

The Copenhagen Stock Exchange
The London Stock Exchange
Other stakeholders

Stock Exchange Announcement No 07/03

Date
2 April 2003

Executive Management

Peberlyk 4
PO Box 1038
DK-6200 Aabenraa

Tel +45 74 36 36 36
Fax +45 74 36 35 36
direktionen@sydbank.dk
www.sydbank.com
SWIFT SYBKDK22

Sydbank A/S
CVR No DK 12626509, Aabenraa

Direct tel +45 74 36 20 50
direktionen@sydbank.dk

Dear Sirs

Employee shares in Sydbank

In the summer of 2000, Sydbank's Board of Directors adopted a resolution to implement a three-year employee share scheme to be executed for each of the financial years 2000 to 2002 subject to the fulfilling of given – absolute and relative – performance-related conditions. These conditions were satisfied also in the final year of the scheme through Sydbank's satisfactory 2002 Annual Accounts.

Consequently, from 17 to 28 March 2003 Sydbank made an offer to the employees for the purchase of shares in the Bank at price 105 up to a total market value of approx DKK 8,000. The maximum number of shares offered to each employee constituted 16 based on a market value of 495.84 as at 7 March 2003, the day following Sydbank's AGM.

Subject to specific terms and conditions, the purchase offer was submitted to 2,064 employees. 2,010 employees accepted the offer and purchased a total of 29,676 Sydbank shares. On 4 April 2003 the shares will be paid and held in trust for five years.

New employee share scheme

As a result of the scheme's success over the past three years, Sydbank's Board of Directors has resolved to implement a new employee share scheme for the financial years from 2003 to 2005.

The new scheme is virtually based on unchanged guidelines. However in addition to meeting the conditions of positive consolidation after allocation of dividends and a return on equity which exceeds not only the average of that of other large banks but also a bond yield plus 2 percentage points, it is a requirement under the new employee share scheme that the Bank must realize its core earnings budget in each financial year.

Yours faithfully



Mogens Asmund
General Manager