

Amagerbanken



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Quarterly report - Q1 2007

Amagerbanken's Board of Directors today approved the group Q1 report 2007. The Board of Directors finds that core earnings are showing continuous fine growth but also that the result is substantial negatively influenced by unrealized value adjustments on the Bank's holding in Jeudan A/S.

The following may be pointed out:

- Core earnings of DKK 125.4m against DKK 102.7m in 2006 show an increase of 22.1% and is better than expected
- The volume of business – deposits, loans and advances and guarantees – rose by 28% compared to same period last year. The Bank's custodian activities amounted to DKK 88.2bn, an increase of 16.8%
- Cost ratio is 53.5% against 54.5% in 2006
- Value adjustments, etc. amounted to minus DKK 41.2m against DKK 131.8m in 2006. The Jeudan share is included with an unrealized loss in 2007 of DKK 66m and with an unrealized profit of DKK 104m in 2006
- The pre-tax profit amounted to DKK 84.2m corresponding to a return on opening shareholders' equity of 16.6% p.a.
- The net profit for the period amounted to DKK 64.2m
- The Bank's solvency ratio inclusive of the Q1 result was 12.1%, with core capital accounting for 8.2%.

Questions to this report may be addressed to Mr. Knud Christensen, Managing Director and Chief Executive by phone no. +45 32 66 60 00.

Yours faithfully,

AMAGERBANKEN

Knud Christensen
Managing Director and
Chief Executive

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GROUP FINANCIAL HIGHLIGHTS

	2007 Q1	2006 Q1	2006 All year
Income statement DKKm			
Net interest, fee income and other income	247.3	199.7	878.0
Foreign exchange income	14.4	14.7	50.7
Core income	261.7	214.4	928.7
Employee benefits and administrative expenses	(125.8)	(104.9)	(447.3)
Impairment on property, plan and equipment	(14.2)	(12.0)	(49.3)
Total costs	(140.0)	(116.9)	(496.6)
Core earnings before impairment losses	121.7	97.5	432.1
Impairment losses on loans, advances, etc.	3.4	(5.0)	10.0
Profit from temporarily foreclosed entities	0.3	10.2	27.3
Core earnings	125.4	102.7	469.4
Value adjustments, etc.	(41.2)	131.8	189.7
Profit before tax	84.2	234.5	659.1
Tax	(20.0)	(61.9)	(156.2)
Profit	64.2	172.6	502.9
Balance sheet, etc. DKKm			
Loans and advances at amortised cost	19,861	14,095	18,198
Deposit and other debt	14,410	11,658	13,123
Credit institutions (net debt)	4,202	2,611	4,226
Issued bonds at amortised cost	1,156	0	1,188
Equity incl. of result of period	2,007	1,725	2,029
Base capital incl. of result of period	3,106	2,672	3,123
Total assets	26,266	19,568	24,724
Securities custody	88,202	75,487	85,372
Guarantees and other commitments	4,522	4,558	4,861
Ratios			
Return on equity before tax p.a. of opening equity	16.6	57.5	40.4
Core earnings in % of opening equity	24.7	25.2	28.8
Cost ratio	53.5	54.5	53.5
Share price, end of period	384	*390	374
Book value, end of period	183	*156	185
Share price/book value, end of period	2.10	2.50	2.02
Solvency ratio, incl. profit of period	12.1	12.5	12.7
Core (tier 1) capital ratio, incl. profit of period	8.2	8.8	8.5
Number of employees, full-time equivalent, end of period	561	504	548

* As at 24 April 2006 the Bank changed denomination of its shares from DKK 100 per share to DKK 20 per share. The comparative figures of Q1 2006 have been restated to a denomination of DKK 20 per share.



