

ALM. BRAND BANK A/S



INTERIM REPORT - FIRST HALF OF YEAR 2010



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COMPANY INFORMATION

BOARD OF DIRECTORS

Jørgen Hesselbjerg Mikkelsen, Chairman
Boris N. Kjeldsen, Deputy Chairman
Arne Nielsen
Søren Boe Mortensen
Christian Bundgaard, elected by the employees
Jesper Christiansen, elected by the employees

AUDITORS

Deloitte
Statsautoriseret Revisionsaktieselskab

INTERNAL AUDITOR

Poul-Erik Winther, Group Chief Auditor

MANAGEMENT BOARD

Ole Joachim Jensen, Chief Executive Officer
Bo Chr. Alberg, Managing Director
Ulla Heurlin, Managing Director

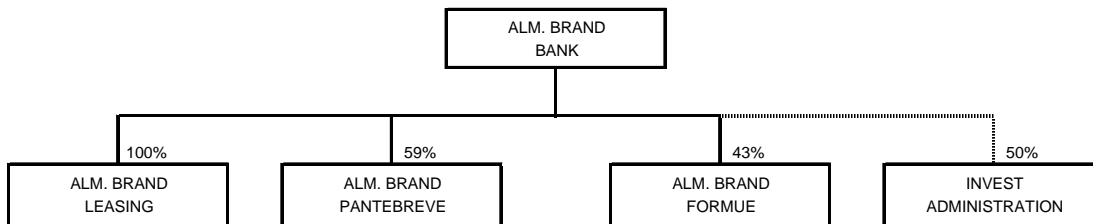
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REGISTRATION

Alm. Brand Bank A/S
Company registration (CVR) no. 81 75 35 12

GROUP STRUCTURE



The bank has three subsidiaries:

- Alm. Brand Leasing A/S
- Alm. Brand Pantebreve A/S
- Alm. Brand Formue A/S

OWNERSHIP

The bank is wholly owned by the listed company Alm. Brand A/S.

The bank also has investments in a joint venture:

- Invest Administration A/S

The consolidated financial statements of Alm. Brand Bank A/S are a component of the consolidated financial statements of Alm. Brand A/S and Alm. Brand af 1792 fmba.

In addition, the bank acts as depositary bank for:

- Investeringsforeningen Alm. Brand Invest
- Independent Invest

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKKm	PRORATA				GROUP					
	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
INCOME STATEMENT										
Interest receivable	228	275	453	596	1,082	233	284	466	613	1,114
Interest payable	92	161	193	377	634	93	163	196	383	643
Net interest income	136	114	260	219	448	140	121	270	230	471
Fees and commissions receivable (net) and dividend etc.	44	39	90	80	143	43	38	91	78	140
Net interest and fee income	180	153	350	299	591	183	159	361	308	611
Value adjustments	-60	-19	-79	-2	-177	-71	-9	-84	-2	-257
Other operating income	4	7	9	10	17	5	8	10	11	17
Profit before expenses	124	141	280	307	431	117	158	287	317	371
Staff costs and administrative expenses	132	125	252	258	547	134	129	256	264	558
Depreciation, amortisation and impairment of property, plant and equipment	3	5	5	5	111	2	5	5	5	111
Other operating expenses	21	21	42	38	81	23	20	44	38	81
Impairment of loans, advances and receivables, etc.	103	938	173	1,003	1,451	103	938	173	1,003	1,451
Profit from investments in associates and group enterprises	10	0	20	0	1	10	0	20	0	1
Profit before tax	-125	-948	-172	-997	-1,758	-135	-934	-171	-993	-1,829
Tax	-54	-228	-65	-247	-434	-54	-228	-65	-247	-433
Profit for the period	-71	-720	-107	-750	-1,324	-81	-706	-106	-746	-1,396
Share attributable to minority interests	-	-	-	-	-	-10	14	1	4	-72
Profit after tax excluding minority interests	-	-	-	-	-	-71	-720	-107	-750	-1,324
<i>Profit before tax excluding minority interests</i>	-	-	-	-	-	-125	-948	-172	-997	-1,758
BALANCE SHEET										
Loans and advances	14,257	15,689	14,257	15,689	15,024	14,049	15,768	14,049	15,768	14,823
Deposits	10,166	12,392	10,166	12,392	11,102	10,163	12,391	10,163	12,391	11,096
Shareholders' equity	1,255	487	1,255	487	1,362	1,450	789	1,450	789	1,590
Share attributable to minority interests	-	-	-	-	-	195	303	195	303	227
Total assets	26,057	26,057	26,057	26,057	26,162	26,394	26,543	26,394	26,543	26,539
KEY RATIOS ETC.										
Average number of employees, full-time equivalents	347	361	355	365	365	348	362	356	366	366
Interest margin (%)	-	-	-	-	-	2.5	1.9	2.4	1.9	1.9
Income/cost ratio	0.52	0.13	0.64	0.24	0.20	0.49	0.14	0.64	0.24	0.17
Impairment ratio	0.6	4.9	1.0	5.3	7.8	0.6	4.9	1.0	5.2	7.9
Solvency ratio	-	-	-	-	-	14.9	6.9	14.9	6.9	16.0

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

REPORT

In order to increase the transparency of Alm. Brand Bank A/S's financial statements, the bank publishes pro rata consolidated figures. The numbers are set out in the financial highlights and key ratios and, unless otherwise indicated, the comments provided in the financial review below are for pro-rata numbers. Banking group figures are commented on only when found relevant. To the extent it is deemed relevant, the first half year of 2009 and the first quarter of 2010, respectively, are used as benchmarks for the first half year of 2010 and the second quarter of 2010, respectively.

Financial results

The bank posted a profit before writedowns and losses of DKK 114 million, thereby exceeding the forecast of an overall full-year profit for the bank of DKK 60 million before losses and writedowns.

The positive performance before losses and writedowns was largely driven by falling interest rates in H1 2010, which, among other things, resulted in substantial unrealised capital gains on mortgage deeds.

Including losses and writedowns, the bank incurred a loss of DKK 172 million. In the same period of last year, the bank recorded a loss of DKK 997 million including losses and writedowns.

The unsatisfactory performance including losses and writedowns was primarily attributable to substantial credit losses and writedowns on mortgage deeds. Total writedowns amounted to DKK 286 million in H1 2010, of which DKK 167 million was written down in the second quarter.

Accordingly, the overall performance was positively affected by higher net interest and fee income and adversely affected by losses and writedowns.

Net interest and fee income

Net interest and fee income for H1 2010 amounted to DKK 350 million, against DKK 299 million for the year-earlier period.

In Q2 2010, net interest and fee income totalled DKK 180 million, against DKK 170 million in Q1 2010. In Q2 2009, the net income amounted to DKK 153 million.

Interest income

The bank posted net interest income of DKK 260 million in H1 2010, compared with DKK 219 million in H1 2009.

