ANNUAL REPORT 2014

REVIEW AND FINANCIAL STATEMENTS

THE GUARANTEE FUND FOR DEPOSITORS AND INVESTORS

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MANAGEMENT'S REVIEW

The Guarantee Fund in 2014: Events and financial highlights

The Fund's activities and results in 2014
The Guarantee Fund posted a total profit of DKK 2.4 billion in 2014. The two departments mainly contributing to the results were the Banking Department, which posted a profit of DKK 2.2 billion, and the Winding-up and Restructuring Department, which posted a profit of DKK 0.2 billion. The other departments had no material effect on the financial results. The Guarantee Fund's profit was mainly driven by payments from the members of the Guarantee Fund of DKK 2.1 billion.

In 2014, contributions of DKK 2.1 billion were charged from the members of the Banking Department. According to Finansiel Stabilitet A/S, the winding up of Max Bank af 2011 A/S and Sparebank Østjylland af 2012 A/S is expected to produce a profit in 2014. As a result, the DKK 0.1 billion provision previously made for repayment of dowry in accordance with dowry agreements concerning these two companies has been reversed. The Banking Department thus reported a profit of DKK 2.2 billion in 2014.

In 2012, the Banking Department of the Guarantee Fund began to build up net wealth to cover potential future losses. Pursuant to the current act, the Guarantee Fund is required to build up net wealth over a number of years up to 1% of the covered net deposits. Based on the current level of covered net deposits, this equals approximately DKK 8.4 billion. At 31 December 2014, the Banking Department had total net wealth of DKK 6.1 billion, including expected dividends of DKK 0.1 billion recognised for Capinordic Bank A/S.

In the period 2010-2013, the Guarantee Fund paid a net amount of DKK 3.2 billion in connection with the suspension of payments, bankruptcy or winding up of six institutions under the Financial Stability Act.

The DKK 0.2 billion profit reported by the Winding-up and Restructuring Department was due to the fact that, according to Finansiel Stabilitet A/S, the expected losses in connection with the winding up of Fjordbank Mors af 2011 A/S were lower than expected last year. As a result, the provision made for the loss guarantee provided by the Guarantee Fund to Finansiel Stabilitet A/S was reduced by DKK 0.3 billion to DKK 0.6 billion.

In connection with the transfer of Sparekassen Lolland A/S to Jyske Bank A/S at the beginning of 2013, the Guarantee Fund for Depositors and Investors, pursuant to section 7a(3) of the Guarantee Fund Act, covered the actual costs related to Sparekassen Lolland's withdrawal from its data centre. These costs came to a total of DKK 111 million in 2014. A provision of DKK 84 million was made in the 2013 financial statements, and the 2014 financial statements hence include an additional expense of DKK 27 million related to withdrawal from data centres.

After recognition of the profit of DKK 0.2 billion, the Winding-up and Restructuring Department's net wealth at 31 December 2014 amounted to DKK 4.4 billion and thus exceed the minimum level of DKK 4.2 billion.

Loss guarantees provided
The Winding-up and Restructuring Department has provided loss guarantees to Finansiel Stabilitet A/S with respect to the winding up of Amagerbanken af 2011 A/S, Fjordbank Mors af 2011 A/S, Max Bank af 2011 A/S and Sparebank Østjylland af 2012 A/S. At 31 December 2014, the Guarantee Fund reported a net loss of DKK 0.2 billion on the loss guarantees provided.

Scope of coverage of the Guarantee Fund

The Guarantee Fund is a private, self-governing institution established by an act of parliament. The Guarantee Fund provides financial coverage to depositors and investors of all Danish banks, mortgage credit institutions and investment companies as well as certain investment management companies and managers of alternative investment funds for certain losses in connection with reconstruction or bankruptcy.

In 2010, the scope of coverage of the Guarantee Fund was expanded by the adoption of the Exit Package (Bank Package III). In that connection, a winding-up department was established under the Guarantee Fund in order to ensure coverage of any losses incurred by Finansiel Stabilitet A/S in connection with the winding up of distressed banks under the Exit Package.

In June 2011, it became possible for the Guarantee Fund to provide a so-called dowry by injecting funds or providing a guarantee for the coverage of the unsubordinated creditors of a distressed bank which is taken over by another bank (the Dowry Scheme). This option was expanded by the agreement on the Consolidation Package (Bank Package IV), which was concluded in September 2011. In that connection, the Danish State was given the possibility of providing a dowry.

In 2012, the Winding-up Department was expanded into a Winding-up and Restructuring Department, which can contribute to a reconstruction, among other things by covering costs associated with withdrawal from a data centre in connection with the merger of a distressed bank or the takeover of assets under Part 4 b-d of the Financial Stability Act.

Scope of coverage
The Guarantee Fund covers registered deposits and cash funds up to EUR 100,000 (approximately DKK 745,000) for each depositor with each institution (banks, mortgage credit institutions, investment companies and certain investment management companies and managers of alternative investment funds).

Coverage is calculated net of any loans or other liabilities vis-à-vis the relevant institution. However, certain account types are fully covered, including cash deposits into annuity pension and capital pension schemes.

The scope of coverage follows from the EU directive on deposit guarantee schemes. On 16 April 2014, the European Parliament and the Council adopted a new directive on deposit guarantee schemes (Directive 2014/49/EU). As part of the implementation of the new directive, the Minister of Business and Growth on 19 December 2014 introduced a bill to amend the Act on a guarantee fund for depositors and investors (L 105 Bill to amend the Financial Business Act, the Financial Stability Act, the Act on a guarantee fund for depositors and investors, the Securities Trading, etc. Act and the Tax Assessment Act). Among other things, the bill contains amendments to the future scope of coverage, including the definition of covered deposits and the scope of full coverage of certain account types. The expected amendments for the Guarantee Fund and the scope of coverage are described in more detail in the section below on the bill to amend the Guarantee Fund Act.

Securities
The Guarantee Fund also manages the investor compensation scheme. This means that investors may receive coverage of up to EUR 20,000 (approximately DKK 150,000) in the event of difficulties in having securities delivered from an institution in reconstruction or bankruptcy. It is a requirement that the distressed institution is comprised by the investor compensation scheme.

Coverage is calculated net of any loans or other liabilities vis-à-vis the relevant institution.

Branches
Danish branches of foreign institutions are generally covered by the deposit guarantee scheme applicable in the home country of the foreign institution. It is possible for such branches to apply for supplementary coverage under the Danish guarantee scheme.

