



# Quarterly report 1 Q 2013



• Skjern Bank in Skjern

Stock Exchange Ann. no 10/2013 - 2nd May 2013

## Strong capital and „state out of the bank”

- Solvency and core capital ratio of 17.4% and 13.7% after repayment of state-funded hybrid core capital of nominally DKK 65 million
- Satisfactory deposit surplus of DKK 402 million
- The individual solvency requirements were estimated at 11.9%, which is unchanged compared to 31 December 2012
- Acceptable profit before tax of DKK 6.9 million compared to DKK 7.5 million in 2012
- Devaluation of DKK 14.7 million compared to DKK 14 million in 2012
- The base profit for the entire year is expected to be at the level of DKK 85 - 100 million before devaluations and exchange rate adjustments
- Annual profit before tax in 2013 is expected to be significantly higher than in 2012
- All state-guaranteed loans under the bank packages were repaid

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## 5 years in summary

1,000 DKK	2013	2012	2011	2010	2009	1.1- 31.12 2012
<b>Profit and loss account</b>						
Net income from interest .....	36,902	38,787	38,630	40,966	39,583	153,006
Div. on shares and other holdings .....	454	136	135	57	110	5,414
Charges and commissions (net) .....	14,176	14,440	11,754	11,087	10,894	55,296
<b>Net inc. from int. and charges .....</b>	<b>51,532</b>	<b>53,363</b>	<b>50,519</b>	<b>52,110</b>	<b>50,587</b>	<b>213,716</b>
Value adjustments .....	5,736	3,096	-3,668	12,772	-3,362	8,096
Other ordinary income .....	641	367	151	206	387	1,131
Staff costs and administrative expenses .....	33,193	33,395	34,961	32,984	30,892	132,557
Depreciation of intangible and tangible assets .....	1,131	1,050	1,050	1,080	1,155	3,709
Other operating expenses total .....	2,020	878	0	4,431	4,635	5,292
Contributions to the Guarantee Fund for deposits .....	2,020	837	0	2	3	4,843
Other operating expenses .....	0	41	0	4,429	4,632	449
Write-downs on loans etc. (net) .....	14,657	14,013	10,741	18,111	26,238	69,204
Profit on holding in associated and affiliated companies .....	0	0	0	0		91
<b>Operating profit .....</b>	<b>6,908</b>	<b>7,490</b>	<b>520</b>	<b>8,482</b>	<b>-15,308</b>	<b>12,272</b>
Taxes .....	1,727	1,873	130	2,120	-3,727	2,433
<b>Profit for the period .....</b>	<b>5,181</b>	<b>5,617</b>	<b>390</b>	<b>6,362</b>	<b>-11,581</b>	<b>9,839</b>

### Balance sheet as per 31st March

summary	2013	2012	2011	2010	2009	2012
Total assets .....	5,303,219	5,392,736	5,271,458	5,456,286	5,857,792	6,004,480
Loans and other debtors .....	3,456,479	3,468,988	3,555,281	3,661,704	3,624,829	3,498,499
Guarantees etc. ....	491,589	478,454	427,606	534,057	1,065,446	492,156
Bonds .....	980,885	826,904	863,253	751,393	391,595	1,270,360
Shares etc. ....	211,789	181,647	184,640	187,412	177,251	203,258
Deposits and other debts .....	3,858,593	3,650,860	3,503,306	3,636,909	3,297,692	4,499,426
Subordinated capital investments .....	293,656	357,765	356,789	355,852	195,000	358,475
<b>Capital funds .....</b>	<b>553,626</b>	<b>386,874</b>	<b>379,055</b>	<b>379,121</b>	<b>455,708</b>	<b>546,986</b>
Dividends .....						0
<b>Capital Base .....</b>	<b>672,869</b>	<b>610,762</b>	<b>610,972</b>	<b>620,237</b>	<b>554,917</b>	<b>747,404</b>
Total weighted items .....	3,878,105	3,748,007	3,807,993	3,869,481	4,158,484	3,816,073

### Core earnings

Core income .....	54,556	58,088	54,847	54,224	51,510	229,092
Costs etc. ....	-34,324	-34,445	-36,011	-34,064	-32,047	-137,048
Core earnings before write-downs, value adjustments and Governmental Guarantee Scheme I .....	20,232	23,643	18,836	20,160	19,463	92,044
Guarantee commission for the state *) .....	-1,886	-3,586	-3,572	-	-	-10,819
<b>Total core earnings .....</b>	<b>18,346</b>	<b>20,057</b>	<b>15,264</b>	<b>20,160</b>	<b>19,463</b>	<b>81,225</b>

\*) Commission of 0.95% of issued government-guaranteed bonds.

