



Quarterly report 1 Q 2017

Table of contents

Stock Exchange ann.	5
5 years in summary	6
Financial Ratios	7
Management's review	8
Management's statement	19
Profit and loss and Statement of comprehensive income	20
Core earning	21
Balance sheet	22
Contingent liabilities	24
Information on changes in equity.....	25
Notes	26



Stock Exchange Ann. no. 5/2017

EXTREMELY SATISFACTORY RESULTS

- Record profit before tax of DKK 42.1 million compared with DKK 6.7 million in 2016
- The branch network expanded with new branch in Virum
- Growth in interest and fee income and reduced impairment
- Core earnings of DKK 35.5 million, which is a historically high level
- Decrease in impairment to DKK 5.4 million, compared to DKK 17.7 million in 2016
- Increase in lending volume of DKK 77.5 million, or 2 % to DKK 3.7 billion Deposits increased by DKK 341 million or 8 % to DKK 4.8 billion, corresponding to a deposit surplus of DKK 1.1 billion
- Capital ratio of 16.5 % and individual solvency requirements of 10.5 %, corresponding to a 6.0 percentage point coverage
- For 2017 a core earnings in the range of DKK 120 - 130 million is expected

5 years in summary

1,000 DKK	1. QUARTER 2017	1. QUARTER 2016	1. QUARTER 2015	1. QUARTER 2014	1. QUARTER 2013	YEAR 2016
PROFIT AND LOSS ACCOUNT						
Net income from interest	42,451	39,396	39,364	40,844	36,902	163,745
Div. on shares and other holdings	324	1,252	489	351	454	12,493
Charges and commissions (net)	28,310	20,587	16,502	17,616	14,176	98,280
Net inc. from int. & charges	71,085	61,235	56,355	58,811	51,532	274,518
Value adjustments	13,217	434	10,908	9,172	5,736	17,216
Other ordinary income	427	261	607	287	641	1,592
Staff costs and administrative expenses	36,418	36,486	34,081	33,276	33,193	148,990
Depreciation of intangible and tangible assets	765	966	858	2,258	1,131	3,746
Other operating expenses	0	0	2,218	2,586	2,020	255
Operating expenses	0	0	2,218	2,488	2,020	52
Guarantee commission first guarantee scheme	0	0	0	98	0	203
Write-downs on loans etc. (net)	5,392	17,730	9,898	10,534	14,657	36,172
Profit on holdings in associated and affiliated companies	0	0	0	0	0	490
Operating profit	42,154	6,748	20,815	19,616	6,908	104,653
Taxes	8,928	1,126	4,891	4,904	1,727	22,543
Profit for the period	33,226	5,622	15,924	14,712	5,181	82,110
Of which are holders of shares of hybrid core capital instruments etc.	1,569	1,630	0	0	0	6,626
BALANCE SHEET AS PER 31 MARCH						
summary						
Total assets	5,792,694	5,387,381	5,306,522	5,415,907	5,303,219	5,860,191
Loans and other debtors	3,692,345	3,614,852	3,651,080	3,669,217	3,456,479	3,687,509
Guarantees etc.	856,353	773,498	644,719	530,852	491,589	841,088
Bonds	1,002,900	710,160	816,600	834,792	980,885	926,950
Shares etc.	229,693	212,903	173,244	218,027	211,789	219,447
Deposits	4,764,373	4,423,826	4,385,376	4,050,746	3,858,593	4,871,359
Subordinated cap. investments	99,658	169,480	169,300	269,382	293,656	99,618
Capital funds	726,946	623,525	538,413	588,339	553,626	695,313
Dividends						0
Capital Base	705,971	646,679	584,618	587,560	672,869	703,871
Total weighted items	4,280,873	4,118,446	4,080,757	4,137,049	3,878,105	4,075,417
CORE EARNINGS						
Core income	72,710	62,440	64,718	59,707	54,556	273,808
Total costs etc.	-37,183	-37,452	-42,439	-34,134	-34,324	-146,110
Core earnings before value adjustments and write-downs	35,527	24,988	22,279	25,573	20,232	127,698
Guarantee commission for the state *)	-	-	-	-	-1,886	-
Total core earnings	35,527	24,988	22,279	25,573	18,346	127,698

