

Interim Report – First Half 2009

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Group Financial Highlights

	1H 2009	1H 2008	Index 09/08	Full year 2008
Income statement (DKK m)				
Core income excl trading income	1,641	1,482	111	3,066
Trading income	641	635	101	1,159
Total core income	2,282	2,117	108	4,225
Costs and depreciation	1,288	1,276	101	2,484
Core earnings before impairment	994	841	118	1,741
Impairment of loans and advances etc	565	(13)	-	544
Core earnings	429	854	50	1,197
Profit/(Loss) on investment portfolios	211	(192)	-	(385)
Profit before non-recurring items	640	662	97	812
Non-recurring items, net	-	196	-	162
Profit before contribution to the Danish Contingency Committee	640	858	75	974
Contribution to the Danish Contingency Committee	214	-	-	163
Profit before tax	426	858	50	811
Tax	107	190	56	205
Profit for the period	319	668	48	606
Balance sheet highlights (DKK bn)				
Loans and advances at amortised cost	75.6	82.5	92	82.5
Loans and advances at fair value	12.9	11.5	112	13.3
Deposits and other debt	71.6	67.6	106	75.0
Bonds issued at amortised cost	10.1	10.1	100	10.1
Subordinated capital (Tier 2)	3.5	4.2	83	4.2
Shareholders' equity (Tier 1)	7.5	7.1	106	7.1
Total assets	160.1	149.8	107	156.0
Financial ratios per share (DKK per share of DKK 10)				
EPS Basic	5.0	10.5		9.5
EPS Diluted	5.0	10.5		9.5
Share price at end of period	122.3	180.5		64.3
Book value	116.2	112.0		112.5
Share price/book value	1.05	1.61		0.57
Average number of shares outstanding (millions)	63.6	63.5		63.4
Other financial ratios and key figures				
Solvency (total capital) ratio	13.8	14.8		14.7
Core capital (Tier 1) ratio	11.4	10.7		10.8
Pre-tax profit as % of average shareholders' equity	5.8	12.4		11.8
Post-tax profit as % of average shareholders' equity	4.4	9.7		8.8
Income/cost ratio (DKK)	1.21	1.62		1.24
Interest rate risk	2.2	3.0		1.4
Foreign exchange position	3.4	12.9		11.4
Foreign exchange risk	0.1	0.0		0.0
Loans and advances relative to deposits *	1.0	1.1		1.0
Loans and advances relative to shareholders' equity *	10.1	11.6		11.6
Growth in loans and advances during the period *	(8.3)	10.8		10.7
Excess cover relative to statutory liquidity requirements	106.8	69.7		89.4
Total large exposures	34.6	39.5		23.8
Accumulated impairment ratio	1.3	0.8		1.0
Impairment ratio for the period	0.65	(0.01)		0.60
Number of full-time staff at end of period	2,414	2,457	98	2,479

Financial ratios are prepared according to "Recommendations & Financial Ratios 2005" published by the Danish Society of Financial Analysts.

* Financial ratios calculated on the basis of loans and advances at amortised cost.

Summary

Considering the financial crisis and the decline in economic growth, profit before tax of DKK 426m for the first six months of 2009 is considered satisfactory. Pre-tax profit equals a return of 11.7% p.a. on average shareholders' equity (Tier 1).

The income statement for 1H 2009 is characterised by:

- 11% increase in core income excl trading income
- Unchanged level of trading income
- Unchanged level of costs (core earnings)
- Impairment of loans and advances of DKK 565m
- Profit on investment portfolios of DKK 211m
- Contribution of DKK 214m to the Danish Contingency Committee.

Income statement – 1H (DKKm)	2009	2008
Core income excl trading income	1,641	1,482
Trading income	641	635
Total core income	2,282	2,117
Costs and depreciation	1,288	1,276
Core earnings before impairment	994	841
Impairment of loans and advances etc	565	(13)
Core earnings	429	854
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Profit before non-recurring items	640	662
Non-recurring items, net	-	196
Profit before contribution to the Danish Contingency Committee	640	858
Contribution to the Danish Contingency Committee	214	-
Profit before tax	426	858
Tax	107	190
Profit for the period	319	668

Core earnings before impairment represent DKK 994m against DKK 841m for the first six months of 2008. The increase of DKK 153m consists of a rise in core income excl trading income of DKK 159m, an increase in trading income of DKK 6m and a rise in costs (core earnings) of DKK 12m.

Core earnings before impairment are in the upper end of the range as announced in the Interim Report for Q1 2009.

Impairment of loans and advances and amounts owed represents DKK 565m compared with a reversal of impairment charges of DKK 13m in 1H 2008.

Profit on investment portfolios amounts to DKK 211m and the expense to the Danish Contingency Committee totals DKK 214m. Less a calculated tax charge of DKK 107m, the Group's profit after tax stands at DKK 319m.

Profit for the period equals a return of 8.8% on average shareholders' equity (Tier 1). Earnings per share stands at DKK 5.0 compared with DKK 10.5 in 2008.

Group balance sheet highlights in 1H 2009 compare to 1H 2008 as follows:

- 8% decline in bank loans and advances to DKK 75.6bn
- 6% growth in deposits to DKK 71.6bn.

In June 2009, the Group prepaid supplementary capital (Tier 2) of EUR 100m. Subordinated capital (Tier 2) totals DKK 3,473m at end-June 2009. The Group's solvency (total capital) ratio stands at 13.8%, including a core capital (Tier 1) ratio of 11.4%.

At end-April 2009, Sydbank filed an application with the Danish Ministry of Economic and Business Affairs for government capital injection of up to DKK 1.2bn by way of hybrid core capital (Tier 1) before the end of 2009. The amount constitutes just over half of the maximum possible amount.

The question of whether Sydbank will raise hybrid core capital (Tier 1) – in full or in part – within the limits of the amount applied for will depend among other issues on developments of the national economy, the Group's expectations as regards and the de facto consolidation of the Danish banking sector, and the extent of Sydbank's consolidation. Furthermore, deliberations concerning an increase in the share capital of up to 10% enter into the ongoing assessment of developments in the Group's capital base (Tiers 1+2).

The Group's liquidity measured under the 15% and 10% statutory requirements constitutes 33.9% and 21.3%, respectively, at end-1H 2009.

The Group projects core earnings before impairment of loans and advances in the region of DKK 1,800-2,000m in 2009. The estimate represents clarification as well as a positive change in level compared with previous announcements.

Financial Review

Core income excl trading income

Total core income excl trading income grew by 11% to DKK 1,641m.

Core income excl trading income – 1H (DKKm)	2009	2008
Interest margins etc	1,378	1,238
Mortgage credit	109	92
Payment services	75	71
Remortgaging and loan fees	40	36
Other commission	28	33
Other operating income	11	12
Total	1,641	1,482

During 1H 2009, income from interest margins etc continued to show significant robustness with an increase of DKK 140m to DKK 1,378m due to a rise in interest margins and despite an 8% decline in bank loans and advances.

