



Annual report
VP SECURITIES A/S
2008

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FOREWORD

2008 was a year that will be remembered for the rapidly worsening credit crunch. During the course of the year, America's credit problems turned into a global financial crisis, resulting in huge falls on the world's stock exchanges and an increase in the number of bankruptcies. This also meant that VP had to intervene in the settlement of transactions in some cases, but VP's basic systems are reliable and stable, even in times when transaction levels are several times more than normal. The normal level of securities trading is around 35,000-40,000 transactions per day, but we experienced peak loads of up to 200,000 securities transactions per day. VP's staff made great efforts with their usual strong competence and commitment to ensure that everything went well, even during a very turbulent period.

In 2008, VP established the subsidiary VP LUX through which VP had already issued more than EUR 11 billion in bonds by the end of 2008. According to VP, this brought borrowers substantial financial benefits to the tune of millions of kroner. VP also joined Link Up Markets, which is a joint venture between the Central Securities Depositories (CSD) of nine European countries. During 2009, Link Up Markets expects to reduce the costs of cross-border securities transactions between the participating countries by up to 80%. VP is also pursuing a strategy of streamlining the processes within share register services, including General Meetings, in order to help stimulate the share culture through the use of electronic solutions.

In recent years, VP has increasingly focused on opportunities for international cooperation. At the same time, VP has undergone a development, which has seen the addition of a number of new business areas over and above its original infrastructure-related objectives. Following on from this, VP has decided to move to new offices in the centre of Copenhagen on 16 March 2009, as well as to change its name from Værdipapircentralen A/S to VP SECURITIES A/S.

The new name has a more modern and international feel and it also emphasises that VP's area of operations lies in activities related to securities. The new name will be followed by a new visual identity, which is presented for the first time in this annual report.

JOHANNES LUEF

Managing Director

CORPORATE *INFORMATION*

VP SECURITIES A/S

The company

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Central Business Reg. No. 21 59 93 36

Registered office: Copenhagen

Board of Directors

Elected by the Annual General Meeting:

Sven E. Lystbæk, Member of the Executive Board, Chairman

Torben Nielsen, Member of the Board of Governors, Vice-Chairman

Bent Andersen, MD

Sven A. Blomberg, CEO

Hans-Henrik Eigtved, Executive Vice President

Jørgen A. Engell, Executive Vice President

Ivan Hansen, MD

Frank Kristensen, CEO

Bjarne Graven Larsen, Chief Investment Officer

Niels Tørslev, Group MD

Elected by the employees:

Anne-Lise Hansen Emcken, Head of Systems Maintenance

Gitte Ina Nielsen, Systems Analyst

Erik Pihl, Head of Production & Operations

Lone Steiness, Marketing Manager

Jørgen Nymann Weje, Building Technician

Auditors

External audit and systems audit:

Deloitte Statsautoriseret Revisionsaktieselskab

Internal audit:

Bent Poulsen, Systems Audit Manager

Management

Johannes Luef, CEO

Senior staff members

Thomas Pihl, Chief Financial Officer

Carsten Nørgaard, Chief Information Officer

Birger Schmidt, Chief Marketing Officer

Morten Kierkegaard, Vice President

Carsten Lebtien Mohr, Vice President

Complaints Board

Professor Ulrik Rammeskov Bank-Pedersen, Doctor of Laws

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The company

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KEY FIGURES, INDEX FIGURES *AND RATIOS*

	2004 DKK '000	2005 DKK '000	2006 DKK '000	2007** DKK '000	2008** DKK '000
Key figures					
Net turnover	249,681	300,482	364,225	461,421	404,887
Profit on ordinary activities	82,465	109,929	188,627*	165,922	120,945
EBITA	82,465	109,929	196,729*	180,012	135,635
Profit on financial items	2,045	2,952	3,979	6,583	6,761
Profit before tax	84,510	112,825	192,606	172,505	127,706
Profit for the year	58,993	79,793	151,034*	128,947	95,797
Receivables from sales and services	26,393	34,418	50,324	40,538	55,430
Equity and tied-up security reserve	203,216	203,009	274,043	282,990	258,720
Balance sheet total	235,454	233,999	310,968	328,784	322,669
Investments in fixed assets for the year	1,126	115	83,167	7,154	1,773
Net interest-bearing debt	(150,495)	(152,554)	(149,278)	(196,967)	(193,970)
Invested capital, including goodwill	52,721	50,386	132,737	108,215	100,632
Index figures					
Net turnover	100	120	146	185	162
Profit on ordinary activities	100	133	229*	201	147
Profit for the year	100	135	256	219	162
Receivables from sales and services	100	130	191	154	210
Equity and tied-up security reserve	100	100	135	139	127
Balance sheet total	100	99	132	140	137
Ratios					
EBITA margin (%)	33	37	54*	39	33
Return on invested capital, including goodwill (%)	154	221	215*	149	130
Net turnover/Invested capital, including goodwill	4.68	6.04	3.98	3.83	3.88
Financial gearing	(0.75)	(0.75)	(0.52)	(0.69)	(0.70)
Return on equity (%)	28	39	63*	46	35

* The key figures, index figures and ratios for 2006 include the proceeds from selling the domicile property of DKK 41,299,000.

** As of 2007, the figures are for the VP Group, which includes VP SECURITIES A/S as the parent company and VP SERVICES A/S, VPMEX ApS and VP LUX S.à r.l. as wholly-owned subsidiaries.

FINANCIAL DEVELOPMENT

VP achieved satisfactory profits in 2008 of DKK 127.7 million before tax, compared with DKK 172.5 million in the record-breaking year of 2007. Profit on ordinary activities was DKK 120.9 million in 2008, compared with DKK 165.9 million in 2007.

This decline compared with 2007 can be attributed solely to the fact that with effect from 1 October 2007, VP reduced its prices for securities trading and issuance, which resulted in a fall in net turnover for 2008 of DKK 63.1 million. In addition, at the beginning of 2008, VP sold the VP Financial business area, which dealt, among other things, with the sale of international financial price data. Securities turnover reached DKK 30,702 billion in 2008, which was an increase of 7.7% compared to 2007.

The satisfactory level of profit can be attributed to new record turnover on the Danish securities market in 2008, despite the credit crunch, and to the satisfactory growth of a number of VP's new product initiatives, including the share register administration business.

VP's total operating costs including depreciation were DKK 283.9 million in 2008, a fall of DKK 11.6 million compared with 2007, which can be attributed to the net effect of lower costs as a result of the sale of the VP Financial business area and rising costs, primarily due to record turnover on the securities market as well as the establishment of a CSD in Luxembourg in 2008.

Tax on the profit for the year under review was charged to the Income Statement at DKK 31.9 million compared to DKK 43.6 million in 2007.

2008 saw profits after tax rise to DKK 95.8 million from DKK 128.9 million in 2007.

The equity and the tied-up security reserve at the end of 2008 amounted to DKK 199.7 million and DKK 59.1 million, respectively. The combined return on the equity and the tied-up security reserve was thus 35 per cent in 2008 compared to 46 per cent in 2007.

The Board of Directors proposes to the AGM that for 2008 a dividend of DKK 3,000 per share be paid to VP's shareholders, corresponding to a total of DKK 120.0 million.

The satisfactory level of profit can be attributed to new record turnover on the Danish securities market in 2008, despite the credit crunch, and to the satisfactory growth of a number of VP's new product initiatives, including the share register administration business.

THE CREDIT CRUNCH AND NEW OPPORTUNITIES

2008 saw high levels of activity, falls on the stock market, turbulence and the start of an escalating financial crisis.

The credit crunch

The international credit and liquidity crisis developed into a real financial crisis that also affected Denmark. This resulted in periods of uncertainty concerning the financial stability of many Danish and foreign finance companies, who were VP's customers.

This major uncertainty about market developments also meant that October and November 2008 saw extraordinarily high levels of securities transactions settled through VP. Transaction levels during these periods were 5 times normal levels.

VP's systems and solutions were created with the facility to handle extreme situations involving large numbers of transactions or participants who cannot meet their obligations in settling securities transactions. Even under the extraordinary circumstances that prevailed towards the end of 2008, VP has been in a position to provide confidence for transactions and thus assurance for the securities recorded at VP. This is due to the fact that VP's service is based on reliable and stable systems and a proven legal basis.



Birte Bork, IT Assistant is 59 years old and has been 28 years with the company

For several years, VP has been working on opportunities for international cooperation and in 2008 two specific initiatives, VP LUX and Link Up Markets, were launched.

Internationalisation

During the year, VP also saw greater focus on internationalisation and increased competition. International harmonisation efforts, among other things, have meant opportunities for additional activities abroad for VP, but at the same time have provided opportunities for increased competition with foreign service providers in Denmark.

For several years, VP has been working on opportunities for international cooperation and in 2008 two specific initiatives, VP LUX and Link Up Markets, were launched. Both initiatives provide greater international opportunities for VP, while other international initiatives risk affecting VP's original core business. Both the European Central Bank's (ECB) TARGET2-Securities project, which is expected to be operational in 2013, and the establishment of a number of new marketplaces and CCPs (Central Counter Party) may mean lower income from clearing and settlement business.

VP is also working in other areas to increase income through activities abroad. VP's Issuer Service platform is now ready for marketing abroad, while through Absalon, VP's collaborative project with Soros, VP is continuing its efforts to sell the mortgage credit solution, which has already been sold to Mexico, to other countries. Finally, VP is also working on development projects to exploit international opportunities.

