

A young boy with short brown hair is shown in profile, eating a red apple. He is wearing a bright blue, textured jacket with a white and yellow graphic on the sleeve. The background is a lush green orchard with many red apples hanging from the trees. The lighting is bright and natural, suggesting a sunny day. A white rectangular box is overlaid on the top left of the image, containing the text 'Annual Report 2015'.

Annual Report 2015

General Meeting

of aktieselskabet Arbejdernes Landsbank, Monday 7 March 2016

Agenda

1. Election of the chair.
2. Review of the activities of the Bank for the past year.
3. Submission of the audited annual report and auditors' report, see Article 21(2) of the Articles of Association, and approval hereof.
4. Proposal on appropriation of the profit within the framework laid down in Article 22 of the Articles of Association or on coverage of the loss according to the approved annual report.
5. Processing of motions received.
6. Election of members to the Board of Directors.

Of the current members of the Board of Directors elected by the general meeting, the Board of Directors unanimously recommend that

Per Christensen
(Chairman)

Lars Andersen
Torben Møger Pedersen

Claus Jensen
(Vice Chairman)

Mette Kindberg

be re-elected by the General Meeting. Board members Harald Børsting, Arne Grevsen and Niels Sørensen have not put themselves forward for re-election, as they are resigning from the Board. It is proposed that Lizette Risgaard, Kim Lind Larsen and Ole Wehlast be elected as new members.

The Bank's 2015 annual report and the Bank's website www.al-bank.dk provide further information on the proposed candidates, their qualifications as well as information about management positions in other enterprises.

7. Election of auditors.



GERT R. JONASSEN
CEO

JAN W. ANDERSEN
Executive Bank Director

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Healthy growth in a market under pressure

With a profit before tax of DKK 330 mill., the Group has achieved a satisfactory result; primarily because of solid growth in core activities.

The encouraging trends in the Danish economy have rubbed off positively on Arbejdernes Landsbank. With a profit before tax of DKK 330 mill., the Bank has delivered a satisfactory result. Among other things, this is due to better than expected growth in core activities, as well as a continued solid net influx of around 7,000 new customers. Reclassification of Additional Tier 1 capital to equity means that interest paid on Additional Tier 1 capital also has an impact on equity, and this has improved the result for the year before tax by DKK 67 mill.

We have achieved a satisfactory impairment ratio level at 0.3%, and in the years to come we expect that impairment charges will stabilize at a level around 0.4-0.6%, due in part to the Bank's constant focus and close follow-up on weaker customer exposures.

At the end of the first half of 2015, we expected that the profit for the year before tax would be around the same as for 2014 at DKK 350-400 mill. The market is still being challenged by the effects of very low interest rates and pressure on margins, as well as fluctuations on the financial markets, which influenced investment portfolio earnings more negatively than expected, and are part of the reason for the lower than expected profit for the year.

We're ready to finance more homes

2015 was especially favoured by good trends in the housing area. The first half in particular saw extraordinarily low interest rates, which encouraged homeowners to record activity, with an avalanche of loan conversions.

We dedicate much of our resources to the housing area and being able to offer customers an exceptionally rapid service and case processing. For example, in 2015, and uniquely for a Danish bank, we launched our new "Boligklar" concept. The concept means that, whenever a meeting is called for in connection with a customer's home purchase, we will be ready to attend at one hour's notice, and we will reply to a financing enquiry within 24 hours.

Activity in the housing area led to net growth in lending of 10% for both residential property and cooperative housing. The number of housing transactions increased by 63% compared with 2014, and we increased our portfolio of mortgage credit for customers with residential property by more than DKK 32 bn. This was due in part to the record number of loan conversions, especially in the first half year, but also because of the large number of house transactions during the year. There was also continued high demand for the Bank's cooperative housing loans, especially in large towns and cities.

Danes' preferred bank for the seventh successive year!

The popularity of our long-term strategy to run responsible banking activities and maintain personal consultancy services in combination with new digital solutions was confirmed again in one of Denmark's most comprehensive bank surveys conducted by Voxmeter. For the seventh successive year, bank customers again chose us as "Danes' preferred bank" from among the 20 largest Danish banks. This makes us proud, and all of the Bank's employees deserve a big "thank you" for their exceptional performance.

However, the Bank's unique position in Denmark does not mean we can rest on our laurels. On the contrary. Competition in the market is becoming ever more fierce, and it is more important than ever that we continue to satisfy our customers. We expanded our branch network in 2015 with branches in Ringsted and Holbæk, and the nationwide network is now stronger than ever.

In parallel with our clear strategy for a strong local presence, in 2015 we targeted work at developing and investing in new digital services so that both our customers and the Bank can reap the rewards of the rapid developments in new technology. For example, we have been active partners in developing and launching the new Swipp App which enables users to transfer up to DKK 25,000 a day, easily, safely and quickly, using their mobile phones in

more than 14,000 outlets throughout Denmark. We have also played a major part in development of the new and innovative housing website www.bolighed.dk, which was visited by more than 800,000 Danes in 2015, with almost five million home viewings.

There is no doubt that in the years to come we will continue to make every effort to develop new digital services. Arbejdernes Landsbank will always be there: personally and digitally.

Developments in Group operating profit

- Core earnings totalled DKK 1,884 mill.; a satisfactory increase of 7.3% compared with 2014.
- Net interest income rose by DKK 70 mill. to DKK 1,241 mill.
- Impairments on loans etc. amounted to DKK 103 mill. against DKK 230 mill. in 2014. The impairment ratio for the year on total loans and guarantees calculated before impairment charges was 0.3%, and this is considered satisfactory.
- Investment portfolio earnings, excluding investment securities, amounted to DKK -151 mill. against DKK 3 mill. in 2014. This result reflects a securities market in which negative interest rates and hedging interest-rate risk put pressure on the very large investment portfolio.
- In 2015 the Bank paid DKK 46 mill. to the Guarantee Fund for Depositors and Investors and DKK 2 mill. to the *Afviklingsformuen* under the Financial Stability Company.
- The capital ratio fell to 13.4% compared with 15.6% in 2014 because equity investments in insurance companies have to be deducted from own funds in full from 2015, see the Capital Requirements Regulation. The Common Equity Tier 1 capital ratio of 12.8% shows that the Bank only has moderate holdings of subordinated debt as part of its own funds.
- Solvency need amounted to 9.5% against 9.4% in 2014.
- Like a number of other credit institutions, the Group has changed its equity, as the issued Additional Tier 1 capital of DKK 829 mill. has now been reclassified as an equity item.

Outlook for 2016

We are convinced that, with its visible values base and clear strategy, as well as the widespread confidence and support in the Bank from Danes, Arbejdernes Landsbank will continue to have its prominent position in the Danish banking market. This will contribute to attracting and retaining customers, and it will secure customers advice and services that fully match their requirements.

In 2016 we expect to achieve a profit before tax of around DKK 400 mill. A dividend of 10%, corresponding to DKK 30 mill. has been recommended to the General Meeting.

On behalf of the Board of Directors and the Executive Management, I would like to say thank you to the Bank's shareholders, the Advisory Board of Representatives, local councils and customers for good and constructive collaboration in 2015. I would also like to extend a special thank you to the Group employees for their hard work in a productive year. We can all be proud of this and use it as a solid foundation for positive and sustainable growth in 2016 and beyond.

Per Christensen

Chairman of the Board of Directors



PER CHRISTENSEN

*Chairman of the Board
of Directors*

A/S Arbejdernes Landsbank - Group

Financial and operating data

	2015 DKK ,000	2014 DKK ,000	2013 DKK ,000	2012 DKK ,000	2011 DKK ,000
Income statement according to the core earnings model					
Net interest income	1,241,183	1,170,728	1,174,921	1,125,548	1,076,055
Net fee and commission income etc.	497,745	454,773	410,378	355,347	329,848
Core earnings, excl. trading income	1,738,928	1,625,501	1,585,299	1,480,895	1,405,903
Trading income	144,897	130,473	102,805	95,700	87,436
Total core earnings	1,883,825	1,755,974	1,688,104	1,576,595	1,493,339
Staff costs	-718,383	-725,796	-699,863	-673,004	-631,096
Administrative expenses and depreciation/amortisation	-576,708	-568,510	-570,894	-503,449	-505,792
Core profit before impairment charges	588,734	461,668	417,347	400,142	356,451
Impairments on loans etc.	-102,900	-230,351	-235,493	-277,193	-209,896
Core profit	485,834	231,317	181,854	122,949	146,555
Investment portfolio earnings, excl. investment securities	-151,300	3,360	289,822	378,919	-195,251
Investment securities	43,406	142,870	86,940	84,022	87,876
Profit before sector solutions	377,940	377,547	558,616	585,890	39,180
Contributions to sector solutions	-48,114	-44,602	-41,603	-26,015	-34,756
Profit before tax	329,826	332,945	517,013	559,875	4,424
Tax	-45,459	-37,967	-93,651	-103,274	33,647
Profit	284,367	294,978	423,362	456,601	38,071
Other financial and operating data					
Net interest and fee income	1,822,474	1,667,257	1,580,141	1,496,559	1,439,446
Value adjustments	-240,542	25,135	278,719	344,709	-226,729
Staff and administrative expenses	-1,195,059	-1,177,574	-1,152,574	-1,093,067	-1,074,817
Profit from equity investments in associates and group companies	102,421	115,396	112,645	128,035	110,755
Loans and other receivables at amortised cost	19,768,336	18,330,380	18,148,528	17,751,986	17,001,600
Bonds at fair value	15,401,974	14,566,631	12,748,674	13,843,097	13,034,557
Deposits incl. pools	32,313,977	29,640,734	28,145,612	24,106,931	22,943,120
Issued bonds at amortised cost	250,000	262,158	262,158	3,090,796	3,631,912
Equity	5,279,627	5,049,098	3,929,360	3,607,213	3,157,260
Total assets	42,070,389	40,123,218	37,648,464	36,839,247	34,633,710
Total contingent liabilities	5,051,038	4,370,452	3,226,520	3,130,635	4,076,221

A/S Arbejdernes Landsbank - Group Ratios and key figures

		2015	2014	2013	2012	2011
Ratios and key figures						
Solvency						
Capital ratio	%	13.4	15.6	14.9	14.6	13.5
Tier 1 capital ratio	%	13.4	15.6	14.0	13.6	12.4
Earnings						
Return on equity before tax	%	6.4	7.4	13.7	16.6	0.1
Return on equity after tax	%	5.5	6.6	11.2	13.5	1.2
Ratio of operating income to operating expenses per DKK	DKK	1.23	1.21	1.33	1.37	1.00
Earnings per share (DKK 1,000)	DKK	947.9	983.3	1,411.2	1,522.0	126.9
Return on capital employed	%	0.7	0.8	1.1	1.3	0.1
Market risk						
Interest-rate risk	%	-1.0	-1.0	-1.8	-1.0	0.3
Currency position	%	1.6	3.0	4.4	3.3	7.0
Currency risk	%	0.0	0.1	0.1	0.0	0.2
Liquidity						
Loans plus impairments in relation to deposits	%	65.5	66.5	69.0	78.1	77.9
Excess liquidity in relation to statutory requirements for liquidity *)	%	199.4	229.9	261.2	261.2	242.4
Credit						
Sum of large exposures **)	%	10.6	20.8	46.4	35.4	53.7
Impairment ratio for the year	%	0.3	1.0	1.1	1.3	1.1
Growth in loans for the year	%	8.1	1.0	2.3	3.6	0.4
Loans in relation to equity		3.7	3.6	4.6	4.9	5.4
Equity						
Net asset value	DKK	1,476.9	1,400.0	1,309.8	1,202.4	1,052.4
Proposed dividend per DKK 1,000 nominal share value	DKK	100	150	200	350	80
Employees						
Average number of employees during the financial year converted to full-time employees		1,075	1,082	1,076	1,061	1,053

*) The definition of excess liquidity in relation to statutory requirements for liquidity was changed in 2013. Excess liquidity is calculated according to the highest value of the 10%-15% requirement. The key ratio for 2013-2015 is calculated according to the 15% requirement; the other years are calculated according to the 10% requirement.

***) The definition of large exposures changed in 2014. Comparative figures for 2011-2013 have not been adjusted.



Management's review

2015 for Arbejdernes Landsbank Group

In 2015, the Group earned a profit before tax of DKK 330 mill. This does not fully meet our expectations as stated in the 2014 annual report and in the 2015 interim report, both indicating a level of DKK 350-400 mill. before tax. Due to reclassification of Additional Tier 1 capital to equity, the associated interest rates and the resulting tax effect are no longer part of the operating profit, which, seen in isolation, has improved the results before tax by DKK 67 mill. This reclassification was not included in the underlying budgetary assumptions. Therefore, the budget should be compared with an adjusted result of DKK 263 mill. The budget variance is attributable to an unsatisfactory return on the Bank's trading portfolio, whereas core earnings before impairment charges are in accordance with budget.

At DKK 1,884 mill., core earnings increased significantly compared with 2014, whereas the total level of costs remained stable. Core profit before impairment charges also increased considerably by 27.5% to DKK 589 mill. and this indicates that customer-oriented business is healthy. 2015 was hectic, with many conversions of mortgage-credit loans, which explains much of the impressive growth. Impairment charges account for DKK 103 mill. against DKK 230 mill. in 2014, and this is a good sign that the financial situation has improved.

Investment portfolio earnings, which also include the Bank's investment securities, amounted to DKK -108 mill. against DKK 146 mill. in 2014. In 2015 the financial markets developed as the Bank anticipated. The profit after tax of DKK 284 mill. and the return on equity of 5.5% is considered satisfactory in light of a troubled financial market and the continuously low level of interest rates, which is not favourable for a bank with a large deposits surplus, such as Arbejdernes Landsbank.

There was again a noteworthy influx of customers in 2015. The net influx was approximately 7,000 customers, which is the same as in 2014. In addition to growth in market share, this influx adds new business to the Group. Bank lending now show signs of growth, and net growth of 7.8% is satisfactory considering that many customers are still focusing on repaying their debt quickly. Bank deposits and pools continued their impressive growth of previous years and ended at 9.0% in 2015 against 5.3% in 2014.

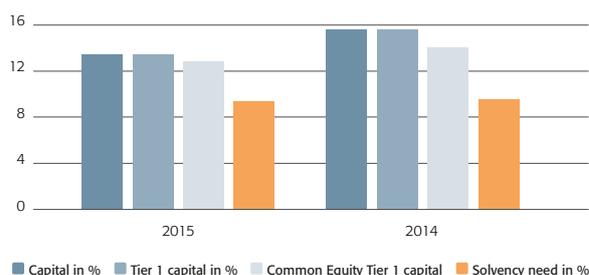
Distribution of profit

The Board has recommended to the General Meeting a dividend of 10%, corresponding to DKK 30 mill.

Solvency

The capital ratio amounted to 13.4%, against 15.6% in 2014. The Tier 1 capital ratio amounted to 13.4% against 15.6% in 2014. The Common Equity Tier 1 capital ratio of 12.8% shows that the Bank only has moderate holdings of Additional Tier 1 capital as part of its own funds. Solvency need amounted to 9.5% against 9.4% in 2014.

Solvency



Outlook for 2016

Global and Danish economic growth is set to continue to grow in 2016, led by the US at about 2.5%, while in comparison Denmark expects GDP growth of 1.8%. Danish competitiveness has improved as a result of several years with low pay increases. Housing prices have stabilised and are favoured by the very low interest rates. This gives rise to optimism and confidence in increases in private consumption, giving the Group opportunities to realise further its growth potential. Naturally there is a risk that this growth will be impaired and that a very high level of debt for several households will flatten out the growth curve. Prospects for growth in the financial markets are more blurred. It is likely that the ECB will maintain its current monetary policy, while there will be a trend towards slightly increasing interest rates, again led by the US. Stock markets will have a challenging year, primarily because of the expected increases in interest rates.

Our own activities aim at customer growth and business growth on a sustainable foundation with focus on increasing core earnings. The competitive situation will continue to put pressure on the interest-rate differential. Intelligent costs management including investment in digitisation and controlled growth will characterise 2016. Impairments on loans and guarantees are expected to remain at the 2015 level, and the focus in recent years on hedging and containing weak exposures will reduce the need for further impairment. Investment portfolio earnings will depend on developments in the financial

markets, and we anticipate weaker, but positive, results in this area. Group expectations for 2016, expressed as profit before tax, are around DKK 400 mill., corresponding to a return on equity before tax of around 8%.

Income statement

On the basis of the core earnings model on page 6 of the annual report, developments in operating profit for 2015 at Group level can be described as follows:

Core earnings

Core earnings totalled DKK 1,884 mill., which is a very satisfactory increase of 7.3% compared with 2014. Net interest income increased by DKK 70 mill. to DKK 1,241 mill. The reclassification of Additional Tier 1 capital to equity means that only DKK 41 mill. of this figure is attributable to growth in the number of customers and the business scope. Net fee and commission income increased by DKK 43 mill. to DKK 498 mill. and we are pleased with the increasing demand for lending. Low interest rates have led to high activity, triggered by customers converting their mortgage-credit loans. Trading income increased by 11.1% to DKK 145 mill., primarily as a result of increasing trading activity in connection with converting loans for our customers.

Staff and administrative expenses etc.

Staff costs amounted to DKK 718 mill. against DKK 726 mill. in 2014. The 2014 figure was affected by an item totalling DKK 13 mill. relating to changes in the method of calculating payroll tax in 2012-2013.

The number of employees calculated as the average number of full-time employees fell to 1,075 in 2015 compared with 1,082 in 2014.

Administrative expenses of DKK 577 mill. show a modest growth of 1.4%, primarily attributable to increasing IT development costs, although the results of digitisation are becoming increasingly visible. Like the rest of the sector, the Group cannot reclaim VAT on a number of costs, and this in itself contributes to the high level of costs.

Impairments on loans etc.

Impairments on loans etc. amounted to DKK 103 mill. against DKK 230 mill. in 2014. Impairments on loans and guarantees correspond to 0.3% p.a. of total loans and guarantees before impairment, and this is considered satisfactory. The goal for the years to come is to quality-assure the basis for credit risk assessment and focus on

collateral. The prospect of a more stable property market, including rural areas, combined with continued low interest rates, will contribute to normalised impairment charges of around 0.4-0.6%.

Investment portfolio earnings

Investment portfolio earnings, excluding investment securities, amounted to DKK -151 mill. against DKK 3 mill. in 2014. This result reflects securities markets in which negative interest rates and hedging interest-rate risk have put pressure on returns from the very large securities holding. The profit from investment securities amounted to DKK 43 mill., compared with DKK 143 mill. in 2014. This result was affected by increases in funding costs as a result of a greater capital burden for financial shares. In addition, in 2014 the Bank sold its holding in Nets Holding, and this alone resulted in a return of DKK 42 mill.

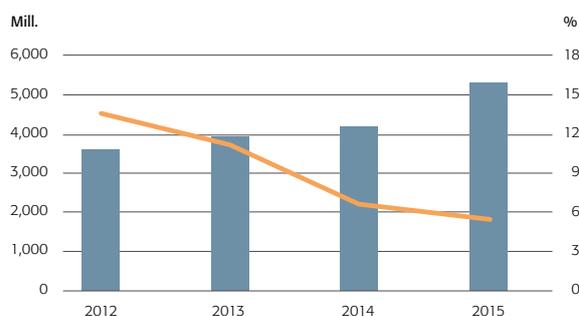
Contributions to sector solutions

The contributions paid by the Bank to the Guarantee Fund for Depositors and Investors are expected to cease at the end of 2015. The financial sector is to build up a new fund (Afviklingsformue) under the Financial Stability Company. It is expected that this will have to total about DKK 7 bn. by the end of 2024. The annual contribution from the Bank is expected to amount to DKK 3-4 mill., although the final contribution allocations have yet to be set. In 2015, the Bank paid DKK 46 mill. to the Guarantee Fund for Depositors and Investors and DKK 2 mill. to the fund (Afviklingsformuen) under the Financial Stability Company.

Profit for the year

The Group profit before tax was DKK 330 mill. against DKK 333 mill. in 2014. Profit for the year after tax was DKK 284 mill. against DKK 295 mill. in 2014. Return on equity was 6.4% before tax and 5.5% after tax.

Equity and ROE



Balance sheet

At the end of December 2015, total assets amounted to DKK 42.1 bn., and this is an increase of DKK 2.0 bn. compared with December 2014.

Deposits

Total deposits, including savings in pooled schemes, amounted to DKK 32.3 bn., and this is an increase of DKK 2.7 bn. compared with December 2014. The increase is attributable to both private customers, with DKK 1.4 bn. and business customers etc. with DKK 0.8 bn., who all continue to show confidence in the Bank. Savings in pensions pools increased by DKK 0.5 bn. and now amount to DKK 1.6 bn.

Lending

Group loans amounted to DKK 19.8 bn. at the end of 2015, which is an increase of DKK 1.5 bn. compared with the end of 2014. Continued customer growth and the consequential growth in business have contributed to this improvement, but the prospect of greater economic stability also means that our customers are more willing to borrow.

Securities portfolio

The Group securities portfolio amounted to DKK 17.3 bn. in the form of bonds, shares and investment certificates, etc. The majority of the portfolio, DKK 15.4 bn., is placed on the bonds market, and DKK 13.6 are investment grade (Standard & Poor's rating BBB or better).

The Bank also has a significant holding of equity investments of DKK 1.6 bn.; dominated by holdings in Alka Forsikring and LR Realkredit.

Liquidity

The Bank has good liquidity, and excess liquidity in relation to the statutory requirement of 15% is 199.4%. The Bank's own objective is always to be at least 100% above the statutory requirement. The current level shows excess liquidity of DKK 2.5 bn. in relation to the statutory requirement and excess cover of DKK 0.5 bn. in relation to the Bank's own objective.

At European level, new regulations have been introduced for liquidity management, and these will be implemented over the next few years. The new regulations include a liquidity coverage ratio (LCR) for credit institutions to be phased in up to 2018. At the end of 2015, the key ratio

must be at least 60%. On 1 January 2016 and 1 January 2017, this key ratio will rise by 10 percentage points and on 1 January 2018 by 20 percentage points to reach the final 100%. At the end of December 2015, Arbejdernes Landsbank had a key ratio of 152.3% and therefore clearly meets this liquidity target. New regulations on the Net Stable Funding Ratio (NSFR) are being implemented. The reporting date for the first official report has not yet been set, but it is likely to be in 2018.

The Bank's loan portfolio is more than fully financed by deposits and equity. Therefore, the Bank is independent of the short-term money markets and has no financing needs in the coming year to meet the minimum requirement of always being able to maintain operations for up to 12 months without access to financial markets. On the basis of our liquidity forecast, the Bank expects to have sufficiently high cash resources throughout 2016.

Capital situation

Equity

The Bank has reclassified its issued Additional Tier 1 capital to equity following an interpretation of the underlying provisions for such core capital instruments and instructions from the Danish FSA. This means that the Additional Tier 1 capital issued by the Bank, and the associated interest element, is now part of equity. The adjustment is with effect from the date in 2014 on which the conditions were met. The reclassification is therefore also included in equity brought forward at the start of 2015.

Equity amounted to DKK 5,280 mill. at the end of 2015; an increase of DKK 231 mill. since the end of 2014. In addition to the profit for the year of DKK 284 mill., an increase in revaluation reserves on properties of DKK 43 mill., a dividend distribution of DKK 45 mill. in March 2015, interest in Additional Tier 1 capital of DKK 67 mill., as well as tax on this of DKK -16 mill.

Own funds

Reclassification of Additional Tier 1 capital to equity has not affected the Group own funds, which as at 31 December 2015 amounted to DKK 4,143 mill. and the Tier 1 capital after deductions also amounted to DKK 4,143 mill. Common Equity Tier 1 capital amounted to DKK 3,969 mill.

New legislation

The new capital adequacy rules, CRD IV/CRR entered into force in 2014. The CRR contains a large number of provisions to target and tighten the previous capital adequacy regulations. The overall objective of the CRR is to enhance the capital situation of European credit institutions. The requirements include a large number of transitional schemes running right up to 2022, with stricter requirements for capital and the capital composition.

The Bank has considered the stricter requirements in our projection models in order to be ready for any needs for capital. Further to Basel III, work by the BIS (Bank for International Settlements) is underway to secure further improvements in the capital situation of institutions.

The Bank is aware of the following initiatives which could/will affect the years to come:

The IASB (International Accounting Standards Board) has issued the final version of IFRS 9 (International Financial Reporting Standards), which introduces a more forward-looking measurement of impairment on financial assets based on expected losses over the expected useful life of the asset in contrast to the current approach which is based on ascertained losses. The sector expects that the transition to the new regulations will lead to further adjustments, but as yet it is too early to disclose how much these will amount to. IFRS 9 will apply from 1 January 2018, provided it is approved by the EU.

The MREL (Minimum Requirement for own funds and Eligible Liabilities) and the TLAC (Total Loss Absorbency Capacity) are both concepts to ensure that banks in crisis can be wound up without losses for tax payers. Both concepts mean that a bank has to have adequate liabilities that can be converted to share capital in the event of a situation in which the bank cannot survive without a new injection of capital. Therefore, senior lenders will have their loans converted into new shares in the credit institution in a so-called "bail-in" situation. This may involve changes in the Bank's capital and funding structure, depending on how the new requirements are finally designed and worded. Several proposals have been submitted for consultation regarding new methods of calculating market risk, but as yet it is too early to say anything about what proposals will be adopted and what consequences these will have for the Bank.

The BIS has submitted for consultation the first draft of a new standard method to calculate credit risk. The Bank applies the standard method, but it is still too early to say anything about how much this will increase the Group capital need.

The LCR (Liquidity Coverage Ratio) is a new minimum requirement for the ratio between short-term assets and liabilities to ensure adequate liquidity. It was initiated from 1 October 2015.

The NSFR (Net Stable Funding Ratio) is a new key ratio to ensure that credit institutions comply with certain minimum requirements in connection with procuring their long-term debt.

Relaxing credit on non-performing loans

Credit on an exposure is relaxed if the loan contract is fully or partly refinanced, or if there are changes in credit terms which would not have been made if the debtor had not been in financial difficulties. Examples of relaxations in Group credit terms are zero interest or lower interest, extension of deadline for repayments, or interest rates and repayment profiles which are not usually offered to customers with a similar risk profile. Credit relaxation must be in accordance with the Group credit policy. The Group relaxes credit terms in periods of economic downturn in order to safeguard customers where there is a realistic possibility that customers will again be able to meet their obligations.

Non-performing loans (NPL) are defined as loans with arrears of more than 90 days, or if it is assessed that the debtor is unlikely to be able to meet fully his repayment obligations without realising collateral. In addition, there are a number of other criteria for when an exposure subject to relaxed credit terms is to be classified as an NPL.

Group lending with relaxed credit terms and NPL amounted to DKK 1,144 mill. and DKK 2,093 mill. respectively at the end of 2015.

The Bank monitors closely work on changes in legislation, and we take action in areas we consider to have special significance for the Bank. This means that, early on in the process, we can consider the need to adjust our liquidity, funding and capital to meet future requirements.

Solvency

The Group capital ratio was 13.4%, of which the Tier 1 capital ratio was 13.4%. At the end of 2014, the capital ratio amounted to 15.6%, of which the Tier 1 capital ratio was 15.6%. The change of 2.2 percentage points is primarily attributable to the phased-in regulations in the CRR regarding deductions in capital for shares in insurance companies, including Alka. An assessment of the consequences of the phase-in of the regulations, especially with regard to tighter quality requirements for capital, can be illustrated by placing the Bank's current capital and risk-weighted assets in the setup which will apply in 2016 and 2019, when the CRR Regulation has been fully phased in.

	2015	2016	2019
Common Equity Tier 1 capital ratio (CET1 in %)	12.8	12.2	10.8
Tier 1 capital ratio	13.4	13.4	13.3
Capital ratio	13.4	13.4	13.3

Total risk exposures amounted to DKK 30.9 bn. at the end of 2015, corresponding to an increase of 7.0% compared with the end of 2014. See note 5 for more details on risk-weighted items. The Bank's projections for 2020 under various macro-economic scenarios, in combination with capital preservation and solvency improvement plans, confirm that the Bank has the required financial strength to comfortably meet our own solvency objectives.

Solvency

End December	Group	
	2015	2014
	In %	In %
Credit risk	6.4	6.4
Market risk	2.2	2.0
Operational risk	0.9	1.0
Other risks	0.0	0.0
Total solvency need	9.5	9.4

The solvency need expresses the capital which the Group itself finds necessary in relation to our risk exposure. This

is based on the Danish FSA's 8+ model, according to which a bank may not have a solvency need of less than 8%. The difference between the solvency need and the lower limit of 8% thus expresses the additional capital which we must hold in relation to our risk exposure. The solvency need is identical at Group and Bank level, as the Bank provides 100% funding to its subsidiaries.

Business model

General

At Arbejdernes Landsbank, we have built our business on sound values such as accountability, attentiveness and a straightforward approach: for our 260,000 customers, for our 1,100 employees, and for all the initiatives we launch. We offer relevant and competitive financial products and services combined with competent consultancy for private individuals, associations and small and medium-sized businesses. The Bank realises solid business results and today it stands strong, ready to secure future sustainable growth.

Business foundation

Arbejdernes Landsbank wants to create value for Danish families, small and medium-sized enterprises, and the trade-union movement by delivering highly professional and ethical financial services.

The goal for Arbejdernes Landsbank is to:

- Be an independent national bank with a full financial service concept aimed at private, corporate and association customers.
- Have decision-makers close to the customers, and efficient work processes, to ensure fast and competent business management.
- Have a social responsibility policy (CSR policy) which is an integral part of activities.

With its profile as a service-oriented and technologically innovative bank, with a nationwide network of 71 branches and priority on personal consulting services, the Bank aims to support customers throughout their lives. New customers will experience the same, and we want our customers to recommend us to their acquaintances. We want to ensure that our advisory services always create value for our customers, and that our level of service is one of the highest in Denmark. On this values foundation, we operate a sound bank with solid finances and with profound respect for our customers' time and money.

The Bank advises and services private customers, associations and organisations, as well as small and medium-sized businesses with a healthy financial base. With regard to lending, the Bank primarily aims at full-scale customers. The Bank's focus for private customers is to lend to financially strong and stable private customers, including a natural procedure to secure our receivables where possible. The target group for corporate business is primarily owner-managed small and medium-sized enterprises within retail trade, the service sector, building and construction, industry, and other trading and manufacturing activities. Credit and loans for Bank customers are granted within the framework of the Bank's agreed credit policy.