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

Financial ratios - 31st March

Figures in pct.	2017	2016	2015	2014	2013
Solvency ratio	16.5	15.7	14.3	14.2	17.4
Core capital ratio	14.3	13.7	12.4	13.6	13.7
Return on own funds before tax	6.3	1.2	3.9	3.4	1.3
Return on own funds after tax	5.0	1.0	3.0	2.5	0.9
Earning/expense ratio in DKK	1.95	1.09	1.44	1.40	1.14
Interest rate risk	1.2	-0.6	-2.9	-2.3	-2.1
Foreign currency position	0.3	0.8	2.1	0.2	2.8
Foreign currency risk	0.0	0.0	0.0	0.0	0.0
Advances against deposits	84.6	90.4	91.6	96.4	95.5
Statutory liquidity surplus	175.1	148.9	132.5	150.1	190.4
LCR	285	274	244	-	-
Total large commitments	25.3	25.0	52.7	21.8	14.0
Accumulated impairment ratio	6.9	8.0	7.9	5.3	5.7
Impairment ratio for the period	0.1	0.4	0.2	0.2	0.4
Increase in loans etc. for the period	0.1	2.9	0.2	0.6	-1.2
Ratio between loans etc. and capital funds	5.5	6.4	6.8	6.2	6.2
(value pr share 100 DKK)					
Earnings per share (result period)	16.4	2.1	8.3	7.6	2.7
Book value pr share	346	293	280	305	288
Market value/earning per share	3.7	15.5	3.9	4.4	9.3
Market value/book value	0.87	0.55	0.57	0.74	0.44
(value pr share 20 DKK)					
Earnings per share (result period)	3.3	0.4	1.7	1.5	0.5
Book value pr share	69.2	58.6	55.9	61.1	57.6

Management's report

The first quarter of the year has been extremely satisfactory with strong growth in net interest and fee income, and reduced impairment. The results are further characterised by very satisfactory exchange rate adjustments, and unchanged cost levels. Profit before tax increased by DKK 35.4 million to a very satisfactory profit of DKK 42.1 million.

The reduced impairment of DKK 5.4 million, compared with DKK 17.7 million in 2016, was realised despite the agricultural acquisitions still being challenged, though trade conditions are getting better, which has resulted in reduced impairment need in this segment compared to 2016. The bank's other segments are progressing very satisfactorily, and we can point to continued significant reversals of previously impaired exposures.

Demand for loans in the bank's market area is stagnant and the bank can only report an increase in lending of DKK 4.8 million in the first 3 months of the year, despite a satisfactory and solid customer intake. Compared to the lending on 31/3/2016, when a lending growth of DKK 77.5 million was realised, corresponding to about 2 %.

The lending and guarantees to the private segment were maintained at 36 % and the bank's unchanged goal is to further increase the proportion of private lending.

The solid excess liquidity is at 175.1 %, corresponding to a coverage of DKK 1,145 million. The bank's unchanged strategy is to maintain a solid excess liquidity based on stable customer deposits.

The profit for the 1st quarter of 2016 is not included in the bank's capital base, and the capital ratio was calculated to be unchanged at 16.5 %, while the core capital ratio decreased from 14.6 % to 14.3 %. The bank chooses not to recognise the profit as a result of the satisfactory capital reserves, and the administrative tightening of the rules for recognition. The semi-annual results for 2017 will be recognised.

If the results of the 1st quarter were reviewed by the bank's external auditor, and no reasons for changes to the calculated results were discovered, the capital ratio would be calculated at 17.3 %.

The individual solvency requirement is calculated at 10.5 %, corresponding to a solvency coverage of 157.1 %. Compared with the actual capital base of DKK 705.9 million, there was a surplus of DKK 258.2 million at the end of the first quarter of 2017.

The strength of the bank's capital resources could also be viewed in light of the fact that the actual

core capital constitutes 13.2%, compared with the individual solvency requirement of 10.5 %.

NEW BRANCH IN VIRUM

In a press release on 1 May 2017 the bank announced the expansion of the branch network with a new branch in Virum. The branch will focus on retail customers and small businesses, it opens in August.

CORE EARNINGS

Core earnings comply with the annual budget and are at a historically high level, and are considered very satisfactory.

Expectations for core earnings for 2017 were maintained in the announced range of DKK 120 - 130 million before impairment, exchange rate adjustments and tax.

