



ALM. BRAND BANK A/S

INTERIM REPORT
- FIRST HALF OF 2007

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COMPANY INFORMATION

BOARD OF DIRECTORS

Christian N.B. Ulrich, Chairman
Jørgen Hesselbjerg Mikkelsen, Deputy Chairman
Christian Hjorth-Andersen
Søren Boe Mortensen
Ole Bach, elected by the employees
Mark Oswald, elected by the employees

AUDITOR

Deloitte, Statsautoriseret Revisionsaktieselskab

INTERNAL AUDIT

Poul-Erik Winther Nielsen, Chief Auditor

EXECUTIVE BOARD

Henrik Nordam, Chief Executive
Peter Reedtz, Managing Director

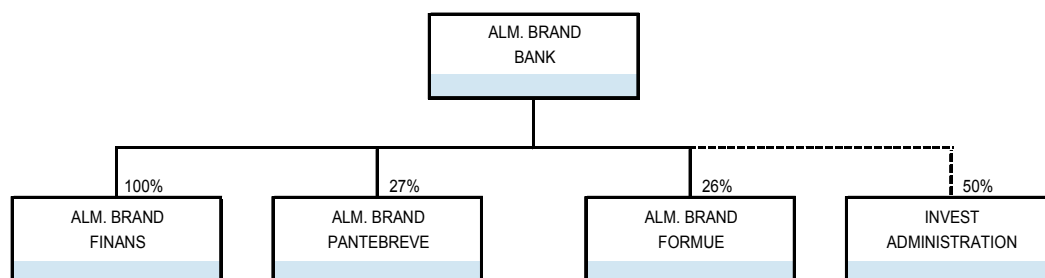
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REGISTRATION

Alm. Brand Bank A/S
Registration Number CVR 81 75 35 12

GROUP STRUCTURE



The bank has three subsidiaries:
Alm. Brand Finans A/S
Alm. Brand Pantebreve A/S
Alm. Brand Formue A/S

In addition, the bank acts as depositary bank for:
Investeringsforeningen Alm. Brand Invest

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.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK million	PRO RATA					GROUP				
	Q2 2007	Q2 2006	H1 2007	H1 2006	Year 2006	Q2 2007	Q2 2006	H1 2007	H1 2006	Year 2006
INCOME STATEMENT										
Interest receivable	294	185	561	355	787	301	191	574	368	823
Interest payable	198	100	373	185	449	202	102	380	191	464
Net interest income	96	85	188	170	338	99	89	194	177	359
Net fee and commission income and dividends etc.	48	43	109	83	155	49	45	111	89	157
Net interest and fee income	144	128	297	253	493	148	134	305	266	516
Value adjustments	-31	-9	25	-3	60	-44	-45	23	-69	75
Other operating income	3	4	6	7	10	3	2	6	6	10
Profit on ordinary activities before expenses	116	123	328	257	563	107	91	334	203	601
Operating expenses and depreciation	125	112	258	202	434	127	113	261	204	439
Write-downs of loans, advances and receivables etc.	-24	-15	-42	-19	-27	-24	-15	-42	-19	-27
Profit/loss on participating interests	0	4	-2	7	11	0	4	-2	7	11
Profit on activities before tax	15	30	110	81	167	4	-3	113	25	200
Tax	13	11	34	25	40	3	8	22	17	34
Profit for the period	2	19	76	56	127	1	-11	91	8	166
Profit attributable to minority interests	-	-	-	-	-	-1	-30	15	-48	39
Profit after tax exclusive minorities	-	-	-	-	-	2	19	76	56	127
Profit before tax exclusive minorities	-	-	-	-	-	15	30	110	81	167
BALANCE SHEET										
Loans and advances	16,305	12,196	16,305	12,196	14,103	15,823	11,507	15,823	11,507	13,128
Deposits	9,993	10,106	9,993	10,106	9,548	9,992	10,106	9,992	10,106	9,548
Shareholders' equity	1,292	1,145	1,292	1,145	1,217	1,826	1,524	1,826	1,524	1,785
Of which attributable to minority interests	-	-	-	-	-	534	380	534	380	569
Total assets	22,996	17,702	22,996	17,702	19,354	23,757	18,456	23,757	18,456	20,165
KEY RATIOS ETC.										
Average number of employees, full-time equivalents	370	320	369	306	338	370	320	369	306	338
Net interest margin p.a.	-	-	-	-	-	1.7%	2.1%	1.7%	2.1%	2.0%
Income/cost ratio	1.15	1.31	1.50	1.44	1.41	1.04	0.96	1.51	1.13	1.49
Impairment ratio	-0.1%	-0.1%	-0.2%	-0.1%	-0.2%	-0.1%	-0.1%	-0.2%	-0.1%	-0.2%
Solvency ratio	-	-	-	-	-	12.8%	10.5%	12.8%	10.5%	12.1%
Return on equity before tax p.a.	4.6%	10.6%	17.5%	14.6%	14.5%	4.6%	10.6%	17.5%	14.6%	14.5%
Return on equity after tax p.a.	0.7%	6.6%	12.1%	10.0%	11.1%	0.7%	6.6%	12.1%	10.0%	11.1%
Return in excess of the interest rate p.a. on certificates of deposit	0.6%	2.4%	12.1%	11.9%	11.5%	0.6%	2.4%	12.1%	11.9%	11.5%

Financial highlights and key ratios have been calculated in accordance with the executive order on the presentation of financial reports by credit institutions and investment companies etc., the guidelines issued by the Danish Financial Supervisory Authority and recommendations from the Danish Society of Financial Analysts.

