

To OMX Nordic Exchange Copenhagen

Stock Exchange Announcement
Date: 25 October 2007

Quarterly report for the period 1 January to 30 September 2007

Today the board of directors of Ringkjøbing Bank has considered and adopted the bank's quarterly report for the period covering 1 January to 30 September 2007.

Summary:

- The core earnings, which are the earnings from the bank operation, rose by 6.9% to DKK 96.4 million after write-down on property by DKK 7.5 million relating to new construction of the branch in Hvide Sande
- Profit before tax of DKK 105.2 million against DKK 117.2 million relative to last year
- Return on equity before tax of 18.2% per annum against 23.8% per annum for the same period last year
- Increase in the total business volume in the form of loans (+38%), deposits (+22%) and guarantees (+22%)
- Net interest and income from fees rose by 17.0% to DKK 225.2 million
- Positive value adjustments amount to DKK 8.8 million against DKK 27.0 million in the same period last year
- Write-downs on loans show income of DKK 6.0 million against an income of DKK 8.9 million in the same period last year
- Ringkjøbing Bank plans to raise a new subordinated loan capital as of 31 October 2007 on DKK 50 million and makes early repayment of subordinated loan capital of DKK 25 million as of 31 October 2007
- Maintains the previous announced upgrading of expectations to a result of DKK 130 million before tax for year 2007 against original DKK 115 million

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Main and key figures for the period 1/1 - 30/9

	2007	2006	2005	2004	2003	Year 2006
Profit and loss account (DKK 1,000)						
Net interest income	146,898	127,985	115,441	107,424	97,150	175,281
Net income from fees and commission	77,032	63,169	60,304	41,389	38,501	90,399
Net income from interest and fees	225,196	192,501	177,585	151,199	140,068	267,040
Securities and foreign exchange income	8,760	27,031	12,147	15,121	21,938	50,443
Staff and administration costs	124,320	108,827	91,390	83,306	81,883	152,802
Write-downs on loans and other debts etc.	-5,973	-8,862	9,101	16,691	19,537	-20,061
Profit before tax	105,183	117,220	79,817	64,356	58,752	177,987
Profit for the year	78,034	86,224	55,839	45,870	42,136	135,258
Balance sheet (DKK 1,000)						
Loans and other debts at amortised cost price	7,023,857	5,092,311	4,118,962	2,571,870	2,156,263	5,897,580
Deposits and other debt	3,197,181	2,602,144	2,334,643	2,030,967	2,265,242	2,738,094
Deposits in pools	942,270	781,407	610,589	485,940	-	875,513
Guarantees etc.	2,624,406	2,143,916	2,279,388	1,266,278	1,053,403	2,255,503
Capital and reserves	798,094	687,521	611,722	521,824	482,723	738,902
Total assets	9,774,546	7,049,755	5,954,724	3,935,555	3,407,419	8,002,100
Key figures						
Solvency ratio *)	11.5%	14.2%	9.7%	11.0%	12.0%	13.7%
Core capital ratio	8.3%	10.6%	10.2%	12.1%	12.9%	10.9%
Pre-tax return non equity per annum	18.2%	23.8%	18.4%	16.7%	17.0%	26.0%
Return on equity after tax per annum	13.5%	17.5%	12.9%	11.9%	12.2%	19.8%
Income/Cost ratio	1.81	2.14	1.73	1.63	1.56	2.27
Average number of employees	213	194	168	159	157	197
Interest risk	4.2%	2.4%	4.3%	0.6%	2.4%	3.0%
Foreign exchange position	5.1%	2.8%	2.3%	1.9%	1.9%	0.8%
Loans plus write-downs thereon relative to deposits	172.0%	154.0%	144.2%	108.3%	101.7%	166.0%
Loans relative to capital and reserves	8.8	7.4	6.7	4.9	4.5	8.0
Growth in loans for the first 3 quarters of the year	19.1%	11.2%	35.9%	9.0%	5.7%	28.7%
Excess cover relative to statutory liquidity requirements	67.0%	36.6%	52.9%	26.8%	39.9%	47.3%
Total major exposures	55.4%	0.0%	75.3%	42.6%	24.1%	18.8%
Percentage write-downs for the first 3 quarters of the year	0.0%	-0.1%	0.1%	0.4%	0.6%	-0.2%
Cumulative percentage write-downs	1.0%	1.6%	1.9%	3.8%	4.4%	1.3%
Listed price per DKK 20 share	730	754	660	430	325	910
Market value in million DKK	1,139	1,206	1,056	688	520	1,456
Profit for the first 3 quarters of the year after taxes pr. DKK 20 share	50.8	55.6	36.3	30.0	27.0	87.2
Intrinsic value per DKK 20 share	523	430	382	326	302	462
Listed price/profit per DKK 20 share	14.4	13.6	18.2	14.3	12.1	10.4
Listed price/intrinsic value per DKK 20 share	1.4	1.8	1.7	1.3	1.1	2.0

