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To OMX Nordic Exchange Copenhagen

Stock Exchange Announcement
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Interim report for the period 1 January to 30 June 2007

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

Summary:

- The core earnings, which are the earnings from the bank operation, rose by 11.4% to DKK 60.3 million after write-down on property by DKK 7.5 million with respect to new construction of the branch in Hvide Sande.
- Profit before tax of DKK 63.7 million against DKK 69.9 million relative to last year
- Return on equity before tax of 16.9% per annum against 21.9% per annum in the first half of 2006
- Increase in the total business volume in the form of loans (+38%), deposits (+18%) and guarantees (+12%)
- Net interest and income from fees rose by 14.7% to DKK 148.9 million
- Positive value adjustments amount to DKK 3.4 million against DKK 15.8 million in the same period last year
- Write-downs on loans show income of DKK 5.1 million against a cost of DKK 0.6 million in the same period last year
- Ringkjøbing Bank plans establishment of new subordinated loan capital in second half of 2007 and prepays subordinated loan capital DKK 25 million on 31 October 2007
- Upgrading of expectations to a result of DKK 130 million before tax for year 2007 against original DKK 115 million

For further information please contact:

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Main and key figures for the period 1/1 - 30/6

						Year
	2007	2006	2005	2004	2003	2006
Profit and loss account (DKK 1,000)						
Net interest income	95,869	83,900	75,431	71,826	63,141	175,281
Net income from fees and commission	51,733	44,544	40,185	27,552	25,855	90,399
Net income from interest and fees	148,867	129,790	117,456	101,777	93,175	267,040
Securities and foreign exchange income	3,363	15,764	11,794	5,247	18,075	50,443
Staff and administration costs	84,153	73,701	61,729	56,195	54,676	152,802
Write-downs on loans and other debts etc.	-5,082	562	6,399	12,271	11,402	-20,061
Profit before tax	63,654	69,872	54,953	37,608	43,861	177,987
Profit for the year	46,501	52,451	38,518	27,390	31,700	135,258
Balance sheet (DKK 1,000)						
Loans and other debts at amortised cost price	6,657,781	4,841,526	3,734,565	2,484,734	2,075,397	5,897,580
Deposits and other debt	2,931,716	2,520,383	2,374,147	1,973,423	2,293,639	2,738,094
Deposits in pools	919,475	735,115	578,027	475,251	-	875,513
Guarantees etc.	2,475,478	2,211,781	2,108,000	1,297,192	1,170,519	2,255,503
Capital and reserves	771,625	648,503	616,816	507,936	472,287	738,902
Total assets	8,882,769	6,742,530	5,321,885	4,005,892	3,239,124	8,002,100
Key figures						
Solvency ratio *)	12.0%	11.6%	9.6%	10.7%	12.9%	13.7%
Core capital ratio	8.7%	10.8%	10.1%	12.2%	13.2%	10.9%
Pre-tax retur non equity per annum	16.9%	21.9%	18.9%	14.8%	19.2%	26.0%
Retur non equito after tax per annum	12.3%	16.4%	13.3%	10.8%	13.9%	19.8%
Income/Cost ratio	1.72	1.92	1.74	1.54	1.65	2.27
Average number of employees	210	191	164	157	157	197
Interest risk	3.0%	1.5%	2.7%	2.3%	2.3%	3.0%
Foreign exchange position	3.4%	1.0%	1.5%	0.9%	0.6%	0.8%
Loans plus write-downs thereon relative to deposits	175.4%	152.6%	130.7%	108.7%	96.6%	166.0%
Loans relative to capital and reserves	8.6	7.5	6.1	4.9	4.4	8.0
Growth in loans for the half year	12.9%	5.7%	23.2%	5.3%	1.8%	28.7%
Excess cover relative to statutory liquidity requirements	38.6%	36.8%	20.5%	37.3%	65.2%	47.3%
Total major exposures	31.0%	22.9%	80.3%	28.4%	0.0%	18.8%
Percentage write-downs for the half year	-0.1%	0.0%	0.1%	0.3%	0.3%	-0.2%
Cumulative percentage write-downs	1.1%	1.8%	2.1%	3.8%	4.2%	1.3%
Listet price per DKK 20 share	953	747	591	378	275	910
Market value in million DKK	1,487	1,195	946	605	440	1,456
Profit for the half year pr. DKK 20 share	30.2	33.9	24.7	17.9	19.8	87.2
Intrinsic value per DKK 20 share	503	405	386	332	295	462
Listed price/profit per DKK 20 share	31.6	22.0	23.9	21.1	13.9	10.4
Listed price/intrinsic value per DKK 20 share	1.9	1.8	1.5	1.1	0.9	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 developments in the first half of 2007

Ringkjøbing Bank has achieved a pre-tax result of DKK 63.7 million against DKK 69.9 million in the same period last year. The return on equity before tax amounts to 16.9% per annum against 21.9% per annum in the first half of 2006.

