ANNUAL REPORT FOR VP SECURITIES A/S 2012

CONTENTS

CORPORATE INFORMATION

VP SECURITIES A/S

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CVR no. 21 59 93 36
Domicile municipality: Copenhagen

Board of Directors
Elected by the General Meeting of Shareholders:
Sven E. Lystbæk, Member of the Executive Board, Chairman
Torben Nielsen, former Governor of the Danish Central Bank (Nationalbanken), Vice-Chairman
Bent Andersen, MD
Sven A. Blomberg, MD
Hans-Henrik Eigtved, Deputy Director
Ivan Hansen, Director
Peter Ott, Director
Jan Kjærvik, Senior Vice President
Klaus Skjødt, CEO
Carsten Wiggers, CEO

Elected by the Employees:
Bjørn Stendorph Crepaz, Product Manager
Anne-Lise Hansen Emcken, Head of Technical Development
Merete Fussing, Key Account Manager
Anders Raith Linemann, Client Manager
Gitte Ina Nielsen, Systems Developer

Auditors
External Audit and Systems Audit:
Deloitte Statsautoriseret Revisionspartnerselskab

Internal Audit:
Bent Poulsen, Chief Systems Auditor

Management
Johannes Luef, CEO

Executive Officers
Birger Schmidt, Chief Commercial Officer
Morten Kierkegaard, Senior Vice President
Carsten Nørgaard, IT Director
Thomas Pihl, Finance Director

Complaints board
Professor Ulrik Rammeskow Bank-Pedersen, Doctor of Laws

VP LUX

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VP LUX S.à r.l.
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VP SERVICES

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Domicile municipality: Copenhagen

MANAGEMENT REVIEW

PRINCIPAL ACTIVITIES

The VP Group offers its customers innovative solutions and know-how in the field of securities and investor administration. VP SECURITIES A/S (VP) has developed internationally acclaimed systems for securities trading to help ensure that securities trading can take place reliably, securely and quickly. VP is the central place for the registration of securities in Denmark and is approved as a Central Securities Depository (CSD) pursuant to the Danish Securities Trading Act. VP also supports the issuance of securities within the eurozone via its subsidiary VP LUX.

The VP Group's customers are financial services companies together with a large number of listed and unlisted companies that require automated solutions. VP is the leading supplier of securities and investor services in Denmark and is also a supplier to a large number of financial services companies abroad.

CONSOLIDATED PROFIT/LOSS

During 2012, the VP Group achieved a satisfactory profit before tax of DKK 80.3 million compared to DKK 80.6 million in 2011. In 2012, profit from ordinary activities was DKK 76.4 million compared to DKK 80.5 million in 2011.

Measured by profit/loss on ordinary activities, profit in 2012 is very close to 2011. Both net turnover and total costs in 2012 are close to 2011. Rising external costs and payroll costs are offset somewhat by discontinued goodwill write-downs.

In 2012, VP's total operating costs including depreciation were DKK 270.5 million. This is an increase of DKK 3.4 million compared to 2011 and is attributable to rising costs in relation to the T2S project.

Tax on the profit for the year 2012 was charged to the Income Statement at DKK 20.2 million compared to DKK 20.5 million in 2011.

Profits after tax in 2012 were DKK 60.0 million as in 2011.

Accordingly, equity at the end of 2012 was DKK 143.5 million and the non-distributable reserve was DKK 61.2 million. The combined return on the equity and the non-distributable reserve was 29 per cent in 2012 equvalent to 2011.

The Board of Directors proposes to the AGM that for 2012 a dividend of DKK 1,500 per share be paid to VP's shareholders, corresponding to a total of DKK 60.0 million.

KEY FIGURES, INDEX FIGURES AND RATIOS

The VP Group	2008 DKK '000	2009 DKK '000	2010 DKK '000	2011 DKK '000	2012 DKK '000
Key figures					
Net turnover	404,887	385,607	365,144	347,633	346,905
Profit on ordinary activities	120,945	106,238	90,840	80,521	76,418
EBITA	135,635	120,128	104,731	86,338	80,276
Profit on financial items	6,761	1,243	(718)	29	3,858
Profit before tax	127,706	107,481	90,122	80,550	80,276
Profit for the year	95,797	80,452	67,482	60,039	60,047
Receivables from sales and services	55,430	50,404	37,936	37,508	36,374
Equity and non-distributable reserve	258,720	219,172	204,346	204,115	204,717
Balance sheet total	322,669	276,515	253,271	256,953	259,711
Investments in fixed assets for the year	1,773	16,411	372	1,791	1,108
Net interest-bearing debt	(187,201)	(153,853)	(160,725)	(173,128)	(181,611)
Invested capital, including goodwill	100,632	111,941	105,436	95,829	86,552
Index figures					
Net turnover	100	95	90	86	86
Profit on ordinary activities	100	88	75	67	63
Profit for the year	100	84	70	63	63
Receivables from sales and services	100	91	68	68	66
Equity and non-distributable reserve	100	85	79	79	79
Balance sheet total	100	86	78	80	80
Ratios					
EBITA margin (%)	33	31	29	25	23
Return on invested capital, including goodwill (%)	130	113	96	86	88
Net turnover/Invested capital including goodwill	3.88	3.63	3.36	3.45	3.80
Financial gearing	(0.70)	(0.70)	(0.79)	(0.85)	(0.89)
Return on equity (%)	35	34	32	29	29

CSD & CUSTODY SERVICES

Clearing & Custody Services activities are undertaken by the parent company, VP SECURITIES A/S. CSD Service manages VP's core business in the form of issuing, registering and settling securities. Custody Service manages the areas where VP is able to operate on an equal footing with banks etc. as an account controller, e.g. in connection with foreign clearing participants, responsibility as an issuer and custody of foreign securities.

Securities trading

In 2012, DKK 10.0 million securities transactions were settled – a decrease of 8% compared to 2011. The decrease was due to the decline in the level of activity as a result of the financial crisis, with private investors in shares showing particular reticence.

The breakdown of the 10.0 million transactions was 5.0 million share transactions (a decrease of 15% compared to 2011), 1.0 million bond transactions (an increase of 8% compared to 2011) and 4.0 million unit trust transactions (unchanged compared to 2011). The value of turnover increased by 21% to DKK 48.238 trillion compared to 2011, corresponding to a daily turnover of DKK 193 billion.

The combined market value of bonds issued amounted to DKK 4.263 trillion at the end of the year – an increase of 3% compared to 2011. The combined market value of shares amounted to DKK 1.416 trillion – an increase of 28% compared to 2011. Combined, unit trust certificates show an increase of 14% to DKK 905 billion compared to 2011.

Clients

At the end of 2012, VP had 123 account-holding institutions as clients, a decrease of 16 compared to 2011. In addition, 151 clients participated in VP's clearing and settlement. This included 52 market participants from abroad. The number of custody accounts was 3.4 million, with 2.0 million personal account holders, 120,000 businesses and 72,000 investors from abroad. The reason for there being fewer account holders than accounts is that investors often have more than one custody account.