COMMENTS TO THE GROUP'S FINANCIAL HIGHLIGHTS FOR THE Q1 2007

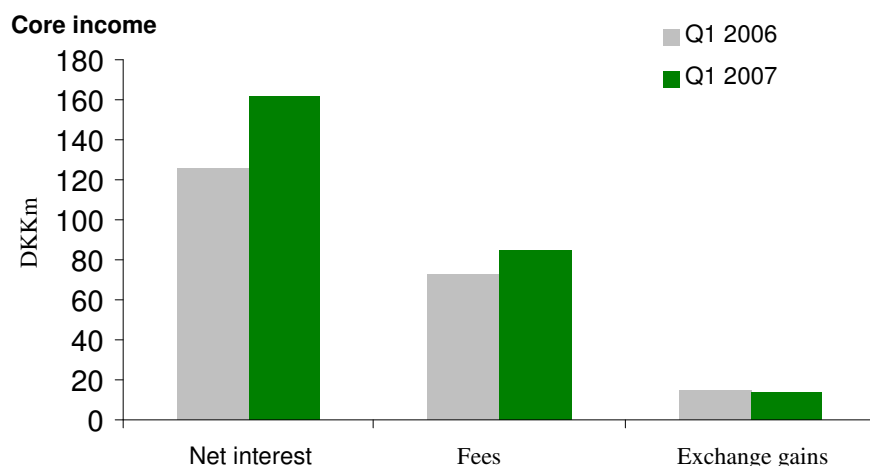
In Q1 2007 the Bank generated core earnings of DKK 125.4m against DKK 102.7m in 2006 – an increase of 22,1%.

The customer influx in the retail as well as the corporate area shows a satisfactory development. With a view to strengthen the commercial development the Bank currently evaluates the possibilities of right branch establishments also in the light of the connection between the greater Copenhagen area and larger parts of Zealand. The Bank opened a branch in Hellerup on 1 March 2007.

The pre-tax profit amounted to DKK 84.2m against DKK 234.5m last year. The decline in earnings is solely due to the value adjustment on Jeudan, which in Q1 2006 showed an unrealized exchange gain of DKK 104m against an unrealized exchange loss of DKK 66m in Q1 2007.

Income statement

Core income amounting to DKK 261.7m against DKK 214.4m last year has developed considerably better than expected in consequence of a higher level of activity in the Bank. The development in the Bank's volume of business has resulted in an increase of net interest income of 28% to DKK 162.0m against DKK 126m in 2006. The interest margin is as expected lower than in the same period last year and a changed product mix has strengthened this development.



Securities trading and securities custody management have also shown a positive development. The internet trade with Danish and foreign securities are showing a strong growth and the Bank's custodian activities amount to DKK 88.2bn against DKK 75.5bn last year, equal to an increase of 16.8%. The increase thus relates to customer custodies as well as to the custodian activity. The Bank's participation in the Nordic custody co-operation, "Nordic Custody Alliance" also creates the basis for continued growth. We expect consistent growth in custody management services.

Fees and commission income, etc. rose by 16% to DKK 85.2m against DKK 73.2m in the same period last year and is among other things influenced by increased income on securities trading and securities custody management as well as guarantee commissions.

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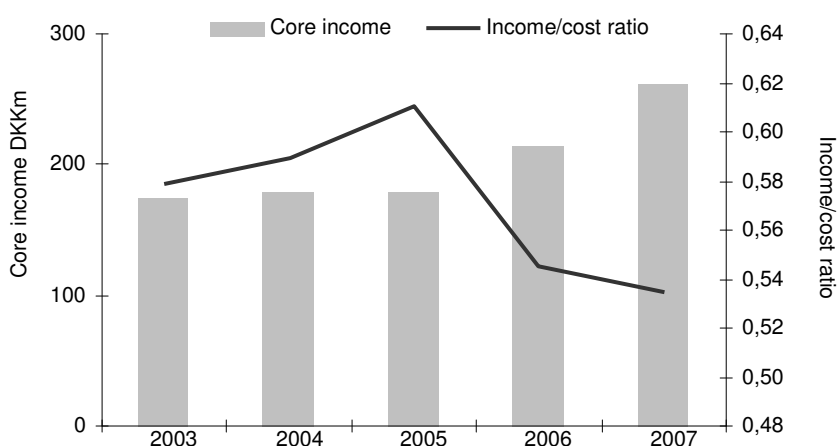
Below please find the Bank's fees and commission income, etc.:

DKKm	31.03 2007	31.03 2006	Dev.
Securities trading and custody	46.4	36.3	10.1
Commission from mortgage guarantees and other guarantees	13.0	11.3	1.7
Dividends from shares, etc.	5.6	6.4	(0.8)
Origination fees	6.9	6.8	0.1
Payments services	2.4	2.1	0.3
Profit from sale of lease assets and properties	1.8	1.1	0.7
Other fees and commissions relating to transactions with customers and other transactions	9.1	9.2	(0.1)
	85.2	73.2	12.0

Employee benefits and administration expenses amounted to DKK 125.8m against DKK 104.9m in 2006 or an increase of 19.9%. In general the development is as expected and in compliance with the Bank's increasing level of activity. At the end of March 2007 the number of employees amounted to 561 against 504 in 2006.

