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Companies Registration Office

Kalvebod PLC

Directors' report and Financial Statements

For the year ended 31 July 2009

Registered number 409286

Kalvebod PLC

Directors' report and financial statements

CONTENTS

Directors and other information

Directors	Brian Brady (Irish) Paul McNaughton (Irish) Michael Whelan (Irish)
Registered office	5 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Trustee	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Paying Agent, Agent Bank, Swap Counterparty and Custodian	Deutsche Bank AG London Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Administrator & Company Secretary	Deutsche International Corporate Services (Ireland) Limited 5 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Independent Auditor	KPMG Chartered Accountants and Registered Auditor 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Solicitors	Matheson Ormsby Prentice 70 Sir John Rogerson's Quay Dublin 2 Ireland
	Gide Loyrette Nouel MNP Citypoint One Ropemaker Street London EC2Y 9HT United Kingdom

Directors' report

The Directors present their annual report together with the audited financial statements of Kalvebod Plc (the "Company") for the year ended 31 July 2009.

Principal activities

The Company has established a EUR 10,000,000,000 Secured Notes Programme (the "Programme") to issue secured notes (the "Notes") and/or other secured limited recourse indebtedness (the "Alternative Investments"). The net proceeds from each issue of Notes or Alternative Investments are used to purchase the Collateral comprised in the Mortgaged Property in respect of the relevant Notes or Alternative Investments, to pay for or enter into any Credit Support Document or Swap Agreement in connection with such Notes or Alternative Investments and to pay expenses in connection with the administration of the Issuer or the issue of the Notes or Alternative Investments.

Notes earn interest at a fixed, floating or zero percentage rate. The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. All such information was set out in the relevant Prospectus.

Issuer has entered into Swap Agreements with Swap counterparties and any swap or repurchase entered into in connection with Notes of any Series by the Issuer are limited recourse obligations of the Issuer and the terms are set out in the relevant Prospectus.

Business Review

During the year,

- the Company's profit was Nil (2008: Nil);
- the Company did not issue any new series;
- net income from derivative financial instruments amounted to DKK 146,767,953 (2008: DKK 35,754,575);
- total nominal value of the investment securities was DKK 3,440,000,000 (2008: DKK 3,640,000.000)

During the year ended 31 July 2009, the following credit events took place:

Series 1	On 3 November 2008, following a Bond Collateral Default Nominal Amount Reduction in respect of Roskilde Bank A/S, the aggregate principal amount of the Notes would be equal to DKK 750,000,000.
Series 2	On 1 May 2009, following a Bond Collateral Default Nominal Amount Reduction in respect of Roskilde Bank A/S, the aggregate principal amount of the Notes would be equal to DKK 791,913,235.
Series 4	On 1 May 2009, following a Bond Collateral Default Nominal Amount Reduction in respect of Roskilde Bank A/S, the aggregate principal amount of the Notes would be equal to DKK 41,188,370.

As at 31 July 2009

- the Company's total indebtedness was DKK 1,601,708,690 (2008: DKK 3,159,939,678)
- the Company had the following Notes in issue:

Series 1	DKK 750,000,000 Fixed/Floating Rate Secured Notes due 2013
Series 2	DKK 791,913,235 Fixed/Floating Rate Secured Notes due 2016
Series 3	DKK 1,074,130,000 Fixed/Floating Rate Secured Notes due 2014
Series 4	EUR 82,875,680 Class A Floating Rate Secured Senior Notes due 2015
	DKK 463,165,120 Class B Fixed/Floating Rate Secured Mezzanine Notes due 2015
	DKK 41,188,370 Class C Fixed/Floating Rate Secured Junior Notes due 2015

The company paid DKK 94,618,456 (2008: DKK 105,454,849) as interest on the Notes issued and received DKK 190,961,665 (2008: DKK 211,309,967) as interest on the Collaterals.

Future Developments
The Directors expect the current level of activity to continue in the foreseeable future.

Results and dividends for the period
The results for the year are set out on page 7. No dividends are recommended by the directors.

Directors, secretary and their interests
The directors who held office on 31 July 2009 did not hold any share in the Company at that date, or during the year. There were no contracts of any significance in relation to the business of the company in which the directors had any interest, as defined in the Companies Act 1990, at any time during the year.

Risk and Uncertainties
The Company is subject to various risks. The key risks facing the Company are outlined in Note 21 to the financial statements.

Post balance sheet events

Series 2 - On 1 August 2009, following a Bond Collateral Default Nominal Amount Reduction in respect of Fionia Bank A/S, the aggregate principal amount of the Notes would be equal to DKK 655,376,471.

Other than noted above, there has not been any significant event after balance sheet date up to signing of the report.

Accounting records
The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to the books of account by employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The books of account of the Company are maintained at 5 Harbourmaster Place, IFSC, Dublin 1.

Independent auditor
In accordance with Section 160(2) of the Companies Act, 1963, KPMG, Chartered Accountants and Registered Auditor, has expressed their willingness to continue in office.