The remaining income components of core income excl trading income have gone up by a total of 8% compared with 1H 2008.

Trading income

Total trading income rose by 1% – from DKK 635m in 2008 to DKK 641m in 2009.

The level of activity within Sydbank Markets, made up as the number of customer transactions, is in line with that of 1H 2008.

Bond trading within the Bank has benefited from a considerable increase in business volume with institutional clients. The Bank's income from asset management is affected by reductions in volume generated by the market.

Trading income – 1H (DKKm)	2009	2008
Bonds	155	73
Shares	125	142
Foreign exchange	134	136
Money market	93	63
Asset management	134	221
Total	641	635

Costs and depreciation

The Group's total costs and depreciation recorded DKK 1,423m against DKK 1,389m in 2008. In 2009 DKK 130m can be ascribed to guarantee commission to the Danish Contingency Committee and in 2008 DKK 108m can be ascribed to the integration of bankTrelleborg.

Costs and depreciation – 1H (DKKm)	2009	2008
Staff costs	753	739
Other administrative expenses	483	575
Depreciation and impairment of property, plant and equipment	57	75
Other operating expenses	130	0
Total costs and depreciation	1,423	1,389
Distributed as follows:		
Costs, core earnings	1,288	1,276
Costs, investment portfolio earnings	5	5
Costs, integration of bankTrelleborg	-	108
Costs, guarantee commission to the Danish Contingency Committee	130	-

Costs (core earnings) grew by DKK 12m in 2009 compared with one year ago. At end-1H 2009, the Group's staff numbered 2,414 (full-time equivalent) compared with 2,457 at 30 June 2008. During the first six months of 2009 staffing was reduced by 65.

Core earnings before impairment of loans and advances

Core earnings before impairment of loans and advances represent DKK 994m – an increase of DKK 153m or 18% compared with 1H 2008.

Impairment of loans and advances etc

Impairment of loans and advances constitutes DKK 565m compared with a reversal of impairment charges of DKK 13m in 2008.

Relative to loans and advances and guarantees for the half year, the impairment ratio stands at 0.65%. Accumulated impairment and provisions amount to DKK 1,330m as of end-June, a rise of DKK 224m compared with the beginning of the year.

Core earnings

Core earnings represent DKK 429m compared with DKK 854m in 2008.

Investment portfolio earnings

Less funding charges and less related costs of DKK 5m, investment portfolios generated a profit of DKK 211m (2008: loss of DKK 192m). The overall result is adversely affected by an unrealised capital loss of DKK 38m on the Group's portfolio of CDOs. The market value of the CDO portfolio represents DKK 33m as of 30 June 2009. The Bank's interest rate risk comprises DKK 189m at the end of the half year. The Bank's exchange rate risk continues to be very low and its equity position is modest.

Contribution to the Danish Contingency Committee

Guarantee commission and the provision for the guarantee to the Danish Contingency Committee amount to DKK 130m and DKK 84m, respectively, totalling DKK 214m.

Subsidiaries

The subsidiary bank, Sydbank (Schweiz) AG, which conducts private banking activities in St. Gallen, Switzerland, recorded a loss after tax of DKK 6m (2008: loss of DKK 2m). Ejendomsselskabet recorded a loss after tax of DKK 1m.

Profit for the period

Pre-tax profit amounts to DKK 426m. Less a calculated tax charge of DKK 107m (2008: DKK 190m), profit for the period stands at DKK 319m compared with DKK 668m in 2008.

Return

Return on shareholders' equity (Tier 1) represents 8.8% p.a. against 19.4% p.a. in 2008. Earnings per share decreased from DKK 10.5 to DKK 5.0.

Developments from Q1 2009 to Q2 2009

Total core income rose by DKK 94m in Q2 2009 (Q1 2009: DKK 1,094m). The increase is solely ascribable to a rise in trading income of DKK 97m. Costs decreased by DKK 30m (Q1 2009: DKK 659m), owing to a recurring seasonal adjustment.

During the same period, impairment of loans and advances etc went up by DKK 25m from DKK 270m, and investment portfolio earnings improved from DKK 72m in Q1 2009 to DKK 139m in Q2 2009.

The contribution to the Danish Contingency Committee grew by DKK 70m in Q2 2009 from DKK 72m in Q1 2009. After tax, profit for Q2 amounts to DKK 195m compared with DKK 124m in Q1 2009.

Balance sheet

The Group's total assets made up DKK 160.1bn at end-1H 2009 against DKK 156.0bn at year-end 2008.

Assets (DKKbn)	30 Jun 2009	31 Dec 2008
Amounts owed by credit institutions etc	16.4	12.9
Loans and advances at fair value (reverse repo transactions)	12.9	13.3
Loans and advances at amortised cost (bank loans and advances)	75.6	82.5
Securities and holdings etc	38.0	28.3
Assets related to pooled plans	5.9	5.8
Other assets etc	11.3	13.2
Total	160.1	156.0

The Group's bank loans and advances total DKK 75.6bn – a decline of 8% compared with year-end 2008 and 1H 2008.

Shareholders' equity and liabilities (DKKbn)	30 Jun 2009	31 Dec 2008
Amounts owed to credit institutions etc	47.5	38.9
Deposits and other debt	71.6	75.0
Deposits in pooled plans	5.9	5.8
Bonds issued	10.1	10.1
Other liabilities etc	13.8	14.8
Provisions	0.2	0.1
Subordinated capital (Tier 2)	3.5	4.2
Shareholders' equity (Tier 1)	7.5	7.1
Total	160.1	156.0

The Group's deposits make up DKK 71.6bn against DKK 75.0bn at year-end 2008 and DKK 67.6bn at end-1H 2008. The decline in deposits is solely ascribable to time deposits.

Subordinated capital (Tier 2)

In June 2009, the Group prepaid supplementary capital (Tier 2) of EUR 100m. Subordinated capital (Tier 2) totals DKK 3,473m.

The Danish Financial Supervisory Authority has granted the Bank permission to prepay subordinated loan capital (Tier 2) on the dates in parentheses concerning the following loans: EUR 40m (17 September 2009) and DKK 50m (29 October 2009), totalling DKK 348m.

Shareholders' equity (Tier 1)

At end-1H 2009, shareholders' equity constitutes DKK 7,487m – an increase of DKK 399m since year-end 2008. The change comprises additions concerning profit for the period of DKK 319m, net sale of own shares of DKK 136m and less tax concerning equity items of DKK 56m.

Group solvency

At end-1H 2009, the solvency (total capital) ratio stands at 13.8% compared with 14.7% at year-end 2008. The decrease in the solvency (total capital) ratio must be seen in connection with the Group's prepayment of supplementary capital of EUR 100m in June.

