



MAJ
INVEST

HOLDING

ANNUAL REPORT
2012



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MANAGEMENT'S REVIEW

COMPANY INFORMATION

MAJ INVEST HOLDING A/S

Gammeltorv 18
DK-1457 Copenhagen K

Phone +45 33 38 73 00
Telefax +45 33 38 73 10

CVR no. 28 29 54 80
Registered office in: Copenhagen
www.majinvest.com

BOARD OF DIRECTORS

Tommy Pedersen, Chairman
Peter Damgaard Jensen, Vice Chairman
Hans Jensen

Peter Korsholm
Ruth Schade
Klaus Bentin (elected by staff)
Ken Bamberg Ernstsen (elected by staff)
Morten Rask Nymark (elected by staff)

EXECUTIVE BOARD

Jeppe Christiansen
Erik Holm
Henrik Parkhøi
Steffen Stæhr

AUDITORS

KPMG
Statsautoriseret Revisionspartnerselskab



STAFF IN THE MAJ INVEST GROUP

FINANCIAL HIGHLIGHTS – GROUP

INCOME STATEMENT (PRINCIPAL ITEMS)

DKK thousand	2012	2011	2010	2009	2008
Total gross income	263,579	248,778	222,021	207,530	207,201
Net interest and fee income	238,555	232,740	205,848	189,219	194,392
Market value and currency translation adjustments	9,063	2,746	3,000	6,266	2,765
Other operating income	15,961	13,292	13,173	12,045	10,044
Staff costs and administrative expenses	(175,752)	(208,544)	(177,375)	(162,231)	(163,278)
Net profit for the year	63,480	26,854	31,535	32,642	30,452

BALANCE SHEET

Shareholders' equity	260,166	211,945	204,965	175,551	145,133
Total assets	513,419	447,845	445,868	411,527	350,201

RATIOS AND KEY FIGURES

Return on equity before tax	35.8%	17.4%	22.1%	27.2%	32.1%
Return on equity after tax	26.9%	12.9%	16.6%	20.4%	23.8%
Cost/income ratio	1.47	1.17	1.23	1.7	1.25
Cost in per cent of income	67.9%	85.4%	81.0%	79.0%	80.0%
Tier 1 capital ratio	37.3%	36.2%	41.2%	43.2%	42.8%
Total capital ratio	48.5%	49.8%	56.8%	62.4%	65.5%
Capital base in relation to minimum capital requirements	6.06	6.23	7.10	7.79	8.19

Ratio and key figures are drawn up in compliance with the definitions of the Danish Financial Supervisory Authority (FSA).

HIGHLIGHTS AND MAJOR EVENTS

FINANCIAL YEAR 2012

In 2012 our business developed favourably, and the group achieved a satisfactory result. Some of the highlights are:

- Net profit for the year after tax was DKK 63.5 million against DKK 26.9 million in 2011.
- Shareholders' equity at year-end was DKK 260.2 million, and the average rate of return on equity after tax was 26.9 per cent.
- The capital base totalled DKK 347.4 million at 31 December 2012, and the total capital ratio was 48.5 pct., which is considerably higher than the statutory minimum requirement.
- Maj Invest Asset Management continued its growth from prior years, enjoying an influx of new clients and expanding its business with existing clients. Revenue for 2012 rose by DKK 25.3 million.
- Maj Invest Asset Management widened its product range during the year and introduced advisory services for a new long-short investment fund based on neural network technology. When introduced, the Fund had assets valued at DKK 1.3 billion. Asset Management also launched advisory services concerning investments in emerging markets equities for more than DKK 1 billion.
- Investeringsforeningen Maj Invest (mutual fund) stayed on the growth track of previous years, with its assets increasing by 32 per cent. For the fourth successive year, Morningstar® gave Investeringsforeningen Maj Invest its highest rating, and the highest in Denmark for every month of 2012.
- Maj Invest Equity enjoyed a high activity level, providing consultancy services in connection with the successful sale of two companies and making new investments in three portfolio companies.
- Maj Invest Equity International provided advisory services on three follow-on investments in unlisted equities in the group's Vietnam equity fund, which is now fully invested. Maj Invest Equity International also provided investment advisory services to the microfinancing fund, which made a new investment in the reporting period.
- For 2013 consolidated net profit after tax is estimated at a level of DKK 65-70 million including performance-based fees.

CORPORATE DEVELOPMENT SINCE OUR START IN 2005

Since setting up business in May 2005, Maj Invest has captured market shares year on year. The development in our activities can be seen in Milestones on page 8. In the reporting period our two core business activities, asset management and private equity, continued prior years' growth, realising an increase in the assets on which they provide advisory services and a product range expansion as well as a business volume increase as regards existing clients.

The group has two principal business areas: Maj Invest Asset Management and Maj Invest Equity, whose products supplement each other.

- Maj Invest Asset Management provides advisory services on asset allocation and asset management (listed securities). Our clients are institutional investors, a long-short mutual fund and Investeringsforeningen Maj Invest (mutual fund).
- Maj Invest Formueforvaltning (wealth management) provides advisory services on wealth management to wealthy clients, companies and funds.
- Maj Invest Markets is responsible for stock exchange trading. Our Markets department also

supplies information material to professional investors and prepares promotional products for financial institutions.

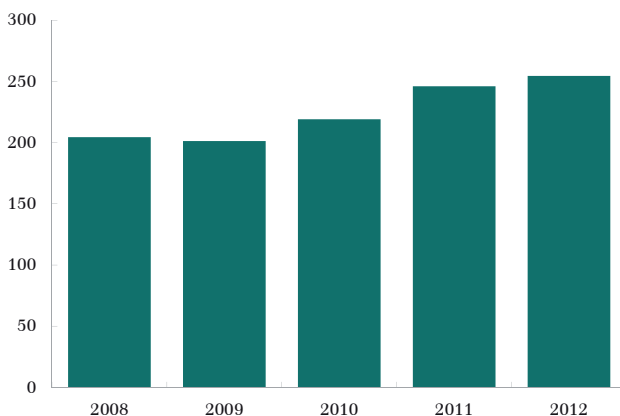
- Maj Invest Equity provides investment advisory services to private equity funds investing in unlisted equities in Denmark and abroad. In Denmark we extend our services to four funds and provide discretionary investment advisory services in respect of portfolios of unlisted equities.
- Maj Invest Equity International provides investment advisory services to three funds that carry on activities in Vietnam, in microfinance and in investments in energy and fertilizer factories.

Furthermore, we also provide administrative and reporting services to companies with activities related to the group's business activities.

Today, our group has a considerable number of large clients, including investors in the seven private equity funds. We have made agreements regarding investment advisory services with a number of pension funds and other funds, companies, a long-short mutual fund and Investeringsforeningen Maj Invest (mutual fund). Our business volume has multiplied in step with the growing influx of clients since our establishment back in 2005.

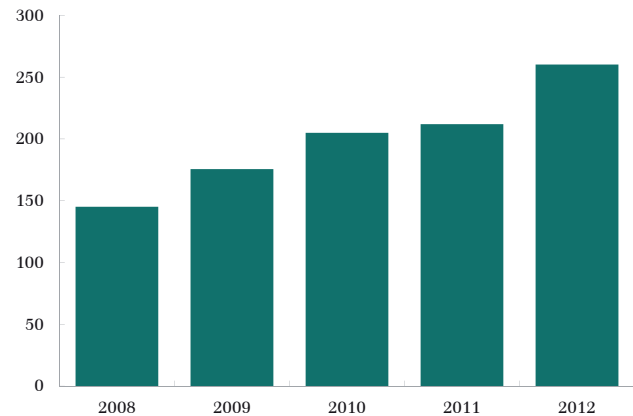
NET INTEREST AND FEE INCOME AND OTHER OPERATING INCOME 2008 – 2012

DKK million



DEVELOPMENT IN SHAREHOLDERS' EQUITY 2008 - 2012

DKK million



MILESTONES

20 May 2005	Permit received from the Danish FSA. Fondsmægler-selskabet Maj Invest A/S started	2006	Equity fund LD Equity 1 and Markets set up	2008	Investeringsforeningen Maj Invest (mutual fund) receives first Morningstar® rating	2010	Equity fund Danish Microfinance Partners set up	2012	sinAI mutual fund and equity fund EFIF established
2005								2012	
2005	Equity fund LD Equity 2 and Investingsforeningen Maj Invest (mutual fund) set up	2007	Activities taken over from Dansk Erhvervsinvestering, and equity fund LD Equity 3 set up	2009	Wealth Management and LD Invest Vietnam established	2011	Equity fund Maj Invest Equity 4 set up		

Total assets under management rose by 16 per cent in the period under review, at year-end constituting approximately DKK 42 billion.

We are currently adapting the range of products and services we offer, and in the reporting period have added three new products, each of which has contributed assets worth more than DKK 1 billion. On the basis of recent years' investment results, which

are excellent also viewed in an international context, we have defined an international strategy aimed at selling selected products to international clients. We have just launched advisory services for a new Luxembourg-based long-short mutual fund based on neural network technology.

In 2012 the group employed an average of 90 employees, more than double the number at its establishment in 2005. ■



MANAGEMENT - STEFFEN STÆHR, CFO; HENRIK PARKHØI, MANAGING DIRECTOR; JEPPE CHRISTIANSEN, CEO; ERIK HOLM, MANAGING DIRECTOR

DEVELOPMENT IN BUSINESS AREAS

INVESTMENT PHILOSOPHY

We focus on long-term value creation for our customers, because the short-term development is driven by unpredictable factors.

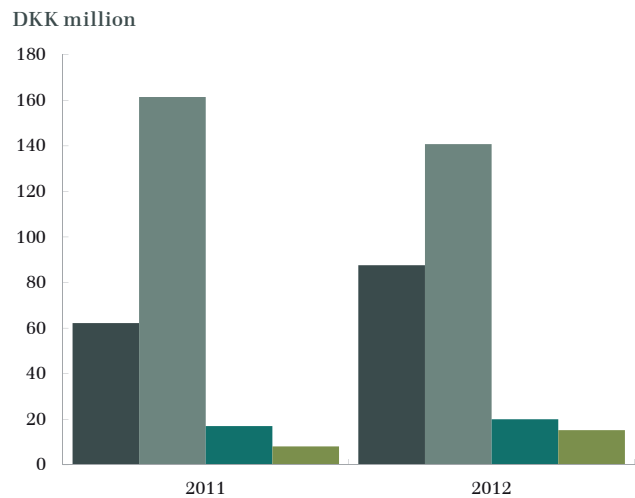
MAJ INVEST ASSET MANAGEMENT

Maj Invest Asset Management offers services encompassing advice on portfolio and investment decisions and asset management of listed products extended to large professional clients and institutional investors.

Our advisory function builds on a long-term strategy based on analyses of structural conditions and scenarios in global financial markets. The key concepts of our strategy are risk diversification and risk analysis, as expressed in our analyses of trends and themes in the financial markets.

NET INTEREST AND FEE INCOME, MARKET VALUE AND CURRENCY TRANSLATION ADJUSTMENTS AND OTHER OPERATING INCOME 2011-2012

■ Asset Management ■ Equity
■ Equity International ■ Treasury



MAJ INVEST ASSET MANAGEMENT - PETER MOSBÆK, HEAD OF FIXED INCOME, CIO; PASCAL PIERRE LASNIER, HEAD OF EQUITIES, EMERGING MARKETS; ARVID STENTOF T JAKOBSEN, CHIEF ECONOMIST; HENRIK EKMAN, HEAD OF EQUITIES, GLOBAL EQUITIES; KELD HENRIKSEN, HEAD OF EQUITIES, DANISH EQUITIES; KURT KARA, HEAD OF EQUITIES, GLOBAL VALUE EQUITIES & HEDGE

The products offered by Maj Invest Asset Management have generally performed well compared with benchmarks. Thus, as in previous years this business area has generated performance-based fees for most of our client agreements that include a performance fee clause.

As a result of a focused sales effort, an enhanced product range and the sustained solid performance of existing products, the number of new clients at Maj Invest Asset Management grew and the business volume with existing clients expanded in 2012.

In 2012 Maj Invest Asset Management launched investment consultancy in emerging markets equities. We have therefore recruited experienced senior-level staff with the required qualifications and strong track records.

Maj Invest Asset Management also started advisory services for an international long-short mutual fund residing in Luxemburg. The great interest in this product, detailed below, has led to an influx of clients.

Total assets under management by Maj Invest Asset Management aggregated DKK 35 billion at year-end 2012, up 17 per cent on year-end 2011.

INVESTERINGSFORENINGEN MAJ INVEST (MUTUAL FUND)

Maj Invest Asset Management acts as investment adviser to Investeringsforeningen Maj Invest, Denmark's largest independent mutual fund. Investeringsforeningen Maj Invest consists of nine funds.

In 2010 the mutual fund fortified its position as an independent alternative to the banks' mutual funds by generating attractive investment results and solid sales to both existing and new investors of the fund. The bond and the mixed pension funds obtained particularly good returns, while the global equity funds drove new sales.

From the perspective of the funds' Morningstar Kategori™, all funds have outperformed benchmarks on a five-year term. Morningstar® is an international house of financial analysis assessing returns and risks in mutual and other funds. On a three-year basis, seven out of nine funds have outperformed benchmarks.

The excellent returns in 2012 and previous years meant that at the end of 2012 Investeringsforeningen Maj Invest had five funds with a five-star Morningstar Rating™: Maj Invest Aktier (equity), Maj In-

NEW LONG-SHORT MUTUAL FUND USING NEURAL NETWORK

In 2012 Fondsmæglerselskabet Maj Invest A/S launched a long-short mutual fund, sinAI, based on neural network technology. sinAI is an abbreviation of stock market investing Artificial Intelligence.