On behalf of the board

Michael Whelan
Director

Brian Brady
Director

Date: 30 November 2009

Statement of directors' responsibilities in respect of the directors' report and financial statements

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The Company's financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Company. The Companies Acts, 1963 to 2009 provide in relation to such financial statements that references in the relevant parts of those Acts to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Acts, 1963 to 2009. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulation 2007 and the Transparency Rules of the Irish Financial Services Regulatory Authority to include a Directors' report containing a fair review of the business and a description of the principal risks and uncertainties facing the Company.

The Directors confirm that, to the best of their knowledge and belief:

- they have complied with the above requirements in preparing the financial statements;
- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view, of the state of the assets, liabilities, financial position and of its profit/loss of the issuer for the year then ended; and
- the Directors' report includes a fair review of the development and performance of the business and of the financial position of the issuer, together with a description of the principal risks and uncertainties that it faces.

On behalf of the board

Michael Whelan
Director

Brian Brady
Director

Date: 30 November 2009

Independent auditor's report to the members of Kalvebod Plc

We have audited the financial statements of Kalvebod Plc ("The Company") for the year ended 31 July 2009 which comprise the Income Statement, the Balance Sheet, the Statement of changes in equity, the Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and the International Financial Reporting Standards as adopted by the European Union (IFRS), are set out in the Statement of Directors' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Acts 1963 to 2009. We also report to you whether, in our opinion:

- proper books of account have been kept by the Company;
- at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and
- the information given in the Directors' Report is consistent with the financial statements.

In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the Company's financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of misstatements or material inconsistencies within the financial statements. Our responsibilities do not extend to any other information.

Independent auditor's report to the members of Kalvebod Plc (continued)

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), of the state of the company's affairs as at 31 July 2009 and of its results for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2009.

Other matters

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 2 and 3 is consistent with the financial statements.

The net assets of the Company, as stated in the Company balance sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 July 2009 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the Company.

KPMG

KPMG
Chartered Accountants
Registered Auditor
1 Harbourmaster Place
IFSC
Dublin 1

Date: 30 November 2009

Kalvebod PLC

Income Statement
For the year ended 31 July 2009

	Notes	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Operating income - Continuing operations			
Net loss on investment securities	4	(1,523,430,650)	(338,001,643)
Net gain on debt securities issued	5	1,376,662,697	373,756,218
Net income/(expense) from derivative financial instruments	6	146,767,953	(35,754,575)
Operating profit		-	-
(Loss)/gain on foreign exchange movements	7	(597)	440
Other income	8	465,198	606,476
Other expenses	9	(464,601)	(606,916)
Operating profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	10	-	-
Profit for the financial year		-	-

All items dealt with in arriving at the result for the year ended 31 July 2009 related to continuing operations.

The notes on pages 11 to 26 form an integral part of these financial statements.

On behalf of the board

Micheal Whelan
Director

Brian Brady
Director

Kalvebod PLC

Balance Sheet
as at 31 July 2009

	Notes	31-Jul-09 DKK	31-Jul-08 DKK
Assets			
Cash and cash equivalents	11	277,888	290,588
Investment securities	12	1,376,296,075	3,090,688,390
Derivative assets	14	184,780,902	5,946,495
Other assets	13	40,669,575	63,329,955
Total assets		1,602,024,440	3,160,255,428
Liabilities			
Derivative liabilities	14	(14,702,101)	(87,078,751)
Debt securities issued	15	(1,546,374,876)	(3,017,656,029)
Other liabilities	16	(40,631,713)	(55,204,898)
Total liabilities		(1,601,708,690)	(3,159,939,678)
Equity			
Shareholders' fund - equity	17	(298,528)	(298,528)
Retained earnings		(17,222)	(17,222)
Shareholders' funds – equity		(315,750)	(315,750)
Total liabilities and equity		(1,602,024,440)	(3,160,255,428)

The notes on pages 11 to 26 form an integral part of these financial statements.

On behalf of the board

Micheal Whelan
Director

Brian Brady
Director

Statement of changes in equity
For the year ended 31 July 2009

	Share capital DKK	Retained earnings DKK	Total DKK
Balance as at 01 August 2007	298,528	17,222	315,750
Result for the financial year	-	-	-
Balance as at 31 July 2008	298,528	17,222	315,750
Result for the financial year	-	-	-
Balance as at 31 July 2009	298,528	17,222	315,750

The notes on pages 11 to 26 form an integral part of these financial statements.

On behalf of the board

Micheal Whelan
Director

Brian Brady
Director

Kalvebod PLC

Cash flow statement
For the year ended 31 July 2009

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Operating profit	-	-
Items not involving movement of cash		
- Fair value changes in derivatives	(251,211,057)	(70,100,543)
- Fair value changes in debt securities issued	(1,471,281,153)	(479,211,067)
- Fair value changes in investment securities	1,714,392,315	549,311,610
Change in operating assets		
Decrease/ (increase) in debtors	22,660,380	(9,374,499)
(Decrease)/ increase in creditors	(14,573,185)	9,440,860
Net cash (outflow)/inflow from operating activities	(12,700)	66,361
Cash flows from investing activities		
Purchase of investment securities	-	-
Payment to swap counterparty	-	-
Net cash outflow from investing activities	-	-
Cash flows from financing activities		
Debt securities issued	-	-
Net cash inflow from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(12,700)	66,361
Cash and cash equivalents at start of the year	290,588	224,227
Cash and cash equivalents at end of the year	277,888	290,588

The notes on pages 11 to 26 form an integral part of these financial statements.