The Bank's business model is based on being financed by deposits. In other words customer lending is to be primarily financed by customer deposits so that the Bank is independent of external funding as much as possible. The Bank has always had a large deposits surplus and as a result it is active on the financial markets to place funds in securities optimally. The Bank aims at conducting professional management of returns and risks on the Bank's securities and holdings, with returns at least at the same level as recognised benchmarks. As a result, the Bank has built up solid knowledge and experience which also benefits a number of smaller banks when they use us as their custodian bank.

The Bank's earnings are generated through servicing our customers' banking transactions and the primary source is the interest-rate differential on deposits and lending, as well as a number of fees based on activities, e.g. assets management, lending and processing mortgage-credit loans. Proactive focus on sustainable growth and awareness of the competition help raise the volume of business and are the foundation for continuous improvements in earnings.

The Bank aims at profitable earnings based on product pricing which reflects the risks and the capital commitments accepted by the Bank as well as an overall assessment of the scope of business with customers and counterparties.

The costs structure of the Bank also reflects this situation, in which human resources make up the largest proportion of costs. To some extent we accept this as an element in the strategy we have chosen, although we are constantly undergoing a streamlining process to move resources towards customer-oriented activities. Similarly, the Bank has decided to apply many resources to involve itself in technological advances that ensure customers optimal

means of communication with the Bank and the many services offered by the Bank.

Other cooperation

Arbejdernes Landsbank has various cooperation partners and the Bank is co-owner of enterprises offering products and services such as mortgage credit, investment products, money transmission services and insurance. For information about our cooperation partners, visit the Bank's website: Cooperation partners – Arbejdernes Landsbank. These partners secure our customers access to a wide and flexible portfolio of products. The Bank's subsidiary, AL Finans, supplements bank products with leasing, factoring and car loans.

The Bank receives agency and guarantee commissions for arranging certain products and investment services, but our customers are always able to choose other solutions or providers.

Organisation

Arbejdernes Landsbank has centrally located competency areas which work across the Group. This helps secure a flat organisational structure with rapid decision processes and direct interplay between the customer, the advisor and the central specialist units. Staffing at the Bank's branches is adjusted to the customer base of the individual branch. Central specialist functions develop and coordinate the Bank's overall work within consultancy for pensions, property and investment. The specialist functions act as knowledge bases and sparring partners for advisors and customers alike. An important part of these functions is to develop the knowledge and skills of the customer advisors within pensions, property and investment.

The Bank has a number of staff departments which support the customer-oriented departments and which regularly follow up on risk, for example, and deal with reporting to management and relevant authorities. The purpose of the Bank's compliance function is to check whether Arbejdernes Landsbank meets its obligations as a securities dealer, and to ensure that relevant legislation is implemented in the Group's systems and complied with by the Bank's staff. The function also checks and assesses whether the methods, procedures and measures adopted to remedy any shortcomings are effective. The compliance function is independent from the rest of the organisation and is located in the Legal Department.

Technology

The technological platform is to all intents and purposes based on services supplied by BEC (Bankernes EDB Central), of which the Bank is part owner. It is vital that IT solutions lead to administrative improvements, simplification and more efficiency, as well as increased levels of self service. However, it is also important that IT solutions open opportunities for new business activity. Digitisation and IT security are current focus areas and the Bank is constantly working to ensure that all systems, data and operational security are fully up to date. The overall IT strategy is that, with efficient and secure data processing, the Bank can meet its business targets and at the same time function as a professional and credible bank, cooperation partner and workplace.

Employees

Arbejdernes Landsbank aims at providing a healthy, safe and inspirational working environment for all employees. We see no incompatibility between achieving ambitious goals and being challenged professionally, while at the same time having a sustainable balance between home life and work life. Average seniority in the branch network of 15 years bears witness to solid experience and insight which helps instil a sense of confidence and security and helps maintain the close relationship with our customers. In order to ensure that we maintain this balance as much as possible, among other things we conduct regular well-being and management surveys of all employees. The surveys show that job satisfaction and employee motivation are very high at Arbejdernes Landsbank.

In a sector experiencing ever increasing formal requirements for employees, we target systematic competence development, and we regularly document employees' competences through statutory certification etc. Furthermore, all employees have a personal-development plan and a number of personal goals to support the personal behaviour and professionalism that together contribute to the Bank's strategic goals. Our employees are also covered by a bonus programme regulated by the collective agreement, which underpins the Arbejdernes Landsbank strategy and contributes to achievement of the overall goals.

Capital structure

Arbejdernes Landsbank is an unlisted limited company with a share capital of DKK 300 mill. After consultation with the Board of Representatives, the Board of Directors has been authorised until 12 March 2017 to increase the share capital in one or several steps by up to DKK 500 mill. The share capital is composed of 300,000 shares of DKK 1,000 each. There are 300,000 votes, meaning that each share carries one vote. The Bank's articles of association contain provisions on the transferability of shares, which must be through the Board of Directors and only at nominal value, and which organisations and persons who can be shareholders:

- 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.

At the end of 2015, Arbejdernes Landsbank had more than 23,400 shareholders. Invitations to the General Meeting are announced in the press and sent to all the Bank's shareholders.

Although the issued Additional Tier 1 capital instruments have been reclassified to equity, the General Meeting has not linked any voting rights to owners of these Additional Tier 1 capital instruments.

Dividend policy

The Bank's shares are valued at par, and shareholders can only earn returns on their investment through distribution of dividends. Therefore, the Bank aims at pursuing a dividend policy which is based on profit for the year, but which does not disregard the need for consolidation. The decision on the dividend for a specific year emphasises known aspects with focus on consolidation, but it also takes into account how the economic cycle or other specific matters have influenced the result positively or negatively. The Board has recommended to the General Meeting a dividend of 10%, corresponding to DKK 30 mill. for 2015.

Corporate governance and statutory report on corporate governance

The statutory report on corporate governance covers the accounting period 1 January – 31 December 2015. The Board of Directors and the Executive Management of the Bank are constantly seeking to ensure that the management structure and control systems are appropriate and operate satisfactorily. The management makes regular assessments, at least once a year, that this is the case.

The basis for the organisation of management tasks includes the Danish Financial Business Act, the Danish Securities Trading etc. Act, the regulations and recommendations for issuers from the OMX Nordic Exchange Copenhagen, the Global Exchange Markets Listing and Admission to Trading Rules, the management codex of the Danish Bankers' Association, the Bank's articles of association, as well as good practice for financial undertakings. A number of internal procedures have been developed and are maintained on this basis to ensure active, secure and profitable management of activities.

Recommendations on corporate governance

The recommendations on corporate governance, most recently updated in November 2014, are available on the website of the Committee on Corporate Governance: www.corporategovernance.dk. The recommendations deal with the interaction and communication between shareholders, other stakeholders and the company, the tasks and responsibilities of the board of directors, the composition and organisation of the board of directors, remuneration of management, financial reporting, risk management, as well as audit.

The Bank generally follows the principles laid down in the recommendations on corporate governance. The table summarising compliance by the Bank with the recommendations on good corporate governance is available from the Bank's website at www.al-bank.dk.

Policy on the under-represented gender in management positions

In 2013, the Bank's Board of Directors adopted a policy on the under-represented gender in order to promote equal

opportunities between genders in management positions. The policy sets the following general goals:

- to create appropriate distribution between men and women in the Bank's management,
- to follow up on developments in the gender composition of management,
- to provide opportunity to assess and adjust goals and means, and
- to ensure progress and results.

Specifically the objective is:

- to increase the percentage of the under-represented gender with a view to meeting the 40/60 ratio of genders laid down in legislation by 2017,
- to ensure that the Bank's employees know that they have equal opportunities to make a career and fill management positions.

The gender distribution in management positions in the Bank has not changed significantly since the policy was adopted on 27 March 2013. At the end of 2015, the distribution was 28/72. Recruitment and promotion take place as laid down by the policy, according to which the best candidate must be hired for the job. If there are two final candidates with similar professional and personal qualifications, the candidate from the under-represented gender will be chosen.

To increase the share of the under-represented gender, through career interviews and management development courses, the Bank has focused extensively on developing future and current managers.

According to the articles of association, the composition of the Board of Directors can comprise up to 12 members, of whom, each year, up to eight members are elected by the General Meeting, and four are elected by employees pursuant to the relevant regulations in the Danish Companies Act. Employee representatives are elected for a period of four years. Re-election is permitted. There are more details about the individual members of the Board of Directors on pages 19-22 of the annual report. In order to stand for election to the Board of Directors, a candidate must meet the requirements stipulated in the current regulations and codex for members of the board of directors of a financial undertaking, including the Bank's requirements in this respect. When a person is recommended for election to the Board of Directors, there is an assessment of the knowledge and professional experience needed in order to ensure that the Board has the necessary competencies. The Board of Directors also works to achieve a composition of members who

supplement each other in the best possible way with regard to age, background, gender etc. in order to secure a competent and all-round contribution to Board work for the Bank.

There is no age limit for Board members. The members of the Board of Directors represent broad knowledge and experience from the business community. The Board aims to ensure continuity and to secure a composition which reflects the competencies and professional experience required, while taking into account the complexity of the Bank's activities. None of the members of the Board of Directors participate in the day-to-day management of the Bank. The members elected by employees have the same rights and responsibilities as the members elected by the General Meeting. Apart from the members elected by the employees, members of the Board of Directors are considered to be independent.

Work of the Board of Directors

The Board of Directors ensures that the Executive Management observes the objectives, strategies and procedures adopted by the Board of Directors. Reporting from the Executive Management is made systematically at meetings and in regular written and verbal reports. This reporting includes developments in society around the Bank, its own development and profitability as well as the financial position.

The general guidelines for the work of the Board of Directors have been laid down in rules of procedure, which are reviewed at least once a year and adjusted as required. The rules of procedure contain procedures for reporting by the Executive Management, the work methods of the Board of Directors, as well as a description of the tasks and responsibilities of the chairman of the Board of Directors. The Board of Directors meets according to a pre-arranged plan and also whenever necessary. The Board of Directors held 12 meetings in 2015.

Each member of the Board of Directors is evaluated annually to assess the need for competency development in the individual member of the Board of Directors and the Board of Directors as a whole.

Nomination and Remuneration Committee

Legislation stipulates that a nomination committee and a remuneration committee must be set up by the Group. The Board of Directors has chosen to combine the two committees. The Nomination and Remuneration Committee is composed of three members of the Board of Directors. The Chairman of the Board of Directors is the chairman of the Committee. When working on and

processing themes about remuneration, including the Bank's pay policy and other decisions relative to this, a representative elected by the employees participates. The Nomination and Remuneration Committee works according to a plan set out by the Board of Directors. The tasks of the Committee include:

- Drawing up recommendations in connection with new election and re-election of members for the Bank's Board of Directors as well as appointment of the Bank's Executive Management.
- Assessing the size, structure, composition and results of the Board of Directors in relation to the tasks carried out, and reporting and making recommendations for any changes in this respect for the whole Board of Directors, regularly and at least once a year.
- Evaluation of the entire Board of Directors in relation to whether the Board of Directors has the required combination of knowledge, professional competences, diversity and experience, and whether the individual member is meeting the requirements laid down by the Financial Business Act. Reporting is carried out regularly and at least once a year to the entire Board of Directors, including recommendations on changes.
- Evaluation of the Bank's Executive Management and making recommendations for the Board of Directors in this respect, regularly and at least once a year.
- Annual assessment of the pay policy, including guidelines for severance pay in relation to the Board of Directors, the Executive Management and other senior employees and significant risk-takers.
- Annual identification of employees whose activities significantly influence the risk profile of the Bank.
- Annual checks of compliance with the pay policy.
- Assessment of performance-based remuneration and emoluments schemes for the Group in order to allow for value creation for the shareholders of the Group, as well as sound and effective risk management.
- Setting the remuneration of the Executive Management in accordance with the Group's pay policy, as well as controlling the remuneration of the management of the part of the organisation that checks compliance with the limits for risk assumption and management of the part of the organisation that otherwise performs control and audits.

Audit and Risk Committee

According to legislation, the Group must have an audit committee and a risk committee, and the Board of Directors has passed a resolution to combine the two committees. The Audit and Risk Committee is composed of four members and is chaired by Lars Andersen, Managing

Director. The Audit and Risk Committee works according to a plan drawn up by the Board of Directors. The tasks of the Committee include:

- Monitoring the financial reporting process
- Assessing whether the company's internal control system, and its internal audit, risk and security systems are working effectively.
- Monitoring the statutory audit of the annual financial statements etc.
- Monitoring and checking the independence, objectivity and competence of the auditor.
- Assessing other matters, if so requested by the Board of Directors.
- Providing the Board of Directors with information on the overall current and future risk profile and strategy of the Bank.
- Assisting the Board of Directors in checking correct implementation of the Board's risk strategy in the organisation.
- Assessing whether the financial products and services of the Group are in compliance with the business model and risk profile of the Group.
- Assessing whether the incentives in the pay structure of the Group take into account the risks, capital and liquidity of the Group, as well as the probability and timing of profits.

The Committee held five meetings in 2015.

The audit reports have been reviewed and the accounting policies applied by the Bank have been examined. Among other things, the Committee has discussed a new model for rating customers with Bank exposures, a new system for operational risk, the new LCR liquidity requirements, and the Bank's vision, security assessment and recovery plan in relation to the Executive Order on this area.

Whistleblowing

To prevent important information from being withheld, the Arbejdernes Landsbank Group has set up a whistleblower scheme to enable employees to notify unacceptable circumstances or transactions so as to reveal any violations of financial legislation. There were no reports in 2015.

Remuneration policy

Every year, the Board of Directors receives fixed annual remuneration stipulated by the Nomination and Remuneration Committee. In the 2015 financial year, total remuneration for the Board of Directors amounted to DKK 2.0 mill. Members of the Board of Directors receive remuneration for their board work, including remuneration for participation in the Audit and Risk

Committee set up by the Board of Directors. For some members, this remuneration is paid to the organisations which they represent. Board members who resign from the Board of Directors will receive remuneration until the time of resignation.

In 2015 the following members resigned from the Board of Directors: Former President of 3F, Poul Erik Skov Christensen (resigned March, remuneration: DKK 48,000).

Executive Management

The Executive Management is employed by the Board of Directors, who also set the terms of employment for the Executive Management. The Executive Management is composed of Gert R. Jonassen, CEO and Jan W. Andersen, Executive Bank Director. The Executive Management is responsible for the daily operations of the Bank. The framework for the work of the Executive Management is laid down in instructions on the segregation of responsibilities between the Board of Directors and the Executive Management. The members of the Executive Management are not members of the Board of Directors, but they usually take part in meetings of the Board of Directors. Remuneration of the Executive Management is set by the Board of Directors and only comprises a fixed remuneration and pension scheme, as well as a car and telephone. Total emoluments for the Executive Management in 2015 amounted to DKK 6.0 mill. as disclosed in note 11 in the annual report. The terms of employment for the Executive Management, including terms for salary and resignation, are deemed to be in accordance with the normal standards for positions of this nature and they do not involve any special obligations for the Bank. Members of the Executive Management are entitled to severance pay if they resign or if control of Arbejdernes Landsbank is transferred to one or more third parties.

Key employees in the management group are paid a basic salary and pension, insurance, free telephone and possibly a company car. There are no bonus payments to the Bank's Executive Management or employees in the managerial group. The Bank's other employees are paid a fixed salary and are covered by a bonus scheme which is regulated through collective agreements.

Shareholders

The Bank regularly informs shareholders about relevant matters and encourages dialogue with shareholders. Amongst other things, this is through newsletters, annual reports, interim reports and at general meetings. The Bank's website, www.al-bank.dk is updated regularly with published information.

BOARD OF DIRECTORS

PER CHRISTENSEN CHAIRMAN	CLAUS JENSEN VICE CHAIRMAN	LARS ANDERSEN	HARALD BØRSTING
			
<p>Born in 1957. Member of the Board of Directors since 2014. Chairman of the Board of Directors since 2015. Chairman of the Nomination and Remuneration Committee.</p>	<p>Born in 1964. Member of the Board of Directors since 2013. Vice Chairman of the Board of Directors since 2015. Member of the Nomination and Remuneration Committee. Member of the Audit and Risk Committee. Chairman of the Advisory Board of Representatives.</p>	<p>Born in 1958. Member of the Board of Directors since 2009. Chairman of the Audit and Risk Committee.</p>	<p>Born in 1952. Member of the Board of Directors since 2008. Member of the Nomination and Remuneration Committee. Vice Chairman of the Advisory Board of Representatives.</p>
<p>Trade Union President - 3F (United Federation of Danish Workers)</p>	<p>Trade Union President of Dansk Metal (Danish Metalworkers' Union)</p>	<p>Managing Director of AE - Economic Council of Labour Movement</p>	<p>Former President of LO (Confederation of Danish Trade Unions)</p>
<p>Member of the Board of Directors of: A/S A-Pressen AKF Holding A/S Arbejderbevægelsens Erhvervsråd Bolind A/S Fagbevægelsens Erhvervsinvestering A/S Landsorganisationen i Danmark Pension Danmark A/S Pension Danmark Holding A/S</p>	<p>Member of the Board of Directors of: Arbejderbevægelsens Erhvervsråd Arbejderbevægelsens Kooperative Finansieringsfond A/S A-Pressen A/S Femern Landanlæg A/S Storebæltsforbindelsen A/S Øresundsforbindelsen Femern Bælt A/S Industriens Kompetenceudviklingsfond, IKUF Industriens Pensionsforsikring A/S Industriens Pension Service A/S Industriens Uddannelses- og Samarbejdsfond, IUS Industripension Holding A/S Landsorganisationen i Danmark Lindø Industripark A/S Sund og Bælt Holding A/S Ulandssekretariatet Øresundsbro Konsortiet I/S</p>	<p>Member of the Board of Directors of: DSB, Danske Statsbaner Investeringsfonden for Udviklingslandene IFU Industriens Pensionsforsikring A/S Industripension Holding A/S Investeringsfonden for Østlandene (IØ-Fonden)</p>	<p>Member of the Board of Directors of: Refshaleøen Holding A/S Refshaleøens Ejendomsselskab A/S Metroselskabet I/S Playua Atlantico S.A.</p>
<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Financial regulation ■ Credit matters ■ Business model and customer business model base 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Credit matters ■ Business model and customer business model base ■ Operational risks and IT 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer business model base ■ Operational risks and IT 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Financial regulation ■ Credit matters ■ Business model and customer base
<p>Shareholding: 0</p>	<p>Shareholding: 5</p>	<p>Shareholding: 0</p>	<p>Shareholding: 2</p>
<p>Remuneration: DKK 240,000</p>	<p>Remuneration: DKK 224,000</p>	<p>Remuneration: DKK 198,000</p>	<p>Remuneration: DKK 132,000</p>

BOARD OF DIRECTORS, CONTINUED

METTE KINDBERG	TORBEN MÖGER PEDERSEN	NIELS SØRENSEN	ARNE GREVSEN
			
<p>Born in 1957. Member of the Board of Directors since 2008. Member of the Audit and Risk Committee.</p>	<p>Born in 1955. Member of the Board of Directors since 2013. Member of the Nomination and Remuneration Committee. Member of the Audit and Risk Committee.</p>	<p>Born in 1954. Member of the Board of Directors since 2012.</p>	<p>Born in 1956. Member of the Board of Directors since 2015.</p>
<p>Vice President of HK/Danmark</p>	<p>CEO of PensionDanmark A/S and of PensionDanmark Holding A/S</p>	<p>Head of Administration, Fødevareforbundet NNF</p>	<p>Vice President of LO (Confederation of Danish Trade Unions)</p>
<p>Member of the Board of Directors of: Asx 7 ApS Fagbevægelsens Erhvervsinvestering A/S HK A-kasse (unemployment insurance fund) Kommanditselskabet Christiansminde Landsorganisationen i Danmark NV Kraft A/S</p>	<p>Member of the Board of Directors of: Danish Society for Education and Business Danmark-Amerika Fondet DEA – tænketank for uddannelse og erhverv Foreningen til udvikling af bestyrelsesarbejde i Danmark Forsikring & Pension Gigtforeningen Chairman of the board of directors for the Pension Danmark group subsidiaries</p>		<p>Member of the Board of Directors of: Arbejderbevægelsens Erhvervsråd ATP (Arbejdsmarkedets Tillægspension) A/S A-Pressen Højstrupgård A/S Lønmodtagernes Garantifond LD (Lønmodtagernes Dyrtidsfond)</p>
<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Credit matters ■ Operational risks and IT 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT
<p>Shareholding: 0</p>	<p>Shareholding: 0</p>	<p>Shareholding: 1</p>	<p>Shareholding: 1</p>
<p>Remuneration: DKK 198,000</p>	<p>Remuneration: DKK 166,000</p>	<p>Remuneration: DKK 132,000</p>	<p>Remuneration: DKK 108,000</p>

BOARD OF DIRECTORS, CONTINUED			
JOHN MARKUSSEN	JESPER PEDERSEN	HENRIK THAGAARD	LASSE THORN
			
Born in 1957. Employee-elected member of the Board of Directors since 1997.	Born in 1979. Employee-elected member of the Board of Directors since 2014.	Born in 1963. Employee representative. Member of the Board of Directors since 2008.	Born in 1975. Employee-elected member of the Board of Directors since 2014.
Customer Consultant at A/S Arbejdernes Landsbank	Financial advisor at A/S Arbejdernes Landsbank	Head of Department at A/S Arbejdernes Landsbank	Shop Steward at A/S Arbejdernes Landsbank
Qualifications: <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT 	Qualifications: <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer business model base ■ Operational risks and IT 	Qualifications: <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT 	Qualifications: <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Market risk and liquidity ■ Financial regulation ■ Credit matters ■ Business model and customer base ■ Operational risks and IT
Shareholding: 11	Shareholding: 1	Shareholding: 0	Shareholding: 1
Remuneration: DKK 132,000	Remuneration: DKK 132,000	Remuneration: DKK 132,000	Remuneration: DKK 132,000

PROPOSED NEW MEMBERS OF THE BOARD OF DIRECTORS

LIZETTE RISGAARD	KIM LIND LARSEN	OLE WEHLAST
		
<p>Born in 1960.</p>	<p>Born in 1964.</p>	<p>Born in 1959.</p>
<p>President of LO (Confederation of Danish Trade Unions)</p>	<p>Group Chairman of 3F United Federation of Danish Workers</p>	<p>Trade Union President NNF</p>
<p>Member of the Board of Directors of: Fonden LO-Skolen Helsingør Højstrupgård A/S Forsikrings-Aktieselskabet Alka Arbejderbevægelsens Erhvervsråd ATP (Arbejdsmarkedets Tillægspension) LD (Lønmodtagernes Dyrtidsfond)</p>	<p>Member of the Board of Directors of: Fonden Femern Belt Development PensionDanmark Holding A/S PensionDanmark Pensionsforsikringsaktieselskab Rørvig Centret A/S</p>	<p>Member of the Board of Directors of: Forsikring-Aktieselskabet Alka Dansk Folkeferie Fonden Industriens Pensionsforsikring A/S Arbejderbevægelsens Erhvervsråd Københavns Bagerafdelings Fond</p>
<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Financial regulation ■ Credit matters ■ Business model and customer business model base 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Financial regulation ■ Credit matters ■ Business model and customer business model base 	<p>Qualifications:</p> <ul style="list-style-type: none"> ■ Management, HR and Strategy ■ Macro-economic and accounting matters ■ Financial regulation ■ Credit matters ■ Business model and customer business model base
<p>Shareholding: 1</p>	<p>Shareholding: 0</p>	<p>Shareholding: 2</p>

EXECUTIVE MANAGEMENT	
GERT R. JONASSEN	JAN W. ANDERSEN
	
<p>Member of the Board of Directors of: AL Finans A/S (Chairman) Finanssektorens Uddannelsescenter (Vice Chairman) Foreningen Bankernes EDB Central (Chairman) Kooperationen LR Realkredit A/S (Vice Chairman) PensionDanmark Holding A/S PensionDanmark A/S Pras A/S Regionale Bankers Forening Totalkredit A/S</p>	<p>Member of the Board of Directors of: AL Finans A/S Arbejdsmarkedets tillægspension - ATP Bankpension Pensionskasse for Finansansatte BI Holding A/S Forvaltningsinstituttet for Lokale Pengeinstitutter (Vice-Chairman) Lønmodtagernes Garantifond</p>
<p>Member of the Executive Management of: Handels ApS Panoptikon</p>	
<p>Shareholding: 0</p>	<p>Shareholding: 0</p>
<p>Remuneration: DKK 3,130,000</p>	<p>Remuneration: DKK 2,869,000</p>

Risk management

General

Arbejdernes Landsbank is exposed to various types of risk and considers risk management an essential focus area for the Board of Directors, the Executive Management and the authorising units. Instructions ensure compliance with the policies adopted by the Board of Directors.

The Board of Directors regularly assesses the overall risk and the individual risk factors linked to Group activities. The Board of Directors adopts guidelines for the most important risk areas, monitors developments and ensures that there are plans to manage and follow up individual risk factors, including business and financial risks, compliance, audit plans, insurance and environmental aspects as well as compliance with competition legislation.

Overall responsibility for the Group's risk management and control in connection with financial reporting is placed with the Board of Directors and the Executive Management as well as with the Audit and Risk Committee set up by the Board of Directors, which has the necessary internal-control and risk-management competencies regarding the process of financial reporting.

The Executive Management is responsible for ongoing risk management, including identifying and assessing individual risks associated with the Group's business activities.

The Bank has set up an all-risk function in the Financial Department, and the function has been tasked with ensuring that the Executive Management and the Board of Directors receive frequent and relevant risk reporting at Bank and Group levels, and that such reporting is uniform and provides the overall view necessary to manage the Bank's overall risk exposure.

Persons referring directly to the Executive Management have separate responsibility for risk management of the major activity areas, providing credit and management of securities as well as for the liquidity area, as the Bank considers specific competencies and knowledge about these areas to be very important.

Special issues of a cross-sectoral nature are treated by a Risk and Balance-Sheet Management Committee set up by the Executive Management and including the Executive Management as well as the experts responsible for risk.

The most important types of risk are listed below:

Credit risk is the risk that a counterparty is wholly or partly unable to make payments, or fails to make payments.

Market risk is the risk of losses due to changes in market value of the Bank's assets or liabilities as a result of changes in market conditions, including interest-rate changes.

Liquidity risk is the risk of losses due to failure to honour the Bank's payment obligations by means of normal liquidity reserves. This includes the risk that, due to insufficient cash resources, the Bank is prevented from making new deals and is ultimately unable to honour its obligations, while there is also the risk of losses due to disproportionately high increases in the Bank's financing cost.

Operational risk is the risk of losses due to inadequate or erroneous internal processes, human errors or system errors.

Business risk is the risk of losses due to changes in external conditions or events which may harm the image or earnings of the Bank.

The Group issues a risk report, which is available in English on the Bank's website: [Group Risk Report 2015](#).

Benchmarks from the Danish Financial Supervisory Authority

As part of their monitoring of the financial sector and on the basis of a risk-based approach, the Danish FSA has laid down a set of selected ratios and key figures in the form of five benchmarks which are only utilised at bank level. The Danish FSA expects the Bank's Board of Directors to plan and implement the Bank's strategy to counteract any breaches, if the Bank is to prevent any supervisory reaction.

As in previous years, the Bank was also within the Danish FSA's limit values in 2015.

Benchmarks from the Danish FSA *)	Limit values	The Bank
Stable funding	< 1	0.6
Excess liquidity	> 50	199.4
Large exposures	< 125	10.6
Growth in loans	< 20	8.1
Property exposures	< 25	7.3

*) The definition of the ratios and key figures is explained on page 93.

Stable funding means that loans must not exceed working capital. With a key ratio of 0.6, the Bank has a good margin to the critical value of 1.

Excess liquidity is expressed as a key ratio and for the Bank amounts to 199.4%, which is far from the critical value, according to which excess cover must be at least 50% above the statutory requirement.

Large exposures amount to 10.6%. Also here the Bank is far from the critical value set by the Danish FSA of 125% as a maximum.

Growth in loans excluding repurchase agreements must stay below a maximum of 20%. With moderate growth of 8.1% in 2015, the Bank is far from this critical value.

The Bank's property-related exposures before impairment charges amounted to 7.3% and the Danish FSA has set this critical value at a maximum 25%.

Capital management

Arbejdernes Landsbank actively manages the composition of total capital, taking into account the risk profile selected by the Group. The overall balance-sheet composition and assessment of risk are a fixed item for discussion at meetings of the Bank's Risk and Balance Sheet Management Committee held prior to each meeting of the Board of Directors and sometimes more often, if required. The Risk and Balance Sheet Management Committee is composed of participants from the Executive Management, management of the Credit Department, the Financial Department, the Treasury Division and the head of all-risk reporting.

The balance-sheet composition takes into account an assessment of existing and expected future risks and uncertainty. In 2016 the Group will also take into account the funding composition so that this matches the requirements for a minimum share of long-term debt obligations stipulated by the Danish FSA for a bank of the size of Arbejdernes Landsbank, referring to

the provisions in the Executive Order on Winding Up (Afviklingsbekendtgørelsen). Pursuant to this, through its funding structure, a credit institution must contribute to ensuring optimum conditions for the government, in the form of the Danish FSA and the Financial Stability Company, to carry out a financial reconstruction of the institution through a necessary reconstruction of a failing institution.

The policy of the Board of Directors is that the Bank should have a capital ratio such that the Group can continue its lending activities in periods with difficult market conditions. Therefore capital must be of such robustness that the statutory capital requirements can be met at any time, and such that it can counteract unexpected losses and changes in risks to which the Group is exposed.

To calculate the capital ratio in Pillar 1, the Bank applies the standard method for credit and market risks and the basic indicator approach for operational risks. The Bank regularly assesses its need to improve risk management, but the Bank sees no immediate need to apply more advanced models for calculation of the capital ratio.

The Bank actively applies the calculation of the individual capital need as an indicator for whether there is a sufficient safety margin between individual capital need and capital ratio. In accordance with guidelines set out by the Danish FSA for credit institutions, the Bank has prepared a recovery plan and contingency plans for improving the capital ratio etc. if the limit values adopted are threatened or transgressed.