In Q2 2010, net interest income amounted to DKK 136 million, which was an increase of DKK 12 million relative to Q1 2010 and DKK 22 million relative to Q2 2009.

The positive trend in net interest income was partly due to the lower level of interest rates on fixed-rate deposits prevailing from the beginning

of the year, and partly to investments in high-yielding bonds.

The banking group's interest margin rose from 1.9% in H1 2009 to 2.4% in the same period of 2010.

The bank remains focused on raising the interest margin on loans and advances, which, seen in isolation, will have a favourable effect on future net interest income.

Fee income

In H1 2010, net fee income amounted to DKK 90 million, which was an increase of DKK 10 million relative to H1 2009. The performance was satisfactory. Net fees for Q2 2010 were in line with Q1.

Value adjustments

Value adjustments in H1 2010 amounted to a loss of DKK 79 million, against a loss of DKK 2 million in H1 2009.

Overall value adjustments in H1 2010 were adversely affected by DKK 113 million in credit-related value adjustments of mortgage deeds. Excluding credit-related writedowns on mortgage deeds, the bank thus posted capital gains of DKK 34 million in H1 2010.

Interest-related value adjustments generated a gain of DKK 75 million in H1 2010, which was primarily attributable to the falling level of interest rates.

Equity-related value adjustments in H1 2010 amounted to a loss of DKK 40 million, against a gain of DKK 21 million in the year-earlier period.

The bank's equity portfolio is mainly composed of sector equities, while the trading portfolio of equities makes up only a limited amount. In connection with the winding up of distressed investment exposures, the bank acquired a number of non-marketable equities in Q1 2010 on which it recorded a large unrealised capital loss.

Foreign exchange adjustments amounted to a loss of DKK 1 million in H1 2010.

REPORT

Expenses

Costs for H1 2010 amounted to DKK 257 million, against DKK 263 million for the same period of last year. The lower cost level was attributable to the bank's new strategy and extensive focus on cost savings.

Other operating expenses

Other operating expenses amounted to DKK 42 million in H1 2010, against DKK 38 million in H1 2009. This item primarily related to the bank's expenses for the First Bank Package.

The bank's overall costs relating to the First Bank Package and the Private Contingency Association were DKK 43 million in H1 2010. Total costs in the amount of DKK 40 million were recognised under other operating expenses and DKK 3 million under writedowns on loans, advances and receivables etc.

Impairment of loans, etc.

The bank's losses and writedowns amounted to DKK 173 million in H1 2010. Losses and writedowns amounted to DKK 103 million in Q2 2010, against DKK 70 million in Q1 2010.

In addition, the bank incurred credit losses and writedowns on its mortgage deed portfolio of DKK 113 million in H1 2010, of which DKK 64 million was attributable to Q2 2010. These losses and writedowns were recognised under value adjustments.

Total losses and writedowns on loans and advances, including credit-related losses and writedowns on mortgage deeds, thus amounted to DKK 286 million in H1 2010.

Realised losses accounted for DKK 60 million of the total losses and writedowns of DKK 286 million. In addition, losses in the amount of DKK 182 million were realised, but since provisions have previously been made to cover these losses, they will have no impact on operations in 2010.

The bank's accumulated writedowns were increased from 10.0% of the bank's loans, advances and guarantees at 31 December 2009 to 10.9% at 30 June 2010.

The bank's lending portfolio and losses and writedowns are described in detail under "Lending portfolio".

Balance sheet

Loans and advances

The bank's loans and advances amounted to DKK 14.3 billion at 30 June 2010, which was DKK 0.7 billion lower than at 31 December 2009.

The bank expects to continue to reduce its total loans and advances going forward. The strategy for the bank is to restrict the future risk exposure and to ensure maximum exploitation of synergies in relation to the Alm. Brand Group's other activities.

Debt to credit institutions

The bank's debt to credit institutions amounted to DKK 6.3 billion at 30 June 2010, which was DKK 4.8 billion lower than at 31 December 2009.

Issued bonds

At 30 June 2010, issued bonds totalled DKK 6.0 billion, against DKK 1.3 billion at 30 June 2009.

Deposits

The bank's deposits stood at DKK 10.2 billion at 30 June 2010, against DKK 11.1 billion at 31 December 2009. This fall was primarily attributable to a decline in fixed-rate deposits as a result of declining interest rates.

Capital

The banking group's equity stood at DKK 1.5 billion at 30 June 2010, whereas the capital base totalled DKK 2.4 billion.

Risk-weighted items in the banking group totalled DKK 16.2 billion at 30 June 2010. The solvency ratio was thus 14.9, and the tier 1 capital ratio was 12.3.

REPORT

Major events

Government-guaranteed bonds

The bank completed a DKK 6 billion bond issue under the individual government guarantee at 30 June 2010. The bonds were issued as bullet loans with a maturity of three years.

The bond issue consists of two individual issues of DKK 4 billion and DKK 2 billion, respectively. The bank has the option of wholly or partly redeeming the DKK 2 billion issue prematurely in 2011 and 2012 at par.

In consideration of the guarantee provision, the bank is required to pay guarantee commission to the Danish State as from 1 October 2010.

Lending Focus

An important element of the Bank's strategy is to remain focused on lending. This means that the bank is focused on servicing its existing customers.

At the end of the first quarter of 2010, the bank launched the part of the *Lending Focus* concept which is aimed at proactively following up on the bank's mortgage deed debtors.

Mortgage deed debtors are offered advice on their financial situation and alternative sources of finance. Experience shows that such advice in many cases improves the debtors' ability to repay their debts and thus minimises the risk of future losses to the bank.

If the bank is able to offer a home loan based on the debtor's financial situation, the mortgage deeds will be redeemed with a view to converting all of the debtor's mortgage credit debt and home

loan debt with the bank. Otherwise, the mortgage deed will continue unchanged.

Initially, the bank will focus on mortgage debtors in arrears, but, in the longer term, the plan is to offer advice to all mortgage deed debtors. The new concept is expected to become an important element in the phasing out of the bank's mortgage deed activities.

In addition to proactively following up on mortgage deed debtors, the bank's lending focus aims to reduce total loans and advances in selected segments in accordance with the bank's strategy. This will take place through dedicated efforts targeting delinquent and weak exposures.

Outlook

The bank upgrades its full-year guidance by DKK 80 million to a profit of around DKK 140 million before tax and before losses and writedowns.

The bank's operating activities outperformed expectations in H1 2010, primarily due to falling interest rates. However, the bond issue completed under the individual government guarantee will increase funding costs for the remainder of 2010.

Over the next two and a half years, until end-2012, the bank expects to post additional losses and writedowns of slightly more than DKK 1.0 billion.

The amount of losses and writedowns on loans and advances and credit-related losses on mortgage deeds is subject to considerable uncertainty and depends on general economic developments.

