Annual Report *for* VP SECURITIES A/S

2011

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CORPORATE INFORMATION

VP SECURITIES A/S

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Board of Directors
Elected by the General Meeting of Shareholders:
Sven E. Lystbæk, Director, Chairman,
Torben Nielsen, former Governor of the Danish Central Bank (Nationalbanken), Vice-Chairman
Bent Andersen, Managing Director
Sven A. Blomberg, CEO
Hans-Henrik Eigtved, Executive Vice President
Ivan Hansen, Managing Director
Henrik Heideby, Group CEO & President
Jan Kjærvik, Senior Vice President
Frank Kristensen, Managing Director
Carsten Wiggers, CEO

Elected by the Employees:
Anne-Lise Hansen Emcken, Head of Technical Developm.
Peter Michael Jensen, Senior Product Manager
Gitte Ina Nielsen, Systems Analyst
Erik Pihl, Head of Production & Operations
Jette L. Weiss Frandsen, Product Manager

Auditors
External Audit and Systems Audit:
Deloitte Statsautoriseret Revisionspartnerselskab

Internal Audit:
Bent Poulsen, Chief Auditor

Management
Johannes Luef, President & CEO

Executive Officers
Morten Kierkegaard, Senior Vice President
Carsten Nørgaard, Chief Information Officer
Thomas Pihl, Chief Financial Officer
Birger Schmidt, Chief Commercial Officer

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

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MANAGEMENT REVIEW

MAIN ACTIVITIES

The VP Group offers its customers innovative solutions and know-how in the field of securities and investor administration. 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 2011, the VP Group achieved a satisfactory profit before tax of DKK 80.6 million compared to DKK 90.1 million in 2010. Profit from ordinary activities was DKK 80.5 million in 2011, compared to DKK 90.8 million in 2010.

The downturn in profit compared to 2010 is attributable to lower net turnover, primarily attributable to loss of remuneration from the sale of the VP Financial business unit. There was also a decline in income from system export activities as well as clearing and settlement of Danish securities as a result of a decline in trading activities.

Despite a downturn in net turnover, there has been growth in several of VP's new product initiatives, including activities in Luxembourg.

VP's total operating costs including depreciation were DKK 267.1 million in 2011. This is a decrease of DKK 7.2 million compared to 2010 and is attributable to loss of goodwill write-downs. 2011 saw exceptionally high costs of consultancy in relation to the T2S project as well as conversion and modernisation of VP's IT development environment, although this was compensated by the effect of the reduction in personnel implemented in 2010.

Tax on the profit for the year under review was charged to the Income Statement at DKK 20.5 million compared to DKK 22.6 million in 2010.

Profits after tax in 2011 were DKK 60.0 million compared to DKK 67.5 million in 2010.

Accordingly, equity at the end of 2011 was DKK 142.9 million and the non-distributable reserve was DKK 61.2 million. The combined return on the equity and the non-distributable reserve was thus 29 % in 2011 compared to 32 % in 2010.

The Board of Directors proposes to the AGM that for 2011 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	2007 DKK '000	2008 DKK '000	2009 DKK '000	2010 DKK '000	2011 DKK '000
Key figures					
Net turnover	461,421	404,887	385,607	365,144	347,633
Profit on ordinary activities	165,922	120,945	106,238	90,840	80,521
EBITA	180,012	135,635	120,128	104,731	86,338
Profit on financial items	6,583	6,761	1,243	(718)	29
Profit before tax	172,505	127,706	107,481	90,122	80,550
Profit for the year	128,947	95,797	80,452	67,482	60,039
Receivables from sales and services	40,538	55,430	50,404	37,936	37,508
Equity and non-distributable reserve	282,990	258,720	219,172	204,346	204,115
Balance sheet total	328,784	322,669	276,515	253,271	256,953
Investments in fixed assets for the year	7,154	1,773	16,411	372	1,791
Net interest-bearing debt	(196,967)	(193,970)	(157,003)	(162,533)	(177,736)
Invested capital, including goodwill	108,215	100,632	111,941	105,436	95,829
Index figures					
Net turnover	100	88	84	79	75
Profit on ordinary activities	100	73	64	55	49
Profit for the year	100	74	62	52	47
Receivables from sales and services	100	137	124	94	93
Equity and non-distributable reserve	100	91	77	72	72
Balance sheet total	100	98	84	77	78
Ratios					
EBITA margin (%)	39	33	31	29	25
Return on invested capital, including goodwill (%)	149	130	113	96	86
Net turnover/Invested capital including goodwill	3.83	3.88	3.63	3.36	3.45
Financial gearing	(0.69)	(0.70)	(0.70)	(0.79)	(0.85)
Return on equity (%)	46	35	34	32	29

CSD & CUSTODY SERVICES

Clearing & Custody Services activities are undertaken by the parent company, VP SECURITIES A/S.