LOANS AND GUARANTEES DISTRIBUTED ON SECTORS

	31.03.2017	31.12.2016	31.03.2016
Public authorities	0,0 %	0,0 %	0,0 %
Agriculture, hunting, forestry & fishing			
Plant production	1,7 %	1,6 %	1,5 %
Cattle farming	7,9 %	8,3 %	8,2 %
Pig farming	1,9 %	1,9 %	2,2 %
Mink production	1,3 %	1,5 %	1,2 %
Other agriculture	1,1 %	1,1 %	1,5 %
Industry and mining	2,8 %	2,4 %	2,2 %
Energy	6,3 %	6,0 %	6,7 %
Building and constructions	6,2 %	6,3 %	6,3 %
Wholesale	8,4 %	8,8 %	9,0 %
Transport, hotels and restaurants	1,8 %	1,5 %	1,6 %
Information and communication	0,6 %	0,3 %	0,3 %
Financial and insurance business	5,4 %	5,8 %	5,8 %
Real-estate	13,1 %	13,1 %	12,9 %
Other business	5,4 %	5,2 %	6,0 %
Private	36,1 %	36,2 %	34,6 %

From the above sectoral distribution represents alternative energy 5.2 %

NET INTEREST INCOME

Net interest income amounts to DKK 42.5 million as of 31 March 2017. In the first quarter of 2016, net interest income amounted to DKK 39.4 million, and they have thus increased by DKK 3.0 million.

Interest income decreased by 3.1 % to DKK 49.0 million, which is still primarily due to a decline in average lending rates during the period.as a result of the competitive market situation.

As expected interest expenses were reduced by 41 % to DKK 6.6 million, which was reduced by DKK 3.6 million due to the interest expenses for customer deposits as a result of the extremely low interest level in the market, and the interest expenses for issued bonds and subordinated capital contributions decreased by DKK 1.0 million. The decrease in the interest payments to customer deposits is mainly due to the maturation of high-interest deposits.

The bank's interest margin improved marginally over the same period in 2016 due to a reduction of the average deposit interest rate.

FEE INCOME

Net income from fees and commissions has increased by DKK 7.7 million compared to last year.

Net income from fees and commissions amounts to DKK 28.3 million, compared with DKK 20.6 million in 2016. The activities in the mortgage area are very high, which has led to loan fees having increased by DKK 4.5 million. The securities market has developed satisfactorily in the first 3 months, which has led to greater activity in the area and an increase in income from the area of DKK 1.9 million. Other fee and commission income increased by a total of DKK 1.2 million.

Fees, charges and commission expenses are at the same level as last year.

Net interest and fee income amounted to DKK 71.0 million, which is an increase of DKK 9.9 million, corresponding to 16.1 % compared to the same period last year.

EXCHANGE RATE ADJUSTMENTS

The portfolio of stocks and bonds earned profits totalling DKK 13.2 million, compared with DKK 0.4 million on 31 March 2016.

The capital gains are distributed with DKK 2.0 million from the bond portfolio and DKK 10.0 million from the shareholdings. In addition, exchange rates and derivative financial instruments achieved an income of DKK 1.2 million in the same period.

COSTS

Staff and administration expenses, etc. is unchanged and amounts to DKK 36.4 million, compared with DKK 36.5 million in the same period in 2016.

In terms of organic growth, the number of employees increased in the customer-oriented departments, which has contributed to increased personnel costs of DKK 0.9 million. In addition to more employees, this also includes increased payroll tax of DKK 0.2 million, and a general collective agreement wage increase.

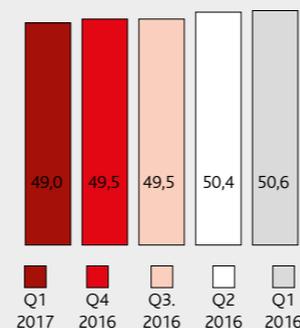
The administrative costs decreased, mainly due to a reduction of the bank's total marketing costs, as well as other administrative expenses. The management expects that the costs in 2017 will exceed the costs in 2016, as a result of the increased cost of IT operations, as well as planned recruitment of staff, primarily for the new branch in Virum. deresultat.

IMPAIRMENT

Net impairment for the period of DKK 5.4 million compared with DKK 1.7 million in 2016.

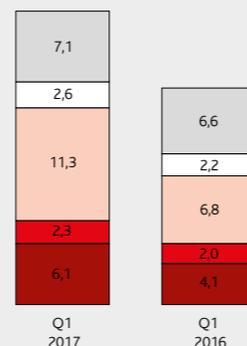
There is increased impairment of DKK 21.1 million, and reversals of previous impairment of DKK 12.4 million. Recorded losses for the period amounted to DKK 12.8 million, of which only DKK 0.7 million had not been previously written down.

