

## Report for first half-year, 2008 - Fionia Bank A/S group

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Odense, 5 August 2008

### Satisfactory core operating half-year result of DKK 224 million

- Half-year report in accordance with the previously stated expectations
- Half-year core operating result of DKK 224 million
- Provisions of DKK 133 million
- Loss on holdings of DKK 66 million
- Before-tax profit of DKK 26 million
- Group capital adequacy ratios for the half-year of 11.3 percent (total) and 8.7 percent (tier 1)

Core operating earnings are in line with budget, and the full-year forecast for core earnings (before provisions and profit on own holdings) remains unchanged, at DKK 370–400 million.

Further to company notification, No. 13/2008 of 4 June announcing an increase in the forecast provisions for the year, from DKK 70 million to between DKK 170 and 200 million, Fionia Bank has stated the actual provision requirement for the half year as DKK 133 million. On the basis of the expected trend for provision requirements for the bank's total exposures, the forecast provision requirement for the full year remains unchanged at between DKK 170 and 200 million, or 0.7-0.8 percent of total loans and guarantees.

The market value of the bank's own holdings has been affected by the turbulence on financial markets during the first half-year, leading to significant interest rate increases and a wider credit margin. Earnings on holdings in the second half-year will again be impacted by trends on the financial markets.

The forecast net profit for 2008 will further consolidate the position of Fionia Bank. At 30 June, the bank also had surplus capital adequacy above the statutory requirement of more than DKK 800 million. Our internal risk assessment, as the basis for the individual capital adequacy requirement calculation according to Basel rules, continues to show a capital adequacy requirement of less than 8 percent.

Fionia Bank's liquidity cover as of 30 June was DKK 6.3 billion, representing a surplus of 90.3 percent in comparison with the requirement under the Danish Financial Services Act.

Any questions should be addressed to the bank's General Manager, Finn B. Sørensen, phone +45 65 20 40 60. (Fig. 1).

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*Amounts shown in DKK*

<b>Fionia Bank group highlights and key indicators</b>	1st half 2008	1st half 2007	1st half 2006	1st half 2005	1st half 2004
<b>Income statement summary (DKK million)</b>					
Net interest income	345,5	266,1	233,7	242,9	256,3
Dividends on shares	20,6	16,1	11,4	7,7	9,3
Fees and commissions income (net)	108,6	110,4	101,9	88,8	75,1
<b>Net interest and fees income</b>	<b>474,7</b>	<b>392,6</b>	<b>347,0</b>	<b>339,4</b>	<b>340,7</b>
Value adjustments	-22,1	59,0	56,2	55,7	-0,6
Other operating income	21,2	13,9	5,9	7,2	22,1
<b>Result before costs</b>	<b>473,8</b>	<b>465,5</b>	<b>409,1</b>	<b>402,3</b>	<b>362,2</b>
Staff and administration expenses and depreciations	315,1	289,0	259,0	222,8	225,6
Provisions on lendings and receivables, etc.	132,9	5,2	14,6	7,1	43,2
Value adjustment for affiliated undertakings	0,0	0,0	0,0	-0,2	0,0
Result from activities being wound up	0,0	0,0	2,9	0,0	0,0
<b>Before-tax profit on ordinary activities</b>	<b>25,8</b>	<b>171,3</b>	<b>138,4</b>	<b>172,2</b>	<b>93,4</b>
Tax	0,4	42,0	38,3	49,1	28,6
<b>After tax profit</b>	<b>25,4</b>	<b>129,3</b>	<b>100,1</b>	<b>123,1</b>	<b>64,8</b>
<i>Of which minority interests</i>	<i>1,0</i>	<i>0,4</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>
<b>Balance sheet highlights (DKK million)</b>					
Lendings	20.646	18.449	14.274	11.588	9.814
Deposits incl. deposits in investment pool schemes	13.211	13.482	11.743	9.765	8.248
Bonds issued	1.116	1.118	656	123	127
Subordinated debt	826	877	658	588	283
Equity	1.968	1.906	1.581	1.433	1.230
Total assets	32.386	28.653	26.391	21.658	18.770
<i>Balance sheet figures at end of 2004 are adjusted for changes at beginning of 2005</i>					
<b>Key indicators share (DKK per share of DKK 10)</b>					
Before-tax profit	1,3	9,5	7,6	9,5	5,2
After-tax profit	1,4	7,1	5,5	6,8	3,6
Earnings per share (diluted) after-tax	1,4	7,1	5,5	6,8	3,6
Share price at end of period	93	172	138	123	74
NAV per share	110	105	87	80	68
Share price/NAV per share	0,85	1,63	1,58	1,54	1,08
<b>Other key indicators</b>					
Total capital adequacy ratio	11,3	10,5	10,3	11,4	9,6
Tier 1 capital adequacy ratio	8,7	7,9	8,6	8,9	8,0
Before-tax return on equity, percent p.a.	1,3	9,1	8,9	12,3	7,6
After-tax return on equity, percent p.a.	1,3	6,9	6,4	8,8	5,3
Earnings per DKK of expenses	1,06	1,59	1,50	1,75	1,35
Interest rate risk	1,2	4,3	4,2	3,9	3,7
Foreign currency position	3,6	8,2	5,9	3,3	8,2
Foreign currency risk	0,1	0,1	0,0	0,1	0,1
Lendings plus provisions thereon as a proportion of deposits	159,2	138,7	124,5	122,6	124,8
Surplus cover above statutory liquidity requirement	90,3	113,7	143,0	149,9	183,8
Total major exposures	24,1	43,9	81,0	82,6	162,9
Cumulative provision percentage	1,6	1,1	1,8	2,3	3,6
Provision percentage for the year	0,5	0,1	0,1	0,1	0,3
Lendings growth for the year	2,2	12,0	12,0	12,6	9,2
Lendings as a ratio of equity	10,5	9,7	9,0	8,1	8,0
Av. number of full-time employees	648	612	559	516	511

*The 2004 figures are adjusted in part as per the transitional provisions.*

*Comparative figures are adjusted for share split from shares of 100 to 10.*

The breakdown of the before-tax profit of DKK 25.8 million between core result and profit on holdings is as follows:

(million DKK.)	2008	2007
Core income excl. trading income	332.4	307.6
Trading income	176.0	158.9
Advance on sale of Totalkredit	29.6	0.0
<b>Total core income</b>	<b>538.0</b>	<b>466.5</b>
Costs and depreciations	313.6	286.9
<b>Core profit before provisions</b>	<b>224.4</b>	<b>179.6</b>
Provisions on loans and receivables	132.9	5.2
<b>Core profit</b>	<b>91.5</b>	<b>174.4</b>
Investment portfolio profit	-65.7	-3.1
<b>Profit before tax</b>	<b>25.8</b>	<b>171.3</b>
Tax	0.4	42.0
<b>Profit after tax</b>	<b>25.4</b>	<b>129.3</b>
<i>Minority interests</i>	<i>1.0</i>	<i>0.4</i>

Trading earnings comprises primary transactions in securities, foreign exchange and the money market, including returns from associated holdings, after funding costs.

Profit on holdings comprises the return on the bank's own holdings, including associated holdings, after funding and operating costs.

### Core result

Core earnings excluding trading income increased to DDK 332.4 million, 8 percent up on the prior year figure of DKK 307.6 million.

(DKK million)	2008	2007
Interest income, net	260.5	241.2
Fees and commissions, net	50.7	52.4
Other income	21.2	13.9
<b>Total</b>	<b>332.4</b>	<b>307.5</b>

Total loans reached DKK 20.6 billion, an increase of 12 percent over the figure at 30 June 2007. Total guarantees fell from DKK 4.7 billion at 30 June 2007 to DKK 3.6 billion, following the negotiation of new agreement terms with Totalkredit, as per company notification No. 8.

Trading income was DKK 205.6 million. After deduction of the proceeds of DKK 29.2 million from the sale of Totalkredit, this represents earnings growth of 11 percent on the same period in 2007.

(DKK million)	2008	2007
Trading	140.4	131.8
Portfolio management	35.6	27.2
Advance on sale of Totalkredit	29.6	0.0
<b>Total</b>	<b>205.6</b>	<b>159.0</b>

There was a consistently high level of trading activity in comparison with the first half-year of 2007, although 2008 has seen a reduction in equities and fixed interest trading. Trading levels for money market products and derivatives have been in line with forecasts.

Core expenses and depreciation on tangible assets were DKK 313.7 million, as compared with DKK 286.8 million in 2007. This is an increase of 9 percent.

(DKK million)	2008	2007
Personnel expenses	183.5	162.2
Other administration and operating expenses	122.5	118.8
Writedowns on tangibles assets	7.7	5.8
<b>Total</b>	<b>313.7</b>	<b>286.8</b>

Staff numbers increased by 36, from 612 in 2007 to a total average of 648 in the first half-year of 2008.

**Provisions** total DKK 132.9 million. The bank has focused more closely on possible negative effects from the performance of segments of the property market particularly exposed to the impact of rising market interest rates and declining property sales. This affects the bank's credit risk, which in this area has increased in line with the cyclical risk, evaluated as per the bank's provision forecasts for 2008. The trend does not require any change to this forecast at this stage.

**Profit on holdings**

The result on holdings was DKK -65.7 million, as compared with DKK -3.1 million for the same period in 2007.

(DKK million)	2008	2007
Income on holdings	-64.2	-1.0
Costs	1.5	2.1
<b>Total</b>	<b>-65.7</b>	<b>-3.1</b>

This is due to the turbulence on financial markets, particularly interest rate increases and instability on the credit markets, including the mortgage market in Denmark. A positive contribution from equities markets was maintained in spite of sharp falls in share prices, although at a somewhat lower level than in the first half-year of 2007.

**After-tax profit**

The after-tax profit was DKK 25.4 million, resulting in a net asset value per DKK 10 share of DKK 110.

### Balance sheet

The group's total assets were DKK 32.4 billion, as compared with DKK 31.5 billion at 31 December 2007.

