

NASDAQ OMX Copenhagen A/S
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DK-1007 Copenhagen K

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Announcement no. 7/2009
Alm. Brand Bank A/S

Alm. Brand Bank A/S – Interim report for the first half year of 2009

Highlights

- **Highly unsatisfactory loss of DKK 997 million due to writedowns on bank loans of DKK 1,063 million**
- **Winding-up of financing of large properties and property projects, commercial mortgage deeds and parts of securities funding activities**
- **Guidance for full-year performance excluding writedowns retained**

Other H1 highlights:

- The bank generated a profit of DKK 66 million before losses and writedowns. Including losses and writedowns, the bank incurred a highly unsatisfactory loss of DKK 997 million.
- The highly unsatisfactory performance was owing to substantial writedowns on loans, particularly for investment properties and property development projects. In addition, the bank recognised writedowns on commercial mortgage deeds and certain forms of securities financing.
- As a result of these significant developments, the bank has set up a special winding-up unit under the credit secretariat to handle these activities. The winding-up unit is staffed by employees who possess specific knowledge within funding and handling and management of these types of assets.
- The performance was favourably affected by a strong return on the investment portfolio and by cost savings. Net interest income developed positively, although it was lower than anticipated due to timing differences in the spread between funding and lending rates.
- The bank expects its overall portfolio of loans and advances to decline in 2009. In some parts of the wholesale lending business, the reduction seen in recent quarters is expected to continue. In particular, certain cyclical customer facilities, including commercial mortgage deeds and security financing, will be wound up.
- The bank retains its forecast of a full-year profit of around DKK 50 million before tax and writedowns.

- It has been agreed with Henrik Nordam that he is retiring from his position as Chief Executive in the bank. Chief Financial Officer, Ole Joachim Jensen, has been appointed as new Interim Chief Executive in Alm. Brand Bank. The management of Alm. Brand Bank will consequently consist of Ole Joachim Jensen and Bo Christian Alberg.

Please direct any questions regarding this announcement to Ole Joachim Jensen, Chief Executive, on tel. +45 35 47 76 04.

Yours sincerely,

Alm. Brand Bank A/S

Ole Joachim Jensen
Chief Executive