Various pension funds and other institutional investors contributed DKK 1.3 billion towards establishing sinAI. All investments in the fund are made through a sophisticated neural network developed under Maj Invest auspices over a number of years.

The neural network selects both short and long positions by spotting the most potent candidates in the US equity market. The sinAI system is able to understand and learn equity market patterns, and ranks the potential investment options according to their risk-reward profiles.

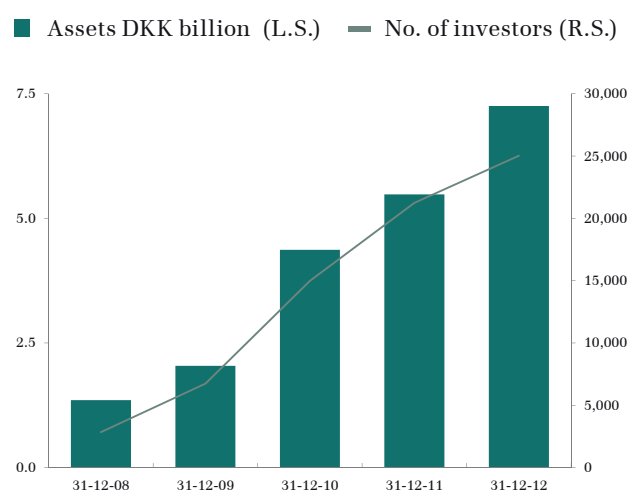
sinAI can be considered as a second generation of quantitative investment. Unlike sinAI, many first generation quantitative models are linear.

vest Value Aktier (equity), Maj Invest Obligationer (bonds), Maj Invest Pension and Maj Invest Kontra. Five stars is the highest possible rating, which puts the fund among the top ten per cent in its category in Europe when it comes to risk-adjusted return after costs. The Danske Aktier (equity), Europa Aktier (European equity) and Danske Obligationer (Danish bonds) funds achieved a four-star rating and Global Sundhed (global health) a three-star rating.

Throughout the 2009-2012 period, Investeringsforeningen Maj Invest has headed the Morningstar® list of the best-rated Danish mutual funds.

Throughout 2012 Investeringsforeningen Maj Invest stayed on the growth curve begun in 2009. The mutual fund welcomed 3,785 new investors in 2012 and had more than 25,000 investors in its nine funds at

DEVELOPMENT IN ASSETS AND INVESTORS



INVESTERINGSFORENINGEN MAJ INVEST - RETURNS IN PER CENT

	2006	2007	2008	2009	2010	2011	2012	Return since establishment	Performance since establishment	Perf. according to Morningstar 5 years
Danske Aktier	41.8	4.0	-47.7	47.4	26.1	-19.8	26.1	45.1	+17.1	+5.1
Europa Aktier ¹⁾	-	-4.4	-38.3	25.9	7.6	-6.1	15.6	-13.3	+4.4	+4.9
Aktier	7.5	4.0	-29.3	30.1	24.4	-4.7	8.3	31.9	+20.3	+24.6
Value Aktier	8.7	-0.4	-36.2	42.3	25.5	0.6	12.0	38.9	+27.3	+35.1
Global Sundhed ²⁾	-	-	-11.4	41.4	5.5	-16.1	13.9	26.4	-17.3	+2.1*
Danske Obligationer	1.1	1.9	7.9	6.3	5.6	6.6	5.9	40.7	+2.2	+6.4
Obligationer	1.3	1.6	4.5	9.8	6.4	3.9	10.5	44.2	+5.7	+17.6
Pension	3.3	2.2	-7.9	12.6	13.3	1.4	10.5	39.3	+30.0	+32.1
Kontra ³⁾	2.2	1.1	21.7	8.6	12.3	7.3	-0.3	64.2	+32.6	+59.0

Notes: The 2006 financial year includes the period from 18 December 2005 to 31 December 2006. Performance since establishment is shown in relation to the comparison index of the individual fund. The Pension and Kontra funds do not have an official comparison index, for which reason performance in relation to benchmark is calculated at 40 per cent MSCI World and 60 per cent EFFAS 1-10 with monthly rebalancing. Performance in relation to Morningstar Kategori™ is calculated based on the comparable category at (and data from) Morningstar®, which includes comparable funds in Europe.

1) Returns in 2007 concern the period from 7 June 2007 to 31 December 2007. This fund changed its name in 2011 from Europa Aktieindeks to Europa Aktier.

2) Returns in 2008 concern the period from 7 November 2008 to 31 December 2008. The fund changed its name from Miljø & Klima to Global Sundhed in February 2013.

3) Returns in 2006 concern the period from 16 June 2006 to 31 December 2006.

*Performance covers three years, as the fund has not existed for five years.

year-end. However, the rate of growth in the number of investors has slowed in the past two years due to changes in the distributor network.

Growth in the number of investors and reasonable sales to new and existing investors as well as to large clients enabled the fund to add DKK 1.8 billion to assets in 2012, and at year-end the fund represented total assets worth DKK 7.3 billion. Market trends in 2012 meant added assets of DKK 478 million. Returns were positive in all funds except for Kontra, which produced a slightly negative return.

The Value Aktier (equity) fund increased assets by 32 per cent, thus growing from DKK 1.9 to 3.0 billion. The Obligationer (bond) fund also showed a fair increase of DKK 263 million, the Aktier (equity) fund an increase of DKK 200 million and Pension an increase of DKK 113 million. Value Aktier, Aktier and Kontra are still the mutual fund's biggest funds, together accounting for 72 per cent of total assets.

MAJ INVEST FORMUEFORVALTNING (WEALTH MANAGEMENT)

Maj Invest Formueforvaltning provides wealthy clients with advisory services concerning asset allocation and asset management of listed securities and funds. The key concepts are a stringent investment process with solid focus on risk management and long-term asset savings for clients.

Maj Invest Formueforvaltning supplements other corporate activities and draws on both the group's asset management and analytical skills when advising clients.

Our Wealth Management department has developed favourably in the reporting period, with healthy returns for our clients and a satisfactory rise in performance-based fees. The department has had a cumulative inflow of new client contracts and an auspicious growth rate of 35 per cent in assets under management. The upturn is expected to continue over the next few years.

MUTUAL FUNDS RANKING IN MORNINGSTAR® RATING

	DECEMBER 2012		RANKING AT YEAR-END				
	Average rating	No. of funds	2012	2011	2010	2009	2008
Maj Invest	4.44	9	1	1	1	1	1
Skagene Fondene	4.00	5	2	2	2	2	-
Danske Invest	3.87	63	3	4	5	7	5
SEB	3.78	18	4	3	6	4	7
Sparindex	3.70	10	5	5	7	6	3
Gudme Raaschou Invest	3.60	5	6	8	8	11	-
Nordea Invest	3.60	42	6	6	4	3	4
Jyske Invest	3.50	20	8	7	12	8	6
Nykredit Invest	3.38	24	9	11	11	14	8
BankInvest	3.36	25	10	12	15	15	11

MAJ INVEST MARKETS

As an authorised Nasdaq OMX stock exchange trader, Maj Invest Markets trades in both Danish and foreign equities. Our Markets department provides services to professional investors.

Maj Invest Markets offers professional advisory services building on many years' experience in investment consultancy and securities trading with a competitive price structure. We offer professional advice about equity investments based on the client's profile and requirements and underpinned by comprehensive analyses, superior professional qualifications and a high degree of service. We attach great importance to long-term client relations, making it our mission to collaborate with and create value for our clients. Our clients have access to information and other ad-

visory material regarding developments in the financial markets. Our arrangements with large international investment banks also enable Maj Invest Markets to offer advisory services on and trade in foreign equities. As part of our service we also provide information about the various funds of Investeringsforeningen Maj Invest (mutual fund).

Maj Invest Markets is the hub from which we enter distribution agreements and provide distributors with information about Investeringsforeningen Maj Invest.

Maj Invest Markets' market-making activities have grown in recent years. In addition to being a market maker for all funds of Investeringsforeningen Maj Invest (mutual fund), Maj Invest Markets is a market maker in one fund of another mutual fund and in respect of the equities of two listed companies.



JESPER POULSEN, SENIOR SALES; PETER STARUP, HEAD OF WEALTH MANAGEMENT; CARSTEN HØEGH, HEAD OF SALES, INTERNATIONAL CLIENTS; PETER BUSK, HEAD OF MARKETS; ANDERS MØLLER OLESEN, SENIOR RELATIONSHIP MANAGER; SØREN HVIDBERG, SENIOR RELATIONSHIP MANAGER

MAJ INVEST EQUITY

Maj Invest Equity provides advisory services on investments in unlisted equities, primarily through consultancy arrangements with our private equity funds LD Equity 1, 2 and 3 and Maj Invest Equity 4 and via a consultancy mandate for large clients.

In the four private equity funds, Maj Invest Equity invests in unlisted Danish companies (private equity), and the investment strategy differs from that of most other private equity funds in Denmark by also investing in minority interests, albeit minimum 30 per cent. Maj Invest Equity focuses on small and medium-sized enterprises with revenues between DKK 100 million and DKK 1 billion operating in industry, trade and services, particularly in sectors such as food, health, environment, energy and technology.

Investment is based on a number of criteria centred on enabling Maj Invest Equity to help create value. Basically, this demands a considerable potential for operational and industrial value creation with a strong management and organisation also geared for change. Enterprises must be focused on competencies that cre-

ate a competitive edge in the market, and management and owners must agree on a solid and carefully considered strategy and business plan. Partnership is key to collaboration with other shareholders, management and business partners.

In 2012 Maj Invest Equity provided advisory services in respect of two successful sales of portfolio companies: Bladt Industries A/S and SSG A/S. Maj Invest Equity saw keen interest in these companies and a large dealflow. In the reporting period, Maj Invest Equity has acted as advisors in connection with the acquisition of three new portfolio companies as well as add-on acquisitions for some of the companies in the portfolio.

Following the acquisition of Vega Sea A/S at the beginning of 2012, our newest fund, Maj Invest Equity 4 K/S, made its first investment. In connection with the second closing, the investment commitment was raised by DKK 163 million, thus bringing the total commitment to DKK 964 million at year-end 2012. Both Danish and foreign investors have responded positively to Maj Invest Equity, and as of final closing at end-February 2013, the commitment was raised by another DKK 250 million to a total of DKK 1,214 million.



MAJ INVEST EQUITY - NIELS TOFT, PARTNER; ERIK HOLM, MANAGING PARTNER; NIELS RETBØLL, PARTNER; JAN HOVE SØRENSEN, PARTNER

MAJ INVEST EQUITY INTERNATIONAL

Within advisory services provided to international private equity funds in emerging markets, the upswing of 2011 continued in 2012. We carry on our international activities under the name of Maj Invest Equity International.

Our group acts as advisors to LD Invest Vietnam K/S on investments in companies in Vietnam. With six completed investments, the fund is fully invested. Consequently, follow-on investments were only made in three of the portfolio companies in 2012. Maj Invest Equity International has created an attractive and varied portfolio of investments in Vietnamese companies with activities in production, service industries, education, marketing and distribution. For about 70 per cent of investments, value creation is based on growing Vietnamese purchasing power, and the remaining 30 per cent is based on exports to international markets.

The group's subsidiary Maj Invest Vietnam Management Consultancy LLC provides consultancy to

Fondsmæglerselskabet Maj Invest A/S concerning private equity investments in Vietnam. The office consists of five permanent staff with a large network and profound knowledge of the Vietnamese business environment.

Continuous economic growth is forecast for Vietnam, as well as extremely attractive investment opportunities. In 2013 we intend to start setting up a follow-up private equity fund, Vietnam 2, the focus being on additional investments in Vietnam and Southeast Asia.

Fondsmæglerselskabet Maj Invest A/S is also acting as advisor to Danish Microfinance Partners K/S. This fund invests directly or indirectly in microfinance institutions in Asia, Africa and Latin America. Microfinance institutions offer small loans with maturities between six months and up to 24 months. Loans are granted to groups or individual clients almost exclusively for income-generating activities.

We made a new investment in Bancosol SA in 2012. This company provides microfinance and loans to



MAJ INVEST VIETNAM - DOMINGO ALONSO, GENERAL DIRECTOR & PARTNER

small and medium-sized enterprises in Bolivia. The microfinance fund has four investments in all, two of which are in India and two in Latin America.

Apart from being expected to yield high returns, investments already made by Danish Microfinance Partners K/S also provide an opportunity to make follow-on investments and to expand the network necessary in this line of business.

Danish Microfinance Partners K/S expects to get further investment opportunities in 2013, with Latin America being the focus of special attention.

At the end of the reporting period, Maj Invest Equity International launched its advisory activity in respect of its third international fund, The Energy and Fertilizer Investment Fund. This fund is described in more detail on page 17.

Maj Invest Equity International is endeavouring to set up a private equity fund in Brazil, with offices in Sao Paulo slated to open at the end of 2013 or in early 2014. The fund will invest in medium-sized Brazilian enterprises that are growing rapidly in response to an increasing demand for products and services from the Brazilian middle class.



MAJ INVEST EQUITY INTERNATIONAL - TORBEN KJÆR, PARTNER; JENS OLE PEDERSEN, HEAD OF INVESTMENTS MICRO-FINANCE; MARIANNE SETTNES, GENERAL COUNSEL, HEAD OF LEGAL AND COMPLIANCE; KASPER SVARRER, SENIOR INVESTMENT MANAGER; JAKOB VESTERGAARD, CORPORATE ATTORNEY

ADVISORY SERVICES EXTENDED TO NEW PRIVATE EQUITY FUND INVESTING IN ENERGY AND FERTILIZER FACTORIES

Together with Danish pension funds, Maj Invest Equity International has established a fund, The Energy and Fertilizer Investment Fund K/S, the aim of which is to invest in energy and fertilizer factories.