Apart from financial assets and liabilities, the comparative figures for 2004 have been adjusted as a result of the changed Accounting policies as of 1 January 2005. The comparative figures for previous years have not been adjusted

*) The solvency ratio for 2006 and 2007 is calculated inclusive the half year result

Management's report

Result and development in the first 3 quarters of 2007

Ringkjøbing Bank has achieved a pre-tax result of DKK 105.2 million against DKK 117.2 million in the same period last year. The return on equity before tax amounts to 18.2% per annum against 23.8% per annum in the same period last year.

The core earnings, which are the earnings from the bank operation, were DKK 96.4 million and are absolutely satisfactory at an increase of 6.9% relative to the same period last year. In the core earnings write-down on property are deducted by DKK 7.5 million with respect to new construction of the branch in Hvide Sande. Without this write-down the increase was 15.2%. The background to the increase in core earnings is a positive growth in the business volume.

The core earnings are defined as the ordinary profit before tax exclusive value adjustments. The core earnings isolate items of the profit and loss account that may show major fluctuations between the financial reporting as a result of changes in the calculated market value of the bank's portfolio of securities.

The achieved pre-tax result is absolutely satisfactory and is better than expectations.

The third quarter of the year has been marked by financial turbulence starting with loss-making subprime loans in the US as a result of falling house prices in the US. The loss-making loans were directly or indirectly financed by a number of European financial institutions which have ascertained big losses. The consequences hereof were turbulence in the financial markets. Ringkjøbing Bank has not, neither directly nor indirectly, financed subprime loans.

Development in the business volume

Ringkjøbing Bank has achieved a satisfactory improvement in the total business volume in the form of loans, deposits and guarantees which amounted to DKK 13.8 billion as of 30 September 2007 against DKK 11.8 billion as of 31.12.2006 and against DKK 10.6 billion as of 30 September 2006. The business volume rose by 17% relative to 31 December 2006 and 30% relative to same period last year.

The bank's total loans amounted to DKK 7,024 million as of 30 September 2007, a rise of 19.1% relative to 31 December 2006 and 37.9% relative to the same period last year. Deposits amounted to DKK 3,197 million equal to an increase of 16.8% and 22.9% relative to 31 December 2006 and 30 September 2006, respectively. Deposits in pools rose from DKK 781 million as of 30 September 2006 to DKK 942 million as of 30 September 2007. Guarantees rose from DKK 2,144 million to DKK 2,624 million. The rise in guarantees is mainly case and loss guarantees against building societies.

The increase in loans of approximately DKK 1.9 billion relative to the same period last year has been divided with (approximate figures) DKK 365 million for home financing, DKK 920 million for commercial loans and credits, DKK 210 million for investment credits, DKK 135 million in mortgage loans and temporary expense accounts and the remainder for various other loans and credits.

The quarterly report shows that Ringkjøbing Bank has increased the income as a result of increased activities. Staff costs and administrative expenses rose by 14.2% relative to the same period last year and are slightly above expectations.