1. General Information

Kalvebod PLC is a special purpose company incorporated and registered in Ireland with limited liability on 12 October 2005 under registered number 409286. The Company has established a EUR 10,000,000,000 Secured Notes Programme (the "Programme") to issue secured notes (the "Notes") and/or other secured limited recourse indebtedness (the "Alternative Investments"). The net proceeds from each issue of Notes (or Alternative Investments) are used to purchase the Collateral comprised in the Mortgaged Property in respect of the relevant Notes or Alternative Investments, to pay for or enter into any Credit Support Document or Swap Agreement in connection with such Notes or Alternative Investments and to pay expenses in connection with the administration of the Issuer or the issue of the Notes or Alternative Investments.

Notes earn interest at a fixed, floating or zero percentage rate. The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. All such information was set out in the relevant Prospectus.

Issuer has entered into Swap Agreements with Swap counterparties and any swap or repurchase entered into in connection with Notes of any Series by the Issuer are limited recourse obligation of the Issuer and the terms are set out in the relevant Prospectus.

The Company has no direct employees.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations as adopted by the European Union (IFRS).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:
- Derivative financial instruments are measured at fair value
- Investment securities designated at fair value through profit or loss are measured at fair value.
- Debt securities designated at fair value through profit or loss are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Danish Kroner (DKK) which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. Debt securities and investment securities of the Company are primarily denominated in DKK and the Directors of the Company believe that DKK most faithfully represents the economic effects of the underlying transactions, events and conditions.

(d) Use of estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty

Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in accounting policy 3(f) "Fair value measurement principles".

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

2. Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

Critical accounting judgements in applying the Company's accounting policies

The Company's accounting policy on fair value measurements is discussed under note 3(f) "Fair value measurement principles". Critical accounting judgements made in applying the Company's accounting policies in relation to valuation of financial instruments is as follows:

Valuation of financial instruments

The Company measures fair values using the following hierarchy of methods:

- Quoted market price in an active market for an identical instrument.
- Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Refer to the table in note 21 (d) "Financial instruments carried at fair value by valuation method" for further details.

(e) New standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the following standards were in issue but not yet effective for the year ended 31 July 2009.

- IFRS 8 Operating Segments is effective for periods beginning 1 January 2009. This standard replaces IAS 14 Segmental Reporting and puts emphasis on the "management approach" to reporting on operating segments and will not have any impact on the financial statements.
- Amendments to IFRS 1 and IAS 27 are effective beginning 1 January 2009. These amendments deal with the measurement of the cost of investments in subsidiaries, jointly controlled entities and associates when adopting IFRS for the first time and will have no impact on the financial statements.
- Amendment to IAS 32 - Financial instruments: Presentation and IAS1 is effective beginning 1 January 2009. This amendment deals with the classification of puttable financial instruments and obligations which arise on liquidation only and will have no impact on the financial statements.
- IAS 1 (revised) - Presentation of financial statements. This standard deals with revised presentation of the financial statements and will impact on the presentation of the financial statements. The impact is not expected to be significant.
- IAS 23 (revised) - Borrowings costs. This standard deals with borrowing costs related to assets that take a substantial period of time to get ready for use or resale and need to be capitalised as part of the cost of the assets. This will have no impact on the financial statements.
- Amendment to IFRS 2 - Share based payment: vesting conditions and cancellations is effective beginning 1 January 2009. This amendment provides clarification on the accounting treatment of cancellations and vesting conditions. This will have no impact on the financial statements.
- Amendment to IAS 39 - Financial Instruments: Recognition and Measurement-Eligible Hedged Items is effective beginning 1 January 2009. This amendment includes guidance on how existing principles on hedge accounting should be applied. This will have no impact on the financial statements.
- IFRS 3 Revised - Business Combinations and amended IAS 27-Consolidated and Separate Financial Statements are effective 1 July 2009. These standards deal with partial and step-up acquisitions, costs associated with acquisitions, contingent consideration (measurement and recognition) and transactions with non-controlling interests. This will have no impact on the financial statements.
- Amendments to IFRS 7- "Financial Instruments: disclosure". The Amendments to IFRS 7 expand the disclosures required in respect of fair value measurements recognised in the balance sheet. For the purpose of these expanded disclosures, the following three-level hierarchy has been Introduced: Level 1 fair value determination-quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 fair value determination- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 fair value determination: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). The amendments are effective for annual periods beginning on or after 1 January 2009. In the first year of application, entities are not required to provide comparative information for the new disclosures.

3. Significant accounting policies

(a) Net income from investment securities designated at fair value through profit or loss
Net income from investment securities designated at fair value through profit or loss relates to investments in corporate bonds and includes all realised and unrealised fair value changes, interest, and foreign exchange differences.

(b) Net gains/(loss) from derivative financial instruments
Net gains/(loss) from derivatives relates to the swaps held by the Company, payments made for the Swap and the accrual of any payments due to be made on settlement.