Interest income
Million DKK

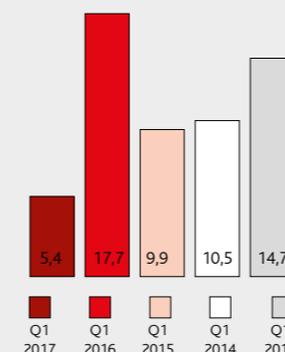


Charges and commissions receivable
(Million DKK)

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



Write-downs on loans etc.
(Million DKK)



Devaluations on loans, etc. for the period correspond to 0.1 % of the total loans and guarantees.

The need for impairment in 2016 was DKK 36.1 million and the management expects a total impairment need at a significantly lower level in 2017.

It is satisfactory that the intensive work with the bank's weak exposures has resulted in the impairment on a fair number of exposures being reduced or made profitable by DKK 12.3 million. This strengthens confidence in the possibility of reversals of previous write-downs in the bank's total impairment account in the future.

PROFIT FOR THE PERIOD

Profit before tax amounted to DKK 42.1 million compared with DKK 6.7 million as of 31 March 2016. After taxes, the period's net profit amounted to DKK 33.2 million.

The management is pleased to note that both core earnings and profit before tax are at the highest levels in the bank's history.

The bank's management considers the business development and profit to be very satisfactory.

CAPITAL

EgEquity amounted to DKK 726.9 million compared to DKK 695.3 million at the end of the previous year. A hybrid core capital of DKK 59.0 million was recognised in the bank's equity on 31 March 2017.

After addition of subordinated capital contributions of DKK 99.6 million and adjustments for reduction in weighting and other deductions, the bank's capital base at the end of the period amounted to DKK 705.9 million.

The capital ratio was calculated at 16.5 %, which is the same as on 31 December 2016. The realised profit in the 1st quarter is not included in the capital base, which was the case after the 1st quarter of 2016. The bank will recognise the realised profit after the 1st half of the year in the capital base.

If the results were reviewed by the bank's external auditor, and no reasons for changes to the calculated results were discovered, the capital ratio would be calculated at 17.3 %.

Compared with 31 March 2016, the bank's capital ratio increased from 15.9 % to 16.5 %, while the



core capital ratio increased from 13.9 % to 14.3 %.

The necessary capital corresponding to the individual solvency requirements is calculated at 10.5 %, which is an increase of 0.1 % points compared with the end of 2016.

The bank thus has foundation capital with a sufficient surplus of 157.1 % compared to the necessary capital, which is expressed by the bank's calculated solvency requirements.

SHAREHOLDERS

Lind Invest A/S, Aarhus and AP Pension Livsforsikringsaktieselskab, København Ø own 24.73% and 20.75% respectively. Both possess 5% of the voting rights.



LIQUIDITY

Customer deposits amount to DKK 4,764 million, of which DKK 3,941 million is covered by the Danish Deposit Guarantee Scheme. The deposits are considered stable, since most of them come from base customer relationships.

The liquidity coverage ratio is at 175.1 %, which follows the strategic goal of maintaining liquidity reserves at fully manageable levels.

The liquidity coverage ratio shows how banks are able to meet their payment obligations for an upcoming 30-day period without access to market funding.

As of 01 January 2017, non-SIFI banks, which includes Skjern Bank, must have a coverage of at least 80 % and as of 1 January 2018, the ratio must be at least 100 %.

The bank has chosen to follow the same rules that apply to the largest bank, SIFI banks, which is why the bank's goal is to have the LCR ratio always be a minimum of 100%.

The bank achieved the goal and as of 31 March 2017 has an LCR financial ratio of 285 %.

SKJERN BANK SHARES

On 31 March 2017 the bank owned 16,893 shares, which is about 150 more than on 31 December 2016.

The bank's share price was 60.0 on 31 March 2017, compared with 53.5 at the beginning of the year.

The market price thus amounts to DKK 578.4 million as of 31 March 2017, corresponding to an intrinsic value of 0.87. Shares were traded actively in the market and there is a satisfactory liquidity in the shares.

EXPECTATIONS

Expectations for core earnings for the entire year of 2017 were maintained in the announced range of DKK 120 - 130 million before impairment, exchange rate adjustments and tax.

