

Annual Report

2014



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Management Report

Record high basic earnings

Basic earnings at DKK 225 million

In 2014 Nordjyske Bank has achieved record high basic earnings at DKK 225 million, which the bank's management considers satisfactory. The result has been achieved through a high activity level in the bank and in spite of a historically low interest rate level as well as sharpened competition.

Basic income amounts to DKK 499 million and is at the highest level ever. Operating costs and operating depreciation have decreased by DKK 4 million. Thus the bank has a positive development with increasing basis income and decreasing operating costs.

Write-downs on lending amount to a total of DKK 139 million and are still at a relatively high level reflecting the crisis in Danish commercial --farming with animal production.

The result in 2014 has been positively affected by market price regulations of DKK 38 million.

The year's result

The year's pre-tax result is at DKK 109 million, corresponding to return on the average equity of 7.9 per cent.

The result is at the top of the previously announced interval of DKK 210-225 million basic earnings, and

the bank management considers the result satisfactory.

Dividend at 30 per cent

The bank's management suggests dividend at 30 per cent of the nominal share capital.

Stable lending and deposits

The bank's lending and deposits are maintained at the same level at the end of 2014 as at the end of 2013.

Lending has been positively affected by lending to new customers, where the bank also has a net influx of both private and business customers in 2014. At the same time the demand for lending from the bank's customer is still relatively limited in spite of a low interest rate level. The total fall in lending is just under 1 per cent, corresponding to DKK 54 million to a total of DKK 5.5 billion.

Deposits are affected by an increasing desire to invest in securities and to a lesser extent affected by payment of a fee when converting capital pension to retirement pension. Deposits decreased by DKK 89 million to DKK 7.2 billion.

The bank's excess liquidity – deposits and equity less lending – has increased by DKK 35 million to DKK 3,130 million.

Condensed income statement (amounts in million DKK)	2014	2013	2012	2011	2010
Interest income, net	323	337	353	357	353
Fees and commission income, net	159	129	113	102	97
Other operating income etc.	17	16	18	14	13
Core income	499	482	484	473	463
Operating costs and operating depreciation	274	278	272	278	266
Core earnings	225	204	212	195	197
Payments to the Deposit Guarantee Fund etc.	15	16	11	14	20
Write-downs re. the Contingency Association	-	-	-	-	16
Write-downs on own lending etc.	139	129	131	113	81
Market Price regulations for securities, etc.	38	12	17	0	40
Pre-tax result	109	71	87	68	120
Return of total assets (amounts in million DKK)	2014	2013	2012	2011	2010
Pre-tax result as percentage of average equity	7.9	5.3	6.8	5.5	10.4
Result after taxes as percentage of average equity	6.4	4.0	4.8	4.1	8.0
Costs as a percentage of core earnings	54.9	57.6	56.3	58.9	57.4

Management Report

Development in business volume

Increase in business volume

The bank's business volume consisting of lending, deposits and guarantees has increased by DKK 188 million in 2014 to DKK 13.9 billion at the end of 2014.

The increase is related to guarantees, which increase by DKK 331 million to a total of DKK 1,172 million at the end of 2014, which is mainly due to high level of conversion in 2014.

The total lending in the bank amounts to DKK 5,499 million compared to last year's lending of DKK 5,553 million.

The bank has achieved an increase in lending to new customers, where 2014 has seen a net influx of both private and business customers. To a great extent this increase corresponds partly to an annual ordinary reflux of DKK 300-400 million and partly to a limited demand for lending from the customers in general.

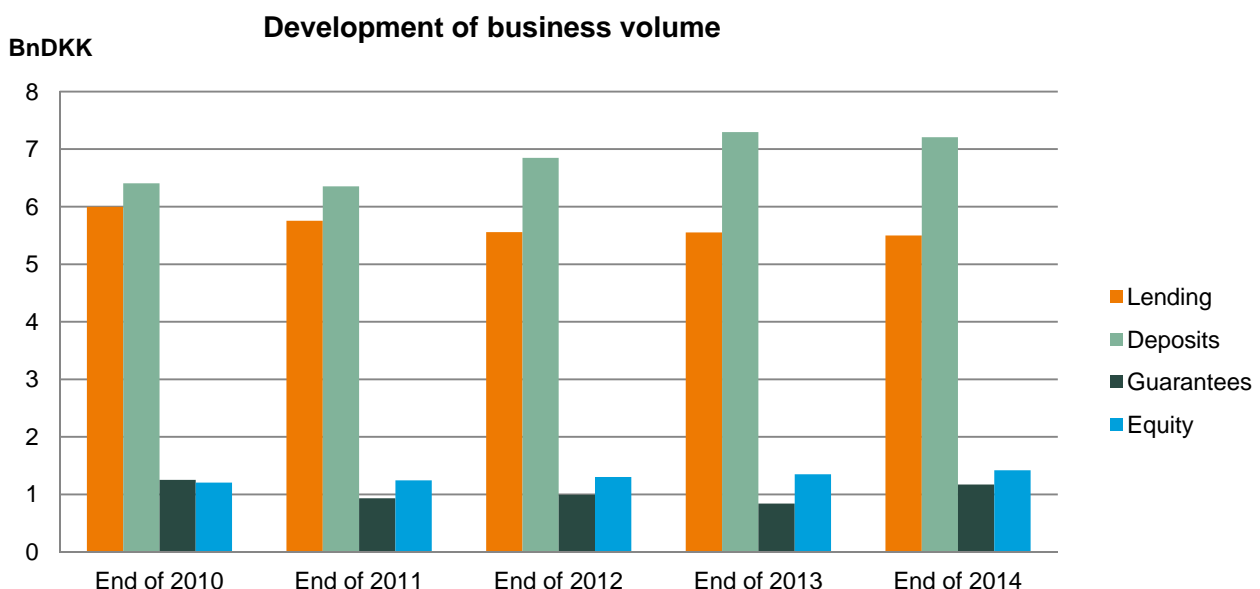
Lending to private customers increases by 10 per cent corresponding to DKK 205 million, whereas lending to businesses falls by 7 per cent, corresponding to DKK 261 million.

The bank considers the development in lending as satisfactory seen in the light of lending to new customers and in the light of limited incentive to lending in general.

Business volume inclusive of deposit values has increased by DKK 424 million in 2014 to DKK 17.9 billion at the end of 2014.

Deposits amount to DKK 7,208 million at the end of 2014, which is a fall of DKK 89 million in 2014. This must be seen together with the increase in the customers' deposit values of DKK 236 million to DKK 4,060 million at the end of 2014, as there has been an increasing interest in investment in securities. The development in the customers' deposit values is of course influenced by the market price development during the year.

In 2014 there has still been conversion of capital pension to retirement pension where both deposit and deposit balance are regulated with the fees.



Management Report

Positive development in income from services

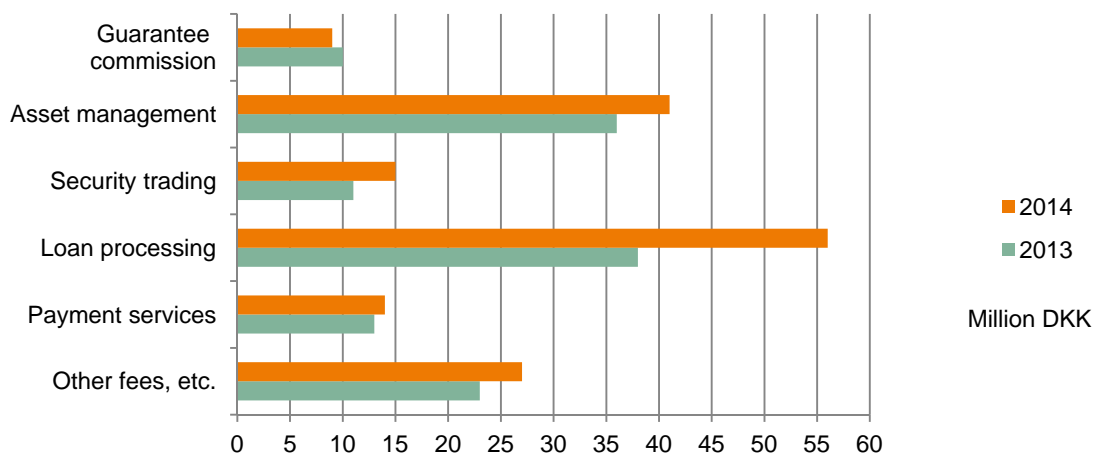
The low interest rate level in 2014 had produced a high activity level as many of the bank's customers have taken advantage of it for conversion of mortgage loans. This activity has resulted in a big increase in income as a consequence of lending processing as well as security trading.

The conversion activity and asset management have resulted in a total increase in fee income of 23 per cent.

In the asset management area the Private Banking concept to customers with large assets has led to increased activity. The bank's specialists have held 1,060 meetings with wealthy customers. The concept is an advantage for the customers and at the same time creates increased income for the bank.

See further description of the concept on page 8.

Development in fee income



Operating costs and operating depreciation

The bank's total operating costs and operating depreciation amount to DKK 274 million which is a fall of DKK 4 million compared with 2013.

The fall is primarily due to the organizational adjustments in 2013.

It-costs show a minor fall to DKK 55 million in 2014.

Nordjyske Bank has paid a contribution of DKK 15 million to the Deposit Guarantee Fund in 2014. During the past 7 years the bank has contributed with DKK 139 million to restoration of the financial stability.

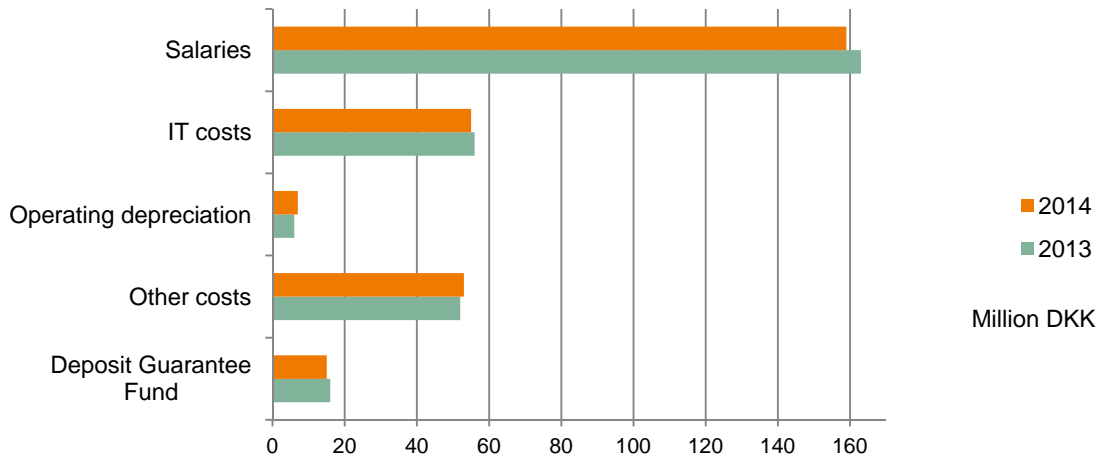
As a financial business, the bank pays a number of charges to the common public household in addition to income tax.

In 2014, the bank paid payroll tax of about DKK 16 million, just as lack of allowances for input VAT amounts to app. DKK 10 million.

Together with the direct income tax of DKK 21,2 million the bank has paid a total of about DKK 47 million in taxes and charges in 2014, corresponding to an effective rate of taxation and charges of 35.

Management Report

Development in operating costs



Write-downs at a relatively high level

The effect on operations of write-downs on lending and guarantees amounts to DKK 139 million in 2014, corresponding to a write-down percentage of 1.9 as in 2013.

The bank's accounts are still influenced by relatively large write-downs, which are primarily due to challenges for parts of the agricultural sector but also due to the society related financial state in recent years.

Write-downs on Danish commercial farming amount to DKK 94 million compared to DKK 80 million and can be related to both lower payment ability as a consequence of lower sales prices and lower value of the bank's security.

The bank's accumulated write-downs and provisions increase to DKK 661 million and inclusive of market price write-downs to DKK 675 million.

Write-downs on lending and guarantees (amounts in million DKK)	2014	2013
Write-downs on lending etc. assessed individually and on a group basis	180	142
Received from receivables previously written down	13	2
Finally lost, not previously written down individually	7	19
Interest received regarding receivables written down	35	30
Total effect on operations	139	129

Market price regulations

In 2014 the bank has achieved market price regulations of DKK 38 million.

This includes capital gain on bonds DKK 5 million and capital gain on shares DKK 35 million, primarily regarding sector shares, out of which the sale of the bank's shares in Nets A/S amounts to DKK 14 million.

Management Report

Activities in the bank in 2014

Customer campaign "We are enthusiastic about it"

In 2014 Nordjyske Bank carried out the customer campaign "We are enthusiastic about it" ("Det brænder vi for"). The purpose was to have fiery souls from Vendsyssel step up and set focus on all the positive things that makes the inhabitants of Vendsyssel something special.

On the homepage of the campaign www.detvibrænderfor.dk it was possible to share posts on Facebook and vote for the fiery souls. The ten obtaining the most votes went to the finals and a jury chose the winner of the Torch of the Year and DKK 50,000, which was Vrensted og Omegns Rideklub.

The campaign has contributed to the bank's local anchoring in North Jutland, and with high level of activity on the homepage it must be considered a success.

*We are enthusiastic about
North Jutland*

Net influx of private and business customers

Again in 2014 the bank has achieved satisfactory influx of both private and business customers, which has resulted in good net influx.

We still have focus on proactive sale towards business customers and private customers, and at the same time we benefit greatly from referrals from existing customers with takeoff in a high degree of customer satisfaction.

In particular we have had a great customer influx of private customers in the branch at Kultorvet in Copenhagen, which is also based on proactive activities and a lot of referrals.

The total customer influx has added more than DKK 450 million in new deposits.

Competent customer consultancy

Nordjyske Bank wants to be among the best in customer consultancy, which will depend on continuous focus on ensuring the optimum setup for customer consultancy and optimisation of resources.

We achieve high competences in our consultants by ensuring sufficient sparring between the consultants and by using the bank's specialists.

At the same time the banks has focus on possibilities for rationalisation and on ensuring optimum use of resources.

Private Banking

Nordjyske Bank has introduced the Private Banking concept to great satisfaction for the customers and benefit to the bank. The concept is offered to customers with investible funds over DKK 2 million.

The Private Banking customers are offered specialised and individual advisory service with frequent follow-up, and the customers are attached to fund advisor and specialists in the FinansCentre.

The advisory service is based in the investment area but also includes debt management and pension.

Strategy 2015-2017

In 2014 the bank has prepared a strategy plan for 2015-2017. Just like the strategy plan 2010-2014 the strategy is under the heading "The safe choice".

The principle aim is Nordjyske Bank's ambition to be the best bank in North Jutland for the customers, owners and employees. During the strategy period the bank will continuously perform satisfaction surveys to ensure performance of goals for the customers, owners and employees.

As part of the strategy plan the bank has specified a number of projects and initiatives which may be divided into efficiency tracks and growth tracks.

In recent months the bank has had focus on the merger with Nørresundby Bank, which is described in a separate section "Purchase bid for all shares in Nørresundby Bank".



Management Report

Development in the bank's staff

Through recent years a lot of systems have been developed, minimising the need for a visit to a branch, since the customers choose to use card, net bank and mobile bank for the simple transactions instead. In return the complexity in advisory services has increased due to a larger supply of financial solutions and increasing legal requirements.

Therefore the bank has great focus on ensuring a high level of competence among the employees as well as the relevant systems, to be able to offer the customers the best advice possible. Competence development is among other things ensured by gathering staff in larger units, which is important for the branch structure, which has been unchanged in 2014, though.

It is the bank's opinion that Nordjyske Bank's local anchoring in North Jutland is of great importance to the relationship with the customers.

Facts about the bank's employees	2014	2013
Employees end of year (full time)	252	258
- women	135	137
- men	117	121
Average age	47.3yrs	47.9yrs
Average seniority	20.9yrs	21.8yrs

It is the bank's desire to create a sense of community among the employees. Among other things an "annual meeting" with the management is held, and altogether it is highly supported by the staff. In 2014 the bank carried through an internal campaign, "Et lysende eksempel" ("A clear example"), as a parallel to "Det vi brænder for" ("We are enthusiastic about it"). Through this a lot of nominations came from employees, who wanted to nominate colleagues who have the courage to grab the torch and be a clear example to both customers and colleagues.

*Confidence
Efficiency
Competence*

The Board of Directors has fixed goal figures and prepared a policy for the under-represented gender in the management. It is the aim of the Board of Directors that the number of female members of the Committee of Representatives shall be increased by at least 1 out of 6 members in 2017. This is part of the considerations concerning the composition of the Committee of Representatives, since the bank has no female board members elected by the Committee of Representatives at the end of 2014 .

It is the intention of the bank to create a basis for equal distribution by gender at the bank's other management levels. It is the bank's goal that all employees experience equal possibilities for career and leading positions, and that the share of female leaders shall be increased to 30 per cent before 2017.

In 2014 the share of female leaders has increased to 27.7 per cent from 22.2 per cent at the end of 2013.



