with both volume and the effective yield being lower.

To this should be added that a combination of a shrinking volume and a slight narrowing of the interest margin has also put the net interest income on customer-targeted transactions under pressure.

CONTINUED GROWTH IN NET INCOME FROM FEES, CHARGES AND COMMISSIONS

Net income from fees, charges and commissions ended at DKK 205 million, equal to an advance of DKK 9 million, or 5%, on Q1 2013.

As in previous quarterly periods, the activity level was particularly high in the pension and asset management areas. The intake of customers and capital attracted by the Bank's offerings in this area thus continued its upward trend, and Spar Nord now manages DKK 9.9 billion in pooled pension funds and DKK 3.8 billion in available funds under mandate programmes.

In addition to asset management and investment management, the Bank also saw favourable developments in terms of activity and earnings from mortgage credit arrangements.

MARKET-VALUE ADJUSTMENTS MAINTAINED AT AN EXTRAORDINARILY HIGH LEVEL

Market-value adjustments and dividends amounted to DKK 250 million versus DKK 77 million in Q1 2013, and DKK 58 million in the previous quarter. The advance is attributable to positive market-value adjustments of DKK 178 million on the Bank's shareholding in Nets.

The underlying development in market-value adjustments, including those related to the Bank's bond portfolio, was satisfactory.

INCREASE IN OTHER INCOME

The item "Other operating income" ended at DKK 8 million, which is in line with Q1 2013.

The profit on equity investments in associates and group enterprises, including Nørresundby Bank, was DKK 23 million versus DKK 16 million in the same period last year.

COSTS AND EXPENSES IN LINE WITH FORECASTS

Total costs and expenses amounted to DKK 439 million, which is 3% higher than in the same period of 2013.

Salaries accounted for DKK 259 million of total costs and expenses. The realized payroll costs amounted to DKK 5 million, up 2% on Q1 2013, due mainly to rising payroll taxes. At end-Q1 2014, the Group had a staff of 1,471 employees (continuing activities, converted into full-time equivalents), 122 fewer than at the same time in 2013.

Other operating expenses came to DKK 164 million, which is DKK 8 million, or 5%, up on last year's level. In addition to timing differences, the growth in other operating expenses is mainly attributable to increased IT expenses due to a rise in customer numbers as well as a general increase in the use of customer-targeted digital solutions.

Recent years' efforts to streamline the branch structure continued in Q1 2014 with the decision to close down/merge five branches in north and northwest Jutland. After the implementation of this decision, Spar Nord now has 71 branches, which means that 43 branches have been closed down since 2008.

DECLINE IN IMPAIRMENT OF LOANS AND ADVANCES

Impairment of loans and advances, etc. ended at DKK 90 million in Q1 2014 – DKK 14 million down on Q4 2013, which corresponds to an annualized impairment ratio of 0.86% for the year to date.

DKK 64 million of the DKK 90 million profit impact is attributable to business customers, representing an annualized impairment ratio of 1.0% for this customer category. The remaining DKK 26 million relates to retail customers, corresponding to an annualized impairment ratio of 0.6%.

In light of developments in Q1, Management still expects impairment losses to have a somewhat lower ultimate impact on the year's income statement than in 2013.

The Group's bank lending and guarantees *) - breakdown by line of business

Business sector, %	Bank lending and guarantees		Impairment account and discount on exposures taken over
	31.12.2013	31.03.2014	31.03.2014
Agriculture and forestry	7.7	7.8	23.2
Fisheries	0.4	0.4	0.2
Industry and raw. mat. extraction	3.4	3.3	2.7
Energy supply	4.2	4.2	0.3
Building and construction	3.5	3.3	4.4
Trade	7.8	8.0	4.2
Transport, hotels and restaurants	3.3	3.5	3.3
Information and communication	0.2	0.3	0.1
Financing and insurance	8.0	7.6	6.8
Real estate	11.6	11.8	22.1
Other sectors	6.9	6.1	7.5
Business customers, total	57.0	56.3	74.8
Public authorities	4.9	4.5	0.0
Retail customers, total	38.1	39.2	25.2
Total	100.0	100.0	100.0

*) excl. discontinuing activities.

EARNINGS FROM INVESTMENT PORTFOLIOS ENDED AT DKK 11 MILLION

In Q1 2014, the Group recorded an income of DKK 11 million on its portfolio of unlisted equity investments via Erhvervsinvest Nord A/S and Erhvervsinvest K/S (Q1 2013: DKK 17 million).

DKK 25 MILLION CONTRIBUTED TO SECTOR-WIDE SOLUTIONS

The accounting item "Contributions to sector-wide solutions" comprises Spar Nord's payments and Spar Nord's share of Nørresundby Bank's payments to the Danish Guarantee Fund for Depositors and Investors.

In Q1 2014, a total of DKK 25 million was expensed. Spar Nord continues to expect that total contributions to sector-wide solutions will end at around DKK 100 million for the full year.

RESULTS OF DISCONTINUING ACTIVITIES: DKK 9 MILLION

Results of discontinuing activities (leasing) ended at DKK 9 million compared with DKK 24 million in Q4 2013 and DKK 10 million in Q1 2013.

For more details, see the section on Business Areas.

DKK 349 MILLION IN PRE-TAX PROFITS

The pre-tax profits can accordingly be calculated at DKK 349 million compared with DKK 193 million in Q1 2013 and DKK 178 million in Q4 2013.

TAX

The Group's effective tax rate was 11% in Q1 2014, and post-tax profits can thus be calculated at DKK 312 million.

The low tax rate is attributable to the fact that the market-value gain from the sale of Nets shares is tax-exempt.

BUSINESS VOLUME

The Group's total business volume (deposits, loans, advances and guarantees, custodianship accounts and mortgage credits arranged) amounted to DKK 182.9 billion at end-Q1 2014 – DKK 2.6 billion up on the volume at end-2013.

Compared with the end-2013 status, lending, banking activities, dropped by DKK 0.8 billion.

39% of the Group's total bank lending and guarantees (continuing activities) in the amount of DKK 38.3 billion is attributable to retail customers, while business customers account for 61%.

Since 1 January, the volume of mortgage credits arranged has grown by DKK 0.2 billion. In total, the volume of mortgage-credit loans arranged on behalf of retail customers (Totalkredit) amounted to DKK 51.2 billion, and to DKK 8.7 billion for business customers (DLR Kredit) at end-Q1 2014.

Deposits, banking activities, rose by DKK 0.6 billion compared with end-2013, and deposits in pooled schemes grew by DKK 0.8 billion.

Since end-2013, customers' balances in custodianship accounts have grown by DKK 1.8 billion.

SOLID CAPITAL POSITION

Spar Nord's objective on the capital side is to have a Common Equity (Tier 1) ratio (CET1) of at least 12.0%, a total capital ratio of at least 15.0% and a spread between the solvency need ratio (ICAAP result) and the actual capital ratio of at least 3 percentage points.

At end-Q1 2014, the Group's CET1 stood at 14.0% (end-2013: 14.1%).

The total capital ratio has been calculated at 19.4% (end-2013: 19.4%), which should be viewed in relation to Spar Nord having calculated the individual solvency need at 9.7%. Thus, the Bank has an excess capital coverage of 9.7 percentage points, equal to DKK 4.3 billion.

The total capital ratio and the core capital (Tier 1) ratio have been calculated according to the new capital adequacy rules in CRD IV/CRR. The impact of the new rules is a reduction of 0.3 percentage point in the total capital ratio, attributable to an increase in the total risk exposure of DKK 1.8 billion and an increase of DKK 0.2 billion in own funds.

At the beginning of June 2014, Spar Nord will redeem a loan of DKK 1,265 million by way of hybrid core capital that the Bank raised with the Danish Government in 2009 under the Bank Package II umbrella. The redemption will result in a reduction of the total capital ratio of about 3 percentage points.

Spar Nord's capital projections show that during the phase-in of CRD IV over the next few years, the Bank will constantly remain comfortably above the strategic capital targets.

As announced in autumn 2013, Spar Nord's policy as from this financial year is to distribute about 33% of the net profits for the year as dividend.

STRONG STRATEGIC LIQUIDITY OF DKK 18.0 BILLION

Strategic liquidity

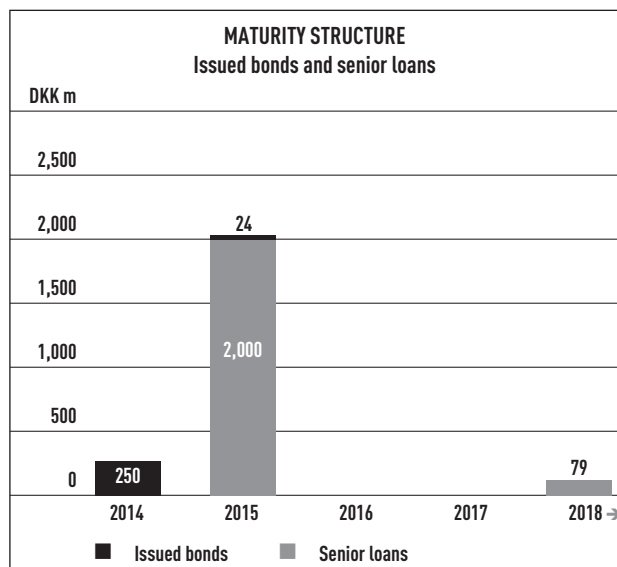
	31.03 2014	31.12 2013	30.09 2013	30.06 2013
DKK bn				
Deposits, banking activities	42.4	41.8	42.0	42.4
Senior loans/bond issues *)	2.4	3.4	3.3	5.3
Shareholders' equity and subordinated debt	9.8	9.5	8.7	8.6
Generation of cash	54.6	54.7	54.0	56.3
Lending, banking activities	33.0	33.8	34.1	34.2
Lending, leasing activities	1.8	2.1	2.5	2.9
Maturity, senior loans, issued bonds and subord. debt < 1 year	1.8	1.5	1.5	3.5
Strategic liquidity, total	18.0	17.3	15.9	15.7

*) incl. Danmarks Nationalbank's (the central bank) LTRO facility.

Spar Nord has defined strategic liquidity as the difference between bank lending and long-term funding (bank deposits, senior loans, issued bonds, subordinated debt and shareholders' equity). Subordinated loans, senior loans and issued bonds due within 12 months are not included in the Bank's strategic liquidity.

At the end of Q1 2014, Spar Nord's strategic liquidity amounted to DKK 18.0 billion, up DKK 0.7 billion on end-2013.

The improvement is mainly driven by continued growth in deposits, coupled with a decline in total lending.