During the half year, the core (Tier 1) capital ratio grew from 10.8% to 11.4%. The core (Tier 1) capital ratio excl hybrid core capital increased from 9.3% to 9.9%.

At end-April 2009, Sydbank filed an application with the Danish Ministry of Economic and Business Affairs for government capital injection of up to DKK 1.2bn by way of hybrid core capital before the end of 2009. The amount constitutes just over half of the maximum possible amount.

The question of whether Sydbank will raise hybrid core capital (Tier 1) – in full or in part – within the limits of the amount applied for will depend among other issues on developments of the national economy, the Group's expectations as regards and the de facto consolidation of the Danish banking sector, and the extent of Sydbank's consolidation. Furthermore, deliberations concerning an increase in the share capital of up to 10% enter into the ongoing assessment of developments in the Group's capital base (Tiers 1+2).

Outlook for 2009

The Group projects core earnings before impairment of loans and advances in the region of DKK 1,800-2,000m in 2009. The estimate represents clarification as well as a positive change in level compared with previous announcements.

The Danish Contingency Committee

Guarantee commission to the Danish Contingency Committee will represent DKK 140m in 2H 2009. To this must be added the Bank's share of the Committee's payment to cover any further loss of the Winding-Up Company.

Management Statement

Today we have reviewed and approved the Interim Report – First Half 2009 of Sydbank A/S.

The consolidated interim financial statements for 1H 2009 have been prepared in accordance with the International Financial Reporting Standards as approved by the EU. Furthermore, the Interim Report has been prepared in compliance with additional Danish disclosure requirements for interim reports of listed financial companies. The Interim Report has not been audited or reviewed.

We consider the accounting policies applied to be appropriate and the Interim Report gives a true and fair view of the Group's assets, shareholders' equity and liabilities and financial position at 30 June 2009 and of the results of the Group's operations and consolidated cash flows for the accounting period 1 January – 30 June 2009 as well as a description of the most significant risks and elements of uncertainty which may affect the Group.

Aabenraa, 18 August 2009

Group Executive Management

Carsten Andersen
(Group Chief Executive)

Karen Frøsig

Preben L. Hansen

Allan Nørholm

Board of Directors

Kresten Philipsen
(Chairman)

Anders Thoustrup
(Vice-Chairman)

Svend Erik Busk

Otto Christensen

Peder Damgaard

Harry Max Friedrichsen

Peter Gæmelke

Hanni Toosbuy Kasprzak

Per Olesen

Sven Rosenmeyer Paulsen

Jan Uldahl-Jensen

Margrethe Weber

Income Statement

DKKm	Note	Sydbank Group		Sydbank A/S	
		1H 2009	1H 2008	1H 2009	1H 2008
Interest income	2	3,262	3,462	3,262	3,459
Interest expense	3	1,569	2,166	1,571	2,168
Net interest income		1,693	1,296	1,691	1,291
Dividends on shares		31	22	31	22
Fee and commission income	4	529	673	518	658
Fee and commission expense		82	83	81	82
Net interest and fee income		2,171	1,908	2,159	1,889
Market value adjustments	5	297	184	295	181
Other operating income	6	11	131	11	131
Staff costs and administrative expenses	7	1,237	1,314	1,218	1,290
Depreciation and impairment of property, plant and equipment		57	75	55	73
Other operating expenses		129	0	129	0
Impairment of loans and advances etc	9	650	(13)	650	(13)
Profit on holdings in associates and subsidiaries	10	20	11	13	7
Profit on assets temporarily acquired		0	0	0	0
Profit before tax		426	858	426	858
Tax	11	107	190	107	190
Profit for the period		319	668	319	668
EPS Basic for the period (DKK) *				5.0	10.5
EPS Diluted for the period (DKK) *				5.0	10.5

* Based on average number of shares outstanding, see page 15.

Statement of Comprehensive Income

Profit for the period	319	668	319	668
Other comprehensive income:				
Translation of foreign entities	4	7	4	7
Hedge of net investment in foreign entities	(4)	(7)	(4)	(7)
Other comprehensive income after tax	0	0	0	0
Comprehensive income after tax	319	668	319	668

Balance Sheet

DKKm	Note	Sydbank Group		Sydbank A/S	
		30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
Assets					
Cash and balances on demand at central banks		2,368	752	2,354	740
Amounts owed by credit institutions and central banks	12	14,065	12,165	14,141	12,186
Loans and advances at fair value		12,881	13,282	12,881	13,282
Loans and advances at amortised cost		75,631	82,476	75,378	82,306
Bonds at fair value		36,590	26,749	36,590	26,749
Shares etc		1,169	1,315	1,170	1,315
Holdings in associates etc		240	232	240	232
Holdings in subsidiaries		-	-	213	252
Assets related to pooled plans		5,911	5,777	5,911	5,777
Intangible assets		14	15	14	15
Total land and buildings		1,027	1,009	812	755
investment property		8	8	8	8
owner-occupied property		1,019	1,001	804	747
Other property, plant and equipment		146	158	139	150
Current tax assets		143	186	142	184
Deferred tax assets		10	10	7	7
Assets in temporary possession		5	5	5	5
Other assets	13	9,857	11,796	9,844	11,771
Prepayments		58	48	56	48
Total assets		160,115	155,975	159,897	155,774
Shareholders' equity and liabilities					
Amounts owed to credit institutions and central banks	14	47,516	38,889	47,656	38,959
Deposits and other debt	15	71,612	75,007	71,299	74,798
Deposits in pooled plans		5,911	5,777	5,911	5,777
Bonds issued at amortised cost		10,093	10,096	10,093	10,096
Current tax liabilities		11	13	10	12
Other liabilities	16	13,798	14,764	13,764	14,702
Deferred income		9	19	9	19
Total liabilities		148,950	144,565	148,742	144,363
Provisions	17	205	103	195	104
Subordinated capital (Tier 2)	18	3,473	4,219	3,473	4,219
Shareholders' equity (Tier 1):					
Share capital		675	675	675	675
Revaluation reserves		91	91	91	91
Other reserves:					
Reserves according to articles of association		411	411	411	411
Other reserves		20	20	20	20
Retained earnings		6,290	5,891	6,290	5,891
Total shareholders' equity (Tier 1)		7,487	7,088	7,487	7,088
Total shareholders' equity and liabilities		160,115	155,975	159,897	155,774

Group Structure

30 June 2009	Activity	Share capital (in millions)	Shareholders' equity (DKKm)*	Result (DKKm)*	Ownership share (%)
Sydbank A/S		DKK 675			
Consolidated subsidiaries:					
Sydbank (Schweiz) AG, St. Gallen, Switzerland	Banking	CHF 40	206	(33)	100
Ejendomsselskabet af 1. juni 1986 A/S, Aabenraa	Real property	DKK 8	18	(26)	100
Associates:					
Foreningen Bankdata, Fredericia	IT	DKK 296	374	32	49
Value-Call S.A., Luxembourg	Investment and finance	EUR 1	59	50	25
Core Property Management A/S, Copenhagen	Real property	DKK 10	24	6	20
Other entities in which the Group owns more than 10% of the share capital:					
PRAS A/S	Investment and finance	DKK 578	1,620	(115)	11
ValueInvest Asset Management S.A., Luxembourg	Investment and finance	EUR 1	35	13	14
Scandinavian Private Equity Partners A/S, Copenhagen	Investment and finance	DKK 5	9	1	17
Hedgeforeningen Sydinvest, afdeling Aktie & ObligationsMix II, Aabenraa	Investment and finance	DKK 36	36	(82)	26
Berlin KGI A/S, Nyborg	Real property	DKK 4	179	(1)	13

* According to the most recent annual report.