(c) Net finance expense on debt securities issued designated at fair value through profit or loss
Net finance expense on debt securities issued designated at fair value relates to debt securities issued and includes all realised and unrealised fair value changes, coupon payments and foreign exchange differences.

(d) Taxation
Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.
Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable to the Company's activities enacted or substantively enacted at the balance sheet date, and adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(e) Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

(f) Financial instruments
The financial instruments held by the Company include the following
- Investment securities
- Debt securities issued
- Derivative financial instruments
- Other debtors
- Other liabilities

Classification
The Company has designated all the financial assets and liabilities of the Company stated above at fair value through profit or loss.

A financial asset or financial liability at fair value through profit or loss is a financial asset or liability that is classified as held-for-trading or designated as at fair value through profit or loss upon initial recognition.

Investment securities
The directors have designated investment securities at fair value through profit and loss as this eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases than those that apply for recognising derivatives and debt securities which are recognised at fair value in the financial statements, debt securities being designated as a result of an embedded derivative in the debt securities or to eliminate or significantly reduce an accounting mismatch.

3. Significant accounting policies (continued)

(f) Financial instruments (continued)

Derivative financial instruments
Derivative financial instruments include all derivative assets and liabilities that are not classified as trading assets or liabilities. When a derivative is not held for trading and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in profit or loss as a component of net income on derivative financial instruments carried at fair value.

Debt securities issued
The debt securities issued are initially measured at fair value and are designated as liabilities at fair value through profit or loss when they either eliminate or significantly reduce an accounting mismatch or contains an embedded derivative that significantly modify the cash flows that would otherwise be required under the contract.

Recognition
The Company initially recognises all financial assets and liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instruments. From trade date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded in the income statement.

Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Offsetting
Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

Fair Value Measurement Principles
The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. For all other financial instruments, fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, the discounted cash flow method, comparison to similar instruments for which market observable prices exist, and valuation models. The Company uses widely recognised valuation models for determining the fair value of common and simpler financial instruments like interest rate swaps and interest rate caps. For these financial instruments, inputs into models are market observable.

For more complex instruments, the Company uses proprietary models, which usually are developed from recognised valuation models. Some or all of the inputs into these models may not be market observable, and are derived from market prices or rates or are estimated based on assumptions. When entering into a transaction, the financial instrument is recognised initially at the transaction price, which is the best indicator of fair value, although the value obtained from the valuation model may differ from the transaction price. This initial difference, usually an increase, in fair value indicated by valuation techniques is recognised in income depending upon the individual facts and circumstances of each transaction and not later than when the market data becomes observable.

The value produced by a model or other valuation technique is adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction.

The fair values recognised in the financial statements have been estimated using valuation techniques based on assumptions that are supported by prices from observable market data including credit spreads on comparable securities.

3. Significant accounting policies (continued)

(g) Foreign currency transactions
Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the profit or loss account and are included under net gain/(losses) from investment securities, derivatives held for risk management and debt securities issued respectively.

(h) Operating income and expenses
All income and expenses are accounted for on an accruals basis.

4. Net loss on investment securities - designated at fair value through profit or loss

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Coupon income including accruals	190,961,665	211,309,967
Net changes in fair value on investment securities during the year due to market risk	(1,714,392,315)	(549,311,610)
	(1,523,430,650)	(338,001,643)

5. Net gain on debt securities issued - designated at fair value through profit or loss

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Coupon expenses including accruals	(94,618,456)	(105,454,849)
Net changes in fair value of debt securities issued during the year due to market risk	1,471,281,153	479,211,067
	1,376,662,697	373,756,218

6. Net income/(expense) from derivative financial instruments

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Net swap expense	(104,443,104)	(105,855,118)
Net changes in fair value of derivatives due to market risk	251,211,057	70,100,543
	146,767,953	(35,754,575)

7. (Loss)/gain on foreign exchange movements

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Unrealised foreign exchange (loss)/gain on cash at bank	(597)	540
Realised foreign exchange loss on expenses	-	(100)
	(597)	440

8. Other income

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Arranger income	462,991	605,728
Bank interest	2,207	748
	465,198	606,476

Deutsche Bank, AG London, as arranger bear all the expenses of the Company. Arranger income is the total expenses incurred by the Company during the year that need to be borne by Deutsche Bank AG London.

9. Other expenses

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Administration expenses	(104,243)	(182,597)
Audit fees	(162,841)	(134,316)
Tax fees	(37,230)	(111,930)
Directors fees	(104,243)	(104,468)
Custody fees	-	(64,020)
Trustees fees	(13,514)	(9,526)
Bank Charges	(13,160)	(59)
Transaction fees	(3,723)	-
Other expenses	(25,647)	-
	(464,601)	(606,916)

The Company is administered by Deutsche International Corporate Services (Ireland) Limited and has no employees.

10. Tax on profit on ordinary activities

	Year ended 31-Jul-09 DKK	Year ended 31-Jul-08 DKK
Profit on ordinary activities before tax	-	-
Current tax at 12.5%	-	-
Effect of:		
Income taxed at higher rates	-	-
Current tax charge	-	-

The tax assessed for the period is at standard rate of corporation tax in the Republic of Ireland at a rate of 25% in accordance with Section 110 of the Taxes Consolidation Act, 1997.