Assets (DKK billion)	30.06.2008	31.12.2007
Credit balances at credit institutions and central banks	4.8	4.1
Lendings and other receivables at amortised historical cost	20.6	20.2
Security and other investments ect.	6.1	6.2
Intangible- and other tangible assets	0.3	0.3
Other assets ect.	0.7	0.7
<b>Total assets</b>	<b>32.4</b>	<b>31.5</b>

Loans at amortised historical cost (bank loans) have risen since 31 December 2007 to DKK 20.6 billion, an increase of DKK 0.4 billion or 2.3 percent. This represents growth of DKK 2.2 billion in loans at amortised historical cost in comparison with the first half-year of 2007.

Liabilities (DKK billion)	30.06.2008	31.12.2007
Debts to credit institutions and central banks	12.3	10.8
Deposits and other liabilities	13.2	13.5
Bonds issued at fair value	1.1	1.1
Other liabilities ect.	3.0	3.1
Subordinated debt	0.8	0.9
Equity	2.0	2.0
<b>Total liabilities</b>	<b>32.4</b>	<b>31.5</b>

Deposits have decreased by DKK 0.3 billion since the beginning of the year to DKK 13.2 billion, and are down by the same amount (DKK 0.3 billion) on the first half-year of 2007.

**Credit risk**

**Credit exposure**

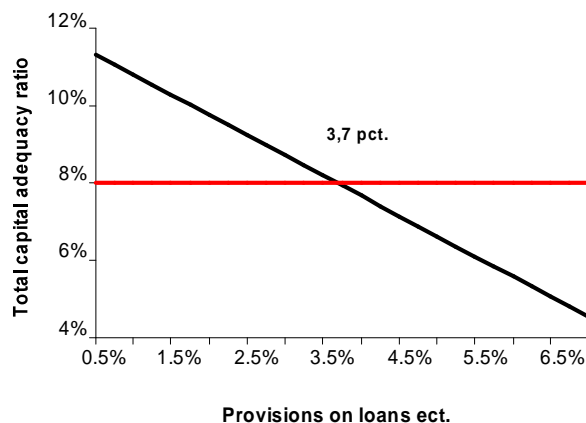
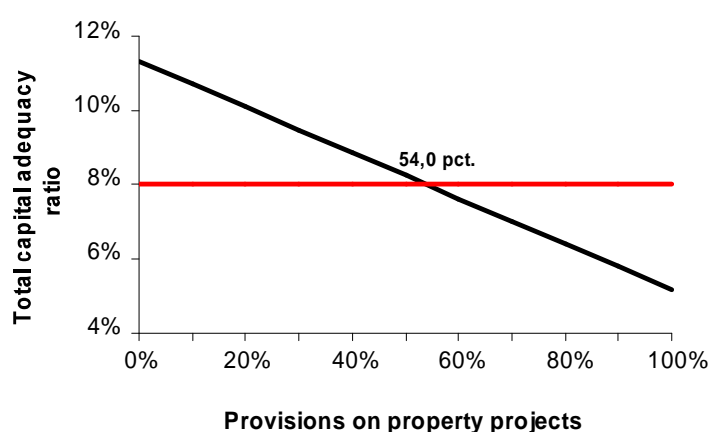
(DKK million)	30.06.2008			31.12.2007	Change in percent
	Loans	Guarantees	Total	Balance Total	
Public authorities	0.0	0.1	0.1	0.1	5.8
Agriculture, etc.	1,515.0	244.1	1,759.2	2,019.6	-12.9
Fisheries	4.6	0.0	4.6	5.0	-7.7
Manufacturing. etc.	982.9	85.4	1,068.2	1,143.0	-6.5
Construction and plant	559.6	243.3	802.9	724.3	10.8
Commerce and catering	1,515.0	163.8	1,678.9	1,672.4	0.4
Transport	1,243.8	50.2	1,294.0	1,244.9	3.9
Credit, finance and insurance	3,818.8	185.0	4,003.8	4,274.5	-6.3
Property management	6,401.6	698.0	7,099.6	7,307.2	-2.8
Other business customers	972.3	144.7	1,117.1	694.8	60.8
Private	4,016.0	1,834.4	5,850.4	6,894.6	-15.1
<b>Total</b>	<b>21,029.6</b>	<b>3,649.1</b>	<b>24,678.7</b>	<b>25,980.4</b>	<b>-5.0</b>

Loans and guarantees by industry sector (before provisions)

Loss guarantees to Totalkredit have fallen by DKK 1 billion, because of the changes to the cooperation agreement.

The bank's total loans and guarantees in the property sector were DKK 7.1 billion, including DKK 1.5 billion for loans and guarantees to property projects in progress. The remainder finances residential or leased properties only affected to a limited extent by the instability on financial markets and other problems.

Write-downs of over DKK 70 million have been allocated on property projects, so that the bank's capital resources of DKK 811 million, taken on their own, would be sufficient to cover losses amounting to 54.0 percent of these loans. The bank's has capital resources cover of 3.74 percent for losses on total loans and guarantees. This does not include this year's profit.



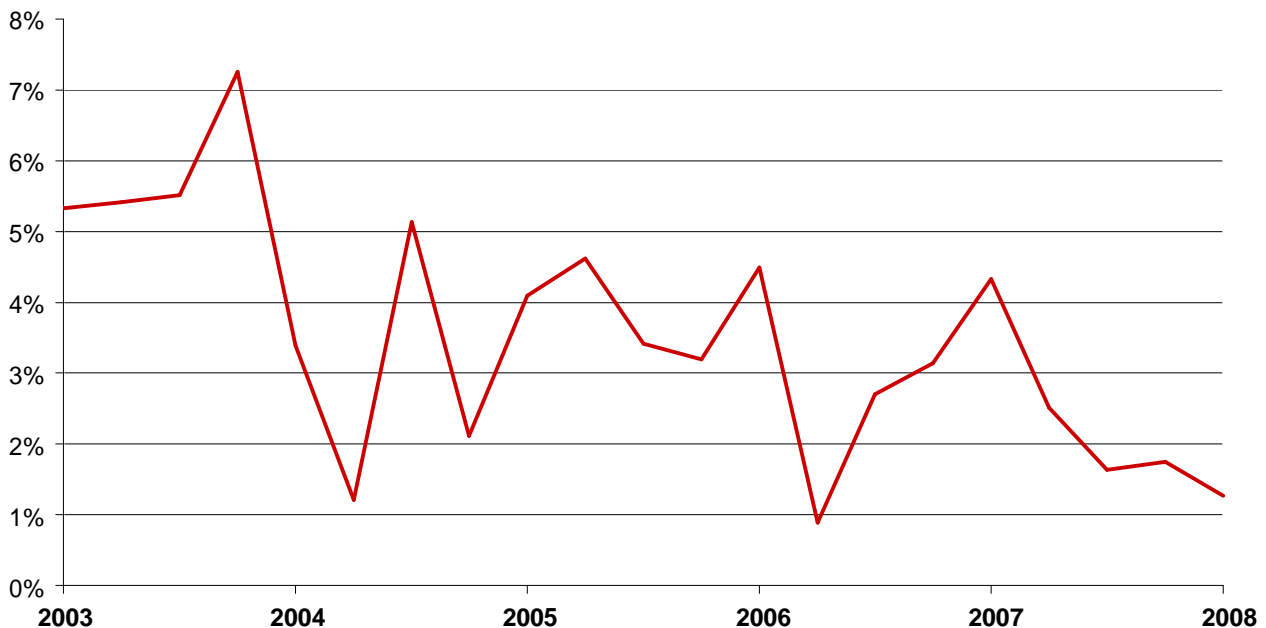
It should also be noted that the share of major exposures fell from 31.6 percent of the bank's capital base at the end of 2007 to 24.1 percent at 30 June 2008.

**Market risk**

**Interest rate risk**

As part of on-going risk management, a total interest rate risk is calculated for both trading and other holdings. The risk is calculated as the loss in the event of an increase of one percentage point in the interest rate. On this basis, the interest rate risk at 30 June 2008 was DKK 24.8 million – slightly down on the figure at the end of 2007, and also a slight fall as a ratio of equity capital. An interest rate increase of one percentage point would result in a loss of 1.26 percent of equity capital.

Interest rate risk as percent of equity



**Share price risk**

The share price risk is managed and measured on own holdings, trading holdings, and holdings of unlisted shares of a more strategic character.

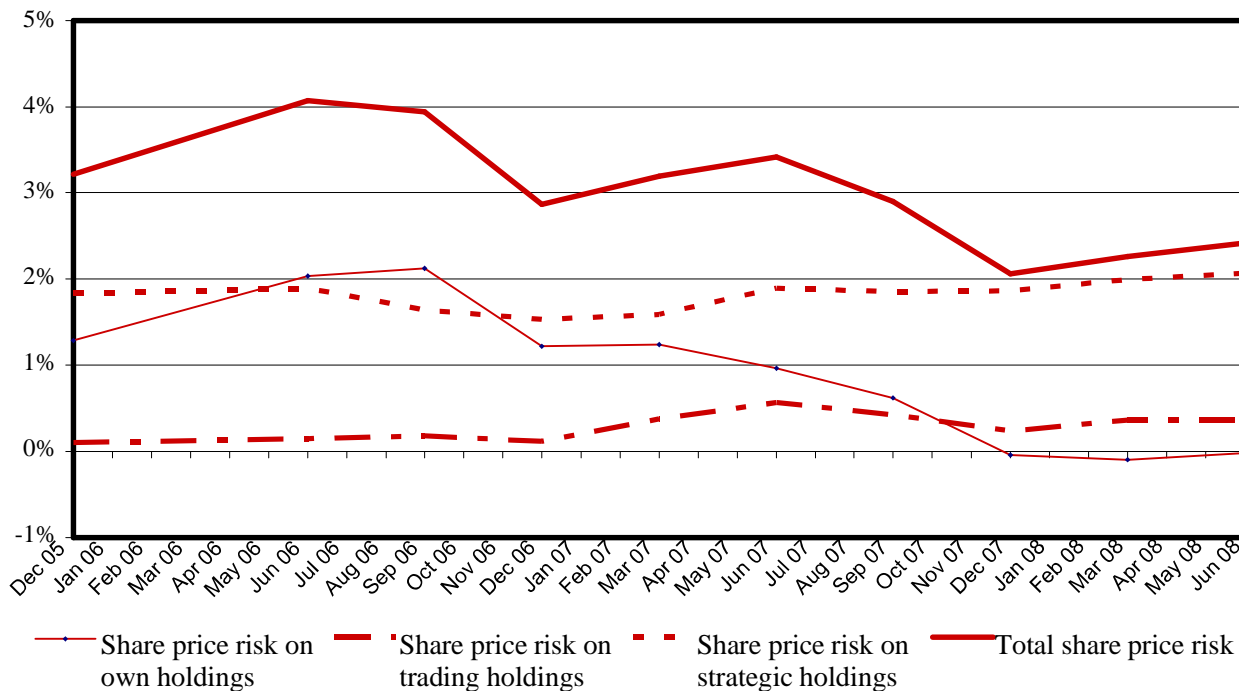
Share holdings

DKK million	30.06.2008	30.06.2007
Own holdings	80.0	286.9
Trading holdings	91.3	127.7
Strategic holdings	406.5	353.8
<b>Total equities holdings</b>	<b>577.7</b>	<b>768.3</b>