Group Financial Highlights – Quarterly

	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Income statement (DKKm)						
Core income excl trading income	819	822	830	754	778	704
Trading income	369	272	301	223	320	315
Total core income	1,188	1,094	1,131	977	1,098	1,019
Costs and depreciation	629	659	617	591	617	659
Core earnings before impairment	559	435	514	386	481	360
Impairment of loans and advances etc	295	270	459	98	6	(19)
Core earnings	264	165	55	288	475	379
Profit/(Loss) on investment portfolios	139	72	(23)	(170)	(137)	(55)
Profit before non-recurring items	403	237	32	118	338	324
Non-recurring items, net	-	-	(18)	(16)	(2)	198
Profit before contribution to the Danish Contingency Committee	403	237	14	102	336	522
Contribution to the Danish Contingency Committee	142	72	163	-	-	-
Profit before tax	261	165	(149)	102	336	522
Tax	66	41	(11)	26	89	101
Profit for the period	195	124	(138)	76	247	421
Balance sheet highlights (DKKbn)						
Loans and advances at amortised cost	75.6	78.2	82.5	81.8	82.5	81.3
Loans and advances at fair value	12.9	15.8	13.3	10.2	11.5	8.0
Deposits and other debt	71.6	73.5	75.0	63.4	67.6	70.1
Bonds issued at amortised cost	10.1	10.1	10.1	10.1	10.1	10.1
Subordinated capital (Tier 2)	3.5	4.2	4.2	4.2	4.2	4.2
Shareholders' equity (Tier 1)	7.5	7.2	7.1	7.2	7.1	6.8
Total assets	160.1	161.4	156.0	143.5	149.8	141.1
Financial ratios per share (DKK per share of DKK 10)						
EPS Basic	3.0	2.0	(2.2)	1.2	3.9	6.6
EPS Diluted	3.0	2.0	(2.2)	1.2	3.9	6.6
Share price at end of period	122.3	71.5	64.3	156.3	180.5	171.8
Book value	116.2	114.0	112.5	113.3	112.0	107.5
Share price/book value	1.05	0.63	0.57	1.38	1.61	1.60
Average number of shares outstanding (millions)	64.3	63.0	63.2	63.7	63.5	63.4
Other financial ratios and key figures						
Solvency (total capital) ratio	13.8	15.0	14.7	15.5	14.8	14.3
Core capital (Tier 1) ratio	11.4	11.3	10.8	11.2	10.7	10.1
Pre-tax profit as % of avg shareholders' equity	3.5	2.3	(2.1)	1.4	4.8	7.7
Post-tax profit as % of avg shareholders' equity	2.7	1.7	(1.9)	1.1	3.5	6.2
Income/cost ratio (DKK)	1.24	1.16	0.88	1.14	1.53	1.70
Interest rate risk	2.2	2.3	1.4	1.0	3.0	2.4
Foreign exchange position	3.4	1.5	11.4	9.7	12.9	5.6
Foreign exchange risk	0.1	0.0	0.0	0.0	0.0	0.0
Loans and advances relative to deposits *	1.0	1.0	1.0	1.2	1.1	1.1
Loans and advances relative to shareholders' equity *	10.1	10.8	11.6	11.4	11.6	12.0
Growth in loans and advances during the period *	(3.3)	(5.2)	0.8	(0.9)	1.5	9.2
Excess cover relative to statutory liquidity requirements	106.8	66.6	89.4	56.2	69.7	78.5
Total large exposures	34.6	21.4	23.8	53.3	39.5	44.7
Accumulated impairment ratio	1.3	1.3	1.0	0.9	0.8	0.9
Impairment ratio for the period	0.37	0.27	0.50	0.10	0.01	(0.02)
Number of full-time staff at end of period	2,414	2,429	2,479	2,487	2,457	2,469

Financial ratios are prepared according to "Recommendations & Financial Ratios 2005" published by the Danish Society of Financial Analysts.

* Financial ratios calculated on the basis of loans and advances at amortised cost.

Capital – Sydbank Group

DKK m	Share capital	Revaluation reserves	Reserves acc to articles of association	Reserve for net revaluation according to equity method	Retained earnings	Proposed dividend etc	Total
Shareholders' equity at 1 Jan 2009	675	91	411	20	5,891	-	7,088
Changes in equity in 2009:							
Purchase of own shares	-	-	-	-	(655)	-	(655)
Sale of own shares	-	-	-	-	791	-	791
Tax on equity items	-	-	-	-	(56)	-	(56)
Comprehensive income for the period	-	-	-	-	319	-	319
Total changes in equity	-	-	-	-	399	-	399
Shareholders' equity at 30 Jun 2009	675	91	411	20	6,290	-	7,487
Shareholders' equity at 1 Jan 2008	675	91	399	11	5,298	223	6,697
Changes in equity in 2008:							
Purchase of own shares	-	-	-	-	(1,756)	-	(1,756)
Sale of own shares	-	-	-	-	1,680	-	1,680
Adjusted purchase price bankTrelleborg	-	-	-	-	(5)	-	(5)
Employee shares	-	-	-	-	18	-	18
Adopted dividend etc	-	-	-	-	-	(223)	(223)
Tax on equity items	-	-	-	-	47	-	47
Dividends, own shares	-	-	-	-	16	-	16
Comprehensive income for the period	-	-	-	-	668	-	668
Total changes in equity	-	-	-	-	668	(223)	445
Shareholders' equity at 30 Jun 2008	675	91	399	11	5,966	-	7,142
				1H 2009	1H 2008	Full year 2008	
The Sydbank share							
Share capital (DKK)				675,000,000	675,000,000	675,000,000	
Number of shares issued (number)				67,500,000	67,500,000	67,500,000	
Shares outstanding at end of period (number)				64,433,558	63,792,912	63,011,999	
Average number of shares outstanding (number)				63,641,304	63,458,299	63,446,971	