PKA, PensionDanmark and Pædagogernes Pensionskasse have made a total investment commitment of DKK 1 billion, which the fund may use to invest in new projects together with Haldor Topsøe A/S, a global leader in supplying and advising on markets spanning oil refineries, chemical industries and the energy sector. Ammonia, a precursor to fertilizer, is a major business area at Haldor Topsøe A/S, and the company's technology and catalysts are used in the production at more than half the world's ammonia facilities.

The fund, managed by Maj Invest Equity International, will mainly invest in developing countries, where the need for fertilizers is expected to rise steeply. The world food supply depends on farmers' having access to fertilizers, and demand for fertilizers is projected to surge due to extreme climate conditions, such as flooding and drought, population growth and mounting purchasing power.

PERFORMANCE-BASED MANAGEMENT FEE AND BONUS SCHEME IN OUR PRIVATE EQUITY FUNDS

As is customary in our sector, the group and our clients, including investors in the equity funds, have made agreements regarding performance-based management fees. Under these schemes the group can, upon agreement, typically receive an extra fee in addition to the fixed fee if the individual fund generates excess returns. The fee is usually 20 per cent or higher (depending on the fund) of that part of the investment return that exceeds an agreed hurdle rate of 8 per cent or higher (depending on the fund) in average annual return over the total life of the fund or contract.

As part of the fund agreements, the group has undertaken to use minimum 50 per cent of the performance-based management fees on an incentive scheme in-

tended for Maj Invest Equity staff involved in such investments. The time that the funds pay out such fees to the group varies. Maj Invest Equity staff cannot receive payment from these schemes until exit or in the life of the individual fund.

The size of any performance-based management fees is finally calculated when all investments in the individual fund have been disposed of. Thus, the fund may be adjusted upwards or downwards throughout its life, depending on the investment returns. As the group cannot be certain to receive any performance-based management fees, such fees are recognised as contingent assets. Note 18 to the financial statements includes information on the size of non-realised performance-based management fees after reserve for bonus schemes and taxes, etc. ■

MANAGEMENT AND OWNERSHIP

Maj Invest Holding A/S is the parent of the Maj Invest group. Our subsidiaries Fondsmæglerselskabet Maj Invest A/S and Maj Invest Equity A/S carry out a sizeable portion of our activities. The Maj Invest group also consists of a variety of management companies related to the group's activities in the Maj Invest Equity business area.

MANAGEMENT

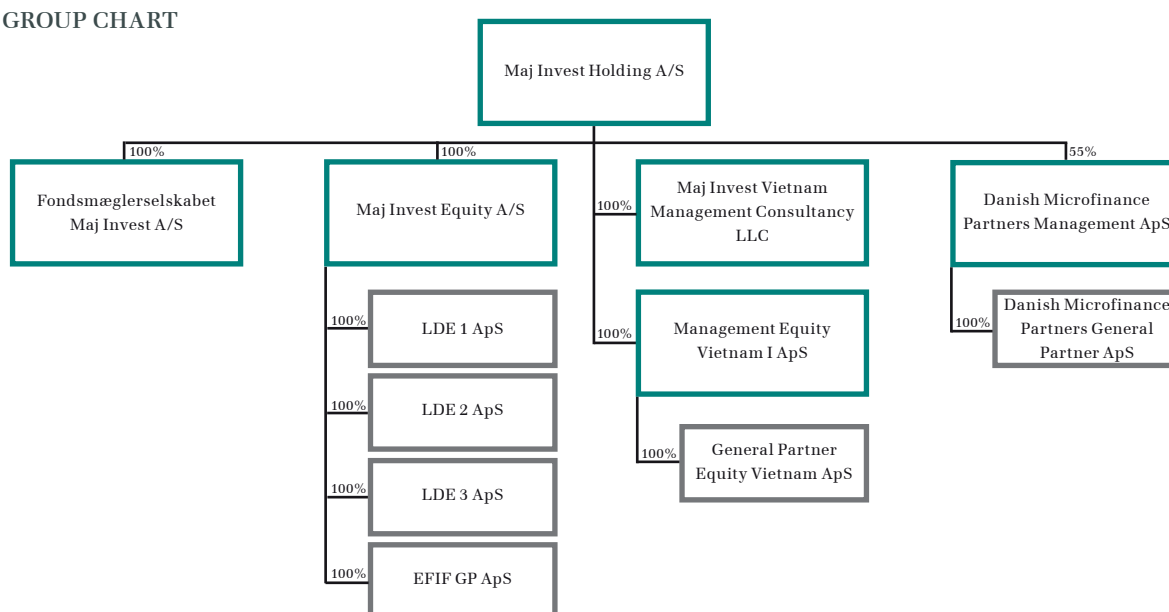
The boards of directors of Fondsmæglerselskabet Maj Invest A/S and the parent Maj Invest Holding A/S are identical.

The board of directors has eight members, three of whom are elected by our staff. In spring Gert Kristiansen resigned as director and was replaced by Peter Korsholm.

The executive board consists of four people, our CEO, our CFO and two managing directors. These four hold the same positions in Fondsmæglerselskabet Maj Invest A/S and the executive boards of the two companies are therefore identical.

Note 8 to the financial statements provides further information on the remunerations and salaries of the board of directors, the executive board and staff whose activities significantly influence the company's risk profile (risk takers). The group has chosen not to disclose any further information in relation to salary and remuneration policy in respect of the board of directors, the executive board and major risk takers, as the group falls within the exemption clause relating to smaller entities in the Executive Order on Remuneration Policy and Public Disclosure of Salaries for Finan-

GROUP CHART



The Maj Invest Equity General Partner fund, which is a general partner of Maj Invest Equity 4 K/S, is not included in the group because it is a commercial foundation.

cial Institutions and Financial Holding Companies, which governs companies whose equities and securities are not listed on a regulated market and whose balance sum in the past two consecutive years is less than DKK 500 million.

Directorships and executive functions of the board of directors and our executive board appear in the chapter headed "Executive functions and directorships".

OWNERSHIP

Corporate employees have received an offer to buy shares in Maj Invest Holding A/S. This offer should be viewed as an element in furthering shareholders' common interest as well as in retaining the competencies and qualifications held in our organisation and thus reinforcing staff commitment in a competitive financial group. Our employees now constitute the largest group of shareholders in the company.

A group of executive officers and staff were also offered warrants in Maj Invest Holding A/S. To ensure that the risk aspects were sufficiently balanced, we only allowed these staff members to buy warrants if they bought a matching number of shares. This scheme is a retention scheme aimed at creating a shared sphere of interest between the groups of shareholders. We also believe that this scheme promotes a commitment to building a competitive financial group.

Staff members have bought both shares and warrants at market values at the time they were offered, but these purchases do not represent an incentive programme.

The parent's shares are held by the groups of shareholders shown below.

KNOWLEDGE RESOURCES

The group's business activities are based on providing advisory services regarding trading and investing in listed securities and unlisted equity. This puts exacting demands on the qualifications and specialist know-how of our staff.

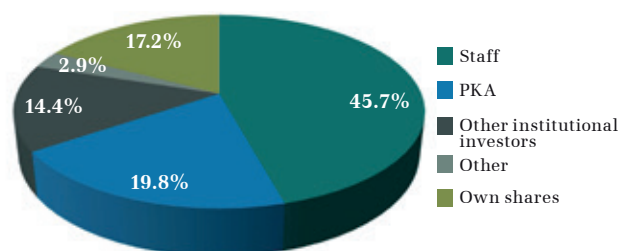
We continuously strive to attract and retain staff with broad experience and professional skills and focus on developing staff competencies. We need this strategy to continue generating excellent results and extend our business basis. A very high share of our staff has expertise in special investment areas.

We have taken various initiatives aimed to make us an attractive workplace and to give our staff competitive salaries consisting of a fixed salary and a bonus scheme calculated on the basis of results achieved on behalf of our clients.

We are convinced that competitive remuneration is a must for attracting and retaining competitive executive officers and staff. An incentive-based remuneration or retention scheme can help promote business development that benefits our company. In our opinion ownership with both management and staff as shareholders boosts value creation.

In 2012 the group employed an average of 90 staff, two more than in 2011. The two additional employees were recruited when we expanded our product range in emerging markets equities and our new international private equity fund. ■

DISTRIBUTION OF SHARES IN MAJ INVEST HOLDING A/S

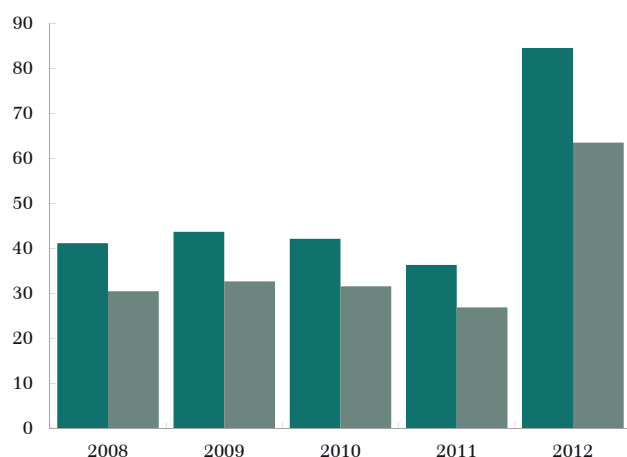


FINANCIAL REVIEW

TRENDS IN PROFIT 2008 - 2012 (PROFIT FOR THE YEAR)

- Profit before tax
- Profit after tax

DKK million



Consolidated profit before tax amounted to DKK 84.5 million against DKK 36.3 million in 2011. The result, a record high since our establishment in 2005, is considered satisfactory. Consolidated net profit after tax totalled DKK 63.5 million.

The result is slightly above the forecasts for 2012 announced when we published our interim statements for 2012. At that time we upgraded expectations for the reporting period as a whole to a profit after tax, including performance-based fees, of about DKK 50–60 million.

The better-than-estimated profit after tax is partly due to higher performance-based fees and a number of large client mandates in the second half of 2012.

MAJ INVEST HOLDING A/S

Gross income in the form of net interest and fee income, market value and currency translation adjustments and other operating income aggregated DKK 17.6 million, or a rise of 40 per cent on 2011. The rise is attributable to an increasing investment commitment in Maj Invest Equity 4 K/S and the launch of our advisory services vis-à-vis The Energy and Fertilizer Investment Fund K/S. In addition, our securities holdings underwent higher market value adjustments than last year.

Staff costs and administrative expenses and depreciation, amortisation and impairment charges fell by DKK 1.6 million to DKK 11.1 million in 2012. The decrease is partly due to a fall in rent and rent-related expenditure. In 2011 we moved to new premises with a less expensive lease. The full financial effect of the relocation was realised in 2012, while the removal itself, including the renovation of our previous premises, had no impact on costs in the reporting period.

Profit from interests in group enterprises rose from DKK 27.0 million in 2011 to DKK 57.5 million in 2012, most of which is attributable to Fondsmæglersekskabet Maj Invest A/S.

Shareholders' equity went up by DKK 48.2 million to DKK 260.1 million. Equity was impacted positively by a consolidation of net profit for the year and negatively by a DKK 10-million adjustment of our buyback commitment of own shares, which now totals DKK 15 million. Moreover, we have paid net dividends of DKK 7.4 million relating to the 2011 financial year. Other equity items boosted shareholders' equity by DKK 2.1 million.

The parent's balance sheet amounted to DKK 286.2 million at 31 December 2012, or a 28 per cent increase on end-2011.

As is customary with private equity funds, Maj Invest Holding A/S has given an investment commitment in connection with the establishment of The Energy and Fertilizer Investment Fund K/S, and we have raised our investment commitment in relation to the second closing in Maj Invest Equity 4 K/S.

TRENDS IN OUR SUBSIDIARIES

Fondsmæglerselskabet Maj Invest A/S and Maj Invest Equity A/S are the group enterprises where most of the activities mentioned on pages 9-16 in this annual report take place. Activity levels in our company continued prior years' growth, with an increase in managed assets resulting from a continuous inflow of clients and the introduction of new products. For 2012 Fondsmæglerselskabet Maj Invest generated a profit before tax of DKK 76.3 million (2011: DKK 35.9 million). Shareholders' equity rose from DKK 135.3 million at end-2011 to DKK 192.6 million at end-2012, matching net profit for the year after tax.

Maj Invest Equity A/S provides administrative and advisory services to the four private equity funds that invest in Danish enterprises and to The Energy and Fertilizer Investment Fund K/S, set up in 2012. Maj Invest Equity A/S generated a profit before tax of DKK 0.6 million in the period under review (2011: -0.2 million). Shareholders' equity constituted DKK 1.2 million at the end of 2012 against DKK 0.7 million at end-2011.

Maj Invest Vietnam Management Consultancy LLC, resident in Vietnam, acts as a consultant to Fondsmæglerselskabet Maj Invest A/S concerning some of the private equity investment activities in Vietnam. Pre-tax profit was DKK -0.4 million and shareholders' equity DKK 0.8 million (2011: DKK 1.2 million).

Management Equity Vietnam 1 ApS provides administrative and advisory services to LD Invest Vietnam K/S.

In 2012 this company realised a minor loss against a minor profit the year before. Shareholders' equity came to DKK 0.3 million at 31 December 2012, which is at the same level as in 2011.

Danish Microfinance Partners Management ApS provides administrative and advisory services to Danish Microfinance Partners K/S. The company broke even in 2012. Shareholders' equity was DKK 0.1 million at the end of 2012, which is at the 2011 level.