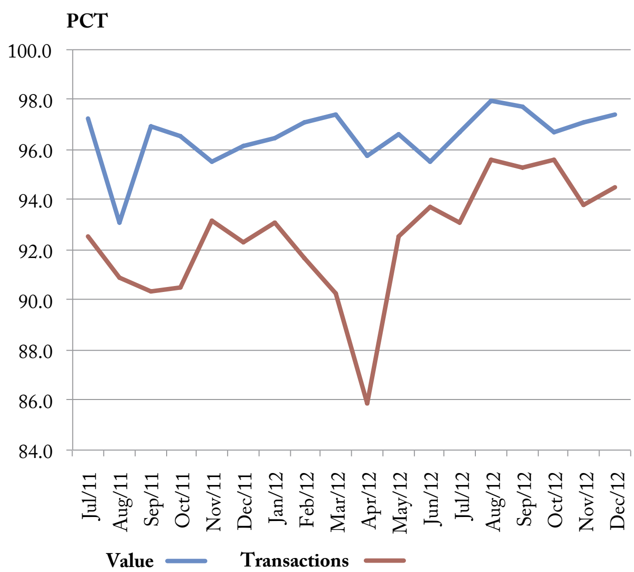
Issuances

By the end of 2012, a total of 1,303 mortgage bonds, 270 covered bonds, 211 covered mortgage-credit bonds, 465 business loans, 14 asset backed loans and 19 government loans had been issued. A total of 374 shares were issued. In addition, 695 unit trusts registered unit trust certificates and a further 26 professional unit trusts with a maximum of 30 investors as well as 9 professional unit trusts with more than 30 investors were registered. In the warrants/certificates category, 105 different series were issued.

Improving the efficiency of settlements

In 2011, VP introduced new rules designed to make settlement more effective. The rules are only applicable to shares, as settlement efficiency in relation to bonds and unit trust certificates is close to 100%. The rules were developed in collaboration with the market and are based on monitoring the settlement efficiency of individual customers measured against the overall settlement efficiency of the system.

Ongoing minor adjustments have been made to the basis of the calculation, and the rules now appear to have had an effect, as there was a noticeable improvement in overall settlement efficiency in 2012, cf. the figure below.



Increased activity in Custody Services
VP's Custody Service has continued to increase the scope of its business in 2012, and has experienced growing interest from customers in Denmark and abroad. This is in line with developments in other markets, where the strong focus on risk and compliance has stimulated interest in doing business directly with the local CSD.

There has also been a steady influx of new customers in 2012 wanting to use VP as the issuer for VP securities issuances, and also from Danish customers wishing to use VP's direct links with CSDs or deposit banks in foreign markets.

Link Up Markets joins forces with SWIFT
Together with a number of other CSDs, VP has established a joint venture in the form of Link Up Markets. Its purpose is to use links between participating CSDs to secure a more efficient and more cost-effective settlement and custody of cross-border securities transactions.

In October 2012, Link Up Markets signed a declaration of intent with SWIFT to the effect that SWIFT will take over the running and ongoing strategic development of the Link Up Markets technical platform that supports effective links between CSDs. As part of this joint venture, VP and the other CSDs behind Link Up Markets indicated that they would use SWIFT as their link to the future TARGET2-Securities (T2S). The joint venture will bring a number of financial and business advantages to the CSDs behind Link Up Markets.

TARGET2-securities (T2S)
In May 2012, VP and VP LUX signed an agreement with the European Central Bank (ECB) to participate in the future common European system for clearing and settlement of securities transactions, TARGET2-Securities (T2S). All CSDs in the eurozone have signed up to T2S, with the exception of HELEX (the Greek CSD) and the Irish market, while the CSDs from Poland, the Czech Republic, Norway, Sweden and Iceland have decided to bide their time and possibly join T2S at a later date. In addition, the CSDs in Romania, Bulgaria, Hungary, Lithuania and Switzerland joined T2S for settlement in euros.

According to the current timetable, T2S is expected to be ready for operations in mid-2015, with the individual CSDs joining gradually through a number of waves of migration. VP and VP LUX are expected to migrate to T2S in the third wave, in July 2016, for settlement in euros, while Danish kroner (DKK) will be available for settlement in T2S starting in 2018. Danmarks Nationalbank is currently the only central bank outside the eurozone that has chosen to make its national currency available for settlement in Central Bank money via T2S.

In the period from migration in 2016 and up until it is possible to settle in DKK via T2S in 2018, a technical transitional solution will be used in relation to VP, with a view to shielding the Danish sector from as many technical T2S adjustments as possible in relation to VP's system, while VP LUX will use the existing solution from 2016. This transitional solution for VP will ensure that settlement in euros is possible via T2S, while at the same time the Danish market participants can continue communicating via VP as they do now.

At the signing of the T2S contract, a new T2S management structure came into force. VP participates actively in all relevant T2S forums, including the Advisory Group, CSD Steering Group, Harmonisation Steering Group, Program Managers Group, Operational Managers Group as well as a number of other technical sub-groups.

VP and the sector are in ongoing dialogue about the technical and commercial preparations for the T2S link-up. The following have been appointed to support these discussions: a sector steering group, a national user group (NUG), and a commercial focus group, with a view to establishing more specific solutions.

ISSUER SERVICES

Issuer Services activities are handled by the subsidiary VP SERVICES A/S. The activities of VP SERVICES A/S are marketed under the secondary name of VP Investor Services.

In 2012, there was a continued positive influx of new customers to VP SERVICES A/S, and VP now operates share registers for 242 commercial companies, banks and unit trusts.

During 2012, VP rendered services to 196 AGMs and meetings of shareholders, which is an increase of 12% compared to 2011. In 2011, VP launched e-voter® and was thus the first company in Denmark to offer a solution that lets investors vote electronically at the AGM. In 2012, e-voter® was used at 6 AGMs, 3 of which were AGMs of C20 companies. It is anticipated that e-voter® will be used for even more AGMs in 2013. In 2012, VP also provided solutions for holding fully electronic GMs.

Investor interest in using the electronic options for registering for AGMs increased further in 2012, and 63% of all registrations for AGMs were submitted electronically via VP's InvestorPortal.

In 2012, proxy voting from foreign investors increased by 35% to approximately 7,000 ballot sheets. This is attributable in part to increased interest among foreign investors in exerting their influence. VP participated in the evaluation of the Danish Companies Act, which was reviewed by the Danish Business Authority in 2012, and has submitted proposals for adjustments that could mean a further increase in the number of proxy votes when the revised Danish Companies Act takes effect during 2013.

VP also offers its customers advice and guidance on the complexities of shareholder meetings and AGMs, and offers to take care of the practical handling of related tasks; for instance, in 2012 VP supported customers' elections of employee representatives to the board by providing functionality from InvestorPortalen.

VP LUX

The subsidiary VP LUX S.à r.l. in Luxembourg was established in 2008 primarily for the purpose of giving mortgage institutions and other Danish issuers access to issuing euro bonds which can be used as security for loans with central banks in the Eurosystem.

In order for an investor to be able to borrow against a euro security within the Eurosystem, the security is required to have been issued within the eurozone. This means that euro securities previously issued via VP in Denmark have not been mortgageable in the Eurosystem. VP LUX was approved by the Luxembourg financial supervisory authority (CSSF) to operate a CSD business and also approved, in accordance with the standards of the Eurosystem, for the issuance and administration of securities eligible for use as security.

Despite the continued financial unrest throughout 2012, it was possible to maintain the issued volume of euro bonds at the same level as at the end of 2011. At the end of 2011, the net volume of euro bonds issued amounted to EUR 24 billion, which is on a par with last year. The bond issuers include Nykredit, Realkredit Danmark, DLR Kredit, Nordea Kredit and BRFkredit.

VP LUX also supports the issuance of other mortgageable euro bonds, including EMTN programmes, covered bonds and corporate bonds. Irrespective of the issuer's rating, another distinctive feature of bonds issued via VP LUX is that they can be mortgageable both in the Eurosystem and at Danmarks Nationalbank.

In 2011, VP LUX expanded its product range to include distribution, clearing and settlement of investment funds with a special focus on foreign funds aimed at Danish investors, and VP LUX launched the first agreements in this area early in 2012. This new initiative will be expanded in 2013 to include distribution to other European investors.