11. Cash and cash equivalents

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Cash at bank	277,888	290,588

The cash balances are held with Deutsche Bank Amsterdam and Bank of Ireland.

12. Investment securities

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Designated as at fair value through profit or loss	1,376,296,075	3,090,688,390
Maturity analysis of investment securities		
Within 1 year	-	-
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	574,744,355	1,845,051,955
More than 5 years	801,551,720	1,245,636,435
	1,376,296,075	3,090,688,390
Movement in investment securities		
At beginning of year	3,090,688,390	3,640,000,000
Additions during the year	-	-
Net changes in fair value during the year due to market risk	(1,714,392,315)	(549,311,610)
At end of year	1,376,296,075	3,090,688,390

The carrying value of the assets of the Company represents their maximum exposure to credit risk. The credit risk is eventually transferred to the swap counterparty or the Noteholders. The investment securities are held as collateral for debt securities issued by the Company.

13. Other assets

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Coupon receivable on investment securities	40,295,320	62,527,177
Other income receivable	374,255	792,222
Corporation tax receivable	-	10,556
	40,669,575	63,329,955

14. Derivative financial instruments

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Derivative assets	184,780,902	5,946,495
Derivative liablilities	(14,702,101)	(87,078,751)

The legal maturity of all derivative financial instruments is greater than one year.

Asset swap

On the date of each Note issuance, the Company entered into an Asset Swap Agreement, the effect of which is that the Swap Counterparty will pay to the Company sums equal to the interest payable to the Noteholders under the Notes issued and the Company will pay to the Swap Counterparty sums equal to the scheduled interest receivable in respect of the Investment Securities acquired out of the issue proceeds of the Notes. Under the terms of the Asset Swaps, currency risk is also transferred to the Swap Counterparty, where applicable.

The Company enters into such Swap Agreements for risk management purposes (i) to reduce or eliminate the mismatch between the amounts payable in respect of interest payable on the debt securities issued and the interest receivable from the investment securities held as collateral and (ii) to eliminate currency risks.

The effect of the Asset Swaps is that interest rate risk and currency risk is transferred to the Swap Counterparty leaving Noteholders exposed to market price risk wih respect to changes in the value of the investment securities held on each Noteholders behalf.

15. Debt securities issued

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Designated at fair value through profit and loss	(1,546,374,876)	(3,017,656,029)

The debt securities are listed on the Irish Stock Exchange.

The debt securities were issued on Irish Stock Exchange as part of a structured finance deal. The Company's obligations under the debt securities issued are secured by investment securities purchased as per Note 12. The investors' recourse per series is limited to the assets of that particular series. In the event that accumulated losses prove not to be recoverable during the life of the Company, then this will reduce the obligation to the holders of the debt securities by an equivalent amount.

The carrying amount of the financial liabilities designated at fair value through profit or loss as at 31 July 2009 was DKK 1,656,897,529 (2008:DKK 1,079,095,131) less than contractual amount at maturity.

Movement in debt securities issued	As at Year ended 31-Jul-09 DKK	As at Year ended 31-Jul-08 DKK
At beginning of year	(3,017,656,029)	(3,496,867,096)
Debt securities issued during the year	-	-
Net changes in fair value during the year due to market risk	1,471,281,153	479,211,067
	(1,546,374,876)	(3,017,656,029)

Debt securities issued for a particular series are designated at fair value through profit or loss when the related investment securities and derivatives are fair valued or when they contain embedded derivatives that significantly modifies cashflows that otherwise would be required to be seperated.

Maturity analysis of the debt securities issued	31-Jul-09 DKK	31-Jul-08 DKK
Within 1 year	-	-
1 to 2 years	-	-
2 to 5 years	(750,000,000)	-
Greater than 5 years	750,000,000	(3,017,656,029)
	-	(3,017,656,030)

The nominal values of debt securities in issue at 31 July 2009 are as follows:

		Currency	31-Jul-09	31-Jul-08
Series 1 -	Fixed/Floating Rate Secured Notes due 2013	DKK	(750,000,000)	(850,000,000)
Series 2 -	Fixed/floating rate secured notes due 2016	DKK	(791,913,235)	(928,450,000)
Series 3 -	Fixed/Floating Rate Secured Notes due 2014	DKK	(1,074,130,000)	(1,074,130,000)
Series 4 -	Class A - Floating Rate Secured Senior Notes due 2015	EUR	(82,875,680)	(82,875,680)
Series 4 -	Class B - Fixed/Floating Rate Secured Mezzanine Notes due 2015	DKK	(463,165,120)	(463,165,120)
Series 4 -	Class C - Fixed/Floating Rate Secured Junior Notes due 2015	DKK	(41,188,370)	(154,388,370)

16. Other liabilities

	As at 31-Jul-09 DKK	As at 31-Jul-08 DKK
Coupon payable on debt securities issued	(37,210,585)	(45,935,766)
Net swap amounts payable	(3,099,577)	(8,909,563)
Accrued expenses	(321,551)	(359,569)
	(40,631,713)	(55,204,898)

