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## Ringkjøbing Landbobank's quarterly report, 1<sup>st</sup>-3<sup>rd</sup> quarters of 2011

Increase of 11% in the bank's profit from DKK 256 million to DKK 284 million for the first three quarters of the year. The result is equivalent to a return on equity of 17% p.a., which is considered highly satisfactory in light of the present economic situation in society.

(Million DKK)	1 <sup>st</sup> -3 <sup>rd</sup> 2011	Full year 2010	2009	2008	2007	2006	2005	2004	2003	2002
Total core income	562	758	753	735	696	609	511	417	368	328
Total costs etc.	-183	-240	-238	-239	-234	-208	-190	-184	-163	-155
<b>Core earnings before write-downs</b>	<b>379</b>	<b>518</b>	<b>515</b>	<b>496</b>	<b>462</b>	<b>401</b>	<b>321</b>	<b>233</b>	<b>205</b>	<b>173</b>
Write-downs on loans	-88	-138	-159	-77	+11	+69	+5	+4	-10	+6
<b>Core earnings</b>	<b>291</b>	<b>380</b>	<b>356</b>	<b>419</b>	<b>473</b>	<b>470</b>	<b>326</b>	<b>237</b>	<b>195</b>	<b>179</b>
Result for the portfolio	+8	+38	+56	-73	-18	+103	+35	+51	+106	+30
Bank Package I and deposit guarantee	-15	-80	-107	-28	0	0	0	0	0	0
<b>Profit before tax</b>	<b>284</b>	<b>338</b>	<b>305</b>	<b>318</b>	<b>455</b>	<b>573</b>	<b>361</b>	<b>288</b>	<b>301</b>	<b>209</b>

Core earnings were DKK 291 million, and the range for the entire year is adjusted upward to DKK 350-400 million from the previous DKK 300-400 million.

### Three quarters – highlights:

- Increase of 11% in pre-tax profit from DKK 256 million to DKK 284 million
- The profit is equivalent to a return on equity of 17% p.a. after payment of dividend
- Rate of costs computed at 32.6 – the lowest in Denmark
- Substantial increase of 13% in deposits and loans unchanged
- Capital adequacy ratio of 20.6, equivalent to cover of 258%
- Core capital ratio of 19.1
- Highly satisfactory increase in customers in both branch network and Private Banking
- Expectations of core earnings adjusted upward to DKK 350-400 million

Please do not hesitate to contact the bank's management if you have any questions.

Yours sincerely,

**Ringkjøbing Landbobank**

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## Management report

### Core income

Net interest income for the first three quarters of the year remains unchanged at DKK 444 million compared to last year. However, an upward trend is again seen in the net interest income, which derives from the increasing deposit figures and a slightly increasing interest margin. Like the rest of the financial sector, the bank increased its interest rates at the beginning of the fourth quarter of 2011. Combined with continued growth in the figures, this is expected to have a positive effect on the net interest income in the coming quarters.

(Million Kroner)	3rd qtr. 2011	2nd qtr. 2011	1st qtr. 2011	4th qtr. 2010	3rd qtr. 2010
Net interest income	154	150	140	139	144

Fees, commissions and foreign exchange earnings amounted to net DKK 110 million in 2011 against net DKK 119 million in 2010, a fall of 8%. The year was characterised by a relatively low trading and conversion activity and the larger quantities therefore did not result in a corresponding increase in income.

Total core income was 2% lower in 2011 with a decrease from DKK 573 million in 2010 to DKK 562 million.

### Costs and depreciations

Total costs including depreciations on tangible assets amounted to DKK 183 million in the first three quarters, 4% higher than last year.

The rate of costs was computed at 32.6, still the lowest in the country. A low rate of costs is especially important in periods of difficult economic conditions as the bank's results are thus very robust, which is also reflected in the computation of the bank's individual solvency requirement.

### Write-downs on loans

Write-downs on loans showed a fall of 6% to net DKK 88 million in 2011 against DKK 93 million last year. The write-downs are equivalent to 0.8% p.a. of the total average of loans, write-downs, guarantees and provisions. The bank's customers appear to be coping better with the weak economic conditions than the average in Denmark. The present level of write-downs is considered satisfactory.

The bank's total account for write-downs and provisions amounted to DKK 639 million at the end of the third quarter, equivalent to 4.4% of total loans and guarantees. Actual write-downs on loans (including interest on the account for write-downs) continue to be low at a mere DKK 14 million, such that the account for write-downs and provisions increased by net DKK 74 million during the year.

The portfolio of loans with zeroed interest amounts to DKK 65 million, equivalent to 0.47% of the bank's total loans and guarantees at the end of the third quarter. This is at the same level as last year.

## Core earnings

(Million DKK)	1 <sup>st</sup> -3 <sup>rd</sup> 2011	Full year 2010	2009	2008	2007	2006	2005	2004	2003	2002
Total core income	562	758	753	735	696	609	511	417	368	328
Total costs etc.	-183	-240	-238	-239	-234	-208	-190	-184	-163	-155
<b>Core earnings before write-downs</b>	<b>379</b>	<b>518</b>	<b>515</b>	<b>496</b>	<b>462</b>	<b>401</b>	<b>321</b>	<b>233</b>	<b>205</b>	<b>173</b>
Write-downs on loans	-88	-138	-159	-77	+11	+69	+5	+4	-10	+6
<b>Core earnings</b>	<b>291</b>	<b>380</b>	<b>356</b>	<b>419</b>	<b>473</b>	<b>470</b>	<b>326</b>	<b>237</b>	<b>195</b>	<b>179</b>

Core earnings were DKK 291 million against DKK 304 million last year, a decrease of 4%. Income in 2011 proved to be so stable that the expectations for core earnings are now adjusted upward to the DKK 350-400 million range for the whole year.