Depreciation on property, plant and equipment amounted to DKK 14.2m against DKK 12.0m, equal to an increase of 18%. The development can be attributed to the Bank's increasing level of activity within operational leasing, which causes increased depreciation on the leased assets.

The increase of core income has offset the increased costs and the cost ratio has thus declined from 54.5% in the first quarter of 2006 to 53.5% in the first quarter of 2007.



Impairments on loans and advances, etc. totalled an income of DKK 3.4m against an expense of DKK 5.0m in 2006. The result item corresponds to minus 0.06% p.a. of total credit lending against 0.1% the year before. Total impairments amounted to DKK 336m, equal to 1.4% of credit lending. The rules of recognition and measurement, which were introduced in 2005, place heavy demands on data and supporting IT systems. These have not yet been fully implemented. Therefore, there is

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some uncertainty about the statement of impairments. However, it is the management's opinion that the uncertainty is of no importance to the quarterly report.

Value adjustments, etc. totalled a minus of DKK 41.2m against DKK 131.8m in 2006. Value adjustments on shares are significantly influenced by an unrealized exchange loss in the Bank's shareholding in Jeudan A/S.

Balance sheet, business volume, solvency, etc.

Balance sheet totalled DKK 26.3bn at the end of Q1 2007 against DKK 19.6bn in 2006.

Business volume – deposits, loans and advances and guarantees – amounted to DKK 38.5bn, an increase of 28% compared to last year.

Deposits also being highly positive with an increase of 23.6% compared to last year derive from growth in both the retail and the corporate sectors.

Lending shows an increase of 40.9% compared to last year. This improvement in loans and advances relates to both retail and corporate customers.

The Bank's total credit risks are widely spread across the business sectors naturally attaching to our geographical operating areas. In Q1 2007, we also funded a number of succession and ownership changes as well as the consolidation by venture capital funds of selected lines of business.

Guarantees accounted for DKK 4,192m against DKK 4,301m last year. Guarantees primarily provided for mortgages taken out by private customers show a slight increase on 2006, whereas other types of guarantee – primarily relating to project finance of dwellings and cooperative housing societies – have stabilised at a high level.

The Bank's long-term finance including issued bonds amounted to DKK 3.0bn against DKK 2.6bn at the end of 2006. In January 2007 the Bank raised further long-term funding in the amount of EUR 60m to bolster our long-term funding requirements.

At the end of Q1 2007 equity was DKK 2,007m and has been reduced by DKK 22m since January 1, 2007. The change relates to dividends and other distributions in the amount of DKK 89m, a change in the holding of treasury shares worth DKK 3m and retained profits for the period of DKK 64m.

The Bank's solvency including the result of the period as at 31 March, 2007 is 12.1% with core capital constituting 8.2%. At the end of 2006 solvency was 12.7%, with core capital constituting 8.5%. The Bank's policy is to continue to maintain equity of about 8 percentage-points and a total solvency in the level of 9 – 10%.

Other matters

Employee shares

As previously announced during Q1 2007 the Bank offered employee shares as free shares of a quoted value of DKK 10,000 per employee.

New capital adequacy rules

As at 1 January 2007 new capital adequacy rules governing the calculation of credit, market and operational risks will come into effect. The Bank will apply the Standardised Approach to credit and

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market risks and the Basic Indicator Approach to operational risks. The Bank has chosen to apply to the transitional rules until 1 January 2008.

Outlook for 2007

On the basis of the present part of the accounting year 2007 and of the forecasts both for the development in Denmark and globally, the Bank expects continuous growth and expansive business development in 2007 with core earnings in the level DKK 400 – 430m. Our estimate is based on a substantial increase in lending activities with falling interest margins and continued high activity level in securities. Our forecasts are footed in the current conditions with impairment losses on loans and advances expected to be at a low level. Home loan activities in Greater Copenhagen are expected to drop to a much lower level than in 2005/2006. The size of value adjustments will depend on trends in the financial markets.