The share price risk is calculated as the change in value in the event of a 10 percent fall in prices. The risk calculation includes transactions not yet completed and derivatives.

The share price risk as of 30 June 2008 was DKK 47.5 million, slightly up on the figure at the end of 2007.

Share price risk as a percentage of equity capital



Holdings of strategic shares consist mainly of unlisted shares (for example, sector shares such as joint ownership of DLR and PBS). These shares are recognised at market value. Market prices are calculated and valued on the basis of model calculations in conjunction with management valuations, and are naturally subject to a degree of uncertainty.

Currency risk

The currency risk is calculated on an ongoing basis, including the use of exchange rate indicators 1 and 2. Indicator 1 shows the total exchange rate position against Danish kroner. Indicator 2 identifies the loss risk from the group’s foreign currency positions on the basis of the historical covariation between the individual currencies.

DKK million	30.06.2008	30.06.2007
Exchange rate indicator 1	75.8	157.4
Exchange rate indicator 2	1.3	2.5
Indicator 1 as percent of equity	3.9	8.3
Indicator 2 as percent of equity	0.1	0.1



**Liquidity**

Fionia Bank’s primary source of funds is deposits from our customers. Other sources are the capital markets for long-term funding, and the inter-bank market to balance out any short-term liquidity fluctuations.

Liquidity management is carried out by Markets. Fionia Bank is an active participant in international money markets, in many different currencies, and is particularly active on the domestic money market, where we are also involved in setting the daily CIBOR rate.

Our activities on the short-term money market are supplemented with deposits on the short-term wholesale market (fixed-term deposits).

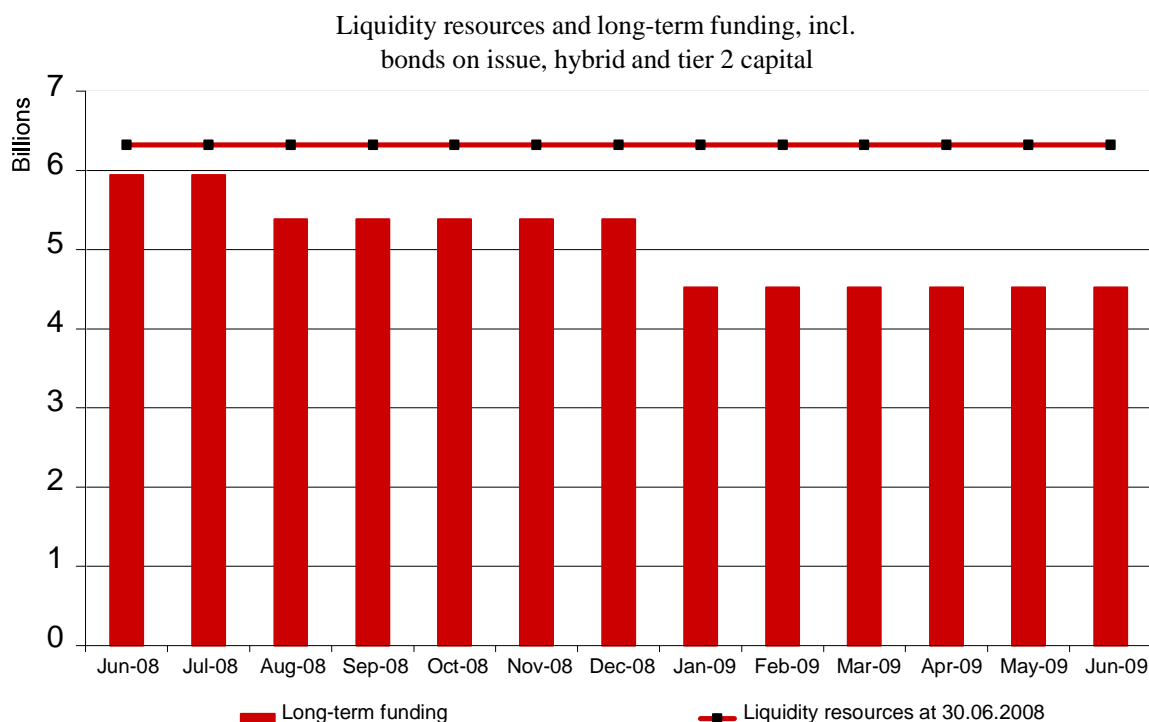
Long-term funding is typically sourced from international capital markets. Fionia Bank uses both the syndicated loan market and bond issues as funding sources. Fionia Bank’s presence in capital markets is backed by a Moody’s rating.

Management also continually monitors movements in the bank's balance sheet, particularly loans and deposits, as the basis for proactive balance sheet management with respect to risk, earnings and liquidity.

Fionia Bank’s liquidity cover for its debt and guarantee commitments as of 30 June 2008 was DKK 6.3 billion.

The bank’s immediate cash resources under Section 152 of the Danish Financial Services Act have consistently been well over the required figure of 10 percent of reduced debt and guarantee commitments, and as at 30 June 2008 was 19.3 percent.

The bank’s liquidity and other balance-sheet indicators continue to be assessed on a monthly basis by the Balance group, comprising the management and representatives from Bank, Markets and Finance.



The bank has a good level of diversity in its customer deposit base. Own customer deposits fund 64.1 percent of our total lendings portfolio. If equity, subordinated debt and medium-term funding

are included, funding represents 102.5 percent of the lendings portfolio.

Deposits from local financial institutions are another significant source of funds, characterised by a good level of stability.

The bank has not made use of structured funding in the form of securitisation or covered bonds, which is another potential source of funds in the longer term.

### **Capital and solvency**

As of 30 June 2008, the total capital adequacy ratio and tier 1 ratio, calculated according to the Basel II standard method, were 11.3 percent and 8.7 percent respectively. The total capital adequacy ratio rises to 11.4 percent when the half-year result is included.

In June, Fionia Bank paid off DKK 50 million of subordinated debt. Subordinated debt as of 30 June 2008 was DKK 825.8 million. Base capital after deductions was DKK 2,756.3 million at 30 June 2008, net of the profit for the period.

Fionia Bank's equity capital at 30 June 2008 was DKK 1,967.5 million, calculated inclusive of the after-tax profit.

The bank's capital adequacy requirement, calculated as per the Basel rules, continues to show a requirement of less than 8 percent.

Risks are quantified in risk categories and stress-tested items. The bank's potential market and credit risks have increased, but are still well below 8 percent, even according to conservative scenarios.

### **Further information**

More information on the bank can be found on the Fionia Bank website, [www.fioniabank.dk](http://www.fioniabank.dk).

### **Financial calendar for 2008**

Quarterly report for quarters 1-3 of 2008      28 October

### **Notifications to OMX Nordic Exchange Copenhagen**

The following notifications to OMX Nordic Exchange Copenhagen have been sent in the period from 1 January 2008 to 5 August 2008. The texts are also available on the bank's website, at [www.fioniabank.dk](http://www.fioniabank.dk).

Nr. 01 - 02-01-08:	Financial calendar 2008
Nr. 02 - 04-01-08:	Fionia Bank awarded rating by Moody's
Nr. 03 - 25-01-08:	Stock split
Nr. 04 - 18-02-08:	Ordinary General Meeting
Nr. 05 - 26-02-08:	Annual financial statements notification 2007
Nr. 06 - 26-02-08:	Annual Report 2007
Nr. 07 - 28-02-08:	Trading by insiders
Nr. 08 - 06-03-08:	Changed co-operation agreement
Nr. 09 - 12-03-08:	Ordinary General Meeting
Nr. 10 - 11-03-08:	Articles of Association following change in share denomination
Nr. 11 - 15-04-08:	Early repayment of supplementary capital
Nr. 12 - 29-04-08:	First Quarter 2008
Nr. 13 - 04-06-08:	Increase in the expected provisions on loans
Nr. 14 - 11-07-08:	Expected key figures for Fionia Bank for the first half of 2008

**Board of Directors and Management Board statement**

The Board of Directors and management have today discussed and approved the half-year report for the period from 1 January-30 June 2008 for the Fionia Bank A/S group and Fionia Bank A/S.

The half-year report has been prepared in accordance with IAS 34, *presentation of interim financial reporting*, as approved by the EU, and further Danish disclosure requirements for half-year reports of listed financial companies. The half-year report has not been audited or reviewed.

We believe that the accounting policies followed are appropriate, so that the half-year report provides a true and fair view of the group's assets, liabilities and financial situation as at 30 June 2008, and of the result of the group's and parent company's activities and the group's cash flow for the first half of 2008.

