



Annual Report
2009

AKTIESELSKABET

 Arbejdernes Landsbank

CVR-nr. 31 46 70 12, Copenhagen



Gert R. Jonassen
Chief Executive



Ebbe Castella
Senior Executive Vice President

Agenda

for the annual general meeting of Arbejdernes
Landsbank, Wednesday, 10 March 2010.

1. Report on the activities of the Bank in 2009.
2. Submission of the audited annual report and auditor's report, cf. section 24(2) of the articles of association.
3. Proposed appropriation of profit according to the annual report, cf. section 25 of the articles of association.
4. Proposals received, including proposed amendments to sections 3,4,5,6,8,9,11,12,13, 14,15,16,17,18,19,20 and 23 of the articles of association.
5. Election of members to the Board of Representatives, cf. section 18 of the articles of association.
6. Election of auditors, cf. section 23 of the articles of association.

Annual Report 2009

- 2 Group overview
- 3 Financial crisis and consolidation

Management's review

- 4 Result for the year
- 6 Outlook for 2010
- 6 Business foundation
- 8 The financial markets 2009
- 10 2009 work on Vision 2012
- 14 Overview of the development of the bank

Endorsements

- 15 Statement by management
- 16 Auditor's report

Financial statements

- 18 Income statement for the financial year 2009
- 19 Balance sheet as at 31 December 2009
- 20 Changes in equity

Notes to the financial statements 2009

- 21 Accounting policies
- 25 Risk management
- 25 Market risk
- 27 Credit risk
- 28 Operational risk
- 29 Group companies
- 29 Share capital
- 32 Five-year summary
- 34 Notes to the income statement
- 36 Notes to the balance sheet
- 40 Other notes

Management, organisation etc.

- 42 Management positions held by members
of the Board of Directors and the Executive
Management in other Danish limited
companies
- 43 Other board positions of
the Executive Management
- 44 Board of Representatives
- 45 Management etc.
- 46 Branches



Group overview

AKTIESELSKABET

Arbejdernes Landsbank

COPENHAGEN

DKK '000

Share capital	300,000
Equity	2,939,710
Profit for the year	75,581

All subsidiaries are fully owned by the parent company

AL Finans A/S

GLOSTRUP

DKK '000

Share capital	6,000
Equity	51,012
Profit for the year	7,181

Handels ApS Panoptikon

COPENHAGEN

DKK '000

Share capital	500
Equity	12,841
Profit for the year	118

Financial crisis and consolidation



In 2009, the financial crisis brought about considerable losses in the financial sector, as well as unemployment rises in Denmark. As a result, several banks have experienced great difficulties in the past year, and some banks have even had to give up entirely, consequently having to be taken over by the Financial Stability Company.

The trade and industry sector was affected by the crisis; one of the reasons for adopting "Bank Package II" at the beginning of 2009. This gave banks the opportunity to strengthen their capital base by means of government subscription of hybrid core capital. Accordingly, banks can now obtain a three-year state-funded guarantee for raising loan capital.

Arbejdernes Landsbank chose not to obtain hybrid core capital from the government ("Bank Package II"), on the basis of our financial position. The Bank's core capital ratio is 12.1 per cent, which is higher than the government's recommendations.

However, we have accepted a State guarantee of up to EUR 750 mill. (about DKK 5.6 bn.) in order to ensure our financial position and funding. If the financial markets should experience instability when "Bank Package I" expires on 30 September 2010, Arbejdernes Landsbank is secured by means of this State guarantee, and can use it to raise liquidity either in Denmark or abroad.

The accounting figures for banks announced in the course of 2009, have shown that the crisis has had a significant impact on the banking sector's write-downs on loans and receivables. Customers have been unable to pay off loans and credits, which emphasises that we are experiencing a very serious financial setback. Many people fear that it may take several years to regain the financial activity we experienced before the crisis set in.

Lending activities of Arbejdernes Landsbank are at the same level as at the end of 2008. Despite ongoing settlement of the current loan portfolio, the Bank has been able to provide further loans, meaning that total loans remained the same. In respect to deposits, the Bank saw a growth rate of 12.2 per cent. This means that Arbejdernes Landsbank is competitive, and that the surrounding world has great confidence in the Bank. At the end of 2009, group deposits, including pools, amounted to DKK 21.4 bn.

Arbejdernes Landsbank has also been affected by the financial realities, as can be seen from this Annual Report for 2009. Write-downs on loans, etc. amounted to DKK 308.7 mill., and the write-down ratio was 1.4 per cent, which is an unsatisfactorily large figure. Write-downs are broken down by all groups of customers, and also include Arbejdernes Landsbank's share of losses in the Financial Stability Company of DKK 51.9 mill. in total.

Despite the write-downs, the Arbejdernes Landsbank Group saw a profit of DKK 117.7 mill. before tax at the end of 2009. This result is due to good returns on the Bank's funds that were invested in the securities markets. Additionally, the Bank saw a satisfactory net growth in new customers of 6,700. This figure does not include customer growth after the take-over of five branches from Roskilde Bank.

Overall, the Bank's results were satisfactory at the end of 2009, as we acknowledge that 2009 was not an easy year for the financial sector.

The Bank celebrated its 90th anniversary in 2009. No matter its age, Arbejdernes Landsbank is full of vitality, which is also witnessed by the above. At Arbejdernes Landsbank we believe that we are well-prepared for future challenges. The 2009 results give the bank a capital base of nearly DKK 3 bn. We employ good people who make great efforts to meet the needs of our customers every day. We also have a clear vision for the direction we would like the Bank to take. This is a good basis for meeting the future and any challenges it may bring.

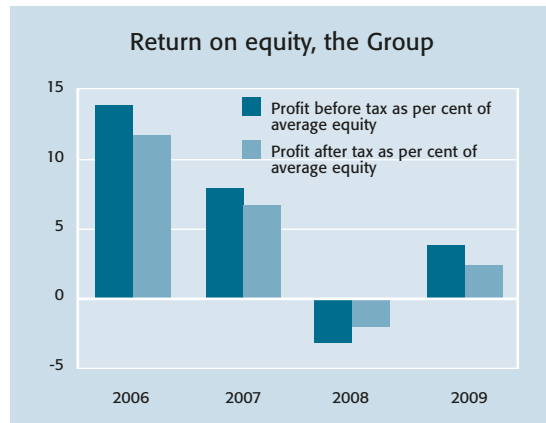
On behalf of the Board of Directors and the Executive Management, I would like to thank the Bank's shareholders, Local Council and customers for their cooperation in 2009. I would also like to thank the Bank's employees for their hard work and commitment in 2009. I look forward to the coming year.

On behalf of the Board of Directors
Poul Erik Skov Christensen
Chairman of the Board of Directors



Result for the year

The Arbejdernes Landsbank Group had a profit before tax of DKK 117.7 mill. in 2009 and DKK 75.6 mill. after tax. Return on average Group equity was 4.1 per cent before tax and 2.6 per cent after tax. This result is satisfactory in light of the Bank's expenses for inclusion in "Bank Package I".



No events have taken place after end of the financial year which have a significant impact on the assessment of the annual report.

Profit from operating activities according to the core earnings model can be illustrated as follows:

Core earnings model, the Group

	2009 DKK mill.	2008 DKK mill.	Change DKK mill.
Net interest income	930.6	766.2	164.4
Net fees and commissions etc.	268.7	246.4	22.3
Core earnings, excl. trade earnings	1,199.3	1,012.6	186.7
Trade earnings	81.7	87.2	-5.5
Core earnings, total	1,281.0	1,099.8	181.2
Staff costs	-574.0	-518.8	-55.2
Administrative expenses etc.	-564.3	-407.9	-156.4
Core results before write-downs	142.7	173.1	-30.4
Write-downs on loans, etc.	-308.7	-146.3	-162.4
Core results	-166.0	26.8	-192.8
Investment portfolio earnings, excl. equity investments	369.7	-169.2	538.9
Equity investments	-86.0	54.8	-140.8
Profit before tax	117.7	-87.6	205.3
Taxes	-42.1	27.8	-69.9
Results	75.6	-59.8	135.4

Results for 2009 were characterised by:

- An increase in core earnings, excl. trade earnings of 18.4 per cent.
- Cost increase of 22.8 per cent.
- Write-downs on loans, etc. of DKK 308.7 mill.
- Investment portfolio earnings, excl. investment securities of DKK 369.7 mill.

Core results before write-downs of DKK 142.7 mill. against DKK 173.1 mill. in 2008 must be seen in light of increased expenses for the Private Contingency Association concerning "Bank Package I" from DKK 21.7 mill. in 2008 to DKK 79.9 mill. in 2009.

Profit before tax matches the expectations for 2009.

As regards balance sheet developments in 2009, the following can be highlighted:

- Loans have been maintained at the same level and make up DKK 16.9 bn. against DKK 17.4 bn. in the previous year.
- Deposits incl. pooled schemes increased by 12.2 per cent to DKK 21.4 bn.

Group solvency ratio is 13.0 per cent. Comparing this figure with the statutory requirement of 8.0 per cent emphasises the Bank's good financial position.

The Bank does not pay dividends as part of the premise for participating in the state-funded guarantee scheme ("Bank Package I"). Group equity amounted to DKK 2,939.7 mill. at the end of 2009.

Despite the financial crisis, the Group has a good liquidity position, and excess liquidity compared to the statutory requirement is 218.9 per cent.

With the pledge in the individual state-funded guarantee in "Bank Package II" of about DKK 5.6 bn. mentioned above, the Bank can also maintain a good liquidity position in future.

In October 2008, Arbejdernes Landsbank took over five branches from Roskilde Bank located in Copenhagen, Roskilde, Lyngby, Frederikssund and Kalundborg, and these are now a fully integrated part of the Bank.

Trends in operations

Core earnings, excl. trade earnings have increased by DKK 186.7 mill. to DKK 1,199.3 mill., primarily as a result of increased activity, including the take-over of five branches from Roskilde Bank and expansion of the interest margin. The increase may primarily be related to the net interest earnings from the deposits and loans portfolios, which contributed to a rise of DKK 164.4 mill., corresponding to an increase of 21.5 per cent. Fee and

other operating income accounted for an increase of DKK 22.3 mill. as the fee rates have remained unchanged.

Trade earnings are characterised by less activity, and the financial turbulence has reduced securities trading as a consequence of the hesitance of many customers. The activity decrease has led to a reduction in earnings for 2009 amounting to DKK 81.7 mill. against DKK 87.2 mill. in 2008.

Costs and depreciation rose by DKK 211.6 mill. to DKK 1,138.3 mill. and this is primarily attributable to staff costs, which increased by 10.6 per cent or DKK 55.2 mill. compared to 2008. Other than the consequences of increases in relation to collective agreements, which include a bonus scheme of DKK 14.0 mill., staff costs increased compared to 2008 for employees from Roskilde Bank who were transferred to Arbejdernes Landsbank in connection with the acquisition of five branches from Roskilde Bank.

Other costs and depreciation show an increase of DKK 156.4 mill., of which additional expenses paid for the Bank's participation in the state-funded guarantee scheme in 2009 amount to DKK 58.2 mill. compared with 2008. Depreciation and amortisation increased by DKK 18.3 mill., primarily because this item was affected by revaluation in 2008 of a number of the Bank's properties of DKK 10.8 mill. in total. In addition, in 2009, the Bank started goodwill amortisation of DKK 4.7 mill. in relation to the take-over of the five branches from Roskilde Bank. Other administrative expenses have increased by DKK 79.9 mill., broken down on an ambitious conversion programme for the branch network, as well as increasing costs in relation to IT operations and development.

Write-downs on loans etc. show a need for write-downs of net DKK 308.7 mill. against DKK 146.3 mill. in 2008. In 2009, the Bank's participation in "Bank Package I" resulted in provisions of DKK 51.9 mill. to cover losses from failing banks under the Financial Stability Company. Subsequently, the Bank has total provisions of DKK 63.7 mill. in relation to the Financial Stability Company. The consequences of the economic slowdown and recession in Denmark has also had a rub-off effect on our customers, as unemployment and a stagnating housing market have increased the Group's risk of losses. The Bank's exposure to the property sector and project development is limited, so this aspect has not given reason for increased write-downs.

The investment portfolio earnings, excl. investment securities, which include the Bank's market risk positions, more than regained lost ground compared with 2008, and a profit of DKK 369.7 mill. against a loss of DKK 169.2 mill. in 2008 is more than satisfactory.

Investment securities show a loss of DKK 86.0 mill. in 2009 against a gain of DKK 54.8 mill. in 2008. This loss is primarily attributable to a negative adjustment of DKK 59.3 mill. in our share in Letpension and our holding in Forsikrings-Aktieselskabet ALKA.

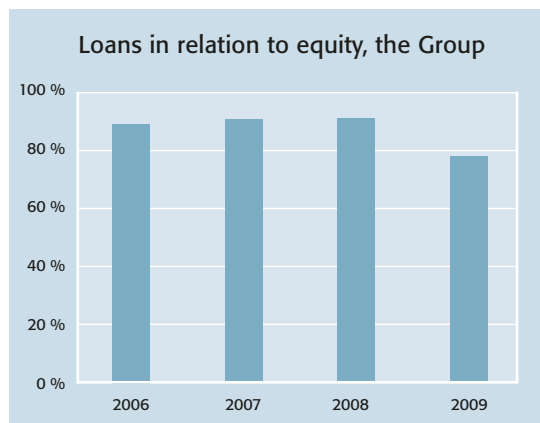
Profit before tax amounts to DKK 117.7 mill. and after provisions for tax of DKK 42.1 mill., the profit for the year is DKK 75.6 mill.

Balance sheet

At the end of 2009, the consolidated balance sheet total amounted to DKK 30.5 bn. against DKK 31.8 bn. in 2008.

Loans

Group loans amounted to DKK 16.9 bn. against DKK 17.4 bn. in 2008. There is continuous growth in loans for cooperative property despite significantly reduced growth rates, whereas an actual slowdown can be seen in relation to building loans. The Bank sees customers showing restraint during this financial crisis by avoiding further indebtedness. In addition to this, the Group is also concerned that growth takes place on a sustainable basis.



Deposits

Group loans, including pools, have increased by DKK 2.3 bn. to DKK 21.4 bn., corresponding to a growth rate of 12.2 per cent. The Bank's high interest-rate products, in particular, account for increased growth of DKK 2.1 bn. and an increase of DKK 0.4 bn. on pension products testifies to a considerable propensity to save.

Equity

Equity amounted to DKK 2,939.7 mill. at the end of 2009 against DKK 2,847.5 mill. at the end of 2008. In addition to consolidation of the result for the year after tax, the difference is attributable to an adjustment of the revaluation reserve on the Bank's properties by DKK 16.6 mill.



