

Bank of North Dakota is pleased to provide its risk-based capital ratios as of June 30, 2007. You will notice Bank of North Dakota exceeds the capital ratios necessary to qualify as a “well-capitalized” bank per Regulation F.

Risk-Based Capital Ratio:

	Bank of North Dakota	Per Reg. F.
Tier One Risk-Based Capital Ratio	12.61%	6.00%
Total Risk-Based Capital Ratio	13.87%	10.00%
Leverage Ratio	7.61%	5.00%

Bank of North Dakota is committed to exceeding the ratios for a “well-capitalized” correspondent and will provide your institution with updated capital and leverage ratios on a quarterly basis.

We have also included additional financial information to assist you in analyzing the financial condition and performance of Bank of North Dakota on the following page.

	<u>Dollar Amount in Thousands</u>	
	<u>6/30/2007</u>	<u>6/30/2006</u>
Tier One Capital	\$189,643	\$163,894
Total Risk Based Capital	208,808	179,835
Total Risk Weighted Assets	1,505,424	1,262,733
Net Income (Annualized)	52,427	41,918
Quarterly Average Assets	2,493,054	2,081,237
Average Assets YTD	2,455,774	2,097,872
Average Equity	176,815	163,395
Total Gross Loans	1,874,429	1,632,724
Past Due Loans	40,167	39,924
Nonperforming Loans	907	3,183
Allowance for Loan Losses	30,735	28,516
Return on Average Assets (Annualized)	2.13%	2.00%
Return on Average Equity (Annualized)	29.65%	25.65%
Past Due Loans/Total Loans	2.14%	2.45%
Nonperforming Loans/Total Loans	0.05%	0.19%
Allowance for Loan Losses/Total Loans	1.64%	1.75%