In May 2012, VP LUX entered into an agreement with the Eurosystem to participate in the future common European system for clearing and settlement of securities transactions, TARGET2-Securities (T2S). According to the current timetable, T2S is expected to be ready for operations in mid-2015, with the individual CSDs joining gradually through a number of waves of migration. VP LUX is expected to migrate to T2S together with VP in the third wave, in July 2016.

ABSALON PROJECT

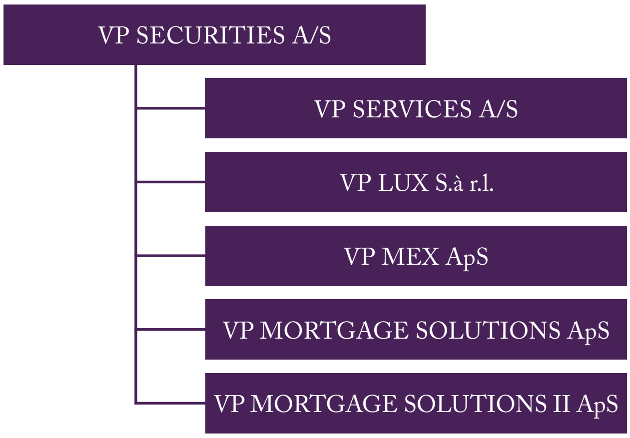
The Absalon Project is a joint venture involving subsidiaries of Soros Fund Management and VP. The introduction of a Danish mortgage credit solution in Mexico, together with the international credit crunch, has aroused interest from other countries in a similar solution.

In particular, African countries with high growth rates have shown interest in Absalon solutions to bring about a stable and flexible financing model to meet the increasing need for housing.

Despite major efforts and a great deal of positive international coverage of the Danish mortgage credit system, it has still not been possible to enter into an agreement on an actual project, but the possibilities are still being discussed.

GROUP STRUCTURE

VP SECURITIES A/S is the parent company of the following subsidiaries:
VP Service s A/S, VP LUX S.à r.l.,
VP MEX ApS,
VP Mortgage Solutions ApS
and VP Mortgage Solution s II ApS.



VP SECURITIES A/S (VP) provides solutions and know-how to financial enterprises and public limited companies in the field of securities and investor administration. VP also undertakes complex regulated activities which a CSD can carry out for recording, clearing and settlement of securities.

Subsidiaries

VP SERVICES A/S provides a range of VP's services that are not related to complex regulated activities. Among other things, the company carries out VP's activities within investor services and share registers. The company also operates under the name of VP Investor Services. The company was established with equity of DKK 100 million.

VP LUX S.à r.l. is VP's subsidiary in Luxembourg. VP LUX is established as a CSD in Luxembourg and is subject to supervision by the financial services authority of Luxembourg, CSSF, and monitoring by the central bank of Luxembourg, BCL. The company has a share capital of EUR 2.7 million.

VP MEX ApS carries out activities relating to the system export of the Danish mortgage credit solution to Mexico, based on the solutions and know-how of Totalkredit and VP. The company was established with equity of DKK 125,000. Together with Geomex, a company in the George Soros group, VP MEX has established a joint venture, Absalon, which has fifty-fifty ownership.

VP Mortgage Solutions ApS and VP Mortgage Solutions II ApS carry out activities relating to the system export of a Danish mortgage credit solution internationally in collaboration with Soros Fund Management, dubbed the Absalon Project. The companies were each established with equity of DKK 80,000.

ORGANISATION AND KNOWLEDGE RESOURCES

VP's values

In 2012, the employees revitalised VP's values: Ambitious, Customer focus, Value-adding and Reliability had been defined in 2002, and have been an integral foundation of VP's identity ever since.

Clarification of skill-sets

VP has introduced clarification of skill-sets and employee and manager evaluations as an important part of the annual employee appraisal. All employees fill in a skill-sets profile, and the manager's task is to assess what skill-sets are desirable and the level at which the employee possesses these skill-sets. The purpose is to clarify the company's expectations in relation to the employee, and to get the full overview of combined skill-sets within the organisation.

Election of employee representatives to the Board of Directors

In electing the Board of Directors in 2012, VP's employees were balloted and chose to change their Board representation from company-level representation to Group-level representation. As a result, employees from the VP SERVICES A/S subsidiary were granted the right of attendance and voting rights. There was strong interest from the employees about participating in the work of the Board, and as usual five representatives and five substitutes were appointed from among those who stood for election.

Professional development

There was a strong focus on professional development in 2012. Employees attended differentiated courses and learning activities in relation to the transition to Outlook and SharePoint. In connection with the transition to a new IT platform, intensive training courses were provided in the EGL development language for IT employees. VP Academy (VP's internal training academy) conducted a particularly intensive induction programme lasting four weeks for 12 new employees, and during the year, 58 employees attended its two-day course on Financial Markets.

The number of employees increased from 171 at the end of 2011 to 180 employees in 2012. This upward adjustment is due to the need to add resources in connection with the T2S project. For this reason, some contracts of employment are time-limited. Average age is 47 and average seniority is 9 years.

LEGISLATION AND REGULATION

European regulation

In March 2012, the European Commission proposed a draft regulation on settlement activities and CSDs. The draft proposes common rules on the settlement of securities, including the T+2 settlement cycle and new rules on sanctions, as well as rules governing the authorisation of CSD operations, capital adequacy, risk management as well as access to "EU passports" for certain activities, and also rules on access to certain types of credit business. The proposal is currently being discussed in the European Parliament, the Council and the Commission and is expected to take effect prior to the introduction of TARGET2-Securities in 2015.

The EU Regulation on short-selling, which took effect on 1 November 2012, implies that previous Danish prohibitions on short-selling of bank shares from 2008 are rescinded and replaced by a duty of reporting and a prohibition on unhedged (naked) short-selling. This has created greater demand for securities lending schemes.

The Alternative Investment Managers Fund Directive (AIFMD), which took effect in July 2012, introduces tough regulation and controls on alternative investment fund managers within the EU, including tougher requirements for custody of customers' securities as well as custody account managers' liability for their own mistakes and for mistakes by their sub-custodians. These rules have put the spotlight on solutions that can minimise the custody account manager's risk and costs, including by the possible application of end-investor accounts.

VP participates in the work of European harmonisation both through its participation in the global standardisation work under the auspices of ISO and SWIFT and via the European Central Securities Depositories Association (ECSDA). In dialogue with its clients, VP continuously analyses the consequences that the work of harmonisation will have for the Danish securities market, including VP's clients.

Danish regulation

In April 2012, VP introduced new clearing rules which make it possible to use partial delivery in respect of CCP transactions even for account holders who do not have a provision of services agreement with VP, but who have entered into a private professional agreement with the account controller entitling VP, in the event that cover is overdrawn, to seek to complete the trade transactions for which cover can be provided in accordance with the same principle that applies to participants with a provision of services agreement.

There were no new proposals adopted or put forward in 2012 concerning new Danish regulation of material importance to VP's book-entry and clearing activities.

Complaints

VP SECURITIES A/S acts as the secretariat for the complaints board for CSDs. No complaints were received in 2012.

CORPORATE SOCIAL RESPONSIBILITY

VP acts in a socially responsible manner based on a values-based HR policy that addresses all the circumstances of an employee's working life. VP believes that social relations between colleagues are important to employee wellbeing, and accordingly VP gives financial support to a number of social, sporting and cultural clubs within the company.

VP implements regular employee surveys, most recently conducted by Great Place to Work, so that the workplace is benchmarked with the best Danish companies, and pursues the ambition of continuous improvements in the workplace.

According to the most recent employee survey, the level of employee satisfaction was high, which is regarded as satisfactory in working with societal and corporate social responsibility.