Mikael Jakobsen, Bank Director

Management Report

Development in North Jutland

The European Central Bank (ECB) has tried to kick start the European economy in January 2015 through purchase of bonds and thereby partly weakening the Euro and strengthening the competitive strength towards overseas countries and partly influencing the banks' willingness to lending. The aim is to create growth and inflation and provide a financial upswing. In this connection the ECB recognises that Europe has not yet disengaged itself from the crises since 2008.

The messages about the economic situation are not unambiguous in the large number of analyses and statements. We estimate that there is far greater stability in the economy in North Jutland than in the total picture in Denmark and in Europe.

Unemployment statistics show that there are fewer unemployed people in North Jutland, where only Aalborg and Mors have had a few more unemployed people during the past year.

Interest rate is still low and has fallen during the past year. Likewise inflation is at a very low level.

According to The Knowledge Centre for Housing Economics the housing prices on both houses and flats in North Jutland show positive development. At the same time there were fewer compulsory sales in 2014.

Thus private customers do not experience bigger financial crises in their everyday lives. The financial challenges arise when unemployment, divorce or the like occur.

As a bank we do not experience that our private customers have major financial challenges. On the other hand a lot are influenced negatively by the general discussion in the media about e.g. unemployment and uncertainty in various types of loan, which limits the desire for lending and consumption.

Foreningen af Statsautoriserede Revisorer (FSR) (Association of State authorised Accountants) has conducted a survey where among other things they estimate that there is a significantly lower number of financially affected companies within almost all lines of business compared with the year before. In this survey it is also estimated that companies have limited focus on investment and primarily focus on finance and liquidity management.

In particular the maritime trade and the offshore business are of significant importance to a positive development in North Jutland. The cooperation between the ports seems to contribute to taking advantage of the possibilities to create growth and jobs in the bank's market area.

Main activities in Nordjyske Bank

Nordjyske Bank's business model and principles build on a desire to service both private and business customers in an independent bank in which the decision-making powers are located in the market area.

We stick to the banking transactions and customers in the local market area which/who we know and understand and are trying to serve in a serious and durable way.

Nordjyske Bank has 252 well-qualified employees, including specially qualified employees within the most important advice areas. The bank has high-technological aids and a large number of competent collaborators.

Nordjyske Bank offers advice and expertise within all areas of payment transfers, credit transfer, foreign business, provision of credit, housing, investment, pension and insurance. The bank emphasises individual advice for both commercial and private customers.

Nordjyske Bank has:

- 57,000 private customers
- 4,000 business customers
- 23,000 shareholders
- Business volume - lending, guarantees, deposits and asset management – of DKK 17.9 billion

Nordjyske Bank is a free, independent bank owned by individuals, primarily owned by shareholders who are also customers in the bank.

Management Report

Expectations for 2015

In Nordjyske Bank we expect a moderate economic growth in 2015.

Demand for lending to both privates and commercial is expected to continue to be limited, since there will be a general uncertainty concerning economic trends.

We expect to be able to continue a positive customer influx and want to focus on both new and existing customers.

In consideration of the possible merger with Nørresundby Bank, Nordjyske Bank estimates core earnings before payments to the Deposit Guarantee Fund, write-downs on lending and price adjustment for securities in the range of DKK 175-210 million in 2015.

The total result will be affected by the write-down item for lending and the market price development for the bank's holding of securities.

The most important uncertainty factor is the write-down item regarding lending and guarantees and depends primarily on the development in the farming sector. Write-downs are expected to be at a relatively high level in 2015.

Dividend policy

The Board of Directors in Nordjyske Bank intends to work for a forward looking dividend policy, where 30-50 per cent year's result after tax is paid, either in the form of actual dividend or as share repurchase, in consideration of, among other things, solvency goals as indicated in company announcement no. 02.2015.

The safe choice

Nordjyske Bank – the safe choice

Nordjyske Bank has a strong and robust core capital and good liquidity. Nordjyske Bank is well prepared for the challenges of the future with a strong local basis consisting of many shareholders and a large customer base.

To be able to deliver satisfactory results and live up to increased requirements and regulations we want a larger business volume.

Nordjyske Bank therefore has a strategic wish to grow in North Jutland, including Aalborg, but also Copenhagen and Aarhus are extremely interesting for the bank.

As a consequence of this Nordjyske Bank has been in dialogue with Nørresundby Bank about the possibility of a merger and has subsequently given a purchase bid on all shares in Nørresundby Bank cf. the following section.

We will primarily focus on private customers and small and medium-sized commercial customers.

We thank our many customers and shareholders for their continued support to the bank.



Claus Andersen, Bank Director

Management Report

Purchase bid for all shares in Nørresundby Bank

Nordjyske Bank has indicated several times that we want to be part of the expected structural adjustment. In this connection the bank announced in October 2014 by company announcement no. 14.2014 pending merger negotiations with A/S Nørresundby Bank.

In late November 2014 the bank announced by company announcement no. 19.2014 that we considered the possibility of placing a purchase bid for the shares in Nørresundby Bank, which happened on 18 December 2014, as announced by company announcement no. 20.2014.

The bid document was published on 14 January 2015 by company announcement no. 04.2015 after authorization to increase the capital the day before the bank's extraordinary general meeting. The authorization was approved by a great majority of 88 per cent of the votes represented and the management is satisfied with the great support of the merger.

The purchase bid to all shareholders in A/S Nørresundby Bank will expire ordinarily on 26 February 2015.

*Read bid document
with purchase bid for
all shares in
A/S Nørresundby Bank*
www.nordjyskebank.dk

As indicated in the bid document, Nordjyske Bank's strategic reasons for acquisition of Nørresundby Bank are generally based on the fact that a merger of Nordjyske Bank with Nørresundby Bank will make it possible to ensure a strong, independent local bank, which can concentrate all its power in North Jutland for the benefit of business and private customers in the region.

The two banks form a good strategic match seen in relation to geographical coverage, trade concentration of lending and guarantees as well as a joint IT-centre.

Both Nordjyske Bank and Nørresundby Bank have branches in Brønderslev and Hjørring, and it is the intention that the branches will be merged in Nørresundby Bank's current premises.

Centrally located functions are planned in Hjørring, Frederikshavn and Nørresundby. As a consequence of the merger staff rationalisations of app. 50 employees are estimated in the merged bank.

The business models for the two banks are comparable and the merger opens up for the possibility among other things to lift larger commitments and serve more and larger customers than before.

Nordjyske Bank's name and logo will continue unchanged and the plan is that the headquarters will be at the Town square in Nørresundby.

Risk and risk management

The bank's business goal is to offer financial products and services together with advice. Consequently, the bank is exposed to credit risks, market risks, liquidity risks and operational risks.

These types of risks are described in the management report and in note 9 in this annual report and in Risk Report 2014, which is available from the bank's website www.nordjyskebank.dk/risikorapport.

Business model, policies and framework are updated at least once annually through the management's reassessment of the total risk. The bank's overall attitude remains that the bank only wants to take on risks which the bank has the competence resources to manage.

Risk-taking is a natural element in the bank's operations, and therefore risk management is also a natural and central element in the bank. As a consequence of the bank's business basis, credit risk constitutes the most important risk area.

Management Report

Credit risks

Key credit figures	2014	2013	2012	2011	2010
Lending in proportion to equity	3,9	4.1	4.3	4.6	5.0
The year's growth in lending as a percentage	- 1.0	- 0.1	- 3.4	- 4.0	- 0.9
Sum of large commitments as a percentage of core capital	11.1	*) 11.6	*) 23.3	*) 37.1	*) 33.0
The year's write-down percentage	1.9	1.9	1.8	1.6	1.3
Accumulated write-down percentage	9.0	8.2	7.5	5.8	4.1

** calculated according to previous rules*

As a consequence of the bank's business model and credit policy, the bank's risk profile in the credit area must be appropriately cautious, which leads to concrete guidelines for the bank's credit provision.

This means among other things

- that the bank does not want individual commitments which are so large that a loss may threaten the bank's existence. The unsecured part of individual commitments cannot exceed a maximum of 10 per cent of the bank's core capital.
- that the bank attaches importance to local knowledge, which means that the risk profile has been fixed on the basis of locations where the bank is represented physically
- that the credit administration must ensure that the bank only accepts calculated credit risks

The bank also carries out an ongoing credit rating of the customers by ability to meet obligations based on the Danish Financial Supervisory Authority's quality classification.

The bank's guidelines and risk management has heavy focus on concentration risks. In areas in which the bank has chosen to have large concentrations, the bank has corresponding competences and long-standing experience.

The bank's credit risks are controlled by a credit committee – consisting of a member of the Executive Board, the area directors and the credit manager – set up among other things with the purpose of ensuring that the bank's credit policy is complied with in the organisation.

Central credit controlling is carried out on an ongoing basis in the bank's branches and in selected risk areas with a view to supervision and control of credit risks and a strengthening of the employees' credit competences.

The Danish Financial Supervisory Authority

The latest visit by the Danish Financial Supervisory Authority was in May-June 2012 for an ordinary inspection.

The report was generally satisfactory, and the bank was not noticeably affected by the inspection with regard to result. The Danish Financial Supervisory Authority concluded that the bank had taken the known risks into consideration.

In 2014 the Danish Financial Supervisory Authority has performed a cross-sectoral credit review in Nordjyske Bank and a number of other banks with a high degree of agricultural exposure.

By the end of January 2015, Nordjyske Bank has received the Danish Financial Supervisory Authority's report on the inspection about lending to agriculture. The report and the bank's comments on it are available on the bank's homepage www.nordjyskebank.dk.

The bank finds it satisfactory that the Danish Financial Supervisory Authority does not find needs for further write-downs in addition to the bank's write-down as at 30 September 2014. Furthermore, it is positive that the Danish Financial Supervisory Authority has not found further commitments that need to be written down.

[Risk report 2014](http://www.nordjyskebank.dk/risikorapport)
[is available on the bank's](http://www.nordjyskebank.dk/risikorapport)
[website](http://www.nordjyskebank.dk/risikorapport)
www.nordjyskebank.dk/risikorapport

Management Report

Credit rating

The bank uses a credit rating model for credit granting and credit management, which is adjusted on a continuous basis, among other things according to guidelines from the Danish Financial Supervisory Authority.

The financial crisis has still affected the bank's customers, but in spite of this 73 per cent of the bank's lending and guarantees show no signs of weakness.

At the same time the bank has an increasing share in good and normal quality. New commercial and private customers have contributed to a better portfolio.

In 2014 the bank has got many new private customers and small commercial customers. Upon influx of new customers, there has been performed ongoing supervision and control of fixing credit rating, among other things. Thereby we ensure that the influx improves the bank's portfolio, as we establish satisfactory rating of the new customers

Commitments with certain weaknesses and commitments with material weaknesses have been reduced from 2013 to 2014, indicating lower addition of write-down commitments in 2015. On the other hand the current challenges in the farming sector will affect write-downs on an upward trend.

The bank performs tests of credit rating on an ongoing basis with a view to establish the model's ability to continue to spot commitments threatened by loss and write-down. Furthermore, the bank performs a stress test of the bank's lending and guarantee portfolio on a quarterly basis.

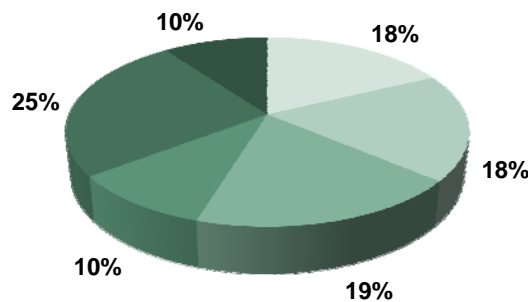
*73 per cent of
the bank's lending and
guarantees are without
weaknesses*

Distribution of lending and guarantees according to credit rating	2014	2013	2014	2013
	(in million DKK)	(in million DKK)	(per cent)	(per cent)
Good quality	2,242	1,901	34 %	30 %
Normal quality	639	646	10 %	10 %
Slightly reduced quality	1,939	1,820	29 %	28 %
Some weaknesses	341	481	5 %	8 %
Slightly reduced quality, but without OIV	410	434	6 %	7 %
With objective indication of value reduction (OIV)	1,100	1,112	16 %	17 %
Total lending and guarantees	6,671	6,394	100 %	100 %

Management Report

Commitment size

■ 0 - 500	■ 500 - 1.500
■ 1.500 - 5.000	■ 5.000 - 10.000
■ 10.000 - 50.000	■ > 50.000



Large commitments may involve a larger credit risk than many small commitments. Therefore the bank does not want individual commitments for which the unsecured part corresponds to more than 10 per cent of the bank's core capital.

Therefore the bank's credit risks are concentrated on rather small commitments.

Commitments of more than DKK 50 million amount to 10 per cent of the bank's credit commitments, whereas commitments under DKK 10 million amount to 65 per cent.

Lending in foreign currencies

January 2015 has witnessed large fluctuations in CHF. The bank has only limited lending in foreign exchange, and lending in CHF amounts to less than 1 per cent at the end of 2014. Furthermore no customers with weaknesses have loans in CHF.

At the end of 2014 the bank's lending in foreign exchange amounts to 6 per cent, of which lending in EUR amounts to a little more than 5 per cent of total lending.

The bank is therefore of the opinion that the bank's lending involves limited foreign exchange risk.

It is not the bank's policy to offer lending in foreign currency to a great extent, the reason why the bank as a main rule does not offer this to private customers and only to commercial customers with good credit rating.

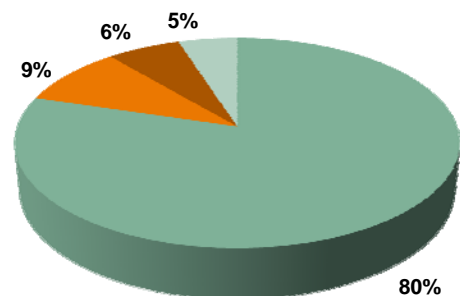
Geographical distribution

89 per cent of the bank's lending and guarantees originate from geographical areas in which the bank is physically represented.

The bank's lending and guarantees are distributed with 80 per cent in North Jutland and 9 per cent in the Capital area, where Nordjyske Bank has a branch.

A material part of the bank's lending and guarantees abroad consists of lending to plant-growing in the EU. These are commitments which are estimated to have a very limited risk of loss, which is described on page 19

■ North Jutland	■ The capital area
■ The rest of Denmark	■ Aborud



Management Report

Lending and guarantees distributed on sector and industry

Lending distributed among sectors (amounts in million DKK)	2014	2013
Commercial	3,311	3,572
Private	2,186	1,981
Industry	2	0
Total lending	5,499	5,553

With DKK 5,499 million total lending is at the same level at the end of 2014 as the year before. This is estimated satisfactory seen in the light of annual ordinary settlement of DKK 300-400 million.

The development is further reasoned in the section on "Development in business volume".

Lending to private customers increases by DKK 205 million, whereas commercial lending falls by DKK 261 million.

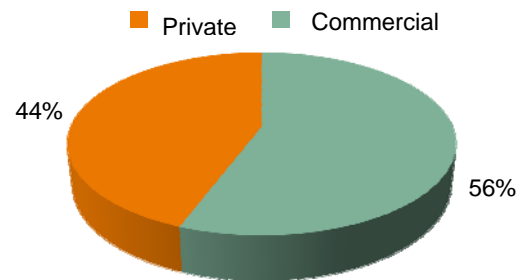
The bank's development in lending is still affected by a limited desire to lending both regarding private and commercial customers. There is still a general uncertainty which inhibits consumption and investment although a lot of households are not affected negatively financially.

At the end of 2014 the bank has provided guarantees for the customers at DKK 1,172 million, which is an increase of DKK 331 million compared with the end of 2013. This is due to a high level of conversions in 2014.

The bank's lending and guarantees have increased by a total of DKK 277 million in 2014, corresponding to 4 per cent.

Lending and guarantees are distributed with 56 per cent to commercial and 44 per cent to private customers at the end of 2014. This distribution is affected by the above guarantees as a consequence of conversion of mortgage loans, which means that private customers weight more at the end of 2014.

Distribution of lending and guarantees as at 31.12.2014



The risk on the private segment is assessed to be lower than the commercial segment, the reason why the goal of the bank is at least 35 per cent lending and guarantees to private customers.

As mentioned under the section "Development in North Jutland" major financial challenges do not arise with private customers until in case of divorce, unemployment and similar situations that may force housing sale. The bank registers limited signals of loss on private customers.

North Jutland has had less significant price fluctuations in property than other areas of the country before and after the crisis. The bank has limited challenges with property which are technically mortgaged beyond its value.

It is assessed to be positive that 82 per cent of the bank's share of loans with Totalkredit has mortgaging below 60 per cent of the technically calculated value of the property and thereby some equity in the property. At the same time the bank's customers have a higher share of loans with repayment and fixed interest than the average with Totalkredit. Out of the bank's customers 50 per cent have repayment on the loans with Totalkredit and 45 per cent pay fixed interest.

In accordance with the bank's credit policy, when calculating amounts available to private customers we base it on a calculation on a 30-year housing loan with fixed interest and repayment.

In addition to stable property prices, private customers in North Jutland are favoured by a relatively higher rate of employment compared to other regions. In addition private customers are favoured by a low interest rate.

Management Report

Concentrations may lead to higher risk for the bank, which is why Nordjyske Bank has fixed limits for all industry groups.

