

Company Announcement
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Executive Board:
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Interim financial report
for the period 1 January – 30 June 2008

Disclaimer:

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Contents

	Page
H1 2008 in headlines	3
Management's review	4
Statement by Management on the interim report	9

Group

Income statement 1 January – 30 June 2008	10
Balance sheet at 30 June 2008	11
Statement of changes in equity 1 January – 30 June 2008	13
Cash flow statement 1 January – 30 June 2008	14
Notes	16

Parent

Income statement 1 January – 30 June 2008	25
Balance sheet at 30 June 2008	26
Statement of changes in equity 1 January – 30 June 2008	28
Notes	29

H1 2008 in headlines

- Pre-tax profit of DKK 21.1m, DKK 1.8m above budget.
- Profit from actual bank activities up by DKK 7.1m to DKK 19.7m.
- Net interest and fee income up from DKK 2.9m to DKK 70.6m.
- Positive translation/market value adjustments of DKK 1.4m.
- Impairment losses on loans and advances down to DKK 6.6m.
- Continuous expected profit for 2008 between DKK 43m and DKK 48m.

Management's review

Group financial highlights DKK'm	H1 2008	H1 2007	FY 2007	H1 2006	H1 2005	H1 2004*
Net interest and fee income	70.6	67.7	130.2	64.7	59.5	52.3
Translation/market value adjustments	1.4	10.9	25.7	3.8	-2.7	5.5
Staff costs and administrative expenses	-48.0	-45.7	-93.2	-45.1	-40.2	-33.2
Impairment losses on loans, advances and receivables, etc	-6.6	-8.1	-13.0	-5.6	0.8	-4.8
Profit before tax	21.1	23.5	47.6	19.6	16.0	18.7
Loans and advances	2,037	1,681	1,865	1,398	1,124	848
Equity	306	284	300	258	244	233
Total assets	2.674	2.262	2.549	1.615	1.615	1.350

Group financial ratios

Capital adequacy ratio, %	13.4	12.1	12.6	11.2	10.3	13.3
Core capital ratio, %	7.8	7.7	7.3	8.6	10.7	13.8
Return on equity before tax for the period	7.0	8.4	16.5	7.7	6.6	8.3
Return on equity after tax for the period	5.7	6.7	12.9	5.7	4.6	6.1
Operating income over operating expenses, DKK	1.37	1.42	1.44	1.38	1.39	1.47
Interest rate risk, %	1.7	1.2	1.1	1.5	1.8	1.9
Currency position, %	0.0	10.5	41.1	11.0	7.0	9.3
Currency risk, %	0.0	0.0	0.1	0.0	0.0	0.0
Loans in ratio to deposits	136.0	118.2	128.7	110.2	102.2	90.3
Loans in ratio to equity	6.7	5.9	6.2	5.4	4.5	3.5
Loan growth for the period, %	9.2	10.0	22.1	13.2	32.6	19.4
Excess liquidity in relation to statutory requirements of liquidity, %	41.7	15.7	35.2	15.1	35.6	94.8
The sum of large commitments, %	152.6	105.1	134.0	103.7	57.3	55.1
Impairment ratio for the period, %	0.2	0.3	0.4	0.2	0.0	0.3
Earnings per share for the period, %	9.3	10.2	20.9	7.7	6.5	6.9
Equity value per share, DKK	174	159	168	139	129	117
Price/earnings per share for the period, DKK	11.8	28.3	11.8	33.0	31.7	19.7
Price/equity value per share, DKK	0.8	1.8	1.5	1.8	1.6	1.2

* Comparative figures for financial instruments, including loans and advances, have not been restated for 2004 to reflect the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc (the Executive Order on Financial Reports) implemented in 2005.

Management's review

Development in activities and finances

The pre-tax profit for the period amounts to DKK 21.1m against DKK 23.5m for H1 2007. This performance is DKK 1.8m above budget. The profit from actual bank activities has improved substantially as it has increased from DKK 12.6m to DKK 19.7m.

Considering this very turbulent period for interest rates and with daily reports in the media about poor results in the financial sector, we are very satisfied with this performance.

The profit is greatly influenced by the increase in the total business volume measured by the sum of loans and advances, deposits and guarantees despite the expiry of guarantees against loss provided towards Totalkredit of approx DKK 425m because of the new model of cooperation. The total business volume of the Bank amounts to DKK 4,707m compared to DKK 4,626m at 30 June 2007.