COMMENTS IN RESPECT OF SELECTED ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

Net interest income totalled DKK 5.6 million in 2012, or a decrease of DKK 1.8 million compared with the same period last year. The decrease is linked to continuously falling interest rates.

Consolidated net fee income for 2012 rose by DKK 7.7 million to DKK 232.8 million. The improvement is due to an increase in managed assets thanks to the introduction of new products in Maj Invest Asset Management and advisory services extended to a new fund in Maj Invest Equity International. Moreover, the group has had an inflow of new clients and expanded our business with existing clients. The rise in the underlying business volume more than offsets the lower level of performance-based fees realised in Maj Invest Equity in 2012 compared with 2011.

Market value and currency translation adjustments represented a total gain of DKK 9.1 million against DKK 2.7 million in the same period last year. The improvement is primarily due to good performance in respect of the group's credit bonds holding and the record-low level of interest rates at year-end. This is countered by a somewhat lower income from interest on bonds. Equities generated a gain of DKK 3.4 million that stems from corporate trading activities in Maj In-

vest Markets and some minor, strategic equity positions. Other adjustments totalled DKK -0.4 million.

In 2012 other operating income amounted to DKK 16.0 million, an improvement on 2011 of DKK 2.7 million. Other operating income primarily concerns the parent's activities connected with managing private equity funds in Maj Invest Equity and Maj Invest Equity International. Corporate finance services also favourably affected operating income in 2012.

Staff costs etc., amounted to DKK 133.1 million in 2012 against DKK 163.1 million in 2011. The decrease of DKK 30.0 million results from a lower level of bonus-related provisions for staff that invest in unlisted equities.

In the reporting period, other administrative expenses fell by 6 per cent to DKK 42.7 million. A fall in rent and rent-related expenditure accounts for this decline. In 2011 we moved to new premises with a less expensive lease. The full financial effect of the relocation was realised in 2012, while the removal itself, including the costs of renovating of our previous premises, had no impact on the reporting period.

Profit before tax aggregated DKK 84.5 million, which is more than double the 2011 profit before tax of DKK 36.3 million. Tax is estimated at DKK 21.1 million, equivalent to an effective tax rate of 24.8 per cent. Net profit for the year was DKK 63.5 million against DKK 26.9 million in 2011.

Out of total consolidated assets of DKK 513.4 million at 31 December 2012, the amount due from credit institutions accounted for DKK 98.4 million and securities etc., for DKK 367.2 million. At the end of 2011 consolidated assets totalled DKK 447.8 million.

Shareholders' equity rose by DKK 48.2 million to DKK 260.2 million at year-end.

The improvement stems from consolidation of net profit for the year of DKK 63.5 million and an increase in capital of DKK 2.3 million resulting from corporate staff exercising their rights to buy shares in the parent. In addition, we bought back own shares at a net amount of DKK 0.2 million in 2012. We have adjusted

our buyback commitment in respect of own shares by DKK 10 million, with the commitment now standing at DKK 15 million, and paid out dividend worth DKK 7.4 million for the 2011 financial year.

CAPITAL AND CAPITAL RATIOS

The consolidated capital base was DKK 347.4 million at end-2012. This is an increase of DKK 54.9 million on end-2011, when the capital base totalled DKK 292.5 million. The change in capital base was impacted by the net change in shareholders' equity of DKK 48.2 million, a large deduction in capital base in respect of capitalised intangible assets and the fact that a provision for dividend relating to 2011 was deducted in the capital base in 2011 but not paid out until 2012.

The total capital ratio at group level was 48.5 per cent at the end of 2012 and remains substantially above the minimum statutory requirement. At end-2011 the total capital ratio was 49.8 per cent. The decrease in capital ratio is mainly due to a rise in weighted items spurred by a mounting activity level. At group level weighted items rose from DKK 402 million at 31 December 2011 to DKK 454 million at the end of 2012.

The trend in the company's total capital ratio and weighted items appears from the diagrams on page 23.

CORPORATE RISKS

As a financial business the group undertakes various risks relating to credit, market, liquidity and operations. Risk management is a crucial activity given the full attention of management because uncontrolled development of such risks could adversely impact consolidated profit and the capital base.

For a more detailed description of corporate risks, we refer to note 26 (Financial instruments and risks) and our website, www.majinvest.com, which discloses financial information in compliance with the Executive Order on Capital Adequacy.

DISTRIBUTION OF PROFIT

The directors recommend the general meeting's approval that no dividend be paid out for the 2012 financial year and that the entire profit be retained.

OUTLOOK FOR 2013

We expect recent years' business volume expansion to continue, albeit at a slower pace than in previous years. The group will continue expanding its international activities in 2013.

A bigger slice of income in 2013 will depend on the size of assets included in our advisory services. Trends in the financial markets therefore influence the group's consolidated revenue and profit. The level of performance-based fees generated in 2013 is also uncertain, as lower-than-estimated fees will impact the forecast consolidated profit.

Our expectations are generally tied to some uncertainties, as a considerable amount of consolidated earnings is variable.

The development in the number of clients also affects our forecasts, as does the success of our business development expected in 2013.

Staff costs and administrative expenses are expected to continue falling in 2013, mainly due to lower performance-based payroll costs to some members of corporate staff. Other administrative expenses are estimated to be higher as a result of a generally higher activity level in our group.

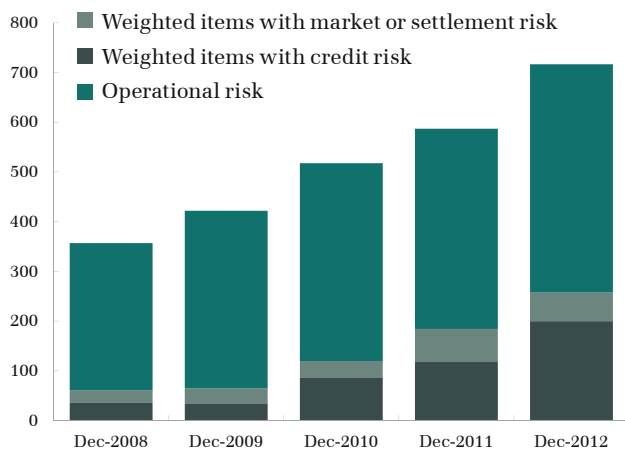
Overall, we forecast net profit after tax for 2013 to range between DKK 65 and 70 million, including performance-based fees.

EVENTS AFTER THE BALANCE SHEET DATE

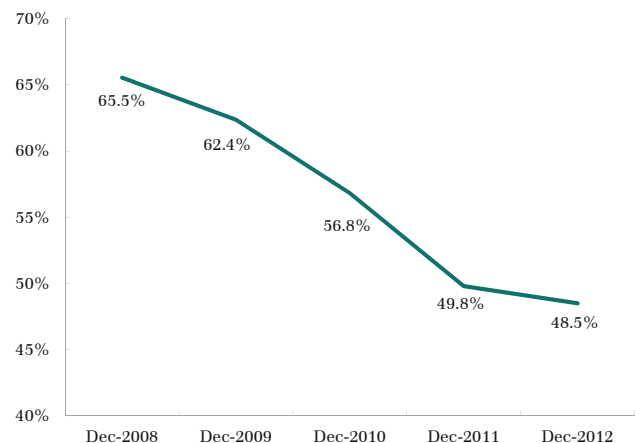
No events after the balance sheet date and until the signing of the annual report are thought to materially affect the assessment of the annual report. ■

TRENDS IN WEIGHTED ITEMS 2008 - 2012

DKK million



TOTAL CAPITAL RATIO 2008 - 2012



THE FINANCIAL MARKETS

As always, investors' changing views of economic developments influenced trends in the global financial markets, with the focus in the spring shifting from a temporary improvement in economic key figures to growing fears that the USA and Europe would actually get caught in a "Japanese scenario" of permanent low growth.

In the second half-year, however, more attention was focused on the incipient signs of improvement in the American housing sector.

The financial markets were affected not only by economic trends but also, in particular, political uncertainties regarding whether the euro countries had the will and ability to continue their collaboration and whether the U.S. government could resolve its fiscal policy crisis. Problems in the Eurozone manifested themselves as mistrust in the European banks, which forced the European Central Bank, ECB, to resort to several unconventional initiatives.

INTEREST RATES AND BONDS

The rate of interest on a 10-year US government bond was 1.88 per cent at the beginning of the reporting period and rose gradually to 2.38 per cent by mid-March as economic ratios improved and optimism about the euro emerged following the ECB's allocation of 3-year liquidity to the banking sector.

However euro optimism was short-lived, and a "flight to quality" with investors seeking "safe" securities subsequently squeezed the US 10-year interest down to 1.39 per cent at the end of July. At year-end it was 1.76 per cent.

Interest on a similar German government bond was 1.83 per cent in early 2012, falling to 1.17 per cent at the end of July and 1.32 per cent at year-end.

In turn many – especially southern European – countries experienced a drastically increasing interest gap vis-à-vis Germany throughout spring and summer 2012. Generally, however, these interest gaps narrowed in the last five months of the reporting period, following the ECB's promise to buy government bonds. For Danish government bonds, the interest gap vis-à-vis Germany remained negative throughout 2012.

EQUITIES

Equity markets generally improved in 2012, but were in some periods impacted by the uncertainties relating to the euro and US fiscal policy. The US S&P 500-index was 1,258 at the start of the year and 1,426 at year-end. This amounts to an increase of 13.4 per cent in dollar terms and 12.1 per cent translated into Danish kroner. The German DAX index rose 29.6 per cent in terms of Danish kroner in 2012, slightly more than the Danish C20 index, which was up 27.2 per cent.

CURRENCY

For the year as a whole, the exchange rate between the Danish krone and the US dollar changed modestly, with the krone being strengthened by 1.4 per cent. In the last three months of the year, however, the Japanese yen generally weakened, fuelled by speculations that Japanese monetary policy would take a more growth-centred approach. For the year as a whole, the yen dropped 12.8 per cent against the US dollar and 14.4 per cent against the Danish krone.

In conclusion, the economic development in 2012 was more advantageous for both equity and bond investors than foreseen in our 2011 annual report. As expected, interest rates did not increase appreciably in the reporting period, but rather fell as a result of unexpected initiatives launched by the ECB. As anticipated, equity markets began normalising pricing, but managed to avoid several risks that had seemed likely at the start of 2012.

PROSPECTS FOR THE FINANCIAL MARKETS IN 2013

In our opinion, the pricing of the equity markets does not correspond to the normalisation of real corporate earnings seen since the financial crisis, and, as we see it, the pricing is sustainable in light of the prospects for economic growth.

This economic growth consists of gradually stronger growth in the USA, gradual, moderate growth in the EU and continuing growth in emerging markets. Among other things, the low pricing reflects fears that the European debt crisis will spin out of control and that “Japanese” conditions will arise in Europe and the USA. By contrast, we find so-called “safe” financial assets such as American, German and Danish government bonds rather expensive.

If investors’ regained trust in the sustainability of corporate earnings, such trust would provide a basis for gradually shifting pricing on financial markets, in which equities are currently improving at the expense of government bonds.

Although interest rates governed by monetary policies in the US and Europe are extraordinarily low, interest rates on the long government bonds are, in fact, at risk of increasing in countries such as the USA, Germany and Denmark.

Given this scenario, there might be a basis for increasing the rate of the euro against the US dollar. However, the debt crisis in Europe is far from over, for which reason there remains a major risk of periodical corrections on the equity markets and the markets for risk assets generally. ■



EXECUTIVE FUNCTIONS AND DIRECTORSHIPS

Executive functions and directorships in other commercial enterprises

BOARD OF DIRECTORS

■ TOMMY PEDERSEN, CHAIRMAN

Chairman of the boards of:

Fondsmæglerselskabet Maj Invest A/S
Gjensidige Arbejdsskade Forsikring A/S
Rungsted Sundpark A/S
Skodsborg Sundpark A/S

Vice chairman of the boards of:

Bodum Holding AG, Schweiz
Bodum Land A/S
Jeudan A/S
Løvenholm Fonden
Peter Bodum A/S

Directorships:

Nykredit Forsikring A/S
Pharmacosmos Holding A/S with two subsidiaries
Scandinavian Tobacco Group A/S
SG Finans A/S, Norway
Skandinavisk Holding A/S with one subsidiary
Tivoli A/S

CEO:

Augustinus Fonden
Chr. Augustinus Fabrikker Aktieselskab
TP Advisers ApS

Remuneration 2012 at group level: DKK 450,000

■ PETER DAMGAARD JENSEN, VICE CHAIRMAN

Chairman of the boards of:

A/S Kjøbenhavns Ejendomsselskab
Forstædernes Ejendomsaktieselskab
PKA Alternative Investment ApS
PKA+ Pension Forsikringselskab A/S
PKA AIP A/S

Vice chairman of the boards of:

Fondsmæglerselskabet Maj Invest A/S
Forca A/S

Directorship:

Axcel Management A/S with three subsidiaries

CEO:

Ejendomsaktieselskabet Dronningegården
Pensionskasserne administreret af PKA A/S
(five pension funds) with five subsidiaries
PKA A/S

Managing Director:

Danish Microfinance Partners Management ApS

Remuneration 2012 at group level: DKK 225,000

■ HANS JENSEN

Chairman:

DFF-Fonden

Vice chairman:

A/S Dansk Erhvervsinvestering

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Metroselskabet I/S
Playa Atlantico SA
Refshaleøens Ejendomsselskab A/S with three subsidiaries
Tom Entreprise A/S
VVSH ApS

Board member of:

Danmarks Nationalbank

Remuneration 2012 at group level: DKK 150,000

■ PETER KORSHOLM

Directorship:

Fondsmæglerselskabet Maj Invest A/S

CFO:

AarhusKarlshamn AB, Sweden

Remuneration 2012 at group level: DKK 100,000

■ RUTH SCHADE

Directorships:

Buskysminde A/S
 Copenhagen Designbyg A/S
 Danfrugt Skælskør A/S
 Dansk Retursystem A/S
 Fondsmæglerselskabet Maj Invest A/S
 Harboe Ejendomme A/S
 Keldernæs A/S
 Lundegård A/S
 Rugbjerggård A/S
 Skælskør Bryghus A/S
 Visbjerggården A/S

Managing director (not registered):

Harboes Bryggeri A/S

Remuneration 2012 at group level: DKK 150,000

■ KLAUS BENTIN

Directorship:

Fondsmæglerselskabet Maj Invest A/S

Director's remuneration 2012 at group level
 (normal salary paid to directors elected by staff not
 disclosed): DKK 150,000

■ KEN BAMBERG ERNSTSEN

Directorship:

Fondsmæglerselskabet Maj Invest A/S

Managing director:

M-K-S Holding ApS

Director's remuneration 2012 at group level
 (normal salary paid to directors elected by staff not
 disclosed): DKK 150,000

■ MORTEN RASK NYMARK

Directorship:

Fondsmæglerselskabet Maj Invest A/S

Director's remuneration 2012 at group level
 (normal salary paid to directors elected by staff not
 disclosed): DKK 150,000

In 2012, DKK 50,000 was paid to Gert Kristiansen, who resigned from the board of directors.

