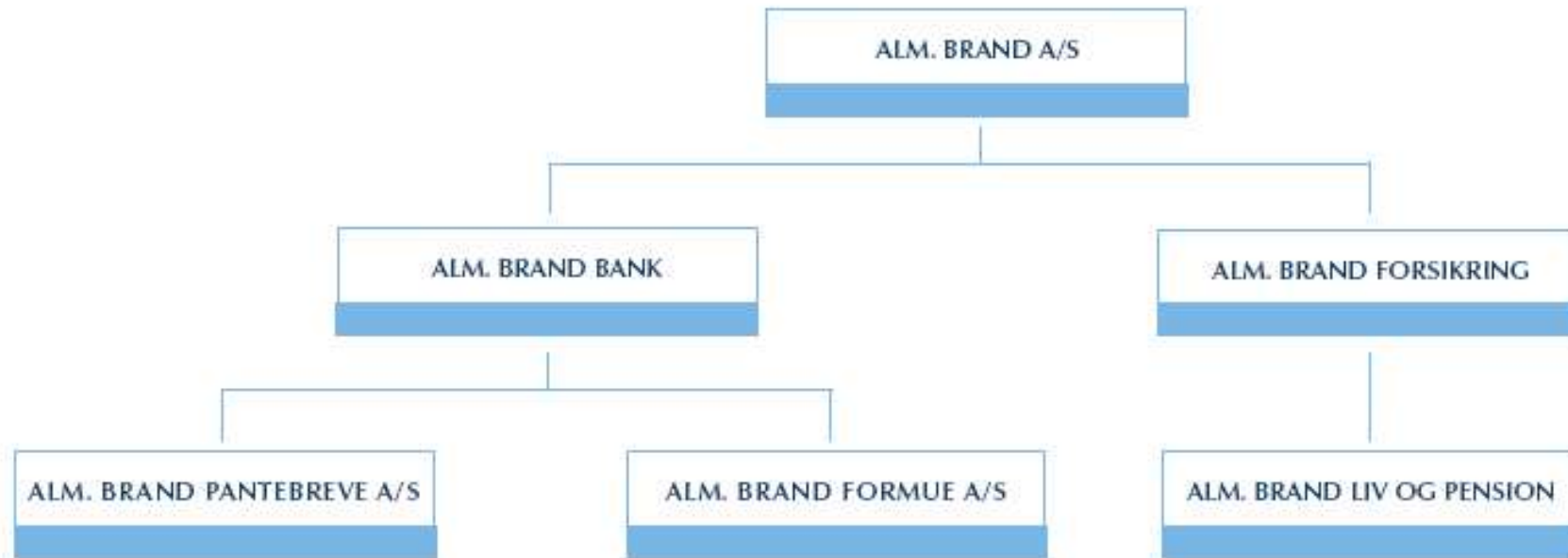


Alm. Brand A/S

Annual Report 2007 - Investors



The Alm. Brand Group



Alm. Brand A/S

Highlights 2007

Profit: DKK 986m

- Highly satisfactory
- Substantial growth in non-life and banking operations
- No sub-prime exposure
- Non-life: Profit DKK 647m, combined ratio 91.4
 - Satisfactory despite large number of weather-related claims/major claims
 - Strong growth => 7% without impairing portfolio quality
- Banking: Profit DKK 196m
 - Satisfactory even with narrowed interest margin
 - Strong growth in loans and advances => 28% at maintained credit policy
 - Long-term and low-cost liquidity
- Life: Profit of DKK 104m
 - Full risk premium recognised
 - Growth => 8%
 - Capital loss largely offset by reduced provisioning need
- Other: Profit of DKK 39m
 - Reinsurance, group costs