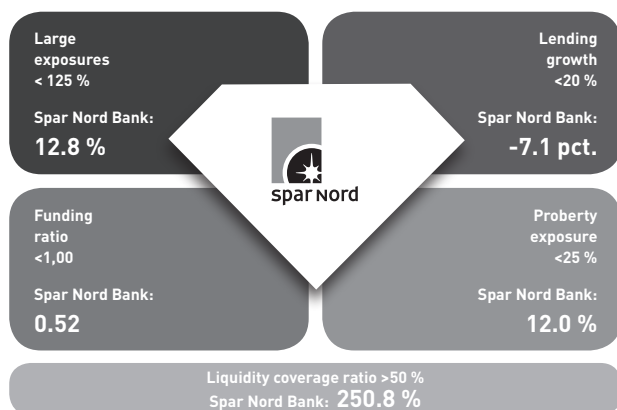


At end-Q1, Spar Nord is facing a situation where the funding base consists almost exclusively of ordinary customer deposits and the Bank is independent of funding from the capital markets.

TAKEOVER OF RESIDENTIAL AND COOPERATIVE HOUSING LOANS FROM BASISBANK

After the end of the quarter, Spar Nord concluded an agreement with Basisbank regarding the takeover of its transactions in the residential and cooperative housing area. As a result of the agreement, Spar Nord expects to take over about 1,000 customers with a lending volume of about DKK 0.2 billion and a combined business volume of about DKK 0.3 billion.

THE SUPERVISORY AUTHORITY DIAMOND MODEL



RISKS

Reference is made to the 2013 Annual Report and to the Group's Risk Report for 2013, which both describe the most significant risks and elements of uncertainty that may affect the Group and the Parent Company.

OUTLOOK FOR 2014

The Annual Report for 2013 projected core earnings before impairment to end in the DKK 1,100 million range for the full 2014 year. In connection with the sale of the Bank's Nets shareholding in March, the outlook was revised upwards by about DKK 175 million, and this projection is maintained in light of the Q1 performance.

SPAR NORD'S LOCAL BANKS

DKK M	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Core income	602	590	554	575	615
Costs	358	360	348	375	360
Core earnings before impairment	243	231	205	200	255
Impairment of loans and advances, etc.	90	104	101	95	109
Core earnings	153	126	105	105	146

In Q1 2014, Spar Nord's Local Banks recorded DKK 602 million in core income, versus DKK 590 million in Q4 2013, and DKK 615 million in the same period of 2013.

Total costs and expenses amounted to DKK 358 million, which is 1% lower than in Q1 2013. The decline, which occurred despite an increase in payroll tax - and thus payroll costs - is attributable to the fact that on account of the activity pattern Spar Nord's Local Banks have defrayed a lower share of the Group's common expenses.

Loan impairment, etc. ended at DKK 90 million, which is DKK 14 million lower than in the previous quarter and DKK 19 million lower than in Q1 2013.

Core earnings thus came to DKK 153 million against DKK 126 million in Q4 2013, and DKK 146 million in the same period of 2013.

Activities in Q1 focused heavily on the savings and investment area, including counselling activities aimed at customers making a strategy shift from cash savings to more active asset management. Housing, including mortgage credit, constituted another focal point.

The total business volume of Spar Nord's Local Banks amounted to DKK 179.1 billion at the end of Q1 2013 - a level that was 1% up on end-2013 and 3% up on the same time last year.

The generally low demand for financing has meant that lending by Spar Nord's Local Banks has dropped by DKK 1.4 billion since the same time last year. On the other hand, mortgage credits arranged rose by DKK 2.0 billion, representing a growth in total credits arranged of DKK 0.6 billion, or 1%.

Moreover, in terms of business volume development, customers shifted decisively away from keeping idle savings to choosing an active investment strategy. Thus, during the quarter assets under management related to the Star Invest Unlimited mandate programme rose to about DKK 3.8 billion. The pension portfolio experienced a similar rise, with assets under management relating to the Bank's pension pools growing to DKK 9.9 billion.

TRADING, FINANCIAL MARKETS & THE INTERNATIONAL DIVISION

DKK m	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Core income	78	85	62	74	117
Costs	15	12	14	15	14
Core earnings before impairment	63	73	47	60	103
Impairment of loans and advances, etc.	0	0	0	0	0
Core earnings	63	73	47	60	103

Trading, Financial Markets & the International Division recorded core earnings of DKK 63 million versus DKK 73 million in Q4 2013, and DKK 103 million during the same period of 2013. Core earnings are better than expected.

Earnings on the Bank's bond portfolio were impacted by the declining interest level - however, this development was compensated by a rise in market-value adjustments of the portfolio, including financials and junior covered bonds

The development and earnings for shares and corporate bonds were impacted by favourable market trends, which were exploited to increase the Bank's portfolio of corporate bonds, among other strategic moves.

The asset management area also saw a major rise in assets under management in Q1, including with respect to pension pools, mandate programmes and individual mandates. The bulk of earnings from these activities was recognized in the branches (local banks) to which the respective customers belong.

LEASING

DKK m	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net income	25	44	29	29	53
Costs & expenses, incl. depr.	17	30	14	16	35
Profit before impairment	8	14	14	15	17
Impairment of loans and advances, etc.	-1	-10	5	-6	7
Profit/loss before tax	9	24	9	21	10

In Q1 2014, the leasing business recorded DKK 25 million in core income, versus DKK 44 million in Q4 2013 and DKK 53 million in the same period of 2013. As scheduled and anticipated, the decline is due to the sharp reduction in business volume. Since the phase-out programme was launched in October 2011, the portfolio has thus shrunk by DKK 7.0 billion, corresponding to 79%.

Costs and expenses amounted to DKK 17 million versus DKK 30 million in Q4 2013, and DKK 35 million in the same period of 2013.

Loan impairment ended at DKK -1 million compared with DKK -10 million in Q4 2013 and DKK 7 million in the same period of 2013.

Accordingly, the pre-tax profits ended at DKK 9 million - a profit improvement that is still better than anticipated.

SPAR NORD BANK SHARES HELD BY THE MANAGEMENT

BOARD OF DIRECTORS	At 30.12.13	At 09.04.14	EXECUTIVE BOARD	At 30.12.13	At 09.04.14
Torben Fristrup	34,300	34,300	Lasse Nyby	48,064	48,064
Per Nikolaj Bukh	16,200	16,200	Bent Jensen	8,383	8,383
Kaj Christiansen	7,800	7,800	John Lundsgaard	65,633	65,633
Kjeld Johannesen	-	8,000	Lars Møller	62,960	62,960
Laila Mortensen	0	0			
Fritz Dahl Pedersen	1,800	1,800			
Ole Skov	7,054	7,054			
Jannie Skovsen	7,624	7,624			
Gitte Holmgaard Sørensen	2,486	2,486			
Hans Østergaard	5,193	5,193			

OVERVIEW OF GROUP COMPANIES

	Share capital end of period *) DKK m	Shareholders equity, end of period *) DKK m	Profit/loss *) DKK m	Ownership interest 31.03.2014 %	Ownership interest 31.03.2013 %
Consolidated subsidiaries					
Erhvervsinvest Nord A/S, Aalborg	30.0	52.8	10.9	100.0	100.0
Aktieselskabet Skelagervej 15, Aalborg	27.0	1.219.0	27.5	100.0	100.0
Spar Nord Ejendomsselskab A/S, Aalborg	12.0	12.7	-7.3	100.0	100.0
Spar Nord Leasing A/S, Aalborg (1)	10.0	274.6	54.0	100.0	100.0
SN Finans Nord AB, Sverige (1)	74.6	95.8	6.8	100.0	100.0

(1) The company's activities are being phased out.

*) According to the most recent Annual Report.

At 31 March 2014, all companies are subsidiaries that are wholly owned, directly or indirectly, by Spar Nord Bank A/S.

PERFORMANCE INDICATORS AND FINANCIAL RATIOS - THE GROUP

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THE DANISH FINANCIAL SUPERVISORY AUTHORITY'S LAYOUT AND RATIO SYSTEM

DKK m	Q1 2014	Q1 2013	Change in %	Q1 2014	Q1 2013	Q1 2012	Q1 2011	Q1 2010	Full year 2013
INCOME STATEMENT									
Interest income	546.7	686.3	-20.3	546.7	686.3	534.4	486.5	531.8	2,597.9
Interest expenses	130.6	157.5	-17.1	130.6	157.5	148.5	142.4	175.8	578.1
Net interest income	416.1	528.8	-21.3	416.1	528.8	385.9	344.1	356.0	2,019.8
Dividends on shares, etc.	12.2	0.3	-	12.2	0.3	1.3	0.2	0.1	36.9
Fees, charges and commissions received	218.1	207.5	5.1	218.1	207.5	159.8	143.0	142.1	784.3
Fees, charges and commissions paid	12.9	11.4	13.2	12.9	11.4	7.9	10.8	15.6	65.0
Net income from interest, fees, charges and commissions	633.5	725.2	-12.6	633.5	725.2	539.1	476.5	482.6	2,776.0
Market-value adjustments	249.2	76.7	224.9	249.2	76.7	80.1	51.0	89.5	193.4
Other operating income	8.3	8.1	2.5	8.3	8.1	7.1	11.2	9.0	57.5
Staff costs and administrative expenses	423.5	423.7	0.0	423.5	423.7	357.7	344.7	380.8	1,608.5
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	16.6	17.8	-6.7	16.6	17.8	15.4	15.7	14.7	85.2
Other operating expenses	22.8	30.6	-25.5	22.8	30.6	17.6	0.4	51.6	100.2
Impairment of loans, advances and receivables, etc.	109.4	187.2	-41.6	109.4	187.2	105.8	83.5	110.7	705.2
Profit/loss on equity investments in associates and group enterprises	21.4	31.6	-32.3	21.4	31.6	16.2	19.4	7.2	77.6
Profit/loss on continuing activities before tax	340.1	182.3	86.6	340.1	182.3	146.0	113.8	30.5	605.4
Tax on continuing activities	34.3	41.5	-17.3	34.3	41.5	32.0	25.4	6.6	136.4
Profit/loss on continuing activities	305.8	140.8	117.2	305.8	140.8	114.0	88.4	23.9	469.0
Profit/loss on discontinuing activities after tax	5.7	7.9	-27.8	5.7	7.9	-4.2	19.5	-14.4	67.1
Profit/loss	311.5	148.7	109.5	311.5	148.7	109.8	107.9	9.5	536.1
BALANCE SHEET									
Total assets									
Loans and advances	76,026	78,492	-3.1	76,026	78,492	68,355	67,665	69,126	74,605
- Lending, banking activities	35,778	37,998	-5.8	35,778	37,998	36,717	39,931	40,027	37,648
- Lending, reverse transactions	32,987	34,442	-4.2	32,987	34,442	29,885	30,628	31,166	33,772
- Lending, leasing activities	1,030	46	-	1,030	46	431	1,475	1,427	1,786
Deposits	1,761	3,510	-49.8	1,761	3,510	6,401	7,828	7,434	2,090
- Deposits, banking activities	52,292	50,147	4.3	52,292	50,147	37,416	36,725	38,478	50,883
- Deposits, repo transactions	42,427	42,700	-0.6	42,427	42,700	31,108	30,562	34,075	41,831
- Deposits in pooled schemes	0	0	-	0	0	0	251	0	0
Subordinated debt	9,865	7,447	32.5	9,865	7,447	6,308	5,912	4,403	9,052
Shareholders' equity	2,992	2,546	17.5	2,992	2,546	1,798	2,445	2,717	3,002
Contingent liabilities	6,854	6,143	11.6	6,854	6,143	5,577	4,470	4,274	6,533
	5,312	5,485	-3.2	5,312	5,485	3,928	3,825	6,370	5,380
Total risk exposure									
Core capital	44,672	45,054	-0.8	44,672	45,054	40,714	42,563	42,881	42,697
Impairment of loans, advances and receivables, etc.	7,738	7,167	8.0	7,738	7,167	6,327	5,792	5,656	7,437
	1,657	1,475	12.4	1,657	1,475	1,189	1,025	1,150	1,606
Contractual non-performing loans	708	1,217	-41.8	708	1,217	173	155	195	672
Business volume	182,850	177,579	3.0	182,841	177,579	138,567	136,728	134,061	180,297