Disclaimer

The forecasts are based on the level of interest rates prevailing at medio-August 2010. All forward-looking statements are based exclusively on the information available when this interim report was released.

The actual performance may be affected by major changes in a number of factors. Such impacts include changes in conditions in the financial market, legislative changes, changes in the competitive environment, loans and advances, etc. and guarantees, etc.

The above-mentioned risk factors are not exhaustive. Investors and others who base their decisions on the information contained in this report should independently consider any uncertainties of significance to their decision.

This interim report has been translated from Danish into English. In the event of any discrepancy between the Danish text and the English-language translation, the Danish text shall prevail.

LENDING PORTFOLIO

The bank's total writedowns and losses on the lending and guarantee portfolio amounted to an expense of DKK 286 million in H1 2010. Realised losses accounted for DKK 60 million of the total losses and writedowns of DKK 286 million.

In addition, losses in the amount of DKK 182 million were realised, but since provisions have

previously been made to cover these losses, they will have no impact on operations in 2010.

The total losses and writedowns of DKK 286 million in H1 2010 equalled 2.0% p.a. of the average lending portfolio.

DKKkm	Loans		Share of portfolio (%)	Total loss and writedowns				Prorata
	31.12.2009	30.06.2010		1H 2009	1Q 2010	2Q 2010	1H 2010	H1 2010 Loss ratio *)
Segments								
Retail lending	3,356	3,298	23.1%	14	18	-18	0	0.0%
Car finance	994	798	5.6%	17	5	0	5	0.6%
Agriculture	1,125	1,202	8.4%	63	6	9	15	1.3%
Other commercial lending	1,023	1,102	7.7%	23	6	21	27	2.5%
Lending to subsidiaries **)	3,756	2,896	20.3%	204	73	120	193	5.8%
Security financing	1,345	770	5.4%	0	0	0	0	0.0%
Investment properties	1,791	1,685	11.8%	382	-42	-43	-85	-4.9%
Residential mortgage deeds	856	1,489	10.4%	24	32	35	67	5.7%
Commercial mortgage deeds	263	451	3.2%	36	17	29	46	12.9%
Property developments projects	515	565	4.0%	296	4	11	15	2.8%
The Private Contingency Committee	-	-	-	4	0	3	3	-
Total	15,024	14,256	100%	1,063	119	167	286	2.0%

*) Losses and writedowns as a percentage of the average portfolio in H1 2010. The percentage is not comparable with the impairment ratio in the bank's financial highlights and key ratios.

**) Alm. Brand Formue A/S and Alm. Brand Pantebreve A/S.

The table shows a pro rata consolidated segment-by-segment breakdown of the bank's lending portfolio. The loss and impairment ratio is calculated relative to average lending during the period. The performance of the individual lending segments in the first half of 2010 is discussed in the following sections.

Lending to private customers

The portfolio is well diversified geographically across Denmark. Total loans and advances to private customers declined by DKK 58 million in H1 2010.

The loss and impairment ratio was 0% for loans and advances to private customers in H1 2010 as a result of a slight increase in collective impairment charges, realised losses and a reversal of individual writedowns.

Car finance

The car finance portfolio is mainly anchored in the subsidiary Alm. Brand Leasing A/S. The bank offers car loans through the bank's own branches. As a result of the stop to financing through car dealers, the portfolio has declined.

The number of customers in arrears showed a falling trend throughout 2009. The delinquency rate, which was at the lowest seasonally-adjusted level in three years at 31 December 2009, continued to decline in the first six months of 2010.

Losses and writedowns totalled 0.6% in H1 2010. The losses and writedowns were primarily attributable to the winding up of defaulting agreements combined with a sustained low level of used car prices.

LENDING PORTFOLIO

Agriculture

The bank has built up its agricultural portfolio since 2002.

Due to the difficult economic conditions for the agricultural industry, the bank currently does not extend loans to new customers and no new customer relationships have been established since end-2008.

In H1 2010, the bank has recognised losses and writedowns in the amount of DKK 15 million, equivalent to 1.3%.

Other commercial lending

The portfolio consists in part of loans to small businesses typically anchored in Alm. Brand Bank's branches and in part of syndicated loans to medium-sized Danish businesses. In addition, the portfolio consists of commercial car and equipment leases established with Alm. Brand Leasing.

The bank's losses and writedowns totalled DKK 27 million in H1 2010, equivalent to 2.5%. Small and medium-sized businesses are severely affected by the changed economic conditions. No new loans are extended to this segment.

Loans to subsidiaries

These loans have been granted to the bank's partly-owned listed subsidiaries and reflect the share of the bank's lending attributable to minority interests.

At 30 June 2010, minority interests had 57% ownership of Alm. Brand Formue A/S, which was unchanged compared with 31 December 2009. At 30 June 2010, minority interests had 41% ownership of Alm. Brand Pantebreve A/S, down from 78% at 31 December 2009. This change was the key explanation for the decline in loans to subsidiaries from DKK 1,345 million at 31 December 2009 to DKK 770 million at 30 June 2010.

Alm. Brand Pantebreve is marked by adverse property market developments and recorded substantial losses and credit-related value adjustments in H1 2010, while Alm. Brand Formue generated much more satisfactory results in H1 2010. The bank has secured the necessary operating credits for Alm. Brand Pantebreve until 28 February 2011.

No losses were incurred or impairment writedowns made in this segment. For further information, see the companies' financial statements, which are posted at www.pantebreve.almbrand.dk and www.formue.almbrand.dk.

Security financing

This portfolio consists of investment commitments secured against mortgage deeds as well as shares and bonds.

Mortgage deed exposures represent approximately 75% of this portfolio. Measured in terms of market value, commercial mortgage deeds represent slightly more than 25% of the mortgage deed portfolio. All mortgage deeds in arrears are measured individually, and mortgaged shares listed on recognised stock exchanges are measured at their fair value.

In H1 2010, the bank recognised losses and writedowns on exposures that were showing signs of weakness. This resulted in losses and writedowns of DKK 193 million, equivalent to an impairment ratio of 5.8. The losses and writedowns were attributable to mortgage deed debtors defaulting on their loans and to a declining excess cover on the exposures as a result of price falls on securities.

An amount of DKK 860 million was wound up on the portfolio in H1 2010. These commitments were mainly transferred to the residential and commercial mortgage deed segments. No new loans will be granted for mortgage deed investments.

Investment properties

The portfolio comprises lending to investment properties, primarily within retail trade and rentals. Danish properties make up some 75% of the portfolio, while the remaining 25% is made up of German properties with Danish debtors. The future strategy does not include investment property funding.

The bank reversed writedowns in the amount of DKK 85 million in H1 2010, most of which was attributable to reversed writedowns regarding a few large exposures.

