

Interim Report 2007

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Financial highlights – Realkredit Danmark Group

NET PROFIT FOR THE PERIOD DKr m	First half 2007	First half 2006	Index 07/06	Full year 2006
Administration margin	1,399	1,318	106	2,689
Net interest income	799	594	135	1,281
Net fees	-167	-114	-	-233
Net trading income	7	-20	-	222
Other income	88	98	90	324
Total income	2,126	1,876	113	4,283
Operating expenses	600	595	101	1,171
Profit before credit loss expenses	1,526	1,281	119	3,112
Credit loss expenses	-6	-64	9	-105
Profit before tax	1,532	1,345	114	3,217
Tax	393	368	107	861
Net profit for the period	1,139	977	117	2,356
BALANCE SHEET (AT JUNE 30, 2007)				
DKr m				
Due from credit institutions etc.	20,923	21,496	97	18,554
Mortgage loans at fair value	600,337	573,105	105	602,584
Bonds and shares	7,055	9,874	71	39,553
Other assets	1,819	2,428	75	2,586
Total assets	630,134	606,903	104	663,277
Due to credit institutions etc.	5,707	1,811	315	5,267
Issued mortgage bonds	580,310	564,054	103	610,761
Other liabilities	9,812	9,251	106	14,083
Shareholders' equity	34,305	31,787	108	33,166
Total liabilities and equity	630,134	606,903	104	663,277
RATIOS AND KEY FIGURES				
Net profit for the period as % p.a. of avg. shareholders' equity	6.8	6.2		7.4
Cost/income ratio, %	28.2	31.7		27.3
Solvency ratio (incl. net profit for the period), %	10.4	10.2		10.2
Core (tier 1) capital ratio (incl. net profit for the period), %	10.4	10.1		10.2
Full-time-equivalent staff, end of period	720	739		738

Management's report

- The Realkredit Danmark Group's pre-tax profit rose 14% to Dkr1,532m in the first half of 2007 against Dkr1,345m in the first half of 2006.
- Relative to the first half of 2006, the outstanding nominal bond debt rose 7% to Dkr625bn.
- The market share of net new lending was 24.3% in the first half of 2007, against 28.7% in 2006. The market share of the loan portfolio was 32.2% at June 30, 2007, against 32.8% at the end of 2006.
- At June 30, 2007, the solvency ratio was 10.4%.
- The outlook for pre-tax profit for 2007 as a whole is unchanged relative to the expectations announced in the report for the first quarter of 2007.

Results for the first half of 2007

For the first half of 2007, the Realkredit Danmark Group's pre-tax profit was Dkr1,532m, against Dkr1,345m in the year-earlier period. The results were 14% better than in the first half of 2006, primarily as a result of rising interest rates. The financial performance matched the level forecast at the publication of the report for the first three months of 2007.

Total income climbed 13% relative to the first half of 2006.

At Dkr1,399m, the administration margin was up Dkr81m on the first half of 2006 as a result of a growing loan portfolio.

Net interest income rose by 35% to Dkr799m, primarily as a result of higher interest rates.

Net fee expenses climbed to Dkr167m in the first half of 2007, against Dkr114m in the first half of 2006, primarily because of the activity and portfolio-based fees paid for mortgage loans arranged through Danske Bank.

Operating expenses remained in line with the figure for the first half of 2006.

Credit loss expenses represented an income of Dkr6m in the first half of 2007, deriving from claims previously written off.

With effect from January 1, 2007, the Danish corporation tax rate was lowered from 28% to 25%. The tax charge on the profit for the period was thus reduced by Dkr46m. The adjustment of the tax asset resulted in an expense of Dkr7m. The Realkredit Danmark Group's total tax charge for the first half of 2007 amounted to Dkr393m, corresponding to an effective tax rate of 26%.