The net interest and fee income has increased by DKK 2.9m and amounts to DKK 70.6m against DKK 67.7m in H1 2007. Both the interest income and the interest expenses are influenced by the rising interest rate level in H1 2008. The increase in net interest and fee income would have been significantly higher had there been more stability and less interest rate turbulence on the market.

Translation/market value adjustments amount to DKK 1.4m compared to DKK 10.9m in H1 2007. This amount includes a capital loss on bonds of DKK 4.7m and a capital gain on shares of DKK 4.4m. The capital gain on shares is attributable to the sale of the Bank's shares in Totalkredit worth DKK 9.8m. In addition, there been translation adjustments etc of DKK 1.7m.

Staff costs and administrative expenses total DKK 48.0m compared to DKK 45.7m in H1 2007, which is a satisfactory development in the light of the increase in activities in connection with the establishment of a centre for remotely located customers.

Impairment losses on loans, advances and receivables etc come to DKK 6.6m against DKK 8.1m in H1 2007. As a consequence of the new rules on impairment losses on loans and advances that entered into force in 2005, it will be necessary to make write-downs for impairment when events resulting in an impairment loss have occurred. This means that the need to make write-downs for impairment may vary greatly in the different accounting periods. The decline is therefore not to be seen as a general tendency but rather as a reflection of the current situation.

Loans and advances have risen by 21% from DKK 1.681m to DKK 2,037m. Deposits have risen by 4% from DKK 1,446m to DKK 1,503m. Guarantees have decreased by 22% from DKK 1,499m to DKK 1,167m. The decrease is due to the expiry of guarantees provided towards Totalkredit in connection with the shift to the set-off model.

The Bank's equity has increased from DKK 284m to DKK 306m.

The Bank's capital adequacy ratio has risen from 12.1% to 13.4%. The capital base net of deductions amounts to DKK 469.7m at 30 June 2008, including subordinated debt of DKK 199.6m.

To hedge the Bank's loss on deposits, the Bank aim at taking up long-life loans. The Bank's excess cover in relation to the legal requirement of liquidity of 41.7% has increased since year-end 2007.

Capital base, capital adequacy ratio and risk management

The Bank must have a capital base that supports our risk profile. As mentioned in the annual report for 2007, the capital base and the capital adequacy ratio were calculated in accordance with the new capital adequacy requirements of 1 January 2008. The necessary supporting IT systems have still not been fully launched which has made it necessary to implement a number of manual processes for purposes of the calculation. Management believes, however, that the rules concerning the capital adequacy calculation have been complied with.

The Bank has chosen to determine the credit risk by using the standard method and the operational risk by using the basic indicator method. The market risk is determined in accordance with the standard method as done previously. The Bank continues to believe that, at this point in time, there will be no need to apply more advanced methods to calculate capital adequacy. The Bank, however, is still working on introducing gradually more advanced models in its risk management. The possibility of applying more advanced methods under the coming capital adequacy requirements will be assessed on a continuous basis.

Related party transactions

Please see note 13 which contains a specification of all related party transactions for the first half of 2008.

All related party transactions have been conducted on an arm's length basis.

Important events

The Bank has concluded an agreement with Nykredit concerning the final determination of the price of the shares in Totalkredit. The agreement was concluded in continuation of previous agreements. The agreement has resulted in the Bank being able to recognise a profit of DKK 9.8m. The amount is accounted for as market value adjustment under shares.

Outlook for all of 2008

In the annual report for 2007, the outlook for all of 2008 included a pre-tax profit of DKK 43-48m. Our expectations from the profit for 2008 remain unchanged, but there is still great uncertainty in the second half of the year in relation to interest rates, market value adjustments of securities and impairment losses on loans and advances, which is the reason why the expected results may become significantly influenced by these factors.

Statement by Management on the interim report

We have today considered and approved the interim report of Skælskør Bank for the period 1 January to 30 June 2008.

The interim report has been prepared in accordance with IAS 34 as adopted by the EU in respect of the consolidated interim financial statements and with the Danish Financial Business Act in respect of the Parent's interim financial statements as well as additional Danish disclosure requirements for interim reports of listed financial companies.

We consider the applied accounting policies appropriate for the interim report to provide a true and fair view of the Group's and the Parent's assets, equity and liabilities and financial position at 30 June 2008 as well as of their activities and the consolidated cash flows for H1 2008.