Branches in Denmark of Svenska Handelsbanken AB, Swedbank AB, Nordnet Bank AB, Skandinaviska Enskilda Banken AB, Ikano Bank AB, Carnegie Investment Bank AB and Banque Internationale á Luxembourg S.A. have applied for coverage under the Guarantee Fund as a supplement to the coverage provided by the national guarantee schemes. As a result of the affiliation of these branches to the Danish guarantee scheme, the Guarantee Fund has entered into an agreement with the Swedish guarantee scheme on a collaboration if a Swedish institution with a branch in Denmark should become distressed (see "Other international activities" below for additional information). A similar agreement is expected to be concluded with the Luxembourg guarantee scheme in 2015.

Detailed information on coverage
Additional information on the Guarantee Fund's coverage is provided on the Guarantee Fund's website, www.gii.dk.

Departments of the Guarantee Fund

At 31 December 2014, the Guarantee Fund comprised 146 institutions: 91 banks (7 foreign banks), 7 mortgage credit institutions, 41 investment companies, 4 investment management companies and 3 managers of alternative investment funds.

The institutions are distributed on the four departments of the Guarantee Fund: The Banking Department, the Mortgage Credit Department, the Investment Company Department (investment companies and certain investment management companies and managers of alternative investment funds) and the Winding-up and Restructuring Department.

Funding of the Guarantee Fund

Pursuant to Consolidation Act no. 1271 of 4 November 2013, the Banking Department is funded by way of a fixed annual contribution from the banks.

The annual contribution payable by the banks to the Banking Department constitutes 0.25% of the covered net deposits calculated at 1 October of the preceding year. Payment is to be effected on 10 January of the year to which the contribution relates. The contribution amounted to DKK 2.1 billion in 2014.

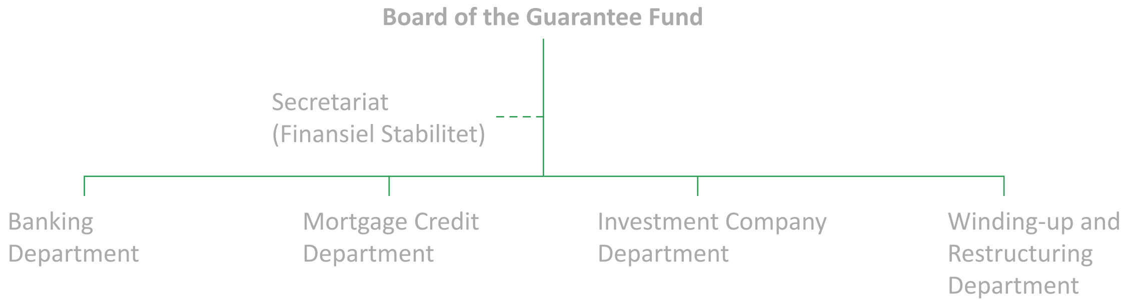
The banks' obligation to pay this contribution will cease if the net wealth of the Banking Department exceed 1% of covered net deposits. The obligation to pay contributions will be resumed if the net wealth no longer exceed 1% of covered deposits. The Banking Department's total net wealth amounted to DKK 6,066 million at 31 December 2014, equivalent to 0.72% of covered net deposits. After recognition of contributions received from members in January 2015, the percentage figure was 0.97%.

The Board of the Guarantee Fund must ensure that the Banking Department has adequate liquidity. The aggregate liquidity in the form of liquid assets and loan commitments must at all times equal at least 0.75% of covered deposits. Subject to negotiations with Danmarks Nationalbank, the Danish FSA may order the Board of the Guarantee Fund to raise the annual contribution extraordinarily if the financial position of the Banking Department so requires.

Pursuant to L 105 Bill to amend the Financial Business Act, the Financial Stability Act, the Act on a guarantee fund for depositors and investors, the Securities Trading, etc. Act and the Tax Assessment Act introduced on 19 December 2014, total net wealth must in future amount to at least 0.8% of covered deposits (target level). The bill entails amendments to the definition of covered deposits which, overall, are expected to increase the scope of coverage. After contributions from members in 2015, the Banking Department's total assets are expected to exceed the required target level proposed in the bill.

The Mortgage Credit Department and the Investment Company Department, respectively, are required to have total net wealth of at least DKK 10 million.

Figure 2



The total net wealth of the Winding–up and Restructuring Department must amount to DKK 3.2 billion by way of guarantees from banks that have an obligation to pay contributions. In addition, the department must have net wealth of DKK 1 billion earmarked for restructuring, including for coverage of costs in connection with withdrawal from data centres. This part of the net wealth must consist of guarantees or cash payments from the banks required to pay contributions.

Financial position of the Guarantee Fund

The liquid net wealth of the Guarantee Fund are expected to total approximately DKK 8.2 billion at 31 December 2015. Against this background, the Board of the Guarantee Fund in 2014 discussed the structure of an investment strategy which would comply with the requirements of clause 8 of the Fund's articles of association, which stipulates as follows:

– *The Fund's assets are deposited in an account and a custody account with Danmarks Nationalbank. The funds are placed at the best rate of interest achievable with due consideration to ensuring that the funds are securely placed and that sufficient funds are available at any given time.*

At a board meeting held in January 2014, the Board, based on a weighing of risk against the very low level of interest rates, resolved that the Guarantee Fund's liquid net wealth are to remain deposited with Danmarks Nationalbank for the time being. The Board will reconsider the investment strategy as and when the interest rate level changes, thereby ensuring compliance with the Guarantee Fund's articles of association from time to time.

For all departments, the distribution of contributions will continue to be calculated on the basis of the affiliated institutions' share of covered net deposits, covered cash funds and covered securities.

With the exception of the Winding–up and Restructuring Department, the departments of the Guarantee Fund may borrow funds from each other.

Moreover, all of the Guarantee Fund's departments may, if the funds of the individual department have been depleted, raise loans in the market against a guarantee provided by the Danish State. In such event, the guarantor will be the Ministry of Business and Growth subject to approval by the Finance Committee of the Danish parliament.

With a view to complying with the requirements as to the liquidity of the Banking Department, which currently amounts to DKK 6.3 billion, the Guarantee Fund in 2014 concluded agreements to have committed loan facilities made available. At 31 December 2014, facilities amounted to a total of DKK 0.6 billion. The committed loan facilities expired in January 2015.

Regulatory framework of the activities of the Guarantee Fund

The regulatory framework of the Guarantee Fund is Consolidation Act no. 1271 of 4 November 2013 on a guarantee fund for depositors and investors and Executive Order no. 679 of 27 June 2012 on a guarantee fund for depositors and investors.

The act was most recently amended in 2014 by Act no. 403 of 28 April 2014, which, in addition to some linguistic corrections, contains adjustments to the calculation of individual contributions to the Guarantee Fund made by managers of alternative investment funds.