Other aspects

In the first quarter of 2007 the Bank participated in forming the management company, Scandinavian Private Equity Partners A/S and owns 20.2%. The company manages the quoted company, SPEAS, which invests in equity funds.

Stock exchange calendar

The group interim report 2007 is expected to be published on 15 August 2007 and the report for the first nine months of 2007 is expected to be published on 31 October 2007.

Audit

The Q1 report of 2007 has not been audited.

In case of inconsistencies between the Danish version and the English translation, the Danish version shall prevail.



GROUP HIGHLIGHTS

Official presentation

	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Income statement DKKm					
Net interest income	162.1	156.6	143.4	134.0	126.4
Fee and commission income	78.8	70.3	78.4	84.2	65.7
Exchange gains	14.4	12.2	12.4	11.4	14.7
Net interest, fee income, exchange gain	255.3	239.1	234.2	229.6	206.8
Value adjustments, etc.	(36.9)	78.2	100.8	(116.4)	137.5
Other income	2.1	3.0	1.2	2.5	1.9
Employee benefits and administrative expenses	(125.8)	(118.8)	(111.1)	(112.5)	(104.9)
Depreciation and impairment on property, plant and equipment	(14.2)	(14.3)	(12.9)	(10.1)	(12.0)
Profit/loss from temporarily foreclosed entities	0.3	0.7	(3.1)	19.5	10.2
Impairment on loans and advances, etc.	3.4	8.5	(8.2)	14.7	(5.0)
Profit before tax	84.2	196.4	200.9	27.3	234.5
Tax	(20.0)	(48.7)	(43.8)	(1.8)	(61.9)
Profit	64.2	147.7	157.1	25.5	172.6
Balance sheet, etc. DKKm					
Loans and advances at amortised cost	19,861	18,198	16,519	15,551	14,095
Deposits and other debt	14,410	13,123	13,301	12,689	11,658
Equity incl. result of period	2,007	2,029	1,900	1,761	1,725
Base capital incl. result of period	3,106	3,123	2,794	2,658	2,672
Total assets	26,266	24,724	22,453	21,882	19,568
Guarantees and other commitments	4,522	4,861	5,190	4,849	4,558
Ratios					
Return on equity before tax of opening equity	16.6	48.2	49.3	6.7	57.5
Share price, end of period	384	374	376	360	*390
Book value, end of period	183	185	172	159	*156
Share price/book value, end of period	2.10	2.02	2.18	2.26	2.50
Solvency ratio, incl. result of period	12.1	12.7	12.1	12.5	12.5
Core capital ratio, incl. result of period	8.2	8.5	8.8	8.8	8.8
Number of employees, end of period	561	548	514	507	504

* As at 24 April 2006 the Bank changed denomination of its shares from DKK 100 per share to DKK 20 per share. The comparative figures of Q1 2006 have been restated to a denomination of DKK 20 per share.



GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AND SOLVENCY

DKKm	Q1 2007	Q1 2006	All year 2006
Equity			
Opening equity	2,029	1,631	1,631
Profit of the period	64	173	503
Total income	2,093	1,804	2,134
Dividends and distribution	(89)	(74)	(74)
Net own shares in the period	3	(5)	(30)
Tax on equity items	0	0	(1)
Equity end of period	2,007	1,725	2,029
Solvency			
Equity	2,007	1,725	2,029
Of which result of the period	(64)	(173)	0
Other deductions	0	0	(87)
Core capital after deductions	1,943	1,552	1,942
Hybrid core capital	100	0	100
Core capital incl. of hybrid core capital after deduction	2,043	1,552	2,042
Subordinated debt	998	833	992
Deductions	0	(110)	0
Base capital after deductions	3,041	2,275	3,034
Risk-weighted items outside the trading portfolio	22,869	17,044	21,265
Risk-weighted items with market risk, etc.	2,740	2,504	2,608
Total risk-weighted items	25,609	19,548	23,873
Solvency ratio excl. of current profit	11.8%	11.6%	12.7%
Core capital ratio incl. hybrid core capital	7.9%	7.9%	8.5%
Core capital ratio excl. hybrid core capital	7.6%	7.9%	8.1%