Process of financial reporting

The Board of Directors and Executive Management hold overall responsibility for the Bank's internal control and risk management in connection with the process of financial reporting, including compliance with relevant legislation and other regulation in relation to financial reporting. The Bank's risk management and internal control systems can only establish reasonable, but not absolute, certainty regarding prevention of material errors and omissions in financial reporting.

At least once a year, through the Audit and Risk Committee, the Board of Directors assesses the organisational structure, risk of fraud as well as the internal rules and guidelines. The Board of Directors and the Executive Management lay down and approve overall procedures in important areas in connection with the process of financial reporting. The Board of Directors has adopted procedures

etc., for important areas within financial reporting, and these procedures are available to the whole organisation. Compliance is tightened regularly and followed-up regularly on a sample basis.

The Executive Management regularly monitors compliance with relevant legislation and other regulations and provisions in connection with financial reporting and reports to the Board of Directors.

Audit

In compliance with rules for supervised financial undertakings, the Group has elected an independent audit firm, Deloitte, to manage the external audit. In addition, the Bank has an internal audit function, which is employed by, and reports directly to, the Board of Directors. The framework for the work of the auditors – including remuneration and audit-related tasks – is described in the function description established between the Board of Directors and the internal audit function as well as an agreement on segregation of responsibilities established between the internal audit function and the external auditors. The auditors report important matters directly to the Board of Directors at board meetings and in the audit book. In connection with their review of the annual report, the auditors review the accounting policies for material areas, and the Board of Directors and auditors discuss any audit observations.

Prior to the annual general meeting, the Board of Directors conducts a critical assessment of the competencies, independence etc. of the auditors, as recommended by the Audit and Risk Committee. After this, the Board of Directors recommends an independent auditor to the General Meeting. The external, elected auditors are responsible for safeguarding the interests of the shareholders and the public.

Accounting estimates and assessments

The calculation of the carrying amount of certain significant assets and liabilities requires estimates, assessments and assumptions about future events. In each case, estimates and assessments applied are based on the Bank's historical experience and other factors deemed prudent by the management, but which are by their nature uncertain and unpredictable. The assumptions may be incomplete or inaccurate. Future events or circumstances may arise which were not forecast at the time of the estimation. Accordingly, estimates and assessments are difficult to make, and if estimates also involve customer relationships and outstanding accounts with other counterparties, these will be associated with significant uncertainty, not least in periods with low business activity. Therefore, it may be necessary to change estimates made previously, either because of new information, further experience or subsequent events.

Events after expiry of the accounting period

No other events have taken place after the end of the financial year which have a significant impact on the assessment of the Group's financial position.

CSR Report

A long history of social responsibility

Arbejdernes Landsbank has a long history of social responsibility, stretching right back to the founding of the Bank in 1919. At its establishment, the object of the Bank was to secure independence for the trade-union movement from capitalist banks in an industrial-conflict situation; to endeavour to safeguard members of the trade-union movement in a conflict situation; and to offer better and cheaper loans as alternatives to mortgage borrowers.

Today, social responsibility continues to be the foundation of our banking philosophy. Our fundamental values and the Bank's approach to customers, employees, cooperation partners and investments are built on respect for people and an objective to leave the most positive impression possible on the surrounding world. The Bank has a number of policies and objectives seeking to ensure and promote the well-being and financial security of its employees and customers.

Four focus areas

We strive to live up to our social and economic responsibilities in the following four focus areas:

- Customers and products.
- Employees.
- Society.
- Climate and the environment.

Customers and products

As financial advisors, we undertake to ensure that customers are given the best possible conditions to live within their financial means.

Our policy is to:

- ensure that our customers understand their financial situation and the products we offer.
- treat all customers professionally, with respect and concern for their individual needs.
- offer all customers personal financial advice.
- provide advice which meets our customers' needs.
- train our customer advisors so that their competencies live up to the legitimate expectations of a full-service bank.
- offer our customers ethically screened investments.

Employees

As an employer, we consider it our responsibility to create the framework for a healthy, safe and inspirational working environment.

Our policy is to:

- provide working conditions which motivate and inspire our employees,
- offer flexible working hours which allow individual employees to create a better balance between their private life and life at work,
- create career and development opportunities for employees at all levels in the Bank,
- ensure a healthy physical and psychological working climate,
- care for employees who suffer from stress or sickness.

Human rights and anti-corruption

At Arbejdernes Landsbank, we respect human rights by complying with Danish legislation, collective agreements and labour-market practices which incorporate and specify protection of most of the basic rights. Furthermore, we strongly condemn any type of corruption, and we regularly assess the Bank's policies and procedures in relation to the corporate governance recommendations and the Code of Conduct regulations.

Society

At Arbejdernes Landsbank, we want to support and get involved in good causes locally, nationally and internationally.

Our policy is to:

- support information campaigns through recognised organisations,
- establish sponsorship collaboration with sports clubs and non-profit organisations,
- get involved in the local community and contribute to developing culture and recreational activities, and support humanitarian work through Danish and international relief organisations.

Climate and the environment

The Bank believes it has a responsibility to avoid unnecessary negative impacts on the environment.

Our policy is to:

- only use suppliers, IT products, processes and infrastructure which can contribute to reducing energy consumption and impacts on the environment.
- reassess regularly our procedures in order to find possibilities to minimise our resource consumption.
- avoid taking part in financing activities which we deem to have an unnecessarily negative effect on the environment.

The full [CSR Report](#) is available from the Bank's website.

Vision and strategy work in 2015

From vision to reality

In 2012, we laid the groundwork for a strategy process resulting in Vision 2015. The level of ambition was high, and above all, we wanted to generate growth in our business, value for our customers and owners, and we wanted to be considered an attractive workplace externally and internally. Four years later, our ambitions have been largely realised. Mainly, we have achieved considerable growth in our business activities with a total influx of more than 7,000 new customers, corresponding to about 2.8%, and the Bank now has about 260,000 customers in total. We have expanded our branch network by taking over branches from other banks, and by opening new branches; in 2015, we had 71 branches throughout Denmark. Our staff numbers have increased to about 1,100 employees, and satisfaction and loyalty among employees is either the same or higher than the average for the sector. For the seventh consecutive year, Arbejdernes Landsbank was chosen by Danes as their preferred bank in one of Denmark's most comprehensive bank surveys, carried out by Voxmeter. At the same time, the Bank yielded sound business results with a return on equity higher than the average of Danish Group 2 banks.

We are proud of these impressive results, but we are also humbled by them, as these results oblige us to set new challenges, not least, because the world and the market are undergoing rapid change. In 2015 we developed the Bank's new strategy towards 2019, which we have chosen to call "Ready for the future". This strategy is based on our fundamental business model and sets out the Bank's direction and objectives in relation to opportunities and challenges in society for the future. It is about seeing possibilities by according higher priority to innovation and focusing on rapid implementation. But it is also about thinking intelligently about giving higher priority to digital solutions and about better utilisation of digital possibilities. We must understand our customers by adapting our service level to the needs of the individual customer. At the same time, we must keep focus on costs and work targeted towards efficiency-improvements. We are convinced that our strategic objectives are ambitious but realistic, and that, based on our strong foundation, we have all the prerequisites for future success.

How we reached our objective in 2015

The five strategic focus areas in Vision 2015 were the pivotal point for specific activities and focus areas in 2015.

Below is a list of our focus areas and in the following paragraph we present concrete results.

- Quick and competent business management.
- Sustainable growth of 25%.
- Attractive workplace.
- Financial security and strength.
- Create value in two dimensions.

Quick and competent business management

In 2015 we worked strategically on enhancing how our customers experience the Bank to ensure that we continue to live up to our customers' high expectations, whilst also exploiting the Bank's competences and resources as best as possible. Among other things, we have increased accessibility, to the effect that all our customers can now call the Bank on business days from 8 a.m. to 8 p.m. Furthermore, customers can receive advisory services in all our branches from Monday to Thursday from 8 a.m. to 8 p.m. and on Fridays between 8 a.m. and 4 p.m.

Customers receive quicker answers on home loans

In addition to increased accessibility, we have expedited the rate at which customers can expect to receive advisory services and not least, expect an answer to specific loan enquiries. If a customer has found a home, and if a quick answer is needed to acquire this home, e.g. if there are several buyers, we are ready to meet the customer within one hour on business days. Similarly, within 24 hours we can give customers an answer as to whether their home dream can become a reality. Demand for this service, "BoligKlar", was high among customers in 2015 and we expect increasing demand in 2016.

Additionally, we have intensified the lending process in general and are continuing to focus on streamlining this process to make it easier and faster for customers to apply for loans and to be granted a loan. As part of this work, in 2015, we launched our new product "Lån på farten" (loans on-the-move), developed in cooperation with BEC. As the name indicates, this is a new service which enables selected customers to take up loans through their mobile App while on the move, and the cash will be transferred to their account within just one minute.

More value-creating interviews

We have worked on creating more value for our customers when seeking advice. We have changed our concept for the Values Interview, such that we now meet with more of our customers more frequently, and we are targeting our advisory services and specific solutions to the needs of the individual customer to an even greater extent. The basis for the individual Values Interview will continue to

be the customer's values, current financial plans for the future etc., and rather than general recommendations, the customer will now receive a qualified recommendation for a specific solution with the greatest possible value for the customer.

Being an AL customer is even more straightforward

As more and more customers are asking for solutions to make their everyday life easier, in 2015, we also focused on making the customer's Bank experience even more straightforward. Our customers can now sign more documents via online banking and their mobile App, as almost all types of loan documents and contracts have now been digitised. There is still potential to digitise even more documents, and therefore this work will continue in 2016.

New organisation

The financial sector is developing with enormous speed. Digitisation and increased expectations from customers are just some of the many challenges and possibilities in the banking sector today and in the future. This sets high demands for our meetings with customers, and it also sets high demands for the Bank in general. In 2015 we hired a new COO to take charge of the Bank's entire branch-based business activities. We also appointed an Asset director and a Director of Treasury and Finance to ensure that the Bank continues to match the expectations of our customers and the outside world. Furthermore, we have centralised the Bank's valuation team, who exclusively work on property valuations, and who have specific service objectives. This means that resources are concentrated in one place, and our customers know exactly when they can expect to have their home valued.

Sustainable growth of 25%

Arbejdernes Landsbank aims to grow according to the sustainable growth principle. This means that customer transactions must be within the frameworks we have set for banking activities and the frameworks which we assess the individual customer to be able to manage.

In relation to the starting point in early 2012, customers' total deposits and lending have increased by 30.4% to DKK 52 bn., which is very satisfactory.

Influx of new customers

In 2015 the Bank experienced net customer growth of 2.8%, which is similar to 2014. Vision 2015 started in 2012, and in the past four years the influx of customers grew by 21.8%, now constituting nearly 260,000 customers. This is very satisfactory, and in our opinion, this indicates a great interest in, and support for, the Bank.

New branches

In 2015, the Bank opened new branches in Ringsted and Holbæk. We have been well received in both towns, and the branches contribute to increased growth in customer numbers and business activity.

Corporate concept

Part of the growth strategy means increasing focus on business customers, primarily concentrating on small and medium-sized enterprises. The Bank aims at obtaining more business customers through the virtues that already characterise the Bank: Accessibility, integrity, locality and competitive prices are parameters which describe the qualities that are to appeal to attractive business customers. The objective of a business customer share of at least 25% of the business foundation by the end of 2015 has not been realised. However, the realised share of 19.4% is still assessed to be satisfactory, even though low domestic-economic growth has not been conducive to new loans.

Continued sustainable growth in cooperative housing

In 2015 there was continued significant demand for cooperative housing, particularly in the cities. Arbejdernes Landsbank has followed the competitive situation closely, and the goal is for the Bank to be able to offer customers one of most attractive financing solutions on the market, where price, advisory services and accessibility are the highest priority. In addition to attractive financing terms, the Bank has maintained its strong focus on responsible advisory services based on detailed valuations and analyses of the mortgaging and collateral value of cooperative housing, as well as on the overall financial situation of customers, and which result in specific recommendations for the customers. Against this background, we are very satisfied that we increased our loan portfolio for customers with private cooperative housing to more than DKK 5.6 bn. in 2015

Attractive workplace

The Bank has an ambition to be acknowledged as an attractive workplace, both internally as well as externally. This means that we have constant focus on initiatives to attract and retain competent resources.

Advisory services on the basis of a new private-customer concept

In 2015 we focused on managing continued customer growth and ensuring that private customers with a need for advisory services experience a proactive bank, and that all our customers experience a high level of service, adapted to their needs. At internal level we have therefore implemented a new private-customer concept to help realise our objective of remaining our customers' bank

throughout life. Therefore, we have worked closely with an external partner to carry out a training programme focusing on behaviour to ensure successful implementation of the new concept. We have realised our objective to train about 300 consultants and about 100 managers, thus creating a good foundation for competent and value-creating advisory services.

Closer to our business customers

We want to create value for our business customers. Over the past couple of years, we have worked hard and invested in the skills-upgrades for our employees, whilst also reorganising the Bank strategically in the business area. In 2015 we completed two programmes in the business area. a programme for our business centres and large business branches, supporting the fact that we communicate with customers at their level and give them qualified sparring. Furthermore, we have carried out a more basic training programme, focusing on knowledge about our products and cooperation partners, to ensure that we can continue deliver highly professional and ethical financial services.

From strategy to code of conduct

The Bank's strategic ambition towards 2019 can only be realised if all managers and employees contribute through their behaviour towards customers and colleagues. Therefore we developed the Bank's code of conduct. This describes the behaviour we should all observe in our routine work to ensure our customers an accountable, attentive and straightforward experience. Through dialogue and follow-up, we believe that the code of conduct will become a natural and fundamental part of our everyday behaviour so that we continuously develop and maintain good customer relationships.

Well-being and management surveys

The result of this year's combined well-being and management survey creates a good foundation for future work on creating and maintaining an attractive workplace. This year, we are again pleased with the high response rate of 94% and the result, which shows that the Bank's employees are generally loyal and happy with the Bank as a workplace. Compared with the sector and the Danish labour market in general, we are either at par with, or higher than average. The results show that we have a workplace with very loyal and dedicated employees. This is a good basis for continued growth and development of the Bank.

Management development for newly appointed managers

The Bank believes that the best managers create the best employees, who then attract the best customers and

business to the Bank. Therefore, a pivotal point for the Bank is the continued development of our managers, as competent management is vital for the Bank's success. In 2015 we carried out a development programme for new managers. The programme aimed at providing new managers with a good understanding of their managerial role in the Bank as well as the fundamental managerial tools they can apply to gain success in their role.

Young people in training

In 2015, eight finance students and two finance trainees completed their training programmes. In the Bank we have seen that a good internal network is an important element in retaining young employees. In the course of 2015, we have therefore held two networking events with presentations, finishing off with a social event. In 2016 we are again looking forward to congratulating finance students and finance trainees after completing their training, and to welcoming new finance trainees to the Bank.

Dialogue about workplace assessments

In order to ensure a sound and good physical and psychological working environment, this year we have chosen to change the Bank's way of conducting workplace assessments. Up to now, all employees have received a questionnaire every three years. In the future, the workplace assessments will be completed at morning meetings in all the Bank's branches and departments. We call this "*Dialog APV*" because the assessment of the workplace takes place through dialogue. We believe that the more employees are involved, the better and more relevant the action plans will be, thus achieving the best results for this area.

Financial security and strength

Arbejdernes Landsbank's financial strength provides great financial security for our customers. To secure the Bank against macro-economic fluctuations which are unduly limiting the Bank's current possibilities, we have an overall objective to have a capital ratio appropriately distanced from the solvency need so that we can manage the more demanding capital requirements.

According to the CRD IV regulations, the Bank is subject to more rigorous deduction for our significant ownership interest in the Alka insurance company, compared with previous legislation. This intensifies the need for continued consolidation so that we can maintain a comfortable distance to our own solvency targets. Reclassification of Additional Tier 1 capital to equity instruments has no significance for the capital ratio.

Create value in two dimensions

We want to create value for both customers and owners. For customers, this is through long-term cooperation on the basis of the Bank's value foundation and with advice and services adapted to customers' needs. For the owners, we create value by ensuring that, as a minimum, return on equity is at the average for Danish Group 2 banks.

Customer satisfaction

Several independent surveys of Danish bank customers were published in 2015, and they all showed generally high satisfaction with our way of running business.

- In 2015, for the seventh consecutive year, we were named as "the preferred Danish bank" in a comprehensive and independent Voxmeter survey. This result is based on 80,600 interviews with Danish banking customers, and the survey is one of the most comprehensive customer satisfaction surveys in the sector. The result is an acknowledgement of our long-term strategy, that running accountable banking activities in combination with personal service adapted to the needs of each customer, is highly attractive to Danes and our customers.
- Arbejdernes Landsbank took first place for the third consecutive year in another large survey of Danish banking customers with the highest rating ever in the BrancheIndex Bank 2015, carried out by Loyalty Group. The Bank was again recognised for its attentive and accountable advisory services, highly valued by our customers.
- The high customer satisfaction among private customers has also rubbed off on our business customers. This is apparent from the Finanssektorens KundeBenchmark 2015 from October, with 2,194 responses from business customers. In this survey, the Bank had a higher benchmark in all parameters and was awarded second place overall among large banks in relation to satisfaction and recommendations of business customers.

The impressive customer satisfaction results make us proud and humble at the same time. With accelerating market competition, in the future, we will make every effort to do what it is required to live up to the high expectations of our customers.

Openness

We believe that openness is closely connected to the ability to create value for customers and owners. Therefore, again in 2015, we have focused on participating in various analyses and price-comparison surveys, among other things aimed at creating more openness in the banking market, to the benefit of our customers and ourselves. During the year, the Bank's CEO, Chief Economist and

other spokespersons for the Bank have communicated with the media, and the Bank has been mentioned much of the important media. This work has been to make the Bank visible and to profile who we are, and how we want to develop our business, as well as to set a clear agenda in strategically important areas for the Bank and our business.

Furthermore, we have continued good and close dialogue with the Bank's followers on social media. The use of social media among Danes continued to increase in 2015, and therefore the dialogue with the Bank's target groups in these media is gaining an increasingly higher strategic role. The Bank has been extremely present in social media, and the interest among the Bank's followers continued at a high level compared with our competitors. At the end of 2015, 11,369 Danes were following the Bank on Facebook; this is an increase of 4,781 followers compared with 2014. In 2015 the Bank also kept its high page engagement rate (comments, likes and shares), which, for the first time since the launch, was the absolute highest among all Danish banks on Facebook. This solid development on the social media is expected to continue in 2016, where focus will be on strengthening our online "share of voice" even more.

Visibility

We emphasise being present and visible for our customers, among other things by showing in practice, that we build on sound values. The year was characterised by activities which helped make more visible the Bank's ability to create value for the everyday lives of customers, and which also contributed to attracting and retaining customers.

- We held a number of lecture evenings with Peter Mygind and Arne Nielsson, among others, under the themes "Bullying and social responsibility" and "Grow stronger at work and at home".
- As the main sponsor for the Danish national women's handball team, we had a huge presence in Herning in December at the world handball championships.
- As sponsor for the Danish premier league football clubs, Brøndby IF, FC Nordsjælland and AGF, we had good presence on players' shirts and at Danish football stadiums, and we invited customers and associations to selected matches.
- We continued our support for the Børn, Unge & Sorg charity by e.g. backing the "Give Hope" cycling team on their tour around Denmark collecting funds for children and young persons who witness their parents or siblings falling ill or dying.

- With the concept "Behind the film", we collaborated with Danish Reklamefilm on continuing support for Danish film. In 2015 we supported ten Danish films. As part of this support, we distributed free tickets to exclusive pre-premiers of "Far til Fire" in more than 45 cinemas in Denmark.
- During the year, our various sponsorships, events and initiatives were followed up by more traditional marketing activities, with cinema spots, adverts and various online and outdoor campaigns, and we also advertised on the social media, including Facebook.

Value for all owners

Our ability to create value for our owners is reflected in the return on equity, which compares well with the average for Danish Group 2 banks. The profit for the year creates value for our owners, as we assess that the return on equity after tax will lead to the Bank achieving a higher ranking than the average for Group 2 banks.

New strategy 2019: Ready for the future

In 2015 we launched the Bank's new strategy, entitled "Strategy 2019: Ready for the future". All the Bank's managers were actively involved in the development process, and in October, the new strategy was presented to all employees of the Bank. A great part of the strategy is about continuing to run the Bank on the basis of the values which have characterised our banking operations in the past. At the same time, the strategy lays down a clear direction and some specific objectives in relation to the possibilities and challenges we are facing today and that will come in the future. According to the Bank's assessment, the objectives up to 2019 are ambitious, but realistic, not least because of our unique market position and solid foundation.

Strategic ambition

Our strategic ambition is growth, customer focus, profitability and straightforwardness. Through innovation, we want to retain high customer satisfaction and create growth through new business areas. We want to combine up-to-the-minute digital solutions with classic, personal banking and deliver professional, accountable and attentive service based on the needs of the customer.

Financial ambition

Our financial ambition is an objective to make core earnings of DKK 1.5 per DKK of operating expenses in 2019. Through growth and an increased market share we will generate a return for owners which, at all times, exceeds the market interest rate on risk capital in a normal Danish bank.

Strategic focus areas and objectives

To achieve our financial ambitions and realise our strategic ambitions, we have defined four strategic focus areas for the next four years.

Development

- We will place higher priority on innovation and focus on rapid implementation.

Digitisation

- Digitisation will be accorded higher priority, and digital opportunities will be better exploited.

Customer focus

- The level of service must be more adapted to the needs and profitability of our customers.

Costs

- We will evaluate and redefine the way in which we work with costs and efficiency improvements.

Code of conduct

Strategic objectives and a clear direction do not create much value if all employees are not on the same page, and if the long-term objectives cannot be transformed into specific action in their everyday work. Therefore, we have prepared a new code of conduct, which, on the basis of our fundamental values, specifically defines how our behaviour in branches and departments can best contribute to improving customers' experience, and ultimately achieve our strategic objectives:

Accountable

- We are cooperative and treat everyone fairly.
- We observe the procedures and processes of the Bank.
- We are well prepared and finish our assignments.
- We deliver quality in every assignment.

Attentive

- We are proactive and make specific recommendations and proposals.
- We are flexible and accessible.
- We are inquisitive and seek out knowledge so that we are always abreast of customers' wishes.
- We focus on the situation and needs of the customer.

Straightforward approach

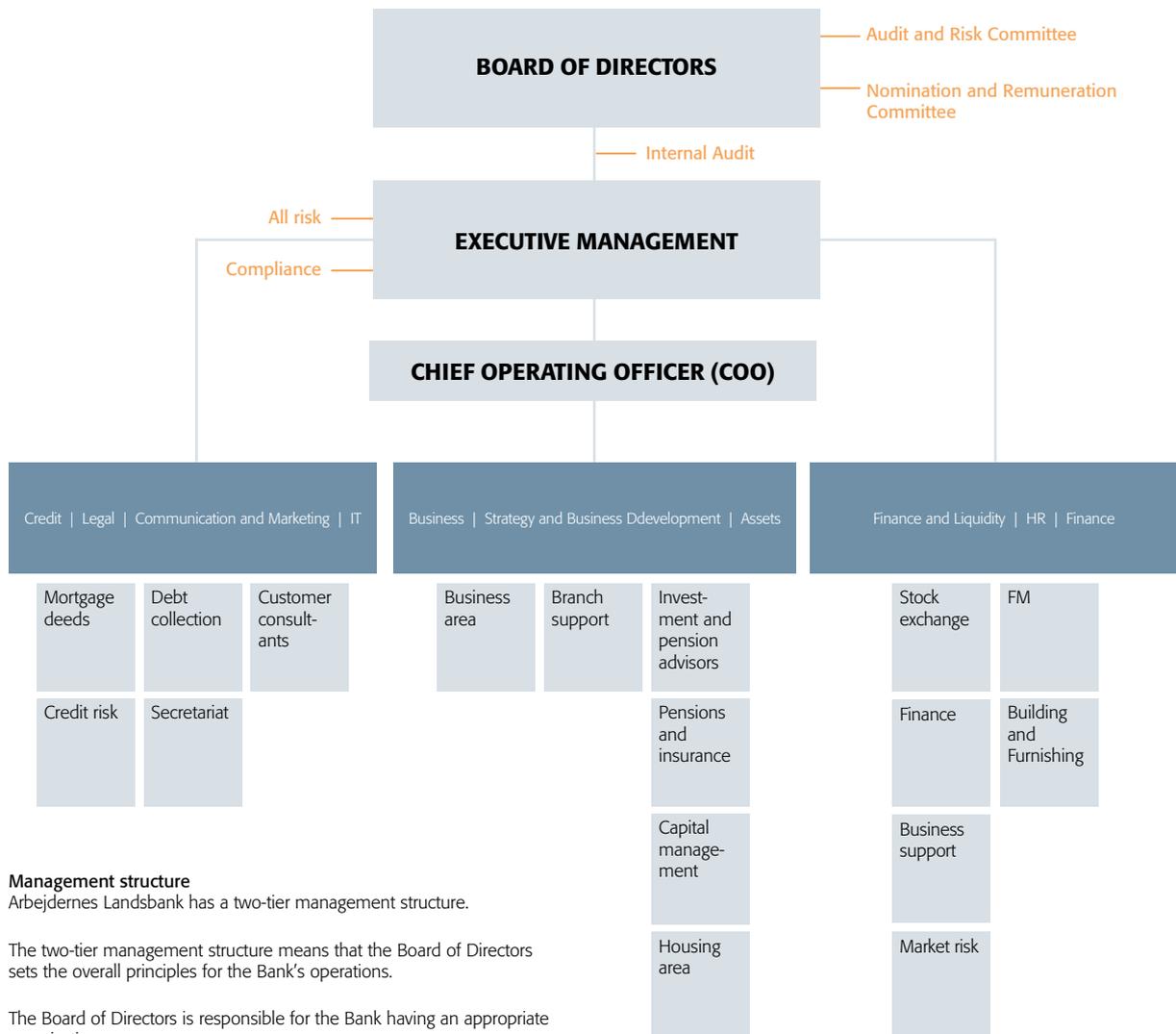
- We communicate in an understandable manner and at the recipient's level.
- We are able to advise about both the substance and the detail.
- We prioritise and focus on what is most important.
- We use digital solutions whenever possible.

Organisation chart for the Arbejdernes Landsbank Group



Management structure
Arbejdernes Landsbank consists of one parent company and two subsidiaries.

A/S Arbejdernes Landsbank – CVR 31 46 70 12 Parent Company



Management structure
Arbejdernes Landsbank has a two-tier management structure.

The two-tier management structure means that the Board of Directors sets the overall principles for the Bank's operations.

The Board of Directors is responsible for the Bank having an appropriate organisation.

The Board of Directors appoints Executive Management, the internal auditor, a deputy chief internal auditor, if any, and the Bank's COO and heads of department.

The Executive Management is responsible for the day-to-day management of the Bank.

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%
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%
2010	300,000	3,118,224	20,942,449	16,917,430	32,344,168	8%
2011	300,000	3,157,260	22,932,631	16,948,118	34,570,204	8%
2012	300,000	3,607,213	24,100,569	17,687,171	36,773,174	35%
2013	300,000	3,929,360	28,134,619	18,051,773	37,567,966	20%
2014	300,000	5,049,098	29,640,537	18,201,929	40,060,265	15%
2015	300,000	5,279,627	32,314,448	19,637,109	41,978,320	10%



Endorsements

Statement by management

Today, the Board of Directors and Executive Management presented and adopted the annual report of Aktieselskabet Arbejdernes Landsbank and the Group for the financial year 1 January to 31 December 2015.

The consolidated financial statements are presented in accordance with International Financial Reporting Standards as endorsed by the EU, and the financial statements of the Bank are presented in accordance with the Danish Financial Business Act, including the Executive Order on Financial Reports for Credit Institutions and Investment Companies etc. In addition, the annual report has been prepared in accordance with further Danish disclosure requirements for annual reports of financial companies with listed debt instruments. The management's review has been prepared in accordance with the regulations laid down in the Danish Financial Business Act.

In our opinion, the consolidated financial statements and the financial statements give a fair presentation of the assets, liabilities and financial position of the Group and of the Bank as of 31 December 2015 and of the results of the activities and cash flows of the Group and the Bank for the financial year 1 January to 31 December 2015.

In our opinion, the management's review provides a true and fair report of the developments of the activities and financial situation, results for the year and financial position of the Group and of 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, 9 February 2016

Executive Management:



Gert R. Jonassen
CEO



Jan W. Andersen
Chief Executive

The Board of Directors:



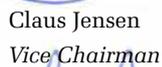
Per Christensen
Chairman



Arne Grevsen



John Markussen



Claus Jensen
Vice Chairman



Mette Kindberg



Jesper Pedersen



Lars Andersen



Torben Møger Pedersen



Henrik Thagaard



Harald Børsting



Niels Sørensen



Lasse Thorn

Internal auditor's report

Endorsement of the consolidated financial statements and the financial statements

We have audited the consolidated financial statements and the financial statements for Aktieselskabet Arbejdernes Landsbank for the financial year 1 January to 31 December 2015. The consolidated financial statements and annual financial statements comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes for the Group and the Bank. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as endorsed by the EU, and the financial statements for the Bank 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 pursuant to the international auditing standards. These standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the consolidated financial statements and financial statements are free from material misstatement.

The audit has been planned and performed such that we have assessed procedures and internal control procedures, including the risk management organised by management relevant to reporting processes and significant business risks.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement in the consolidated financial statements and the financial statements, whether due to fraud or error. In making risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements and the financial statements. The purpose is to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the financial statements.

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.

Conclusion

Furthermore, in our opinion the consolidated financial statements and the financial statements give a fair presentation of the Group's and the Bank's assets, liabilities and financial position as of 31 December 2015 and of the results of the Group's and the Bank's activities and cash flows for the financial year 1 January to 31 December 2015, in accordance with International Financial Reporting Standards as adopted by the EU in respect of the consolidated financial statements, and in accordance with the Danish Financial Business Act in respect of the financial statements.