We believe that the management report provides a true and fair view of the group's and parent entity's activities and business situation, the profit for the period and the overall financial situation of the group and the parent entity, and an accurate description of the main risks and uncertainty factors facing the group and parent entity.

Odense, 5 August 2008

**The Management Board**

Finn B. Sørensen

**The Board of Directors**

Bo Stærmosé

Børge Obel

Tom Foged-Pedersen

Knud Gether

Erik Granhøj Hansen

Nina Dietz Legind

Ole Madsen

Pia Lærke

Ole Rasmussen

## Income statement

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	2007	30.06.2008	30.06.2007	2007
Note						
1. Interest income	894,4	659,2	1.448,2	894,4	659,2	1.448,2
2. Interest expenses	548,9	393,1	880,4	549,0	393,3	880,6
<b>Net interest income</b>	<b>345,5</b>	<b>266,1</b>	<b>567,8</b>	<b>345,4</b>	<b>266,0</b>	<b>567,5</b>
Share dividends etc.	20,6	16,1	11,1	20,6	16,1	11,1
3. Fees and commissions income	119,1	119,6	251,4	119,1	119,6	251,4
Fees and commissions expenses	10,5	9,1	20,1	10,5	9,1	20,1
<b>Net interest and fees income</b>	<b>474,7</b>	<b>392,6</b>	<b>810,2</b>	<b>474,6</b>	<b>392,5</b>	<b>809,9</b>
4. Value adjustments	-22,1	59,0	120,4	-22,1	59,0	120,4
Other operating income	21,2	13,9	28,7	15,4	9,5	19,3
5. Staff and administration expenses	307,5	283,2	560,2	306,7	280,5	558,3
6. Amortisation, depreciation and write-downs on intangible and tangible assets	7,7	5,8	12,6	6,4	4,7	10,2
7. Provisions on lendings and receivables, etc.	132,9	5,2	71,3	132,9	5,2	71,3
Value adjustments for affiliated undertakings	0,0	0,0	0,0	1,9	0,5	3,1
<b>Before-tax profit</b>	<b>25,8</b>	<b>171,3</b>	<b>315,2</b>	<b>23,8</b>	<b>171,0</b>	<b>312,9</b>
Tax	0,4	42,0	71,4	-0,6	42,0	70,0
<b>Profit for the year</b>	<b>25,4</b>	<b>129,3</b>	<b>243,8</b>	<b>24,4</b>	<b>129,0</b>	<b>242,9</b>
Portion attributable to Shareholders of the Parent Company	24,4	129,0	242,9			
Minority interests	1,0	0,4	0,8			
<b>Profit for the period</b>	<b>25,4</b>	<b>129,3</b>	<b>243,8</b>			
<i>Per share of DKK 10</i>						
Earnings per share				1,4	7,1	13,5
Earnings per share (diluted)				1,4	7,1	13,5
The calculation is based on the average number of shares adjusted for own shares				17.997,9	18.057,1	18.048,0
Proposed dividend per share						3,5

## Balance

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	31.12.2007	30.06.2008	30.06.2007	31.12.2007
Note						
<b>Assets</b>						
Cash in hand and demand credit balances at central banks	446,9	156,5	257,7	446,9	156,5	257,7
Credit balances at credit institutions and central banks	4.366,1	4.365,5	3.865,7	4.366,1	4.365,5	3.865,7
Lendings and other receivables at fair value	10,9	42,7	31,2	10,9	42,7	31,2
Lendings and other receivables at amortised historical cost	20.635,5	18.406,4	20.173,2	20.638,3	18.406,4	20.173,2
Bonds at fair value	5.472,3	4.295,7	5.613,4	5.472,3	4.295,7	5.613,4
Shares etc.	577,7	768,3	603,5	577,7	768,3	603,5
Investments in associated undertakings	0,0	0,3	0,0	0,0	0,3	0,0
Investments in affiliated undertakings	0,0	0,0	0,0	108,4	103,7	106,2
Intangible assets	4,5	0,0	3,3	4,5	0,0	3,3
Land and buildings, total	249,6	238,6	245,4	140,8	134,4	138,2
Investment property	0,2	0,2	0,2	0,2	0,2	0,2
Domiciliary property	249,4	238,3	245,1	140,6	134,1	137,9
Other tangible assets	29,8	23,1	22,8	29,3	23,0	22,3
Current tax assets	64,4	0,0	19,0	65,7	0,0	19,3
Deferred tax assets	7,1	13,2	4,4	7,1	14,3	6,6
Temporarily acquired assets	3,7	0,0	2,5	3,7	0,0	2,5
Other assets	496,6	323,6	661,4	496,5	323,5	660,6
Prepayments	20,7	19,1	15,6	20,5	19,1	15,5
<b>Total assets</b>	<b>32.385,8</b>	<b>28.653,1</b>	<b>31.519,2</b>	<b>32.388,8</b>	<b>28.653,3</b>	<b>31.519,3</b>
<b>Liabilities and shareholders' funds</b>						
<b>Liabilities</b>						
Debts to credit institutions and central banks	12.269,0	7.931,6	10.841,0	12.269,0	7.931,6	10.841,0
Deposits and other liabilities	13.210,8	13.482,0	13.538,2	13.218,0	13.484,9	13.541,1
Bonds issued at fair value	1.115,7	1.117,8	1.120,1	1.115,7	1.117,8	1.120,1
Current tax liabilities	0,0	16,2	0,0	0,0	14,9	0,0
Other liabilities	2.956,0	3.282,2	3.089,4	2.955,7	3.281,6	3.087,5
Deferred income	7,0	11,7	6,4	6,8	11,6	6,4
<b>Total liabilities</b>	<b>29.558,4</b>	<b>25.841,5</b>	<b>28.594,9</b>	<b>29.565,1</b>	<b>25.842,4</b>	<b>28.596,0</b>
8. Allocations for liabilities	34,0	28,9	25,9	31,7	28,8	25,9
9. Subordinated debt	825,8	876,8	880,6	825,8	876,8	880,6
<b>Equity</b>						
Share capital	181,4	181,4	181,4	181,4	181,4	181,4
Accumulated changes in value	84,3	84,3	84,3	66,1	66,1	66,1
Revaluation reserves	84,3	84,3	84,3	66,1	66,1	66,1
Other reserves	707,3	704,8	707,3	725,5	723,0	725,5
Statutory reserves	53,2	50,7	53,2	71,3	68,9	71,3
Other reserves	654,1	654,1	654,1	654,1	654,1	654,1
Profits or losses brought forward	993,3	934,8	1.043,7	993,2	934,8	1.043,7
Minority interests	1,3	0,5	0,9	0,0	0,0	0,0
Total equity*	1.967,5	1.905,8	2.017,6	1.966,2	1.905,3	2.016,7
<b>Total liabilities and shareholders' equity</b>	<b>32.385,8</b>	<b>28.653,1</b>	<b>31.519,2</b>	<b>32.388,8</b>	<b>28.653,3</b>	<b>31.519,3</b>
of which proposed dividend			63,5			63,5

Capital structure – Fionia Bank A/S

Changes in capital	Share capital	Proposed dividend	Revaluation reserve	Reserve by equity method	Other reserves	Retained earnings	Total 2008	Total 2007
Equity at start of 2008	181,4	63,5	66,1	71,3	654,1	980,2	2.016,7	1.844,9
Profit for the year				0,0		24,4	24,4	128,9
Total income			0,0	0,0		24,4	24,4	128,9
Dividends paid		-63,5				0,5	-63,0	-72,3
Purchase of own shares						-109,7	-109,7	-98,4
Sale of own shares						97,9	97,9	102,3
<b>Equity at end of June 2008</b>	<b>181,4</b>	<b>0,0</b>	<b>66,1</b>	<b>71,3</b>	<b>654,1</b>	<b>993,3</b>	<b>1.966,2</b>	<b>1.905,3</b>

The share capital comprises 18,140.520 shares of DKK 10. The shares are issued in one serie.

Fionia Bank A/S holdings of own shares	Number	Face value	Total purchase/sale price	percent
Holding of own shares at the start of 2007	9.433	943.300		0,5
Shares acquired during the year	129.994	12.999.400	222,8	7,2
Shares disposed of during the year	130.769	13.076.900	224,0	7,2
<b>Holding of own shares at the end of 2007</b>	<b>8.658</b>	<b>865.800</b>		<b>0,5</b>
<b>Share split from shares of 100 to 10</b>	<b>86.580</b>	<b>865.800</b>		<b>0,5</b>
Shares acquired during the year	819.884	8.198.840	109,7	4,5
Shares disposed of during the year	707.733	7.077.330	97,9	3,9
<b>Holding of own shares at the end of June 2008</b>	<b>198.731</b>	<b>1.987.310</b>		<b>1,1</b>

Acquisitions and disposals of own shares are carried out as part of the bank's general trading operations with securities and its customers.