Income

Increase in net interest income as a result of increased business volume

On basis of the positive development in the business volume and the interest rate rise in general, the bank's net interest income rose to DKK 146.9 million from DKK 128.0 million for the same period last year. Ringkjøbing Bank's interest income rose from DKK 224.1 million to DKK 340.7 million. Interest expenses rose from DKK 96.1 million to DKK 193.8 million.

Continued high activity level within securities trading

The continuous high activity level within asset management has had a positive influence on the bank's earnings from fees and commissions which rose from DKK 66.7 million last year to DKK 80.8 million.

Value adjustments of DKK 8.8 million

Ringkjøbing Bank had a value adjustment loss of DKK 4.8 million on bonds against a positive value adjustment of DKK 13.3 million in the same period last year. The capital loss on bonds is due to the interest rate rise which took place in the middle of the year and which, however, has partly declined.

The holding of shares in local banks and partners shows positive value adjustments of DKK 3.8 million against positive value adjustments of DKK 11.0 million last year. The holding of shares in local banks is affected by the general fall in prices which has been experienced on bank shares as a result of the financial turbulence.

On currency etc. loans and other commitments Ringkjøbing Bank has realised positive value adjustments of DKK 9.8 million.

Costs

Staff costs and administrative expenses

Total staff costs and administrative expenses rose from DKK 108.8 million to DKK 124.3 million, a 14.2% rise relative to the same period last year and are slightly above expectations at the beginning of the year. The increased expenses to staff and administration are attributable to new appointments as a result of the growth in the business volume. Furthermore, computing costs will increase as a result of major sector requirements which demands development of new systems.

Write-downs on loans, etc

Write-downs on loans etc. were positive with DKK 6.0 million. For same period last year the item was positive with DKK 8.9 million. The income is due the continuous positive economical conditions and it is highly satisfactory that it has still been possible to book this item as income in a period distinguished by growth in loans. The satisfying development is not attributable to individual major commitments but to the great bulk of the bank's borrowers which have shown a positive development, so that net DKK 6.0 million can be charged back on individual commitments. At the beginning of the year the expectation to this item was in the level of DKK 0.

Furthermore, there are still relatively few major commitments which, according to the Danish Financial Supervisory Authority's definition, are commitments exceeding 10% of the capital base.

This key figure is affected by 14.9% point as a result of the bank's pools schemes investment in shares. The regulations regarding major commitments state that this must be included in the key figure in spite of the fact that the risk is borne by the pools participants and not by the bank.

Equity and solvency

Equity amounted to DKK 798.1 million as of 30 September 2007. The solvency was 11.5% as of 30 September 2007. Statutory regulation requires banks to have a minimum solvency on 8%. From 1 January 2007 new capital adequacy requirements came into force. The bank will use the method under the standard method for computation of credit risks. Until 1 January 2008, however, the bank will use the transition arrangements. Ringkjøbing Bank has calculated the individual solvency requirement to 10.4.

On 25 June 2007 Ringkjøbing Bank's share capital was reduced by DKK 800,000 as a result of the decision taken at the general meeting held on 7 March 2007. After the reduction the share capital amounts to DKK 31,200,000.

As of 30 September 2007 the capital base after deductions amounted to DKK 1.1 billion and as of same date the weighted items amounted to DKK 9.6 billion.

Subordinated loan capital

Ringkjøbing Bank plans to raise a new subordinated loan capital of DKK 50 million as of 31 October 2007 for replacement of subordinated loan capital of DKK 25 million which, by permission from The Danish Financial Supervisory Authority, has been terminated for early repayment as of 31 October 2007.

Liquidity

To cover Ringkjøbing Bank's surplus of loans, the bank has raised a syndicated loan on EUR 150 million with term from 3 to 7 years as stated in stock exchange announcement of 31 August 2007. Loans with terms from 1 to 7 years now totally amount to approximately DKK 2.6 billion. On basis of the turbulence in the financial markets we can establish that Ringkjøbing Bank's cash resources are covered. The future growth in loans will be covered by long-term financing.