Capital and solvency

At June 30, 2007, shareholders' equity stood at Dkr34,305m, against Dkr31,787m at June 30, 2006. At June 30, 2007, the solvency ratio stood at 10.4%. At 31 December 2006, the solvency ratio was 10.2%.

Balance sheet

Relative to the first half of 2006, mortgage lending measured at fair value rose by Dkr27bn to Dkr600bn. The nominal outstanding bond debt rose by Dkr39bn to Dkr625bn. In the first half of 2007, the nominal outstanding bond debt rose Dkr16bn. Measured at fair value, lending fell Dkr2bn.

Relative to the first half of 2006, issued mortgage bonds measured at fair value rose Dkr16bn to Dkr580bn. In nominal values, issued bonds rose Dkr27bn to Dkr605bn. The amounts are exclusive of Realkredit Danmark's holdings of own bonds.

Mortgage credit market

The financial markets experienced a turbulent start in 2007. Danish bond yields continued to climb. The level of refinancing activity was quite low during the first half of 2007.

Effective rate of interest %	June 30 2007	Dec. 31 2006
FlexLån® F1	4.7	4.2
4% 30-year fixed-rate loan	5.3	4.8
5% 30-year fixed-rate loan	5.6	5.2
FlexGaranti® 5M	5.0	4.5
RD Cibor6®	4.5	4.0

In the first half of 2007, gross lending in the Danish mortgage credit market totalled DKr188bn, or a decline of about 17% compared with the first half of 2006. The decline was especially due to lower activity in the market for owner-occupied homes.

Market share, all markets %	Market share, all markets %	
	First half 2007	Full year 2006
Gross lending	25.4	29.7
Net new lending	24.3	28.7
Loan portfolio	32.2	32.8

Realkredit Danmark's market share of net new lending was 24.3% in the first half of 2007, which was below the market share held in 2006.

The rise in interest rates in the first half of 2007 meant that borrowers with 4% fixed-rate loans could profit from refinancing to a higher coupon assuming that interest rates will subsequently fall again. The players in the Danish market have issued varying recommendations. Realkredit Danmark expects interest rates to continue on a slight upward path and have advised against refinancing to a higher coupon. Refinancing activity and related supplementary borrowing have thus been modest at Realkredit Danmark, and the fall in market share should be seen in this light.

Lending broken down by loan types is illustrated in the table below. Expectations of rising interest rates impact customers' choice of loan type. The number of private-market customers raising fixed-rate loans continues to rise as many home owners wish to safeguard against the rising interest rates. Floating-rate loans remain the preferred loan type among corporate borrowers.

Lending broken down by loan type %	Share of gross lending		Share of loan portfolio	
	First half 2007	Full year 2006	June 30, 2007	Dec. 31, 2006
FlexLån®	34	38	41	42
Fixed-rate loans	51	41	46	44
FlexGaranti®	9	14	10	11
RD Cibor®	6	7	3	3
Total	100	100	100	100

Mortgage covered bonds

The act on the new loans based on covered bonds and mortgage covered bonds entered into force on July 1, 2007. Mortgage covered bonds are issued by mortgage credit institutions only on the basis of mortgages on real property and meet the statutory requirements for covered bonds. The new rules are intended to ensure

fair competition among financial institutions and across national borders. In addition, the rules involve changes to the existing valuation rules for mortgaged property, loan-to-value limits and maturities.

The new rules stipulate that the value of both the loan and the property must be monitored regularly. If the maximum loan-to-value limit is exceeded, the mortgage credit institution must provide supplementary security vis-à-vis the bondholders.

In the private market, the new loans offer more home financing options and also an opportunity to obtain longer maturities and longer interest-only periods. Realkredit Danmark expects the rules to have only a minor impact on lending activity in the private market.

In the corporate market, the new rules open up for 70% loan-to-value ratios in urban trade, which is expected to push up the level of activity in the second half of 2007.