Securities turnover

In 2011, DKK 10.8 million securities transactions were settled – a decrease of 6 % compared to 2010. The decrease was due to the general decline in investment activities in light of the financial crisis, particularly among private investors.

The breakdown of the 10.8 million transactions is 5.8 million share transactions (a decrease of 13 % compared to 2010), 1.0 million bond transactions (a decrease of 14 % compared to 2010) and 4.0 million unit trust transactions (an increase of 8 % compared to 2010). The value of turnover decreased by 1 % to DKK 39.710 trillion compared to 2010.

The market value of bonds issued amounted to DKK 4.151 trillion at the end of the year – an increase of 3 % compared to 2010. The market value of shares amounted to DKK 1.105 trillion – a decrease of 20 % compared to 2010. Unit trust certificates showed an increase of 3 % to DKK 794 billion compared to 2010.

Clients

At the end of 2011, VP had 139 account-holding institutions as clients, a decrease of 5 compared to 2010. In addition, 132 clients participated in VP's clearing and settlement. This included 43 market participants from abroad. The number of custody accounts was 3.5 million, with 1.8 million personal account holders, 92,000 businesses and 103,000 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 2011, a total of 1,371 mortgage bonds, 237 covered bonds, 215 covered mortgage-credit bonds, 532 business loans, 17 asset backed loans and 20 government loans had been issued. A total of 387 shares were issued distributed across 348 companies. The companies had also registered 10 share rights. In addition, 645 unit trusts registered unit trust certificates and a further 30 professional unit trusts with a maximum of 30 investors as well as 8 professional unit trusts with more than 30 investors were registered. In the warrants/certificates category, 83 different series were issued.

Improving the efficiency of settlements

In recent years, VP has noted a growing tendency for share transactions not to be settled on the date agreed between the parties. This is a disadvantage to the market, as delivery later than agreed can mean that other share transactions cannot be implemented, as shares in the professional market are often included in transaction chains. To ensure effective settlement, VP can apply sanctions to participants in settlements who do not deliver the agreed securities as agreed. Due to the changing market structure, the model hitherto applied has proved insufficiently effective. Accordingly, working with the market, VP has chosen to implement a new model designed to make settlement more effective.

The new model is based on a monthly statement of the individual settlement ratio of the share traders, i.e. what proportion of their trades are settled as agreed. The settlement ratio of the individual share transactions is compared with the settlement ratio of all share trades. The value of the transactions is used in the statement. As a starting point, the settlement ratio of the individual share transactions must not exceed a limit corresponding to the total settlement ratio minus 1.5 percentage points. If a share trader's settlement ratio is below the limit over a period of three consecutive months, VP sends notification to the share trader's depository bank requesting improvement. If, after another three consecutive months, the share trader has not improved his settlement ratio, i.e. it is over the limit, VP asks for a written explanation, and uses this as a basis for dialogue with the share trader and his depository bank to discuss opportunities for improvement. If the agreed improvements are not forthcoming, VP can ultimately fine the share trader DKK 100,000. The settlement ratios of individual share traders will also be published monthly for the other share traders to see, to make the market aware of the effectiveness of individual traders.

The scheme was set in motion on 1 July 2011. Following a 6-month trial, the scheme was finally implemented on 1 January 2012.

Custody Services

VP's custody service increased the scope of its business during 2011 through existing customers and new customers alike. VP's custody service offers to act as account controller for foreign market participants and CSDs that settle transactions and hold Danish securities. VP's custody service also offers to act as the issuer for VP securities issuers and also offers safekeeping of securities deposited in an account on behalf of third parties. Finally, VP also offers to perform a number of back-office services for banks and stockbrokers who do not wish to undertake these tasks themselves.

Link Up Markets and foreign securities markets

VP and VP LUX participate in Link Up Markets, an international alliance involving a number of leading CSDs for the purpose of reducing the costs of securities trading across national borders. Accordingly, Link Up Markets also works to create an effective infrastructure among participating markets, which today account for more than 50 % of the securities market in Europe.

As part of this partnership, VP has established links with the CSDs Clearstream (Germany) and SIX SIS (Switzerland). VP is also in the process of establishing links with IberClear (Spain). Establishing links has been delayed to allow for the implementation of necessary legislation in the Spanish market. A link between two CSDs implies the ability to service one another's securities. VP will gradually expand links with the other CSDs in the scheme.