## Financial ratios - 31st March

(figures in pct.)	2013	2012	2011	2010	2009
Solvency ratio .....	17.4	16.3	16.0	16.0	13.3
Core capital ratio .....	13.7	11.5	11.1	10,8	10,9
Return on own funds before tax .....	1.3	2.0	0.1	2.3	-3.3
Return on own funds after tax .....	0.9	1.5	0.1	1.7	-2.5
Earning/expense ratio in DKK .....	1.14	1.15	1.01	1.15	0.76
Interest rate risk .....	-2.1	-2.1	0.8	1.6	0.5
Foreign currency position .....	2.8	0.3	0.8	0.8	2.9
Foreign currency risk .....	0.0	0.0	0.0	0.0	0.0
Advances against deposits .....	95.5	102.9	109.6	136.5	115.1
Statutory liquidity surplus .....	190.4	197.4	157.5	194.9	221.4
Total large commitments .....	14.0	17.1	49.5	86.3	112.9
Accumulated impairment ratio .....	5.7	6.9	6.8	6.7	3.6
Impairment ratio for the period .....	0.4	0.3	0.2	0.4	0.5
Increase in loans etc. for the period .....	-1.2	-1.7	-1.9	-0.4	-3.9
Ratio between loans etc. and capital funds .....	6.2	9.0	9.4	9.7	8.0
(value per share 100 DKK)					
Earnings per share (result period) .....	2.7	24.9	1.7	28.2	-56.0
Book value per share .....	288	1,867	1,791	1,848	2,179
Market value/earning per share .....	9.3	3.8	76.5	5.3	-10.0
Market value/book value .....	0.44	0.25	0.42	0.41	0.26



## Management's report

Skjern Bank achieved an acceptable profit in the first quarter of the year. The results are characterised by continued high indications of impairment and decreasing interest income as a result of a very limited demand for loans and thus a decrease in net loans.

In the first quarter of 2013, Skjern Bank repaid the bank's state-funded hybrid core capital of DKK 65 million and has since repaid hybrid core capital and state-guaranteed loans of a total of DKK 811 million and an additional DKK 98 million in April 2013. By the end of April, the bank met its objective of getting „the state out of the bank”, which will contribute to a strengthening of the bank's core earnings.

The bank's liquidity reserve has been reduced to a lower, but still absolutely manageable, level, and it is still the bank's objective for the future to maintain a solid liquidity reserve, primarily based on customer deposits.

Skjern Bank's solvency is 17.4% and the core capital is 13.7%. The individual solvency requirement is calculated in accordance with the Danish Financial Supervisory Authority's new 8+ model at 11.9%, corresponding to a solvency coverage of 46%. Compared with the actual capital base of DKK 673 million, there was a surplus of DKK 370 million at the end of the first quarter of 2013.

Unfortunately, the demand for loans is limited, which is why the loan volume has fallen slightly as a result of the customers' loan settlements. Therefore, the bank has a deposit surplus of DKK 402 million as of 31 March 2013, since deposits and loans amount to DKK 3,858 million and DKK 3,456 million, respectively.

The core earnings follow the annual budget, and are still at the highest levels in the bank's history, which is satisfactory, especially considering the limited demand for credit. The expectations for net profit throughout 2013 are in the range of DKK 85 - 100 million.

### Interest and fee income

Net income from interest was reduced by 4.8% to DKK 36.9 million compared to the first quarter of 2012.

The interest income has decreased by 5% to DKK 62.5 million. This is primarily due to the reduced loan volumes, but also to a slightly lower average lending rate during the period.

Interest expenses were reduced by 5.3% to DKK 25.6 million, which is due to reduced costs for issued bonds of DKK 4.5 million, which is offset by the increase in interest ex-penses for the bank's customers of DKK 3.7 million as a result of the strong increase in deposits. The increase in interest expenses for customer deposits was expected.

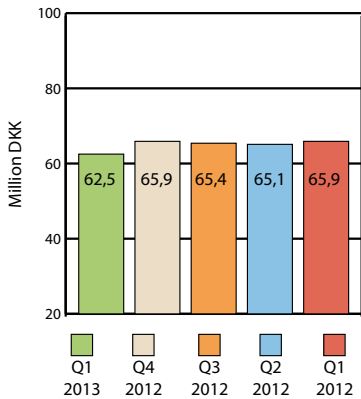
Overall, the bank's interest margin was marginally reduced during the first quarter of the year compared to the same period in 2012.