LENDING PORTFOLIO

Residential mortgage deeds

This segment represents the bank's portfolio of mortgage deeds secured primarily against single-family houses, commonhold flats and summer houses. The properties are located all over Denmark. The bank does not issue new mortgage deeds. Accordingly, this portfolio is being wound up, but new mortgage deeds may be added, if the bank increases its ownership interest in Alm. Brand Pantebreve, or if the bank winds up an investment facility whose collateral security consists wholly or partly of mortgage deeds.

The portfolio is marked to market on a current basis using a cash flow-based pricing model, which considers factors such as estimated early redemptions and credit losses. Individual writedowns are taken on all mortgages in arrears or showing characteristic signs of weakness.

Losses and writedowns amounted to DKK 67 million in H1 2010, corresponding to an impairment ratio of 5.7 of total loans and advances.

Commercial mortgage deeds

This segment comprises the bank's portfolio of commercial mortgage deeds. The portfolio has grown by around 70% since end-2009, partly due to the bank increasing its ownership interest in Alm. Brand Pantebreve and partly due to the bank winding up a number of investment exposures that were wholly or partly secured against mortgage deeds.

The portfolio consists of commercial mortgage deeds secured against three types of property: residential rental property, commercial property for office, trade and industrial use as well as land and mixed residential/commercial property. Each asset type accounts for approximately one third of the overall portfolio. With the takeover of

commercial mortgage deeds from wound-up investment exposures, the composition of the portfolio has changed.

The bank no longer participates in the market for commercial mortgage deeds. Accordingly, this portfolio is being wound up, but new mortgage deeds may be added, if the bank increases its ownership interest in Alm. Brand Pantebreve, or if the bank winds up an investment facility whose collateral security consists wholly or partly of mortgage deeds.

In H1 2010, losses and writedowns amounted to DKK 46 million, equivalent to 12.9%.

Property development projects

The portfolio consists of a limited number of property development projects. Financing of property projects is not a part of the bank's strategy for the future and the bank therefore does not participate in the financing of new property projects. However, the bank will finance the completion of ongoing projects pursuant to agreements already made.

The increase in lending from 31 December 2009 to 30 June 2010 was due to existing exposures, which were largely in line with the previously accepted, agreed and expected budgets.

The bank's loans and advances to this segment are expected to increase in 2010. When the projects have been completed, the loans and advances are expected to decline significantly.

The Private Contingency Association / Finansiel Stabilitet A/S

In H1 2010, provisions in the amount of DKK 3 million were made for losses on the guarantee provided vis-à-vis Finansiel Stabilitet A/S.

STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

The Board of Directors and the Management Board have today considered and adopted the interim report for the six months ended 30 June 2010 of Alm. Brand Bank A/S.

The consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the EU, and the interim financial statements of the parent company have been prepared in accordance with the Danish Financial Business Act and Danish accounting standards. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for 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 and liabilities and financial position at 30 June 2010 and of the results of the group's and the parent company's operations and the cash flow of the group for the financial period ended 30 June 2010.

The management's review also gives a true and fair view of developments in the activities and financial position of the group.

MANAGEMENT BOARD

Copenhagen, 26 August 2010

Ole Joachim Jensen
Chief Executive Officer

Bo Chr. Alberg
Managing Director

Ulla Heurlin
Managing Director

BOARD OF DIRECTORS

Copenhagen, 26 August 2010

Jørgen Hesselbjerg Mikkelsen
Chairman

Boris N. Kjeldsen
Deputy Chairman

Arne Nielsen

Søren Boe Mortensen

Christian Bundgaard

Jesper Christiansen

INCOME STATEMENT

Parent company

DKK '000	Note	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Interest receivable	1	216,594	264,107	430,224	570,612	1,031,767
Interest payable	2	90,545	159,492	191,044	373,616	627,717
Net interest income		126,049	104,615	239,180	196,996	404,050
Dividend on participating interests		7,164	3,180	7,176	3,342	4,383
Fees and commissions receivable		43,182	43,831	96,823	90,487	175,174
Fees and commissions payable		9,389	10,305	19,167	17,785	43,564
Net interest and fee income		167,006	141,321	324,012	273,040	540,043
Value adjustments	3	-43,285	-36,806	-65,101	-12,604	-176,103
Other operating income		2,037	1,688	4,311	4,360	7,436
Profit before expenses		125,758	106,203	263,222	264,796	371,376
Staff costs and administrative expenses	4	122,101	115,532	234,005	235,259	498,838
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		437	478	899	993	103,568
Other ordinary expenses		21,061	19,780	41,319	37,135	80,006
Impairment of loans, advances and receivables, etc.	5	101,215	920,974	164,223	977,871	1,409,980
Profit from participating interests in associated and group undertakings		-5,949	6,311	5,869	-5,236	-27,719
Profit before tax		-125,005	-944,250	-171,355	-991,698	-1,748,735
Tax		-53,749	-224,196	-64,416	-241,640	-424,212
Profit for the period		-71,256	-720,054	-106,939	-750,058	-1,324,523

INCOME STATEMENT

Group

DKK '000	Note	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Interest receivable	1	233,125	283,887	465,726	612,868	1,114,286
Interest payable	2	92,720	163,295	195,482	382,799	643,151
Net interest income		140,405	120,592	270,244	230,069	471,135
Dividend on participating interests		9,299	5,021	12,743	6,285	10,020
Fees and commissions receivable		43,035	43,990	97,036	90,834	174,851
Fees and commissions payable		9,462	10,772	19,241	19,000	45,136
Net interest and fee income		183,277	158,831	360,782	308,188	610,870
Value adjustments	3	-71,029	-8,119	-83,562	-1,766	-256,954
Other operating income		5,043	7,053	9,898	10,367	17,067
Profit before expenses		117,291	157,765	287,118	316,789	370,983
Staff costs and administrative expenses	4	133,528	129,097	256,452	263,286	557,826
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		2,370	4,655	4,706	5,170	111,210
Other ordinary expenses		22,194	19,967	43,296	37,960	81,484
Impairment of loans, advances and receivables, etc.	5	103,505	937,655	173,402	1,002,614	1,451,210
Profit from participating interests in associated and group undertakings		9,639	-111	19,661	-295	1,153
Profit before tax		-134,667	-933,720	-171,077	-992,536	-1,829,594
Tax		-53,126	-227,829	-64,580	-246,254	-433,318
Profit for the period		-81,541	-705,891	-106,497	-746,282	-1,396,276
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-81,541	-705,891	-106,497	-746,282	-1,396,276
PROFIT/LOSS ALLOCATION						
Share attributable to Alm. Brand Bank		-71,256	-720,054	-106,939	-750,058	-1,324,523
Share attributable to minority interests		-10,285	14,163	442	3,776	-71,753
Transferred to Total shareholders' equity		-81,541	-705,891	-106,497	-746,282	-1,396,276