Outlook for 2010

In relation to the Danish economy, we expect the restructuring of economic activity to continue, pulled forward by progress in our neighbouring countries and by increased domestic consumption. However, in future, Danes have to grow accustomed to lower economic growth rates than those seen before the crisis.

The extent of private consumption will become a determining factor for the economy in 2010. Danes will obtain extraordinarily high increases in disposable income as a consequence of the tax reform, as well as low inflation rates and interest rates. The national economy is dependent on Danes spending this financial gain on consumption, and that Danes are not cautious and save their money instead.

Unemployment is expected to increase in most of 2010, while inflation is expected to remain low.

Danmarks Nationalbank is expected to raise its leading short-term interest-rate in the second half of 2010 as the ECB raises its interest rate. This means that debtors with floating-rate loans can expect more expensive housing loans when these are to be refinanced in December 2010.

The long-term bond yield is expected to remain low, however there may be a small increase during 2010 due to low inflation and moderate GDP growth.

The financial crisis will be a "dark horse". Although it seems the crisis has peaked, there is still great uncertainty, and major events may result in a re-escalation. We received a warning of this at the end of 2009, when economic problems in Dubai World and Greece filled the financial news.

Therefore, the Group expects that 2010 will not be an easy year, but we will continue to work for an objective of 5 per cent growth in our customer base, while maintaining our objective regarding sustainable growth.

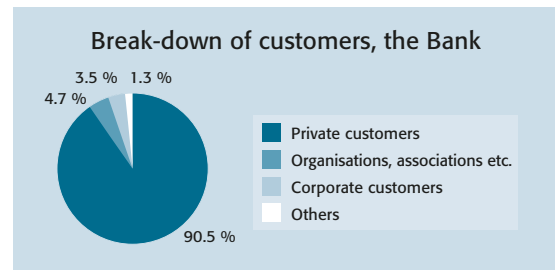
The Group expects a positive result in 2010, and although uncertainty remains especially regarding to economic trends, we consider the risk of losses on our customers' lending exposures to have reached a peak in 2009. However, depending on unemployment developments, we may need to continue write-downs on losses in 2010.

Profit before tax is expected to be DKK 60 mill.

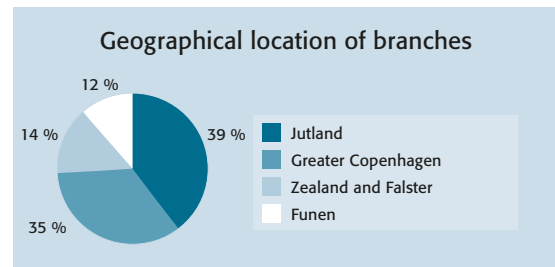
Business foundation

In 2009 Arbejdernes Landsbank celebrated its 90th anniversary, and the initial intention of reducing the dependency of trade unionism on private banks in connection with industrial disputes has proven its sustainability.

Today the Bank has more than 200,000 customers and total assets of DKK 30 bn., with a main target group of wage earners, small and medium-sized enterprises as well as labour organisations and trade unions.



The Bank has a national network of 66 branches throughout Denmark. With advanced home-banking facilities and 24 hour access to a number of our branches with a lobby, our customers are always ensured easy access to the Bank. In 2010, the Bank will be opening a new branch on Kertemindevej near Odense as a replacement for branches in Vollsmose and Munkebo. The Bank is also expecting to set up a new branch office in Køge.



The Bank offers bank products to private customers, associations as well as corporate customers. In addition to offering the traditional products and services of a nationwide bank, the Bank has entered into cooperation with a number of financial partners in order to ensure our customers' access to a wide range of financial services at competitive prices. Qualified and committed staff, who are constantly striving for an ever higher professional and ethical standard guarantee our credibility for our customers and for our cooperation partners.

Arbejdernes Landsbank is a limited company, and the share capital amounts to DKK 300 mill. The Bank's shares are not listed on a stock exchange, and may only be traded through the Board of Directors of the Bank and at a maximum price of par. After consultation with

the Board of Representatives, the Board of Directors has been authorised to increase the company's share capital by up to DKK 500 mill. until March 2010.

In 2008, the Bank received subordinate loan capital of a total of DKK 328 mill. from some of the Bank's owners.

The Bank has been pledged an individual state-funded guarantee of DKK 5.6 bn. from the Financial Stability Company to help ensure the Bank's cash resources. The Bank has had no need to apply for state-funded subordinated debt under "Bank Package II".

The Board of Directors comprises 11 members, of whom seven are elected from the members of the Board of Representatives, and the remaining four members are elected by the employees.

Up to 27 members are elected to the Board of Representatives at the general meeting, while three members are elected by the employees.

Both the Board of Directors and the Board of Representatives are paid fixed remuneration. The Executive Management are also paid a fixed salary.

The Board of Directors has set up an audit committee in accordance with "Executive Order on audit committee in undertakings and groups under the supervision of the Danish Financial Supervisory Authority". The committee will be responsible for reviewing matters relating to accounting, auditing and security. The committee consists of three members from the Board of Directors, and Executive Director, Lars Andersen, is the Chairman.

The Board of Directors has chosen to elect Executive Director, Lars Andersen, as an independent and specifically qualified member of the committee because of his long background from undertakings with similar accounting conditions, including management of economic and risk-related conditions. In the view of the Board of Directors, Mr Andersen's background means that he will be able to make the required assessment of whether the presentation of financial statements of Arbejdernes Landsbank, internal control, risk management and statutory audits are carried out appropriately.



Shares in Arbejdernes Landsbank do not hold special restrictions on voting rights, and are owned by more than 22,900 shareholders, of whom 22,200 are private individuals.

The following organisations and individuals may be shareholders in Arbejdernes Landsbank:

- Employee organisations and their members.
- Political organisations with which Danish employee organisations cooperate.
- Cooperative enterprises, consumer cooperative societies and cooperatives as well as organisations, enterprises or associations which these have established or establish.
- Arbejdernes Landsbanks Fond.
- Public and other institutions, organisations or enterprises, in which Danish employee organisations have a commercial interest.

The following of the Bank's shareholders hold shares with a nominal value of at least 5 per cent of the share capital:

Dansk Metal
Nyropsgade 38, 1780 København V

FOA – Fag og Arbejde
Stauings Plads 1-3, 1790 København V

Fagligt Fælles Forbund – 3F
Kampmannsgade 4, 1790 København V

Forbundet Træ-Industri-Byg i Danmark – TIB
Mimersgade 41, 2200 København N

HK/Danmark
Weidekampsgade 8, 0900 København C

Fødevareforbundet NNF
C. F. Richs Vej 103, 2000 Frederiksberg

Fagligt Fælles Forbund – 3F holds shares of which the total nominal value is at least 20 per cent of the share capital.

The Group is composed of A/S Arbejdernes Landsbank and the following subsidiaries:

- Finansieringsselskabet AL Finans A/S, with a product range concentrating on car financing with leasing and factoring. The company employed an average of 44.8 staff in terms of full-time employees in 2009.
- Handels ApS Panoptikon which supplies holidays for the employees. The company has not employed any staff during the financial year.



The financial markets 2009

2009: The restructuring begins

The international crisis slowed down significantly during 2009, owing to massive capital influx from central banks to the financial system as well as the Government's help packages.

In the wake of the financial crisis came the worst economic downturn for the world economy since the Great Depression of the 1930s.

The world economy was nearly hit by another depression, but this time world leaders had learned from their mistakes in the 1930s. By means of quick and massive financial adaptations, such as tax cuts and increased public investments, the edge was taken off the troubled economy, and during the second half-year, a financial restructuring began in most countries.



Overall activity (GDP) fell by about 2.5 per cent in the US and about 4 per cent in the eurozone, respectively.

However, industry and exports had it worse. When the crisis was at its highest in the spring of 2009, industrial production in the eurozone countries was 20 per cent under the 2008 level, whereas exports were 23 per cent under the 2008 level. The massive slowdown was primarily due to comprehensive reductions in inventories world-wide.

Therefore, it is no wonder unemployment rose. So far more than 7 million jobs have been lost in the US during the crisis, and unemployment has increased to 10 per cent, which is more than a doubling compared with the level before the crisis. Unemployment has risen to 10 per cent in the eurozone as well, curbed however, by for example state-funded employment-related part-time schemes in Germany.

For several months of 2009, inflation was below zero in the US and euroland, but took a positive turn at the end of the year due to rising oil prices.

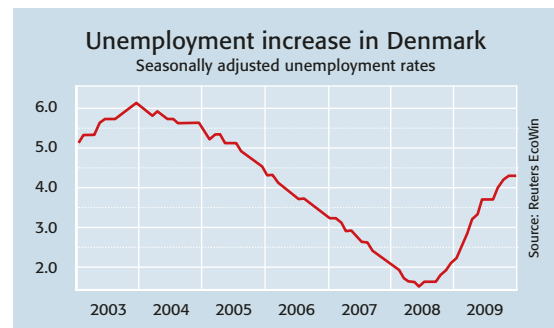
Public finances were affected by the economic crisis in all countries due to increased public spending and

falling tax revenues. The US was affected the most; the government deficit in 2009 reached 11 per cent of GDP, whereas the figure was 6 per cent in Euroland - twice as much as the Stability Pact permits for euro countries. Thus, the crisis spread to public finances in 2009. In the coming years, the effect of the crisis is likely to affect citizens, who will probably need to pay the bill in the form of higher taxes and less welfare benefits than before the crisis.

Danish economy seriously affected by the crisis

Danish society's overall economic activity (GDP) decreased by around 4 per cent in 2009, which is the most profound economic setback since the 1930s. Furthermore, activity levels in Denmark were relatively higher than in most of the other countries that we normally compare ourselves with, as the housing bubble in Denmark was much bigger than in many other countries.

The activity decrease led to an increase in unemployment from 1.6 per cent in June 2008, the lowest level ever, to around 4.3 per cent at the end of 2009. Compared with other countries, this is still a very low level, but it must be taken into account that this percentage would be somewhat higher, if a number of unemployed people had not been left out of the unemployment statistics.



The economic crisis had a serious impact on public finances, which went from a surplus of DKK 60 bn. in 2008 to a deficit of around DKK 50 bn. in 2009; a reduction of DKK 110 bn. in just one year. This is a much bigger shift than in our neighbouring countries, measured in relation to these countries' GDP. The shift is caused by the economic crisis which means lower tax income and higher public spending. In addition, fiscal policy was adjusted to boost economic activity.

Danish economy has previously been praised internationally, but the economic crisis means focus has shifted towards less attractive sides of the economy, such as poor competitiveness in relation to the rest of the world, several years with falling productivity, and general high indebtedness of families.

Historically low central bank interest rates

The profound world economic crisis led to further reductions in the leading, short-term interest rate of European central banks. The European Central Bank (ECB) lowered its leading short-term interest-rate by a total of 150 base points to 1.00 per cent, which has been the level since May 2009. The ECB also made unlimited liquidity available to banks in the eurozone.

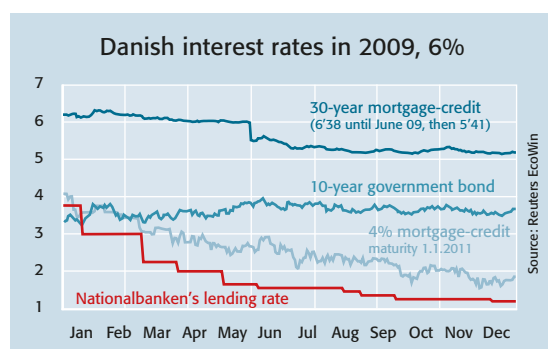
Danmarks Nationalbank lowered its interest rate even more, i.e. by a total of 255 base points to 1.20 per cent at the end of the year. This was the lowest interest rate in the almost 200-year history of Danmarks Nationalbank. Danmarks Nationalbank interest rates were significantly higher than the ECB interest rate at the beginning of 2009 on account of the pressure on the Danish krone (DKK) at the end of 2008. However, as the year progressed, foreign currency began to flow into the foreign exchange reserves, and as a result, the Danish krone was strengthened and Danmarks Nationalbank could commence a series of interest-rate reductions, restricting the spread to the ECB short-term interest rate.

In the US, the leading interest rate remained unchanged in the interval 0.00-0.25 per cent all year.

Bond yield remained low

In Europe, bond yield remained low on account of the economic crisis, low inflation and low central bank rates. Many analysts had feared that the fierce pressure on the demand for new government bonds would put interest rates under pressure, but because of a great abundance of liquidity in the financial system this did not happen.

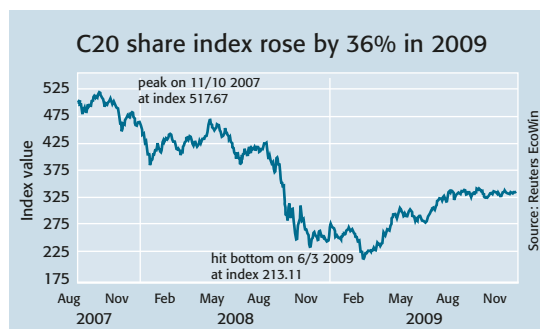
In Denmark, the yield on 10-year government bonds rose by a quarter percentage point during 2009 to 3.68 per cent at the end of the year. The yield on 30-year mortgage-credit bonds decreased slightly as credit bonds fared well in 2009 all over the world. Short-term mortgage-credit bonds fared best; the yield more than halved during the year and ended at below 2 per cent to the satisfaction and joy of the many Danes who have financed their homes with floating-rate housing loans.



2009 was a good year for shares

The share market once again proved its ability to predict the end of a recession much earlier than others. Global share markets hit price bottom in mid-March and then rose markedly throughout the rest of the year. Other than predicting economic progress, share markets were also supported by the liquidity abundance within the financial system, which increased investors' willingness to take risks. Companies' earnings also developed positively due to strict focus on general cost-saving.

The benchmark Danish share index, C20, rose by 36 per cent during 2009, which should be seen against a reduction in prices of 49 per cent in 2008. There is a long way to go before the C20 index is back at the October 2007 level. Even with the increase throughout 2009, the index is 181 index points lower than when the index peaked at 518 in October 2007.



For foreign shares, the highest return was on shares from emerging markets in 2009, which rose by 74 per cent and reflected investors' increased willingness to take risks. Increases on the American S&P500 share index and the eurozone Eurostoxx50 index were more moderate at 23 per cent and 21 per cent, respectively.

Danish krone on strong side of euro parity

The central rate of the Danish krone was strong against the euro throughout 2009, which meant Danmarks Nationalbank was able to lower its leading interest rate.

The trade-weighted DKK rate saw modest fluctuations following rather significant increases in the two previous years. This means that there was no further reduction in competitiveness for Danish exports other than pure currency conditions.