### The bank's loan and guarantee debtors distributed on segments constitute:

	31/3-13	31/12-12	31/12-11
Public authorities	1.5 %	1.5 %	1.2 %
Agriculture, hunting, forestry and fishing			
Plant production	1.7 %	1.6 %	1.5 %
Cattle farming	6.6 %	7.1 %	7.0 %
Pig farming	3.8 %	3.3 %	3.2 %
Mink production	0.4 %	0.6 %	1.0 %
Other agriculture	1.3 %	1.8 %	1.5 %
Manufacturing and extraction of raw materials	4.7 %	4.8 %	3.4 %
Energy supply	2.7 %	2.7 %	3.6 %
Constructions	4.9 %	4.0 %	5.0 %
Trade	7.4 %	7.2 %	7.9 %
Transport, hotels and restaurants	2.0 %	2.0 %	1.0 %
Information and communication	0.3 %	0.3 %	0.3 %
Finance and insurance	7.6 %	7.7 %	8.3 %
Real-estate	19.4 %	20.4 %	20.6 %
Other industries	4.7 %	4.9 %	4.5 %
Private persons	31.0 %	30.1 %	30.0 %

From the above sectoral distribution represents alternative energy 6.4 %.

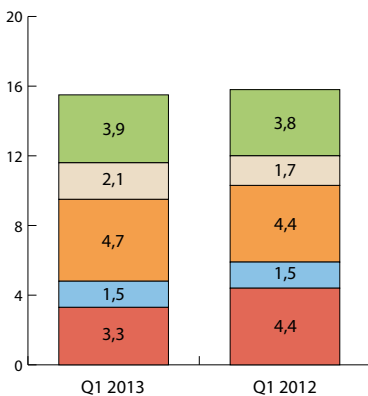
### Interest income



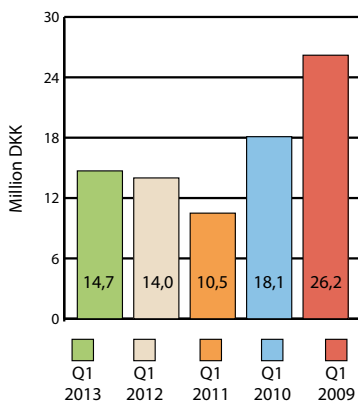
### Charges and commissions receivable

(Million DKK)

- Securities trading and custodies
- Payment management
- Charges from loan applications
- Commissions on guarantees
- Other charges and commissions



### Write-downs on loans etc.



### Commissions and fees

The net income from fees and commissions is mostly unchanged at DKK 14.2 million. The earnings were primarily achieved through high activity in mortgage services, which have enhanced earnings from loan transaction fees. The guarantee provision has also increased, while the transaction-based income from securities transactions has reduced to DKK 3.3 million.

Net interest and fee income amounted to DKK 51.5 million, which is a reduction of DKK 1.8 million compared to the same period last year.

### Costs

Costs for staff and administration, etc. amounted to DKK 33.2 million compared to DKK 33.4 million in the first quarter of 2012, and were thus reduced by 0.6%.

The bank has continued to focus on cost consumption, and a lower cost level is expected than in 2012.

### Exchange rate adjustments

Exchange rate adjustments of securities and currency, etc. show a gain of DKK 5.7 million compared to DKK 3.1 million in the first quarter of 2012.

Exchange rate adjustments on the bond portfolio have been positive during the period by DKK 0.9 million, while the bank's shareholdings have realised a capital gain of DKK 4.3 million in the first quarter of 2013. Exchange rates and derivative financial instruments achieved income of DKK 0.6 million in the same period.

### Devaluations

Devaluations on loans, etc. amounted to DKK 14.7 million as of 31 March 2013 compared to DKK 14.0 million during the same period last year. Reversal of impairment losses in previous years amounted to DKK 10.2 million, while

reported losses as of 31 March 2013 amounted to DKK 26.6 million, of which only a small portion had not previously been de-valued.

Devaluations on loans, etc. for the quarter correspond to 0.4% of the total loans and guarantees, which is still too high a level. The management expects that, in the future, the devaluations will decline compared to the recent fiscal years.