In July 2007, Realkredit Danmark made a block issue of mortgage covered bonds of DKr90bn for the purpose of refinancing FlexLån® in December 2007.

Outlook for 2007

The outlook for the 2007 profit before tax is unchanged relative to the description in the report for the first quarter of 2007.

Activity in the mortgage credit market is expected to be slightly weaker in 2007 than in 2006. Due to the expected slight rise in interest rates in 2007, the level of interest rate-driven refinancing is forecast to be low.

In light of the current trends in sales of owner-occupied dwellings, the market for mortgage loans to finance changes of ownership is also expected drop slightly in 2007.

The corporate market is expected to record trends similar to those in 2006 in urban trade and, to some extent, in residential rental property, although construction of large residential properties is expected to slow. The agricultural segment is expected to see the structural change towards larger production units continue, while the rate of price increases on agricultural property will decline.

The increase in the volume of lending will boost the administration margin in 2007. Net interest income is forecast to rise as a result of the general rise in interest rates. The decline in activity along with the increase in portfolio-based fees paid for mortgage loans arranged through Danske Bank will overall lead to rising net fee expenses. Net trading income will depend largely on the level of securities prices at the end of the year. Other income will fall as 2006 was influenced by one-off income from the sale of the former head office building at Jarmers Plads.

Operating expenses are expected to remain unchanged. Assuming that the economic climate remains unchanged, credit loss expenses are expected to remain low.

The pre-tax profit for 2007 will depend largely on trends in the financial markets, including the level of securities prices at the end of the year. At a slight increase in interest rates, the profit before tax is expected to be 3 to 8% higher than in 2006.

The Group's tax rate under the current tax rules is 25%.

Lyngby, August 9, 2007

Financial highlights - Realkredit Danmark Group

NET PROFIT FOR THE PERIOD DKr m	First half 2007	First half 2006	Index 07/06	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Full year 2006
Administration margin	1,399	1,318	106	704	695	690	681	666	2,689
Net interest income	799	594	135	404	395	375	312	297	1,281
Net fees	-167	-114	146	-87	-80	-58	-61	-53	-233
Net trading income	7	-20	-	-3	10	107	135	24	222
Other income	88	98	90	46	42	43	183	48	324
Total income	2,126	1,876	113	1,064	1,062	1,157	1,250	982	4,283
Operating expenses	600	595	101	304	296	303	273	294	1,171
Profit before credit loss expenses	1,526	1,281	119	760	766	854	977	688	3,112
Credit loss expenses	-6	-64	9	8	-14	-19	-22	-55	-105
Profit before tax	1,532	1,345	114	752	780	873	999	743	3,217
Tax	393	368	107	174	219	253	240	199	861
Net profit for the period	1,139	977	117	578	561	620	759	544	2,356

BALANCE SHEET (AT JUNE 30, 2007)

DKr m

Due from credit institutions etc.	20,923	21,496	97	20,923	18,691	18,554	16,521	21,496	18,554
Mortgage loans	600,337	573,105	105	600,337	607,725	602,584	592,784	573,105	602,584
Bonds and shares	7,055	9,874	71	7,055	4,388	39,553	11,749	9,874	39,553
Other assets	1,819	2,428	75	1,819	1,889	2,586	2,374	2,428	2,586
Total assets	630,134	606,903	104	630,134	632,693	663,277	623,428	606,903	663,277
Due to credit institutions etc.	5,707	1,811	315	5,707	6,930	5,267	1,803	1,811	5,267
Issued mortgage bonds	580,310	564,054	103	580,310	585,083	610,761	579,047	564,054	610,761
Other liabilities	9,812	9,251	106	9,812	6,953	14,083	10,032	9,251	14,083
Shareholders' equity	34,305	31,787	108	34,305	33,727	33,166	32,546	31,787	33,166
Total liabilities and equity	630,134	606,903	104	630,134	632,693	663,277	623,428	606,903	663,277

