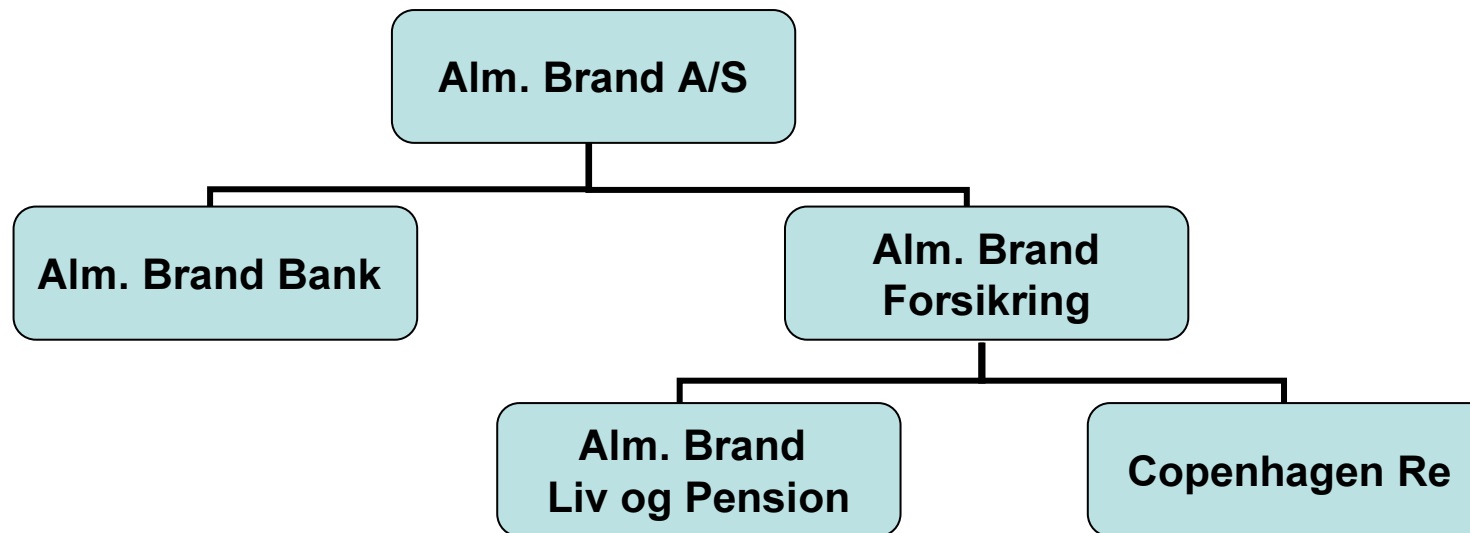


Alm. Brand A/S

Annual report 2005 - Investors



The Alm. Brand Group



Alm. Brand A/S

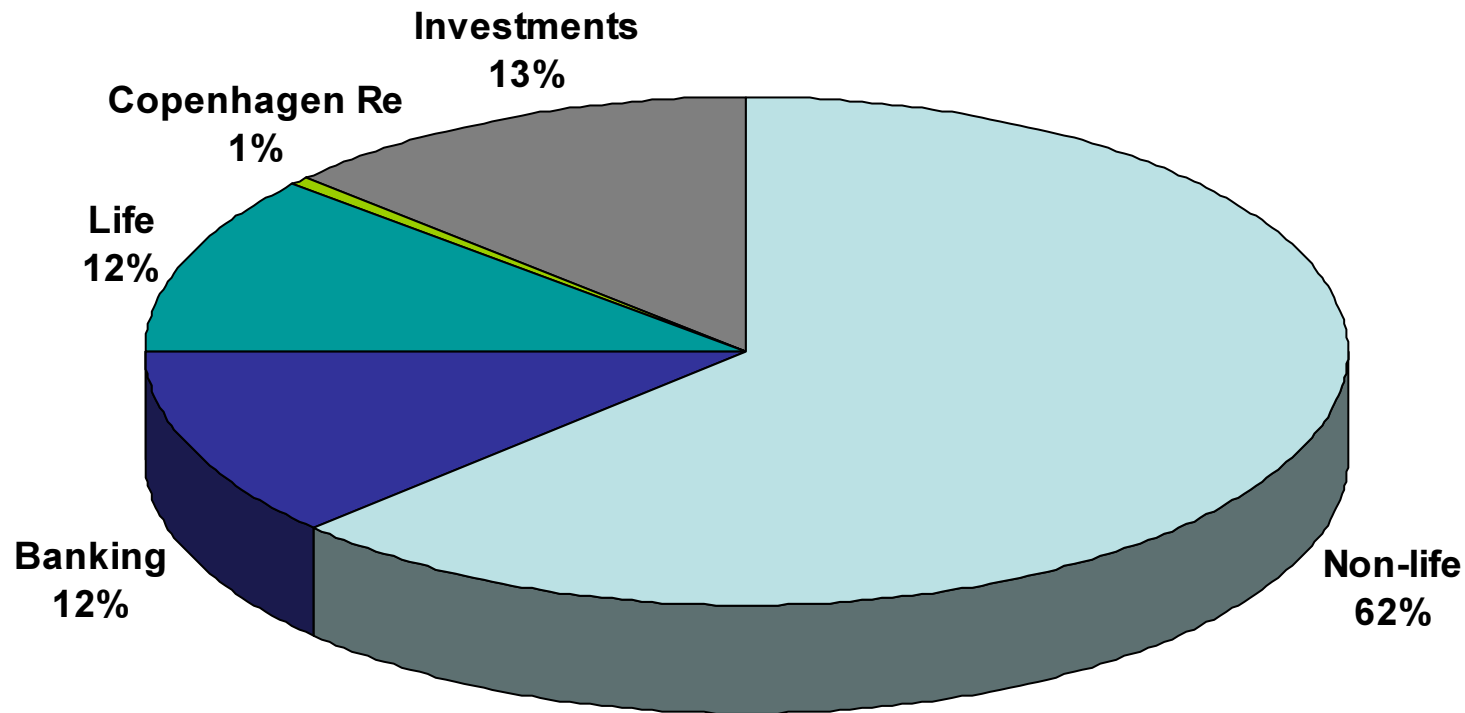
Highlights 2005

Profit: DKK 747m

- Very satisfactory
- Better than expected
- Non-life: Profit of DKK 375m, combined ratio 91.3
 - Very satisfactory
 - Affected by improved portfolio, run-off gains, personal accident insurance, workers' compensation and windstorm
- Banking: Profit of DKK 222m
 - Very satisfactory
 - Favourable economic conditions and strong capital markets
 - Increased activity in the retail bank
- Life: Profit of DKK 144m
 - Very satisfactory
 - Good investment result
 - Shadow account taken to income
- Other activities: Profit of DKK 6m
 - Reinsurance, group costs

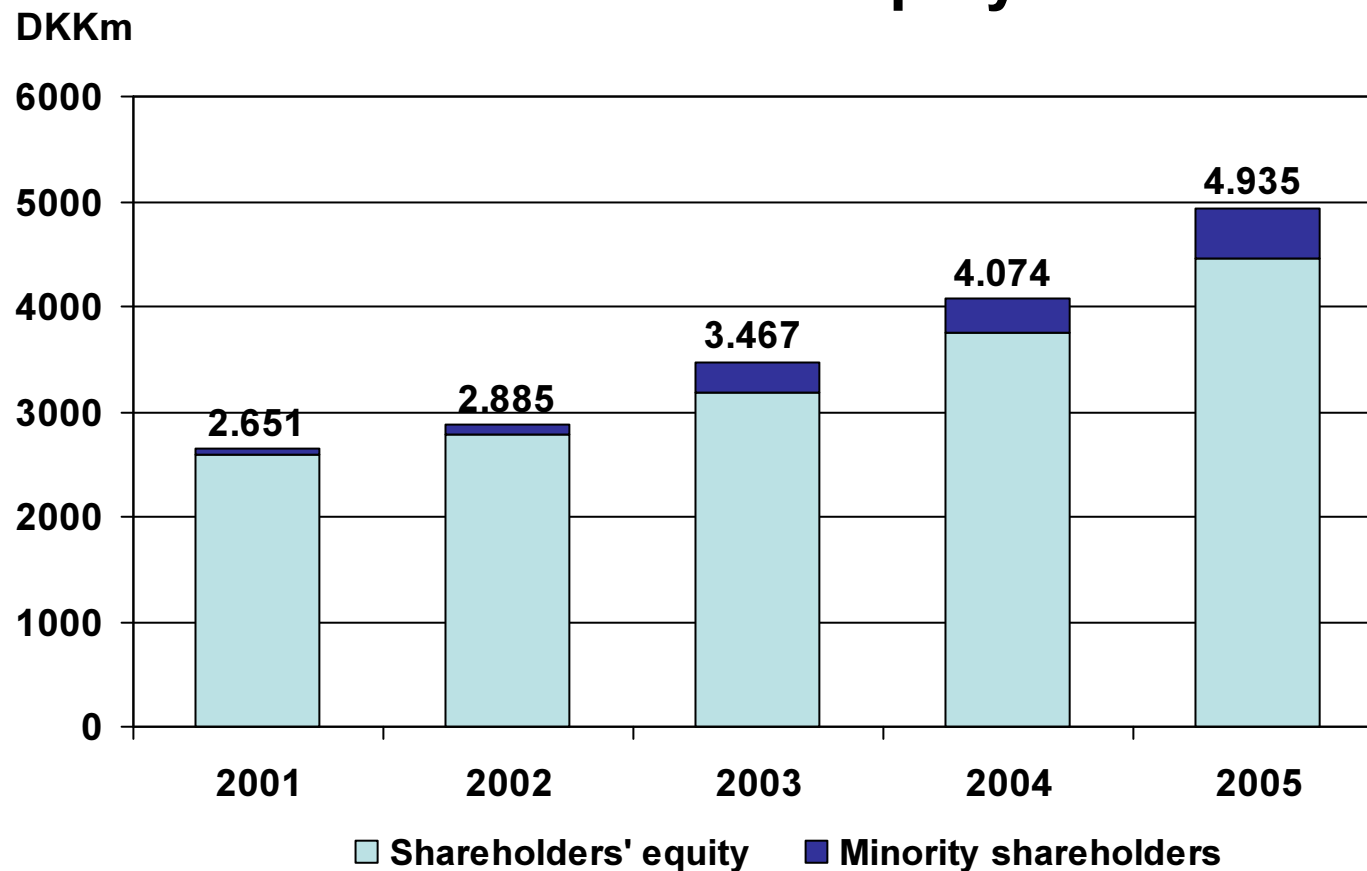
The Alm. Brand Group

Total income 2005
DKK 6,489m



The Alm. Brand Group

Shareholders' equity



The Alm. Brand Group

Highlights (DKKm)	2001	2002	2003	2004	2005
Total income	9,274	6,800	6,465	6,439	6,489
Premium income	7,336	5,089	4,777	4,895	4,863
Income from banking activities	797	730	719	689	786
Profit/loss before tax ex minority interests	-1,139	136	387	492	747
Profit/loss after tax ex minority interests	-1,061	136	372	397	688
Shareholders' equity at year-end	2,651	2,885	3,467	4,074	4,935
Minority interests	57	99	277	323	474
Return on equity before tax ex minority interests p.a.	-37%	5%	13%	14%	18%
Return on equity after tax ex minority interests p.a.	-34%	5%	13%	11%	17%
Earnings per share (DKK)	-47	6	17	18	31
NAV per share (DKK)	116	125	143	168	199
Price/NAV	0.77	0.56	0.93	1.24	1.34