The devaluations are spread over a wide range of the bank's customer relationships, and include engagements both private and commercial in a series of different industries.

### Profit for the period

The total profit before tax amounted to DKK 6.9 million compared to DKK 7.5 million in 2012. After taxes, the period's net profit amounted to DKK 5.2 million. The results are considered acceptable, especially in light of the continued elevated devaluation levels, the high liquidity reserves and the reduced interest income.

Despite the realised decline in net profit of DKK 0.6 million, a positive development can be reported in many of the bank's most important business areas, including the bank's interest expenses, earnings from fees, positive exchange rate adjustments of DKK 5.7 million and continually falling cost levels.

The bank's management believes the outcome to be acceptable.



### Capital requirements

Equity amounted to DKK 553.6 million compared to DKK 546.9 million at the end of the previous year.

After addition of subordinated capital contributions of DKK 293.7 million and adjusted for other deductions, the bank's base capital at the end of the first quarter amounted to DKK 672.9 million.

The solvency is 17.4%, which is an increase of 1.1% compared to the same period last year, but a reduction compared to the end of the year, when the solvency was estimated at 19.6%. The reduction was due to the bank's repayment of the state-funded hybrid loan of DKK 65 million in February 2013.

The core capital ratio is 13.7%, compared to 11.5% in 2012.

The necessary capital corresponding to the individual solvency needs is estimated at 11.9%, in accordance with the Danish Financial Supervisory Authority's new 8+ model.

The bank thus has foundation capital with a sufficient surplus of 46% in comparison with the necessary capital.

### Deposits and liquidity

Pure customer deposits amounted to DKK 3,859 million, of which DKK 3,604 million are covered by the Danish Deposit Guarantee Scheme. The deposits are considered stable, since most of these are from base customers who have deposits in the bank.

The liquidity surplus is 190.4% after repayment of the hybrid core capital and state-guaranteed loans of a total of DKK 811 million in the 1st quarter of 2013. The repayment of the remaining state-guaranteed loan of DKK 98 million in the month of April is in line with Skjern Bank's strategic objective of further reducing the liquidity surplus to lower, but still manageable, levels.

### Skjern Bank shares

At the end of the quarter, the bank owned 15,643 shares, which is an increase compared to the end of 2012, with a small 300 shares.

### Consolidated Statement

Skjern Bank owns all the share capital in Knud Eskildsen Ejendomme A/S, whose sole activity is owning a town house in Esbjerg. The reason the property is located there is that it was originally intended for the Esbjerg department's new branch. The town house is expected to be sold at the posted value. The shares are recorded at DKK 3.2 million, which is the recorded net asset value.

Consolidated accounts have not been prepared, since the subsidiaries' business, both in terms of balance and activity, is negligible in relation to the bank's.

### Expectations

The bank's profit expectations for 2013 are maintained with a base profit in the interval of DKK 85 – 100 million.

### Supplementary capital distributed on exercise date (final closing date)

	1.000 DKK
2014	25.000
2015	100.000
2016	-
2017	98.656
Infinite	70.000
<b>Total</b>	<b>293.656</b>

**„The Supervisory Diamond”**

The Danish Financial Supervisory Authority has launched the so-called supervisory diamond - applicable as of 2013 - which specifies five benchmarks for financial institutions with elevated risk.

**Liquidity reserve (min. 50 %):**

Skjern Bank's liquidity reserve is significant and amounts to 190.4% as of 31 March 2013 compared to 265.6% as of 31 December 2012.

**Funding ratio (max. 100 %):**

The current funding situation leaves room for significantly more loans, since the bank's loans compared to deposits, equity and debt securities are only 73%, which is slightly higher compared to 31 December 2012, when the funding ratio was estimated at 65%.

**Property exposure (max. 25 %):**

Skjern Bank has an attractive industry spread, and compared to the real estate sector, the exposure is 19.4%, which is 1% lower than 31 December 2012.

**Major engagements (max. 125 %):**

Major engagements are defined as the sum of major engagements that constitute more than 10 percent of the base

capital. Skjern Bank primarily targets private customers and small and medium businesses and, as of 31 March 2013, it had major customer engagements of 14% compared to 13.1% as of 31 December 2012.

**Loan growth (max. 20 %):**

The limited desire for loans in the community has resulted in a decline in lending in Skjern Bank, and the loan growth can thus be calculated at -1.2% in 2013 compared to -0.8% as of 31 December 2012.