IT SYSTEMS

VP's IT development and operation is taken care of by the IT Services department, which employs approximately half of the company's staff.

The primary IT production environment in VP is the central mainframe, where VP benefits from the inherent high level of operational reliability. The central physical units as well as VP's external network are outsourced to external suppliers.

The decentralised environment was expanded significantly in 2012 concurrent with increased usage. This means the central mainframe is under less pressure continually.

Each year, IT contingency plans and the technical set-up are tested. The test is conducted as a real emergency, where the affected equipment is suspended, and it is demonstrated in practice that the secondary environments take over production within the set timeframe of a maximum of one hour. In 2012, the test included a complete suspension of the network between VP's three operating locations.

Another significant goal was achieved in 2012 in the ongoing migration of the central systems from the IEF/Cool:GEN development environment introduced in the 1990s to a new, modern, efficient development environment. The first 25% of the total changeover, converted via automated conversion tools, was put into production with good results. The last launches will occur in 2013, after which the old development environment will be phased out. The new environment supports development for different platforms together with development of systems for the various distribution channels far better and in a more up-to-date way.

The primary focus of system development has been on implementing the associated analysis of the comprehensive IT implementation of integration with T2S in the VP systems. Most of the analysis was performed towards the end of 2012, and completion is scheduled in 2013. As a result of the ongoing deliverables from the Cool conversion project, it was possible towards the end of 2012 to start initial T2S development in the new EGL development environment. Implementation will take the form of collaboration with Denmark's central bank Nationalbanken and the financial services sector, as modifications of VP's systems need to be planned in such a way as to minimise the knock-on changes for the sector as far as possible. This collaboration will be stepped up in 2013, when actual implementation of T2S in VP's systems will reach its peak.

Due to the scope of the T2S project, separate management of other development projects will be ensured within the organisation.

COMPLIANCE

The board and management receive ongoing briefings concerning compliance with the rules in the areas covered by VP's compliance programme. 2012 saw various activities relating to reporting to authorities as well as overseeing adherence to VP's rules concerning employee handling of internal knowledge.

INSURANCE COVER

In 2012, VP signed an agreement with the ACE Europe insurance company in relation to professional indemnity insurance and crime insurance with a combined scope of cover of EUR 25 million. The insurance agreement covers both registration errors and VP's other business areas, including clearing and settlement activities, other VP activities as well as activities in VP's subsidiaries. The insurance agreement covers mistakes by VP as well as by VP's external suppliers.

SPECIAL RISKS AND UNCERTAINTY SURROUNDING INITIAL VALUES AND ASSESSMENT

VP is not exposed to any particular operational risks or financial or foreign currency risks. VP's operational risks are continually being minimised, inter alia by means of a high level of IT security, and financial or foreign exchange risks are limited.
There are no special uncertainties associated with initial values and assessment.

RISK MANAGEMENT AND SYSTEM AUDITS

Each year, VP implements an overarching risk assessment to serve as the basis for any adjustments to its security policy, etc. Risk management and controls are implemented both in VP's systems and in the associated manual processes.

VP's internal and external system audits conduct audits of the IT systems and business processes and report directly to VP's Board of Directors. Planning and implementation of the audit is arranged in accordance with generally accepted auditing standards, with a focus on the internal control environment and on the design, implementation and improvements in the effectiveness of internal controls. The work also includes an evaluation of VP's risk assessment and an opinion on controls – both in general and at detailed level.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

No circumstances have occurred since the balance sheet date to alter the assessment of the financial statements.

EXPECTATIONS FOR 2013

Profit from ordinary operations in 2013 is expected to be similar to 2012. Rising costs are expected in connection with the T2S project; however, the expectation is that this will be offset by a rise in net turnover, partly in relation to activities in Luxembourg and the shareholder register business. A generational change has been agreed at VP, which has had Johannes Luef as CEO for the past 14 years. Implementation of the generational change is expected in 2013.

VP IN FIGURES

	2012	2011
ISSUES		
Bonds		
Number of bond series	2,283 series	2,392 series
Market value (end of year)	4,263 DKK billion	4,151 DKK billion
Number of interest payments	1.5 million	1.6 million
Number of redemption payments	1.4 million	1.4 million
Shares:[1]		
Number of share series	479 series	480 series
Market value (end of year)	1,416 DKK billion	1,105 DKK billion
Unit trusts:		
Number of unit trust certificate series	695 series	683 series
Market value (end of year)	905 DKK billion	794 DKK billion
Shares and unit trust certificates in circulation:		
Number of dividend payments	4.3 million	4.5 million

	2012	2011
CUSTODY		
Number of accounts (end of year)	3.4 million	3.5 million
Number of portfolios on the accounts (end of year)	10.3 million	11.0 million
CLEARING AND SETTLEMENT		
Turnover, market value:		
Bonds	43,335 DKK billion	34,835 DKK billion
Shares	3,953 DKK billion	3,961 DKK billion
Unit trust certificates	951 DKK billion	914 DKK billion
Total	48,238 DKK billion	39,710 DKK billion
No. of trade transactions:		
Bonds	1.0 million	1.0 million
Shares	5.0 million	5.8 million
Unit trust certificates	4.0 million	4.0 million
Total	10.0 million	10.8 million

[1] *Shares also includes warrants/certificates.*

ENDORSEMENTS

ENDORSEMENT BY THE MANAGEMENT

The Board of Directors and the Management have this day discussed and approved the Financial Statements of VP SECURITIES A/S for the 1 January – 31 December 2012 financial year.

The Financial Statements are prepared and presented in compliance with the provisions of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company's financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at 31 December 2012 and of the results of the Group's and the parent company's operations and the Group's cash flow for the financial year 1 January to 31 December 2012.

In our opinion, the Management Review includes a true and fair account of the factors covered by the review.

The Financial Statements are recommended to the general meeting of shareholders for adoption.

Copenhagen, 20 February 2013

MANAGEMENT

Johannes Luef
Managing Director

BOARD OF DIRECTORS

Sven E. Lystbæk *Chairman*	Torben Nielsen *Vice-Chairman*	Peter Ott
Bent Andersen	Sven A. Blomberg	Hans-Henrik Eigtved
Ivan Hansen	Klaus Skjødt	Carsten Wiggers
Jan Kjærvik	Anne-Lise Hansen Emcken	Gitte Ina Nielsen
Merete Fussing	Anders Raith Linemann	Bjørn Stendorph Crepaz

INDEPENDENT AUDITOR'S REPORT

To the shareholders of VP SECURITIES A/S
Endorsement of the financial statements
We have audited the consolidated financial statements and the parent company financial statements for the financial year 1 January – 31 December 2012 including accounting policies, income statement, balance sheet, equity statement, consolidated cash flow statement and notes. The consolidated financial statements and the parent company financial statements were prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the Financial Statements
The Management is responsible for preparing Consolidated Financial Statements and a Financial Statement for the parent company that give a true and fair view in accordance with the Danish Financial Statements Act. Further, it is the responsibility of Management to exercise the internal controls it deems necessary in the preparation of consolidated financial statements and parent company financial statements free from material misstatement, whether due to fraud or error.

The auditor's responsibility
Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We have executed the audit in accordance with international auditing standards and the additional requirements of Danish audit legislation. This requires that we comply with ethical requirements and that we plan and execute the audit to obtain reasonable assurance concerning whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit includes performing audit procedures to obtain audit evidence of amounts and information in the consolidated financial statements and the parent company financial statements. The audit procedures selected depend on the auditors' judgement, including assessment of risks of material misstatement in the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of the consolidated financial statements and the parent company financial statements that give a true and fair view. The purpose here is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit furthermore includes an evaluation of the appropriateness of the management's choice of accounting policies, the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements and the parent company financial statements.

