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Ringkjøbing Landbobank's announcement of the annual accounts for 2007

The bank's core earnings before write-downs increased by 15% from DKK 401 million in 2006 to DKK 462 million in 2007. There was also a reversal of write-downs of net DKK 11 million, following which the core earnings for 2007 amount to DKK 473 million.

Core earnings	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Core income	696	609	511	417	368	328	275	242	204	196
Total costs etc.	-234	-208	-190	-184	-163	-155	-133	-109	-99	-97
Cores earnings before write-downs	462	401	321	233	205	173	142	133	105	99
Write-downs on loans	+11	+69	+5	+4	-10	+6	+6	0	-5	-9
Core earnings	473	470	326	237	195	179	148	133	100	90

The upwardly adjusted range for core earnings of August 2007 was thus realised in the middle of the range. These core earnings are the best in the bank's history.

The year - highlights:

- 15% increase in core earnings before write-downs from DKK 401 million to DKK 462 million
- Good credit quality resulting in reversal of net DKK 11 million in write-downs
- Pre-tax profit of DKK 455 million equates to 29% p.a. return on equity before tax
- Rate of costs improved by 1% to 34.6
- Continuing strong increase in business - loans up by 11% and deposits up by 30%
- Solvency ratio 13.0% - core capital ratio 11.2%
- Dividend per share DKK 30
- 200,000 own shares reserved for later reduction of the share capital at the general meeting
- Proposed new buy-up programme of up to 200,000 own shares
- Core earnings for 2008 are expected to be in the range DKK 375-450 million

Please do not hesitate to contact the bank's management if you have any further questions.

Yours sincerely,

Ringkjøbing Landbobank

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Main and key figures for the bank

Main figures for the bank (million DKK)	2007	2006	2005	2004	2003
Core income excl. trade income	655	567	480	399	356
Trade income	41	42	31	18	12
Total core income	696	609	511	417	368
Total costs and depreciation	234	208	190	184	163
Core earnings before write-downs on loans	462	401	321	233	205
Write-downs on loans etc.	+11	+69	+5	+4	-10
Core earnings	473	470	326	237	195
Profit before tax	455	573	361	288	301
Profit after tax	348	432	265	214	230
Shareholders' equity	1,779	1,711	1,515	1,372	1,152
Total capital base	2,252	2,190	1,716	1,372	1,152
Deposits	9,162	7,046	6,292	5,144	4,391
Loans	14,135	12,760	10,023	7,209	5,207
Balance sheet total	19,634	17,269	13,361	9,461	7,532
Guarantees	4,804	4,804	5,142	3,938	2,896
Key figures for the bank (per cent)					
Pre-tax return on equity, beginning of year	29.3	41.8	29.2	25.2	29.1
Return on equity after tax, beginning of year	22.4	31.5	21.3	18.7	22.3
Rate of costs	34.6	35.0	38.3	45.0	45.2
Core capital ratio	11.2	10.4	11.6	12.2	15.1
Solvency ratio	13.0	12.3	11.6	11.9	14.4
Key figures per 5 DKK share (DKK)					
Core earnings	94	89	62	45	36
Profit before tax	90	109	68	55	56
Profit after tax	69	82	50	41	42
Net asset value incl. proposed dividend etc.	353	324	287	260	227
Price, end of year	858	1,080	750	544	362
Dividend	30	30	28	25	9

Core income

Total core income increased by 14% from DKK 609 million in 2006 to DKK 696 million in 2007. This development is considered highly satisfactory and is relatively greater than the growth in the bank's costs.

Net interest income increased by 19% from DKK 392 million to DKK 465 million as a function of the continued increase in business volume and the growth in customer numbers.

Fees, commissions and foreign exchange income amounted to net DKK 190 million in 2007 against net DKK 170 million in 2006, an increase of 12%. This positive development is attributable primarily to the bank's initiatives within pension and asset management which, with the establishment of the bank's Private Banking department over three years ago, are having an effect on the less volatile income.

Several areas of core expertise within Private Banking were implemented throughout the organisation during the last two years as generalist knowledge among the bank's consultants, and this has supported the growth in the continuing pension deposits. Both payments into the bank's pension schemes and customers' transferring of their insurance pension arrangements to the bank are continuing at a healthy pace.

The earnings from securities trading were unchanged relative to last year, which covers a greater turnover but lower average brokerage rates, especially because a major part of the trading was carried out via internet banking in 2007 relative to 2006. Of the bank's total core income of DKK 696 million in 2007, the most volatile component, trade income, contributed DKK 41 million or 6%.