Nordjyske Bank has only limited lending to and risk in real estate industry, which is still challenged. The bank's share for this industry amounts to 6 per cent.

Danish commercial farming constitutes a considerable concentration in the bank's lending and guarantees at 17 per cent after deduction of write-downs. The bank's exposure to Danish commercial farming is amplified in the subsequent section.

The bank has long time experience with the fishing industry, which is naturally in the bank's primary

market area. Lending and guarantees to this industry amounts to of 5 per cent of the bank's total lending and guarantees.

The fishing industry is of great positive importance for the market area. At the same time the fishing industry is strongly affected by the fisheries policy climate, and it is important to the bank to have experience and competences in this special area.

The results for the fishing industry experience some fluctuations over the year. In 2014 it is estimated collectively that there has been a slight price increase and slightly bigger amounts of fish. The fishing industry has been positively affected by the lower oil prices.

Distribution as at 31 December 2014 (amounts in million DKK)	Lending and guarantees before write-downs	Accumulated write-downs and market price write-downs	in %	The year's write-downs over operations
Plant growing	401	18	5 %	10
Cattle breeding	389	148	38 %	26
Pig breeding	572	114	20 %	56
Fur farming	74	4	5 %	2
Danish commercial farming, total	1,436	284	20 %	94
Fishery, Plant growing abroad (EU) etc.	804	38	5 %	14
Total farming etc.	2,240	322	14 %	108
Other commercial	2,039	206	10 %	43
Total commercial	4,279	528	12 %	151
Private	3,062	113	4 %	31
Public authorities	5	0	0 %	0
Total	7,346	641	9 %	182
Group write-downs		34		-2
Finally lost - not previously written down individually				7
Received re. receivables, interest, etc., written down previously				48
Total reservations		675		139

Lending and guarantees to farming

In the bank's primary market area the farming industry constitutes an important industry, and the bank has relatively comprehensive exposure to it. The farming industry contributes positively to earnings in Nordjyske Bank.

There is great focus on the exposure to farming, partly because of the concentration in lending and partly because of the challenges for the farming industry.

The financial challenges for Danish commercial farming vary a great deal between the various

types of production. Milk producers and pig farmers still have the biggest financial challenges

In Statistics Denmark fishing and farming industries have been combined in one group, which is the reason why these industries are often considered as one. However, farming and fishing are not affected by the same elements, the reason why the bank has split the group into Danish commercial farming and fishing and plant growing in EU etc. The bank estimates the latter group to be of low risk – as mentioned on the next page.

Management Report

Nordjyske Bank has lending and guarantees to the challenged animal production of 3.6 per cent to milk production and 6.9 per cent to pig farming.

Lending and guarantees to the total Danish commercial farming of 17 per cent of total lending and guarantees.

The bank has reserved write-downs and provisions for commitments with Danish commercial farming at DKK 281 million. To this must be added market price write-downs on lending to Danish commercial farming received from takeover of lending from Løkken Sparekasse and Øster Brønderslev Sparekasse of DKK 3 million.

In total the bank has reserved write-downs, provisions and market price write-downs for commitments with Danish commercial farming of DKK 284 million, corresponding to 20 per cent of lending and guarantees to Danish commercial farming. For animal production DKK 262 million has been reserved corresponding to 27 per cent of lending and guarantees to this group.

The bank's write-downs and provisions within Danish commercial farming are concentrated within cattle and pig breeding.

In total the farming industry has financial challenges. During the years 2003-2008 borrowing in farming has strongly increased, at the same time as a large increase in prices on farming land. The need for borrowing in 2015 will primarily come from farms which are already highly indebted.

The combination of heavy debts and decreasing earnings hits the animal production as the prices of milk and pork have fallen much in the 4th quarter of 2014, where at the same time the feed prices have gone up. Both milk producers and pig farmers are affected by the trade crisis with Russia and also by the fact that China buys considerably less.

*Write-downs etc.
of 27 per cent
are reserved for
lending and guarantees
to animal production*

The farming sector's own prognoses show that the terms of trade and settling prices will not improve until the end of 2015 at the earliest.

It is of great importance for the farmers and for the bank's lending to them that there will be a solution to the trade crisis with Russia or more favourable conditions for the farming sector are found. In mid-December 2014 Danish Agriculture & Food came up with 10 proposals which may help solve the current farming crisis. The industry may benefit from political support to e.g. opening new export markets and thereby ensuring employment in business related to farming.

Thus there is great uncertainty about the situation for farming in 2015, and therefore also uncertainty about the need for future write-down in the bank on animal production.

On pig breeding the bank has written down DKK 114 million, corresponding to 20 per cent of the bank's lending and guarantees on this type of production.

DKK 148 million has been written down on milk producers, corresponding to 38 per cent of the bank's lending and guarantees on this production type.

Plant growers and fur farmers do not have the same financial challenges and deliver reasonable results.

The bank's focus is on creating profitable operation for the farmers, and in some cases this means that we help farmers out of the business.

Distribution on credit rating of the bank's lending to agriculture and fishing appears from the following page. The bank has 46 per cent of lending and guarantees to this group with weaknesses or need for write-down. At the same time this means that the bank has 54 per cent of lending and guarantees with no signs of weaknesses.

Management Report

Lending and guarantees to agriculture and fishing according to credit rating	2014 (in DKK million)	2013 (in DKK million)	2014 (per cent)	2013 (per cent)
Good quality	482	484	25 %	25 %
Normal quality	141	178	7 %	9 %
Slightly reduced quality	415	373	22 %	19 %
Some weaknesses	134	150	7 %	8 %
Material weaknesses	133	151	7 %	8 %
With objective indication of value reduction	613	588	32 %	31 %
Total lending and guarantees to agriculture and fishing	1,918	1,924	100 %	100 %

Capital adequacy and stress test

The bank's calculation of capital adequacy allows for the fact that losses may occur from commitments with material weaknesses but no OIV. Furthermore, provisions have been made under capital solvency requirement for additional losses from commitments through write-downs, provisions and market price write-downs.

The bank has solvency reserved 289 million for commitments with Danish commercial farming for value regulation of securities and for loss as a consequence of general operation problems and the current farming crisis. The solvency reservation is in addition to the bank's write-downs of DKK 284 million.

Nordjyske Bank performs stress tests on an ongoing basis of the bank's exposures. Stress test at the end of 2014 of the bank's farming portfolio shows that the current problems for farming do not constitute a threat to the bank. The bank will still have a solvency ratio above the capital adequacy requirement if the bank should lose the entire unsecured share on this segment.

Lending to plant growing in the EU

Lending to plant growing in the EU amounts to 5 per cent of the bank's lending and guarantees. Such loans are considered to involve a very limited risk of loss for the bank, as they are secured by first-ranking mortgages together with state guarantee in the form of a guarantee issued by the Danish Export Credit Fund. At the same time, the equity contributed cash amounts to 45-50 per cent of the investment.

Other risks

Liquidity risk and funding risk

The liquidity and funding risk of Nordjyske Bank must be reasonable. This means:

- that the bank's liquidity requirement should primarily be covered by ordinary deposits and equity
- that the bank has sufficient lines with other banks to cover the current day-to-day liquidity requirement
- that the bank has sufficient excess liquidity to meet the goal at any time and during budget projection and in a stress scenario
- that the bank meets the limit fixed by the Financial Supervisory Authority for stable funding in the Supervision Diamond
- that the bank minimizes the funding risk by seeking stable liquidity coverage.

The liquidity is checked, budgeted and reported on an ongoing basis to the Board of Directors and the Executive Board, which means that the bank makes sure that the limits fixed for the liquidity risk are observed.

Market risk

Nordjyske Bank's total market risk must be cautious, and limits have been fixed for the interest risk, the foreign exchange risk and the share risk.

The limits are checked and reported on an ongoing basis to the Board of Directors and the Executive Board.

Management Report

Liquidity

Excess deposits

It is the bank's policy to finance lending with ordinary deposits from customers and by means of equity.

The excess deposits have increased by DKK 1.5 billion over the latest 5 years. The current excess deposits lead to a very comfortable liquidity situation.

Deposits / lending (amounts in million DKK)	2014	2013
Deposits	7,208	7,297
Lending	5,499	5,553
Excess deposits	1,709	1,744

Excess deposits have decreased during 2014 as a consequence of a small fall in deposits, which among other things is due to increased interest in investment in securities, and conversion from capital pension to retirement pension, whereby the balance is reduced by the fee. Lending has at the same time decreased by DKK 54 million.

Excess deposits amount to DKK 1,709 million.

The bank's deposits are stable and ordinary deposits. Less than 90 per cent of the deposits are covered by the Deposit Guarantee Fund.

No deposits account for more than 1 per cent of total deposits, just as the ten largest deposits amount to less than 5 per cent of total deposits. The bank does not depend on expensive agreement deposits.

The bank's "own liquidity" in the form of deposits and equity amounts to DKK 8,629 million at the end of 2014, corresponding to excess liquidity of DKK 3,130 million compared to lending.

Stable funding (amounts in million DKK)	2014	2013
Lending	5,499	5,553
Equity	1,421	1,349
Deposits etc..	7,208	7,299
Funding	8,629	8,648
Excess amount	3,130	3,095
Funding ratio	0.64	0.64

The bank's current liquidity calculated pursuant to S 152 of Law on Financial Companies is very comfortable with excess solvency of 174 per cent, corresponding to DKK 1,501 million.

Total liquidity calculated pursuant to this statutory requirement amounts at the end of 2014 to a total of DKK 2,364 million, distributed with:

- DKK 280 million cash and demand deposits in the Danish Central Bank
- DKK 232 million in fully safe and liquid demand deposits in credit institutions
- DKK 1,053 million in safe, easily salable listed securities
- DKK 400 million in confirmed lines from other banks
- DKK 399 million in other secure non-mortgaged easily salable securities (pool assets)

In the CRR regulation the EU has introduced more rigorous capital adequacy requirements, which means that the bank shall have a so-called Liquidity Coverage Ratio (LCR) of minimum 1.0. There are gradual phasing rules, which means that the LCR requirement shall be fulfilled by 60 per cent on 1 October 2015, increasing to 100 per cent in 2019.

LCR has been calculated at 2.9 at the end of 2014 based on available knowledge about the set of rules, the reason why the bank estimates to have solid excess solvency in relation to the LCR requirement. The final wording of the rules may have an insignificant meaning for the bank's placing of liquidity, among other things under consideration of weighting of mortgage bonds.

*It is Nordjyske Bank's policy
finance lending with ordinary
deposits from customers and
equity*

Management Report

Capital

The bank's capital adequacy rate and core capital rate amount to 19.6 as at 31 December 2014.

These percentages are calculated on the basis of new capital adequacy rules in the form of CRR regulation from the EU and the Danish Financial Supervisory Authority's implementation of temporary provisions in the regulation, which went into force on 1 January 2014. The comparative figures are calculated in relation to previous rules.

The bank's core capital consists of equity, which is why the change of rules with less inclusion of subordinate capital does not affect the bank's capital adequacy statement.

The new rules primarily affect the risk exposure by increased weight and adjusted statement of violated commitments with small and medium-size companies.

In total the new rules have had a neutral effect on the capital adequacy rate in 2014.

Nordjyske Bank has participated in a sector transaction with trade in DLR shares in the 4th quarter of 2014, where the bank has purchased DLR shares for DKK 20 million. At the same time the bank has issued a call-option with 5 years' term to the selling banks. The purpose of the transaction was to strengthen DLR's distribution and competitions requirements and to solve the need for capital adequacy alleviation in some banks.

The graph below which shows a stable increase in the bank's capital position is still considered

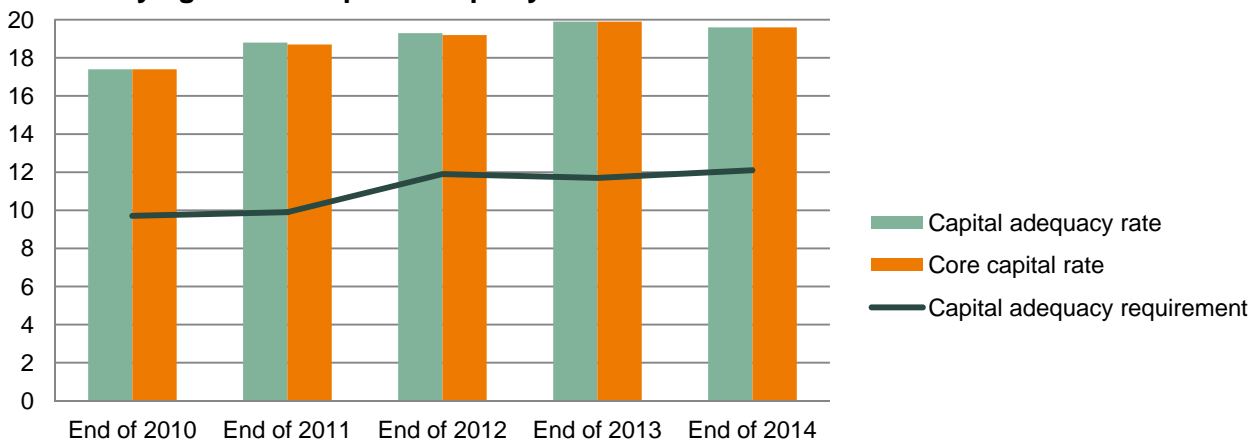
Core capital / risk-weighted items (amounts in million DKK)	2014	2013
Equity	1,421	1,349
Deduction of		
- dividend	23	15
- framework for purchase of own shares	26	4
- goodwill etc.	10	16
- investment shares in financial businesses	109	67
Subordinate capital	0	2
Core capital	1,253	1,249
Risk-weighted items	6,399	6,291
Capital adequacy rate	19.6	19.9
Core capital rate	19.6	19.9

correct and relevant in spite of the changed rules. The capital adequacy robustness is underlined by the fact that the capital is based on equity.

The bank's capital adequacy (solvency) is calculated by means of the standard methods for the calculation of credit risks outside the trading portfolio and market risks. The operational risks are calculated by means of the so-called basic indicator method.

According to the CRR regulation the bank must publish detailed information about risks, capital structure, capital adequacy and risk control, etc. Such information appears from the bank's website www.nordjyskebank.dk/risikorapport.

Key figures for capital adequacy



Growth in risk-weighted items in 2010-2014:
-0.1 -0.9 1.3 -0.9 1.6

Management Report

The individual capital adequacy requirement

The bank's calculations of the individual capital adequacy result in sufficient core capital of DKK 777 million, corresponding to an individual capital adequacy requirement of 12.1 per cent.

Nordjyske Bank has used the credit reservation method – also referred to as the 8+ method – according to the instructions issued by the Danish Financial Supervisory Authority.

Compared with the actual capital adequacy of 19.6 per cent at the end of 2014, the bank has a capital adequacy rate of 162 per cent relative to the individual capital adequacy requirement.

Further information about the calculated individual capital adequacy requirement is found on the bank's homepage

www.nordjyskebank.dk/risikorapport

The Supervision Diamond

The sum of large commitments must be < 125 per cent of core capital
Nordjyske Bank: 11.1 per cent

Growth in lending must be < 20 per cent per year
Nordjyske bank: -1.0 per cent



Stable funding ratio must be < 1.0
Nordjyske Bank: 0.64

Property exposure must be < 25 per cent of lending and guarantees
Nordjyske Bank: 6.5 per cent

Excess liquidity must be > 50 per cent
Nordjyske Bank: 173.9 per cent

The Danish Financial Supervisory Authority has set five key markers – which constitute the "Supervision Diamond" – which as a basis are considered special risk areas for financial institutions.

For each of the five key markers, the Financial Supervisory Authority has established a limit within which the banks should in principle stay.

Nordjyske Bank fully complies with the fixed limits in the Supervision Diamond.

In 2014 the Danish Financial Supervisory Authority has worked with a new marker for large commitments. The purpose is to involve any large scope of exposures of 5-10 per cent of the capital base. The marker has not been fixed yet, but based on the analyses made Nordjyske Bank does not expect that the bank will be outside the marginal value.

Management Report

Consolidation

Of the year's result after taxes and other total income of a total of DKK 87 million, the suggestion is to distribute DKK 23 million as dividend and transfer DKK 64 to equity.

At the end of the year, the bank's equity amounts to a total of DKK 1,421 million.

Subsidiary

Nordjyske Bank owns the entire share capital of Sæbygård Skov A/S. The result of the subsidiary for 2014 is included in the bank's income statement under "result of investments in associated businesses and subsidiaries". The shares have been included at DKK 11.4 million, which is the book value.

Group financial statements have not been prepared, as the activities of the subsidiary, both regarding balance sheet and result, are immaterial compared with those of the bank.

Uncertainty in relation to inclusion and calculation

The year's result has not been affected by unusual conditions - except for those already stated in the Management Report.

No events have occurred after the end of the financial year which will affect the bank's result for 2014, the bank's assets and liabilities, and its financial position as at the end of 2014.

Just like the other Danish banks, Nordjyske Bank is liable for losses of the Deposit Guarantee Fund in connection with the insolvency of other banks. Nordjyske Bank's most recently calculated share of the sector's liability towards the Deposit and Investment Guarantee Fund amounts to 0.69 per cent.