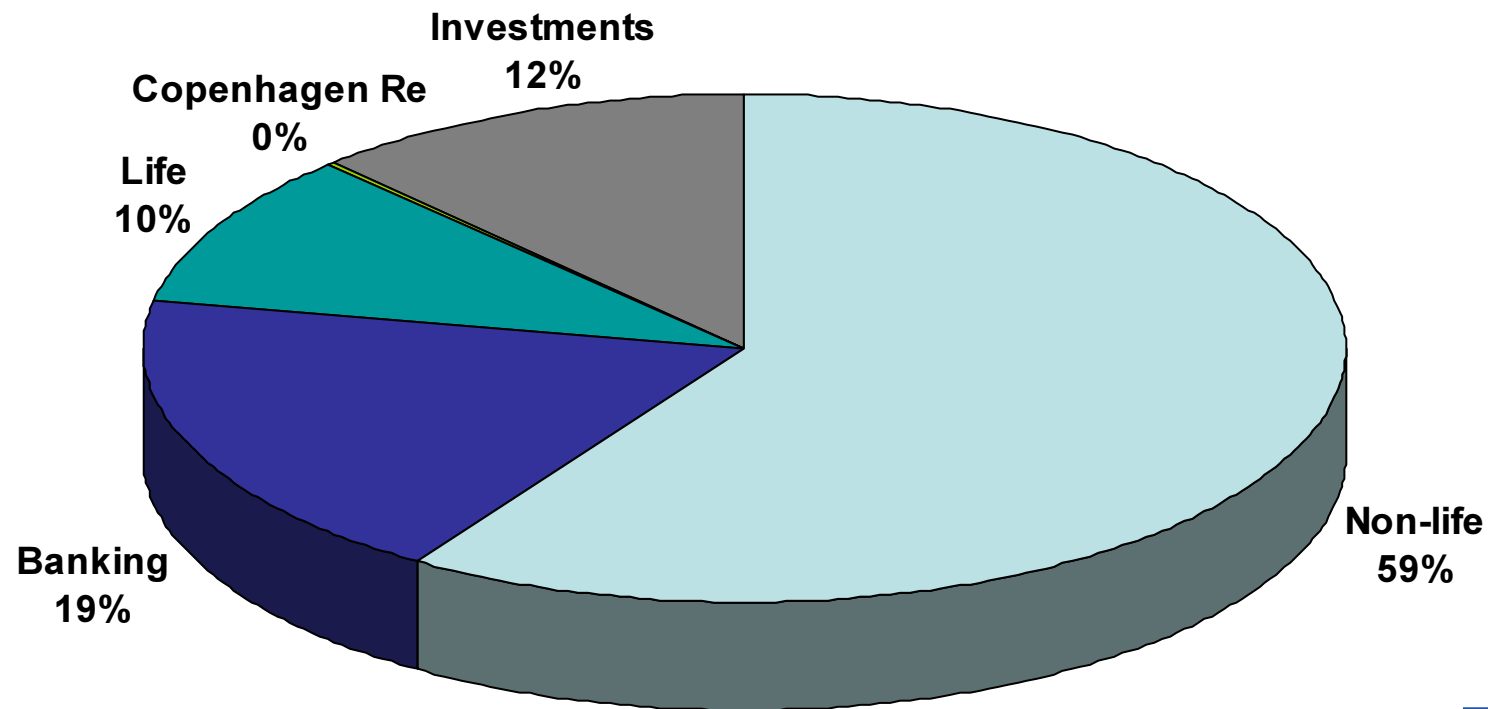
Alm. Brand Koncernen

Outlook for 2008

- Profit forecast of DKK 870m
 - Non-life: DKK 550m
 - Strong portfolio performance, more competitive pricing, larger number of weather-related claims and fair growth
 - Banking: DKK 200m
 - Sustained, weaker growth, focus on profitability and use of capital
 - Life and pension: DKK 100m
 - Continued focus on growth; particularly in terms of market schemes and risk insurance schemes
 - Other activities: DKK 20m
 - Revenue: DKK 8bn
 - Sustained growth