2009 work for Vision 2012

2009 was yet another busy year for the Bank where the work on realising Vision 2012 gathered momentum:

“Arbejdernes Landsbank is an independent bank rooted in the local community with a national network of branches.

Arbejdernes Landsbank will in 2012 be one of the five best known Danish banks. We have an ambition of sustainable growth. Up until 2012 we should have an annual net intake of primary customers.

Arbejdernes Landsbank has a reputation as a serious and competitive bank with high ethics, focusing on the customer. We are the natural choice for private individuals, corporate customers as well as associations and trade unions.

Arbejdernes Landsbank ensures high value for all customers by focusing proactively on trust, credibility and professionalism. We organise, simplify and streamline our work processes and decision-making processes on the basis of the needs of our customers.

We have products of high quality and attractive and transparent prices. We focus on exploiting the development in relevant financial business areas.

Arbejdernes Landsbank has a comprehensive supply of financial services which will continuously be secured through cooperation with relevant financial partners in 2012.

In 2012 Arbejdernes Landsbank will have strengthened our competency in the corporate area significantly, and ensured local accessibility.

Arbejdernes Landsbank is an attractive workplace with a winner culture that rewards personal development, performance and potential, and where good management is taken for granted.

Arbejdernes Landsbank must provide a return on invested capital in order to ensure that the business continues to exist and progress with an attractive return for owners”.

On the basis of the Bank’s Vision 2012, we have selected five strategic key points for initiatives that we focused on in 2009:

- Exposure
- Sustainable growth
- Competitiveness
- Attractive workplace
- Efficient work processes

Exposure

We are building on sound values

In May 2009, we started a new part of our image campaign with the slogan: “Building on sound values”. Other than the more traditional marketing initiatives, this campaign was followed by several different activities which all had the common denominator that they were not necessarily about cool cash.

Motivated learning

In 2009 together with Svend-Erik Schmidt, an expert in learning styles, writer and founder of Danmarks Læringsstilscenter, Arbejdernes Landsbank organised 13 lectures and three activity meetings, under the headline “Motivated learning”, which attracted more than 2,600 participants. We have received very positive responses from parents and teachers throughout Denmark, and our cooperation and lectures will continue in 2010.

What makes you rich?

We asked the Danish population what wealth means to them. The question posted on our website was: “What makes you rich?”. Many people gave good replies, and this debate will continue in 2010 at www.al-bank.dk.

Entertaining movies for the whole family

Autumn break is a good week for movies, and Arbejdernes Landsbank secured good and visible sponsorship of the family movie “Storm” which warmed the hearts of parents and children. In 2010, we will be following up with another movie sponsorship; this time “*Far til fire - på japansk*”.



Life style lectures

Danes want to hear about healthy lifestyle, both mental and physical. Accordingly, we had great success with our lifestyle events with kayaker Arne Nielsson and health coach Chris MacDonald.

We will follow up with several lifestyle lectures in 2010, presenting among others lifestyle expert Christine Feldthaus, best known from the TV show on DR1 "Kender du typen?".

Ice hockey sponsorship

Our sponsorship of AL-Bank Ligaen continued in 2009 and will continue in 2010. We are following developments in Danish ice hockey vigorously, and we continue to regard the sponsorship as a core activity in our marketing efforts.

Sustainable growth

We are still attracting many new customers. In 2009, the net intake was more than 4%; a result accomplished without acquisition of branches from other banks.

Arbejdernes Landsbank bases its growth strategy on the principle of sustainable growth and not solely on the highest possible profit for owners.

We want a business where agreements are made between two satisfied parties. In our credit policy we strive to take no unnecessary risks for customers or the Bank.



Competitiveness

In 2009 we aimed at making our bank products competitive. We do not want to be the most expensive, nor can we be the cheapest bank, as we believe there is a connection between price and quality. Independent surveys throughout the year have shown us that we have been successful with this strategy.

Successful cooperative property concept

The Arbejdernes Landsbank cooperative property concept has been a success. Strong focus on advisory services in connection with financing private cooperative property in 2009 has strengthened the value of the Bank's cooperative property concept for our customers.



Resources will therefore continue to be allocated to maintenance and further development of this concept. The team of cooperative property advisors will be supported so that they can continue to live up to our ambition of being the leading player in this area.

Attractive workplace

Policy on absenteeism due to sickness

In our efforts to become an attractive workplace, in 2009 the Bank worked together with employees in our efforts to introduce a new policy on absenteeism due to sickness.

The aim is to deal with absenteeism due to sickness in a more structured and uniform way, so that employees and managers know what to do and what to expect.

The objective is for the individual employee to maintain his or her attachment to the Bank to get the employee back to work faster.



Already existing routines and practices have been clarified while at the same time incorporating new legislative rules into the new policy.

The Bank is also focusing on health-promoting initiatives. All employees are offered the opportunity to receive treatment at a health centre. We have also introduced a fruit scheme where fresh fruit is available every day.

In 2010 we will focus more on stress by introducing a stress policy.

Flexitime scheme

The balance between work and family life is of great importance on the labour market.

Studies have shown that the introduction of a flexitime scheme has great importance for the company's efficiency and productivity, and for the employee it means a great deal for their job satisfaction, well-being, and motivation.

In continuation of the collective bargaining rounds between the Bank and employees, a trial scheme effective from January 2010 has been introduced in the form of a flexitime scheme, where the individual employee has the possibility of organising his or her daily working hours.

The scheme enables employees to come in early or leave early, thus creating greater harmony between work and family life.

Recruitment and development

In 2009, 31 trainees from Arbejdernes Landsbank completed the financial trainee education programme. When they have completed the programme, the newly trained customer advisors continue their training with the Academy programme in Financial Advice. The Academy programme is a qualifying programme for future customer advisors at the Bank, training them to provide professional and competent advisory services in future.

In 2009, the Bank had the lowest staff turnover for many years: 3.21 per cent. In spite of the low turnover, 12 trainees and a financial economist were employed in 2009.

In 2010, we expect to employ 11 financial trainees and five financial economists.

Talent development

In the spring 2009, the Bank's first talent development programme was completed. At that time, 11 young talents had completed a 12-month intensive development course. The aim was to develop the participants' competencies, and prepare them for a more complex job in the Bank.

Upon completion of the talent programme, 75 per cent of participants moved on to a new and more complex job. The success speaks for itself!

New customer advisor training programme

In 2009, the Bank carried out its largest training activity for several years, i.e. new training programmes for all customer advisors. The training programme focused on preparing advisors to provide customers with good advice so that new and old customers experience quality in the Bank's services and continue their relationship with the Bank.

The Bank has trained a team of 17 internal instructors, who have travelled to all of the Bank's 66 branches and provided advisors with training locally. Theory was thus immediately converted into practice. In addition, all managers have participated in a course to enable them to support advisors in their daily development.

This was a huge success, and we expect to reap the benefits of these training programmes in future years.

Efficient work processes

The banking sector is always working on improving conditions for customers by streamlining work processes. This year, the Payment Services Act has been a significant initiative in connection with ensuring customers increased transparency. Another initiative has been the introduction of electronic land registration, which unfortunately still has not lived up to the promises of shorter case administration time, but we expect that this will happen in 2010.

Internal processes must regularly be made more efficient in order for the Bank to dedicate as much time as possible to dialogue with our customers. Therefore, the Bank has continued its efficiency efforts within the scope of the efficiency project AL-PRO.

In 2010 we will really start seeing the effects of the many small and large improvements. Examples of such improvements are: separate system guides to ensure flawless standard routines, systematic knowledge-sharing in 'Erfateams' among managers, as well as focus on streamlining everyday operations,

as an integral part of the Bank's management and employee development.

Social responsibility

Arbejdernes Landsbank is built on the concept of social responsibility

In recent years, corporate social responsibility (CSR) has entered political as well as many corporate agendas. Arbejdernes Landsbank has a long history of social responsibility since the Bank was founded in 1919.

The purpose of founding the Bank was not merely to make money for its shareholders, but also to secure wage earners involved in industrial disputes and offer better and less expensive loan possibilities as an alternative to pawnbrokers.

Arbejdernes Landsbank thus has a 90-year history based on responsibility. Our values were built on responsibility and this remains unchanged.

CSR in the future

In 2009, the Bank had not drawn up a policy on social responsibility, but it will formulate a clear and business driven CSR policy in 2010. This policy will support Vision 2012 and will be based on the Bank's values.

Therefore, the aim for 2010 is to prepare a CSR policy that is combined with the Bank's primary operations and its way of generating a profit.

Through this policy and specific activities, Arbejdernes Landsbank wishes to undertake even greater social responsibility than it does today by:

- Combining financial results with social responsibility.
- Developing transparent products for our customers.
- Developing the workplace together with our employees.
- Considering environmental improvements in connection with maintenance, renovation and new acquisitions.



Overview of the development of the Bank

Year	Share capital DKK '000	Equity DKK '000	Total deposits DKK '000	Total loans DKK '000	Balance Sheet DKK '000	Dividends
1919	2,028	2,053	8,467	6,171	10,845	2 %
1924	2,980	3,113	32,097	27,333	35,743	0 %
1929	3,000	3,153	34,549	27,147	38,117	0 %
1934	4,000	5,809	54,701	30,476	60,895	5 %
1939	5,748	8,298	79,122	53,820	90,975	5 %
1944	6,068	10,383	112,733	39,593	132,318	5 %
1949	9,000	14,656	148,210	106,992	185,173	5 %
1954	12,268	20,029	236,362	166,498	280,877	5 %
1959	20,000	34,361	324,455	208,054	396,974	5 %
1964	27,480	51,194	512,412	391,147	687,722	5 %
1969	73,245	132,224	1,112,641	859,137	2,020,207	8 %
1974	84,010	189,609	1,416,860	1,055,938	1,952,346	8 %
1979	155,000	386,378	3,302,869	2,042,200	4,138,430	8 %
1980	175,000	492,641	4,134,319	2,216,857	5,146,659	8 %
1981	200,000	606,040	4,480,342	2,725,706	5,826,485	8 %
1982	200,000	737,163	5,408,926	3,061,164	6,956,243	8 %
1983	250,000	1,072,901	6,343,780	3,591,311	8,248,399	8 %
1984	250,000	1,065,326	7,159,989	4,113,046	9,193,014	10 %
1985	300,000	1,259,777	8,892,844	4,849,759	11,895,334	10 %
1986	300,000	1,169,252	12,332,646	6,120,481	15,767,884	10 %
1987	300,000	1,178,692	9,204,051	6,689,158	13,148,580	10 %
1988	300,000	1,114,226	9,739,026	6,841,645	13,568,986	10 %
1989	300,000	1,038,432	8,874,509	6,816,247	12,114,390	5 %
1990	300,000	1,127,053	9,604,343	7,246,667	13,190,238	5 %
1991	300,000	1,141,123	10,066,171	7,589,772	13,503,811	7 %
1992	300,000	910,226	9,518,135	6,321,741	11,909,442	0 %
1993	300,000	1,017,069	9,810,743	5,915,726	12,056,005	6 %
1994	300,000	978,775	9,497,094	5,980,578	13,019,924	6 %
1995	300,000	1,107,773	9,366,550	6,120,781	12,481,734	8 %
1996	300,000	1,244,261	9,509,461	5,954,845	12,992,751	8 %
1997	300,000	1,253,927	8,600,579	6,253,048	13,593,738	8 %
1998	300,000	1,324,771	9,073,724	6,129,112	13,634,397	9 %
1999	300,000	1,366,063	8,703,307	5,767,079	13,304,523	8 %
2000	300,000	1,447,765	8,647,361	6,612,586	14,694,356	8 %
2001	300,000	1,517,595	9,462,569	6,798,638	13,584,198	8 %
2002	300,000	1,572,733	9,931,401	6,718,055	12,966,789	8 %
2003	300,000	1,776,367	10,064,125	7,243,911	14,818,457	35 %
2004	300,000	1,985,181	11,172,086	7,995,438	17,632,336	18 %
2005	300,000	2,577,002	11,901,912	9,147,135	20,155,354	15 %
2006	300,000	2,826,009	12,635,413	11,158,237	22,266,046	20 %
2007	300,000	2,951,311	14,575,944	13,255,086	25,721,904	20 %
2008	300,000	2,847,539	19,079,536	17,401,113	31,819,407	0 %
2009	300,000	2,939,710	21,406,246	16,954,659	30,512,085	0 %

Statement by management

We have today presented and adopted the annual report of Aktieselskabet Arbejdernes Landsbank and the Group Arbejdernes Landsbank for the financial year 1 January to 31 December 2009.

The annual report is presented in accordance with the Danish Financial Business Act, including the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc.

The financial statements provide a true and fair presentation of the assets, liabilities, financial situation and results of the Group and the Bank for the financial year 1 January to 31 December 2009.

The management's review provides a true review of the development of the activities and financial situation of the Group and the Bank as well as a description of the most significant risks and uncertainty factors that may influence the Group and the Bank.

We recommend the annual report for adoption at the annual general meeting.

Copenhagen, 2 February 2010

Executive Management:

Gert R. Jonassen
Chief Executive

Ebbe Castella

Board of Directors:

Poul Erik Skov Christensen
Chairman

Lars Andersen

Harald Børsting

Thorkild E. Jensen

Mette Kindberg

Johnny Skovengaard

Ole Wehlast

Jette Kronborg

John Markussen

Ulla Strøm Nordenhof

Henrik Thagaard

Accounting experts elected by the general meeting in accordance with section 23(2) of the articles of association:

Gita Grüning
Chairman
Teknisk Landsforbund

Kaj Olsen
Head of Treasury
Serviceforbundet



Auditor's report

Internal auditor's report

We have audited the consolidated financial statements, the annual financial statements and the management's review of Aktieselskabet Arbejdernes Landsbank for the financial year 1 January to 31 December 2009. The Bank's consolidated financial statements and the management's review have been prepared in accordance with the Danish Financial Business Act.

Basis of opinion

We have conducted our audit in accordance with the Executive Order of the Danish Financial Supervisory Authority on Auditing Financial Undertakings etc. as well as Financial Groups and the Danish Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements, the annual financial statements and the management's review are free from material misstatement.

The audit has been performed in accordance with the division of duties agreed with the external auditors and has included an assessment of procedures and internal controls established, including the risk management organised by management relevant to the entity's reporting processes and significant business risks. Based on materiality and risk, we have examined, on a test basis, the basis of amounts and other disclosures in the consolidated financial statements, the annual financial statements and the management's review, including examining evidence that supports the amounts and disclosures of the annual report. The audit also included evaluating the appropriateness of the accounting policies applied by the Board of Directors and Executive Management and the reasonableness of accounting estimates made by Board of Directors and Executive Management as well as evaluating the overall presentation of the consolidated financial statements, the annual financial statements and the management's review.