Estimates have been made when calculating the book values. The estimates made are based on assumptions which the management finds reasonable.

The most significant estimates concern

- write-downs on lending and receivables where quantification of the risk of missing future payments involves material estimates – not least in the agricultural area,
- valuation of intangible assets, regarding quantification of future earnings and the rate of interest used for the calculation,

- valuation of properties, regarding the interest rates used for calculation and the internal rental value, and
- valuation of unlisted sector shares, cf. below.

Unlisted shares in companies owned by the bank jointly with a number of other banks, etc. – the so-called sector shares – are valued at market price. Decision of the market value is based on available information about current trades, e.g. in connection with redistribution among the shareholders (corresponding to level 2-input cf. definition in IFRS 13). If no current market data is available, the market value is estimated on the basis of information from the companies' accounts, experience in trade in shares in the companies in question, and input from qualified external party (corresponding to level 3-input cf. definition in IFRS 13).

Other unlisted securities are valued as far as possible at market value according to similar principles. If it is not possible to perform reliable calculation at market value, the security is included at cost price less write-downs.

Management Report

Preparation of financial statements

The Board of Directors and the Executive Board have the overall responsibility for Nordjyske Bank's risk management and internal control in connection with the preparation of the financial statements, including compliance with relevant legislation and other regulations in connection with the preparation of financial statements.

The bank's control and risk management systems in connection with the accounting process can create sufficient – but not absolute – certainty that unlawful use of assets, losses and/or material mistakes and omissions in connection with the preparation of the financial statements are avoided.

The Board of Directors and the Executive Board will on an ongoing basis assess risks and internal control in connection with the bank's activities and its possible influence on the preparation of the financial statements.

Control environment

The Executive Board will on an ongoing basis assess the bank's organisation structure and staffing in all material areas, including within the area with relation to the preparation of financial statements.

The Board of Directors and the Executive Board will establish and approve general policies, procedures and controls in material areas in connection with the preparation of financial statements. Compliance is emphasized on an ongoing basis, and random monitoring and control of compliance will be carried out.

In accordance with the statutory requirements, the Board of Directors has established an internal auditing reporting to the Board of Directors. Internal auditing takes part in the auditing of material and risk-related areas in connection with the preparation of the financial statements.

The bank's Audit Committee monitors the material and risk-related areas in connection with the preparation of the financial statements.

The bank has appointed a compliance responsible person, who is responsible for ensuring that legislation, market standards and internal codes of practice are complied with.

Risk assessment

The Board of Directors and the Executive Board perform an overall risk assessment on an ongoing basis in connection with the preparation of the financial statements

As part of the risk assessment, the Board of Directors and the Executive Board will decide on the risk of fraud and measures to be taken with a view to reducing and/or eliminating such risks.

Furthermore, the bank has appointed a person to be responsible for risk management to ensure a total overview of risks, including supervision and assessment of risks and risk management.

Dividend and the General Meeting

Board of Directors will recommend for the General Meeting that for the financial year 2014 dividend at 30 per cent of the nominal share capital be paid, corresponding to DKK 3 per share and a total of DKK 23 million.

The bank's general meeting will be held on 10 March 2015 in Arena Nord in Frederikshavn.

The agenda will be available for inspection at the bank's head office and at www.nordjyskebank.dk from 11 February 2015 until and including 9 March 2015.

Management Report

Shareholders

The bank's share capital of DKK 77.2 million is divided into 7,720,000 shares of DKK 10 each. The shares have been adopted for listing at NASDAQ OMX Copenhagen.

According to the Articles of Association of the bank, the shares must be registered by name. The shares are freely negotiable, but it will require the bank's consent if an acquirer obtains 10 per cent or more of the bank's share capital.

Voting right at the bank's general meeting shall be exercised so that each DKK 100 or fraction thereof gives one vote. 1,000 votes shall, however, be the largest number of votes any shareholder is able to cast on his/her own behalf.

With the approval of the Committee of Representatives, the Board of Directors is authorised to increase the share capital by up to DKK 72.8 million. Of new shares issued according to the above authorisation, up to DKK 25 million can be offered for free subscription without pre-emptive rights for the bank's shareholders.

In addition, the Board of Directors is authorised to increase the share capital by up to DKK 66.0 million kroner with pre-emptive rights for the bank's

shareholders. The capital increase shall take place at market value or advantageous price set by the Board of Directors.

Furthermore, the Board of Directors is authorised to increase the share capital by up to DKK 46.0 million by non-cash contribution and without pre-emptive rights for the bank's shareholders. The capital increase shall take place at market value. The two above authorisations are temporary and concern the purchase bid to Nørresundby Bank.

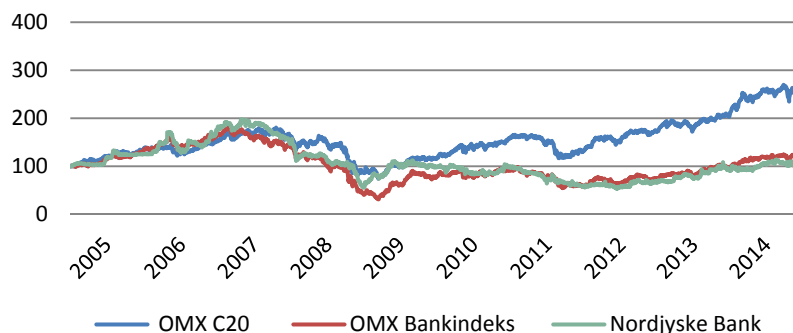
Likewise, the Board of Directors is authorised to allow the bank to acquire own shares at any time, corresponding to a maximum of 10 per cent of the bank's nominal share capital if the shares can be acquired at the current listed price with a deviation of up to 10 per cent.

From the Danish Financial Supervisory Authority the bank has been allowed to possess own shares for market-maker purposes of up to DKK 28.3 million.

Large shareholder

Nordjyske Bank has one large shareholder, as Skagen Cementstøberi A/S and Jens Jørgen Nielsen, Skagen, together own 5.4 % of the share capital in Nordjyske Bank A/S as at 31 December 2014.

Index 100 = 30.12.2004



The Nordjyske Bank share

In 2014 the share provided a return of -3 per cent i in capital gain and dividend. The market price development must be seen in the light of the general development on the market for bank shares, but the price for the Nordjyske Bank share is probably influenced both by the announcement about the transaction with purchase of the shares in Nørresundby Bank and the current situation in agriculture.

Above you will see the development in market price during the past 10 years compared with the OMX C20 index (the 20 most traded companies) and the bank index.



Management Report

Company announcements issued in 2014

11.02.2014	Announcement of financial statements and Annual Report as at 31 December 2013
12.02.2014	Notice of convening Ordinary General Meeting on 11 March 2014
11.03.2014	Minutes of the bank's ordinary general meeting on 11 March 2014
24.03.2014	Sale of Nets shares
20.05.2014	Interim report as a 31 March 2014
23.05.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
28.05.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
17.06.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
18.06.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
18.06.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
18.06.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
12.08.2014	Interim report as at 30 June 2014
27.08.2014	Report of the management and their connected parties' transactions with Nordjyske Bank's shares
09.10.2014	Merger between Nordjyske Bank A/S and A/S Nørresundby Bank
29.10.2014	Merger between A/S Nørresundby Bank and Nordjyske Bank A/S
05.11.2014	Merger between A/S Nørresundby Bank and Nordjyske Bank A/S
18.11.2014	Interim report as a 30 September 2014
18.11.2014	Financial calendar 2015 for Nordjyske Bank
27.11.2014	Nordjyske Bank considers the possibility to submit a purchase bid for the shares in Nørresundby Bank
18.12.2014	Nordjyske Bank A/S presents a recommended purchase bid for all the shares in A/S Nørresundby Bank
19.12.2014	Notice convening an extraordinary General Meeting

Financial calendar 2015

10.02.2015	Publication of annual report for 2014
10.03.2015	Ordinary General Meeting
05.05.2015	Publication of interim report as at 31 March 2015
11.08.2015	Publication of interim report as at 30 June 2015
03.11.2015	Publication of interim report as at 30 September 2015



Management Report

Bank Management

Committee of Representatives

The Committee of representatives shall have at least 30 and no more than 60 members, at present 48 members. The members are elected by the general meeting. When electing members of the Committee of Representatives, equal representation from the activities of the bank must be aimed at reflecting the bank's shareholders and business structure. Upon election of members of the Committee of Representatives, suitable candidates for the board of directors shall also be ensured.

When a member of the Committee of Representatives reaches the age of 70, the member in question shall retire from the Committee of Representatives at the subsequent ordinary general meeting. Members of the Committee of Representatives are elected for a period of three years and re-election may take place. The Committee of Representatives itself elects its chairman and deputy chairman among its members each year.

Board of Directors

The Board of Directors consists of 4-6 members to be elected by and among the members of the Committee of Representatives. Members of the Board of Directors, who are elected by the Committee of Representatives, are elected for a period of two years. Re-election may take place. If such a member retires from the Committee of Representatives, the membership of the Board of Directors shall terminate.

In addition, the Committee of Representatives can elect one member of the Board of Directors who is not a member of the Committee of Representatives when this is considered appropriate considering the composition of the Board of Directors. According to this authorisation, the Committee of Representatives has in March 2009 elected an independent member with competence in accounting and auditing, so that the Board of Directors meets the statutory requirements regarding audit committee.

In addition, the Board of Directors includes such additional members as required by legislation, at present three employee representatives.

At present, the Board of Directors consists of 9 members, 5 of which have been elected by and among the Committee of Representatives, 1 member is elected by but not among the Committee of Representatives as an independent member, and 3 members have been elected by the employees.

The Board of Directors itself elects its chairman and vice-chairman each year. The Board of Directors holds ordinary Board meetings 12 times each year.

Under the management of the chairman, the Board of Directors performs an annual evaluation of the performance, information level etc. of the board meetings and of the competences and composition of the board both in the short and the long term.

The Danish Financial Supervisory Authority stated that they take note of the Board of Director's assessment as to whether the Board of Directors possesses the necessary competences.

The Board of Directors attached great weight on competences, local attachment, and continuity to board work, but is at the same time aware of the importance of independency. The increasing competence demands are strongly weighted.

It is the Board of Directors aim that the composition of the board ensures the presence of as many of the below qualifications as possible – based on the bank's business model:

- Board competence
- Management competence – management and strategy
- Business competence – turn ideas into business
- Accounting and auditing
- Competences in law and legal matters
- Competences in farming and fisheries
- Insight into the conditions of commercial and private customers

Add to this personal competences are weighted:

- Personality
- Broad contact surface
- Analytical
- Integrity
- Commitment

At the same time the Board of Directors wants a multitude of professional experience and age.

The composition of the Board of Directors is established pursuant to fixed general and specific statutory requirements as well as in consideration of the recommendation for good company management.

The Board of Director's total competences are assessed as the sum of all the members' individual competences. Special competences are indicated under the section "Information about the Board of Directors".

Nomination of candidates for election at a meeting of representatives takes place based on these principles.

Management Report

Audit Committee

The Board of Directors has established a separate Audit Committee. The Committee monitors accounting and auditing and prepares issues to be discussed subsequently by the entire Board of Directors. In accordance with legislation, the Audit Committee does not have independent decision-making competence.

The Audit Committee holds four ordinary meetings per year.

The Board of Directors has appointed Ole Kristensen as qualified and independent member of the Audit Committee in the light of his qualifications as state-authorized public accountant and a member of the Executive Board of Nordjyske Bank from 1985 to 2002. The Board of Directors is of the opinion that Ole Kristensen has the necessary qualifications.

The Audit Committee consists of the following members:

- Ole Kristensen, chairman of the committee
- Hans Jørgen Kaptain
- Sten Uggerhøj

Risk Committee

Furthermore the Board of Directors has established a separate Risk Committee, which shall prepare the Board's work and advise the Board of Directors about the bank's risk profile and risk strategy as well as monitor implementation of the Board's risk strategy, etc.

In accordance with legislation the Risk Committee does not have independent decision competence.

The risk committee holds at least two meetings per year.

The risk committee consists of the following members:

- Ole Kristensen, chairman of the committee
- Hans Jørgen Kaptain
- Sten Uggerhøj

Nomination Committee.

The Board of Directors has established a Nomination Committee to ensure that the Board of Directors continuously has the required knowledge and experience to undertake the tasks of the Board of Directors. The Nomination Committee does not have independent decision-making competence.

The Nomination Committee holds at least two meetings per year.

The Nomination Committee consists of all members of the Board of Directors.

Hans Jørgen Kaptain is chairman of the committee.

Remuneration committee and policy

Furthermore, the Board of Directors has established a Remuneration Committee in accordance with legislation. The committee shall be in charge of the preparatory work concerning remuneration, including remuneration policy and identification of material risk takers.

The committee holds at least two meetings per year.

The remuneration committee consists of all members of the Board of Directors.

Hans Jørgen Kaptain is chairman of the committee.

According to the remuneration policy for the Board of Directors and the Executive Board in Nordjyske Bank, both the Board of Directors and the Executive Board will receive a fixed salary. This means that the remuneration does not include any type of incentive pay.

The remuneration of the Board of Directors is fixed by the Committee of Representatives. The remuneration of the Executive Board is fixed by the Board of Directors.

Executive Board

The Executive Board consists of 2 members who are in charge of the day-to-day management of the bank. The Executive Board has a well-defined division of labour with an appropriate relation to the competences of the members of the Executive Board.

Management Report

Good corporate management and the Corporate Governance Code of the Danish Bankers Association

As a listed company, Nordjyske Bank is covered by the recommendations for good corporate management issued by the Committee of Good Corporate Management, latest update in November 2014 from which 47 recommendations appear. Add to this the Danish Bankers Association's Corporate Governance Code issued in November 2013 with 12 recommendations.

The Bank's attitude to both sets of recommendations is generally favourable, and the bank's Board of Directors and Executive Board have chosen to adopt all the recommendations except for two recommendations which are observed partially, and one recommendation which is not observed.

On the bank's homepage you will find a detailed report of the two sets of recommendation

Read more about it on www.nordjyskebank.dk/selskabsledelse, where partly reasons are given for the instances where the bank does not fully follow the recommendations, and partly is given supplementary comments to recommendations followed by the bank.

Social responsibility

Nordjyske Bank has prepared a policy for social responsibility based on the bank's core values: Safety, efficiency and competence. Furthermore, the policy is in line with the bank's vision of being "the safe choice". (Corporate Social Responsibility - CSR).

The policy and associated report can be seen in full on the bank's homepage

The bank wants to ensure fair treatment of its stakeholders, limit any negative effect on environment and local community, and to contribute to mutually beneficial, financial results - based on social responsibility.

The bank's respect for both human rights and a reduction of climate impact are part of the bank's policy on social responsibility.

Read more on www.nordjyskebank.dk/csr.

Management Report

Information about the Board of Directors



Hans Jørgen Kaptain
Chairman of the Board of Directors

Born 1946
Address in Sæby

Member of the Board of Directors since 1993
Up for election in 2016
Chairman of the Board of Directors since 1997
Chairman of the Remuneration Committee
Chairman of the Nomination Committee

Fee received in 2014 a total of DKK 337,000

Attorney (H) and co-owner of the law firm
HjulmandKaptain with offices in Frederikshavn, Hjørring,
Aalborg and Aarhus.

Education
LLM

Executive positions and directorships
Director
Kaptain ApS

Chairman of the Board of Directors

Skagerak Holding A/S
IE Holding, Hirtshals A/S
Aktieselskabet Sæby Fiske-Industri
Dafolo Holding A/S
Dafolo A/S
Elworks A/S
Hjallerup Maskinforretning A/S
Jarnes A/S
Nordjysk Luftteknik A/S
Dokøen A/S
Den Grevelige Oberbech-Clausen-Peanske Familiefond
(Voergaard Slot)
Nordjyllands Hallens Fond
Skagens Museum

Member of the Board of Directors

Stiholt Holding A/S
Skagerak Fiskeeksport A/S
Skagerak Salmon A/S
Dansk Træemballage Holding A/S with 5 subsidiaries
Hydratech Industries A/S
HTHH A/S
GMC Holding A/S
RAIS A/S
Skanderborg Maskinforretning A/S
Vanggaard Fonden (Sæby Fiske-Industri Koncernen)
Sigurd og Margit Espersens Familiefond (Skagerak
Koncernen)
Ann Birgitte og Niels Ørskov Christensens Familiefond
(Ørskov Koncernen)
Købstædernes Forsikring
Dafolo Fonden

Special competences

Board experience
Management
Strategy
Law
Fishing

Independence

Does not fulfill the requirements for
independence due to membership of the board of directors
for more than 12 years.

Shareholding

Beginning of 2014: 12,304 shares. • End of 2014: 18,230
shares.

Management Report



Sten Uggerhøj
Deputy chairman of the
Board of Directors
 Born 1959
 Address in Frederikshavn

Member of the Board of Directors since 2005
 Up for election in 2016
 Deputy Chairman of the Board of Directors since 2011

Fee received in 2014 a total of DKK 224,000

Car dealer and director of Uggerhøj A/S
 Runs business in Frederikshavn, Hjørring, Aalborg,
 Herning, Silkeborg and Aarhus.

