

Company announcement no. 14/2020

Holbæk, May 11, 2020

## Quarterly reprot for Q1 2020 – a very satisfactory increase in core earnings

The realised core earnings increased very satisfactorily by DKK 33.4m. This is equivalent to 38% relative to 2019.

It is the fifth quarter in a row that core earnings are showing significant growth. The growth is due to a successful implementations of the strategy "NEW WAYS". Basic earnings have already been strengthened to a permanently higher level.

Despite tough market conditions since the launch of the strategy in November 2017, it is expected that the announced financial targets will be met by the end of the strategy period. Sparekassen Sjælland-Fyn A/S has a number of initiatives that will be executed in 2020, which will further stimulate basic earnings in the coming years.

Profit for the year after tax amounts to DKK 43.7m against DKK 71.3m in 2019.

Attention is drawn to the fact that the result was achieved despite, that as a result of the Covid-19 situation, DKK 77.9m has been allocated in management judgements and a negative change in translation and market value adjustments of DKK 23.4m.

### Headlines

- Core earnings rises 38%
- Income/cost ration due to the strategy "NEW WAYS" rises up to DKK 1.62
- Staff costs and administrative expenses and amortization, depreciation and impairment losses on assets drops just under 1%
- DKK 77.9m has been allocated in management impairments in Q1 as a result of the Covid-19 situation. The total management impairments at the end of Q1 amounts to DKK 123m.
- Expectations for the year's profit before tax were adjusted ranging between DKK 170-210m.
- The capital ratio amount to a satisfactory 19.6%

Financial highlights (DKK '000)	Sparekassen Sjælland-Fyn A/S Group		
Income statement	Q1 2020	Index*	Q1 2019
Net interest and fee income	311,655	114	273,277
Other operating income	5,204	59	8,797
Staff cost and administrative expenses	178,321	102	174,562
Amortisation, depreciation and impairment losses on assets	11,745	72	16,311
Other operating expenses	5,574	163	3,429
<b>Core earnings</b>	<b>121,219</b>	<b>138</b>	<b>87,772</b>
Translation and market value adjustments	-24,564	-	-1,172
Impairment losses on loans and advances etc	73,900	-	8,801
Profit/loss on investments in associates and group enterprises	24,072	-	708
<b>Profit before tax</b>	<b>46,827</b>	<b>60</b>	<b>78,507</b>
Income tax	3,115	43	7,217
<b>Profit after tax</b>	<b>43,712</b>	<b>61</b>	<b>71,290</b>
Balance sheet (DKK millions)	31.03.2020	Index*	31.03.2019
Loans and advances	12,172	99	12,247
Deposits	18,549	102	18,151
Deposits in pooled plans	1,653	116	1,421
Total deposits	20,202	103	19,572
Equity	3,228	104	3,111
Balance sheet totalt	25,221	104	24,209
Capital resources	3,409	111	3,080
Total business volume	39,020	105	37,098
Total credits arranged	53,309	108	49,250
Financial ratios			
Capital ratio**	19.6	115	17.0
Core capital ratio**	15.8	109	14.5
Excess capital adequacy in percentage points**	10.0	133	7.5
Earnings per share (DKK)	2.2	58	3.8
Book value per share (DKK)	163.8	105	156.6
Price at the end of periode (DKK)	78.2	90	86.8
Average headcount (converted into full-time employees at the end of periode)	564	93	606

\* Index 31.03.2020 relative to 31.03.2019

\*\* 31.03.2020 and 31.03.2019 has been calculated exclusive of profit for the period

Kind regards

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Chairman

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