As regards executive board members' directorships, please refer to section 80 (1) of the Danish Financial Business Act.

EXECUTIVE BOARD

■ JEPPE CHRISTIANSEN

Chairman:

Maj Invest Equity A/S

Directorships:

Haldor Topsøe A/S
 Kirkbi A/S
 Novo A/S
 Symphogen A/S

CEO:

Danish Microfinance Partners Management ApS
 Emlika ApS
 Fondsmæglerselskabet Maj Invest A/S

Other offices:

Danish Microfinance Partners K/S,
 investment committee member
 LD Equity 1 K/S, investment committee member
 LD Equity 2 K/S, investment committee member
 LD Equity 3 K/S, investment committee member
 LD Invest Vietnam K/S, investment committee
 member
 Maj Invest Equity 4 K/S, investment committee
 member
 Triton Industry Board

Remuneration 2012 at group level including company car
 subsidy: DKK 5,597,000

Bonus 2011 at group level based on an agreement made
 before 1 January 2011, paid in 2012: DKK 1,113,000

Compensation at group level for discontinuation of a bonus
 scheme made before 1 January 2011 with expiry year-end
 2011 and paid in 2012: DKK 2,225,000

■ ERIK HOLM

Chairman of the boards of:

Aikan A/S
 KK-Group A/S
 Solum A/S
 Solum Roskilde A/S
 Vernal A/S

Vice chairman of the boards of:

Arvid Nilssons Fond
 SP Group A/S
 SP Moulding A/S

Directorships:

AO Invest A/S
 Brødrene A. & O. Johansen A/S
 Emidan A/S
 Fanmilk International A/S
 Fonden Maj Invest Equity General Partner
 Lilleheden A/S
 Maj Invest Equity A/S
 Palsgaard Gruppen A/S
 PLUS A/S
 Vega Sea A/S

Managing director:

Equity Datterholding 2 ApS
 Erik Holm Holding ApS
 Fondsmæglerselskabet Maj Invest A/S
 Maj Invest Equity A/S

Other offices:

LD Equity 1 K/S, investment committee member
 LD Equity 2 K/S, investment committee member
 LD Equity 3 K/S, investment committee member
 Maj Invest Equity 4 K/S, investment committee member
 LD Invest Vietnam K/S, investment committee member

Remuneration 2012 at group level: DKK 4,500,000

Bonus 2011 at group level based on an agreement made before 1 January 2011, paid in 2012: DKK 656,000

Compensation at group level for discontinuation of a bonus scheme made before 1 January 2011 with expiry year-end 2011 and paid in 2012: DKK 1,750,000

■ HENRIK PARKHØI

Managing director:

Fondsmæglerselskabet Maj Invest A/S

Salary 2012 at group level: DKK 4,200,000

Bonus 2011 at group level, paid in 2012: DKK 100,000

■ STEFFEN STÆHR

Chairman of the boards of:

4Labels A/S
 Maj Invest Vietnam Management Consultancy
 Limited Liability Company

Directorships:

Fonden Maj Invest Equity General Partner
 General Partner Equity Vietnam ApS
 Maj Invest Equity A/S
 Management Equity Vietnam I ApS
 Risskov Autoferien AG, Switzerland
 Risskov Travel Partner A/S

Managing director:

CJ Chartering ApS
 Danish Microfinance Partners General Partner ApS
 Equity Datterholding 1 (GC) ApS
 Fondsmæglerselskabet Maj Invest A/S

Salary 2012 at group level: DKK 2,400,000

Bonus 2011 at group level, paid in 2012: DKK 100,000

FINANCIAL STATEMENTS

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

DKK thousand	Notes	Group		Parent	
		2012	2011	2012	2011
Interest income	3	9,795	11,856	1,607	1,166
Interest expense	4	(4,232)	(4,465)	(22)	(3)
Net interest income		5,563	7,391	1,585	1,163
Dividends on equities etc.		242	296	134	56
Fee and commission income		258,811	249,489	-	584
Fee and commission expense		(26,061)	(24,436)	(18)	(16)
Net interest and fee income	6, 7	238,555	232,740	1,701	1,787
Market value and currency translation adjustments	5, 6, 7	9,063	2,746	3,588	739
Other operating income		15,961	13,292	13,846	10,066
Staff costs and administrative expenses	8	(175,752)	(208,544)	(10,929)	(12,252)
Depreciation, amortisation and impairment on intangible and tangible assets		(3,296)	(3,948)	(204)	(486)
Results of interests in associates and group enterprises		-	-	57,461	27,043
Profit before tax		84,532	36,286	65,463	26,897
Tax	9	(21,052)	(9,432)	(1,984)	(46)
Net profit for the year		63,480	26,854	63,479	26,851
Portion attributable to minority interests		1	3		
Other comprehensive income					
Translation of results of foreign entities		(11)	(28)	(11)	(28)
Adjustment of other comprehensive income, prior years		(11)	-	(11)	-
Tax on other comprehensive income		2	7	2	7
Other comprehensive income, total		(20)	(21)	(20)	(21)
Comprehensive income for the year, total		63,460	26,833	63,459	26,830

DISTRIBUTION OF PROFIT

For distribution			
Transferred from "Other reserves"		-	9,143
Net profit for the year		63,479	26,851
For distribution, total		63,479	35,993
Proposed distribution			
Proposed dividend		-	8,951
Provision for "Reserve for revaluation using the equity method"		57,461	27,043
Provision for equity under "Retained earnings"		6,018	-
Distributed amount, total		63,479	35,993

BALANCE SHEET

DKK thousand	Notes	Group		Parent	
		31.12.2012	31.12.2011	31.12.2012	31.12.2011
ASSETS					
Cash in hand		16	10	-	-
Due from credit institutions	10	98,390	93,935	35,530	20,375
Bonds at fair value	11	326,942	297,932	26,327	60,227
Equities etc.	12	40,214	15,390	24,714	2,949
Interests in associates	13	-	-	-	-
Interests in group enterprises	14	-	-	194,980	137,530
Intangible assets	15	2,814	540	-	-
Other tangible assets	16	4,637	6,329	280	469
Current tax assets		928	955	-	-
Deferred tax assets		-	-	24	5
Other assets	17	31,823	22,872	3,789	2,339
Prepaid expenses		7,655	9,882	548	232
Total assets		513,419	447,845	286,192	224,126

BALANCE SHEET

DKK thousand	Notes	Group		Parent	
		31.12.2012	31.12.2011	31.12.2012	31.12.2011
LIABILITIES					
Debt					
Due to credit institutions		-	26	-	-
Current tax liabilities		-	48	421	4
Other liabilities	19	76,928	61,387	20,868	9,155
Accrued income		28,244	23,656	4,778	3,062
Total debt		105,172	85,117	26,067	12,221
Provisions					
Provisions for deferred tax		679	64	-	-
Other provisions	20	57,402	60,719	-	-
Provisions, total		58,081	60,783	-	-
Subordinated debt					
Subordinated debt	21	90,000	90,000	-	-
Subordinated debt, total		90,000	90,000	-	-
Shareholders' equity					
Share capital		45,438	44,753	45,438	44,753
Accumulated value adjustments					
Accumulated currency translation of foreign entities		3	23	3	23
Other reserves					
Net revaluation using the equity method		-	-	78,470	51,009
Other reserves		6,601	13,574	119,101	96,074
Retained earnings		208,083	144,605	17,113	11,095
Proposed dividend		-	8,951	-	8,951
Minority interests		41	39	-	-
Total shareholders' equity		260,166	211,945	260,125	211,905
Total liabilities		513,419	447,845	286,192	224,126

Notes not referred to: 1, 2, 18, 22, 23, 24, 25 and 26

STATEMENT OF CAPITAL - GROUP

2012	Currency						
DKK thousand	Share capital	Other reserves	translation reserve	Retained earnings	Proposed dividend	Minority interests	Total
Shareholders' equity							
year-end 2011	44,753	13,574	23	144,605	8,951	39	211,945
Net profit for the year	-	-	-	63,478	-	2	63,480
Other comprehensive income							
Translation of results of foreign entities	-	-	(11)	-	-	-	(11)
Adjustment of other comprehensive income, prior years	-	-	(11)	-	-	-	(11)
Tax on other comprehensive income	-	-	2	-	-	-	2
Other comprehensive income, total	-	-	(20)	-	-	-	(20)
Comprehensive income for the year, total	-	-	(20)	63,478	-	2	63,460
Transactions with owners							
Dividend 2011	-	-	-	-	(7,367)	-	(7,367)
Increase in capital	684	1,603	-	-	-	-	2,288
Non-distributed dividend, own shares 2011	-	1,584	-	-	(1,584)	-	-
Acquisition of own shares	-	(4,913)	-	-	-	-	(4,913)
Sale of own shares	-	4,777	-	-	-	-	4,777
Redemption of options	-	(24)	-	-	-	-	(24)
Buyback commitment, own shares	-	(10,000)	-	-	-	-	(10,000)
Shareholders' equity, year-end 2012	45,438	6,601	3	208,083	-	41	260,166

STATEMENT OF CAPITAL - GROUP

2011	Currency						
DKK thousand	Share capital	Other reserves	translation reserve	Retained earnings	Proposed dividend	Minority interests	Total
Shareholders' equity							
year-end 2010	40,160	46,971	44	117,754	-	36	204,965
Net profit for the year	-	-	-	26,851	-	3	26,854
Other comprehensive income							
Translation of results of foreign entities	-	-	(28)	-	-	-	(28)
Tax on other comprehensive income	-	-	7	-	-	-	7
Other comprehensive income, total	-	-	(21)	-	-	-	(21)
Comprehensive income for the year, total	-	-	(21)	26,851	-	3	26,833
Proposed dividend	-	(8,951)	-	-	8,951	-	-
Transactions with owners							
Increase in capital	4,593	8,338	-	-	-	-	12,932
Acquisition of own shares	-	(90,347)	-	-	-	-	(90,347)
Sale of own shares	-	60,695	-	-	-	-	60,695
Redemption of options	-	(18)	-	-	-	-	(18)
Issue of warrants	-	1,886	-	-	-	-	1,886
Buyback commitment, own shares	-	(5,000)	-	-	-	-	(5,000)
Shareholders' equity, year-end 2011	44,753	13,574	23	144,605	8,951	39	211,945

STATEMENT OF CAPITAL - PARENT

2012	Reserve for net revalua- tion using		Currency		Retained earnings	Proposed dividend	Total
DKK thousand	Share capital	equity method	Other reserves	translation reserve			
Shareholders' equity year-end 2011	44,753	51,009	96,073	23	11,096	8,951	211,905
Net profit for the year	-	57,461	-	-	6,018	-	63,479
Other comprehensive income							
Translation of results of foreign entities	-	-	-	(11)	-	-	(11)
Adjustment of other compre- hensive income, prior years	-	-	-	(11)	-	-	(11)
Tax on other comprehensive income	-	-	-	2	-	-	2
Other comprehensive income, total	-	-	-	(20)	-	-	(20)
Comprehensive income for the year, total	-	57,461	-	(20)	6,018	-	63,459
Dividend from subsidiaries 2012	-	(30,000)	30,000	-	-	-	-
Transactions with owners							
Dividend 2011	-	-	-	-	-	(7,367)	(7,367)
Non-distributed dividend, own shares 2011	-	-	1,584	-	-	(1,584)	-
Increase in capital	684	-	1,603	-	-	-	2,288
Acquisition of own shares	-	-	(4,913)	-	-	-	(4,913)
Sale of own shares	-	-	4,777	-	-	-	4,777
Redemption of options	-	-	(24)	-	-	-	(24)
Buyback commitment, own shares	-	-	(10,000)	-	-	-	(10,000)
Shareholders' equity year-end 2012	45,438	78,470	119,101	3	17,113	-	260,125

STATEMENT OF CAPITAL – PARENT

2011	Reserve for net revalua- tion using		Currency		Retained	Proposed	Total
DKK thousand	Share capital	equity method	Other reserves	translation reserve	profit/loss	dividend	
Shareholders' equity							
year-end 2010	40,160	106,466	46,970	44	11,288	-	204,928
Adjustment of dividend, prior years	-	(37,500)	37,500	-	-	-	-
Adjusted shareholders' equity							
year-end 2010	40,160	68,966	84,470	44	11,288	-	204,928
Net profit/loss for the year	-	27,043	-	-	(192)	-	26,851
Other comprehensive income							
Translation of results of foreign entities	-	-	-	(28)	-	-	(28)
Tax on other comprehensive income	-	-	-	7	-	-	7
Other comprehensive income, total	-	-	-	(21)	-	-	(21)
Comprehensive income for the year, total	-	27,043	-	(21)	(192)	-	26,829
Dividend from subsidiaries 2011	-	(45,000)	45,000	-	-	-	-
Proposed dividend	-	-	(8,951)	-	-	8,951	-
Transactions with owners							
Increase in capital	4,593	-	8,338	-	-	-	12,932
Acquisition of own shares	-	-	(90,347)	-	-	-	(90,347)
Sale of own shares	-	-	60,695	-	-	-	60,695
Redemption of options	-	-	(18)	-	-	-	(18)
Issue of warrants	-	-	1,886	-	-	-	1,886
Buyback commitment, own shares	-	-	(5,000)	-	-	-	(5,000)
Shareholders' equity							
year-end 2011	44,753	51,009	96,073	23	11,096	8,951	211,905

STATEMENT OF CAPITAL – PARENT

The company's share capital consists of 45,437,820 shares of DKK 1 (2011: 44,753,410).