REPORT

In order to increase the transparency of Alm. Brand Bank's financial statements, the bank publishes pro rata consolidated figures (i.e. excluding minorities). The numbers are set out in the table on page 3 and, unless otherwise indicated, the comments provided in the text below are for pro-rata numbers. Banking group numbers (i.e. not pro rata) are commented on only when found relevant.

Financial results

The bank's profit for H1 2007 was DKK 110 million before tax, against DKK 81 million in the same period of last year.

The performance equals an annualised return on equity before tax of 18 % against 15 % in the year-earlier period. The satisfactory performance was supported by unrealised capital gains on a number of shareholdings, among other factors.

Net interest and fee income

Net interest and fee income was DKK 297 million, against DKK 253 million in H1 2006.

Interest income was favourably impacted by stronger growth in the bank and adversely affected by the narrowing interest margin. The interest margin contracted as a result of the more competitive market and higher costs of raising liquidity.

Relative to the year-earlier period, fee income was lifted by the restructuring of the group's markets & asset management operations implemented last year and adversely affected by reduced activity in the housing market.

Value adjustments

Value adjustments in H1 2007 amounted to a gain of DKK 25 million, against a loss of DKK 3 million in H1 2006.

The gain of DKK 25 million was composed of a number of opposing items. Equities produced an overall gain of DKK 52 million, of which a not insignificant amount was unrealised capital gains on a number of thinly traded shares. In addition, the company suffered a capital loss of DKK 27 million which mainly concerned interest-related items.

The bank hedges part of the risk related to investments in subsidiaries. The risk was not perfectly hedged in Q2.

The banking group's overall value adjustments, that is, including minorities, in H1 2007 amounted to a gain of DKK 23 million, against capital losses of DKK 69 million in H1 2006. Alm. Brand Formue A/S made a small positive value adjustment and Alm. Brand Pantebreve A/S made a small negative value adjustment during the reporting period.

Costs

Total costs for H1 2007 amounted to DKK 258 million, against DKK 202 million for the same period of last year. The high cost level was due to substantial investments in growth in all the bank's business areas.

The income/cost ratio increased to 1.50 in H1 2007 from 1.44 in H1 2006. The corresponding figures for the banking group were 1.51 and 1.13, respectively.

Impairment of loans etc.

For the year to date, impairment of loans and guarantees charged to the income statement amounted to an income of DKK 42 million, against an income of DKK 19 million in H1 2006. Accordingly, the bank benefited from very low losses on the back of the favourable economic conditions in Denmark and the bank's selection of low-risk exposures.

The bank's accumulated impairment charges on loans and guarantees totalled DKK 135 million at 30 June 2007, which corresponds to an accumulated impairment ratio of 0.5 against 0.9 at 30 June 2006 and 0.7 at 31 December 2006.

Balance sheet

Loans and advances, deposits and guarantees

The loan portfolio saw sustained growth, which was attributable, among other things, to continued success in providing loans for project funding and to investment customers. In addition, the bank recorded a general increase in business resulting from the Alm. Brand Group's *dobbeltKUNDE* concept.

Loans and advances totalled DKK 16.3 billion at 30 June 2007, an increase of DKK 2.2 billion relative to 31 December 2006 and an increase of DKK 4.1 billion or 34 % since 30 June 2006. Growth in loans and advances was satisfactory and should be seen in the light of the bank's strategy of focusing on selected segments while maintaining risk at a known and moderate level.

Deposits totalled DKK 10 billion at 30 June 2007, an increase of DKK 0.5 billion relative to 31 December 2006 and in line with the level at 30 June 2006.

REPORT

Guarantees and other commitments amounted to DKK 1.8 billion at 30 June 2007, a fall of DKK 0.3 billion relative to 30 June 2006.

The banking group's loans and advances, that is, including the minorities of Alm. Brand Formue A/S and Alm. Brand Pantebreve A/S, amounted to DKK 15.8 billion at 30 June 2007, an increase of DKK 4.3 billion relative to 30 June 2006.

Payables to credit institutions

Due to the increased lending activity, payables to credit institutions rose from DKK 5.5 billion at 30 June 2006 to DKK 8.6 billion at 30 June 2007.

Capital

In order to further strengthen its solvency and optimise the capital structure, the bank raised subordinated debt of DKK 200 million at 30 June 2007. The loan runs for eight years with optional prepayment after five years.

The bank's equity stood at DKK 1.3 billion at 30 June 2007. The capital base totalled DKK 1.8 billion while the solvency ratio was 10.4 and the tier 1 ratio was 7.6.

The corresponding figures for the banking group was equity of DKK 1.8 billion at 30 June 2007, while the capital base was DKK 2.3 billion. The solvency ratio was 12.8 and the tier 1 ratio was 10.0.