The act has been put into effect for Greenland by Order no. 685 of 28 June 2012 on the coming into force in Greenland of the Act on a guarantee fund for depositors and investors. The act has been put into effect for the Faroe Islands by Order no. 64 of 29 January 2013 on the coming into force in the Faroe Islands of the Act on a guarantee fund for depositors and investors.

The Minister of Business and Growth on 19 December 2014 introduced a bill on restructuring and winding up of certain financial enterprises (L 100 Bill on restructuring and winding up of certain financial undertakings) (L100) and bill to amend the act on a guarantee fund for depositors and investors (L 105 Bill to amend the Financial Business Act, the Financial Stability Act, the Act on a guarantee fund for depositors and investors, the Securities Trading, etc. Act and the Tax Assessment Act) (L105). The bills implement the Bank Recovery and Resolution Directive (Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014) (BRRD) and the Deposit Guarantee Schemes Directive (Directive 2014/49/EU of 16 April 2014) (DGSD). The bills will be read in the Danish parliament in spring 2015 with proposed commencement on 1 June 2015. The expected amendments for the Guarantee Fund and the Guarantee Fund's scope of coverage are described in more detail in the section below on the bill to amend the Guarantee Fund Act.

Bill to amend the Guarantee Fund Act

Structure of the new Guarantee Fund
Bill L105 (see above) proposes that the Guarantee Fund be dissolved and continued as a new guarantee fund for depositors and investors (the new Guarantee Fund) with no independent board. In addition, it is proposed that the new Guarantee Fund be managed by Finansiel Stabilitet in an independent financial segment. Finansiel Stabilitet will also be responsible for managing the Resolution Fund to be structured in accordance with L100 for use in the restructuring and winding up of certain financial undertakings. The Resolution Fund will also be managed by Finansiel Stabilitet in an independent financial segment.

It follows from the BRRD and the DGSD that the Resolution Fund must be kept separate from the new Guarantee Fund, but it is permitted under the directives to manage the Resolution Fund under the same management structure as the new Guarantee Fund. In future, the new Guarantee Fund and the Resolution Fund will have to be managed as separate business areas with individual segment financial statements under Finansiel Stabilitet. Assets and liabilities are to be accounted for separately from Finansiel Stabilitet's other activities. Consequently, the new Guarantee Fund, the Resolution Fund and the assets of Finansiel Stabilitet will be kept separate.

According to the articles of association of the Guarantee Fund and the Executive Order on a guarantee fund for depositors and investors, the Minister of Business and Growth is required on the dissolution of the Guarantee Fund to make a decision on the application of the existing net wealth subject to approval by the Minister of Finance and after consulting the institutions. Bill L105 proposes that all assets and liabilities of the Guarantee Fund and hence the existing net wealth be transferred to the new

Guarantee Fund, which will have the same objects as the Guarantee Fund.

As a result of the amendments, Finansiel Stabilitet will in future dispose of and manage the new Guarantee Fund and consequently be responsible for handling deposits and disbursements and making decisions on the application of the funds in accordance with the rules of the act. This will be done on behalf of the new Guarantee Fund.

Bill L100 proposes that Finansiel Stabilitet be converted into an independent public company. According to the bill, the Minister of Business and Growth elects the board of directors, which is to consist of up to seven members, including the chairman and the deputy chairman. The members of the board of directors are elected for terms of one year and are eligible for re-election. The Minister may at any time at a company meeting dismiss the members elected. The board of directors must be composed so as to ensure that it possesses the capabilities to perform the company's objects, including the requisite professional, commercial, management and financial insight and insight into consumer behaviour and investor relations. The board of directors will not have any sector representation, unlike the Board of the Guarantee Fund. The board appoints a management board to handle the day-to-day management.

As a result of the proposal for dissolution, it is proposed that the valuation committee be discontinued. Going forward, the assignments of the committee will be handled by Finansiel Stabilitet, which has a duty to consider the interests of the new Guarantee Fund when applying the assets of the new Guarantee Fund.

According to the bill, the new Guarantee Fund will not be liable on behalf of Finansiel Stabilitet, and Finansiel Stabilitet will not be liable on behalf of the new Guarantee Fund. Accordingly, the new Guarantee Fund will be independently liable to the extent of its own assets for its obligations. Similarly, the assets are registered to the new Guarantee Fund. For instance, it is possible for the institutions to provide sureties and guarantees vis-à-vis the new Guarantee Fund.

As concerns the actual takeover, the bill proposes that the new Guarantee Fund take over all assets and liabilities of the Guarantee Fund and assume all rights and obligations in that connection. As the new Guarantee Fund will be divided into departments in the same way as the Guarantee Fund, it is proposed that assets and liabilities should belong under the same departments. As the new Guarantee Fund takes over all obligations, any claims against the Guarantee Fund in the period until the act enters into force may be raised against the new Guarantee Fund.

Coverage of the new Guarantee Fund

The DGSD specifies the definition of covered deposits. The covered deposits will be more elaborately defined in an executive order.

The amendments in the DGSD will also in several ways affect the coverage of eligible depositors. The general coverage of EUR 100,000 per depositor is maintained, whereas the rules of section 9(2) of the Guarantee Fund Act on fully covered deposits cannot be maintained, as the DGSD determines that only deposits which serve social purposes and are linked to particular life events of a depositor can be covered in full. It is proposed that coverage of EUR 150,000 be provided for such deposits for a period of six months. It is also proposed that the rules on coverage of deposits resulting from real estate transactions relating to non-traders be adjusted to the effect that the extended coverage is maximised to EUR 10 million, and this extension will apply for a period of 12 months from the date on which the deposit is made. In future, the extended coverage in connection with real estate transactions will also apply to disbursements to a seller of real estate. The rules on full coverage of pension funds are maintained.

It is further proposed that the coverage should be calculated on the basis of a gross principle. Going forward, only liabilities due to the institution are to be deducted in the calculation of coverage from the new Guarantee Fund. Today, all liabilities can be deducted, irrespective of whether they are due or not.

It is proposed that the new Guarantee Fund in future should be able to disburse covered deposits within seven business days and that the new Guarantee Fund should cover deposits in branches in Denmark established by credit institutions in countries within the European Union or countries with which the European Union has concluded an agreement. The coverage is provided on behalf of the deposit guarantee scheme of the home country. The existing top-up scheme for branches will also be maintained.

Moreover, it is proposed that the new Guarantee Fund is to cover the persons ultimately entitled to the deposit, which entails extended coverage relative to the current practice.