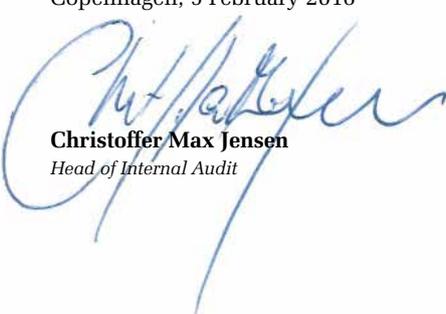
In our opinion, the procedures and internal controls established, including the risk management implemented by the Board of Directors and Executive Management aimed at the Group's and the Parent Company's reporting processes and major business risks, are working satisfactorily.

Statement on the management's review

We have read through the management's review in accordance with the Danish Financial Business Act. We have not acted further other than the audit carried out of the consolidated financial statements and the financial statements.

Furthermore, in our opinion the management's review is in accordance with the consolidated financial statements and the financial statements.

Copenhagen, 9 February 2016


Christoffer Max Jensen
Head of Internal Audit

The independent auditors' report

To the shareholders of Aktieselskabet Arbejdernes Landsbank

Endorsement of the consolidated financial statements and the financial statements

We have audited the consolidated financial statements and the annual financial statements for Aktieselskabet Arbejdernes Landsbank for the financial year 1 January to 31 December 2015 comprising income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies for the Group and the Bank. The consolidated financial statements have been prepared in accordance with the IFRS as endorsed by the EU, and the financial statements for the Bank have been prepared in accordance with the Danish Financial Business Act.

Management's responsibility for the consolidated financial statements and the financial statements

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with the IFRS as approved by the EU, as well as for the preparation and fair presentation of financial statements in accordance with the Danish Financial Business Act. Management is also responsible for the internal control deemed necessary by Management in order to prepare consolidated financial statements and financial statements without material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the financial statements based on our audit. We conducted our audit in accordance with the international auditing standards and further requirements stipulated by Danish accounting legislation. These standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the consolidated financial statements and financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in

the consolidated financial statements and the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement in the consolidated financial statements and the financial statements, whether due to fraud or error. In making risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements and the financial statements. The purpose is 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 management, as well as evaluating the overall presentation of the consolidated financial statements and the financial statements.

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.

Conclusion

In our opinion, the annual financial statements provide a true and fair presentation of the assets, liabilities, and financial position of the Company as at 31 December 2015, as well as of the result of the activities and cash flows of the Bank for the financial year 1 January – 31 December 2015 in accordance with the IFRS approved by the EU.

Statement on the management's review

We have read through the management's review in accordance with the Danish Financial Business Act. We have not acted further other than the audit carried out of the consolidated financial statements and the financial statements.

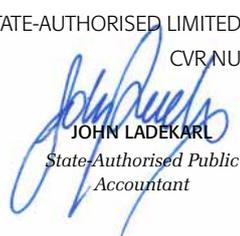
Furthermore, in our opinion the management's review is in accordance with the consolidated financial statements and the financial statements.

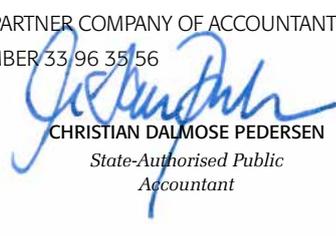
Copenhagen, 9 February 2016

DELOITTE

STATE-AUTHORISED LIMITED PARTNER COMPANY OF ACCOUNTANTS

CVR NUMBER 33 96 35 56


JOHN LADEKARL
State-Authorised Public
Accountant


CHRISTIAN DALMOSE PEDERSEN
State-Authorised Public
Accountant



Financial statements and consolidated financial statements

Income statement and comprehensive income

Note		Group		Bank	
		2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
Income statement					
7	Interest income	1,365,996	1,429,908	1,255,642	1,320,408
8	Interest expenses	-112,956	-261,076	-112,788	-260,877
	Net interest income	1,253,040	1,168,832	1,142,854	1,059,531
	Dividends from shares etc.	52,163	35,691	52,163	35,691
9	Fees and commission income	567,408	504,168	515,909	451,903
	Fees and commissions paid	-50,137	-41,434	-6,190	-5,732
	Net interest and fee income	1,822,474	1,667,257	1,704,736	1,541,393
10	Value adjustments	-240,542	25,135	-241,015	22,748
	Other operating income	107,570	111,306	41,499	47,258
11	Staff and administrative expenses	-1,195,059	-1,177,574	-1,111,514	-1,094,344
	Amortisation/depreciation as well as impairment charges on intangible assets and property, plant and equipment	-66,126	-81,471	-15,029	-30,342
12	Other operating expenses	-98,012	-96,753	-98,012	-96,753
13	Impairments on loans and receivables etc.	-102,900	-230,351	-98,991	-224,288
17, 41	Profit from equity investments in associates and group companies	102,421	115,396	135,497	152,986
	Profit before tax	329,826	332,945	317,171	318,658
14	Tax	-45,459	-37,967	-32,804	-23,680
	Profit for the year	284,367	294,978	284,367	294,978
	Broken down by:				
	Shareholders of Arbejdernes Landsbank	217,241	257,100	217,241	257,100
	Holders of Additional Tier 1 instruments	67,126	37,878	67,126	37,878
	Profit for the year	284,367	294,978	284,367	294,978
Comprehensive income					
	Profit for the year	284,367	294,978	284,367	294,978
	Other comprehensive income which cannot be reclassified to the income statement				
19, 23	Change in the revalued amount of owner-occupied properties	42,648	64,224	42,648	64,224
	Total other comprehensive income	42,648	64,224	42,648	64,224
	Total comprehensive income	327,015	359,202	327,015	359,202
	Broken down by:				
	Shareholders of Arbejdernes Landsbank	259,889	321,324	259,889	321,324
	Holders of Additional Tier 1 instruments	67,126	37,878	67,126	37,878
	Comprehensive income	327,015	359,202	327,015	359,202

Balance sheet as at 31 December

Note	Group		Bank		
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000	
Assets					
	Cash in hand and demand deposits with central banks	757,142	426,082	757,133	426,068
15, 33	Receivables from credit institutions and central banks	644,285	2,110,289	643,893	2,110,146
4, 33	Loans and other receivables at amortised cost	19,768,336	18,330,380	19,637,109	18,201,929
16	Bonds at fair value	15,401,974	14,566,631	15,401,974	14,566,631
4	Shares etc.	1,083,859	1,066,333	1,083,859	1,066,333
17,40,41	Equity investments in associates	841,046	763,290	841,046	763,290
40,41	Equity investments in group companies	0	0	223,226	190,152
18	Assets linked to pooled schemes	1,551,741	1,068,920	1,551,741	1,068,920
21	Intangible assets	13,813	28,977	7,997	13,602
19	Owner-occupied properties	901,175	836,202	901,175	836,202
20	Other property, plant and equipment	198,464	200,128	69,057	88,542
	Current tax assets	16,694	22,426	28,923	42,750
23	Deferred tax assets	4,397	7,345	21,532	24,055
22	Other assets	852,969	668,854	786,300	638,026
	Prepayments and accrued income	34,494	27,361	23,355	23,619
	Total assets	42,070,389	40,123,218	41,978,320	40,060,265
Liabilities					
Debt					
24, 33	Debt to credit institutions and central banks	3,258,214	2,810,092	3,258,214	2,810,092
25	Deposits and other debt	30,762,236	28,571,814	30,762,707	28,571,617
	Deposits in pooled schemes	1,551,741	1,068,920	1,551,741	1,068,920
26	Issued bonds at amortised cost	250,000	262,158	250,000	261,164
27	Other liabilities	656,552	680,261	564,012	627,323
38	Other non-derivative financial liabilities at fair value	174,709	1,552,628	174,709	1,552,628
	Accruals and deferred income	22,170	33,467	22,170	24,643
	Total debt	36,675,622	34,979,340	36,583,553	34,916,387
28	Provisions				
	Guarantee loss provisions	35,109	20,563	35,109	20,563
	Other provisions	80,031	74,217	80,031	74,217
	Total provisions	115,140	94,780	115,140	94,780
Equity					
29	Share capital	300,000	300,000	300,000	300,000
	Revaluation reserves	306,282	263,634	306,282	263,634
	Other reserves	690,535	612,778	900,929	790,099
	Reserve under the equity method	690,535	612,778	900,929	790,099
	Retained earnings or losses	3,103,811	2,978,553	2,893,418	2,801,232
	Proposed dividend	30,000	45,000	30,000	45,000
	Shareholders of Arbejdernes Landsbank	4,430,628	4,199,965	4,430,628	4,199,965
30	Holders of Additional Tier 1 instruments	848,999	849,133	848,999	849,133
	Total equity	5,279,627	5,049,098	5,279,627	5,049,098
	Total liabilities	42,070,389	40,123,218	41,978,320	40,060,265

Changes in equity

Shareholders of Arbejdernes Landsbank

	Share capital DKK ,000	Revaluation reserves DKK ,000	Others Reserves* DKK ,000	Retained earnings DKK '000	Dividends DKK ,000	Total DKK ,000	Additional Tier 1 capital DKK ,000	Total DKK '000
Group 2015								
Equity brought forward for 2015	300,000	263,634	612,779	2,978,552	45,000	4,199,965	849,133	5,049,098
Profit for the year	0	0	77,756	109,485	30,000	217,241	67,126	284,367
Other comprehensive income	0	42,648	0	0	0	42,648	0	42,648
Total comprehensive income	0	42,648	77,756	109,485	30,000	259,889	67,126	327,015
Other additions and disposals	0	0	0	0	0	0	50	50
Additional Tier 1 capital issued	0	0	0	0	0	0	0	0
Dividend paid for 2014	0	0	0	0	-45,000	-45,000	0	-45,000
Paid interest on Additional Tier 1 capital	0	0	0	0	0	0	-67,310	-67,310
Tax	0	0	0	15,775	0	15,775	0	15,775
Total changes in equity	0	42,648	77,756	125,260	-15,000	230,664	-134	230,529
Equity carried forward 2015	300,000	306,282	690,535	3,103,812	30,000	4,430,628	848,999	5,279,627
Group 2014								
Equity brought forward for 2014	300,000	207,378	569,405	2,792,577	60,000	3,929,360	0	3,929,360
Profit for the year	0	0	98,879	113,221	45,000	257,100	37,878	294,978
Other comprehensive income	0	64,224	0	0	0	64,224	0	64,224
Total comprehensive income	0	64,224	98,879	113,221	45,000	321,324	37,878	359,202
Other additions and disposals**	0	-7,968	-55,505	63,473	0	0	401,794	401,794
Additional Tier 1 capital issued	0	0	0	0	0	0	429,000	429,000
Dividend paid for 2013	0	0	0	0	-60,000	-60,000	0	-60,000
Paid interest on Additional Tier 1 capital	0	0	0	0	0	0	-19,540	-19,540
Tax	0	0	0	9,280	0	9,280	0	9,280
Total changes in equity	0	56,256	43,374	185,974	-15,000	270,604	849,133	1,119,737
Equity carried forward 2014	300,000	263,634	612,779	2,978,552	45,000	4,199,965	849,133	5,049,098

*) Only includes reserves for net revaluation according to the equity method for associates and group companies.

**) Reclassification in connection with the Bank's ownership interest in BEC (Bankernes EDB Central) was reduced to less than 20%. The Bank has realised revaluation reserves of DKK 8.0 mill. in connection with property sale. Furthermore, there are changed terms for issuing Additional Tier 1 capital of DKK 401.8 mill. in 2014, which leads to reclassification to equity, see page 46 of accounting policies.

Shareholders of Arbejdernes Landsbank

	Share capital	Revaluation reserves	Others Reserves*	Retained earnings	Dividends	Total	Additional Tier 1 capital	Total
	DKK ,000	DKK ,000	DKK ,000	DKK '000	DKK ,000	DKK ,000	DKK ,000	DKK '000
Bank 2015								
Equity brought forward for 2015	300,000	263,634	790,099	2,801,232	45,000	4,199,965	849,133	5,049,098
Profit for the year	0	0	110,830	76,411	30,000	217,241	67,126	284,367
Other comprehensive income	0	42,648	0	0	0	42,648	0	42,648
Total comprehensive income	0	42,648	110,830	76,411	30,000	259,889	67,126	327,015
Other additions and disposals	0	0	0	0	0	0	50	50
Additional Tier 1 capital issued	0	0	0	0	0	0	0	0
Dividend paid for 2014	0	0	0	0	-45,000	-45,000	0	-45,000
Paid interest on Additional Tier 1 capital	0	0	0	0	0	0	-67,310	-67,310
Tax	0	0	0	15,775	0	15,775	0	15,775
Total changes in equity	0	42,648	110,830	92,186	-15,000	230,664	-134	230,529
Equity carried forward 2015	300,000	306,282	900,929	2,893,418	30,000	4,430,628	848,999	5,279,627
Bank 2014								
Equity brought forward for 2014	300,000	207,378	709,140	2,652,842	60,000	3,929,360	0	3,929,360
Profit for the year	0	0	136,464	75,636	45,000	257,100	37,879	294,978
Other comprehensive income	0	64,224	0	0	0	64,224	0	64,224
Total comprehensive income	0	64,224	136,464	75,636	45,000	321,324	37,879	359,202
Other additions and disposals**	0	-7,968	-55,505	63,473	0	0	401,794	401,794
Additional Tier 1 capital issued	0	0	0	0	0	0	429,000	429,000
Dividend paid for 2013	0	0	0	0	-60,000	-60,000	0	-60,000
Paid interest on Additional Tier 1 capital	0	0	0	0	0	0	-19,540	-19,540
Tax	0	0	0	9,280	0	9,280	0	9,280
Total changes in equity	0	56,256	80,959	148,389	-15,000	270,604	849,133	1,119,737
Equity carried forward 2014	300,000	263,634	790,099	2,801,232	45,000	4,199,965	849,133	5,049,098

Cash flow statement *)

Note	Group	2014	Bank	2014	
	2015 DKK '000	DKK '000	2015 DKK '000	DKK '000	
	Profit before tax for the year	329,826	332,945	317,171	318,658
	Adjustment for non-cash operating items				
	Depreciation, amortisation and impairment charges on intangible assets	12,289	20,057	5,605	10,736
	Depreciation, amortisation, impairment charges and revaluations of property, plant and equipment	53,837	59,261	9,424	17,453
	Loan impairment charges etc.	102,900	230,351	98,991	224,288
	Profit for the year adjusted for non-cash operating items	498,852	642,614	431,191	571,136
	Loans and receivables with credit institutions, etc.	-1,462,182	-306,052	-1,460,369	-274,521
	Bonds and shares	-852,869	-1,885,163	-852,869	-1,885,161
	Deposits and debt to credit institutions, etc.	3,121,365	1,709,089	3,122,033	1,719,885
	Other non-derivative financial liabilities at fair value	-1,377,919	251,051	-1,377,919	251,051
	Other working capital	-813,200	-459,375	-808,310	-474,880
	Corporation tax paid	-41,221	-49,000	-41,221	-49,000
	Change in working capital	-1,426,026	-739,451	-1,418,655	-712,625
	Cash flows from operating activities	-927,174	-96,837	-987,464	-141,490
	Purchases of intangible assets	-1,018	-5,140	0	0
	Sales of intangible assets	3,893	0	0	0
	Purchases of property, plant and equipment	-104,200	-162,477	-15,834	-94,185
	Sales of property, plant and equipment	29,701	67,273	3,570	38,450
	Cash flows from investment activities	-71,624	-100,344	-12,264	-55,735
	Repayment of issued bonds	-12,158	0	-11,164	0
	Additional Tier 1 capital issued/sold	50	429,000	50	429,000
	Repayment of capital base	0	-328,000	0	-328,000
	Paid interest on equity instruments	-67,310	-19,540	-67,310	-19,540
	Dividend paid	-45,000	-60,000	-45,000	-60,000
	Cash flows from financing activities	-124,418	21,460	-123,424	21,460
	Change in cash and cash equivalents	-1,123,216	-175,721	-1,123,152	-175,765
37	Cash and cash equivalents brought forward	2,511,284	2,687,005	2,511,178	2,686,943
37	Cash and cash equivalents carried forward	1,388,068	2,511,284	1,388,026	2,511,178

* Includes value adjustments of security and currency forward transactions.

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Note 1

Accounting policies

GENERAL

The consolidated financial statements of Arbejdernes Landsbank have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU. The Financial statements of the Parent Company have been prepared in accordance with the Danish Financial Business Act, including the Executive Order on Financial Reports for Credit Institutions, etc., as well as guidelines issued by the Danish FSA. Furthermore, the annual report (consolidated financial statements and financial statements) has been prepared in accordance with further Danish disclosure requirements for financial companies with listed debt instruments. Further Danish disclosure requirements are stipulated in the IFRS Executive Order on Financial Undertakings issued pursuant to the Danish Financial Business Act.

The annual report is presented in Danish kroner (DKK), which is the presentation currency for the Group's activities and the functional currency of the Parent Company, and rounded off to the nearest DKK 1,000.

To further increase visibility and to reduce the number of disclosures in the notes, where amounts as well as qualitative information are assessed as insignificant for the user, such information has been omitted.

Reclassifications

Fixtures and fittings which are linked to the Bank's properties have been reclassified from the balance sheet item "Property, plant and equipment" to "Owner-occupied properties". The total amount constituted DKK 18.8 mill., but this has no importance for the Bank's total assets and operating profit. The reclassification is shown as independent items in the form of "Other additions" and "Other disposals" under the respective balance sheet items.

Repo/reverse transactions have been reclassified from the item "Other liabilities" to "Other non-derivative financial liabilities at fair value". The total amount constituted DKK 1,552,628,000 as at 31 December 2014. The reclassification has no significance for the Bank's total liabilities and operating profit.

Provisions for pensions have been reclassified from the item "Provisions for pensions and similar liabilities" to "Other provisions". The total amount constituted DKK 6,700,000 as at 31 December 2014. The reclassification has no significance for the Bank's total liabilities and operating profit.

The Bank's subordinated Additional Tier 1 capital meets the conditions for accounting presentation as equity and has been reclassified to equity effective from when the conditions are fulfilled. These changes have no significance in terms of real economy, and the solvency of the Bank and the Group has not been affected by the reclassification.

The total amount constituted DKK 829 mill., and is now part of equity. Interest payments on this type of Additional Tier 1 capital are recognised as a change in equity. Comparative figures have been adjusted in accordance with this. Please refer to changes in equity on pages 42-43.

The Group is affected*) by the reclassification of Additional Tier 1 capital as follows:

	2015	2014
	DKK ,000	DKK ,000
Core earnings, incl. interest on Additional Tier 1 capital	1,817	1,718
Interest on Additional Tier 1 capital	67	38
Core earnings, excl. interest on Additional Tier 1 capital	1,884	1,756
Tax adjustment	-16	-9
Adjusted profit after tax	284	295
Initial profit after tax	233	266
Of which, holders of Additional-Tier-1-instrument shares etc.	67	38
Effects on equity:		
Equity excl. Additional Tier 1 capital	4,200	4,200
Unpaid interest on Additional Tier 1 capital	20	20
Additional Tier 1 capital	829	829
Equity incl. Additional Tier 1 capital *)	5,049	5,049

*) Added to this are other equity adjustments which do not concern Additional Tier 1 capital.

The reclassification improves profit for the year by DKK 51 mill. and is not part of the Bank's reported expectations for the 2015 profit. The reclassifications only affect a few balance sheet items, and management has assessed that there is no need to present the opening balance sheet for the comparative year, 2014.

Implementation of new and changed standards as well as interpretation contributions

With effect from 1 January 2015, Arbejdernes Landsbank has implemented the following changed standards of relevance for the Bank:

- Annual Improvements to the IFRS 2010-2012 Cycle.

Implementation of the changed standards has not led to changes in accounting policies.

Standards and interpretation contributions not yet entered into force

At the time of publication of this annual report, a number of new or changed standards and interpretation contributions have not yet entered into force, and therefore these have not been incorporated in these consolidated financial statements. The changes of relevance to the consolidated financial statements are listed below:

IFRS 9 replacing IAS 39 Financial instruments: Recognition and measurement must be implemented by no later than 1 January 2018. This standard has not yet been approved by the EU. This is about the accounting treatment of financial assets and liabilities in classification and measurement, including changed provisions on hedge accounting and impairment. This is expected to entail a significant change in accounting policies and will probably lay down requirements for a new opening balance sheet.

IFRS 15, Revenue from Contracts with Customers must be implemented by 1 January 2018, and will be replacing IAS 18 Revenue and IAS 11 Construction Contracts and accompanying interpretation contributions. This standard has not yet been approved by the EU. This will comprise a simple, but comprehensive model for recognition of revenue in the form of goods and services.

The effects of the implementation have not yet been analysed, but preliminary studies show that this standard will only have limited significance for the Group.

IFRS 16 Leases, which replaces IAS 17 was issued by the International Accounting Standards Board (IASB) on 13 January 2016. This standard, which enters into force for financial years commencing on 1 January 2019 or later, has not yet been approved by the EU.

The standard is not expected to be significant for the accounting treatment of lease contracts where Arbejdernes

Landsbank is the lessor, as IFRS 16 in general continues the same provisions as IAS 17 concerning lessor.

However, IFRS 16 will have significance for the accounting treatment of lease contracts where Arbejdernes Landsbank is the lessee, as all lease contracts (except for short-term lease contracts and with regard to assets of small value) must be recognised in the balance sheet as a user right and with a lease commitment measured as the present value of the minimum lease payments over the lease period. The user right must subsequently be amortised in the same way as other non-current assets over the lease period, and interest on the lease commitment must be calculated corresponding to the treatment of the finance lease according to IAS 17. This change will consequently also have importance for the presentation in the income statement and the cash flow statement.

As the standard has just been issued, no assessment has yet been carried out of the significance of the standard for the consolidated financial statements of Arbejdernes Landsbank, but at present, this standard is assumed to have limited effect, as the Group is primarily a lessor.

Consolidated financial statements

The consolidated financial statements include the financial statements of Aktieselskabet Arbejdernes Landsbank and its subsidiaries, which are controlled by the Parent Company. The consolidated financial statements have been prepared as a consolidation of the financial statements of the Parent Company and subsidiaries, calculated in accordance with Group accounting policies, and with elimination of internal income and expenses, intercompany shareholdings and internal balances.

General on recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments to financial assets, financial liabilities, and derivative financial instruments. However, increases in the value of the Bank's owner-occupied properties are recognised in other comprehensive income and posted to a separate reserve on equity to the extent that these do not cancel out previous impairment charges. Costs incurred to obtain earnings for the year are recognised in the income statement.

An asset is recognised in the balance sheet when it is probable that future financial benefits will flow to the Group and the value of the asset can be measured reliably. A liability is recognised in the balance sheet when the Group has a legal or actual obligation, and it is probable

that future financial benefits will flow from the Group, and the value of the liability can be measured reliably.

Purchases and sales of financial instruments are recognised on the settlement date. At recognition and measurement, unpredictable risks and losses are taken into account that arise before the annual financial statements are presented, and which confirm or disconfirm conditions that existed on the reporting date. At initial recognition, assets and liabilities are measured at cost, which usually corresponds to fair value at the date of transaction.

However, financial assets and liabilities, including derivative financial instruments, are measured at the date of recognition at fair value. Measurements after initial recognition take place as described for each item below. Recognition of assets and liabilities ceases when the right to receive/surrender cash flows from the asset or liability has expired, or when it has been transferred and the Bank has essentially transferred all risks and returns attached to the beneficial ownership.

Financial assets are classified at the date of recognition into the following categories:

- Trading portfolio, which is measured at fair value.
- Investment securities and pool assets with fair value adjustment through the income statement (fair value option).
- Other financial assets measured at amortised cost.

Financial liabilities are classified at the date of recognition into the following categories:

- Trading portfolio, is measured at fair value.
- Deposits in pooled schemes with fair value adjustment through the income statement (fair value option).
- Other financial liabilities measured at amortised cost.

The trading portfolio includes securities acquired for the purpose of sale or repurchase within a short period of time. Derivative financial instruments are included in the trading portfolio.

Derivative financial instruments

Derivative financial instruments are instruments, the value of which has been derived from the value of an underlying asset, e.g. a security. Derivative financial instruments are measured at initial recognition and subsequently at fair value.

Positive and negative fair values of derivative financial instruments are recognised under other assets or other liabilities, respectively. A change in the fair value of derivative financial instruments is recognised in the income statement and calculated on the basis of current market data and recognised methods of valuation.

Hedge accounting

For certain fixed-interest assets and liabilities, fair value is hedged by derivative financial instruments as part of risk management. Changes in fair value of derivative financial instruments which have been classified as, and which meet the criteria for, hedging of the fair value of a recognised asset or a liability are recognised in the income statement together with any changes in the fair value of the hedged asset or the hedged liability.

For derivative financial instruments which do not meet the conditions for hedging instruments, changes in fair value are recognised in the income statement under the items: interest income, currency exchange-rate adjustments or value adjustment of derivatives, depending on the content of the value change.

Repo/reverse transactions

Securities sold, for which, at the time of the sale, agreement has been made on repurchase, are recognised in the balance sheet as though the securities were still part of the portfolio. The amount received is entered as debt and the difference between the selling price and the purchase price is recognised in the income statement during the term as interest. The return is recognised in the income statement. Securities purchased with simultaneous agreement on sell-back, are not recognised in the balance sheet and the return is not part of the income statement. The consideration is recognised as a receivable and the difference between the purchasing and selling rate is recognised in the income statement as interest during the term.

Foreign currency translation

The consolidated financial statements are presented in DKK, which is also the functional currency of the Bank.

Transactions denominated in foreign currencies are translated in accordance with the exchange rate ruling at the date of transaction. Gains and losses which arise between the date of transaction and the settlement date are recognised in the income statement. On the reporting date, monetary assets and liabilities are translated into foreign currency at the exchange rate ruling at the reporting date.

Holdings and balances in foreign currency are disclosed at the exchange rates published by Danmarks Nationalbank (Denmark's central bank) as at the end of the year as a best estimate of closing rates.

RATIOS AND KEY FIGURES

Core earnings

Core earnings are defined as net earnings before costs and excluding earnings from investment portfolios. Core income are divided into trading earnings and core earnings excluding trading income.

Trading income include commission and extra brokerage fees on trading activities in financial instruments and currency. Trading income also include earnings concerning capital management and consultancy services, including commission and fees from investment associations and the Bank's pools and custody fees.

Core profit

Core profit is calculated from the total core earnings after deduction of costs relating to the core earnings.

Investment portfolio earnings, excl. investment securities

Investment portfolio earnings include the return on transactions with credit institutions and on the portfolio of shares, bonds and derivatives. The results are calculated after funding expenses and costs.

Investment securities

The profit from investment securities deal with the return on shares and equity investments which the Bank considers to be sector-related, or which enable the Bank to be part of the infrastructure and cooperate with other financial institutions as an independent credit institution.

INCOME STATEMENT

Interest, fees and commissions

Interest income and interest expenses are recognised in the income statement in the period for which they concern. Index adjustments to bonds and price adjustments to zero-coupon bonds are included under interest from bonds. Value adjustments to certificates of deposit issued by Danmarks Nationalbank are included under interest from credit institutions.

The interest element on repo/reverse transactions is included under the respective interest items depending on the counterparty.

Income from finance leases is recognised in the income statement under interest income.

Interest income from loans which have been wholly or partly written down is only recognised under interest income at the calculated effective interest rate on the written down value of the loan. Further to this, interest income of the amount written down is recognised under the item "Impairments on loans and receivables etc."

Commission and fees which are regarded as an integral part of the effective interest rate on a loan or long-term funding, are recognised as part of the amortised cost and thus as an integral part of the financial instrument under interest income or interest expenses, respectively.

Commission and fees regarding current interest and capital repayment are accrued during the term. Other fees are recognised in the income statement when the transaction has been completed. Premiums (net) for forward transactions and interest on swap transactions (net) are included under other interest income.

Staff and administrative expenses

Staff expenses include wages and salaries as well as social costs, pensions etc. for the Bank's staff. Long-term staff liabilities are recognised, on a current basis, taking into consideration the expected probability of employees resigning before the date of benefits.

Other operating income and expenses

Other operating income and expenses include items of secondary character in relation to the Bank's activities, including profit/loss incurred from administering real property and selling leasing assets.

Profit or loss from selling leasing assets are calculated as the sales price after deduction of selling costs and the carrying amount of the leasing assets at contract expiry. The Bank's proportionate share of statutory expenses for the Guarantee Fund for Depositors and Investors, as well as *Afviklingsformuen* under the Financial Stability Company is also included in the item "Other operating expenses".

Tax

Arbejdernes Landsbank is taxed jointly with its group companies. Current corporation tax is distributed between the companies taxed jointly in relation to the taxable profit of such companies (full distribution with refund in respect of tax losses).

Tax for the year, which comprises current tax for the year and changes in deferred tax, is recognised in the income statement as the amount attributable to profit/loss for the year, and in other comprehensive income as the amount attributable to items posted to other comprehensive income. This applies to e.g. tax on revaluations of owner-occupied properties and directly in equity with amount attributable to items posted directly to equity.

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated tax on taxable profit for the year, adjusted for tax paid on account and dividend tax.

Deferred tax is recognised as all temporary differences between carrying amounts and tax bases of assets and liabilities. Where calculation of tax base can be made according to different taxation rules, deferred tax is measured on the basis of utilisation of the asset planned by the management, as well as planned settlement of the liability.

Deferred tax is measured on the basis of tax regulations and tax rates which will apply at the time when the deferred tax is expected to become current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

The Bank pays corporation tax according to the payment of tax on account scheme. To the extent that tax paid on account does not correspond to expected income tax for the year, additions or deductions are included in respect of the difference under interest income and interest expenses, respectively.

Calculated tax on income for the year and deferred tax is allocated to the individual company.

BALANCE SHEET

Cash in hand and demand deposits with Danmarks

Nationalbank

Cash in hand and demand deposits with central banks are recognised at initial recognition at fair value and subsequently measured at amortised cost.

Receivables from credit institutions etc.

Receivables from credit institutions and receivables from central banks are recognised at initial recognition at fair value, and subsequently measured at amortised cost. Certificates of deposit are recognised at fair value at initial recognition, and subsequently at amortised cost.

Loans at amortised cost

Loans at amortised cost are recognised at initial recognition at fair value. Subsequently loans at amortised cost are measured under the effective interest-rate method less impairment charges for provision of losses. Front-end fees, which are considered an integral part of the effective interest rate of the loan, are recognised at the carrying amount of the loan and thus recognised as income over the expected term of the loan.