PERFORMANCE INDICATORS AND FINANCIAL RATIOS - THE GROUP

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THE DANISH FINANCIAL SUPERVISORY AUTHORITY'S LAYOUT AND RATIO SYSTEM

DKK m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2012	Q1 2011	Q1 2010	Full year 2013
FINANCIAL RATIOS								
Own funds								
Total capital ratio, %	19.4	16.2	19.4	16.2	15.5	13.9	14.2	19.4
Core capital (Tier 1) ratio, %	17.3	15.9	17.3	15.9	15.5	13.6	13.2	17.4
Earnings								
Return on equity before tax, %	5.2	3.2	5.2	3.2	2.8	3.1	0.3	10.7
Return on equity after tax, %	4.7	2.5	4.7	2.5	2.2	2.4	0.2	8.6
Income/cost ratio	1.59	1.28	1.59	1.28	1.29	1.26	1.05	1.24
Market risk								
Interest-rate risk, %	0.1	-0.2	0.1	-0.2	-0.7	-0.6	-0.4	-0.3
Foreign-exchange position, %	2.2	2.3	2.2	2.3	4.6	2.3	3.2	3.7
Foreign-exchange risk, %	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Credit risk								
Loans and advances rel. to deposits, %	68.4	75.8	68.4	75.8	98.1	108.7	104.0	74.0
Loans and advances plus impairment rel. to deposits, %	71.6	78.7	71.6	78.7	101.3	111.5	106.6	77.1
Loans and advances relative to shareholders' equity	5.2	6.2	5.2	6.2	6.6	8.9	9.4	5.8
Increase in loans and adv. for the period, %	-3.1	-2.5	-3.1	-2.5	-5.1	-0.1	4.5	-7.9
Excess coverage relative to statutory cash ratio requirement, %	252.6	222.7	252.6	222.7	201.7	90.2	165.6	230.7
Large exposures as % of capital base	12.8	15.7	12.8	15.7	0.0	0.0	13.0	26.2
Impairment ratio for the period, %	0.3	0.4	0.3	0.4	0.3	0.2	0.3	1.5
Impairment ratio for the period, continuing activities, % *)	0.3	0.5	0.3	0.5	0.3	0.2	0.3	1.6
THE SPAR NORD BANK SHARE								
DKK per share of DKK 10								
Profit/loss for the period	2.5	1.2	2.5	1.2	1.3	1.3	0.1	4.3
Net asset value (NAV)	55	49	55	49	49	56	53	52
Dividend	-	-	-	-	-	-	-	1
Share price/earnings for the period	24.0	26.7	24.0	26.7	18.5	26.9	410.0	11.4
Share price/NAV	1.1	0.7	1.1	0.7	0.5	0.6	0.8	0.9

*) The continuing activities are the Spar Nord Group's activities, excl. the discontinuing leasing activities; see note 21.
Share-based financial ratios have been multiplied by an adjustment factor of 0.7073 due to the capital increase in 2012.

The Board of Directors and the Executive Board have today reviewed and adopted the Interim Report of the Spar Nord Bank Group for the period from 1 January to 31 March 2014.

The Interim Financial Statements have not been audited or subjected to a review by the Group's auditor.

The Consolidated Interim Financial Statements are presented in accordance with IAS 34 "Interim Financial Reporting", as adopted by the EU. Moreover, the Interim Report is presented in accordance with additional Danish disclosure requirements regarding interim reports for listed financial institutions.

In our opinion, the Interim Financial Statements give a true and fair view of the Group's financial position at 31 March 2014 and of the results of the Group's operations and the Group's cash flows for the period from 1 January to 31 March 2014.

In addition, we also consider the Management's review to give a fair presentation of the development in the Group's activities and financial affairs as well as a description of the significant risks and elements of uncertainty that may affect the Group.

Aalborg 7 May 2014

EXECUTIVE BOARD



Lasse Nyby
Chief Executive Officer



Bent Jensen
Managing Director



John Lundsgaard
Managing Director

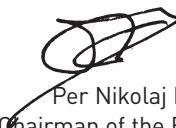


Lars Møller
Managing Director

BOARD OF DIRECTORS



Torben Fristrup
Chairman of the Board of Directors



Per Nikolaj Bukh
Deputy Chairman of the Board of Directors



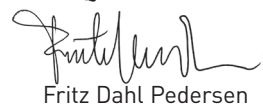
Kaj Christiansen



Kjeld Johannesen



Laila Mortensen



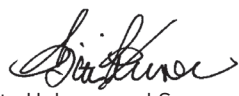
Fritz Dahl Pedersen



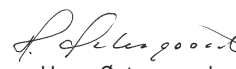
Ole Skov
Elected by the employees



Jannie Skovsen
Elected by the employees



Gitte Holmsgaard Sørensen
Elected by the employees



Hans Østergaard

INCOME STATEMENT - THE GROUP

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Note	DKK m	Q1 2014	Q1 2013	Full year 2013
4	Interest income	546.7	686.3	2,597.9
5	Interest expenses	130.6	157.5	578.1
	Net interest income	416.1	528.8	2,019.8
	Dividends on shares, etc.	12.2	0.3	36.9
6+8	Fees, charges and commissions received	218.1	207.5	784.3
7+8	Fees, charges and commissions paid	12.9	11.4	65.0
	Net income from interest, fees, charges and commissions	633.5	725.2	2,776.0
9	Market-value adjustments	249.2	76.7	193.4
	Other operating income	8.3	8.1	57.5
10	Staff costs and administrative expenses	423.5	423.7	1,608.5
	Depreciation, amortization and impairment of intangible assets and property, plant and equipment	16.6	17.8	85.2
	Other operating expenses	22.8	30.6	100.2
12	Impairment of loans, advances and receivables, etc.	109.4	187.2	705.2
	Profit/loss on equity investments in associates and group enterprises	21.4	31.6	77.6
	Profit/loss on continuing activities before tax	340.1	182.3	605.4
	Tax on profit/loss on continuing activities	34.3	41.5	136.4
	Profit/loss on continuing activities	305.8	140.8	469.0
21	Profit/loss on discontinuing activities after tax	5.7	7.9	67.1
	Profit/loss	311.5	148.7	536.1
	EARNINGS PER SHARE			
	Earnings per share (DKK)	2.5	1.2	4.3
	Diluted earnings per share (DKK)	2.5	1.2	4.3
	Earnings per share on continuing activities (DKK)	2.4	1.1	3.8
	Diluted earnings per share on continuing activities (DKK)	2.4	1.1	3.8
	STATEMENT OF COMPREHENSIVE INCOME			
	Profit/loss for the period	311.5	148.7	536.1
	Other comprehensive income			
	Items that cannot be reclassified to the income statement:			
	Net revaluation of corporate properties	0.3	0.4	1.4
	Other capital movements in associates	1.4	-2.9	-2.9
	Tax on other comprehensive income	0.0	0.0	0.0
		1.7	-2.5	-1.5
	Items that can be reclassified to the income statement:			
	Exchange adjustment upon translation of foreign entity	-0.1	2.8	-4.2
		-0.1	2.8	-4.2
	Other comprehensive income after tax	1.6	0.3	-5.7
	Comprehensive income, total	313.1	149.0	530.4