Major events

New product offers to the Alm. Brand Group's small and medium-sized corporate customers

In the reporting period, Alm. Brand Bank introduced a new concept targeting small and medium-sized businesses. The new corporate concept offers all the traditional account types, payment cards and guarantees. Customers can also have the bank take care of their payroll management and payment handling. The concept is provided through the group's branch network and local customer advisers. The launch is consistent with the overall strategy for the Alm. Brand Group, which provides for the bank's activities to support the group's strategy by offering competitive products to the group's customers. The new concept was well received by customers from the outset.

New business area

In Q2, Alm. Brand Bank signed a strategic partnership agreement with Dansk Merchant Capital A/S, a newly-established independent corporate finance house focusing on small and medium-sized Danish businesses.

Under the agreement, the bank will provide funding for acquisitions and other types of structured finance solutions. Furthermore, the bank expects that the partnership may result in greater activity within such areas as IPOs and share issues. The new partnership is part of the bank's strategic efforts to diversify activities on more business areas in order to reduce the dependence on single areas and to utilise the bank's skills in such areas.

Increased project funding activity

The level of project funding activity continued to increase, and the bank participated in a number of major transactions involving property projects in Denmark and abroad in the first half-year. The bank acted as a direct lender and participated in syndications, share issues and issues of property bonds. The bank continues to derive an increasing proportion of its earnings from project funding.

Strong demand for mortgage deed investment products

The bank continued to see strong demand for investment products based on mortgage deeds. In H1, the bank helped to set up an unlisted mortgage deed company with a portfolio of more than DKK 200 million. The bank also contributed to a capital increase of listed company Alm. Brand Pantebreve A/S in mid-August 2007 in the form of a private placement at the market price, which generated proceeds of almost DKK 100 million. Following that capital increase, Alm. Brand Pantebreve A/S intends to increase its volume of mortgage deeds to around DKK 1.5 billion.

Basel II

The bank increased its focus on managing risk and optimising capital and is investing heavily with a view to being approved as an IRB Foundation institute by 2010. The bank carries out its Basel II project in a close partnership with Bankdata, its IT provider. The project is progressing satisfactorily in line with the long-term time schedule and will require substantial resources over a period of several years. The bank believes that its investment in the Basel II project will generate significant long-term benefits in relation to risk management and capital optimisation.

Debt management for agriculture

The bank recorded considerable interest in the new debt management concept targeting large agricultural customers. Contracts with an aggregate volume of around DKK 3 billion were signed in the first six months of the year. The concept aims to reduce agricultural customers' funding costs by way of a controlled risk profile. The new concept has attracted customers from a new segment, thus diversifying the bank's portfolio further.

REPORT

Borrowings

As part of its long-term funding strategy, the bank received a credit facility of EUR 455 million in April 2007. EUR 355 million, or DKK 2.6 billion, had been used at 30 June 2007. Some DKK 0.9 billion of the loan proceeds was used to repay existing facilities. Issued by a consortium of international banks, the loan was divided into two tranches with maturities of three and five years, respectively. There was a lot of interest in participating in the loan facility, and it was obtained on attractive terms.

Amended tax legislation

Due to amendments to Danish tax legislation, the tax rate has been lowered from 28 % to 25 %, reducing the bank's tax asset by around DKK 13.5 million.

Outlook

The bank forecasts pre-tax profit of around DKK 190 million for 2007, in line with the guidance provided after Q1 when the forecast was upgraded by DKK 40 million.

Disclaimer

Forecasts are based on the level of interest rates prevailing at mid-August 2007. All forward-looking statements are based exclusively on the information available when this interim report was released.

The performance may be affected by major changes in a number of areas. Such impacts include changes in economic conditions, changes in the financial markets, 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.

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today reviewed and adopted the interim report for the six months ended 30 June 2007 of Alm. Brand Bank A/S.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as approved by the EU, and the 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 accounting policies applied are appropriate, and the interim report gives a true and fair view of the group's and the parent company's assets, liabilities and financial position at 30 June 2007 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 2007.

Executive Board

Copenhagen, 28 August 2007

Henrik Nordam
Chief Executive

Peter Reedtz
Managing Director

Board of Directors

Copenhagen, 28 August 2007

Christian N.B. Ulrich
Chairman

Jørgen H. Mikkelsen
Deputy Chairman

Christian Hjorth-Andersen

Søren Boe Mortensen

Ole Bach

Mark Oswald

ACCOUNTING POLICIES GROUP

The interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) 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 are unchanged as compared with the annual report for 2006.

The interim report for the first six months of 2007 is unaudited.

INCOME STATEMENT

DKK '000	Note	Group		
		H1 2007	H1 2006	Year 2006
Interest receivable	1	574,091	367,866	822,542
Interest payable	2	379,661	191,495	463,880
Net interest income		194,430	176,371	358,662
Dividend on participating interests		12,466	15,192	16,569
Fees and commissions receivable		111,816	86,940	171,322
Fees and commissions payable		13,121	13,560	30,842
Net interest and fee income		305,591	264,943	515,711
Value adjustments	3	22,690	-68,986	75,427
Other operating income		6,062	6,240	10,449
Profit before expenses		334,343	202,197	601,587
Staff costs and administrative expenses	4	260,351	202,881	437,116
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		1,268	858	1,941
Impairment of loans, advances and receivables, etc.	5	-41,757	-18,764	-26,665
Profit from participating interests in associated and group undertakings		-1,541	7,461	11,133
Profit before tax		112,940	24,683	200,328
Tax		21,656	16,585	33,825
Profit for the period		91,284	8,098	166,503
The profit for the period will be allocated as follows:				
Share attributable to Alm. Brand Bank		75,726	55,546	127,522
Share attributable to minority interests		15,558	-47,448	38,981
Total		91,284	8,098	166,503