The competition on the Danish market with lower or no everyday fees also reduced income from fees, especially on payment transactions. During 2007 the bank abolished fees for private internet banking, withdrawals from its own automatic teller machines and exchanges of foreign currency, and all of the bank's internet banking customers were given the opportunity to save the fee on all forms of paper printouts.

Net fees and commissions and foreign exchange income were derived as follows:

	2007	2006	2005
Asset management	75 million	61 million	37 million
Securities trading	41 million	42 million	31 million
Guarantee commissions	28 million	26 million	26 million
Foreign exchange income	17 million	12 million	6 million
Payment handling	16 million	15 million	14 million
Loan fees	5 million	6 million	10 million
Other fees and commissions	8 million	8 million	8 million
Total	190 million	170 million	132 million

Earnings from sector shares in 2007 amounted to DKK 18 million against DKK 22 million in 2006. These earnings derive from DLR Kredit, BankInvest Holding, Sparinvest Holding, Egnsinvest Holding, Letpension, PBS Holding, Multidata Holding, Værdipapircentralen, PRAS and Bankdata, and are typically an expression of the growth in value of the companies in question. The companies can be compared with the wholly owned subsidiaries of major banks.

Costs and write-downs

Total costs including depreciation on tangible assets amounted to DKK 234 million against last year's DKK 208 million, an increase of 12%.

The rate of costs improved by 1% to 34.6 in 2007. The rate of costs is computed without inclusion of the positive value adjustment of sector shares and the result for the portfolio.

Core earnings before write-downs on loans

The bank's core earnings before write-downs increased by 15% from DKK 401 million in 2006 to DKK 462 million in 2007. This item is important for an assessment of the bank's future operations as write-downs on loans were positive in both 2006 and 2007.

Write-downs on loans

Write-downs on loans etc. were positive by net DKK 11 million, while the item was positive by net DKK 69 million in 2006.

In general the bank's loans portfolio is strong, and given the economic conditions and a targeted focus, it was possible to reverse net DKK 11 million in write-downs in 2007.

The bank's total account for write-downs and provisions amounts to DKK 289 million, equivalent to 1.5% of total loans, write-downs, guarantees and provisions. The portfolio of loans on which interest is no longer calculated amounts to DKK 13 million, equivalent to 0.07% of the bank's total loans, write-downs, guarantees and provisions. The equivalent figures at the end of 2006 were DKK 21 million in loans on which interest is no longer calculated, equivalent to 0.12%.

Measured over the last ten years, the bank's average percentage loss has been 0.22% of total loans, write-downs, guarantees and provisions computed as actual net losses suffered less interest on write-downs. This means that interest on the total account for write-downs was bigger than the actual net losses suffered during the period.

Measured over the last 20 years, the equivalent figure is 0.04%. The period 1988-2007 includes the crisis years in Nordic banking, where, however, the bank never had negative results. The percentage loss in this 20-year period lies in the range -0.77% - +0.51%, with the biggest loss in 1992 and the most positive figure in 2000. The figure in 2007 is positive at 0.03% with a direct losses of 0.08% and an income recognition of 0.11% from the interest. Further information is given on page 9 of the bank's 2007 annual report.

In recent years the bank has achieved greater diversification in its loans portfolio in terms of both geography and sectors, and a lower average risk on its total loans portfolio: the risk profile in the niche concepts in the distance customer division is markedly lower than in the rest of the bank. Only 6.1% of the total account for write-downs and provisions relates to this area, where realised losses viewed over the long term have been insignificant.

Core earnings

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Core income	696	609	511	417	368	328	275	242	204	196
Total costs etc.	-234	-208	-190	-184	-163	-155	-133	-109	-99	-97
Cores earnings before write-downs	462	401	321	233	205	173	142	133	105	99
Write-downs on loans	+11	+69	+5	+4	-10	+6	+6	0	-5	-9
Core earnings	473	470	326	237	195	179	148	133	100	90

The core earnings for 2007 amounted to DKK 473 million against DKK 470 million in 2006. From the beginning of the year, the bank expected core earnings in the range DKK 400-450 million, which was upwardly adjusted in August 2007 by DKK 50 million. The core earnings realised for 2007 were thus in the middle of the upwardly adjusted range.

These core earnings are the best in the bank's history.

Result for portfolio

The result for the portfolio for 2007 was minus DKK 17.6 million including funding costs for the portfolio. The result comprised a positive result for interest-bearing claims and debt of DKK 0.3 million including finding costs, and a loss of DKK 17.9 million including funding costs on listed shares.