VP LUX

One of the results of the financial crisis has been to sharpen focus on the mortgageability of bonds. With this in mind, VP became the first CSD in Europe to establish a CSD in another country. The company's Luxembourg subsidiary, VP LUX S.à r.l., was established in 2008 in order to enable the issuers of covered bonds and mortgage covered bonds to refinance significant euro sums in December, which became mortgageable at the ECB. In order for an investor to be able to borrow against a euro security within the Eurosystem, the ECB requires the security to have been issued within the euro zone. This means that euro securities previously issued via VP in Denmark have not been mortgageable for investors at the ECB.

VP LUX was approved by the Luxembourg financial supervisory authority (CSSF) in June 2008 to operate a CSD business and in December 2008, VP LUX was also approved, in accordance with the standards of the Eurosystem, by the ECB and the Central Bank of Luxembourg (BCL) with reference to achieving mortgageability of the securities issued.

By the end of 2008, bonds worth around EUR 11 billion had been issued through VP LUX. The bond issuers are Nykredit, Realkredit Danmark, DLR Kredit, Nordea Kredit and BRFkredit. VP believes that establishing this subsidiary in Luxembourg has contributed

substantial annual savings running into millions of kroner each year for borrowers, as the mortgageability achieved through Luxembourg has resulted in better interest rates for borrowers by making the bonds more attractive on the market.

VP expects to be able to use its new platform as a base for increasing the sales of VP's innovative solutions and systems internationally, initially to the Luxembourg market, which apart from being part of the euro zone is also an important financial market – not least for unit trusts, but also to other countries.

Link Up Markets

Handling cross-border transactions has, until now, been both an expensive and an intensive process. In April 2008, VP was involved in setting up the company "Link Up Capital Markets" the services of which are offered under the name Link Up Markets. Link Up Capital Markets is a joint venture between a number of European CSDs that aims to provide an efficient cross-border post-trade process as well as the custody and administration of foreign securities.

The founding owners, apart from VP, are Clearstream Banking Frankfurt (Germany), SIS (Switzerland), VPS (Norway), Iberclear (Spain), OeKB (Austria) and Helex (Greece).

As a result of VP establishing VP LUX, that company has also been included in the ownership of Link Up Capital Markets, meaning that issues at VP LUX can also be made available through Link Up Markets on an equal footing with issues taken directly from VP.

Link Up Markets will establish a common technical infrastructure, which together with the owners' existing systems will form the basis for enabling a more efficient, and therefore cheaper, cross-border transfer of securities between the participating CSDs. The technical platform is expected to come into operation in the first half of 2009 and VP expects to be able to introduce the new products on the Danish market at the end of March 2009, which will facilitate the cross-border trade of Danish securities.

It is anticipated that Link Up Markets will attract more CSDs as joint owners over time and in the longer term expansion is planned to include more value-added services, as well as to provide a facility for handling securities issued outside the ownership group.

T2S

The Governing Council of the ECB decided in July to continue the Eurosystem initiative to establish a new platform for settling securities transactions in Europe under the name TARGET2-Securities (T2S).

VP, like most European CSDs, has stated its intention to participate in further preparations and to use the T2S platform on its expected completion in 2013. At the request of the sector, VP also indicated its intention to participate in settlements in both euros and Danish kroner, to participate in settlement through omnibus accounts so that individual investor accounts can be held at VP and to participate with VP LUX. VP's statement also contained reservations regarding the final service level, governance and prices.

New marketplaces and CCP

In recent years and in the wake of the MiFID, a number of new, electronic cross-border marketplaces have emerged – what are known as "Multilateral Trading Facilities". Many of these marketplaces also offer trading in Nordic shares. These include Turquoise, Chi-X and NASDAQ OMX Europe, as well as Burgundy, which is a purely Nordic venture, owned by a number of Nordic banks and brokers. What all these marketplaces have in common is that they often use a CCP as the counterparty for transactions. The CCP assumes the counterparty risk and clears and nets the transactions between the parties before they are sent for settlement at a CSD.

In light of this development, NASDAQ OMX has taken the decision to introduce the compulsory use of a CCP on Nordic marketplaces, including the Copenhagen Stock Exchange. The number of transactions that will be covered by this is not yet clear. It is set up in such a way that there is an option to choose from several CCPs. One of the options is EMCF, which is a subsidiary of Fortis Bank. EMCF also operates as a CCP for several other exchanges. The introduction of a CCP on the Danish market may reduce the number of securities transactions cleared and settled at VP. A CCP participating as a counterparty in a transaction will reduce multiple transactions in one security between two parties to just one transaction. The expected extent of this reduction will depend on the actual model, which has not yet been determined. VP is entering into a dialogue with the market in order to guarantee the continued efficient settlement of Danish securities transactions.

Absalon II

In February 2005, VP established a joint venture, called Absalon, with Soros Fund Management in order to carry out marketing of a Danish mortgage credit solution for Mexico. Absalon has been responsible for the coordination of the adaptation of IT technology and the launch of the solution in Mexico, which took place at the end of 2007.

VP was part of a trade delegation that accompanied the Danish Queen and Prince Consort on their visit to Mexico in February 2008. The Danish Minister of Economic and Business Affairs at the time, Bendt Bendtsen, took part in an event for invited representatives within the financial sector, at which the new mortgage credit institution, HiTo, presented its products and services. Representatives from the Board of Directors of VP also took part in the event.

The launch in Mexico has aroused interest in the solution from other countries, while the global credit crunch has put the Danish solution under the media spotlight – in a positive way and on an international scale. Conversely, the financial crisis has also resulted in a reluctance to invest in property or establish related financial models.

VP, together with Soros, is working to establish a new collaborative project, Absalon II, which will examine the opportunities to offer the solution on a global scale. The preliminary studies have been completed and it is expected that this joint venture will be established at the beginning of 2009 and will be operational shortly afterwards.

CLEARING & CUSTODY

VP's basic Clearing & Custody services.

VP provides solutions for the electronic issuance, clearing and settlement of listed and unlisted securities, as well as associated corporate actions. VP also manages individual deposits for investors and provides custody services.

VP has an efficient and reliable clearing and settlement system, which on average settles around DKK 126 billion per day, spread across 69,000 transactions. In 2008, VP's systems once again demonstrated their stability as they were able to handle a new record number of transactions without any problem. Clearing and settlement runs take place six times a day, with customers' positions netted in terms of both cash and securities. Delivery and payment take place simultaneously on a net basis. Real-time settlement is also possible during business hours. VP also provides a direct connection to the international securities market. This means that customers at Euroclear, for example, can trade Danish securities with settlement at Euroclear without loss of value.

Corporate actions are a company-triggered event affecting the investors' portfolio or value, such as dividend payments, rights issues, company mergers and interest and drawing for bonds. VP can perform all types of corporate actions.

VP has around 3.6 million deposits (securities accounts). One of the reasons for this large number is the rules that apply for VP which mean that the individual's holdings of securities are registered as individual deposits. Individuals therefore generally have one or more deposits in their own name. With a deposit registered in their own name at VP, investors are able to secure their rights to the securities in their account. This also applies if the financial institution handling the investor's registrations at VP finds itself in financial difficulties. According to the rules, investors can also claim compensation for financial loss resulting from an error in connection with the registrations in an investor's account.

VP provides custody services that are tailored to the needs and wants of individual customers. VP will manage deposits so that customers can report their transactions and transfers directly to VP. This means less margin for error and enables deadlines to be extended. The customer is also notified of all types of corporate actions (e.g. general meetings, mergers, purchase offers, etc.) for the securities contained in the customer's account.

By the end of 2008, bonds worth around EUR 11 billion had been issued through VP LUX.

A close-up portrait of Erik N. Olsen, a middle-aged man with grey hair and glasses, wearing a dark suit jacket over a light-colored shirt. He is looking slightly to the left of the camera with a neutral expression. The background is a plain, light-colored wall with a blurred red object in the upper right corner.

*Erik N. Olsen, Systems Analyst is 61 years old
and has been 27 years with the company*

VIRTUAL AGM

Let everyone join in.



Once upon a time,
shares were the domain of highly trained finance
experts. But that was before the arrival of the Internet,
online banking and real-time prices, which turned
everything upside down.

Today, anyone can buy and sell shares on a laptop.
And this technology has also made it much easier for
foreign professional investors not only to take an interest
in Danish shares but also to invest in them.

That's why VP is sending the AGM into cyberspace.
Now you don't have to be where the meeting is in order
to take part. Instead of flying in from California, you
can stay at home and watch the presentations, see the
financial reports and take part in the debates.
It's practical, effective, democratic and, above all, easy.

*Rasmus Færev, Systems Analyst - trainee is 23 years old
and has been 1 year with the company*



Securities trading

The level of trading activity was once again high and the number of transactions set yet another record at 17.2 million, which was an increase of 4.5% on 2007's very high level. This increase was driven by trading in shares and unit trust certificates, which rose by 5.5% to 15.9 million transactions. The number of bonds transactions fell slightly by 3% to around 1.4 million.

Securities turnover reached DKK 30,702 billion in 2008, which was an increase of 7.7% compared to 2007. Despite the record high number of shares transactions, turnover for shares fell by 5.1% as a result of lower share prices.