17. Share Capital – equity

	31-Jul-09 DKK	31-Jul-08 DKK
Authorised:		
40,000 ordinary shares of €1 each	298,528	298,528
Issued and fully paid:		
40,000 ordinary share of €1 each	298,528	298,528

18. Ownership of the Company

The issued shares are held in trust for charitable purposes by BADB Charitable Trust Limited, Eurydice Charitable Trust Limited and MEDB Charitable Trust Limited each holding 13,332 shares (the 'Share Trustees') and Mr Anthony Walsh, Mr James Scanlon, Mr Patrick Molloy and Mr Turlough Galvin each holding one share. The Share Trustees hold the issued shares of the Company in trust for charity. The Board of Directors have considered the issue as to who is the Controlling Party. It has been determined that the control of the day to day activities of the Company rests with the Board. The Board comprises of three directors.

19. Transactions with related and certain other parties

During the year the Company incurred a fee of DKK 104,243 (2008: DKK182,597) relating to administration services provided by Deutsche International Corporate Services (Ireland) Limited. Michael Whelan and Paul McNaughton, as directors of the Company, had an interest in this fee in their capacity as directors of Deutsche International Corporate Services (Ireland) Limited. The Company also paid director fees of DKK 104,243 (2008: 104,468) in relation to services provided by Paul McNaughton and Brian Brady as directors of the Company.

Deutsche Bank, AG London, as Arranger for each Series, paid the Company $1,000 per Series and agrees to reimburse the Company for any costs, fees, expenses, or out-goings incurred.

The directors are of the view that there were no related party transactions requiring disclosure.

20. Charges

The debt securities issued by the Company under each Series are secured by way of mortgage over the collateral purchased in respect of that Series, and by the assignment of a fixed first charge of the Company's rights, title and interest under respective Swap Agreements for each Series.

21. Financial risk management

Introduction and overview
The Company has established a EUR 10,000,000,000 Secured Notes Programme (the "Programme") to issue secured notes (the "Notes") and/or other secured limited recourse indebtedness (the "Alternative Investments"). The net proceeds from each issue of Notes or Alternative Investments will be used to purchase the Collateral comprised in the Mortgaged Property in respect of the relevant Notes or Alternative Investments, to pay for or enter into any Credit Support Document or Swap Agreement in connection with such Notes or Alternative Investments and to pay expenses in connection with the administration of the Issuer or the issue of the Notes or Alternative Investments.

Risk management framework
The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The risk profile of the Company is such that market, credit, liquidity and other risks of the investment securities and derivatives held for risk management are borne fully by the holders of debt securities issued.

The Company has exposure to the following risks from its use of financial instruments:
(a) Market risks
(b) Credit risk
(c) Operational risks
(d) Liquidity and cashflow risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating defined in the documentation of the relevant series. The risk of default on these assets is borne by the holders of the debt securities of the relevant series.

The Company has entered into a number of Series in the Programme. Each Series is governed by a separate Supplemental Programme Memorandum. Each Series consists of an investment in collateral from the proceeds of the issuance of debt securities and/or Alternative Investments.

The Programme offers investors the opportunity to invest in a portfolio of investments, the "investment securities", and alter the interest rate risk and credit risk profile of the portfolio through the use of derivative instruments.

The Debt securities are recorded at the value of the net proceeds received in DKK and are carried at fair value through profit or loss. The ultimate amount repaid to the Note holders will depend on the proceeds from the collateral and any payments the Swap counterparty is obliged to make under the terms of the swap agreement. The Company is obliged to provide for the payment or physical delivery of the deliverable obligations to the Swap counterparty and to the Note holders.

All substantial risks and rewards associated with the investment securities are ultimately borne by the Noteholders.

(a) Market risk

Market risk embodies the potential for both loss and gains and includes interest rate risk, currency risk and price risk.

i) Interest rate risk
The company has entered into Asset Swaps which fully swaps the interest payable on the Notes with the interest receivable on the collateral. Under the terms of the Asset Swap, the interest receivable on the collateral is payable to the Swap Counterparty and the interest payable to the Noteholders is receivable from the Swap Counterparty thereby, eliminating any interest rate risk.

21. Financial risk management (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2009 DKK	2008 DKK
Fixed rate instruments		
Investment securities	300,234,215	475,567,285
Debt securities issued	1,340,750,364	2,532,554,514
	1,640,984,579	3,008,121,799
Variable rate instruments		
Investment securities	1,076,061,860	2,615,121,105
Debt securities issued	205,624,512	485,101,515
	1,281,686,372	3,100,222,620

Sensitivity analysis

The Company does not bear any interest rate risk as the interest rate risk associated with the debt securities issued by the Company is neutralised by entering into swap agreements whereby the swap counterparty pays the Company amounts equal to the interest payable to the note holders in return for the interest earned by the Company on its financial assets. Therefore any change in the interest rates would not affect the equity or the profit or loss of the Company.