Alm. Brand A/S

Outlook for 2006

- Consolidated profit of DKK 610m
 - Non-life: DKK 400m, combined ratio 92
 - 2005: Affected by windstorm, workers' compensation, personal accident insurance, run-off gains, good claims experience
 - 2006: Expected to be affected by good claims experience, costs, reinsurance, intensified competition
 - Banking: DKK 140m
 - 2005: Affected by favourable economic conditions, exceptionally strong capital markets
 - 2006: Expected to be affected by favourable economic conditions and strong capital markets, however, not quite in line with the year before
 - Life: DKK 70m
 - 2005: Affected by good financial return – full amount of the shadow account was taken to income
 - 2006: Expected to be affected by normal return

The Alm. Brand Group

Capital model

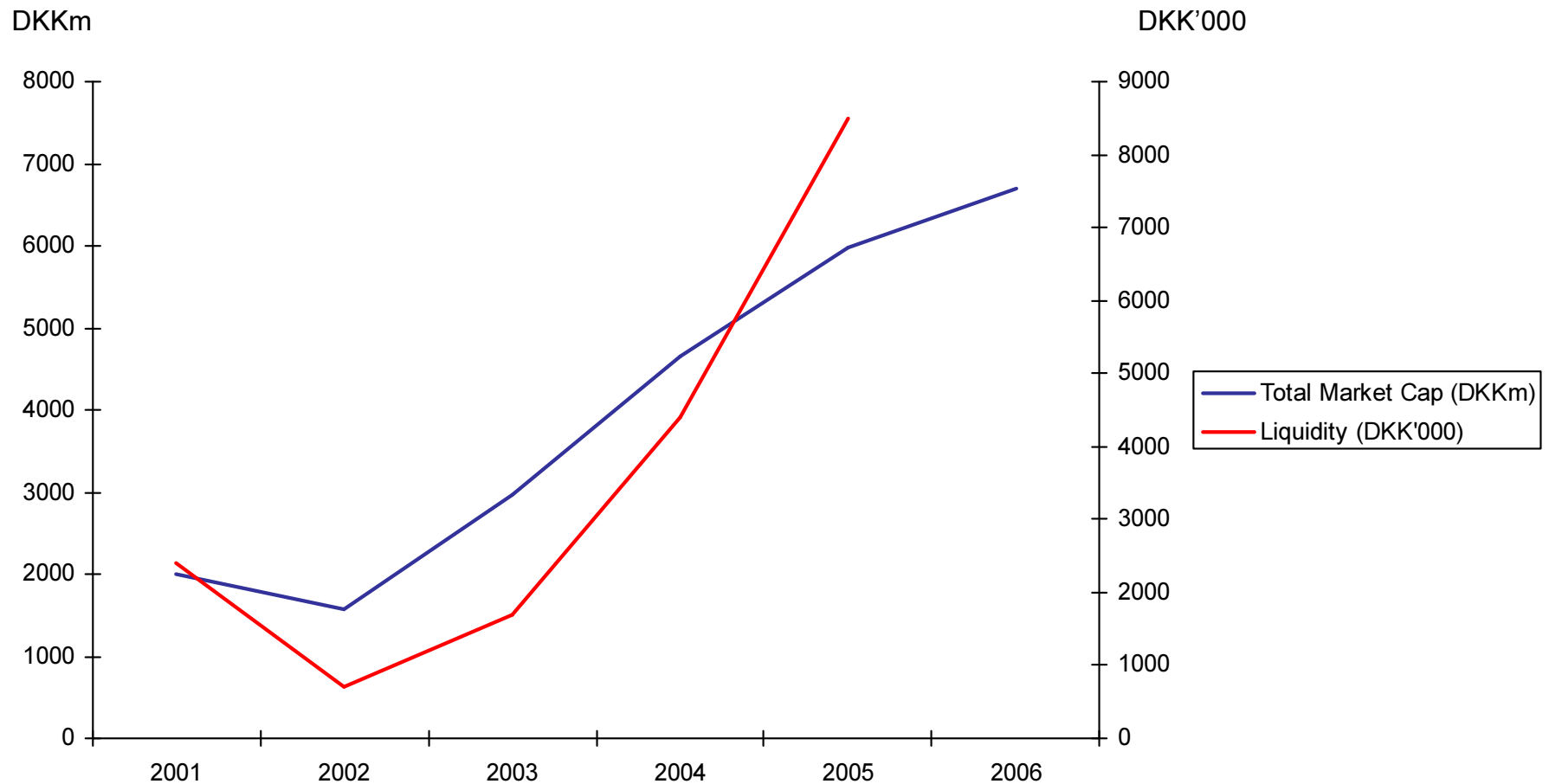
(DKKm)	Times the solvency requirement	Expected 2006	2005	2004
Non-life insurance	2.4	1,565	1,565	1,564
Banking ex partly-owned, listed subsidiaries	1.3	1,340	1,232	1,005
Banking, investments in partly-owned, listed subsidiaries		672	636	377
Life insurance	2.0	1,084	1,068	1,008
Reinsurance, shareholders' equity		170	140	223
Capital target year-end 2005		4,831	4,641	4,177
Consolidated shareholders' equity		5,450	4,935	4,074
Net tax asset		-357	-502	-550
Intangible assets		-130	-130	-104
Adjusted consolidated shareholders' equity ex subordinated debt		4,963	4,303	3,420
Excess of capital target ex subordinated debt		132	-338	-757
Subordinated debt		300	300	300
Excess of capital target incl capital base		432	-38	-457



Share buy-back programme

- Capital target achieved
- Up to DKK 400m over 12 months
- Ownership interest of principal shareholder retained
 - Sells proportionately

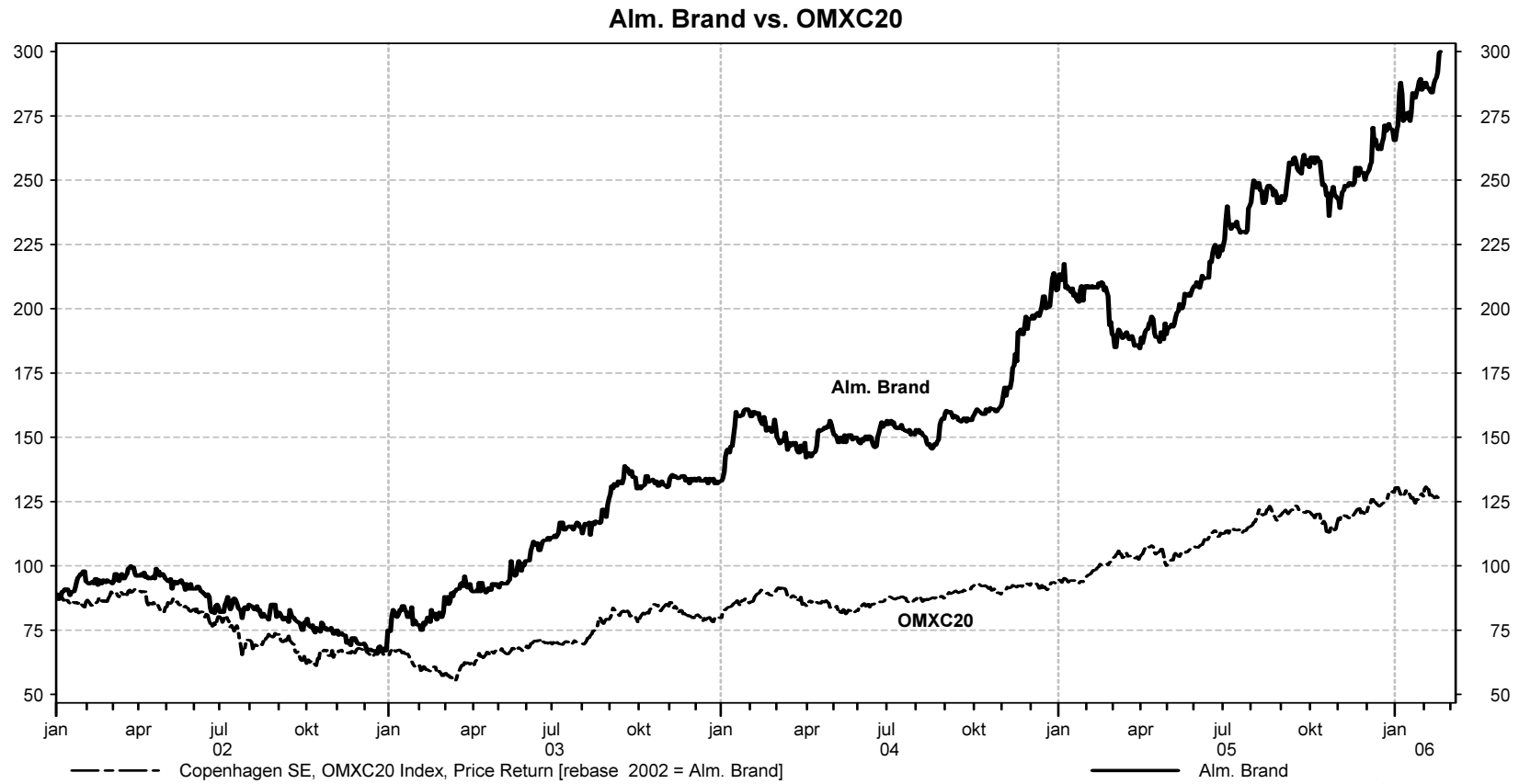
The Alm. Brand share



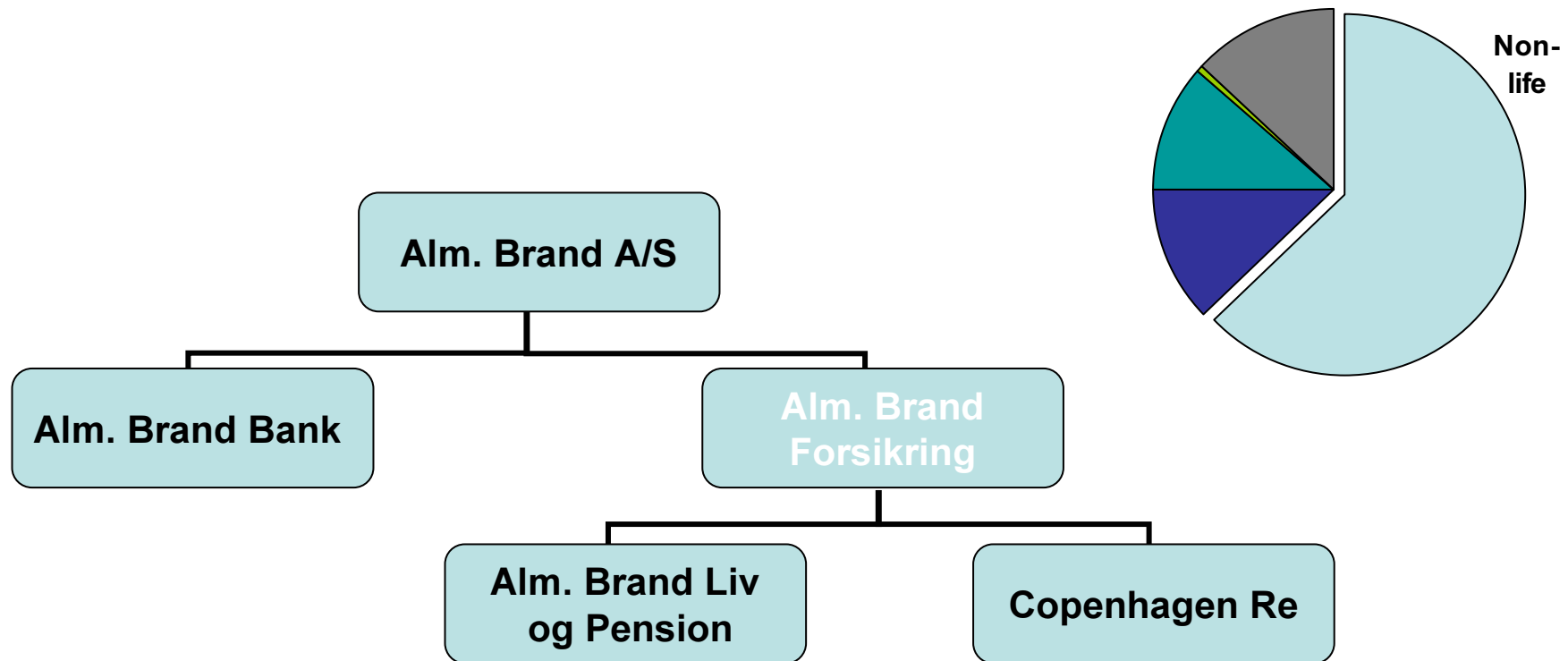
Note: Total Market Cap is calculated on the basis of the year-end price