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		30.06.2010	30.06.2009	31.12.2009	30.06.2010	30.06.2009	31.12.2009
ASSETS							
Cash in hand and receivables at call from central banks		26,437	27,770	33,842	26,437	27,770	33,842
Receivables from credit institutions and central banks		2,377,250	1,791,653	845,706	2,377,249	1,791,653	845,706
Loans, advances and other receivables at fair value		1,144,769	963,608	789,766	2,502,619	2,626,899	2,262,267
Loans, advances and other receivables at amortised cost	6	13,164,265	14,600,477	14,279,523	11,546,468	13,141,439	12,560,655
Bonds at fair value		7,267,899	5,893,997	8,094,558	7,903,588	6,272,595	8,744,262
Shares etc.		288,598	234,535	246,337	581,492	462,849	523,906
Participating interests in associated undertakings		35,403	27,478	29,413	35,403	27,478	29,413
Participating interests in group undertakings		390,795	395,972	371,688	-	70	-
Intangible assets		-	94,597	-	-	94,597	-
Other property, plant and equipment		9,168	10,765	9,910	47,368	53,347	48,141
Current tax assets		143,150	128,628	107,728	119,703	166,826	91,953
Deferred tax assets		345,539	212,965	316,544	444,312	282,800	406,839
Assets held temporarily		65,272	122,473	45,281	104,800	156,276	85,833
Other assets		674,402	1,394,060	858,791	694,261	1,424,071	897,348
Prepayments		10,375	13,990	9,115	10,382	14,008	9,130
Total assets		25,943,322	25,912,968	26,038,202	26,394,082	26,542,678	26,539,295

BALANCE SHEET

DKK '000	Note	Parent company			Group		
		30.06.2010	30.06.2009	31.12.2009	30.06.2010	30.06.2009	31.12.2009
LIABILITIES AND EQUITY							
Payables							
Payables to credit institutions and central banks		6,212,327	8,992,195	11,069,496	6,448,552	9,297,821	11,305,721
Deposits and other payables		10,178,870	12,391,913	11,103,201	10,162,513	12,390,923	11,095,923
Issued bonds		6,000,000	1,239,517	-	6,000,000	1,239,517	-
Liabilities temporarily acquired		31,215	117,165	28,727	43,366	125,919	37,471
Other liabilities		756,470	1,626,898	968,352	780,345	1,640,649	1,004,430
Deferred income		2,771	3,431	3,184	2,771	3,430	3,184
Total payables		23,181,653	24,371,119	23,172,960	23,437,547	24,698,259	23,446,729
Provisions							
Provisions for pensions and similar liabilities		2,671	4,111	2,671	2,671	4,111	2,671
Provisions for losses on guarantees		65,789	120,392	64,681	65,789	120,392	64,681
Total provisions		68,460	124,503	67,352	68,460	124,503	67,352
Subordinated debt							
Supplementary capital	7	399,960	750,000	399,915	399,960	750,000	399,915
Hybrid tier 1 capital	7	1,037,985	180,678	1,035,772	1,037,985	180,678	1,035,772
Total subordinated debt		1,437,945	930,678	1,435,687	1,437,945	930,678	1,435,687
Shareholders' equity							
Share capital	8	1,021,000	651,000	1,021,000	1,021,000	651,000	1,021,000
Other reserves		74,449	103,321	74,449	-	-	-
Retained earnings		159,815	-267,653	266,754	234,264	-164,332	341,203
Minority interests		-	-	-	194,866	302,570	227,324
Total shareholders' equity		1,255,264	486,668	1,362,203	1,450,130	789,238	1,589,527
Total liabilities and equity		25,943,322	25,912,968	26,038,202	26,394,082	26,542,678	26,539,295

STATEMENT OF CHANGES IN EQUITY

DKK '000	Parent company				Group	
	Share capital	Other reserves	Retained earnings	Total	Minority interests	Total
Shareholders' equity at 1 January 2009	351,000	153,321	432,405	936,726	299,842	1,236,568
Equity movements in H1 2009						
Dividend subsidiaries		-50,000	50,000	-		-
Other change in respect of subsidiaries				-	-1,048	-1,048
Profit/loss for the period		-	-750,058	-750,058	3,776	-746,282
Comprehensive income in H1 2009	-	-50,000	-700,058	-750,058	2,728	-747,330
Capital increases	300,000			300,000		300,000
Dividend paid			-	-		-
Total equity movements in H1 2009	300,000	-50,000	-700,058	-450,058	2,728	-447,330
Shareholders' equity at 30 June 2009	651,000	103,321	-267,653	486,668	302,570	789,238
Shareholders' equity at 1 January 2009	351,000	153,321	432,405	936,726	299,842	1,236,568
Equity movements in 2009						
Dividend subsidiaries		-50,000	50,000	-		-
Other change in respect of subsidiaries				-	-765	-765
Profit/loss for the year		-28,872	-1,295,651	-1,324,523	-71,753	-1,396,276
Comprehensive income 2009	-	-78,872	-1,245,651	-1,324,523	-72,518	-1,397,041
Capital increases	670,000		1,080,000	1,750,000		1,750,000
Dividend paid			-	-		-
Total changes in equity in 2009	670,000	-78,872	-165,651	425,477	-72,518	352,959
Shareholders' equity at 31 December 2009	1,021,000	74,449	266,754	1,362,203	227,324	1,589,527
Shareholders' equity at 1 January 2010	1,021,000	74,449	266,754	1,362,203	227,324	1,589,527
Equity movements in 2010						
Other change in respect of subsidiaries				-	-32,900	-32,900
Profit for the period		-	-106,939	-106,939	442	-106,497
Comprehensive income in H1 2010	-	-	-106,939	-106,939	-32,458	-139,397
Dividend paid			-	-		-
Total equity movements in H1 2010	-	-	-106,939	-106,939	-32,458	-139,397
Shareholders' equity at 30 June 2010	1,021,000	74,449	159,815	1,255,264	194,866	1,450,130

CASH FLOW STATEMENT**Group**

DKK '000	H1 2010	H1 2009	Year 2009
Operating activities			
Profit for the period before tax	-171,077	-992,536	-1,829,594
Tax paid during the period	-643	-494	137,782
Adjustment for amounts with no cash flow impact:			
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	4,706	5,171	115,614
Impairment of loans, advances and receivables, etc.	172,275	990,948	1,411,454
Other adjustments to cash flows from operating activities	83,467	2,267	366,953
Total, operating activities	88,728	5,355	202,209
Working capital			
Loans and advances	569,123	551,412	812,192
Deposits	-933,410	1,249,590	-45,409
Bonds	743,143	-2,767,964	-5,498,118
Shares	-82,339	56,842	52,490
Total, working capital	296,517	-910,120	-4,678,845
Investing activities			
Investments in associates	-	-	-
Investments in group enterprises	-	-1,005	73
Intangible assets	-	-6,455	-13,512
Property, plant and equipment	-3,932	-46,322	-2,202
Total, investing activities	-3,932	-53,782	-15,641
Financing activities			
Net proceeds from capital increase	-	-	1,200,000
Payables to credit institutions	-4,857,175	711,754	2,719,618
Bonds issued	6,000,000	-	-1,367,432
Supplementary capital	-	-	753,423
Total, financing activities	1,142,825	711,754	3,305,609
Change in cash and cash equivalents	1,524,138	-246,793	-1,186,668
Cash and cash equivalents, beginning of year	879,548	2,066,216	2,066,216
Change in cash and cash equivalents	1,524,138	-246,793	-1,186,668
Cash and cash equivalents, end of period	2,403,686	1,819,423	879,548
Cash and cash equivalents, end of period			
Cash in hand and balances at call with central banks	26,437	27,770	33,842
Balances due from credit institutions less than 3 months	2,377,249	1,791,653	845,706
Cash and cash equivalents, end of period	2,403,686	1,819,423	879,548