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

The audit has not given rise to any qualifications.

Conclusion
In our opinion, the parent company financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2012 and of the result of the Group's and the parent company's activities as well as the Group's cash flow for the financial year 1 January – 31 December 2012 in compliance with the Danish Financial Statements Act.

Statement on the Management Review
Pursuant to the Danish Financial Statements Act, we have read the Management Review. We have not taken other measures in addition to our audit of the consolidated financial statements and the parent company financial statements.

On this basis, it is our opinion that the information given in the Management Review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 20 February 2013
Deloitte Statsautoriseret Revisionspartnerselskab
Henrik Wellejus, State-auth. Public Accountant
Thomas Hjortkjær Petersen, State-auth. Public Accountant

ACCOUNTS

ACCOUNTING PRINCIPLES

The Financial Statements have been prepared in compliance with the provisions of the Danish Financial Statements Act for accounting class C (large).

The Financial Statements are presented in accordance with the same accounting policies as last year.

General information about recognition and measurement

Assets are recognised in the balance sheet where, as a result of a prior event, there is a likelihood that the Group stands to benefit from future financial advantages and where the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet where, because of a previous event, the Group has a legal or actual liability and it is likely that future financial advantages will be removed from the Group and where the value of the liability can be measured reliably.

At the initial recognition, assets and liabilities are measured at cost. Measurement after the initial recognition is as described under each accounting item below.

At recognition and measurement, due regard is given to foreseeable risks and losses occurring before the financial statements are presented and serving to confirm or refute conditions existing at the balance sheet date.

Income is recognised in the income statement as and when earned, while costs are recognised in the amounts pertinent to the financial year.

Consolidated Financial Statements

The Consolidated Financial Statements cover VP SECURITIES A/S (the parent company) and the subsidiaries controlled by the parent company, cf. the Group outline, page 12.

Consolidation principles

The Consolidated Financial Statements are prepared on the basis of the accounts for VP SECURITIES A/S and its subsidiaries. The Consolidated Financial Statements are drawn up by amalgamating accounting entries of a common nature. As a result of consolidation, intra-group income and expenses, internal balances and dividends, and gains or losses on intra-group transactions are eliminated. The financial statements used for consolidation are drawn up in accordance with the Group's accounting principles.

The Consolidated Financial Statements recognise the accounting entries of the subsidiaries line by line with full consolidation.

Investment in subsidiary companies is set off against the parent company's proportional share of the subsidiaries' market value of net assets included at the time of acquisition.

Translation of foreign currencies

At initial recognition, foreign exchange transactions are translated at the exchange rate prevailing on the transaction date. Receivables, debt commitments and other foreign exchange monetary items not settled by the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Currency differences arising between the exchange rate at the transaction date and the rate prevailing on the date of payment or on the balance sheet date, respectively, are recognised in the income statement as financial items.

For recognition, the income statements of foreign subsidiaries that are independent units are translated using average exchange rates for the months in question, if exchange rates are significantly different from the rates prevailing on the day of the transaction. Balance sheet items are translated at the exchange rate on the balance sheet date. Goodwill is considered to belong to the independent foreign unit and is translated at the exchange rate prevailing on the balance sheet date. Exchange rate differences arising from the conversion of the equity of foreign subsidiaries at the beginning of the year to the exchange rates prevailing on the balance sheet date and from the conversion of income statements from average exchange rates to the exchange rates prevailing at the balance sheet date are recognised directly in equity.

Exchange rate adjustments of intra-group balances for independent foreign subsidiaries, which are regarded as part of the overall investment in the subsidiary in question, are recognised directly in equity.

INCOME STATEMENT

Net turnover

Net turnover corresponding to the invoiced sales in the year under review are recognised in the income statement, once services have been rendered to the buyer. Net turnover is recognised exclusive of VAT, excise duty and any discounts connected with sales.

Other operating income

Other operating income covers income of a secondary nature seen in relation to the Group's main activities, including gains and losses from the sale of tangible and intangible fixed assets.

Other external costs

Other external costs are activity-dependent costs, the costs of IT operations, costs of consulting services, audit, financial services authorities, building facility management, office supplies, training, etc.

Payroll costs

Payroll is wages and salaries plus social costs, pensions, etc., for the Group's staff.

Financial items

Financial items include interest received and interest paid, realised and unrealised capital gains and losses in respect of securities, debt commitments and foreign exchange transactions, cash discounts, etc., as well as additional payments and refunds on the tax prepayment scheme.

Tax

Tax for the year comprises current tax for the year as well as adjustment of deferred tax. The proportion of tax charged to the income statement that is linked to the profit for the year from extraordinary operations is recognised here, while the remaining part is recognised under the profit from ordinary operations.

The present tax liability or tax refund is recognised in the balance sheet as tax calculated on the taxable profit for the year, adjusted for tax paid on account.

Deferred tax is calculated from all provisional differences between the values of assets and liabilities in the internal accounts and tax accounts respectively, whereby the value for tax purposes of the assets is obtained based on the planned use of the individual asset.

Deferred tax assets, including the tax value of deductible losses that can be carried forward, are recognised in the balance sheet at the anticipated realisable value of the asset, either by being offset against deferred tax liability or as net tax assets.

The parent company is co-taxed with all the Danish subsidiaries. The current Danish corporation tax is divided between the co-taxed companies on a pro rata basis in relation to their taxable incomes (full division with refund in respect of tax losses).

BALANCE SHEET

Goodwill

At the initial recognition, goodwill is measured at cost price, corresponding to the difference between the consideration given for the company or activity, and the net assets recognised at fair value.

Goodwill is subsequently amortised according to the straight line method based on the assessed useful life, which is laid down on the basis of Management's experience within the individual business areas. The depreciation period is 5 years.

Goodwill is written down to the recovery value where this is lower than the book value.

Other intangible fixed assets
Other intangible fixed assets consist of completed development projects and software.

Development projects are included as intangible fixed assets provided that such projects relate to clearly defined, identifiable products and processes, where the degree of technical exploitation, adequate resources and potential future market or development opportunity within the business can be demonstrated and where the intention is to produce, market or use the product or process in question. Other development costs are recognised as costs on the income statement at the time they are incurred.

The cost price of development projects covers costs, including salaries and depreciation directly or indirectly attributable to development projects.

Completed development projects are depreciated using the straight-line method over the anticipated period of use. The depreciation period is 5 years.

Development projects, including current projects, are written down to their recovery value where this is below the balance-sheet value.

Software is recognised at cost with a deduction for accumulated depreciation, amortisation and write-downs. Software is depreciated over 3 years.

Software is written down to the recovery value where this is below the book value.

Tangible fixed assets
Land and buildings, leasehold improvements, technical equipment and machinery, other equipment, operating plant and fixtures are measured at cost less accumulated depreciation and write-downs. There is no depreciation in respect of land.

Cost price includes acquisition price, costs directly associated with the acquisition as well as costs involved in preparing the asset until it is ready for use.

The basis for depreciation is cost price less expected residual value when the asset ceases to be used. Depreciation is calculated on a straight-line basis over the expected useful life of the asset concerned:

Leasehold improvements	10 years
Technical equipment and machinery	5–10 years
Other equipment, operating plant and fixtures and fittings	5–10 years

Land and buildings includes a holiday cottage.

Assets having a unit cost price of less than DKK 25,000 are recognised as costs in the income statement at the time of acquisition.

Tangible fixed assets are written down to their recovery value where this is below the balance-sheet value.

Gains and losses from the disposal of tangible fixed assets are calculated as the difference between the selling price less selling cost and the balance-sheet value at the time of the sale. Gains or losses are recognised in the income statement along with depreciation, amortisation and write-downs or under other operational income, should the sale price exceed the original cost price.

