

# ***The Supervisory Diamond 2013***

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*Saxo Bank A/S*

## Introduction

According to the Danish executive order on Financial Reports for Credit institutions and Investment Firms Etc. section 132 b, Saxo Bank is required to disclose information on the five limit values in the Supervisory Diamond based on the values in the Annual Report for Saxo Bank A/S 2013.

## The five limit values in the Supervisory Diamond

### **Sum of large engagements**

The sum of large engagements in the Supervisory Diamond should, according to the Financial Business Act section 145, be less than 125 % of the Capital Base.

For Saxo Bank A/S this value is 0 % end of year 2013. Exposures against credit institutions are excluded in the calculation of the sum of large engagements.

### **Lending growth**

According to the Supervisory Diamond, the lending growth should be less than 20 % measured on a year-to-year basis.

For Saxo Bank A/S this value is -28.1 % for the year 2013.

### **Property exposure**

According to the Supervisory Diamond, the property exposure should be less than 25 % of the total loans and guarantees.

For Saxo Bank A/S this value is 24.66 % end of year 2013.

The relatively high percentage in property exposure reflects a small proportion of lending, compared to the bank's total assets. The prime portion of the property exposure is against the subsidiary which owns the domicile. The bank currently has no growth strategy for property lending.

**Stable funding ratio**

According to the Supervisory Diamond, the stable funding ratio should be less than 1.

For Saxo Bank A/S this value is 0.02 end of year 2013.

The low value is due to the bank's low amount of loans compared to the banks' balance sheet and working capital.

**Excess liquidity**

According to the Supervisory Diamond, the excess liquidity, according to the Financial Business Act section 152, should be greater than 50 %.

For Saxo Bank A/S the value is 241 % end of year 2013.

Hellerup, March 2014

Saxo Bank