BALANCE SHEET - THE GROUP

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Note	DKK m	31.03.2014	31.03.2013	Full year 2013
ASSETS				
	Cash balances and demand deposits with central banks	1,344.3	1,903.0	326.5
11	Receivables from credit institutions and central banks	3,156.4	3,637.6	3,212.4
	Lending, banking activities	32,986.9	34,441.9	33,772.9
	Lending, reverse transactions	1,030.5	46.2	1,785.6
	Lending, leasing activities	1,760.7	3,510.4	2,089.6
	Loans, advances and other receivables at amortized cost, total	35,778.1	37,998.5	37,648.1
	Bonds at fair value	20,268.3	21,376.1	18,810.4
	Shares, etc.	1,429.6	1,230.0	1,215.5
	Equity investments in associates, etc.	1,006.9	964.9	997.3
	Assets linked to pooled schemes	9,865.4	7,447.0	9,052.3
	Intangible assets	210.3	198.2	213.9
	Investment properties	168.0	158.9	167.7
	Corporate properties	509.4	619.4	511.7
	Land and buildings, total	677.4	778.3	679.4
	Operating lease assets	19.4	61.7	25.9
	Other property, plant and equipment	113.7	137.5	120.9
	Other property, plant and equipment, total	133.1	199.2	146.8
	Current tax assets	30.0	2.0	58.4
	Deferred tax assets	18.7	26.0	22.4
	Temporary assets	127.7	68.7	120.3
13	Other assets	1,700.6	2,394.2	1,848.6
	Prepayments	279.2	267.9	252.6
	Total assets	76,026.0	78,491.6	74,604.9
SHAREHOLDERS' EQUITY AND LIABILITIES				
LIABILITIES OTHER THAN PROVISIONS				
	Payables to credit institutions and central banks	8,059.5	8,904.6	8,102.8
14	Deposits and other payables	42,427.2	42,700.0	41,830.5
	Deposits in pooled schemes	9,865.4	7,447.0	9,052.3
	Issued bonds at amortized cost	273.5	4,917.0	301.6
	Other non-derivative financial liabilities at fair value	1,687.3	1,435.1	1,822.1
	Current tax liabilities	0.0	21.8	0.0
21	Temporary liabilities	0.1	0.4	0.1
15	Other liabilities	3,576.5	4,049.7	3,667.5
	Deferred income	31.6	56.7	32.3
	Total liabilities other than provisions	65,921.1	69,532.3	64,809.2
PROVISIONS FOR LIABILITIES				
	Provisions for deferred tax	169.8	167.4	169.8
	Provisions for losses on guarantees	12.2	27.3	12.2
	Other provisions	76.4	75.5	78.6
	Total provisions	258.4	270.2	260.6
SUBORDINATED DEBT				
16	Subordinated debt	2,992.4	2,546.3	3,002.4
	Total liabilities	69,171.9	72,348.8	68,072.2
SHAREHOLDERS' EQUITY				
	Share capital	1,255.3	1,255.3	1,255.3
	Revaluation reserves	84.8	83.5	84.5
	Accumulated exchange adjustments of foreign entities	4.2	11.3	4.3
	Accumulated changes in value, total	89.0	94.8	88.8
	Statutory reserves	517.0	475.0	507.4
	Other reserves, total	517.0	475.0	507.4
	Retained earnings	4,992.8	4,317.7	4,681.2
	Total shareholders' equity	6,854.1	6,142.8	6,532.7
	Total shareholders' equity and liabilities	76,026.0	78,491.6	74,604.9
OFF-BALANCE-SHEET ITEMS				
17	Contingent assets	10.1	14.7	11.0
18	Contingent liabilities	5,311.9	5,485.5	5,380.0
19	Other commitments	633.9	596.5	633.3

STATEMENT OF CHANGES IN EQUITY - THE GROUP

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DKK m	Share capital	Revaluation reserve	Foreign-currency translation reserve	Statutory reserves	Proposed dividend	Retained earnings	Total
SHAREHOLDERS' EQUITY 31.03.14							
Shareholders' equity 01.01.14	1,255.3	84.5	4.3	507.4	125.5	4,555.7	6,532.7
Changes in equity in Q1 2014:							
Comprehensive income in 2014							
Profit/loss for the period	-	-	-	21.4	-	290.1	311.5
Other comprehensive income							
Net revaluation of corporate properties	-	0.3	-	-	-	-	0.3
Other capital movements in associates	-	-	-	1.4	-	-	1.4
Exchange adjustment upon translation of foreign entity	-	-	-0.1	-	-	-	-0.1
Other comprehensive income, total	-	0.3	-0.1	1.4	-	-	1.6
Total comprehensive income for the period	-	0.3	-0.1	22.8	-	290.1	313.1
Transactions with owners							
Disposal upon acquisition of treasury shares	-	-	-	-	-	-171.0	-171.0
Addition upon sale of treasury shares	-	-	-	-	-	179.3	179.3
Dividends received from associates recognized at net asset value	-	-	-	-13.2	-	13.2	0.0
Transactions with owners, total	-	-	-	-13.2	-	21.5	8.3
Shareholders' equity 31.03.14	1,255.3	84.8	4.2	517.0	125.5	4,867.3	6,854.1
SHAREHOLDERS' EQUITY 31.03.13							
Shareholders' equity 01.01.13	1,255.3	83.1	8.5	503.1	0.0	4,125.3	5,975.3
Changes in equity in Q1 2013:							
Comprehensive income in 2013							
Profit/loss for the period	-	-	-	31.6	-	117.1	148.7
Other comprehensive income							
Net revaluation of corporate properties	-	0.4	-	-	-	-	0.4
Other capital movements in associates	-	-	-	-2.9	-	-	-2.9
Exchange adjustment upon translation of foreign entity	-	-	2.8	-	-	-	2.8
Other comprehensive income, total	-	0.4	2.8	-2.9	0.0	0.0	0.3
Total comprehensive income for the period	-	0.4	2.8	28.7	-	117.1	149.0
Transactions with owners							
Disposal upon acquisition of treasury shares	-	-	-	-	-	-94.6	-94.6
Addition upon sale of treasury shares	-	-	-	-	-	113.1	113.1
Dividends received from associates recognized at net asset value	-	-	-	-56.8	-	56.8	0.0
Transactions with owners, total	0.0	-	-	-56.8	-	75.3	18.5
Shareholders' equity 31.03.13	1,255.3	83.5	11.3	475.0	0.0	4,317.7	6,142.8

The share capital consists of 125,529,918 shares in the denomination of DKK 10.

	Q1 2014	Q1 2013	Full year 2013
TREASURY SHARE PORTFOLIO			
Number of shares	92,596	383,116	221,073
Percentage of share capital	0.1	0.3	0.2

CASH FLOW STATEMENT - THE GROUP

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DKK m	Q1 2014	Q1 2013	Full year 2013
OPERATIONS			
Profit/loss on continuing activities before tax	340.1	182.3	605.4
Profit/loss on discontinuing activities before tax	9.0	10.3	64.1
Foreign-currency translation, subsidiaries	-0.1	2.8	-4.1
Fair-value changes, investment properties	0.0	0.0	4.8
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	18.2	34.3	116.2
Gains and losses on the sale of intangible assets and property, plant and equipment	0.0	-0.1	-1.0
Adjustment of impairment of loans and advances, etc.	50.8	165.6	276.0
Provisions for liabilities	-2.2	0.6	-11.4
Profit/loss on equity investments in associates and group enterprises	-21.4	-31.6	-77.6
Corporate income tax paid	0.9	-0.2	-157.0
Operations, total	395.3	364.0	815.4
WORKING CAPITAL			
Movement in credit institutions and central banks, net	-70.2	214.1	-207.7
Movement in loans, advances and other receivables at amortized cost	1,819.1	893.7	1,133.8
Movement in bonds at fair value	-1,457.9	-1,126.7	1,438.9
Movement in equity portfolio	-214.1	-27.7	-13.1
Movement in issued bonds at amortized cost	-28.1	-1,176.3	-5,791.7
Movement in other assets and other liabilities, net	-111.7	-926.4	-647.7
Movement in deposits and other payables	597.0	778.1	-91.2
Working capital, total	534.1	-1,371.2	-4,178.7
Cash generated from operations, total	929.4	-1,007.2	-3,363.3
INVESTMENTS			
Net investment in associates and group enterprises	0.0	1.0	-0.2
Net investment in intangible assets	0.0	-0.8	-25.6
Net investment in other property, plant and equipment	-6.0	182.5	214.5
Net investment in treasury shares	8.3	18.4	27.0
Dividends from associates and group enterprises	13.2	56.7	70.4
Investments, total	15.5	257.8	286.1
FINANCING			
Subordinated debt	-9.9	-15.2	440.9
Financing, total	-9.9	-15.2	440.9
Movements in cash and cash equivalents for the period	935.0	-764.6	-2,636.3
Cash and cash equivalents, beginning of period	3,483.4	6,119.7	6,119.7
Movements in cash and cash equivalents for the period	934.8	-764.6	-2,636.3
Cash and cash equivalents, end of period	4,418.2	5,355.1	3,483.4
Cash and cash equivalents, end of period			
Cash, cash equivalents and demand deposits with central banks	1,344.3	1,903.0	326.5
Receivables from credit institutions and central banks with less than 3 mths to maturity	3,073.9	3,452.1	3,156.9
Total	4,418.2	5,355.1	3,483.4

Information about cash flows for discontinuing activities appears from note 21, Discontinuing activities.

Note

1 ACCOUNTING POLICIES

The Interim Financial Statements of the Spar Nord Group covering the period from 1 January to 31 March 2014 have been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU, and additional Danish disclosure requirements for interim reports of listed financial institutions.

Apart from the changes set out below, the accounting policies have been applied consistently with those adopted in the 2013 Annual Report, which contains the complete wording of the accounting policies applied.

Changed accounting policies

Effective 1 January 2014, the Spar Nord Group has implemented IFRS 10 and IFRS 12, as amended, IAS 27 (2011), IAS 28 (2011), Amendments to IAS 27 (2011), Amendments to IAS 39 and IFRIC 21.

IFRS 10 introduces a new control model to be applied to all the companies in which the Spar Nord Group holds an interest ("investees"), the focal point being whether the Spar Nord Group has a controlling interest in an investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

IFRS 12 contains disclosure requirements for both consolidated and non-consolidated enterprises, joint ventures and associates.

The implementation of the above-mentioned new standards and interpretations (IFRIC) has not materially affected recognition and measurement.

2 ACCOUNTING ESTIMATES

The measurement of certain assets and liabilities requires Management to estimate how future events will impact on the value of such assets and liabilities. Estimates of significance to the financial reporting are made in connection with determining the impairment of loans and advances, the fair value of unlisted financial instruments, provisions, etc. Estimates are based on assumptions that Management considers appropriate but which are uncertain by their nature.

The most significant estimates that Management makes in applying the Group's accounting policies and the most important uncertainty affecting estimates made when preparing the condensed Interim Financial Statements are unchanged from the estimates made in connection with the preparation of the Financial Statements at 31 December 2013 and the uncertainties prevailing at that time.

Note	DKK m	Spar Nord's Local Banks	Trading, Financial Markets & The International Division	Other areas	Core earnings *)	Reclassifications and Other items after core earnings **)	The Group's leasing activities (discontinuing activities) ***)	The Group, total
3 BUSINESS SEGMENTS - Q1 2014								
INCOME STATEMENT								
		370.7	33.0	-6.4	397.3	18.8	-	416.1
		199.6	5.0	0.6	205.2	0.0	-	205.2
		29.5	39.3	180.8	249.6	11.8	-	261.4
		1.9	0.5	5.9	8.3	0.0	-	8.3
		0.0	0.0	22.7	22.7	-1.3	-	21.4
		601.7	77.8	203.6	883.1	29.3	-	912.4
		358.4	14.7	66.3	439.4	23.5	-	462.9
		243.3	63.1	137.3	443.7	5.8	-	449.5
		90.0	0.0	0.0	90.0	19.4	-	109.4
		153.3	63.1	137.3	353.7	-13.6	-	340.1
		0.0	0.0	-24.7	-24.7	24.7	-	0.0
		0.0	0.0	0.0	0.0	0.0	-	0.0
		153.3	63.1	112.6	329.0	11.1	-	340.1
		-	-	-	-	-	9.0	9.0
		153.3	63.1	112.6	329.0	11.1	9.0	349.1

*) The core earnings column corresponds to the Group figures in the Management's review.