The bank's holding of shares etc. at the end of the year amounted to DKK 267 million, DKK 61 million of which was in listed shares etc. while DKK 206 million was in sector shares etc. The bond portfolio amounted to DKK 647 million.

The total interest rate risk, computed as the impact on the result of a one percentage point change in the interest level, was 1.0% of the bank's core capital after deduction at the end of the year.

The bank's total market risk within exposure to interest rate risk, exposure in listed shares etc. and foreign exchange exposure remains at a low level. The bank's risk of losses on the basis of a value-at-risk model (computed with a 10-day horizon and 99% probability) was as follows in 2007:

	Risk in DKK	Risk relative to equity in %
Highest risk of loss:	14.6 million	0.82%
Smallest risk of loss:	4.9 million	0.28%
Average risk of loss:	8.6 million	0.48%

The bank's policy is to keep the market risk at a low level in 2008.

Result after tax

The result after tax was DKK 348 million after calculated tax of DKK 107 million. The result is equivalent to a 22% return on equity at the beginning of the period after allocation of dividend etc. The effective tax rate is computed at 23.5%.

The balance sheet

The bank's balance sheet total stood at DKK 19,634 million at the end of 2007 against last year's DKK 17,269 million, an increase of 14%. Deposits increased by 30% to DKK 9,162 million. The strong growth in the bank's deposits is attributable to the fact that the bank was rated by Moody's in the second quarter of 2007 (see below), enabling major institutional investors, insurance companies and businesses to deposit money in the bank, and to the fact that the slowdown in the economy during 2007 meant that a number of the bank's customers deposited some of their savings in cash.

The growth in the bank's deposits was 11%, from DKK 12,760 million in 2006 to DKK 14,135 million at the end of 2007. This growth derived partly from the branch network in central and western Jutland, where the economy and the housing market are robust, and partly from the distance customer department, where the bank's niche concepts within wind turbine financing and the influx of affluent customers from throughout Denmark continued very satisfactorily, while customers reduced their drawing on investment credits during the second half of 2007.

The portfolio of loans and foreign loans at the end of 2007 can be broadly classified thus:

- 44% of all loans from niche concepts and the distance customer division
- 56% of all loans from the branch network in central and western Jutland.

The bank's portfolio of guarantees at the end of 2007 was DKK 4,804 million, the same as in 2006.

Rating

The bank was rated by Moody's Investors Service in May 2007 as follows:

Financial strength	C+
Short-term liquidity	P-1
Long-term liquidity	A1

These ratings were most recently confirmed in November 2007 with stable outlook.

Liquidity

The bank's liquidity is good, and the excess cover relative to the statutory requirement is 161.4%. The bank's short-term money market loan amounts to DKK 4.3 billion, corresponding to DKK 4.7 billion in short-term money market placings, primarily in the Danish National Bank and liquid securities. The bank also has long-term committed credit facilities to the equivalent of DKK 1.3 billion as backup facilities. The bank thus does not depend on the short-term money market, and the first maturity date on the bank's long-term funding is in the fourth quarter of 2010. The bank's deposits also increased more than loans in actual numbers during 2007.

Capital base 2007

The shareholders' equity at the end of 2006 amounted to DKK 1,711 million, from which dividends etc. of DKK 158 million were paid, while other equity items (primarily the buying up of own shares) amounted to DKK -122 million. The profit for the year was DKK 348 million, after which shareholders' equity totalled DKK 1,779 million at the end of the year.

To this must be added hybrid core capital of nom. DKK 200 million with an indefinite term and subordinate loan capital of nom. DKK 300 million expiring in 2014, so that the bank's total capital base at the end of 2007 amounted to DKK 2,252 million.

The solvency ratio was computed at 13.0% at the end of 2007 against 12.3% at the end of 2006. The core capital ratio was computed at 11.2% at the end of 2007 against 10.4% at the end of 2006.

The bank changed to the new capital adequacy rules under Basle II on 1 January 2007. The new rules gave the bank certain advantages in the risk-weighted assets in 2007. The effect of the new rules has not, however, been fully implemented. This is expected to take place during 2008. The bank also has an option of terminating the loss guarantees to Totalkredit totalling DKK 1,239 million on demand, which will also be an advantage with respect to the risk-weighted assets.

It was decided at the bank's annual general meeting in February 2007 to cancel 40,000 own shares, equivalent to 0.8% of the share capital. The bank's share capital is now DKK 26.2 million in 5,240,000 five DKK shares.