Capital structure – Fionia Bank A/S Group

Changes in capital	Share capital	Proposed dividend	Other reserves	Retained earnings	Total	Minority interests	Total
Equity at the start of 2007	181,4	72,6	654,1	936,8	1.844,9	0,1	1.845,0
Profit for the year				128,9	128,9	0,4	129,3
Total income				128,9	128,9	0,4	129,3
Dividends paid		-72,6		0,3	-72,3	0,0	-72,3
Purchase of own shares				-98,4	-98,4	0,0	-98,4
Sale of own shares				102,3	102,3	0,0	102,3
<b>Equity at the end of June 2007</b>	<b>181,4</b>	<b>0,0</b>	<b>654,1</b>	<b>1.069,8</b>	<b>1.905,3</b>	<b>0,5</b>	<b>1.905,8</b>
Equity at the start of 2008	181,4	63,5	654,1	1.117,6	2.016,6	0,9	2.017,6
Profit for the year				24,4	24,4	1,0	25,4
Total income				24,4	24,4	1,0	25,4
Dividends paid		-63,5		0,5	-63,0	-0,7	-63,7
Purchase of own shares				-109,7	-109,7	0,0	-109,7
Sale of own shares				97,9	97,9	0,0	97,9
<b>Equity at the end of June 2008</b>	<b>181,4</b>	<b>0,0</b>	<b>654,1</b>	<b>1.082,8</b>	<b>1.966,2</b>	<b>1,3</b>	<b>1.967,5</b>

## Cash flow statement

(DKK million)	Fionia Bank A/S Group	
	30.06.2008	30.06.2007
<b>Operating activities</b>		
Profit for the period	25,4	129,3
Adjustment for non-cash items:		
Provisions on lendings etc. net	132,9	5,2
Amortisation and depreciation on intangible and tangible assets	7,7	5,8
Prepayments and deferred income items, net	-4,5	-3,0
Allocations for expenses	5,9	-27,3
Tax	0,4	42,0
Adjustments for cash items:		
Tax paid	-46,3	-45,6
	<b>121,5</b>	<b>106,4</b>
<b>Working capital</b>		
Credit institutions (net)	1.392,7	-2.922,3
Lendings adjusted for provisions during the period	-574,9	-1.983,0
Financial current assets	170,2	692,2
Temporarily acquired assets	-1,1	0,0
Other assets and other liabilities (net)	31,4	-220,8
Deposits	-327,5	2.602,7
Deposits in investment pools, net	0,0	-125,1
<b>Cash flows from operating activities</b>	<b>812,3</b>	<b>-1.849,9</b>
<b>Investment activities</b>		
Purchase/sale of investments in affiliated undertakings	0,0	-0,3
Purchase/sale of intangible assets	-1,8	0,0
Purchase/sale of tangible fixed assets	-18,3	-14,5
<b>Cash flows from investing activities</b>	<b>-20,1</b>	<b>-14,8</b>
<b>Financing activities</b>		
Subordinated debt, inflow	0,0	74,4
Subordinated debt, outflow	-54,8	-7,8
Bonds issued	-4,4	485,7
Purchase/sale of own shares	-11,9	3,8
Dividend payments for previous years	-63,6	-72,3
<b>Cash flows from financing activities</b>	<b>-134,7</b>	<b>483,8</b>
<b>Change in cash and cash equivalents</b>	<b>657,5</b>	<b>-1.380,9</b>
Cash and cash equivalents at start of period	4.081,3	3.967,2
<b>* Cash and cash equivalents at end of period</b>	<b>4.738,8</b>	<b>2.586,3</b>
<i>Changes in holdings items other than shares include unrealised capital gains.</i>		
<b>* Cash and cash equivalents:</b>		
Cash in hand and demand credit balances at central banks	446,9	156,5
Deposits with credit institutions and central banks with terms shorter than 3 month	4.273,1	2.402,3
Bonds with terms shorter than 3 months	18,8	27,5
<b>Cash and cash equivalents at end of period</b>	<b>4.738,8</b>	<b>2.586,3</b>

Chashflow statements i Fionia Bank A/S Group and Fionia Bank A/S are almost identical. Investments in real property will be equalized by investments in affiliated undertakings in parent company.

**Accounting policies**

The half-year report for the first half of 2008 has been prepared in accordance with IAS 34 on the presentation of part-year reports and other Danish requirements regarding part-year reports for listed companies. The accounting policies for the half-year report are the same as for the 2007 annual report, which contains a full description of those policies.

The following new and modified standards and interpretations have come into force for the 2008 financial year:

IFRIC 11, *IFRS 2 – Share based payment – group and treasury share transactions*

IFRIC 12, - *Service concessions*

IFRIC 14, *IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction.*

The application of these new and modified accounting standards and interpretations has not led to any changes in accounting policies in terms of recognition and measurement.

The measurement of some assets and liabilities requires a management estimate of the impact of future events on their value. Estimates of significant importance for financial reporting include those required for calculating provisions for impaired loans, the fair value of unlisted financial instruments, and provisioned liabilities – see detailed comments in the 2007 annual report. The estimates applied in this report are based on what the management regards as conservative assumptions.

The Fionia Bank half-year report has not been audited.



## Notes

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	2007	30.06.2008	30.06.2007	2007
Note						
<b>1. Interest income</b>						
Credit balances at credit institutions and central banks	76,1	73,2	150,1	76,1	73,2	150,1
Lendings and other receivables	683,1	542,3	1.197,9	683,1	542,3	1.197,9
Bonds	93,3	33,8	79,4	93,3	33,8	79,4
Derivatives, total	41,8	9,9	20,4	41,8	9,9	20,4
Foreign exchange contracts	21,4	9,5	23,2	21,4	9,5	23,2
Interest rate contracts	20,4	0,5	-2,9	20,4	0,5	-2,9
Other interest income	0,1	0,0	0,4	0,1	0,0	0,4
<b>Total</b>	<b>894,4</b>	<b>659,2</b>	<b>1.448,2</b>	<b>894,4</b>	<b>659,2</b>	<b>1.448,2</b>
<i>of which income from actual purchase and resale transactions recognised under</i>						
<i>credit balances at credit institutions and central banks</i>	<i>48,3</i>	<i>37,8</i>	<i>80,8</i>	<i>48,3</i>	<i>37,8</i>	<i>80,8</i>
<i>Lendings and other receivables</i>	<i>4,3</i>	<i>0,2</i>	<i>2,4</i>	<i>4,3</i>	<i>0,2</i>	<i>2,4</i>
<b>2. Interest expenses</b>						
Credit institutions and central banks	235,1	153,7	347,5	235,1	153,7	347,5
Deposits and other liabilities	251,6	197,0	433,8	251,8	197,2	434,1
Bonds issued	35,6	20,1	50,9	35,6	20,1	50,9
Subordinated debt	25,5	21,7	46,3	25,5	21,7	46,3
Other interest expenses	0,9	0,6	1,8	0,9	0,6	1,8
<b>Total</b>	<b>548,9</b>	<b>393,1</b>	<b>880,4</b>	<b>549,0</b>	<b>393,3</b>	<b>880,6</b>
<i>of which interest expenses from actual sale and repurchase contracts recognised under</i>						
<i>credit institutions and central banks</i>	<i>4,0</i>	<i>10,7</i>	<i>16,1</i>	<i>4,0</i>	<i>10,7</i>	<i>16,1</i>
<i>Deposits and other liabilities</i>	<i>0,3</i>	<i>0,0</i>	<i>0,7</i>	<i>0,3</i>	<i>0,0</i>	<i>0,7</i>
<b>3. Fees and commissions income breakdown:</b>						
Securities trading and custody accounts	62,4	64,6	136,5	62,4	64,6	136,5
Payment handling	14,8	13,4	27,6	14,8	13,4	27,6
Loan fees	10,5	10,7	22,6	10,5	10,7	22,6
Guarantee commissions	18,7	18,9	37,8	18,7	18,9	37,8
Other fees and commissions	12,6	12,0	26,9	12,6	12,0	26,9
<b>Total</b>	<b>119,1</b>	<b>119,6</b>	<b>251,4</b>	<b>119,1</b>	<b>119,6</b>	<b>251,4</b>
<b>4. Value adjustments</b>						
Other lendings and receivables at fair value	5,4	-0,5	-3,3	5,4	-0,5	-3,3
Bonds	-79,2	27,5	30,3	-79,2	27,5	30,3
Shares etc. at trading	0,0	32,0	30,5	0,0	32,0	30,5
Shares etc. at fair value	9,7	6,6	43,1	9,7	6,6	43,1
Foreign currency	45,2	-21,3	-21,2	45,2	-21,3	-21,2
Foreign exchange, interest rate, equities, commodities and other contracts and derivatives	-13,2	33,4	64,9	-13,2	33,4	64,9
Assets relating to investment pool schemes*	0,0	28,3	28,4	0,0	28,3	28,4
Deposits in investment pool schemes*	0,0	-28,3	-28,4	0,0	-28,3	-28,4
Other assets	0,5	1,8	1,9	0,5	1,8	1,9
Other liabilities	9,6	-20,6	-25,8	9,6	-20,6	-25,8
<b>Total</b>	<b>-22,1</b>	<b>59,0</b>	<b>120,4</b>	<b>-22,1</b>	<b>59,0</b>	<b>120,4</b>

\*During the first half year of 2007 pension pools were transferred for investment via Fionia Invest.

## Notes

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	2007	30.06.2008	30.06.2007	2007
Note						
<b>5. Staff and administration expenses</b>						
Wages & salaries and compensation to Board, management and Committee of Shareholders						
Management	2,1	1,6	3,4	2,1	1,6	3,4
Board of Directors	0,7	0,7	1,4	0,7	0,7	1,4
Advisory Council/Committee of Shareholders/local councils	0,3	0,3	0,7	0,3	0,3	0,7
<b>Total</b>	<b>3,1</b>	<b>2,7</b>	<b>5,5</b>	<b>3,1</b>	<b>2,7</b>	<b>5,5</b>
Personnel expenses						
Wages and salaries	150,5	132,5	274,8	147,8	130,6	270,5
Pensions	17,0	14,5	30,1	16,7	14,3	29,6
Social security expenses	14,4	14,7	30,0	14,4	14,7	30,0
<b>Total</b>	<b>181,9</b>	<b>161,7</b>	<b>334,9</b>	<b>178,9</b>	<b>159,5</b>	<b>330,1</b>
Other administration expenses	122,5	118,8	219,8	124,7	118,4	222,8
<b>Total</b>	<b>307,5</b>	<b>283,2</b>	<b>560,2</b>	<b>306,7</b>	<b>280,5</b>	<b>558,3</b>
<b>6. Amortisation, depreciation and write-downs on intangible and tangible assets</b>						
Intangible assets	0,6	0,0	0,4	0,6	0,0	0,4
Tangible fixed assets	2,7	3,4	7,3	4,3	3,4	7,1
Property	4,4	2,4	4,9	1,5	1,3	2,7
<b>Total</b>	<b>7,7</b>	<b>5,8</b>	<b>12,6</b>	<b>6,4</b>	<b>4,7</b>	<b>10,2</b>