The Alm. Brand Group

Total income 2007
DKK 7,720m



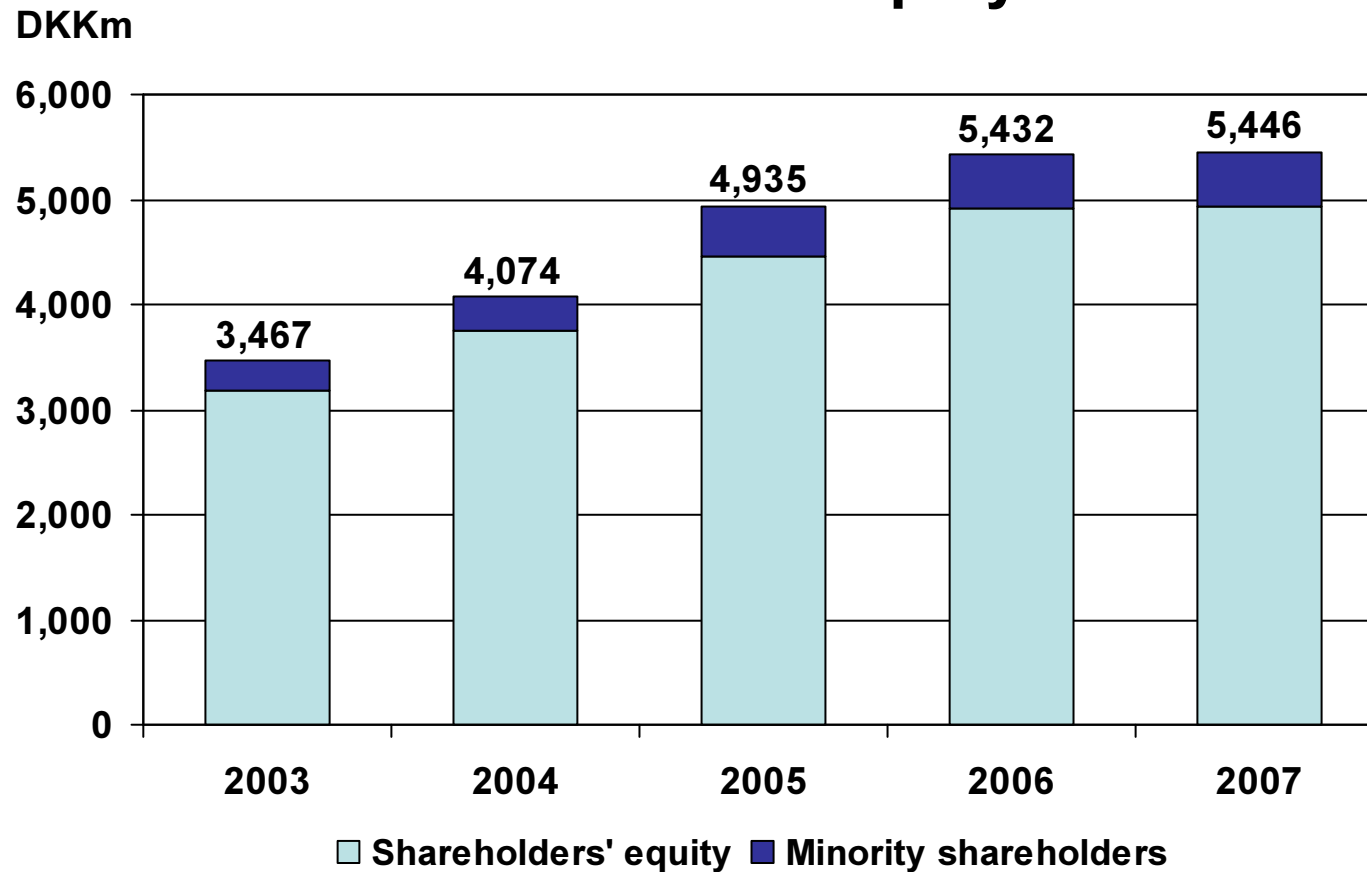
The Alm. Brand Group

Financial highlights

DKKm	2003	2004	2005	2006	2007
Total income	6,465	6,439	6,489	6,855	7,720
Premium income	4,777	4,895	4,863	5,270	5,345
Income from banking activities	719	689	786	980	1,444
Profit before tax excl minorities	387	492	747	1,006	986
Profit after tax excl minorities	372	397	688	811	705
Shareholders' equity at year-end	3,467	4,074	4,935	5,432	5,446
Share attributable to minority interests	277	323	474	520	504
Return on equity before tax excl minority interests p.a.	13%	14%	18%	22%	20%
Return on equity after tax excl minority interests p.a.	13%	11%	17%	17%	14%
Earnings per share (DKK)	17	18	31	37	35
NAV per share (DKK)	143	168	199	234	260
Price/NAV	0.93	1.24	1.34	1.71	1.10