Education

Diploma from General Motors
 Top Governance, Aalborg Business Institute
 CBA, Aalborg Business Institute
 MBA in Strategic Management, Aalborg Business Institute

Executive positions and directorships

Director and member of the Board of Directors

Uggerhøj A/S
 Uggerhøj Aarhus A/S
 Uggerhøj Holding ApS and three 100 %-owned
 subsidiaries
 Ejendomsselskabet Weddelsborgvej 1 A/S

Member of the Board of Directors

A/S Knud Uggerhøj
 Knud Uggerhøj Kapital ApS
 Uggerhøj Herning A/S
 Techno Danmark F.M.B.A.
 Ejendomsselskabet Møllehuset A/S
 Fortin Madrejon A/S
 Trigon Holding A/S and two 100 %-owned subsidiaries
 Tegllund A/S
 Civilingeniør Bent Bøgh og Hustru Inge Bøgh's Fond

Special competences

Management
 Strategy
 Sales

Independent

Shareholding

Beginning of 2014: 57,552 shares • End of 2014: 66,532
 shares



Erik Broholm Andersen
Chairman of the
Committee of
Representatives
 Born 1955
 Address in Gærum,
 Frederikshavn

Member of the Board of Directors since 2001
 Up for election in 2015
 Chairman of the Committee of Representatives since 2005

Fee received in 2014 a total of DKK 160,000

Farm owner

Education

Qualified farmer

Executive positions and directorships

Director and member of the Board of Directors

2B Biogas A/S

Special competences

Strategy
 Farming

Independence

Does not fulfill the requirements for
 independence due to membership of the board of directors
 for more than 12 years..

Shareholding

Beginning of 2014: 2,840 shares • End of 2014: 2,840
 shares

Management Report



**Per Lykkegaard
Christensen**
Deputy Chairman of the
Committee of
Representatives
Born 1959
Address in Hjallerup

Member of the Board of Directors since 2008
Up for election in 2016
Deputy Chairman of the Committee of Representatives
since 2011

Fee received in 2014 a total of DKK 138,000
Farm owner

Education

Qualified farmer

Executive positions and directorships

Director and member of the Board of Directors

Blahova ApS
Lykkegaard Landbrug Holding ApS
Lykkegaard Landbrug ApS

Member of the Board of Directors

Farmas A/S
Donau Agro ApS
AKV-Langholt AMBA
AKV-Cargill I/S
Danfoil A/S

Special competences

Management
Strategy
Farming

Independent

Shareholding

Beginning of 2014: 3,072 shares • End of 2014: 3,475
shares



Ole Kristensen
Chairman of the
Audit Committee
Born 1944
Address in Frederikshavn

Member of the Board of Directors since 2009
Up for election in 2015
Chairman of the audit committee since 2009
Chairman of the Risk Committee since 2014

Fee received in 2014 a total of DKK 222,000

Former bank director

Education

HD(R)
State-authorized public accountant

Executive positions and directorships

Member of the Board of Directors

Jens Peter Røntved Holding ApS
Christian Røntved Holding ApS
Højvangen Holding ApS
Anna Christiansens Mindelegat

Special competences

Strategy
Accounting and auditing
Financial business
Fishery
Farming

Independent

Shareholding

Beginning of 2014: 2,380 shares • End of 2014: 2,380
shares

Management Report



Henrik Lintner
Born 1955
Address in Hjørring

Member of the Board of Directors since 2007
Up for election in 2015

Fee received in 2014 a total of DKK 138,000

Pharmacist

Education

Graduate in pharmacology

Executive positions and directorships

Member of the Board of Directors

Medlemspension af 1.1.2005 A/S

Bryghuset Vendia ApS

Special competences

Management

HR

It

Retail

Independent

Shareholding

Beginning of 2014: 3,150 shares • End of 2014: 4,112 shares



Tina Conradsen
Born 1965
Address in Kvissel,
Frederikshavn

Member of the Board of Directors elected by the employees
since 2006

Up for election in 2018

Fee received in 2014 a total of DKK 138,000

Head of Housing Section

Education

Finance course

Authorised estate agent

Special competences

Housing financing

Shareholding

Beginning of 2014: 1,749 shares • End of 2014: 2,003 shares

Management Report



Hanne Karlshøj
Born 1957
Address in Bindslev

Member of the Board of Directors elected by the employees since 2002
Up for election in 2018

Fee received in 2014 a total of DKK 138,000

Customer advisor
Joint union delegate

Education

Finance course

Special competences

Private customer advisor
Union representative

Shareholding

Beginning of 2014: 3,059 shares • End of 2014: 3,059 shares



Helle Emborg Nielsen
Født i 1968
Bopæl i Frederikshavn

Member of the Board of Directors elected by the employees since 2014
Up for election in 2018

Fee received in 2014 a total of DKK 104,000

Bank assistant
Union representative

Education

Finance course

Special competences

It & support
Union representative

Shareholding

Beginning of 2014: 748 shares • End of 2014: 748 shares

The shareholding includes the holdings of the Board of Directors and connected parties.

Management Report

Oplysninger om direktionen



Claus Andersen
Born 1966
Address in Strandby

Appointed in 2000
Member of the Executive Board in 2010

Payment received in 2014:
Fixed salary, etc. DKK 1,951,000
Pension contribution DKK 210,000
The calculation does not include the value of company car, etc.

Previous employments

Spar Nord Bank A/S
Jyske Bank A/S

Education

Finance course
HD(F)
Executive programme

Executive positions and directorships

Chairman of the Board

Sæbygård Skov A/S

Member of the Board of Directors

BI Holding A/S (BankInvest)
Swipp Holding ApS
Lokale Pengeinstitutter

Area of responsibility

Credit
Finance and IT
Finance centre

Shareholding

Beginning of 2014: 1,801 shares. • End of 2014: 1,801 shares



Mikael Jakobsen
Born 1958
Address in Hjørring

Appointed in 1977
Member of the Executive Board in 2010

Payment received in 2014:
Fixed salary, etc. DKK. 1,928,000
Pension contribution DKK 207,000
The calculation does not include the value of company car, etc.

Previous employments

Vendsyssel Bank A/S

Education

Finance course
Business diploma in financing, organisation and marketing
Several long-term executive programmes

Area of responsibility

HR
Sale and marketing
Business development
Business support

Shareholding

Beginning of 2014: 3,261 shares • End of 2014: 4,081 shares

The shareholding includes the holdings of the Executive Board and connected parties

Annual Report

As at 31 December 2014



Income Statement

Amounts in DKK 1,000	note	2014	2013
Interest income	3	371,591	395,909
Interest expenses	4	48,178	58,645
Net interest income		323,413	337,264
Dividend of shares, etc.		5,790	5,446
Fees and commission income	5	164,402	133,356
Fees and commission income paid		5,446	3,902
Net interest and fee income		488,159	472,164
Market value adjustments	6	43,817	18,602
Other operating income		4,467	4,987
Staff and administration costs	7	265,603	270,565
Depr. and write-downs, intangible and tangible assets		6,837	6,477
Other operating costs		16,363	16,821
Write-downs on loans and receivables, etc.		139,230	129,306
Profit or loss from investments in associated and group enterprises		979	1,787
Pre-tax result		109,389	70,797
Tax	8	21,236	17,852
The year's result		88,153	52,945

Other total income

Amounts in DKK 1,000	2014	2013
Increases in reassessed value of headquarters properties	1,330	1,198
Reversals of such increases	2,421	244
Net change	-1,091	954

Increases and reversals of reassessed value of headquarters properties have no tax effect

Balance Sheet, 31 December

Assets			
Amounts in DKK 1,000	note	2014	2013
Cash balance and demand deposits at central banks		279,585	361,280
Receivables from credit institutions and central banks	10	238,817	276,270
Loans and other receivables at amortised cost price	11+12	5,498,850	5,552,725
Bonds at market value	13	1,058,785	1,125,686
Shares, etc.	14	271,475	252,181
Investments in associated enterprises		0	60
Investments in group enterprises		11,382	11,312
Assets related to pooled schemes	15	1,303,328	1,110,220
Intangible assets	16	9,984	11,884
Land and buildings, total		128,145	135,366
- Investment properties	17	33,871	35,520
- Headquarters properties	17	94,274	99,846
Other tangible assets	18	5,048	4,749
Deferred tax assets	8	3,900	3,800
Temporary assets		1,811	4,743
Other assets		64,683	59,202
Prepayments and accrued income		5,584	5,580
Total assets		8,881,377	8,915,058

Balance Sheet, 31 December

Liabilities			
Amounts in DKK 1,000	note	2014	2013
Payables			
Payables to credit institutions and central banks	22	141,409	135,134
Total deposits and other payables		7,207,595	7,296,683
- deposits and other payables	23	5,720,228	5,944,466
- deposits in pooled schemes		1,487,367	1,352,217
Issued bonds at amortised cost	24	39	899
Current tax liabilities		10,363	3,372
Other liabilities		86,689	114,246
Prepayments and deferred income		0	2
Total debts		7,446,095	7,550,336
Provisions			
Provisions for pensions and similar liabilities	25	2,992	3,641
Provisions for losses on guarantees		3,079	1,899
Other provisions		5,082	4,024
Total provisions		11,153	9,564
Subordinated investments			
Subordinated investments	26	2,838	5,804
Equity			
Share capital	27	77,200	77,200
Revaluation reserves		25,444	26,535
Other reserves			
- statutory reserves		3,137	3,067
Retained earnings		1,292,350	1,227,112
Suggested dividend		23,160	15,440
Total equity		1,421,291	1,349,354
Total liabilities		8,881,377	8,915,058

Changes to Equity

Amounts in DKK 1,000	2014	2013
Share capital		
Share capital, start of the year	77,200	80,400
Capital additions or reductions	-	3,200
Share capital, end of the year	<u>77,200</u>	<u>77,200</u>
Provisions for appreciation		
Provisions for appreciation, start of the year	26,535	25,581
Other total income	- 1,091	954
Provisions for appreciation, end of the year	<u>25,444</u>	<u>26,535</u>
Other reserves		
Statutory reserves, start of the year	3,067	4,185
The year's profit	70	- 1,118
Statutory reserves, end of the year	<u>3,137</u>	<u>3,067</u>
Retained profit		
Retained profit, start of the year	1,227,112	1,185,797
The year's profit	88,153	52,945
Other total income	- 1,091	954
Total income, total	<u>87,062</u>	<u>53,899</u>
- transferred to statutory reserves	- 70	1,118
- transferred to suggested dividend	- 23,160	- 15,440
- transferred to provisions for appreciation	1,091	- 954
Income and expenses entered directly in the equity		
Dividend of own shares	42	339
Reduction of capital	0	3,200
Sale of own shares	60,307	44,926
Purchase of own shares	- 60,034	- 45,773
Retained profit, end of the year	<u>1,292,350</u>	<u>1,227,112</u>
Suggested dividend		
Suggested dividend, start of the year	15,440	8,040
Dividend paid	- 15,398	- 7,701
Transferred dividend, own shares	- 42	- 339
The year's result	<u>23,160</u>	<u>15,440</u>
Suggested dividend, end of the year	<u>23,160</u>	<u>15,440</u>
Equity, end of the year	<u>1,421,291</u>	<u>1,349,354</u>

Annual Account

Accounting policy

General information

The annual report was prepared in accordance with the Financial Activities Act and the "Executive Order on financial reports for credit institutions and stockbroker companies, etc." issued by the Danish Financial Supervisory Authority. The stipulations in the Executive Order on the Preparation of Financial Statements issued by the Financial Supervisory Authority are compatible with the stipulations on inclusion and calculation in the international accounting standards, (IAS/IFRS), and the disclosure requirements for listed companies issued by Nasdaq OMX Copenhagen A/S.

Changes to accounting policies

The accounting policies remain unchanged compared with the annual report for 2013.

Group structure

The bank owns the total share capital of Sæbygård Skov A/S, Frederikshavn. Group financial statements have not been prepared, as the activities of the subsidiary are, both regarding balance sheet and result, immaterial compared with those of the bank.

Inclusion

Financial assets and financial obligations are included in the balance sheet with effect from the date of settlement.

Accrual

All interest earnings and interest costs and current commissions are accounted for within the financial year. Fee and commission earnings which form an integrated part of the effective interest on a loan will be accrued during the expected term of the loan.

Receivables and interest due which have not been added to accounts will be included under "other assets" and "other liabilities", respectively. Other commissions and fees are recognised as earnings when due.

Acquisitions

In connection with business acquisitions all assets and liabilities which can be reliably identified and calculated will be included in the business acquired at market value as at the date of acquisition.

Any positive difference between the total cost price and the market value of the net assets on the date of take-over will be included under intangible fixed assets as goodwill.

Any negative difference between the total cost price and the market value of the net assets on the date of acquisition will be included as earnings in the income statement.

Valuation – receivables and lending

Receivables from credit institutions and central banks and lending are valued at the first inclusion at market value plus transaction costs and less fees and commissions received in relation to the establishment.

Receivables from credit institutions and central banks and lending which are not reserve transactions are valued subsequently at amortised cost price less write-downs to a lower value in case of objective indication for value reduction.

Receivables from credit institutions and central banks are all valued individually for objective indication for value reduction.

For material loans, an individual valuation is also made to decide whether there is objective indication for value reduction. The need to write down is calculated individually when there is objective indication at the individual level for value reduction. Individually valued loans which have not been written down and other loans are subsequently valued on a portfolio basis.

Valuation of the write-down need on a portfolio basis is performed as a consequence of objective indication for value reduction of groups of loans with similar characteristics regarding credit risk. The portfolio valuation is based on credit rating of the customers on the basis of financial key figures. A gross method is used for the calculation of the need for group-based write-downs. This method means that the total group-based write-downs amount to the sum of the deterioration of the individual customers in the credit rating classes regardless whether other customers have obtained a better rating during the period.

An individually valued loan or a group of loans will be considered of reduced value if - and only if - there is objective indication for value reduction as a result of one or more events which has/have occurred after the first inclusion of the loan, and this event or these events affect the expected future payment flows which can be estimated reliably. The agreed, effective rate of interest for the individual loan is used as a discounting factor. For portfolios of loans, the weighted average of the agreed effective rate of interest for the individual loans in the portfolio will be used.

Annual Account

Accounting policy

The write-downs are calculated as the difference between the amortised cost price and the market value of the expected future payments, including the realisation value of any security. The future payments have been determined on the basis of the most probable result.

A portfolio assessment of the write-down requirement for groups of loans with similar characteristics regarding credit risks is based on a rating model where the model is developed and improved on an ongoing basis through back tests, etc.

Valuation - securities

Bonds, shares and financial instruments listed on NASDAQ OMX Copenhagen or on an international stock exchange have been valued at the closing price on the date of the balance sheet. Bonds drawn have been valued at the redemption price discounted from the due date to the end of the year.

Unlisted shares in companies owned jointly by the bank with a number of other financial institutions, etc., have been valued at market value. The calculation of the market value is based on available information about current transactions, for example in connection with redistribution between the shareholders (corresponding to level 2-input cf. definition in IFRS 13). If no current market data is available, the market value is based on information from the companies' accounts, experience with trade in shares in the companies in question and input from a qualified external party (corresponding to level 3-input cf. definition in IFRS 13).

Other unlisted securities are valued as far as possible at market value according to similar principles. If it is not possible to make a reliable valuation at market value, such securities have been included at cost price less write-downs.

Capital investments in associated and group enterprises have been valued at book value, calculated according to an accounting policy similar to that used by the bank. An external expert has been used in connection with the valuation of the most important asset, Sæbygård Skov, in the associated enterprise, Sæbygård Skov A/S.

The bank has not re-classified financial assets, cf. section 55 (4) of the Executive Order on the Preparation of financial statements, just as the bank does not hold any other financial assets categorised as "hold-till-expiry" assets.

Valuation - intangible fixed assets

Customer relations acquired in connection with take-overs are calculated after the first inclusion at cost price less accumulated depreciation. The depreciation is calculated on a straight-line basis on the basis of an expected useful life of 10 years.

Goodwill, calculated as the positive difference between the total cost price and the value of the net assets in connection with take-overs, is valued at the current value of the expected future earnings from the business acquired. If a value reduction is determined, a write-down is made.

Valuation - tangible fixed assets

Sites and buildings used fully or in part in connection with the bank's own operations are categorised as headquarters properties. Other sites and buildings are categorised as investment properties.

Investment properties are valued at market value calculated on the basis of a return-based model. In 2014, the bank has used an external expert in connection with the calculation of the value of own investment properties. In connection with the valuation of the investment property in the affiliated company, Sæbygård Skov A/S, an external expert has been used in 2013 because of the special nature of the property. Allowances for depreciation are not made for investment properties.

The headquarters properties are calculated at reassessed values calculated as market value on the reassessment date less the subsequently accumulated allowances for depreciation. In 2014, the bank has used an external expert in connection with the calculation of the value of own headquarters properties. The allowances for depreciation have been calculated on a straight-line basis on the basis of an average useful life of 50 years and considering the expected scrap value of the buildings.

Regarding the return requirements fixed in connection with the valuation of the bank's properties, please refer to note 17.

Other tangible assets are included at purchase prices less allowances for depreciation. The allowances for depreciation have been calculated on the basis of an average useful life of 3 years for IT equipment and 5 years for other operating equipment.