RATIOS AND KEY FIGURES

Net profit for the period as % p.a. of avg. shareholders' equity	6.8	6.2		6.8	6.7	7.5	9.4	6.9	7.4
Cost/income ratio, %	28.2	31.7		28.6	27.9	26.2	21.8	29.9	27.3
Solvency ratio (incl. net profit for the period), %	10.4	10.2		10.4	10.2	10.2	10.0	10.2	10.2
Core (tier 1) capital ratio (incl. net profit for the period)	10.4	10.1		10.4	10.2	10.2	10.0	10.1	10.2
Full-time-equivalent staff, end of period	720	739		720	736	738	755	739	738

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have reviewed and approved the interim report of Realkredit Danmark A/S for the first half of 2007.

The consolidated accounts for the first half of 2007 are presented in accordance with IAS 34 *Interim Financial Reporting* and the interim accounts of the Parent Company are presented in accordance with the Danish Financial Business Act. In addition, the interim report is presented in accordance with additional Danish disclosure requirements for the interim reports of listed financial enterprises.

In our opinion, the interim report gives a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at June 30, 2007, and of the results of the Group's and the Parent Company's operations and the Group's cash flows for the period January 1 – June 30, 2007.

Lyngby, August 9, 2007

Executive Board

Sven Holm

Chairman of the Executive Board and
Chief Executive Officer

Carsten Nøddebo Rasmussen

Member of the Executive Board

Board of Directors

Jakob Brogaard
Chairman

Sven Lystbæk
Deputy Chairman

Tonny Thierry Andersen

Klaus Pedersen

Per Skovhus

Margit Würtz

Accounting policies – Realkredit Danmark Group

The Group's interim report for 2007 is prepared in accordance with IAS 34 *Interim Financial Reporting* and in accordance with additional Danish disclosure requirements for the interim reports of listed financial enterprises.

The accounting policies are consistent with those of the annual report for 2006. See the annual report for a comprehensive description of the accounting policies applied.

The interim report has not been reviewed or audited.

Standards and interpretations not yet in force

The International Accounting Standards Board (IASB) has approved a number of international financial reporting standards and interpretations that have not yet come into force. None of these are expected materially to affect the financial reporting of the Group.

Income statement - Realkredit Danmark Group

DKr m	First half 2007	First half 2006	Q2 2007	Q2 2006
Interest income	14,879	12,372	7,574	6,322
Interest expense	12,666	10,542	6,466	5,424
Net interest income	2,213	1,830	1,108	898
Dividends from shares	15	12	15	12
Fee and commission income	217	305	110	157
Fee and commission expense	384	419	197	210
Net fee and commission income	2,061	1,728	1,036	857
Value adjustments	-30	50	-25	77
Other operating income	88	98	46	48
Staff costs and administrative expenses	596	591	302	292
Impairment, amortisation and depreciation	4	4	2	2
Credit loss expenses	-6	-64	8	-55
Income from associated and subsidiary undertakings	7	-	7	-
Profit before tax	1,532	1,345	752	743
Tax	393	368	174	199
Net profit for the period	1,139	977	578	544

Balance sheet - Realkredit Danmark Group

DKr m	June 30, 2007	December 31, 2006	June 30, 2006
ASSETS			
Cash in hand and demand deposits with central banks	2	7	3
Due from credit institutions and central banks	20,921	18,547	21,493
Bonds at fair value	6,986	39,448	9,769
Mortgage loans at fair value	600,337	602,584	573,105
Loans and other amounts due at amortised cost	483	436	379
Shares	62	105	105
Holdings in associated undertakings	7	-	-
Land and buildings	125	125	119
Investment property	-	-	-
Domicile property	125	125	119
Other tangible assets	15	17	15
Deferred tax assets	42	67	73
Other assets	1,138	1,926	1,825
Prepayments	16	15	17
Total assets	630,134	663,277	606,903
LIABILITIES AND EQUITY			
LIABILITIES			
Due to credit institutions and central banks	5,707	5,267	1,811
Issued mortgage bonds at fair value	580,310	610,761	564,054
Current tax liabilities	169	28	202
Other liabilities	9,598	13,971	8,949
Deferred income	45	84	100
Total liabilities	595,829	630,111	575,116
SHAREHOLDERS' EQUITY			
Share capital	630	630	630
Other reserves			
Reserves in series	1,453	1,453	1,640
Other reserves	32,222	31,083	29,517
Total shareholders' equity	34,305	33,166	31,787
Total liabilities and equity	630,134	663,277	606,903