The value of Danish shares fell by DKK 692 billion in 2008 to DKK 802 billion. This means that share values have halved since their peak in July 2007 and have returned to levels last seen at the beginning of 2004. The value of bonds issued increased by 5% to DKK 3,372 billion, spread across 2,474 different bond series, which was 162 more bond series than in the previous year.

The number of share and unit trust series increased from 1,104 to 1,146. During the course of the year a further 26 unit trust series were opened, meaning that there are now 689 series registered, with a market value at the end of the year of DKK 411 billion, which represents a fall of 27%.

The number of investor accounts at VP rose by 0.1 million to 3.6 million at the end of 2008. At the end of the year, each account represented an average market value of DKK 1.3 million and contained an average of 2.6 securities.

Clients

VP's clients within Clearing and Custody are professional participants in the securities market, including banks, mortgage institutions, stock-brokers, unit trusts and institutional investors, as well as listed and unlisted joint stock companies. At the end of 2008, VP had 146

account controllers, which is 3 fewer than a year ago and 189 clearing participants, 2 fewer than in 2007, of which 49 are foreign, which is 2 more than in 2007. Developments in the financial sector generally have contributed to and are expected to result in a further fall in the number of account controllers.

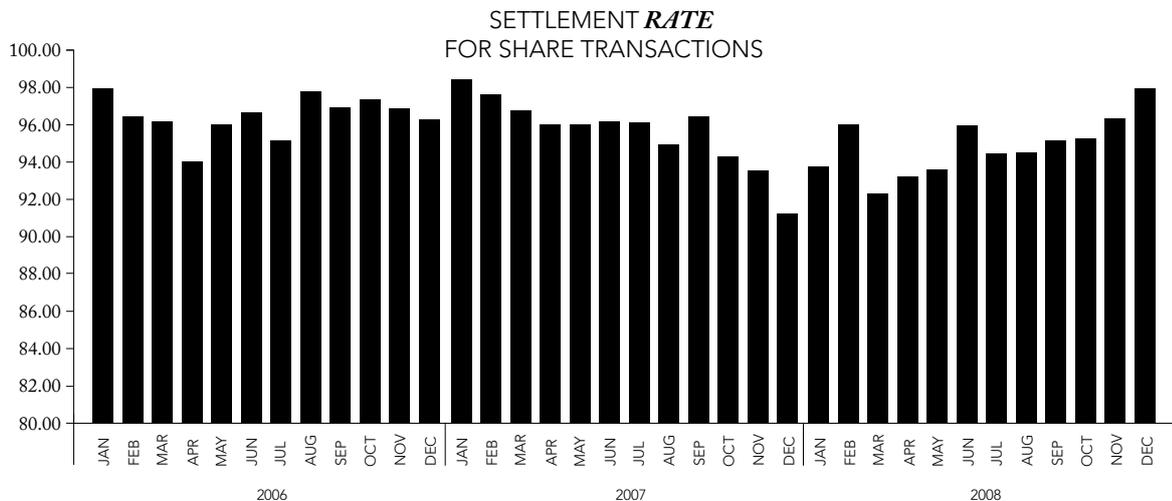
Portfolio sanctions

The turnover volume of shares has increased significantly in recent years. In particular, an increasing number of foreign participants have not exercised sufficient discipline in ensuring that transactions can be executed. This has resulted in the settlement rate (a measure of the number of transactions settled on the agreed settlement date) falling for a number of years.

Share transactions that are not settled represent a market risk for the individual clearing participant, who risks not being able to make an alternative purchase at the same price. There has therefore been an ongoing dialogue for some time now between the market participants and VP concerning possible measures to improve discipline.

Against this background, the market has decided to introduce a system of sanctions for participants in settlements who do not deliver the agreed securities on time. The system has been in operation since mid-August, but initially participants who have not met deadlines have only been sent warnings. It is anticipated that sanctions will be issued as of March 2009.

This increased awareness of the problem has apparently already resulted in greater discipline and, as can be seen from the graph, the settlement rate for share transactions rose by 3 percentage points in the period August to December 2008. This problem has not affected bonds transactions as a bonds transaction that is not settled results in interest compensation between the trading parties and the settlement rate for these remains stable at around 99.00.



Fondsportal and securities register

In 2008, VP launched the final part of the new fondsportal with a modern web interface to set up and amend securities at both VP and NASDAQ OMX. The aim is largely for all information about securities to be reported via this interface. The concept behind the portal is to simplify and improve the working process of those responsible for the issuance and maintenance of securities.

At the same time as developing the fondsportal, VP's securities register has also been upgraded. This means that it is now much easier to accommodate clients' desire for flexibility and new types of instruments, which contributes to the adjustment of the Danish capital market to international standards. The bonds element of the fondsportal and securities register was brought into production in 2005–2007. In November 2008, the shares element was brought into production, meaning that all securities at VP are now set up and maintained using the fondsportal and are stored in the new securities register. The old securities registers for bonds and shares, which were developed in 1983 and 1988 respectively, have now been discontinued.

Foreign partial issue

Regulations in the home country can make it more difficult for foreign issuers to have a portion of their issue registered at VP. Requiring VP to provide register information to the home country's authorities in relation to the tax inspection of its own citizens, for example, is not compatible with VP's confidentiality provisions. Against this background, VP has designed a model which enables foreign issuers to make partial issues through VP.

Norwegian investment company SKAGEN Funds, whose securities are currently traded on the NASDAQ OMX, is expected to be the first to benefit from this model with a partial issue in the first half of 2009.

Acceptance shares (handling of purchase offers)

Together with the sector, VP is currently developing a concept for the automatic handling of purchase offers for companies whose shares are issued at VP. In order to better manage the process, those shareholders who accept the purchase offer provisionally convert their shares to acceptance shares, so that the total of original shares and acceptance shares always adds up to the overall share capital. Work will continue on this in 2009.

Loan bonds

Halfway through the year, Danmarks Nationalbank (the Danish Central Bank) set up a loan scheme in order to facilitate the flow of liquidity between banks requiring liquidity and banks with a liquidity

surplus. The basis of this scheme is that banks which lend liquid assets against the issue and transfer of loan bonds from the borrower are able to borrow against the loan bonds at Danmarks Nationalbank if the lending bank suffers from a subsequent lack of liquidity. VP was chosen to develop and manage this scheme in collaboration with Danmarks Nationalbank because of the need for anonymity and because of the neutral role that VP plays on the Danish market.

Closed unit trusts and professional unit trusts

A special executive order of December 2008 once again permitted shares issued by closed unit trusts to be registered at VP. Following a change in the law in November 2007, closed unit trusts had been prohibited from registering at VP. The same executive order also enabled shares issued by professional unit trusts to be registered at VP. The executive order permits the registration and clearing at VP of these shares, which are not classified as securities. Issuing is available for both certificate-issuing trusts and account controlling trusts. Special pricing has been introduced in connection with issuance, based on the issuers' large volumes and the limited number of investors for each issue.

ISSUER SERVICE – SHARE REGISTER SERVICE

VP's basic Issuer Service provision

On acquiring the share register and general meeting activities from Danske Bank and Nordea in the summer of 2006, VP also refined its business model so that the activities acquired came to provide the platform for a business model in which VP is a full service partner able to meet the requirements resulting from having existing investors and from wanting to attract new ones. VP's vision in this area is that VP Issuer Service will support a digital share culture. A number of new services have already been built up around the acquired activities. The services are now categorised as Share Register, General Meeting, Investor Relations, Communication, Insider and Share-Based Payment Services.

Market developments and clients

VP has attained a solid market position based on the development of a modern, state-of-the-art platform that is stable and reliable and which is now ready to be rolled out globally. This will initially take place through VP LUX, but VP will also look to sell in other countries. There has been demand from potential foreign customers in Scandinavia, Luxembourg and elsewhere.

During the course of the year, VP experienced significant net growth in the number of new customers for which it maintains share registers, meaning that VP now operates share registers for around 200 companies, including 13 of the OMX C20 companies. In 2008, VP was involved in 132 general meetings.

New products and services are continually being launched and these are raising service levels and pushing the market's boundaries. It is expected that the shareholders' rights directive will be implemented in company legislation in the future, which means that greater demands will be placed on companies in order to satisfy the requirements of investors.

This development is already thought to have resulted in companies losing interest in operating share registers themselves and instead passing this on to professional agents. This process is relatively well advanced in Denmark due to the competitive situation, but as the shareholders' rights directive is implemented in the legislation of other European countries and regulations are harmonised across national borders, it will be possible to apply VP's solutions in other EU countries to a very large extent without making major adaptations. However, the harmonisation of regulations also means that the Danish market will be more accessible to external operators.

Virtual AGMs

In 2008, VP became the first service provider in the world to offer a solution that enables companies to hold AGMs entirely virtually, which means that all those taking part do so via the Internet. VP expects the first virtual AGMs to take place in spring 2009.

The aim of this solution is to create added value for the investors and the company in their communication and to make it easier for investors to take part, at a time that suits them. Virtual AGMs also mean that investors save themselves the costs of travel and accommodation connected with attending AGMs.

There are several options for virtual AGMs. Communication is primarily text-based and works on a similar principle to a blog, but it is also possible to use webcasting on demand as well as live broadcasts of previously recorded presentations, for example.