The Alm. Brand share vs. OMXC20

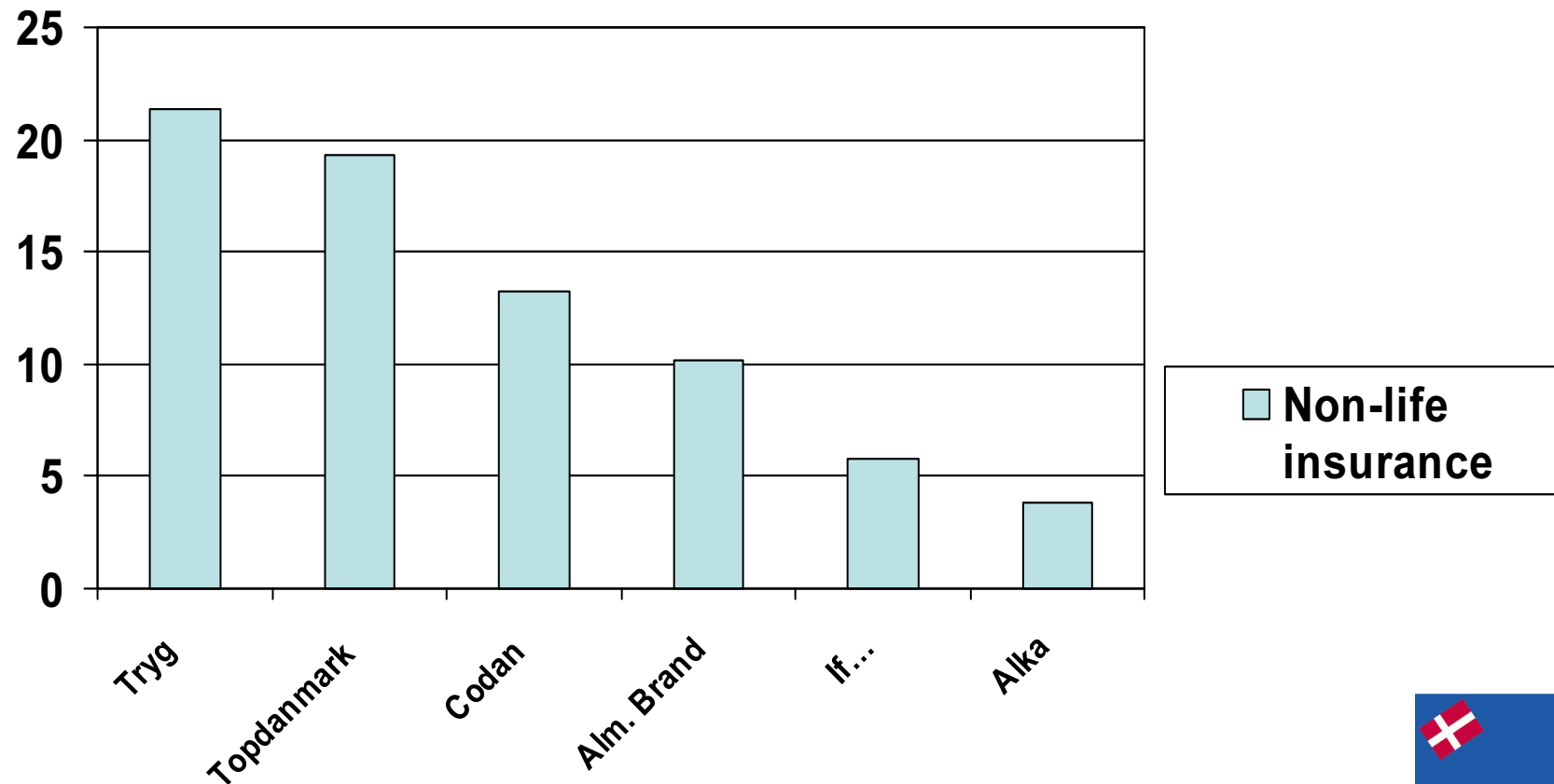


Alm. Brand, non-life operations



Alm. Brand, non-life operations

Market shares - 2004 (per cent)



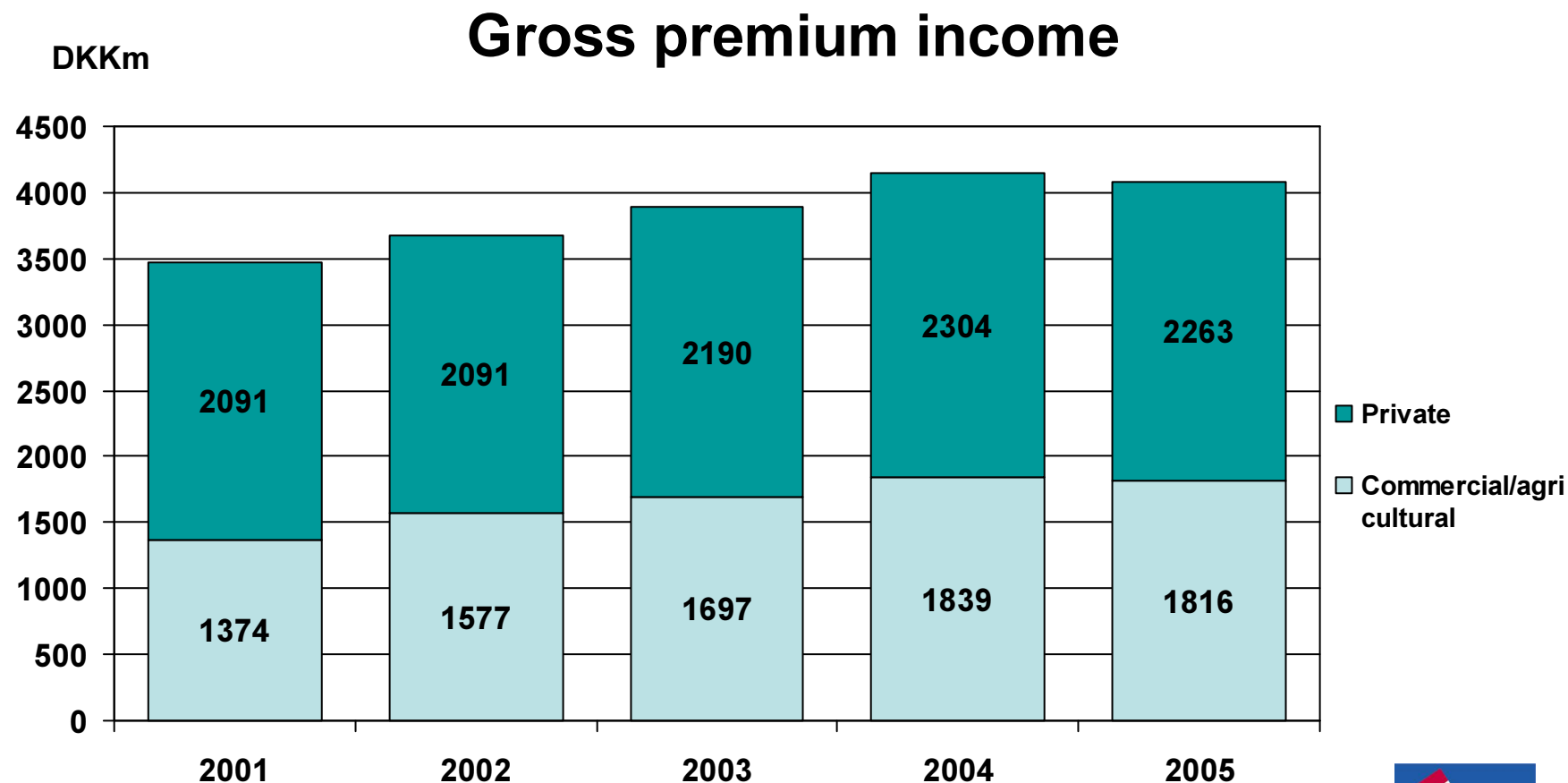
Alm. Brand, non-life operations

- Good performance: DKK 375m

Affected by:

- Portfolio optimisation (results materialised sooner than expected)
- Run-off gains
- Deterioration in personal accident insurance and workers' compensation
- Windstorm on 8 January 2005