We believe that the management's review gives a fair presentation of the development in the Bank's and the Group's activities and financial position as well as a description of the most material risks and elements of uncertainty that may affect the Bank and the Group, respectively.

The interim report has not been audited or reviewed by the Bank's auditors.

Skælskør, 6 August 2008

Carsten Roth
Chief Executive Officer

Peter Melchior
Chairman of the
Supervisory Board

Peter Nielsen
Vice-chairman

Christian Boye

Henning Skovlund

Freddy Hansen

Per Vesterholm

Income statement 1 January – 30 June 2008

Group	Note	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000
Interest income	3	90,664	69,768	150,031
Interest expenses	4	-42,776	-26,514	-63,024
Net interest income		47,888	43,254	87,007
Dividends from shares, etc		1,541	1,343	1,510
Fees and commission income		23,346	25,403	46,314
Ceded fees and commission expenses		-2,144	-2,317	-4,634
Net interest and fee income		70,631	67,683	130,197
Translation/market value adjustments	6	1,368	10,855	25,706
Other operating income		6,236	420	3,127
Staff costs and administrative expenses	7	-47,978	-45,743	-93,167
Depreciation, amortisation and write-downs relating to intangible assets and property, plant and equipment		-2,541	-1,668	-3,016
Impairment losses on loans, advances and receivables, etc.	8	-6,607	-8,073	-12,965
Profit/loss from investments in associates and subsidiaries		-57	0	-2,256
Profit before tax		21,052	23,474	47,626
Tax on profit for the period		-3,823	-4,673	-10,333
Profit for the period		17,229	18,801	37,293
Earnings per share (EPS)		9,8	10,5	20,9
Diluted earnings per share (DEPS)		9,8	10,5	20,9

Balance sheet at 30 June 2008

Group	Note	30.06. 2008 DKK'000	30.06. 2007 DKK'000	31.12. 2007 DKK'000
Cash and demand deposits with central banks		14,684	28,374	125,535
Receivables from credit institutions and central banks		122,903	139,659	64,227
Loans, advances and other receivables at amortised cost		2,037,183	1,681,023	1,865,243
Bonds at fair value		237,323	173,764	244,831
Shares, etc		147,349	134,846	140,047
Investments in associates		7,339	0	5,146
Total land and buildings		52,519	54,354	62,922
Investment property		18,239	19,926	25,121
Owner-occupied property		34,280	34,428	37,801
Other property, plant and equipment		11,945	9,126	12,530
Current tax assets		3,976	0	1,946
Deferred tax assets		3,454	1,586	3,261
Other assets		33,724	39,430	23,188
Prepayments		1,168	179	378
Total assets		2,673,567	2,262,341	2,549,254

Balance sheet at 30 June 2008

Group	Note	30.06. 2008 DKK'000	30.06. 2007 DKK'000	31.12. 2007 DKK'000
Debt to credit institutions and central banks		615,632	338,045	536,745
Deposits and other payables		1,502,772	1,445,584	1,474,450
Current tax payable		291	3,377	0
Other liabilities		43,218	38,178	34,495
Deferred income		2,857	1,018	1,215
Total payables		2,164,770	1,826,202	2,046,905
Provisions				
Provisions for pensions and similar liabilities		1,427	1,427	1,427
Provisions for deferred tax		0	2	0
Provisions for loss on guarantees		786	760	161
Other provisions		1,365	713	1,205
Total provisions		3,578	2,902	2,793
Subordinated debt				
Subordinated debt		199,579	149,422	199,566
Total subordinated debt		199,579	149,422	199,566
Equity				
Share capital		37,000	37,000	37,000
Revaluation reserve		3,826	1,668	3,826
Retained earnings		264,814	245,147	259,164
Total equity		305,640	283,815	299,990
Total equity and liabilities		2,673,567	2,262,341	2,549,254

Statement of changes in equity 1 January – 30 June 2008

Group	Share capital DKK'000	Revaluation reserve DKK'000	Proposed divi- dends DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 January 2007	37,000	1,471	7,400	231,572	277,443
Dividends paid			-7,400		-7,400
Dividends on own shares				188	188
Purchase and sale of own shares, net				-5,673	-5,673
Employee shares				259	259
Revaluation of property		197			197
Profit for the period transferred to equity				18,801	18,801
Equity at 30 June 2007	37,000	1,668	0	245,147	283,815
Purchase and sale of own shares, net				-4,856	-4,856
Employee shares				486	486
Revaluation of property		2,053			2,053
Reduction of the corporate tax rate		105		-105	0
Profit for the period transferred to equity			7,400	11,092	18,492
Equity at 1 January 2008	37,000	3,826	7,400	251,764	299,990
Dividends paid			-7,400		-7,400
Dividends from own shares				495	495
Purchase and sale of own shares, net				-5,419	-5,419
Employee shares				745	745
Profit for the period transferred to equity				17,229	17,229
Equity at 30 June 2008	37,000	3,826	0	264,814	305,640