This Internet-based solution has been developed with a view to a future "mixed solution", whereby physical AGMs will also have the option of allowing investors to participate in debates and voting via the Internet. VP believes that both the current virtual solution and in particular the future solution will help to make investing in Danish companies an attractive proposition for foreign investors.

Physical AGMs

VP's AGM solution has been improved a number of times and its user-friendliness means that it is now possible to offer "self-service", i.e. it is possible for a company to hold its AGM itself using VP's secure and stable AGM solution. VP also offers electronic admission tickets, so that both Danish and foreign shareholders can register for general meetings easily and without hindrance. It is worth mentioning in this context that the foreign share of ownership of Danish joint stock companies has increased from 25% to 35% during the last two-and-a-half years.

Processing of address information

The share register system has been expanded to include a solution that enables VP to now offer the systematic processing of address information for the investors in the share register. The ability to find investors in the share register has also been improved, so that the right investor can be found, even if the information available is incomplete. Finally, a number of special functions have been developed that are designed for unit trusts, including coordinated registration for general meetings across different departments at the same trust.

The InvestorPortal

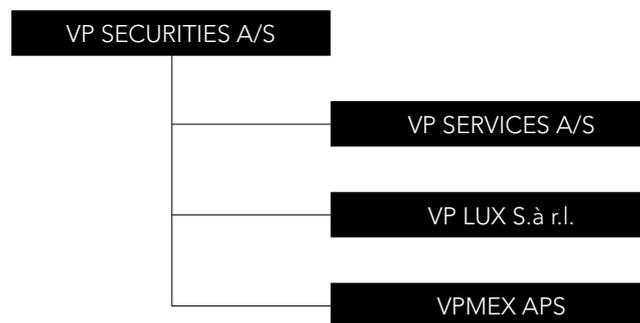
The InvestorPortal enables companies to interact with their investors electronically. Investors can subscribe and unsubscribe from company publications online using the InvestorPortal, and can also provide an e-mail address and other contact details. A new development in 2008 is that foreign investors are also able to take advantage of this service.

In 2008, VP introduced the option for companies to brand the InvestorPortal with their own logo and colours, and also for investors to print out admission tickets for a general meeting or investor meeting.

GROUP STRUCTURE

VP SECURITIES A/S, which is the new name for Værdipapircentralen A/S as of 16 March 2009, is the parent company for the subsidiaries VP SERVICES A/S, VP LUX S.à r.l. and VPMEX ApS.

VP SECURITIES A/S (VP) provides solutions and know-how to financial enterprises and joint stock companies in the field of securities and investor administration. VP also undertakes complex regulated activities which a CSD can carry out for recording, clearing and settlement of securities.



Subsidiaries

VP SERVICES A/S provides a range of VP's services that are not related to complex regulated activities. Among other things, the company carries out VP's activities within investor services and share registers. The company also operates under the name of VP INVESTOR SERVICES. The company was established with equity of DKK 100 million.

VP LUX S.à r.l. is VP's subsidiary in Luxembourg. VP is established as a securities centre in Luxembourg and is subject to the supervision of Luxembourg's financial supervisory authority, the CSSF, and central bank, the BCL. The company was established with equity of EUR 3 million.

VPMEX ApS carries out activities relating to the system export of the Danish mortgage credit solution to Mexico, based on the solutions and know-how of Totalkredit and VP. The company was established with equity of DKK 125 thousand. Together with Geomex, a company in the George Soros group, VPMEX ApS has established a joint venture, Absalon, which has fifty-fifty ownership.

ORGANISATION AND KNOWLEDGE RESOURCES

VP has given its staff the specific task of strengthening cooperative relationships with clients and colleagues. Skills development has been provided, focusing on the individual employee's personal profile and the working groups' ability to provide customer service.

A working environment survey of 2008 measured VP's employee satisfaction and loyalty against a financial benchmark for the first time. The survey showed that VP lies above the financial benchmark in terms of motivation, commitment and loyalty.

In order to improve its ability to recruit new, competent staff in a turbulent labour market, VP has focused on employer branding in 2008 and has exhibited at a number of relevant job fairs, where young people with further education were able to get to know VP. There was a great deal of interest in VP's stand and the company was able to talk about new product development and business strategy, which resulted in a great deal of positive feedback and a large number of job applications.

The number of employees has risen from 173 at the end of 2007 to 177 at the end of 2008. The average age at VP is 46 and the average seniority is 8 years.

LEGISLATION AND REGULATION

European legislation

The European Commission continued to work with the financial industry in 2008 to harmonise standards in order to ensure cheap and

efficient securities settlement in Europe, including across national borders. The European Commission published a status report on this in December. The report concludes that great progress has been made in the work to harmonise industry standards and practices, but that there are major challenges ahead in terms of harmonising legal and tax barriers to cross-border settlement. The European Commission therefore recommends increased legal cooperation between Member States.

The European CSDs, stock exchanges and clearing houses agreed a common code of conduct in 2006 in order to help improve competition through more transparent pricing, easier access and increased freedom of choice for customers in terms of the forms of subscription. This work has now essentially been completed. The European Commission will now examine whether the common code of conduct has delivered the desired results. This examination will be based on a comparison of prices at each of the participants in the common code of conduct.

Danish legislation

At the beginning of January 2008, an amendment to the Danish Financial Supervisory Authority's executive order on the registration, etc., of securities assets at a CSD came into force. The provision concerning registration by name was amended so that registration by name is no longer only permitted at the request of the account holder. Where legislation or the issuer's articles of association require registration by name, this amendment means that the issuer, or the authorised person in accordance with legislation or the articles of association, may submit a request for registration by name.

In the case of Danish shares issued in accordance with the Danish Companies Act, however, it remains the case that only the account holder is entitled to request registration by name.

Complaints

VP acts as the secretariat for the Complaints Board for CSDs. In January 2008, the Complaints Board decided to reopen a previously closed case as a result of new factual evidence. The reopening of the case did not lead to the result being overturned, however, and the Complaints Board upheld the acquittal of the account controller. In February 2008, the Complaints Board received a complaint from an investor concerning the deficient transfer of a securities portfolio from his account controller to a different one. At the beginning of the complaints procedure, the complainant reported that he was withdrawing the complaint as he had been compensated by the account controller. The case was therefore closed without any further investigation.

*Tommy Ege Kristensen, Head of Clearing Services is 27 years old
and has been 1½ years with the company*



IT SYSTEMS

VP's IT systems handle billions of Danish kroner worth of securities on a daily basis. Accordingly, reliable and stable operation is absolutely vital.

VP has built up a great many procedures and competences to secure this. As part of this work, VP has developed a disaster contingency plan to ensure that all business systems can be restarted in less than one hour without the loss of data. VP thus fully meets the international requirements for systemically significant financial infrastructures stipulated by the European supervisory authorities and central banks. VP tests its disaster contingency plan at least once a year using a different disaster scenario each time.

Once again, VP's IT operations were reliable and stable in 2008. The IT systems are constantly monitored by internal and external system auditors who report directly to VP's Board of Directors. In addition to a range of completely new initiatives in 2008 relating to new business systems, as well as systems to further improve the monitoring and control of stability and reliability, VP has in place an ongoing programme of maintenance for existing systems and in 2008 completed the major modernisation of one of the oldest system areas.

VP will continue to ensure that it has a modern, efficient system environment capable of handling the large demands made by the market.

SPECIAL RISKS

VP is not exposed to any particular operational risks or financial or foreign currency risks. VP's operational risks are continuously being minimised, inter alia by means of a high level of IT security, and financial or foreign exchange risks are limited.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

No circumstances have arisen from the end of the year until today's date to alter the assessment of these Financial Statements.

EXPECTATIONS FOR 2009

As a result of the general economic downturn, VP expects a slight decrease in net turnover and slightly lower profits from ordinary activities in 2009 compared to 2008.

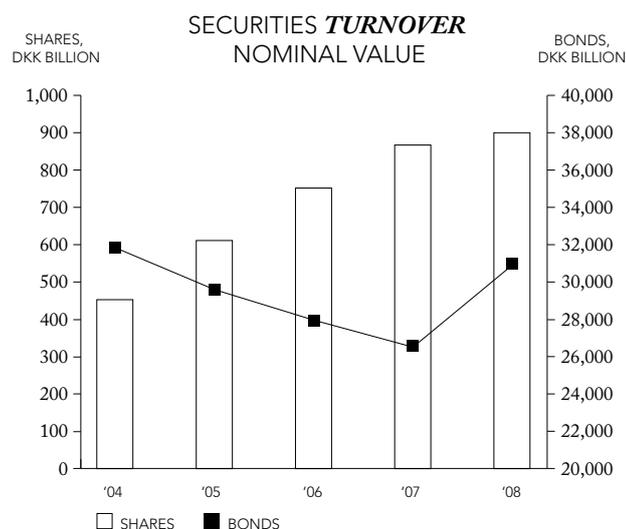
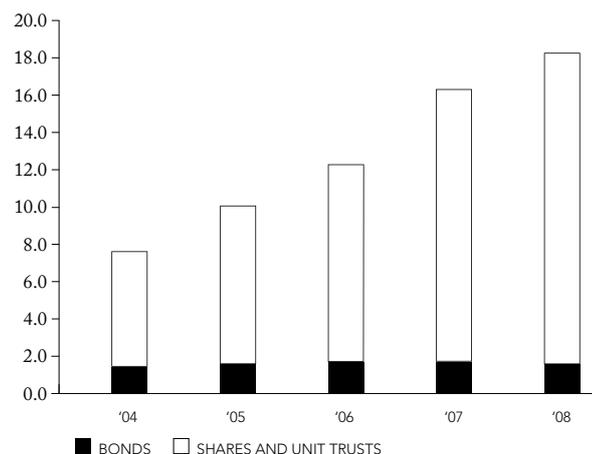
VP IN FIGURES