The core earnings, which are the earnings from the bank operation, were DKK 60.3 million and are absolutely satisfactory at an increase of 11.4% relative to 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. 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.

Development in 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 13.0 billion per 30.06.2007 against DKK 11.8 billion per 31.12.2006 and against DKK 10.3 billion per 30.06.2006. The business volume rose by 10% relative to 31.12.2006 and 26% relative to same period last year.

The bank's total loans amounted to DKK 6,658 million per 30.06.2007, a rise of 12.9% relative to 31.12.2006 and 37.5% relative to the same period last year. Deposits amounted to DKK 2,932 million equal to an increase of 7.1% and 16.3% relative to 31.12.2006 and 30.06.2006, respectively. Deposits in pools rose from DKK 735 million per 30.06.2006 to DKK 919 million per 30.06.2007. Guarantees rose from DKK 2,212 million to DKK 2,475 million.

The increase in loans of approximately DKK 1.8 billion relative to the same period last year has been divided with (approximate figures) DKK 345 million for home financing, DKK 825 million for commercial loans and credits, DKK 160 million for investment credits, DKK 190 million for mortgage loans and temporary expense accounts and the remainder for various other loans and credits.

The interim 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 first half of 2006 and are slightly above the 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 95.9 million from DKK 83.9 million for the same period last year. Ringkjøbing Bank's interest income rose from DKK 143.0 million to DKK 215.6 million. Interest expenses rose from DKK 59.1 million to DKK 119.7 million.

Continued high activity level

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 47.3 million last year to DKK 54.5 million.

Value adjustments of DKK 3.4 million

Ringkjøbing Bank had a value adjustment loss of DKK 10.4 million on bonds against a positive value adjustment of DKK 5.8 million in the same period last year. The capital loss on bonds is primarily due to the interest rate rise which was experienced during the 2 last months of the first half year of 2007.

The holding of shares in local banks and partners shows positive value adjustments of DKK 7.1 million against positive value adjustments of DKK 7.4 million last year.

On currency etc. loans and other commitments Ringkjøbing Bank has realised positive value adjustments of DKK 6.7 million.

Costs

Staff costs and administrative expenses

Total staff costs and administrative expenses rose from DKK 73.7 million to DKK 84.2 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. New appointments have been made to the branch network in order to strengthen the basis for the future growth. 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 5.1 million. For same period the previous year the item was negative with DKK 0.6 million. The change is due to the continuous positive economic conditions and it is highly satisfactory that it has 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 5.1 million can be charged back on individual commitments. At the beginning of the year the expectations 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, are commitments exceeding 10% of the capital base.

Continuous development of service and customer basis

Ringkjøbing Bank continues to follow the strategy of obtaining private customers in and outside the local area.

The effort, which has been strengthened during the recent years, has resulted in an influx of private customers. Especially new customers with demand for home financing have shown a positive development. In the first half of 2007 the number of private customers has increased by net 1,162. Furthermore, we have obtained net 269 new business customers and together with high activity level among existing business customers this has resulted in an increase in loans and credits for business.

Equity and solvency

Equity amounted to DKK 771.6 million per 30.06.2007. The solvency was 12.0% per 30.06.2007. Statutory regulation requires banks to have a minimum solvency on 8%. From 1st 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 1st 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 7th March 2007. After the reduction the share capital amounts to DKK 31,200,000.

Capital base

Ringkjøbing Bank plans to raise subordinated loan capital in second half of 2007 for replacement of subordinated loan capital DKK 25 million which, by approval from the Danish Financial Supervisory Authority, has been terminated to prepayment per 31.10.2007.

Liquidity

To cover Ringkjøbing Bank's surplus of loans, the bank is working on raising a syndicated loan with term from 3 to 7 years for DKK 1.0-1.5 billion. Loans with terms from 1 to 5 years now totally amounts to approximately DKK 1.3 billion and after raising of the new loan the total amount will be approximately DKK 2.5 billion.

Ownership

Per 30.06.2007 Ringkjøbing Bank had 19,489 shareholders listed by name, owing 94.5% of the share capital. The ten biggest shareholders own 18.3% of the share capital.

70% of the share capital is held by 2,610 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 closing price for Ringkjøbing Bank share rose from share price 910 per 29.12.2006 to share price 953 per 30.06.2007. The number of shareholders listed by name in the same period rose by 1234.