"THE SUPERVISORY DIAMOND"

The Danish Financial Supervisory Authority's mandatory Supervisory Diamond specifies five indicators for banking activities with increased risk.

The bank's status for each indicator as of 31 March 2017 is calculated in the figure below, where the indicators established by the Danish Financial Supervisory Authority are also shown.

Skjern Bank continues to comply with all limit values as of 31 March 2017 and has not exceeded any of the limit values at any time during the Supervisory Diamond's existence.

Likviditetsoverdækning (min 50 %):

Skjern Bank's liquidity reserve is significant and amounts to 175.1 % as of 31 March 2017 compared to 185.4% as of 31 December 2016.

Funding-ratio (max 100 procent):

The current funding situation leaves room for significantly more loans, since the bank's loans compared to deposits, equity and debt securities are only 66 %, which is at the same level as 31 December 2016, when the funding ratio was estimated at 68 %.

Ejendomseksponering (max 25 procent):

Skjern Bank has an attractive industry spread, and compared to the real estate sector, the exposure is 13.9 %, which the same as on 31 December 2016.

Store engagementer (max 125 procent):

Large exposures are defined as the sum of large exposures that constitute more than 10 per cent of the capital base. Skjern Bank primarily targets small and medium businesses, as well as private customers, and as of 31 March 2017, it had two large customer exposures of a total of 25.3 %, compared to 10.3 % as of 31 December 2016, where there was only one large customer exposure.

Udlånsvækst (max 20 procent):

The bank has only realised a lending growth in 2017 of 0.1 % as of 31 March 2017 compared to 5.0 % throughout 2016.