The Company has designated its fixed rate financial assets and liabilities at fair value through profit or loss. Any changes in interest rates would also affect the fair value of the fixed rate financial assets and liabilities which in turn would impact on the profit or loss and the equity of the Company. However, the Company has neutralised any risk by entering into swap agreements whereby all fair value changes are borne by the swap counterparty.

(ii) Currency risk

The debt securities issued are denominated in either EUR or DKK. Therefore, the Company is exposed to fluctuation in exchange rates between Euro and its functional currency i.e DKK. The risk has been mitigated by entering into swap transactions whereby the impact of any fluctuations in foreign currency rates will be passed on to the swap counterparty.

The Company's exposure to foreign currency risk as at reporting date is as follows:

	31 July 2009		
	EUR	DKK	Total
	DKK	DKK	DKK
Cash and cash equivalents	277,888	-	277,888
Investment securities	-	1,376,296,075	1,376,296,075
Derivatives assets		184,780,902	184,780,902
Other assets	-	40,669,575	40,669,575
	277,888	1,601,746,552	1,602,024,440
Debt securities issued	(205,624,512)	(1,340,750,364)	(1,546,374,876)
Derivatives liabilities	(1,954,967)	(12,747,134)	(14,702,101)
Other liabilities	(321,551)	(40,310,161)	(40,631,713)
	(207,901,030)	(1,393,807,659)	(1,601,708,690)
Net position	(207,623,142)	207,938,893	315,750

21. Financial risk management (continued)

(a) Market risk (continued)
(ii) Currency risk (continued)

	31 July 2008		
	EUR	DKK	Total
	DKK	DKK	DKK
Cash and cash equivalents	290,588	-	290,588
Investment securities	-	3,090,688,390	3,090,688,390
Derivatives assets		5,946,495	5,946,495
Other assets	-	63,329,955	63,329,955
	290,588	3,159,964,840	3,160,255,428
Debt securities issued	(485,101,515)	(2,532,554,514)	(3,017,656,029)
Derivatives liabilities	(13,998,293)	(73,080,458)	(87,078,751)
Other liabilities	(359,569)	(54,845,328)	(55,204,898)
	(499,459,377)	(2,660,480,300)	(3,159,939,678)
Net position	(499,168,791)	499,484,541	315,750

Sensitivity analysis
The impact of any change in the exchange rates on the financial assets is passed to the swap counterparty by entering into asset swap, whereby the swap counterparty pays the Company amount equal to interest payable to the noteholders in return for the interest earned by the Comapny on its financial assets.

The impact of any change in exchange rates on investment securities relating to any series is offset by the foreign exchange rate changes on the debt securities issued under the series. Any difference is borne by the swap counterparty and thus the exchange rate changes have no net impact on equity or profit and loss of the Company.

(iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As all of the Company's financial instruments are carried at fair value with fair value changes recognised in the income statement, all changes in market conditions will directly affect operating income.

The following is the breakdown of the Company's investment securities at the reporting date:

	2009	2008
	DKK	DKK
Investment securities		
Corporate bonds		
Listed	119,936,665	223,752,890
Unlisted	1,256,359,410	2,866,935,500
	1,376,296,075	3,090,688,390

21. Financial risk management (continued)

(a) Market risk (continued)

(iii) Price risk(continued)

Sensitivity analysis

Any change in the fair values of the investment securities held by the Company would not have any effect on the equity or profit or loss of the Company as any fair value fluctuations are ultimately borne by either the swap counterparty or the holders of the debt securities issued by the Company.

(b) Credit risk

The company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating defined in the documentation of relevant series. The risk of default of these assets is borne by the swap counterparty or the holder of the debt securities of the relevant series.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to the credit risk at the reporting date was:

	2009 DKK	2008 DKK
Cash and cash equivalents	277,888	290,588
Investment securities	1,376,296,075	3,090,688,390
Derivative assets	184,780,902	5,946,495
Other receivables	40,669,575	63,329,955
	1,602,024,440	3,160,255,428

At the reporting date, the Company's investment securities comprises bonds which are not rated by any rating agency.

Concentration risk

The financial instruments held by the Company and concentration risk of each is outlined below:

i) *Collateral:* 100% of the investment securities held by the Company relates to subordinated debt of Danish banks.

The Company has invested across a wide range of Danish Banks. All of the investments represent less than 10% of the Company's investment portfolio. The highest individual investment in any particular institution represents 12%.

None of these subordinated bonds held by the Company are rated.

ii) *Derivatives:* 100% of the derivatives held by the Company represent asset swaps, the counterparty for which is Deutsche Bank AG London. The credit rating of the counterparty is Aaa.

(c) Operational risk

Operational risks is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards to corporate behaviour.

Operational risks arise from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. All management and administration functions are outsourced to Deutsche International Corporate Services (Ireland) Limited.

21. Financial risk management (continued)

(d) Fair values

The Company's investment securities, derivative financial instrument and debt securities issued are carried at fair value on the balance sheet. Usually the fair value of the financial instruments can be reliably determined within resonable range of estimates. The carrying amounts of all the Company's financial assets and financial liabilities at the balance sheet date approximated their fair values. Their fair values together with carrying amounts shown in the balance sheet are disclosed below.