Annual Account

Accounting policy

Valuation - financial obligations

The bank's financial obligations, including "Debts to credit institutions", "Deposits and other debts", and "Deposits in pooled schemes" have at the first inclusion been calculated at market value plus possible transaction costs. In connection with subsequent calculations, the financial obligations are calculated at amortised cost price.

Foreign exchange

Earnings and expenses in foreign currencies have been converted into Danish kroner according to the exchange rate on the transaction date.

Outstanding accounts and foreign exchange holdings have been calculated at the exchange rates fixed by the Danish central bank spot at the end of the year.

Pension obligations and other staff obligations

Uncovered pension obligations and staff obligations in the form of anniversary bonus are included in the balance sheet under the item "provisions for pensions and similar obligations" with the capitalised value of the expected, future payments.

Other staff obligations which are short-time obligations are included in the balance sheet as payables under the item "Other liabilities".

Guarantees

The bank's outstanding guarantees appear from note 29 "Contingent liabilities". The guarantees are reviewed regularly and assessed critically in order to clarify whether there is a risk that they will lead to a drain on the bank's financial resources.

Provisions for losses on guarantees are included under provisions in the balance sheet.

Taxation

The bank is taxed jointly with the subsidiary, Sæbygård Skov A/S. Company tax is paid according to the tax prepayment scheme.

Deferred tax is calculated on the basis of the tax rules and tax rate, which will apply by the legislation on the date of balance, when the deferred tax is expected to be released as current tax.

Any deferred tax calculated has been added as a liability under "provisions for deferred tax". Any tax asset (negative, deferred tax) has been capitalised under "deferred tax assets". There is no latent, deferred tax regarding the bank's assets.

Notes with five-year surveys

1. Five years' selected financial data

(amount in DKK million)	2014	2013	2012	2011	2010
Income statement:					
Net interest income	323.4	337.3	352.6	357.3	352.9
Fees and commission income, net	159.0	129.5	113.0	102.4	97.1
Net interest and fee income	488.2	472.2	472.1	461.2	454.7
Market value adjustments	43.8	18.6	22.6	5.2	44.7
Staff and administration costs	265.6	270.6	262.5	262.7	258.6
Write-downs on loans and receivables, etc.	139.2	129.3	130.7	112.7	96.7
Result of investments in associated and group companies	1.0 -	1.8 -	0.0 -	1.0	0.6
Pre-tax result	109.4	70.8	86.6	67.6	120.4
The year's result	88.1	52.9	61.1	50.5	92.9
Other total income	- 1.1	1.0	1.1	0.4	0.5
Total sales	540.5	534.3	545.8	555.2	540.7
Balance sheet:					
Lending	5,499	5,553	5,557	5,755	5,997
Bonds	1,059	1,126	1,042	665	733
Shares, etc.	271	252	227	221	216
Investments in associated and group companies	11	11	13	13	14
Investment properties	34	36	39	40	40
Headquarters properties	94	100	101	106	107
Assets in temporary possession	2	5	3	13	1
Deposits, incl. pooled schemes	7,208	7,297	6,847	6,353	6,406
Subordinated loan capital	3	6	7	7	7
Equity	1,421	1,349	1,304	1,245	1,206
Total assets	8,881	8,915	8,420	8,374	8,646
Guarantees	1,172	841	995	934	1,254

Notes with five-year surveys

2. Five years' selected financial data

(amount in DKK million)

	2014	2013	2012	2011	2010
Capital adequacy					
Capital adequacy rate	19.6	19.9 *)	19.3 *)	18.8 *)	17.4 *)
Core capital percentage	19.6	19.9 *)	19.2 *)	18.7 *)	17.4 *)
Earnings					
Return on equity before tax	7.9	5.3	6.8	5.5	10.4
Return on equity after tax	6.4	4.0	4.8	4.1	8.0
Earnings per cost krone	1.3	1.2	1.2	1.2	1.3
Costs as a percentage of core earnings	54.9	57.6	56.3	58.9	57.4
Return on net assets as a percentage after tax	1.0	0.6	0.7	0.6	1.1
Market risks					
Interest risk as a percentage of core capital	0.4 -	0.5 -	0.8 -	1.0 -	0.4
Foreign exchange position as a percentage of core capital	1.3	0.8	0.9	1.4	1.2
Foreign exchange risk as a percentage of core capital	0.0	0.0	0.0	0.0	0.0
Credit risks					
Loans in proportion to equity	3.9	4.1	4.3	4.6	5.0
The year's lending growth percentage	- 1.0 -	0.1 -	3.4 -	4.0 -	0.9
The sum of large commitments as a percentage of adjusted core capital	11.1	11.6 *)	23.3 *)	37.1 *)	33.0 *)
The year's write-down percentage	1.9	1.9	1.8	1.6	1.3
Accumulated write-down percentage	9.0	8.2	7.5	5.8	4.1
Property exposure before write-downs	6.5	6.7	6.4	5.9	5.1
Liquidity risks					
Lending including write-downs in proportion to deposits	85.4	83.9	88.9	97.1	98.3
Excess cover compared with statutory liquidity as a percentage	173.9	215.0	209.7	178.9	255.0
Stable funding ratio	0.64	0.64	0.68	0.76	0.79
The Nordjyske Bank share					
DKK per share of DKK 10					
The year's result per share	11.4	6.7	7.6	6.3	11.6
Book value per share	184.5	175.2	169.1	162.6	156.7
Listed price	105.0	109.0	83.0	66.0	117.0
Dividend per share	3.0	2.0	1.0	1.0	1.0
Listed price/the year's result per share	9.20	16.20	10.93	10.51	10.12
Listed price/book value per share	0.57	0.62	0.49	0.41	0.75

*) Calculated according to previous rules, as the bank does not have sufficient data basis to calculate the key figures according to the current rules.

Notes to the Income Statement

3. Interest income

Amounts in DKK 1,000

	2014	2013
Receivables from credit institutions and central banks	767	1,275
Lending and other receivables	358,514	385,073
Bonds	11,399	10,685
Derived financial instruments, total		
- foreign exchange contracts	- 348	- 514
- interest contracts	1227	879
Other interest income	32	197
Total interest income	371,591	395,909

There are no interest income from genuine purchasing and repurchasing transactions

4. Interest expenses

Amounts in DKK 1,000

	2014	2013
Debt to credit institutions and central banks	3,571	2,673
Deposits and other debts	44,336	55,147
Bonds issued	2	50
Subordinated capital	85	199
Other interest expenses	184	576
Total interest expenses	48,178	58,645

There are no interest expenses from genuine purchasing and repurchasing transactions

5. Fees and commission income

Amounts in DKK 1,000

	2014	2013
Security trading and custody accounts	55,756	46,766
Payment services	16,289	15,255
Loan transaction fees	55,729	37,665
Guarantee commission	9,693	10,159
Other fees and commission income	26,935	23,511
Total fees and commission income	164,402	133,356

Notes to the Income Statement

6. Market value adjustments

Amounts in DKK 1,000

	2014		2013	
Loans and other receivables at market value		0		0
Bonds		5,309		2,928
Shares, etc.		35,331		14,600
Investment properties	-	4,060	-	4,034
Foreign exchange		6,079		5,016
Derived financial instruments				
- currency swap	0		138	
- interest swap	1,396	1,396	166	304
Assets related to pooled schemes		77,822		56,833
Deposits in pooled schemes	-	78,060	-	57,045
Total market value adjustments		43,817		18,602

7. Staff and administration costs

Amounts in DKK 1,000

	2014		2013	
Staff costs:				
Salaries		124,633		130,447
Pension		16,478		15,678
Costs of social security, etc.		17,877		17,125
Other administration costs		106,615		107,315
Total staff and administration costs		265,603		270,565
Remuneration for Board of Directors		1,633		1,645
Number of people	9		9	
Remuneration for the Executive Board *)				
Fixed salary, etc.		3,879		3,822
Salary, etc., during the retirement period		0		0
Severance pay		0		0
Pension		417		412
Remuneration for the Executive Board, total		4,296		4,234
*) Calculated excl. of the value of company car, etc				
Number of people	2		2	

Notes to the Income Statement

7. Staff and administration costs, continued

Amounts in DKK 1,000

	2014	2013
Remuneration for employees whose activities materially influence the bank's risk profile		
Fixed salary, etc.	5,130	5,048
Pension	567	558
Total remuneration	5,697	5,606
*) Calculated excl. value of company car etc.		
Number of people	5	5
Incentive schemes		
No incentive scheme has been established for members of the bank's management. Variable salary is not paid.		
Retirement of the members of the Executive Board:		
The bank's directors can retire with six months' notice and 12 months' notice on the part of the bank. In case of notice of termination on the part of the bank, an allowance of 24 months' salary is payable in addition to the notice period.		
Number of employees		
The average number of employees during the financial year, calculated as full-time employees	257	264
Auditing fee for:		
Statutory auditing of financial statements	918	760
Statutory auditing of last year's financial statements	0	324
Statement tasks with security	113	30
Fee for tax advice	45	30
Other services	63	98
Total	1,139	1,242

Notes to the Income Statement

8. Tax

Amounts in DKK 1,000

	2014		2013	
	Indkomst	Skat	Indkomst	Skat
Tax rate		24.5%		25.0%
Tax on the year's income:				
Tax included in the income statement:				
Result before tax and subsidiaries	108,410	26,560	72,583	18,146
Capital gains fixed assets, not taxable	30,575 -	7,491	8,737 -	2,184
Totalkredit *1)	3,014	738	704	176
Other not taxable income	9 -	2	40 -	10
Expenses which are not deductible	5,374	1,317	4,786	1,197
Tax regulations	-	72	-	6
Current tax		21,050		17,319
Regulation of deferred tax	-	100		0
Subsequent regulation of previous years' tax		286		533
Total tax on the year's result		21,236		17,852
Deferred tax, *2):		22%-24%		22%-24%
Unrealised profits from securities, etc.	3,282	771	4,352	1,045
Tangible fixed assets	2,644 -	582	3,827 -	842
Fees and commissions	13,155 -	2,993	12,649 -	2,909
Goodwill	1,929 -	453	1,457 -	350
Other, net	-	643	-	744
Deferred tax, total		3,900		3,800

*1)

Final settlement regarding Nordjyske

Bank's sale of shares in Totalkredit to Nykredit.

The amount was added to income during the period 2008 - 2013

*2)

The company tax percentage will fall from 2014 - 2016, so that the tax percentage in 2016 will be 22%.

At the calculation of deferred tax in 2014 the falling tax percentage has been taken into consideration.

Annual Account

Notes for the balance sheet

9. Financial risks

Because of the bank's activities, the bank is exposed to different types of risk: credit risk, market risk, liquidity risk and operational risk.

The credit risk is the risk of losses caused by the customers' full or partial default on their payment obligations to the bank.

The market risk is the risk that the market value of the bank's assets and liabilities and derived financial instruments will change as a consequence of changes to the market conditions.

Liquidity risk is the risk that the bank's costs of procuring liquidity will increase disproportionately and/or lack of liquidity will prevent the bank from maintaining the adopted business model, and/or that the bank cannot meet its payment obligations because of lack of liquidity.

The operational risk is the risk that direct or indirect financial losses occur because of defects in internal processes and systems, human errors, or as a consequence of external events.

It is the bank's general policy only to undertake risks which are in accordance with the business principles according to which the bank is run, and which the bank has the competence resources to manage.

Credit risks

It is a consequence of the bank's business model and credit policy that the bank's risk profile in the credit field shall be appropriately cautious, which leads to concrete guidelines for the bank's lending.

Among other things this means

- that the bank does not want single commitments so large that a loss may threaten the bank's existence
- that the bank attaches weight to local knowledge, which means that the risk profile is fixed based on the locations where the bank is physically represented
- that the credit handling shall ensure that the bank only takes calculated credit risks.

A maximum gearing of the equity of 5.5 is determined in the bank's business model.

It is the policy of Nordjyske Bank to base its lending on insight in the customers' financial situation, and the customers' ability and willingness to meet their obligations are decisive for the bank's lending activities

The bank's credit risk is distributed among a large number of rather small commitments. The unsecured part of individual commitments cannot exceed a maximum of 10 per cent of the bank's core capital.

The sum of large commitments must be less than 75 per cent of core capital.

In connection with the lending activities, the bank aims at getting the highest possible security cover of the risk involved in the bank's commitments.

For lending to private customers, the most important types of security are: cars, real property and securities.

For lending to commercial customers, the most important types of security are: operating equipment, real property, guarantees, deposits and securities, and current assets (receivables, stocks, etc.).

The value of the security is calculated according to the following principles:

- Operating equipment:
Calculation of the loan value for operating equipment is made according to the straight-line method. Typically 20-33 per cent will be written off immediately, followed by an ongoing write-down of the value of the assets during the useful life.
- Real property:
The loan value of mortgages in private properties is typically at the level of 80 per cent of the market value less higher-ranking mortgages. The loan value is fixed individually on the basis of the characteristics of the individual properties, among other things location and size. The loan value of mortgage in business properties, including agricultural properties, is fixed on the basis of the market value less higher-ranking mortgages. The market value of agricultural properties is fixed on the basis of the recommended prices per hectare set by the Danish Financial Supervisory Authority.
The loan value is fixed individually on the basis of the characteristics of the individual properties, among other things location and size, or on the basis of an independent valuation, alternatively an official public property valuation.

Annual Account

Notes for the balance sheet

- **Guarantees:**
The loan value for guarantees from Danish public authorities is 100 per cent. Other guarantees are fixed individually on the basis of a principle of caution.
- **Deposits and securities:**
The loan value for deposits is typically 100 per cent.
For securities, the official price adjusted for estimated price fluctuation and corrected for estimated negotiability, currency, etc., is used.
- **Current assets (receivables, stocks, etc.):**
The loan value for current assets has been fixed individually on the basis of the realisation value of the current assets.
- **Other securities:**
The loan value is fixed individually on the basis of a principle of caution.

A credit rating of the bank's customers is carried out, i.e. a division of customers according to quality (ability and willingness to observe obligations undertaken). The model used for private customers is based on the customer's personal circumstances (assets, income and disposable amount and debt gearing) and is supplemented by an assessment of the customer's current situation. The model used for commercial customers is based on the customer's financial data, swot analyses and supplemented by an assessment of the customer's current situation.

Credit rating is expressed by 12 rating classes which can be grouped as follows:

10, 21, 22, 23	commitments of good quality
31	commitments of normal quality
32, 33	commitments of slightly reduced quality
38	commitments with certain weaknesses
39	commitments with material weaknesses, but without a need for write-downs or provisions
41, 42, 50	write-down commitments and distressed commitments

Close follow-up is carried out on commitments with some or material weaknesses and on commitments with objective indication of reduced quality, and a plan of action is prepared for each individual commitment in which it is decided how to improve the commitment or how it is proposed to be settled.

The total credit risk is managed according to policies and limits fixed by the bank's management. The responsibility for monitoring, general risk rating and reporting to the bank's management is anchored centrally with the bank's credit office.

See also description of the bank's current credit risk in the Management Report, pages 13 - 19, and note 12.

Market risks

It is the bank's basic policy that market risks should be kept at a low level. For the total market risk and for each type of market risk, the bank's management has established concrete risk limits which must not be exceeded.

Risks are primarily interest risks.

Most of the bank's lending and deposit activities and accounts with other credit institutions have been entered into on a variable basis.

The bank's main currency is Danish kroner. The bank has also made transactions in foreign currencies. Material currency positions are covered on an ongoing basis through off-setting transactions. Thus, the bank is only to a limited extent exposed to exchange rate fluctuations.

The bank is co-owner of a number of sector enterprises (cf. note 14). These ownership shares can be compared with large banks' fully owned subsidiaries, and the investments are therefore not considered part of the bank's share risk. Furthermore, the bank has a small portfolio of listed shares.

If possible, the bank wants to own the premises from which the bank has its operations. On the other hand, the bank primarily only wants to own properties to be used for the banking activities. This means that the bank's property portfolio mainly consists of headquarters properties.

Annual Account

Notes for the balance sheet

The bank's market risks are controlled by the bank's FinansCenter according to policies and limits established by the bank's management. The individual risks are monitored continuously by the bank's finance department, and the bank's management is informed on an ongoing basis.

The sensitivity in the bank's current market risks is described in note 21.

Liquidity risks

It is the bank's policy that the bank's operations shall not depend on the short-term money market or short-term time deposits of a more volatile nature.

It is the bank's aim that it shall be possible to finance the lending portfolio with the sum of

- deposits from customers
- equity and possibly
- long-term senior loans and allocated lines

Furthermore, it is the aim that the bank should, in case of a liquidity crisis, be able to meet the statutory liquidity requirements without drawing on other banks' unconfirmed lines.

See description of the bank's current liquidity situation in the Management Report, page 20.

Operational risks

Operational risks are the risk of direct or indirect loss as a consequence of insufficient business procedures, human errors, system errors, etc., or as a consequence of external events.

The bank's management is informed on an ongoing basis of the losses and events which are regarded as originating from operational risks.

IT supplies, the most important area when assessing the bank's operational risks, have been outsourced to Bankdata, which is owned by the bank jointly with a number of other financial institutions. IT security is assessed on an ongoing basis, and in that connection the necessary adjustments are made to the bank's emergency plans.