Cash flow statement 1 January – 30 June 2008

Group	30.06. 2008 DKK'000	30.06. 2007 DKK'000	31.12. 2007 DKK'000
Profit for the period before tax	21,052	23,474	47,626
Impairment losses on loans, advances and receivables, etc	6,607	8,073	12,965
Paid, non-recognised fees	6,342	5,985	5,918
Depreciation, amortisation and impairment losses relating to intangible assets and property, plant and equipment	2,541	1,668	3,016
Gains/losses on sale of intangible assets and property, plant and equipment	-4,455	-112	-3,329
Value adjustment, investment property	0	33	0
Unrealised price adjustments of securities	-15,511	-8,952	-14,103
Unrealised price adjustments of investments	1,544	0	2,256
Non-paid interest	19,717	13,337	6,658
Other non-paid operating items	1,785	1,489	139
Income taxes paid, net	-6,207	-2,037	-14,252
Changes in loans and advances	-184,889	-167,182	-356,227
Changes in deposits	28,322	71,465	100,331
Changes in credit institutions, net	90,093	29,166	216,660
Changes in other assets and equity and liabilities	10,912	-18,245	-70,848
Cash flows from operating activities	-22,147	-41,838	-63,190
Acquisition, etc of intangible assets	0	0	0
Sale of intangible assets	0	0	0
Acquisition, etc of property, plant and equipment	-6,115	-11,359	-25,406
Sale of property, plant and equipment	6,370	7,285	13,985
Fixed asset investments	-3,513	-2,394	-7,652
Fixed asset divestments	0	0	0
Cash flows from investing activities	-3,258	-6,468	-19,073
Dividends paid	-7,400	-7,400	-7,400
Subordinated debt	13	50,000	100,000
Purchase/sale of own shares and related dividends	-8,309	-5,485	-10,377
Cash flows from financing activities	-15,696	37,115	82,223
Increase/decrease in cash and cash equivalents	-41,101	-11,191	-40
Cash and cash equivalents at beginning of period	179,184	179,224	179,224
Cash and cash equivalents at end of period	138,083	168,033	179,184
Cash and demand deposits with central banks	14,684	28,374	125,535
Securities which mature in less than three months	496	0	628
Receivables from credit institutions which fall due in less than three months	122,903	139,659	53,021
Cash and cash equivalents at end of period	138,083	168,033	179,184

Notes – Group

Notes

1. Accounting policies
2. Significant changes in accounting estimates
3. Interest income
4. Interest expenses
5. Segment revenue and profit before tax for H1 2008
6. Translation/market value adjustments
7. Staff costs and administrative expenses
8. Impairment losses on loans, advances and receivables, etc
9. Contingent assets and liabilities
10. Own shares
11. Tax on profit for the period
12. Dividends
13. Related parties
14. Consolidation
15. Events after the balance sheet date

Notes – Group

1. Accounting policies

The interim report is presented in accordance with IAS 34 and the Executive Order on the application of International Financial Reporting Standards for companies subject to the Danish Financial Business Act in respect of the consolidated interim financial statements and the Danish Financial Business Act, including the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc in respect of the Parent's interim financial statements, as well as additional Danish disclosure requirements for interim reports of listed financial companies.

The accounting policies applied in this interim report are consistent with those applied in the Bank's annual report for 2007. The annual report for 2007 was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional Danish disclosure requirements for listed financial companies. We refer to the annual report for 2007 for a more detailed description of the applied accounting policies, including definitions of the disclosed financial ratios which have been calculated in accordance with the definitions in the Executive Order.

The following new or amended Standards and Interpretations have become effective for the financial year 2008:

- IFRIC 11, IFRS 2 – Group and Treasury Share Transactions
- IFRIC 12, Service Concession Arrangements
- IFRIC 14, IAS 19 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction.