We have participated in the audit of risk and other material areas and believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the procedures and internal controls established, including the risk management implemented by the Board of Directors and Executive Management aimed at the Group's and the Parent Company's reporting processes and major business risks, are working satisfactorily.

In addition, in our opinion, the consolidated financial statements and annual financial statements give a true and fair view of the assets, liabilities and financial position of the Group and parent company as at 31 December 2009 and of their financial performance for the financial year 1 January 2009 to 31 December 2009 in accordance with the Danish Financial Business Act, and that the management's review gives a true and fair presentation in accordance with the Danish Financial Business Act.

Copenhagen, 2 February 2010

Anne Marie Haas
Head of Internal Audit Department

Independent auditor's report

To the shareholders of Arbejdernes Landsbank.

We have audited the annual financial statements of Aktieselskabet Arbejdernes Landsbank and the Group Arbejdernes Landsbank for the financial year 1 January to 31 December 2009. The annual financial statements comprise the income statement, the balance sheet, the statement of changes in equity and the notes to the financial statements, including accounting policies and management's review. The annual financial statements have been prepared in accordance with the Danish Financial Business Act.

Management's responsibility for the annual financial statements and the management's review

Management is responsible for the preparation and fair presentation of annual financial statements and a management's review that provide a true and fair presentation in accordance with the Danish Financial Business Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements and management's review that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and the audit performed

Our responsibility is to express an opinion on the annual financial statements and management's review based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual financial statements and management's review are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements and management's review. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual financial statements and management's review, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the annual financial statements and management's review in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the annual financial statements and management's review.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual financial statements give a true and fair view of the Group's and the financial institution's financial position as at 31 December 2009 and of their financial performance for the financial year 1 January to 31 December 2009 in accordance with the Danish Financial Business Act, and the management's review gives a true and fair presentation in accordance with the Danish Financial Business Act.

Copenhagen, 2 February 2010

Deloitte
Statsautoriseret Revisionsaktieselskab
Henrik Priskorn John Ladekarl
State Authorised Public Accountants



Income statement for the financial year 2009

Note		Group	2008	Bank	2008
		2009	2008	2009	2008
		DKK '000	DKK '000	DKK '000	DKK '000
1	Interest income	1,547,966	1,587,138	1,485,816	1,543,543
2	Interest paid	-586,821	-838,821	-586,851	-839,838
	Net interest income	961,145	748,317	898,965	703,705
	Dividends from shares, etc.	14,742	30,956	14,742	30,956
3	Fee and commission income	297,072	284,084	275,696	265,941
	Fee and commission paid	-19,358	-17,896	-5,665	-6,071
	Net interest and fee income	1,253,601	1,045,461	1,183,738	994,531
4	Value adjustments	276,669	-71,041	276,784	-72,427
	Other operating income	62,808	58,348	30,709	28,056
5	Staff and administration expenses	-984,286	-860,217	-937,805	-817,285
	Amortisation and depreciation as well as impairment losses on intangible and tangible assets	-40,729	-22,433	-16,803	-2,253
	Other operating costs	-123,729	-53,325	-123,698	-53,235
	Write-downs on loans and receivables, etc.	-308,731	-146,309	-289,878	-120,649
	Value adjustments for holdings in associated and group companies	-17,866	-38,053	-10,568	-47,160
	Profit/loss before tax	117,737	-87,569	112,479	-90,422
6	Tax	-42,156	27,797	-36,898	30,650
	Profit/loss for the year	75,581	-59,772	75,581	-59,772

Balance sheet as at 31 December 2009

Note	Group 2009 DKK '000	2008 DKK '000	Bank 2009 DKK '000	2008 DKK '000	
Assets					
	Cash in hand and demand deposits with central banks	294,640	299,975	294,363	299,875
7	Receivables from credit institutions and central banks	2,233,635	2,896,123	2,230,099	2,893,564
8	Loans and other receivables at amortised cost price	16,943,243	17,351,571	16,954,659	17,401,113
9	Bonds at fair value	8,722,428	8,723,912	8,722,428	8,723,912
10	Shares, etc.	826,116	971,023	826,116	971,023
	Holdings in associated companies	317,261	322,195	317,261	322,195
	Holdings in group companies	0	0	63,853	56,554
	Assets linked to pool schemes	307,761	253,267	307,761	253,267
	Intangible assets	11,172	20,846	10,509	19,501
11	Total land and buildings	461,823	444,328	461,063	443,568
	Owner-occupied properties	461,823	444,328	461,063	443,568
12	Other tangible assets	128,285	135,779	27,412	22,608
	Current tax assets	1,968	2,527	1,968	2,639
13	Deferred tax assets	19,772	62,233	48,926	86,016
	Other assets	239,839	326,771	221,194	301,187
	Prepayments	25,759	23,526	24,473	22,385
	Total assets	30,533,702	31,834,076	30,512,085	31,819,407
Liabilities					
Debt					
14	Debt to credit institutions and central banks	4,390,766	8,320,133	4,390,766	8,320,133
15	Deposits and other debt	21,091,205	18,815,925	21,098,485	18,826,269
	Deposits in pool schemes	307,761	253,267	307,761	253,267
16	Issued bonds at amortised cost price	813,663	499,487	812,669	499,487
	Other liabilities	489,974	662,330	466,747	641,471
	Accruals	28,315	25,637	23,639	21,483
	Total debt	27,121,684	28,576,779	27,100,067	28,562,110
Provisions					
	Provisions for pensions and similar liabilities	14,133	13,413	14,133	13,413
	Provisions for losses on guarantees	76,961	25,402	76,961	25,402
	Other provisions	53,214	42,943	53,214	42,943
	Total provisions	144,308	81,758	144,308	81,758
17	Subordinated debt				
	Subordinate loan capital	328,000	328,000	328,000	328,000
	Total subordinated debt	328,000	328,000	328,000	328,000
18	Equity				
	Share capital	300,000	300,000	300,000	300,000
	Revaluation reserves	117,266	100,675	116,610	100,020
	Other reserves	166,749	184,615	217,770	228,338
	Statutory reserves	166,749	184,615	217,770	228,338
	Retained earnings or losses	2,355,695	2,262,249	2,305,330	2,219,181
	Proposed dividend	0	0	0	0
	Total equity	2,939,710	2,847,539	2,939,710	2,847,539
	Total liabilities	30,533,702	31,834,076	30,512,085	31,819,407



Changes in equity

	Share capital DKK '000	Revaluation reserves DKK '000	Reserves DKK '000	Retained earnings DKK '000	Dividends DKK '000	Total DKK '000
Group 2009						
Equity as at 1.1.2009	300,000	100,675	184,615	2,262,249	0	2,847,539
Dividend paid for 2008					0	0
Profit for the year			-17,866	93,447	0	75,581
Income or expenses posted directly to equity						
Change in the valuation of owner-occupied properties		16,590				16,590
Total		16,590				16,590
Total income		16,590	-17,866	93,447		92,171
Equity carried forward at the end of 2009	300,000	117,266	166,749	2,355,695	0	2,939,710
Group 2008						
Equity as at 1.1.2008	300,000	84,675	221,337	2,285,299	60,000	2,951,311
Dividend paid for 2007					60,000	60,000
Profit for the year			-44,774	-14,998	0	-59,772
Income or expenses posted directly to equity						
Change in the valuation of owner-occupied properties		16,000				16,000
Total		16,000				16,000
Total income		16,000	-44,774	-14,998		-43,772
Other additions and disposals			8,052	-8,052		0
Equity carried forward at the end of 2008	300,000	100,675	184,615	2,262,249	0	2,847,539
Bank 2009						
Equity as at 1.1.2009	300,000	100,020	228,338	2,219,181	0	2,847,539
Dividend paid for 2008					0	0
Profit for the year			-10,568	86,149	0	75,581
Income or expenses posted directly to equity						
Change in the valuation of owner-occupied properties		16,590				16,590
Total		16,590				16,590
Total income		16,590	-10,568	86,149		92,171
Equity carried forward at the end of 2009	300,000	116,610	217,770	2,305,330	0	2,939,710
Bank 2008						
Equity as at 1.1.2008	300,000	84,020	289,996	2,217,295	60,000	2,951,311
Dividend paid for 2007					60,000	60,000
Profit for the year			-54,460	-5,312	0	-59,772
Income or expenses posted directly to equity						
Change in the valuation of owner-occupied properties		16,000				16,000
Total		16,000				16,000
Winding-up of FIDANO A/S			-7,198	7,198		0
Total income		16,000	-61,658	1,886		-43,772
Equity carried forward at the end of 2008	300,000	100,020	228,338	2,219,181	0	2,847,539

Accounting policies

General

The annual report of Arbejdernes Landsbank has been prepared in accordance with the Danish Financial Business Act, the Executive Order on Financial Reports for Credit Institutions etc., as well as guidelines issued by the Danish Financial Supervisory Authority. The accounting policies used are unchanged from those of previous years.

Accounting estimates

This annual report has been prepared on the basis of certain specific assumptions, resulting in the use of accounting estimates. These estimates are made by the management of the bank in accordance with accounting policies and on the basis of historical experience as well as assumptions, which are considered reasonable and realistic by the management.

The areas involving a higher degree of assessment or complexity, or areas where assumptions and estimates are significant for the financial statements are as follows:

- write-downs on loans and receivables, where significant estimates are associated with the quantification of the risk that all future payments are not received. Furthermore, it should be noted that group-wise write-downs remain uncertain, since the Group only has a limited historical database on which to base calculations.
- listed financial instruments that are priced in markets with low revenue are associated with some uncertainty in the measurement of fair value.
- unlisted financial instruments for which there are significant estimates associated with measurement of fair value.

Consolidated financial statements

The consolidated financial statements include the financial statements of Aktieselskabet Arbejdernes Landsbank and its subsidiaries, which are all fully owned by the parent company.

The annual results for subsidiaries are included in the Bank's financial statements according to the equity method. Internal transactions have been settled and adjustments have been made for changes in market values of shares in subsidiaries.

Thus, the Group's profit and equity are equal to the parent company's profit and equity.

Intragroup transactions

Transactions with associated companies are based on contractually agreed prices on market terms or calculated on the basis of actual costs. Transactions with associated companies are based on market terms.

Core earnings

Core earnings is defined as net earnings before expenses and excluding earnings from investment portfolios. Core earnings are divided into trade earnings and core earnings excluding trade earnings. Trade earnings include commission and charging extra brokerage fees on trading activities with financial instruments and currency. Trade earnings also include earnings concerning capital management and consultancy services, including commission and fees from investment associations and the Bank's pools and deposit fees.

Core results

Core results are calculated from the total core earnings after deduction of costs relating to the core earnings.

Investment portfolio earnings, excl. investment securities

Core results deal with the return on receivables from credit institutions and the portfolio of shares, bonds and derivatives.

The results are calculated after expenses for funding and costs.

Investment securities

The results of the investment securities deal with the return on unquoted shares that the Bank considers to be sector-related and which enable the Bank to be part of the infrastructure as an independent credit institution. The portfolio is managed by the Board of Management and the result is calculated after expenses for funding.

Interest and commission

Interest income etc., interest expenses and current commission, including fees and commissions regarded as an integral part of the interest have been accrued within the financial year. Index adjustments of bonds and price adjustments of treasury bills are included under interest from bonds.

The portion of the interest relating to written-down claims is included under write-downs on loans etc.



Price adjustment of certificates of deposit issued by Danmarks Nationalbank is included under interest from credit institutions. The interest element on repurchase agreements, including price adjustments on zero-coupon securities, is included under the respective interest items depending on the counterparty.

Premiums (net) for forward transactions and interest on swap transactions (net) are included under other interest income.

Foreign currency

Holdings and balances in foreign currency are included at the exchange-rates published by Nasdaq OMX Copenhagen A/S as at the end of the year as a best estimate of closing rates. Unlisted currencies are included at a conservatively estimated rate.

Income and expenditure in foreign currency are converted into DKK according to the rates that applied on the balance-sheet or realisation date.

Pension pool schemes

Yields on funds in pension pool schemes are included as a separate operating item under value adjustments. An adjustment corresponding to the pension pool profits for the participants is also included under value adjustments and thus the results of the pension pool schemes are neutralised in the results of the Group and the Bank for the year.

Financial instruments generally

Purchases and sales of financial instruments are included in the balance sheet on the settlement date at fair value, which is usually the same as the cost price. Derivative financial instruments are included on the contract date at fair value.

Financial assets are classified on the date of recognition in the trading holding and are measured at fair value or they are classified as receivables from credit institutions and loans and measured at amortised cost price.

Financial liabilities include debts to credit institutions, deposits, issued bonds and subordinate loan capital, and are measured at amortised cost price.

Bonds, shares etc.

Listed securities are recognised at the closing rates calculated by the Nasdaq OMX Copenhagen A/S. Foreign listed securities are recognised at no more than the most recently listed market price converted into DKK on the basis of the respective exchange rates.

Unlisted securities are generally recognised at fair value. When, in exceptional cases, it is not deemed possible to calculate fair value reliably, the cost price is used.

Repurchasing agreements in which the Bank has sold securities and repurchased them forward are included in the securities portfolio, and as a debt under either credit institutions or deposits. Repurchasing agreements in which the Bank has purchased securities and sold them forward are not included in the securities portfolio, but are included as a receivable, either under credit institutions or loans.

Holdings in associated companies and group companies

Holdings in associated companies and group companies are valued at the companies' equity value for accounts purposes.

Derivative financial instruments

Value adjustments to derivative financial instruments are based on the market value principle, corresponding to the price of entering into an identical off-setting transaction for the remaining term.

Derivative financial instruments are used in certain situations to hedge the interest-rate risk on fixed-interest deposits and loans. This is done through one-to-one hedging.

Receivables from credit institutions etc. and loans

When they are first recognised, receivables from credit institutions and central banks, and loans, including mortgages, are measured at fair value with addition/deduction of fees and commissions which are considered an integral part of the interest. The loans are subsequently recognised at amortised cost price.

Fixed-interest deposits and loans that are hedged by derivatives are adjusted to fair value to the extent that value adjustments are correlated to changes in the interest level.

Receivables from financing leasing contracts are measured at a value corresponding to the net investment in the leasing agreement.

Total Group credit commitments, in accordance with good and prudent accounting policies, have been subjected to a critical review. Write-downs are made on loans when there is objective evidence of impairment,

and the effect of the relevant events affects the amount of the expected future payments.

Group write-downs are assessed individually as well as by groups of loans. Large commitments, including large corporate commitments, are assessed individually.

Write-downs are calculated as the difference between the carrying amount of the loan before write-down and the present value of the expected future cash flows. See also the comments on credit risk in the section about risk management.