It is the bank's policy - based on determined events - to improve business procedures on an ongoing basis with a view to reducing the number of errors and events which entail a possibility of suffering a loss.

Uncertainty in inclusion and valuation

The year's result is not influenced by unusual

conditions – except for those already mentioned in the management report.

After the conclusion of the financial year no events have occurred which have influence on the bank's result for 2014, the bank's assets and liabilities and the financial position at the end of 2014.

Just like other Danish financial institutions Nordjyske Bank is liable for the losses which the Guarantee Fund for Depositors and Investors may foresee in connection with other financial institutions' liquidation. Nordjyske Bank's latest calculated share of the sector's guarantee towards the Guarantee Fund for Depositors and Investors amounts to 0.69 per cent.

An estimate has been applied to calculate the book value. The applied estimate is based on the conditions that the management finds reasonable.

The most important estimates concern

- write-downs on lending and receivables, where quantification of the risk of lack of future payments is connected with material estimate – not least in the agricultural sector,,
- valuation of intangible assets with regard to quantification of the future income and the applied discount rate,
- valuation of real property with regard to the applied discount rate and the internal rental value, and
- valuation of the unlisted sector shares, cf. the below.

Unlisted shares in companies owned by the bank together with a number of other financial institutions etc. – the so-called sector shares – are valued at market price. Decision of the market value is based on available information about current trades, e.g. in connection with redistribution among the shareholders (corresponding to level 2-input cf. definition in IFRS 13). If no current market data is available, the market value is estimated on the basis of information from the companies' accounts, experience in trading in shares in the companies in question, and input from qualified external party (corresponding to level 3-input cf. definition in IFRS 13).

Other unlisted securities are valued as far as possible at market value according to similar principles. If it is not possible to perform reliable valuation at market value, the security is included at cost price less write-downs.

Notes for the Balance Sheet

10. Receivables from credit institutions and central banks

Amounts in DKK 1,000

	2014	2013
Receivables on demand	232,185	267,584
Remaining term:		
- from 3 months up to and including 1 year	3,172	0
- from 1 year up to and including 5 years	0	6,186
- more than 5 years	3,460	2,500
Total receivables from credit institutions and central banks	<u>238,817</u>	<u>276,270</u>
Time receivables from credit institutions and central banks	0	0
Receivables from credit institutions	<u>238,817</u>	<u>276,270</u>
Total receivable from credit institutions and central banks	<u>238,817</u>	<u>276,270</u>

11. Lending and other receivables

Amounts in DKK 1,000

	2014	2013
Demand receivables	250,118	476,473
Remaining term:		
- up to and including 3 month	266,853	264,141
- from 3 months up to and including 1 year	2,368,346	2,284,161
- from 1 year up to and including 5 years	1,346,920	1,431,909
- more than 5 years	1,266,613	1,096,041
Total lending	<u>5,498,850</u>	<u>5,552,725</u>

Notes for the Balance Sheet

12. Credit risk					
Amounts in DKK 1,000		2014		2013	
A. Lending and other guarantees by sector and industries					
Public authorities		0.1%		0.0%	
Agriculture, hunting, forestry and fishing::					
Agriculture	17.9%		19.1%		
Plant growing abroad	4.6%		4.8%		
Fur farming	1.1%		0.8%		
Fishing	5.1%		5.4%		
Agriculture, hunting, forestry and fishing, total	<u>28.7%</u>		<u>30.1%</u>		
Industry and raw material extraction	3.7%		6.3%		
Energy supply	0.2%		0.3%		
Building and construction	3.1%		3.0%		
Trade	4.6%		5.3%		
Transport, hotels and restaurants	2.0%		2.4%		
Information and communication	0.5%		0.4%		
Financing and insurance	3.5%		3.5%		
Real property	5.8%		6.3%		
Other industries	3.6%	55.7%	4.2%	61.8%	
Private		<u>44.2%</u>		<u>38.2%</u>	
Total		<u>100.0%</u>		<u>100.0%</u>	
B. Maximum credit exposure without considering security					
		Incl. In Bal. Sheet*)		Incl. In Bal. Sheet*)	
Business	5,267,606	3,716,728	5,313,490	3,954,989	
Public authorities	8,434	4,714	2,766	2,744	
Private	3,778,536	2,949,222	3,257,934	2,436,481	
Total	<u>9,054,576</u>	<u>6,670,664</u>	<u>8,574,190</u>	<u>6,394,214</u>	
*) incl. contingent liabilities					
Security received for maximum credit exposure					
Cars, operating equipment and current assets		977,296		985,897	
Properties		2,610,402		2,580,443	
Guarantees		146,368		152,990	
Securities and cash deposits, etc.		<u>370,243</u>		<u>355,488</u>	
Total		<u>4,104,309</u>		<u>4,074,818</u>	
Business		2,732,303		2,905,793	
Public authorities		8,354		2,755	
Private		<u>1,363,652</u>		<u>1,166,270</u>	
Total		<u>4,104,309</u>		<u>4,074,818</u>	

Notes for the Balance Sheet

12. Credit risk, continued

Amounts in DKK 1,000

	2014	2013
C. Lending with individual write-down		
Business, total	1,360,361	1,277,219
Private	215,478	199,627
Total	1,575,839	1,476,846
D. Individual write-downs carried out because of:		
Liquidation	78,390	102,683
Collection and suspension of payments	247,788	227,178
Other financial difficulties	1,249,661	1,146,985
Total	1,575,839	1,476,846
E. Lending with objective indication of value reduction:		
Individually written-down lending:		
Value before write-down	1,551,039	1,457,289
Value after write-down	945,249	937,319
Lending written down on a group basis:		
Value before write-down	4,580,422	4,628,967
Value after write-down	4,553,718	4,602,096
F. Write-downs on loans		
Individual write-downs:		
Start of the year	540,132	501,137
Write-downs during the year	174,091	160,964
Reversal of write-downs carried out during previous financial years	28,274	44,860
Other movements	34,846	30,391
Final loss, previously written down individually	89,948	107,500
End of the year	630,847	540,132
Group-based write-downs		
Start of the year	26,871	31,041
Write-downs during the year	4,251	2,918
Reversal of write-downs carried out during previous financial years	4,418	7,088
End of the year	26,704	26,871

Notes for the Balance Sheet

12. Credit risk, continued

Amounts in DKK 1,000

	2014		2013	
	Public authorities and Business	Private	Public authorities and Business	Private
G. Lending which has not been written down and is not in arrears, by credit rating				
Rating category:				
10 - 23 good quality commitments	870,450	697,907	911,669	562,328
31 normal quality commitments	241,241	135,620	240,644	126,009
32 - 33 commitments with slightly reduced quality	623,154	684,525	528,323	684,493
38 commitments with some weaknesses	139,571	100,027	228,835	122,887
39 commitments with material weaknesses	184,578	92,158	271,742	51,203
	<u>2,058,994</u>	<u>1,710,237</u>	<u>2,181,213</u>	<u>1,546,920</u>
H. Arrears by period;				
Up to 90 days		35,363		36,679
More than 90 days		<u>3,514</u>		<u>2,956</u>
		<u>38,877</u>		<u>39,635</u>

13. Bonds at market value

Amounts in DKK 1,000

	2014	2013
Mortgage bonds	948,977	1,058,077
Gov. Bonds	26,143	0
Other listed bonds	<u>83,665</u>	<u>67,609</u>
Total bonds at market value	<u>1,058,785</u>	<u>1,125,686</u>

Notes for the Balance Sheet

14. Shares, etc.

Amounts in DKK 1,000

	2014	2013
Listed shares	31,570	27,345
Unlisted shares, etc., at market value	209	1,299
Sector shares, etc., at market value	236,735	220,642
Other capital shares at original cost	2,961	2,895
Shares, etc. Total	271,475	252,181
Distribution of sector shares:		
Asset management and pension		
Bankinvest Holding A/S	11,160	7,923
Let Pension Holding A/S	390	3,348
Sparinvest Holding A/S	19,057	12,062
Sector infrastructure:		
Bankernes Kontantservice A/S	790	120
Bluegarden Holding A/S	273	311
Nets Holding A/S	0	25,115
Swift	102	98
VP Securities AS	683	683
SWIPP Holding ApS	624	0
Bokis	70	0
Bankdata	16,282	16,454
Mortgage credit, etc.		
Landbrugets Finansieringsbank	370	524
Danmarks Skibskredit A/S	1,197	1,197
DLR Kredit A/S	149,397	118,300
PRAS A/S	36,340	34,507
Total sector shares	236,735	220,642

The unlisted sector shares includes shares at a value of DKK 20,378 acquired with redemption right but not obligation to seller at market price. Seller may use the redemption right once a year for a period of 14 days. The bank cannot sell the shares to a third party until expiry of the redemption right in 2019.

15. Assets related to pooled schemes:

Amounts in DKK 1,000

	2014	2013
Bonds:		
Index-linked bonds	147,074	179,110
Other bonds	328,407	299,637
	475,481	478,747
Shares:		
Unit certificates	702,082	436,895
Other shares	125,765	194,578
	827,847	631,473
	1,303,328	1,110,220

Notes for the Balance Sheet

16. Intangible assets

Amounts in DKK 1,000

	2014		2013	
Customer relations:				
Total cost price, start of the year	19,000		19,000	
Added during the year	<u>0</u>	19,000	<u>0</u>	19,000
Depreciation, start of the year	8,900		7,000	
Depreciation during the year	<u>1,900</u>	10,800	<u>1,900</u>	8,900
Book value, end of the year		<u>8,200</u>		<u>10,100</u>
Goodwill:				
Total cost price, start of the year	1,988		1,988	
Added during the year	<u>0</u>	1,988	<u>0</u>	1,988
Write-downs, start of the year	204		204	
Write-downs during the year	<u>0</u>	204	<u>0</u>	204
Book value, end of the year		<u>1,784</u>		<u>1,784</u>
Intangible assets, total		<u>9,984</u>		<u>11,884</u>

17. Land and buildings

Amounts in DKK 1,000

	2014		2013	
Investment property				
Market value, start of the year		35,520		38,645
Added during the year, including improvements		2,410		1,506
Disposed of during the year		0	-	596
The year's value regulation to market value		<u>- 4,059</u>		<u>- 4,035</u>
Market value, end of the year		<u>33,871</u>		<u>35,520</u>

Notes for the Balance Sheet

17. Land and buildings

Amounts in DKK 1,000

	2014	2013
Headquarters properties:		
Re-assessed value, start of the year	99,846	100,907
Added during the year, including improvements	0	1,083
Disposed of during the year	2,410	1,493
Depreciation	1,621	1,735
Value changes during the year, included directly in other total income	- 1,091	954
Value changes during the year, included directly in the income statement	- 450	130
Reassessed value end of the year	<u>94,274</u>	<u>99,846</u>

Valuation of the bank's investment and headquarters properties has been made on the basis of a return-based model. As return requirement, a return rate of between 6.5% and 9.0% p.a. has been used, depending on the location of the individual property. In 2014, the bank has used external parties in connection with the valuation of the properties.

18. Other tangible assets:

Amounts in DKK 1,000

	2014		2013	
Total cost price, start of the year	50,754		52,138	
added during the year, including improvements	3,368		2,830	
disposed of during the year	- 1,161	52,961	- 4,214	50,754
Depreciation and write-downs, start of the year	46,005		46,823	
the year's allowances for depreciation	2,866		2,971	
the year's reversed depreciations and write-downs	- 958	47,913	- 3,789	46,005
Book value, end of the year	<u>5,048</u>		<u>4,749</u>	

19. Market value of financial instruments

Financial instruments are included in the balance sheet either at market value or at amortised cost price. Market value is the amount at which a financial asset can be traded, or the amount at which a financial obligation can be redeemed between willing, independent parties. For financial assets and obligations priced on active markets, the market value is calculated on the basis of observed market prices on the date of the balance sheet. The market value of financial instruments, which are not priced on active markets, is calculated on the basis of generally accepted pricing methods.

The vast majority of the bank's receivables, loans and deposits cannot be transferred without prior acceptance from the customers, and there is no active market for such financial instruments. The information stated about market value is therefore only based on circumstances where changes have been determined in the market conditions after the first inclusion of the instrument in question, including in particular changes to interest rates..

Notes for the Balance Sheet

19. Market value of financial instruments, continued

Information about market value for financial instruments included at amortised cost price is based on the assessments below

- for loans and other receivables, write-downs in connection with value reductions are considered to correspond to the market value of the credit risk
- for financial instruments with interest risk of less than six months, amortised cost price is considered to correspond to the market value
- for financial assets and obligations with a fixed rate of interest, the market value is calculated on the basis of an estimate of the current return requirements on the market

Shares, etc., assets related to pooled schemes and derived financial instruments are calculated in the balance sheet at market value so that the values included correspond to market values.

Amounts in DKK 1,000	2014		2013	
	Book value	Current value	Book value	Current value
Financial assets				
Cash in hand and demand deposits with central banks	279,585	279,585	361,280	361,280
Receivables from credit institutions and central banks	238,817	240,009	276,270	276,270
Loans and other receivables at market value	0	0	0	0
Loans and other receivables at amortised cost price	5,498,849	5,503,666	5,552,725	5,559,049
Bonds at market value	1,058,785	1,058,785	1,125,686	1,125,686
Shares, etc.	271,475	271,475	252,181	252,181
Assets related to pooled schemes	1,303,328	1,303,328	1,110,220	1,110,220
Derived financial instruments	26,606	26,606	19,072	19,072
Financial assets, total	8,677,445	8,683,454	8,697,434	8,703,758
Financial obligations				
Debt to credit institutions and central banks	141,409	141,409	135,134	135,134
Deposits and other debts	5,720,228	5,731,250	5,944,466	5,976,610
Deposits in pooled schemes	1,487,367	1,487,367	1,352,217	1,352,217
Issued bonds at amortised cost price	39	39	899	938
Derived financial instruments	23,755	23,755	19,233	19,233
Subordinated capital investments	2,838	2,900	5,804	5,847
Financial obligations, total	7,375,636	7,386,720	7,457,753	7,489,979

Notes for the Balance Sheet

20. Derived financial instruments					2014	2013
Amounts in DKK 1,000						
	Up to and incl 3 mths.	3 mths. up to and incl. 1 year	1 year up to and incl. 5 years	More than 5 years	total	total
Nominal values						
Foreign exchange-related transactions:						
forward trans., purchases	253,550	14,587	722		268,859	189,191
forward trans., sale	564,120	24,689	721		589,530	578,992
unsettled spot transact., purch.	5,183				5,183	6,837
unsettled spot transact., sale	23,098				23,098	2,415
currency swaps					0	0
Interest-related transactions:						
forward transact., purchases	27,807				27,807	4,534
unsettled spot transact., purch	5,941				5,941	12,843
unsettled spot transact., sale	21,963				21,963	8,072
interest swaps		7,950	230,537	46,269	284,756	299,411
Share-related transactions:						
unsettled spot transact., purch.	2,230				2,230	14,970
unsettled spot transact., sale	2,442				2,442	14,781
Net market values						
Foreign exchange-rel. transact.:						
forward transact., purchases	1,447	237	30		1,714	- 1,750
forward transact., sale	3,288	67	-29		3,326	3,488
unsettled spot transact, purch.	-299				-299	6
unsettled spot transact., sale	-2				-2	6
currency swaps					0	0
Interest-related transactions:						
forward transactions, purch.	391				391	40
unsettled spot transact., purch.	24				24	- 2
unsettled spot transact., sale	-93				-93	5
interest swaps			-439		-439	- 471
Share-related transactions:						
unsettled spot transact., purch.	-4				-4	51
unsettled spot transact., sale	6				6	- 38

Notes for the Balance Sheet

20. Derived financial instruments, continued

Amounts in DKK 1,000

Market values	Contracts, total 2014			Contracts, total 2013		
	Positive	Negative	Net	Positive	Negative	Net
Foreign exchange-rel. transact.:						
forward transactions, purch.	4,968	3,254	1,714	780	2,530	- 1,750
forward transactions, sale	5,985	2,659	3,326	3,881	393	3,488
unsettled spot transact., purch.	1	300	-299	7	1	6
unsettled spot transact., sale	4	6	-2	6	0	6
currency swaps	0	0	0	0	0	0
Interest-related transactions:						
forward transactions, purch.	391	0	391	47	7	40
unsettled spot transact., purch.	25	1	24	9	11	- 2
unsettled spot transact., sale	3	96	-93	5	0	5
interest swaps	15,186	15,625	-439	14,152	14,623	- 471
Share-related transactions:						
unsettled spot transact., purch.	19	23	-4	110	59	51
unsettled spot transact., sale	25	19	6	70	108	- 38
Market value included in balance sheet with the following amounts						
Other assets	26,606			19,072		
Other liabilities		23,755			19,233	

Notes for the Balance Sheet

21. Market risks

Amounts in DKK 1,000

	2014	2013
Interest risk, debt instruments		
Distributed by type of instrument		
- trading activity	10,957	9,877
- non-trading activity	- 5,525	- 16,444
Total	<u>5,432</u>	<u>- 6,567</u>
By currency		
DKK	5,063	- 7,198
EUR	413	681
CHF	- 37	- 45
Other currencies, net	- 7	5
Total	<u>5,432</u>	<u>- 6,567</u>
percentage of equity	0.4	0.5
<p>The interest risk is an expression of the loss/gain which the bank will suffer/obtain because of reasonably probable changes to the effective rate of interest of 1 percentage point</p>		
Foreign exchange risks		
Exposure in Euro	10,571	6,184
- sensitivity 2.25 per cent	238	139
Exposure in other currencies	5,365	4,366
- sensitivity 12 per cent	644	523
Total sensitivity	<u>882</u>	<u>662</u>
- as a percentage of equity	0.1	0.0
<p>The currency risk shows the loss which the bank will suffer because of reasonably probable changes to the foreign exchange market.</p>		
Share risk		
Listed shares	31,570	27,345
- sensitivity 30 per cent	9,471	8,204
Total sensitivity	<u>9,471</u>	<u>8,204</u>
- as a percentage of equity	0.7	0.6

The share risk shows the loss which the bank will suffer because of reasonably probable changes to the share market.