BALANCE SHEET

Group

DKK '000	Note	30.06.2007	30.06.2006	31.12.2006
ASSETS				
Cash in hand and receivables at call from central banks		22,712	20,047	36,531
Receivables from credit institutions and central banks		2,538,573	1,622,431	1,029,961
Loans, advances and other receivables at fair value		2,557,493	1,459,667	1,893,491
Loans, advances and other receivables at amortised cost		13,265,437	10,047,079	11,234,653
Bonds at fair value		3,839,278	3,755,079	4,376,562
Shares etc.		973,563	720,199	816,773
Participating interests in associated undertakings		2,999	385	2,799
Participating interests in group undertakings		-	8,711	173
Intangible assets		56,269	49,153	51,726
Other property, plant and equipment		10,007	8,150	10,248
Current tax assets		58,311	20,645	48,822
Deferred tax assets		96,714	179,051	126,059
Assets acquired temporarily		9,069	9,137	11,186
Other assets		318,722	545,701	518,876
Prepayments		8,175	10,628	7,154
Total assets		23,757,322	18,456,063	20,165,014

BALANCE SHEET

Group

DKK '000	Note	30.06.2007	30.06.2006	31.12.2006
LIABILITIES AND EQUITY				
Payables				
Payables to credit institutions and central banks		8,840,685	5,800,953	6,708,918
Deposits and other payables		9,991,769	10,105,653	9,548,293
Issued bonds		1,399,201	-	1,039,913
Current tax liabilities		-	85,394	-
Other liabilities		1,006,759	627,515	578,035
Deferred income		19,905	1,996	21,545
Total payables		21,258,319	16,621,511	17,896,704
Provisions				
Provisions for pensions and similar liabilities		7,180	10,165	8,880
Provisions for losses on guarantees		-	8	-
Other provisions		-	30	-
Total provisions		7,180	10,203	8,880
Subordinated debt				
	6			
Supplementary capital		500,000	300,000	300,000
Hybrid Tier 1 capital		165,726	-	174,098
Total subordinated debt		665,726	300,000	474,098
Shareholders' equity				
Share capital		351,000	351,000	351,000
Retained earnings		941,386	793,684	865,660
Minority interests		533,711	379,665	568,672
Total shareholders' equity		1,826,097	1,524,349	1,785,332
<i>Of which proposed dividend</i>		0	0	0
Total liabilities and equity		23,757,322	18,456,063	20,165,014

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 2006	351,000	290,042	448,096	1,089,138	519,990	1,609,128
Equity movements in 2006						
Other change in respect of subsidiaries				-	9,701	9,701
Profit for the year		30,921	96,601	127,522	38,981	166,503
Comprehensive income in 2006	-	30,921	96,601	127,522	48,682	176,204
Dividend paid				-		-
Total equity movements in 2006	-	30,921	96,601	127,522	48,682	176,204
Shareholders' equity at 31 December 2006	351,000	320,963	544,697	1,216,660	568,672	1,785,332
<i>Of which proposed dividends</i>			0	0		0
Shareholders' equity at 1 January 2007	351,000	320,963	544,697	1,216,660	568,672	1,785,332
Equity movements in 2007						
Other change in respect of subsidiaries				-	-50,519	-50,519
Profit for the period		-	75,726	75,726	15,558	91,284
Comprehensive income in 2007	-	-	75,726	75,726	-34,961	40,765
Dividend paid				-		-
Total equity movements in 2007	-	-	75,726	75,726	-34,961	40,765
Shareholders' equity at 30 June 2007	351,000	320,963	620,423	1,292,386	533,711	1,826,097
<i>Of which proposed dividends</i>			0	0		0

CASH FLOW STATEMENT

DKK '000	Group		
	H1 2007	H1 2006	Year 2006
Operating activities			
Profit for the period before tax	112,940	19,376	200,328
Tax paid during the period	-	-1,219	-79,034
Adjustment for amounts with no cash flow impact:			
Other adjustments to cash flows from operating activities	-158,472	-106,807	-159,068
Total, operating activities	-45,532	-88,650	-37,774
Working capital			
Balances due from credit institutions over 3 months	-	40,666	40,666
Loans and advances, etc.	-2,648,082	-754,582	-2,371,205
Deposits	443,476	1,116,160	558,800
Bonds	1,110,308	1,069,964	442,223
Shares	-37,685	-8,730	52,213
Total, working capital	-1,131,983	1,463,478	-1,277,303
Investing activities			
Investments in associates	-	-	-2,524
Investments in group enterprises	173	996	2,073
Intangible assets	-4,543	-	-2,579
Property, plant and equipment	-1,028	-3,288	-6,470
Total, investing activities	-5,398	-2,292	-9,500
Financing activities			
Payables to credit institutions	2,126,790	-1,616,801	-709,355
Bonds issued	359,288	-	1,039,913
Hybrid Tier 1 capital	191,628	-	173,769
Total, financing activities	2,677,706	-1,616,801	504,327
Change in cash and cash equivalents	1,494,793	-244,265	-820,250
Cash and cash equivalents, beginning of period	1,066,492	1,886,743	1,886,742
Change in cash and cash equivalents	1,494,793	-244,265	-820,250
Cash and cash equivalents, end of period	2,561,285	1,642,478	1,066,492
Cash and cash equivalents, end of period			
Cash and balances due from central banks	22,712	20,047	36,531
Balances due from credit institutions less than 3 months	2,538,573	1,622,431	1,029,961
Cash and cash equivalents, end of period	2,561,285	1,642,478	1,066,492