Investment in subsidiaries
Capital participation in subsidiaries is recognised and measured using the intrinsic value method (the equity method), which means that the capital participation is measured as the proportional share of the companies' intrinsic accounting value with additions or deductions for unimpaired positive or negative goodwill and additions or deductions of unrealised intra-Group gains and losses.

The income statement recognises the parent company's share of the subsidiaries' profit following elimination of unrealised intragroup gains and losses with additions or deductions for the impairment of positive or negative goodwill.

Net appreciation of investment in subsidiaries is transferred to the net appreciation reserve in relation to the appropriation of profit using the intrinsic value method under equity.

Receivables
Receivables are recognised at amortised cost price, which usually corresponds to nominal value, less write-downs to compensate for anticipated losses.

Prepayments and accruals
Prepayments and accruals recognised under assets include defrayed costs relating to the subsequent financial year. Prepayments and accruals are recognised at cost.

Securities
Securities recognised under current assets include listed shares and bonds recognised at their officially listed values on the balance sheet date, as well as investment recognised using the intrinsic value method (the equity method) or lower estimated market value. Both realised and unrealised capital gains and losses are recognised in the income statement under financial items.

Dividends
Dividends are recognised as a debt commitment at the time of their adoption by the AGM. The proposed dividend for the financial year under review is shown as a separate item under equity.

Treasury shares
Acquisition and selling prices of treasury shares and dividends from the same are included directly as equity under profit carried forward.

Debt commitments
Debt commitments are assessed at amortised cost price, which usually corresponds to nominal value.

CASH FLOW STATEMENT

The cash flow statement for the Group is presented using the indirect method and shows the cash flow in respect of operations, investments and financing combined with the Group's cash and cash equivalents at the beginning and end of the year. No separate cash flow statement is drawn up for the parent company, as this is included in the cash flow statement for the Group.

Cash flow in respect of operating activities is calculated as the operating profit adjusted for non-cash operating items and the change in working capital, less corporation tax paid.

Cash flow in respect of investments includes payments in connection with the acquisition, disposal and development of intangible and tangible fixed assets.

Cash flow concerning financing activities includes changes in the size or composition of the parent company's share capital and associated costs as well as the raising of loans, repayment of debts attracting interest, purchase of treasury shares and payment of dividends.

Cash and cash equivalents comprise liquid funds and short-term securities with an insignificant price exposure.

KEY FIGURES AND RATIOS

Key figures and ratios are defined and calculated in accordance with the "Recommendations and Ratios 2010" of the Danish Society of Financial Analysts.

RATIOS		*CALCULATION FORMULA*	*RATIO EXPRESSES*
EBITA margin (%)	=	Profit on ordinary activities, excluding depreciation on goodwill (EBITA) x 100 / Net turnover	The Group's operational profitability
Return on invested capital including goodwill	=	Profit on ordinary activities, excluding depreciation on goodwill (EBITA) x 100 / Average invested capital including goodwill	The return generated by the company with the investors' funds
Net turnover/Invested capital including goodwill	=	Net turnover / Average invested capital including goodwill	Group capital intensity and efficiency in the use of invested capital
Financial gearing	=	Net interest-bearing debt, end of year / Equity, end of year	The Group's financial gearing
Return on equity (%)	=	Profit for the year x 100 / Average equity	The Group's return on the capital which the owners have invested in the Group

All ratios relating to the equity are calculated inclusive of the tied-up security reserve.

EBITA (Earnings Before Interest, Tax and Amortisation) is defined as the profit on ordinary activities plus the year's depreciation on goodwill.

Invested capital including goodwill is defined as the net working capital as well as tangible and intangible fixed assets plus accumulated depreciation on goodwill and minus other commitment allocations and other long-term operational commitments.

The net working capital is defined as stocks, receivables and other current assets from operations minus supplier payables and other short-term operational liabilities. Liquid assets, receivables and corporation tax liability do not form part of the net working capital.

Net interest-bearing debt is defined as interest-bearing liabilities, including due corporate tax, minus interest-bearing assets, including securities, liquid assets and corporation tax receivable.

INCOME STATEMENT 01.01.–31.12.

VP SECURITIES A/S				THE VP GROUP	
2011 DKK ’000	**2012 DKK ’000**		Note	**2012 DKK ’000**	**2011 DKK ’000**
307,192	309,781	Net turnover	1	346,905	347,633
307,192	**309,781**			**346,905**	**347,633**
(97,247)	(107,176)	Other external costs		(124,332)	(118,596)
(125,592)	(132,212)	Payroll costs	2	(144,294)	(137,227)
(2,267)	(1,169)	Depreciation	3	(1,861)	(11,289)
82,086	**69,224**	**Profit on ordinary activities**		**76,418**	**80,521**
(656)	7,898	Income from investment in subsidiaries	9	-	-
697	662	Financial income	4	6,486	2,301
(1,973)	(303)	Financial costs	5	(2,628)	(2,272)
80,154	**77,481**	**Profit before tax**		**80,276**	**80,550**
(20,115)	17,434	Tax on profit for the year	6	(20,229)	(20,511)
60,039	**60,047**	**Profit for the year**		**60,047**	**60,039**

		Proposed appropriation of profit
43,625	42,939	Profit carried forward from previous years
60,039	60,047	Profit for the year
103,664	**102,986**	**Available**
455	0	Statutory allocation to non-distributable reserve
1	(139)	Exchange rate adjustment of foreign investment
599	0	Purchase of own shares
(330)	(416)	Dividend on treasury shares
60,000	60,000	Proposed dividend for the financial year
42,939	43,541	Profit carried forward to next year
103,664	**102,986**	

BALANCE SHEET AS AT 31.12.

VP SECURITIES A/S				THE VP GROUP	
2011 DKK '000	2012 DKK '000		Note	2012 DKK '000	2011 DKK '000
0	0	Goodwill	7	0	0
0	0	Completed development projects	7	0	450
0	0	Software	7	29	36
0	**0**	**Intangible fixed assets**		**29**	**486**
683	0	Land and buildings	8	0	683
5,175	4,467	Leasehold improvements	8	4,644	5,373
733	909	Technical equipment and machinery	8	909	733
7,015	6,355	Other equipment, operating plant, fixtures and fittings	8	7,006	7,794
13,606	**11,731**	**Tangible fixed assets**		**12,559**	**14,583**
108,736	116,772	Investment in subsidiaries	9	-	-
108,736	**116,772**	**Financial assets**		-	-
122,342	**128,503**	**Fixed assets**		**12,588**	**15,069**
29,128	27,777	Receivables from sales and services		36,374	37,508
1,099	539	Deferred tax assets	10	2,043	4,919
1,638	2,708	Receivables at subsidiaries		-	-
4,608	6,004	Corporation tax		6,004	4,608
6,265	6,317	Other receivables		7,270	6,842
14,207	12,795	Prepayments and accruals		13,821	14,879
56,945	**56,140**	**Receivables**		**65,512**	**68,756**
100	**100**	**Securities**	11	**68,417**	**8,048**
73,560	**72,402**	**Liquid funds**		**113,194**	**165,080**
130,605	**128,642**	**Current assets**		**247,123**	**241,884**
252,947	**257,145**	**Assets**		**259,711**	**256,953**

BALANCE SHEET AS AT 31.12.