Alm. Brand, non-life operations



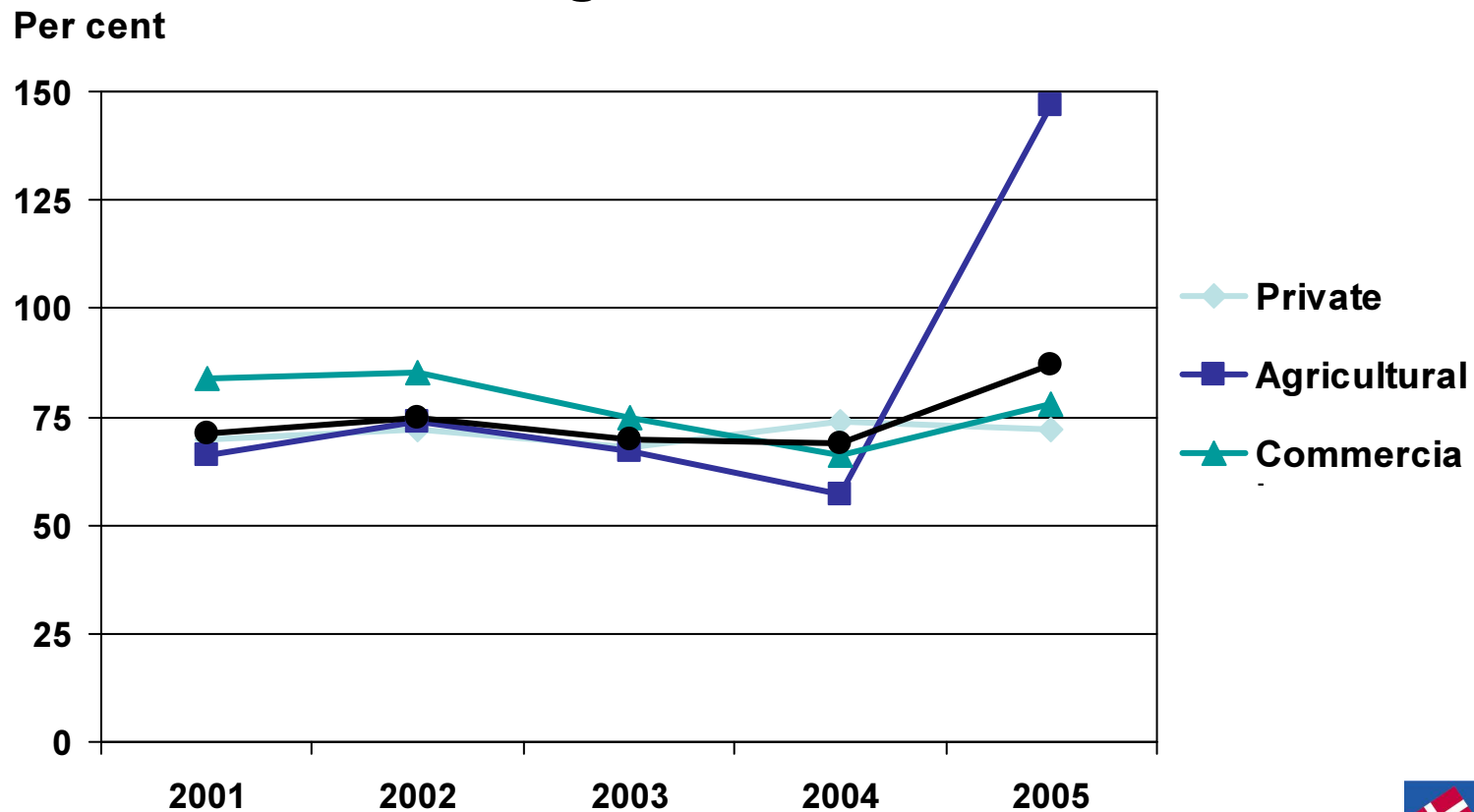
Alm. Brand, non-life operations

Trend in premiums

- Trend in premiums
 - Decline of 1.5 % => unsatisfactory
 - Focus on profitable growth
 - Only profitable volume desired
 - Cessation on commercial business served by brokers – particularly workers' compensation
 - Activities launched
 - Sales
 - Sustained growth in sales force
 - Loyalty
 - Advice and service
 - *dobbelt*KUNDE concept
- ⇒ Increased sales in 2005
- ⇒ Trend expected to be reversed in 2006

Alm. Brand, non-life operations

Trend in gross claims ratio



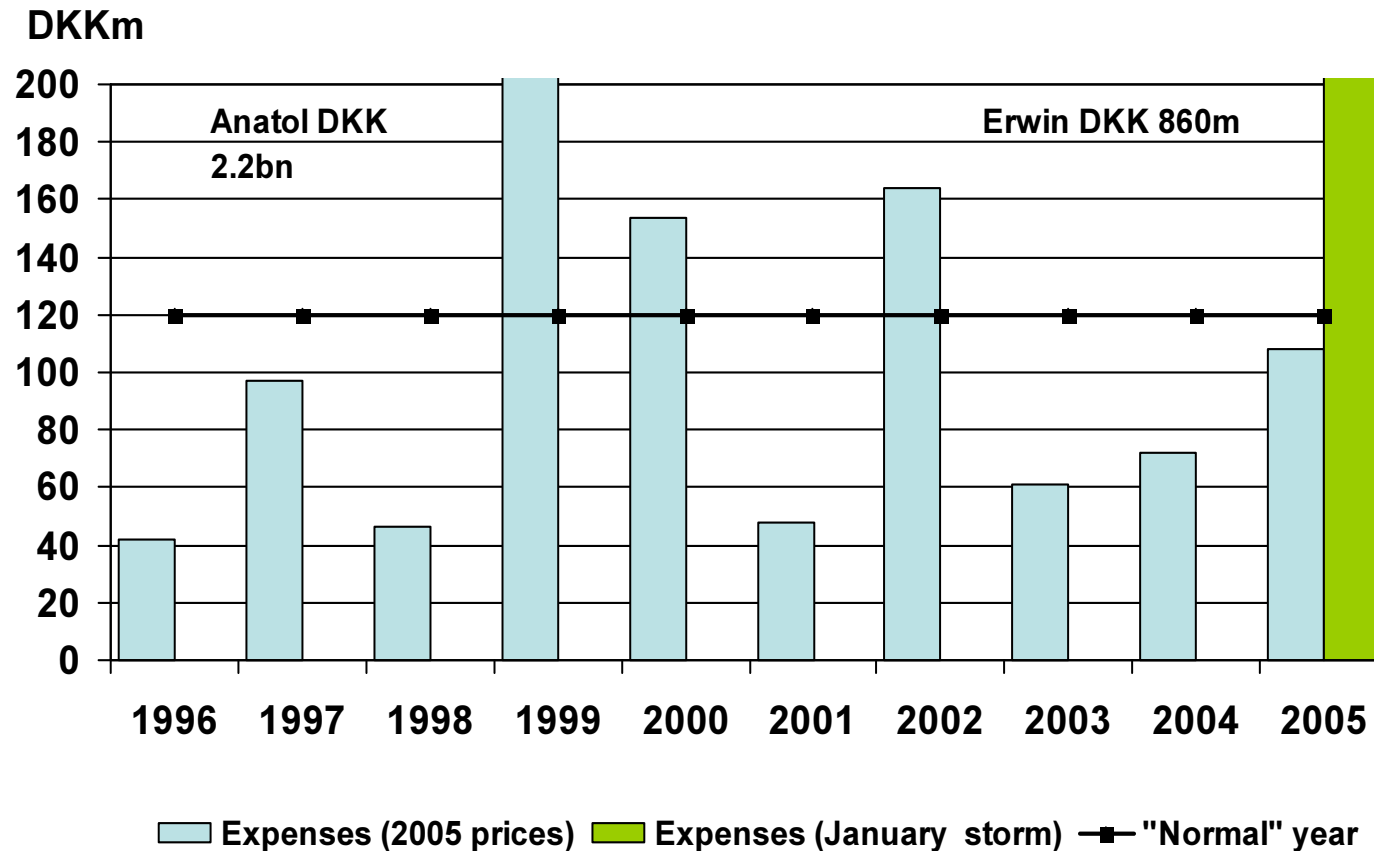
Alm. Brand, non-life operations

Windstorm on 8 January 2005

Total claims	DKK 860m
Alm. Brand's retention	DKK 100m
Alm. Brand expenses (incl reinstatement and policies surrendered)	DKK 160m
Effect on combined ratio	3.9%