**) The relation to the Group is specified in the columns Reclassifications and other items after core earnings and The Group's leasing activities (discontinuing activities). Reclassifications and other items after core earnings of DKK -13.6 million consist of: Earnings from investment portfolios, DKK 11.1 million, Contributions to sector-wide solutions, DKK 24.7 million, and Special merger-related items, DKK 0.0 million. Contributions to sector-wide solutions and Special merger-related items have primarily impacted the item Operating expenses, depreciation and amortization, with a total of DKK 23.5 million.

***) For further information about discontinuing activities, please see note 21.

Note	Mio. kr.	Spar Nord's Local Banks	Trading, Financial Markets & The International Division	Other areas	Earnings from investment portfolios *)	The Group's leasing activities (discontinuing activities) ***)	The Group, total
3 BUSINESS SEGMENTS - Q1 2014 (CONTINUED)							
BALANCE SHEET							
	Loans, advances and other receivables at amortized cost	32,924.2	1,153.9	-60.7	0.0	1,760.7	35,778.1
	Equity investments in associates and group enterprises	0.0	0.0	1,005.2	1.7	0.0	1,006.9
	Intangible assets and property, plant and equipment *)	230.9	1.2	748.8	0.0	39.9	1,020.8
	Miscellaneous assets **)	10,525.1	25,292.6	2,219.4	138.1	45.0	38,220.2
	Total assets	43,680.2	26,447.7	3,912.7	139.8	1,845.6	76,026.0
	Deposits and other payables	41,404.5	1,179.6	-356.9	0.0	200.0	42,427.2
	Shareholders' equity (allocated capital)	3,743.1	798.6	2,134.7	17.0	160.7	6,854.1
	Miscellaneous liabilities	9,648.4	5,982.6	10,013.9	1.3	1,098.5	26,744.7
	Total shareholders' equity and liabilities	54,796.0	7,960.8	11,791.7	18.3	1,459.2	76,026.0
DISCLOSURES - TOTAL INCOME/REVENUE							
	Internal income/revenue	-18.3	0.2	142.0	0.0	-	123.9
	Internal income and eliminations offset against costs	0.0	-8.7	-115.2	0.0	-	-123.9
	Income/revenue, external customers	620.0	86.3	176.8	29.3	-	912.4
	Income/revenue, total	601.7	77.8	203.6	29.3	-	912.4
FINANCIAL RATIOS							
	Return on equity, % ****)	16.5	33.7	-	-	-	-
	Cost share of core income	0.60	0.19	-	-	-	-
	Total risk exposure, end of period	31,192	6,655	5,345	141	1,339	44,672
	Number of employees (full-time, end of period)	1,078	67	326	-	15	1,486

As in previous years, the Group uses core earnings as its profit target.

The reporting segments correspond to the Group's organizational units, and an internal follow-up is carried on in this regard.

Description of the activities of the business areas:

- For a description of the activities of Spar Nord's Local Banks, Trading, Financial Markets & the International Division and the Group's leasing activities (discontinuing activities), please see the 2013 Annual Report, pp. 17-21 and p. 62.
- The activities of Other areas include Corporate Coordination & Support and Staff Functions, which are the Group's support functions.
- Earnings from investment portfolios, etc. consist of earnings from the Bank's trading portfolio, Erhvervsinvest Nord A/S and companies from which investment in unlisted shares is carried on.

Internal settlement is determined based on the same principles as in previous years, and expresses contributions to earnings from the activities carried on by the respective business areas.

Internal control takes place based on a net-interest consideration, and accordingly interest income and expenses are not disclosed.

*) Assets located in countries other than Denmark amounted to DKK 2.1 million at 31 March 2014.

**) Temporary assets amount to DKK 127.7 million, of which DKK 25.8 million relates to the Group's leasing activities and DKK 101.9 million relates to Other areas.

***) For further information about discontinuing activities, please see note 21.

****) The rate of return on equity per annum has been calculated on allocated capital, which amounts to 12% of the average total risk exposure.

Note	DKK m	Spar Nord's Local Banks	Trading, Financial Markets & The International Division	Other areas	Core earnings *)	Reclassifications and Other items after core earnings **)	The Group's leasing activities (discontinuing activities) ***)	The Group, total
3 BUSINESS SEGMENTS - Q1 2013								
INCOME STATEMENT								
	Net interest income	399.2	60.8	-9.2	450.8	78.0	-	528.8
	Net income from fees, charges and commissions	188.9	5.4	1.9	196.2	-0.1	-	196.1
	Market-value adjustments and dividends	23.7	50.2	2.7	76.6	0.4	-	77.0
	Other operating income	3.4	0.2	4.5	8.1	0.0	-	8.1
	Profit/loss on equity investments in associates	0.0	0.0	16.1	16.1	15.5	-	31.6
	Core income/revenue, total	615.2	116.6	16.0	747.8	93.8	-	841.6
	Operating expenses, depreciation and amortization	359.9	14.0	52.7	426.6	45.5	-	472.1
	Core earnings before impairment	255.3	102.6	-36.7	321.2	48.3	-	369.5
	Impairment of loans, advances and receivables, etc.	109.5	0.0	-0.9	108.6	78.6	-	187.2
	Core earnings / profit/loss on ordinary operations	145.8	102.6	-35.8	212.6	-30.3	-	182.3
	Contributions to sector-wide solutions	0.0	0.0	-31.2	-31.2	31.2	-	0.0
	Special merger-related items	-	-	-15.9	-15.9	15.9	-	0.0
	Profit/loss on continuing activities before tax	145.8	102.6	-82.9	165.5	16.8	-	182.3
	The Group's leasing activities (discontinuing activities) ***)	-	-	-	-	-	10.3	10.3
	Profit/loss before tax	145.8	102.6	-82.9	165.5	16.8	10.3	192.6

*) The core earnings column corresponds to the Group figures in the Management's review.

***) The relation to the Group is specified in the columns Reclassifications and other items after core earnings and The Group's leasing activities (discontinuing activities). Reclassifications and other items after core earnings of DKK -30.3 million consist of: Earnings from investment portfolios, DKK 16.8 million, Contributions to sector-wide solutions, DKK -31.2 million, and Special merger-related items, DKK -15.9 million. Contributions to sector-wide solutions and Special merger-related items have primarily impacted the item Operating expenses, depreciation and amortization, with a total of DKK 45.5 million. Reclassifications have impacted the items Net interest income, Other operating income and Impairment of loans, advances and receivables, etc. with an amount of DKK 78.6 million.

***) For further information about discontinuing activities, please see note 21.

Note	Mio. kr.	Spar Nord's Local Banks	Trading, Financial Markets & The International Division	Other areas	Earnings from investment portfolios *)	The Group's leasing activities (discontinuing activities) ***)	The Group, total
3 BUSINESS SEGMENTS - Q1 2013 (continued)							
BALANCE SHEET							
	Loans, advances and other receivables at amortized cost	34,289.0	437.1	-238.2	0.0	3,510.4	37,998.5
	Equity investments in associates and group enterprises	0.0	0.0	963.1	1.8	0.0	964.9
	Intangible assets and property, plant and equipment *)	249.2	1.6	842.0	0.0	82.9	1,175.7
	Miscellaneous assets **)	8,158.2	26,832.0	3,153.2	140.0	69.1	38,352.5
	Total assets	42,696.4	27,270.7	4,720.1	141.8	3,662.6	78,491.6
	Deposits and other payables	41,256.8	1,281.4	-438.2	0.0	600.0	42,700.0
	Shareholders' equity (allocated capital)	3,865.6	671.8	1,249.7	11.3	344.4	6,142.8
	Miscellaneous liabilities	7,280.0	5,464.1	14,432.4	6.2	2,466.1	29,648.8
	Total shareholders' equity and liabilities	52,402.4	7,417.3	15,243.9	17.5	3,410.5	78,491.6
DISCLOSURES - TOTAL INCOME/REVENUE							
	Internal income/revenue	-18.4	9.1	199.7	-0.2	0.0	190.2
	Internal income and eliminations offset against costs	0.0	-8.8	-181.4	0.0	0.0	-190.2
	Income/revenue, external customers	633.6	116.3	-2.3	94.0	0.0	841.6
	Income/revenue, total	615.2	116.6	16.0	93.8	0.0	841.6
FINANCIAL RATIOS							
	Return on equity, % ****)	5.3	23.0	-	-	-	-
	Cost share of core income	0.59	0.12	-	-	-	-
	Total risk exposure, end of period	32,213	5,599	4,278	94	2,870	45,054
	Number of employees (full-time, end of period)	1,090	70	433	-	19	1,612

As in previous years, the Group uses core earnings as its profit target.

The reporting segments correspond to the Group's organizational units, and an internal follow-up is carried on in this regard.

DESCRIPTION OF THE ACTIVITIES OF THE BUSINESS AREAS:

- For a description of the activities of Spar Nord's Local Banks, Trading, Financial Markets & the International Division and the Group's leasing activities (discontinuing activities), please see the 2013 Annual Report, pp. 17-21 and p. 62.
- The activities of Other areas include Corporate Coordination & Support and Staff Functions, which are the Group's support functions.
- Earnings from investment portfolios, etc. consist of earnings from the Bank's trading portfolio, Erhvervsinvest Nord A/S and companies from which investment in unlisted shares is carried on.

Internal settlement is determined based on the same principles as in previous years, and expresses contributions to earnings from the activities carried on by the respective business areas.

Internal control takes place based on a net-interest consideration, and accordingly interest income and expenses are not disclosed.

*) Assets located in countries other than Denmark amounted to DKK 4.7 million at 31 March 2013.

**) Temporary assets amount to DKK 68.7 million, of which DKK 66.1 million relates to the Group's leasing activities and DKK 2.6 million relates to Other areas.

***) For further information about discontinuing activities, please see note 21.

****) The rate of return on equity per annum has been calculated on allocated capital, which amounts to 12% of the average total risk exposure.