Outside Link Up Markets, VP has established links with Euroclear Bank, VP LUX (Luxembourg), Clearstream Luxembourg (via VP LUX), Euroclear Sweden and Icelandic Securities Depository.

US shares

As of 1 July 2011, VP has offered holding and settlement of US shares at VP. This is made possible because NasdaqOMX Copenhagen also offers direct trading in US shares, so VP is able to settle all securities traded on the Copenhagen Stock Exchange. Concurrent with the anticipated admission of a number of foreign markets for trading on the NasdaqOMX in Copenhagen, VP is also considering offering the capacity to settle securities from these markets via either Link Up Markets partnerships or other partnerships.

Target2-Securities (T2S)

The European Central Bank (ECB) decided in 2008 to establish a common European system for clearing and settlement of securities transactions, T2S, in the hope that this would contribute to ever closer integration of the European capital markets.

T2S seeks to simplify the way clearing and settlement of securities transactions across the European CSDs will be managed in the future. Central Bank money will be used for settlement via T2S; this is regarded as the most secure way of implementing a payment. At the same time it is anticipated that bringing settlement together in one place will have the effect of driving harmonisation across national markets.

T2S is available to the European CSDs, and according to the current timetable, it should be operational by mid-2015, with the individual CSDs signing up in three stages over an eighteen-month period. Like many other European CSDs, VP and VP LUX have indicated to the ECB their intention to use T2S.

VP has participated in the work of designing the technical requirements and final conditions for use of T2S through close dialogue with the Danish financial services sector ever since the ECB initiated discussions. The overarching framework for the available functionality was established in 2010, and towards the end of 2011, the ECB's draft of the framework agreement for T2S membership was forwarded to the CSDs involved. According to the timetable, it is anticipated that the framework agreement will be signed no later than June 2012, and this will constitute binding acceptance of participation in T2S.

ISSUER SERVICES

Issuer Services activities are handled by the subsidiary VP SERVICES A/S.

The influx of new clients for VP SERVICES A/S continued to be positive in 2011, and VP now operates share registers for 237 commercial companies, banks and unit trusts. The activities of VP SERVICES A/S are marketed under the secondary name of VP INVESTOR SERVICES.

In 2011, VP rendered services to 175 AGMs and meetings of shareholders – considerably more than the previous year. The increase in the number of AGMs in 2011 is due to new clients, as well as to existing clients starting to use the service. In 2011, VP also provided solutions for holding fully electronic GMs.

2011 saw much growth in proxy voting from foreign investors. This growth, which is expected to continue in 2012, is mainly driven by increased interest on the part of foreign investors, together with the fact that the new Danish Companies Act has restricted the ability of companies to enshrine protection rules in the articles of association. In order to support and enhance the efficiency of the processes, VP has created a database of proxies so that checking of proxy voting against valid authorisation is now supported by the system. In addition, VP has entered into a collaboration agreement with Broadridge so that their proxy voting services under the International Shareholder Communications (ISC) Programme can now be offered in the Danish market.

More than 50 % of all registrations for AGMs in 2011 were submitted electronically via the InvestorPortal, and large numbers of clients have converted their investor communications into electronic communications channels.

With the launch of e-voter® in spring 2011, VP was the first company in Denmark to offer a solution that lets investors vote electronically at the AGM. The increased flexibility of the voting process facilitated by e-voter® was well received at AGMs where e-voter® was used. It is anticipated that e-voter® will be used for even more AGMs in 2012. To enhance the ability of investors to engage more fully in the AGM, VP has developed a solution that allows investors to use live streaming over the Internet to follow an AGM on the InvestorPortal. The InvestorPortal has also been made available via smartphones, and user-friendliness has been improved. Also, the InvestorPortal has been adapted to fit the requirements of a number of guarantor banks, so it is now possible to offer a special GarantPortal for use at guarantor meetings and GMs. Finally, the share register system, which also includes a large number of functions specific to unit trusts, has been expanded to include functionality for handling unit trusts that issue share classes.

VP INVESTOR SERVICES also offers clients advice and guidance on the complex matters concerning shareholders' meetings and AGMs, and gives companies the option of letting VP handle the practicalities of numerous related tasks.

VP LUX

VP's activities in Luxembourg are handled by the subsidiary VP LUX S.à r.l.

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 was also approved, in accordance with the standards of the Eurosystem, for the issuance and administration of securities eligible for use as security.

Despite the financial unrest throughout 2011, it was possible to maintain the issued volume of euro bonds at the same level as at the end of 2010. The net volume of euro bonds issued thus amounted to EUR 25 billion at the end of 2011. 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 are 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 expects to launch the first agreements in this area early in 2012.