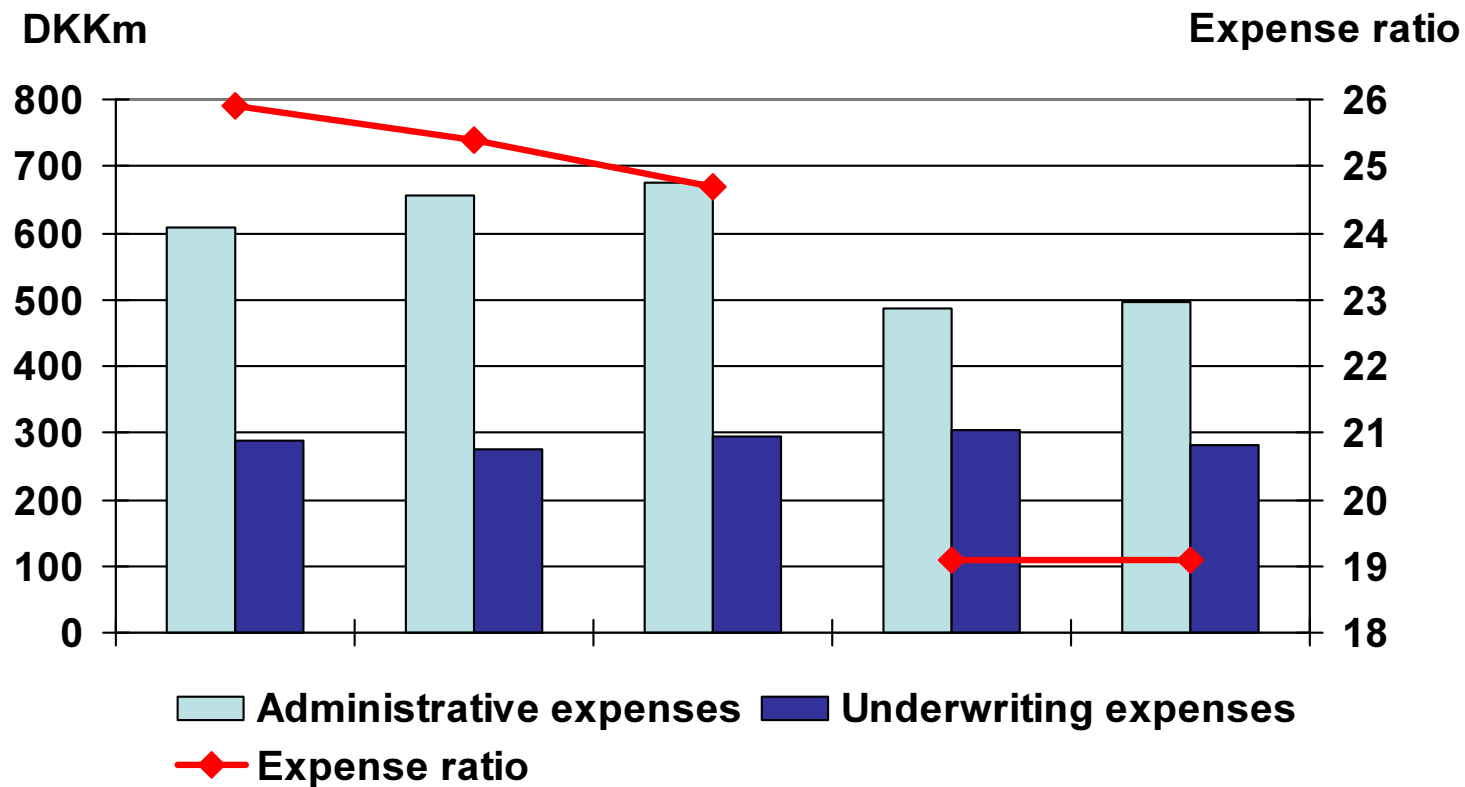
Alm. Brand, non-life operations

Expenses related to weather claims

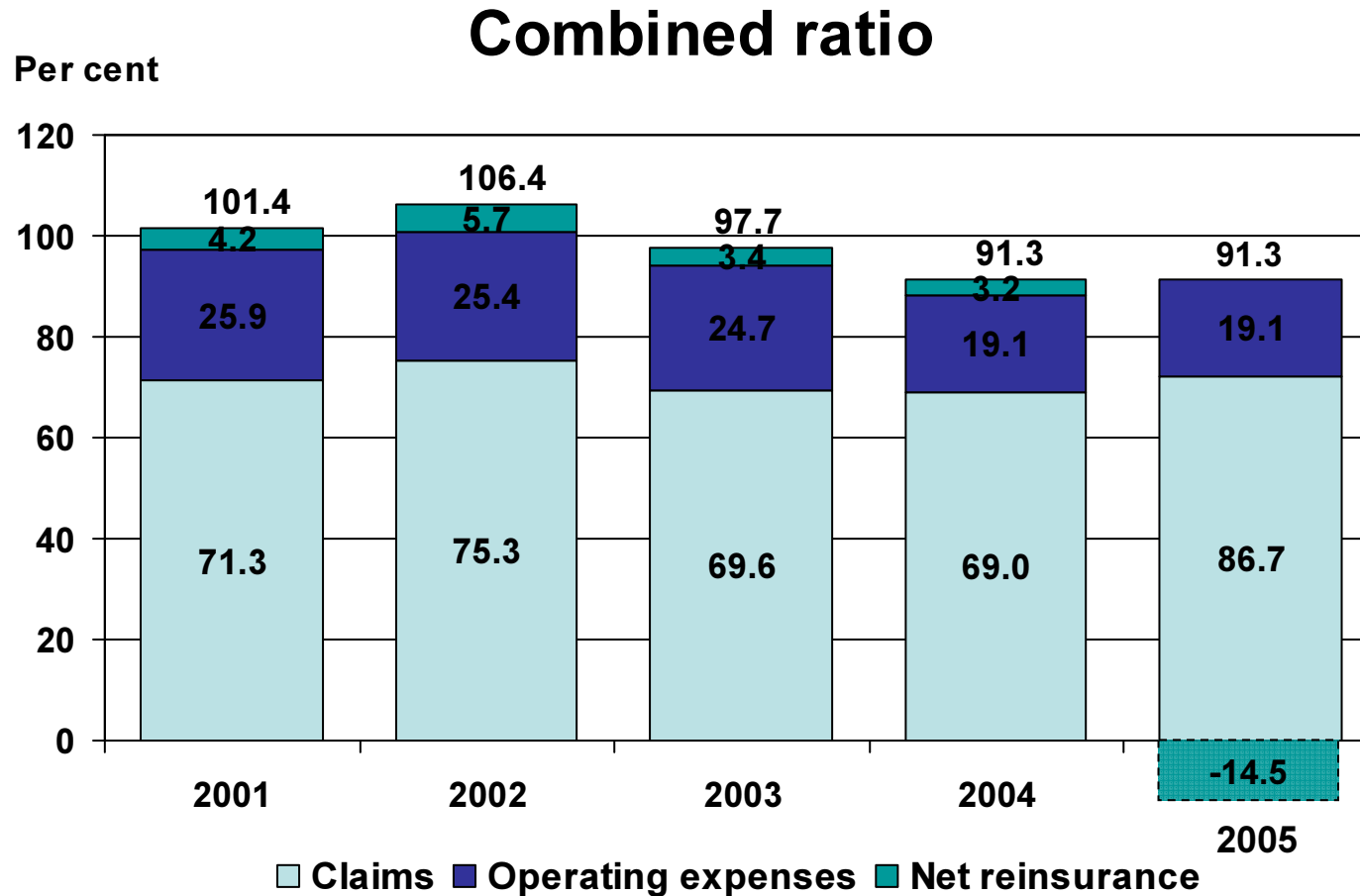


Alm. Brand, non-life operations

Technical operating costs



Alm. Brand, non-life operations

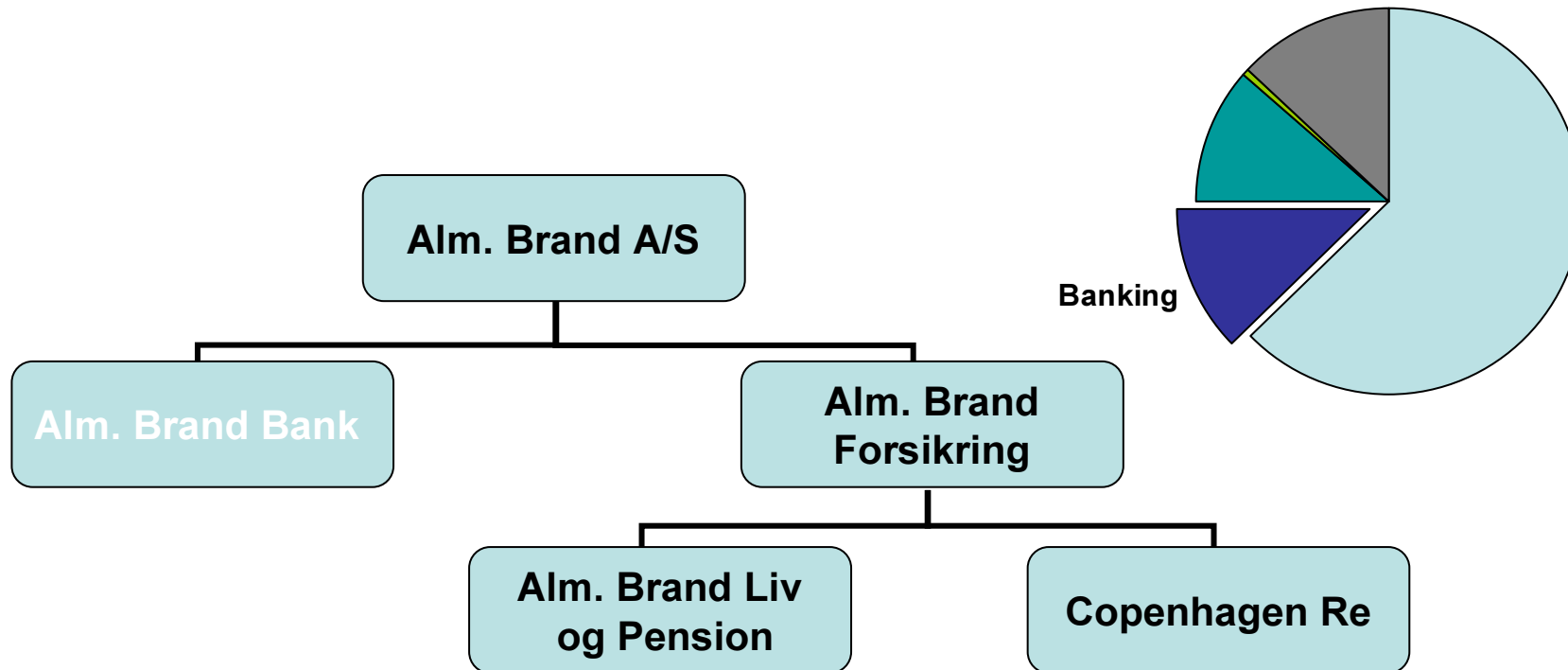


Alm. Brand, non-life operations

Highlights (DKKm)	2001	2002	2003	2004	2005
Gross premium income	3,465	3,668	3,927	4,143	4,079
Premium growth	29%	6%	7%	6%	-2%
Claims ratio	71.3%	75.3%	69.6%	69.0%	86.7%
Expense ratio	25.9%	25.4%	24.7%	19.1%	19.1%
Net reinsurance ratio	4.2%	5.7%	3.4%	3.2%	-14.5%
Combined ratio	101.4%	106.4%	97.7%	91.3%	91.3%
Profit before tax	82	5	219	354	375
Profit after tax	78	5	-36	334	223
Shareholders' equity at year-end	939	1,057	1,067	1,288	1,801
Return on equity before tax p.a.	9.7%	0.5%	20.6%	31.6%	22.2%
Return on equity after tax p.a.	9.2%	0.5%	-3.4%	29.8%	13.2%



Alm. Brand, banking operations



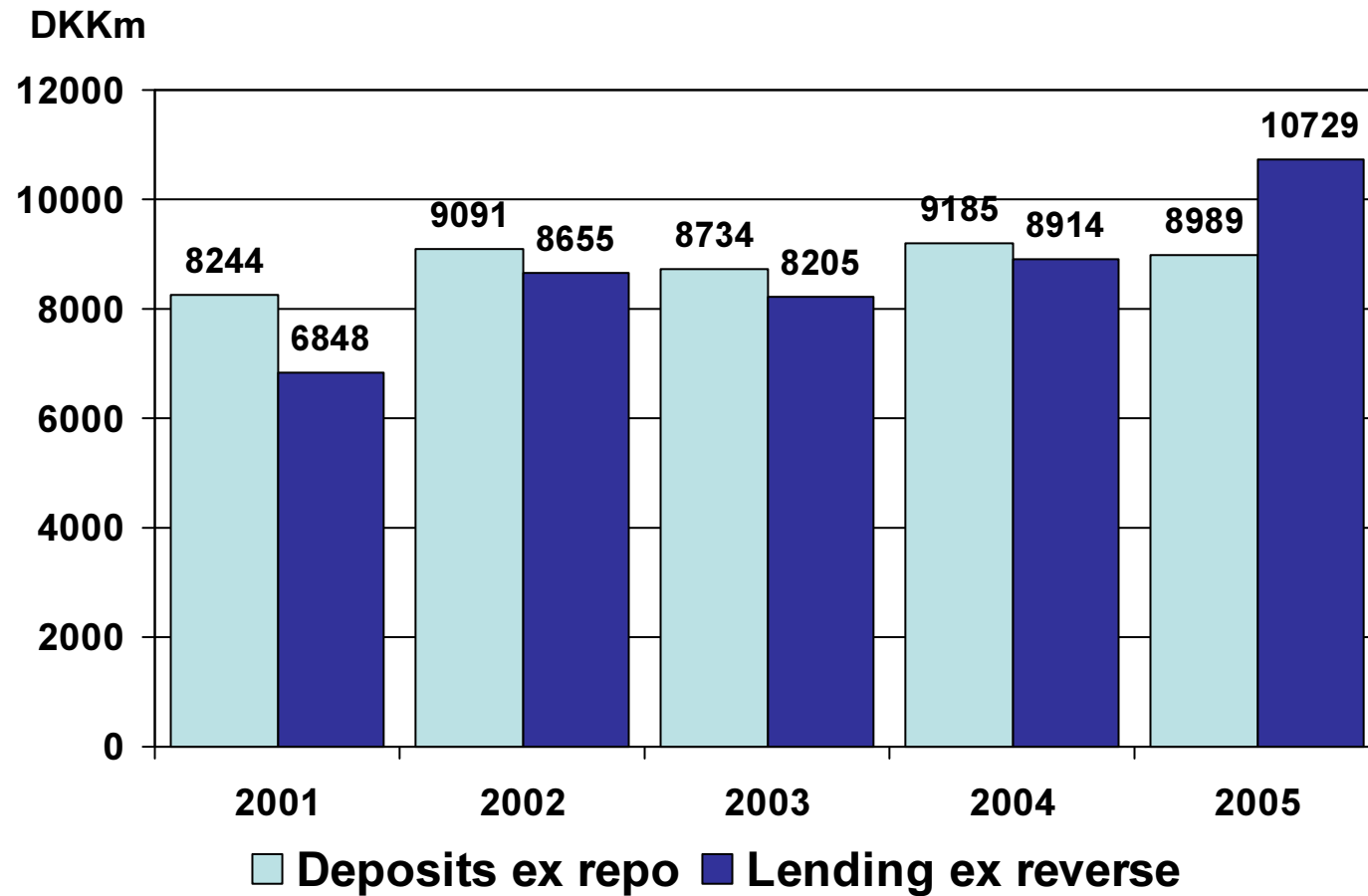
Alm. Brand, banking operations

Denmark's largest banks at 31 December 2004

	Working capital (DKKm)
1. Danske Bank	1,454,842
2. Nordea	1,354,545
3. Jyske Bank	91,458
4. FIH	55,467
5. Sydbank	51,394
6. Spar Nord	23,787
7. Nykredit Bank	23,577
8. Arbejdernes Landsbank	13,090
9. Alm. Brand Bank	10,240
10. Fionia Bank	10,197