## Result for the portfolio

The result for the portfolio for the first three quarters of the year was DKK +8.1 million including funding costs for the portfolio.

The bank's holding of shares etc. at the end of the third quarter amounted to DKK 255 million, DKK 18 million of which was in listed shares etc. while DKK 237 million was in sector shares etc. The bond portfolio at the end of the third quarter amounted to DKK 2,335 million, and the great majority of the portfolio consists of AAA-rated Danish mortgage credit bonds and bonds guaranteed by the Danish government.

The total interest rate risk, computed as the impact on the result of a one percentage point change in the interest level, was 0.7% of the bank's Tier 1 capital after deduction at the end of the third quarter.

The bank's total market risk within exposure to interest rate risk, exposure in listed shares etc. and foreign exchange exposure remains at a low level. The bank's risk of losses calculated on the basis of a value-at-risk model (computed with a 10-day horizon and 99% probability) was as follows in 2011:

	Risk in DKK million	Risk relative to equity end of 3rd quarter in %
Highest risk of loss:	19.7	0.81%
Smallest risk of loss:	2.5	0.10%
Average risk of loss	7.6	0.31%

The bank's policy remains to keep the market risk at a low level.

## Result after tax

The result after tax was DKK 213 million for the first three quarters of the year against DKK 192 million last year. The result after tax is equivalent to a return on equity of 13% p.a. after payment of dividend.

### **The balance sheet**

The bank's balance sheet total at the end of the quarter stood at DKK 17,730 million against DKK 18,409 million last year. Deposits increased by 13% from DKK 11,174 million to DKK 12,681 million. The bank's loans remain unchanged at DKK 12,904 million. The underlying growth in new customers from the branch network and within the niches Private Banking and wind turbine financing remains good. However, the changed consumption pattern with a higher savings ratio is generally resulting in greater repayments on the bank's existing loans portfolio than previously, and these repayments therefore currently account for the entire growth.

The bank's portfolio of guarantees at the end of the third quarter was DKK 886 million against DKK 1,259 million in 2010.

### **Liquidity**

The bank's liquidity is good, and during the third quarter we made early repayments of long-term loans to the equivalent of DKK 1,062 million to optimise the bank's liquidity. The excess solvency compared to the statutory requirements was 121%. The bank's short-term funding with term to maturity of less than 12 months amounts to only DKK 356 million, balanced by DKK 3.7 billion in short-term money market placing, primarily in Danish banks and liquid securities. The bank is thus not dependent on the short-term money market.

The bank's loans portfolio is more than fully financed by deposits and the bank's equity. In addition, part of the German loans portfolio for wind turbines was refinanced back-to-back with KfW Bankengruppe, and the DKK 833 million in question can thus be disregarded in terms of liquidity. The bank requires no financing for the coming year to meet the minimum requirement that it must always be able to manage for up to 12 months without access to the financial markets.

### **The deposit guarantee scheme**

Ringkjøbing Landbobank has a liability to the mandatory deposit guarantee scheme in Denmark for rescuing Danish banks. The bank's share of these losses is 0.6%. Amagerbanken and Fjordbank Mors went bankrupt during the first half-year, which cost the bank DKK 15.4 million at the latest advised dividend rates. Max Bank was wound up on 10 October 2011, which will result in a loss of DKK 3.0 million. The bank previously overprovided by DKK 3.4 million, and the total expense in 2011 is thus computed at DKK 15.0 million, DKK 3.6 million less than advised in the half-yearly report.

### **Capital**

The bank's equity at the beginning of 2011 was DKK 2,312 million, to which must be added the profit for the period and from which must be deducted the dividend paid and own shares purchased, after which the equity at the end of the third quarter of 2011 was DKK 2,418 million.

The bank's holding of own shares at the end of the quarter was 85,868, equivalent to 1.7 % of the share capital. The bank thus expects to succeed in procuring the 100,000 shares for the capital reduction which was proposed at the general meeting.

The bank's capital adequacy ratio (Tier 2) was computed at 20.6 at the end of the third quarter of 2011. The core capital ratio (Tier 1) was computed at 19.1.

	1 <sup>st</sup> -3 <sup>rd</sup>				
<b>Capital adequacy</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Core capital ratio excluding hybrid core capital	17.6	17.1	15.1	11.6	10.0
Core capital ratio	19.1	18.6	16.6	13.0	11.2
<b>Capital adequacy ratio</b>	<b>20.6</b>	<b>22.4</b>	<b>20.2</b>	<b>16.3</b>	<b>13.0</b>
Individual solvency requirement	8.0	8.0	8.0	8.0	8.0
<b>Capital adequacy</b>	<b>258%</b>	<b>280%</b>	<b>253%</b>	<b>204%</b>	<b>163%</b>

The individual solvency requirement for Ringkjøbing Landbobank is calculated at 7.0% because of the bank's robust business model, and the ratio was thus reported at 8%.

### Encouraging increase in customer numbers

The bank implemented several outreach initiatives towards new customers just over a year ago. The basis was the fact that the bank has both the liquidity and the capital to support growth, that we felt comfortable about the bank's credit facilities, and that our cost structure is suitable for the future. The biggest challenge in times of low growth in society is thus creating growth in the bank's top line.