## Notes

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	2007	30.06.2008	30.06.2007	2007
Note						
<b>7. Provisions on lendings and receivables, etc.</b>						
Provisions for the period (net)	134,8	19,2	57,2	134,8	19,2	57,2
Losses not covered by provisions	2,9	4,2	37,0	2,9	4,2	37,0
Amount received on receivable previously written off	-4,1	-4,6	-8,6	-4,1	-4,6	-8,6
Allocations on unutilised credit guarantees and court cases	-0,7	-13,6	-14,3	-0,7	-13,6	-14,3
<b>Recognised in the income statement</b>	<b>132,9</b>	<b>5,2</b>	<b>71,3</b>	<b>132,9</b>	<b>5,2</b>	<b>71,3</b>
Total provisions/allocations balance at start of period	290,4	286,0	286,0	290,4	286,0	286,0
Provisions for the period	134,8	19,2	57,2	134,8	19,2	57,2
Losses already covered by provisions/allocations	47,0	52,6	67,0	47,0	52,6	67,0
Adjustment relating to interest-rate discounting	13,3	7,2	14,2	13,3	7,2	14,2
Total provisions/allocations balance at end of period	391,4	259,8	290,4	391,4	259,8	290,4
Provisions on loans	383,3	254,2	286,3	383,3	254,2	286,3
Allocations for guarantees	8,1	5,6	4,0	8,1	5,6	4,0
<b>Total provisions/allocations balance at end of period</b>	<b>391,4</b>	<b>259,8</b>	<b>290,4</b>	<b>391,4</b>	<b>259,8</b>	<b>290,4</b>
Individual provisions on loans at start of period	153,3	169,8	169,8	153,3	169,8	169,8
Provisions for the period	211,7	50,3	86,3	211,7	50,3	86,3
Reversal provisions from previous financial years	17,6	27,6	42,2	17,6	27,6	42,2
Losses covered by provisions	47,0	52,6	66,9	47,0	52,6	66,9
Adjustment relating to interest-rate discounting	9,0	2,5	6,3	9,0	2,5	6,3
Individual provisions on loan at end of period	309,5	142,4	153,3	309,5	142,4	153,3
Individual allocations for loss on guarantees at start of period	4,0	7,4	7,4	4,0	7,4	7,4
Allocations for the period	5,3	1,1	2,5	5,3	1,1	2,5
Reversal allocations from previous financial years	1,2	2,9	5,8	1,2	2,9	5,8
Losses already covered by allocations	0,0	0,0	0,1	0,0	0,0	0,1
Individual allocations for loss on guarantees at end of period	8,1	5,6	4,0	8,1	5,6	4,0
Portfolie provisions on loans at start of period	133,1	108,8	108,8	133,1	108,8	108,8
Provisions for the period	37,6	57,4	88,0	37,6	57,4	88,0
Reversal provisions from previous financial years	101,1	59,1	71,6	101,1	59,1	71,6
Adjustment relating to interest-rate discounting	4,2	4,7	7,9	4,2	4,7	7,9
Portfolie provisions on loans at end of period	73,8	111,8	133,1	73,8	111,8	133,1

## Notes

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	31.12.2007	30.06.2008	30.06.2007	31.12.2007

Note

**8. Allocations for liabilities**

Allocations for pensions and similar liabilities	23,3	19,6	20,9	23,3	19,6	20,9
Provisions for deferred tax	2,1	0,0	0,0	0,0	0,0	0,0
Allocations for losses on guarantees	8,1	5,7	4,0	8,1	5,7	4,0
Allocations for other liabilities	0,4	3,6	1,0	0,3	3,5	1,0
<b>Total allocations for liabilities</b>	<b>34,0</b>	<b>28,9</b>	<b>25,9</b>	<b>31,7</b>	<b>28,8</b>	<b>25,9</b>

**9. Subordinated debt**

<b>Tier 2 capital</b>						
DKK nominal 50,000,000, variable interest rate, maturity 08.10.2011	0,0	50,0	50,0	0,0	50,0	50,0
DKK nominal 100,000,000, variable interest rate, maturity 29.10.2011	100,0	100,0	100,0	100,0	100,0	100,0
DKK nominal 150,000,000, variable interest rate, maturity 16.10.2011	150,0	150,0	150,0	150,0	150,0	150,0
EUR nominal 30,000,000, variable interest, maturity 29.10.2011	223,7	223,3	223,7	223,7	223,3	223,7
EUR nominal 10,000,000, variable interest, maturity 31.03.2011	74,5	74,4	74,4	74,5	74,4	74,4
* Early redemption possible on coupon date 3 years before the specified contractual maturity date.						
<i>Hybrid core capital</i>						
DKK nominal 200,000,000, 4.85%, perpetual	177,6	179,1	182,5	177,6	179,1	182,5
DKK nominal 100,000,000, variable interest rate, perpetual	100,0	100,0	100,0	100,0	100,0	100,0
<b>Total</b>	<b>825,8</b>	<b>876,8</b>	<b>880,6</b>	<b>825,8</b>	<b>876,8</b>	<b>880,6</b>

Information on subordinated debt obtained during the year:

Costs on uptake	0,0	0,1	0,1	0,0	0,1	0,1
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**10. Contingent liabilities****Guarantees etc.**

Finance guarantees	2.309,9	2.377,8	2.720,7	2.309,9	2.377,8	2.720,7
Loss guarantees for mortgage lendings	286,6	1.401,5	1.538,1	286,6	1.401,5	1.538,1
Other guarantees	1.044,5	1.272,5	1.226,7	1.044,5	1.272,5	1.226,7
<b>Total</b>	<b>3.640,9</b>	<b>5.051,8</b>	<b>5.485,6</b>	<b>3.640,9</b>	<b>5.051,8</b>	<b>5.485,6</b>

**Other contingent liabilities**

Settlement commitment with Danish Securities Centre	6,7	5,0	5,0	6,7	5,0	5,0
Lessor's commitments	27,4	26,1	30,2	56,3	60,3	62,6
Renovation clause	1,0	0,6	0,7	1,5	1,0	1,0
Leasing commitments for office machinery	0,0	1,0	7,5	0,0	1,0	7,5
Leasing commitments for cars	0,3	0,1	0,4	0,3	0,0	0,0
Sponsorships	24,0	9,0	7,5	24,0	9,0	7,5

*Renovation clause cover estimated expenses from renovation of leased property in case of moving.***11. Pledges**

Lodged as security for loans, settlements, clearing, etc. at the Danish central bank and foreign credit institutions are bonds and shares for nom.:	3.750,0	541,9	2.475,0	3.750,0	541,9	2.475,0
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## Notes

(DKK million)

Note

12. Fionia Bank continually hedges its interest rate risk on fixed-interest assets and liabilities.

Lendings are hedged in groups. Hedges are term-based, over the entire term of the loans.

The future effectiveness of the hedge is monitored on an ongoing basis.

Deposits and lendings are hedged back-to-back.

The historical effectiveness of hedges is measured quarterly.

Changes in the value of hedged assets and liabilities is recognised under the relevant balance sheet item, and posted to the income statement under value adjustments.

Fionia Bank A/S  
Group

(The figures in bank and group are uniform)

	30.06.2008		30.06.2007		2007	
	Derivative instrument		Derivative instrument		Derivative instrument	
	Interest rateswaps		Interest rateswaps		Interest rateswaps	
<b>Hedged assets items</b>						
Fixed-interest lendings:						
Book value	0,0		23,7		17,9	
Nominal value	0,0	0,0	24,0	10,0	18,1	10,0
Market value *	0,0	0,0	24,0	-0,2	18,1	-0,1
Market value excl. accrued intrest	0,0	0,0	24,0	-0,2	18,1	-0,1
<b>Hedged liabilities items</b>						
Subordinated debt:						
Book value	-177,9		179,3		182,5	
Nominal value	-200,0	200,0	200,0	200,0	200,0	200,0
Market value *	-178,7	-21,6	180,5	-19,7	188,6	-11,7
Market value excl. accrued intrest	-178,9	-21,6	180,7	-19,7	183,5	-16,5
Fixed-interest deposits:						
Book value	-143,7		0,0		0,0	
Nominal value	-149,2	149,2	0,0	0,0	0,0	0,0
Market value *	-145,8	-5,4	0,0	0,0	0,0	0,0
Market value excl. accrued intrest	-143,7	-5,4	0,0	0,0	0,0	0,0

\* Market values are calculated excluding amortisation of initial values and premiums/discounts.

## Income by business segments

2008

(DKK million)	Fionia Bank A/S			Fionia Bank A/S		
	Group					
Note	Income statement			Income statement		
13.	Core income, including trading income	Income from holdings	Total *	Core income, including trading income	Income from holdings	Total *
Net interest income	317,7	27,9	345,6	317,6	27,9	345,5
Dividends on shares	18,5	2,0	20,6	18,5	2,0	20,6
Fees and commissions income (net)	109,5	-1,0	108,6	109,5	-1,0	108,6
Net interest and fees income	445,7	29,0	474,7	445,6	29,0	474,6
Value adjustments	71,1	-93,2	-22,1	71,1	-93,2	-22,1
Other operating income	21,2		21,2	15,4		15,4
Operating expenses	305,9	1,5	307,5	305,2	1,5	306,7
Depreciation	7,7		7,7	6,4		6,4
Provisions on lendings etc.	132,9		132,9	132,9		132,9
Value adjustments for affiliated undertakings	0,0		0,0	1,9		1,9
<b>Before-tax profit on ordinary activities</b>	<b>91,5</b>	<b>-65,7</b>	<b>25,8</b>	<b>89,5</b>	<b>-65,7</b>	<b>23,8</b>

## Income statement

2007

Net interest income	270,3	-4,2	266,1	270,2	-4,2	266,0
Dividends on shares	11,2	4,8	16,0	11,2	4,8	16,0
Fees and commissions income (net)	111,3	-0,9	110,4	111,3	-0,9	110,4
Net interest and fees income	392,8	-0,3	392,5	392,7	-0,3	392,4
Value adjustments	59,7	-0,7	59,0	59,7	-0,7	59,0
Other operating income	13,9		13,9	9,5		9,5
Operating expenses	281,0	2,1	283,1	278,4	2,1	280,5
Depreciation	5,8		5,8	4,7		4,7
Provisions on lendings etc.	5,2		5,2	5,2		5,2
Value adjustments for affiliated undertakings	0,0		0,0	0,5		0,5
<b>Before-tax profit on ordinary activities</b>	<b>174,4</b>	<b>-3,1</b>	<b>171,3</b>	<b>174,0</b>	<b>-3,1</b>	<b>171,0</b>

\*Danish Financial Supervisory Authority official summary accounts format

*Trading income comprises primary transactions in securities, foreign exchange and the money market, including returns from associated holdings and after funding costs. Income from holdings comprises the return on the bank's own holdings, including associated holdings, after funding and operating costs.*

## Balance sheet by business segments

Note

14.