The following figure shows the benchmarks that the Danish Financial Supervisory Authority has established and Skjern Bank's placement within each area as of 31 March 2013.

Skjern Bank complies with all limit values as of 31 March 2013.

**Transactions with related parties**

During the first quarter of the year, there have not been major transactions between Skjern Bank and the bank's related parties.

**Contribution to the Danish Deposit Guarantee Scheme**

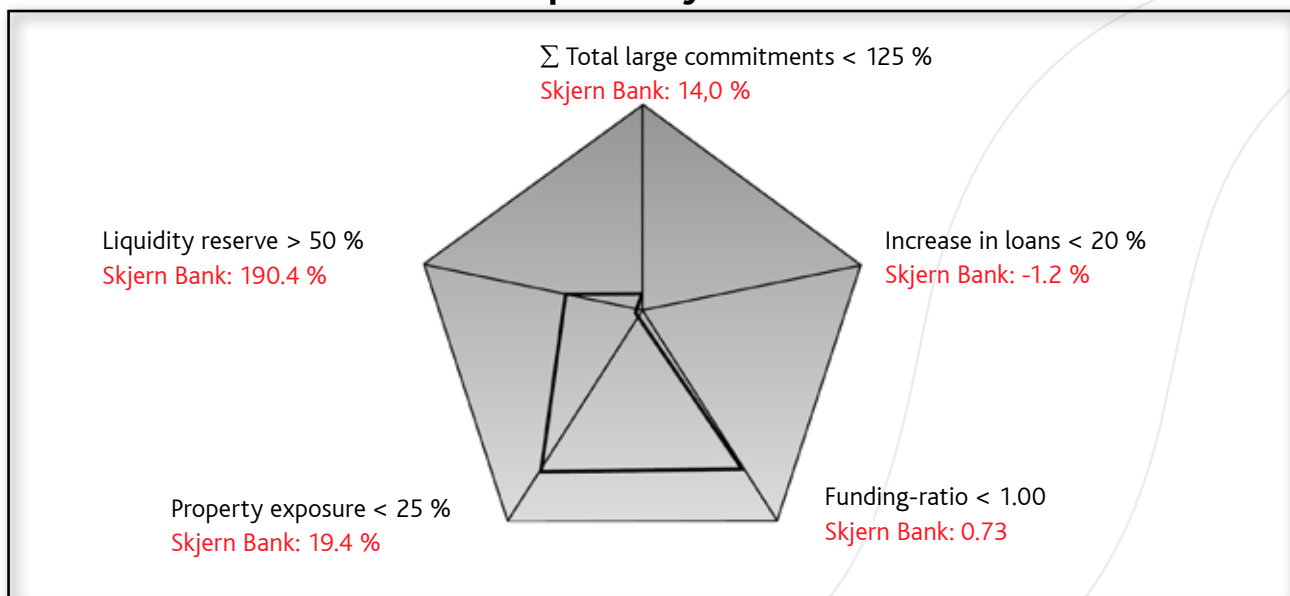
The contribution to the Danish Deposit Guarantee Scheme in the first quarter of the year can be estimated at DKK 2.0 million, which is DKK 1.2 million more than the same period last year.

**Accounting practices used**

The first quarter report was prepared in accordance with the Danish Financial Business Act, including the Danish Financial Supervisory Authority's Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirements for interim reports for listed companies.

The accounting practice used is unchanged compared to the annual report for 2012.

**The Supervisory Diamond**







• Meet Jan Sølbeck Kristensen in Skjern Bank Ribe

#### Events after 31 March 2013

No events have occurred after the balance date which are of significance for the assessment of the profit for the period. As described above, the most significant event was in April, when the bank repaid the remaining state-guaranteed loan of DKK 98 million.

#### Litigation

The bank is involved in disputes and litigations as part of its normal operations. The bank's risk in these cases is regularly assessed by the bank's lawyers and management. Provisions are made based on an assessment of risk of loss.

## Financial Calender

2013  
2013  
2013

13 August 2013:  
7 November 2013:

Half-Year report 2013  
Quarterly report after 3rd Quarter

Yours sincerely,  
Skjern Bank

Hans Ladekjær Jeppesen  
Chairman of the Board of Directors

Per Munck  
Director



• Niels Jørgen Nielsen in Skjern Bank Varde

## Statement by the board of directors and executive board

We have on today's date discussed and approved the quarterly report for the period of 1 January - 31 March 2013 for Skjern Bank A/S.

