

The Copenhagen Stock Exchange  
The London Stock Exchange  
Other stakeholders

Stock Exchange Announcement No 01/04

Date  
16 February 2004

Dear Sirs

### **Sydbank's 2003 Annual Report and the Bank's AGM on 4 March 3004**

#### **2003 Annual Report – extremely satisfactory pre-tax profit of DKK 1,048m**

Today the Board of Directors have reviewed and approved the 2003 Annual Report of Sydbank.

The 2003 Annual Report, which has been attached, records an extremely satisfactory pre-tax profit of DKK 1,048m – equalling a pre-tax return of 27.5% on shareholders' equity at 1 January. After tax profit for the year totals DKK 672m equal to a return of 17.6% on shareholders' equity at 1 January.

The accounts fully live up to the expectations for 2003 and based on growth in business volume they are characterized by rising core income and moderately increasing costs as well as unchanged provisions for bad and doubtful debts. Core earnings represent DKK 549m. Moreover profit from investment portfolios constitutes DKK 217m and the sale of shares in Totalkredit generates an extraordinary gain of DKK 282m.

At year-end 2003 shareholders' equity (Tier 1) stands at DKK 4,331m. The solvency ratio (total capital) amounts to 11.1% and the core capital (Tier 1) ratio represents 8.9%; the Sydbank share book value constitutes 578.

Sydbank's management considers the accounts as extremely satisfactory and they meet the expectations published during 2003. The Bank projects core earnings in the region of DKK 475-575m in 2004 as well as an extraordinary tax-free gain of DKK 82m from a further sale of shares in Totalkredit.

#### **Annual General Meeting – proposals include extraordinary dividends and capital reduction**

Sydbank's AGM will be held on Thursday 4 March 2005 at 15:00 in Sønderjyllandshallen in Aabenraa. Notice of meeting as well as agenda, cf pages 64-65 of the Annual Report.

#### **Executive Management**

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The following proposals will be put before the AGM:

- that a dividend of DKK 15 per share and an extraordinary dividend of DKK 5 per share be distributed for 2003
- that an amount of DKK 5m be distributed to the sponsorship fund, “Sydbank Sønderjyllands Fond”
- that the Bank’s share capital be reduced by DKK 25m nominal from DKK 750m nominal to DKK 725m nominal

Yours faithfully



Kresten Philipsen  
Chairman of the Board of Directors



Carsten Andersen  
Chief Executive

Please address any enquiries regarding this Stock Exchange Announcement to Carsten Andersen, Chief Executive, on tel +45 74 36 20 00 or Mogens Asmund, General Manager, on tel +45 74 36 20 50.