Capital – Sydbank Group

DKKm	1H 2009	1H 2008	Full year 2008
Solvency:			
Shareholders' equity (Tier 1)	7,487	7,142	7,088
Revaluation reserves	(91)	(91)	(91)
Proposed dividend	-	-	-
Intangible assets and capitalised tax assets	(25)	(39)	(26)
Core capital (excl hybrid core capital)	7,371	7,012	6,971
Hybrid core capital	1,388	1,237	1,230
50% of holdings > 10%	(102)	(100)	(98)
50% of total of holdings etc > 10%	(12)	-	(34)
50% of difference between expected losses and accounting value adjustments and accounting provisions	(184)	-	-
Core capital	8,461	8,149	8,069
Subordinated loan capital (Tier 2)	2,093	2,843	2,839
Revaluation reserves	91	91	91
Hybrid core capital	-	153	158
Difference between expected losses and impairment charges	-	224	26
Capital base before deductions	10,645	11,460	11,183
50% of holdings > 10%	(102)	(100)	(98)
50% of total holdings etc > 10%	(13)	-	(34)
50% of difference between expected losses and accounting value adjustments and accounting provisions	(184)	-	-
Holdings in associates	(54)	(62)	(62)
Capital base (Tiers 1+2) after deductions	10,292	11,298	10,989
Credit risk	60,475	60,737	60,616
Market risk	7,432	8,959	7,261
Operational risk	6,537	6,731	6,731
Risk-weighted items	74,444	76,427	74,608
Capital requirement under Pillar I	5,956	6,114	5,968
Pillar II and transitional rules	-	1,108	711
Capital requirement	5,956	7,222	6,679
Core capital (Tier 1) ratio (excl hybrid core capital)	9.9	9.2	9.3
Core capital (Tier 1) ratio	11.4	10.7	10.8
Solvency (total capital) ratio	13.8	14.8	14.7

Cash Flow Statement – Sydbank Group

DKKkm	1H 2009	1H 2008	Full year 2008
Operating activities:			
Pre-tax profit for the period	426	858	811
Taxes paid	(111)	(88)	(128)
Adjustment of non-cash operating items	421	0	731
Cash flows from working capital	2,993	(1,804)	(85)
Cash flows from operating activities	3,729	(1,034)	1,329
Investing activities:			
Purchase and sale of holdings in associates	12	5	(22)
Purchase and sale of intangible assets	-	(15)	(16)
Purchase and sale of property, plant and equipment	(62)	(126)	(370)
Cash flows from investing activities	(50)	(136)	(408)
Financing activities:			
Purchase and sale of own holdings	80	0	8
Dividend	-	(223)	(223)
Raising of subordinated capital (Tier 2)	(745)	394	390
Issue of bonds	(3)	4	20
Cash flows from financing activities	(668)	175	195
Cash flows for the period	3,011	(995)	1,116
Cash equivalent positions at 1 Jan	6,200	5,084	5,084
Cash flows for the period (changes during the period)	3,011	(995)	1,116
Cash equivalent positions at end of period	9,211	4,089	6,200

Segment Statements – Sydbank Group

DKKm	Banking	Markets	Treasury	Other	Total
Business segments 1H 2009:					
Core income excl trading income	1,682	(41)	-	-	1,641
Trading income	288	353	-	-	641
Core income	1,970	312	-	-	2,282
Costs and depreciation	1,103	158	5	27	1,293
Impairment of loans and advances etc	571	(6)	-	-	565
Core earnings	296	160	(5)	(27)	424
Profit/(Loss) on investment portfolios	-	-	217	(1)	216
Profit before non-recurring items	296	160	212	(28)	640
Non-recurring items, net	-	-	-	-	-
Profit before contribution to the Danish Contingency Committee	296	160	212	(28)	640
Contribution to the Danish Contingency Committee	-	-	-	214	214
Profit for the period	296	160	212	(242)	426

Notes

DKK m

Note 1

Accounting policies:

The Interim Report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and in compliance with additional Danish disclosure requirements for interim reports. As a result of the use of IAS 34, the presentation is less complete compared with the presentation of an annual report and the measurement principles are in compliance with IFRS.

With the exception of the below, the accounting policies are consistent with those adopted in the 2008 Annual Report, to which reference is made.

The 2008 Annual Report provides a comprehensive description of the accounting policies applied.

As from 1 January 2009, the Group has implemented IAS 1 (Revised 2007) "Presentation of Financial Statements", IAS 23 (Revised 2007) "Borrowing Costs", and IFRS 8 "Operating Segments".

The implementation of the new reporting standards has not had any impact on recognition or measurement. IAS 1 and IFRS 8 have resulted in changes only in the notes and format. Any comparative figures in the notes have been restated.

IAS 1 has changed the presentation of the primary statements. The Group has decided to present two statements: an income statement and a statement of comprehensive income which shows profit for the period and the elements of other comprehensive income.

The measurement of certain assets and liabilities requires managerial estimates as to how future events will affect the value of such assets and liabilities. The significant estimates made by the management in the use of the Group's accounting policies and the inherent considerable uncertainty of such estimates used in the preparation of the condensed interim report are identical to those used in the preparation of the annual report as at 31 December 2008.

The Group's significant risks and the external elements which may affect the Group are described in detail in the 2008 Annual Report.

Notes

	Sydbank Group		Sydbank A/S	
	1H 2009	1H 2008	1H 2009	1H 2008
DKK m				

Note 2

Interest income/forward premium of:

Amounts owed by credit institutions and central banks	142	324	143	329
Loans and advances and other amounts owed	2,302	2,598	2,301	2,589
Bonds	654	294	654	294
Total derivatives	159	236	159	237
comprising				
Foreign exchange contracts	187	253	187	254
Interest rate contracts	(30)	(17)	(30)	(17)
Other contracts	2	-	2	-
Other interest income	5	10	5	10
Total	3,262	3,462	3,262	3,459

Of which income from genuine purchase
and resale transactions stated under:

Amounts owed by credit institutions and central banks	28	152	28	152
Loans and advances and other amounts owed	228	191	228	191

Note 3

Interest expense to:

Credit institutions and central banks	440	513	442	516
Deposits and other debt	928	1,301	928	1,300
Bonds issued	129	239	129	239
Subordinated capital (Tier 2)	72	111	72	111
Other interest expense	0	2	0	2
Total	1,569	2,166	1,571	2,168

Of which expense to genuine sale
and repurchase transactions stated under:

Amounts owed to credit institutions and central banks	14	20	14	20
Deposits and other debt	6	8	6	8

Notes

	Sydbank Group		Sydbank A/S	
	1H 2009	1H 2008	1H 2009	1H 2008
DKKm				

Note 4

Fee and commission income:

Securities trading and custody accounts	279	416	270	403
Payment services	78	83	78	83
Loan fees	39	35	39	35
Guarantee commission	43	55	43	55
Other fees and commission	90	84	88	82
Total	529	673	518	658

Note 5

Market value adjustments:

Other loans and advances and amounts owed at fair value	(2)	(2)	(2)	(2)
Bonds	198	(401)	198	(401)
Shares etc	41	5	41	5
Investment property	0	-	0	-
Foreign exchange	133	118	132	114
Total derivatives	(73)	464	(74)	465
Assets related to pooled plans	275	(565)	275	(565)
Deposits in pooled plans	(275)	565	(275)	565
Other assets/liabilities	0	0	0	0
Total	297	184	295	181
Trading portfolio	282	149	280	146
Equity investments	15	35	15	35
Total	297	184	295	181

Note 6

Other operating income:

Negative goodwill	-	119	-	119
Rental income – real property	6	5	6	5
Other operating income	5	7	5	7
Total	11	131	11	131

Notes

	Sydbank Group		Sydbank A/S	
	1H 2009	1H 2008	1H 2009	1H 2008
DKKm				

Note 7

Staff costs and administrative expenses:

Salaries and emoluments to:

Group Executive Management:

Salaries	5	10	5	10
Pensions	1	1	1	1
Board of Directors	2	2	2	2
Shareholders' Committee	1	1	1	1
Total	9	14	9	14

Staff costs:

Wages and salaries	617	605	607	591
Pensions	70	60	69	59
Social security contributions	2	2	2	2
Payroll tax etc	55	58	54	57
Total	744	725	732	709

Other administrative expenses:

IT (including withdrawal and conversion in 2008)	253	320	251	317
Rent etc	65	75	67	77
Marketing and entertainment expenses	36	43	34	41
Other expenses	130	137	125	132
Total	484	575	477	567
Total	1,237	1,314	1,218	1,290

Note 8

Staff:

Average number of staff (full-time equivalent)	2,484	2,478	2,452	2,438
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Notes

	Sydbank Group		Sydbank A/S	
	1H 2009	1H 2008	1H 2009	1H 2008
DKKm				
Note 9				
Impairment of loans and advances recognised in the income statement:				
Impairment and provisions	431	4	431	4
Write-offs	232	15	232	15
Recovered from debt previously written off	13	32	13	32
Impairment of loans and advances etc	650	(13)	650	(13)
Impairment and provisions at end of period:				
Individual impairment and provisions	1,136	696	1,088	652
Collective impairment and provisions	194	173	194	173
Impairment and provisions at end of period	1,330	869	1,282	825
Individual impairment of loans and advances and provisions for guarantees:				
Impairment and provisions at 1 Jan	954	738	904	696
Exchange rate adjustment	(1)	2	0	0
Impairment and provisions during the period	411	12	412	12
Write-offs covered by impairment and provisions	228	56	228	56
Impairment and provisions at end of period	1,136	696	1,088	652
Individual impairment of loans and advances	987	662	939	618
Individual provisions for guarantees	149	34	149	34
Impairment and provisions at end of period	1,136	696	1,088	652
Collective impairment of loans and advances and provisions for guarantees:				
Impairment and provisions at 1 Jan	152	152	152	152
Impairment and provisions during the period	42	21	42	21
Impairment and provisions at end of period	194	173	194	173
Sum of loans and advances and amounts owed subject to collective impairment and provisions	18,861	16,480	18,861	16,480
Collective impairment and provisions	194	173	194	173
Loans and advances and amounts owed after collective impairment and provisions	18,667	16,307	18,667	16,307
Individual impairment of loans and advances subject to objective evidence of impairment:				
Balance before impairment of individually assessed loans and advances	1,963	1,336	1,915	1,292
Impairment of individually assessed loans and advances	987	662	939	618
Balance after impairment of individually assessed loans and advances	976	674	976	674

Notes

	Sydbank Group		Sydbank A/S	
	1H 2009	1H 2008	1H 2009	1H 2008
DKKkm				

Note 10

Profit on holdings in associates and subsidiaries:

Profit on holdings in associates etc	20	11	20	11
Profit/(Loss) on holdings in subsidiaries	-	-	(7)	(4)
Total	20	11	13	7

Note 11

Effective tax rate:

Current tax rate of the Sydbank Group	25.0	25.0	25.0	25.0
Permanent differences	-	(3.4)	-	(3.4)
Adjustment of tax of previous years	-	0.6	-	0.6
Total	25.0	22.2	25.0	22.2

	Sydbank Group		Sydbank A/S	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
DKKkm				

Note 12

Amounts owed by credit institutions and central banks:

Amounts owed at notice by central banks	2,115	340	2,115	340
Amounts owed by credit institutions	11,950	11,825	12,026	11,846
Total	14,065	12,165	14,141	12,186

Note 13

Other assets:

Positive market value of derivatives etc	8,799	10,574	8,799	10,574
Sundry debtors	291	265	278	240
Interest and commission receivable	760	957	760	957
Other assets	7	0	7	0
Total	9,857	11,796	9,844	11,771

Notes

	Sydbank Group		Sydbank A/S	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
DKKm				

Note 14

Amounts owed to credit institutions and central banks:

Amounts owed to central banks	26,655	17,570	26,655	17,570
Amounts owed to credit institutions	20,861	21,319	21,001	21,389
Total	47,516	38,889	47,656	38,959

Note 15

Deposits and other debt:

On demand	39,211	37,843	38,898	37,634
At notice	734	727	734	727
Time deposits	25,924	30,784	25,924	30,784
Special categories of deposits	5,743	5,653	5,743	5,653
Total	71,612	75,007	71,299	74,798

Note 16

Other liabilities:

Negative market value of derivatives etc	7,371	8,833	7,371	8,833
Sundry creditors	5,921	5,286	5,887	5,240
Interest and commission etc	506	629	506	629
Other liabilities	0	16	0	0
Total	13,798	14,764	13,764	14,702

Note 17

Provisions:

Provisions for pensions and similar obligations	4	4	4	4
Provisions for deferred tax	25	24	25	25
Provisions for guarantees	149	66	149	66
Other provisions	27	9	17	9
Total	205	103	195	104

Notes

	Sydbank Group		Sydbank A/S	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008

Note 18

Subordinated capital (Tier 2):

Interest rate		Nominal (m)	Maturity					
Floating	Bond loan	EUR	100	29.06.12	-	745	-	745
Floating	Bond loan	EUR	40	17.09.12	298	298	298	298
Floating	Bond loan	DKK	50	29.10.12	50	50	50	50
Floating	Bond loan	EUR	100	21.10.13	744	745	744	745
Floating	Bond loan	DKK	200	14.11.14	200	200	200	200
Floating	Bond loan	EUR	100	04.04.15	744	744	744	744
Floating	Bond loan	EUR	8	31.10.15	55	55	55	55
Total supplementary capital					2,091	2,837	2,091	2,837
Floating	FRN	EUR	100	Perpetual	738	738	738	738
Floating	FRN	EUR	75	Perpetual	559	559	559	559
Floating	FRN	DKK	85	Perpetual	85	85	85	85
Total hybrid capital					1,382	1,382	1,382	1,382
Total					3,473	4,219	3,473	4,219