The company had no outstanding options at 31 December 2012 (2011: 728,910) entitling holders to subscribe for a share.

At year-end 2012, the company had 4,000,000 outstanding warrants (2011: 4,000,000), matching 9% of shareholders' equity (2011: 9%), entitling holders to acquire a share either through the company's holding of own shares or through the issue of new shares. Issued warrants may be exercised in two annual periods, first period in September 2013 and last period in September 2016. The strike price of the issued warrants is the fair value of the underlying assets at the time of issue with the addition of the official discount rate computed on a month-by-month basis.

Own shares	Shares		In per cent of share capital
	Number	Nom. value	
2012			
Own shares 1 January	7,771,380	7,771,380	17.4%
Acquisition of own shares	809,150	809,150	1.8%
Sale of own shares	(767,000)	(767,000)	(1.7%)
Own shares 31 December	7,813,530	7,813,530	17.2%

Own shares were acquired in connection with employees leaving our employment and an institutional investor disposing of all its shares in the company. Own shares were sold in connection with the recruitment of staff and an extraordinary offer made to corporate employees. The net value of the annual acquisition and sale of own shares was DKK 136,000.

Own shares	Shares		In per cent of share capital
	Number	Nom. value	
2011			
Own shares 1 January	2,608,100	2,608,100	6.5%
Acquisition of own shares	15,511,390	15,511,390	34.7%
Sale of own shares	(10,348,110)	(10,348,110)	(23.1%)
Own shares 31 December	7,771,380	7,771,380	17.4%

In 2011 the company merged its share classes into one. Increases in capital in the reporting period is the reason that the sum of acquisition and sale of own shares in per cent of share capital does not match the year-end figure in per cent.

Own shares were acquired in connection with employees leaving our employment and Lønmodtagernes Dyrtdsfond and FIH Erhvervsbank A/S disposing of all their shares in our company. Own shares were sold in connection with the recruitment of staff and an extraordinary offer made to corporate employees, and shares were also sold to one other shareholder because of a major buyback of own shares in continuation of the disposal of shares made by the above two investors. The net value of the annual acquisition and sale of own shares was DKK 29,653,000.

NOTES

Note 1 Accounting policies

GENERAL

The annual report, which comprises the group and its parent Maj Invest Holding A/S, has been prepared in compliance with the Danish Financial Business Act including the Executive Order on Financial Reporting by Credit Institutions and Investment Companies etc. and the guidelines issued by the Danish Financial Supervisory Authority.

Our accounting policies are the same as last year.

Consolidation

The consolidated financial statements comprise the parent Maj Invest Holding A/S and the entities, in which the parent directly or indirectly holds more than 50% of the voting rights, or in which the parent has a controlling interest through its holdings of shares or in some other manner.

The consolidated financial statements are prepared by aggregating uniform income, costs, assets and liabilities. Intra-group income and expenses, accounts and intra-group profit or loss arising from transactions between consolidated entities are eliminated.

The financial statements included in the consolidated financial statements have been prepared in compliance with the group's accounting policies.

The parent's interests in consolidated subsidiaries are eliminated against the parent's share of the particular subsidiary's equity value.

Recognition and measurement

All income and expenses relating to the reporting period are recognised in the income statement regardless of time of payment.

Assets are recognised in the balance sheet, if, in all probability, future economic benefits will flow to the company, and the values of such assets can be measured reliably.

Liabilities are recognised in the balance sheet, if, in all probability, future economic benefits will flow out of the company, and the values of such liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement of assets and liabilities after initial recognition is made as described below for each accounting item.

Recognition and measurement of assets and liabilities have taken into account any information available after the balance sheet date but before the presentation of the annual report, either affirming or not affirming conditions existing on the balance sheet date.

Foreign currency

Transactions in foreign currency are translated into Danish kroner at the exchange rates prevailing on the transaction date.

Monetary items in currencies other than Danish kroner are translated into Danish kroner at the closing rates of the particular currencies on the balance sheet date.

NOTES

Note 1 cont.

Non-monetary items in currencies other than Danish kroner recognised at cost are translated into Danish kroner at the exchange rates on the transaction date.

Non-monetary items in currencies other than Danish kroner recognised at fair value are translated into Danish kroner at the closing rates on the balance sheet date.

Any foreign currency translation adjustments are recognised in the income statement. Any foreign currency translation adjustments relating to foreign entities are recognised in other comprehensive income.

Derivatives

On initial recognition, derivatives are recognised at cost in the balance sheet and subsequently measured at fair value. Any changes in the fair values of derivatives are recognised currently in the income statement.

Intra-group transactions

Securities are traded and consultancy fees charged at market prices. Other intra-group services are settled on a cost-covered basis.

Translation of results of foreign entities

The profits or losses of foreign associates or subsidiaries are translated at the rates on the transaction date or corresponding average rates.

Balance sheet items are translated at the rates on the balance sheet date. Any foreign currency translation adjustments arising from the translation of equity at the beginning of the year and any currency translation adjustments arising from the translation into Danish kroner (DKK) of profits or losses of foreign entities' functional rates are recognised directly in other comprehensive income.

Tax

Tax on the year's results consisting of current tax and deferred tax for the reporting period is recognised in the income statement with the portion that is attributable to the results for the year and directly via equity with the portion that is attributable to equity transactions. Any changes in deferred tax due to tax rate adjustments are recognised in the income statement.

Provisions are made for both current and deferred taxes for the period under review in respect of the jointly taxed consolidated entities. The company is jointly taxed with all its subsidiaries residing in Denmark. The tax effect of joint taxation is allocated to profit or loss in the consolidated entities in proportion to their taxable incomes. The jointly taxed entities are included in the Danish tax prepayment scheme.

Provisions for deferred tax on any temporary differences between the tax base of assets and liabilities and their carrying amounts are measured using the balance-sheet liability method. If a temporary difference is negative, a deferred tax asset will be recognised if, in all probability, it can be applied to reduce any future tax liability,

Any deferred tax is measured in compliance with current tax rules and at the tax rate likely to be applicable once any temporary differences have been eliminated. Any deferred tax assets or liabilities are presented after offsetting in the same legal entity.

NOTES

Note 1 cont.

INCOME STATEMENT

Interest, dividends, fees and commissions

Interest, fees and commissions are accrued and recorded in the period they are earned and recognised in the income statement at the amounts relevant to the period under review.

Dividends are recognised in the income statement at the time of declaration or on the distribution of interim dividends.

Performance-related investment management fees are recorded as income at the time when the company will be entitled to such fees. Until entitlement, such fees are mentioned under "Contingent assets".

Fees and commissions received will include income from services vis-à-vis clients.

Market value adjustments

Any differences between the fair values and the carrying amounts of securities are recognised as market value adjustments.

Other operating income

Other operating income includes items of a nature secondary to the company's core activity, including fees from entities for which we carry out administrative tasks. Other operating income is accrued when earned and recognised in the income statement at the amounts relevant to the period under review.

Staff costs and administrative expenses

Staff costs and administrative expenses include salaries and pensions, rent, computer software, costs related to investments under LD Equity auspices, which have not been made, and which our group is contractually committed to making, as well as legal and audit fees and any other administrative expenses.

Results of interests in associates and group enterprises

The proportionate shares of net profits or losses for the reporting period in associates and group enterprises are recognised as results of interests in associates and group enterprises.

BALANCE SHEET

ASSETS

Securities

Securities are recognised at their fair values. The fair values of listed securities are their closing rates on the balance sheet date. The fair values of listed bonds are their present values. The fair values of unlisted investments are the transaction prices that would result from a trade between independent parties. The settlement date is used as the date of recognition. Any change in value between the trade date and the settlement date is recognised as a financial asset or a financial liability.

Interests in associates and group enterprises

Interests in associates and group enterprises are recognised and measured using the equity method. The proportionate interests in the equity values of associates or group enterprises computed on the basis of the fair values of identifiable net assets at the time of acquisition are recognised in "Interests in associates and group enterprises".

NOTES

Note 1 cont.

Through the distribution of profit, the total net revaluation of interests in associates and group enterprises is transferred to the reserve fund for net revaluation using the equity method and recognised in statutory equity reserves. Reserves are reduced by payments of dividends to the parent and adjusted for other movements in the equity capital of subsidiaries.

On the translation of the results of foreign entities, any foreign currency translation adjustments are recognised in other comprehensive income.

Intangible assets

Our intangible assets consist of a trading system, a portfolio management system and computer software. Intangibles are measured at cost with the deduction of any amortisation or impairment losses. These assets are amortised on a straight-line basis over their estimated useful lives or over the relevant contractual periods:

- Trading system	: 60-90 months
- Software and portfolio management system	: 24-36 months

Other tangible assets

Other tangible assets are measured at cost with the deduction of any depreciation or impairment losses. These assets are depreciated on a straight-line basis over their estimated useful lives:

- Computer equipment	: 36 months
- Furniture, fixtures and equipment	: 36 months

Recoverable amounts

The carrying amounts of intangible assets and other tangible assets are reviewed annually to determine whether there is an indication for impairment in addition to any depreciation or amortisation charges. If so, an impairment test will determine whether the recoverable amount is lower than the carrying amount, and the asset will subsequently be recorded at the lower recoverable amount. The recoverable amount of an asset is calculated as the higher of its net selling price or its value in use.

Other assets

Income falling due after year-end and any interest receivable will be recognised in other assets. Any significant amounts receivable and falling due more than 12 months after the period in which they were earned are discounted at their present values on the balance sheet date. The discounting rate used matches the market rate of return of the particular amounts receivable.

Any positive fair values of derivatives including spot transactions are recognised in other assets.

Prepaid expenses

Prepaid expenses incurred on or before the balance sheet date, but concerning subsequent reporting periods are recorded as prepayments. Prepaid expenses are measured at cost.

NOTES

Note 1 cont.

LIABILITIES

Other liabilities

Other liabilities are measured at their net realisable values.

Expenses falling due after year-end and any interest payable are recorded in other liabilities. Any negative fair values of derivatives including spot transactions are recognised in other liabilities.

Accrued income

Income received on or before the balance sheet date, but concerning subsequent reporting periods are recorded as accrued income. Accrued income is measured at cost.

Provisions

A provision is a liability that is uncertain in terms of amount or timing. A provision is recognised in the balance sheet, if, in all probability, future economic benefits will flow out of the company, and the value of such provision can be reliably measured.

The values of any future liabilities are measured at their present values to the extent that the discounting of such liabilities is of significance to the measurement of the size of the particular provision. The discount rate used matches the market rate of return in respect of the liability in question.

Subordinated debt

Subordinated debt is a liability in the form of subordinate loan capital that, in the event of the liquidation or winding-up of Fondsmæglerselskabet Maj Invest A/S, will rank after other creditors. Subordinated debt is included in the group's capital base.

Subordinated debt is measured at amortised cost.

Shareholders' equity

Premiums in respect of issued options or warrants and any redemption of options or warrants in respect of corporate shares are recognised in other reserves as movements in equity.

Any obligation to buy back shares in the event of an employee leaving the company's employment is deducted from equity and recorded as debt in other liabilities. The debt is computed at the amount of shares that the company is obliged to buy back in compliance with the shareholders' agreement duly considering the capital requirements of the group and the company.

Any purchases or sale of own shares are recognised directly at the transaction value and recognised as a change directly in equity via "Other reserves".

Any proposed dividends are recognised as a liability at the time of adoption at the annual general meeting (time of declaration). Dividends to be paid for the period under review will be recorded as a separate item in shareholders' equity.

NOTES

Note 2 Financial highlights - group (5-year overview)

INCOME STATEMENT

DKK thousand	2012	2011	2010	2009	2008
Net interest and fee income	238,555	232,740	205,848	189,219	194,392
Market value and currency translation adjustments	9,063	2,746	3,000	6,266	2,765
Staff costs and administrative expenses	(175,752)	(208,544)	(177,375)	(162,231)	(163,278)
Results of interests in associates and group enterprises	-	-	21	8	(1,250)
Net profit for the year	63,480	26,854	31,535	32,642	30,452

BALANCE SHEET

Shareholders' equity	260,166	211,945	204,965	175,551	145,133
Total assets	513,419	447,845	445,868	411,527	350,201

RATIOS AND KEY FIGURES

Return on equity before tax	35.8%	17.4%	22.1%	27.2%	32.1%
Return on equity after tax	26.9%	12.9%	16.6%	20.4%	23.8%
Cost/income ratio	1.47	1.17	1.23	1.27	1.25
Cost in % of income	67.9%	85.4%	81.0%	79.0%	80.0%
Tier 1 capital ratio	37.3%	36.2%	41.2%	43.2%	42.8%
Total capital ratio	48.5%	49.8%	56.8%	62.4%	65.5%
Capital base in relation to minimum capital requirements	6.06	6.23	7.10	7.79	8.19

Ratios and key figures were drawn up in accordance with the Danish FSA's definitions.