The report was prepared in accordance with the Danish Financial Business Act, including the Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for

interim reports for listed financial institutions.

We consider the chosen accounting practice to be appropriate such that accounts give a true picture of the bank's assets and liabilities, financial position and profit.

We consider the management's statement to contain a fair review of the de-

velopment in the bank's activities and economic conditions and a description of the significant risks and uncertainty factors by which the bank may be affected.

Skjern, 2nd May 2013

### Skjern Bank A/S

Per Munck  
Director

### The board of directors

Hans Ladekjær Jeppesen  
Chairman

Jens Okholm  
Deputy Chairman

Bjørn Jepsen

Finn Erik Kristiansen

Søren Dalum Tinggaard

Lars Skov Hansen

Lars Lerke

*This document has been translated from Danish. The Danish text shall govern for all purposes and prevail in case of discrepancy with the English version.*

## Profit and loss account and Statement of comprehensive income 1st January - 31st March

1,000 DKK	2013	2012	1.1-31.12 2012
Interest receivable .....	62,524	65,854	262,374
Interest payable .....	25,622	27,067	109,368
<b>Net income from interest .....</b>	<b>36,902</b>	<b>38,787</b>	<b>153,006</b>
Dividend on shares and other holdings .....	454	136	5,414
Charges and commissions receivable .....	15,472	15,751	61,215
Charges and commissions payable .....	1,296	1,311	5,919
<b>Net income from interest and charges .....</b>	<b>51,532</b>	<b>53,363</b>	<b>213,716</b>
Exchange rate adjustments .....	5,736	3,096	8,096
Other ordinary income .....	641	367	1,131
Staff costs and administrative expenses .....	33,193	33,395	132,557
Depreciation of intangible and tangible assets .....	1,131	1,050	3,709
Other operating expenses total .....	2,020	878	5,292
Contributions to the Guarantee Fund for deposits .....	2,020	837	4,843
Other operating expenses .....	0	41	449
Write-downs .....	14,657	14,013	69,204
Profit on holdings in associated and affiliated companies .....	0	0	91
<b>Profit on ordinary activities before tax .....</b>	<b>6,908</b>	<b>7,490</b>	<b>12,272</b>
Tax .....	1,727	1,873	2,433
<b>Profit for the financial year .....</b>	<b>5,181</b>	<b>5,617</b>	<b>9,839</b>

### Statement of comprehensive income

Profit for the financial year .....	5,181	5,617	9,839
Other comprehensive income after tax .....	0	0	0
<b>Total comprehensive income .....</b>	<b>5,181</b>	<b>5,617</b>	<b>9,839</b>

## Balance by 30th September

1,000 DKK	2013	2012	1.1- 31.12 2012
<b>Assets</b>			
Cash in hand and claims at call on central banks .....	432,180	135,429	805,863
Claims on credit institutions and central banks .....	19,851	578,670	22,094
Loans and advances at amortized cost price .....	3,456,479	3,468,988	3,498,499
Bonds at market value .....	980,885	826,904	1,270,360
Shares etc. ....	211,789	181,647	203,258
Holdings in associated enterprises .....	633	3,111	633
Holdings in group enterprises .....	3,233	3,365	3,233
Land and buildings (total) .....	69,241	69,247	69,429
Investments properties .....	9,420	9,361	9,361
Domicile properties .....	59,821	59,886	60,068
Other tangible assets .....	7,977	10,629	8,276
Deferred tax assets .....	42,471	44,138	44,198
Other assets .....	77,463	70,550	75,207
Prepayments and accrued income .....	1,017	58	3,430
<b>Total assets</b> .....	<b>5,303,219</b>	<b>5,392,736</b>	<b>6,004,480</b>