A highly positive increase in customers is currently being seen in the branch network and within the Private Banking segment, with transfer of deposits, pension and securities customers. The growth in lending has been swallowed up by repayments on the loans portfolio. In the bank's judgment, we are, however, currently enhancing the foundation for future earnings.

### Accounting policies and key figures

The accounting policies applied are unchanged relative to the audited annual report presented for 2010.

### Expectations for earnings in 2011

The bank's core earnings for the first three quarters of the year were DKK 291 million, which is in line with the announced expectations at the beginning of the year. Income in 2011 proved to be so stable, however, that the expectations for core earnings are now adjusted upward to the DKK 350-400 million range for the whole year.

## Main and key figures for the bank

	1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2011	1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2010	Full year 2010
<b>Main figures for the bank (million DKK)</b>			
Total core income	562	573	758
Total costs and depreciations	-183	-176	-240
<b>Core earnings before write-downs on loans</b>	<b>379</b>	<b>397</b>	<b>518</b>
Write-downs on loans	-88	-93	-138
<b>Core earnings</b>	<b>291</b>	<b>304</b>	<b>380</b>
Result for portfolio	+8	+32	+38
Costs national bank package I and the deposit guarantee scheme	-15	-80	-80
<b>Profit before tax</b>	<b>284</b>	<b>256</b>	<b>338</b>
<b>Profit after tax</b>	<b>213</b>	<b>192</b>	<b>257</b>
Shareholders' equity	2,418	2,233	2,312
Total capital base	2,819	2,925	2,943
Deposits	12,681	11,174	11,662
Loans	12,904	12,939	13,151
Balance sheet total	17,730	18,409	18,247
Guarantees	886	1,259	1,042
<b>Key figures for the bank (per cent)</b>			
Pre-tax return on equity, beginning of year	16.8	16.6	16.5
Return on equity after tax, beginning of year	12.6	12.5	12.5
Rate of costs	32.6	30.7	31.6
Core capital ratio	19.1	17.4	18.6
Solvency ratio	20.6	20.9	22.4
<b>Key figures per 5 DKK share (DKK)</b>			
Core earnings	58	60	75
Profit before tax	56	51	67
Profit after tax	42	38	51
Net asset value	488	446	460
Price, end of period	555	620	725
Dividend	-	-	12

## Profit and loss account

Note		1.1-30.9 2011 DKK 1,000	1.1-30.9 2010 DKK 1,000	1.1-31.12 2010 DKK 1,000
1	Interest receivable	628,254	634,658	836,339
2	Interest payable	182,158	180,853	241,954
	<b>Net income from interest</b>	<b>446,096</b>	<b>453,805</b>	<b>594,385</b>
3	Dividend on capital shares etc.	1,111	1,215	1,219
4	Income from fees and commissions	115,582	119,959	170,389
4	Fees and commissions paid	18,525	18,010	25,996
	<b>Net income from interest and fees</b>	<b>544,264</b>	<b>556,969</b>	<b>739,997</b>
5	Value adjustments	+22,379	+45,419	+52,159
	Other operating income	3,065	2,911	3,893
6,7	Staff and administration costs	180,029	174,190	236,374
	Amortisation, depreciation and write-downs on intangible and tangible assets	2,665	2,109	3,219
	Other operating costs			
	Miscellaneous other operating costs	347	0	195
	Guarantee commission, national bank package I etc.	15,000	46,590	46,590
	Write-downs on loans and debtors etc.			
11	Write-downs on loans and other debtors	-88,032	-93,486	-138,217
	Write-downs on national bank package I etc.	0	-33,152	-33,152
	Result of capital shares in associated companies	0	0	+14
	<b>Profit before tax</b>	<b>283,635</b>	<b>255,772</b>	<b>338,316</b>
8	Tax	71,000	63,400	81,443
	<b>Profit after tax</b>	<b>212,635</b>	<b>192,372</b>	<b>256,873</b>
	Other comprehensive income	0	0	0
	<b>Comprehensive income after tax</b>	<b>212,635</b>	<b>192,372</b>	<b>256,873</b>

## Core earnings

		1.1-30.9 2011 DKK 1,000	1.1-30.9 2010 DKK 1,000	1.1-31.12 2010 DKK 1,000
	Net income from interest	443,821	444,101	583,398
	Net income from fees and provisions excl, commission	81,181	82,812	118,145
	Income from sector shares etc.	4,544	7,275	3,931
	Foreign exchange income	13,111	17,224	22,440
	Other operating income etc.	3,065	2,911	3,893
	<b>Total core income excl. trade income</b>	<b>545,722</b>	<b>554,323</b>	<b>731,807</b>
	Trade income	15,876	19,136	26,248
	<b>Total core income</b>	<b>561,598</b>	<b>573,459</b>	<b>758,055</b>
	Staff and administration costs	180,029	174,189	236,374
	Amortisation, depreciation and write-downs on intangible and tangible assets	2,665	2,109	3,219
	Other operating costs	347	0	195
	Total costs etc.	183,041	176,298	239,788
	<b>Core earnings before write-downs on loans</b>	<b>378,557</b>	<b>397,161</b>	<b>518,267</b>
	Write-downs on loans and other debtors	-88,032	-93,486	-138,217
	<b>Core earnings</b>	<b>290,525</b>	<b>303,675</b>	<b>380,050</b>
	Result for portfolio	8,110	+31,838	+38,008
	Costs national bank package I etc.	-15,000	-79,741	-79,742
	<b>Profit before tax</b>	<b>283,635</b>	<b>255,772</b>	<b>338,316</b>
	Tax	71,000	63,400	81,443
	<b>Profit after tax</b>	<b>212,635</b>	<b>192,372</b>	<b>256,873</b>