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Group		
	H1 2007	H1 2006	Year 2006
NOTE 1 Interest receivable			
Receivables from credit institutions and central banks	32,453	16,360	41,559
Loans, advances and other receivables	426,491	272,192	609,428
Bonds	100,003	78,122	162,285
Total derivatives	14,895	1,080	7,667
Of which:			
Currency contracts	18,305	8,740	19,422
Interest rate contracts	-3,410	-7,660	-11,755
Other interest receivable	249	112	1,603
Total interest receivable	574,091	367,866	822,542
Interest receivable from genuine purchase and resale transactions:			
Balances due from credit institutions and central banks	12,883	3,317	5,753
Loans, advances and other receivables	6,770	36	2,213
NOTE 2 Interest payable			
Credit institutions and central banks	165,081	84,394	197,584
Deposits and other payables	170,165	99,580	238,665
Issued bonds	30,081	-	9,751
Subordinated debt	13,032	7,232	16,562
Other interest payable	1,302	289	1,318
Total interest payable	379,661	191,495	463,880
Interest payable from genuine sale and repurchase transactions:			
Payables to credit institutions and central banks	18,838	8,257	20,573
Deposits and other payables	10	-	36
NOTE 3 Value adjustments			
Loans, advances and other receivables at fair value	12,670	6,141	1,365
Bonds	-118,601	-93,350	-57,998
Shares etc.	122,811	-10,154	127,053
Foreign exchange	16,530	6,928	18,822
Total derivatives	-12,420	21,449	-15,100
Other commitments	1,700	-	1,285
Total value adjustments	22,690	-68,986	75,427

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Group		
	H1 2007	H1 2006	Year 2006
NOTE 4 Staff costs and administrative expenses			
Remuneration to the Executive Board and Board of Directors:			
Remuneration to the Executive Board			
Salaries and wages	3,455	2,900	4,490
Pensions	401	360	758
Total	3,856	3,260	5,248
Remuneration to the Board of Directors			
Fees	225	225	477
Total remuneration to the Executive Board and Board of Directors	4,081	3,485	5,725
Staff costs:			
Salaries and wages	95,245	77,522	170,274
Pensions	9,351	7,847	16,570
Social security costs	9,399	7,786	16,885
Total	113,995	93,155	203,729
Other administrative expenses	142,275	106,241	227,662
Total staff costs and administrative expenses	260,351	202,881	437,116
Number of employees			
Average number of employees during the period, full-time equivalents	369	306	338
NOTE 5 Impairment of loans, advances and receivables, etc.			
Individual assessment:			
Impairment and value adjustments, respectively, during the year	8,646	20,621	68,762
Reversal of impairment in previous years	41,042	31,567	79,982
Total individual assessment	-32,396	-10,946	-11,220
Group assessment:			
Impairment and value adjustments, respectively, during the year	9,089	992	6,714
Reversal of impairment in previous years	18,163	1,965	16,475
Total group assessment	-9,074	-973	-9,761
Losses not previously provided for	4,748	5,182	12,726
Bad debts recovered	5,035	12,027	18,410
Total impairment of loans, advances and receivables, etc.	-41,757	-18,764	-26,665

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Group		
	H1 2007	H1 2006	Year 2006
NOTE 6 Subordinated debt			
Supplementary capital			
Variable rate bullet loans in DKK maturing 3 May 2009	-	100,000	-
Variable rate bullet loans in DKK maturing 9 May 2012	100,000	100,000	100,000
Variable rate bullet loans in DKK maturing 9 May 2013	100,000	100,000	100,000
Variable rate bullet loans in DKK maturing 9 May 2014	100,000	-	100,000
Variable rate bullet loans in DKK maturing 29 November 2015	200,000	-	-
Total supplementary capital	500,000	300,000	300,000
Hybrid Tier 1 capital			
Fixed rate bullet loans in DKK with indefinite terms	175,000	-	175,000
Total hybrid Tier 1 capital	175,000	-	175,000
Hedging of interest rate risk at fair value			
Total subordinated debt	-9,274	-	-902
Interest on subordinated debt			
Of this, amortisation of costs incurred on raising the debt	13,032	7,232	16,562
Extraordinary instalments	42	29	62
Costs incurred in raising subordinated debt	-	100,000	100,000
	-	200	1,231
As part of the risk management, the fair value of the hybrid Tier 1 capital is hedged by means of derivative financial instruments.			
The entire subordinated debt may be included in the statement of the capital base.			
NOTE 7 Off-balance sheet items			
Guarantees etc.			
Financial guarantees	923,265	845,735	819,142
Mortgage finance guarantees	240,572	232,988	239,846
Other guarantees	375,859	798,062	418,196
Total guarantees etc.	1,539,696	1,876,785	1,477,184
Other commitments			
Other commitments	292,874	262,902	216,806
Total other commitments	292,874	262,902	216,806
Total off-balance sheet items	1,832,570	2,139,687	1,693,990

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 Off-balance sheet items - continued

Contingent liabilities

The bank has entered into a property lease with Henton Group A/S in respect of the headquarters at Silkeborg. The lease is non-terminable for seven years and three months from 1 January 2007. In addition to rent, the lease also covers joint expenses and canteen. The capitalised value of the lease has been calculated at DKK 6 million.