## Balance by 31 March (continued)

1,000 DKK	2013	2012	1.1- 31.12 2012
<b>Liabilities</b>			
<b>Debt</b>			
Debt to credit institutions .....	391,465	149,306	399,806
Deposits and other debts .....	3,858,593	3,650,860	4,499,426
Deposit .....	3,858,593	2,907,565	3,753,560
Other debts .....	0	743,295	745,866
Bonds issued at amortised cost .....	101,036	754,164	102,640
Current tax-liability .....	318	0	0
Other liabilities .....	92,387	83,586	86,433
Accruals and deferred income .....	1,621	1,141	197
<b>Total debt .....</b>	<b>4,445,420</b>	<b>4,639,057</b>	<b>5,088,502</b>
<b>Provisions for commitments</b>			
Provisions for loss on guarantees .....	10,517	9,040	10,517
<b>Total provisions for commitments .....</b>	<b>10,517</b>	<b>9,040</b>	<b>10,517</b>
<b>Subordinated capital investments</b>			
Subordinated loan capital .....	223,656	222,930	223,475
Hybrid core capital .....	70,000	134,835	135,000
<b>Subordinated capital investments total .....</b>	<b>293,656</b>	<b>357,765</b>	<b>358,475</b>
<b>Capital funds</b>			
Share capital .....	192,800	22,560	192,800
Revaluation reserves .....	417	417	417
Retained earnings .....	360,409	363,897	353,769
<b>Total capital funds .....</b>	<b>553,626</b>	<b>386,874</b>	<b>546,986</b>
<b>Total liabilities .....</b>	<b>5,303,219</b>	<b>5,392,736</b>	<b>6,004,480</b>

## Off-balance-sheet items by 31st March

1,000 DKK	2013	2012	1.1- 31.12 2012
<b>Guarantees</b>			
<b>Guarantees</b>			
Finance guarantees .....	56,288	41,097	56,694
Guarantees against losses on mortgage credit loans .....	154,069	149,135	154,992
Registration and conversion guarantees .....	58,399	77,291	82,309
Other guarantees .....	222,833	210,931	198,161
<b>Total guarantees .....</b>	<b>491,589</b>	<b>478,454</b>	<b>492,156</b>
<b>Other contingent liabilities</b>			
Irrevocable credit-undertakings .....	53,593	91,928	22,085
<b>Total other contingent liabilities .....</b>	<b>53,593</b>	<b>91,928</b>	<b>22,085</b>



## Information on changes in equity 31st March

1,000 DKK	2013	2012	1.1- 31.12 2012
Share capital beginning-of-year .....	192,800	22,560	22,560
Share issue .....	0	0	170,240
<b>Share capital end-of-year .....</b>	<b>192,800</b>	<b>22,560</b>	<b>192,800</b>
Revaluation reserves beginning-of-year .....	417	417	417
Additions related to reassessed value .....	0	0	0
Other movements .....	0	0	0
<b>Revaluation reserves end-of-year .....</b>	<b>417</b>	<b>417</b>	<b>417</b>
Retained earnings beginning-of-year .....	353,769	357,740	357,740
Comprehensive income for the period .....	5,181	5,617	9,839
Sale of own funds .....	8,015	1,692	7,123
Purchase of own funds .....	-6,556	-1,152	-5,483
Costs share issue .....	0	0	-15,450
<b>Retained earnings end-of-year .....</b>	<b>360,409</b>	<b>363,897</b>	<b>353,769</b>
<b>Total equity .....</b>	<b>553,626</b>	<b>386,874</b>	<b>546,986</b>



Skjern Å

## Notes per 31st March

1,000 DKK	2013	2012	1.1- 31.12 2012
<b>Interest receivable</b>			
Claims on credit institutions and central banks .....	0	592	1,366
Loans and other debtors etc. ....	56,991	60,094	237,938
Bonds .....	5,020	4,636	21,266
Total other financial instruments of which .....	513	535	1,804
Foreign exchange contracts .....	147	142	620
Interest-rate contracts .....	366	394	1,184
Other interest income .....	0	-3	0
<b>Total interest receivable .....</b>	<b>62,524</b>	<b>65,854</b>	<b>262,374</b>
<b>Interest payable</b>			
Credit institutions and central banks .....	340	360	1,396
Deposits .....	19,698	15,948	76,069
Bonds issued .....	426	4,971	9,215
Subordinated capital investments .....	5,152	5,788	22,683
Other interest expenses .....	3	0	5
<b>Total interest payable .....</b>	<b>25,622</b>	<b>27,067</b>	<b>109,368</b>
<b>Charges and commissions receivable</b>			
Securities trading and custodies .....	3,319	4,361	15,976
Payment management .....	1,465	1,482	6,201
Charges from loan applications .....	4,664	4,402	21,970
Commissions on guarantees .....	2,158	1,659	7,497
Other charges and commissions .....	3,866	3,847	9,571
<b>Total charges and commissions receivable .....</b>	<b>15,472</b>	<b>15,751</b>	<b>61,215</b>
<b>Value adjustments</b>			
Bonds .....	893	2,583	-745
Total shares .....	4,273	-149	5,451
Shares in sector companies etc. ....	1,989	-1,002	4,406
Other shares .....	2,274	843	1,045
Foreign currency .....	497	773	3,676
Other financial instruments .....	73	-101	-286
<b>Total value adjustments .....</b>	<b>5,736</b>	<b>3,096</b>	<b>8,096</b>