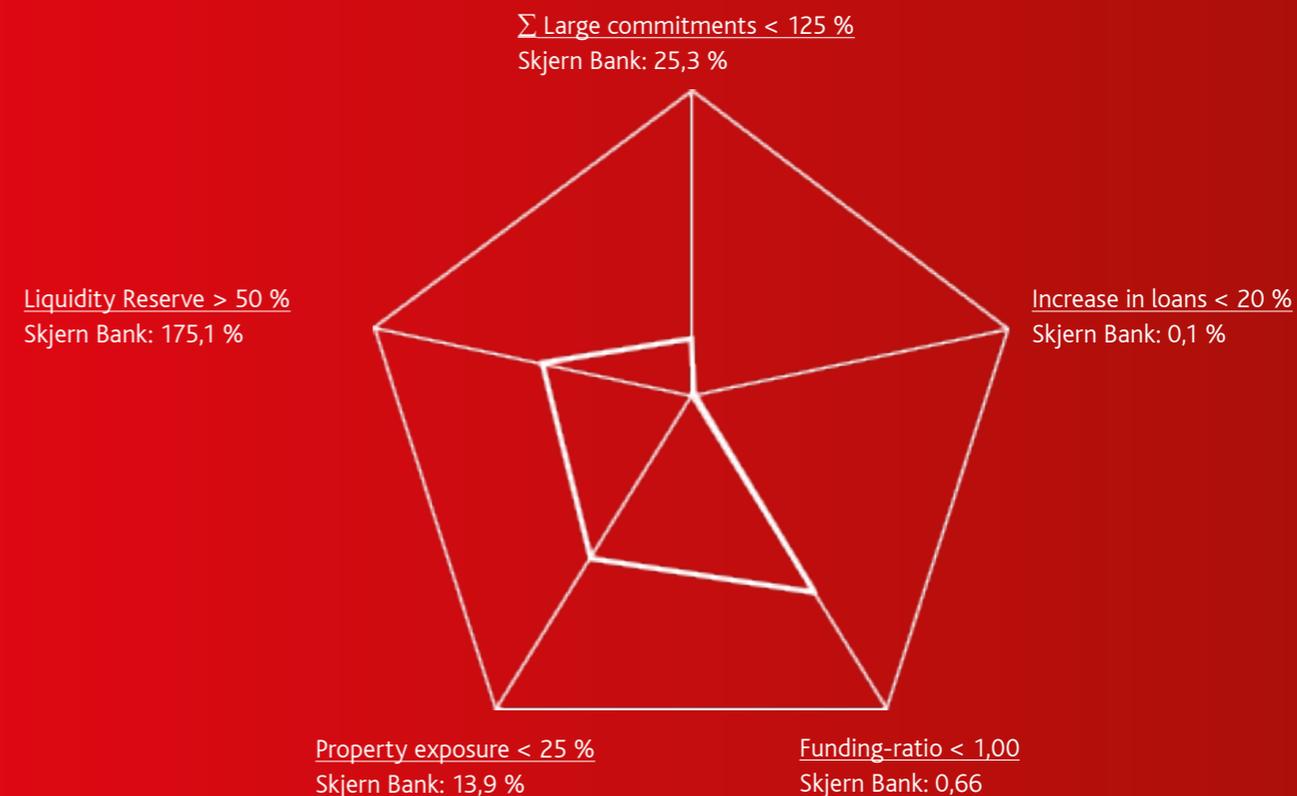
TRANSACTIONS WITH RELATED PARTIES

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 SETTLEMENT FUND/DANISH DEPOSIT GUARANTEE SCHEME

As of 31 March 2017 there has been no payment of contributions to the Danish Deposit Guarantee Scheme, which is due to the payments in the previous year having been sufficient in relation to the established objectives of the fund's reserves. The bank's annual contribution to the Settlement Fund of DKK 52 thousand is due in the 2nd quarter.

The Supervisory Diamond



ACCOUNTING PRACTICES USED

The quarterly 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 requirement for interim reports for listed companies.

The accounting practice used is unchanged compared to the annual report for 2016.

EVENTS AFTER 31 MARCH 2017

No events have occurred after the balance date that are of significance for the assessment of the profit for the period.

LITIGATION

The bank is involved in disputes and litigation 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.

Kind regards
Skjern Bank

Hans Ladekjær Jeppesen
Chairman of the board of directors

Per Munck
Director

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 2017 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 accounting policies chosen to be appropriate such that the accounts provide a true and fair view of the bank's assets and liabilities, financial position and profit.

We consider the management's statement to contain a fair review of the development 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.

The quarterly report has not been audited or reviewed, and there has been no recognition of the period's earnings in core capital.

Skjern, 4 May 2017

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

Carsten Jensen

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

1,000 DKK	2017	2016	1.1-31.12 2016
Interest receivable	49,041	50,590	200,058
Interest payable	6,590	11,194	36,313
Net income from interest	42,451	39,396	163,745
Dividend on shares and other holdings	324	1,252	12,493
Charges and commission receivable	29,395	21,689	101,952
Charges and commission payable	1,085	1,102	3,672
Net income from interest and charges	71,085	61,235	274,518
Value adjustments	13,217	434	17,216
Other ordinary income	427	261	1,592
Staff costs and administrative expenses	36,418	36,486	148,990
Depreciation and write-downs on intangible and tangible assets	765	966	3,746
Other operating expenses	0	0	255
Contribution to the Guarantee Fund for deposits	0	0	55
Guarantee commission first guarantee scheme	0	0	203
Write-downs	5,392	17,730	36,172
Profit on equity investments in non-affiliated and affiliated companies	0	0	490
Result before tax	42,154	6,748	104,653
Tax	8,928	1,126	22,543
Net-result for the financial year	33,226	5,622	82,110
Of which are holders of shares of hybrid core capital instruments etc.	1,569	1,630	6,626
STATEMENT OF COMPREHENSIVE INCOME			
Profit for the financial year	33,226	5,622	82,110
Other comprehensive income after tax	0	0	0
Total comprehensive income	33,226	5,622	82,110

Core earnings 1st January – 31st March

1,000 DKK	2017	2016	1.1-31.12 2016
Net income from interest	42,451	39,396	163,745
Net charges and commission	28,310	20,587	98,280
Dividend on shares and other holdings	324	1,252	12,493
Foreign currency value adjustments	1,198	944	4,576
Other ordinary income	427	261	1,592
Core income	72,710	62,440	280,686
Staff costs and administrative expenses	36,418	36,486	148,990
Depreciation and write-downs on intangible and tangible assets	765	966	3,746
Other operating expenses	0	0	255
Costs	37,183	37,452	152,991
Core earnings	35,527	24,988	127,695
Write-downs	-5,392	-17,730	-36,172
Value adjustments	12,019	-510	12,640
Profit on equity investments in non-affiliated and affiliated companies	0	0	490
Result before tax	42,154	6,748	104,653
Tax	8,928	1,126	22,543
Net-result for the financial year	33,226	5,622	82,110