Contributions

If the bill is adopted, the net wealth of the Banking Department must total at least 0.8% of covered deposits. When including contributions made by the institutions for 2015, the new Guarantee Fund is expected to be able to comply with this requirement when the act enters into force. In accordance with the existing rules, the banks are required to pay annual contributions until the total net wealth have been accumulated or restored in the event of a disbursement from the new Guarantee Fund. In addition, extraordinary contributions may also be charged in future.

As a new feature, the DGSD provides that contributions made by banks and mortgage credit institutions must be calculated on the basis of the amount of covered deposits and the degree of risk incurred by the individual institutions. In order to ensure uniform application of the directive, the DGSD provides that the European Banking Authority (EBA) should issue guidelines for such risk adjustment of the institutions' contributions. Upon the recommendation of Finansiel Stabilitet, the Danish FSA must approve the risk-based method for determining and calculating the risk-based contributions. The recommendation made to the Danish FSA on the determination of contributions must take these guidelines into consideration. The calculation of contributions should reflect the members' risk and give due consideration to the risk profile of the various business models. In order to adapt the contributions to market conditions and risk profiles, the new Guarantee Fund may, however, use its own risk-based methods. Depending on the final wording of the guidelines, this could be relevant in relation to the Mortgage Credit Department. The EBA must be informed about the approved methods.

Other international initiatives

It follows from the Act on a guarantee fund for depositors and investors that if an institution has applied for supplementary coverage under the guarantee scheme in force in the country in which the institution carries on business, either through a branch or as a cross-border enterprise (host country), the home country and the host country are required to enter into an agreement on the rules and procedures regarding disbursement for the purpose of coverage of depositors in the host country. At present, Denmark has concluded bilateral agreements with Sweden, Norway, Iceland, Poland, the UK and the Netherlands. The Guarantee Fund is therefore required to enter into a bilateral agreement with the Luxembourg deposit guarantee scheme, because a branch of a Luxembourg bank is affiliated to the supplementary coverage. A total of six Swedish banks and one Luxembourg bank with branches in Denmark have applied for supplementary coverage under the Danish guarantee scheme.

In addition, the Guarantee Fund has adopted the multilateral statement of policy of the European Forum of Deposit Insurers (EFDI) concerning cooperation and exchange of information between the national guarantee schemes in connection with failure of institutions with activities in several countries. The multilateral statement of policy applies irrespective of whether an institution has applied for supplementary coverage under a guarantee scheme other than that of the home country. It supplements the bilateral agreements mentioned above. Apart from this, the EFDI in 2014 mainly focused on the directive negotiations and the implementation of the directive at the national level.

Through its membership of the EFDI, the Danish Guarantee Fund is also a member of the International Association of Deposit Insurers (IADI).

Management and organisation

Board work in 2014
The Board of the Guarantee Fund held four regular board meetings and one extraordinary board meeting in 2014. The board work was focused on a number of different tasks in 2014, including investment of the assets of the Guarantee Fund and the Guarantee Fund's examination of claims in Sparekassen Østjylland. In addition, the Guarantee Fund has interpreted the statutory provisions in relation to repayment of contributions and the Guarantee Fund's coverage of costs related to withdrawal from data centres.

In 2014, the Guarantee Fund assisted the Danish FSA with experience on processes and practice for the work of the Guarantee Fund in connection with the drafting of proposed amendments to the Guarantee Fund Act, the implementation of Article 109 of the Bank Recovery and Resolution Directive concerning the application of assets transferred from the Guarantee Fund and adjustment of the existing rules on dowry in the Guarantee Fund Act and the Financial Stability Act.

In addition, the Guarantee Fund's work was focused on ensuring adequate liquidity in the Banking Department, cf. section 7(4) of the Guarantee Fund Act. The Banking Department's aggregate liquidity in the form of liquid assets and loan commitments must at all times be at least 0.75% of covered net deposits. In order to meet this requirement, the Guarantee Fund in spring 2014 completed an EU tender of committed loan facilities. On that basis, the Guarantee Fund in April 2014 entered into agreements on committed loan facilities for a total amount of DKK 0.6 billion. The Guarantee Fund's activities in 2014 did not require any drawings on these facilities.

In September, the Guarantee Fund disbursed DKK 111 million under its commitment to covering the actual costs incurred in relation to Sparekassen Lolland A/S's withdrawal from its data centre, cf. section 7a(3) of the Guarantee Fund Act, in connection with the transfer of Sparekassen Lolland A/S's activities to Jyske Bank A/S.

Board of the Guarantee Fund

The Fund is managed by a Board consisting of eight members appointed by the Minister for Business and Growth for terms of three years. In 2014, the Board was composed as follows:

Chairman
Ulrik Rammeskow Bang-Pedersen, Professor, LL.D.

Deputy Chairman
Anette Eberhard, CEO, Danish Export Credit Agency (for the period from 11 March 2014)

Department representatives
Banking Department
Jørgen A. Horwitz, Director, Danish Bankers Association
Susanne Dolberg, Vice President, Danish Bankers Association

Mortgage Credit Department
Ane Arnth Jensen, Managing Director, Association of Danish Mortgage Banks

Investment Company Department
Claus N. Sørensen, Stockbroker, FormueFyn Fondsmæglerselskab A/S

Representatives of depositors and investors
Morten Bruun Pedersen, Economist, Danish Consumer Council
Tine Roed, Director, Confederation of Danish Industry

Alternates have been appointed for each of the board members who are representatives of the institutions comprised by the Fund or representatives of depositors and investors.

Anette Eberhard was appointed Deputy Chairman of the Board with effect from 11 March 2014.

FINANCIAL REVIEW

The Guarantee Fund

The Guarantee Fund posted a profit of DKK 2,428 million in 2014, against a profit of DKK 1,812 million in 2013. The profit consisted mainly of payments from members of the Banking Department.

DKKm	2014	2013	Difference
Premium income from banks	2,105	2,049	56
Commission received on loss guarantees provided	(19)	96	(115)
Payments from members	2	215	(213)
Dividend received and dowry repaid	0	3	(3)
Expected repayment of dowry provided	93	(93)	186
Provision for losses on guarantees	281	(341)	622
Income	**2,462**	**1,929**	**533**
IT withdrawal costs related to the restructuring of a bank	(27)	(84)	57
Net interest and market value adjustments	(1)	(27)	26
Costs	(6)	(6)	0
Total expenses	**(34)**	**(117)**	**83**
Profit for the year	**2,428**	**1,812**	**616**

As shown in the table below, the development from 2013 to 2014 resulted from issues related to the Banking Department as well as to the Winding-up and Restructuring Department.