The general meeting in February 2007 also authorised the bank to buy up to 200,000 own shares to be set aside for later cancellation. 200,000 own shares have currently been reserved under this authorisation, equivalent to 3.8% of the share capital, leaving 5,040,000 five DKK shares in circulation. A proposal to cancel these 200,000 reserved shares will be made at the next annual general meeting.

The bank's shares were listed on the OMX Nordic Exchange Copenhagen at 1,080 at the beginning of the year. The share price fell during 2007 to 858 at the end of the year, which including dividend paid gave a return of minus 18%.

The bank's shares are included in the MidCap+ index on the OMX Nordic Exchange Copenhagen, and the market value amounted to DKK 3.4 billion on 31 January 2008.

Capital 2008 - dividend and buy-up programme

The recommendation to the annual general meeting is that a dividend of DKK 30 per share be paid, equivalent to a total dividend of DKK 157.2 million.

A recommendation will also be made to the meeting that a new buy-up programme for up to 200,000 shares be established before the next annual general meeting. The programme will be limited to buying the shares at market prices, to a maximum of DKK 175 million. The programme will also only be implemented in full or in part to the extent to which the board of directors judges it commercially advantageous for shareholders.

Accounting policies and key figures

The bank's accounting policies are unchanged relative to the last financial year.

With effect from 2007, the bank will compute core earnings instead of a result of actual banking operations. The principal difference between the two methods is that computation of core earnings includes an internal funding interest on the bank's trading portfolio, while the actual return on the portfolio will enter into the result for the portfolio. As the difference between the two methods is marginal, the comparative figures for the years 2003-2005 on page 2 and 1998-2005 on page 5 have not been adjusted.

Expectations for the result 2008

The basic result of DKK 473 million achieved for 2007 is better than the budgeted result of DKK 400-450 million at the beginning of the year, primarily because of the growth in the bank's deposits and loans and the highly satisfactory development in the bank's asset consultancy activities.

Ringkjøbing Landbobank has a market share of about 50% in that part of West Jutland in which its old branches are located. The bank's policy is to retain and develop this section of the customer portfolio with good and competitive products, focusing on employee skills and the work advising customers of all the new options arising in a more complex financial world.

The bank also markets itself in Herning, Holstebro and Viborg, where the newest branches are located. Ringkjøbing Landbobank is being perceived to a higher and higher degree as the best local alternative to the major banks, which is resulting in an ongoing increase in customer numbers and leading the bank to expect that the platform in these cities will be further extended in the years to come.

The activities in the bank's distance customer department and niche concepts are also expected to develop positively in 2008, where the main emphasis is expected to be within the concepts of wind turbine financing and affluent private customers, while investment credits are expected to be at a lower level.

Against this background, core income is expected to continue to increase in 2008. Costs, including depreciation on tangible assets, are expected to increase by about 7% in 2008. Notwithstanding the fact that the economy in central and western Jutland is robust, the lower expectations in Denmark with respect to growth may have an impact in the year to come.

The bank therefore expects that the core earnings in 2008 will be in the range DKK 375-450 million against DKK 473 million in 2007, where write-downs of net DKK 11 million were reversed. To this must be added the result for the bank's trading portfolio.

Financial calendar

The financial calendar for the upcoming publications is as follows:

27 February 2008	General meeting
16 April 2008	Quarterly report - 1 st quarter 2008
6 August 2008	Interim report 2008
22 October 2008	Quarterly report - 3 rd quarter 2008

Ringkjøbing Landbobank

Profit and loss account

Note		1.1 - 31.12.2007 DKK 1,000	1.1 - 31.12.2006 DKK 1,000
1	Interest receivable	1,031,830	705,949
2	Interest payable	570,690	309,366
	Net income from interest	461,140	396,583
	Interest-like commission income	17,376	19,963
3	Dividend on capital shares etc.	2,386	4,596
4	Income from fees and commissions	207,977	188,587
4	Fees and commissions paid	35,599	30,464
	Net income from interest and fees	653,280	579,265
5	Value adjustments	+17,965	+128,979
	Other operating income	7,443	4,717
6,7	Staff and administration costs	229,755	204,038
	Amortisation, depreciation and write-downs on intangible and tangible assets	4,647	4,517
	Other operating costs	16	5
11	Write-downs on loans and debtors etc.	+10,791	+69,027
	Result of capital shares in associated companies	-11	0
	Profit before tax	455,050	573,428
8	Tax	106,730	141,046
	Profit for the financial year	348,320	432,382

Proposed allocation of profit

	Total available	348,320	432,382
	Dividend	157,200	158,400
	Other purposes	300	300
	Transferred to reserve for net revaluation under the intrinsic value method	-11	0
	Appropriation to own funds	190,831	273,682
	Total distribution	348,320	432,382