## Balance sheet

Note		End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
	<b>Assets</b>			
	Cash in hand and claims at call on central banks	38,120	61,557	59,597
<b>9</b>	Claims on credit institutions and central banks			
	Claims at notice on central banks	0	406,994	1,329,844
	Money market operations and bilateral loans - term to maturity under 1 year	774,517	1,609,220	1,063,528
	Bilateral loans - term to maturity over 1 year	655,514	266,980	261,335
<b>10,11,12</b>	Loans and other debtors at amortised cost price	12,903,748	12,939,424	13,151,216
	Loans and other debtors at amortised cost price	12,070,339	12,184,649	12,326,328
	Wind turbine loans with direct funding	833,409	754,775	824,888
<b>13</b>	Bonds at current value	2,335,361	2,260,331	1,546,282
<b>14</b>	Shares etc.	255,227	273,954	257,253
	Capital shares in associated companies	527	513	527
	Land and buildings total	75,285	76,146	75,662
	Investment properties	7,261	7,261	7,261
	Domicile properties	68,024	68,885	68,401
	Other tangible assets	4,830	4,112	4,430
	Actual tax assets	0	10,053	20,827
	Temporary assets	5,325	150	150
	Other assets	675,270	492,592	469,600
	Periodic-defined items	6,734	7,223	6,953
	<b>Total assets</b>	<b>17,730,458</b>	<b>18,409,249</b>	<b>18,247,204</b>



## Balance sheet

Note		End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
	<b>Liabilities and equity</b>			
<b>15</b>	Debt to credit institutions and central banks			
	Debt to central banks	0	0	0
	Money market operations and bilateral credits - term to maturity under 1 year	250,730	872,095	636,326
	Bilateral credits - term to maturity over 1 year	148,834	1,276,911	1,170,976
	Bilateral credits from KfW Bankengruppe	833,409	754,775	824,888
<b>16</b>	Deposits and other debts	12,680,600	11,173,751	11,661,654
<b>17</b>	Issued bonds at amortised cost price	337,781	760,094	337,617
	Actual tax liabilities	29,670	0	0
	Other liabilities	612,479	536,096	592,871
	Periodic-defined items	301	557	282
	<b>Total debt</b>	<b>14,893,804</b>	<b>15,374,279</b>	<b>15,224,614</b>
	Provisions for pensions and similar liabilities	4,658	5,918	5,858
	Provisions for deferred tax	3,929	5,088	3,929
<b>11</b>	Provisions for losses on guarantees	966	3,235	1,383
	Provisions for national bank package I	0	81,253	0
	Other provisions for liabilities	0	4,520	2,077
	<b>Total provisions for liabilities</b>	<b>9,553</b>	<b>100,014</b>	<b>13,247</b>
	Subordinated loan capital	197,484	489,356	488,882
	Hybrid core capital	211,402	212,164	208,117
<b>18</b>	<b>Total subordinated debt</b>	<b>408,886</b>	<b>701,520</b>	<b>696,999</b>
<b>19</b>	Share capital	25,200	25,200	25,200
	Reserve for net revaluation under the intrinsic value method	176	162	176
	Proposed dividend etc.	-	-	60,980
	Profit carried forward	2,392,839	2,208,074	2,225,988
	<b>Total shareholders' equity</b>	<b>2,418,215</b>	<b>2,233,436</b>	<b>2,312,344</b>
	<b>Total liabilities and equity</b>	<b>17,730,458</b>	<b>18,409,249</b>	<b>18,247,204</b>
<b>21</b>	Contingent liabilities etc.			
<b>22</b>	Capital adequacy computation			
<b>23</b>	Miscellaneous comments			

## Statement of shareholders' equity

DKK 1,000	Share capital	Provi- sions for re- valuation	Reserve for net revalua- tion under the intrinsic value method	Propo- sed divi- dend etc.	Profit carried forward	Total share- holders' equity
<b>On 30 September 2011:</b>						
Shareholders' equity at the end of the previous financial year	25,200	0	176	60,980	2,225,988	2,312,344
Paid dividend				-60,980		-60,980
Dividend received from own shares					168	168
Purchase and sale of own shares					-48,901	-48,901
Other shareholders' equity items					2,949	2,949
Profit for the period					212,635	212,635
<b>Shareholders' equity on the balance sheet date</b>	<b>25,200</b>	<b>0</b>	<b>176</b>	<b>0</b>	<b>2,392,839</b>	<b>2,418,215</b>

<b>On 30 September 2010:</b>						
Shareholders' equity at the end of the previous financial year	25,200	0	162	0	2,030,411	2,055,773
Purchase and sale of own shares					-17,201	-17,201
Other shareholders' equity items					2,493	2,493
Profit for the period					192,371	192,371
<b>Shareholders' equity on the balance sheet date</b>	<b>25,200</b>	<b>0</b>	<b>162</b>	<b>0</b>	<b>2,208,074</b>	<b>2,233,436</b>

<b>On 31 December 2010:</b>						
Shareholders' equity at the end of the previous financial year	25,200	0	162	0	2,030,411	2,055,773
Purchase and sale of own shares					-3,595	-3,595
Other shareholders' equity items					3,293	3,293
Profit for the year			14	60,980	195,879	256,873
<b>Shareholders' equity on the balance sheet date</b>	<b>25,200</b>	<b>0</b>	<b>176</b>	<b>60,980</b>	<b>2,225,988</b>	<b>2,312,344</b>