## Notes per 31st March (continued)

1,000 DKK	2013	2012	1.1-31.12 2012
<b>Staff costs and administrative expenses</b>			
<b>Salaries and remuneration of board of directors, managers etc.</b>			
Board of managers .....	618	618	2,830
Fixed fee .....	608	608	2,790
Pension contributions .....	10	10	40
Board of directors .....	208	191	606
Audit Committee .....	0	0	50
Board of representatives.....	0	0	168
<b>Total salaries and remunerations of board etc. ....</b>	<b>826</b>	<b>809</b>	<b>3,654</b>
<b>Staff costs</b>			
Wages and salaries .....	14,996	15,159	59,891
Pensions .....	1,684	1,716	6,739
Social security costs .....	144	128	776
Payroll tax .....	1,889	1,805	7,406
<b>Total staff costs .....</b>	<b>18,713</b>	<b>18,808</b>	<b>74,812</b>
<b>Other administrative expenses .....</b>	<b>13,654</b>	<b>13,778</b>	<b>54,091</b>
<b>Total staff costs and administrative expenses .....</b>	<b>33,193</b>	<b>33,395</b>	<b>132,557</b>
<b>Number of employees</b>			
Average number of employees .....	124	131	123

## Notes per 31st March (continued)

1,000 DKK	2013	2012	1.1 31.12 2012
<b>Write-downs on loans and receivables</b>			
Write-downs and provisions during the year .....	25,484	32,177	123,490
Reversal of write-downs made in previous years .....	-10,178	-17,724	-47,431
Finally lost, not previously written down .....	1,740	1,684	4,111
Interests on the written-down part of loans .....	-2,250	-2,000	-9,200
Recoveries of previously written-down debt .....	-139	-124	-1,766
<b>Individual write-downs on loans etc. ....</b>	<b>14,657</b>	<b>14,013</b>	<b>69,204</b>
<b>Profit on holdings in associated and group companies</b>			
Profit on holdings in associated companies .....	0	0	224
Profit on holdings in group companies .....	0	0	-133
<b>Total profit on holdings in associated and group companies .....</b>	<b>0</b>	<b>0</b>	<b>91</b>
<b>Individual write-downs and provisions</b>			
Write-downs as per beginning of the year .....	223,512	278,332	278,332
Write-downs during the period (net) .....	24,150	25,831	115,390
Reversal of write-downs made in previous years .....	-10,178	-16,023	-47,431
Write-downs in previous years, now lost .....	-24,914	-15,141	-122,779
<b>Individual write-downs total .....</b>	<b>212,570</b>	<b>272,999</b>	<b>223,512</b>
<b>Group write-downs on and provisions</b>			
Write-downs as per beginning of the year .....	12,883	14,718	14,718
Write-downs during the period .....	1,334	-1,701	-1,835
<b>Group write-downs on loans etc. ....</b>	<b>14,217</b>	<b>13,017</b>	<b>12,883</b>
<b>Write-downs total .....</b>	<b>226,787</b>	<b>286,016</b>	<b>236,395</b>


## Notes per 31st March (continued)


1,000 DKK	2013	2012	1.1 31.12 2012
<b>Guarantees</b>			
Provisions beginning of the year .....	10,517	5,208	5,208
Provisions during the year .....	0	3,832	8,660
Transferred to liabilities.....	0	0	-3,351
<b>Guarantees total .....</b>	<b>10,517</b>	<b>9,040</b>	<b>10,517</b>
<b>Total loans etc. with suspended calc. of interest .....</b>	<b>182,942</b>	<b>238,773</b>	<b>189,831</b>
<b>Share capital</b>			
Number of shares at DKK 20 each .....	9,640,000	1,128,000	9,640,000
<b>Share capital .....</b>	<b>192,800</b>	<b>22,560</b>	<b>192,800</b>
<b>Own capital shares</b>			
Number of shares (pcs).....	24,232	91,744	79,890
Nominal value hereof.....	485	1,835	1,598
Market value hereof .....	608	8,624	1,917
Own shares proportion of share capital (per cent) .....	0.3%	8.1%	0.83%





# SKJERN BANK


skjernbank.dk


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