Core earnings

	1.1 - 31.12.2007 DKK 1,000	1.1 - 31.12.2006 DKK 1,000
Net income from interest	464,777	392,288
Interest-like commission income	17,376	19,963
Net income from fees and provisions excl. commission	131,267	116,289
Income from sector shares	17,523	22,271
Foreign exchange income	16,759	11,723
Other operating income	7,443	4,717
Total core income excl. trade income	655,145	567,251
Trade income	41,111	41,834
Total core income	696,256	609,085
Staff and administration costs	229,755	204,038
Amortisation, depreciation and write-downs on intangible and tangible assets	4,647	4,517
Other operating costs	16	5
Total costs etc.	234,418	208,560
Core earnings before write-downs on loans	461,838	400,525
Write-downs on loans and debtors etc.	+10,791	+69,027
Core earnings	472,629	469,552
Result for portfolio	-17,579	+73,047
Result before gain on Totalkredit and Sparinvest Holding	455,050	542,599
Gain on shares in Totalkredit and Sparinvest Holding	0	30,829
Profit before tax	455,050	573,428
Tax	106,730	141,046
Profit for the financial year	348,320	432,382

Balance sheet

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
	Assets		
	Cash in hand and claims at call on central banks	44,226	51,868
9	Claims at notice on central banks	3,280,288	2,067,362
9	Claims on credit institutions		
	Money market operations and bilateral loans - term to maturity under 1 year	795,618	1,075,789
	Bilateral loans - term to maturity over 1 year	216,932	144,724
10,11,12	Loans and other debtors at amortised cost price	14,134,637	12,760,168
13	Bonds at current value	647,310	685,718
14	Shares etc.	266,567	280,829
	Capital shares in associated companies	544	555
	Land and buildings total	70,992	62,101
	Investment properties	5,611	8,665
	Domicile properties	65,381	53,436
	Other tangible assets	4,134	4,042
	Actual tax assets	13,120	13,399
	Deferred tax assets	11,173	26,653
	Other assets	147,197	94,877
	Periodic-defined items	990	1,273
	Total assets	19,633,728	17,269,358

Balance sheet

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
	Liabilities and equity		
15	Debt to credit institutions and central banks		
	Money market operations and bilateral credits - term to maturity under 1 year	4,307,206	6,535,577
	Bilateral credits - term to maturity over 1 year	3,132,755	1,274,603
16	Deposits and other debts	9,161,775	7,046,159
17	Issued bonds at amortised cost price	474,287	2,955
	Other liabilities	284,328	197,524
	Periodic-defined items	1,020	812
	Total debt	17,361,371	15,057,630
	Provisions for pensions and similar liabilities	11,466	13,205
11	Provisions for losses on guarantees	7,303	5,087
	Other provisions	1,164	3,358
	Total provisions for liabilities	19,933	21,650
	Subordinated loan capital	287,063	287,988
	Hybrid core capital	186,800	191,300
18	Total subordinated debt	473,863	479,288
19	Share capital	26,200	26,400
	Reserve for net revaluation under the intrinsic value method	193	204
	Proposed dividend etc.	157,500	158,700
	Profit carried forward	1,594,668	1,525,486
	Total shareholders' equity	1,778,561	1,710,790
	Total liabilities and equity	19,633,728	17,269,358
21	Contingent liabilities		
22	Capital adequacy computation		

Statement of shareholders' equity

DKK 1,000	Share capital	Provisions for re-valuation	Reserve for net revaluation under the intrinsic value method	Proposed dividend etc.	Profit carried forward	Total shareholders' equity
Shareholders' equity at the end of the previous financial year	26,400	0	204	158,700	1,525,486	1,710,790
Reduction of the share capital	-200				200	0
Dividend etc. paid				-158,700		-158,700
Dividend received on own shares					776	776
Shareholders' equity after allocation of dividend etc.	26,200	0	204	0	1,526,462	1,552,866
Purchase and sale of own shares					-104,097	-104,097
Tax calculated on transactions with own shares					-111	-111
Adjustment of deferred tax concerning own shares					-22,406	-22,406
Other shareholders' equity items					3,989	3,989
Profit for the financial year			-11	157,500	190,831	348,320
Shareholders' equity on the balance sheet date	26,200	0	193	157,500	1,594,668	1,778,561