Balance by 31st March

1,000 DKK	2017	2016	1.1-31.12 2016
ASSETS			
Cash in hand and demand deposits with central banks	121,263	155,781	120,542
Receivables at credit institutions and central banks	627,431	551,559	786,764
Loans and other receivables at amortised cost	3,692,345	3,614,852	3,687,509
Bonds at fair value	1,002,900	710,160	926,950
Shares etc.	229,693	212,903	219,447
Land and buildings (total)	49,858	50,996	50,163
Investment properties	2,961	2,961	2,961
Owner-occupied properties	46,897	48,035	47,202
Other tangible assets	4,149	4,693	4,444
Current tax assets	5,551	3,191	0
Deferred tax assets	8,149	27,330	14,210
Other assets	48,023	52,215	41,520
Prepayments	3,332	3,701	8,642
Total assets	5,792,694	5,387,381	5,860,191

1,000 DKK	2017	2016	1.1-31.12 2016
LIABILITIES			
DEBT			
Debt to credit institutions and central banks	141,295	108,486	134,199
Deposits and other debts	4,764,373	4,423,826	4,871,359
Current tax liabilities	0	0	1,720
Other liabilities	56,151	60,522	56,387
Prepayments	2,220	1,542	1,162
Total debt	4,964,039	4,594,376	5,064,827
PROVISIONS			
Provisions for loss on guarantees	2,051	0	433
Total provisions	2,051	0	433
SUBORDINATED DEBT			
Subordinated loan capital	99,658	99,480	99,618
Hybrid core capital	0	70,000	0
Total subordinated debt	99,658	169,480	99,618
EQUITY			
Share capital	192,800	192,800	192,800
Revaluation reserves	417	417	417
Retained earnings	474,662	371,592	443,117
Capital owners share of equity	667,879	564,809	636,334
Holders of hybrid capital	59,067	58,716	58,979
Total equity	726,946	623,525	695,313
Total liabilities	5,792,694	5,387,381	5,860,191



Off-balance-sheet items by 31st March

1,000 DKK	2017	2016	1.1-31.12 2016
CONTINGENT LIABILITIES			
Contingent liabilities			
Finance guarantees	15,087	22,886	25,526
Guarantees against losses on mortgage credit loans	376,333	297,724	357,902
Registration and conversion guarantees	120,004	69,837	116,098
Other contingent liabilities	344,929	383,051	341,562
Total	856,353	773,498	841,088
Other binding engagements			
Irrevocable credit-undertakings	336,207	77,60	127,271
Total	336,207	77,460	127,271

Information on changes in equity 31st March

1,000 DKK	2017	2016	1.1-31.12 2016
Share capital beginning-of-year	192,800	192,800	192,800
Share capital end-of-year	192,800	192,800	192,800
Revaluation reserves beginning-of-year	417	417	417
Additions related to reassessed value	0	0	0
Other movements	0	0	0
Revaluation reserves end-of-year	417	417	417
Retained earnings beginning-of-year	443,117	367,579	367,579
Profit or loss for the financial year	31,656	3,992	75,484
Sale of own funds	8,599	2,013	10,626
Purchase of own funds	-8,710	-1,992	-10,572
Retained earnings end-of-year	474,662	371,592	443,117
Holders of hybrid capital beginning-of-year	58,979	58,629	58,629
Net profit or loss for the year (interest hybrid capital)	1,569	1,630	6,626
Paid interest	-1,481	-1,543	-6,276
Issue of hybrid core capital, net	0	0	0
Holders of hybrid capital end-of-year	59,067	58,716	58,979
Total equity	726,946	623,525	695,313



Notes per 31st March

1,000 DKK	2017	2016	1.1-31.12 2016
INTEREST INCOME			
Receivables at credit institutions and central banks	-968	-673	-3,668
Loans and other receivables	47,737	48,995	193,481
Bonds	2,089	2,118	9,438
Other derivative financial instruments, total	183	150	787
of which			
Currency contracts	54	-91	-262
Interest-rate contracts	129	241	1,049
Other interest income	0	0	20
Total	49,041	50,590	200,058
INTEREST EXPENSES			
Credit institutions and central banks	7	9	26
Deposits	4,927	8,499	28,304
Bonds, issued	0	0	0
Subordinated debt	1,649	2,672	7,967
Other interest expenses	7	14	16
Total	6,590	11,194	36,313
FEES AND COMMISSION INCOME			
Securities trading and custody accounts	6,096	4,137	23,118
Payment services	2,311	1,934	8,632
Loan fees	11,333	6,816	40,880
Guarantee commission	2,854	2,213	11,634
Other fees and commission	7,071	6,589	17,688
Total	29,395	21,689	101,952
VALUE ADJUSTMENTS			
Other loans	13	0	60
Bonds	1,988	1,126	5,867
Total shares	10,025	-1,518	6,969
Shares in sectorcompanies etc.	2,706	1,725	5,378
Other shares	7,319	-3,243	1,597
Foreign currency	1,199	945	4,323
Other financial instruments	-8	-119	-3
Total	13,217	434	17,216