Note 19

Contingent liabilities and other obligating agreements:

Contingent liabilities:

Financial guarantees	2,731	3,050	2,626	2,962
Mortgage finance guarantees	1,207	979	1,207	979
Registration and remortgaging guarantees	3,696	3,239	3,696	3,239
Loss guarantee/guarantee, the Danish Contingency Committee	619	871	619	871
Other contingent liabilities	1,366	1,436	1,366	1,436
Total	9,619	9,575	9,514	9,487

Other obligating agreements:

Irrevocable credit commitments	-	5	-	5
Other liabilities *	57	74	126	132
Total	57	79	126	137

* Including intragroup liabilities in relation to rented premises

Notes

DKKm

Note 19 – continued

A group of minority shareholders (“Foreningen af Minoritetsaktionærer i bankTrelleborg”) has filed a class action regarding the legality of the compulsory redemption against Fonden for bankTrelleborg, Sydbank and the Danish Financial Supervisory Authority.

In continuation of the transfer of the shares in bankTrelleborg to Sydbank, the shares were priced by appraisers in accordance with section 144 (4) of the Danish Financial Business Act. A few shareholders have brought the findings of the appraisers before the courts.

Moreover, in Q2 2009 the group of minority shareholders (“Foreningen af Minoritetsaktionærer i bankTrelleborg”) filed an action against Sydbank regarding an inadequate prospectus in connection with the conversion of sparTrelleborg to bankTrelleborg.

Finally, the Group is party to a number of legal actions.

These legal actions are under continuous review and the necessary provisions made are based on an assessment of the risk of loss. Pending legal actions are not expected to have any significant impact on the financial position of the Group.

Sydbank and the majority of Danish banks participate in the government guarantee scheme which was adopted by the Danish parliament on 10 October 2008. The scheme extends from 5 October 2008 to 30 September 2010 and involves an unconditional government guarantee for the obligations of Danish banks, except for subordinated capital and covered bonds.

Note 20

Collateral:

As of 30 June 2009, the Group had deposited securities at a market value of DKK 27,210m with Danish and foreign exchanges and clearing centres etc in connection with margin calls and securities settlements etc.

Note 21

Related parties:

Sydbank is the bank of a number of related parties. Related party transactions are settled on market terms.

No unusual transactions took place with related parties in 1H 2009. Reference is made to the Group’s 2008 Annual Report for a detailed description of related party transactions.

Notes

	Sydbank Group		Sydbank A/S	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
DKKm				

Note 22

Reporting events occurring after the balance sheet date:

After the expiry of the half year, no matters of significant impact on the financial position of the Sydbank Group have occurred.

Note 23

Genuine sale and repurchase transactions and genuine purchase and resale transactions:

Of the below asset items genuine purchase and resale transactions amount to:

Amounts owed by credit institutions and central banks	3,481	2,408	3,481	2,408
Loans and advances at fair value	12,881	13,282	12,881	13,282

Assets bought as part of genuine sale and repurchase transactions

Asset item:

Bonds at fair value	16,676	16,039	16,676	16,039
Shares etc	12	4	12	4

Of the below liability items genuine sale and repurchase transactions amount to:

Amounts owed to credit institutions and central banks	1,503	1,108	1,503	1,108
Deposits and other debt	528	-	528	-

Assets sold as part of genuine sale and repurchase transactions

Asset item:

Bonds at fair value	2,001	1,108	2,001	1,108
Shares etc	-	-	-	-

Note 24

Large shareholders:

Nykredit and ATP own more than 5% of the Bank's share capital.

Notes

	Sydbank Group		Sydbank A/S	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
DKKm				

Note 25

Fair value hedging of interest rate risks (macro hedge):

Sydbank adopts a cash flow model for managing interest rate risk on all positions other than Danish callable mortgage bonds. The model is updated daily with all the Bank's positions. These are distributed into portfolios according to responsibility and product.

One of these portfolios consists of the Bank's positions in fixed-rate loans and advances, fixed-rate deposits, and related hedging transactions. To ensure interest rate risk management of this portfolio, the model generates a synthetic cash flow to describe the Bank's risk position in selected interest rate scenarios.

The Bank's basis for concluding hedging transactions – primarily interest rate swaps – is thus a synthetic net cash flow, based on the actual cash flow of loans and advances, deposits and previously concluded hedging transactions in the relevant portfolio. The aim is to keep the interest rate risk in this portfolio at a minimum as the Bank wishes to place its interest rate risk in other portfolios containing bonds and other cash equivalent positions.

In connection with the preparation of interim and annual reports, the rules on macro hedge are applied, which aim to ensure symmetry between income and expense in the financial statements.

Symmetry is achieved by making a hedge adjustment corresponding to the part of the market value adjustment of derivatives which concerns future periods. This hedge adjustment is recorded under "Other liabilities" and represents DKK 30m as at 30 June 2009.

During the first six months a net loss on hedging transactions of DKK 12m has been recorded. The loss eliminates the equivalent net gain on the hedged items.

Loans and advances:

Carrying amount	1,735	1,741	1,735	1,741
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Deposits:

Carrying amount	2,207	1,800	2,207	1,800
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The following derivatives are used to hedge the above:

Forward Rate Agreements:

Notional amount	14	39	14	39
Fair value	1	1	1	1

Swaps:

Notional amount	1,152	323	1,152	323
Fair value	(43)	(20)	(43)	(20)

Notes

DKKkm	Sydbank Group			
	1H 2009	1H 2008	Index 09/08	Full year 2008

Note 26

Core income

Core income excl trading income:

Interest margins etc	1,378	1,238	111	2,610
Mortgage credit	109	92	118	176
Payment services	75	71	106	136
Remortgaging and loan fees	40	36	111	73
Other commission	28	33	85	48
Other operating income	11	12	92	23
Total	1,641	1,482	111	3,066

Trading income:

Bonds	155	73	212	156
Shares	125	142	88	193
Foreign exchange	134	136	99	311
Money market	93	63	148	124
Asset management	134	221	61	375
Total	641	635	101	1,159

DKKkm	Sydbank Group					
	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008

Core income excl trading income:

Interest margins etc	679	699	730	642	651	587
Mortgage credit	61	48	45	39	44	48
Payment services	43	32	31	34	41	30
Remortgaging and loan fees	21	19	19	18	18	18
Other commission	11	17	1	14	18	15
Other operating income	4	7	4	7	6	6
Total	819	822	830	754	778	704