Notes

Note	1.1 - 31.12.2007 DKK 1,000	1.1 - 31.12.2006 DKK 1,000
1 Interest receivable		
Claims on credit institutions and deposits with central banks	136,229	59,838
Loans and other debtors	892,747	633,987
Loans - interest concerning the written-down part of loans	-20,152	-20,559
Bonds	19,326	26,184
Total derivatives financial instruments, of which	3,431	6,060
Currency contracts	5,977	9,965
Interest-rate contracts	-2,546	-3,905
Other	249	439
Total interest receivable	1,031,830	705,949
2 Interest payable		
Credit institutions and central banks	282,786	141,209
Deposits and other debts	262,386	146,045
Issued bonds	3,083	35
Subordinated debt	21,927	21,012
Other	508	1,065
Total interest payable	570,690	309,366
3 Dividend on capital shares etc.		
Shares	2,386	4,596
Total dividend on capital shares etc.	2,386	4,596
4 Gross income from fees and commissions		
Securities trading	58,682	57,362
Asset management	78,993	65,303
Payment handling	17,368	15,910
Loan fees	7,750	8,151
Guarantee commissions	28,228	26,029
Other fees and commissions	16,956	15,832
Total gross income from fees and commissions	207,977	188,587
Net income from fees and commissions		
Securities trading	41,111	41,834
Asset management	73,934	60,950
Payment handling	15,668	15,640
Loan fees	5,498	5,832
Guarantee commissions	28,228	26,029
Other fees and commissions	7,939	7,838
Total net income from fees and commissions	172,378	158,123

Notes

Note	1.1 - 31.12.2007 DKK 1,000	1.1 - 31.12.2006 DKK 1,000
5 Value adjustments		
Loans and other debtors at current value	-1,318	-6,169
Bonds	-4,638	-5,886
Shares etc.	-15,303	61,076
Shares in sector companies	16,208	20,534
Shares in Totalkredit and Sparinvest Holding	0	30,829
Foreign exchange income	16,759	11,723
Total derivatives financial instruments, of which	1,394	-3,864
Interest-rate contracts	1,277	-4,560
Share contracts	117	696
Issued bonds	334	0
Other liabilities	4,529	20,736
Total value adjustments	17,965	128,979
6 Staff and administration costs		
Salaries and payments to the board of managers, board of directors and shareholders' committee		
Board of managers	5,213	5,200
Board of directors	805	738
Shareholders' committee	368	215
Total	6,386	6,153
Staff costs		
Salaries	107,283	97,618
Pensions	10,104	9,282
Social security expenses	12,426	10,102
Total	129,813	117,002
Other administration costs	93,556	80,883
Total staff and administration costs	229,755	204,038
7 Number of employees		
Average number of employees during the financial year converted into full-time employees	279.1	270.6
8 Tax		
Tax calculated on the years profit	113,656	128,279
Adjustment of deferred tax	-5,903	17,853
Adjustment of deferred tax due to change in tax rate	-1,023	0
Adjustment of tax calculated for previous years	0	-5,086
Total tax	106,730	141,046
Effective tax rate (percent):		
The current tax rate of the bank	25.0	28.0
Non-liable income and non-deductible costs etc.	-1.3	-2.5
Adjustment of deferred tax due to change in tax rate	-0.2	0.0
Adjustment of tax calculated for previous years	0.0	-0.9
Total effective tax rate	23.5	24.6

Notes

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
9	Claims on credit institutions and deposits with central banks		
	Claims at call	428,052	475,877
	Up to and including 3 months	3,573,288	2,602,362
	More than 3 months and up to and including 1 year	74,566	64,912
	More than 1 year and up to and including 5 years	173,482	74,560
	More than 5 years	43,450	70,164
	Total claims on credit institutions and deposits with central banks	4,292,838	3,287,875
10	Loans and other debtors at amortised cost price		
	At call	4,966,877	4,850,271
	Up to and including 3 months	797,107	925,398
	More than 3 months and up to and including 1 year	2,169,886	2,287,434
	More than 1 year and up to and including 5 years	3,187,749	2,509,300
	More than 5 years	3,013,018	2,187,765
	Total loans and other debtors at amortised cost price	14,134,637	12,760,168
11	Write-downs on loans and other debtors and provisions for losses on guarantees		
	Individual write-downs		
	Cumulative individual write-downs on loans and other debtors at the end of the previous financial year	279,913	340,750
	Write-downs/value adjustments during the year	112,008	61,100
	Reverse entry - write-downs made in previous financial years	-108,120	-110,203
	Booked losses covered by write-downs	-10,663	-11,734
	Cumulative individual write-downs on loans and other debtors on the balance sheet date	273,138	279,913
	Group write-downs		
	Cumulative group write-downs on loans and other debtors at the end of the previous financial year	10,000	12,100
	Write-downs/value adjustments during the year	0	0
	Reverse entry - write-downs made in previous financial years	-1,344	-2,100
	Cumulative group write-downs on loans and other debtors on the balance sheet date	8,656	10,000
	Total cumulative write-downs on loans and other debtors on the balance sheet date	281,794	289,913
	Provisions for losses on guarantees		
	Cumulative individual provisions for losses on guarantees at the end of the previous financial year	5,087	4,150
	Provisions/value adjustments during the year	3,868	1,387
	Reverse entry - provisions made in previous financial years	-1,652	-450
	Cumulative individual provisions for losses on guarantees on the balance sheet date	7,303	5,087
	Total cumulative write-downs on loans and other debtors and provisions for losses on guarantees on the balance sheet date	289,097	295,000