In connection with individual assessments, objective evidence of impairment is ascertained if the debtor is considered to be in considerable financial difficulties, if the debtor has not fulfilled agreements entered into (breach of contract) or if the Bank has granted the debtor easier terms that would not have been considered if it had not been for the financial difficulties of the debtor. In addition, objective evidence of impairment is considered ascertained if it is considered likely that the debtor will go bankrupt or be subject to other financial reconstruction.

For loans and groups of loans, where objective evidence of impairment has been ascertained as a consequence of events that occurred after initial recognition, any impairment charges are calculated on the basis of discounting expected future cash flows, including realisation value of any collateral. For fixed-interest loans, discounting is based on the initially determined effective interest rate, and for floating-rate loans discounting is based on the current effective interest rate.

Large exposures, including large corporate exposures, are assessed individually.

Impairment charges are assessed individually as well as by groups. Significant loans are always tested for individual impairment charge. Loans not written down individually, are included in the calculation of collective impairments.

In connection with assessment of loans with objective evidence of impairment, payment rows for each loan are listed on the expected future cash flows.

Loans that are not individually written down are assessed by group as a whole to establish whether objective evidence of impairment exists.

Collective impairments are carried out on groups of loans which are assumed to have uniform characteristics with regard to customer segments and rating groups. These are supplemented by a credit estimate.

In collaboration with BEC (Bankernes EDB Central), the Bank has developed a model which meets the statutory requirements.

Provisions unutilised credits and guarantees are recognised under provisions.

Please also refer to the comments on credit risk in note 4 on risk management.

The Group as lessor

Receivables from lessees under finance leases are recognised as loans corresponding to the net investment in leasing contracts. Income from finance leases is accrued over the term of the contract, reflecting a constant periodic return on investment.

An operating lease is defined as a contract that is not a finance lease. Leasing income from operating lease contracts is recognised on a straight-line basis for the current leasing period. Profits and losses from selling leasing assets are recognised as other operating income or other operating expenses.

Bonds and shares etc.

Bonds and shares, etc. which are traded on active markets, are measured at fair value at initial recognition and subsequent recognition.

Fair value is the amount which the securities can be traded in between independent parties. In an active market, the fair value is expressed in a listed price. In a less active market, the fair value is set by means of a model-calculated value on the basis of observable market data and recognised models, alternatively through a corresponding managerial estimate. The fair value of called bonds is, however, stated at the present value of the bonds.

Fair value adjustments of bonds and shares, etc. are recognised in the income statement on a current basis.

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.

Equity investments in associates

Equity investments in associates are recognised and measured under the equity value method (the equity method) in the consolidated financial statements according to the IFRS, as well as the parent's financial statements according to the Danish Executive Order on the Presentation of Financial Statements, which means equity investments are measured in relation to the proportionate share of the equity value of the companies. The value change is recognised under equity investments in associates.

Equity investments in group companies

Investments in group companies are recognised and measured at net asset value in the parent's financial statements according to the Danish Executive Order on the Presentation of Financial Statements. Shares of profit after tax of group companies are recognised in the income statement under equity investments in group companies.

Shares of changes in equity of group companies are recognised directly in equity.

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.

Software acquired is written off on a straight-line basis over its expected useful life, typically three years.

Unidentifiable intangible assets acquired in connection with takeover are recognised at fair value at the date of the takeover and subsequently amortised over the expected life expectancy, typically 3-10 years.

Owner-occupied properties

Owner-occupied properties which are about properties and attached fixtures and fittings from where the Group carries out its activity as a credit institution, are recognised at acquisition at cost and are subsequently measured at revalued amount.

Revaluation is carried out at appropriate intervals, and at least once a year, so that the carrying amount is not deemed to differ materially from the fair value of the owner-occupied properties at the balance sheet date. Calculation of fair value is decided on the basis of a rental income achieved by renting on market terms, as well as on internally determined requirements for rates of return on each property. 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. As part of the annual valuation, a number of properties are selected for control calculation with regard to local allowance when obtaining a valuation from an independent assessor on the assumption that the assessment of selling price is made on the basis of no more than six months' turnover time.

Increases in the revalued amount after tax are recognised directly in other comprehensive income in a separate reserve on equity, unless the increase counteracts a reduction in value that was previously recognised in the income statement.

Owner-occupied properties are depreciated on a straight-line basis over the expected useful life, taking into consideration the anticipated residual value at the expiry of the useful life. The 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

Other property, plant and equipment

Other property, plant and equipment comprises machinery, fixtures and equipment and IT equipment as well as assets held under an operating lease, measured at cost less accumulated depreciation and any impairment losses.

The cost covers the acquisition price and costs directly related to the acquisition up until the time when the asset is ready for use.

The basis of amortisation is calculated taking into consideration the residual value of the asset and is reduced by any impairment charges. The residual value is determined at the date of acquisition and reassessed annually. If the residual value of the asset exceeds the carrying amount, depreciation ceases. Amortisation is carried out on a straight-line basis, taking into account expected residual value, over the expected useful life of the assets, which is expected to be up to 5 years. Cashpoints, coin counters and registers are assessed to have a longer useful life, however, typically up to ten years.

For improvements to rented premises, depreciation is carried out for the term of the rent contract, typically ten years.

Impairment charges on property, plant and equipment and intangible assets

The carrying amounts of property, plant and equipment and intangible assets with determinable useful lives are reviewed on the reporting date to determine whether there are indications of impairment. If so, the recoverable amount of the asset is calculated to determine any indications of impairment and the extent of these.

Other assets

This item includes assets which are not placed under other asset items, e.g. positive market values of spot transactions and derivative financial instruments, measured at fair value at initial recognition and at subsequent recognition.

Other receivables, including interest receivables, are measured at initial recognition at fair value and subsequently at amortised cost.

Prepayments and accrued income, assets

Prepayments and accrued income are recognised and measured at cost at initial recognition and subsequently at cost. Prepayments and accrued income under assets primarily comprise prepaid wages.

Debt to credit institutions and deposits etc.

Debt to credit institutions and central banks 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.

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.

Deposits and other debt comprise debt to individuals and undertakings which are not credit institutions. Deposits and other debt are recognised at amortised cost at initial recognition and at fair value subsequently.

Issued bonds at amortised cost

Issued bonds at amortised cost comprise the Group's issued bonds. Issued bonds are recognised at fair value at the date the loan was taken up and subsequently measured at amortised cost.

Other liabilities

This item includes liabilities which are not placed under other equity and liability items, e.g. negative market values of spot transactions and derivative financial instruments, measured at fair value at initial recognition and at subsequent recognition at fair value, as well as sold securities in connection with reverse transactions resulting in a negative portfolio. Other liabilities, including interest receivables, are measured at initial recognition at fair value and subsequently at amortised cost.

Accruals and deferred income, liabilities

Accruals and deferred income are recognised and measured at cost at initial recognition and subsequently at cost. Accruals and deferred income under liabilities mainly comprise prepaid fees and commissions.

Provisions

Provisions include deferred tax, pension commitments and pension contributions (long-term staff liabilities), provisions for losses on guarantees and value-impaired unutilised credits, and other liabilities which are uncertain with regard to size and date of settlement, when it is probable that the liability will lead to an outflow of financial resources from the Bank and the liability can be measured reliably. The liability is calculated as the present value of the costs necessary to meet the liability.

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 executives who have resigned. The liabilities are expected to be realised within 1-10 years. All liabilities are calculated on the basis of an actuarially calculated capitalised value.

Guarantee loss provisions and value-impaired unutilised credits are treated according to the same rules as characterise impairment tests on loans. These liabilities are expected to be realised within 1-5 years as actual losses or as reversed provisions due to lack of objective evidence of impairment.

Other liabilities primarily deal with anniversary bonuses which are successively recognised on the basis of an estimate of employees, which are expected to obtain a right to anniversary bonus. This liability is expected to be realised within 1-40 years as the individual employees earn the right to an anniversary bonus.

Subordinated debt

Subordinated debt is liabilities other than provisions in the form of subordinate loan capital and/or Additional Tier 1 capital, which is recognised at fair value at first measurement and at amortised cost subsequently.

Equity

Share capital is classified as equity when there is no obligation to transfer cash or other assets. Proposed dividend is recognised as a liability at the date when it is approved at the General Meeting. The proposed dividend for the financial year is included as a separate item under equity.

Additional Tier 1 capital with indefinite maturity, and where the Bank has an unconditional right to omit paying interest, is classified as equity, and payment of interest is recognised directly in equity at the time of payment as distributions.

Gains on revaluations of owner-occupied properties are transferred to revaluation reserves after deduction of taxes, if the revaluation is assessed to involve a tax burden in relation to the tax base of the properties. The reserve is dissolved at any reversal of revaluations made, or if the properties are sold.

Contingent liabilities

This item comprises guarantees and warranties, representations and indemnities, irrevocable commitments to grant credit and similar liabilities that are not recognised in the balance sheet. Guarantees and other liabilities are included at the full nominal value less provision of losses.

Provision for losses is recognised under the item "Impairments on loans etc." in the income statement and under the item provisions in the balance sheet.

Cash flow statement

The cash flow statement shows cash flows for the year as well as cash and cash equivalents at the beginning and the end of the year.

The cash flow statement is presented according to the indirect method based on profit/loss for the year before tax. Cash flows include value adjustments of security and currency forward transactions for the year. Cash flows from operations are calculated as profit/loss for the year before tax adjusted for non-cash operating items, changes in working capital and corporation tax paid. Cash flows from investment activities comprise acquisition or sale of non-current assets, investments in associates, etc. Cash

flows from financing activities comprise loans taken and bond issuance. Cash and cash equivalents comprise cash and short-term money market deposits and amounts with a remaining term of less than three months.

Segment information

The Group and the Bank only has an operating segment which comprises core profit and investment portfolio earnings, and therefore no segment information is given.

Large exposures

Exposures which, before deductions pursuant to the CRR Regulation, constitute 10% or more of the own funds, are included in the calculation of ratios and key figures at their exposure after deduction.

Capital ratio

The Group and Aktieselskabet Arbejdernes Landsbank calculate the capital ratio according to the CRD IV Directive issued by the EU. 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 according to the Executive Order on Calculation of Risk Exposures, Own Funds and Solvency Need and is reported to the Danish FSA quarterly with simultaneous announcement on the Bank's website "Solvensbehov" (Only available in Danish).

Note 2

Accounting estimates and assessments

The most important risks and the basis for estimated uncertainty of the Group are mentioned in the management's review, whereas note 4 describes risk management. The areas where these estimates and assessments have the most important effect on the financial statements are:

- Measurement of loans and guarantees in connection with impairment charges and provisions.
- Revalued amount of the Bank's owner-occupied properties.
- Measurement of unlisted shares at fair value.
- Measurement of other financial instruments at fair value.

Fair value is the amount for which an asset could be exchanged, or a liability transferred, under normal

conditions, between knowledgeable, willing parties in an arm's length transaction.

Measurement of loans and guarantees in connection with impairment charges

When measuring the Bank's total loans and guarantees, estimates are connected with the quantification of risk that the debtor may not be able to honour all future payments. If it can be established that not all future payments will be received, determining the size of expected payment, including realisation values of collateral and expected payments of dividends from any estate inventories, may also be subject to considerable estimates.

Guarantee loss provisions are also connected with uncertainty to establish the extent to which the guarantee will be effective in the event of economic failure of the principal.

If there is objective evidence of impairment exists, the Bank has prepared payment rows in accordance with current accounting standards. The Bank's credit risk is described in note 4 on risk management.

Collateral in cooperative housing

The Bank has a large risk exposure in loans for cooperative property and loans to cooperative housing associations.

The market for cooperative property does not have the same degree of transparency as the residential property market, and this involves greater demands on the Bank's measurement of mortgaged assets.

The Bank has developed a method for 'blue-stamping' cooperative housing associations before the association can be accepted as a customer. This method ensures updated mortgaging values on the Bank's collateral in cooperative housing. This method also provides security that in addition to focusing on exposure development and credit rating, all necessary information is collected to give the Bank a sound foundation for determining the value of the mortgaged assets.

Collective impairments

A model for calculating collective impairment charges is in itself subject to significant estimates. When applying the model, the Bank seeks to adjust the model to make it fit the specific conditions of the Bank.

The Bank also makes a credit estimate to adjust for events which have occurred and which the model does not take into account, for example, changed behaviour/risk of losses within portfolios with the same characteristics, as

well as changes in the economy which are expected to influence customers' future creditworthiness.

Uncertainty about the Bank's model for collective impairments has been reduced by the Bank's rating model, as the model ensures customers automatically migrate to groups with lower or higher loss ratios corresponding to the customer's rating.

The uncertainty connected with collective impairments for private customers may thus be particularly attributable to high debts, floating-rate loans and expiry of non-payment and may result in failure to pay. For business customers, particularly societal trends have significance.

Measurement of revalued amount on properties

Significant estimates are required to determine a rate of return requirement to sell owner-occupied properties within six months. Selecting a number of properties annually for external assessment by an assessor contributes to reducing this estimate, but it does not remove it.

Measurement of unlisted shares at fair value

Measurement of unlisted shares at fair value is only to a certain extent based on observable market data. In addition, certain unlisted shares have not been traded for a number of years. Measurement of unlisted shares is therefore calculated at an estimated market value and is therefore associated with uncertainty.

Measurement of other financial instruments at fair value

Measurement of OTC derivatives at fair value and listed financial instruments priced in markets with low turnover is based on observable market data and may therefore be associated with some uncertainty.

Note 3

Events after expiry of the accounting period

No other events have taken place after the end of the financial year which have a significant impact on the assessment of the Group's financial position.

Note 4

Risk management

General

The Bank has set up an all-risk function, which is to ensure that the Executive Management and the Board of Directors receive relevant risk reporting at Bank and Group levels, for the purpose of ensuring coherence and in order to provide the overall view necessary to manage the Bank's overall risk exposure. Special issues of a cross-sectoral nature are treated by a Risk and Balance-Sheet Management Committee set up by the Executive Management and composed of the Executive Management as well as the Head of Risk Management. The Board of Directors has set up an Audit and Risk Committee to treat relevant subjects pertaining to risk.

There is a person responsible for risk management for two major activity areas, providing credit and management of securities, as the Bank considers specific competencies and knowledge about these areas to be very important.

Credit risk

Credit policy

The overall credit risk is managed in accordance with policies and frameworks which are adopted and stipulated by the Board of Directors of the Bank and which by delegation ensure a lending system with a high degree of managerial involvement. Responsibility for monitoring, overall risk assumption and reporting to the Bank's management is rooted in the Bank's central credit area. Moreover, the Bank has a credit committee which examines exposures over a certain size.

An important part of the Group's activities is to advise on, and grant loans, credits and other financial products to private individuals and enterprises.

The primary target group is private customers, associations as well as small and medium-sized business customers where full-scale customer relationships are formed. The Bank also want to contribute to help ensure that the Bank's

owners are given the opportunity to have various forms of bank business conducted.

Generally, the Bank does not participate in geared investment transactions nor does it wish to finance projects of a speculative nature. When providing credit, the Bank's assessment is made on the basis of an ethical profile with a desire to diversify risk and take into account the spreading of risk over sectors, as well as the size of the exposure. This is important for the establishment of a sustainable foundation for the Bank's further development.

Furthermore, it is Group credit policy to minimise credit risk in agriculture.

Credit organisation

The Bank is organised with 71 branches, of which 19 are business branches and 6 are business centres. The authority to grant loans is structured such that the branches may grant loans in the majority of cases, but in larger and more complex cases, the branches must make a recommendation to this effect for authorisation by the central Credit Department or the Bank's credit committee.

The Bank's authorisation procedure is built on a hierarchical framework, as follow-up checks are performed at a higher organisational level than where the authorisation was granted. The follow-up checks, which also concern the basis for approval, are documented in the Bank's system and regular reports are submitted to the Bank's management.

The Bank has a structural separation between customer functions and the control and monitoring function. The Bank also has independent departments responsible for property assessments, debt collection and mortgage deeds.

The credit area is responsible for day-to-day sparring and monitoring of the branches, and is also in charge of portfolio monitoring and reporting to the Bank's management and Board of Directors.

Rating

For several years, the Bank has been using its own internally developed rating mode for private and business customers, and as at end-March 2015, a new and improved model was taken into use. Among other things, the model incorporates more stringent legislation imposed by guidelines and conclusions from the Danish FSA in 2014.

The rating model is a hybrid model, which is based on a combination of payment behaviour as well as objective information about the customer, including accounting data for business customer and financial information about private customers. Rating classes range from 1-11, where rating 1 is the best and 11 is the poorest. The rating classes are compatible with the credit-rating classes of the Danish FSA:

- Rating classes 1-5: Customers with normal credit quality.
- Rating classes 6-8: Customers starting to show weakness/certain signs of weakness.
- Rating class 9: Customers with significant signs of weakness but without objective evidence of impairment (OEI).
- Rating classes 10-11: Customers with OEI, with and without individual impairment losses.

Among other things, the Bank's rating is an essential parameter in the ongoing monitoring, including in the selection of customers starting to show signs of weakness, or customers with OEI. Furthermore the rating is used in the Bank's model for collective impairments.

Credit risk management and monitoring

Over the past years, the Bank has increased its focus on processes and tools that contribute to better and more effective management and monitoring of credit risk. In 2015, several new tools were developed to support this. In 2016, the credit area and the entire risk management of the Bank will continue to focus on management of the Bank's lending balance and management of the Bank's impairment charges with a view to minimising the Bank's risk of losses.

The credit area carries out ongoing credit reviews, where branches undergo an extraordinary review of their credit-weak customers and newly authorised cases focusing on general management of the exposure. There is a rotation system which means all branches will be reviewed every 3 years. Conclusions from this review are reported to the Bank's management and Internal Audit. Where assessed necessary, the branch will then be required to prepare action plans for follow-up by the Credit Department.

There is also an annual asset review (autumn review) of the Bank's total exposures on the basis of a materiality and risk-based approach. Current and future risks on selected exposures are assessed, and it is checked that indications of impairment laid down by the branch comply with

current regulations. The conclusions are reported to the Board of Directors.

Overdraft and arrears on exposures greater than DKK 50,000 are checked weekly. Similarly, the general overdraft treatment by branches is monitored regularly; this includes 60-90 days overdraft.

All large lending exposures are regularly reassessed, and at least once a year, on the basis of the customer's financial statements etc. If the developments in objective indicators are assessed to warrant individual impairments, impairment charges are made according to regulations laid down for this purpose. However, all Group lending exposures exceeding 1% of the Bank's own funds are assessed, as a minimum, each quarter and a calculation is carried out of the individual solvency need per exposure exceeding 2% of own funds. With regard to calculation of the individual solvency need, also the Bank's risk concentrations will be assessed, among other things, collateral, sectors and large exposures.

Weak/failing exposures are managed regularly and reviewed individually at least quarterly.

Moreover, credit monitoring is underpinning by ad hoc analyses on the basis of developments in the portfolio, and cross-sectoral analyses and reports are prepared for specific areas.

Credit risk is reported quarterly to the Board of Directors with more detailed comments on the development in rating classes/credit quality, overdrafts and the unsecured parts, development in impairments as well as customer segments and sectors. Also developments in the credit quality of the Bank's portfolio are monitored through an internally developed credit barometer, as well as performance and compliance with credit-policy objectives and requirements laid down in the Bank's credit policy.

Risk hedging and risk reduction

The Bank utilises its possibilities to reduce risk by generally securing collateral in the objects that it finances.

The value of the collateral is calculated according to a prudence principle. This implies that, for reasons of prudence, some assets are calculated at a reduced value or DKK 0, and therefore the real collateral value is significantly higher than the value calculated. Focus is on ensuring that mortgaged assets are assessed to be updated and documented. The most common collateral is

in the form of mortgages in real property and cooperative properties.

In principle, collateral is measured on the basis of the following points, unless significant indicators for other measurement exist:

- Private residential properties – up to 80%, of a conservatively assessed market value.
- Cooperative housing is measured on the basis of our “blue stamp programme”.
- Commercial properties - about 60-80%, of a prudently assessed market value.
- Cash and easily realisable securities – 70-95% of the official price.
- Cars – 50-75% of current market value.
- Chattels, other collateral – based on individual assessment.
- The Bank does not approve collateral in unlisted shares unless there is a special reason.

The development in the Bank's collateral is described on page 61.

For individually assessed exposures, collateral is calculated in impairment calculations at estimated fair value, pursuant to regulations from the Danish FSA.

The Bank makes regular assessments of the value of the collateral, calculated as the expected net proceeds on realisation within six months. In each case of default, the Bank assesses whether compulsory realisation of collateral will best serve the Bank in relation to minimising the Bank's risk of losses.

	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
Maximum credit exposure *)				
Receivables from credit institutions and central banks	644,285	2,110,289	643,893	2,110,146
Loans at amortised cost	19,768,336	18,330,380	19,637,109	18,201,929
Bonds at fair value	15,401,974	14,566,631	15,401,974	14,566,631
Shares etc.	1,083,859	1,066,333	1,083,859	1,066,333
Equity investments in associates	841,046	763,290	841,046	763,290
Equity investments in group companies	0	0	223,226	190,152
Positive market value of derivative financial instruments	157,093	49,516	157,093	50,650
Guarantees	4,081,034	3,400,013	4,081,034	3,400,013
Irrevocable credit commitments	726,614	938,761	0	200,000
Total	42,704,241	41,225,213	42,069,234	40,549,144

*) The credit exposure is composed of selected balance-sheet-items and off-balance-sheet items.

Loans and guarantees				
Loans before impairments	21,179,638	19,716,530	21,041,603	19,580,002
Guarantees before provisions	4,116,143	3,420,576	4,116,143	3,420,576
Total loans and guarantees before impairments etc.	25,295,781	23,137,106	25,157,746	23,000,578
Individual impairments on loans	1,308,712	1,244,092	1,302,005	1,236,905
Collective impairments on loans	102,590	142,057	102,489	141,168
Individual provisions on guarantees	23,299	13,329	23,299	13,329
Collective provisions on guarantees	11,810	7,234	11,810	7,234
Total loans and guarantees after impairments etc.	23,849,370	21,730,394	23,718,143	21,601,942
Loans and guarantees before impairments analysed by sectors and industry				
Public authorities	38,048	30,111	3,807	8,144
Business				
Agriculture, hunting, forestry and fisheries	150,022	127,911	131,903	111,669
Industry and extraction of raw materials	813,011	598,672	423,017	264,435
Energy supply	6,439	4,841	4,480	3,734
Building and construction	800,270	685,246	565,051	541,047
Trade	1,139,774	1,047,278	650,578	546,574
Transport, hotels and restaurants	559,290	509,056	434,460	416,580
Information and communication	228,426	170,261	190,892	124,662
Financing and insurance	1,269,356	1,206,778	4,639,217	4,105,498
Real property	1,834,796	1,860,535	1,787,366	1,839,841
Other business	2,515,076	2,598,190	2,195,364	2,359,961
Total business	9,316,460	8,808,768	11,022,328	10,314,001
Private	15,941,273	14,298,227	14,131,611	12,678,433
Total	25,295,781	23,137,106	25,157,746	23,000,578

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
Loans and guarantees analysed by groups of customers				
Private				
Loans and guarantees before impairments	17,475,040	15,400,582	15,665,378	13,781,660
Loans and guarantees after impairments	16,804,896	14,700,783	14,999,053	13,086,610
Collateral	8,913,834	8,278,155	7,229,023	6,744,698
Arrears	53,003	41,609	52,209	40,818
Actual loss (written off)	76,029	78,233	71,488	73,046
Business				
Loans and guarantees before impairments	6,511,684	6,575,851	8,217,552	8,080,211
Loans and guarantees after impairments	5,800,352	5,883,021	7,509,170	7,390,703
Collateral	3,339,472	3,197,167	1,737,348	1,804,365
Arrears	28,278	32,101	19,709	30,674
Actual loss (written off)	20,293	90,173	19,156	88,762
Other				
Loans and guarantees before impairments	1,309,057	1,160,675	1,274,816	1,138,708
Loans and guarantees after impairments	1,244,122	1,146,591	1,209,920	1,124,629
Collateral	542,762	816,201	510,472	795,424
Arrears	1,445	1,784	1,418	1,765
Actual loss (written off)	24	15	8	15
Total				
Loans and guarantees before impairments	25,295,781	23,137,107	25,157,746	23,000,579
Loans and guarantees after impairments	23,849,370	21,730,394	23,718,143	21,601,942
Collateral	12,796,068	12,291,523	9,476,843	9,344,487
Arrears	82,726	75,494	73,336	73,257
Actual loss (written off)	96,346	168,421	90,652	161,823

The distribution into 'Private', 'Business' and 'Other' is based on the Bank's internal customer groupings.

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
Loans in arrears				
Value of collateral for loans in arrears				
Properties	669,615	612,874	669,615	612,874
Securities, bonds, cash deposits, etc.	23,374	59,262	23,374	59,262
Cars	48,527	56,061	20,751	20,555
Warrants and guarantees	2,613	2,688	2,613	2,688
Other collateral	11,287	91,569	605	40,147
Total	755,416	822,453	716,958	735,526
Age distribution for arrears				
1-30 days	64,321	49,385	55,058	47,627
31-60 days	3,205	8,530	3,106	8,185
61-90 days	6,120	1,310	6,120	1,310
More than 90 days	9,080	16,269	9,052	16,135
Total arrears	82,726	75,494	73,336	73,257
Age distribution for loans in arrears				
1-30 days	1,201,087	1,446,151	1,163,419	1,364,109
31-60 days	49,763	99,432	47,174	93,664
61-90 days	30,340	14,675	30,340	14,675
More than 90 days	48,641	71,664	48,613	70,783
Total loans in arrears	1,329,831	1,631,922	1,289,546	1,543,231

The table shows the sum of loans at amortised cost for customers which had arrears at the end of the year, and which were not subject to individual impairments. The collateral is calculated at collateral value and makes up the customer's lending at amortised cost, as a maximum. Arrears are the sum of payment in arrears. Loans in arrears are calculated as the debtor's total lending.

Concentration risk

Overall, Group business strategy for loans activity is concentrated in three areas: Private, Business and Other. According to Article 395 of the CRR, an exposure with a client or group of connected clients, may not, after subtracting particularly secure claims, exceed 25% of its eligible capital. Quarterly reports are submitted to the Danish FSA. The Group has not had exposures exceeding the limits laid down in section 395 of the CRR.

Concentration risk on large exposures, see Article 392 of the CRR amounting to 10% or more of own funds

Credit institutions				
Credit exposure after deductions *)	0	511,769	0	511,769
Other business				
Credit exposure after deductions	438,495	787,862	438,495	787,862
Number of large exposures				
Credit institutions before deductions	5	8	5	8
Other business before deductions	2	2	3	3
15-20% of own funds	0	787,862	0	787,862
10-15% of own funds	438,495	511,769	438,495	511,769
Sum of large exposures, excl. credit institutions in % of own funds	11	18	11	17

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
Concentration on the Group's total collateral				
Private				
Properties	6,750,729	6,266,376	6,750,729	6,266,376
Securities, bonds, cash deposits, etc.	120,619	139,642	120,619	139,642
Cars	1,980,841	1,741,696	334,516	258,219
Warrants and guarantees	2,395	6,003	2,395	6,003
Other collateral	59,250	124,438	20,764	74,458
Total	8,913,834	8,278,155	7,229,023	6,744,698
Business				
Properties	1,256,772	818,414	1,256,772	818,414
Securities, bonds, cash deposits, etc.	452,067	797,439	452,067	797,439
Cars	808,040	576,064	13,529	17,627
Warrants and guarantees	8,157	16,034	8,157	16,034
Other collateral	814,436	989,216	6,823	154,851
Total	3,339,472	3,197,167	1,737,348	1,804,365
Other				
Properties	268,222	124,496	268,222	124,496
Securities, bonds, cash deposits, etc.	242,123	611,402	242,123	611,402
Cars	21,402	15,205	0	116
Warrants and guarantees	127	847	127	847
Other collateral	10,888	64,251	0	58,563
Total	542,762	816,201	510,472	795,424
Total collateral				
Properties	8,275,723	7,209,286	8,275,723	7,209,286
Securities, bonds, cash deposits, etc.	814,809	1,548,483	814,809	1,548,483
Cars	2,810,283	2,332,964	348,045	275,962
Warrants and guarantees	10,679	22,884	10,679	22,884
Other collateral	884,574	1,177,905	27,587	287,872
Total	12,796,068	12,291,523	9,476,843	9,344,487

The distribution into 'Private', 'Business' and 'Other' is based on the Bank's internal customer groupings. In 2015 the Bank started using a more appropriate method for grouping collateral.

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
Credit quality - Loans before impairments				
Customers not individually impaired analysed by primary business areas				
Private				
Ratings 1-5	8,199,891	7,668,359	6,408,098	6,059,645
Ratings 6-8	4,956,399	4,376,063	4,956,399	4,376,063
Ratings 9-11	657,481	807,667	657,481	807,667
Total	13,813,771	12,852,089	12,021,978	11,243,375
Business				
Ratings 1-5	2,499,396	1,619,492	4,711,826	3,663,959
Ratings 6-8	965,755	1,317,152	649,892	1,024,477
Ratings 9-11	772,076	978,335	588,178	740,251
Total	4,237,227	3,914,979	5,949,896	5,428,687
Other				
Ratings 1-5	851,107	669,203	832,690	657,240
Ratings 6-8	165,066	74,944	152,454	68,251
Ratings 9-11	29,633	44,160	26,623	40,849
Total	1,045,806	788,307	1,011,767	766,340

At end-March 2015, the Bank introduced a new rating model. The comparative figures for 2014 have been adjusted based on an estimation to new rating classes.

	Group		Bank	
	2015	2014	2015	2014
	%	%	%	%
Average impairment ratio for customers not individually impaired analysed by primary business areas				
Private				
Ratings 1-5	0.307	0.580	0.392	0.720
Ratings 6-8	0.741	1.557	0.741	1.557
Ratings 9-11	1.331	1.888	1.331	1.888
Business				
Ratings 1-5	0.469	0.121	0.247	0.053
Ratings 6-8	0.361	0.298	0.535	0.382
Ratings 9-11	1.516	0.818	1.989	1.080
Other				
	0.486	0.042	0.503	0.042

Credit quality of loans has been assessed on the basis of the Bank's rating model and the Bank's model for collective impairments for the Group and the Bank. As at March 2015, a new rating model was taken into use. Rating classes are from 1 to 11, where rating 1 is the best and rating 11 is the poorest. The comparative figures for 2014 are based on the previous rating, which has been adjusted to new rating classes. Credit margins (loss rates) of the Group and the Bank form the basis for collective impairments, estimated in terms of credit, where necessary. The distribution into 'Private', 'Business' and 'Other' is based on the Bank's internal customer groupings.