	2008	2007
ISSUES		
<i>Bonds</i>		
Number of bond series	2,474 series	2,312 series
Bonds in circulation		
Nominal amount	3,426 DKK billion	3,274 DKK billion
Market value (end of year)	3,372 DKK billion	3,203 DKK billion
Number of interest payments	1.8 million	1.8 million
Number of redemption payments	1.6 million	1.6 million
<i>Shares, unit trusts, etc.</i>		
Number of share series, etc.	1,146 series	1,104 series
Shares, unit trust certificates, etc., in circulation		
Nominal amount	553 DKK billion	555 DKK billion
Market value (end of year)	1,213 DKK billion	2,091 DKK billion
Number	14.9 billion	13.1 billion
Number of dividend payments	5.4 million	5.0 million

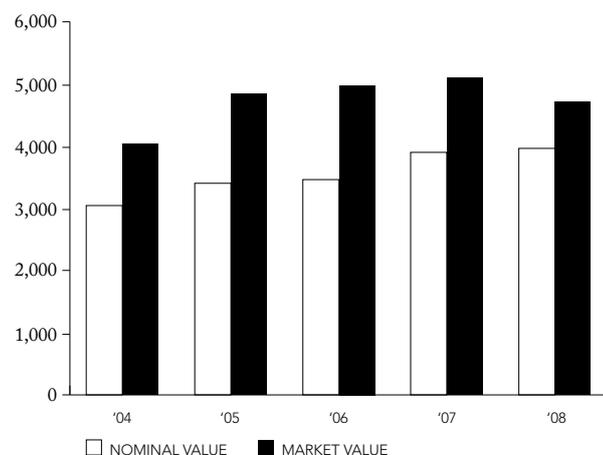
HOLDINGS		
Number of accounts (end of year)	3.6 million	3.5 million
Number of holdings on accounts (end of year)	9.2 million	9.4 million

CLEARING AND SETTLEMENT		
<i>Bonds</i>		
Turnover, nominal value	30,929 DKK billion	26,609 DKK billion
Turnover, market value	25,642 DKK billion	23,064 DKK billion
<i>Shares, unit trust certificates, etc.</i>		
Turnover, nominal value	891 DKK billion	841 DKK billion
Turnover, market value	5,060 DKK billion	5,438 DKK billion
<i>Total number of trading transactions</i>		
Bonds	1.4 million	1.4 million
Shares, unit trust certificates, etc.	17.2 million	15.1 million

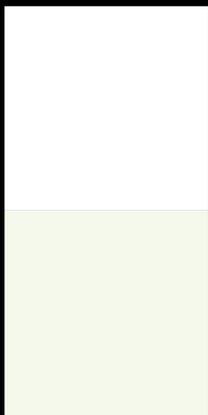
NUMBER OF TRADING TRANSACTIONS, MILLION



SECURITIES DEPOSITED, DKK BILLION



IF THE EURO won't
come to us, then
we must go to the euro.



Denmark may not be involved in the euro project, but it is still possible to take out a loan and issue bonds in euros in Denmark. The only problem with euro bonds issued in Denmark is that the central banks in the euro zone won't allow them to be used by investors as security for credit facilities. Particularly in light of the credit crunch, this means that these bonds fetch a lower price and so Danish companies and home-owners have to pay a higher interest rate on their euro loans. Or more accurately, they did have to. With the opening of VP LUX, our subsidiary in Luxembourg, VP is now able to help everyone get the low euro interest rate on loans. In December 2008 alone, VP LUX issued bonds with a total value of 11 billion euros, saving Danish companies and home-owners a substantial amount running into millions of Danish kroner each year, at a conservative estimate.

MANAGEMENT STATEMENT *AND AUDITORS' REPORT*

Jan Kop, Head Chef is 50 years old and has been 1½ years with the company



SIGNATURES

The Board of Directors and the Management have this day discussed and approved the Financial Statements of VP SECURITIES A/S for the 1 January-31 December 2008 financial year.

The Financial Statements have been prepared in compliance with the provisions of the Danish Financial Statements Act. We consider the accounting principles applied to be appropriate, and in our opinion, the Financial Statements present a true and fair view of the company's assets and liabilities, its financial position, the financial result and cash flow.

The Financial Statements are recommended to the general meeting of shareholders for adoption.

Høje Taastrup, 2 March 2009

MANAGEMENT

Johannes Luef
Managing Director

BOARD OF DIRECTORS

Sven Lystbæk
Chairman

Torben Nielsen
Vice-Chairman

Niels Tørslev

Bent Andersen

Sven A. Blomberg

Hans-Henrik Eigtved

Jørgen A. Engell

Ivan Hansen

Frank Kristensen

Bjarne Graven Larsen

Anne-Lise Hansen

Gitte Ina Nielsen

Erik Pihl

Lone Steiness

Jørgen Nymann Weje

REPORT OF THE INDEPENDENT AUDITOR

To the shareholders of VP SECURITIES A/S

We have audited the Financial Statements of VP SECURITIES A/S for the 1 January-31 December 2008 financial year, comprising signatures, management review, accounting policies, Income Statement, Balance Sheet, equity statement and notes for both the Group and the parent company, VP SECURITIES A/S, as well as the cash flow statement for the Group. The Financial Statements are presented in accordance with the Danish Financial Statements Act.

which give a true and fair view free from materially erroneous information, regardless of whether such erroneous information is the result of fraud or error, just as the Management must choose and use appropriate accounting policies and apply accounting estimates that are reasonable in the circumstances.

Management's responsibility for the Financial Statements

The Management is responsible for preparing and presenting Financial Statements that give a true and fair view of the company in accordance with the Danish Financial Statements Act. This responsibility covers the design, implementation and maintenance of internal controls which are relevant for the preparation and presentation of Financial Statements,

The auditor's responsibility and the audit carried out

It is our responsibility to express an opinion about the Financial Statements on the basis of our audit. We executed our audit in accordance with Danish auditing principles. These principles require us to meet ethical requirements and to prepare and execute the audit with a view to achieving a high degree of certainty that the Financial Statements are free from any materially erroneous information.

An audit comprises actions to obtain audit proof of the amounts and the information given in the Financial Statements. The chosen actions depend on the auditor's assessment, including an assessment of the risk of materially erroneous information in the Financial Statements, regardless of whether such erroneous information is the result of fraud or error. In the risk assessment, the auditor considers the internal controls that are relevant to the company's preparation and presentation of the Financial Statements that give a true and fair view, so as to be able to design audit actions that are suitable in the circumstances, but not for the purpose of expressing an opinion about the efficiency of the company's internal controls. Furthermore, an audit involves an assessment of the suitability of the accounting policies applied by Management, the reasonableness of the accounting estimates made by Management, and an assessment of the overall presentation of the Financial Statements.

In our view, the audit proof obtained is adequate and suitable as a basis for our opinion.

The audit has not given rise to any reservations.

Opinion

In our opinion the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group and the parent company as at 31 December 2008, as well as of the result of activities of the Group and the parent company and the Group's cash flows in the 1 January-31 December 2008 financial year, in accordance with the Danish Financial Statements Act.

Copenhagen, 2 March 2009

Deloitte Statsautoriseret Revisionsaktieselskab

Anders O. Gjelstrup
State-authorized Public Accountant

Stefan Vastrup
State-authorized Public Accountant

ACCOUNTS

ACCOUNTING PRINCIPLES

The Financial Statements have been prepared in compliance with the provisions of the Danish Financial Statements Act for accounting class C (large).

The Financial Statements were presented in accordance with the same accounting policies as last year.

The accounting principles used for the VP Group are described below and these are identical to the accounting principles used for VP SECURITIES A/S, as the parent company.

General information about recognition and measurement

Assets are recognised in the balance sheet where there is a likelihood that the Group stands to benefit from future financial advantages and where the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet where, because of a previous event, the Group has a legal or actual liability and it is likely that future financial advantages will be removed from the Group and where the value of the liability can be measured reliably.

At the initial recognition, assets and liabilities are measured at cost. Measurement after the initial recognition is as described under each accounting item below.

At recognition and measurement, due regard is given to foreseeable risks and losses occurring before the financial statements are presented and serving to confirm or refute conditions existing at the balance sheet date.

Income is recognised in the income statement as and when earned, while costs are recognised in the amounts pertinent to the financial year. Adjustments of the value of financial assets and liabilities are recognised in the income statement as financial income or financial costs.

Conversion of foreign currencies

At initial recognition, foreign exchange transactions are converted at the exchange rate prevailing on the transaction date. Receivables, debt commitments and other foreign exchange monetary items not settled by the balance sheet date are converted at the exchange rate prevailing on the balance sheet date. Currency differences arising between the exchange rate at the transaction date and the rate prevailing on the date of payment or on the balance sheet date, respectively, are recognised in the income statement as financial items.