The application of these new or amended Standards and Interpretations has not resulted in any changes to the accounting policies applied to recognition and measurement.

The interim report is presented in Danish kroner (DKK), which is the Parent's functional currency.

2. Significant changes in accounting estimates

Several financial statement items cannot be measured reliably, but only be estimated. Such estimates comprise assessments made on the basis of the latest information available at the time of the financial reporting. It may be necessary to change previous estimates due to

changes in the matters on which the estimates were based or due to new information, further experience or subsequent events.

Unusual circumstances

The interim report for H1 2008 has not been affected by material exceptional financial statement items.

Changes in accounting estimates

The accounting estimates made by the Bank in the annual report for 2007 have not been changed in the interim report for H1 2008.

Notes – Group

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000	
3. Interest income				
Receivables from credit institutions and central banks	1,217	2,678	5,298	
Loans, advances and other receivables	82,858	62,170	134,243	
Bonds	5,457	4,365	9,010	
Total derivative financial instruments	749	0	241	
Of this				
Interest rate contracts	208	0	144	
Foreign exchange contracts	541	0	97	
Other interest income	383	555	1,239	
Total interest income	90,664	69,768	150,031	
The Group has no income from genuine purchase and sell-back transactions.				
4. Interest expenses				
Credit institutions and central banks	11,303	5,428	14,767	
Deposits and other payables	25,330	17,994	40,185	
Subordinated debt	6,109	3,060	7,632	
Other interest expenses	34	32	440	
Total interest expenses	42,776	26,514	63,024	
The Group has no expenses for genuine purchase and sell-back transactions.				
5. Segment revenue and profit before tax for H1 2008				
	Branches Denmark DKK'000	Finance/ abroad DKK'000	Staff functions/ other DKK'000	Total DKK'000
Interest and fee income, net	65,395	4,150	1,086	70,631
Profit/loss before tax	13,923	-9,357	16,486	21,052
Segment revenue and profit before tax for H1 2007				
Interest and fee income, net	60,801	5,463	1,419	67,683
Profit before tax	17,853	5,198	423	23,474

Notes – Group

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000
6. Translation/market value adjustments			
Bonds	-4,801	-3,335	-2,776
Shares	-5,343	11,717	26,824
Investment property	0	-33	0
Total currency, interest, etc	743	1,461	1,537
Derivative financial instruments	779	1,045	316
Other loans, advances and receivables at fair value	200	0	0
Other assets	9,790	0	-195
Total translation/market value adjustments	1,368	10,855	25,706
Skælskør Bank has no collective pool schemes.			
7. Staff costs and administrative expenses			
Salaries and remuneration to the Supervisory and Executive Boards as well as the Committee of Representatives:			
Executive Board	885	665	1,602
- Pension, etc to the Executive Board	256	179	428
- Supervisory Board	286	290	595
- Committee of Representatives	0	0	125
Staff costs			
- Wages and salaries	23,139	20,577	43,246
- Pensions	2,670	2,478	5,187
- Social security costs	2,540	2,062	4,513
Other administrative expenses	18,202	19,492	37,471
Total staff costs and administrative expenses	47,978	45,743	93,167
Average number of employees converted into full-time employees 114.6 (107.0 for H1 2007). The Bank has established a bonus scheme for all of its employees, which is paid in shares.			

Notes – Group

	Individual impair- ment losses DKK'000	Group- based impair- ment losses DKK'000	Total DKK'000
8. Impairment losses on loans, advances and receivables, etc.			
H1 2008			
Impairment losses at 1 January	31,798	723	32,521
Impairment losses for the period	11,703	1,607	13,310
Reversal of prior years' impairment losses	-6,091	0	-6,091
Write-off	-814	0	-814
Impairment losses at 30 June	36,596	2,330	38,926
H1 2007			
Impairment losses at 1 January	22,916	1,439	24,355
Impairment losses for the period	10,538	0	10,538
Reversal of prior years' impairment losses	-1,931	-222	-2,153
Other adjustments	-5,701	0	-5,701
Impairment losses at 30 June	25,822	1,217	27,039
FY 2007			
Impairment losses at 1 January	22,916	1,439	24,355
Impairment losses for the year	17,658	504	18,162
Reversal of prior years' impairment losses	-2,532	-310	-2,842
Write-off	-6,244	0	-6,244
Other adjustments	0	-910	-910
Impairment losses at 31 December	31,798	723	32,521

