

EBH Bank A/S (af 2008)

28 November 2008

ebh bank under new ownership

Effective 28 November 2008, Bankaktieselskabet af 21. november 2008 A/S will acquire all assets and liabilities but the share capital and other subordinated capital of ebh bank a/s. FSA approval of the transfer is expected on 1 December.

The former ebh bank a/s resolved at an extraordinary general meeting held yesterday to change its name to Selskabet af 27. november 2008 a/s. The new owners subsequently changed the bank's name to EBH Bank A/S. In other words, the bank will operate under its old name. EBH Bank A/S is a wholly owned subsidiary of Afviklingselskabet til sikring af finansiel stabilitet A/S, which was established by the Minister for Economic and Business Affairs pursuant to the act of 10 October 2008.

Strengthening the bank's capital base

Under the new ownership, EBH Bank A/S will receive a capital injection of DKK 2,400 million. Of the capital injection, DKK 1,025 million will be used to cover the deficit of (the former) ebh bank. As a result, the continuing bank will have a capital base of DKK 1,375 million.

EBH Bank will continue to be covered by the agreement of 5 October 2008, under which the Danish State provides an unconditional guarantee for the claims of depositors and other unsecured creditors not otherwise covered. Accordingly, the security of depositors with EBH Bank is unaffected by the change of ownership.

The purpose of the new company will be to settle the business taken over from ebh bank a/s in the best way possible. For that purpose, an attempt will be made to sell the bank's branches; together, if at all possible. The bank's subsidiaries will also be put up for sale. After that is achieved, a not insignificant portfolio of large loans will remain that will largely be based on mortgages on real property that cannot be attributed to the branches. The aim will be to settle this lending portfolio at a rate reflecting the weak property market, which has been a major contributing factor to the problems experienced by ebh bank a/s.

New board of directors and new management board

The shareholders in general meeting have appointed Erik Fosgrau, Jørn Astrup Hansen (chairman), Michael Meyer (deputy chairman) and Visti Nielsen to the board of directors of EBH Bank A/S.

Jørn Astrup Hansen holds an M.Sc. (Economics) and brings many years of experience as a senior banking executive. From 1988–1991, he served as a senior executive of Midtbank. In 1993, Jørn Astrup Hansen was appointed CEO of Sjóvinnubankin in the Faroe Islands (which later became Føroya Banki), a position he held until 2005.

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Michael Meyer has worked as an attorney since 1985 and is currently a partner of the law firm Gorrissen Federspiel Kierkegaard. Based in GFK's offices in Århus, Denmark, Mr Meyer specialises in Mergers & Acquisitions and in EU and Competition Law.

Erik Fosgrau served as deputy chief auditor with Danske Bank, resigning in 2007 after 45 years of service. Mr Fosgrau previously worked in Danske Bank's credits operations.

Visti Nielsen made his career with Jyske Bank, serving on the group management board from 1996–2005. Mr Nielsen serves on the boards of directors of Roskilde Bank A/S and the Winding-Up Company.

In connection with the change of ownership, Jens Nielsen has announced his resignation from the position as managing director of EBH Bank A/S. A new managing director is expected to be appointed in the near future. Until a new appointment is made, Visti Nielsen will serve as interim managing director of the bank.

EBH Bank A/S
The Board of Directors

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