Upon consolidation, the income statements of foreign subsidiaries that are independent units are converted using average exchange rates for the months in question, unless these are significantly different from the rates prevailing on the day of the transaction. Balance sheet items are converted at the exchange rate on the balance sheet date. Goodwill is considered to belong to the independent foreign unit and is converted at the exchange rate prevailing on the balance sheet date.

Exchange rate differences arising from the conversion of the equity of foreign subsidiaries at the beginning of the year to the exchange rates prevailing on the balance sheet date and from the conversion of income statements from average exchange rates to the exchange rates prevailing at the balance sheet date are recognised directly in equity.

Exchange rate adjustments of intra-group balances for independent foreign subsidiaries, which are regarded as part of the overall investment in the subsidiary in question, are recognised directly in equity.

Upon consolidation, the monetary assets and liabilities of foreign subsidiaries that are integrated units are converted using the exchange rate at the balance sheet date. Non-monetary assets and liabilities are converted at the rate at the acquisition date or the date of any subsequent revaluation or write-down. Income statement items are converted at the average exchange rates for the months in question, while items derived from non-monetary assets and liabilities are converted at historical rates applicable for the non-monetary items in question.

Consolidated accounts

The consolidated accounts include the parent company VP SECURITIES A/S and the three wholly owned subsidiaries VP SERVICES A/S, VPMEX ApS and VP LUX S.à r.l.

Transactions between the companies within the Group are settled in accordance with written guidelines under market conditions or on a cost covering basis.

Consolidation principles

The consolidated accounts are prepared on the basis of the accounts for the parent company VP SECURITIES A/S and the subsidiaries VP SERVICES A/S, VPMEX ApS and VP LUX S.à r.l. The consolidated accounts are drawn up by amalgamating accounting entries of a common nature. On consolidation, intra-group income and expenses, internal balances and dividends, and gains or losses on intra-group transactions are eliminated. The accounts used for consolidation are drawn up in accordance with the Group's accounting principles. The accounting entries for VP SERVICES A/S, VPMEX ApS and VP LUX S.à r.l. are fully recognised in the consolidated accounts.

Capital participation in VP SERVICES A/S, VPMEX ApS and VP LUX S.à r.l. is set off against the parent company's proportional share of the subsidiaries' market value of net assets included at the time of acquisition.

Anna Lundström, Customer Supporter is 26 years old and has been 8 months with the company



INCOME STATEMENT

Net turnover

Net turnover corresponding to the invoiced sales in the year under review are recognised in the income statement, once services have been rendered to the buyer. Net turnover is recognised exclusive of VAT, excise duty and any discounts connected with sales.

Other operating income

Other operating income covers income of a secondary nature seen in relation to the Group's main activities, including gains and losses from the sale of tangible and intangible fixed assets.

Other external costs

Other external costs are activity-dependent costs, the costs of IT operations, costs of consulting services, audit, financial supervision, building facility management, office supplies, training, etc.

Payroll costs

Payroll is wages and salaries plus social costs, pensions, etc., for the Group's staff.

Financial items

Financial items include interest received and interest paid, realised and unrealised capital gains and losses in respect of securities, debt commitments and foreign exchange transactions, cash discounts, etc., as well as additional payments and refunds on the tax prepayment scheme.

Tax

Tax for the year comprises current tax for the year as well as adjustment of deferred tax. The proportion of tax charged to the income statement that is linked to the profit for the year from extraordinary operations is recognised here, while the remaining part is recognised under the profit from ordinary operations.

The present tax liability or tax refund is recognised in the balance sheet as tax calculated on the taxable profit for the year, adjusted for tax paid on account.

Deferred tax is recognised and measured in accordance with the balance sheet oriented liability method on the basis of all provisional differences between the values of assets and liabilities in the internal accounts and tax accounts respectively.

Deferred tax assets, including the tax value of deductible losses that can be carried forward, are recognised in the balance sheet at the anticipated realisable value of the asset, either by being offset against deferred tax liability or as net tax assets.

The Danish Group companies are fully co-taxed. The current Danish corporate tax is divided between the co-taxed companies on a pro rata basis in relation to their taxable incomes (full division with refund concerning tax losses).

BALANCE SHEET

Goodwill

Goodwill is depreciated according to the straight line method based on the assessed useful life, which is laid down on the basis of Management's experience within the individual business areas. The depreciation period is 5 years.

Goodwill is written down to the recovery value where this is lower than the accounting value.

Other intangible fixed assets

Other intangible fixed assets consist of completed development projects and software.

Development projects are recognised as intangible fixed assets provided that such projects relate to clearly defined, identifiable products and processes, where the degree of technical exploitation, adequate resources and potential future market or development opportunity within the Group can be demonstrated and where the intention is to produce, market or use the product or process in question, and are measured at cost price less accumulated depreciation. Other development costs are recognised as costs on the income statement at the time they are incurred.

Development costs include costs, salaries, and depreciation that are directly or indirectly attributable to development projects.

Following completion of a development project, the development costs are depreciated using the straight-line method over the anticipated period of use. The depreciation period is 5 years.

Development projects, including current projects, are written down to their recovery value where this is below the balance-sheet value. Software is measured at cost with a deduction for accumulated depreciation and write-downs. Software is depreciated over 3 years. Software is written down to the recovery value where this is below the accounting value.

Tangible fixed assets

Land and buildings, technical equipment and machinery, other equipment, process materials and fixtures are measured at cost less accumulated depreciation and write-downs. There is no depreciation in respect of land.

Cost price includes acquisition price, costs directly associated with the acquisition as well as costs involved in preparing the asset until it is ready for use.

The basis for depreciation is cost price less expected residual value when the asset ceases to be used. Depreciation is calculated on a straight-line basis over the expected useful life of the asset concerned:

Buildings	30 years
Technical equipment and machinery	15 years
Other equipment, operating plant, fixtures and fittings	4-5 years

Assets having a unit cost price of less than DKK 25,000 are recognised as costs in the income statement at the time of acquisition.

Tangible fixed assets are written down to their recovery value where this is below the balance-sheet value.

Gains and losses from the disposal of tangible fixed assets are calculated as the difference between the sales price less selling cost and the balance-sheet value at the time of the sale. Gains or losses are recognised in the income statement along with depreciation and write-downs or under other operational income, should the sales price exceed the original cost price.

Capital participation in subsidiaries

Capital participation in subsidiaries is recognised and measured using the intrinsic value method (the equity method), which means that the capital participation is measured as the proportional share of the companies' intrinsic accounting value with additions or deductions for unimpaired positive or negative goodwill and additions or deductions of unrealised intra-Group gains and losses.

The income statement recognises the parent company's share of the subsidiaries' profit following elimination of unrealised intra-Group gains and losses with additions or deductions for the impairment of positive or negative goodwill.

Net appreciation of capital participation in subsidiaries is transferred to the net appreciation reserve in relation to the appropriation of profit using the intrinsic value method under equity.

Receivables

Receivables are measured at nominal value less write-downs to compensate for anticipated losses.

Prepayments and accruals

Prepayments and accruals recognised under assets include defrayed costs relating to the subsequent financial year. Prepayments and accruals are measured at cost.

Securities

Securities recognised under current assets include listed shares and bonds as well as capital participation measured at their current value (listed value) on the balance sheet date. Both realised and unrealised capital gains and losses are recognised in the income statement under financial items. Capital participation in subsidiaries is measured using the intrinsic value method (the equity method).

Equity

Dividends are recognised as a debt commitment at the time of their adoption by the AGM. The proposed dividend for the financial year under review is shown as a separate item under equity.

Debts

Debt commitments are recognised at nominal value.

CASH FLOW STATEMENT

The cash flow statement for the Group is presented using the indirect method and shows the cash flow in respect of operations, investments and financing combined with the Group's cash and cash equivalents at the beginning and end of the year. No separate cash flow statement is drawn up for the parent company, as this is included in the cash flow statement for the Group.

Cash flow in respect of operating activities is calculated as the operating profit adjusted for non-cash operating items and the change in working capital, less corporate tax paid.

Cash flow in respect of investments includes payments in connection with the acquisition, disposal and development of intangible and tangible fixed assets.

Cash flow in respect of financing activities includes the raising of loans, repayment of interest-bearing debt and payment of dividends.

Cash and cash equivalents comprise liquid funds and short-term securities with an insignificant price exposure.

KEY FIGURES AND *RATIOS*

<i>RATIOS</i>	<i>CALCULATION FORMULA</i>	<i>RATIO EXPRESSES</i>
EBITA margin (%)	= $\frac{\text{Profit on ordinary activities, excl. depreciation on goodwill (EBITA)} \times 100}{\text{Net turnover}}$	The Group's operational profitability
Return on invested capital including goodwill (%)	= $\frac{\text{Profit on ordinary activities, excl. depreciation on goodwill (EBITA)} \times 100}{\text{Average invested capital including goodwill}}$	The return generated by the company with the investors' funds
Net turnover/Invested capital including goodwill	= $\frac{\text{Net turnover}}{\text{Average invested capital including goodwill}}$	The Group's capital intensity and efficiency in the use of invested capital
Financial gearing	= $\frac{\text{Net interest bearing debt, end of year}}{\text{Equity, end of year}}$	The Group's financial gearing
Return on equity (%)	= $\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$	The Group's return on the capital which the owners have invested in the Group

Key figures and ratios are defined and calculated in accordance with the "Recommendations and Ratios 2005" of the Danish Society of Financial Analysts.