Intangible assets

Intangible assets include software acquired, which is recognised at cost. Cost includes the costs incurred to bring the individual piece of software into use. Acquired software is written off on a straight-line basis over its expected useful life (typically 3 years). This item also includes goodwill acquired in connection with purchase of branches and is annually tested for value impairment, where the management assesses future cash flows from acquired units. A number of factors such as technological developments, customer behaviour and the competitive situation affect such cash flows.

Real property

Group owner-occupied properties are measured on the basis of the yield method.

The rate of return requirement for each property is fixed on the basis of the long-term interest-rate, a risk premium and a local allowance. Determination of the local allowance is made on the basis of external advice. Owner-occupied properties are depreciated on a straight-line basis over the anticipated useful life, taking into consideration the anticipated

Anticipated useful life is assessed as:	
Headquarters	100 years
Owner-occupied properties used to operate branches	50/75 years
Other owner-occupied properties	40 years

Properties taken over in conjunction with settlement of commitments are valued at the lowest of carrying amount and fair value with deduction of selling costs. No depreciation is made on these properties.

Other tangible assets

Other tangible assets are recognised at cost less depreciation and amortisation. Straight line depreciation is used for the expected useful life (typically 3 to 5 years) with deduction of the residual value expected from the asset at expiry of its useful life. Conversion of rented premises is depreciated over 10 years. This item also includes assets under operating leasing contracts.

Deferred tax

Tax assets are valued if it is considered highly probable that they will be used in the future.

Provisions for deferred tax are made when there is a tax obligation on temporary differences between the carrying amount and the tax value.

Deferred tax is recognised as an asset if the tax asset exceeds the provisions for deferred tax and as a liability if the deferred tax assets are less than provisions for deferred tax. The value of the deferred tax is calculated without discounting.

Other assets

This item includes interest receivable and positive market values of spot transactions and derivative financial instruments.

Debt to credit institutions and deposits

Debt to credit institutions and deposits is recognised at the date the loan was taken up at the amount received after deduction of any transaction costs. It is subsequently measured at amortised cost price.

The Bank applies the value of surplus collateral deposited for outstanding accounts with Danmarks Nationalbank in its calculation of cash resources. The value of the collateral deposited and the surplus collateral is disclosed in a note to the financial statements.

Current tax

Calculated tax regarding the financial year and previous financial years with deduction of tax paid is disclosed as a liability if the amount of tax paid is lower than the calculated tax, and as an asset if the tax paid exceeds the calculated tax.



Other liabilities

This item includes interest due, as well as negative market values of spot transactions and derivative financial instruments.

Provisions

Guarantees and other obligations that are uncertain in terms of amount or settlement date are included as provisions when it is probable that the obligation will lead to payment. The obligation is an expression of the present value of the costs necessary to meet the obligation.

Obligations regarding anniversary bonuses are successively included regardless of the fact that the future payment is conditional upon employment on the payment date.

Pension contributions are provided in the balance sheet when they concern employees with an agreement to terminate employment within the financial year and for whom the Bank has agreed to pay pension contributions until pension age, as well as pension commitments to retired executives and employees who have resigned.

Pension contributions for unused commitments to retire prior to pension age are not provided in the balance sheet. This amount is disclosed under contingent liabilities. All obligations are calculated on the basis of an actuarially calculated capitalised value.

Dividends

Dividends are recognised as a liability at the date when they are approved at the general meeting. Proposed dividend for the financial year is included as a separate item under equity.

Large exposures

Exposures which, after deductions pursuant to the Executive Order on Large Exposures, constitute 10 per cent or more of the base capital are included in the calculation of key figures.

Segment accounts

The Group does not prepare segment accounts as neither its activities nor its geographical markets differ from each other significantly.

Solvency

The Group and Aktieselskabet Arbejdernes Landsbank calculate the solvency ratio pursuant to the Executive Order on Capital Adequacy. A solvency need is also calculated, which reflects the requirements for necessary capital in relation to the assets acquired, the risk involved and stress testing of future developments in relation to the Bank's own strategy. The solvency need is calculated quarterly and reported to the Danish Financial Supervisory Authority with simultaneous announcement on the Bank's website www.al-bank.dk.

Tax

The Bank is taxed jointly with its subsidiaries. Computed tax on income for the year and deferred tax are allocated to the individual company.

Risk management

Pursuant to section 60 of the Executive Order on Capital Adequacy, credit institutions are required to publish a wide range of detailed information about risk policies and risk management. This can also be expressed in terms of the solvency need, where the Bank's Board of Directors, based on the expected level of activity, has reached a conviction that the necessary capital is present - even under stress testing of both activity level and risk developments. The Bank has chosen to publish this information as a Group Risk Report and a solvency needs statement on its website: www.al-bank.dk.

Risk management in general aims at ensuring that the Group obtains sufficient earnings on an ongoing basis - and thus consolidation - in order to provide for a strong basis for performance of its business activities.

The financial turbulence in 2009 is a consequence of a liquidity crisis that started in 2007 due to lack of confidence between credit institutions. In Denmark, a state-funded guarantee scheme was introduced for banks in "Bank Package I". This scheme ensures that customers' deposits are fully secured for the duration of the state-guarantee for the period up to 30 September 2010.

Arbejdernes Landsbank is very focused on its liquidity situation. Despite a large liquidity reserve at present, the Bank has applied for and obtained approval of an individual state guarantee for non-subordinated unsecured debt and/or bond issue in order to attract additional liquidity, if this is deemed necessary. After 30 September 2010, there is a risk that the financial market will act nervously when the state guarantee for customer deposits is reduced to the depositor guarantee associated to bank customers, which now covers EUR 100,000 or approx. DKK 750,000.

In order to ensure that Arbejdernes Landsbank remains a strong financial entity for the Bank's owners and the customers of the Group, management of assumed risks, including market, credit and operational risks has received special attention.

Market risk

Market risk is the risk that the market value of the Group's assets and liabilities changes as a result of market conditions.

The Group's total market risk in interest-rate, exchange-rate, and share-price risks is monitored centrally by the Bank's Treasury Division. These risks are controlled in accordance with the framework and instructions laid down by the Board of Directors and Executive Management of the Bank.

The individual risk areas are monitored continually, and the Bank's management receive regular reports about them. In cooperation with Bankernes EDB Central, the Bank is constantly developing its tools to identify and manage the risks that influence the company daily.

Interest-rate risk

Interest-rate risk covers the Group's total risk of losses as a result of changes in interest rates on the financial markets. The risk is managed on the basis of instructions based on the principles in the standard method outlined in the Executive Order on Capital Adequacy.

Calculation of the interest-rate risk on fixed-interest claims is based on the modified duration of each instrument, whereas the interest-rate risk on convertible mortgage bonds and bonds with interest ceilings is based on the correction factors issued by the Danish Financial Supervisory Authority.

The interest-rate risk is by far the greatest part of the Group's overall market risk, when calculated using traditional calculation methods.

Calculated using the method recommended by the Danish Financial Supervisory Authority, the Group's interest-rate risk amounted to DKK 103.7 mill. from a 1-percentage-point fluctuation in the interest rate, compared with DKK 132.9 mill. in 2008. This corresponds to 4.1 per cent (5.6 per cent in 2008) of the Group's core capital after deductions.



Interest-rate risk	2009 DKK '000	2008 DKK '000
Broken down by types of business:		
Bonds, etc.	211,204	150,804
Mortgages	12,687	13,026
Deposits and loans as well as outstanding accounts with credit institutions	31,307	10,065
Derivative financial instruments	-151,479	-40,952
Total	103,719	132,943

Interest-rate risk	2009 DKK '000	2008 DKK '000
Broken down by foreign-exchange rate:		
DKK	107,353	146,637
EUR	-3,878	-14,289
SEK	640	845
USD	-593	-535
GBP	281	135
CHF	-82	142
NOK	0	15
Other foreign-exchange rates	-2	-7
Total	103,719	132,943

Interest-rate risk	2009 DKK '000	2008 DKK '000
Broken down by modified duration (D):		
0 < D ≤ 3 Months	2,854	-2,315
3 < D ≤ 6 Months	1,281	1,352
6 < D ≤ 9 Months	176	106
9 < D ≤ 12 Months	8,915	19,478
1 < D ≤ 2 Years	16,182	24,192
2 < D ≤ 3,6 Years	47,394	41,982
3,6 years < D	26,917	48,148
Total	103,719	132,943

Currency risk

The currency risk covers the Group's total risk of losses as a result of changes in currency exchange rates on the financial markets, and it is managed through frameworks for open positions in the individual currencies.

The Group's low risk exposure to currency fluctuations is expressed by the currency exchange-rate indicator 2, which describes the maximum loss from currency fluctuations within a 10-day period with a probability rate of 99 per cent.

The Group's reports for 2009 have shown a risk of between DKK 2.5 mill. and DKK 6.3 mill., corresponding to a maximum of 0.3% of core capital after deductions.

	Q4 2008 DKK '000	Q1 2009 DKK '000	Q2 2009 DKK '000	Q3 2009 DKK '000	Q4 2009 DKK '000
Currency exchange rate indicator 2	5,419	6,347	5,805	2,498	5,545

Share-price risk

At the end of 2009, holdings of listed shares totalled DKK 73.9 mill., while holdings of unlisted shares amounted to DKK 752.3 mill. Unlisted shares are primarily shares in sector-related companies. The risk is managed on the basis of instructions on general market-price risk and specific counterparty risk. At the end of 2009, holdings in associated companies amounted to DKK 317.3 mill.

Share-price risk	2009 DKK '000	2008 DKK '000
Listed shares	73,933	234,910
Unlisted shares	752,283	736,113
Associated companies	317,261	322,195
Total	1,143,477	1,293,218

Derivative financial instruments

Derivative financial instruments are used in certain situations for hedging and managing market risks. Managing risk in this connection is an integral part of managing the risk of the underlying instruments.

Credit risk

The credit risk is the risk that, as a result of lack of funds or intention, a customer is unable to meet repayment obligations on the agreed date. Repayment obligations include receivables, loans and guarantees.

Credit risk can also arise in connection with trading in currency, securities and derivative financial instruments.

Credit management

The overall credit risk is managed in accordance with policies and frameworks adopted and stipulated by the Bank's Board of Directors and Executive Management. The Bank's Credit Department lays down the framework for risk and collateralisation in its procedures.

Credit authorisation is delegated so that most decisions can be made by the individual branches. Larger and more complicated credit matters are managed directly at the Credit Management Department together with the account-holding branch.

Granting credit is based on establishing an appropriate creditworthiness assessment which, in combination with objective advice, ensures customers optimum and sustainable solutions. New requirements are constantly being made to new loan products and the advice given in the financial sector. This is also why the Bank continues to give priority to training our consultants.

The Credit Department also takes part in staff credit training in order to help ensure that our customers receive uniform and competent advice.

Credit monitoring

Each year, the Bank's Credit Department follows up on the Bank's credit situation through a critical review of all large exposures, in order to assess the need for write-downs. Continuous dialogue with the Bank's branches ensures a uniform approach to granting credit and to write-downs.

Group loans and guarantees amounted to DKK 19.5 bn. at the end of 2009. The management considers that there is a satisfactory spread in the portfolio.

Assessment of the need for write-downs

Write-downs on loans and receivables are made when there is objective evidence of impairment in value. The write-down is calculated as the difference between the value of the loan and the present value of estimated future repayments in the form of instalments and/or collateral.

As a minimum there will be objective evidence of impairment losses in one or more of the following situations:

- The debtor is in significant financial difficulties.
- The debtor breaches his contract, for example by failing to comply with his liability to make repayments and pay interest.
- The Group grants the debtor easier terms that would not have been considered if it had not been for the debtor's financial difficulties.
- It is likely that the debtor will go bankrupt or be subject to other financial reconstruction.

This has been translated by the Group into a number of criteria by which the individual loan is tested to determine the individual write-down.

The Bank is working on establishing a credit model in collaboration with Bankernes EDB Central. However, as this model is not ready yet, the Bank has decided to subject a significant proportion of the portfolio to assessment for individual write-downs, including all exposures in excess of DKK 50,000, on which there is objective evidence of impairment losses.

Loans which are not tested for individual write-downs or which are not written down after individual testing for write-downs are tested for group-wise write-downs. On the basis of a combined rating and customer segmentation model, 19 groups have been set up, each of them with uniform credit-risk characteristics. The group-wise write-downs for receivables from credit institutions and central banks, unions and associations, and loans to the public sector have been set at DKK 0.

With regard to other groups, a qualified estimate has been made of the risk of losses on the basis the present value of the group's expected repayments. The estimates and calculations applied are based on assumptions considered by the management as probable.



In collaboration with Bankernes EDB Central, the Bank has developed a model which fulfils statutory requirements, in that the model is still being developed to enable use of a back-test to verify the group-wise write-downs that have been made.

	2009 DKK mill.	2008 DKK mill.
Group loans and guarantees broken down by sector		
Agriculture, hunting and forestry	108	66
Fisheries	0	1
Manufacturing industries	415	332
Building and construction	579	522
Retailers, restaurants and hotels	1,834	1,537
Transport, post and telephone	327	267
Credit and finance business	714	1,412
Property administration	2,517	2,554
Other corporate	1,132	1,306
Total corporate	7,626	7,997
Public authorities	216	335
Private	11,606	11,413
Total loans and guarantees	19,448	19,745

Operational risk

Operational risk is the risk of financial loss due to errors in internal processes, human errors, system errors or losses as a consequence of extreme events.

On a quarterly basis the Board of Directors takes a view on the overall risks that form the basis for assessing the solvency need of the Group.

Group companies

	2009 DKK '000	2009 DKK '000	2009 per cent	2009 DKK '000
2009				
Name and address of registered office	Share capital carried forward	Equity carried forward	Ownership interest	Result
Consolidated subsidiaries				
AL Finans A/S, Glostrup	6,000	51,012	100.0	7,181
Handels ApS Panoptikon, Copenhagen	500	12,841	100.0	118
	2009	2008	2009	2008
Associated companies				
Forsikrings-Aktieselskabet ALKA, Høje-Taastrup	88,099	966,349	32.1	-197,381
	2008	2008	2008	2008
2008				
Name and address of registered office	Share capital carried forward	Equity carried forward	Ownership interest	Result
Consolidated subsidiaries				
AL Finans A/S, Glostrup	6,000	43,831	100.0	-9,968
Handels ApS Panoptikon, Copenhagen	500	12,723	100.0	282
	2008	2007	2008	2007
Associerede virksomheder				
Forsikrings-Aktieselskabet ALKA, Høje-Taastrup	88,099	1,200,810	32.1	156,285

Share capital

	The Bank 2009 Number of shares	The Bank 2008 Number of shares
Composition of share capital		
Nominal price per share (DKK)		
1,000	23,535	23,162
2,000	1,417	1,449
3,000	1,021	1,036
4,000	8,772	8,783
5,000	764	782
10,000	594	605
20,000	791	792
100,000	1,229	1,229
500,000	20	20
1,000,000	67	67
10,000,000	1	1



Rich on idealism

Signe Møller is rich on idealism. After a visit to a dump site in the outskirts of Mombasa in Kenya where she witnessed children living of and in the city's trash, she decided to start her own organisation "100 per cent for the Children". Signe is helping more than 200 children in Kenya escape poverty by providing them with food, clean drinking water and an education. Signe is a good example of how it is possible to enrich your life by giving to others.