(DKK million)

Balance sheet as at 30.06.2008	Fionia Bank A/S Group			Fionia Bank A/S		
	Core, including trading	Hold- ings	Total	Core, including trading	Hold- ings	Total
<b>Assets:</b>						
Cash in hand, lendings and credit balances						
at credit institutions and central banks	25.459,4		25.459,4	25.462,2		25.462,2
Bonds at fair value	4.166,5	1.305,8	5.472,3	4.166,5	1.305,8	5.472,3
Shares and investments in affiliated undertakings, etc.	497,7	80,0	577,7	606,2	80,0	686,1
Other assets	437,1	59,5	496,6	437,0	59,5	496,5
Other assets, total	379,8		379,8	271,6		271,6
<b>Total</b>	<b>30.940,5</b>	<b>1.445,3</b>	<b>32.385,8</b>	<b>30.943,5</b>	<b>1.445,3</b>	<b>32.388,8</b>
<b>Liabilities and shareholders' funds:</b>						
Debts to credit institutions, central banks and deposits, total *						
	25.479,8		25.479,8	25.487,0		25.487,0
Other liabilities	2.916,3	39,7	2.956,0	2.916,0	39,7	2.955,7
Other liabilities, total	1.982,5		1.982,5	1.980,0		1.980,0
Minority interests	1,3		1,3	0,0		0,0
Equity	1.966,2		1.966,2	1.966,2		1.966,2
<b>Total</b>	<b>32.346,1</b>	<b>39,7</b>	<b>32.385,8</b>	<b>32.349,1</b>	<b>39,7</b>	<b>32.388,8</b>

\* Including both core and holdings

## Balance sheet as at 30.06.2007

<b>Assets:</b>						
Cash in hand, lendings and credit balances						
at credit institutions and central banks	22.971,1		22.971,1	22.971,1		22.971,1
Bonds at fair value	2.930,2	1.365,5	4.295,7	2.930,2	1.365,5	4.295,7
Shares and investments in affiliated undertakings, etc.	481,8	286,9	768,7	585,4	286,9	872,3
Other assets	304,1	19,5	323,6	304,0	19,5	323,5
Other assets, total	294,0		294,0	190,7		190,7
<b>Total</b>	<b>26.981,2</b>	<b>1.671,9</b>	<b>28.653,1</b>	<b>26.981,4</b>	<b>1.671,9</b>	<b>28.653,3</b>
<b>Liabilities and shareholders' funds:</b>						
Debts to credit institutions, central banks and deposits,						
	21.413,5		21.413,5	21.416,5		21.416,5
Other liabilities	3.270,7	11,5	3.282,2	3.270,1	11,5	3.281,6
Other liabilities, total	2.051,5		2.051,5	2.050,0		2.050,0
Minority interest	0,5		0,5	0,0		0,0
Equity	1.905,3		1.905,3	1.905,3		1.905,3
<b>Total</b>	<b>28.641,6</b>	<b>11,5</b>	<b>28.653,1</b>	<b>28.641,8</b>	<b>11,5</b>	<b>28.653,3</b>

\* Including both core and holdings

## Notes

(DKK million)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2008	30.06.2007	31.12.2007	30.06.2008	30.06.2007	31.12.2007
Note						
<b>15. Capital adequacy</b>						
Capital adequacy requirements Section 124 No. 1 of the Danish Financial Services Act (minimum capital adequacy requirements)						
	37,3	37,3	37,3	37,3	37,3	37,3
<b>Equity</b>	<b>1.942,1</b>	<b>1.776,2</b>	<b>2.017,6</b>	<b>1.941,8</b>	<b>1.776,4</b>	<b>2.016,7</b>
Revaluation reservs	-84,3	-84,3	-84,3	-66,1	-66,1	-66,1
<b>Tier 1 capital</b>	<b>1.857,8</b>	<b>1.691,9</b>	<b>1.933,3</b>	<b>1.875,7</b>	<b>1.710,3</b>	<b>1.950,6</b>
Proposed dividend	0,0	0,0	63,5	0,0	0,0	63,5
Intangible assets	4,5	0,0	3,3	4,5	0,0	3,3
Tax assets	7,1	13,2	4,4	7,1	14,3	6,6
Hybrid tier 1 capital	278,6	277,6	282,0	278,6	277,6	282,0
Other deductions	0,0	46,0	0,2	0,0	46,0	0,2
Tier 1 capital (including hybrid tier 1 capital) after deduction	2.124,8	1.910,3	2.144,0	2.142,7	1.927,6	2.159,1
Tier 2 capital included	631,5	681,9	681,4	613,4	663,8	663,2
Deductions	0,0	46,0	0,2	0,0	46,0	0,2
<b>Capital base after deductions</b>	<b>2.756,3</b>	<b>2.546,2</b>	<b>2.825,2</b>	<b>2.756,0</b>	<b>2.545,3</b>	<b>2.822,1</b>
<b>Total riskweighted items</b>	<b>24.412,3</b>	<b>24.248,4</b>	<b>26.827,1</b>	<b>24.404,3</b>	<b>24.247,6</b>	<b>26.824,7</b>
<b>Tier 1 capital adequacy requirement (solvency requireme</b>	<b>1.953,0</b>	<b>1.939,9</b>	<b>2.146,2</b>	<b>1.952,3</b>	<b>1.939,8</b>	<b>2.146,0</b>
<b>Total capital adequacy ratio</b>	<b>11,3</b>	<b>10,5</b>	<b>10,5</b>	<b>11,3</b>	<b>10,5</b>	<b>10,5</b>
<b>Tier 1 capital adequacy ratio including hybrid tier 1 capi</b>	<b>8,7</b>	<b>7,9</b>	<b>8,0</b>	<b>8,8</b>	<b>7,9</b>	<b>8,0</b>



(DKK million)

Note	Company capital	Percent shareholding	Equity at 31.12.2007	Profit for 2007	Balance at 31.12.2007
<b>16. Group overview</b>					
<b>Parent entity</b>					
Fionia Bank A/S	181,4				
Registered in Odense municipality, Denmark					
<b>Consolidated subsidiaries</b>					
Ejendomsselskabet					
Vestre Stationsvej 7, Odense A/S	34,3	100	105,3	2,3	108,6
Registered in Odense municipality, Denmark					
Ejendomsselskabet					
Fjordsgade 10, Odense A/S	0,5	100	-	-	-
Registered in Odense municipality, Denmark					
Fionia Ejendomme Holding A/S	0,5	100	-	-	-
Registered in Odense municipality, Denmark					
Cura Management A/S	0,5	50	1,9	1,7	3,0
Registered in Gentofte municipality, Denmark (Majority of voting rights is 50,2 pct.)					
<b>Other undertakings in which the bank owns more than 10 percent of the share capital</b>					
	Company capital at end of 2007	Percent shareholding 2007	Equity at end of 2007	Profit for 2007	
A/S Lohals Havn, Tranekær	0,5	13,0	0,4	-0,3	
JSNFA Holding A/S, Aalborg	2,0	13,0	4,0	-0,6	
Høgsberg Assurance Service A/S., Århus	0,9	13,0	3,3	-0,8	
Asschenfeldt Invest Gruppen A/S	138,0	15,0	236,6	88,4	
A/S Rudkøbing Vemmenæs Færgerute	5,0	19,9	3,1	-0,1	