Ownership

As of 30 September 2007 Ringkjøbing Bank had 19,747 shareholders listed by name, owing 93.2% of the share capital. The ten biggest shareholders own 17.1% of the share capital.

70% of the share capital is held by 2,857 shareholders. Shareholders are distinguished by there being a large number of shareholders with small holdings.

No shareholder has advised pursuant to section 28a of the Companies Act that he or she owns more than 5% of the share capital or associated voting rights.

The Ringkjøbing Bank share's closing price has fallen from share price 910 as of 29 December 2006 to share price 730 as of 30 September 2007 and is also affected by the general decline in financial shares as a consequence of the turbulence in the financial markets. The number of shareholders listed by name in the same period rose by 1,492.

Outlook for 2007

Ringkjøbing Bank expects to achieve continued growth in the business volume in the form of loans, deposits and guarantees in the rest of 2007, however, with a certain slowdown as a result of the financial turbulence. By the announcement of the annual report 2006 we have stated expectations to an interest rate rise of 0.25%-point in the short-term rates. This rose by 0.50%-point and is expected to remain unchanged for the rest of the year.

Write-downs on loans, etc. which show income of DKK 6.0 million for the period 1 January to 30 September 2007 are estimated to be kept at this level for the whole year, whereas the expectations stated in the annual report 2006 were DKK 0.

On basis of the result for the first 3 quarters of 2007, including maintenance of the present value adjustments, the previous announced upgrading of expectations to a pre-tax profit for 2007 from DKK 115 million to DKK 130 million is maintained.

Accounting policies

The quarterly report is prepared in accordance with legislation about financial business and announcement of financial reports for credit institutions and brokerage houses, etc.

Furthermore, the quarterly report has been prepared in accordance with further Danish disclosure requirements concerning information in quarterly reports of listed financial companies.

Accounting policies are unchanged compared to last year.

Events after closing the accounting period

No events occurred after the balance sheet day which would modify the assessments in the quarterly report.

The quarterly report is unaudited.

Profit and loss account for the period 1/1 – 30/9 2007

Note		1/1-30/9 2007 1.000 kr.	1/1-30/9 2006 1.000 kr.
1	Interest receivable	340,668	224,065
2	Interest payable	193,770	96,080
	Net interest income	146,898	127,985
	Dividend on shares, etc.	1,266	1,347
3	Income from fees and commission	80,778	66,698
	Fees and commission paid	3,746	3,529
	Net income from interest and fees	225,196	192,501
4	Value adjustments of securities and foreign exchange income, etc.	8,760	27,031
	Other operating income	362	198
5	Staff costs and administrative expenses	124,320	108,827
	Depreciation and write-downs of tangible assets	10,595	2,597
	Other operating costs	193	0
	Write-downs on loans, etc.	-5,973	-8,862
6	Result for capital shares in associated and affiliated companies	0	52
	Profit before tax	105,183	117,220
	Tax	27,149	30,996
	Profit for the period	78,034	86,224