Notes – Group

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000			
9. Contingent assets and liabilities						
Financing guarantees	1,078,108	1,038,514	1,165,294			
Other guarantees	88,476	460,599	472,862			
Total guarantees, etc	1,166,584	1,499,113	1,638,156			
Other contingent liabilities						
Irrevocable credit guarantees	0	0	11,063			
Other obligations	1,422	46,505	1,505			
Total other liabilities	1,422	46,505	12,568			
	Number		Nominal value		Share of own shares of the share capital	
	2008	2007	2008	2007	2008	2007
	Number	Number	DKK'000	DKK'000	%	%
10. Own shares						
Own shares at 1 January	85,670	47,131	1,713	943	4,6	2.5
Purchase	98,373	63,056	1,967	1,261	5,3	3.4
Sale	86,187	43,159	1,723	863	4,6	2.3
Own shares at 30 June	97,856	67,028	1,957	1,341	5.3	3.6

11. Tax on profit for the period

At 1 January 2008, the deferred tax liability amounted to DKK 3,261k, using a corporate tax rate of 25%. The tax expense recognised in the income statement for the interim period has therefore been calculated on the basis of the pre-tax profit and an estimated effective tax rate for the Group as a whole for 2008. The estimated weighted average effective tax rate for 2008 is 21,44% (19,91% at 30 June 2007 and 21.7% for all of 2007).

12. Dividends

On 16 March 2008, DKK 7,400k in ordinary dividends were paid to the shareholders, corresponding to DKK 4 per share (2007: DKK 4 per share).

13. Related parties

The Group's related parties include the Bank's Executive and Supervisory Boards and their persons connected.

In addition, related parties include the subsidiaries Nor Fjor Finans A/S, Hovedgaden 50, Dalmoose A/S, as well as the associates Selskabet af 23. april 200 A/S and H & N Invest A/S. Related parties also include Dansk ErhvervsFinansiering A/S and the course provider, Hjalet A/S, in which the CEO of the Bank is Chairman of the Supervisory Board.

Related party transactions in the interim period

Members of the Parent's Executive and Supervisory Boards as well as other executives of the Group have been remunerated as follows during the interim period:

	H1 2008 DKK'000	H1 2007 DKK'00 0	FY 2007 DKK'00 0
Fees for the Supervisory Board	286	290	595
Wages and salaries	885	665	1,602
Pension	256	179	428
	<u>1,427</u>	<u>1,134</u>	<u>2,625</u>

In addition to management remuneration, the following transactions with related parties were performed during the period:

	H1 2008 DKK'000	H1 2007 DKK'00 0	FY 2007 DKK'00 0
Administration	7	15	38
The Bank's deposits with subsidiaries	12,258	5,766	4,426
The Bank's deposits with associates	1,487	272	3,177
The Bank's loans and advances to subsidiaries	19,778	8,586	19,270
The Bank's loans and advances to associates	7,141	10,756	15,764

No security or guarantees have been provided for outstanding balances at the balance sheet date. Receivables and payables will be settled by cash payment.

14. Consolidation

No shareholder holds more than 5% of the Company's share capital at 30 June 2008.

15. Events after the balance sheet date

No events have occurred after the balance sheet date which materially affect the evaluation of this interim report.

Income statement 1 January – 30 June 2008

Parent	Note	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000
Interest income	1	91,021	69,823	150,327
Interest expenses	2	-42,986	-26,623	-63,196
Net interest income		48,035	43,200	87,131
Dividends from shares, etc		1,541	1,343	1,510
Fees and commission income		23,353	25,418	46,350
Ceded fees and commission expenses		-1,896	-2,070	-4,139
Net interest and fee income		71,033	67,891	130,852
Translation/market value adjustments	3	-699	8,607	21,959
Other operating income		-12	137	373
Staff costs and administrative expenses	4	-47,900	-45,890	-93,510
Depreciation, amortisation and impairment losses relating to intangible assets and property, plant and equipment		-2,541	-1,659	-3,976
Other operating expenses		0	0	0
Impairment losses on loans, advances and receivables, etc		-6,607	-8,073	-12,965
Profit/loss from investments in associates and subsidiaries	5	5,871	1,846	4,329
Profit before tax		19,145	22,859	47,062
Tax on profit for the period		-1,916	-4,058	-9,729
Profit for the period		17,229	18,801	37,333
Earnings per share (EPS)		9,8	10,5	20,9
Diluted earnings per share (DEPS)		9,8	10,5	20,9