VP LUX moved into new premises in the city of Luxembourg in 2011, centrally located at 32 Boulevard Royal.

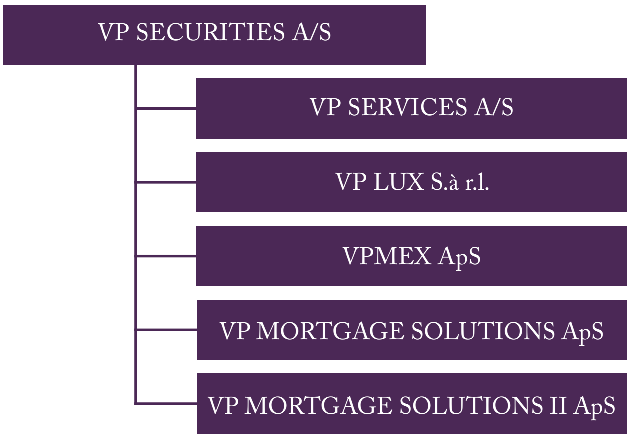
MORTGAGE SOLUTIONS

Since the introduction of a Danish mortgage credit solution in Mexico with the first loans issued in late 2007, collaboration between Soros Fund Management and VP has continued under the name of Absalon Project, whereby VP provides service, know-how and software licences, while Soros provides finance and marketing.

There is ongoing liaison with both political and financial systems in a number of countries with a view to clarifying whether there would be support from these quarters for the introduction of a new or supplementary mortgage credit system similar to the Danish mortgage credit system, which has obtained strong international recognition, as already alluded to above.

GROUP STRUCTURE

VP SECURITIES A/S is the parent company of subsidiaries VP SERVICES A/S, VP LUX S.à r.l., VPMEX ApS as well as VP MORTGAGE SOLUTIONS ApS and VP MORTGAGE SOLUTIONS 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.

VPMEX 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, VPMEX has established a joint venture under the name of 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, collectively dubbed the Absalon Project. The companies were each established with equity of DKK 80,000.

ORGANISATION AND KNOWLEDGE RESOURCES

Human resources in VP are evenly distributed between business and IT. VP focuses on utilising skill-sets across the organisation, and the nature of the work is often project oriented. As a result, IT employees gain an appreciation of the business, and business employees become better equipped to make use of the possibilities offered by IT.

Better understanding and professional integration between IT and business is also part of the strategic skills development mission under the auspices of the "VP Academy". Courses, conferences and training processes as such enhance the professional skills of employees and equip them for the challenges that lie ahead.

Towards the end of 2011, the number of employees was 171 – an increase of two employees compared to the end of 2010. Average age is 46 and average seniority is 9 years.

Employee representation on VP's Board of Directors

It was decided in 2011 to abolish company-level representation for employees on VP's Board of Directors in favour of establishing group-level representation in 2012. This means that, as of 2012, employees of the VP SERVICES A/S subsidiary will be able to nominate and vote for representation on the Board of Directors in the same way as employees of the parent company, VP SECURITIES A/S.

LEGISLATION AND REGULATION

European regulation

In January 2011, the European Commission put out draft principles for regulation of CSD business in the EU for public consultation. The draft proposes common rules for the authorisation of CSD business, including rules concerning capital requirements, risk management as well as access to a "EU passport" for certain activities, including rules governing access to some types of credit business. The European Commission's regulatory proposal is expected to be presented in early 2012.

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

There were no new proposals adopted or put forward in 2011 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 2011.

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 89%, 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.

VP's primary IT production environment is still the central mainframe, where the physical units are outsourced to an external supplier. In 2011, this entire environment was upgraded to the latest technology, resulting overall in faster and more efficient operational management without affecting ongoing operating costs. Besides this, the spotlight has also been on implementing and continuing to implement all measures that can potentially contribute to reducing total operating costs; for this reason, it is anticipated that operating costs will continue to fall in the years ahead.

Expansion of the decentralised environment is ongoing as a natural part of new business areas/systems product development. The physical expansion and associated governance model of the decentralised environment is fully mature for handling critical business applications.

Each year, IT contingency plans and the technical setup 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 2011, the test included complete suspension of access to the central mainframe, together with the failure of a number of specific support systems. The test was completed as planned.

Significant goals were achieved in 2011 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 based on EGL (Enterprise Generation Language). Migration takes the form of automatic conversion. 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 systems development has been to adjust the organisation for implementation of the extensive IT integration required for T2S. Initial analyses of the modifications to VP's systems have been performed, and the remaining analyses will be performed in 2012. There will be close 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.

Due to the scope of the T2S project, organisationally separate management of other development tasks has been ensured such that other development tasks and product development in relation to today's systems can be ensured to the greatest possible extent while the T2S project is running.