Outlook for 2007

Ringkjøbing Bank expects to achieve continued growth in its total business volume in the form of loans, deposits and guarantees in the rest of 2007. It is also expected that the rest of 2007 will be characterized by a satisfactory economical growth and a relatively low interest rate which, however, is expected to rise weakly. By announcement of the annual report 2006 we have stated expectations to an interest rate rise of 0.25%-point in the short-term rate. This rose by 0.50%-point and is expected to rise by further 0.25 to 0.50%-point in second half of 2007.

Write-downs on loans, etc. which show income of DKK 5.1 million for the first half of 2007 are estimated to be within this level for the whole year of 2007 where the expectations stated in the annual report 2006 were DKK 0.

On the background of expectations to increased core earnings and maintenance of present value adjustments, the pre-tax profit for 2007 is upgraded from DKK 115 million to DKK 130 million.

Accounting policies

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

Furthermore, the interim report has been prepared in accordance with further Danish disclosure requirements concerning information in interim 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 interim report.

The interim report is unaudited.

Profit and loss account for the period 1/1 – 30/6 2007

Note		1/1-30/6 2007 DKK 1,000	1/1-30/6 2006 DKK 1,000
1	Interest receivable	215,557	142,993
2	Interest payable	119,688	59,093
	Net interest income	95,869	83,900
	Dividend on shares, etc.	1,265	1,346
3	Income from fees and commission	54,504	47,349
	Fees and commission paid	2,771	2,805
	Net income from interest and fees	148,867	129,790
4	Value adjustm. of securities and foreign exchange income, etc.	3,363	15,764
	Other operating income	200	143
5	Staff costs and administrative expences	84,153	73,701
	Depreciation and write-downs of tangible assets	9,512	1,582
	Other operating costs	193	0
	Write-downs on loans, etc.	-5,082	562
6	Result for capital shares in associated and affiliated companies	0	20
	Profit before tax	63,654	69,872
	Tax	17,153	17,421
	Profit for the period	46,501	52,451

Balance sheet per 30/6 2007

Note		30/6 2007 DKK 1,000	30/6 2006 DKK 1,000	31/12 2006 DKK 1,000
	Assets			
	Cash in hand and demand deposits with central banks	39,883	28,708	41,217
	Due from credit institutions and central banks	201,867	106,514	145,698
7	Loans and other receivables at amortised cost price	6,657,781	4,841,526	5,897,580
	Bonds at current value	830,938	823,043	825,919
	Shares, etc	142,411	123,862	136,368
	Capital shares in associated companies	0	1,146	0
	Capital shares in affiliated companies	0	5,542	0
	Assets in pool schemes	919,475	735,115	875,513
	Land and buildings, total	48,143	40,018	41,380
	Investment properties	3,600	3,230	3,490
	Domicile properties	44,543	36,788	37,890
	Other fixed assets	3,996	3,563	3,629
	Deferred tax assets	3,187	5,692	5,306
	Other assets	28,014	21,815	23,935
	Prepayments and accrued income	7,074	5,986	5,555
	Total assets	8,882,769	6,742,530	8,002,100
	Liabilities			
	Debts			
	Debt to credit institutions and central banks	3,671,346	2,395,221	3,066,136
	Deposits and other debt	2,931,716	2,520,383	2,738,094
	Deposits in pool schemes	919,475	735,115	875,513
	Current tax-liabilities	18,039	7,533	8,769
	Other liabilities	100,313	152,271	106,909
	Accruals and deferred income	132	155	234
	Total debt	7,641,021	5,810,678	6,795,655
	Provisions			
	Pensions and similar obligations	8,520	7,435	7,409
	Guarantees	1,797	183	1,795
	Provisions, total	10,317	7,618	9,204
	Subordinated debt	459,806	275,731	458,339
8	Capital and reserves			
	Share capital	31,200	32,000	32,000
	Other reserves			
	Statutory reserves	0	1,002	0
	Profit carried forward	740,425	615,501	706,902
	Capital and reserves, total	771,625	648,503	738,902
	Of which proposed dividend	0	0	0
	Total liabilities	8,882,769	6,742,530	8,002,100
9	Total contingent liabilities	2,478,718	2,214,873	2,258,595
10	Guarantees			