## Notes

Note	1.1-30.9 2011 DKK 1,000	1.1-30.9 2010 DKK 1,000	1.1-31.12 2010 DKK 1,000
<b>1 Interest receivable</b>			
Claims on credit institutions and central banks	29,839	29,738	37,150
Loans and other debtors	569,060	564,544	748,211
Loans - interest concerning the written-down part of loans	-26,283	-21,362	-29,221
Bonds	40,347	37,451	47,905
Total derivatives financial instruments, of which	15,291	24,287	31,080
Currency contracts	6,952	11,409	13,537
Interest-rate contracts	8,339	12,878	17,543
Other interest receivable	0	0	1,214
<b>Total interest receivable</b>	<b>628,254</b>	<b>634,658</b>	<b>836,339</b>
<b>2 Interest payable</b>			
Credit institutions and central banks	36,541	34,068	45,468
Deposits and other debts	122,878	110,914	146,978
Issued bonds	9,405	15,915	21,252
Subordinated debt	13,317	19,956	28,049
Other interest payable	17	0	207
<b>Total interest payable</b>	<b>182,158</b>	<b>180,853</b>	<b>241,954</b>
<b>3 Dividend from shares etc.</b>			
Shares	1,111	1,215	1,219
<b>Total dividend from shares etc.</b>	<b>1,111</b>	<b>1,215</b>	<b>1,219</b>
<b>4 Gross income from fees and commissions</b>			
Securities trading	20,296	25,688	34,812
Asset management	37,484	35,953	56,624
Payment handling	14,383	13,709	19,170
Loan fees	4,623	7,123	9,985
Guarantee commissions	26,332	23,728	31,270
Other fees and commissions	12,464	13,758	18,528
<b>Total gross income from fees and commissions</b>	<b>115,582</b>	<b>119,959</b>	<b>170,389</b>
<b>Net income from fees and commissions</b>			
Securities trading	15,876	19,136	26,248
Asset management	34,357	32,613	52,068
Payment handling	12,746	12,199	16,816
Loan fees	3,498	5,536	7,728
Guarantee commissions	26,333	23,728	31,270
Other fees and commissions	4,247	8,737	10,263
<b>Total net income from fees and commissions</b>	<b>97,057</b>	<b>101,949</b>	<b>144,393</b>
Foreign exchange income	13,111	17,224	22,440
<b>Total net income from fees, commissions and foreign exchange income</b>	<b>110,168</b>	<b>119,173</b>	<b>166,833</b>

## Notes

Note		1.1-30.9 2011 DKK 1,000	1.1-30.9 2010 DKK 1,000	1.1-31.12 2010 DKK 1,000
<b>5</b>	<b>Value adjustments</b>			
	Loans and other debtors at current value	2,413	3,591	4,336
	Bonds	5,916	39,558	34,044
	Shares etc.	-417	229	2,702
	Shares in sector companies etc.	2,664	6,197	2,853
	Foreign exchange income	13,111	17,224	22,440
	Total derivatives financial instruments, of which	-2,170	-6,837	-11,334
	Interest-rate contracts	-2,170	-6,837	-11,333
	Share contracts	0	0	-1
	Issued bonds	-1,164	-2,600	-965
	Other liabilities	2,026	-11,943	-1,917
	<b>Total value adjustments</b>	<b>22,379</b>	<b>45,419</b>	<b>52,159</b>
<b>6</b>	<b>Staff and administration costs</b>			
	Salaries and payments to the board of directors, board of managers and shareholders' committee			
	Board of managers	4,864	4,254	6,027
	Board of directors	471	432	828
	Shareholders' committee	0	0	331
	Total	5,335	4,686	7,186
	Staff costs			
	Salaries	83,327	81,574	109,878
	Pensions	8,650	8,426	11,320
	Social security expenses	12,137	10,012	12,752
	Total	104,114	100,012	133,950
	Other administration costs	70,580	69,492	95,238
	<b>Total staff and administration costs</b>	<b>180,029</b>	<b>174,190</b>	<b>236,374</b>
<b>7</b>	<b>Number of employees</b>			
	Average number of employees during the period converted into full-time employees	<b>252.7</b>	<b>254.9</b>	<b>254.0</b>
<b>8</b>	<b>Tax</b>			
	Tax calculated on the period profit	71,000	63,400	83,055
	Adjustment of deferred tax	0	0	-1,159
	Adjustment of tax calculated for previous years	0	0	-453
	<b>Total tax</b>	<b>71,000</b>	<b>63,400</b>	<b>81,443</b>
	<b>Effective tax rate (per cent):</b>			
	The current tax rate of the bank	25.0	25.0	25.0
	Adjustment of tax of non-liable income and non-deductible costs	0.0	-0.2	-0.8
	Adjustment of tax calculated for previous years	0.0	0.0	-0.1
	<b>Total effective tax rate</b>	<b>25.0</b>	<b>24.8</b>	<b>24.1</b>