DKKm	2014	2013	Difference
Profit for the year, Banking Department	2,193	1,930	263
Profit/(loss) for the year, Winding-up and Restructuring Department	235	(118)	353
Profit for the year	**2,428**	**1,812**	**616**

Banking Department

DKKm	2014	2013
Premium income from banks	2,105	2,049
Dowry provided less dividend/dowry repayment	93	(90)
Interest expense for loan facilities	(4)	(24)
Net interest and market value adjustments, etc.	(1)	(5)
Profit for the year, Banking Department	**2,193**	**1,930**
Net wealth:		
Liquid net wealth	5,927	3,725
Expected dividend, estate in bankruptcy	139	148
Total assets of the department	**6,066**	**3,873**

The above is detailed further in the notes to the financial statements.

In 2012, the Banking Department introduced a new funding model, under which the banks pay contributions according to an insurance model. According to this model, the net wealth of the Banking Department are to be accumulated over a period of several years until they equal 1% of covered net deposits. The annual contribution of the institutions is 0.25% of covered net deposits. In 2014, premium income from the banks amounted to DKK 2,105 million.

In 2012, the Guarantee Fund received distributions originating from the calculated dowry amount from Sparebank Østjylland af 2012 and Max Bank af 2011. According to the dowry agreements, the amount received is to be repaid if losses have been incurred on completion of the winding up of Sparebank Østjylland af 2012 and Max Bank af 2011, respectively. As concerns Max Bank af 2011, a provision of DKK 93 million of a total potential repayment obligation of DKK 169 million was made on the basis of the financial results for 2013. Based on favourable developments in the financial results of the two companies in 2014, the provision of DKK 93 million was recognised as income in 2014.

The funding model for the Banking Department outlined above comprises a liquidity requirement which means that the total liquidity in the form of liquid net wealth and loan commitments must at any given time equal or exceed 0.75% of the covered net deposits. With a view to complying with this requirement, the Guarantee Fund has entered into agreements on loan facilities, which totalled DKK 0.6 billion at 31 December 2014. The Guarantee Fund's activities in 2014 did not require any drawings on these facilities. The commission on the loan facilities in 2014 amounted to DKK 4 million, compared with DKK 24 million in 2013. The agreed loan facilities expired in January 2015.

As shown in the table below, the Banking Department had total liquidity of DKK 6,527 million at 31 December 2014, which was DKK 198 million above the calculated liquidity requirement of DKK 6,327 million.

Liquidity overview, year-end 2014:

Liquid net wealth in the Banking Department (excluding expected dividend, estate in bankruptcy)	DKK 5,927 million
Committed liquidity	DKK 600 million
Total liquidity	DKK 6,527 million
0.75% of DKK 843,916 million	DKK 6,329 million
Excess cover	DKK 198 million

In 2014, additional interim dividend of DKK 10 million was received from the estate in bankruptcy of Capinordic Bank. The expected remaining dividend from the estate in bankruptcy of Capinordic Bank is estimated at DKK 139 million on the basis of the most recent circular letter from the liquidator.

Mortgage Credit Department

The minimum net wealth requirement for the Mortgage Credit Department of DKK 10 million was met. Accordingly, only a redistribution of contributions was performed in 2014.

The department's net wealth amounted to DKK 11 million at 31 December 2014.

Investment Company Department

The minimum net wealth requirement for the Investment Company Department of DKK 10 million was met. A redistribution of contributions was performed in 2014.

The department's net wealth amounted to DKK 13 million at 31 December 2014.

Winding-up and Restructuring Department

Profit/(loss)

DKKm	2014	2013
Commission received on loss guarantees	(19)	96
Contributions from banks	2	215
Provision for losses on loss guarantees	281	(341)
IT withdrawal costs	(27)	(84)
Costs, etc.	(2)	(4)
Profit/(loss) for the year, Winding-up and Restructuring Department	**235**	**(118)**

Net wealth

DKKm	Restructuring Department 2014	Winding-up Department 2014	Restructuring Department 2013	Winding-up Department 2013
Guarantees provided	1,000	3,200	1,000	3,200
Profit/(loss) before contributions from banks	(27)	260	(84)	(249)
Liquidity contributions receivable from banks, current year	27	(25)	84	131
Liquidity contributions receivable from banks, next year	0	0	0	118
Total net wealth of the department	**1,000**	**3,435**	**1,000**	**3,200**

After recognition of profit for the period of DKK 235 milion, assets at year end amounted to DKK 4,435 million and thus exceed the minimum requirement of DKK 4,200 million.

The Winding-up Department has provided loss guarantees to Finansiel Stabilitet A/S with respect to the winding up of Amagerbanken af 2011 A/S, Fjordbank Mors af 2011 A/S, Max Bank af 2011 A/S and Sparebank Østjylland af 2012 A/S.

Since 2011, the Winding-up Department has received commission from loss guarantees in a total amount of DKK 341 million. The expected losses on the loss guarantee concerning Fjordbank Mors amounted to DKK 587 million at 31 December 2014. At 31 December 2014, the Winding-up Department thus had a net loss of DKK 246 million on the loss guarantees provided.

In connection with Jyske Bank's takeover of Sparekassen Lolland, the Guarantee Fund in 2013 made a commitment that the Guarantee Fund's Winding-up and Restructuring Department would cover the actual costs incurred in relation to Sparekassen Lolland's withdrawal from the data centre used up to the date of the takeover. The withdrawal costs were calculated at DKK 111 million in 2014. The Restructuring Department incurred an expense of DKK 27 million in that connection in 2014, as a provision of DKK 84 million had already been made in 2013 to cover estimated withdrawal costs.

FINANCIAL STATEMENTS 2014

INCOME STATEMENT

Note	DKK '000	2014	2013
	Net interest income		
	Yields of listed bonds	16,943	17,392
	Net interest income in connection with coverage activities	(4,483)	(23,716)
	Premium income from banks	2,104,831	2,048,749
2	Difference between commission received from loss guarantees provided and expected commission receivable, prior years	(19,505)	24,475
	Expected commission receivable on loss guarantees provided	648	72
	Value adjustment of bond portfolio	(14,375)	(20,582)
	Net financials	**2,084,059**	**2,118,318**
	Coverage activities		
2	IT withdrawal costs	(26,720)	(84,000)
2	Provision for losses on loss guarantees	281,000	(341,000)
	Total claims admitted	**254,280**	**(425,000)**
	Dividends and claims covered by members		
2	Dividends	320	3,210
2	Dowry scheme	93,000	(93,000)
	Net payments from members and management fees received	2,423	215,007
	Total payments	**95,743**	**125,217**
	Profit/(loss) on coverage activities	**350,023**	**(299,783)**
	Profit/(loss) on net financials and coverage activities	**2,434,082**	**1,818,535**
	Costs		
	Fees to the Chairman and Deputy Chairman of the Board	(238)	(241)
	Fees for legal and other external assistance	(177)	(304)
	Management fees	(5,000)	(5,000)
	Costs related directly to the Banking Department	(229)	(370)
	Costs in connection with loss guarantees provided	0	(63)
	Other management costs	(329)	(322)
	Total costs	**(5,973)**	**(6,300)**
3	**Profit for the year**	**2,428,109**	**1,812,235**