Capital - Realkredit Danmark Group

DKr m	Share capital	Proposed dividend	Other reserves	Total
Shareholders' equity at January 1, 2007	630	-	32,536	33,166
Net profit for the period	-	-	1,139	1,139
Shareholders' equity at June 30, 2007	630	-	33,675	34,305
Shareholders' equity at January 1, 2006	630	-	30,180	30,810
Net profit for the period	-	-	977	977
Shareholders' equity at June 30, 2006	630	-	31,157	31,787

The share capital is made up of 6,300,000 shares of DKr100 each. The company is wholly-owned by Danske Bank A/S, Copenhagen.

Solvency - Realkredit Danmark Group

DKr m	June 30, 2007	December 31, 2006	June 30, 2006
Shareholders' equity	34,305	33,166	31,787
Expected dividend	-445	-	-374
Domicile property	56	54	60
Pension obligation	-194	-157	-101
Tax effect	53	44	29
Revaluation reserve	-45	-43	-35
Deferred tax assets	-95	-111	-101
Core (tier 1) capital, less statutory deductions	33,635	32,953	31,265
Reserves in series subject to a reimbursement obligation	133	133	160
Revaluation reserve	45	43	35
Capital base less statutory deductions	33,813	33,129	31,460
Risk-weighted items:			
Not included in trading portfolio	319,820	318,733	304,874
With market risk included in trading portfolio	5,139	5,525	4,425
Total risk-weighted items	324,959	324,258	309,299
Core (tier 1) capital ratio, %	10.35	10.16	10.11
Solvency ratio, %	10.41	10.22	10.17

Cash flow statement - Realkredit Danmark Group

DKr m	First half 2007	First half 2006
Cash flow from operating activities		
Net profit for the period	1,139	977
Adjustment for non-liquid items in the income statement	-3,025	-3,624
Cash flow from operating capital	4,255	6,775
Total	2,369	4,128
Cash flow from investing activities		
Acquisition/sale of tangible assets	-	425
Total	-	425
Cash and cash equivalents at January 1		
Change during the period	18,554	16,943
Cash and cash equivalents at June 30	20,923	21,496

Notes - Realkredit Danmark Group

Note DKr m

1 Operating activity accounts - Realkredit Danmark Group

FIRST HALF 2007	Mortgage finance	Own holdings	Total	Reclassi- fication	Highlights
Administration margin	1,399	-	1,399	-	1,399
Net interest income	799	15	814	-15	799
Dividends from shares	-	15	15	-15	-
Net fees	-167	-	-167	-	-167
Net trading income	-	-	-	7	7
Value adjustments	88	-118	-30	30	-
Other income	88	-	88	-	88
Total income	2,207	-88	2,119	7	2,126
Operating expenses	598	2	600	-	600
Profit before credit loss expenses	1,609	-90	1,519	7	1,526
Credit loss expenses	-6	-	-6	-	-6
Income from associated and subsidiary undertakings	-	7	7	-7	-
Profit before tax	1,615	-83	1,532	-	1,532
FIRST HALF 2006	Mortgage finance	Own holdings	Total	Reclassi- fication	Highlights
Administration margin	1,318	-	1,318	-	1,318
Net interest income	594	-83	511	83	594
Dividends from shares	-	12	12	-12	-
Net fees	-114	-	-114	-	-114
Net trading income	-	-	-	-20	-20
Value adjustments	57	-6	51	-51	-
Other income	98	-	98	-	98
Total income	1,953	-77	1,876	-	1,876
Operating expenses	593	2	595	-	595
Profit before credit loss expenses	1,360	-79	1,281	-	1,281
Credit loss expenses	-64	-	-64	-	-64
Income from associated and subsidiary undertakings	-	-	-	-	-
Profit before tax	1,424	-79	1,345	-	1,345