All ratios relating to the equity are calculated inclusive of the tied-up security reserve.

EBITA (Earnings Before Interest, Tax and Amortisation) is defined as the profit on ordinary activities plus the year's depreciation on goodwill.

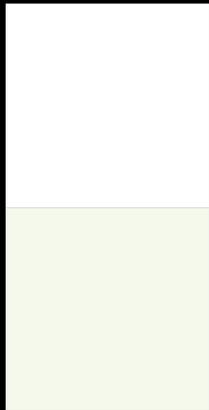
Invested capital including goodwill is defined as the net working capital as well as tangible and intangible fixed assets plus accumulated depreciation on goodwill and minus other commitment allocations and other long-term operational commitments.

The net working capital is defined as stocks, receivables and other current assets from operations minus supplier payables and other short-term operational liabilities. Liquid assets, receivables and due corporate tax do not form part of the net working capital.

Net interest-bearing debt is defined as interest-bearing liabilities, including due corporate tax, minus interest-bearing assets, including securities, liquid assets and corporation tax receivable.

VP SECURITIES

*has that got anything to do
with security?*



Sometimes people call our switchboard to ask if we can install an alarm system in their homes.

It's an understandable mistake, as "securities" is of course the plural of "security".

Although we don't sell alarms, security is actually an important part of what we do. Our systems need to provide the highest level of security and the opportunity to test this arose last November and December, when the credit crunch was at its height.

Whereas a normal day's trading involves 35,000-40,000 transactions, on some days during this period we reached 200,000 transactions. And our systems were able to handle it, without any problems or delays. We also had to deal with situations where foreign banks had gone bankrupt or suspended payments, which resulted in uncertainty about the agreements entered into for securities transactions. VP's systems and contractual base provide clear rules for such situations for both investors and securities traders.

INCOME STATEMENT 01.01.-31.12.

VP SECURITIES A/S				VP GROUP	
2007 DKK '000	2008 DKK '000		Note	2008 DKK '000	2007 DKK '000
382,746	343,412	Net turnover	1	404,887	461,421
382,746	343,412			404,887	461,421
(98,463)	(97,835)	Other external costs		(135,378)	
(106,598)	(120,691)	Payroll costs	2	(129,282)	(18,111)
225	(1,006)	Depreciation	3	(19,282)	
177,910	123,880	Profit on ordinary activities		120,945	165,922
(11,022)	(957)	Income from capital participation in subsidiaries	9	0	0
5,664	5,250	Financial income	4	7,887	6,643
(47)	(170)	Financial costs	5	(1,126)	(60)
172,505	128,003	Profit before tax		127,706	172,505
(43,558)	(32,206)	Tax on profit for the year	6	(31,909)	(43,558)
128,947	95,797	Profit for the year		95,797	128,947
		Proposed appropriation of profit			
58,175	65,660	Profit carried forward from previous years			
128,947	95,797	Profit for the year			
187,122	161,457	Available			
(1,468)	(1,720)	Statutory allocation to the tied-up security reserve			
6	0	Price premium carried forward			
(120,000)	(120,000)	Dividend for the financial year			
65,660	39,737	Profit carried forward to next year			

BALANCE SHEET *AS AT 31.12.*

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>		
2007 DKK '000	2008 DKK '000		Note	2008 DKK '000	2007 DKK '000
0	0	Goodwill	7	33,568	48,258
0	0	Completed development projects	7	8,786	11,564
0	0	Software	7	1,954	2,762
0	0	Intangible fixed assets		44,308	62,584
683	683	Land and buildings	8	683	683
1,371	1,578	Technical equipment and machinery	8	1,578	1,371
864	1,077	Other equipment, operating plant, fixtures and fittings	8	1,077	864
2,918	3,338	Tangible fixed assets		3,338	2,918
88,251	109,646	Capital participation in subsidiaries	9	0	0
88,251	109,646	Financial fixed assets		0	0
91,169	112,984	Fixed assets		47,646	65,502
31,065	25,030	Receivables from sales and services		55,430	40,538
5,190	3,947	Deferred tax assets	10	2,981	4,675
18,282	7,341	Receivables at subsidiaries		0	0
2,789	6,769	Corporate tax		6,769	2,789
5,087	7,197	Other receivables		8,198	6,528
13,936	13,901	Prepayments and accruals		14,444	14,574
76,349	64,185	Receivables		87,822	69,104
44,000	5,070	Securities	11	5,966	44,000
112,484	117,081	Liquid funds		181,235	150,178
232,833	186,336	Current assets		275,023	263,282
324,002	299,320	Assets		322,669	328,784

BALANCE SHEET *AS AT 31.12.*

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>	
2007 DKK '000	2008 DKK '000	Note	2008 DKK '000	2007 DKK '000
40,000	40,000	12	40,000	40,000
0	0		0	0
65,660	39,670		39,670	65,660
120,000	120,000		120,000	120,000
225,660	199,670	Equity	199,670	225,660
57,330	59,050	Statutory tied-up security reserve	59,050	57,330
282,990	258,720	Equity and statutory tied-up security reserve	258,720	282,990
16,265	15,242	Trade creditors	16,248	20,555
24,747	25,358	Other debt	47,701	25,239
41,012	40,600	Short-term debts	63,949	45,794
41,012	40,600	Debts	63,949	45,794
324,002	299,320	Liabilities	322,669	328,784

Contingent liabilities, etc., are shown in note 13
Other notes, see notes 16-18

STATEMENT *of equity and statutory tied-up security reserve*

VP GROUP 2008

	Share capital DKK '000	Reserve for net appreciation of capital participation DKK '000	Profit brought forward DKK '000	Dividend DKK '000	Statutory tied-up security reserve DKK '000	Total DKK '000
01.01.2008	40,000	0	65,660	120,000	57,330	282,990
Transferred to Profit brought forward	0	0	0	0	0	0
Dividend paid for 2007	0	0	0	(120,000)	0	(120,000)
Proposed dividend for 2008	0	0	(120,000)	120,000	0	0
Profit for the year 2008	0	0	94,077	0	1,720	95,797
Exchange rate adjustment of foreign capital participation	0	0	(67)	0	0	(67)
31.12.2008	40,000	0	39,670	120,000	59,050	258,720

VP GROUP 2007

	Share capital DKK '000	Reserve for net appreciation of capital participation DKK '000	Profit brought forward DKK '000	Dividend DKK '000	Statutory tied-up security reserve DKK '000	Total DKK '000
01.01.2007	40,000	6	58,175	120,000	55,862	274,043
Transferred to Profit brought forward	0	(6)	6	0	0	0
Dividend paid for 2006	0	0	0	(120,000)	0	(120,000)
Proposed dividend for 2007	0	0	(120,000)	120,000	0	0
Profit for the year 2007	0	0	127,479	0	1,468	128,947
31.12.2007	40,000	0	65,660	120,000	57,330	282,990

STATEMENT *of equity and statutory tied-up security reserve*

VP SECURITIES A/S 2008

	Share capital DKK '000	Reserve for net appreciation of capital participation DKK '000	Profit brought forward DKK '000	Dividend DKK '000	Statutory tied-up security reserve DKK '000	Total DKK '000
01.01.2008	40,000	0	65,660	120,000	57,330	282,990
Transferred to Profit brought forward	0	0	0	0	0	0
Dividend paid for 2007	0	0	0	(120,000)	0	(120,000)
Proposed dividend for 2008	0	0	(120,000)	120,000	0	0
Profit for the year 2008	0	0	94,077	0	1,720	95,797
Exchange rate adjustment of foreign capital participation	0	0	(67)	0	0	(67)
31.12.2008	40,000	0	39,670	120,000	59,050	258,720

VP SECURITIES A/S 2007

	Share capital DKK '000	Reserve for net appreciation of capital participation DKK '000	Profit brought forward DKK '000	Dividend DKK '000	Statutory tied-up security reserve DKK '000	Total DKK '000
01.01.2007	40,000	6	58,175	120,000	55,862	274,043
Transferred to Profit brought forward	0	(6)	6	0	0	0
Dividend paid for 2006	0	0	0	(120,000)	0	(120,000)
Proposed dividend for 2007	0	0	(120,000)	120,000	0	0
Profit for the year 2007	0	0	127,479	0	1,468	128,947
31.12.2007	40,000	0	65,660	120,000	57,330	282,990

Statutory allocation to the tied-up security reserve

The conversion of the private foundation Værdipapircentralen into a public company included the establishment of a tied-up security reserve corresponding to the value of the assets contributed by the private foundation after deduction of the contributed liabilities. Pursuant to the Danish Securities Trading Consolidated Act, VP SECURITIES A/S must allocate 10% of the profit for the year which has not been used to cover any losses from previous years to the security reserve. This allocation may not, however, exceed the yield on the security reserve, which is equivalent to the minimum interest rate set by the Danish Minister of Taxation less a pro rata share of the corporate tax for the year. The latter limitation is to be used for the current year.

CASH FLOW STATEMENT 01.01.-31.12.