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
Reasons for individual impairment on loans				
Amortised cost, loans before impairments				
Bankruptcy	87,068	108,840	84,028	107,502
Debt collection	334,360	348,580	333,069	344,349
Debtors in financial difficulties	1,661,406	1,703,736	1,640,865	1,689,748
Amortised cost, loans before impairments	2,082,834	2,161,156	2,057,962	2,141,599
Impairment charged				
Bankruptcy	68,732	82,131	66,857	81,786
Debt collection	247,902	237,366	247,529	235,976
Debtors in financial difficulties	992,078	924,596	987,619	919,143
Impairment charged	1,308,712	1,244,093	1,302,005	1,236,905
Amortised cost, loans after impairments	774,122	917,063	755,957	904,694
Collateral	465,768	571,883	448,090	559,514
Unsecured part	308,354	345,180	307,867	345,180
Value of loans with objective evidence of impairment, and where the carrying amount is larger than zero				
Assessed individually				
Loans at amortised cost before impairments	1,824,023	1,812,343	1,800,939	1,795,873
Impairment charges	1,049,901	895,280	1,044,982	891,179
Loans at amortised cost after impairments	774,122	917,063	755,957	904,694
Collective assessment				
Loans at amortised cost before impairments	7,856,315	8,766,514	7,407,884	7,958,336
Impairment charges	102,590	142,057	102,489	141,168
Loans at amortised cost after impairments	7,753,725	8,624,457	7,305,395	7,817,168
Assessed in total				
Loans at amortised cost before impairments	9,680,338	10,578,856	9,208,823	9,754,208
Impairment charges	1,152,491	1,037,336	1,147,471	1,032,346
Loans at amortised cost after impairments	8,527,847	9,541,520	8,061,352	8,721,862

	Group		Bank	
	2015	2014	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000
The Group as lessor				
The subsidiary AL Finans A/S acts as a lessor within the areas of car leasing, machinery and equipment and similar. Finance leases as well as operating leases are offered.				
The item "Loans at amortised cost" includes finance leases.				
Net investments in finance leases				
Duration up to 1 year	229,426	108,873	0	0
Duration between 1-5 years	640,180	468,906	0	0
Duration more than 5 years	10,205	4,718	0	0
Total	879,811	582,497	0	0
Gross investments in finance leases				
Duration up to 1 year	234,724	111,758	0	0
Duration between 1-5 years	684,240	503,387	0	0
Duration more than 5 years	11,841	5,368	0	0
Total	930,805	620,513	0	0
Unearned financing income	50,994	38,016	0	0
Impairment charges on finance leases	590	893	0	0
AL Finans A/S is a lessor in a number of operating leases. The agreements primarily comprise operating equipment and fixtures and equipment, and assets are recognised under machinery and fixtures and equipment.				
Operating leases				
Duration up to 1 year	34,938	21,679	0	0
Duration between 1-5 years	89,244	84,153	0	0
Duration more than 5 years	198	1,631	0	0
Total	124,380	107,463	0	0
Credit risk on financial counterparties				
As part of trading in securities, currencies and derivative financial instruments as well as money transmission services, etc. exposures to financial counterparties arise as settlement risk or credit risk.				
Management grant lines on settlement risk and credit risk against financial counterparties, and this is based on the individual counterparty's risk profile, geographical location, rating, size and equity ratio. Risks and lines on financial counterparties are monitored regularly.				

Market risk

The Arbejdernes Landsbank Group regularly accepts various forms of market risk, primarily as interest-rate risk, share-price risk or currency risk, as well as securities-related credit risks in the form of investments in credit bonds.

Market risks arise, partly as a result of servicing customers' needs, and partly from the Bank's positions in financial instruments. The Bank utilises derivative financial instruments to manage and adjust market risks.

Trading in shares, bonds, currency and related derivative financial instruments is part of the business area for the Bank. As a result, and because of the Bank's wish to exploit the fluctuations in the financial markets, the Bank regularly takes on market risks.

The purpose of market-risk management is to counterbalance the overall market risk on assets and liabilities, in order to be in a position to consider return and risk satisfactorily.

The framework, objectives and strategies for the Bank's market risk have been laid down in a delegation system in which the Board of Directors of the Bank outlines the framework for the maximum total market risk the Bank is permitted to accept.

The Executive Management forwards parts of the risk framework to the Treasury Division. The rest of the framework is placed on the basis of the Executive Management's investment strategy, which depends on assessments of return in relation to risk in financial instruments as well as the Bank's other risks.

Market risk is managed at Group level, and market risk in other units in the Group is regularly hedged with the Parent Company.

Monitoring market risk

Detailed risk reports are generated daily on the basis of records in the Bank's systems of the risk-related instruments, and these reports are sent to the Executive Management and other relevant parties. The Bank is continuously focusing on the quality of the risk statements.

Internal Risk Management and Control is independent of business responsibilities and position management, and it ensures that all reported risk frameworks comply with the frameworks stipulated and the current strategy in the area. Any transgressions must be reported to the Board of Directors, the Executive Management and to the Risk and Balance-Sheet Management Committee.

Reporting to the Executive Management is on a daily basis and reporting to the Board of Directors and the Risk and Balance-Sheet Management Committee is monthly.

Interest-rate risk

Interest-rate risk is managed to achieve a balance in the interest-rate risk on assets and liabilities. For certain fixed-interest assets and liabilities, as part of risk management, interest-rate risk is hedged by derivative financial instruments such as futures, interest-rate swaps, options and forward transactions.

Interest-rate risk is the risk of losses as a result of a general parallel shift in market interest rates by one percentage point in the same currencies. In calculation of interest-rate risk on fixed-interest assets and liabilities, duration intervals are utilised.

The interest-rate risk is spread over seven duration zones. For day-to-day management of interest-rate risk, the interest-rate risk is calculated according to guidelines from the Danish FSA. Monitoring is continuous and there are daily reports on utilisation of the frameworks.

Interest-rate risk

	2015	2014
	DKK '000	DKK '000
Broken down by type of business		
Bonds etc.	701,048	395,001
Derivative financial instruments	-769,479	-483,859
Mortgage deeds	57,763	31,510
Other items	-33,124	11,619
Total	-43,792	-45,729
Broken down by currency		
DKK	106,230	80,914
USD	-93,122	75,417
EUR	-63,781	-58,417
GBP	2,813	5,463
NOK	-5	923
CHF	2,569	590
SEK	1,505	220
Other	-1	-5
Total	-43,792	-45,729
Broken down by modified maturity (M)		
0 < M ≤ 3 mths.	12,294	19,354
3 < M ≤ 6 mths.	15,815	15,318
6 < M ≤ 9 mths.	528	2,136
9 < M ≤ 12 mths.	11,568	1,513
1 < M ≤ 2 years	4,203	32,482
2 < M ≤ 3.6 years	31,746	-13,730
3.6 years < M	-119,946	-102,802
Total	-43,792	-45,729

A positive interest-rate risk indicates a loss in connection with interest-rate increases and a gain in the event of general interest-rate falls. The negative net interest-rate risk across duration zones and currency thus indicates a gain in the event of a general interest-rate increase of 1 percentage point of DKK 44 mill. The risks are also assessed regularly in relation to the Bank's assessment of return opportunities and risks.

Currency risk

Currency risk is managed to a wide extent to match financial assets with the currency distribution of liabilities. Furthermore, the currency risk is hedged using derivative financial instruments. The Bank's investment strategy is to only have limited net positions in foreign currency.

An unfavourable fluctuation for the Bank in EUR of 2% and in other currencies of 10% will lead to a negative effect on results and equity before tax of DKK 14.3 mill. (2014: DKK 24.4 mill.).

Currency indicator 1 expresses the largest sum of positions in currencies in which the Bank has net assets and the sum of positions in which the Bank has net liabilities.

Currency indicator 2 gives a target for foreign-currency risk, which takes account of the amount by which the individual currencies have fluctuated in relation to the DKK, calculated on the basis of variances and correlations from the Danish FSA.

Currency risk

	2015	2014
Currency indicator 1 in DKK 1,000	65,746	150,016
Currency indicator 1 in % of Tier 1 capital	1.6	3.0
Currency indicator 2 in DKK 1,000	1,583	2,313
Currency indicator 2 in % of Tier 1 capital	0.0	0.1

Share-price risk

The size of the Bank's share-price risk is set regularly on the basis of the Bank's assessment of the macro-economic situation, as well as the situation of the individual companies. Sensitivity to general changes in the share markets is concentrated in the relatively small part of shareholdings held in the trading portfolio. Holdings are spread over as many companies as possible so that a general fall in the share markets of 10% would lead to a capital loss of DKK 51.3 mill. (2014: DKK 43.8 mill.).

However, investment securities are more specifically affected by developments in the individual companies, which cannot be assumed to be influenced correspondingly by market fluctuations.

Share positions

	2015 DKK '000	2014 DKK '000
Trading portfolio		
Listed shares	177,314	219,217
Unlisted shares etc.	93,109	40,788
Derivatives	242,194	178,220
Total trading portfolio	512,617	438,225
Investment securities		
Unlisted shares etc.	802,700	799,591
Listed shares etc.	10,736	6,737
Associates	841,046	763,290
Total investment securities	1,654,482	1,569,618
Total	2,167,099	2,007,843

Securities-related credit risk

Part of the Bank's interest-rate risk is position-taking in credit bonds which involves an additional risk element in the form of fluctuations in credit-risk spreads which may be specific to the security or denote general changes in a wide spectrum of all securities. As a consequence of attractive prices in relation to investments in for example government bonds, credit bonds have become increasingly more important to the Bank's bond portfolio. Naturally, this has given rise to increased focus on risk monitoring in this area.

Credit bonds are included in the trading portfolio and are recognised at fair value in the financial statements.

Currently, DKK 1.8 bn., corresponding to 12% of the total bond portfolio has been invested in a very diversified portfolio of corporate bonds, excluding banks. Interest rate sensitivity represents DKK 54.6 mill., mainly in DKK and EUR bonds against DKK 70.3 mill. at the end of 2014.

Investment in bonds issued by banks represents DKK 2.6 bn. (2014: DKK 3.5 bn.) and 17% of the Bank's total bond portfolio (2014: 24%). Interest rate sensitivity represents DKK 83.4 mill. (2014: DKK 87.5 mill.) - mainly in banks with a BBB+ rating or higher and focused on banks in EUR bonds.

The total bond portfolio at the end of 2015:

Bond portfolio

	2015	2014
Rating		
AAA	48%	37%
AA+, AA, AA-	5%	9%
A+, A, A-	19%	23%
BBB+	4%	8%
BBB	9%	7%
BBB-	4%	4%
Rating < BBB-	2%	2%
Not rated	9%	10%
Total	100%	100%
Broken down by issuers		
States	19%	8%
Mortgage credit	52%	58%
Banks	17%	24%
Other businesses	12%	10%
Total	100%	100%

Figure: Distribution according to the S&P rating scale based on the S&P ratings or ratings from Moody converted to corresponding ratings in the S&P scale.

Commodity risk

The Bank had no commodities positions at the end of 2015 and only accepts very limited commodity risks.

Operational risk

Pursuant to the capital adequacy rules, credit institutions must quantify and recognise an amount for operational risks in their capital-adequacy statement. The Group uses the basic indicator approach, according to which, on the basis of calculation of an average of the past three financial years' net income, an amount is quantified to which the risk-weighted items are added, in order to cover the Bank's operational risks.

A systematic accumulation of events of an operational nature is carried out and this forms the basis for ongoing reporting of losses and events assessed to be attributable to operational risks. On the basis of these reports, the Bank assesses whether procedures and internal controls etc. can be adjusted and improved in order to prevent or minimise any operational risks, and the Bank's procedures and internal controls are regularly reviewed and assessed by the Bank's compliance function, as well as the internal and external auditors.

In the assessment of the Bank's operational risk, IT supply is a significant area. The Bank's IT organisation and management regularly evaluate IT security, including prepared IT emergency preparedness plans, which lay down requirements and levels for the accessibility and stability of the IT systems and data used by the Bank. The requirements listed apply to the Bank's internal IT organisation, as well as to the Bank's IT supplier, BEC (Bankernes EDB Central), which the Bank owns together with a number of other banks.

Liquidity risk

Liquidity risk is a consequence of a mismatch in balance between the maturity of assets and liabilities. The Bank's loan portfolio generally has a longer time to maturity than its financing business, including deposits. This risk is reflected in a risk of additional expenses resulting from the Bank having to pay more for the liquidity required to cover its payment obligations in a situation where the Bank itself, or the sector as a whole, is affected by extraordinary circumstances. Most of the Bank's liquidity risk is in DKK, while the rest of the risk is concentrated in EUR, USD, CHF, SEK, GBP and NOK.

The Board of Directors has stipulated in its liquidity policy that the Bank must have excess liquidity of at least 100% compared with the provisions of section 152 of the Danish Financial Business Act. The Bank also has a policy that liquidity forecasts, which are prepared at least once a month, must demonstrate similar excess liquidity for at least three months ahead, for 3-6 months ahead excess liquidity must be at least 90% and for 6-12 months ahead there must be excess liquidity of at least 75%. The policy also requires work on stress tests of the forecasts. Liquidity forecasts are submitted to the Board of Directors on a monthly basis, and more often, if required. In liquidity policy the Board of Directors has also laid down the excess liquidity regulations for LCR of 30 percentage points in relation to the minimum requirements. During 2016, principles for projection and stress test on the LCR calculations will be prepared.

The Bank has also prepared a cash-resources contingency plan which states specific initiatives to improve liquidity and reduce risks, including borrowing against assets or selling them, and these initiatives can be implemented if the liquidity forecasts cannot meet the policies. Activation of the contingency plan will also be considered if significant impairments in liquidity occur - even if the goals for excess liquidity are being met.

Balance sheet items by remaining term - Group

	On demand	Up to and incl. 3 months	More than 3 months and including 1 year	More than 1 year and up to 5 years	More than 5 years	Total
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
2015						
Assets						
Cash in hand and demand deposits with central banks	757,142	0	0	0	0	757,142
Receivables from credit institutions	447,725	183,198	106	13,256	0	644,285
Loans at amortised cost	354,937	1,895,749	3,226,188	9,378,586	4,912,875	19,768,335
Bonds at fair value	0	110,991	1,162,486	6,226,372	7,902,125	15,401,974
Total	1,559,804	2,189,938	4,388,780	15,618,214	12,815,000	36,571,736
Liabilities						
Debt to credit institutions and central banks	1,289,168	1,556,366	412,680	0	0	3,258,214
Deposits and other debt	27,874,475	1,848,300	21,483	211,612	806,366	30,762,236
Issued bonds at amortised cost	0	0	250,000	0	0	250,000
Total	29,163,643	3,404,666	684,163	211,612	806,366	34,270,450
Guarantees	0	931,957	909,019	1,699,128	540,931	4,081,034
2014						
Assets						
Cash in hand and demand deposits with central banks	426,082	0	0	0	0	426,082
Receivables from credit institutions	503,382	1,581,820	4,087	0	21,000	2,110,289
Loans at amortised cost	640,173	1,663,609	3,537,100	6,804,714	5,684,785	18,330,380
Bonds at fair value	0	109,108	529,407	6,411,003	7,517,112	14,566,631
Total	1,569,637	3,354,537	4,070,594	13,215,716	13,222,897	35,433,381
Liabilities						
Debt to credit institutions and central banks	1,546,602	1,114,618	148,872	0	0	2,810,092
Deposits and other debt	25,806,728	1,398,543	162,148	229,227	975,168	28,571,814
Issued bonds at amortised cost	0	12,158	0	250,000	0	262,158
Total	27,353,330	2,525,319	311,020	479,227	975,168	31,644,064
Guarantees	0	923,793	514,652	1,334,770	626,798	3,400,013

Balance sheet items by remaining term - Bank

	On demand	Up to and incl. 3 months	More than 3 months and including 1 year	More than 1 year and up to 5 years	More than 5 years	Total
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
2015						
Assets						
Cash in hand and demand deposits with central banks	757,133	0	0	0	0	757,133
Receivables from credit institutions	447,725	183,165	3	13,000	0	643,893
Loans at amortised cost	359,103	909,491	2,579,334	9,972,841	5,816,340	19,637,109
Bonds at fair value	0	110,991	1,162,486	6,226,372	7,902,125	15,401,974
Total	1,563,961	1,203,647	3,741,823	16,212,213	13,718,465	36,440,110
Liabilities						
Debt to credit institutions and central banks	1,289,168	1,556,366	412,680	0	0	3,258,214
Deposits and other debt	27,874,946	1,848,300	21,483	211,612	806,366	30,762,707
Issued bonds at amortised cost	0	0	250,000	0	0	250,000
Total	29,164,114	3,404,666	684,163	211,612	806,366	34,270,921
Guarantees	0	931,957	909,019	1,699,128	540,931	4,081,034
2014						
Assets						
Cash in hand and demand deposits with central banks	426,068	0	0	0	0	426,068
Receivables from credit institutions	503,382	1,581,728	4,036	0	21,000	2,110,146
Loans at amortised cost	644,394	893,905	2,224,786	9,593,314	4,845,529	18,201,929
Bonds at fair value	0	109,108	529,407	6,411,003	7,517,112	14,566,631
Total	1,573,844	2,584,742	2,758,229	16,004,317	12,383,641	35,304,773
Liabilities						
Debt to credit institutions and central banks	1,546,602	1,114,618	148,872	0	0	2,810,092
Deposits and other debt	25,806,531	1,398,543	162,148	229,227	975,168	28,571,617
Issued bonds at amortised cost	0	11,164	0	250,000	0	261,164
Total	27,353,133	2,524,325	311,020	479,227	975,168	31,642,873
Guarantees	0	923,793	514,652	1,334,770	626,798	3,400,013

Note	Group	2014	Bank	2014
	2015 DKK '000	DKK '000	2015 DKK '000	DKK '000
5	Capital and solvency			
	Transformation from equity to own funds			
	Equity	5,279,627	5,049,098	5,279,627
	Proposed dividend	-30,000	-45,000	-30,000
	Intangible assets	-13,813	-28,977	-7,997
	Additional Tier 1 capital, including interest payable	-848,999	-849,133	-848,999
	Deductions for prudent valuation	-16,454	-15,457	-16,454
	Capital instruments in financial entities	-401,013	-69,305	-400,608
	Common Equity Tier 1 capital	3,969,348	4,041,226	3,975,569
	Additional Tier 1 capital	829,000	828,950	829,000
	Capital instruments in financial entities	-655,772	-357,189	-655,034
	Tier 1 capital	4,142,576	4,512,987	4,149,535
	Tier 2 capital	0	0	0
	Own funds	4,142,576	4,512,987	4,531,413
	Capital requirement from pillar I (8%)	2,477,049	2,315,680	2,497,069
	Risk exposures			
	Items with credit risk	20,790,704	19,155,027	21,448,011
	Items with market risk	6,819,611	6,302,021	6,808,357
	Items with operational risk	3,352,794	3,488,946	2,957,000
	Total risk exposure	30,963,109	28,945,994	31,213,368
	Capital ratio	13.4	15.6	13.3

6 Segment information for the Group

Group activities are concentrated in Denmark with focus on banking services for private customers, small and medium-sized enterprises as well as associations, etc. Banking services are offered across customer types in the entire branch network as well as in the Bank's group company; AL Finans. The return on these activities has been expressed in the core profit, see the model on page 6 in this Annual Report. Activities under core profit depend, however, on the Bank's investment portfolio activities where the Bank's liquidity is secured, but also under which the Bank's strategic sector shares belong. The regular operating report to the Executive Management contains the information and the aggregation level stated in the model. On the basis of this, the Group is considered to have one operating segment, which includes core profit and investment portfolio earnings as one item.

Note	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
7 Interest income				
Receivables from credit institutions and central banks	-2,832	1,769	-2,847	1,758
Loans at amortised cost	1,252,393	1,244,623	1,140,292	1,130,525
Interest on impaired exposures	-122,164	-64,917	-122,164	-64,917
Bonds	296,942	279,487	296,942	279,487
Derivative financial instruments				
Currency contracts	-26,654	-16,661	-26,654	-16,661
Interest-rate contracts	-31,991	-14,393	-30,431	-10,727
Total derivative financial instruments	-58,645	-31,054	-57,085	-27,388
Other interest income	302	0	504	943
Total interest income	1,365,996	1,429,908	1,255,642	1,320,408
Of which, reverse transactions recognised under				
Receivables from credit institutions and central banks	-5,553	-1,292	-5,553	-1,292
Loans and other receivables	-249	308	-249	308
Negative interest income arisen as a consequence of interest rates have been offset in the respective interest income items. Negative interest income primarily derives from reverse transactions.				
8 Interest expenses				
Debt to credit institutions and central banks	-639	-6,436	-639	-6,436
Deposits and other debt	-106,017	-218,804	-105,849	-218,625
Issued bonds	-6,212	-7,089	-6,212	-7,069
Subordinated debt	0	-28,656	0	-28,656
Other interest expenses	-88	-91	-88	-91
Total interest expenses	-112,956	-261,076	-112,788	-260,877
Of which, reverse transactions recognised under				
Debt to credit institutions and central banks	-1,304	-42	-1,304	-42
Positive interest expenses arisen as a consequence of negative interest rates have been offset in the respective interest expense items. Positive interest expenses primarily derive from repo transactions.				
9 Fees and commission income				
Securities trading and custody accounts	115,042	103,771	115,042	103,771
Money transmission services	99,707	95,800	99,707	95,800
Loan fees	206,203	174,660	191,702	159,853
Guarantee commission	40,476	28,062	40,624	28,220
Other fees and commissions	105,980	101,875	68,834	64,259
Total fees and commission income	567,408	504,168	515,909	451,903
10 Value adjustments				
Bonds	-173,877	385,728	-173,877	385,728
Shares etc.	39,088	77,547	39,088	77,547
Investment properties	0	2,153	0	2,153
Currency	12,187	14,308	12,290	14,351
Derivative financial instruments				
Currency contracts	-240	1,119	-240	1,119
Interest-rate contracts	-116,921	-457,706	-117,497	-460,136
Share contracts	602	-1,685	602	-1,685
Total derivative financial instruments	-116,559	-458,272	-117,135	-460,702
Assets linked to pooled schemes	31,103	60,290	31,103	60,290
Deposits in pooled schemes	-31,103	-60,290	-31,103	-60,290
Other assets	-1,381	3,671	-1,381	3,671
Total value adjustments	-240,542	25,135	-241,015	22,748

Note	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
11 Staff and administrative expenses				
Emoluments to the Board of Directors, the Executive Management and the Board of Representatives				
Executive Management	-6,019	-5,864	-5,999	-5,844
Board of Directors	-1,975	-1,897	-1,975	-1,897
Board of Representatives	-535	-524	-535	-524
Total	-8,529	-8,285	-8,509	-8,265
Staff expenses				
Remuneration	-583,133	-583,284	-535,920	-532,941
Pensions	-65,010	-63,371	-60,161	-58,405
Social security expenses	-4,886	-6,073	-4,532	-5,684
Payroll tax	-67,389	-75,027	-63,520	-71,908
Total	-720,222	-727,755	-663,937	-668,938
Other administrative expenses	-466,308	-441,534	-439,068	-417,141
Total staff and administrative expenses	-1,195,059	-1,177,574	-1,111,514	-1,094,344
Executive Management's payment, pension and resignation terms, etc.				
Number of employees for the period	2	2	2	2
Fixed remuneration	-4,930	-4,780	-4,910	-4,760
Variable remuneration	0	0	0	0
Pension scheme (contribution-based)	-1,089	-1,084	-1,089	-1,084
Total	-6,019	-5,864	-5,999	-5,844
The Executive Management is not covered by incentive programmes. The Executive Management has a notice period of 24 months. The Bank can deduct 100% of Executive Management salaries.				
Terms of payment and pension for the Board of Directors				
Number of members of the Board of Directors	12	12	12	12
Fixed remuneration	-1,975	-1,897	-1,975	-1,897
Variable remuneration	0	0	0	0
Pension scheme (contribution-based)	0	0	0	0
Total	-1,975	-1,897	-1,975	-1,897
Terms of payment and pension for persons other than member of the Executive Management whose activities significantly influence the risk profile (Risk Takers)				
Number of employees for the period	23	18	19	17
Fixed remuneration	-26,889	-26,459	-22,588	-24,690
Variable remuneration	-680	-607	-571	-607
Pension scheme (contribution-based)	-2,582	-2,222	-2,191	-2,089
Total	-30,151	-29,288	-25,350	-27,386
Remuneration policy				
Information about remuneration policies and practices is included in the Group Risk Report.				
Number of employees				
Average number of employees during the financial year converted to full-time employees	1,075	1,082	999	1,006
Auditors' remuneration				
Total remuneration for the audit firm elected by the general meeting to carry out the statutory audit				
Statutory audit of the financial statements	-1,084	-898	-988	-705
Other services	-245	-357	-194	-188
Total	-1,329	-1,255	-1,182	-893
12 Other operating expenses				
Expenses for the Guarantee Fund for Depositors and Investors etc.	-48,114	-44,602	-48,114	-44,602
Expenses for operating the Bank's properties	-43,146	-45,305	-43,146	-45,305
Other operating expenses	-6,752	-6,846	-6,752	-6,846
Total other operating expenses	-98,012	-96,753	-98,012	-96,753

Note	Group		Bank		
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000	
13	Impairments on loans and provisions for guarantees etc.				
	Impairment charges and provisions				
	Impairment charges and provisions brought forward	1,434,077	1,300,816	1,426,000	1,292,739
	Impairment charges and provisions and provisions for the year	432,420	576,175	422,433	562,774
	Reversal of impairment charges and provisions for the year	-340,543	-383,446	-331,689	-372,903
	Actual loss (written off) previously subject to impairment charges	-74,933	-124,385	-72,530	-121,527
	Interest adjustment	39,395	64,917	39,395	64,917
	Total impairment charges and provisions, carried forward	1,490,416	1,434,077	1,483,609	1,426,000
	Impairments on loans etc., carried forward				
	Impairments on loans etc., carried forward	1,411,301	1,386,150	1,404,494	1,378,073
	Provisions on guarantees, etc., carried forward	35,109	20,563	35,109	20,563
	Impairment charges/provisions on other items, carried forward	44,006	27,364	44,006	27,364
	Total impairment charges and provisions, carried forward	1,490,416	1,434,077	1,483,609	1,426,000
	Net effect recognised in the income statement				
	Net impairment charges and provisions for the year	-91,877	-192,729	-90,744	-189,871
	Losses, not previously subject to impairment charges	-24,084	-47,649	-20,792	-43,910
	Recognised in claims previously subject to impairment charges	13,061	10,027	12,545	9,493
	Total net effect recognised in the income statement	-102,900	-230,351	-98,991	-224,288
	Individual impairments on loans				
	Individual impairments on loans brought forward	1,244,093	1,188,504	1,236,905	1,180,457
	Impairment charges for the year	341,874	473,104	332,045	465,467
	Reversal of impairment charges for the year	-238,365	-353,193	-230,457	-347,555
	Actual loss (written off) previously subject to impairment charges	-74,933	-124,385	-72,530	-121,527
	Interest adjustment	36,042	60,063	36,042	60,063
	Total individual impairments on loans, carried forward	1,308,711	1,244,093	1,302,005	1,236,905
	Individual provisions on guarantees, etc.				
	Individual provisions on guarantees, brought forward	13,329	9,076	13,329	9,076
	Provisions for the year	14,114	9,546	14,114	9,546
	Reversal of provisions for the year	-4,144	-5,293	-4,144	-5,293
	Actual loss (written off) previously provided	0	0	0	0
	Total individual provisions on guarantees, etc. carried forward	23,299	13,329	23,299	13,329
	Individual impairment charges on credit institutions				
	Impairments at the beginning of the year	17,200	17,252	17,200	17,252
	Impairment charges for the year	10,803	0	10,803	0
	Reversal of impairment charges for the year	0	-52	0	-52
	Total impairment charges on credit institutions carried forward	28,003	17,200	28,003	17,200
	Individual provisions for other items				
	Provisions for the year brought forward	10,164	304	10,164	304
	Provisions for the year	7,358	10,164	7,358	10,164
	Reversal of provisions for the year	-1,519	-304	-1,519	-304
	Total provisions for other items carried forward	16,003	10,164	16,003	10,164
	Collective impairments on loans				
	Collective impairments on loans brought forward	142,057	77,245	141,168	77,215
	Impairment charges for the year	52,057	81,456	51,899	75,692
	Reversal of impairment charges for the year	-94,877	-21,498	-93,931	-16,593
	Interest adjustment	3,353	4,854	3,353	4,854
	Total collective impairments on loans, carried forward	102,590	142,057	102,489	141,168
	Collective provisions on guarantees etc.				
	Collective provisions on guarantees etc. brought forward	7,234	8,435	7,234	8,435
	Provisions for the year	6,214	1,905	6,214	1,905
	Reversal of provisions for the year	-1,638	-3,106	-1,638	-3,106
	Total collective provisions on guarantees etc. carried forward	11,810	7,234	11,810	7,234