In addition to the mortgage finance business itself, mortgage finance also includes purchases and sales of real property through the "home" franchise. Under the Danish Financial Business Act, at least 60% of the capital base of a mortgage credit institution must be invested in bonds etc. Own holdings comprise the net return on the part of the securities portfolio not relating to the mortgage finance business. Income from trading activities and own holdings is carried in the income statement under net interest income, value adjustments, etc. In the consolidated highlights, this income is reclassified to net trading income.

Notes - Realkredit Danmark Group

Note

2 **Contingent liabilities**

Owing to its size and business volume, the Realkredit Danmark Group is continually a party to various lawsuits. The Group does not expect the outcomes of the cases pending to have any material effect on its financial position.

The Group's pension obligations are covered through regular payments to insurance companies, pension funds, etc. In addition, Realkredit Danmark guarantees the pension obligations of Kreditforeningen Danmarks Pensionsafviklingskasse.

Realkredit Danmark is jointly and severally liable for the prior-year corporation tax charges of the companies jointly taxed with Danske Bank A/S before 2005.

The company is registered jointly with all major Danish subsidiaries of the Danske Bank Group for financial services employer tax and VAT, for which it is jointly and severally liable.

The table below shows guarantees and indemnities issued by the Group, irrevocable loan commitments regarding reverse mortgages and other commitments not recognised on the balance sheet.

GUARANTEES AND OTHER LIABILITIES DKr m	June 30, 2007	December 31, 2006	June 30, 2006
Guarantees etc.	4	4	4
Other liabilities	833	944	904
Total	837	948	908

Accounts - Realkredit Danmark A/S

DKr m

The accounts of the Parent Company, Realkredit Danmark A/S, are presented in accordance with the Danish Financial Business Act, including the Danish FSA's executive order on financial reports presented by credit institutions etc. The principles of the new rules are identical to the Group's valuation principles under IFRS, with the exceptions that domicile property owned by the Parent Company is recognised at its estimated fair value and that the corridor method is not applied to pension obligations. Holdings in subsidiary undertakings are valued using the equity method, which means that the tax payable by subsidiary undertakings is charged to the item Income from associated and subsidiary undertakings.

The table below sets out the difference between the Group's IFRS accounts and its reporting to the Danish FSA with respect to net profit and shareholders' equity.

	Net profit first half 2007	Net profit first half 2006	Shareholders' equity June 30 2007	Shareholders' equity June 30 2006
Group accounts according to IFRS	1,139	977	34,305	31,787
Domicile property	-	-	56	60
Pension obligations	-36	-60	-194	-101
Tax effect	9	17	53	29
Group accounts according to the rules of the Danish FSA	1,112	934	34,220	31,775

Income statement - Realkredit Danmark A/S

Note	DKr m	First half 2007	First half 2006
1	Interest income	14,875	12,370
2	Interest expense	12,666	10,542
	Net interest income	2,209	1,828
	Dividends from shares	15	10
	Fee and commission income	217	305
	Fee and commission expense	384	419
	Net interest and fee income	2,057	1,724
3	Value adjustments	-30	54
	Other operating income	1	-
4	Staff costs and administrative expenses	573	590
	Impairment, amortisation and depreciation	3	3
	Credit loss expenses	-6	-64
	Income from associated and subsidiary undertakings	28	26
	Profit before tax	1,486	1,275
	Tax	374	341
	Net profit for the period	1,112	934