		VP GROUP	
	Note	2008 DKK '000	2007 DKK '000
Profit on ordinary activities		120,945	165,922
Depreciation		19,282	18,111
Changes in working capital	14	1,722	27,391
Cash flow from ordinary activities		141,949	211,424
Net interest and realised security price gains		7,522	6,401
Tax paid		(34,000)	(40,656)
Cash flow from operations		115,471	177,169
Investment in intangible fixed assets		0	(4,500)
Investment in tangible fixed assets		(1,773)	(1,654)
Sale of tangible fixed assets		346	169
Cash flow from investments		(1,427)	(5,985)
Dividend paid		(120,000)	(120,000)
Cash flow from financing		(120,000)	(120,000)
Change in cash and cash equivalents		(5,956)	51,184
Cash and cash equivalents and securities as at 1 January		194,178	142,882
Price adjustment of securities		(1,021)	112
Cash and cash equivalents and securities as at 31 December 2008	15	187,201	194,178

NOTES

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>	
2007 DKK '000	2008 DKK '000		2008 DKK '000	2007 DKK '000
		1. Net turnover		
290,913	261,438	Income from sales of basic services	261,569	290,913
89,680	78,776	Income from sales of sundry services	140,120	168,355
2,153	3,198	Sundry income	3,198	2,153
382,746	343,412		404,887	461,421
		2. Payroll costs		
90,775	103,106	Wages and salaries	110,491	105,241
9,411	10,994	Pension contributions	11,705	10,282
6,412	6,591	Other social costs	7,086	7,146
106,598	120,691		129,282	122,669
3,790	4,138	Of which, total emoluments paid to Management and Board of Directors	4,138	3,790
151	161	Average number of employees	175	167
		3. Depreciation		
146	0	Completed development projects	2,778	3,897
0	0	Goodwill	14,690	14,090
0	0	Software	808	496
330	801	Technical equipment and machinery	801	330
328	508	Other equipment, operating plant, fixtures and fittings	508	328
(1,029)	(303)	Proceeds from disposal of tangible fixed assets	(303)	(1,030)
(225)	1.006		19,282	18,111

NOTES

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>	
2007 t.kr.	2008 t.kr.		2008 DKK '000	2007 DKK '000
		4. Financial income		
3,340	5,027	Interest on bank deposits	7,362	4,334
2,128	0	Interest on securities	0	2,128
196	223	Other financial income	525	181
5,664	5,250		7,887	6,643
		5. Financial costs		
44	161	Capital losses on securities	1,012	43
3	9	Other financial costs	114	17
47	170		1,126	60
		6. Tax on profit for the year		
44,104	31,030	Current tax at VP <i>SECURITIES A/S</i>	31,030	44,104
(1,403)	1,243	Change in deferred tax at VP <i>SECURITIES A/S</i>	1,243	(1,403)
0	0	Current tax at VP <i>SERVICES A/S</i>	1,256	0
514	0	Change in deferred tax at VP <i>SERVICES A/S</i>	(2,050)	514
343	0	Current tax at VPMEX ApS	420	343
0	0	Tax calculated for VP LUX S.à r.l.	77	0
0	(67)	Adjustment relating to previous years	(67)	0
43,558	32,206	Tax on profit for the year	31,909	43,558
25.0%	25.0%	Danish tax rate		
(0.5%)	0.2%	Non-deductible expenses		
24.5%	25.2%	Effective tax rate for the year		

NOTES

VP GROUP

	Completed development projects DKK '000	Goodwill DKK '000	Software DKK '000
7. Intangible fixed assets			
Cost price 01.01.2008	26,317	70,450	4,050
Additions	0	0	0
Disposals	0	(1,000)	0
Cost price 31.12.2008	26,317	69,450	4,050
Depreciation 01.01.2008	(14,753)	(22,192)	(1,288)
Additions	(2,778)	(14,690)	(808)
Disposals	0	1,000	0
Depreciation 31.12.2008	(17,531)	(35,882)	(2,096)
Accounting value 31.12.2008	8,786	33,568	1,954
Accounting value 31.12.2007	11,564	48,258	2,762

VP SECURITIES A/S

	Completed development projects DKK '000
7. Intangible fixed assets	
Cost price 01.01.2008	2,283
Additions	0
Disposals	0
Cost price 31.12.2008	2,283
Depreciation 01.01.2008	2,283
Additions	0
Disposals	0
Depreciation 31.12.2008	2,283
Accounting value 31.12.2008	0
Accounting value 31.12.2007	0

	<i>VP GROUP</i>		
	Land and buildings DKK '000	Technical plant and machinery DKK '000	Other plant DKK '000
8. Tangible fixed assets			
Cost price 01.01.2008	683	20,115	7,643
Additions	0	1,008	764
Disposals	0	0	(1,100)
Cost price 31.12.2008	683	21,123	7,307
Depreciation and write-downs 01.01.2008	0	(18,744)	(6,779)
Depreciation for the year	0	(801)	(508)
Returns on disposal	0	0	1,057
Depreciation and write-downs 31.12.2008	0	(19,545)	(6,230)
Accounting value 31.12.2008	683	1,578	1,077
Accounting value 31.12.2007	683	1,371	864

	<i>VP SECURITIES A/S</i>		
	Land and buildings DKK '000	Technical plant and machinery DKK '000	Other plant DKK '000
8. Tangible fixed assets			
Cost price 01.01.2008	683	20,115	7,643
Additions	0	1,008	764
Disposals	0	0	(1,100)
Cost price 31.12.2008	683	21,123	7,307
Depreciation and write-downs 01.01.2008	0	(18,744)	(6,779)
Depreciation for the year	0	(801)	(508)
Returns on disposal	0	0	1,057
Depreciation and write-downs 31.12.2008	0	(19,545)	(6,230)
Accounting value 31.12.2008	683	1,578	1,077
Accounting value 31.12.2007	683	1,371	864

Public valuation of property as at 1 October 2007 amounted to DKK 1.8 million.

NOTES

VP *SECURITIES A/S*

Capital participation in subsidiaries

100,125	9. Financial fixed assets
22,419	Cost price 01.01.2008
0	Additions
	Disposals
122,544	Cost price 31.12.2008
(11,874)	Net appreciation 01.01.2008
(67)	Exchange rate adjustment
13,733	Share of profit for the year, net
(14,690)	Depreciation on Group goodwill
(12,898)	Net depreciation 31.12.2008
109,646	Accounting value 31.12.2008
88,251	Accounting value 31.12.2007

Capital participation in subsidiaries includes:
 VP SERVICES A/S, Høje Taastrup, 100%
 VPMEX ApS, Høje Taastrup, 100%
 VP LUX S.à r.l., Luxembourg, 100%

NOTES

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>	
2007 DKK '000	2008 DKK '000		2008 DKK '000	2007 DKK '000
		10. Deferred tax assets		
		Deferred tax concerns the following:		
0	0	Completed development projects	(2,196)	(2,891)
0	0	Software	(483)	(683)
0	0	Goodwill	1,494	552
5,201	3,947	Technical plant and machinery, other equipment	3,952	5,207
(11)	0	Securities	214	(11)
0	0	Tax loss at VP SERVICES A/S	0	2,501
5,190	3,947		2,981	4,675
		11. Securities		
44,000	0	Listed shares and bonds	896	44,000
0	5,070	Link Up Capital Markets S.L. 9.1%	5,070	0
44,000	5,070		5,966	44,000

12. Share capital

The share capital of VP SECURITIES A/S consists of 40,000 shares of DKK 1,000 each. The shares are not divided into classes.

13. Contingent liabilities

Liability to pay compensation

As a book-entry company, VP SECURITIES A/S is strictly liable pursuant to the Danish Securities Trading Act for losses that arise because of errors on its part in connection with book-entry, alteration or deletion of rights in respect of accounts with VP SECURITIES A/S or payments from them. Total compensation for losses arising from the same error may not exceed DKK 500 million.

VP SECURITIES A/S is subject to a similar liability to pay compensation in its capacity as an account controller.

Moreover, VP SECURITIES A/S is liable in its capacity as an account controller for errors on the part of others according to an agreement entered into between Danish account controllers affiliated with VP SECURITIES A/S. Liability for compensation according to this agreement may not exceed DKK 50,000 per error at the current level of activity.

Lease commitments

Operational lease agreements have been concluded concerning domicile property, photocopiers and vehicles for 2009. The annual expenditure on operational lease agreements is DKK 7,646,000.

NOTES

VP <i>SECURITIES A/S</i>			VP <i>GROUP</i>	
2007 DKK '000	2008 DKK '000		2008 DKK '000	2007 DKK '000
30,092	3,960	14. Changes in working capital	(16,433)	18,522
4,087	(412)	Changes in receivables, prepayments and accruals	18,155	8,869
34,179	3,548	Changes in trade creditors and other debt	1,722	27,391
		15. Cash and cash equivalents		
112,484	117,081	Liquid funds	181,235	150,178
44,000	5,070	Securities	5,966	44,000
156,484	122,151		187,201	194,178
		16. Fees for auditors elected by the Annual General Meeting		
		“Other external costs” includes the fees for the auditors elected by the Group’s Annual General Meeting, broken down as follows:		
346	346	Audit of the accounts	415	411
374	375	Computer systems audit	375	374
445	74	Consultancy	150	445
1,165	795		940	1,230

17. Stakeholders

Stakeholders exercising a decisive influence on VP SECURITIES A/S: None.

18. Shareholders

The following shareholders directly or indirectly own more than 5% of VP SECURITIES A/S's share capital:

Danmarks Nationalbank, Copenhagen
 Danske Bank A/S, Copenhagen
 Nykredit Realkredit A/S, Copenhagen
 Nordea Bank Danmark A/S, Copenhagen