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 1 Interest receivable						
Balances due from credit institutions and central banks	3,294	24,973	32,694	3,294	24,973	32,694
Loans, advances and other receivables	345,529	490,231	864,351	364,881	516,840	917,726
Bonds	114,097	86,418	205,885	130,041	98,657	231,016
Total derivatives	-32,696	-35,184	-75,337	-32,491	-32,133	-71,852
Of which:						
Foreign exchange contracts	6,598	23,254	34,962	6,803	26,305	38,447
Interest rate contracts	-39,294	-58,438	-110,299	-39,294	-58,438	-110,299
Other interest income	-	4,174	4,174	1	4,531	4,702
Total interest receivable	430,224	570,612	1,031,767	465,726	612,868	1,114,286
Interest receivable from genuine purchase and resale transactions:						
Balances due from credit institutions and central banks	189	347	1,032	189	347	1,032
Loans, advances and other receivables	208	3,668	4,418	208	3,668	4,418
NOTE 2 Interest payable						
Credit institutions and central banks	43,277	97,603	151,038	47,509	106,812	165,965
Deposits and other payables	89,321	216,453	364,753	89,319	216,426	364,680
Bonds issued	-	22,863	29,882	-	22,863	29,882
Total subordinated debt	57,836	36,179	80,994	57,836	36,179	80,994
Other interest expenses	610	518	1,050	818	519	1,630
Total interest payable	191,044	373,616	627,717	195,482	382,799	643,151
Interest payable on genuine sale and repurchase transactions:						
Payables to credit institutions and central banks	2,841	3,751	8,768	2,841	3,751	8,768
Deposits and other payables	5	14	14	5	14	14
NOTE 3 Value adjustments						
Loans, advances and other receivables at fair value	-38,328	-74,778	-211,442	-83,323	-116,299	-384,158
Bonds	28,830	66,753	43,194	38,674	75,187	47,126
Shares, etc.	-25,626	16,045	23,205	-13,445	51,760	104,946
Foreign currency	-2,633	-3,753	-12,468	1,282	5,073	-6,071
Total derivatives	-27,344	-16,871	-20,032	-26,750	-17,487	-20,237
Other liabilities	-	-	1,440	-	-	1,440
Total value adjustments	-65,101	-12,604	-176,103	-83,562	-1,766	-256,954

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 4 Staff costs and administrative expenses						
Remuneration to the Management Board and Board of Directors:						
Remuneration to the Management Board:						
Salaries and wages	2,588	1,943	12,479	2,588	1,943	12,479
Pensions	470	357	1,660	470	357	1,660
Total remuneration to the Management Board	3,058	2,300	14,139	3,058	2,300	14,139
Remuneration to the Board of Directors:						
Fees	150	212	363	150	212	363
Total remuneration to the Management Board and Board of Directors	3,208	2,512	14,502	3,208	2,512	14,502
Staff costs:						
Salaries and wages	97,441	103,806	219,829	98,001	104,449	221,076
Pensions	10,124	10,638	22,073	10,160	10,675	22,148
Social security costs	9,622	10,695	21,889	9,657	10,731	21,962
Total staff costs	117,187	125,139	263,791	117,818	125,855	265,186
Other administrative expenses	113,610	107,608	220,545	135,426	134,919	278,138
Total staff costs and administrative expenses	234,005	235,259	498,838	256,452	263,286	557,826
Number of employees						
Average number of employees during the financial year, full-time equivalents						
	355	365	365	356	366	366

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 5 Impairment of loans, advances and receivables, etc.						
Individual assessment:						
Impairment and value adjustments, respectively, during the year	399,676	983,318	1,382,269	413,621	1,011,404	1,408,021
Reversal of impairment in previous years	232,190	24,243	15,511	241,991	31,918	19,979
Total individual assessment	167,486	959,075	1,366,758	171,630	979,486	1,388,042
Group assessment:						
Impairment and value adjustments, respectively, during the year	22,763	27,618	46,004	27,143	33,757	51,171
Reversal of impairment in previous years	21,763	4,089	4,524	26,643	13,850	12,312
Total group assessment	1,000	23,529	41,480	500	19,907	38,859
Losses not previously provided for	10,896	4,932	29,967	16,829	14,148	53,743
Bad debts recovered	15,160	9,665	28,225	15,556	10,927	29,434
Total impairment of loans, advances and receivables, etc., end of period	164,223	977,871	1,409,980	173,402	1,002,614	1,451,210
NOTE 6 Loans, advances and other receivables at amortised cost						
Loans and advances	15,013,159	15,875,546	16,032,815	13,173,171	14,018,996	14,049,353
Leases	-	-	-	252,906	432,949	308,042
Total before impairment, etc.	15,013,159	15,875,546	16,032,815	13,426,077	14,451,945	14,357,395
Impairment, etc.	1,848,894	1,275,069	1,753,292	1,879,609	1,310,506	1,796,740
Loans, advances and other receivables at amortised cost, end of period	13,164,265	14,600,477	14,279,523	11,546,468	13,141,439	12,560,655