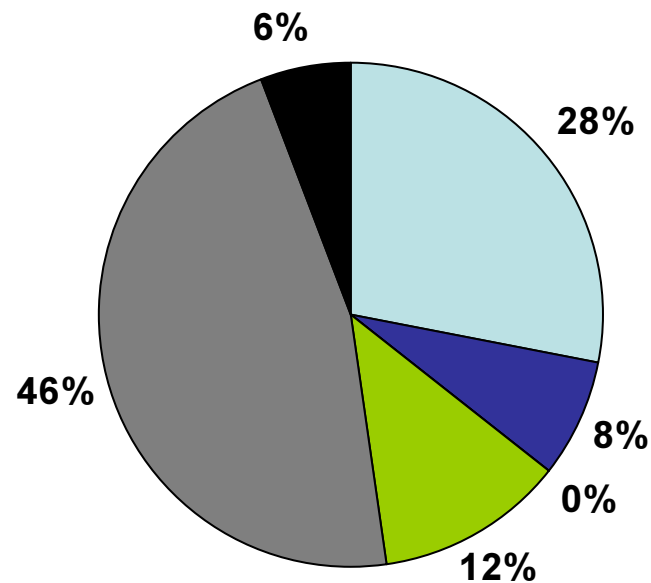
Working capital is defined as the sum of deposits, shareholders' equity, issued bonds and subordinated debt.