Balance sheet per 30/9 2007

Note		30/9 2007 1.000 kr.	30/9 2006 1.000 kr.	31/12 2006 1.000 kr.
	Assets			
	Cash in hand and demand deposits with central banks	38,515	42,042	41,217
	Due from credit institutions and central banks	145,181	109,604	145,698
7	Loans and other receivables at amortised cost price	7,023,857	5,092,311	5,897,580
	Bonds at current value	1,364,300	811,399	825,919
	Shares, etc	141,051	126,623	136,368
	Capital shares in associated companies	0	1,146	0
	Capital shares in affiliated companies	0	5,574	0
	Assets in pool schemes	942,270	781,407	875,513
	Land and buildings, total	47,887	39,816	41,380
	Investment properties	3,600	3,230	3,490
	Domicile properties	44,287	36,586	37,890
	Other fixed assets	3,470	3,645	3,629
	Deferred tax assets	3,114	5,664	5,306
	Other assets	54,834	23,869	23,935
	Prepayments and accrued income	10,067	6,655	5,555
	Total assets	9,774,546	7,049,755	8,002,100
	Liabilities			
	Debts			
	Debt to credit institutions and central banks	4,220,885	2,338,181	3,066,136
	Deposits and other debt	3,197,181	2,602,144	2,738,094
	Deposits in pool schemes	942,270	781,407	875,513
	Current tax-liabilities	26,228	21,080	8,769
	Other liabilities	111,258	151,880	106,909
	Accruals and deferred income	120	101	234
	Total debt	8,497,942	5,894,793	6,795,655
	Provisions			
	Pensions and similar obligations	8,520	7,435	7,409
	Guarantees	2,285	74	1,795
	Provisions, total	10,805	7,509	9,204
	Subordinated debt	467,705	459,932	458,339
8	Capital and reserves			
	Share capital	31,200	32,000	32,000
	Other reserves			
	Statutory reserves	0	1,087	0
	Profit carried forward	766,894	654,434	706,902
	Capital and reserves, total	798,094	687,521	738,902
	Of which proposed dividend	0	0	0
	Total liabilities	9,774,546	7,049,755	8,002,100

9	Total contingent liabilities	2,627,646	2,147,008	2,258,595
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10	Guarantees			
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Statement of capital and reserves

	30/9 2007 1.000 kr.	30/9 2006 1.000 kr.	31/12 2006 1.000 kr.
Sharecapital beginning of period	32,000	32,000	32,000
Cancelled by write-down of share capital	800	0	0
Sharecapital end of period	31,200	32,000	32,000
Other reserves beginning of period	0	1,002	1,002
Additions	0	85	0
Disposals	0	0	1,002
Other reserves end of period	0	1,087	0
Result carried forward beginning of period	706,902	595,468	595,468
Dividend paid	0	12,379	12,379
Transferred from other reserves	0	0	1,002
Transferred to other reserves	0	85	0
Result carried forward end of period	706,902	583,004	584,091
Profit for the period	78,034	86,224	135,258
Addition on sale of own shares	124,036	120,343	153,537
Disposal on purchase of own shares	105,994	134,345	166,815
Disposal on reduction of sharecapital	38,000	0	0
Transferred from sharecapital	800	0	0
Tax on capital gain on own shares	-1,116	792	3,169
Share-based payment	0	0	4,000
Carried forward from result end of period	59,992	71,430	122,811
Capital and reserves total	798,094	687,521	738,902

Notes to interim report 1/1 – 30/9 2007

Note		1/1-30/9 2007 1.000 kr.	1/1-30/9 2006 1.000 kr.
1	<i>Interest receivable:</i>		
	Due from credit institutions and central banks	4,667	3,032
	Loans and other receivables	311,930	204,172
	Bonds	24,879	17,023
	Total derivatives	-869	-162
	Other interest receivables	61	0
	Total interest receivables	340,668	224,065
	<i>Interest payable to:</i>		
2	Credit institutions and central banks	110,968	52,933
	Deposits and other debt	64,337	33,239
	Subordinated debt	18,465	9,894
	Other interest payables	0	14
	Total interest payables	193,770	96,080
	<i>Income from fees and commissions:</i>		
3	Securities trading and deposits	45,606	34,231
	Payment services	8,370	7,377
	Fees from loans	3,286	3,267
	Guarantee commission	16,048	13,890
	Other fees and commissions	7,468	7,933
	Total income from fees and commissions	80,778	66,698
	<i>Value adjustments:</i>		
4	Other loans and receivables at current value	-2,388	-2,215
	Bonds	-4,832	13,255
	Shares, etc.	3,771	11,037
	Investment properties	110	0
	Foreign exchange	10,644	2,722
	Foreign exchange, interest, share, commodities and other contracts, and derivatives	-1,319	-1,550
	Assets in pool schemes	44,546	17,963
	Deposits in pool schemes	-44,546	-17,963
	Other commitments	2,774	3,782
	Total value adjustments	8,760	27,031