Balance sheet at 30 June 2008

Parent	Note	30.6. 2008 DKK'000	30.6. 2007 DKK'000	31.12. 2007 DKK'000
Cash and demand deposits with central banks		14,684	28,374	125,535
Receivables from credit institutions and central banks		122,903	139,659	64,227
Loans, advances and other receivables at amortised cost		2,055,812	1,688,444	1,883,356
Bonds at fair value		237,323	173,764	244,831
Shares, etc		133,575	124,350	130,195
Investments in associates		2,193	0	38,564
Investments in subsidiaries		44,492	36,080	0
Intangible assets		0	0	0
Total land and buildings		27,351	26,241	27,782
Investment property		0	0	0
Owner-occupied property		27,351	26,241	27,782
Other property, plant and equipment		11,945	9,126	12,530
Current tax assets		6,207	0	2,561
Deferred tax assets		3,462	1,586	3,269
Other assets		24,924	37,485	20,000
Prepayments		270	179	378
Total assets		2,685,141	2,265,288	2,553,228

Balance sheet at 30 June 2008

Parent	Note	30.6. 2008 DKK'000	30.6. 2007 DKK'000	31.12. 2007 DKK'000
Debt to credit institutions and central banks		615,632	338,045	536,745
Deposits and other payables		1,515,030	1,451,350	1,478,876
Current tax payable		0	1,052	0
Other liabilities		42,826	37,686	34,001
Deferred income		2,857	1,018	1,217
Total payables		2,176,345	1,829,151	2,050,839
Provisions				
Provision for pensions and similar liabilities		1,427	1,427	1,427
Provisions for loss on guarantees		786	760	161
Other provisions		1,365	713	1,205
Total provisions		3,578	2,900	2,793
Subordinated debt				
Subordinated debt		199,579	149,422	199,566
Total subordinated debt		199,579	149,422	199,566
Equity				
Share capital		37,000	37,000	37,000
Revaluation reserve		3,826	1,668	3,826
Statutory reserves		3,564	0	3,564
Retained earnings		261,249	245,147	255,640
Total equity		305,639	283,815	300,030
Total equity and liabilities		2,685,141	2,265,288	2,553,228

Statement of changes in equity 1 January – 30 June 2008

Parent	Share capital DKK '000	Revaluation reserve DKK '000	Statutory reserves DKK '000	Proposed divi- dends DKK '000	Retained earnings DKK '000	Total DKK '000
Equity at 1 January 2007	37,000	1,471		7,400	231,572	277,443
Dividends paid				-7,400		-7,400
Dividends on own shares					188	188
Purchase and sale of own shares, net					-5,673	-5,673
Employee shares					259	259
Revaluation of property		197				197
Profit for the period transferred to equity					18,801	18,801
Equity at 30 June 2007	37,000	1,668	0	0	245,147	283,815
Purchase and sale of own shares, net					-4,856	-4,856
Employee shares					486	486
Revaluation of property		2,053				2,053
Reduction of the corporate tax rate		105			-105	0
Profit for the period transferred to equity			3,564	7,400	7,568	18,532
Equity at 1 January 2008	37,000	3,826	3,564	7,400	248,240	300,030
Dividends paid				-7,400		-7,400
Dividends on own shares					495	495
Acquisition and sale of own shares, net					-5,460	-5,460
Employee shares					745	745
Profit for the period transferred to equity					17,229	17,229
Equity at 30 June 2008	37,000	3,826	3,564	0	261,249	305,639

Notes – Parent

Notes

1. Interest income
2. Interest expenses
3. Translation/market value adjustments
4. Staff costs and administrative expenses
5. Profit/loss from investments in associates and subsidiaries
6. Impairment losses on loans, advances and receivables, etc
7. Contingent assets and liabilities
8. Own shares

Notes - Parent

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000
1. Interest income			
Receivables from credit institutions and central banks	1,217	2,678	5,298
Loans, advances and other receivables	83,215	62,225	134,539
Bonds	5,457	4,365	9,010
Total derivative financial instruments	749	0	241
Of this			
Interest rate contracts	208	0	144
Foreign exchange contracts	541	0	97
Other interest income	383	555	1,239
Total interest income	91,021	69,823	150,327
The Bank has no income from genuine purchase and sell-back transactions.			
2. Interest expenses			
Credit institutions and central banks	11,303	5,428	14,767
Deposits and other payables	25,540	18,103	40,357
Subordinated debt	6,109	3,060	7,632
Other interest expenses	34	32	440
Total interest expenses	42,986	26,623	63,196
The Bank has no expenses for genuine purchase and sell-back transactions.			
3. Translation/market value adjustments			
Bonds	-4,801	-3,335	-2,776
Shares	-7,210	9,469	22,877
Investment property	0	-33	0
Total currency, interest, etc	743	1,461	1,537
Derivative financial instruments	779	1,045	316
Other assets	9,790	0	5
Total translation/market value adjustments	-699	8,607	21,959
Skælskør Bank has no collective pool schemes.			