COMPLIANCE

The board and management receive ongoing briefings concerning compliance with the rules in the areas covered by VP's compliance programme. 2011 saw various activities relating to reporting to authorities as well as overseeing adherence to VP's rules concerning employee handling of internal knowledge.

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 2012

A slight decrease in profit from ordinary activities is anticipated in 2012 compared to 2011. Net turnover is expected to be slightly higher than in 2011, including from an anticipated increase in activities in Luxembourg. However, this is counterbalanced by rising costs of consultancy in connection with the T2S project as well as migration and modernisation of VP's IT development environment, with a slightly lower operating result as a consequence.

VP IN FIGURES

ISSUES	2011	2010
Bonds		
Number of bond series	2,392 series	2,449 series
Market value (end of year)	4,151 DKK billion	4,049 DKK billion
Number of interest payments	1.6 million	1.7 million
Number of redemption payments	1.4 million	1.5 million
Shares:[1]		
Number of share series	480 series	456 series
Market value (end of year)	1,105 DKK billion	1,378 DKK billion
Unit trusts:		
Number of unit trust certificate series	683 series	677 series
Market value (end of year)	794 DKK billion	774 DKK billion
Shares and unit trust certificates in circulation:		
Number of dividend payments	4.5 million	3.8 million

CUSTODY	2011	2010
Number of accounts (end of year)	3.5 million	3.6 million
Number of portfolios on the accounts (end of year)	11.0 million	11.4 million

CLEARING AND SETTLEMENT	2011	2010
Turnover, market value:		
Bonds	34,835 DKK billion	35,438 DKK billion
Shares	3,961 DKK billion	3,703 DKK billion
Unit trust certificates	914 DKK billion	911 DKK billion
Total	39,710 DKK billion	40,052 DKK billion
No. of trade transactions:		
Bonds	1.0 million	1.1 million
Shares	5.8 million	6.7 million
Unit trust certificates	4.0 million	3.7 million
Total	10.8 million	11.5 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 2011 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 2011 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 2011.

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, 5 March 2012

MANAGEMENT

Johannes Luef
Managing Director

BOARD OF DIRECTORS

Sven E. Lystbæk *Chairman*	Torben Nielsen *Vice-Chairman*	Henrik Heideby
Bent Andersen	Sven A. Blomberg	Hans-Henrik Eigtved
Ivan Hansen	Frank Kristensen	Carsten Wiggers
Jan Kjærvik	Anne-Lise Hansen Emcken	Gitte Ina Nielsen
Erik Pihl	Jette L. Weiss Frandsen	Peter Michael Jensen

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 2011 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 2011 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 2011 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 report is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 5 March 2012

Deloitte Statsautoriseret Revisionspartnerselskab

Henrik Wellejus	Thomas Hjortkjær Petersen
State-authorized	State-authorized
Public Accountant	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 9.

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 100%.

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
Investment in subsidiaries is included and recognised using the intrinsic value method (the equity method), which means that the investment is measured as the proportional share of the companies' intrinsic book value with additions or deductions for unimpaired positive or negative goodwill and additions or deductions of unrealised intragroup 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 Danish Society of Financial Analysts' "Recommendations and Ratios 2010".

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 non-distributable 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 2010 DKK '000	VP SECURITIES A/S 2011 DKK '000		Note	VP GROUP 2011 DKK '000	VP GROUP 2010 DKK '000
308,016	307,192	Net turnover	1	347,633	365,144
308,016	**307,192**			**347,633**	**365,144**
(87,521)	(97,247)	Other external costs		(118,596)	(110,918)
(131,528)	(125,592)	Payroll costs	2	(137,227)	(143,531)
(2,304)	(2,267)	Depreciation	3	(11,289)	(19,855)
86,663	**82,086**	**Profit on ordinary activities**		**80,521**	**90,840**
3,429	(656)	Income from investment in subsidiaries	9	-	-
604	697	Financial income	4	2,301	1,581
(2,059)	(1,973)	Financial costs	5	(2,272)	(2,299)
88,637	**80,154**	**Profit before tax**		**80,550**	**90,122**
(21,155)	(20,115)	Tax on profit for the year	6	(20,511)	(22,640)
67,482	**60,039**	**Profit for the year**		**60,039**	**67,482**

		Proposed appropriation of profit
39,127	43,625	Profit carried forward from previous years
67,482	60,039	Profit for the year
106,609	**103,664**	**Available**
676	455	Statutory allocation to non-distributable reserve
(2)	1	Exchange rate adjustment of foreign investment
2,310	599	Purchase of treasury shares
0	(330)	Dividend on treasury shares
60,000	60,000	Proposed dividend for the financial year
43,625	42,939	Profit brought forward to next year
106,609	**103,664**	

BALANCE SHEET AT 31.12.