A/S Arbejdernes Landsbank – Group

Five-year summary

	2009	2008	2007	2006	2005	
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	
Income statement						
Core earnings, excl. trade earnings	1,199,280	1,012,611	909,717	840,109	778,067	
Trade earnings	81,670	87,153	111,421	97,817	86,856	
Total core earnings	1,280,950	1,099,764	1,021,138	937,926	864,923	
Costs and depreciation	-1,138,270	-926,700	-882,206	-828,698	-743,913	
Core results before write-downs	142,680	173,064	138,932	109,228	121,010	
Write-downs on loans, etc.	-308,731	-146,309	24,194	68,096	18,088	
Core results	-166,051	26,755	163,126	177,324	139,098	
Investment portfolio earnings, excl. investment securities	369,772	-169,198	-5,985	44,535	74,366	
Investment securities	-85,984	54,874	75,350	156,190	74,058	
Profit/loss before tax	117,737	-87,569	232,491	378,049	287,522	
Tax	-42,156	27,797	-39,988	-59,375	-66,444	
Profit/loss	75,581	-59,772	192,503	318,674	221,078	
Key figures						
Net interest and fee income	1,253,601	1,045,461	960,110	903,300	868,649	
Value adjustments	276,669	-71,041	-2,237	140,826	87,120	
Staff and administration expenses	-984,286	-860,217	-819,906	-761,501	-707,888	
Value adjustments for holdings in associated and group companies	-17,866	-38,053	91,845	51,272	22,829	
Loans	16,943,243	17,351,571	13,222,594	11,143,320	9,160,272	
Deposits, incl. pools	21,398,966	19,069,191	14,542,896	12,626,814	11,904,227	
Equity	2,939,710	2,847,539	2,951,311	2,826,009	2,577,002	
Total assets	30,533,702	31,834,076	25,709,125	22,283,628	20,175,918	
Key figures *)						
Solvency ratio	%	13.0	12.0	12.1	12.2	12.6
Core capital ratio **)	%	12.1	11.2	12.1	14.8	15.2
Return on equity before tax	%	4.1	-3.0	8.0	14.0	11.6
Return on equity after tax	%	2.6	-2.1	6.7	11.8	9.0
Ratio of operating income to operating expenses	DKK	1.08	0.92	1.27	1.49	1.39
Interest-rate risk**)	%	4.1	5.6	3.9	4.9	5.4
Currency position**)	%	6.7	15.7	13.2	8.8	8.1
Currency risk**)	%	0.2	0.2	0.1	0.1	0.1
Loans and write-downs in relation to deposits	%	81.8	92.8	92.2	89.9	79.0
Excess liquidity in relation to statutory requirements for liquidity	%	218.9	104.3	121.8	41.2	59.2
Sum of large exposures	%	87.3	101.7	68.0	76.2	131.5
Write-down ratio for the year	%	1.4	0.7	-0.1	-0.4	0.0
Growth in loans for the year	%	-2.4	31.2	18.7	21.6	13.4
Loans in relation to equity		5.8	6.1	4.5	3.9	3.6

*) The definition of key figures is in accordance with guidelines from the Danish Financial Supervisory Authority.

**) The rules for calculating core capital after deductions changed in 2007. Comparative figures have not been adjusted.

A/S Arbejdernes Landsbank – Bank

Five-year summary

	2009	2008	2007	2006	2005	
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	
Income statement						
Core earnings, excl. trade earnings	1,099,306	934,532	842,207	767,497	715,776	
Trade earnings	81,670	87,153	111,421	97,817	86,856	
Total core earnings	1,180,976	1,021,685	953,628	865,314	802,632	
Costs and depreciation	-1,067,833	-863,576	-824,135	-772,590	-695,113	
Core results before write-downs	113,143	158,109	129,493	92,724	107,519	
Write-downs on loans, etc.	-289,878	-120,649	27,374	72,017	19,785	
Core results	-176,735	37,460	156,867	164,741	127,304	
Investment portfolio earnings, excl. investment securities	369,772	-169,197	-5,985	44,535	74,366	
Investment securities	-80,558	41,315	78,417	160,487	81,878	
Profit/loss before tax	112,479	-90,422	229,299	369,763	283,548	
Tax	-36,898	30,650	-36,796	-51,089	-62,470	
Profit/loss	75,581	-59,772	192,503	318,674	221,078	
Key figures						
Net interest and fee income	1,183,738	994,531	914,831	859,381	825,165	
Value adjustments	276,784	-72,427	-2,054	139,457	85,024	
Staff and administration expenses	-937,805	-817,285	-779,222	-720,535	-671,135	
Value adjustments for holdings in associated and group companies	-10,568	-47,160	98,370	57,896	32,121	
Loans	16,954,659	17,401,113	13,255,086	11,158,237	9,147,135	
Deposits, incl. pools	21,406,246	19,079,536	14,575,944	12,635,413	11,901,912	
Equity	2,939,710	2,847,539	2,951,311	2,826,009	2,577,002	
Total assets	30,512,085	31,819,407	25,721,904	22,266,046	20,155,354	
Key figures *)						
Solvency ratio	%	12.8	11.9	12.0	12.2	12.6
Core capital ratio **)	%	11.9	11.1	12.0	14.7	15.1
Return on equity before tax	%	3.9	-3.1	7.9	13.7	11.5
Return on equity after tax	%	2.6	-2.1	6.7	11.8	9.0
Ratio of operating income to operating expenses	DKK	1.08	0.91	1.28	1.52	1.42
Interest-rate risk**)	%	3.8	5.3	3.7	4.7	5.1
Currency position**)	%	6.7	15.8	13.4	8.8	8.1
Currency risk**)	%	0.2	0.2	0.1	0.1	0.1
Loans and write-downs in relation to deposits	%	81.7	92.8	92.2	89.9	78.9
Excess liquidity in relation to statutory requirements for liquidity	%	221.9	104.8	121.5	41.3	59.4
Sum of large exposures	%	88.2	102.7	66.9	74.8	131.9
Write-down ratio for the year	%	1.4	0.6	-0.1	-0.4	0.0
Growth in loans for the year	%	-2.6	31.3	18.8	22.0	13.1
Loans in relation to equity	%	5.8	6.1	4.5	3.9	3.5

*) The definition of key figures is in accordance with guidelines from the Danish Financial Supervisory Authority.

**) The rules for calculating core capital after deductions changed in 2007. Comparative figures have not been adjusted.



Notes to the income statement

Note	Group	2008	Bank	2008
	2009	2008	2009	2008
	DKK '000	DKK '000	DKK '000	DKK '000
1 Interest income				
Receivables from credit institutions and central banks	57,242	179,407	57,130	179,160
Loans and other receivables	1,169,920	1,126,763	1,109,373	1,083,415
Bonds	335,282	294,201	335,282	294,201
Derivative financial instruments				
Currency contracts	-4,942	-2,283	-4,942	-2,283
Interest-rate contracts	-11,117	-11,273	-11,117	-11,273
Share contracts	0	-878	0	-878
Total derivative financial instruments	-16,059	-14,434	-16,059	-14,434
Other interest income	1,581	1,201	90	1,201
Total interest income	1,547,966	1,587,138	1,485,816	1,543,543
Of this, genuine purchase and resale transactions posted under:				
Receivables from credit institutions and central banks	47	5,691	47	5,691
Loans and other receivables	33,019	1,849	33,019	1,849
2 Interest paid				
Debt to credit institutions and central banks	-89,856	-319,739	-89,743	-319,735
Deposits and other debt	-449,559	-514,370	-449,704	-515,598
Issued bonds	-25,147	-1,429	-25,147	-1,429
Subordinated debt	-21,465	-2,404	-21,465	-2,404
Other interest paid	-794	-879	-792	-672
Total interest paid	-586,821	-838,821	-586,851	-839,838
Of this, genuine sale and repurchase transactions posted under:				
Debt to credit institutions and central banks	-4,541	-1,319	-4,541	-1,319
3 Fee and commission income				
Securities trading and custody accounts	61,266	72,091	61,266	72,091
Money transmission services	69,814	63,815	69,814	63,815
Loan fees	90,898	85,373	83,727	79,522
Guarantee commission	28,866	20,948	28,891	20,962
Other fees and commissions	46,228	41,857	31,998	29,551
Total fee and commission income	297,072	284,084	275,696	265,941
4 Value adjustments				
Bonds	189,841	-17,001	189,841	-17,001
Shares, etc.	30,459	6,129	30,459	4,893
Currency	33,632	-45,743	33,747	-45,893
Derivative financial instruments				
Currency contracts	24,282	18,055	24,282	18,055
Interest-rate contracts	2,309	-43,667	2,309	-43,667
Share contracts	-1,388	141	-1,388	141
Total derivative financial instruments	25,203	-25,471	25,203	-25,471
Assets linked to pool schemes	42,319	-35,345	42,319	-35,345
Deposits in pool schemes	-42,319	35,345	-42,319	35,345
Other assets	2,690	11,045	2,690	11,045
Other liabilities	-5,156	0	-5,156	0
Total value adjustments	276,669	-71,041	276,784	-72,427

Note	Group 2009 DKK '000	2008 DKK '000	Bank 2009 DKK '000	2008 DKK '000
5 Staff and administration expenses				
Salaries and remuneration to the Board of Directors, Executive Management and Board of Representatives				
Executive Management	-5,058	-4,796	-5,058	-4,796
Board of Directors	-1,171	-1,142	-1,171	-1,142
Board of Representatives	-279	-224	-279	-224
Total	-6,508	-6,162	-6,508	-6,162
Staff expenses				
Salaries	-477,626	-425,472	-450,558	-400,161
Pensions	-55,534	-57,609	-53,059	-55,269
Social security expenses	-3,651	-3,170	-3,480	-3,036
Payroll tax	-38,100	-32,319	-35,944	-30,397
Total	-574,911	-518,570	-543,041	-488,863
Other administration expenses	-402,867	-335,485	-388,256	-322,260
Total staff and administration expenses	-984,286	-860,217	-937,805	-817,285
Auditor's remuneration				
Total fees for the audit firms elected by the general meeting, which carry out the statutory audit				
	-1,732	-2,775	-1,525	-2,383
Of this, services other than audit	-465	-1,773	-390	-1,510
Number of employees				
The average number of employees during the financial year, converted to full-time employees				
	1,035	963	991	921
6 Tax				
Tax on profit for the year	0	0	0	0
Change in deferred tax in respect of profit for the year	-42,228	27,985	-36,970	30,721
Adjustments in respect of previous years	72	-188	72	-71
Total tax	-42,156	27,797	-36,898	30,650
Effective tax rate				
Corporation tax in Denmark	25.0	25.0	25.0	25.0
Adjustments in respect of previous years	-0.1	-0.2	-0.1	-0.1
Non-taxable income and expenses	10.9	6.9	7.9	9.0
Total effective tax rate	35.8	31.7	32.8	33.9



Notes to the balance sheet

Note	Group	2008	Bank	2008	
	2009	2008	2009	2008	
	DKK '000	DKK '000	DKK '000	DKK '000	
7	Receivables from credit institutions and central banks				
	Receivables with notice from central banks	1,024,810	869,910	1,024,810	869,910
	Receivables from credit institutions	1,208,825	2,026,213	1,205,289	2,023,654
	Total receivables from credit institutions and central banks	2,233,635	2,896,123	2,230,099	2,893,564
	Broken down by remaining term				
	Call loans	33,046	111,309	33,046	111,307
	Up to 3 months	1,960,349	2,423,577	1,959,995	2,423,442
	More than 3 months and up to 1 year	75,476	186,650	74,415	186,274
	More than 1 year and up to 5 years	89,872	80,127	87,751	78,096
	More than 5 years	74,892	94,460	74,892	94,445
	Total	2,233,635	2,896,123	2,230,099	2,893,564
8	Loans and other receivables				
	Broken down by remaining term				
	Call loans	2,620,652	4,162,346	4,264,420	5,894,670
	Up to 3 months	2,984,031	2,743,259	2,672,081	2,459,864
	More than 3 months and up to 1 year	2,260,107	2,152,979	1,937,469	1,869,409
	More than 1 year and up to 5 years	5,534,329	5,226,605	4,626,036	4,157,474
	More than 5 years	3,544,124	3,066,382	3,454,653	3,019,696
	Total	16,943,243	17,351,571	16,954,659	17,401,113
	Genuine purchase and resale transactions				
	Loans	0	741,021	0	741,021
	Fixed-interest loans that are hedged for interest-rate risk by interest swaps				
	Loans at book value	193,519	209,280	193,519	209,280
	Interest swaps at fair value of the hedge leg	190,133	206,106	190,133	206,106
	Interest swaps at nominal value (principal amount)	222,100	221,685	222,100	221,685
	Loans and guarantees broken down by sector				
	Public authorities	1	2	1	2
	Corporate				
	Agriculture, hunting and forestry	1	0	0	0
	Fisheries	0	0	0	0
	Manufacturing, extraction of raw materials, power, gas, water and heat plants	2	2	2	1
	Building and construction	3	3	2	2
	Retailers, restaurants and hotels	9	8	8	7
	Transport, post and telephone	2	1	2	1
	Credit and finance business as well as insurance business	4	7	12	16
	Property administration, estate agency, and business services	13	13	13	13
	Other corporate	5	7	5	5
	Total corporate	39	41	44	45
	Private	60	57	55	53
	Total	100	100	100	100

