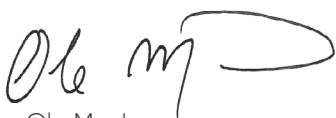


Spar Nord Annual Report: DKK 920 million net profit and 10.8% return on equity

Spar Nord has released its financial statements for 2018. Highlights of the financial statements include:

- Stabilised net interest income (DKK 1,548 million in 2018 against DKK 1,546 million in 2017) on 6% growth in lending in 2018.
- Net fee income was a record-high DKK 1,127 million in 2018, against DKK 1,116 million in 2017.
- Large non-recurring income from strategic shareholdings – gain from sale of Valueinvest and positive value adjustment of BankInvest.
- Negative value adjustments on bond and equity portfolio after a challenging year in the markets.
- Costs 1% lower despite pressure on salary and IT expenses.
- Core earnings before impairment of DKK 1,267 million in 2018, against DKK 1,251 million in 2017.
- Loan impairments of DKK 173 million in 2018, against an income of DKK 38 million last year – among other things due to two large single losses.
- Solid capital position with a common equity tier 1 ratio of 14.0% and an own funds ratio of 18.0%.
- Recommendation for dividend of DKK 3.50 per share, equal to a payout ratio of 47%.
- For 2019, Spar Nord expects core earnings before impairments around DKK 1.0–1.1 billion, slightly lower impairments than in 2018 and a net profit of around DKK 700–800 million.

Should you have any questions in connection with Spar Nord's annual report, please contact Lasse Nyby, Chief Executive Officer, at tel. +45 9634 4011, or Ole Madsen, Senior Vice President, Communication & Innovation, at tel. + 45 9634 4010.



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