VP SECURITIES A/S 2010 DKK '000	VP SECURITIES A/S 2011 DKK '000		Note	VP GROUP 2011 DKK '000	VP GROUP 2010 DKK '000
0	0	Goodwill	7	0	5,787
0	0	Completed development projects	7	450	3,229
0	0	Software	7	36	383
0	**0**	**Intangible fixed assets**		**486**	**9,399**
683	683	Land and buildings	8	683	683
5,882	5,175	Leasehold improvements	8	5,373	6,099
761	733	Technical equipment and machinery	8	733	761
7,703	7,015	Other equipment, operating plant, fixtures and fittings	8	7,794	8,072
15,029	**13,606**	**Tangible fixed assets**		**14,583**	**15,615**
109,293	108,736	Investment in subsidiaries	9	-	-
109,293	**108,736**	**Financial assets**		**-**	**-**
124,322	**122,342**	**Fixed assets**		**15,069**	**25,014**
28,963	29,128	Receivables from sales and services		37,508	37,936
2,319	1,099	Deferred tax assets	10	4,919	6,414
4,656	1,638	Receivables at subsidiaries		-	-
1,808	4,608	Corporation tax		4,608	1,808
6,144	6,265	Other receivables		6,842	7,048
13,384	14,207	Prepayments and accruals		14,879	14,286
57,274	**56,945**	**Receivables**		**68,756**	**67,492**
1,888	**100**	**Securities**	11	**8,048**	**10,026**
66,040	**73,560**	**Liquid funds**		**165,080**	**150,739**
125,202	**130,605**	**Current assets**		**241,884**	**228,257**
249,524	**252,947**	**Assets**		**256,953**	**253,271**

BALANCE SHEET AT 31.12.

VP SECURITIES A/S				VP GROUP	
2010 DKK ’000	2011 DKK ’000		Note	2011 DKK ’000	2010 DKK ’000
40,000	40,000	Share capital	12	40,000	40,000
43,625	42,939	Profit brought forward		42,939	43,625
60,000	60,000	Proposed dividend for the financial year		60,000	60,000
143,625	**142,939**	**Equity**		**142,939**	**143,625**
60,721	**61,176**	**Statutory allocation to non-distributable reserve**		**61,176**	**60,721**
204,346	**204,115**	**Equity and statutory non-distributable reserve**		**204,115**	**204,346**
7,752	9,226	Trade creditors		10,061	8,051
218	385	Debts to subsidiaries		-	-
37,208	39,221	Other debt		42,777	40,874
45,178	**48,832**	**Short-term debts**		**52,838**	**48,925**
45,178	**48,832**	**Debts**		**52,838**	**48,925**
249,524	**252,947**	**Liabilities**		**256,953**	**253,271**

Contingent liabilities, etc., are shown in note 13
Other notes, see notes 16-18

STATEMENT OF EQUITY AND STATUTORY NON-DISTRIBUTABLE RESERVE

	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**

	VP GROUP 2010				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01.01.2010	40,000	39,127	80,000	60,045	219,172
Dividend paid for 2009	0	0	(80,000)	0	(80,000)
Proposed dividend for 2010	0	(60,000)	60,000	0	0
Profit for the year 2010	0	66,806	0	676	67,482
Purchase of treasury shares, nominal DKK 220,000	0	(2,310)	0	0	(2,310)
Exchange rate adjustment of foreign investment	0	2	0	0	2
31.12.2010	**40,000**	**43,625**	**60,000**	**60,721**	**204,346**

STATEMENT OF EQUITY AND STATUTORY NON-DISTRIBUTABLE RESERVE

	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**

	VP SECURITIES A/S 2010				
	Share capital DKK '000	Profit brought forward DKK '000	Dividends DKK '000	Statutory non-distributable reserve DKK '000	Total DKK '000
01.01.2010	40,000	39,127	80,000	60,045	219,172
Dividend paid for 2009	0	0	(80,000)	0	(80,000)
Proposed dividend for 2010	0	(60,000)	60,000	0	0
Profit for the year 2010	0	66,806	0	676	67,482
Purchase of treasury shares, nominal DKK 220,000	0	(2,310)	0	0	(2,310)
Exchange rate adjustment of foreign investment	0	2	0	0	2
31.12.2010	**40,000**	**43,625**	**60,000**	**60,721**	**204,346**

Statutory allocation to non-distributable reserve

The conversion of Værdipapircentralen from a foundation to a joint-stock company included the establishment of a non-distributable 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.