Notes - Parent

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000		
4. Staff costs and administrative expenses					
Salaries and remuneration to the Supervisory and Executive Boards as well as salaries to the Committee of Representatives:					
Executive Board	885	735	1,602		
- Pension, etc to the Executive Board	256	179	428		
- Supervisory Board	286	290	595		
- Committee of Representatives	0	0	125		
Staff costs					
- Wages and salaries	23,139	20,537	43,274		
- Pensions	2,670	2,478	5,178		
- Social security costs	2,540	2,062	4,513		
Other administrative expenses	18,124	19,609	37,795		
Total staff costs and administrative expenses	47,900	45,890	93,510		
Average number of employees converted into full-time employees 114.6 (107.0 for H1 2007).					
5. Profit/loss from investments in associates and subsidiaries					
Loss from investments in associates	-57	0	0		
Profit from investments in subsidiaries	5,928	1,846	4,329		
Total profit/loss from investments in associates and subsidiaries	5,871	1,846	4,329		
Subsidiaries and associates comprise:					
Name	Domicile	Nature and scope of transactions	Ownership %	Equity 31.12. 2007	Profit 2007
Nor Fjor Finans A/S	Skælskør	Purchase, sale and administration of securities and real estate	100	22,874	5,530
Hovedgaden 50, Dalmose A/S	Skælskør	Renting of property	100	14,375	1,199
H & N Invest A/S	Copenhagen	Purchase and sale of debt instruments	50	10,293	294
Selskabet af 23. april 2008 A/S	Sorø		49	*)	
*) Figures are not disclosed as they are not yet available.					

Notes – Parent

	Individu- al impair- ment losses DKK'000	Group- based impair- ment losses DKK'000	Total DKK'000
6. Impairment losses on loans, advances and receivables, etc			
1. H1 2008			
Impairment losses at 1 January 2008	31,798	723	32,521
Impairment losses for the period	11,703	1,607	13,310
Reversal of prior years' impairment losses	-6,091	0	-6,091
Write-off	-814	0	-814
Impairment losses at 30 June	36,596	2,330	38,926
H1 2007			
Impairment losses at 1 January	22,916	1,439	24,355
Impairment losses for the period	10,538	0	10,538
Reversal of prior years' impairment losses	-1,931	-222	-2,153
Other adjustments	-5,701	0	-5,701
Impairment losses at 30 June	25,822	1,217	27,039
FY 2007			
Impairment losses at 1 January	22,916	1,439	24,355
Impairment losses for the year	17,658	504	18,162
Reversal of prior years' impairment losses	-2,532	-310	-2,842
Write-off	-6,244	0	-6,244
Other adjustments	0	-910	-910
Impairment losses at 31 December	31,798	723	32,521

Notes – Parent

	H1 2008 DKK'000	H1 2007 DKK'000	FY 2007 DKK'000			
7. Contingent assets and liabilities						
Financing guarantees	1,078,108	1,038,514	1,165,294			
Other guarantees	88,476	460,599	472,862			
Total guarantees, etc	1,166,584	1,499,113	1,638,156			
Other contingent liabilities						
Irrevocable credit guarantees	0	0	11,063			
Other obligations	1,422	46,505	1,505			
Total other liabilities	1,422	46,505	12,568			
	Number		Nominal value		Share of own shares of the share capital	
	2008 Number	2007 Number	2008 DKK'000	2007 DKK'000	2008 %	2007 %
8. Own shares						
Number of own shares at 1 January	85,670	47,131	1,713	943	4,6	2.5
Purchase	98,373	63,056	1,967	1,261	5,3	3.4
Sale	86,187	43,159	1,723	863	4,6	2.3
Number of own shares at 30 June	97,856	67,028	1,957	1,341	5.3	3.6