Balance sheet - Realkredit Danmark A/S

Note	DKr m	June 30, 2007	Dec. 31, 2006
ASSETS			
	Cash in hand and demand deposits with central banks	2	7
	Due from credit institutions and central banks	20,736	18,383
5	Bonds at fair value	6,986	39,448
6	Mortgage loans at fair value	600,337	602,584
6	Loans and other amounts due at amortised cost	444	403
	Shares	62	105
	Holdings in associated undertakings	7	-
	Holdings in subsidiary undertakings	269	248
	Land and buildings	182	180
	Investment property	-	-
	Domicile property	182	180
	Other tangible assets	12	14
	Deferred tax assets	77	90
	Other assets	895	1,725
	Prepayments	15	14
	Total assets	630,024	663,201
LIABILITIES AND EQUITY			
AMOUNTS DUE			
	Due to credit institutions and central banks	5,707	5,267
	Issued mortgage bonds at fair value	580,310	610,761
	Current tax liabilities	162	24
	Other liabilities	9,255	13,600
	Deferred income	45	84
	Total amounts due	595,479	629,736
PROVISIONS FOR LIABILITIES			
	Reserves in early series subject to a reimbursement obligation	325	358
	Total liabilities	595,804	630,094
SHAREHOLDERS' EQUITY			
	Share capital	630	630
	Revaluation reserve	45	43
	Other reserves:		
	Reserves in series	1,453	1,453
	Other reserves	32,092	30,981
	Total shareholders' equity	34,220	33,107
	Total liabilities and equity	630,024	663,201

Notes to the income statement - Realkredit Danmark A/S

Note	DKr m	First half 2007	First half 2006
1	Interest income		
	Reverse repo transactions with credit institutions and central banks	179	112
	Due from credit institutions and central banks	26	20
	Loans and other amounts due	13,121	10,747
	Administration margin	1,399	1,318
	Bonds	98	83
	Derivatives:		
	Interest rate contracts	27	49
	Other interest income	25	41
	Total	14,875	12,370
2	Interest expense		
	Repo transactions with credit institutions and central banks	78	22
	Due to credit institutions and central banks	6	14
	Issued mortgage bonds	12,572	10,485
	Reimbursement of origination fees etc.	9	19
	Other interest expense	1	2
	Total	12,666	10,542
3	Value adjustments		
	Mortgage loans	-16,925	-17,458
	Bonds	-103	-89
	Shares	32	7
	Currency	1	2
	Derivatives	-102	-55
	Issued mortgage bonds	17,067	17,647
	Total	-30	54
4	Staff costs and administrative expenses		
	Salaries and remuneration of Executive Board, Board of Directors and local councils		
	Executive Board	3	3
	Board of Directors	-	-
	Local councils	2	2
	Total	5	5
	Staff costs		
	Salaries	172	180
	Pensions	58	75
	Financial services employer tax etc.	19	18
	Total	249	273
	Number of full-time-equivalent staff (avg.)	684	705

The Executive Board and selected key employees participate in incentive programmes. See the Annual Report 2006 for details.