Estimation of fair values

The major methods and assumptions used in estimating the fair value of financial instruments are disclosed in note 2 (d). At the reporting date, the carrying amounts of investment securities, derivative financial instruments and debt securities issued by the Company which fair values were determined directly, in full or in part, by reference to published price quotations and determined using valuation techniques are as follows:

	2009			2008		
	Quoted price in active market	Valuation technique observable parameters	Valuation technique unobservable parameters	Quoted price in active market	Valuation technique observable parameters	Valuation technique unobservable parameters
Investment securities	-	1,376,296,075	-	-	3,090,688,390	-
Derivatives assets	-	184,780,902	-	-	5,946,495	-
Derivatives liabilities	-	(14,702,101)	-	-	(87,078,751)	-
Debt securities issued	-	(1,546,374,876)	-	-	(3,017,656,029)	
	-	-	-	-	(8,099,895)	-

Notes to the financial statements (continued)
For the year ended 31 July 2009

21 Financial risk management (continued)

(e) Liquidity and cash flow risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring acceptable losses or risking damage to the Company's reputation.

The Company's obligation to the Noteholders of a particular series is limited to the net proceeds upon realisation of the collateral of that series. Should the net proceeds be insufficient to make all payments due in respect of a particular series of Notes, the other assets of the Company will not be available for payment and the deficit is instead borne by the Noteholders and/or the swap counterparty according to the established priorities.

The derivative balances in the table below represent the present value of all future cash flows. The directors believe that this best represents the cash flow that would have to be paid if these positions had to be closed out. Derivatives balances shown within 'carrying value' which management believes most accurately reflects the short-term nature of these activities. The contractual maturity of the instruments may however extend over significantly longer periods.

	Carrying amount DKK	Gross contractual cash flows DKK	Less than one year DKK	Between one to two years DKK	Between two to five years DKK	More than five years DKK
31 July 2009						
Liabilities						
Other liaibilities	(40,631,713)	(40,631,713)	(40,631,713)	-	-	-
Derivative liabilities	(14,702,101)	(14,702,101)	(14,702,101)	-	-	-
Debt securities issued	(1,546,374,876)	(4,145,377,200)	(74,045,091)	(74,045,091)	(961,567,452)	(3,035,719,566)
	(1,601,708,690)	(4,200,711,014)	(129,378,905)	(74,045,091)	(961,567,452)	(3,035,719,566)
31 July 2008						
Liabilities						
Other liaibilites	(55,204,898)	(55,204,898)	(55,204,898)	-	-	-
Derivative liabilities	(87,078,751)	(87,078,751)	(87,078,751)	-	-	-
Debt securities issued	(3,017,656,029)	(4,609,029,894)	(79,550,762)	(79,550,762)	(239,307,924)	(4,210,620,446)
	(3,159,939,678)	(4,751,313,543)	(221,834,411)	(79,550,762)	(239,307,924)	(4,210,620,446)

21. Financial risk management (continued)

(f) Accounting classifications and fair values of financial assets and liabilities

The table below shows the estimated fair value and the carrying value for each major category of financial asset and liability in the balance sheet at the balance sheet date. The fair value of the financial instrument is the amount at which it could be exchanged in an arm's length transaction between informed and willing parties, other than in a forced sale or liquidation.

	At amortised cost DKK	Designated at fair value through profit DKK	At fair value through profit or loss DKK	Fair value DKK
31 July 2009				
Cash and cash equivalents	277,888	-	-	277,888
Investment securities	-	1,376,296,075	-	1,376,296,075
Derivative assets	-	-	184,780,902	184,780,902
Other assets	40,669,575	-	-	40,669,575
	40,947,463	1,376,296,075	184,780,902	1,602,024,440
Debt securities issued	-	(1,546,374,876)	-	(1,546,374,876)
Derivative liabilities	-	-	(14,702,101)	(14,702,101)
Other liabilities	(40,631,713)	-	-	(40,631,713)
	(40,631,713)	(1,546,374,876)	(14,702,101)	(1,601,708,690)

	At amortised cost DKK	Designated at fair value through profit DKK	At fair value through profit or loss DKK	Fair value DKK
31 July 2008				
Cash and cash equivalents	290,588	-	-	290,588
Investment securities	-	3,090,688,390	-	3,090,688,390
Derivative assets	-	-	5,946,495	5,946,495
Other assets	63,329,955	-	-	63,329,955
	63,620,543	3,090,688,390	5,946,495	3,160,255,428
Debt securities issued	-	(3,017,656,029)	-	(3,017,656,029)
Derivative liabilities	-	-	(87,078,751)	(87,078,751)
Other liabilities	(55,204,898)	-	-	(55,204,898)
	(55,204,898)	(3,017,656,029)	(87,078,751)	(3,159,939,678)

22. Post balance sheet events

Series 2 - On 1 August 2009, following a Bond Collateral Default Nominal Amount Reduction in respect of Fionia Bank A/S, the aggregate principal amount of the Notes would be equal to DKK 655,376,471.

Other than noted above, there has not been any significant event after balance sheet date up to signing of the report.

23. Approval of financial statements

The Board of Directors approved these financial statements on 30 November 2009.