BALANCE SHEET AT 31 DECEMBER

Note	DKK '000	2014	2013
	Assets		
	Interest on deposits with banks and Danmarks Nationalbank	6,276,850	3,970,875
	Listed bonds	476,220	612,595
	Receivables from institutions	0	117,577
4	Receivable guarantees from institutions	4,214,912	4,214,912
	Expected commission from loss guarantees	648	72,000
5	Expected dividend, estates in bankruptcy	139,014	148,177
	Other receivables	6,044	7,032
	Total assets	**11,113,688**	**9,143,168**
	Equity and liabilities		
4	**Net wealth of the Guarantee Fund**		
	Contributions from members	4,971	4,971
	Guarantees from members	4,214,912	4,214,912
	Total contributions and guarantees	4,219,883	4,219,883
	Accumulated profit before recognition of expected dividend	6,165,898	3,728,626
	Expected dividend, estates in bankruptcy	139,014	148,177
	Total net wealth of the Guarantee Fund	**10,524,795**	**8,096,686**
	Provisions		
	Provision for losses on loss guarantees	587,000	868,000
	Provision for repayment of dowry provided	0	93,000
	Provision for IT withdrawal costs	0	84,000
	Total provisions	**587,000**	**1,045,000**
	Liabilities		
	Debt to Finansiel Stabilitet A/S	1,250	1,250
	Other payables	643	232
	Total liabilities	**1,893**	**1,482**
	Total equity and liabilities	**11,113,688**	**9,143,168**

NOTES

1 Accounting policies

General
The Guarantee Fund for Depositors and Investors has prepared its 2014 financial statements in accordance with the Act on a guarantee fund for depositors and investors and the executive order issued in pursuance thereof.

The objects of the Guarantee Fund are centred on two main areas:

- ***The guarantee departments*** that cover depositors' and investors' losses in connection with a financial institution's reconstruction or bankruptcy and in connection with the winding up of an institution under the Consolidation Package or the Dowry Scheme by injecting funds or by providing a guarantee for the coverage of all of the bank's unsubordinated creditors.

Banks, mortgage credit institutions, investment companies and investment management companies in Denmark are required to join and pay contributions to the guarantee departments.

As of 2012, the Banking Department changed to an insurance model under which the affiliated banks are required to pay 0.25% of their covered net deposits annually until the assets of the department equal 1% of covered net deposits. The obligation to pay contributions will be resumed if the assets no longer exceed 1% of covered deposits.

The Mortgage Credit and Investment Company Departments must have assets of at least DKK 20 million, and cash and cash equivalents must represent at least 25% of total assets. If the assets fall below the minimum requirement, contributions must be charged in connection with the next adjustment at the latest in order to comply with the minimum requirement. If cash and cash equivalents fall below 25%, the proportion must be re-established at the next adjustment of contributions.

- ***The Winding-up and Restructuring Department***, which is to cover any losses incurred by Finansiel Stabilitet A/S in connection with the transfer of a bank under the Exit Package or the Consolidation Package, Model 2, and cover costs incurred by a buyer on the acquiring institution's withdrawal from data centres. Danish banks are required to be members of the Winding-up and Restructuring Department. The assets of the department, which must total at least DKK 4.2 billion, consist solely of guarantees from the banks and accumulated profits.

The accounting policies are consistent with those of last year.

Income statement
Net interest income comprises the return on the Guarantee Fund's interest-bearing cash funds and portfolio of listed bonds, net interest in connection with coverage activities and other interest income.

Premium income from banks comprises an annual premium in the Banking Department, calculated at 0.25% of the bank's covered net deposits. The detailed terms governing the premium are set out in the Act on a guarantee fund for depositors and investors and the executive order issued in pursuance thereof.

Commission received on loss guarantees provided comprises premiums from loss guarantees provided by the Winding-up Department of the Guarantee Fund to Finansiel Stabilitet in connection with the winding up of distressed banks under the Exit Package and the Consolidation Package. The detailed terms governing the amount of the premium are set out in the Executive Order on the winding up of subsidiaries of Finansiel Stabilitet and payment of a risk premium. Expected commission received notified by Finansiel Stabilitet are recognised as income in the financial year adjusted for the actual payments received.

Value adjustment of bond portfolio comprises value adjustments concerning the Guarantee Fund's listed bonds. Realised as well as unrealised gains and losses are recognised in the income statement.

Claims admitted, including dowry provided within the Guarantee Fund's scope of cover, are recognised in the income statement at the time of disbursement. Disbursements in relation to claims for coverage from depositors and investors are calculated less any liabilities of the depositors and investors vis-à-vis the relevant distressed institutions. Furthermore, disbursements made after 31 December, but before the presentation of the financial statements, in relation to estates that have suspended their payments or entered into bankruptcy prior to 31 December are expensed.

Provision for losses on loss guarantees provided to Finansiel Stabilitet is made on the basis of data received from Finansiel Stabilitet.

Provision for IT withdrawal costs concerns the Guarantee Fund's obligations pursuant to section 7a(3) of the Guarantee Fund Act to cover the actual costs in relation to an institution's withdrawal from its previous data centre.

Dividends and claims covered by members are recognised in the income statement at the amounts received. Expected dividend payments for the coming years which may be reliably determined are recognised adjusted for the actual payments received in the financial year. The expected dividend payments are tied up as a special reserve which is not included when calculating whether the Guarantee Fund meets the statutory minimum requirements.

Dowry repayment is recognised in the income statement at the amounts received. Under the dowry agreements concluded, the Guarantee Fund has an obligation to repay the dowry provided if the winding up of the relevant companies produces a loss. Provision for repayment of dowry repayment is made on the basis of information received from Finansiel Stabilitet.

Costs comprise expenses related to the management of the activities of the Guarantee Fund.

Balance sheet

Listed bonds are measured at fair value at the end of the financial year.

Receivables from institutions comprise ordinary commercial receivables. The item may also include an amount necessary in order for the Guarantee Fund to meet the statutory minimum requirement for assets.