CASH FLOW STATEMENT, 01.01–31.12

	Note	VP GROUP 2011 DKK '000	2010 DKK '000
Profit on ordinary activities		80,521	90,840
Depreciation		11,289	19,855
Changes in working capital	14	3,954	2,516
Cash flow from ordinary activities		**95,764**	**113,211**
Net interest and realised security price gains		2,114	1,059
Tax paid		(21,700)	(22,875)
Cash flow from operations		**76,178**	**91,395**
Investment in intangible fixed assets		0	(50)
Investment in tangible fixed assets		(1,593)	(322)
Sale of tangible fixed assets		15	8
Cash flow from investments		**(1,578)**	**(364)**
Dividend paid		(60,000)	(80,000)
Purchase of treasury shares		(599)	(2,310)
Dividend on treasury shares		330	0
Cash flow from financing		**(60,269)**	**(82,310)**
Change in cash and cash equivalents		**14,331**	**8,721**
Cash and cash equivalents and securities at 01.01.		160,765	153,853
Price adjustments in respect of securities		(1,968)	(1,809)
Cash and cash equivalents and securities at 31.12.2011	15	**173,128**	**160,765**

NOTES

VP SECURITIES A/S			VP GROUP	
2010 DKK ’000	**2011 DKK ’000**		**2011 DKK ’000**	**2010 DKK ’000**
		1. Net turnover		
222,952	217,557	Income from sales of basic services	221,778	226,256
85,064	89,635	Income from sales of sundry services	125,855	138,888
308,016	**307,192**	Of the total net turnover for the Group, sales to clients abroad account for DKK 55.494 million (2010: DKK 69.843 million).	**347,633**	**365,144**
		2. Payroll costs		
112,451	105,473	Wages and salaries	115,290	122,811
11,637	11,556	Pension contributions	12,525	12,540
7,440	8,563	Other social costs	9,412	8,181
131,528	**125,592**		**137,227**	**143,531**
3,989	**3,953**	Of which, total emoluments paid to Management and Board of Directors	**3,953**	**3,989**
158	**154**	Average number of employees	**171**	**177**
		3. Depreciation		
0	0	Completed development projects	2,779	2,778
0	0	Goodwill	5,788	13,891
0	0	Software	347	814
708	707	Leasehold improvements	729	733
432	448	Technical equipment and machinery	448	433
1,172	1,127	Other equipment, operating plant, fixtures and fittings	1,213	1,214
(8)	(15)	Proceeds from disposal of tangible fixed assets	(15)	(8)
2,304	**2,267**		**11,289**	**19,855**

NOTES

VP SECURITIES A/S			VP GROUP	
2010 DKK '000	**2011 DKK '000**		**2011 DKK '000**	**2010 DKK '000**
		4. Financial income		
523	626	Interest on bank deposits	1,976	1,152
81	71	Other financial income	325	429
604	**697**		**2,301**	**1,581**
		5. Financial costs		
1,879	1,794	Capital losses on securities	2,090	1,947
180	179	Other financial costs	182	352
2,059	**1,973**		**2,272**	**2,299**
		6. Tax on profit for the year		
20,870	19,470	Current tax	19,530	24,247
398	770	Change in deferred tax	1,034	(1,497)
0	0	Tax calculated for VP Lux S.à.r.l.	72	3
(113)	(125)	Adjustment relating to previous years	(125)	(113)
21,155	**20,115**	**Tax on profit for the year**	**20,511**	**22,640**
25.0 %	25.0 %	Danish tax rate		
(1.1)%	0.1 %	Other		
23.9 %	**25.1 %**	**Effective tax rate for the year**		

NOTES

7. Intangible fixed assets	VP GROUP Completed development projects DKK '000	Goodwill DKK '000	Software DKK '000
Cost price at 01.01.2011	26,317	69,450	4,100
Additions	0	0	0
Disposals	0	0	0
Cost price at 31.12.2011	**26,317**	**69,450**	**4,100**
Depreciation at 01.01.2011	(23,088)	(63,662)	(3,717)
Additions	(2,779)	(5,788)	(347)
Disposals	0	0	0
Depreciation at 31.12.2011	**(25,867)**	**(69,450)**	**(4,064)**
Accounting value at 31.12.2011	**450**	**0**	**36**
Accounting value at 31.12.2010	3,229	5,787	383

7. Intangible fixed assets	VP SECURITIES A/S Completed development projects DKK '000
Cost price at 01.01.2011	2,283
Additions	0
Disposals	0
Cost price at 31.12.2011	**2,283**
Depreciation at 01.01.2011	2,283
Additions	0
Disposals	0
Depreciation at 31.12.2011	**2,283**
Accounting value at 31.12.2011	**0**
Accounting value at 31.12.2010	0