Notes to interim report 1/1 – 30/9 2007

Note		1/1-30/9 2007 1.000 kr.	1/1-30/9 2006 1.000 kr.
5	<i>Staff costs and administrative expences</i>		
	<i>Salaries and payments to board of directors, management and council:</i>		
	Management	2,858	2,400
	Board of directors	426	451
	Council	0	0
	Total	3,284	2,851
	<i>Staff costs:</i>		
	Salaries	61,128	54,144
	Pensions	7,033	6,614
	Social security contributions	6,428	5,676
	Total	74,589	66,434
	Other administrative expences	46,447	39,542
	Total staff costs and administrative expences	124,320	108,827
6	<i>Result for capital shares in associated and affiliated companies:</i>		
	Capital shares in associated companies, etc.	0	0
	Capital shares in affiliated companies, etc.	0	52
	Total result for capital interests, etc.	0	52

Notes to interim report 1/1 – 30/9 2007

Note	30/9 2007 1.000 kr.	30/9 2006 1.000 kr.	31/12 2006 1.000 kr.
7	<i>Credit risks:</i>		
	91,630	110,311	97,386
	4,431	7,997	4,431
	96,061	118,308	101,817
	Individual write-downs beginning of quarter		
	97,386	116,941	116,941
	13,242	22,563	24,211
	18,998	29,193	43,766
	91,630	110,311	97,386
	<i>Individual write-downs end of quarter</i>		
	Group write-downs		
	4,431	7,997	7,997
	0	0	3,566
	4,431	7,997	4,431
	<i>Group write-downs end of quarter</i>		
	No write-downs were made on credit balances with credit institutions and other credit balances. Provisions for losses on guarantees were made under the liability item "Provisions"		
8	<i>Sharecapital:</i>		
	1.560.000 stk.	1.600.000 stk.	1.600.000 stk.
	20 kr.	20 kr.	20 kr.
	31,200	32,000	32,000
	Own capital shares:		
	24,622	44,155	51,511
	33.729 stk.	58.561 stk.	56.606 stk.
	675	1,171	1,132
	2.2%	3.7%	3.5%
9	<i>Contingent liabilities:</i>		
	Guarantees etc.:		
	1,315,553	968,361	1,025,051
	831,467	702,270	750,531
	477,386	473,285	479,921
	2,624,406	2,143,916	2,255,503
	<i>Total guarantees etc.</i>		
	Other contingent liabilities:		
	3,240	3,092	3,092
	3,240	3,092	3,092
	<i>Other contingent liabilities, total</i>		
	2,627,646	2,147,008	2,258,595
	<i>Total contingent liabilities</i>		
10	<i>Guarantees:</i>		
	tDKK 7,970 of the bank's bond holding and tDKK 233,868 of the pools' bond holding have been pledged as security for loans from the Danish National Bank and clearings.		

Management Statement

The board of directors and the management has today considered and approved the quarterly report for the period covering 1 January to 30 September 2007 for A/S Ringkjøbing Bank.

The quarterly report has been submitted in accordance with legislation about financial business. Furthermore, the quarterly report has been prepared in accordance with further Danish disclosure requirements for quarterly reports of listed finance companies. It is our opinion that the accounting policies are adequate and that the quarterly report provides a true and fair picture of the bank's assets, liabilities, financial position and result.

Ringkjøbing, 25th October 2007

Management

Preben Knudsgaard, Managing Director

Kaj Damgaard, Director

Board of directors

Poul Hjulmand, Chairman

Carl Olav Birk Jensen, Deputy Chairman

Jens Fjordside

Hans-Ole Jessen

Henning Jensen

Gert Aagaard