Note	DKK m	Q1 2014	Q1 2013	Full year 2013
4	INTEREST INCOME			
	Receivables from credit institutions and central banks	1.5	1.5	5.4
	Loans, advances and other receivables	479.1	547.7	2,085.1
	Interest income, discontinuing activities *)	-10.1	-23.2	-68.7
	Bonds	67.2	95.7	353.3
	Foreign-exchange contracts	-2.0	-1.4	-6.8
	Interest-rate contracts	-8.4	-13.0	-41.2
	Derivative instruments, total	-10.4	-14.4	-48.0
	Other interest income	19.4	79.0	270.8
	Total interest income	546.7	686.3	2,597.9
	<i>Of which, income from genuine purchase and resale transactions booked under</i>			
	Receivables from credit institutions and central banks	-0.8	-0.8	-3.0
	Loans, advances and other receivables	0.3	0.1	0.4
	*) Discontinuing activities are described in more detail in note 21			
5	INTEREST EXPENSES			
	Credit institutions and central banks	3.7	4.1	13.8
	Deposits and other payables	80.2	103.2	392.4
	Bonds issued	1.6	27.3	61.4
	Interest expenses, discontinuing activities *)	-10.1	-23.2	-68.7
	Subordinated debt	55.1	46.1	179.2
	Other interest expenses	0.1	0.0	0.0
	Total interest expenses	130.6	157.5	578.1
	<i>Of which, interest expenses from genuine sale and repo transactions booked under</i>			
	Payables to credit institutions and central banks	1.8	0.5	2.8
	Deposits and other payables	0.0	0.0	0.0
	*) Discontinuing activities are described in more detail in note 21			
6	FEES, CHARGES AND COMMISSIONS RECEIVED			
	Securities trading and custody accounts	31.3	31.0	137.7
	Asset management	39.3	38.2	163.1
	Payment services	19.8	18.8	76.4
	Loan transaction fees	82.6	70.1	313.6
	- of which, mortgage-credit institutions	55.7	46.3	205.2
	Guarantee commissions	9.3	11.1	41.0
	Other fees, charges and commissions	35.8	38.3	52.5
	Total fees, charges and commissions received	218.1	207.5	784.3
7	FEES, CHARGES AND COMMISSIONS PAID			
	Securities trading and custody accounts	3.8	3.7	22.5
	Asset management	0.1	0.4	2.5
	Guarantee commissions	0.2	0.1	0.3
	Other fees, charges and commissions	8.8	7.2	39.7
	Total fees, charges and commissions paid	12.9	11.4	65.0
8	NET FEES, CHARGES AND COMMISSIONS RECEIVED			
	Securities trading and custody accounts	27.5	27.3	115.2
	Asset management	39.2	37.8	160.6
	Payment services	19.8	18.8	76.4
	Loan transaction fees	82.6	70.1	313.6
	- of which, mortgage-credit institutions	55.7	46.3	205.2
	Guarantee commissions	9.1	11.0	40.7
	Other fees, charges and commissions	27.0	31.1	12.8
	Total net fees, charges and commissions received	205.2	196.1	719.3
9	MARKET-VALUE ADJUSTMENTS			
	Other loans, advances and receivables at fair value	0.2	-1.0	-8.6
	Bonds	60.3	13.3	-55.0
	Shares, etc.	207.1	25.1	90.8
	Currency	10.5	28.7	-35.2
	Foreign-exchange, interest, share, commodity and other contracts and derivative instruments	-38.2	-5.3	144.7
	Assets linked to pooled schemes	300.4	261.3	745.2
	Deposits in pooled schemes	-300.4	-261.3	-745.2
	Miscellaneous commitments	9.3	15.9	56.7
	Total market-value adjustments	249.2	76.7	193.4

Note	Mio. kr.	Q1 2014	Q1 2013	Full year 2013
10 STAFF COSTS AND ADMINISTRATIVE EXPENSES				
Staff costs		258.8	257.0	1,011.2
Administrative expenses		164.7	166.7	597.3
Total staff costs and administrative expenses		423.5	423.7	1,608.5
<i>Staff costs</i>				
Salaries		212.6	213.0	798.6
Share-based payment		-	-	-
Pensions		23.6	25.5	105.2
Social security costs		22.6	18.5	107.4
Total staff costs		258.8	257.0	1,011.2
<i>Of which, remuneration to present and previous Executive Board members and Directors amounts to</i>				
<i>Board of Directors</i>				
Number		10	10	10
Fixed pay		0.8	0.7	2.7
Variable pay		-	-	-
Pension		-	-	-
Total remuneration		0.8	0.7	2.7
<i>Executive Board</i>				
Number		4	4	4
Base salary		3.0	2.9	12.6
- less fees received from directorships		0.3	0.3	1.6
The Bank's expense, base salary		2.7	2.6	11.0
Pension, ordinary contribution		0.4	0.4	1.6
Pension, extraordinary single payment		0.0	0.0	0.9
Total remuneration earned and paid		3.1	3.0	13.5
<i>Breakdown of remuneration to Executive Board</i>				
<i>Lasse Nyby *)</i>				
Base salary		0.8	0.8	3.5
- less fees received from directorships		0.1	0.1	0.5
The Bank's expense, base salary		0.7	0.7	3.0
Pension, ordinary contribution		0.1	0.1	0.5
Pension, extraordinary single payment		0.0	0.0	0.3
Total remuneration earned and paid		0.8	0.8	3.8
<i>Bent Jensen *)</i>				
Base salary		0.7	0.7	3.0
- less fees received from directorships		0.0	0.0	0.0
The Bank's expense, base salary		0.7	0.7	3.0
Pension, ordinary contribution		0.1	0.1	0.3
Total remuneration earned and paid		0.8	0.8	3.3
<i>John Lundsgaard</i>				
Base salary		0.8	0.7	3.1
- less fees received from directorships		0.1	0.1	0.6
The Bank's expense, base salary		0.7	0.6	2.5
Pension, ordinary contribution		0.1	0.1	0.4
Total remuneration earned and paid		0.8	0.7	2.9
<i>Lars Møller *)</i>				
Base salary		0.7	0.7	3.0
- less fees received from directorships		0.1	0.1	0.5
The Bank's expense, base salary		0.6	0.6	2.5
Pension, ordinary contribution		0.1	0.1	0.4
Pension, extraordinary single payment		0.0	0.0	0.6
Total remuneration earned and paid		0.7	0.7	3.5
*) To which must be added employer-paid car.				
Termination rules: The members of the Executive Board have a term of notice of 12 months and will receive compensation on termination of employment corresponding to two years' pay.				
Pension obligation: Like the other employees, members of the Executive Board are comprised by defined-contribution pension plans.				
The contractual provisions upon resignation in connection with transition to a retirement plan between age 60 and 64 previously applying to Lasse Nyby, Lars Møller and John Lundsgaard were removed as at 30 April 2013 and replaced by a higher regular pension contribution coupled with a higher extraordinary single pension payment.				
Incentive scheme: No new share-option schemes were established for any of the Bank's staff groups.				
<i>Number of employees:</i>				
The average number of employees in terms of full-time employees:				
- continuing activities		1,470.9	1,607.4	1,535.7
- discontinuing activities		15.4	18.8	17.9

Note	DKK m	Q1 2014	Q1 2013	Full year 2013
	<i>Administrative expenses:</i>			
	IT expenses	78.6	78.1	299.3
	Marketing costs	24.8	23.7	90.1
	Cost of premises	24.3	24.2	92.7
	Staff and travelling expenses	14.6	15.8	54.1
	Office expenses	9.1	10.4	34.5
	Other administrative expenses	13.3	14.5	26.6
	Total administrative expenses	164.7	166.7	597.3
11	RECEIVABLES FROM CREDIT INSTITUTIONS AND CENTRAL BANKS			
	Receivables from central banks, subject to notice	0.0	0.0	0.0
	Receivables from credit institutions	3,156.4	3,637.6	3,212.4
	Total receivables from credit institutions and central banks	3,156.4	3,637.6	3,212.4
12	IMPAIRMENT ACCOUNT			
	<i>Individual impairment of loans and advances</i>			
	Individual impairment, beginning of period	1,535.3	1,230.3	1,230.3
	New individual impairment	147.3	249.8	811.0
	Reversal of individual impairment losses	57.9	64.6	281.2
	Previously written down, now definitively lost	68.6	58.0	317.7
	Interest on impaired loans and advances taken to income	21.1	21.5	92.9
	Individual impairment, end of period	1,577.2	1,379.0	1,535.3
	<i>Groups of impairment losses, loans and advances</i>			
	Groups of impairment losses, beginning of period	57.8	97.4	97.4
	New groups of impairment losses	10.0	0.0	0.8
	Reversal of groups of impairment losses	1.1	4.2	40.4
	Groups of impairment losses, end of period	66.7	93.2	57.8
	<i>Total impairment of loans and advances</i>			
	Impairment, beginning of period	1,593.1	1,327.7	1,327.7
	New impairment	157.3	249.8	811.8
	Reversal of impairment losses	59.0	68.8	321.6
	Previously written down, now definitively lost	68.6	58.0	317.7
	Interest on impaired loans and advances taken to income	21.1	21.5	92.9
	Impairment, end of period	1,643.9	1,472.2	1,593.1
	<i>Impairment recognized in the income statement</i>			
	New impairment	157.3	249.8	811.8
	Reversal of impairment losses	59.0	68.8	321.6
	Losses without prior impairment	19.7	19.6	229.7
	Carried to income, previously written off	10.1	9.2	46.2
	Recognized in the income statement	107.9	191.4	673.7
	<i>Provisions for losses on guarantees</i>			
	Provisions, beginning of period	2.4	2.3	2.3
	New provisions	0.0	0.0	0.9
	Reversal of provisions	0.0	0.0	0.8
	Provisions for losses on guarantees, end of period	2.4	2.3	2.4
	<i>Provisions for losses on guarantees recognized in the income statement</i>			
	New provisions	0.0	0.0	0.9
	Reversal of provisions	0.0	0.0	0.8
	Recognized in the income statement	0.0	0.0	0.1
	Impairment account for loans, advances and provisions for losses on guarantees, total	1,646.3	1,474.5	1,595.5
	<i>Impairment, other credit risks</i>			
	Impairment, other credit risks, beginning of period	10.5	0.0	0.0
	New impairment	0.0	0.0	10.5
	Impairment, other credit risks, total	10.5	0.0	10.5
	Impairment account for loans, advances, provisions for losses on guarantees and other credit risks, total	1,656.8	1,474.5	1,606.0
	Impairment of loans, advances and receivables, etc.			
	<i>The total recognition in the income statement under impairment of loans, advances and receivables, etc. can be broken down as follows:</i>			
	Receivables from credit institutions	0.0	0.0	10.5
	Impairment of loans, advances and receivables, etc.	107.9	191.4	673.7
	Provisions for losses on guarantees	0.0	0.0	0.1
	Total impairment of loans, advances and receivables, etc.	107.9	191.4	684.3
	Recognized in profit/loss on discontinuing activities	-1.5	4.2	-20.9
	Recognized in impairment of loans, advances and receivables, etc.	109.4	187.2	705.2