Note	Group		Bank		
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000	
14	Tax				
	Tax related to profit for the year				
	Calculated tax on income for the year	-49,045	-37,856	-36,816	-17,532
	Change in deferred tax concerning the income period	-2,826	-253	-1,994	-5,391
	Change in corporation tax rate	20	-222	-404	-774
	Adjustments concerning previous year	6,392	364	6,410	17
	Total tax related to profit for the year	-45,459	-37,967	-32,804	-23,680
	Tax related to changes in equity	15,775	9,280	15,775	9,280
	Total tax	-29,684	-28,687	-17,029	-14,400
	Tax related to profit for the year broken down by type				
	Calculated tax of profit before tax for the year by 23.5% (24.5% in 2014)	-93,284	-81,571	-90,310	-78,071
	Tax base of non-deductible expenses	-10,889	-4,377	-8,419	-1,794
	Tax base of profit in associates	24,069	28,272	24,069	28,272
	Tax base of gains not deductible for tax purposes	28,234	19,567	35,850	28,670
	Change in corporation tax rate	20	-222	-404	-774
	Adjustment regarding previous years	6,392	364	6,410	17
	Total tax related to profit for the year	-45,459	-37,967	-32,804	-23,680
15	Receivables from credit institutions and central banks				
	Receivables from credit institutions	644,285	2,110,289	643,893	2,110,146
	Total receivables from credit institutions and central banks	644,285	2,110,289	643,893	2,110,146
16	Bonds at fair value				
	Government bonds	3,032,795	1,090,389	3,032,795	1,090,389
	Mortgage-credit bonds	8,010,260	8,506,708	8,010,260	8,506,708
	Other bonds	4,358,919	4,969,534	4,358,919	4,969,534
	Total bonds at fair value	15,401,974	14,566,631	15,401,974	14,566,631
	For collateral deposited with Danmarks Nationalbank (Denmark's central bank), clearing centres etc.				
	Market value of bonds	3,780,575	3,962,853	3,780,575	3,962,853
	Of which surplus collateral	2,881,020	3,962,853	2,881,020	3,962,853
17	Equity investments in associates				
	Cost brought forward	150,512	150,512	150,512	150,512
	Cost carried forward	0	0	0	0
		150,512	150,512	150,512	150,512
	Revaluations and impairment charges brought forward	612,778	569,405	612,778	569,405
	Result*	102,421	115,396	102,421	115,369
	Dividends*	-24,665	-16,518	-24,665	-16,518
	Other disposals**	0	-55,505	0	-55,505
	Revaluations and impairment charges carried forward	690,534	612,778	690,534	612,778
	Carrying amount carried forward	841,046	763,290	841,046	763,290
	*) Results for 2015 are recognised on the basis of results in associates for the period 1 October 2014 to 30 September 2015 (2014: for the period 1 October 2013 to 30 September 2014). Please refer to note 41 for specified information regarding associates.				
	**) The Bank's ownership interest in BEC (Bankernes EDB Central) was reduced to less than 20% in connection with an expansion of the group of owners in BEC in 2014. The ownership interest in BEC (Bankernes EDB Central) has been classified under the item "Shares etc."				
18	Assets linked to pooled schemes				
	Cash	92,844	75,139	92,844	75,139
	Index-linked bonds	0	0	0	0
	Other bonds	762,249	520,965	762,249	520,965
	Investment association units	541,905	372,642	541,905	372,642
	Other shares, etc.	154,743	100,174	154,743	100,174
	Total pooled assets	1,551,741	1,068,920	1,551,741	1,068,920

Note	Group		Bank		
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000	
19	Land and buildings				
Investment properties					
	Fair value brought forward	0	55,332	0	55,332
	Additions during the year	0	26,886	0	26,886
	Other disposals	0	-84,371	0	-84,371
	Revaluation for the year to fair value	0	2,153	0	2,153
	Total fair value carried forward	0	0	0	0
	Rent income	0	1,483	0	1,483
	Operating expenses	0	-2,786	0	-2,786
In 2014 the Bank set up a branch in the property on Gl. Kongevej/Værnedamsvej, which is consequently now classified as owner-occupied property.					
Owner-occupied properties					
	Revalued amount brought forward	836,202	690,993	836,202	690,993
	Additions during the year	1,611	28,545	1,611	28,545
	Other additions	18,819	84,371	18,819	84,371
	Disposals during the year	-3,556	-23,419	-3,556	-23,419
	Depreciation	-5,054	-3,617	-5,054	-3,617
	Changes in value recognised in other comprehensive income	42,648	64,224	42,648	64,224
	Changes in value recognised in the income statement	10,505	-4,895	10,505	-4,895
	Total revalued amount carried forward	901,175	836,202	901,175	836,202
Owner-occupied properties are measured at revalued amount (non-observable input). The measurement includes rental income and operating expenses, as well as a required rate of return of around 2.95% to 7.95% laid down on the basis of the interest-rate level and the location of the property. Generally, an increase in the required rate of return of 0.5 percentage points will reduce the fair value by about DKK 99 mill.					
20	Other property, plant and equipment				
	Cost brought forward	308,388	295,039	123,987	103,161
	Additions during the year, including improvements	102,663	93,339	13,648	25,047
	Disposals during the year	-64,693	-79,990	-2,863	-4,221
	Other disposals	-21,822	0	-21,822	0
	Total cost carried forward	324,536	308,388	112,950	123,987
	Amortisation/depreciation and impairment charges brought forward	108,260	105,202	35,445	27,249
	Disposals during the year	-38,547	-49,619	-2,849	-2,673
	Other disposals	-3,003	0	-3,003	0
	Amortisation for the year	59,362	52,677	14,300	10,869
	Total amortisation/depreciation and impairment charges carried forward	126,072	108,260	43,893	35,445
	Total other property, plant and equipment	198,464	200,128	69,057	88,542
	Write-offs for the year	576	226	576	226

Note	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
21 Intangible assets				
Cost brought forward	67,884	62,744	28,026	28,026
Additions during the year	1,018	5,140	0	0
Disposals during the year	4,605	0	0	0
Total cost carried forward	64,297	67,884	28,026	28,026
Amortisation/depreciation and impairment charges brought forward	38,907	18,850	14,424	3,688
Disposals during the year	712	0	0	0
Amortisation for the year	12,289	14,927	5,605	5,606
Impairment charges for the year *)	0	5,130	0	5,130
Total amortisation/depreciation and impairment charges carried forward	50,484	38,907	20,029	14,424
Total intangible assets	13,813	28,977	7,997	13,602
* The Bank's impairment test at 2014 of customer lists taken over from Østjysk Bank resulted in impairment charges of DKK 5.1 mill.				
22 Other assets				
Positive market value of derivative financial instruments and spot transactions	157,093	49,516	157,093	50,650
Interest and commission receivable	160,877	134,946	160,747	134,795
Capital contributions in Foreningen Bankernes EDB Central	339,078	315,800	339,078	315,800
Other assets	195,921	168,592	129,382	136,781
Total other assets	852,969	668,854	786,300	638,026
23 Deferred tax assets and tax liabilities				
+ = tax assets - = tax liabilities				
Deferred tax brought forward	7,345	5,811	24,055	28,558
Changes in deferred tax	-2,948	1,534	-2,523	-4,503
Total deferred tax carried forward	4,397	7,345	21,532	24,055
Deferred tax broken down by type				
Property, plant and equipment	-20,746	-17,236	-1,739	-526
Loans	10,596	9,356	10,596	9,356
Employee obligations	7,899	8,994	7,899	8,994
Other	6,648	6,231	4,776	6,231
Total deferred tax carried forward	4,397	7,345	21,532	24,055
The Bank has net deferred tax assets on properties, which, however, have not been recognised, as the assets cannot be utilised on other types of deferred tax liabilities and thus are not expected to be realised.				
24 Debt to credit institutions and central banks				
Debt to credit institutions	3,258,214	2,810,092	3,258,214	2,810,092
Total debt to credit institutions and central banks	3,258,214	2,810,092	3,258,214	2,810,092
25 Deposits and other debt				
Repayable on demand	27,874,475	26,106,364	27,874,946	26,106,167
Amounts with notice period	1,234,505	248,926	1,234,505	248,926
Time deposits	14,290	321,592	14,290	321,592
Special types of deposit	1,638,966	1,894,932	1,638,966	1,894,932
Total deposits and other debt	30,762,236	28,571,814	30,762,707	28,571,617

Note	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
26 Issued bonds at amortised cost				
Bonds listed on the Irish Stock Exchange	250,000	250,000	250,000	250,000
Other bonds	0	12,158	0	11,164
Total issued bonds at amortised cost	250,000	262,158	250,000	261,164
27 Andre passiver				
Negative market value of derivative financial instruments and spot transactions	188,926	227,108	188,926	227,108
Interest and commissions due	9,640	34,137	9,640	34,137
Other liabilities	457,986	419,016	365,446	366,078
Total other liabilities	656,552	680,261	564,012	627,323
28 Provisions				
Guarantee loss provisions				
Provisions for the year brought forward	20,563	17,512	20,563	17,512
Provisions for the year	20,328	11,451	20,328	11,451
Reversal of provisions for the year	-5,782	-8,400	-5,782	-8,400
Final loss for the year	0	0	0	0
Total provisions carried forward	35,109	20,563	35,109	20,563
Other provisions				
Provisions for the year brought forward	74,217	63,824	74,217	63,743
Provisions for the year	6,958	11,374	6,958	11,374
Reversal of provisions for the year	-1,144	-981	-1,144	-900
Total provisions carried forward	80,031	74,217	80,031	74,217
Total provisions carried forward	115,140	94,780	115,140	94,780

Note	Bank	
	2015 DKK '000	2014 DKK '000
29 Share capital		
Share capital at nominal value	300,000	300,000
Composition of share capital		
Nominal price per share (DKK)	Number of shares	Number of shares
1,000	300,000	300,000

The following of the Bank's shareholders hold shares the nominal value of which is at least 5% of the share capital:

- Dansk Metal, Nyropsgade 38, 1780 Copenhagen V, Denmark
- FOA - Fag og Arbejde, Staunings Plads 1-3, 1790 Copenhagen V, Denmark
- Fagligt Fælles Forbund - 3F, Kampmannsgade 4, 1790 Copenhagen V, Denmark
- HK/Danmark, Weidekampsgade 8, 0900 Copenhagen C, Denmark
- Fødevarerforbundet NNF, C. F. Richs Vej 103, 2000 Frederiksberg, Denmark

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

Note	Bank	
	2015 DKK '000	2014 DKK '000
30 Additional Tier 1 capital		
Variable interest rate, indefinite maturity, may be redeemed before maturity on 23 May 2018		
Nominal value	400,000	399,950
Interest payable	2,942	3,126
Total	402,942	403,076
Variable interest rate, indefinite maturity, may be redeemed before maturity on 22 January 2021		
Nominal value	429,000	429,000
Interest payable	17,057	17,057
Total	446,057	446,057
Total Additional Tier 1 capital	848,999	849,133
Additional Tier 1 capital recognised when calculating Tier 1 capital/own funds	829,000	828,950
Costs for taking loans	0	121

Note	Group		Bank	
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
31 Contingent liabilities				
Guarantees				
Financial guarantees	1,606,344	1,401,199	1,606,344	1,401,199
Guarantees for losses on mortgage-credit loans	946,895	360,114	946,895	360,114
Land registration and conversion guarantees	11,948	55,343	11,948	55,343
Collateral for group companies	0	0	35,200	35,200
Other guarantees	1,515,847	1,583,357	1,480,647	1,548,157
Total guarantees	4,081,034	3,400,013	4,081,034	3,400,013
Other contingent liabilities				
Irrevocable credit commitments less than 1 year	726,614	938,761	0	200,000
Unutilised pension commitments	23,200	23,700	23,200	23,700
Other contingent liabilities	220,190	7,978	220,190	7,978
Total other contingent liabilities	970,004	970,439	243,390	231,678
Total contingent liabilities	5,051,038	4,370,452	4,324,424	3,631,691

The Bank is a party in various judicial proceedings and disputes. The cases are regularly assessed and the necessary provisions are made in accordance with an assessment of the risk of losses. Pending judicial proceedings are not expected to influence the Group's financial position. Loan to Totalkredit provided by the Bank in 2007 is covered by an agreement on a right of set-off against future commissions, which Totalkredit may invoke if losses are ascertained on the loans provided. The Bank does not expect this right of set-off to significantly influence the Bank's financial position.

In 2015, the Bank contributed DKK 46 mill. to the statutory depositor's guarantee scheme. Consequently, the assets comply with the requirement of 0.8% of total net deposits covered, and the sector is not expected to contribute further. Participation in the statutory fund (Afviklingsformuen) means that the sector pays an annual contribution of DKK 0.7 bn. (in 2015, however, just DKK 0.35 bn.) until Afviklingsformuen totals about DKK 7.0 bn. The 2015 contribution is an on account amount which can be adjusted upwards as well as downwards, if dictated by the conditions.

Arbejdernes Landsbank is taxed jointly with all entities in the Group and has joint and several liability for the corporation taxes and withholding taxes etc. of these entities. Arbejdernes Landsbank is jointly registered for payroll tax and input VAT with all companies in the Group and is jointly and severally liable for settlement hereof. The Bank's membership of BEC (Bankernes EDB Central) means that the Bank is obligated to pay compensation in the event of withdrawal.

Note	Group		Bank		
	2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000	
32	Hedge accounting				
Assets hedged with interest-rate contracts					
Loans					
	Amortised cost	45,446	45,674	45,446	45,674
	Changes in carrying amount brought forward	12,678	9,007	12,678	9,007
	Changes in value for the year	-1,332	3,671	-1,332	3,671
	Changes in carrying amount carried forward	11,346	12,678	11,346	12,678
	Carrying amount	56,792	58,352	56,792	58,352
Interest-rate contracts					
	Nominal value (principal amount)	45,067	45,332	45,067	45,332
	Carrying amount of the hedge leg	56,117	58,699	56,117	58,699
<p>The Bank applies the regulations for hedge accounting of fair values. The hedging instruments applied typically consist of interest-rate swaps applied to hedge against changes in fair value of fixed-rate loans as a result of changes in the base rate (swap interest rate). The swap interest rate alone is hedged and not credit margins or similar. Changes in the fair value of the hedged instruments, which can be attributed to the hedged interest-rate risk, are adjusted in the carrying amount of the hedged item and are recognised in the income statement. Changes in the fair value of the hedging instruments are also recognised in the income statement.</p>					
33	Repo/reverse transactions				
Of asset items below, reverse transactions represent					
	Receivables from credit institutions and central banks	183,165	1,582,047	183,165	1,582,047
	Loans	111,013	138,718	111,013	138,718
Of the equity and liability items below, repo transactions represent					
	Debt to credit institutions and central banks	1,609,983	588,637	1,609,983	588,637
Bonds purchased as part of reverse transactions					
	Bonds at fair value	297,497	1,723,569	297,497	1,723,569
Bonds sold as part of repo transactions					
	Bonds at fair value	1,644,048	587,168	1,644,048	587,168

Note	Nominal value DKK '000	Net market value DKK '000	Positive market value DKK '000	Negative market value DKK '000
34 Derivative financial instruments and spot transactions Group 2015				
Currency contracts				
Spot transactions, purchase	33,498	-142	4	146
Spot transactions, sale	14,078	47	56	9
Forward transactions/futures, purchase	85,328	233	469	236
Forward transactions/futures, sale	6,142,058	13,781	21,299	7,518
Options, acquired	130,594	64	64	0
Currency swaps	3,900	0	0	0
Interest-rate contracts				
Spot transactions, purchase	908,617	-16,108	257	16,365
Spot transactions, sale	876,993	16,157	16,350	193
Forward transactions/futures, purchase	1,484,312	-366	2,309	2,675
Forward transactions/futures, sale	4,320,956	69,340	69,636	296
Swaptions	0	0	0	0
Interest-rate swaps	8,074,298	-114,842	46,062	160,904
Share contracts				
Spot transactions, purchase	21,677	238	411	173
Spot transactions, sale	22,253	-235	176	411
Options, issued	0	0	0	0
Total		-31,833	157,093	188,926
Derivative financial instruments and spot transactions Group 2014				
Currency contracts				
Spot transactions, purchase	95,787	208	231	23
Spot transactions, sale	83,626	40	143	103
Forward transactions/futures, purchase	141,082	2,211	2,291	80
Forward transactions/futures, sale	8,292,239	-24,378	1,116	25,494
Options, acquired	180,879	-8	31	39
Currency swaps	18,900	0	0	0
Interest-rate contracts				
Spot transactions, purchase	260,471	369	385	16
Spot transactions, sale	239,152	-254	36	290
Forward transactions/futures, purchase	2,584,901	860	2,940	2,080
Forward transactions/futures, sale	5,455,449	-60,172	3,388	63,560
Swaptions	100,000	-10,838	0	10,838
Interest-rate swaps	5,593,073	-84,479	38,342	122,821
Share contracts				
Spot transactions, purchase	14,578	-265	178	443
Spot transactions, sale	22,526	248	435	187
Options, issued	24	-1,134	0	1,134
Total		-177,592	49,516	227,108

Note	Nominal value DKK '000	Net market value DKK '000	Positive market value DKK '000	Negative market value DKK '000
Derivative financial instruments and spot transactions, continued				
Bank 2015				
Currency contracts				
Spot transactions, purchase	33,498	-142	4	146
Spot transactions, sale	14,078	46	55	9
Forward transactions/futures, purchase	85,328	233	469	236
Forward transactions/futures, sale	6,142,058	13,781	21,299	7,518
Options, acquired	130,594	64	64	0
Currency swaps	3,900	0	0	0
Interest-rate contracts				
Spot transactions, purchase	908,617	-16,108	257	16,365
Spot transactions, sale	876,993	16,157	16,350	193
Forward transactions/futures, purchase	1,484,312	-366	2,309	2,675
Forward transactions/futures, sale	4,320,956	69,340	69,636	296
Swaptions	0	0	0	0
Interest-rate swaps	8,074,298	-114,842	46,062	160,904
Share contracts				
Spot transactions, purchase	21,677	238	411	173
Spot transactions, sale	22,253	-235	176	411
Options, issued	0	0	0	0
Total		-31,834	157,093	188,926
Derivative financial instruments and spot transactions				
Bank 2014				
Currency contracts				
Spot transactions, purchase	95,787	208	231	23
Spot transactions, sale	83,626	40	143	103
Forward transactions/futures, purchase	141,082	2,211	2,291	80
Forward transactions/futures, sale	8,292,239	-24,378	1,116	25,494
Options, acquired	180,879	-8	31	39
Currency swaps	18,900	0	0	0
Interest-rate contracts				
Spot transactions, purchase	260,471	369	385	16
Spot transactions, sale	239,152	-254	36	290
Forward transactions/futures, purchase	2,584,901	860	2,940	2,080
Forward transactions/futures, sale	5,455,449	-60,172	3,388	63,560
Swaptions	100,000	-10,838	0	10,838
Interest-rate swaps	5,943,073	-83,345	39,476	122,821
Share contracts				
Spot transactions, purchase	14,578	-265	178	443
Spot transactions, sale	22,526	248	435	187
Options, issued	24	-1,134	0	1,134
Total		-176,458	50,650	227,108

Note		Net market value				Total DKK '000
		Up to and incl. 3 months DKK '000	More than 3 months and up to 1 year DKK '000	More than 1 year and up to 5 years DKK '000	More than 5 years DKK '000	
35	Derivative financial instruments broken down by maturity Group 2015					
	Currency contracts					
	Forward transactions/futures, purchase	135	-21	119	0	233
	Forward transactions/futures, sale	14,840	-1,786	727	0	13,781
	Options, acquired	64	0	0	0	64
	Interest-rate contracts					
	Forward transactions/futures, purchase	-363	-76	0	73	-366
	Forward transactions/futures, sale	69,340	0	0	0	69,340
	Swaptions	0	0	0	0	0
	Interest-rate swaps	0	-513	-50,583	-63,746	-114,842
	Share contracts					
	Options, issued	0	0	0	0	0
	Total	84,016	-2,396	-49,737	-63,673	-31,790
	Derivative financial instruments broken down by maturity Group 2014					
	Currency contracts					
	Forward transactions/futures, purchase	1,948	0	263	0	2,211
	Forward transactions/futures, sale	-21,910	-1,865	-603	0	-24,378
	Options, acquired	-8	0	0	0	-8
	Interest-rate contracts					
	Forward transactions/futures, purchase	816	44	0	0	860
	Forward transactions/futures, sale	-60,172	0	0	0	-60,172
	Swaptions	0	0	0	-10,838	-10,838
	Interest-rate swaps	0	-3,358	-35,041	-46,080	-84,479
	Share contracts					
	Options, issued	0	-1,134	0	0	-1,134
	Total	-79,326	-6,313	-35,381	-56,918	-177,938

Note	Net market value				Total DKK '000
	Up to and incl. 3 months DKK '000	More than 3 months and up to 1 year DKK '000	More than 1 year and up to 5 years DKK '000	More than 5 years DKK '000	
Derivative financial instruments broken down by maturity, continued Bank 2015					
Currency contracts					
Forward transactions/futures, purchase	135	-21	119	0	233
Forward transactions/futures, sale	14,840	-1,786	727	0	13,781
Options, acquired	64	0	0	0	64
Interest-rate contracts					
Forward transactions/futures, purchase	-363	-76	0	73	-366
Forward transactions/futures, sale	69,340	0	0	0	69,340
Swaptions	0	0	0	0	0
Interest-rate swaps	0	-513	-50,583	-63,746	-114,842
Share contracts					
Options, issued	0	0	0	0	0
Total	84,016	-2,396	-49,737	-63,673	-31,790
Derivative financial instruments broken down by maturity Bank 2014					
Currency contracts					
Forward transactions/futures, purchase	1,948	0	263	0	2,211
Forward transactions/futures, sale	-21,910	-1,865	-603	0	-24,378
Options, acquired	-8	0	0	0	-8
Interest-rate contracts					
Forward transactions/futures, purchase	816	44	0	0	860
Forward transactions/futures, sale	-60,172	0	0	0	-60,172
Swaptions	0	0	0	-10,838	-10,838
Interest-rate swaps	0	-2,224	-35,041	-46,080	-83,345
Share contracts					
Options, issued	0	-1,134	0	0	-1,134
Total	-79,326	-5,179	-35,381	-56,918	-176,804

Note		Positive Market value DKK '000	Negative Market value DKK '000	Collateral DKK '000	Net Amount DKK '000
36	Offsetting possibilities *				
	Derivative financial instruments - Group 2015	20,326	20,326	0	0
	Derivative financial instruments - Group 2014	3,588	3,537	51	0

*) The Bank has master netting agreements with a number of financial counterparties, but does not use the possibility of offsetting in the calculation of the Bank's assets and liabilities in relation to accounting or solvency

Note		Group		Bank	
		2015 DKK '000	2014 DKK '000	2015 DKK '000	2014 DKK '000
37	Cash and cash equivalents				
	Brought forward				
	Cash in hand and demand deposits with central banks	426,082	664,402	426,068	664,400
	Receivables from credit institutions and central banks	2,085,202	2,022,603	2,085,110	2,022,543
	Total	2,511,284	2,687,005	2,511,178	2,686,943
	Carried forward				
	Cash in hand and demand deposits with central banks	757,142	426,082	757,133	426,068
	Receivables from credit institutions and central banks	630,926	2,085,202	630,893	2,085,110
	Total	1,388,068	2,511,284	1,388,026	2,511,178

Liquidity comprises cash in hand etc. and unmortgaged receivables with credit institutions and central banks with maturity of less than three months.

38 Financial assets and liabilities

Bonds at fair value, shares etc., assets linked to pooled schemes and derivative financial instruments have been measured at fair value in the financial statements, so that recognised values correspond to fair values.

Loans and receivables in credit institutions have been recognised at amortised cost. The difference to fair values is assumed to be fees and commissions received, costs incurred in connection with loans as well as the interest-rate-level value adjustment, which is calculated by comparing current market interest rates with market interest rates when the loans were established. Changes in the credit quality are assumed to be included in impairments on loans for carrying amounts as well as for fair values.

Deposits, issued bonds and debt to credit institutions have been recognised at amortised cost. The difference to fair values is assumed to be the interest-rate-level value adjustment, which is calculated by comparing current market interest rates with market interest rates when the transactions were established. Changes in fair values of issued bonds and debt to credit institutions due to changes in Arbejdernes Landsbank's own credit rating are not included.

	Group			
	Carrying amount 2015 DKK '000	Fair value 2015 DKK '000	Carrying amount 2014 DKK '000	Fair value 2014 DKK '000
Financial assets				
Cash in hand and demand deposits with central banks	757,142	757,142	426,082	426,082
Receivables from credit institutions and central banks	644,285	644,285	2,110,289	2,110,289
Loans at amortised cost	19,768,336	19,799,905	18,330,380	18,396,590
Bonds at fair value	15,401,974	15,401,974	14,566,631	14,566,631
Shares etc.	1,083,859	1,083,859	1,066,333	1,066,333
Assets linked to pooled schemes	1,551,741	1,551,741	1,068,920	1,068,920
Derivative financial instruments and spot transactions	157,093	157,093	49,516	49,516
Total financial assets	39,364,430	39,395,999	37,618,151	37,684,361
Financial liabilities				
Debt to credit institutions and central banks	3,258,214	3,258,214	2,810,092	2,810,092
Deposits	30,762,236	30,762,236	28,571,814	28,571,814
Issued bonds at amortised cost	250,000	250,000	262,158	262,158
Deposits in pooled schemes	1,551,741	1,551,741	1,068,920	1,068,920
Other non-derivative financial liabilities at fair value*	174,709	174,709	1,552,628	1,552,628
Derivative financial instruments and spot transactions	188,926	188,926	227,108	227,108
Total financial liabilities	36,185,826	36,185,826	35,321,670	35,321,670
Total financial liabilities	35,321,670	35,321,670	33,120,714	33,120,367

*) This item only include repurchasing obligations concerning reverse transactions.

Note

38 Financial assets and assets and liabilities, continued

Methods for measurement of fair value

Fair value is the price which can be obtained by selling an asset, or which must be paid in order to transfer a liability through a regular transaction between independent market participants at the time of measure. The fair value is calculated in accordance with the following valuation hierarchy:

Listed prices (level 1): All active markets use officially listed closing prices as fair value.

Valuation technique on the basis of observable input (level 2): For financial assets and liabilities, where closing price is not available or is not assessed to reflect the fair value, observable market information, including interest rates, foreign exchange rates, volatilities and credit spreads, as well as currency indicators from leading market participants, are used to establish the fair value.

Valuation technique on the basis of observable input (level 3): In cases where observable prices based on market information are not available or not deemed to be useful in establishing fair value, own assumptions are used to establish fair value. Among other things, the assumptions may be recent transactions in corresponding assets, expected future cash flows or the net asset value of the companies.

Non observable input includes unlisted shares, primarily in companies related to the financial sector, where fair value is set on the basis of provisions in shareholders' agreements etc. or input from transactions carried out. The Association of Local Banks in Denmark, Savings Banks and Cooperative Banks in Denmark (LOPI) recommends quarterly fair values of certain of the so-called sector shares, that is shares owned by the banks with a view to participating actively in the infrastructure and product supplies that underpin the business strategy of the sector. The rates recommended by LOPI are based on shareholders' agreements and transactions carried out in the sector. In some situations, the fair value is based on the accounting equity (Net asset value) in the underlying undertaking, as this forms the basis for the transaction price, on redistribution among the owners. When calculating the fair value of sector shares in relation to the prices recommended by LOPI, these are thus included in the valuation as a non-observable input. The Bank carries out an independent assessment of the rates recommended and verifies the relationship to transactions carried out and published financial statements. The value of the shares are changed by DKK 84 mill. on a change in the rates of 10%. Arbejdernes Landsbank assesses that alternative methods for measuring the fair value of these shares will not entail significantly different fair values.

In 2014 and 2015, no significant transfers between the three valuation categories were made.

	Listed prices DKK '000	Observable input DKK '000	Non- observable input DKK '000	Total DKK '000
Group 2015				
Financial assets				
Bonds at fair value	14,169,350	1,232,624	0	15,401,974
Shares etc.*	167,483	62,490	853,886	1,083,859
Assets linked to pooled schemes**	1,328,501	223,240	0	1,551,741
Derivative financial instruments and spot transactions	0	157,093	0	157,093
Total financial assets	15,665,334	1,675,447	853,886	18,194,667
Financial liabilities				
Deposits in pooled schemes	0	1,551,741	0	1,551,741
Other non-derivative financial liabilities at fair value	174,709	0	0	174,709
Derivative financial instruments	0	188,926	0	188,926
Total financial liabilities	174,709	1,740,667	0	1,915,376
Group 2014				
Financial assets				
Bonds at fair value	13,118,738	1,447,893	0	14,566,631
Shares etc.*	155,659	70,295	840,379	1,066,333
Assets linked to pooled schemes**	873,405	195,515	0	1,068,920
Derivative financial instruments and spot transactions	0	49,516	0	49,516
Total financial assets	14,147,802	1,763,219	840,379	16,751,400
Financial liabilities				
Deposits in pooled schemes	0	1,068,920	0	1,068,920
Repo/reverse transactions	1,552,628	0	0	1,552,628
Derivative financial instruments	0	227,108	0	227,108
Total financial liabilities	1,552,628	1,296,028	0	2,848,656

*) The Bank values investment certificates according to net asset value in the relevant investment associations. From 2015 the Bank has classified this valuation method as observable input. The method was previously classified as listed prices. Comparative figures have been adjusted.

**) The Bank values assets in the pooled schemes according to the same methods as for other financial assets. From 2015 the Bank has classified valuation of pooled assets according to the same classification principles as applies to the Bank's other financial assets where the method applied was previously classified as observable input. Comparative figures have been adjusted.

	2015 DKK '000	2014 DKK '000
Non observable input - the Group		
Fair value brought forward	840,379	747,054
Reclassified from associates *)	0	55,505
Capital gain/loss for the year in the income statement **)	5,784	73,458
Net purchase for the year ***)	7,723	-35,639
Total fair value carried forward	853,886	840,379

*) The Bank's ownership interest in BEC (Bankernes EDB Central) was reduced to less than 20% in connection with an expansion of the group of owners in BEC in 2014. The ownership interest in BEC (Bankernes EDB Central) was subsequently classified under the item "Shares etc.".

**) Of which, in 2014, DKK 38.6 mill. is attributable to the sale of shares in Nets Holding.

***) The Bank sold shares in Nets Holding worth DKK 109 mill. in 2014. The Bank acquired DKK 60 mill. worth of shares in DLR Kredit in 2014.