Notes

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
12	Suspended calculation of interest Loans and other debtors with suspended calculation of interest on the balance sheet date	13,190	20,578
13	Bonds at current value Listed on the stock exchange Total bonds at current value	647,310 647,310	685,718 685,718
14	Shares etc. Listed on OMX The Nordic Exchange Copenhagen Listed on other stock exchanges Unlisted shares at current value Sector shares at current value Other holdings Total shares etc.	50,453 115 10,184 190,887 14,928 266,567	97,105 132 540 168,532 14,520 280,829
15	Debt to credit institutions and central banks Debt payable on demand Up to and including 3 months More than 3 months and up to and including 1 year More than 1 year and up to and including 5 years More than 5 years Total debt to credit institutions and central banks	809,845 3,497,361 0 2,721,297 411,458 7,439,961	1,089,593 5,445,984 0 1,192,960 81,643 7,810,180
	The bank has long-term committed revolving credit facilities equivalent to a total of	1,296,528	1,296,480
16	Deposits and other debts On demand Deposits and other debts at notice: Up to and including 3 months More than 3 months and up to and including 1 year More than 1 year and up to and including 5 years More than 5 years Total deposits and other debts	4,630,727 2,139,690 211,614 1,005,001 1,174,743 9,161,775	4,114,253 1,134,697 300,832 691,382 804,995 7,046,159
	Distributed as follows: On demand At notice Time deposits Long term deposit agreements Special types of deposits	4,581,804 57,863 2,214,056 1,379,758 928,294 9,161,775	4,066,567 67,150 1,200,796 1,002,963 708,683 7,046,159

Notes

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
17	Issued bonds at amortised cost price		
	On demand	0	0
	Up to and including 3 months	0	0
	More than 3 months and up to and including 1 year	0	0
	More than 1 year and up to and including 5 years	469,705	0
	More than 5 years	4,582	2,955
	Total issued bonds at amortised cost price	474,287	2,955
	Distributed as follows:		
	Issue in Norwegian kroner, nom. 500 million NOK	467,084	0
	Value adjustment, issue in Norwegian kroner	-334	0
	Other issues	7,537	2,955
		474,287	2,955
18	Subordinated debt		
	Subordinated loan capital:		
	Principal DKK 300 million, interest rate 3.995%, expiry 9.2.2014	299,098	298,816
	Value adjustment, subordinated loan capital	-12,035	-10,828
	Hybrid core capital:		
	Principal DKK 200 million, interest rate 4.795%, indefinite term	199,103	198,870
	Value adjustment, hybrid core capital	-12,303	-7,570
	Total subordinated debt	473,863	479,288
19	Share capital		
	Number of shares at DKK 5 each:		
	Beginning of year	5,280,000	5,280,000
	Cancelled during the year	-40,000	0
	End of year	5,240,000	5,280,000
	Of which are reserved for subsequent cancellation	200,000	0
	Total share capital	26,200	26,400
20	Own capital shares		
	Own capital shares included in the balance sheet at	0	0
	The market value is	168,624	129,278
	Number of own shares:		
	Beginning of year	119,702	112,084
	Net purchases and sales, including cancellation, of own shares during the year	76,829	7,618
	End of year	196,531	119,702
	Nominal value of holding of own shares, end of year	983	599
	Own shares' proportion of share capital, end of year (%)	3.8	2.3
21	Contingent liabilities		
	Guarantees etc.		
	Finance guarantees	1,717,461	1,723,008
	Guarantees for foreign loans	1,408,063	1,470,113
	Guarantees against losses on mortgage credit loans	121,301	142,620
	Guarantees against losses Totalkredit	1,239,306	1,152,409
	Registration and conversion guarantees	214,565	193,619
	Other guarantees	103,143	121,850
	Total guarantees etc.	4,803,839	4,803,619