Alm. Brand, banking operations



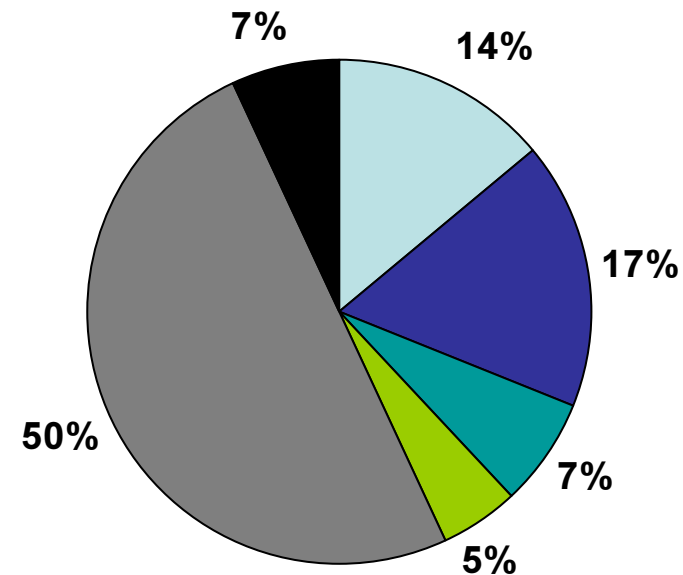
Alm. Brand, banking operations

Lending 2001



Car loans
Agriculture
Wholesale

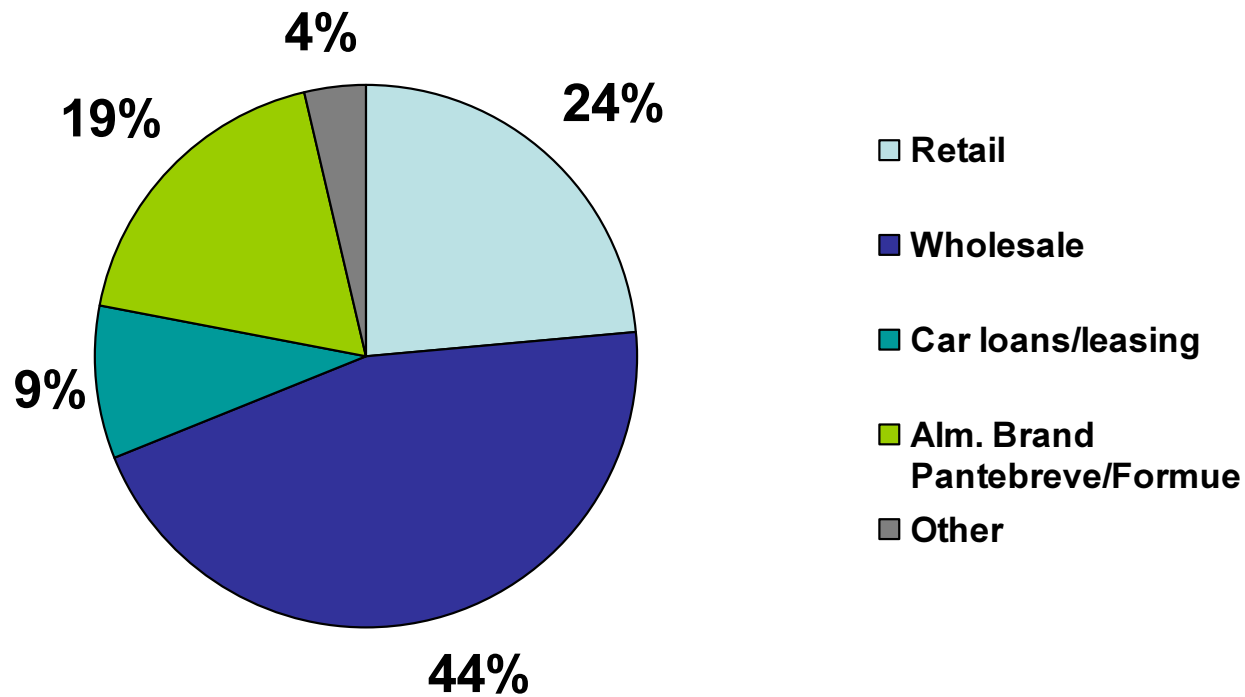
Lending 2005



Retail ex agriculture
Leasing
Alm. Brand Pantebreve

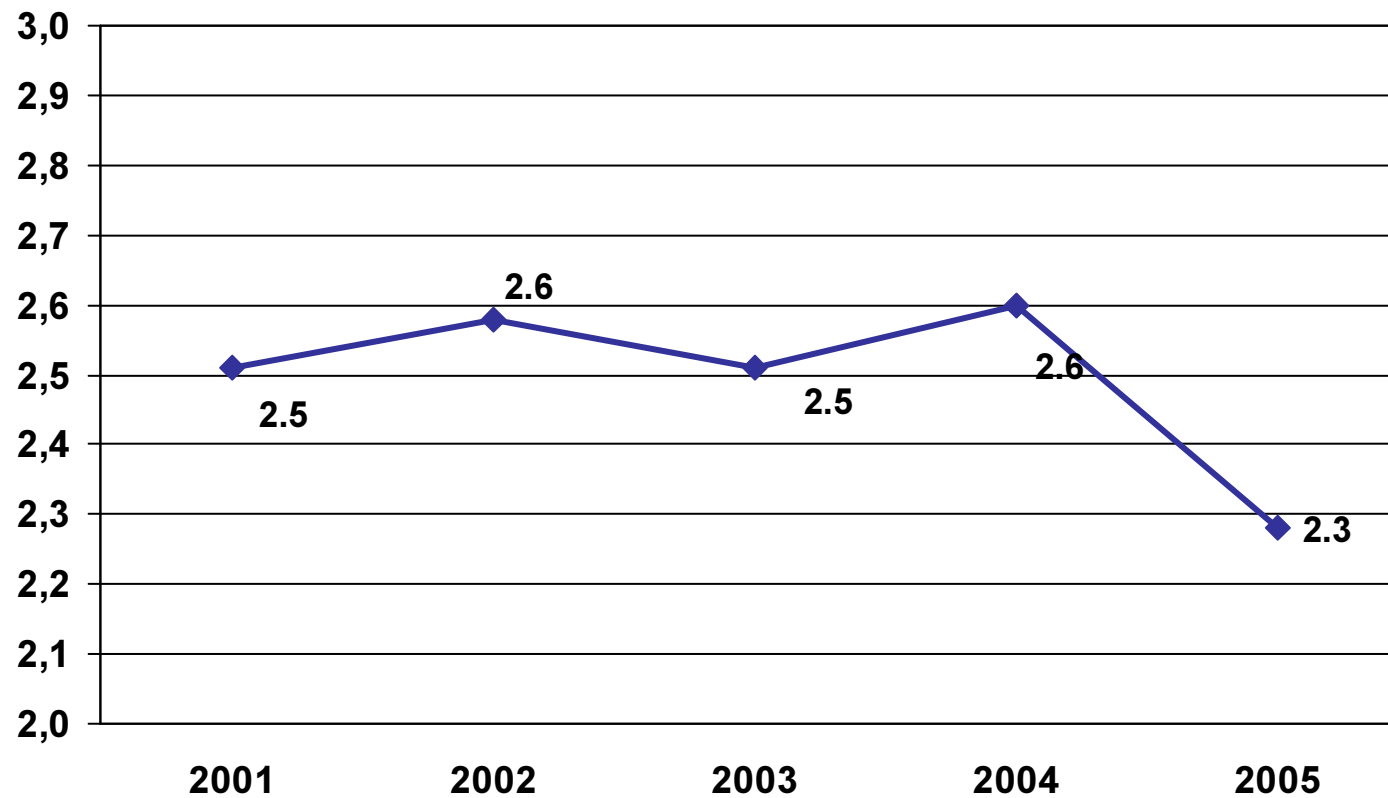
Alm. Brand, banking operations

Profit before costs

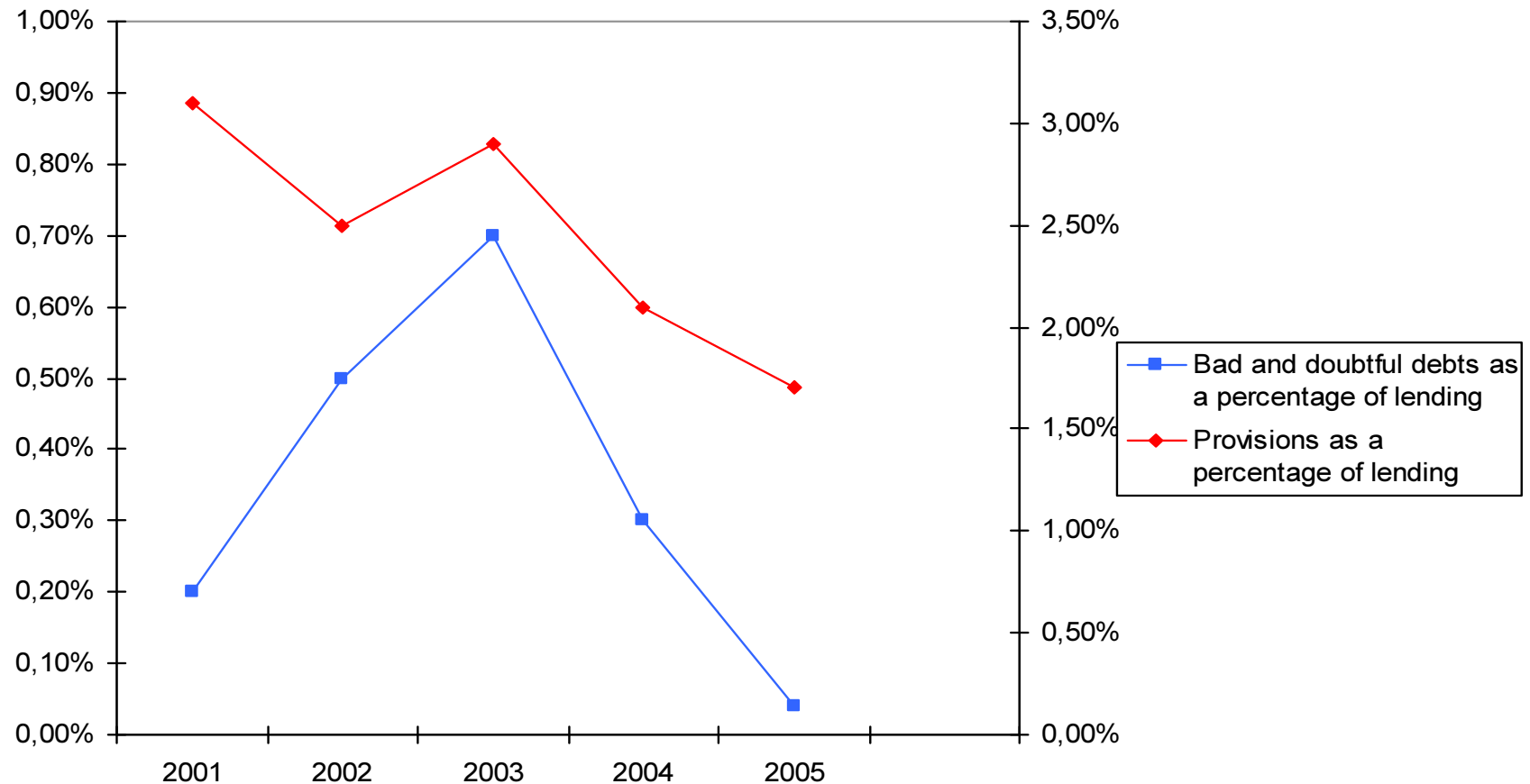


Alm. Brand, banking operations

Interest margin p.a.



Alm. Brand, banking operations

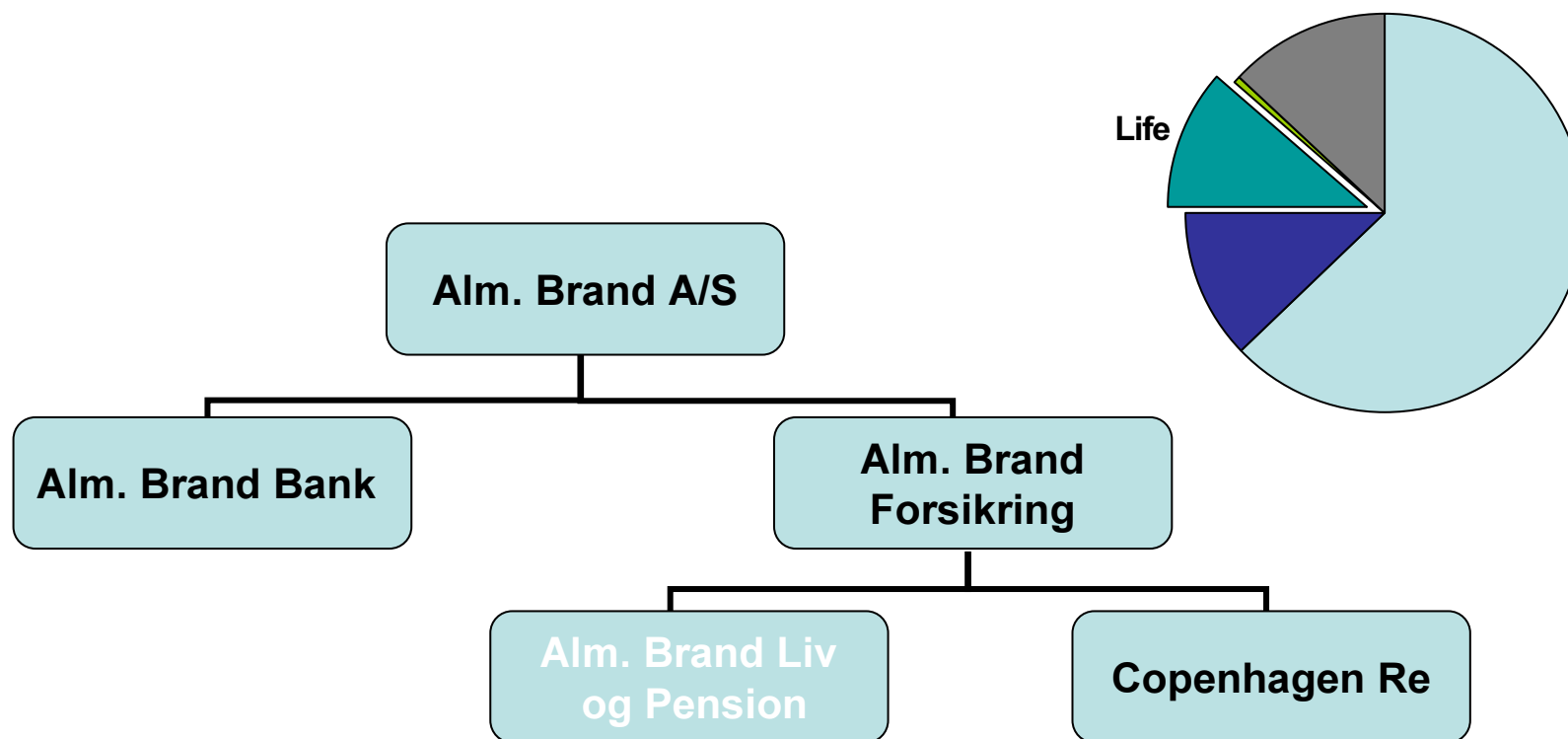


Alm. Brand, banking operations

Highlights (DKKm)	2001	2002	2003	2004	2005	2005 *)
Interest and fee income	812	745	719	689	786	774
Net interest and fee income	398	422	473	465	511	510
Capital gains and losses	7	27	22	85	183	72
Costs	298	321	356	362	369	364
Bad and doubtful debts	18	48	64	30	5	5
Profit before tax	114	101	112	174	329	222
Profit before tax ex minority interests	108	92	105	126	222	222
Shareholders' equity at year-end	749	677	735	1,166	1,609	1,089
Return on equity before tax ex minority interests p.a.	15%	13%	15%	16%	23%	23%

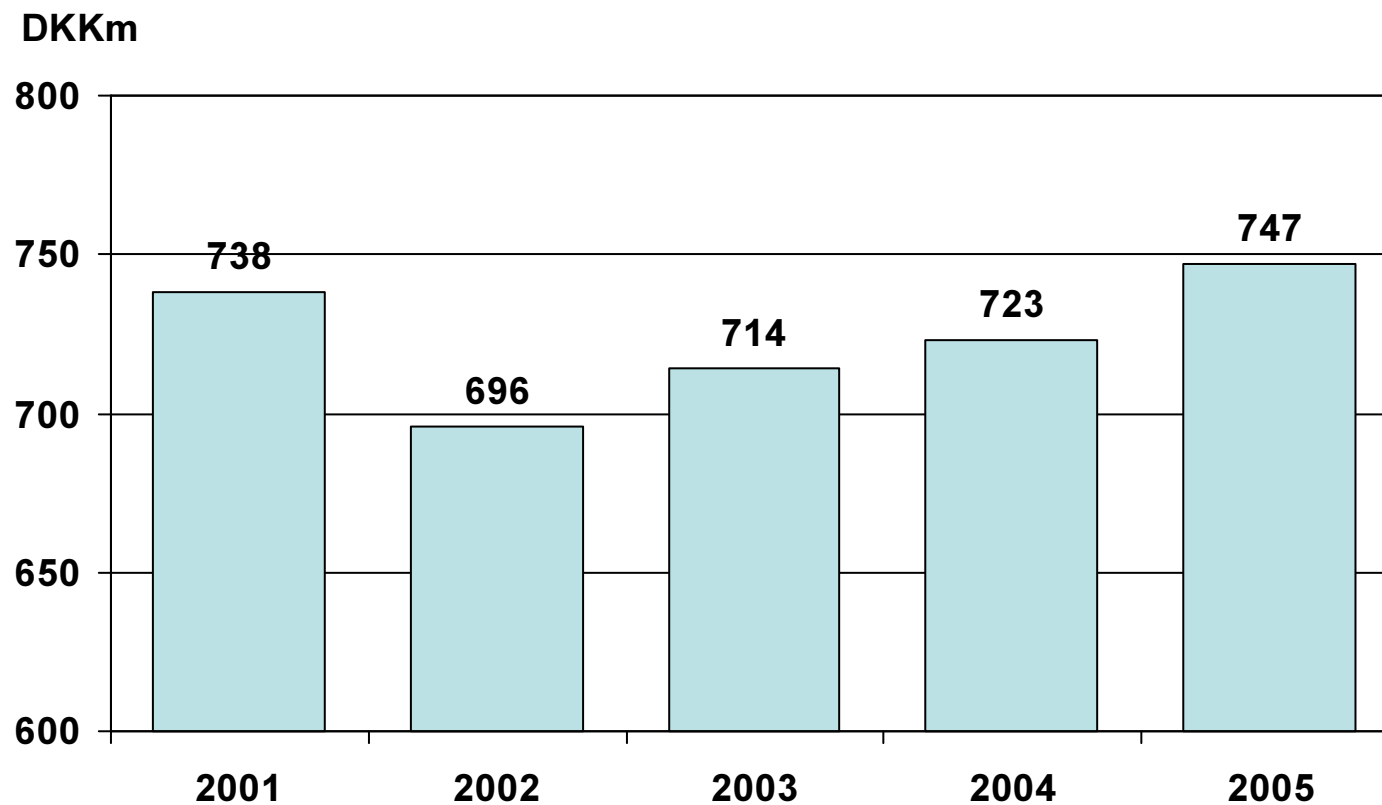
*) Pro rata consolidation of Alm. Brand Pantebreve and Alm. Brand Formue