## Notes

Note		End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
<b>9</b>	<b>Claims on credit institutions and central banks</b>			
	Claims at call	252,677	349,220	303,528
	Up to and including 3 months	485,000	1,006,994	1,429,844
	More than 3 months and up to and including 1 year	36,840	660,000	660,000
	More than 1 year and up to and including 5 years	655,514	259,116	261,335
	More than 5 years	0	7,864	0
	<b>Total claims on credit institutions and central banks</b>	<b>1,430,031</b>	<b>2,283,194</b>	<b>2,654,707</b>
<b>10</b>	<b>Loans and other debtors at amortised cost price</b>			
	At call	3,018,653	2,989,883	3,528,048
	Up to and including 3 months	758,745	565,567	585,341
	More than 3 months and up to and including 1 year	2,169,452	2,024,997	1,961,971
	More than 1 year and up to and including 5 years	3,525,424	4,116,822	4,065,526
	More than 5 years	3,431,474	3,242,155	3,010,330
	<b>Total loans and other debtors at amortised cost price</b>	<b>12,903,748</b>	<b>12,939,424</b>	<b>13,151,216</b>
<b>11</b>	<b>Write-downs on loans and other debtors and provisions for losses on guarantees</b>			
	<b>Individual write-downs</b>			
	Cumulative individual write-downs on loans and other debtors at the end of the previous financial year	532,441	424,517	424,517
	Write-downs/value adjustments during the period	164,094	215,675	289,432
	Reverse entry - write-downs made in previous financial years	-89,041	-94,670	-120,381
	Booked losses covered by write-downs	-30,816	-43,799	-61,127
	<b>Cumulative individual write-downs on loans and other debtors on the balance sheet date</b>	<b>576,678</b>	<b>501,723</b>	<b>532,441</b>
	<b>Group write-downs</b>			
	Cumulative group write-downs on loans and other debtors at the end of the previous financial year	31,211	41,132	41,132
	Write-downs/value adjustments during the period	30,972	0	0
	Reverse entry - write-downs made in previous financial years	-407	-9,867	-9,921
	<b>Cumulative group write-downs on loans and other debtors on the balance sheet date</b>	<b>61,776</b>	<b>31,265</b>	<b>31,211</b>
	<b>Total cumulative write-downs on loans and other debtors on the balance sheet date</b>	<b>638,454</b>	<b>532,988</b>	<b>563,652</b>
	<b>Provisions for losses on guarantees</b>			
	Cumulative individual provisions for losses on guarantees at the end of the previous financial year	1,383	1,376	1,376
	Provisions/value adjustments during the period	683	2,852	1,000
	Reverse entry - provisions made in previous financial years	-1,100	-993	-993
	<b>Cumulative individual provisions for losses on guarantees on the balance sheet date</b>	<b>966</b>	<b>3,235</b>	<b>1,383</b>
	<b>Total cumulative write-downs on loans and other debtors and provisions for losses on guarantees on the balance sheet date</b>	<b>639,420</b>	<b>536,223</b>	<b>565,035</b>

## Notes

Note		End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
<b>12</b>	<b>Suspended calculation of interest</b> Loans and other debtors with suspended calculation of interest on the balance sheet date	<b>65,084</b>	<b>75,471</b>	<b>66,237</b>
<b>13</b>	<b>Bonds at current value</b> Listed on the stock exchange <b>Total bonds at current value</b>	<b>2,335,361</b> <b>2,335,361</b>	<b>2,260,331</b> <b>2,260,331</b>	<b>1,546,282</b> <b>1,546,282</b>
<b>14</b>	<b>Shares etc.</b> Listed on NASDAQ OMX Copenhagen Unlisted shares at current value Sector shares at current value Other holdings <b>Total shares etc.</b>	<b>18,202</b> <b>1,415</b> <b>214,697</b> <b>20,913</b> <b>255,227</b>	<b>38,749</b> <b>1,366</b> <b>212,429</b> <b>21,410</b> <b>273,954</b>	<b>25,342</b> <b>1,415</b> <b>209,086</b> <b>21,410</b> <b>257,253</b>
<b>15</b>	<b>Debt to credit institutions and central banks</b> Debt payable on demand Up to and including 3 months More than 3 months and up to and including 1 year More than 1 year and up to and including 5 years More than 5 years <b>Total debt to credit institutions and central banks</b>  The bank has undrawn long-term committed revolving credit facilities equivalent to:	<b>176,313</b> <b>24,231</b> <b>152,316</b> <b>584,656</b> <b>295,457</b> <b>1,232,973</b>  <b>174,417</b>	<b>381,722</b> <b>85,364</b> <b>473,283</b> <b>1,631,745</b> <b>331,667</b> <b>2,903,781</b>  <b>770,671</b>	<b>520,010</b> <b>27,169</b> <b>184,789</b> <b>1,570,313</b> <b>329,909</b> <b>2,632,190</b>  <b>770,896</b>
<b>16</b>	<b>Deposits and other debts</b> On demand Deposits and other debts at notice: Up to and including 3 months More than 3 months and up to and including 1 year More than 1 year and up to and including 5 years More than 5 years <b>Total deposits and other debts</b>  Distributed as follows: On demand At notice Time deposits Long term deposit agreements Special types of deposits	<b>6,234,876</b> <b>1,550,946</b> <b>1,903,590</b> <b>1,642,988</b> <b>1,348,200</b> <b>12,680,600</b>  <b>5,757,808</b> <b>140,193</b> <b>3,777,207</b> <b>1,889,031</b> <b>1,116,361</b> <b>12,680,600</b>	<b>6,050,190</b> <b>1,780,557</b> <b>808,337</b> <b>1,254,001</b> <b>1,280,666</b> <b>11,173,751</b>  <b>5,942,581</b> <b>123,357</b> <b>2,359,886</b> <b>1,638,459</b> <b>1,109,468</b> <b>11,173,751</b>	<b>5,755,406</b> <b>2,058,207</b> <b>832,457</b> <b>1,600,801</b> <b>1,414,783</b> <b>11,661,654</b>  <b>5,582,938</b> <b>131,139</b> <b>2,925,948</b> <b>1,860,570</b> <b>1,161,059</b> <b>11,661,654</b>