NOTES

Note 2 Financial highlights - parent (5-year overview)

INCOME STATEMENT

DKK thousand	2012	2011	2010	2009	2008
Net interest and fee income	1,701	1,787	750	663	880
Market value and currency translation adjustments	3,588	739	(116)	4	(7)
Staff costs and administrative expenses	(10,929)	(12,252)	(10,039)	(9,109)	(6,678)
Results of interests in associates and group enterprises	57,461	27,043	30,171	31,335	27,804
Net profit for the year	63,479	26,851	31,535	32,642	30,452

BALANCE SHEET

Shareholders' equity	260,125	211,905	204,928	175,551	145,133
Total assets	286,192	224,126	214,888	183,493	151,988

RATIOS AND KEY FIGURES

Return on equity before tax	27.7%	12.9%	16.8%	20.7%	24.4%
Return on equity after tax	26.9%	12.9%	16.6%	20.4%	23.8%
Cost/income ratio	6.88	3.11	4.17	4.60	5.62
Cost in % of income	14.5%	32.1%	24.0%	21.8%	17.8%
Tier 1 capital ratio	166.0%	165.9%	107.5%	95.5%	97.4%
Total capital ratio	166.0%	165.9%	107.5%	95.5%	97.4%
Capital base in relation to minimum capital requirements	20.75	20.73	13.44	11.94	12.18

Ratios and key figures were drawn up in accordance with the Danish FSA's definitions.

NOTES

DKK thousand	Group		Parent	
	2012	2011	2012	2011
Note 3 Interest income				
Due from credit institutions	148	812	123	150
Bonds	8,930	10,784	1,539	1,036
Derivatives (foreign exchange contracts)	(215)	(0)	(55)	(20)
Other interest income	932	260	0	-
Total interest income	9,795	11,856	1,607	1,166
Note 4 Interest expense				
Credit institutions	(3)	(1)	-	-
Subordinated debt	(4,148)	(3,748)	-	-
Other interest expense	(81)	(716)	(22)	(3)
Total interest expense	(4,232)	(4,465)	(22)	(3)
Note 5 Market value and currency translation adjustments				
Bonds	6,066	(1,720)	2,870	658
Equities etc.	3,388	1,888	512	34
Currency	443	102	191	68
Derivatives	(835)	2,476	15	(21)
Total market value and currency translation adjustments	9,063	2,746	3,588	739
Note 6 Net interest, fee income and market value and currency translation adjustments by business area				
Net interest and fee income				
Asset Management	80,686	56,344	(1)	583
Equity	150,417	166,708	134	56
Treasury	7,452	9,688	1,568	1,148
Total net interest and fee income	238,555	232,740	1,701	1,787
Market value and currency translation adjustments				
Asset Management	3,546	5,783	-	-
Treasury	5,517	(3,037)	3,588	739
Total market value and currency translation adjustments	9,063	2,746	3,588	739
Note 7 Geographical segmentation				
Net interest and fee income				
Denmark	235,060	232,182	1,629	1,787
Luxemburg	2,689	-	-	-
Other Europe	806	558	72	-
Total net interest and fee income	238,555	232,740	1,701	1,787

NOTES

Note 7 cont.

DKK thousand	Group		Parent	
	2012	2011	2012	2011
Market value and currency translation adjustments				
Denmark	9,335	2,786	5,022	739
Luxemburg	(1,547)	-	(1,548)	-
Other Europe	1,275	(40)	114	-
Total market value and currency translation adjustments	9,063	2,746	3,588	739
Note 8 Staff costs and administrative expenses				
Directors:				
Directors, fixed remuneration	(1,575)	(1,575)	-	-
Directors, variable remuneration	-	-	-	-
Total	(1,575)	(1,575)	-	-
Executive board:				
Executive board, fixed remuneration*	(20,673)	(12,553)	(2,645)	(1,732)
Executive board, variable remuneration	(100)	(1,969)	(25)	(303)
Total	(20,773)	(14,522)	(2,670)	(2,035)
*including compensation for discontinuation of bonus schemes made before 1 January 2011 and ending 2011				
	3,976	-	556	-
Risk takers:				
Risk takers, fixed remuneration	(2,750)	(2,653)	-	-
Risk takers, variable remuneration	(225)	(200)	-	-
Total	(2,975)	(2,853)	-	-
Staff costs:				
Salaries	(91,371)	(124,767)	(4,994)	(5,628)
Pensions	(4,799)	(4,857)	(419)	(467)
Social security costs and payroll tax based on Financial Services Payroll Tax Act	(11,601)	(14,571)	(34)	(37)
Total	(107,771)	(144,195)	(5,446)	(6,132)
Other administrative expenses	(42,658)	(45,399)	(2,813)	(4,085)
Total staff costs and administrative expenses	(175,752)	(208,544)	(10,929)	(12,252)

Number of: Board of directors 8 (2011: 8), executive board 4 (2011: 4), risk takers 3 (2011: 3).

One managing director has a free company car.

In the parent, the number of employees whose activities have a material influence on the group's risk profile (risk takers) is one person, and disclosing risk takers' remunerations would involve the disclosure of this particular person's individual remuneration. Consequently, such remuneration has not been disclosed for the parent, and at group level in this note such remunerations are therefore identical with risk takers' remunerations in Fondsmæglerselskabet Maj Invest A/S, which has three risk takers (2011: 3), of whom one is also a risk taker in the parent.

NOTES

Note 8 cont.

DKK thousand	Group		Parent	
	2012	2011	2012	2011
Number of employees				
Average number of employees (full-time equivalent)	90	88	7	8
Auditors appointed by the general meeting, fees				
Statutory audit of financial statements	(507)	(496)	(103)	(85)
Other assurance services	(44)	(90)	-	(30)
Tax advisory services	(242)	(277)	(193)	(153)
Non-audit services	(322)	(14)	(322)	-
Total audit and non-audit fees	(1,115)	(877)	(618)	(268)

Note 9 Tax

Tax on profit for the year	(20,525)	(9,641)	(2,025)	(25)
Adjustment of deferred tax	(614)	240	19	(13)
Adjustment of prior-year tax charges	88	(31)	21	(8)
Total tax	(21,052)	(9,432)	(1,984)	(46)

Effective tax rate

Current tax rate	25.0%	25.0%	25.0%	25.0%
Adjustment of prior-year tax charges	(0.1%)	0.1%	(0.0%)	0.0%
Adjustment of non-taxable items	(0.1%)	0.9%	0.0%	0.3%
Adjustment of results of interests in associates and group enterprises	-	0.0%	(21.9%)	(25.2%)
Total effective tax rate	24.8%	26.0%	3.1%	0.1%

Deferred tax relates to intangible and other tangible assets. There is no provision for deferred tax in respect of interests in associates and group enterprises.

Note 10 Due from credit institutions

Demand deposits	98,390	93,935	35,530	20,375
Due from credit institutions, total	98,390	93,935	35,530	20,375

Note 11 Bonds at fair value

Other mortgage bonds	267,163	221,276	16,600	30,000
Government bonds	6,767	6,857	-	-
Other bonds	53,012	69,799	9,727	30,227
Bonds at fair value, total	326,942	297,932	26,327	60,227

At year-end 2012, the group had provided bonds at a market value of DKK 48.0 million (2011: DKK 47.2 million) in security of trading in derivatives and securities.

Interest rate risk	5,767	3,696	720	431
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NOTES

DKK thousand	Group		Parent	
	2012	2011	2012	2011
Note 12 Equities etc. at fair value				
Equities/mutual funds listed				
at Nasdaq OMX Copenhagen A/S	25,822	12,441	10,324	-
Equities listed at other stock exchanges	10,662	-	10,662	-
Unlisted equities at fair value	3,730	2,949	3,728	2,949
Total equities etc.	40,214	15,390	24,714	2,949
Note 13 Interests in associates				
Total acquisition sum at 1 January	-	471	-	471
Additions	-	179	-	179
Disposals	-	(650)	-	(650)
Total acquisition cost at 31 December	-	-	-	-
Revaluations at 1 January	-	67	-	67
Foreign currency translation	-	(67)	-	(67)
Profit/loss for the year	-	(374)	-	(374)
Other movements in capital	-	374	-	374
Revaluations at 31 December	-	-	-	-
Carrying amount 31 December	-	-	-	-
Carrying amount 1 January	-	538	-	538
Note 14 Interests in group enterprises				
Total acquisition sum at 1 January	-	80	86,485	84,679
Additions	-	-	-	1,806
Disposals	-	(80)	-	-
Total acquisition sum at 31 December	-	-	86,485	86,485
Revaluations at 1 January	-	4	51,045	68,943
Foreign currency translation	-	-	(11)	39
Profit for the year	-	-	57,461	27,417
Dividend	-	-	-	(45,000)
Other movements in capital	-	-	-	(354)
Reversals of revaluations	-	(4)	-	-
Revaluations at 31 December	-	-	108,495	51,045
Carrying amount at 31 December	-	-	194,980	137,530
Carrying amount at 1 January	-	84	137,530	153,623

NOTES

DKK thousand	Group		Parent	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Note 15 Intangible assets				
Total cost at 1 January	6,126	5,420	354	-
Additions	2,935	706	-	354
Disposals	(3,119)	-	-	-
Total acquisition sum at 31 December	5,942	6,126	354	354
Amortisation and impairment charges at 1 January	(5,586)	(3,537)	(354)	-
Amortisation charges for the year	(662)	(1,696)	-	-
Impairment charges for the year	3,120	(354)	-	(354)
Amortisation and impairment charges at 31 December	(3,128)	(5,586)	(354)	(354)
Carrying amount at 31 December	2,814	540	-	-
Carrying amount at 1 January	540	1,883	-	-
Note 16 Other tangible assets				
Total cost at 1 January	11,050	3,862	903	422
Additions	942	7,226	15	481
Disposals	(790)	(38)	-	-
Total cost at 31 December	11,202	11,050	918	903
Depreciation and impairment charges at 1 January	(4,721)	(2,865)	(434)	(302)
Depreciation charges for the year	(2,634)	(1,894)	(204)	(132)
Reversals of depreciation charges	790	38	-	-
Depreciation and impairment charges at 31 December	(6,565)	(4,721)	(638)	(434)
Carrying amount at 31 December	4,637	6,329	280	469
Carrying amount at 1 January	6,329	997	469	120
Note 17 Other assets				
Various debtors	25,761	12,124	2,182	84
Positive fair values of derivatives etc.	778	2,591	361	14
Interest due	4,106	6,092	355	778
Other assets	1,178	2,065	890	1,463
Other assets, total	31,823	22,872	3,789	2,339
Various debtors include accounts with group enterprises worth	-	-	1,982	84

NOTES

Note 18 Contingent assets

Fondsmæglerselskabet Maj Invest A/S has made a number of investment management agreements involving payment of a performance-based management fee. This means that if a return exceeds an agreed level, Fondsmæglerselskabet Maj Invest A/S will earn a share of such return by way of a performance-based management fee. Such fees are typically computed on a quarterly basis and may also fall due for quarterly payment. However, the payment of such fees cannot exceed the fee to which Fondsmæglerselskabet Maj Invest A/S is certain to be entitled.

At 31 December 2012, our performance-based fee amounted to approx. DKK 274 million (at 31 December 2011: approx. DKK 169 million) after provisions.

DKK thousand	Group		Parent	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Note 19 Other liabilities				
Various creditors	13,474	17,415	1,764	439
Negative fair values of derivatives etc.	485	3,603	0	0
Accrued interest and commissions	928	1,124	18	0
Buyback obligation, own shares	15,000	5,000	15,000	5,000
Other liabilities	47,041	34,245	4,086	3,716
Other liabilities, total	76,928	61,387	20,868	9,155

Various creditors include accounts with group enterprises worth

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Note 20 Other provisions

Other provisions concern bonuses relating to performance-based management fees recognised in the income statement.

Note 21 Subordinated debt

Hybrid capital:

Bullet loan at variable rate of interest in DKK -

non-amortisable (raised 13.11.2006) (A)	10,000	10,000	-	-
Total hybrid capital	10,000	10,000	-	-

Tier 2 capital:

Bullet loan at variable rate of interest in DKK with maturity 01.10.2022 (raised 29.07.2011) (B)

Bullet loan at variable rate of interest in DKK with maturity 01.10.2022 (raised 29.07.2011) (B)	40,000	40,000	-	-
Total tier 2 capital	80,000	80,000	-	-

Total subordinated debt	90,000	90,000	-	-
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The entire subordinated debt is recognised in the capital base.

NOTES

Note 21 cont.

(A) Interest is 3-month CIBOR plus 2.25 percentage points until 1 February 2017. Subsequently, interest will be 3-month CIBOR plus 3.25 percentage points. Interest expenses for 2012 amounted to DKK 304,000 (2011: DKK 374,000).

(B) Interest is 3-month CIBOR plus 4.0 percentage points. The loan is redeemable before maturity from 29 July 2016. Interest expenses for 2012 amounted to DKK 3,844,000 (2011: DKK 1,896,000).