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 7 Subordinated debts						
Supplementary capital:						
Floating rate bullet loans in DKK maturing 9 May 2012	-	100,000	-	-	100,000	-
Floating rate bullet loans in DKK maturing 9 May 2013	100,000	100,000	99,979	100,000	100,000	99,979
Floating rate bullet loans in DKK maturing 9 May 2014	99,960	100,000	99,936	99,960	100,000	99,936
Floating rate bullet loans in DKK maturing 3 December 2015	200,000	200,000	200,000	200,000	200,000	200,000
Floating rate bullet loans in DKK maturing 19 December 2016	-	250,000	-	-	250,000	-
Supplementary capital, end of period	399,960	750,000	399,915	399,960	750,000	399,915
Hybrid Tier 1 capital:						
Fixed rate bullet loans in DKK with indefinite terms	175,000	175,000	175,000	175,000	175,000	175,000
State-funded capital injection, bullet loan in DKK with an indefinite term	853,816	-	853,561	853,816	-	853,561
Hedging of interest rate risk at fair value	9,169	5,678	7,211	9,169	5,678	7,211
Hybrid Tier 1 capital, end of period	1,037,985	180,678	1,035,772	1,037,985	180,678	1,035,772
Subordinated debt, end of period	1,437,945	930,678	1,435,687	1,437,945	930,678	1,435,687
Interest on subordinated debt	57,836	36,179	80,994	57,836	36,179	80,994
Of this, amortisation of costs incurred on raising the debt	300	720	1,358	300	720	1,358
Extraordinary instalments	-	300,000	550,000	-	300,000	550,000
Costs incurred in raising subordinated debt	-	-	2,577	-	-	2,577
NOTE 8 Share capital						
Unlisted share capital						
Nominal value at 1 January 2008	351,000	351,000	351,000	351,000	351,000	351,000
Capital increase April 2009	300,000	300,000	300,000	300,000	300,000	300,000
Capital increase September 2009	90,000	-	90,000	90,000	-	90,000
Capital increase November 2009	280,000	-	280,000	280,000	-	280,000
Nominal value, end of period	1,021,000	651,000	1,021,000	1,021,000	651,000	1,021,000

The share capital consists of 1.021,000 shares of DKK 1,000 nominal value and is paid up in full.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 9 Capital Base						
Shareholders' equity	1,255,264	486,668	1,362,203	1,450,130	789,238	1,589,527
Proposed dividends	-	-	-	-	-	-
Intangible assets	-	-94,597	-	-	-94,597	-
Deferred tax assets	-345,539	-212,965	-316,544	-444,312	-282,800	-406,839
Tier 1 capital after deductions	909,725	179,106	1,045,659	1,005,818	411,841	1,182,688
Hybrid Tier 1 capital	1,037,985	-	1,035,772	1,037,985	175,000	1,035,772
Transferred to Supplementary capital (section 129 of the Danish Financial Business Act)	-128,260	-	-178,238	-43,199	-	-104,453
Tier 1 capital including hybrid Tier 1 capital after deduction	1,819,450	179,106	1,903,193	2,000,604	586,841	2,114,007
Supplementary capital	399,960	750,000	399,915	399,960	750,000	399,915
Transferred from Hybrid Tier 1 capital (section 129 of the Danish Financial Business Act)	128,260	-	178,238	43,199	-	104,453
25%-Reduction (section 136 of the Danish Financial Business Act)	-25,000	-	-	-25,000	-	-
100% limit	-	-570,894	-	-	-163,159	-
Capital base	2,322,670	358,212	2,481,346	2,418,763	1,173,682	2,618,375
Risk-weighted items:						
Weighted items involving credit risk	13,466,633	15,664,468	14,571,685	12,788,563	14,441,193	13,402,891
Weighted items involving market risk	2,008,063	1,040,766	1,441,006	2,726,138	1,638,084	2,242,983
Weighted items involving operational risk	896,646	970,700	896,646	714,584	852,120	714,584
Risk-weighted items, end of period	16,371,342	17,675,934	16,909,337	16,229,285	16,931,397	16,360,458
The solvency requirement represents 8% of the risk-weighted items	1,309,707	1,414,075	1,352,747	1,298,343	1,354,512	1,308,837

Core capital including hybrid Tier 1 capital and capital base is calculated in accordance with part 10 of the Danish Financial Business Act.

Including the capital injection of DKK 900 million made at the beginning of September 2009, the capital base of the parent company amounted to DKK 2,004 million and the consolidated capital base amounted to DKK 2,237 million at 30 June 2009.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company			Group		
	H1 2010	H1 2009	Year 2009	H1 2010	H1 2009	Year 2009
NOTE 10 Off-balance sheet items						
Contingent liabilities:						
Financial guarantees	893,395	1,215,506	942,172	893,395	1,215,506	942,172
Loss guarantees for mortgage loans	326,040	321,660	315,561	326,040	321,660	315,561
Other contingent liabilities	426,774	423,331	476,723	426,774	423,331	476,723
Contingent liabilities, end of period	1,646,209	1,960,497	1,734,456	1,646,209	1,960,497	1,734,456
Other commitments:						
Irrevocable loan commitments	60,000	185,000	135,000	60,000	185,000	135,000
Other miscellaneous commitments	17,534	15,308	18,695	17,534	15,308	18,695
Other commitments, end of period	77,534	200,308	153,695	77,534	200,308	153,695
Off-balance sheet items, end of period	1,723,743	2,160,805	1,888,151	1,723,743	2,160,805	1,888,151

Other contingent liabilities

Alm. Brand Bank A/S is jointly and severally liable with the other jointly taxed and jointly registered group companies for the total tax liability of these companies for income years up till 2004. As from 2005, Alm. Brand Bank A/S is only jointly and severally liable for the indirect tax liability.

Being an active financial services group, the group is a party to a number of lawsuits. The cases are reviewed on an ongoing basis, and the necessary provisions are made. Management believes that these cases will not inflict further losses on the group.

Collateral security

Monetary-policy counterparties with Danmarks Nationalbank can obtain credit only against security through the pledging of approved securities.

As part of the ongoing business, at end Q2 2010 the bank provided bonds as security vis-à-vis Danmarks Nationalbank at a market value of DKK 1,729 million (Q2 2009: DKK 1,567 million).

As collateral for positive and negative fair values of derivative financial instruments, respectively, cash in the amount of DKK 2 million was received and cash in the amount of DKK 329 million was paid at Q2 2010 (Q2 2009: DKK 0 million and DKK 375 million).

NOTES TO THE FINANCIAL STATEMENTS

DKK '000								Group
	Private, Com- mercial & Agriculture	Markets & Asset Ma- nagement	Staff functions	Alm. Brand Leasing	Alm. Brand Pantebreve	Alm. Brand Formue	Other/ Elimina- tions	Alm. Brand Bank Group
NOTE 11 Segment information								
Interest receivable	369,469	5,161	196,129	30,518	49,952	16,148	-201,651	465,726
Interest payable	218,333	2,487	162,073	17,168	37,325	11,061	-252,965	195,482
Net interest income	151,136	2,674	34,056	13,350	12,627	5,087	51,314	270,244
Net fee and commission income, etc.	23,902	39,944	20,987	5,298	-2,367	2,774	0	90,538
Value adjustments	-23,772	52,425	-93,755	-	-49,256	30,796	0	-83,562
Other operating income	230	2,092	1,988	4,810	778	-	0	9,898
Profit/loss on ordinary activities before expenses (Net income)	151,496	97,135	-36,724	23,458	-38,218	38,657	51,314	287,118
Operating expenses	90,438	41,559	52,036	17,504	6,278	2,472	50,871	261,158
Other operating expenses	-	-	41,319	-	1,977	-	0	43,296
Impairment of loans, advances and receivables, etc.	108,048	-	56,175	9,179	-	-	0	173,402
Profit/loss on participating interests	-	114	5,755	-	-	-	13,792	19,661
Profit/loss on activities before tax	-46,990	55,690	-180,499	-3,225	-46,473	36,185	14,235	-171,077