Notes to the balance sheet - Realkredit Danmark A/S

Note	DKr m	June 30, 2007	Dec. 31, 2006	
5	Security			
	The following assets have been deposited with Danmarks Nationalbank as security:			
	Bonds at fair value	22,214	22,257	
	Portion attributable to bonds issued by Realkredit Danmark	22,214	22,257	
	Assets sold under repo transactions:			
	Bonds at fair value	5,685	5,207	
	Portion attributable to bonds issued by Realkredit Danmark	-	93	
6	Loans etc.			
	At June 30, 2007, total impairment of mortgage loans stood at DKr72m, against DKr68m at the beginning of the year.			
	At 30 June, 2007, impairment of loans at amortised cost stood at DKr22m, against DKr40m at the beginning of the year.			
		Loans etc., individual impairment	Loans etc., collective impairment	
			Total	
	Impairment charges etc. at January 1, 2007	84	24	108
	Impairment charges during the period	16	4	20
	Reversal of impairment charges for previous years	27	7	34
	Impairment charges etc. at June 30, 2007	73	21	94
	Impairment charges etc. at January 1, 2006	110	30	140
	Impairment charges during the year	32	10	42
	Reversal of impairment charges for previous years	58	16	74
	Impairment charges etc. at December 31, 2006	84	24	108
7	Contingent liabilities	June 30, 2007	Dec. 31, 2006	
	Guarantees etc.			
	Other guarantees	4	4	
	Total	4	4	
	Other contingent liabilities			
	Irrevocable loan commitments regarding reverse mortgages	728	835	
	Other commitments	98	101	
	Total	826	936	

Further contingent liabilities are listed in the consolidated accounts.

Highlights, ratios and key figures - Realkredit Danmark A/S

DKr m	First half 2007	First half 2006	First half 2005	First half 2004	First half 2003
HIGHLIGHTS					
1. Net interest and fee income	2,057	1,724	2,132	2,086	2,155
2. Value adjustments	-30	54	-16	-188	-29
3. Staff costs and administrative expenses	573	590	576	657	717
4. Credit loss expenses	-6	-64	-76	-3	24
5. Income from associated and subsidiary undertakings	28	26	52	24	15
6. Net profit for the period	1,112	934	1,251	952	1,067
7. Loans	600,781	573,453	546,320	509,866	484,433
8. Shareholders' equity	34,220	31,775	29,507	28,563	26,387
9. Total assets	630,024	606,864	601,165	560,132	562,028
RATIOS AND KEY FIGURES					
1. Solvency ratio, %	10.4	10.2	9.5	10.2	9.8
2. Core (tier 1) capital ratio, %	10.4	10.1	9.4	10.1	9.7
3. Half-year return on equity before tax, %	4.4	4.1	5.7	4.5	5.5
4. Half-year return on equity after tax, %	3.3	3.0	4.2	3.4	4.1
5. Income/cost ratio, DKr	3.61	3.41	4.33	2.93	2.90
6. Foreign exchange position, %	4.6	4.0	4.5	4.4	4.6
7. Ratio of lending to shareholders' equity	17.6	18.0	18.5	17.9	18.4
8. Growth in lending for the half-year, %	2.6	4.1	4.1	1.6	3.2
9. Impairment ratio for the half-year, %	0.0	0.0	0.0	0.0	0.0

The ratios and key figures are defined in the executive order on financial reports of credit institutions, etc., issued by the Danish FSA.

With effect from the first half of 2006, the net profit for the period less expected dividend is included in the calculation of the solvency and core (tier 1) capital ratios. Realkredit Danmark has adjusted its accounting policies with effect from 2005. The highlights, accounting ratios and key figures for 2004 have been restated.

Group holdings and undertakings - Realkredit Danmark A/S

	Share capital June 30, 2007 (thousands)	Net profit* DKr m	Shareholder's equity* DKr m	Holding of share capital %
Realkredit Danmark A/S, Kgs. Lyngby	DKK 630,000	2,254	33,107	
Real-estate agency business:				
home a/s, Aarhus	DKK 15,000	45	248	100
Other business:				
Omegadane SARL, Paris	EUR 8	-	-	100

* According to the company's latest annual report

Additional information

Financial calendar

Realkredit Danmark plans to release its financial reports in 2007 and 2008 on the following dates:

- Nine-month report for 2007:
October 30, 2007
- Annual report for 2007:
January 31, 2008
- First quarter report for 2008:
April 29, 2008
- Half-year report for 2008:
August 7, 2008
- Nine-month report for 2008:
October 28, 2008

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Useful links

www.rd.dk
www.danskebank.dk
www.home.dk