Note	DKK m	Q1 2014	Q1 2013	Full year 2013						
<i>Total impairment recognized under profit/loss on discontinuing activities</i>										
	New impairment losses and reversal of impairment losses	-1.5	4.2	-20.9						
	Losses without prior impairment	3.6	9.0	55.7						
	Carried to income, previously written off	2.1	5.8	13.6						
	Recognized in the income statement	0.0	7.4	21.2						
<i>Non-performing loans</i>										
	Continuing activities	394.4	468.1	399.1						
	Discontinuing activities	41.0	19.3	33.3						
	Total non-accrual loans	435.4	487.4	432.4						
Interest on impaired receivables is calculated on the impaired balance only										
<i>Interest on impaired loans and advances taken to income:</i>										
	Continuing activities	20.0	20.0	87.8						
	Discontinuing activities	1.1	1.5	5.1						
	Total interest on impaired loans and advances taken to income	21.1	21.5	92.9						
13	OTHER ASSETS									
	Positive market value of derivative instruments, etc.	1,352.0	1,896.2	1,393.9						
	Miscellaneous receivables	20.4	136.6	50.5						
	Interest and commissions receivable	279.5	326.1	330.1						
	Miscellaneous assets	48.7	35.3	74.1						
	Other assets, total	1,700.6	2,394.2	1,848.6						
14	DEPOSITS AND OTHER PAYABLES									
	Demand deposits	29,123.6	26,994.5	28,453.4						
	Subject to notice	5,677.5	6,723.7	5,561.6						
	Time deposits	2,841.5	3,628.3	2,891.3						
	Special types of deposit	4,784.6	5,353.5	4,924.2						
	Deposits and other payables, total	42,427.2	42,700.0	41,830.5						
15	OTHER LIABILITIES									
	Miscellaneous payables	1,615.2	1,199.1	1,524.1						
	Negative market value of derivative instruments, etc.	1,327.1	1,782.1	1,362.0						
	Interest and commissions payable	185.6	225.1	206.4						
	Miscellaneous liabilities	448.6	843.4	575.0						
	Other liabilities, total	3,576.5	4,049.7	3,667.5						
16	SUBORDINATED DEBT									
	Currency	Note	Principal (DKK m)	Interest rate	Received	Maturity				
	DKK	a	200.0	3.070 pct.	2006	14.11.2014	0.0	200.0	0.0	
	DKK	b	58.0	8.000 pct.	2010	25.11.2020	57.8	57.7	57.8	
	DKK	c	400.0	6.043 pct.	2012	28.11.2022	397.5	396.3	394.0	
	DKK	d	700.0	4.193 pct.	2013	18.12.2023	696.9	0.0	696.7	
	Supplementary capital contributions, total						1,152.2	654.0	1,148.5	
	Hybrid core capital									
	DKK	e	350.0	5.250 pct.	2005	Perpetual	361.0	371.8	363.8	
	DKK	f	200.0	4.804 pct.	2005	Perpetual	207.7	212.6	208.9	
	DKK	g	1,265.0	9.690 pct.	2009	Perpetual	1,274.4	1,307.9	1,282.7	
	Portfolio of own bonds							-2.9	0.0	-1.5
	Subordinated debt, total						2,992.4	2,546.3	3,002.4	
	Interest on subordinated debt							52.3	45.6	176.9
	Costs of raising subordinated debt							0.8	0.5	2.3

a. Redeemed on 15.05.2013.

b. Redeemable as from 25.11.2015, after which date interest is fixed at Danmarks Nationalbank's 5-year swap rate + a 5.416% margin.

c. Redeemable as from 28.11.2017, after which date interest is fixed at DKKC3M + a 5.00% margin.

d. Redeemable as from 18.12.2018.

e. Redeemable as from 16.03.2015, after which date interest is fixed at DKKC3M + a 2.33% margin.

f. Redeemable as from 09.09.2015, after which date interest is fixed at DKKC3M + a 2.60% margin.

g. Redeemable as from 30.05.2014 - 30.06.2014 at par, from 01.07.2014 - 30.06.2015 at a price of 105 and after that at a price of 110.

Note	DKK m	Q1 2014	Q1 2013	Full year 2013
17	CONTINGENT ASSETS			
	The Group has an unutilized tax loss of DKK 36.6 million (Q1 2013: DKK 59.0 million; 2013: DKK 36.6 million), equal to a tax base of DKK 8.1 million (Q1 2013: DKK 14.7 million; 2013: DKK 8.1 million), which has not been recognized in the balance sheet as the time horizon for utilizing it is long.			
	The unutilized tax loss has arisen as a result of the merger between Spar Nord Bank A/S and Sparbank A/S, but is a separate loss specifically relating to Aktieselskabet Skelagervej 15 (a previous, jointly taxed subsidiary of Sparbank A/S), which means that only Aktieselskabet Skelagervej 15 can utilize the tax loss.			
	The subgroup joint taxation loss arose during the period of joint taxation between Aktieselskabet Skelagervej 15 and Sparbank A/S, during which period tax losses were realized.			
	Other deferred tax assets not recognized amount to DKK 2.0 million (Q1 2013: DKK 0.0 million; 2013: DKK 2.9 million).			
18	CONTINGENT LIABILITIES			
	The Bank and all major wholly-owned subsidiaries are jointly registered for payroll tax and VAT and are jointly and severally liable for the payroll tax and VAT payable.			
	Financial guarantees	1,968.1	2,097.1	1,995.1
	Loss guarantees for mortgage-credit loans	2,008.8	1,767.4	1,946.5
	Registration and refinancing guarantees	654.6	940.1	757.5
	Other contingent liabilities	680.4	680.9	680.9
	Total contingent liabilities	5,311.9	5,485.5	5,380.0
	Reference is made to note 10 regarding the Executive Board's notice of termination and the associated compensation.			
	In addition, the Spar Nord Group has contingent liabilities and other obligating agreements corresponding to the relative ownership interest in associates. These contingent liabilities do not differ by type from the Spar Nord Group's contingent liabilities.			
	Spar Nord Bank A/S is taxed jointly with other Danish and foreign subsidiaries in the Spar Nord Group. As the management company, Spar Nord Bank has unlimited, joint and several liability together with the other jointly taxed companies for the Danish corporate income tax payable.			
	The corporate income taxes receivable within the group of jointly taxed companies amounted to DKK 30.0 million (Q1 2013: DKK -19.8 million; 2013: DKK 58.4 million). Any adjustments to the taxable income subject to joint taxation might entail an increase in the Parent Company's liability.			
	Spar Nord Bank has made provisions for a deferred tax liability in respect of the retaxation balance related to international joint taxation.			
	Participation in the statutory depositors' guarantee fund in Denmark requires the participating institutions to pay a fixed annual contribution of 2.5‰ of the guaranteed net deposits ("insurance-based model"). Payments to the Financial Institutions Department must continue until the amounts in the fund exceed 1% of the guaranteed net deposits. The Financial Institutions Department covers the direct losses associated with the winding-up of Danish financial institutions in accordance with Bank Packages 3 and 4, where such losses can be attributed to the guaranteed net deposits. Any losses in connection with the final winding-up will be covered by the guarantee fund via the Winding-up and Restructuring Department in which Spar Nord guarantees about 4.5% of any losses.			
	Uncertainty attaches to the amount of the contingent liabilities and the possible due dates.			
19	OTHER OBLIGATING AGREEMENTS			
	Irrevocable credit commitments	0.6	0.0	0.0
	Other	633.3	596.5	633.3
	Other obligating agreements, total	633.9	596.5	633.3
	<i>Miscellaneous is composed of:</i>			
	<i>Lease obligations, with the Group as lessee *)</i>			
	Spar Nord Bank is the lessee under a number of operating leases. Operating leases are lease agreements under which Spar Nord Bank has the right to use an asset for an agreed term against the payment of rental, without taking over the most significant risks and gains associated with the asset. The lease agreements concern the rental of properties and operating equipment and are not recognized in the balance sheet. The lease agreements until the legal notice of termination date represent an amount of DKK 92 million.			
	<i>Data processing centre *)</i>			
	The Bank has concluded an agreement with the data-processing centre Skandinavisk Data Center A/S regarding provision of services in the IT area. Early cancellation of this agreement within the agreed notice period would result in the Bank incurring a maximum cost of DKK 541 million, corresponding to 36 times the current average monthly payment.			
	The Spar Nord Group has no other obligating agreements.			
	<i>*) According to the most recent Annual Report</i>			

Note	DKK m	Q1 2014	Q1 2013	Full year 2013
20 BUSINESS COMBINATIONS				
<p>On 28 April 2014 Spar Nord entered into an agreement with Basisbank regarding the acquisition of Basisbank's lending activity in the residential and cooperative housing market. As a result of this agreement, Spar Nord is expected to take over about 1,000 customers with a total loan volume of about DKK 0.2 billion and a total business volume of about DKK 0.3 billion.</p> <p>At the time of presenting these Interim Financial Statements, it was not possible – on account of time constraints – to calculate the fair value of the assets acquired. The fair values will be determined in Spar Nord Bank A/S' Interim Report for Q2 2014.</p>				
21 DISCONTINUING ACTIVITIES				
<p>Discontinuing activities comprise activities in Spar Nord Leasing and the leasing activities acquired in connection with the merger with Sparbank.</p> <p>In connection with the merger with Sparbank at 15 November 2012, the leasing activities from Sparbank were classified as discontinuing assets, which means that the Spar Nord Group's total leasing activities at the end of 2013 were classified as discontinuing activities.</p> <p>The figures shown below are income and costs, etc. that will no longer accrue once the leasing activities have been fully discontinued.</p>				
Income statement disclosures – discontinuing activities				
		27.8	51.5	192.2
Interest income		10.1	23.6	68.7
Interest expenses		17.7	27.9	123.5
Net interest income				
Fees, charges and commissions received		0.5	1.0	3.5
Fees, charges and commissions paid		0.0	0.1	0.3
Net income from interest, fees, charges and commissions		18.2	28.8	126.7
Market-value adjustments		0.0	1.2	-0.6
Other operating income		7.7	22.9	54.2
Staff costs and administrative expenses		14.4	16.4	58.7
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		1.5	16.5	31.0
Other operating expenses		1.0	2.3	5.3
Impairment of loans, advances and receivables, etc.		0.0	7.4	21.2
Profit/loss before tax		9.0	10.3	64.1
Tax		3.3	2.4	-3.0
Total profit/loss on discontinuing activities		5.7	7.9	67.1
Cash flow statement disclosures – discontinuing activities				
Cash generated from operations		102.1	40.3	-102.2
Cash generated from investments		-2.2	198.9	267.3
Cash generated from financing		-100.0	-250.0	-250.0
Total cash flows		-0.1	-10.8	-84.9
Earnings per share on discontinuing activities (DKK)		0.1	0.1	0.5
Diluted earnings per share on discontinuing activities (DKK)		0.1	0.1	0.5

Note DKK m

FAIR-VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial instruments recognized at fair value

The fair value is the amount at which a financial asset may be traded between knowledgeable, willing parties in an arm's length transaction. If there is an active market, the market price is used by way of a listed price or price quotation. If a financial instrument is quoted in a market that is not active, the Bank bases its valuation on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance, by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations. For a number of financial assets and liabilities, no effective market exists. In this case, the Group uses an estimated value, taking into account recent transactions in similar instruments and using discounted cash flows or generally accepted estimation and valuation techniques based on market conditions at the reporting date.

