

NASDAQ OMX Copenhagen A/S
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Alm. Brand Bank A/S

Alm. Brand Bank A/S – Annual Report 2009

Highlights of 2009

- **Alm. Brand Bank A/S incurred a loss of DKK 449 million before tax in Q4 2009. For the full year, the bank incurred a loss of DKK 1,758 million before tax. The performance was highly unsatisfactory.**
- **Impairment writedowns on loans and advances totalled an expense of DKK 267 million in Q4 2009. Overall writedowns for 2009 amounted to DKK 1,667 million, against DKK 464 million in 2008.**
- **As a result of the changed market conditions, the bank has defined a new strategy and implemented a range of measures in order to reduce the bank's risks and increase its earnings potential going forward.**
- **The bank expects to generate profit in the region of DKK 40 million before tax and impairment writedowns in 2010.**

Other highlights of 2009:

- The bank incurred a loss of DKK 1,758 million, against a loss of DKK 532 million in 2008. The loss was mainly driven by substantial impairment writedowns on loans and advances in the amount of DKK 1,667 million. Out of this amount, DKK 50 million was attributable to provisions relating to a guarantee provided to Finansiel Stabilitet A/S (the First Bank Package).
- The loss was also impacted by impairment losses on goodwill and other intangible assets in the amount of DKK 101 million. The impairment losses were recognised as a result of the bank's revised strategy, which, among other things, involves winding up a number of activities. In addition, the cost performance was adversely affected by DKK 38 million due to restructurings and layoffs.
- The new strategy of Alm. Brand Bank implies that loss-making activities are being wound up, while costs are cut substantially. Going forward, the bank will focus on developing its activities in the private, small and medium-sized business and agricultural segments in line with the rest of the group as well as its asset management and markets activities.

- The bank's costs amounted to DKK 547 million in 2009, against DKK 523 million in 2008. Excluding costs related to restructurings and layoffs in the amount of DKK 38 million, costs declined by DKK 14 million relative to 2008.
- The bank's net interest income rose to DKK 448 million in 2009, against DKK 432 million in 2008. The net interest income performance was favourably affected by an increasing customer interest margin and adversely affected by a decline in lending. In the fourth quarter, the net interest expense relating to the hybrid Tier 1 capital (the Second Bank Package) further reduced the interest margin by around 0.2 of a percentage point.

Please direct any questions regarding this announcement to Ole Joachim Jensen, Chief Executive, on tel. +45 35 47 48 49 or Susanne Bilotft, Head of Information and Investor Relations, on tel. +45 35 47 76 61.

Alm. Brand Bank A/S

Ole Joachim Jensen
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