Statement of capital and reserves

	30/6 2007 DKK 1,000	30/6 2006 DKK 1,000	31/12 2006 DKK 1,000
Share capital beginning of period	32,000	32,000	32,000
Cancelled by write-down of share capital	800	0	0
Share capital end of period	31,200	32,000	32,000
Other reserves beginning of period	0	1,002	1,002
Additions	0	20	0
Disposals	0	0	1,002
Other reserves end of period	0	1,022	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	20	0
Result carried forward end of period	706,902	583,069	584,091
Profit for the period	46,501	52,451	135,258
Addition on sale of own shares	107,918	97,356	153,537
Disposal on purchase of own shares	83,078	116,819	166,815
Disposal on reduction of share capital	38,000	0	0
Transferred from share capital	800	0	0
Tax on capital gain on own shares	618	576	3,169
Share-based payment	0	0	4,000
Carried forward from result end of period	33,523	32,412	122,811
Capital and reserves total	771,625	648,503	738,902

Notes to interim report 1/1 – 30/6 2007

		1/1-30/6 2007	1/1-30/6 2006
		DKK 1,000	DKK 1,000
Note	<i>Interest receivable:</i>		
1	Due from credit institutions and central banks	2,970	1,920
	Loans and other receivables	196,709	130,135
	Bonds	16,482	11,056
	Total derivatives	-665	-118
	Other interest receivables	61	0
	Total interest receivables	215,557	142,993
	<i>Interest payable to:</i>		
2	Credit institutions and central banks	69,303	33,337
	Deposits and other debt	38,508	19,757
	Subordinated debt	11,877	5,999
	Total interest payables	119,688	59,093
	<i>Income from fees and commissions:</i>		
3	Securities trading and deposits	31,012	25,343
	Payment services	5,219	4,500
	Fees from loans	2,049	2,253
	Guarantee commission	10,899	9,364
	Other fees and commissions	5,325	5,889
	Total income from fees and commissions	54,504	47,349
	<i>Value adjustments:</i>		
4	Other loans and receivables at current value	-4,026	-2,937
	Bonds	-10,387	5,792
	Shares, etc.	7,055	7,400
	Investment properties	110	0
	Foreign exchange	4,498	1,638
	Foreign exchange, interest, share, commodities and other contracts, and derivatives	1,900	-2,991
	Assets in pool schemes	36,044	-16,193
	Deposits in pool schemes	-36,044	16,193
	Other commitments	4,213	6,862
	Total value adjustments	3,363	15,764

Notes to interim report 1/1 – 30/6 2007

		1/1-30/6 2007	1/1-30/6 2006
		DKK 1,000	DKK 1,000
Note 5	<i>Staff costs and administrative expences</i>		
	<i>Salaries and payments to board of directors, management and council:</i>		
	Management	1,624	1,638
	Board of directors	287	292
	Council	0	0
	Total	1,911	1,930
	Staff costs:		
	Salaries	41,387	36,380
	Pensions	4,670	4,271
	Social security contributions	4,271	3,831
	Total	50,328	44,482
	Other administrative expences	31,914	27,289
	Total staff costs and administrative expences	84,153	73,701
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	20
	Total result for capital interests, etc.	0	20

Notes to interim report 1/1 – 30/6 2007

Note	30/6 2007 DKK 1,000	30/6 2006 DKK 1,000	31/12 2006 DKK 1,000
7	<i>Credit risks:</i>		
	92,716	118,667	97,386
	4,431	7,997	4,431
	97,147	126,664	101,817
	Individual write-downs beginning of half year		
	97,386	116,941	116,941
	8,348	17,938	24,211
	13,018	16,212	43,766
	92,716	118,667	97,386
	Individual write-downs end of half year		
	4,431	7,997	7,997
	Reverse entry of write-downs made in previous years		
	0	0	3,566
	4,431	7,997	4,431
	Group write-downs end of half year		
	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>Share capital:</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:		
	24,812	48,910	51,511
	26.036 stk.	65.475 stk.	56.606 stk.
	521	1,310	1,132
	1.7%	4.1%	3.5%
	In percent of share capital		
9	<i>Contingent liabilities:</i>		
	Guarantees etc.:		
	1,237,377	1,073,371	1,025,051
	785,401	659,396	750,531
	452,700	479,014	479,921
	2,475,478	2,211,781	2,255,503
	Total guarantees etc.		
	Other contingent liabilities:		
	3,240	3,092	3,092
	3,240	3,092	3,092
	Other contingent liabilities, total		
	2,478,718	2,214,873	2,258,595
	Total contingent liabilities		
10	<i>Guarantees:</i>		
	tDKK 7,950 of the bank's bond holding and tDKK 223,298 of the pools' bond holding have been pledged as security for loans from the Danish National Bank and clearings.		

Management Statement

Today the board of directors and the management has considered and approved the interim report for the period covering 1 January to 30 June 2007 for Ringkjøbing Bank.

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

Ringkøbing, 16 August 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