Receivable guarantees from institutions are measured at the nominal value of the contribution determined by the Board of the Guarantee Fund, as the receivable is deemed to be current.

In connection with a suspension of payments or bankruptcy, the guarantee from the distressed bank will not normally be available to the Guarantee Fund. No provisions have been made in this respect in the financial statements, as the Board of the Guarantee Fund, if necessary, may resolve to charge additional contributions from the institutions in accordance with section 11(4) of the FSA's Executive Order on a guarantee fund for depositors and investors.

Net wealth of the Guarantee Fund

The Guarantee Fund's procurement of funds is recognised in the assets of the Guarantee Fund as the sum of contributions and guarantees from institutions required to pay contributions at the nominal value plus accumulated profit. As a result of uncertainty with respect to the time of disbursement, an expected dividend payment is not to be recognised as part of the minimum net wealth. The expected dividend payment is shown as a special reserve in the assets of the Guarantee Fund, which is not included in the calculation of the Guarantee Fund's minimum net wealth.

Liabilities are measured at net realisable value.

Provisions relate to provision for losses on guarantees provided to Finansiel Stabilitet, provisions for dowry repayment pursuant to dowry agreements and provision for IT costs in relation to a distressed institution's data centre withdrawal.

2 Impact of bank bankruptcies on the financial statements

DKK '000	Dividends / Dowry repayment	Commission received on loss guarantees	Provision for losses on loss guarantee	IT withdrawal costs
2014				
Amagerbanken af 2011 A/S	0	(5,070)	0	–
Fjordbank Mors af 2011 A/S	(680)	0	281,000	–
Max Bank af 2011 A/S	93,000	39,959	0	–
Sparebank Østjylland af 2012 A/S	–	17,606	0	–
Sparekassen Lolland A/S	–	–	–	(26,720)
Capinordic Bank in bankruptcy	1,000			
Commission recognised in prior years	–	(72,000)	–	–
Total	**93,320**	**(19,505)**	**281,000**	**(26,720)**
2013				
Amagerbanken af 2011 A/S	0	43,716	0	–
Fjordbank Mors af 2011 A/S	3,210	0	(341,000)	–
Max Bank af 2011 A/S	(93,000)	95,051	0	–
Sparebank Østjylland af 2012 A/S	–	27,708	0	–
Sparekassen Lolland A/S	–	–	–	(84,000)
Commission recognised in prior years	–	(142,000)	–	–
Total	**(89,790)**	**24,475**	**(341,000)**	**(84,000)**

NOTES

3 Income statement by department for 2014

DKK '000	Guarantee Fund, total	Banking Dept.	Mortgage Credit Dept.	Investment Comp. Dept.	Winding-up and Restructuring Dept.
General distribution					
Yields of listed bonds	16,943				
Value adjustment of bond portfolio	(14,375)				
Net financials	**2,568**	**2,553**	**7**	**8**	**–**
Costs:					
Fees to the Chairman and Deputy Chairman of the Board	(238)				
Fees for legal and other external assistance	(177)				
Management fees	(5,000)				
Other management costs	(339)				
Total	**(5,744)**	**(2,748)**	**(8)**	**(9)**	**(2,979)**
Total	**(3,176)**	**(195)**	**(1)**	**(1)**	**(2,979)**
Specific distribution					
Dowry repayment	93,000	93,000	0	0	–
Dividends	320	320	–	–	–
Provision for IT withdrawal costs	(26,720)	–	–	–	(26,720)
Premiums received from members	2,104,831	2,104,831	–	–	–
Payments from members	2,423	–	0	0	2,423
Net interest income in connection with coverage activities	(4,483)	(4,483)	–	–	–
Commission received, loss guarantees	(18,857)	–	–	–	(18,857)
Provision for losses on loss guarantees	281,000	–	–	–	281,000
Costs directly attributable to legal and auditing assistance	(229)	(229)	–	–	0
Total	**2,431,285**	**2,193,439**	**0**	**0**	**(113,581)**
Profit for the year	**2,428,109**	**2,193,244**	**(1)**	**(1)**	**(117,577)**

The Guarantee Fund's profit from interest income and value adjustments is distributed among departments in proportion to their share of the contributions received plus accumulated profit at the beginning of the year. Net interest income in connection with coverage activities accrue to/are paid by the Banking Department, while commission payments from loss guarantees accrue to the Winding-up and Restructuring Department. Joint expenses are distributed among the departments in proportion to their assets at the beginning of the period. Claims payments, dividends received/dowry repayments and directly attributable costs are recognised under the relevant department.

4 Assets by department

DKK '000	Guarantee Fund, total	Banking Dept.	Mortgage Credit Dept.	Investment Comp. Dept.	Winding-up and Restructuring Dept.
Contributions from members					
Contributions received at 1 January 2014	4,971	0	2,500	2,471	0
Balance as at 31 December 2014	**4,971**	**0**	**2,500**	**2,471**	**0**
Guarantees provided at 1 January 2014	4,214,912	0	7,500	7,412	4,200,000
Balance as at 31 December 2014	**4,214,912**	**0**	**7,500**	**7,412**	**4,200,000**
Total contributions at 31 December 2014	**4,219,883**	**0**	**10,000**	**9,883**	**4,200,000**
Accumulated profit/(loss) before recognition of expected dividend:					
Balance as at 1 January 2014	3,728,626	3,724,632	1,358	2,636	0
Adjustments for the year	10,163	10,163			
Profit/(loss) for the year	2,427,109	2,192,244	(1)	(1)	234,867
Balance as at 31 December 2014	**6,165,898**	**5,927,039**	**1,357**	**2,635**	**234,867**
Expected dividend, estates in bankruptcy					
Balance as at 1 January 2014	148,177	148,177			
Adjustment, expected dividend	1,000	1,000			
Interim dividend received	(10,163)	(10,163)			
Balance as at 31 December 2014	**139,014**	**139,014**			
Total net wealth of the Guarantee Fund/ departments	**10,524,795**	**6,066,053**	**11,357**	**12,518**	**4,434,867**

The current guarantee from the institutions is stated at the nominal value both under assets and under liabilities.

5 Expected dividend, estate in bankruptcy

Interim dividend of just under DKK 312 million was received from the estate in bankruptcy of Capinordic Bank in 2013 and 2014. The remaining dividend from the estate in bankruptcy of Capinordic Bank is recognised at an estimated value of DKK 139 million.

6 Contingent liabilities

The Guarantee Fund has provided a loss guarantee to Finansiel Stabilitet A/S regarding the winding up of Amagerbanken af 2011 A/S, Fjordbank Mors af 2011 A/S, Max Bank af 2011 A/S and Sparebank Østjylland af 2012 A/S. In relation to the winding up of Fjordbank Mors af 2011 A/S, a provision of DKK 587 million was made for losses on the loss guarantee. No provision was made for losses on other loss guarantees.

