

The BANK of Greenland takes note of the conclusions

The BANK of Greenland and the Danish Financial Supervisory Authority today published the FSA's report after the ordinary inspection of the bank in November 2019.

"We have received the report from the Danish FSA and take note of the conclusions," says Managing Director Martin Kviesgaard.

The report states a number of orders given to the bank.

"We have received a number of orders in the credit administration area in particular and we are already in the process of addressing these issues. We perceive a tightening of the Danish FSA's assessments, but I do think that this resembles the orders given to other parties. Even though we think they have given us a rather tough assessment, we take note of it and will establish the missing elements.

"There is an order concerning write-downs on individual credit exposures, which we have already taken into account on the presentation of the annual report. This primarily concerns one case for which we had already made write-downs, but where the Danish FSA assesses that more write-downs are needed, which we have also done in the fourth quarter," says Martin Kviesgaard.

The Danish FSA acknowledges that the bank has sound basic operations and capital base compared to Danish banks, but also that the bank has a number of large exposures.

The Danish FSA has also assessed that the solvency requirement must be increased, which with the bank's latest calculation of a solvency requirement of 11.9% is assessed to be sufficient. The bank's solvency at the end of the year was 22.5%.

"In overall terms, it is always regrettable to receive a different assessment from the Danish FSA than expected, but I think that we have a sound position with high solvency, small losses and robust basic operations, and we will correct the areas in which the FSA believes we need to correct the administrative conditions," concludes Managing Director Martin Kviesgaard.