## Notes

Note		End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
<b>17</b>	<b>Issued bonds at amortised cost price</b>			
	On demand	0	0	0
	Up to and including 3 months	0	432,737	0
	More than 3 months and up to and including 1 year	2,955	0	0
	More than 1 year and up to and including 5 years	334,826	327,357	337,617
	More than 5 years	0	0	0
	<b>Total issued bonds at amortised cost price</b>	<b>337,781</b>	<b>760,094</b>	<b>337,617</b>
	Distributed as follows:			
	Issues in Danish kroner:			
	Nom. 220 million DKK	220,000	220,000	220,000
	Issues in Norwegian kroner			
	Nom. 500 million NOK	0	467,600	0
	Own holding of issued bonds	0	-44,444	0
	Nom. 100 million NOK	94,340	93,520	95,340
	Regulation at amortised cost price and adjustment to current value of issues	9,604	9,581	8,440
	Other issues	13,837	13,837	13,837
		<b>337,781</b>	<b>760,094</b>	<b>337,617</b>
<b>18</b>	<b>Subordinated debt</b>			
	Subordinated loan capital:			
	3.995% bond loan, nom, DKK 300 million, expiry 9.2.2014 (early redemption)	0	300,000	300,000
	Floating rate loan, principal EUR 27 million, expiry 30.6.2021	200,926	201,201	201,269
	Hybrid core capital:			
	4.795% bond loan, nom, DKK 200 million, indefinite term	200,000	200,000	200,000
	Regulation at amortised cost price and adjustment to current value of subordinated loan capital and hybrid core capital	7,960	10,119	5,424
	Own holding of subordinated loan capital	0	-9,800	-9,694
	<b>Total subordinated debt</b>	<b>408,886</b>	<b>701,520</b>	<b>696,999</b>
<b>19</b>	<b>Share capital</b>			
	Number of shares at DKK 5 each:			
	Beginning of period	5,040,000	5,040,000	5,040,000
	Changes during the period	0	0	0
	End of period	5,040,000	5,040,000	5,040,000
	<b>Total share capital</b>	<b>25,200</b>	<b>25,200</b>	<b>25,200</b>

## Notes

Note	End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
<b>20</b>			
<b>Own capital shares</b>			
Own capital shares included in the balance sheet at	0	0	0
The market value is	47,657	20,270	6,900
Number of own shares:			
Beginning of period	9,517	8,572	8,572
Net purchases and sales of own shares during the period	+76,351	+24,121	+945
End of period	85,868	32,693	9,517
Nominal value of holding of own shares, end of period	429	163	48
Own shares' proportion of share capital, end of period (%)	1.7	0.6	0.2
<b>21</b>			
<b>Contingent liabilities etc.</b>			
<b>Contingent liabilities</b>			
Finance guarantees	510,936	819,825	668,504
Guarantees for foreign loans	5,581	8,599	8,602
Guarantees against losses on mortgage credit loans	50,990	44,445	44,098
Guarantee against losses Totalkredit	119,688	110,221	112,585
Registration and conversion guarantees	60,181	89,000	82,614
Guarantee on national bank package I	0	77,493	0
Other contingent liabilities	138,830	109,091	125,580
<b>Total contingent liabilities</b>	<b>886,206</b>	<b>1,258,674</b>	<b>1,041,983</b>
First mortgage loans were provided for German wind turbine projects. The loans are funded directly by KfW Bankengruppe, to which security in the associated loans has been provided. Each reduction of the first mortgage loans is deducted directly from the funding at the KfW Bankengruppe.	<b>833,409</b>	<b>754,775</b>	<b>824,888</b>
As security for clearing and any debt, the bank has pledged securities from its holding to the Central Bank of Denmark to a total market price of	<b>340,321</b>	<b>261,002</b>	<b>468,198</b>