Trading income:

Bonds	94	61	68	15	33	40
Shares	78	47	33	18	78	64
Foreign exchange	57	77	94	81	62	74
Money market	67	26	43	18	30	33
Asset management	73	61	63	91	117	104
Total	369	272	301	223	320	315

Group Financial Highlights – Half-yearly

	1H 2009	1H 2008	1H 2007	1H 2006	1H 2005
Income statement (DKKm)					
Core income excl trading income	1,641	1,482	1,235	1,101	962
Trading income	641	635	772	705	528
Total core income	2,282	2,117	2,007	1,806	1,490
Costs and depreciation	1,288	1,276	1,116	1,020	925
Core earnings before impairment	994	841	891	786	565
Impairment of loans and advances etc	565	(13)	(270)	(22)	49
Core earnings	429	854	1,161	808	516
Profit/(Loss) on investment portfolios	211	(192)	(30)	58	75
Profit before non-recurring items	640	662	1,131	866	591
Non-recurring items, net	-	196	46	-	-
Profit before contribution to the Danish Contingency Committee	640	858	1,177	866	591
Contribution to the Danish Contingency Committee	214	-	-	-	-
Profit before tax	426	858	1,177	866	591
Tax	107	190	276	241	171
Profit for the period	319	668	901	625	420
Balance sheet highlights (DKKbn)					
Loans and advances at amortised cost	75.6	82.5	68.9	61.1	47.5
Loans and advances at fair value	12.9	11.5	8.0	7.2	7.9
Deposits and other debt	71.6	67.6	57.1	46.0	42.2
Bonds issued at amortised cost	10.1	10.1	10.0	10.4	1.9
Subordinated capital (Tier 2)	3.5	4.2	3.8	3.5	2.1
Shareholders' equity (Tier 1)	7.5	7.1	6.2	5.2	4.5
Total assets	160.1	149.8	121.1	107.5	88.6
Financial ratios per share (DKK per share of DKK 10)					
EPS Basic	5.0	10.5	13.1	9.1	6.1
EPS Diluted	5.0	10.5	13.1	9.1	6.1
Share price at end of period	122.3	180.5	264.0	193.5	137.8
Book value	116.2	112.0	94.2	76.8	66.0
Share price/book value	1.05	1.61	2.80	2.52	2.09
Average number of shares outstanding (millions)	63.6	63.5	68.6	68.4	68.6
Other financial ratios and key figures					
Solvency (total capital) ratio	13.8	14.8	12.6	10.4	10.0
Core capital (Tier 1) ratio	11.4	10.7	9.3	7.3	7.8
Pre-tax profit as % of avg shareholders' equity	5.8	12.4	18.7	17.0	13.2
Post-tax profit as % of avg shareholders' equity	4.4	9.7	14.3	12.3	9.4
Income/cost ratio (DKK)	1.21	1.62	2.38	1.86	1.60
Interest rate risk	2.2	3.0	0.3	2.2	3.4
Foreign exchange position	3.4	12.9	16.1	10.9	12.0
Foreign exchange risk	0.1	0.0	0.2	0.1	0.1
Loans and advances relative to deposits *	1.0	1.1	1.1	1.2	1.0
Loans and advances relative to shareholders' equity *	10.1	11.6	11.1	11.8	10.5
Growth in loans and advances during the period *	(8.3)	10.8	5.2	14.1	13.7
Excess cover relative to statutory liquidity requirements	106.8	69.7	48.4	38.8	74.9
Total large exposures	34.6	39.5	29.5	64.9	102.2
Accumulated impairment ratio	1.3	0.8	1.4	1.9	2.2
Impairment ratio for the period	0.65	(0.01)	(0.31)	(0.03)	0.07
Number of full-time staff at end of period	2,414	2,457	2,237	2,172	2,092

Financial ratios are prepared according to "Recommendations & Financial Ratios 2005" published by the Danish Society of Financial Analysts.

* Financial ratios calculated on the basis of loans and advances at amortised cost.

Sydbank A/S Financial Highlights – Half-yearly

	1H 2009	1H 2008	1H 2007	1H 2006	1H 2005
Income statement highlights (DKKm)					
Net interest and fee income	2,159	1,889	1,678	1,535	1,306
Market value adjustments	295	181	264	296	230
Staff costs and administrative expenses	1,218	1,290	1,047	964	877
Impairment of loans and advances etc	650	(13)	(270)	(22)	50
Profit on holdings in associates and subsidiaries	13	7	57	10	10
Profit after tax for the period	319	668	901	625	420
Balance sheet highlights (DKKbn)					
Loans and advances	88.3	93.7	75.9	67.8	55.4
Shareholders' equity (Tier 1)	7.5	7.1	6.2	5.2	4.5
Total assets	159.9	149.7	121.1	107.4	88.5
Financial ratios per share (DKK per share of DKK 10)					
EPS Basic	4.7	9.9	12.9	8.9	6.0
Book value	110.9	105.8	88.8	74.0	64.8
Dividend per share	0.0	3.0	3.0	3.0	3.0
Share price/profit for the period per share	25.9	18.2	20.5	21.7	23.0
Share price/book value	1.10	1.71	2.97	2.62	2.13
Other financial ratios and key figures					
Solvency (total capital) ratio	13.9	14.9	12.7	10.1	10.0
Core capital (Tier 1) ratio	11.4	10.9	9.4	7.1	7.9
Pre-tax profit as % of avg shareholders' equity	5.8	12.4	18.7	17.0	13.2
Post-tax profit as % of avg shareholders' equity	4.4	9.7	14.3	12.3	9.4
Income/cost ratio (DKK)	1.21	1.64	2.42	1.88	1.61
Interest rate risk	2.2	3.0	0.3	2.2	3.4
Foreign exchange position	3.4	12.9	16.1	10.9	12.0
Foreign exchange risk	0.1	0.0	0.2	0.1	0.1
Loans and advances relative to deposits	1.2	1.3	1.2	1.3	1.2
Loans and advances relative to shareholders' equity	11.8	13.1	12.2	13.1	12.2
Growth in loans and advances during the period	(7.7)	13.7	5.2	12.0	16.4
Excess cover relative to statutory liquidity requirements	106.0	68.6	55.5	41.6	74.7
Total large exposures	34.6	39.5	29.5	64.9	102.2
Impairment ratio for the period	0.7	0.0	(0.3)	0.0	0.1

Financial ratios are determined by the Danish FSA's executive order on financial reporting of credit institutions and brokerage firms etc.

Supplementary Information

Financial Calendar

In 2009 the Group's financial statements will be released as follows:

- Interim Report – Q1-Q3 2009
27 October 2009

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For further information reference is made to Sydbank's audited 2008 Annual Report at sydbank.com/about/ir/finreports.