VP SECURITIES A/S				THE VP GROUP	
2011 DKK ’000	**2012 DKK ’000**		Note	**2012 DKK ’000**	**2011 DKK ’000**
40,000	40,000	Share capital	12	40,000	40,000
42,939	43,541	Profit brought forward		43,541	42,939
60,000	60,000	Proposed dividend for the financial year		60,000	60,000
142,939	**143,541**	**Equity**		**143,541**	**142,939**
61,176	**61,176**	**Statutory allocation to non-distributable reserve**		**61,176**	**61,176**
204,115	**204,717**	**Equity and statutory non-distributable reserve**		**204,717**	**204,115**
9,226	14,294	Trade creditors		14,561	10,061
385	471	Debts to subsidiaries		-	-
39,221	37,663	Other debt		40,433	42,777
48,832	**52,428**	**Short-term debt commitments**		**54,994**	**52,838**
48,832	**52,428**	**Debt commitments**		**54,944**	**52,838**
252,947	**257,145**	**Liabilities**		**259,711**	**256,953**

Contingent liabilities, etc., are shown in note 13
Other notes, see notes 14–18

STATEMENT OF EQUITY AND STATUTORY NON-DISTRIBUTABLE RESERVE

	THE VP GROUP 2012				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01.01.2012	40,000	42,939	60,000	61,176	204,115
Dividend paid for 2011	0	0	(60,000)	0	(60,000)
Proposed dividend for 2012	0	(60,000)	60,000	0	0
Profit for the year 2012	0	60,047	0	0	60,047
Purchase of treasury shares, nominal DKK 277,000	0	0	0	0	0
Dividend on treasury shares	0	416	0	0	416
Exchange rate adjustment of foreign investment	0	139	0	0	139
31.12.2012	**40,000**	**43,541**	**60,000**	**61,176**	**204,717**

	THE VP GROUP 2011				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01/01/2011	40,000	43,625	60,000	60,721	204,346
Dividend paid for 2010	0	0	(60,000)	0	(60,000)
Proposed dividend for 2011	0	(60,000)	60,000	0	0
Profit for the year 2011	0	59,584	0	455	60,039
Purchase of treasury shares, nominal DKK 277,000	0	(599)	0	0	(599)
Dividend on treasury shares	0	330	0	0	330
Exchange rate adjustment of foreign investment	0	(1)	0	0	(1)
31.12.2011	**40,000**	**42,939**	**60,000**	**61,176**	**204,115**

STATEMENT OF EQUITY AND STATUTORY NON-DISTRIBUTABLE RESERVE

	VP SECURITIES A/S 2012				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01.01.2012	40,000	42,939	60,000	61,176	204,115
Dividend paid for 2011	0	0	(60,000)	0	(60,000)
Proposed dividend for 2012	0	(60,000)	60,000	0	0
Profit for the year 2012	0	60,047	0	0	60,047
Purchase of treasury shares, nominal DKK 277,000	0	0	0	0	0
Dividend on treasury shares	0	416	0	0	416
Exchange rate adjustment of foreign investment	0	139	0	0	139
31.12.2012	**40,000**	**43,541**	**60,000**	**61,176**	**204,717**

	VP SECURITIES A/S 2011				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01/01/2011	40,000	43,625	60,000	60,721	204,346
Dividend paid for 2010	0	0	(60,000)	0	(60,000)
Proposed dividend for 2011	0	(60,000)	60,000	0	0
Profit for the year 2011	0	59,584	0	455	60,039
Purchase of treasury shares, nominal DKK 277,000	0	(599)	0	0	(599)
Dividend on treasury shares	0	330	0	0	330
Exchange rate adjustment of foreign investment	0	(1)	0	0	(1)
31.12.2011	**40,000**	**42,939**	**60,000**	**61,176**	**204,115**

Statutory allocation to non-distributable reserve

The conversion of Værdipapircentralen into a joint-stock company included the establishment of a tied-up fund reserve corresponding to the value of the assets contributed by the independent, non-profit organisation after deduction of the contributed liabilities. Pursuant to the Danish Securities Trading Consolidated Act, VP SECURITIES A/S must allocate 10% of the profit for the year which has not been used to cover any losses from previous years to capital reserves. This allocation may not, however, exceed the yield on capital reserves, which corresponds to the interest rate calculated in accordance with Section 213(2) of the Danish Financial Business Act, less a pro rata share of corporation tax for the year. The latter limitation is to be used for the current year. As the interest rate calculated in accordance with Section 213(2) of the Danish Financial Business Act was 0% in both the first and second six months of 2012, there is no adjustment in respect of 2012.

CASH FLOW STATEMENT, 01.01.–31.12.

	Note	THE VP GROUP 2012 DKK '000	2011 DKK '000
Profit on ordinary activities		76,418	80,521
Depreciation		1,861	11,289
Changes in working capital	14	3,920	3,954
Cash flow from ordinary activities		**82,199**	**95,764**
Net interest and realised security price gains		4,025	2,114
Tax paid		(18,718)	(21,700)
Cash flow from operations		**67,506**	**76,178**
Investment in tangible fixed assets		(1,306)	(1,593)
Sale of tangible fixed assets		1,935	15
Cash flow from investments		**629**	**(1,578)**
Dividend paid		(60,000)	(60,000)
Purchase of own shares		0	(599)
Dividend on treasury shares		416	330
Cash flow from financing		**(59,584)**	**(60,269)**
Change in cash and cash equivalents		**8,551**	**14,331**
Cash and cash equivalents and securities as at 01.01.		173,128	160,765
Price adjustments in respect of securities		(68)	(1,968)
Cash and cash equivalents and securities as at 31.12.2011	15	**181,611**	**173,128**

NOTES

VP SECURITIES A/S			THE VP GROUP	
2011 DKK '000	**2012 DKK '000**		**2012 DKK '000**	**2011 DKK '000**
		1. Net turnover		
217,557	218,752	Income from sales of basic services	223,551	221,778
89,635	91,029	Income from sales of sundry services	123,354	125,855
307,192	**309,781**	Of the total net turnover for the Group, sales to customers abroad account for DKK 58,672 thousand (2011: DKK 55,494 thousand)	**346,905**	**347,633**
		2. Payroll costs		
105,473	111,361	Wages and salaries	121,676	115,290
11,556	12,002	Pension contributions	12,993	12,525
8,563	8,849	Other social costs	9,625	9,412
125,592	**132,212**		**144,294**	**137,227**
3,953	**4,354**	Of which, total emoluments paid to Management and Board of Directors	**4,354**	**3,953**
154	**160**	Average number of employees	**177**	**171**
		3. Depreciation		
0	0	Completed development projects	457	2,779
0	0	Goodwill	0	5,788
0	0	Software	0	347
707	707	Leasehold improvements	729	729
448	412	Technical equipment and machinery	412	448
1,127	1,040	Other equipment, operating plant, fixtures and fittings	1,253	1,213
(15)	(990)	Proceeds from disposal of tangible fixed assets	(990)	(15)
2,267	**1,169**		**1,861**	**11,289**

NOTES

VP SECURITIES A/S 2011 DKK '000	VP SECURITIES A/S 2012 DKK '000		THE VP GROUP 2012 DKK '000	THE VP GROUP 2011 DKK '000
		4. Financial income		
626	358	Interest on bank deposits	1,206	1,976
71	304	Other financial income	5,280	325
697	**662**		**6,486**	**2,301**
		5. Financial costs		
1,794	125	Capital losses on securities	2,043	2,090
179	178	Other financial costs	585	182
1,973	**303**		**2,628**	**2,272**
		6. Tax on profit for the year		
19,470	16,876	Current tax	17,362	19,530
770	560	Change in deferred tax	2,865	1,034
0	0	Tax calculated for VP Lux S.à r.l.	4	72
(125)	(2)	Adjustment relating to previous years	(2)	(125)
20,115	**17,434**	**Tax on profit for the year**	**20,229**	**20,511**
25.0%	25.0%	Danish tax rate		
0.1%	(2.5%)	Other		
25.1%	**22.5%**	**Effective tax rate for the year**		