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 the Danish Central Bank can obtain credit only against security through the mortgaging of approved securities.

As part of the ongoing business, at end June 2007 the bank provided bonds as security vis-à-vis the Danish Central Bank at a market value of DKK 1,067 million (H1 2006: DKK 427 million).

DKK '000	Share capital		Ownership interest in %		Voting share in %	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006	30.06.2007	31.12.2006

NOTE 8 Group overview

Consolidated subsidiaries:

Alm. Brand Finans A/S	3,000	3,000	100.0	100.0	100.0	100.0
Alm. Brand Pantebreve A/S	105,000	105,000	26.6	20.6	73.0	70.7
Alm. Brand Formue A/S	310,000	310,000	25.6	18.0	59.9	55.8

Associates (not consolidated):

Invest Administration A/S	1,020	1,020	50.0	50.0	50.0	50.0
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NOTES TO THE FINANCIAL STATEMENTS

	Group						
	H1 2007						
DKK '000	Retail banking	Whole- sale banking	Alm. Brand Finans	Alm. Brand Pante- breve	Alm. Brand Formue	Other/ Elimina- tions	Alm. Brand Bank Group
NOTE 8 Segment information							
Interest receivable	239,969	395,197	58,864	37,323	35,715	-192,977	574,091
Interest payable	169,772	306,820	35,921	21,863	42,138	-196,853	379,661
Net interest income	70,197	88,377	22,943	15,460	-6,423	3,876	194,430
Net fee and commission income, etc.	19,269	83,280	6,177	-2,237	4,479	193	111,161
Value adjustments	212	41,480		-3,774	418	-15,646	22,690
Other operating income		1,796	4,266			0	6,062
Profit on ordinary activities before expenses (Net income)	89,678	214,933	33,386	9,449	-1,526	-11,577	334,343
Operating expenses	30,286	69,455	19,277	2,356	1,322	138,923	261,619
Write-downs of loans, advances and receivables, etc.	3,834		-17,974			-27,617	-41,757
Profit/loss on participating interests		652	272			-2,465	-1,541
Profit on activities before tax	55,558	146,130	32,355	7,093	-2,848	-125,348	112,940

H1 2006

DKK '000	Retail banking	Whole- sale banking	Alm. Brand Finans	Alm. Brand Pante- breve	Alm. Brand Formue	Other/ Elimina- tions	Alm. Brand Bank Group
Interest receivable	148,510	212,349	52,593	27,651	29,796	-103,033	367,866
Interest payable	89,935	137,293	30,875	11,946	30,722	-109,276	191,495
Net interest income	58,575	75,056	21,718	15,705	-926	6,243	176,371
Net fee and commission income, etc.	21,337	52,215	6,307	-1,451	8,111	2,053	88,572
Value adjustments	154	20,612		-6,199	-87,952	4,399	-68,986
Other operating income		1,703	4,537			0	6,240
Profit on ordinary activities before expenses (Net income)	80,066	149,586	32,562	8,055	-80,767	12,695	202,197
Operating expenses	25,032	53,048	19,708	1,757	1,405	102,789	203,739
Write-downs of loans, advances and receivables, etc.	4,269		-8,575			-14,458	-18,764
Profit/loss on participating interests						7,461	7,461
Profit on activities before tax	50,765	96,538	21,429	6,298	-82,172	-68,175	24,683

INCOME STATEMENT

DKK '000	Note	Parent company		
		H1 2007	H1 2006	Year 2006
Interest receivable	1	533,932	322,925	734,887
Interest payable	2	371,481	183,051	446,168
Net interest income		162,451	139,874	288,719
Dividend on participating interests		2,503	2,432	2,444
Fees and commissions receivable		110,901	86,400	170,756
Fees and commissions payable		10,661	13,226	28,235
Net interest and fee income		265,194	215,480	433,684
Value adjustments	3	26,045	25,165	56,274
Other operating income		1,795	1,703	3,746
Profit before expenses		293,034	242,348	493,704
Staff costs and administrative expenses	4	237,397	180,011	390,689
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		1,268	857	1,941
Impairment of loans, advances and receivables, etc.	5	-23,783	-10,189	-16,239
Profit from participating interests in associated and group undertakings		31,701	9,604	49,851
Profit before tax		109,853	81,273	167,164
Tax		34,127	25,727	39,642
Profit for the period		75,726	55,546	127,522