From Sparebank Østjylland af 2012 and Max Bank af 2011 the Guarantee Fund has received distributions from the calculated dowry amount. According to the dowry agreements made, the amount received is to be repaid if losses have been incurred on completion of the winding up of Sparebank Østjylland af 2012 and Max Bank af 2011, respectively. In that connection, the Guarantee Fund has contingent liabilities of DKK 169 million to Max Bank af 2011 and of DKK 541 million to Sparebank Østjylland af 2012.

STATEMENT BY MANAGEMENT

The Board has today considered and adopted the financial statements for 2014 of the Guarantee Fund for Depositors and Investors.

The financial statements are prepared in accordance with the Act on a guarantee fund for depositors and investors and the executive order issued in pursuance thereof.

In our opinion, the financial statements give a true and fair view of the Guarantee Fund's assets, liabilities and financial position at 31 December 2014 and of the results of the Guarantee Fund's operations for the financial year 1 January – 31 December 2014.

Furthermore, in our opinion, the management's review includes a fair review of the development and performance of the business and the financial performance of the Guarantee Fund, the results for the year and of the financial position of the Guarantee Fund.

Moreover, in our opinion, the transactions performed by the Guarantee Fund which are comprised by the financial statements are in accordance with laws and other regulations and with agreements concluded and normal practice.

Copenhagen, 3 March 2015

BOARD

Ulrik Rammeskow Bang-Pedersen
Chairman

Anette Eberhard
Deputy Chairman

Jørgen A. Horwitz

Susanne Dolberg

Ane Arnth Jensen

Claus N. Sørensen

Morten Bruun Pedersen

Tine Roed

THE APPOINTED INTERNAL AUDITOR'S REPORT

To the Board of the Guarantee Fund

We have audited the financial statements of the Guarantee Fund for the financial year 1 January – 31 December 2014, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Act on a Guarantee Fund for Depositors and Investors and the Executive Order issued in that respect.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Act on a Guarantee Fund for Depositors and Investors and the Executive Order issued in that respect. Further, Management is responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Further, it is Management's responsibility that the transactions comprised by the financial statements are in accordance with legislation and other regulations as well as agreements entered into and general practice.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation and good public auditing practice, cf. the Danish Auditor General's Act. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Guarantee Fund's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Guarantee Fund'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 financial statements.

Further, the audit comprises an assessment as to whether business procedures and internal control have been established to ensure that the transactions comprised by the financial statements are in accordance with legislation and other regulations as well as agreements entered into and general practice.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Guarantee Fund's assets, liabilities and financial position at 31 December 2014 and of the results of its operations for the financial year 1 January – 31 December 2014 in accordance with the Act on a Guarantee Fund for Depositors and Investors and the Executive Order issued in that respect.

Further, in our opinion, business procedures and internal control have been established to ensure that the transactions comprised by the financial statements are in accordance with legislation and other regulations as well as agreements entered into and general practice.

Statement on the Management's review
We have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 3 March 2015

Ernst & Young
Godkendt Revisionspartnerselskab

Lars Rhod Søndergaard	Thomas Bruun Kofoed
State Authorised Public Accountant	*State Authorised Public Accountant*

THE INDEPENDENT AUDITOR'S REPORT

To the Board of Garantifonden for Indskydere og Investorer

Auditor's report on the Annual statements
We have audited the Annual report of Garantifonden for Indskydere og Investorer for the financial year 1 January – 31 December 2014. The financial statements include accounting practice, profit & loss statement, balance sheet and notes. The financial statements have been prepared in accordance with the Act on a Guarantee Fund for Depositors and Investors and regulations.

By issuing this audit opinion we consider the audit of the annual report for 2014 closed. Rigsrevisionen may, however, decide to review further items relating to this or previous financial years. Such a review may result in new information that may lead to a re–assessment of concrete matters addressed in this auditor´s report.

Management's responsibility for the financial statements and management report
The management is responsible for preparing and presenting financial statements that give a true and fair view in accordance with the Act on a Guarantee Fund for Depositors and Investors and regulations.

The management's responsibility also includes internal controls relevant to the preparation and fair presentation of financial statements and a management report free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Further, it is the responsibility of the management to ensure that the transactions included in the financial statements and the management report are consistent with appropriations granted, legislation, other rules and regulations, agree–ments made and common practice.

Auditor's responsibility and basis of opinion
Our responsibility is to express an opinion on the financial statements and the management report based on our audit. We performed our audit in accordance with international auditing standards and additional require–ments following from Danish audit legislation and good public–sector auditing practise cf. the Auditor General's Act.

Good public–sector auditing practice is based on the Fundamental Auditing Principles (ISSAIs 100–999) of the International Standards of Supreme Audit Institutions. The standards applied require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. The ISSAIs also require us to evaluate whether the business procedures and internal controls established support the consistency of the transactions included in the financial statements with the appropriations granted, legislation, other rules and regulations, contracts made and common practice.

An audit includes procedures to obtain audit evidence about the amounts and disclosures in the financial statements and management report. The procedures selected depend on the auditor's judgment, including assessment of the risk of material misstatement in the financial statements, whether due to fraud or error. In making the risk assessment, the auditor considers internal controls relevant to the preparation and fair presentation of the financial statements by Garantifonden for Indsky–dere og Investorer and to the preparation of a fair management report. The objective is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of Garantifonden for Indskydere og Investorer internal controls. An audit also includes evaluating the appropri–ateness of the accounting policies applied by management and the reasonableness of the accounting estimates made as well as evaluating the overall presentation of the financial statements and management report.

Moreover, the audit includes evaluating whether the business procedures and internal controls established support the consistency of the transactions included in the financial statements with the appropriations granted, legislation, other rules and regulations, contracts made and common practice.

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

Our audit did not result in any qualification.

Opinion

In our opinion the financial statements give a true and fair view of Garantifonden for Indskydere og Investorer assets, liabilities and financial position as at 31 December 2014 and the result of Garantifonden for Indskydere og Investorer transactions for the fiscal year 1 January – 31 December 2014 in accordance with the Act on a Guarantee Fund for Depositors and Investors and regulations. We are also of the opinion that the business procedures and internal controls established support the consistency of the transactions included in the financial statements with the appropriations granted, legislation, other rules and regulations, agreements made and common practice.

Copenhagen, 3 March 2015

RIGSREVISIONEN

Lone Strøm *The Auditor General*	Morten Henrichsen *Head of Office*