Notes

Note		End Dec. 2007 DKK 1,000	End Dec. 2006 DKK 1,000
21 cont.	Other contingent liabilities		
	Irrevocable credit commitments	0	0
	Other liabilities	3,995	3,695
	Total other contingent liabilities	3,995	3,695
	As security for clearing etc., the bank has pledged bonds from its total bond holding to the Danish National Bank to a total market price of	126,275	160,434
22	Capital adequacy computation		
	Computed pursuant to the Executive order on Capital Adequacy issued by the Danish Financial Supervisory Authority:		
	Weighted items with credit and counterparty risks	14,461,777	15,869,400
	Market risk	513,401	655,709
	Operational risk	1,199,363	0
	Total risk weighted items	16,174,541	16,525,109
	Share capital	26,200	26,400
	Reserve for net revaluation under the intrinsic value method	193	204
	Profit carried forward	1,752,168	1,684,186
	Core capital	1,778,561	1,710,790
	Proposed dividend etc.	-157,500	-158,700
	Activated deferred tax assets	-11,173	-26,653
	Core capital after deduction	1,609,888	1,525,437
	Hybrid core capital	200,000	200,000
	Core capital after deduction incl. hybrid core capital	1,809,888	1,725,437
	Subordinated loan capital	300,000	300,000
	Addition to / deduction from the capital base	0	0
	Capital base after deduction	2,109,888	2,025,437
	Core capital ratio excl. hybrid core capital (per cent)	10.0	9.2
	Core capital ratio (per cent)	11.2	10.4
	Solvency ratio acc. to sect. 124 of the DFBA *) (per cent)	13.0	12.3
	Minimum capital requirements under section 124 of the DFBA *)	37,283	37,280
23	Miscellaneous comments on:		
	Main and key figures for the bank and key figures per DKK 5 share - page 2		
	<ul style="list-style-type: none"> The comparative figures for the period 2003-2005 have not been adjusted for the change from actual banking operations to core earnings. The capital base is computed as the shareholders' equity at the end of the year including proposed dividend etc. plus the book value of subordinated debt. Return on equity at the beginning of the year before and after tax are both computed after allocation of dividend etc. Key figures per DKK 5 share for 2007 are calculated on the basis of 5,040,000 shares. 		
	Core earnings - page 5		
	<ul style="list-style-type: none"> The comparative figures for the period 1998-2005 have not been adjusted for the change from actual banking operations to core earnings. 		

*) Danish Financial Business Act

Danish Financial Supervisory Authority key figures for Danish banks

		2007	2006	2005	2004	2003
Solvency ratio	%	13.0	12.3	11.6	11.9	14.4
Core capital ratio	%	11.2	10.4	11.6	12.2	15.1
Pre-tax return on equity	%	26.1	35.6	25.0	22.5	27.5
Return on equity after tax	%	20.0	26.8	18.3	16.7	21.0
Income/cost ratio	DKK	3.04	5.11	2.95	2.60	2.75
Interest risk	%	1.0	1.6	1.7	1.6	1.9
Foreign exchange position	%	2.1	4.1	1.7	2.1	0.3
Foreign exchange risk	%	0.0	0.0	0.0	0.0	0.0
Loans and write-downs thereon relative to deposits	%	157.4	185.2	164.9	147.1	127.6
Loans relative to shareholders' equity		7.9	7.5	6.6	5.3	4.5
Excess cover relative to statutory liquidity requirements	%	161.4	134.3	88.5	83.4	137.0
Growth in loans for the year	%	10.8	27.3	39.0	38.5	14.0
Total large exposures	%	38.3	116.1	73.3	95.5	90.9
Cumulative write-down percentage	%	1.5	1.7	2.3	3.1	4.6
Write-down percentage for the year	%	-0.06	-0,39	-0.03	-0.04	0.11
Proportion of debtors at reduced interest	%	0.1	0.1	0.2	0.2	0.3
Result for the year after tax per share * / ***	DKK	1,324.4	1,637.8	1,002.3	811.5	849.3
Book value per share * / **	DKK	7,053	6,631	5,862	5,325	4,473
Dividend per share *	DKK	600	600	550	500	175
Price/result for the year per share * / ***		13.0	13.2	15.0	13.4	8.5
Price/book value per share * / **		2.43	3.26	2.56	2.04	1.62
<p>* Calculated on the basis of a denomination of DKK 100 per share. ** Calculated on the basis of number of shares outstanding at the end of the year. *** Calculated on the basis of the average number of shares.</p>						