1,000 DKK	2017	2016	1.1-31.12 2016
STAFF COSTS AND ADMINISTRATIVE EXPENSES			
SALARIES AND REMUNERATION OF BOARD OF DIRECTORS, MANAGERS ETC.			
Board of managers	618	618	2,830
Fixed fees	608	608	2,790
Pension contributions	10	10	40
Management board	308	240	1,034
Audit Committee	0	0	50
Committee of representatives	0	0	189
Total salaries and remuneration of board etc.	926	858	4,103
STAFF COSTS			
Wages and salaries	17,201	16,573	66,747
Pensions	1,925	1,843	7,488
Social security costs	164	150	850
Payroll tax	2,729	2,538	10,542
Total staff costs	22,019	21,104	85,627
OTHER ADMINISTRATIVE EXPENSES	13,473	14,524	59,260
Total staff costs and administrative expenses	36,418	36,486	148,990
EMPLOYEES			
Average number of employees converted into full-time employees	134	129	132

Notes per 31st March (continued)

1,000 DKK	2017	2016	1.1-31.12 2016
WRITE-DOWNS ON LOANS AND RECAIVABLES			
Write-downs and provisions during the year	21,058	35,501	90,161
Reversal of write-downs made in previous years	-12,393	-15,456	-47,258
Finally lost, not previously written down	675	1,694	10,036
Interest on the written-down portion of loans	-3,120	-3,540	-13,800
Recoveries of previously written off debt	-828	-559	-2,967
Total	5,392	17,730	36,172
PROFIT ON EQUITY INVESTMENTS IN NON-AFFILIATED AND AFFILIATED COMPANIES			
Profit on equity investments in associated enterprises	0	0	490
Total	0	0	490
INDIVIDUAL WRITE-DOWNS AND PROVISIONS			
Write-downs - beginning of the year	316,473	340,059	340,059
Write-downs during the year	20,990	34,423	87,936
Reversal of write-downs made in previous years	-12,393	-15,456	-47,258
Write-downs in previous years	-12,117	-1,339	-64,264
Individual write-downs total	312,953	357,687	316,473
GROUP WRITE-DOWNS AND PROVISIONS			
Write-downs - beginning of the year	26,391	24,166	24,166
Write-downs during the year	68	1,077	2,225
Group write-downs - end of year	0	0	0
Group write-downs total	26,459	25,243	26,391
Write-downs total	339,412	382,930	342,864

1,000 DKK	2017	2016	1.1-31.12 2016
GUARANTEES			
Provisions beginning of the year	433	0	62
Provisions during the year	1,659	0	433
Loss on guarantees	0	0	0
Transferred to liabilities	-41	0	-62
Guarantees end of year	2,051	0	433
LOANS ETC. WITH SUSPENDED CALCULATION OF INTEREST			
	109,953	148,285	120,504
SHARE CAPITAL			
Number of shares at 20 DKK each	9,640,000	9,640,000	9,640,000
Share capital	192,800	192,800	192,800
OWN CAPITAL SHARES			
Number of shares (pcs)	11,249	9,536	9,447
Nominal value hereof	231	171	189
Market value hereof	675	310	505
Own shares proportion of share capital (pct.)	0.12%	0.0%	0.10%

SKJERN

Banktorvet 3
6900 Skjern
Tlf. 9682 1333

VARDE

Bøgevej 2
6800 Varde
Tlf. 9682 1640

ESBJERG

Kongensgade 58
6700 Esbjerg
Tlf. 9682 1500

BRAMMING

Storegade 20
6740 Bramming
Tlf. 9682 1580

RIBE

J. Lauritzens Plads 1
6760 Ribe
Tlf. 9682 1600

HELLERUP

Strandvejen 143
2900 Hellerup
Tlf. 9682 1450