## Fionia Bank group highlights and key indicators

	2nd quarter 2008	1st quarter 2008	4th quarter 2007	3rd quarter 2007	2nd quarter 2007
<b>Income statement summary (DKK m.)</b>					
Net interest income	183,8	161,8	163,1	138,6	137,4
Dividends on shares	20,1	0,5	-5,7	0,7	15,3
Fees and commissions income (net)	55,4	53,2	59,8	61,1	56,2
<b>Net interest and fees income</b>	<b>259,2</b>	<b>215,5</b>	<b>217,2</b>	<b>200,4</b>	<b>208,9</b>
Value adjustments	-47,5	25,4	33,8	27,6	7,4
Other operating income	13,6	7,6	5,7	9,1	6,0
<b>Result before costs</b>	<b>225,4</b>	<b>248,5</b>	<b>256,7</b>	<b>237,1</b>	<b>222,3</b>
Staff and administration expenses and depreciation	170,7	144,4	142,1	141,7	145,3
Provisions on lendings and receivables, etc.	111,8	21,1	47,4	18,7	-14,5
<b>Before-tax profit on ordinary activities</b>	<b>-57,2</b>	<b>82,9</b>	<b>67,2</b>	<b>76,8</b>	<b>91,5</b>
Tax	-19,4	19,8	9,8	19,7	21,6
<b>After tax profit</b>	<b>-37,7</b>	<b>63,2</b>	<b>57,5</b>	<b>57,0</b>	<b>69,9</b>
<i>of which minority interests</i>	<i>0,5</i>	<i>0,5</i>	<i>0,2</i>	<i>0,3</i>	<i>0,3</i>
<b>Balance sheet highlights (DKK million)</b>					
Lendings	20.646	19.959	20.204	19.487	18.449
Deposits	13.211	13.518	13.538	13.866	13.482
Bonds issued	1.116	1.110	1.120	1.157	1.118
Subordinated debt	826	885	881	880	877
Equity	1.968	2.014	2.018	1.963	1.906
Total assets	32.386	32.691	31.519	29.562	28.653
<i>Balance sheet figures at end of 2004 are adjusted for changes at beginning of 2005</i>					
<b>Key indicators share (DKK per share of DKK 10)</b>					
Profit of the year	-3,2	4,6	3,7	4,2	5,0
Dividend	0,0	3,5	0,0	0,0	0,0
Share price at end of period	93	135	174	177	172
NAV per share	110	112	112	109	106
Share price/NAV per share	0,85	1,21	1,56	1,63	1,63
<b>Other key indicators</b>					
Total capital adequacy ratio	11,3	10,4	10,5	10,3	10,5
Tier 1 capital adequacy ratio	8,7	7,9	8,0	7,7	7,9
Before-tax return on equity, percent p.a.*)	-11,5	16,5	13,5	15,9	19,6
After-tax return on equity, percent p.a.*)	-7,6	12,5	11,5	11,8	14,9
Earnings per DKK of expenses	0,8	1,5	1,4	1,5	1,7
Interest rate risk	1,2	1,5	1,5	2,4	4,3
Foreign currency position	3,6	4,7	6,5	12,6	8,2
Foreign currency risk	0,1	0,1	0,1	0,1	0,1
Surplus cover above statutory liquidity requirement	90,3	70,8	73,1	79,5	113,7
Total major exposures	24,1	31,7	40,3	24,3	43,9
Provision percentage for the year	0,5	0,1	0,2	0,1	-0,1
Lendings growth for the year	3,4	-1,2	3,7	5,6	7,3
Lendings as a ratio of equity	10,5	9,9	10,0	9,9	9,7
Lendings as a ratio of deposits	159,2	149,9	151,4	142,3	138,7
Av. number of full-time employees	654	642	635	630	616

\*) Calculated on average equity

Comparative figures are adjusted for share split from shares of 100 to 10.

<b>Fionia Bank highlights and key indicators</b>	1st half 2008	1st half 2007	1st half 2006	1st half 2005	1st half 2004
<b>Income statement summary (DKK m.)</b>					
Net interest income	345,4	285,9	233,7	242,8	255,2
Dividends on shares	20,6	16,1	11,4	7,7	9,3
Fees and commissions income (net)	108,6	110,4	101,9	88,8	76,2
<b>Net interest and fees income</b>	<b>474,6</b>	<b>412,4</b>	<b>347,0</b>	<b>339,3</b>	<b>340,7</b>
Value adjustments	-22,1	39,1	56,2	55,7	-0,6
Other operating income	15,4	6,5	4,8	7,4	19,5
<b>Result before costs</b>	<b>467,9</b>	<b>457,9</b>	<b>408,0</b>	<b>402,4</b>	<b>359,6</b>
Staff and administration expenses and depreciation	313,1	282,3	259,8	224,8	224,9
Provisions on lendings and receivables, etc.	132,9	5,2	14,6	7,1	43,2
Value adjustment for affiliated undertakings	1,9	0,5	1,4	1,7	1,8
Result from activities being wound up	0,0	0,0	2,9	0,0	0,0
<b>Before-tax profit on ordinary activities</b>	<b>23,8</b>	<b>171,0</b>	<b>137,9</b>	<b>172,2</b>	<b>93,4</b>
Tax	-0,6	42,0	37,8	49,1	28,6
<b>After tax profit</b>	<b>24,4</b>	<b>128,9</b>	<b>100,1</b>	<b>123,1</b>	<b>64,8</b>

**Balance sheet highlights (DKK million)**

Lendings	20.649	18.449	14.274	11.588	9.814
Deposits incl. deposits in investment pool schemes	13.218	13.485	11.748	9.777	8.292
Bonds issued	1.116	1.118	656	123	127
Subordinated debt	826	877	658	588	283
Equity	1.966	1.905	1.581	1.433	1.230
Total assets	32.389	28.653	26.394	21.669	18.770

*Balance sheet figures at end of 2004 are adjusted for changes at beginning of 2005*

**Key indicators share (DKK per share of DKK 10)**

Before-tax profit	1,3	9,5	7,6	9,5	5,2
After-tax profit	1,4	7,1	5,5	6,8	3,6
Earnings per share (diluted) after-tax	1,4	7,1	5,5	6,8	3,5
Share price at end of year	93	172	138	123	74
NAV per share	110	105	87	80	68
Share price/NAV per share	0,85	1,63	1,58	1,54	1,08

**Other key indicators**

Total capital adequacy ratio	11,3	10,5	10,3	11,4	9,6
Tier 1 capital adequacy ratio	8,8	7,9	8,6	8,9	8,0
Before-tax return on equity, percent p.a.	1,2	9,1	8,8	12,3	7,6
After-tax return on equity, percent p.a.	1,2	6,9	6,4	8,8	5,3
Earnings per DKK of expenses	1,1	1,6	1,5	1,7	1,4
Interest rate risk	1,2	4,2	4,2	3,9	3,7
Foreign currency position	3,5	8,2	5,9	3,3	8,2
Foreign currency risk	0,1	0,2	0,1	0,1	0,1
Lendings plus provisions thereon as a proportion of deposits	159,1	138,7	124,4	122,4	124,6
Surplus cover above statutory liquidity requirement	90,3	113,7	143,0	149,9	183,7
Total major exposures	24,1	43,9	81,0	82,6	162,8
Cumulative provision percentage	1,6	1,1	1,8	2,3	3,6
Provision percentage for the year	0,5	0,1	0,1	0,1	0,3
Lendings growth for the year	2,2	12,0	12,0	12,6	9,2
Lendings as a ratio of equity	10,5	9,7	9,0	8,1	8,0
Av. number of full-time employees	644	609	557	514	511

*The 2004 figures are adjusted in part as per the transitional provisions.*

*Comparative figures are adjusted for share split from shares of 100 to 10.*

## Fionia Bank highlights and key indicators

	2nd quarter 2008	1st quarter 2008	4th quarter 2007	3rd quarter 2007	2nd quarter 2007
<b>Income statement summary (DKK m.)</b>					
Net interest income	183,7	161,8	163,0	138,6	137,3
Dividends on shares	20,1	0,5	-5,7	0,7	15,3
Fees and commissions income (net)	55,4	53,2	59,8	61,1	56,2
<b>Net interest and fees income</b>	<b>259,1</b>	<b>215,4</b>	<b>217,1</b>	<b>200,4</b>	<b>208,8</b>
Value adjustments	-47,5	25,4	33,8	27,6	7,4
Other operating income	7,7	7,7	3,1	6,8	3,7
<b>Result before costs</b>	<b>219,4</b>	<b>248,5</b>	<b>254,1</b>	<b>234,7</b>	<b>219,8</b>
Staff and administration expenses and depreciation	166,9	146,2	143,4	139,9	142,4
Provisions on lendings and receivables, etc.	111,8	21,1	47,4	18,7	-14,5
Value adjustment for affiliated undertakings	0,7	1,2	2,3	0,2	-0,2
Result from activities being wound up	0,0	0,0	0,0	0,0	0,0
<b>Before-tax profit on ordinary activities</b>	<b>-58,7</b>	<b>82,4</b>	<b>65,6</b>	<b>76,3</b>	<b>91,6</b>
Tax	-20,4	19,8	8,3	19,6	22,1
<b>After tax profit</b>	<b>-38,2</b>	<b>62,6</b>	<b>57,3</b>	<b>56,7</b>	<b>69,6</b>
<b>Balance sheet highlights (DKK million)</b>					
Lendings	20.649	19.959	20.204	19.487	18.449
Deposits	13.218	13.522	13.541	13.870	13.485
Bonds issued	1.116	1.110	1.120	1.157	1.118
Subordinated debt	826	885	881	880	877
Equity	1.966	2.013	2.017	1.962	1.905
Total assets	32.389	32.690	31.519	29.563	28.653
<i>Balance sheet figures at end of 2004 are adjusted for changes at beginning of 2005</i>					
<b>Key indicators share (DKK per share of DKK 10)</b>					
Profit of the year	-3,3	4,6	3,6	4,2	5,1
Dividend	0,0	3,5	0,0	0,0	0,0
Share price at end of year	93	135	174	177	172
NAV per share	110	112	112	109	106
Share price/NAV per share	0,85	1,21	1,56	1,63	1,63
<b>Other key indicators</b>					
Total capital adequacy ratio	11,3	10,4	10,5	10,3	10,5
Tier 1 capital adequacy ratio	8,8	8,0	8,0	7,7	7,9
Before-tax return on equity, percent p.a.*)	-11,8	16,4	13,2	15,8	19,6
After-tax return on equity, percent p.a.*)	-7,7	12,4	11,5	11,7	14,9
Earnings per DKK of expenses	0,79	1,49	1,34	1,48	1,72
Interest rate risk	1,2	1,5	1,5	2,4	4,2
Foreign currency position	3,5	4,7	6,5	12,5	8,2
Foreign currency risk	0,1	0,1	0,1	0,1	0,2
Surplus cover above statutory liquidity requirement	90,3	70,8	73,1	79,5	113,7
Total major exposures	24,1	31,7	40,4	24,3	43,9
Provision percentage for the year	0,5	0,1	0,2	0,1	0,1
Lendings growth for the year	3,5	-1,2	3,7	5,6	7,3
Lendings as a ratio of equity	10,5	9,9	10,0	9,9	9,7
Lendings as a ratio of deposits	159,1	149,9	151,3	142,3	138,7
Av. number of full-time employees	650	638	631	627	613

\*) Calculated on average equity

Comparative figures are adjusted for share split from shares of 100 to 10.