

Satisfaction at the BANK of Greenland after inspection by the Danish Financial Supervisory Authority

The Danish Financial Supervisory Authority and the BANK of Greenland have today published the Financial Supervisory Authority's report after the ordinary inspection of the Bank in May-June.

"We are very satisfied with the course of the inspection and the report which the Financial Supervisory Authority has sent to us. This is, after all, like an exam that we as a bank have to take every four to five years. Even though we have always received good reports, we are naturally always a little apprehensive about this," says CEO Martin Kviesgaard.

The report among other things indicates a few compulsory orders concerning the Bank's procedures.

"We have received a few compulsory orders, which I consider to be of a more administrative nature, and we have also already corrected the procedures and business routines indicated."

"It has been important for us not to inaccurately assess the value of our lending and the Bank's properties, and in this respect we have been in firm agreement, and there will be no impact on our accounts."

In this area of the report, the Financial Supervisory Authority writes that *in terms of credit standing, the Bank's large customers lie above the average for comparable Danish banks.*

The solvency requirement as at 31.03.16 is calculated at 10.4 per cent by the Financial Supervisory Authority, compared to the Bank's calculation at 10.1 per cent. For comparison, the BANK of Greenland's actual solvency ratio is 19.8 per cent.

"Yes, there is one individual area we have been asked to include in the calculation of the solvency requirement. At the end of 2015, we had a solvency requirement of 10.4 per cent, and as at 30 June this year we have therefore made a few adjustments and calculated the requirement at 10.2 per cent, so that it is close to the same level."

"Overall, we are very happy at the Bank today. We look forward to our expected SIFI designation in 2017, and we feel that we are well-prepared both administratively and especially in view of our actual significant excess capital adequacy, which exceeds the expectations after the SIFI requirements are fully phased in," CEO Martin Kviesgaard concludes.