Note	Group 2009 DKK '000	2008 DKK '000	Bank 2009 DKK '000	2008 DKK '000
8 Loans and other receivables (continued)				
Individual write-downs on loans				
Accumulated write-downs on loans brought forward	279,167	151,315	254,835	146,556
Write-downs for the year	319,418	185,870	305,969	164,159
Reversal of write-downs	96,912	53,512	92,932	53,029
Other movements	10,398	7,773	10,398	7,773
Actual loss (written off), previously written down	22,076	12,279	15,489	10,624
Total accumulated write-downs on loans carried forward	489,996	279,167	462,781	254,835
Group-wise write-downs on loans				
Accumulated write-downs on loans brought forward	57,262	33,259	55,695	33,167
Write-downs for the year	23,937	28,687	23,937	27,212
Reversal of write-downs	20,562	10,470	20,257	10,470
Other movements	3,432	5,786	3,432	5,786
Total accumulated write-downs on loans carried forward	64,069	57,262	62,807	55,695
Total write-downs on loans				
Accumulated write-downs on loans brought forward	336,429	184,574	310,530	179,723
Write-downs for the year	343,355	214,557	329,906	191,371
Reversal of write-downs	117,474	63,982	113,189	63,499
Other movements	13,830	13,559	13,830	13,559
Actual loss (written off), previously written down	22,076	12,279	15,489	10,624
Total accumulated write-downs on loans carried forward	554,065	336,429	525,588	310,530
Loans and receivables with objective evidence of impairment losses which have not been fully written down				
Assessed individually				
Amortised cost before write-down	858,271	386,273	786,330	341,821
Write-down	306,977	171,969	284,781	151,489
Amortised cost after write-down	551,294	214,304	501,549	190,332
Group assessment				
Amortised cost before write-down	10,775,173	7,519,634	9,639,225	7,518,066
Write-down	64,069	57,262	62,807	55,695
Amortised cost after write-down	10,711,104	7,462,372	9,576,418	7,462,371
Assessed in total				
Amortised cost before write-down	11,633,444	7,905,907	10,425,555	7,859,887
Write-down	371,046	229,231	347,588	207,184
Amortised cost after write-down	11,262,398	7,676,676	10,077,967	7,652,703
9 Bonds at fair value				
Government bonds	11,215	8,961	11,215	8,961
Mortgage-credit bonds	7,643,981	7,579,258	7,643,981	7,579,258
Other bonds	1,067,232	1,135,693	1,067,232	1,135,693
Total bonds at fair value	8,722,428	8,723,912	8,722,428	8,723,912
Of this, sold as part of genuine sale and repurchase transactions	271,236	0	271,236	0
10 Shares, etc.				
Listed on Nasdaq OMX Copenhagen A/S	71,632	215,355	71,632	215,355
Listed on other exchanges	2,173	19,555	2,173	19,555
Unlisted shares, etc.	752,311	736,113	752,311	736,113
Total shares, etc.	826,116	971,023	826,116	971,023



Note	Group	2008	Bank	2008
	2009	2008	2009	2008
	DKK '000	DKK '000	DKK '000	DKK '000
11 Total land and buildings				
Owner-occupied properties				
Revalued amount brought forward	444,328	398,400	443,568	397,640
Additions during the year	4,646	21,077	4,646	21,077
Depreciation	2,238	1,978	2,238	1,978
Changes in value recognised directly in equity	16,590	16,000	16,590	16,000
Value changes recognised in the income statement	-1,503	10,829	-1,503	10,829
Total revalued amount carried forward	461,823	444,328	461,063	443,568
12 Other tangible fixed assets				
Cost brought forward	174,660	146,520	31,255	20,779
Additions during the year, including improvements	56,120	87,862	11,074	11,544
Disposals during the year	51,802	59,722	1,350	1,068
Total cost carried forward	178,978	174,660	40,979	31,255
Depreciation and amortisation brought forward	38,881	27,876	8,647	2,841
Disposals during the year	16,718	14,445	686	414
Depreciation for the year	28,530	25,450	5,606	6,220
Total depreciation and amortisation carried forward	50,693	38,881	13,567	8,647
Total other tangible fixed assets	128,285	135,779	27,412	22,608
Written off immediately during the year	2,782	4,884	2,724	4,884
13 Deferred tax assets and tax liabilities				
+ = tax assets - = tax liabilities				
Deferred tax brought forward	62,233	34,401	86,016	55,754
Changes in deferred tax	-42,461	27,832	-37,090	30,262
Total deferred tax carried forward	19,772	62,233	48,926	86,016
Deferred tax broken down by type				
Tangible assets	-23,312	-18,129	9,714	12,093
Loans	2,075	12,163	1,607	11,473
Carryforward of losses	31,096	57,373	27,692	51,624
Employee obligations	21,223	23,203	21,223	23,203
Other	-11,310	-12,377	-11,310	-12,377
Total deferred tax carried forward	19,772	62,233	48,926	86,016
14 Debt to credit institutions and central banks				
Broken down by remaining term				
Call debt	1,858,311	1,337,072	1,858,311	1,337,072
Up to 3 months	2,532,455	693,061	2,532,455	6,983,061
More than 3 months and up to 1 year	0	0	0	0
More than 1 year and up to 5 years	0	0	0	0
More than 5 years	0	0	0	0
Total	4,390,766	8,320,133	4,390,766	8,320,133
Genuine sale and repurchase transactions				
Debt to credit institutions	276,427	0	276,427	0

Note	Group		Bank	
	2009	2008	2009	2008
	DKK '000	DKK '000	DKK '000	DKK '000
15 Deposits and other debt				
Call amounts	15,340,372	12,963,360	15,348,577	12,974,476
Amounts with notice period	1,280,553	1,051,695	1,279,628	1,050,923
Time deposits	2,607,680	3,189,887	2,607,680	3,189,887
Special types of deposit	1,862,600	1,610,983	1,862,600	1,610,983
Total	21,091,205	18,815,925	21,098,485	18,826,269
Broken down by remaining term				
Call amounts	15,923,994	13,459,073	15,932,198	13,470,189
Up to 3 months	3,685,459	2,389,090	3,685,459	2,388,318
More than 3 months and up to 1 year	147,324	1,684,462	146,400	1,684,462
More than 1 year and up to 5 years	338,345	426,123	338,345	426,123
More than 5 years	996,083	857,177	996,083	857,177
Total	21,091,205	18,815,925	21,098,485	18,826,269
Fixed-interest loans that are hedged for interest-rate risk by interest swaps				
Loans at book value	1,505,157	0	1,505,157	0
Interest swaps at fair value of the hedge leg	1,495,381	0	1,495,381	0
Interest swaps at nominal value (principal amount)	1,515,260	0	1,515,260	0
16 Issued bonds at amortised cost price				
Broken down by remaining term				
More than 1 year and up to 5 years	813,663	499,487	812,669	499,487
Total	813,663	499,487	812,669	499,487
17 Subordinated debt				
Subordinated debt in the form of supplementary capital				
Variable %, nominal DKK 328,000, mature 3.12.2018	328,000	328,000	328,000	328,000
Share included in calculation of base capital	328,000	328,000	328,000	328,000
Costs off raising loans during the year	0	0	0	0
18 Equity				
Transformation from equity capital to base capital				
Equity including profit/loss for the year	2,939,710	2,847,539	2,939,710	2,847,539
Proposed dividend	0	0	0	0
Intangible assets	11,172	20,846	10,509	19,501
Deferred tax assets	19,772	62,233	48,926	86,016
Revaluation reserves	117,266	100,675	116,610	100,020
Deductions, cf. section 131(2), nos. 2)-3) of the Danish Financial Business Act	261,077	268,552	261,077	269,674
Excess deductions, cf. section 139(6) of the Danish Financial Business Act	0	0	0	0
Core capital after deduction	2,530,423	2,395,233	2,502,588	2,372,328
Subordinated debt	328,000	328,000	328,000	328,000
Revaluation reserves	117,266	100,675	116,610	100,020
Base capital before deductions	2,975,689	2,823,908	2,947,198	2,800,348
Deductions, cf. section 139(1), nos. 1)-3) of the Danish Financial Business Act	261,076	268,552	261,076	269,674
Excess deductions, cf. section 139(6) of the Danish Financial Business Act	0	0	0	0
Base capital	2,714,613	2,555,356	2,686,122	2,530,674
Solvency requirement	1,672,631	1,703,378	1,677,798	1,706,794



Other notes

Note	Group	2008	Bank	2008
	2009	2008	2009	2008
	DKK '000	DKK '000	DKK '000	DKK '000
19 Contingent liabilities				
Guarantees				
Financial guarantees	986,892	811,722	986,892	812,922
Guarantees for losses on mortgage loans	153,126	169,233	153,126	169,233
Private Contingency Association	155,228	218,213	155,228	218,213
Land registration and conversion guarantees	18,098	1,372	18,098	1,372
Guarantee for subsidiary	0	0	6,164	5,000
Other	1,191,041	1,193,287	1,184,877	1,188,287
Total guarantees	2,504,385	2,393,827	2,504,385	2,395,027
Other liabilities				
Irrevocable credit commitments less than 1 year	1,811,585	1,679,091	1,529,348	1,389,802
Irrevocable credit commitments more than 1 year	169,534	309,115	169,534	272,337
Unutilised pension commitments	16,400	12,700	16,400	12,700
Other	4,291	18,570	4,291	18,570
Total other liabilities	2,001,810	2,019,476	1,719,573	1,693,409
Total other contingent liabilities	4,506,195	4,413,303	4,223,958	4,088,436
20 For collateral deposited with Danmarks Nationalbank, clearing centres, etc.				
Market value, bonds	5,951,494	6,696,426	5,951,494	6,696,426
Of which, surplus collateral	5,951,494	1,985,837	5,951,494	1,985,837
21 Executive Management and Board of Directors				
The amount of loans, charges, guarantees as well as collateral linked to these, established for the members of management below				
Loans etc.				
Executive Management	610	570	610	570
Board of Directors	4,563	3,190	4,563	3,190
Collateral				
Executive Management	0	0	0	0
Board of Directors	2,555	2,584	2,555	2,584
22 Outstanding accounts with group and associated companies				
Asset item				
Loans and other amounts receivable at amortised cost price	38,085	778,608	1,701,835	2,517,853
Total asset items	38,085	778,608	1,701,835	2,517,853
Liability item				
Deposits and other debt	291,482	908,678	303,740	920,753
Total liability items	291,482	908,678	303,740	920,753
23 Related parties				
Related parties include members of the Bank's Executive Management and Board of Directors as well as subsidiaries and associates. Related parties also include shareholders who own more than 20 per cent of the Bank's shares or more than 20 per cent of the voting rights in the Bank.				
All transactions with related parties which, in addition to those stated in the notes on salaries and remuneration, only include ordinary deposits and loans as well as credit facilities, are carried out on market terms.				
24 Pool assets				
Cash	11,817	10,221	11,817	10,221
Index-linked bonds	51,041	55,948	51,041	55,948
Other bonds	117,909	122,508	117,909	122,508
Investment association shares	85,863	49,314	85,863	49,314
Other shares, etc.	39,308	14,197	39,308	14,197
Other assets	1,823	1,079	1,823	1,079
Total pool assets	307,761	253,267	307,761	253,267

Note	Nominal value DKK '000	Net market value DKK '000	Positive market value DKK '000	Negative market value DKK '000
25 Derivative financial instruments and spot transactions 2009 (Group and Bank)				
Currency contracts				
Spot transactions, purchase	5,789	25	25	0
Spot transactions, sale	3,676	15	15	0
Forward transactions/Futures, purchase	44,401	427	498	71
Forward transactions/Futures, sale	1,150,811	-680	389	1,069
Options, acquired	449,174	807	807	0
Options, issued	559,760	-1,260	0	1,260
Interest-rate contracts				
Spot transactions, purchase	105,947	-43	59	102
Spot transactions, sale	101,056	124	159	35
Forward transactions/Futures, purchase	1,060,618	303	891	588
Forward transactions/Futures, sale	2,849,141	-13,633	798	14,431
Options, acquired	297,660	3,364	3,364	0
Options, issued	297,660	-2,828	0	2,828
Swaps	2,933,373	0	61,673	61,673
Interest-rate swaps	3,690,995	-24,730	8,855	33,585
Share contracts				
Spot transactions, purchase	114,586	124	268	144
Spot transactions, sale	114,028	0	185	185
Options, acquired	435	591	591	0
Total	13,779,110	-37,394	78,577	115,971

Typically, all the contracts have a term of less than 1 year, except interest-rate swaps and swaps which have a term of up to 25 years.

	Nominal value DKK '000	Net market value DKK '000	Positive market value DKK '000	Negative market value DKK '000
Derivative financial instruments and spots transactions 2008 (Group and Bank)				
Currency contracts				
Spot transactions, purchase	8,210	13	15	2
Spot transactions, sale	29,892	15	39	24
Forward transactions/Futures, purchase	2,907,935	-36,342	16,452	52,794
Forward transactions/Futures, sale	1,159,425	-96,488	1,476	97,964
Options, acquired	151,850	5,844	5,844	0
Options, issued	204,005	-6,690	0	6,690
Interest-rate contracts				
Spot transactions, purchase	66,754	126	167	41
Spot transactions, sale	78,596	-100	42	142
Forward transactions/Futures, purchase	1,820,220	10,985	10,985	0
Forward transactions/Futures, sale	1,569,237	-33,947	11	33,958
Options, acquired	249,012	2,102	2,102	0
Options, issued	149,012	-2,086	0	2,086
Swaps	0	0	0	0
Interest-rate swaps	1,074,905	-21,566	4,550	26,116
Share contracts				
Spot transactions, purchase	172,082	699	787	88
Spot transactions, sale	178,321	-416	241	657
Options, acquired	0	0	0	0
Total	9,819,456	-177,851	42,711	220,562

All currency and interest contracts have a term of less than 1 year, except interest-rate swaps which have a term of more than 1 year.