Interest expenses for loans redeemed in 2011 totalled DKK 1,428,000.

DKK thousand	Group		Parent	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Note 22 Contingent liabilities				
Guarantees etc.:				
Other guarantees (participation in the Danish Guarantee Fund for Depositors (Indskydergarantifonden))				
	511	503	-	-
Total guarantees etc.	511	503	-	-
Other contingent liabilities:				
Other liabilities (commitments to invest in capital funds)				
	57,606	41,661	57,509	41,611
Contingent liabilities, total	57,606	41,661	57,509	41,611

The company is jointly registered concerning vat and payroll tax payable under the Danish Financial Services Payroll Tax Act with Fondsmæglerselskabet Maj Invest A/S and jointly liable for any payments in respect thereof. The company is also jointly taxable with all group entities residing in Denmark. Being the administration company, we are jointly and severally liable with the other entities in the joint taxation scheme in respect of Danish corporation tax and withholding taxes on dividends, interest income and royalties. For 2012 the jointly taxed entities have a current tax receivable of DKK 942,000.

With effect from 1 April 2011, the company has entered a tenancy agreement for the premises Gammeltorv 18. The agreement is terminable at six months' notice by either party, although the company cannot terminate it before 1 October 2016. The landlord cannot terminate the tenancy until 1 October 2021.

The total rental obligation in the non-terminable period is:

DKK thousand	Group		Parent	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
In year one	4,555	4,466	456	446
Between one and five years	13,053	17,608	1,305	1,761
Total	17,608	22,074	1,761	2,207

NOTES

Note 22 cont.

The Group has renewed the agreement concerning a securities trading system. The new agreement runs until 30 September 2019.

	Group		Parent	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
In year one	472	-	-	-
Between one and five years	2,358	-	-	-
After five years	354	-	-	-
Total	3,183	-	-	-
Contingent liabilities, total	20,792	22,074	1,761	2,207

Note 23 Capital base

Shareholders' equity	260,166	211,945	260,125	211,905
Total tier 1 capital	260,166	211,945	260,125	211,905

Primary deductions

Proposed dividend	-	(8,951)	-	(8,951)
Intangible assets	(2,814)	(540)	-	-
Deferred capitalised tax assets	-	-	(24)	(5)
Tier 1 capital after primary deductions	257,352	202,454	260,101	202,949

Hybrid capital	10,000	10,000	-	-
Total tier 1 capital (incl. hybrid capital) after deductions	267,352	212,454	260,101	202,949

Tier 2 capital	80,000	80,000	-	-
Total capital base after deductions	347,352	292,454	260,101	202,949

Note 24 Group overview

	Equity interest	Shareholders' equity	Net profit after tax
Consolidated subsidiaries			
Fondsmæglerselskabet Maj Invest A/S, Copenhagen	100%	192,635	57,341
Maj Invest Equity A/S, Copenhagen	100%	1,182	455
Danish Microfinance Partners Management ApS, Copenhagen	55%	91	3
Management Equity Vietnam I ApS, Copenhagen	100%	297	(6)
Maj Invest Vietnam Management Consultancy LLC, Ho Chi Minh City, Vietnam	100%	815	(330)

NOTES

Note 24 cont.

Shareholders' equity and results are based on the companies' most recently approved annual reports. The equity and results of Maj Invest Vietnam Management Consultancy LLC are based on non-audited financial statements. Subsidiaries of consolidated subsidiaries are not included in the group overview but their results are included in the results of the consolidated subsidiaries.

For a full group overview, please see the group chart in the management's review on page 18.

Note 25 Related parties and ownership

Other related parties

The group's related parties include the members of our board of directors and our executive board and their related family members. Related parties also comprise companies in which the persons mentioned above have significant influence. The chairman of the board of directors is the CEO of Chr. Augustinus Fabrikker Aktieselskab, which is a client of Fondsmæglerselskabet Maj Invest A/S. All services are settled on an arm's-length basis. The vice chairman is the CEO of PKA A/S, which administers pension funds and which is a shareholder of Maj Invest Holding A/S, and a client of Fondsmæglerselskabet Maj Invest A/S. An agreement has been made for providing investment consultancy services etc. on an arm's-length basis.

The group has not raised any loans or provided any security, collateral or guarantees on behalf of executive board members, directors or their related family members, or companies in which they hold significant interests.

The chairman of the board holds shares in Maj Invest Holding A/S. In 2012, Peter Korsholm, a member of our board, bought shares in Maj Invest Holding A/S from Maj Invest Holding A/S. The shares were bought at their fair value at the time of purchase. Executive board members and directors elected by corporate staff hold shares in Maj Invest Holding A/S. Executive board members also own warrants in Maj Invest Holding A/S. Henrik Parkhøi, managing director, and Steffen Stæhr, CFO, both exercised their share options in 2012 to buy shares in Maj Invest Holding A/S. In 2012 Emlika ApS which is a related party of our CEO, Jeppe Christiansen, bought shares in Maj Invest Holding A/S from Jeppe Christiansen.

Ownership

In compliance with the Danish Companies Act, sections 55 and 56, the following shareholders have been entered in the company's register of shareholders as holding minimum 5 per cent of the company capital or minimum 5 per cent of the voting rights of the company capital (not adjusted for own shares):

Maj Invest Holding A/S, Copenhagen
 Emlika ApS, Virum
 Realdania, Copenhagen
 Pensionskassen for Sygeplejersker, Hellerup

Note 26 Financial instruments and risks

The board of directors and the executive board have provided guidelines in respect of the types of risk that the group may be exposed to. These guidelines include the identification, management, control and reporting of risks. The

NOTES

Note 26 cont.

guidelines are supported by a number of business procedures and routines. Moreover the directors have formulated corporate policies relating to market risks, liquidity, credit, insurance cover of risks and operational risks. Our guidelines and policies are supported by a number of business procedures and routines, and together they constitute the company's risk policy. Our risk policy includes a decentralised function identifying risks at various levels in the group enabling a current assessment of any consequences as well as ensuring that the group's capital and capital ratio requirements always comply with statutory requirements and identified risks.

To ensure efficient management of our risk policy, we have segregated the function in charge of business and the function responsible for managing and monitoring the various types of risk.

Market and liquidity risks

The group's market risks are related to our activities in Markets in Fondsmæglerselskabet Maj Invest A/S and to the group's surplus liquidity investments. The directors have set up a general framework in respect of market risks.

The framework for investing consolidated liquidity is wide in areas where the risk is considered small and narrow in less liquid areas of investment and/or investments involving larger credit risks. The framework is used in combination with the positive lists drawn up by the directors as regards approved financial institutions and countries. Exposures outside these positive lists have a higher risk weighting and a lower investment frame than do exposures on the positive lists. This helps reduce the market risks and ensure that we have liquid assets in the form of a large holding of securities that are easily realisable.

Liquidity risks

The group's liquidity must always be sufficient. We have a framework determining the portion of consolidated liquidity that may be placed in fixed-term deposits and the maximum term.

Although our liquidity risk is considered insignificant due to our generally very large surplus liquidity, the directors of Fondsmæglerselskabet Maj Invest A/S have drawn up a liquidity plan (emergency plan) for any liquidity crises. This plan may also be applied at group level. The liquidity plan has not been used so far.

Interest rate risk

This risk is a result of the investments of consolidated surplus liquidity in the form of deposits in financial service institutions and bond markets. The directors have set up a maximum framework in respect of our interest rate risk on bond portfolios and a total interest rate risk for the group as a whole. A very large portion of our investments are short. Interest rate risks are modest compared with shareholders' equity and our capital base.

Interest rate risks	Group		Parent	
	2012	2011	2012	2011
Interest rate risks (DKK thousand)	5,754	3,681	720	431
In % of year-end equity	2.2%	1.7%	0.3%	0.2%
In % of year-end capital base	1.7%	1.3%	0.3%	0.2%

In the current management and monitoring of interest rate risks, we use a duration model based on the Danish FSA's guidelines.

NOTES

Note 26 cont.

Equity risks

The framework in respect of equity risks are limited by positions in single equities, types of equities including mutual funds and a total limit on equity exposures.

To take into account our activities in Markets, the widest framework is in listed equities and mutual funds to take into account our activities in Markets.

Via separate investment frameworks, the group can also invest in private equity products and long-short investment funds for which the group acts as investment advisors. This provides investors with a high degree of corporate commitment concerning the products we offer. The group's holdings of interests in listed Danish equities and mutual funds, foreign equities and mutual funds as well as unlisted investments are seen in note 12.

Currency risk

Currency risks relate to our liquidity investments in securities and increasingly so because of the expansion of our activities abroad.

Forward exchange contracts are used for hedging of certain positions.

We have a moderate framework for unhedged foreign exchange positions, and a framework for currency positions combined with foreign exchange hedging. This provides an upper limit for currency positions even if risks are hedged.

As a result of the Danish fixed rate policy vis-a-vis the euro, we do not have any framework as regards the euro.

The group's currency risk is limited and shown in the table below.

Exchange rate risks	Group		Parent	
	2012	2011	2012	2011
Exchange rate risks (DKK thousand)	2,152	1,141	1,493	769
In % of year-end shareholders' equity	0.8%	0.5%	0.6%	0.4%
In % of year-end capital base	0.6%	0.4%	0.6%	0.3%

Counterparty risk

Our corporate securities brokers trade daily on behalf of our clients and for our own portfolios. Our counterparties are therefore other securities brokers or market participants and/or clients. Transactions in Markets are exclusively spot transactions. Trade in listed derivatives is limited and exclusively for our own portfolios.

Credit risks

The group's credit risks concern receivables from clients and market and liquidity-related transactions. Our credit risks are subject to a framework given by the board of directors. The size of our credit risk framework is lower than the framework allowed by law both as regards individual transactions and the group's overall credit exposure.

NOTES

Note 26 cont.

Our clients are institutional investors and financially solid clients. Many of our clients pay in advance and from clients that do not, we demand payment at short intervals. Our credit risk in respect of clients is considered insignificant.

The framework for the group's market and liquidity-related transactions is set up so that it is wider where the risk is considered smallest and narrower for less liquid investments and/or investments involving higher credit risk. The directors have drawn up positive lists of approved financial institutions and countries for investment in money and bond markets. The framework is restricted in respect of exposures with financial counterparties that are not on the positive lists.

Reporting and monitoring of risks

The group's financial positions are recorded in a trading system for activities in Markets and a standard portfolio system for our own positions not related to our trading activities in Markets.

We have invested substantial resources in computer systems for the management and identification of risks in order to currently monitor and control such risks.

Accounting & Risk Management and Middle Office have online access to our trading system and are able to see all transactions and positions in the system. The trading and finance systems are integrated, the latter being responsible for bookkeeping of transactions.

Middle Office administers a portfolio management system, which includes transactions and positions in respect of our own portfolio activities not associated with Markets.

Control, reconciliation and bookkeeping are made on a day-to-day basis in both computer systems and checked against the company's finance system. Transactions are recorded and reconciled to the settled transactions and the group's custody accounts in external banks and bank accounts.

We also regularly check the prices of positions which the group has with external parties such as depository banks, stock exchanges or similar institutions.

Based on the risk management module of our trading system and withdrawals from accounts and custody accounts, a daily report is prepared showing earnings, positions, risks and utilisation of lines concerning the company's Markets activities. This report will be submitted to Markets and our executive board.

Middle Office delivers currently reconciled data from the portfolio management system to Accounting & Risk Management, which monitors the corporate investment framework.

On the basis of data from the trading system, the portfolio management system and extracts from our finance system, Accounting & Risk Management currently reports to the executive board on the overall market, credit risks and liquidity. Directors receive reports once every three months.



STATEMENTS

STATEMENT BY MANAGEMENT

The board of directors and the executive board have today considered and approved the annual report for Maj Invest Holding A/S for the year ended 31 December 2012.

The board of directors and the executive board hereby declare that we are of the opinion that:

- The consolidated financial statements have been prepared in accordance with the Danish Financial Business Act and the company's articles of association.
- The financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position at 31 December 2012 and of the results of the parent's and the group's activities for the 2012 financial year.
- The management's review includes a fair report of developments in the parent's and the group's activities and financial position and describes the significant risks and any uncertainty factors that may affect the parent or the group.

The annual report will be submitted to the general meeting for approval.

Copenhagen, 28 February 2013

EXECUTIVE BOARD

Jeppe Christiansen
CEO

Erik Holm
Managing Director

Henrik Parkhøj
Managing Director

Steffen Stæhr
CFO

BOARD OF DIRECTORS

Tommy Pedersen
Chairman

Peter Damgaard Jensen
Vice Chairman

Hans Jensen

Peter Korsholm

Ruth Schade

Klaus Bentin

Ken Bamberg Ernstsen

Morten Rask Nymark

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MAJ INVEST HOLDING A/S

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the parent company financial statements of Maj Invest Holding A/S for the financial year 1 January – 31 December 2012. The consolidated financial statements and the parent company financial statements comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Business Act.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Business Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of 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 consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating 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 opinion.

Our audit has not resulted in any qualification.

OPINION

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2012 and of the results of the Group's and the parent company's operations for the financial year 1 January – 31 December 2012 in accordance with the Danish Financial Business Act.

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to the Danish Financial Business Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 28 February 2013

KPMG

Statsautoriseret Revisionspartnerselskab

Lars Rhod Søndergaard
State Authorised
Public Accountant

Ole Karstensen
State Authorised
Public Accountant

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MAJ INVEST --- HOLDING

MAJ INVEST HOLDING A/S
Gammeltorv 18
DK-1457 Copenhagen K
Phone +45 33 38 73 00
www.majinvest.com

CVR no. 28 29 54 80