NOTES

7. Intangible fixed assets	THE VP GROUP Completed development projects DKK '000	Goodwill DKK '000	Software DKK '000
Cost price as at 01.01.2012	26,317	69,450	4,100
Additions	0	0	0
Disposals	0	0	0
Cost price as at 31.12.2012	**26,317**	**69,450**	**4,100**
Depreciation as at 01.01.2012	(25,867)	(69,450)	(4,064)
Additions	(450)	0	(7)
Disposals	0	0	0
Depreciation as at 31.12.2012	**(26,317)**	**(69,450)**	**(4,071)**
Accounting value as at 31.12.2012	**0**	**0**	**29**
Accounting value as at 31.12.2011	450	0	36

7. Intangible fixed assets	VP SECURITIES A/S Completed development projects DKK '000
Cost price as at 01.01.2012	2,283
Additions	0
Disposals	0
Cost price as at 31.12.2012	**2,283**
Depreciation as at 01.01.2012	(2,283)
Additions	0
Disposals	0
Depreciation as at 31.12.2012	**2,283**
Accounting value as at 31.12.2012	**0**
Accounting value as at 31.12.2011	0

NOTES

	THE VP GROUP			
	Land and buildings DKK '000	**Leasehold improve-ments DKK '000**	**Technical equipment and machinery DKK '000**	**Other plant DKK '000**
8. Tangible fixed assets				
Cost price as at 01.01.2012	683	7,290	6,175	11,100
Additions	0	0	0	520
Disposals	(683)	0	0	(366)
Cost price as at 31.12.2012	**0**	**7,290**	**6,763**	**11,254**
Depreciation, amortisation and write-downs as at 01.01.2012	0	(1,917)	(5,442)	(3,306)
Depreciation for the year	0	(729)	(412)	(1,253)
Disposals, depreciation	0	0	0	311
Depreciation, amortisation and write-downs as at 31.12.2012	**0**	**(2,646)**	**(5,854)**	**(4,248)**
Accounting value as at 31.12.2012	**0**	**4,644**	**909**	**7,006**
Accounting value as at 31.12.2011	683	5,373	733	7,794

NOTES

8. Tangible fixed assets	VP SECURITIES A/S			
	Land and buildings DKK ’000	**Leasehold improve-ments DKK ’000**	**Technical equipment and machinery DKK '000**	**Other plant DKK ’000**
Cost price as at 01.01.2012	683	7,075	6,175	10,179
Additions	0	0	588	69
Disposals	(683)	0	0	0
Cost price as at 31.12.2012	**0**	**7,075**	**6,763**	**10,248**
Depreciation, amortisation and write-downs as at 01.01. 2012	0	(1,901)	(5,442)	(3,164)
Depreciation for the year	0	(707)	(412)	(1,040)
Disposals, depreciation	0	0	0	311
Depreciation, amortisation and write-downs as at 31.12. 2012	**0**	**(2,608)**	**(5,854)**	**(3,893)**
Accounting value as at 31.12.2012	**0**	**4,467**	**909**	**6,355)**
Book value as at 31.12. 2011	683	5,175	733	7,015

NOTES

VP SECURITIES A/S	
Investment in subsidiaries DKK '000	
	9. Financial assets
120,776	Cost price as at 01.01.2012
0	Additions
0	Injected capital
0	Disposals
120,776	**Cost price as at 31.12.2012**
(12,041)	Net depreciation 01.01.2012
139	Exchange rate adjustment
7,898	Share of profit for the year, net
(4,004)	**Net depreciation 31.12.2012**
116,772	**Accounting value as at 31.12.2012**
108,736	Accounting value as at 31.12.2011

Profit for the year	**Investment in subsidiaries includes:**	**Investment**
8,280	VP SERVICES A/S, Copenhagen, 100%	94,732
97	VP MEX ApS, Copenhagen, 100%	8,184
(20)	VP Mortgage Solutions ApS, Copenhagen, 100%	71
(15)	VP Mortgage Solutions II ApS, Copenhagen, 100%	87
(444)	VP LUX S.à r.l., Luxembourg, 100%	13,798
7,898		**116,772**

NOTES

VP SECURITIES A/S 2011 DKK '000	VP SECURITIES A/S 2012 DKK '000		THE VP GROUP 2012 DKK '000	THE VP GROUP 2011 DKK '000
		10. Deferred tax assets		
		Deferred tax concerns the following:		
0	0	Completed development projects	0	(112)
0	0	Software	0	0
0	0	Goodwill	0	2,445
1,339	956	Technical plant and machinery, other equipment	955	1,321
346	346	Securities	523	523
0	0	Tax deficit to be carried forward, VP LUX	1,328	1,328
(586)	(763)	Leasehold improvements	(763)	(586)
1,099	**539**		**2,043**	**4,919**
		11. Securities		
0	0	Listed shares and bonds	68,277	7,908
100	100	Link Up Capital Markets S.L. 5.12%	100	100
0	0	Absalon II LLC, 50%	40	40
100	**100**		**68,417**	**8,048**

12. Share capital

The share capital of VP SECURITIES A/S consists of 40,000 shares at DKK 1,000 each. The shares are not divided into classes, and there have been no changes in the share capital in the last 5 financial years.

13. Contingent liabilities

Liability to pay compensation

As a book-entry company, VP SECURITIES A/S is strictly liable pursuant to the Danish Securities Trading Act for losses that arise because of errors on its part in connection with book-entry, alteration or deletion of rights in respect of accounts with VP SECURITIES A/S or payments from them. Total compensation for losses arising from the same error may not exceed DKK 500 million. VP SECURITIES A/S is subject to a similar liability to pay compensation in its capacity as an account controller. Moreover, VP SECURITIES A/S is liable in its capacity as an account controller for errors on the part of others according to an agreement entered into between Danish account-holding institutions affiliated to VP SECURITIES A/S. Liability for compensation according to this agreement cannot exceed DKK 217,000 per error at the current level of activity.

Lease commitments

Operational leases concerning domicile property, photocopiers and vehicles have been entered into for 2012. Annual expenditure on operational leases is DKK 15.988 million.

Other obligations

With effect from 1 July 2012, the parent company has joint and several liability with the jointly taxed group enterprises in respect of the total tax liability. The tax liability for jointly taxed group enterprises amounts to DKK 484,000. The parent company has joint and several liability with the jointly registered group enterprises in respect of the total value-added tax liability. Value-added tax liability in jointly registered group enterprises amounts to DKK 509,000.

NOTES

VP SECURITIES A/S 2011 DKK '000	VP SECURITIES A/S 2012 DKK '000		THE VP GROUP 2012 DKK '000	THE VP GROUP 2011 DKK '000
		14. Changes in working capital		
		Changes in receivables, prepayments and accruals	1,764	41
		Changes in trade creditors and other debt	2,156	3,913
			3,920	**3,954**
		15. Cash and cash equivalents and securities		
		Liquid funds	113,194	165,080
		Securities	68,417	8,048
			181,611	**173,128**
		16. Fees for auditors elected by the Annual General Meeting		
		"Other external costs" includes the fees for the Group's auditors elected by the Annual General Meeting, broken down as follows:		
789	789	Statutory audit	886	886
89	4	Other assurance engagements	4	134
277	238	Tax advice	297	277
189	192	Other services	192	228
1,344	**1,223**		**1,379**	**1,525**

17. Stakeholders
Stakeholders exercising a decisive influence on VP SECURITIES A/S: None.

18. Shareholders
The following shareholders directly or indirectly own more than 5% of VP SECURITIES A/S's share capital:

Danmarks Nationalbank, Copenhagen
Danske Bank A/S, Copenhagen
Nykredit A/S, Copenhagen
Nordea A/S, Copenhagen

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