BALANCE SHEET

Parent company

DKK '000	Note	30.06.2007	30.06.2006	31.12.2006
ASSETS				
Cash in hand and receivables at call from central banks		22,712	20,047	36,531
Receivables from credit institutions and central banks		2,538,568	1,622,431	1,025,810
Loans, advances and other receivables at fair value		1,382,577	651,975	914,038
Loans, advances and other receivables at amortised cost		14,878,310	11,623,688	13,246,612
Bonds at fair value		2,955,136	2,465,205	2,879,428
Shares etc.		240,162	148,102	157,935
Participating interests in associated undertakings		2,178	-	2,250
Participating interests in group undertakings		531,752	536,033	464,492
Intangible assets		56,269	49,153	51,726
Other property, plant and equipment		10,007	8,150	10,248
Deferred tax assets		5,498	8,794	7,246
Other assets		277,646	477,819	469,753
Prepayments		7,738	9,961	6,611
Total assets		22,908,553	17,621,358	19,272,680

BALANCE SHEET

Parent company

DKK '000	Note	30.06.2007	30.06.2006	31.12.2006
LIABILITIES AND EQUITY				
Payables				
Payables to credit institutions and central banks		8,539,286	5,385,653	6,407,518
Deposits and other payables		9,993,561	10,106,017	9,548,381
Issued bonds		1,399,201	-	1,039,913
Current tax liabilities		22,097	66,610	6,318
Other liabilities		984,573	606,195	566,012
Deferred income		4,543	1,996	4,900
Total payables		20,943,261	16,166,471	17,573,042
Provisions				
Provisions for pensions and similar liabilities		7,180	10,165	8,880
Provisions for losses on guarantees		-	8	-
Other provisions		-	30	-
Total provisions		7,180	10,203	8,880
Subordinated debt				
	6			
Supplementary capital		500,000	300,000	300,000
Hybrid Tier 1 capital		165,726	-	174,098
Total subordinated debt		665,726	300,000	474,098
Shareholders' equity				
Share capital		351,000	351,000	351,000
Other reserves		320,963	290,042	320,963
Retained earnings		620,423	503,642	544,697
Total shareholders' equity		1,292,386	1,144,684	1,216,660
<i>Of which proposed dividend</i>		<i>0</i>	<i>0</i>	<i>0</i>
Total liabilities and equity		22,908,553	17,621,358	19,272,680

STATEMENT OF CHANGES IN EQUITY

Parent company

DKK '000	Share capital	Other reserves	Retained earnings	Total
Shareholders' equity at 1 January 2006	351,000	290,042	448,096	1,089,138
Equity movements in 2006				
Profit for the year		30,921	96,601	127,522
Comprehensive income in 2006	-	30,921	96,601	127,522
Dividend paid				-
Total equity movements in 2006	-	30,921	96,601	127,522
Shareholders' equity at 31 December 2006	351,000	320,963	544,697	1,216,660
<i>Of which proposed dividends</i>			0	0
Shareholders' equity at 1 January 2007	351,000	320,963	544,697	1,216,660
Equity movements in 2007				
Profit for the period		-	75,726	75,726
Comprehensive income in 2007	-	-	75,726	75,726
Dividend paid				-
Total equity movements in 2007	-	-	75,726	75,726
Shareholders' equity at 30 June 2007	351,000	320,963	620,423	1,292,386
<i>Of which proposed dividends</i>			0	0

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company		
	H1 2007	H1 2006	Year 2006
NOTE 1 Interest receivable			
Receivables from credit institutions and central banks	32,369	16,340	41,557
Loans, advances and other receivables	423,959	258,103	582,633
Bonds	65,804	47,636	104,253
Total derivatives	11,580	762	6,197
Of which:			
Currency contracts	14,990	8,422	18,686
Interest rate contracts	-3,410	-7,660	-12,489
Other interest receivable	220	84	247
Total interest receivable	533,932	322,925	734,887
Interest receivable from genuine purchase and resale transactions:			
Balances due from credit institutions and central banks	12,883	3,317	5,753
Loans, advances and other receivables	6,770	36	2,213
NOTE 2 Interest payable			
Credit institutions and central banks	157,025	75,948	179,826
Deposits and other payables	170,183	99,583	238,712
Issued bonds	30,081	-	9,751
Subordinated debt	13,032	7,232	16,562
Other interest payable	1,160	288	1,317
Total interest payable	371,481	183,051	446,168
Interest payable from genuine sale and repurchase transactions:			
Payables to credit institutions and central banks	18,838	8,257	20,573
Deposits and other payables	10	-	36
NOTE 3 Value adjustments			
Loans, advances and other receivables at fair value	23,139	14,156	17,130
Bonds	-29,734	-29,154	-2,945
Shares etc.	46,503	11,527	44,087
Foreign exchange	3,222	7,160	12,130
Total derivatives	-18,785	21,476	-15,413
Other commitments	1,700	-	1,285
Total value adjustments	26,045	25,165	56,274