Alm. Brand, life and pension operations

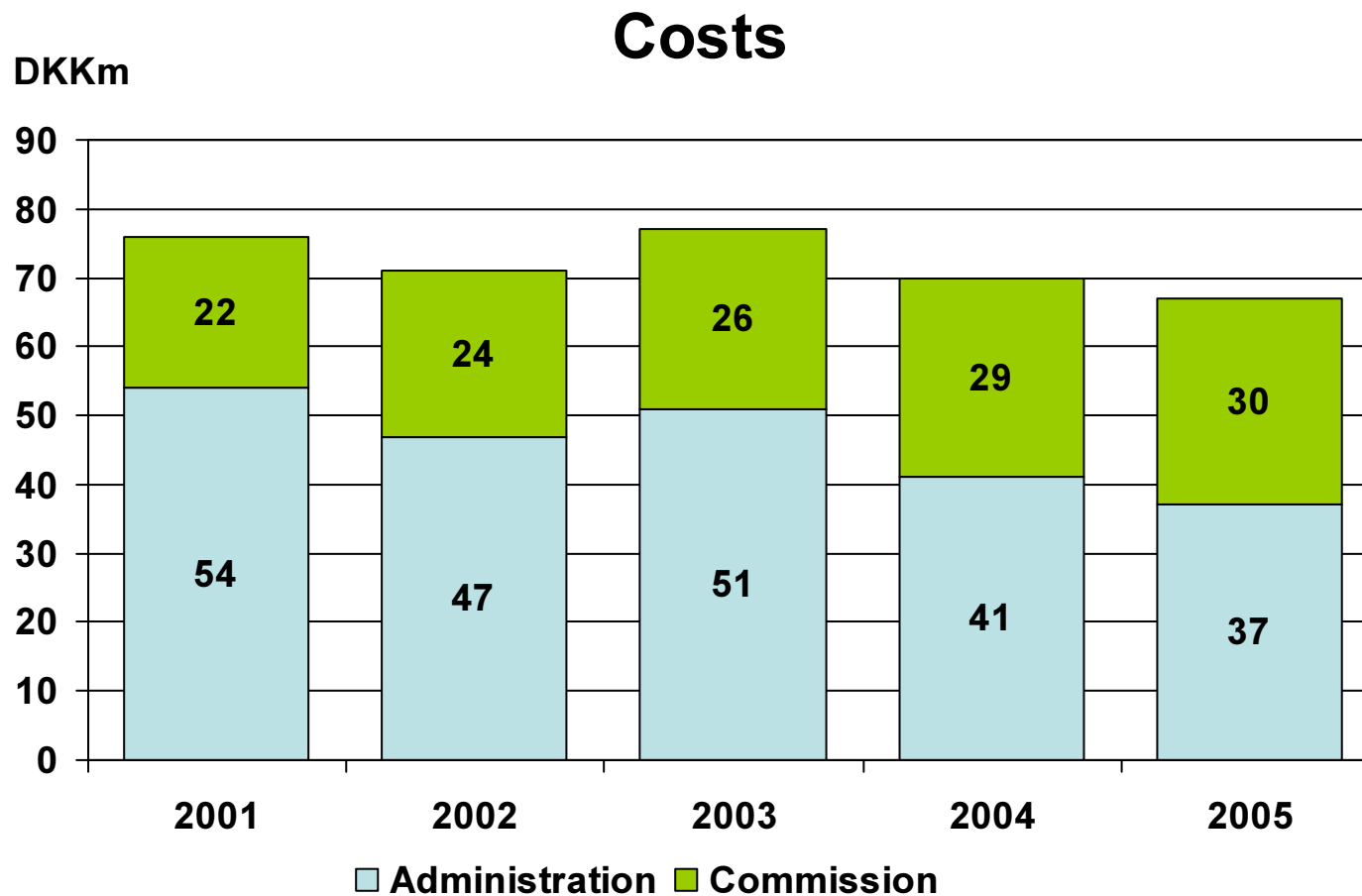


Alm. Brand, life and pension operations

Gross premiums

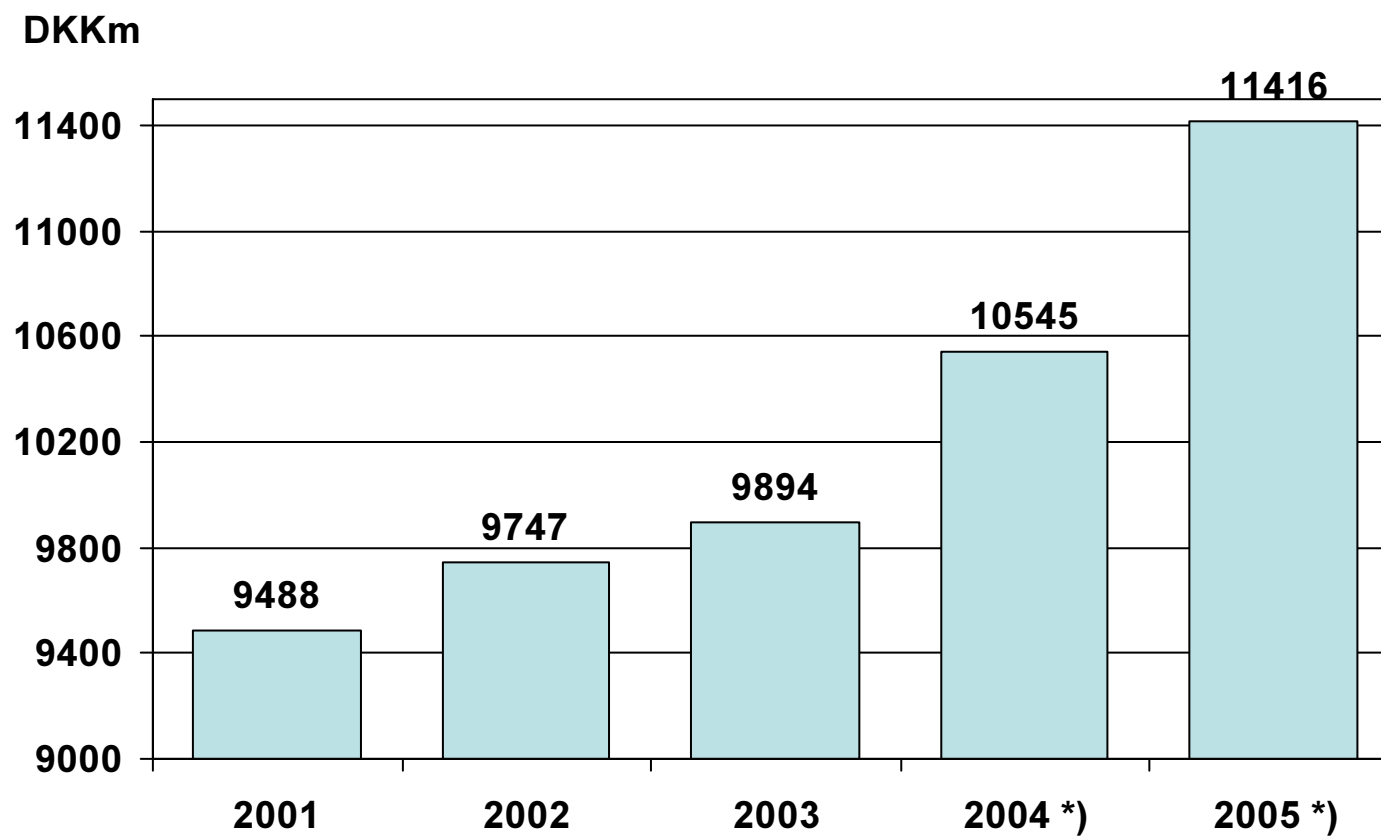


Alm. Brand, life and pension operations



Alm. Brand, life and pension operations

Technical provisions, net of reinsurance



*) New discounting rate applied as from 2004

Alm. Brand, life and pension operations

Investment return

- Rate of interest paid to customers 4.5%
- Total investment return 10.6%
- Customer return:
 - Bonds etc. 9.4%
 - Shares 45.5%
 - Properties 10.7%11.4%
- Total equity exposure approximately 12%

Alm. Brand, life and pension operations

Composition of profit

DKKm	2003	2004	2005
Expense result	15	19	23
Investment result	20	481	654
Change in guaranteed benefits etc.	88	-458	-353
Change in collective bonus potential	-79	-16	-220
Risk result	67	36	44
Reinsurance result	<u>-13</u>	<u>9</u>	<u>-4</u>
Profit on ordinary activities	98	71	144
Tax	<u>0</u>	<u>0</u>	<u>139</u>
Profit for the year	<u>98</u>	<u>71</u>	<u>283</u>

Alm. Brand, life and pension operations

Return on equity before tax

DKKm	2004	2005
Return on equity deposit	35	23
Result of portfolios without bonus entitlement	15	-13
Risk premium	39	40
Share of expense and risk results	<u>10</u>	<u>14</u>
Calculated return on equity	99	64
Reversal of shadow account	0	80
Forfeiture of return	<u>-28</u>	<u>0</u>
Profit for the year before tax	<u>71</u>	<u>144</u>

Alm. Brand, life and pension operations

Highlights

DKKm	2001	2002	2003	2004	2005
Gross premiums	738	696	714	723	747
Profit before tax	139	8	98	71	144
Profit after tax	85	5	98	71	283
Technical provisions	9,488	9,747	9,894	10,545	11,416
Shareholders' equity	759	826	924	995	1,278
Return on equity before tax	20%	1%	11%	7%	13%
Collective bonus potential	22	0	79	94	314
Bonus rate	0.3%	0.0%	0.8%	1.0%	3.1%



Other business areas

- Copenhagen Re, profit: DKK 38m
 - Enhanced experience and performance
 - Focus on commutations
 - Continued high run-off risk
 - Risk related to Alm. Brand limited to shareholders' equity (DKK 140m)
- Other activities, loss: DKK 32m
 - Shared group expenses, adjustment of treasury shares and a number of dormant companies

Strategy 2010

“We take care of our customers”

- Our five goals
 - Money market rate plus 10% return on equity
 - 50% portfolio growth per business area
 - Non-life insurance – gross premiums: DKK 5.8bn
 - Banking – lending: DKK 16bn
 - Pension funds*: DKK 6.5bn
 - Image ranking in the top two in the industry
 - 90% customer satisfaction
 - 40% very satisfied
 - 90% employee satisfaction

* Ex 4.5% guarantees, index-linked contracts and private pension funds



Why growth?

- Growth requires a dynamic approach
- Growth is challenging
- Growth creates future value





Growth

- Growth in non-life insurance, banking and pension activities
 - Increasing sales through all sales channels
 - Sharpening our sales tools
 - Reducing customer outflow
 - Up to 200 more employees by 2010
 - Broader inflow of commercial customers
 - Increasing cross sales





Growth

- Key product concepts
 - *dobbelt*KUNDER (multi-product customers)
 - “Just go”-like products
 - Care products for our pension operations
 - Timing
- Same sales channels as today
 - Applying the right sales channels to the right customer segments





Alm. Brand distribution

- 5 regional centres
 - Decision-making close to our customers
- 5 customer service centres - insurance
- 1 customer service centre - banking
- 12 large and 13 small branch offices offering banking, insurance and pension products
- 12 branch managers appointed
- 19 insurance agencies
- 240 insurance agents (private, commercial and agricultural business)
- Sales and service via the Internet and over the telephone
- Partnerships (e.g. EDC)





Customer satisfaction

- Customer focus
 - From customer service to “taking care”
 - Accessibility, quick response, pleasantness
 - Basic products, processes and systems should better support our customer service
- Very satisfied customers
 - More loyal
 - Longer customer relationships
 - Source more products
 - Throughout the group





Employee satisfaction

- Satisfied employees are key to our success
 - Employee satisfaction and customer satisfaction go hand in hand
 - Recruiting and retaining employees
- Investing in skills
 - Training of existing and new employees at the Alm. Brand Academy





Image

- Five largest insurers measured
- Alm. Brand – shared third place
- Customer satisfaction, employee satisfaction and image go hand in hand





Earnings

- Strong earnings are a prerequisite of success
- Retaining focus on earnings
 - Sustaining customer portfolio quality
 - Ongoing portfolio optimisation efforts
 - Working to extend customer relationships
 - Getting more customers to source more products
 - Retaining focus on costs



Alm. Brand A/S

Annual report 2005 - Investors