Breakdown of financial instruments relative to the fair-value hierarchy classification and the carrying amount.

	Listed prices Level 1 DKK m	Observable inputs Level 2 DKK m	Unobservable inputs Level 3 DKK m	Fair value Total DKK m	Carrying amount DKK m
Q1 2014					
<i>Financial assets</i>					
Bonds at fair value	8,414.9	11,782.0	71.4	20,268.3	20,268.3
Shares, etc.	136.1	1,214.6	78.9	1,429.6	1,429.6
Assets linked to pooled schemes	8,189.9	1,675.5	0.0	9,865.4	9,865.4
Positive market value of derivative instruments	0.0	1,352.0	0.0	1,352.0	1,352.0
Total	16,740.9	16,024.1	150.3	32,915.3	32,915.3
<i>Financial liabilities</i>					
Deposits in pooled schemes	0.0	9,865.4	0.0	9,865.4	9,865.4
Other non-derivative financial liabilities at fair value	1,505.9	181.4	0.0	1,687.3	1,687.3
Negative market value of derivative instruments	0.0	1,327.1	0.0	1,327.1	1,327.1
Total	1,505.9	11,373.9	0.0	12,879.8	12,879.8
Q1 2013					
<i>Financial assets</i>					
Bonds at fair value	8,555.3	12,722.3	98.5	21,376.1	21,376.1
Shares, etc.	130.1	1,009.8	90.1	1,230.0	1,230.0
Assets linked to pooled schemes	6,703.3	743.7	0.0	7,447.0	7,447.0
Positive market value of derivative instruments	0.0	1,896.2	0.0	1,896.2	1,896.2
Total	15,388.7	16,372.0	188.6	31,949.3	31,949.3
<i>Financial liabilities</i>					
Deposits in pooled schemes	0.0	7,447.0	0.0	7,447.0	7,447.0
Other non-derivative financial liabilities at fair value	1,380.6	54.5	0.0	1,435.1	1,435.1
Negative market value of derivative instruments	0.0	1,782.1	0.0	1,782.1	1,782.1
Total	1,380.6	9,283.6	0.0	10,664.2	10,664.2
2013					
<i>Financial assets</i>					
Bonds at fair value	8,392.2	10,346.4	71.8	18,810.4	18,810.4
Shares, etc.	140.1	996.1	79.3	1,215.5	1,215.5
Assets linked to pooled schemes	7,706.9	1,345.4	0.0	9,052.3	9,052.3
Positive market value of derivative instruments	0.0	1,393.9	0.0	1,393.9	1,393.9
Total	16,239.2	14,081.8	151.1	30,472.1	30,472.1
<i>Financial liabilities</i>					
Deposits in pooled schemes	0.0	9,052.3	0.0	9,052.3	9,052.3
Other non-derivative financial liabilities at fair value	1,729.6	92.5	0.0	1,822.1	1,822.1
Negative market value of derivative instruments	0.0	1,362.0	0.0	1,362.0	1,362.0
Total	1,729.6	10,506.8	0.0	12,236.4	12,236.4

Bonds, assets linked to pooled schemes, other non-derivative financial liabilities and derivative instruments are valued according to the following principles:

In case of listed prices, the fair value is fixed at the listed price or the price quoted by a recognized exchange or another external party.

In case of pricing based on observable inputs, the fair value is calculated by means of a market-based yield curve plus/minus a credit spread, which is also calculated based on market prices.

In case of pricing based on non-observable inputs, the calculation includes inputs based on the Bank's own valuations of individual elements, and also market data in some cases.

Shares are valued according to the following principles:

In case of listed prices, the fair value is fixed at the price quoted by a recognized exchange or another external party.

In case of pricing based on observable inputs, the fair value is calculated in accordance with the provisions of shareholders' agreements, etc. or inputs based on actual trades. Shares are priced on the basis of the prices recommended by Lokale Pengeinstitutter (the Association of Local Banks, Savings Banks and Cooperative Banks in Denmark) as observable inputs, reclassified from level 1 to level 2 in Q1 2013.

In case of pricing based on non-observable inputs, the calculation includes shares valued according to generally accepted valuation principles, e.g., the discounting of future expected cash flows.

The fair value has been determined reliably for all shares, and accordingly no shares have been recognized at cost.

Other non-derivative financial liabilities at fair value are included in the breakdown for Q1 2014.

The comparative figures have been restated.

Financial instruments measured at fair value based on non-observable prices (Level 3)

In Q1 2014 the Bank recognized unrealized market-value adjustments of DKK 1.1 million (Q1 2013: DKK -2.1 million; 2013: DKK -0.3 million) in respect of unlisted shares and bonds valued on the basis of non-observable inputs.

DKK m	Q1 2014	Q1 2013	Full year 2013
Carrying amount, beginning of period	151.1	194.5	194.5
Market-value adjustments in the income statement	1.1	-2.1	19.1
Market-value adjustments to other comprehensive income	0.0	0.0	0.0
Purchase	0.8	4.7	26.4
Sale	2.7	8.5	93.1
Transferred to/from Level 3	0.0	0.0	4.2
Carrying amount, end of period	150.3	188.6	151.1
OWN FUNDS			
Shareholders' equity	6,854.1	6,142.8	6,532.7
Proposed dividend	125.5	0.0	125.5
Intangible assets, incl. share recognized in investments in associates	208.8	235.2	250.9
Deferred tax assets *)	18.7	26.0	22.4
Other primary deductions	139.5	4.5	4.0
Deductions, equity investments	107.8	0.0	0.0
Revaluation reserves	0.0	83.5	84.5
Foreign-currency translation reserve	4.2	11.3	4.3
Common Equity (Tier 1)	6,249.6	5,782.3	6,041.1
Hybrid core capital **)	1,703.7	1,813.3	1,813.7
Other deductions	215.7	428.6	417.9
Core capital	7,737.6	7,167.0	7,436.9
Subordinated debt, excl. hybrid core capital **)	1,149.8	454.0	1,150.4
Revaluation reserve	0.0	83.5	84.5
Foreign-currency translation reserve	0.0	11.3	4.3
Other deductions	215.7	428.6	413.2
Own funds	8,671.7	7,287.2	8,262.9
Total risk exposure	44,672.3	45,054.5	42,696.7
Common Equity (Tier 1) ratio, %	14.0	12.8	14.1
Core capital (Tier 1) ratio, %	17.3	15.9	17.4
Total capital ratio, %	19.4	16.2	19.4

The capital adequacy calculation includes recognition of profit/loss for the period.

*) Amount relating to a separate loss in a subsidiary.

**) Including portfolio of own bonds.

COLLATERAL

At the end of Q1, the following securities were deposited in connection with margining and securities settlement, etc.

With Danmarks Nationalbank (the central bank), the Royal Bank of Scotland (RBS) and foreign clearing centres

Bonds included in the trading portfolio	5,866.0	6,657.2	7,101.7
Shares not included in the trading portfolio	347.2	329.9	341.7
Deposits, futures clearing	8.4	13.3	4.1
<i>In credit institutions</i>			
Provided under CSA agreements, etc. for derivatives trades	935.8	1,118.0	913.6
Received under CSA agreements, etc. for derivatives trades	11.8	144.8	8.5
Bonds sold as an element in genuine sale and repo transactions	3,942.5	3,683.1	3,397.7
Bonds bought as an element in genuine sale and repo transactions	1,835.3	1,738.5	1,865.0
<i>Vis-à-vis customers</i>			
Provided under CSA agreements, etc. for derivatives trades	0.0	0.9	0.9
Received under CSA agreements, etc. for derivatives trades	0.0	7.0	0.0
Bonds bought as an element in genuine sale and repo transactions	1,030.5	46.2	1,785.6

Uncollateralized securities deposited may be released on demand.

The minimum value of collateral required to be provided with Danmarks Nationalbank's amounted to DKK 2,000.0 million at the end of Q1 2014 (end-2013: DKK 3,000.0 million).

DKK m	Q1 2014	Q1 2013	Full year 2013
HEDGE ACCOUNTING			
Assets			
Loans and advances			
Carrying amount	86.0	88.6	85.7
Purchase price	75.0	75.0	75.0
Fair value	86.0	88.6	85.7
Nominal value	75.0	75.0	75.0
<i>Derivatives (swap contracts)</i>			
Carrying amount	-11.0	-13.6	-10.7
Fair value	-11.0	-13.6	-10.7
Synthetic principal/nominal value	75.0	75.0	75.0
Liabilities			
<i>Subordinated debt</i>			
Carrying amount	2,244.1	2,293.9	2,253.3
Purchase price	2,215.0	2,215.0	2,215.0
Fair value	2,244.1	2,293.9	2,253.3
Nominal value	2,215.0	2,215.0	2,215.0
<i>Derivatives (swap contracts)</i>			
Carrying amount	28.2	77.7	37.7
Fair value	28.2	77.7	37.7
Synthetic principal/nominal value	2,215.0	2,215.0	2,215.0

Ownership

The Spar Nord Foundation, Aalborg, Nykredit Realkredit A/S, Copenhagen, FMR LLC, Boston, MA, and Wellington Management Company LLP, Boston, MA, have disclosed that they each own more than 5% of the share capital of Spar Nord Bank A/S.