

Copenhagen, 19 February 2020

**Press release: Financial statements 2019**

## **Arbejdernes Landsbank finishes centenary year with strong result**

*With a profit of DKK 545 mill. after tax and a massive net influx of 14,000 new customers, Arbejdernes Landsbank achieved a solid result for 2019; the Bank's centenary year. Among other things, the result reflects increasing business activity and solid returns on the Bank's investments in financial equities.*

In many ways, 2019 was a very special year for Arbejdernes Landsbank. Besides the strong profit for the year and the continued massive customer growth, the Bank also celebrated its centenary in 2019.

"We're extremely satisfied to have achieved a profit for 2019 of DKK 588 mill. before tax. The result is significantly better than our initial expectations for 2019, when we expected a profit of between DKK 275-325 mill. That we ended at DKK 588 mill. before tax is partly because of the new business on our books in 2019, and partly because of positive developments in our holdings in financial equities, such as our holding in Vestjysk Bank. Furthermore, our sales of shares in LR Realkredit A/S and Sparinvest Holdings SE also contributed positively," said the CEO of Arbejdernes Landsbank, Gert Jonassen, and he continued:

"The many new customers we've welcomed in 2019 have contributed to a high level of activity and growth in our lending of 3.7% compared with 0.8% last year. The housing area in particular has been busy, with new lending and a record number of conversions for our customers with mortgage-credit loans. This has clearly pushed earnings in a positive direction."

### **More than 116,000 customers over the past 10 years, and Danes' preferred bank for the eleventh successive year**

In 2019, Arbejdernes Landsbank again welcomed many new customers. And again, the Bank took first place as Danes' preferred bank.

"We are pleased and proud to continue to welcome so many new customers. In 2019, we rounded 300,000 customers. This demonstrates the incredible development Arbejdernes Landsbank has undergone in recent years. We have had a net influx of more than 116,000 customers over the past 10 years, and this is quite extraordinary. And clearly we're tremendously proud that we've also been able to maintain the sector's highest customer satisfaction, and that in January we were lauded as Danes' preferred bank for the eleventh consecutive year. This shows that our consistent focus on putting the customer, and personal and attentive advisory services above all else is highly appreciated by Danish bank customers," said Gert Jonassen.

### **Outlook for 2020**

The continuing negative interest environment is a considerable challenge for financial-sector earnings potentials. This puts a brake on expectations for results for 2020, particularly for a bank such as Arbejdernes Landsbank, which manages a very large deposits surplus. Therefore, the Bank expects to realise a profit before tax of around DKK 225-275 mill. Expectations are associated with uncertainty, linked in part to macro-economic developments and a possibility that these will suppress customers' propensity to invest and borrow.

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