Note	Fair value recognition the income statement		Amortised cost		Total DKK '000	
	Trading portfolio DKK '000	Fair value option DKK '000	Assets DKK '000	Liabilities DKK '000		
39	Return and classification of financial assets and liabilities - the Group 2015					
	Return					
	Interest income	238,297	0	1,127,699	0	1,365,996
	Interest expenses	0	0	0	-112,956	-112,956
	Net interest income	238,297	0	1,127,699	-112,956	1,253,040
	Dividends from shares etc.	13,848	38,315	0	0	52,163
	Value adjustments	-239,847	638	-1,333	0	-240,542
	Total return	12,298	38,953	1,126,366	0	1,064,661
	Financial assets					
	Cash in hand and demand deposits with central banks	0	0	757,142	0	757,142
	Receivables from credit institutions and central banks	0	0	644,285	0	644,285
	Loans at amortised cost	0	0	19,768,336	0	19,768,336
	Bonds at fair value	15,401,974	0	0	0	15,401,974
	Shares etc.	270,423	813,436	0	0	1,083,859
	Derivative financial instruments	157,093	0	0	0	157,093
	Assets linked to pooled schemes	0	1,551,741	0	0	1,551,741
	Total financial assets	15,829,490	2,365,177	21,169,763	0	39,364,430
	Financial liabilities					
	Debt to credit institutions and central banks	0	0	0	3,258,214	3,258,214
	Deposits	0	0	0	30,762,236	30,762,236
	Issued bonds at amortised cost	0	0	0	250,000	250,000
	Derivative financial instruments	188,926	0	0	0	188,926
	Deposits in pooled schemes	0	1,551,741	0	0	1,551,741
	Other non-derivative financial liabilities at fair value	174,709	0	0	0	174,709
	Total financial liabilities	363,635	1,551,741	0	34,270,450	36,185,826
	Return and classification of financial assets and liabilities - the Group 2014					
	Return					
	Interest income	248,433	0	1,181,475	0	1,429,908
	Interest expenses	0	0	0	-261,076	-261,076
	Net interest income	248,433	0	1,181,475	-261,076	1,168,832
	Dividends from shares etc.	4,514	31,177	0	0	35,691
	Value adjustments	-35,983	57,447	3,671	0	25,135
	Total return	216,964	88,624	1,185,146	-261,076	1,229,658
	Financial assets					
	Cash in hand and demand deposits with central banks	0	0	426,082	0	426,082
	Receivables from credit institutions and central banks	0	0	2,110,289	0	2,110,289
	Loans at amortised cost	0	0	18,330,380	0	18,330,380
	Bonds at fair value	14,566,631	0	0	0	14,566,631
	Shares etc.	260,005	806,328	0	0	1,066,333
	Derivative financial instruments	49,516	0	0	0	49,516
	Assets linked to pooled schemes	0	1,068,920	0	0	1,068,920
	Total financial assets	14,876,152	1,875,248	20,866,751	0	37,618,151
	Financial liabilities					
	Debt to credit institutions and central banks	0	0	0	2,810,092	2,810,092
	Deposits	0	0	0	28,571,814	28,571,814
	Issued bonds at amortised cost	0	0	0	262,158	262,158
	Derivative financial instruments	227,108	0	0	0	227,108
	Deposits in pooled schemes	0	1,068,920	0	0	1,068,920
	Other non-derivative financial liabilities at fair value	1,552,628	0	0	0	1,552,628
	Total financial liabilities	1,779,736	1,068,920	0	31,644,064	34,492,720

Note	Group		Bank	
	2014 DKK '000	2013 DKK '000	2014 DKK '000	2013 DKK '000
40	Transactions with related parties			
	Group company balances			
	0	0	3,394,814	2,957,982
	0	0	12,730	12,733
	0	0	35,200	35,200
	0	0	0	0
	0	0	46,571	50,236
	0	0	22	41
	0	0	3,804	3,478
	Associates balances			
	0	0	0	0
	81,641	44,870	81,641	44,870
	0	0	0	0
	22	4,578	22	4,578
	22	3	22	3
	91	510	91	510
	1,633	711	1,633	711
	Executive Management and Board of Directors			
	989	2,182	989	2,182
	13,787	11,587	13,787	11,587
	7,551	1,046	7,551	1,046
	571	2,006	571	2,006
	102	79	102	79
	96	81	96	81
	63	78	63	78
	Major shareholders			
	18,035	18,053	18,035	18,053
	223,219	192,924	223,219	192,924
	0	28,600	0	28,600
	2,278,173	2,189,869	2,278,173	2,189,869
	780	942	780	942
	818	3,124	818	3,124
	10,520	10,229	10,520	10,229

Related parties are defined by the Group to include members of the Bank's Executive Management and Board of Directors, including their related parties, as well as group companies and associates.
Related parties also include shareholders who own more than 20% of the Bank's shares or have more than 20% of the voting rights.

All transactions with related parties which, in addition to those stated in the notes on emoluments, only include ordinary deposits and loans as well as credit facilities and are carried out on market terms.

All balances and outstanding accounts with group companies and associates as well as with major shareholders arise from regular business related to the activities of the companies. Balances and outstanding accounts carry interest and have been entered into on business terms corresponding to the Group's other customers and cooperation partners.
Balances and outstanding accounts with the Executive Management and the Board of Directors have been established on market terms. Interest rates for loans in 2015 are 3.0%-11.5% (2014: 4.0% - 11.5%) for the Executive Management and related parties, and 2.0% - 4.0% (2014: 2.0% - 12.75%) for the Board of Directors and related parties. The Executive Management has not been granted any incentive programmes. Remuneration for Board work in AL Finans A/S amounts to DKK 20,000. DKK 2014: DKK 20,000).

Arbejdernes Landsbank compensates members of the Executive Management, if they resign or are dismissed without valid reason, or if they are made redundant as a result of a takeover.

Note	Group	2014	Bank	2014
	2015 DKK '000	DKK '000	2015 DKK '000	DKK '000
41	Group overview			
Associates				
Forsikrings-Aktieselskabet Alka, Høje-Taastrup				
Financial and operating data				
	Share capital	88,099	88,099	88,099
	Equity	2,616,518	2,450,119	2,616,518
	Ownership interest (%)	32.1	32.1	32.1
	Assets	5,166,163	4,943,548	5,166,163
	Liabilities	2,549,645	2,493,429	2,549,645
	Net assets	2,616,518	2,450,119	2,616,518
	Arbejdernes Landsbank's share of net assets	841,057	787,570	841,057
	Total revenue	1,528,484	1,958,466	1,528,484
	Total profit for the period	243,142	306,914	243,142
	Arbejdernes Landsbank's share of profit for the year	78,156	98,655	78,156
	The statement for 2015 is as at 30 September 2015 (not revised)			
	The statement for 2014 is as at 31 December 2014			
	Net revenues are defined as premium income for own account.			
	Forsikrings-Aktieselskabet Alka is a limited company which provides private life insurance, business insurance and group life insurance policies focusing primarily on the insurance needs of working families.			

Furthermore, PR Ejendoms Holding A/S is an associate. The undertaking is under liquidation and has been recognised with a carrying amount of DKK 0.

	Bank	
	2015	2014
	DKK '000	DKK '000
Group overview, continued		
Consolidated group companies		
AL Finans A/S, Copenhagen		
Share capital	6,000	6,000
Equity	210,502	177,426
Ownership interest (%)	100	100
Profit	33,076	37,587
The financing company, AL Finans A/S is a limited company offers car financing, leasing and factoring. Activities of the company have been financed by equity and borrowing from the Parent Company. The company employed an average of 76 staff in terms of full-time employees in 2015.		
Handels ApS Panoptikon, Copenhagen		
Share capital	500	500
Equity	12,724	12,726
Ownership interest (%)	100	100
Profit	1	3
Handels ApS Panoptikon is a private limited company and it is currently inactive. The company has not employed any staff during 2015.		

	Denmark	
	2015	2014
	DKK '000	DKK '000
Group operating locations broken down by country		
The Arbejdernes Landsbank Group only operate from locations established in Denmark.		
Revenue *)	2,040,974	2,045,382

*) The revenue is defined as interest income, fees and commission income as well as other operating income.

Note	2015 DKK '000	2014 DKK '000	2013 DKK '000	2012 DKK '000	2011 DKK '000
42	Financial and operating data for the Bank				
Income statement					
Net interest income	1,026,612	1,080,265	1,040,163	999,649	862,104
Net fee and commission income etc.	374,164	317,739	291,426	272,706	256,377
Core earnings, excl. trading income	1,400,776	1,398,004	1,331,589	1,272,355	1,118,481
Trading income	130,473	102,805	95,700	87,436	97,721
Total core earnings	1,531,249	1,500,809	1,427,289	1,359,791	1,216,202
Staff costs	-666,959	-637,205	-621,562	-583,143	-587,552
Administrative expenses and depreciation/amortisation	-492,989	-495,701	-440,579	-452,808	-444,897
Core profit before impairment charges	371,301	367,903	365,148	323,840	183,753
Impairments on loans	-224,288	-229,778	-270,887	-199,012	-163,226
Core profit	147,013	138,125	94,261	124,828	20,527
Investment portfolio earnings, excl. investment securities	973	285,827	378,919	-195,251	80,981
Investment securities	177,396	121,135	103,200	102,831	128,075
Profit before sector solutions	325,382	545,087	576,380	32,408	229,583
Contributions to sector solutions	-44,602	-41,603	-26,015	-34,756	-107,162
Profit before tax	280,780	503,484	550,365	-2,348	122,421
Tax	-14,400	-80,122	-93,764	40,419	11,426
Profit	266,380	423,362	456,601	38,071	133,847
Other financial and operating data					
Net interest and fee income	1,704,736	1,541,393	1,461,102	1,390,745	1,342,172
Value adjustments	-241,015	22,748	274,724	346,363	-220,870
Staff and administrative expenses	-1,111,514	-1,094,344	-1,066,358	-1,020,373	-1,008,150
Profit from equity investments in associates and group companies	135,497	152,986	149,336	148,747	127,321
Loans	19,637,109	18,201,929	18,051,773	17,687,171	16,948,118
Bonds at fair value	15,401,974	14,566,631	12,748,674	13,843,097	13,034,557
Deposits incl. pools	32,314,448	29,640,537	28,134,619	24,100,569	22,932,631
Issued bonds at amortised cost	250,000	261,164	261,164	3,089,802	3,630,918
Equity	5,279,627	5,049,098	3,929,360	3,607,213	3,157,260
Total assets	41,978,320	40,060,265	37,567,966	36,773,174	34,570,204
Total contingent liabilities	4,324,424	3,631,691	2,518,258	2,544,182	3,573,421

Note		2015	2014	2013	2012	2011	
43	Ratios and key figures for the Bank						
Solvency							
	Capital ratio	%	13.3	15.6	14.9	14.6	13.3
	Tier 1 capital ratio	%	13.3	15.6	13.9	13.5	12.2
Earnings							
	Return on equity before tax	%	6.1	7.1	13.4	16.3	-0.1
	Return on equity after tax	%	5.5	6.6	11.2	13.5	1.2
	Ratio of operating income to operating expenses per DKK	DKK	1.24	1.22	1.35	1.40	1.00
	Earnings per share (DKK 1,000)	DKK	947.9	983.3	1,411.20	1,522.00	126.9
	Return on capital employed	%	0.7	0.8	1.1	1.3	0.1
Market risk							
	Interest-rate risk	%	-1.0	-1.4	-2.3	-1.4	0.2
	Currency position	%	1.3	3.0	4.5	3.3	7.1
	Currency risk	%	0.0	0.0	0.1	0.0	0.2
Liquidity							
	Loans plus impairments in relation to deposits	%	65.1	66.1	68.6	77.9	77.6
	Excess liquidity in relation to statutory requirements for liquidity *)	%	199.4	229.9	261.2	268.0	248.0
Credit							
	Sum of large exposures **)	%	10.6	20.7	46.5	35.5	54.3
	Impairment ratio for the year	%	0.3	0.9	1.1	1.3	1.0
	Growth in loans for the year	%	8.1	0.9	2.1	3.5	0.2
	Loans in relation to equity		3.7	3.6	4.6	4.9	5.4
Equity							
	Equity value	DKK	1,476.9	1,400.0	1,309.8	1,202.4	1,052.4
	Proposed dividend per DKK 1,000 nominal share value	DKK	100	150	200	350	80
Employees							
	Average number of employees during the financial year converted to full-time employees		999	1,006	999	987	988

*) The definition of excess liquidity in relation to statutory requirements for liquidity was changed in 2013. Excess liquidity is calculated according to the highest value of the 10%-15% requirement. The key ratio for 2013-2015 is calculated according to the 15% requirement; the other years are calculated according to the 10% requirement.

***) The definition of large exposures changed in 2014. Comparative figures for 2011-2013 have not been adjusted.

Note

44 Definition of ratios and key figures

Ratios and key figures are listed in accordance with the requirements laid down in the Danish Executive on Financial Reports for Credit Institutions and Investment Firms, etc. Earnings per share (EPS) and diluted earnings per share (EPS) are calculated in accordance with IAS 33, however, the Bank's shares are not in circulation. Other ratios and key figures are prepared in accordance with the recommendations and ratios and key figures 2015 of the Danish Society of Financial Analysts.

Ratios and key figures are calculated in accordance with guidelines from the Danish FSA, see the Danish Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc.

1. Capital ratio =	$\frac{\text{Own funds} \times 100}{\text{Total risk exposure}}$
2. Tier 1 capital ratio =	$\frac{\text{Tier 1 capital} \times 100}{\text{Total risk exposure}}$
3. Return on equity before tax =	$\frac{\text{Profit before tax} \times 100}{\text{Equity (average)}}$
4. Return on equity after tax =	$\frac{\text{Profit after tax} \times 100}{\text{Equity (average)}}$
5. Ratio of operating income to operating expenses per DKK =	$\frac{\text{Income}}{\text{Costs (excl. tax)}}$
6. Return on capital employed =	$\frac{\text{Profit after tax} \times 100}{\text{Total assets (average)}}$
7. Interest-rate risk =	$\frac{\text{Interest-rate risk} \times 100}{\text{Tier 1 capital}}$
8. Currency position =	$\frac{\text{Currency indicator 1} \times 100}{\text{Tier 1 capital}}$
9. Currency risk =	$\frac{\text{Currency exchange-rate indicator 2} \times 100}{\text{Tier 1 capital}}$
10. Loans plus impairments in relation to deposits =	$\frac{\text{Loans} + \text{impairments on loans}}{\text{Deposits}}$
11. Loans in relation to equity =	$\frac{\text{Loans}}{\text{Equity}}$
12. Growth in loans for the year *) =	$\frac{(\text{Loans, excl. repo transactions carried forward} - \text{loans, excl. repo transactions brought forward}) \times 100}{\text{Loans, excl. repo transactions brought forward}}$
13. Excess liquidity in relation to statutory requirements for liquidity *) =	$\frac{\text{Excess liquidity in relation to statutory requirements, see section 152 of the Financial Business Act}}{\text{Highest value of 10% to 15% statutory requirement}}$
14. Sum of large exposures *) =	$\frac{\text{Sum of large exposures after deductions, excl. credit institutions} \times 100}{\text{Own funds}}$
15. Impairment ratio for the year =	$\frac{\text{Impairments on loans and guarantees for the year} \times 100}{\text{Loans} + \text{impairment charges} + \text{guarantees}}$
Supplementary ratios and key figures	
16. Earnings per share (DKK 1,000) =	$\frac{\text{Profit}}{\text{Number of shares (DKK 1,000)}}$
17. Net asset value =	$\frac{\text{Arbejdernes Landsbank's shareholders share of equity} \times 100}{\text{Share capital}}$
18. Proposed dividend per DKK 1,000 nominal share value =	$\frac{\text{Dividend yield} \times \text{nominal value of the share}}{100}$
19. Property exposure *) =	$\frac{(\text{Gross loans and guarantees within the sector "Completion of building projects"} + \text{the sector "real property"}) \times 100}{\text{Gross loans} + \text{guarantees}}$
20. Stable funding *) =	$\frac{\text{Loans}}{\text{Sum of deposits, including pools} + \text{debt to Danmarks Nationalbank with remaining term} > 1 \text{ year} + \text{issued bonds with remaining term} > 1 \text{ year} + \text{subordinated debt} + \text{equity}}$

*) Ratios and key figures used in the Danish FSA benchmarks.

Management, organisation etc.

The Advisory Board of Representatives

Chairman: Claus Jensen <i>Trade Union President</i> Dansk Metal	Arne Grevsen <i>Group Chairman</i> Fagligt Fælles Forbund – 3F	Kim Simonsen <i>Trade Union President</i> HK/Danmark
Vice Chairman: Harald Børsting <i>Former Chairman</i> Landsorganisationen i Danmark	Marina Hoffmann <i>Managing Director</i> Lo-skolen	Niels Sørensen <i>Administration Manager</i> Fødevareforbundet NNF
Lars Andersen <i>Managing Director</i> AE – Arbejderbevægelsens Erhvervsråd	Frank Jensen <i>Lord Mayor</i> The City of Copenhagen	Ulla Sørensen <i>Treasurer</i> Fagligt Fælles Forbund – 3F
Mads Andersen <i>Group Chairman</i> Fagligt Fælles Forbund – 3F	Mette Kindberg <i>Vice President</i> HK/Danmark	Kresten Vendelboe <i>Trade Union President</i> Malerforbundet i Danmark
Inger Bolwinkel <i>Trade Union Secretary</i> FOA – Fag og Arbejde	Henrik Kjærgaard <i>Vice President</i> Dansk Metal	Ole Wehlast <i>Trade Union President</i> Fødevareforbundet NNF
Jacob Bundsgaard <i>Mayor</i> Municipality of Aarhus	Jane Korczak <i>Vice President</i> Fagligt Fælles Forbund – 3F	René Bo Nielsen <i>Bank Security Officer</i>
Jens Bærentsen <i>CEO</i> Forsikrings-Aktieselskabet Alka	Max Meyer <i>Trade Union President</i> Blik- og Rørarbejderforbundet i Danmark	Lasse Thorn <i>Shop Steward</i>
Per Christensen <i>Trade Union President</i> Fagligt Fælles Forbund – 3F	Torben Møger Pedersen <i>CEO</i> PensionDanmark A/S	Henrik Thagaard <i>Head of Department</i>
John Dybart <i>Trade Union President</i> Serviceforbundet	Torben Poulsen <i>Treasurer</i> Dansk Metal	
Villy Dyhr <i>Trade Union Secretary</i> HK/Danmark	Jørgen Juul Rasmussen <i>Trade Union President</i> Dansk El-Forbund	
Lone N. Frost <i>Chairman</i> Dansk Frisør & Kosmetiker Forbund	Lizette Risgaard <i>Vice President</i> Landsorganisationen i Danmark	

Management etc.

BOARD OF DIRECTORS

Chairman:

Per Christensen

Trade Union President

Nomination and Remuneration

Committee

Claus Jensen

Trade Union President,

member of the Audit and Risk

Committee, member of the

Nomination and Remuneration

Committee, Chairman of the

advisory Board of Representatives

Lars Andersen

Managing Director,

Chairman of the Audit

and Risk Committee

Harald Børsting

Former President

of Landsorganisationen

i Danmark

Mette Kindberg

Vice President,

member of the Audit

and Risk Committee

Torben Möger Pedersen

Managing Director,

member of the Audit and Risk

Committee, member of the

Nomination and Remuneration

Committee

Niels Sørensen

Administration Manager

Arne Grevsen

Vice Chairman

ELECTED BY THE BANK'S EMPLOYEES

John Markussen

Customer Consultant

Jesper Pedersen

Financial Advisor

Henrik Thagaard

Head of Department

Lasse Thorn

Shop Steward

EXECUTIVE MANAGEMENT

Gert R. Jonassen

CEO

Jan W. Andersen

Executive Bank Director

OTHER EMPLOYEES IN

DAY-TO-DAY MANAGEMENT

Svend Randers

Chief Operating Officer (COO)

with effect from 1 January 2016

Bent Bøjden

IT Director

Peter Froulund

Communication and

Marketing Director

Finn Hansen

HR Director

Kjeld Gosvig-Jensen

Director of Legal and Compliance

Simon Sinding Jørgensen

Strategy and Business

Development Director

Jesper K. Karlsen

Director of Credit

Leif Klinge

Director of Finance,

responsible for all-risk reporting

Susanne Bechsgaard

Business Director

Ulrik Duvier Stærmose

Business Director

Peter Normand

Asset Director as at 1 November 2015

Lone Kjærgaard

Director of Treasury and Finance

as at 1 November 2015

AUDIT

Deloitte

State-authorised limited partner

company of accountants

Christoffer Max Jensen

Internal Audit Manager

Internal Audit

As of 1 February 2015

Staff functions

LEGAL:

- Debt collection, Compliance and the Secretariat of the Board of Directors and the Executive Management

Kjeld Gosvig-Jensen

Director of Legal and Compliance, Head of Compliance

Kirsten Fynbo

Head of Debt Collection Department

Merete Svarre

Head of Compliance

Charlotte Jensen

Manager of the Secretariat of the Board of Directors and the Executive Management

STRATEGY AND MANAGEMENT:

Simon Sinding Jørgensen

Strategy and Business Development Director

Jesper A. Nielsen

Head of Business Department

BRANCH SUPPORT:

Henrik Thagaard

Head of Department

Jann Schäfe

Branch Support Manager in Odense

Tina Bundgaard

Assistant Branch Support Manager in Glostrup

Christina Skov

Assistant Branch Support Manager in Glostrup

Morten Kjær

Branch Support Manager in Aarhus

HR:

Finn Hansen

HR Director

Sarah Vinnes

Head of HR development

COMMUNICATION AND MARKETING:

Peter Froulund

Director of Marketing and Communications

Jesper Bjerrehuus

Head of Communications Department

Lisbeth Holm Benattia

Head of Marketing Department

Jens Boje Kjeldgaard Ribe

Sales Manager

IT:

Bent Bøjden

IT Director

Henrik Poulsen

Head of IT Department

Lars Dalsgaard

Head of IT Operations Department

Bente Egedal

Head of IT Business Department

Dorte Poulsen

Head of Credit Cards Department

CREDIT RISK:

Jesper K. Karlsen

Director of Credit

Morten Pii Johannessen

Head of Credit Department

Gry Bandholm

Head of Credit Risk Management

LIQUIDITY AND FUNDING:

Lone Kjærgaard

Director of Treasury and Finance

Lars Theilmann

Head of Business Support

Torben Ravn

Head of International Affairs Department

Jørn Pohl Nielsen

Head of Funds and Administration Department

Jørn N. Jensen

Head of Treasury and Finance

Carsten Hammershøj

Head of Treasury Department

Søren Ødum Nielsen

Senior economist, Manager of Risk Management in Liquidity

MORTGAGES:

Søren Zak

Head of Mortgage Department

COSTS:

Leif Klinge

Director of Finance, responsible for all-risk reporting

Bent Henckel Jensen

All-Risk Coordinator

Henrik Gliese

Head of Facility Management and Property Administration with effect from 1 January 2016

Klaus Gydesen

Head of Buildings and Facilities

Henrik Schneller

Facility Manager

PLACEMENT OF ASSETS AND HOMES:

Peter Normand

Asset Director

Yvonne Hansen

Head of Pension Department

Thor Rasmussen

*Head of Client Investments
Department*

Asger Friis Pedersen

Head of Housing Department

Jens Damgaard Nielsen

Housing Association Manager

Branches

JUTLAND

Branch in Esbjerg

Kongensgade 13

6701 Esbjerg

Branch Manager Klaus K. Andersen

Branch in Fredericia

Danmarksgade 6

7000 Fredericia

Branch Manager Evan Kjelde

Branch in Frederikshavn

Danmarksgade 67

9900 Frederikshavn

Branch Manager Bent Fick

Branch in Frydenlund

Frydenlunds Allé 1

8210 Aarhus V

Branch Manager John Povlsen

Branch in Gug

Gugvej 223

9210 Aalborg SØ

Assistant Branch Manager

Lars Frilev

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 Jesper Stærmose

Branch in Holstebro

Nørregade 32

7500 Holstebro

Branch Manager Mette Danielsen

Branch in Horsens

Søndergade 48

8700 Horsens

Branch Manager René Sommer

Branch in Kolding

Buen 1

6000 Kolding

Branch Manager Jan Andersen

Branch in Nordals

Nordborgvej 24

6430 Nordborg

Assistant Branch Manager

Rene Grau

Branch in Nørresundby

Brotorvet 4

9400 Nørresundby

Assistant Branch Manager

Kim Witte

Branch in Randers

Østervold 18

8900 Randers

Branch Manager Lars Møller

Branch on Randersvej

Randersvej 69

8200 Aarhus N

Assistant Branch Manager

Anders Graver Pedersen

Branch in Silkeborg

Tværgade 7

8600 Silkeborg

Branch Manager Dorthe Bechmann

Branch in Skanderborg

Adelgade 78

8660 Skanderborg

Branch Manager Anders Østergaard

Branch in Skive

Nørregade 34

7800 Skive

Branch Manager Ellen Sandholm

Branch in Sønderborg

Jernbanegade 7

6400 Sønderborg

Branch Manager

Dorthe Lykke Jørgensen

Branch in Vejgaard

Hadsundvej 39

9100 Aalborg

Branch Manager

Carsten Christensen

Branch in Vejle

Havnegade 22 A

7100 Vejle

Branch Manager

Henrik H. Sørensen

Branch in Viborg

Sct. Mathias Gade 34

8800 Viborg

Branch Manager

Jesper Grave Andersen

Branch in Viby

Skanderborgvej 190

8260 Viby J.

Branch Manager Karen Grøn

Branch in Aabenraa

H.P. Hanssens Gade 12

6200 Aabenraa

Branch Manager Anne Marie Jessen

Branch in Åbyhøj

Haslevej 17

8230 Åbyhøj

Assistant Branch Manager

Flemming Nielsen

Branch in Aalborg

Vingårdsgade 9

9100 Aalborg

Branch Manager Morten Juhl

Branch in Aarhus

M.P. Bruuns Gade 22-24

8100 Aarhus C

Branch Manager Torben Andersen

GREATER COPENHAGEN	Branch in Glostrup Banegårdsvej 9 2600 Glostrup Branch Manager Anette Meier	Branch in Rødovre Tårnvej 221 2610 Rødovre Branch Manager Robert Bjarnholt
Branch on Amager Amagerbrogade 60 2300 Copenhagen S Branch Manager Lars Alsøe	Branch in Herlev Herlev Hovedgade 136 2730 Herlev Branch Manager Kim Dam	Branch in Sluseholmen Sluseholmen 2-4 2450 Copenhagen SV Branch Manager Lisbeth Ringsted
Branch in Ballerup Centrumgaden 35 2750 Ballerup, Denmark Branch Manager Thomas Larsen	Branch in Hvidovre Hvidovrevej 85 2650 Hvidovre Branch Manager Anita Skov Carlsen	Branch in Taastrup Køgevej 75 2630 Taastrup Branch Manager Jørgen Palle Jensen
Branch on Bispebjerg Frederiksborgvej 98 2400 Copenhagen NV Branch Manager Thomas Thørner	Branch in Kastrup Kastrupvej 201 2770 Kastrup Branch Manager Niels Jørgen Jørgensen	Branch in Valby Valby Langgade 136 2500 Valby Assistant Branch Manager Michael N. Kragbæk
Branch in Brønshøj Frederikssundsvej 160 2700 Brønshøj Branch Manager Anette Ryefelt	Branch on Kongelundsvej Kongelundsvej 289 2770 Kastrup Branch Manager Marianne Skov Jacobsen	Branch in Vanløse Jernbane Alle 66 2720 Vanløse Assistant Branch Manager Michael Dahl Jensen
Branch in City Vesterbrogade 5 1502 Copenhagen V, Denmark Head of Branch Bo Møller Larsen	Branch in Lyngby Jernbaneplassen 14 2800 Lyngby Branch Manager Jens Kristian Petersen	Branch on Østerbro Ndr. Frihavnsgade 74 2100 Copenhagen Ø, Denmark Branch Manager Kim Foss Lund
Branch at Enghave Plads Enghave Plads 5 1670 Copenhagen V Branch Manager Jørgen Petersen	Branch on Mimersgade Mimersgade 49 2200 Copenhagen N Assistant Branch Manager Jacob H. Christensen	Branch at Østerfælled Torv Østerfælled Torv 38 2100 Copenhagen Ø, Denmark Assistant Branch Manager Dennis Sejling
Branch on Frederiksberg Falkoner Allé 62 2000 Frederiksberg Branch Manager Jette Lund	Branch on Nørrebro Nørrebrogade 52 and Nørrebrogade 62 2200 Copenhagen N Branch Manager Helge Olsen	
Branch on Gl. Kongevej Gl. Kongevej 51 1610 Copenhagen V Assistant Branch Manager Gregor Gudmann N. Pertsas	Branch at Rundetårn Landemærket 8 1119 Copenhagen K Branch Manager Christian Barrett	
Branch in Gladsaxe Søborg Hovedgade 193 2860 Søborg Branch Manager Niels Lund Sørensen		

FUNEN

Branch in Dalum

Dalumvej 52
5250 Odense SV

Assistant Branch Manager
Malene Louise Givskov

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 Nyborg

Kongegade 4
5800 Nyborg

Branch Manager Claus Bo Petersen

Branch in Odense

Fisketorvet 1
5100 Odense C

Branch Manager Klaus Justesen

Branch in Seden

Svendsagervej 2A
5240 Odense NØ

Branch Manager Robert Abild

Branch in Svendborg

Voldgade 16
5700 Svendborg

Branch Manager
Tenna Holm Malling

ZEALAND

Branch in Frederikssund

Havnegade 18
3600 Frederikssund

Branch Manager Per Jegsen Schmidt

Branch in Helsingør

Klostergade 1
3000 Helsingør

Branch Manager Anne Jørgensen

Branch in Holdbæk

Ahlgade 16
4300 Holdbæk

Branch Manager Annette Jensen

Branch in Hillerød

Nordstensvej 2
3400 Hillerød

Branch Manager Claus Lundsgaard

Branch in Jyllinge

Jyllingecentret 23
4040 Jyllinge

Assistant Branch Manager
Kristian Forman

Branch in Kalundborg

Bredgade 55
4400 Kalundborg

Branch Manager Kim Krog

Branch in Køge

Torvet 9
4600 Køge

Branch Manager Jane Skouv Lapain

Branch in Næstved

Vinhusgade 9
4700 Næstved

Branch Manager
Martin Bay Sørensen

Branch in Roskilde

Algade 14
4000 Roskilde

Branch Manager John Nielsen

Branch in Ringsted

Nørregade 25
4100 Ringsted

Branch Manager
Helle Høgsbjerg Bang

Branch in Slagelse

Jernbanegade 2
4200 Slagelse

Branch Manager Jan Larsen

LOLLAND-FALSTER

Branch in Nykøbing F.

Langgade 32
4800 Nykøbing F.

Branch Manager Flemming Møller

AKTIESELSKABET

 **Arbejdernes Landsbank**

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