Management positions held by members of the Board of Directors and the Executive Management in other Danish limited companies

Members of the Executive Management

Gert R. Jonassen

Chief Executive

Member of the Board of Directors of:

Letpension Holding A/S

Letpension IT A/S

Letpension Livs- og Pensionsforsikringsselskab A/S

LR Realkredit A/S

Multidata A/S & Multidata Holding A/S

Komplementarselskabet NFIT A/S

PBS A/S & PBS Holding A/S

Totalkredit A/S

Ebbe Castella

Senior Executive Vice President

Member of the Board of Directors of:

BI Asset Management Fondsmæglerselskab A/S

BI Holding A/S

Members of the Board of Directors

Poul Erik Skov Christensen

Trade Union President, Fagligt Fælles Forbund – 3F

Member of the Board of Directors of:

AL Finans A/S

A/S A-Pressen

Fagbevægelsens Erhvervsinvestering A/S

Pension Danmark Holding A/S

Pension Danmark Pensionsforsikringsaktieselskab

Lars Andersen

CEO, AE – Arbejderbevægelsens Erhvervsråd

Member of the Board of Directors of:

Industriens Pensionsforsikring A/S

Industripension Holding A/S

Harald Børsting

Chairman, Landsorganisationen i Danmark

Member of the Board of Directors of:

A/S A-Pressen

Højstrupgård A/S

LO Plus A/S

Thorkild E. Jensen

Trade Union President, Dansk Metal

Member of the Board of Directors of:

A/S A-Pressen

Fagbevægelsens Erhvervsinvestering A/S

Industriens Pensionsforsikring A/S

Industriens Pension Service A/S

Industripension Holding A/S

Other board positions of the Executive Management

approved by the Board of Directors of Aktieselskabet Arbejdernes Landsbank, cf. section 80 of the Danish Financial Business Act as at 31 December 2009

Mette Kindberg

Vice President, HK/Danmark

Member of the Board of Directors of:
Fagbevægelsens Erhvervsinvestering A/S
HK Huset A/S

Johnny Skovengaard

*Trade Union President,
Forbundet Træ-Industri-Byg i Danmark*

Member of the Board of Directors of:
AKF Holding A/S
ALKA Forsikring A/S
Fagbevægelsens Erhvervsinvestering A/S
Forsikrings-Aktieselskabet Alka Liv II
Pension Danmark Holding A/S
Pension Danmark Pensionsforsikringsaktieselskab

Ole Wehlast

Trade Union President, Fødevareforbundet NNF

Member of the Board of Directors of:
ESAHØJ A/S
Industriens Pensionsforsikring A/S

Jette Kronborg

*Customer Advisor,
employee representative*

John Markussen

*Customer Consultant,
employee representative*

Ulla Strøm Nordenhof

*Shop Steward,
employee representative*

Henrik Thagaard

*Production Manager,
employee representative*

Gert R. Jonassen

Chief Executive

Member of the Board of Directors of:
AL Finans A/S
Finanssektorens Uddannelsescenter
Foreningen Bankernes EDB Central
Handels ApS Panoptikon
Kooperationen
Nordisk Finans IT P/S
Regionale Bankers Forening

Ebbe Castella

Senior Executive Vice President

Member of the Board of Directors of:
AL Fonden
Forvaltningsinstituttet for Lokale Pengeinstitutter
Pensionskassen for Arbejdernes Landsbanks Personale



Board of Representatives

Chairman:

Thorkild E. Jensen
Trade Union President
Dansk Metal

Vice President:

Harald Børsting
Chairman
Landsorganisationen i Danmark

Lars Andersen

CEO
AE – Arbejderbevægelsens
Erhvervsråd

Steen Andersen

Vice President
Fagligt Fælles Forbund – 3F

Karin Bancsi

Former Vice President
HK/Danmark

Inger Bolwinkel

Trade Union Secretary
FOA – Fag og Arbejde

Jens Bærentsen

CEO
ALKA Forsikring

Poul Erik Skov Christensen

Trade Union President
Fagligt Fælles Forbund – 3F

Jeppe Christiansen

CEO
Fondsmæglerselskabet LD Invest A/S

Karsten Hansen

Trade Union President
Serviceforbundet

Ole Ibsen

Trade Union Advisor
Dansk Metal

Kurt Jakobsen

Organisation secretary
Fødevareforbundet NNF

Flemming Knudsen

Councillor
Århus

Mette Kindberg

Vice President
HK/Danmark

Max Meyer

Trade Union President
Blik- og Rørarbejderforbundet
i Danmark

Poul Monggaard

Trade Union President
Dansk Frisør- og Kosmetiker Forbund

Frode Nicolaisen

Managing Director
LO-Skolen

Jørn Erik Nielsen

Trade Union President
Malerforbundet i Danmark

Claus Paulsen

Head of Treasury
Forbundet Træ-Industri-Byg
i Danmark

Torben Poulsen

Head of Treasury
Dansk Metal

Jørgen Juul Rasmussen

Trade Union President
Dansk El-Forbund

Lizette Risgaard

Vice President
Landsorganisationen
i Danmark

Kim Simonsen

Trade Union President
HK/Danmark

Johnny Skovengaard

Trade Union President
Forbundet Træ-Industri-Byg
i Danmark

Mona Striib

Vice President
FOA – Fag og Arbejde

Ulla Sørensen

Head of Treasury
Fagligt Fælles Forbund – 3F

Ole Wehlast

Trade Union President
Fødevareforbundet NNF

Employee representatives

Tom Hansen

Bank Security Officer

Ulla Strøm Nordenhof

Shop Steward

Henrik Thagaard

Production Manager

Management etc.

Board of Directors

Chairman
Poul Erik Skov Christensen
Trade Union President

Lars Andersen
CEO
AE – Arbejderbevægelsens Erhvervsråd,
Chairman of the audit committee

Harald Børsting
Chairman

Thorkild E. Jensen
Trade Union President
Member of the audit committee

Johnny Skovengaard
Trade Union President

Mette Kindberg
Vice President
Member of the audit committee
(Vice President)

Ole Wehlast
Trade Union President

Elected by the Bank's Employees:

Jette Kronborg
Customer Advisor

John Markussen
Customer Consultant

Ulla Strøm Nordenhof
Shop Steward

Henrik Thagaard
Production Manager

Executive Management

Gert R. Jonassen
Chief Executive

Ebbe Castella
Senior Executive Vice President

Audit

Deloitte
Statsautoriseret
Revisionsaktieselskab

Anne Marie Haas
Head of Internal Audit Department
Internal audit

Accounting Experts

Gita Grüning
Chairman
Teknisk Landsforbund

Kaj Olsen
Head of Treasury
Serviceforbundet

Senior Management

Gert R. Jonassen
Chief Executive

Ebbe Castella
Senior Executive Vice President

Jan W. Andersen
Executive Vice President,
Treasury Division

Lasse Kiær Nielsen
Executive Vice President,
Credit Department

Kjeld Gosvig-Jensen
Head of Legal Department

Finn Hansen
Head of HR Department

Leif Klinge
Head of Financial Department

Svend Randers
Regional Manager

Per Rick
Regional Manager

Staff functions

Management Secretariat and
Legal Department:
Kjeld Gosvig-Jensen
Head of Legal Department

Niels Elkjær Madsen
Head of the Executive
Management Secretariat

Kirsten Fynbo
Executive Vice President, Debt Collection

HR Department:
Finn Hansen
Head of HR Department

Simon Sinding Jørgensen
Head of HR Development

IT Department:
Bent Bøjden
IT Manager

Credit area:
Jesper K. Karlsen
Executive Vice President

Morten Pii Johannessen
Executive Vice President, Risk Analysis

Jens Damgaard Nielsen
Head of Housing Association

Treasury Division:
Lars Theilmann
Head of Business Support

Jørn N. Jensen
Head of Trading Office

Peter Normand
Head of Customers Office

Marketing Department:
Peter Froulund
Marketing Manager

Owner-occupied properties
and Mortgages Department:
Søren Zak
Head of Owner-occupied properties
and Mortgages

Financial Department:
Leif Klinge
Head of Financial Department

Klaus Gydesen
Head of Buildings and Facilities

Henrik Krog-Meyer
Head of Distribution and Stores

Henrik Schneller
Head of Procurement
and Property Administration

Production Centres

Henrik Thagaard
Production Manager, Glostrup

Ernst Hjernø
Production Manager, Odense

Morten Kjær
Production Manager, Århus



Branches

Jutland

Branch in Esbjerg

Kongensgade 13, 6701 Esbjerg
Branch manager: Klaus K. Andersen

Branch in Fredericia

Danmarksgade 6, 7000 Fredericia
Branch manager: Tommy Stricker

Branch in Frederikshavn

Danmarksgade 67, 9900 Frederikshavn
Branch manager: Bent Fick

Branch in Frydenlund

Frydenlunds Allé 1, 8210 Århus V
Branch manager: Erik Dahl

Branch in Grindsted

Vestergade 12, 7200 Grindsted
Head of Branch: Karin Liboriussen

Branch in Haderslev

Gravene 3, 6100 Haderslev
Branch manager: Henrik Borring

Branch in Herning

Østergade 44, 7400 Herning
Branch manager: John Dalum

Branch in Hjørring

Sct. Olai Plads 2, 9800 Hjørring
Branch manager: Jens Nørgård Jensen,
as at 1.1.2010

Branch in Holstebro

Nørregade 32, 7500 Holstebro
Branch manager: Jimmy Käehne

Branch in Horsens

Søndergade 48, 8700 Horsens
Branch manager: Susanne Daugaard

Branch in Kolding

Buen 1, 6000 Kolding
Branch manager: Jan Andersen

Filialen på Nordals

Nordborgvej 24, 6430 Nordborg
Head of Branch: Rene Grau

Branch in Nørresundby

Brotorvet 4, 9400 Nørresundby
Branch manager: Jesper Stærmosen

Branch in Randers

Østervold 18, 8900 Randers
Branch manager: Lars Møller

Branch in Silkeborg

Tværgade 7, 8600 Silkeborg
Branch manager: Dorthe Bechmann

Branch in Skive

Nørregade 34, 7800 Skive
Branch manager: Ellen Sandholm

Branch in Sønderborg

Jernbanegade 7, 6400 Sønderborg
Branch manager: Hans Termansen

Branch in Vejgaard

Hadsundvej 39, 9100 Aalborg
Branch manager: Carsten Christensen

Branch in Vejle

Nørregade 18, 7100 Vejle
Branch manager: Lars Thøstesen

Branch in Viborg

Sct. Mathias Gade 34, 8800 Viborg
Branch manager: Jesper Grave Andersen

Branch in Viby

Skanderborgvej 190, 8260 Viby J.
Branch manager: Jens Vorup

Branch in Vojens

Vestergade 35, 6500 Vojens
Branch manager: Hanne Westergaard

Branch in Aabenraa

H.P. Hanssens Gade 12, 6200 Aabenraa
Branch manager: Tom Kronborg

Branch in Åbyhøj

Haslevej 17, 8230 Åbyhøj
Branch manager: Steffen Kristensen

Branch in Aalborg

Vingårdsgade 9, 9100 Aalborg
Branch manager: Morten Juhl

Branch in Århus

M.P. Bruuns Gade 22-24, 8100 Århus C
Branch manager: Torben Andersen

Funen

Branch in Dalum

Dalumvej 52, 5250 Odense SV
Branch manager: Jakob Damgård Schmidt

Branch in Hunderup

Skovsbovænget 10B, 5230 Odense M
Branch manager: John Schmidt

Branch in Højstrup

Rismarksvej 115A, 5210 Odense NV
Branch manager: Ann Daugaard Skøt

Branch in Munkebo

Bycentret, 5330 Munkebo
Branch manager: John Schmidt

Branch in Nyborg

Kongegade 4, 5800 Nyborg
Branch manager: Ulrik Duvier Stærmosen

Branch in Odense

Fisketorvet 1, 5100 Odense C
Branch manager: Susanne Bechsgaard

Branch in Svendborg

Voldgade 16, 5700 Svendborg
Branch manager: Tenna Holm Malling

Branch in Vollsmose

Vollsmose Allé 10, 5240 Odense NØ
Branch manager: Lars Dolleris Jensen

Zealand

Branch in Frederikssund

Havnegade 18, 3600 Frederikssund
Acting Branch manager: Annie Aller

Branch in Helsingør

Klostergade 1, 3000 Helsingør
Branch manager: Anne Jørgensen

Branch in Hillerød

Nordstensvej 2, 3400 Hillerød
Branch manager: Helle Skou

Branch in Kalundborg

Bredgade 55, 4400 Kalundborg
Branch manager: Kim Krog

Branch in Næstved

Vinhusgade 9, 4700 Næstved
Branch manager: Niels Olsen

Branch at Ro's Torv

Ro's Torv 14, 4000 Roskilde
Branch manager: Kim Dam

Branch in Roskilde

Støden 1, 4000 Roskilde
Branch manager: John Nielsen

Branch in Slagelse

Jernbanegade 2, 4200 Slagelse
Branch manager: Jan Larsen

Falster

Branch in Nykøbing F

Langgade 32, 4800 Nykøbing F
Branch manager: Flemming Møller

Copenhagen

Branch on Amager

Amagerbrogade 60, 2300 København S
Branch manager: Jørgen Palle Jensen

Branch in Ballerup

Centrumgaden 35, 2750 Ballerup
Branch manager: Thomas Larsen

Branch on Bispebjerg

Frederiksborgvej 98, 2400 København NV
Branch manager: Niels Lund Sørensen

Branch in Brønshøj

Frederikssundsvej 128, 2700 Brønshøj
Branch manager: Christian Barrett

Branch in City

Vesterbrogade 5, 1502 København V
Branch manager: Oskar Nielsen

Branch at Enghave Plads

Enghave Plads 5, 1670 København V
Branch manager: Jørgen Petersen

Branch at Frederiksberg

Falkoner Allé 62, 2000 Frederiksberg
Branch manager: Lars Alsøe

Branch in Gladsaxe

Søborg Hovedgade 193, 2860 Søborg
Branch manager: Per Jegsen Schmidt

Branch in Glostrup

Banegårdsvej 9, 2600 Glostrup
Branch manager: Jesper A. Nielsen

Branch in Herlev

Herlev Hovedgade 136, 2730 Herlev
Branch manager: Bo Møller Larsen

Branch in Hvidovre

Hvidovrevej 85, 2650 Hvidovre
Branch manager: Anita Skov Carlsen

Branch in Kastrup

Kastrupvej 201, 2770 Kastrup
Branch manager: Niels Jørgen Jørgensen

Branch at Kongelundsvej

Kongelundsvej 289, 2770 Kastrup
Branch manager: Marianne Skov Jacobsen

Branch in Lyngby

Jernbaneplassen 14, 2800 Lyngby
Branch manager: Jens Kristian Petersen

Branch in Mimersgade

Mimersgade 49, 2200 København N
Head of Branch: Henrik Larsen

Branch on Nørrebro

Nørrebrogade 62, 2200 København N
Branch manager: Helge Olsen

Branch at Rundetårn

Landemærket 8, 1119 København K
Branch manager: Kåre S. M. Breinholt

Branch in Rødovre

Tårnvej 221, 2610 Rødovre
Branch manager: Jeanet Kirling Bohnsen

Branch in Sydhavnen

Borgbjergsvej 32, 2450 København SV
Branch manager: Kim Foss Lund

Branch in Taastrup

Køgevej 75, 2630 Taastrup
Branch manager: Jette Lund

Branch in Valby

Valby Langgade 136, 2500 Valby
Head of Branch: Helle Hjarsø

Branch in Vanløse

Jernbane Alle 66, 2720 Vanløse
Head of Branch: Lars Ottosen

Branch on Østerbro

Ndr. Frihavsgade 74, 2100 København Ø
Branch manager: Lisbeth Ringsted





AKTIESELSKABET



Arbejdernes Landsbank

CVR-nr. 31 46 70 12, Copenhagen

Panoptikonbygningen

Vesterbrogade 5 · DK-1502 Copenhagen V

Phone +45 38 48 48 48 · www.al-bank.dk



Building on sound values