NOTES

8. Tangible fixed assets	VP GROUP			
	Land and buildings DKK '000	**Leasehold improve-ments DKK '000**	**Technical equipment and machinery DKK '000**	**Other plant DKK '000**
Cost price at 01.01.2011	683	7,328	5,755	10,659
Additions	0	158	420	1,213
Disposals	0	(196)	0	(772)
Cost price at 31.12.2011	**683**	**7,290**	**6,175**	**11,100**
Depreciation, amortisation and write-downs at 01.01.2011	0	(1,229)	(4,994)	(2,587)
Depreciation for the year	0	(729)	(448)	(1,213)
Disposals, depreciation	0	41	0	494
Depreciation, amortisation and write-downs at 31.12.2011	**0**	**(1,917)**	**(5,442)**	**(3,306)**
Accounting value at 31.12.2011	**683**	**5,373**	**733**	**7,794**
Accounting value at 31.12.2010	683	6,099	761	8,072

NOTES

	VP SECURITIES A/S			
	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 at 01.01.2011	683	7,075	5,755	10,234
Additions	0	0	420	717
Disposals	0	0	0	(772)
Cost price at 31.12.2011	**683**	**7,075**	**6,175**	**10,179**
Depreciation, amortisation and write-downs at 01.01. 2011	0	(1,193)	(4,994)	(2,531)
Depreciation for the year	0	(707)	(448)	(1,127)
Disposals, depreciation	0	0	0	494
Depreciation, amortisation and write-downs at 31.12. 2011	**0**	**(1,900)**	**(5,442)**	**(3,164)**
Accounting value at 31.12.2011	**683**	**5,175**	**733**	**7,015**
Book value at 31.12. 2010	683	5,882	761	7,703

NOTES

VP SECURITIES A/S	
Investment in subsidiaries DKK '000	
	9. Financial assets
120,676	Cost price at 01.01.2011
0	Additions
100	Injected capital
0	Disposals
120,776	**Cost price at 31.12.2011**
(11,383)	Net depreciation 01/01/2011
(1)	Exchange rate adjustment
(656)	Share of profit for the year, net
(12,040)	**Net depreciation 31.12.2011**
108,736	**Accounting value at 31.12.2011**
109,293	Accounting value at 31.12.2010

Investment in subsidiaries includes:
VP SERVICES A/S, Copenhagen, 100%
VPMEX ApS, Copenhagen, 100%
VP MORTGAGE SOLUTIONS ApS, Copenhagen, 100%
VP MORTGAGE SOLUTIONS II ApS, Copenhagen, 100%
VP LUX S.à r.l., Luxembourg, 100%

NOTES

VP SECURITIES A/S 2010 DKK '000	VP SECURITIES A/S 2011 DKK '000		VP GROUP 2011 DKK '000	VP GROUP 2010 DKK '000
		10. Deferred tax assets		
		Deferred tax concerns the following:		
0	0	Completed development projects	(112)	(807)
0	0	Software	0	(83)
0	0	Goodwill	2,445	3,478
1,933	1,339	Technical plant and machinery, other equipment	1,321	1,936
795	346	Securities	523	971
0	0	Tax deficit to be carried forward, VP LUX	1,328	1,328
(409)	(586)	Leasehold improvements	(586)	(409)
2,319	**1,099**		**4,919**	**6,414**
		11. Securities		
0	0	Listed shares and bonds	7,908	8,098
1,888	100	Link Up Capital Markets S.L. 5.12 %	100	1,888
0	0	Absalon II LLC, 50%	40	40
1,888	**100**		**8,048**	**10,026**

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 208,000 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 14.988 million.

Other obligations

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 61,000. 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 439,000.

NOTES

VP SECURITIES A/S			VP GROUP	
2010 DKK '000	**2011 DKK '000**		**2011 DKK '000**	**2010 DKK '000**
		14. Changes in working capital		
484	(1,109)	Changes in receivables, prepayments and accruals	41	10,934
198	3,654	Changes in trade creditors and other debt	3,913	(8,418)
682	**2,545**		**3,954**	**2,516**
		15. Cash and cash equivalents and securities		
66,040	73,560	Liquid funds	165,080	150,739
1,888	100	Securities	8,048	10,026
67,928	**73,660**		**173,128**	**160,765**
		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:		
772	789	Statutory audit	886	865
94	89	Other assurance engagements	134	138
127	277	Tax advice	277	127
539	189	Other services	228	507
1,532	**1,344**		**1,525**	**1,637**

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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