The group's business segments are the business areas according to which the organisation, in-house financial management and reporting are based. As a result of the bank's new strategy, the business segments were changed with effect from 31 December 2009, and the Q2 2010 reporting reflects the new organisation.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000							Group
	Retail banking	Wholesale banking	Alm. Brand Finans	Alm. Brand Pantebreve	Alm. Brand Formue	Other/ Elimina- tions	H1 2009 Alm. Brand Bank Group
NOTE 11 Segment information - continued							
Interest receivable	382,940	458,969	48,591	61,929	12,066	-351,627	612,868
Interest payable	268,736	318,601	28,970	46,584	13,959	-294,051	382,799
Net interest income	114,204	140,368	19,621	15,345	-1,893	-57,576	230,069
Net fee and commission income, etc.	15,779	58,253	3,726	-2,572	921	2,012	78,119
Value adjustments	324	-2,661	-	-29,343	40,179	-10,265	-1,766
Other operating income	-	4,204	5,789	219	-	155	10,367
Profit/loss on ordinary activities before expenses (Net income)	130,307	200,164	29,136	-16,351	39,207	-65,674	316,789
Operating expenses	75,849	63,469	24,828	5,097	2,278	96,935	268,456
Other operating expenses	-	-	-	826	-	37,134	37,960
Impairment of loans, advances and receivables, etc.	93,947	883,924	24,743	-	-	-	1,002,614
Profit/loss on participating interests	-	241	-	-	-	-536	-295
Profit/loss on activities before tax	-39,489	-746,988	-20,435	-22,274	36,929	-200,279	-992,536

NOTES TO THE FINANCIAL STATEMENTS

Group

DKK '000	H1 2010	H1 2009	H1 2008	H1 2007	H1 2006
NOTE 12 Financial highlights and key ratios					
Net interest and fee income	360,782	308,188	335,725	305,591	264,943
Value adjustments	-83,562	-1,766	-283,609	22,690	-68,986
Staff costs and administrative expenses	256,452	263,286	281,256	260,351	202,881
Impairment of loans, advances and receivables, etc.	173,402	1,002,614	3,823	-41,757	-18,764
Profit/loss from investments in associates group enterprises	19,661	-295	5,838	-1,541	7,461
Profit for the year	-106,497	-746,282	-178,577	91,284	8,098
Loans and advances	14,049,087	15,768,338	17,607,854	15,822,930	11,506,746
Shareholders' equity	1,450,130	789,238	1,717,417	1,826,097	1,524,349
Total assets	26,394,082	26,542,678	25,899,758	23,757,322	18,456,063
Solvency ratio*	14.9	13.2	11.3	13.0	10.5
Tier 1 ratio*	12.3	8.8	8.8	10.1	8.4
Return on equity before tax (%)	-11.3	-107.9	-12.1	8.8	7.3
Return on equity after tax (%)	-7.0	-81.1	-9.8	6.0	5.0
Income/cost ratio	0.64	0.24	0.23	1.51	1.13
Interest rate risk (%)	1.1	24.9	4.9	10.9	20.1
Foreign exchange position (%)	5.9	34.4	8.3	27.7	10.8
Foreign exchange risk (%)	0.1	1.3	0.7	0.4	0.5
Loans and advances as a percentage of deposits (%)	156.7	137.9	150.4	159.7	115.8
Gearing of loans and advances	9.7	20.0	10.3	8.7	7.5
Annual growth in lending (%)	-5.2	-8.8	2.9	20.5	7.1
Excess cover relative to statutory liquidity requirement (%)	266.9	119.9	107.0	156.0	104.6
Total amount of large exposures (%)	81.5	450.9	262.9	147.5	210.0
Impairment ratio for the year	1.0	5.2	0.0	-0.2	-0.1

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

* Solvency and Tier 1 capital ratios at 30 June 2009 included the capital injection of DKK 900 million made at the beginning of September 2009.

NOTES TO THE FINANCIAL STATEMENTS

Parent company

DKK '000	H1 2010	H1 2009	H1 2008	H1 2007	H1 2006
NOTE 12 Financial highlights and key ratios - continued					
Net interest and fee income	324,012	273,040	291,556	265,194	215,480
Value adjustments	-65,101	-12,604	-73,766	26,045	25,165
Staff costs and administrative expenses	234,005	235,259	253,114	237,397	180,011
Impairment of loans, advances and receivables, etc.	164,223	977,871	15,234	-23,783	-10,189
Profit/loss from investments in associates group enterprises	5,869	-5,236	-50,051	31,701	9,604
Profit for the year	-106,939	-750,058	-78,086	75,726	55,546
Loans and advances	14,309,034	15,564,085	18,316,577	16,260,887	12,275,663
Shareholders' equity	1,255,264	486,668	1,286,571	1,292,386	1,144,684
Total assets	25,943,322	25,912,968	25,143,108	22,908,553	17,621,358
Solvency ratio*	14.2	11.3	9.8	10.4	9.4
Tier 1 ratio*	11.1	7.1	7.2	7.6	7.3
Return on equity before tax (%)	-13.1	-160.2	-7.4	8.8	7.3
Return on equity after tax (%)	-8.2	-121.2	-5.9	6.0	5.0
Income/cost ratio	0.61	0.21	0.64	1.51	1.48
Interest rate risk (%)	3.0	23.3	1.2	2.0	8.1
Foreign exchange position (%)	5.4	69.2	10.5	5.0	13.1
Foreign exchange risk (%)	0.1	1.4	0.1	0.0	0.0
Loans and advances as a percentage of deposits (%)	158.7	135.9	156.2	179.0	141.3
Gearing of loans and advances	11.4	32.0	14.2	12.6	12.5
Annual growth in lending (%)	-5.0	-8.4	-0.3	14.8	8.1
Excess cover relative to statutory liquidity requirement (%)	270.6	117.8	103.1	159.6	77.7
Impairment ratio for the year	0.9	5.2	0.1	-0.1	-0.1

Financial highlights and key ratios have been prepared in accordance with the Danish Financial Business Act.

* Solvency and Tier 1 capital ratios at 30 June 2009 included the capital injection of DKK 900 million made at the beginning of September 2009.

NOTE 13 Accounting policies group

The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting as approved by the EU. The parent company financial statements have been prepared in accordance with the provisions of the Danish Financial Business Act, including the Executive Order on financial reports presented by credit institutions and investment companies and Danish accounting standards.

In addition, the interim report has been prepared in accordance with additional Danish disclosure requirements for listed financial companies.

The accounting policies applied for the consolidated financial statements are unchanged from the policies applied for the Annual Report 2009.