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company		
	H1 2007	H1 2006	Year 2006
NOTE 4 Staff costs and administrative expenses			
Remuneration to the Executive Board and Board of Directors:			
Remuneration to the Executive Board			
Salaries and wages	3,455	2,900	4,490
Pensions	401	360	758
Total	3,856	3,260	5,248
Remuneration to the Board of Directors			
Fees	225	225	477
Total remuneration to the Executive Board and Board of Directors	4,081	3,485	5,725
Staff costs:			
Salaries and wages	94,705	69,523	155,038
Pensions	9,319	7,079	15,059
Social security costs	9,362	7,421	15,469
Total	113,386	84,023	185,566
Other administrative expenses	119,930	92,503	199,398
Total staff costs and administrative expenses	237,397	180,011	390,689
Number of employees			
Average number of employees during the period, full-time equivalents	368	278	310
NOTE 5 Impairment of loans, advances and receivables, etc.			
Individual assessment:			
Impairment and value adjustments, respectively, during the year	5,219	16,281	45,973
Reversal of impairment in previous years	36,425	28,682	67,224
Total individual assessment	-31,206	-12,401	-21,251
Group assessment:			
Impairment and value adjustments, respectively, during the year	8,532	992	6,714
Reversal of impairment in previous years	732	-	2,401
Total group assessment	7,800	992	4,313
Losses not previously provided for	3,070	3,515	7,726
Bad debts recovered	3,447	2,295	7,027
Total impairment of loans, advances and receivables, etc.	-23,783	-10,189	-16,239

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	Parent company		
	H1 2007	H1 2006	Year 2006
NOTE 6 Subordinated debt			
Supplementary capital			
Variable rate bullet loans in DKK maturing 3 May 2009	-	100,000	-
Variable rate bullet loans in DKK maturing 9 May 2012	100,000	100,000	100,000
Variable rate bullet loans in DKK maturing 9 May 2013	100,000	100,000	100,000
Variable rate bullet loans in DKK maturing 9 May 2014	100,000	-	100,000
Variable rate bullet loans in DKK maturing 29 November 2015	200,000	-	-
Total supplementary capital	500,000	300,000	300,000
Hybrid Tier 1 capital			
Fixed rate bullet loans in DKK with indefinite terms	175,000	-	175,000
Total hybrid Tier 1 capital	175,000	-	175,000
Hedging of interest rate risk at fair value			
Total subordinated debt	-9,274	-	-902
Interest on subordinated debt			
Interest on subordinated debt	13,032	7,232	16,562
Of this, amortisation of costs incurred on raising the debt	42	29	62
Extraordinary instalments	-	100,000	100,000
Costs incurred in raising subordinated debt	-	200	1,231
As part of the risk management, the fair value of the hybrid Tier 1 capital is hedged by means of derivative financial instruments.			
The entire subordinated debt may be included in the statement of the capital base.			
NOTE 7 Off-balance sheet items			
Guarantees etc.			
Financial guarantees	923,265	845,735	819,142
Mortgage finance guarantees	240,572	232,988	239,846
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Other commitments	292,874	261,007	216,806
Total other commitments	292,874	261,007	216,806
Total off-balance sheet items	1,832,570	2,137,792	1,693,990

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 Off-balance sheet items - continued

Contingent liabilities

The bank has entered into a property lease with Henton Group A/S in respect of the headquarters at Silkeborg. The lease is non-terminable for seven years and three months from 1 January 2007. In addition to rent, the lease also covers joint expenses and canteen. The capitalised value of the lease has been calculated at DKK 6 million.

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DKK '000	Parent company				
	H1 2007	H1 2006	H1 2005	H1 2004	H1 2003
NOTE 8 Financial highlights and key ratios					
Net interest and fee income	265,194	215,480	218,339	184,921	164,017
Value adjustments	26,045	25,165	38,766	27,459	6,991
Staff costs and administrative expenses	237,397	180,011	161,334	152,534	149,839
Impairment of loans, advances and receivables, etc.	-23,783	-10,189	5,718	8,666	16,594
Profit from investments in associates and group enterprises	31,701	9,604	25,111	21,282	45,237
Profit for the financial year	109,853	81,273	115,292	72,857	50,898
Loans and advances	16,260,887	12,275,663	10,111,701	8,351,496	7,641,814
Shareholders' equity	1,292,386	1,144,684	1,006,577	815,540	730,520
Total assets	22,908,553	17,621,358	15,494,334	12,263,342	12,313,205
Solvency ratio *	10.4%	9.4%	10.5%	10.7%	11.8%
Tier 1 ratio *	7.6%	7.3%	8.0%	7.6%	8.2%
Return on equity for the period before tax	8.8%	7.3%	12.5%	10.2%	7.2%
Return on equity for the period after tax	6.0%	5.0%	7.7%	9.9%	7.1%
Income/cost ratio	1.51	1.48	1.69	1.50	1.31
Interest rate risk *	2.0%	8.1%	5.6%	8.8%	5.4%
Foreign exchange position *	5.0%	13.1%	3.6%	7.9%	1.4%
Foreign exchange risk*	0.0%	0.0%	0.0%	0.2%	0.0%
Loans and advances as a percentage of deposits	1.8	1.4	1.2	1.1	0.9
Gearing of loans and advances	13.8	12.5	11.7	12.2	11.2
Growth in lending for the period	14.8%	8.1%	12.6%	1.1%	-8.0%
Excess cover relative to statutory liquidity requirement *	159.6%	77.7%	63.3%	116.5%	101.4%
Total amount of large exposures *	251.0%	291.1%	396.6%	171.5%	181.9%
Impairment ratio for the period	-0.1%	-0.1%	0.0%	0.1%	0.2%

Financial highlights and key ratios for 2004-2007 have been prepared in accordance with IFRS. For 2003, they were prepared in accordance with the previously applicable rules.

* Comparative figures for 2004 have not been restated in respect of these ratios.