## Notes

Note	End Sept. 2011 DKK 1,000	End Sept. 2010 DKK 1,000	End Dec. 2010 DKK 1,000
<b>22</b>			
<b>Capital adequacy computation</b> Calculated pursuant to the Executive order on Capital Adequacy issued by the Danish Financial Supervisory Authority.			
Weighted items with credit and counterpart risks	11,363,231	11,605,910	11,110,261
Market risk	957,493	1,050,346	714,897
Operational risk	1,396,138	1,322,788	1,322,788
<b>Total risk weighted items</b>	<b>13,716,862</b>	<b>13,979,044</b>	<b>13,147,946</b>
Share capital	25,200	25,200	25,200
Reserve for net revaluation under the intrinsic value method	176	162	176
Profit carried forward	2,392,839	2,208,073	2,286,968
<b>Core capital</b>	<b>2,418,215</b>	<b>2,233,435</b>	<b>2,312,344</b>
Proposed dividend etc.	0	0	-60,980
Deduction from / addition to the core capital	-176	-162	-176
<b>Core capital after deductions</b>	<b>2,418,039</b>	<b>2,233,273</b>	<b>2,251,188</b>
Hybrid core capital	200,000	200,000	200,000
<b>Core capital after deductions incl. hybrid core capital</b>	<b>2,618,039</b>	<b>2,433,273</b>	<b>2,451,188</b>
Subordinated loan capital	200,926	491,401	491,575
Deduction from / addition to the capital base	176	162	176
<b>Capital base after deductions</b>	<b>2,819,141</b>	<b>2,924,836</b>	<b>2,942,939</b>
<b>Core capital ratio excl. hybrid core capital (per cent)</b>	<b>17.6</b>	<b>16.0</b>	<b>17.1</b>
<b>Core capital ratio (per cent)</b>	<b>19.1</b>	<b>17.4</b>	<b>18.6</b>
<b>Solvency ratio (per cent)</b>	<b>20.6</b>	<b>20.9</b>	<b>22.4</b>
Capital base requirements under Section 124 (2,1) of the Danish Financial Business Act	1,097,349	1,118,324	1,051,836
<b>23</b>			
<b>Miscellaneous comments on:</b>			
<b>Main and key figures for the bank and key figures per DKK 5 share - page 6</b>			
<ul style="list-style-type: none"> <li>Total capital base is calculated as the banks capital base after deductions, cf. note 22.</li> <li>Key figures per DKK 5 share for 1<sup>st</sup> -3<sup>rd</sup> quarter 2011, 1<sup>st</sup> -3<sup>rd</sup> quarter 2010 and for the full year 2010 are all calculated on the basis of 5,040,000 shares.</li> </ul>			
<b>Core earnings - pages 1 and 3</b>			
<ul style="list-style-type: none"> <li>The comparative figures for the years 2002-2005 have not been adjusted for the change made in 2007 from actual banking operations to core earnings.</li> </ul>			
<b>Write-downs - page 1 and 2</b>			
<ul style="list-style-type: none"> <li>All calculations etc. concerning write-downs on pages 1 and 2 were made excl. of amounts under the bank package I etc.</li> </ul>			

## Main figures summary

	1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2011	1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2010	Full year 2010
<b>Profit and loss account summary (million DKK)</b>			
Net income from interest	446	454	595
Dividend on capital shares etc.	1	1	1
Net income from fees and commissions etc.	97	102	144
Net income from interest and fees	544	557	740
Value adjustments	+22	+46	+52
Other ordinary income	3	3	4
Staff and administration costs	180	174	237
Amortisation, depreciation etc. on tangible assets	2	2	3
Total other operating costs	15	47	47
Total write-downs	-88	-127	-171
Profit before tax	284	256	338
Tax	71	64	81
Profit after tax	213	192	257
<b>Main figures from the balance sheet (million DKK)</b>			
Loans and other debtors	12,904	12,939	13,151
Deposits and other debts	12,681	11,174	11,662
Subordinated debt	409	702	697
Shareholders' equity	2,418	2,233	2,312
Balance sheet total	17,730	18,409	18,247

## Danish Financial Supervisory Authority key figures for Danish banks

		1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2011	1 <sup>st</sup> -3 <sup>rd</sup> qtr. 2010	Full year 2010
Solvency ratio	%	20.6	20.9	22.4
Core capital ratio	%	19.1	17.4	18.6
Pre-tax return on equity	%	12.0	11.9	15.5
Return on equity after tax	%	9.0	9.0	11.8
Income/cost ratio	DKK	1.99	1.73	1.74
Interest risk	%	0.7	0.8	0.1
Foreign exchange position	%	1.1	1.2	0.5
Foreign exchange risk	%	0.0	0.0	0.0
Excess cover relative to statutory liquidity requirements	%	121.1	259.4	231.8
Loans and write-downs thereon relative to deposits	%	106.8	120.6	117.6
Loans relative to shareholders' equity		5.3	5.8	5.7
Growth in loans	%	-1.9	0.0	0.8
Total large exposures	%	43.5	0.0	10.2
Cumulative write-down percentage	%	4.4	3.6	3.8
Write-down percentage for the period	%	0.61	0.63	0.94
Proportion of debtors at reduced interest	%	0.5	0.6	0.4
Result after tax per share * / ***	DKK	843.8	763.4	1,019.3
Book value per share * / **	DKK	9,762	8,921	9,193
Price/result per share * / ***		13.2	16.2	14.2
Price/book value per share * / **		1.14	1.39	1.58
* Calculated on the basis of a denomination of DKK 100 per share. ** Calculated on the basis of number of shares outstanding at the end of the period. *** Calculated on the basis of the average number of shares.				

## Statement by management and board of directors

The board of directors and management have today considered and approved the interim report for Ringkøbing Landbobank A/S for the period 1 January – 30 September 2011.

The interim report was prepared in accordance with the provisions of the Danish Act on Financial Activities and further Danish requirements on listed financial companies concerning disclosure. We consider the accounting policies to be appropriate and the accounting estimates made to be responsible, such that the interim report provides a true and fair view of the bank's assets, liabilities and financial position as of 30 September 2011 and of the bank's activities for the period 1 January-30 September 2011. We also believe that the management report etc. contain a true and fair review of the developments in the bank's activities and financial circumstances, and a description of the most important risks and uncertainty factors which could affect the bank.

The interim report was not audited or reviewed, but the external auditors have checked that the conditions for ongoing inclusion of the earnings for the period in the Tier 1 capital have been met.

Ringkøbing, 26 October 2011

### Management:

Bent Naur  
General Manager

John Fisker  
Manager

### Board of Directors:

Jens Lykke Kjeldsen  
Chairman

Gravers Kjærgaard  
Deputy chairman

Gert Asmussen

Inge Sandgrav Bak

Keld Hansen

Martin Krogh Pedersen

Bo Bennedsgaard  
Employee board member

Gitte E. S. Vigsø  
Employee board member