Notes for the Balance Sheet

22. Debt to credit institutions and central banks

Amounts in DKK 1,000

	2014	2013
On demand	141,409	135,134
Remaining term		
- from 3 months up to and including 1 year	0	0
- more than 5 years	0	0
Total debt to credit institutions and central banks	<u>141,409</u>	<u>135,134</u>
The bank has unutilised, confirmed credit undertakings for a total of	400,000	350,000

23. Deposits and other debts

Amounts in DKK 1,000

	2014	2013
On demand	4,032,799	3,431,443
Remaining term		
- up to and including 3 months	127,362	157,377
- from 3 months up to and including 1 year	232,020	665,556
- from 1 year up to and including 5 years	464,579	885,242
- more than 5 years	<u>863,468</u>	<u>804,848</u>
Deposits and other debts, total	<u>5,720,228</u>	<u>5,944,466</u>
By categories		
- on demand	3,533,248	3,092,236
- notice	1,181,865	1,533,700
- time deposits	47,126	130,404
- special deposits	<u>957,989</u>	<u>1,188,126</u>
Deposits and other debts, total	<u>5,720,228</u>	<u>5,944,466</u>

24. Issued bonds at amortised cost price

Amounts in DKK 1,000

	2014	2013
Remaining term		
- up to and including 3 months	39	860
- from 1 year up to and including 5 years	<u>0</u>	<u>39</u>
Issued bonds at amortised cost price, total	<u>39</u>	<u>899</u>

Notes for the Balance Sheet

25. Provisions for pension and similar obligations

Amounts in DKK 1,000	2014	2013
Anniversary bonus	2,526	2,476
Salary and pension obligations taken over in connection with business acquisition	466	1,165
Total provisions for pension and similar obligations	2,992	3,641

26. Subordinated capital

Amounts in DKK 1,000	2014	2013
Employee bonds:		
Principal amount, a total of 106 bonds	2,838	5,804
Extraordinarily redeemed during the year	0	0
Included when calculating the core capital	284	2,160
Interest during the financial year	85	199

27. Share capital

Amounts in DKK 1,000	2014	2013
The bank's share capital is divided into 7,720,000 shares of DKK 10 each		
Holding of own shares		
Acquired		
Number of own shares	503,919	473,614
Nominal value	5,039	4,736
Per cent of the share capital	6.5%	6.1%
Total purchase price	60,034	45,773
Sold		
Number of own shares	505,802	460,348
Nominal value	5,058	4,603
Per cent of the share capital	6.6%	6.0%
Total sales price	60,308	44,926
Cancellation of shares		
Number of own shares	0	320,000
Nominal value	0	3,200
Per cent of the share capital	0.0%	4.1%
End of the year		
Number of own shares	17,754	19,637
Nominal value	178	196
Per cent of the share capital	0.2%	0.3%

Acquisition and sale of own shares have taken place as part of the bank's general day-to-day activities.

Notes with additional information

28. Capital requirement				
Amounts in DKK 1,000				
	2014		2013	
Equity according to the balance sheet		1,421,291		1,349,354
Provisions for appreciation		<u>0</u>		<u>26,535</u>
Core capital		1,421,291		1,322,819
Suggested dividend	23,160		15,440	
Intangible assets	9,984		11,884	
Deferred activated tax assets	0		3,800	
Value of own shares, cf. section 31 (1) head f of CRR regulation no. 575/2013	<u>26,436</u>	59,580	<u>3,681</u>	34,805
Non-essential investments in financial sector according to CRR regulation no. 575/2013 section 46		109,491		
Half of the sum of capital shares, etc., > 10 per cent. according to section 131 (2) no 2 of FIL		<u>0</u>		<u>38,635</u>
Core capital after deduction		1,252,220		1,249,379 *)
Additional capital:				
Provisions for appreciation	0		26,535	
Subordinated capital	<u>284</u>	<u>284</u>	<u>2,160</u>	<u>28,695</u>
Core capital before deduction		1,252,504		1,278,074 *)
Half of the sum of capital shares, etc. > 10 per cent according to section 131 (1) no 3 of FIL		<u>0</u>		<u>28,695</u>
Core capital after deduction		1,252,504		1,249,379 *)
Sufficient core capital		777,000		739,000 *)
Risk weighted items, total		6,399,335		6,290,483 *)
Core capital percentage	19.6%		19.9%	*)
Capital adequacy percentage	19.6%		19.9%	*)
Required capital adequacy	12.1%		11.7%	*)

*) Calculated according to previous rules, as the bank does not possess sufficient data basis to be able to calculate key figures according to the current rules

29. Contingent liabilities				
Amounts in DKK 1,000				
	2014		2013	
Finance guarantees		603,250		497,755
Loss guarantees for mortgage loans		159,550		86,255
Registration and conversion guarantees		135,040		22,554
Other contingent liabilities		<u>273,974</u>		<u>234,925</u>
Total		1,171,814		841,489
Pledges				
For drawing right with the Danish Central Bank bonds have been pledged		<u>98,958</u>		<u>149,693</u>

Notes with additional information

30. Connected parties

Amounts in DKK 1,000

	2014	2013
Size of loan, pledges or guarantees for members of the bank's:		
Executive Board	1,050	500
Board of Directors	34,293	44,125
The commitments have been granted on market conditions and according to the bank's usual business conditions		
Rates of interest at the end of the year, per cent p.a.		
Executive Board	4,125 - 6,00	6,00 - 6,00
Board of Directors, elected at the general meeting	1,85 - 13,875	3,25 - 13,875

For members of the Board of Directors elected by the employees, the commitment was granted on the bank's usual staff conditions.

Annual Account

Statements and opinions

We have today presented the Annual Report for 1 January - 31 December 2014 for Nordjyske Bank A/S.

The Annual Report is prepared in accordance with the Financial Activities Act and also in accordance with additional Danish disclosure requirements for annual reports of listed financial companies.

We consider the accounting policy chosen to be appropriate, so that the financial statements provide a correct picture of the bank's assets and liabilities, the financial position and the result.

The Management's Report includes a correct account of the development of the bank's activities and financial situation, and a correct description of the most important risks and uncertainties by which the bank may be affected.

The Annual Report is recommended for approval by the General Meeting.

The Executive Board
Frederikshavn, 10 February 2015

Claus Andersen
Bank Director

Mikael Jakobsen
Bank Director

Bjarne Haugaard
Finance Director

The Board of Directors
Frederikshavn 10 February 2015

Hans Jørgen Kaptain

Sten Uggerhøj

Erik Broholm Andersen

Per Lykkegaard Christensen

Tina Conradsen

Hanne Karlshøj

Ole Kristensen

Henrik Lintner

Helle Emborg Nielsen

Annual Account

Internal auditors' statements

To the owners of capital in Nordjyske Bank A/S Auditors' opinion

We have audited the financial statements for Nordjyske Bank A/S for the financial year 1 January - 31 December 2014, including income statement, statement of total gains and losses, balance sheet, equity statement and notes, including accounting policy used. The financial statements have been prepared according to the Danish Financial Activities Act and in accordance with the Danish disclosure requirements for listed financial companies.

The audit performed

The audit has been performed on the basis of the Executive Order issued by the Danish Financial Supervisory Authority on the auditing of financial businesses, etc., and financial groups and according to international auditing standards. This requires us to plan and carry out the audit in order to obtain a high level of certainty that the financial statements do not include material misinformation.

The audit has been completed according to the division of labour agreed with the external auditors and has included an assessment of established business procedures and internal control, including the risk management organised by the management and aimed at reporting processes and material business risks. On the basis of importance and risk, we have by random samples tested the basis for amounts and other information in the financial statements. Furthermore, the audit has included a decision as to whether the management's choice of accounting policy is appropriate, whether the management's accounting estimates are reasonable, and an assessment of the total presentation of the financial statements.

We have been involved in the auditing of the material and risk-related areas, and we are of the opinion that the audit documentation obtained is sufficient and suitable as a basis for our conclusion.

The audit has not given rise to any reservations.

Conclusion

It is our opinion that the existing business procedures and internal controls, including the risk management established by the management aimed at the bank's reporting processes and material business risks, work satisfactorily.

It is also our opinion that the financial statements give a correct picture of the bank's assets, liabilities and financial situation as at 31 December 2014 and the result of the bank's activities for the financial year 1 January - 31 December 2014 in accordance with the Danish Financial Business Act and Danish disclosure requirements for listed financial companies.

Opinion on the Management's Report

According to the Danish Financial Activities Act, we have read the Management Report. We have not taken any other actions in addition to the audit performed of the financial statements.

On the basis of the above, it is our opinion that the information in the Management Report is in accordance with the financial statements.

Frederikshavn, 10 February 2015

Jan L. Sørensen
Head of Internal Audit

Annual Account

The independent auditors' opinion

To the owners of capital in Nordjyske Bank A/S Auditors' opinion

We have audited the financial statements for Nordjyske Bank A/S for the financial year 1 January - 31 December 2014, including income statement, statement of total gains and losses, balance sheet, equity statement and notes, including accounting policy used. The financial statements are prepared according to the Danish Financial Business Act and in accordance with the Danish disclosure requirements for listed financial companies

The management's responsibility for the financial statements

The management is responsible for the preparation of financial statements which give a correct picture in accordance with the Danish Financial Business Act and Danish disclosure requirements for listed financial companies. Furthermore, the management is responsible for the internal control which the management considers necessary to be able to prepare financial statements without material misinformation, regardless whether such misinformation is due to fraud or errors.

The auditor's responsibility

It is our responsibility to express a conclusion about the financial statements on the basis of our audit. We have completed our audit in accordance with international audit standards and additional requirements according to Danish audit laws. This requires us to observe ethical requirements and plan and carry out the audit in order to obtain a high level of certainty that the financial statements do not include material misinformation.

An audit includes the performance of audit actions in order to obtain audit documentation for amounts and information in the financial statements. The actions chosen depend on the auditor's assessment, including the assessment of the risks of material misinformation in the financial statements, regardless whether they are due to

Frederikshavn, 10 February 2015

BDO
Statsautoriseret revisionsaktieselskab
(state-authorised public accountants company)

Flemming Bro Lund
State-authorised public accountant

fraud or mistakes. In connection with the risk assessment the auditor will consider internal control relevant for the bank's preparation and presentation of financial statements providing a correct picture.

The aim is to establish audit actions suitable in the circumstances, but not to express a conclusion on the efficiency of the bank's internal control. Furthermore, the audit includes a decision as to whether the management's choice of accounting policy is appropriate, whether the management's accounting estimates are reasonable, and an assessment of the total presentation of the financial statements.

It is our opinion that the audit documentation obtained is satisfactory and suitable as a basis for our conclusion.

The audit has not given rise to any reservations.

Conclusion

It is our opinion that the financial statements give a correct picture of the bank's assets, liabilities and financial situation as at 31 December 2014 and the result of the bank's activities for the financial year 1 January - 31 December 2014 in accordance with the Danish Financial Activities Act and Danish disclosure requirements for listed financial companies.

Opinion on the Management's Report

According to the Danish Financial Activities Act, we have read the Management's Report. We have not taken any other actions in addition to the audit performed of the financial statements.

On the basis of the above, it is our opinion that the information in the Management's Report is in accordance with the financial statements.

Aalborg, 10 February 2015

Beierholm
Statsautoriseret Revisionspartnerselskab
(state-authorised public accountants partner company)

Preben Randbæk
State-authorised public accountant

Bank management

Committee of representatives

- Erik Broholm Andersen, Farm Owner, Gærum (chairman)
- Per Lykkegaard Christensen, Farm Owner, Hjallerup (Deputy chairman)
- Inge Kjær Andersen, Dentist, Sæby
- Kjeld Andersen, Service Consultant, Øster Brønderslev
- Palle Joest Andersen, Farm Owner, Hjørring
- Peter Andersen, Director, Tårs
- Svend-Erik Andersen, Chairman of the Fishing Association, Strandby
- Børge Bech, Head of Secretariat, Løkken
- Anders Bentsen, Head of Department, Øster Brønderslev
- Erling Christensen, Furniture Dealer, Hørmested
- Inge Christensen, Bookkeeper, Østervrå
- Lars Ingemann Christensen, Manufacturer, Hjørring
- Nina Friis Christiansen, Shop Owner, Vittrup
- Thomas Christiansen, Fishing Vessel Master, Læsø
- Jørn Bo Clausen, Fish Exporter, Strandby
- Ole Conradsen, Director, Strandby
- John Elling, Fur Farmer, Strandby
- Lene Frandsen, Head of Office, Sindal
- Trine Frisgaard, Leading Bio-Analyst, Dronninglund
- Svend Erik Frøstrup, Shop Owner, Løkken
- Birthe Gadekær, Principal, Hjørring
- Hans-Christian Holst, Farmer, Asaa
- Bettina Schou Ifversen, Director, Skagen
- Kurt Elbo Jensen, Warehouse Manager, Hallund
- Bent Johansen, Regional Head of Accounting, Øster Brønderslev
- Per Jørgensen, Farmer, Brovst
- Hans Jørgen Kaptain, Attorney, Sæby
- Tom Karlshøj, Farm Owner, Bindslev
- Anker Laden-Andersen, Attorney, Sæby
- Bente Larsen, Veterinarian, Dybvad
- Per Drustrup Larsen, Librarian, Øster Brønderslev
- Henrik Lintner, Pharmacist, Hjørring
- Peter Mortensen, Forwarding Agent, Hirtshals
- Gert Nielsen, Director, Blæsbjerg
- Jens Jørgen Nielsen, Concreter, Skagen
- Frans Nørby, Lecturer, Hjørring
- Inger Marie Grund Petersen, Head of Marketing, Sæby
- Lars Petersen, Engineer, Gærum
- Niels H. Pedersen Qvist, Farmer, Vocational Teacher, Vester Hassing
- Peter Schou, Fishing Vessel Master, Skagen
- Jens Otto Størup, Director, Tornby
- Jan Leth Sørensen, Haulier, Sæby
- Peer Buch Sørensen, Draper, Frederikshavn
- Ingeborg Thusgaard, Consultant, Frederikshavn
- Sten Uggerhøj, Car dealer, Frederikshavn
- Claus Uttrup, Brigadier General, Hjørring
- Margrethe Vejby, Nurse, Aalbæk
- Morten Vestergaard, Director, Hjørring

Board of Directors

- Hans Jørgen Kaptain, Attorney, Sæby (Chairman)
- Sten Uggerhøj, Car Dealer, Frederikshavn (Deputy chairman)
- Erik Broholm Andersen, Farm Owner, Gærum
- Per Lykkegaard Christensen, Farm Owner, Hjallerup
- Tina Conradsen, Head of Housing Dept., Frederikshavn (elected by the employees)
- Hanne Karlshøj, Customer Advisor, Bindslev (elected by the employees)
- Ole Kristensen, Former Bank Director, Frederikshavn
- Henrik Lintner, Pharmacist, Hjørring
- Helle Emborg Nielsen, Bank Assistant, Frederikshavn (elected by the employees)

Bank management

Executive Board

- Claus Andersen, Bank Director
- Mikael Jakobsen, Bank Director

The bank's managers

Bangsbostrand	Peter K. Madsen, Branch Manager
Brønderslev	Thomas Møller Petersen, Branch Director
Dronninglund	Ole Andersen, Branch Director
Frederikshavn	Brian Thomsen, Branch Director
Hirtshals	Jens Buje, Branch Director
Hjallerup	Ole Andersen, Branch Director
Hjørring	Jens Christian Kringelholt, Area Director
København	Kim Vagner, Branch Director
Læsø	Karsten Nielsen, Branch Director
Løkken	Mads Gade, Branch Director
Sindal	Klaus Christensen, Branch Director
Skagen	Allan Kastor Andersen, Center Director
Strandby	Kirsten Poulsen, Branch Manager
Sæby	Torben Schioldan, Area Director
Østervrå	Annemette Mæhle, Branch Manager
Aalbæk	Martin Madsen, Branch Manager
Management Sekretariat	Alma Lund Høj, Deputy Director
FinansCentret	Lars Kiærskou, Finance Manager
HR & Business Support	Ole Telling, HR-manager
Credit Office	Claus Kongsgaard, Credit Manager
Sale & Marketing	Mikael Jakobsen, Branch Director
Economy & IT	Bjarne Haugaard, Finance Director