The Alm. Brand Group

Shareholders' equity



The Alm. Brand Group

Capital model

(DKKm)	Times the solvency requirement	2006	2007
Non-life insurance	2.4	1,565	1,637
Banking excl partly-owned, listed subsidiaries	1.3	1,410	1,822
Banking, investments in partly-owned, listed subsidiaries		699	801
Life insurance	2.0	1,036	936
Reinsurance, shareholders' equity		212	261
Capital target		4,922	5,457
Consolidated shareholders' equity *)		5,432	5,446
Net tax asset		-449	-234
Intangible assets		-187	-227
Adjusted shareholders' equity excl supplementary capital		4,796	4,985
Excess of capital target excl supplementary capital		-126	-472
Supplementary capital		475	817
Excess of capital target incl supplementary capital		349	345

*) Expected share buyback programme of DKK 600m has been deducted from expected consolidated shareholders' equity 2008.



Share buyback programme

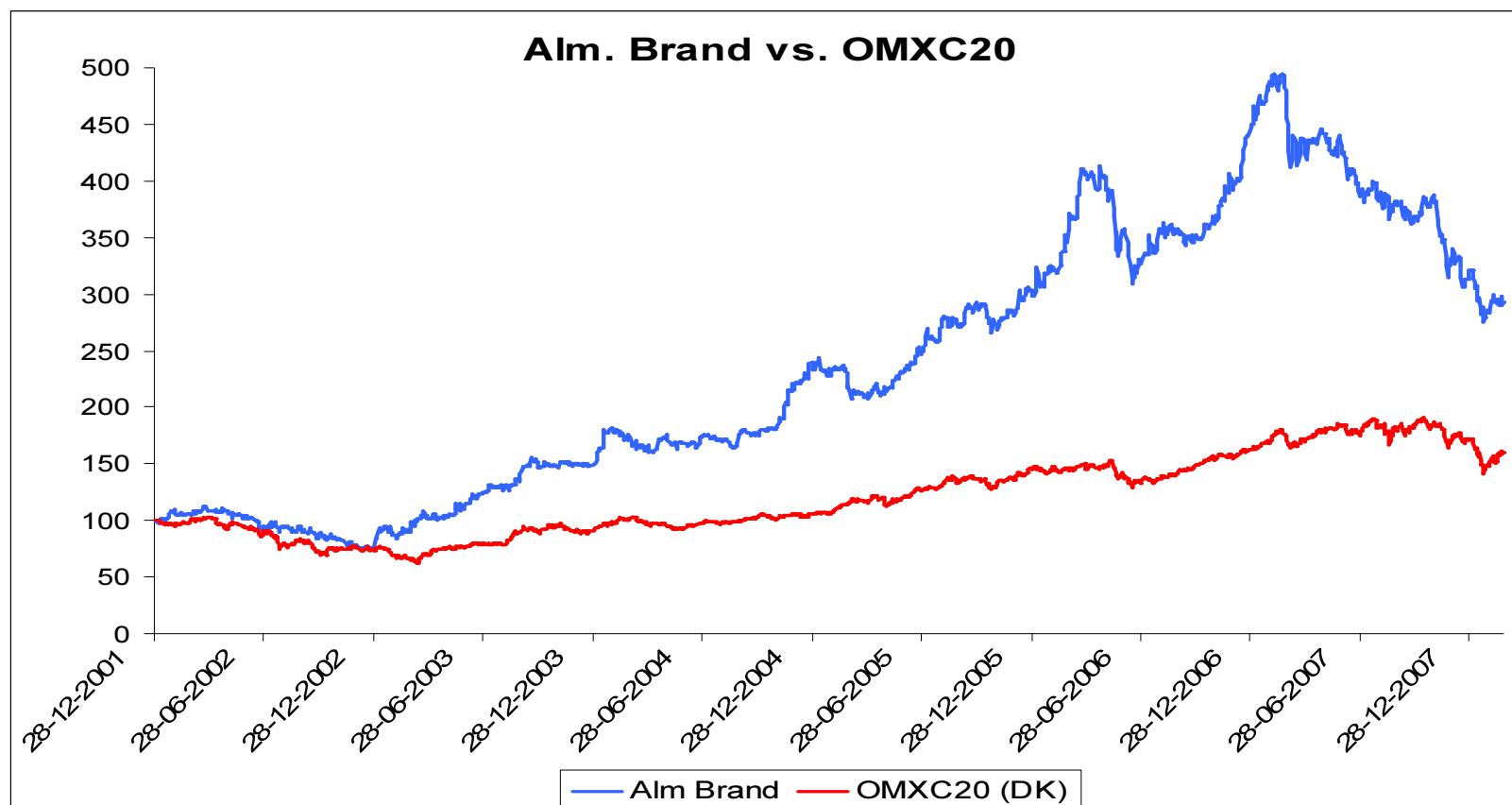
2007:

- Shares for about DKK 650m bought back
 - Equal to a pay-out ratio of 14%
 - Outstanding amount of DKK 50m
- 1.5 million shares cancelled
- Decision made to cancel an additional 1.2 million shares

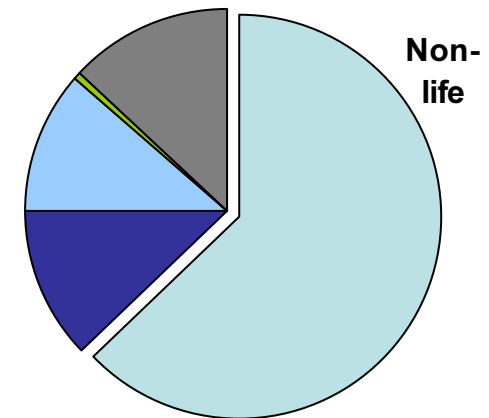
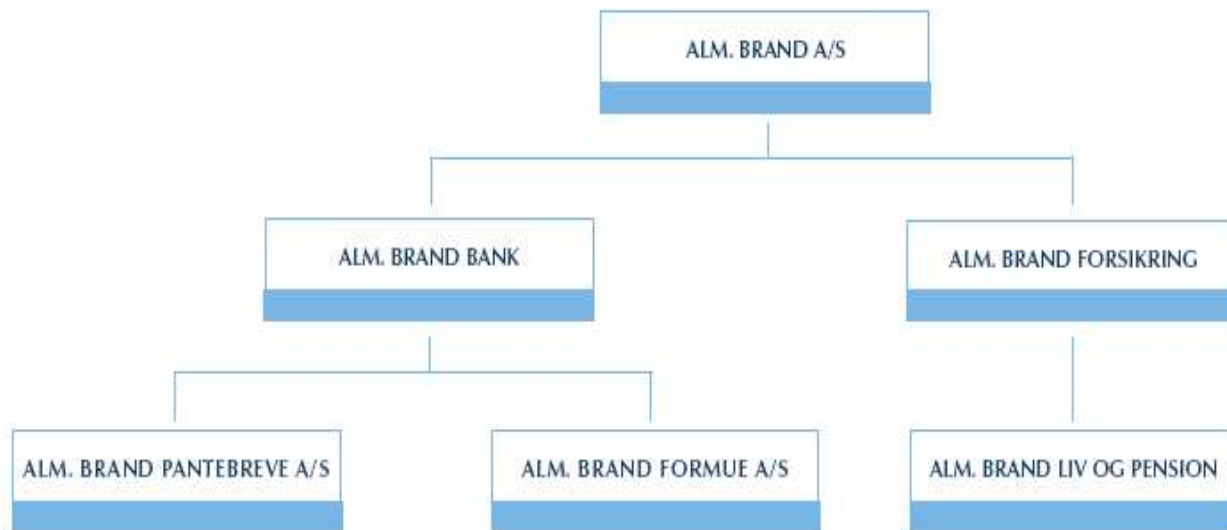
2008:

- New share buyback programme of DKK 600m
 - Equal to a pay-out ratio of 12%
 - Outstanding amount of DKK 50m from 2007 bought back concurrently with the new programme

Relative performance Alm. Brand vs. OMXC20



Alm. Brand, non-life operations

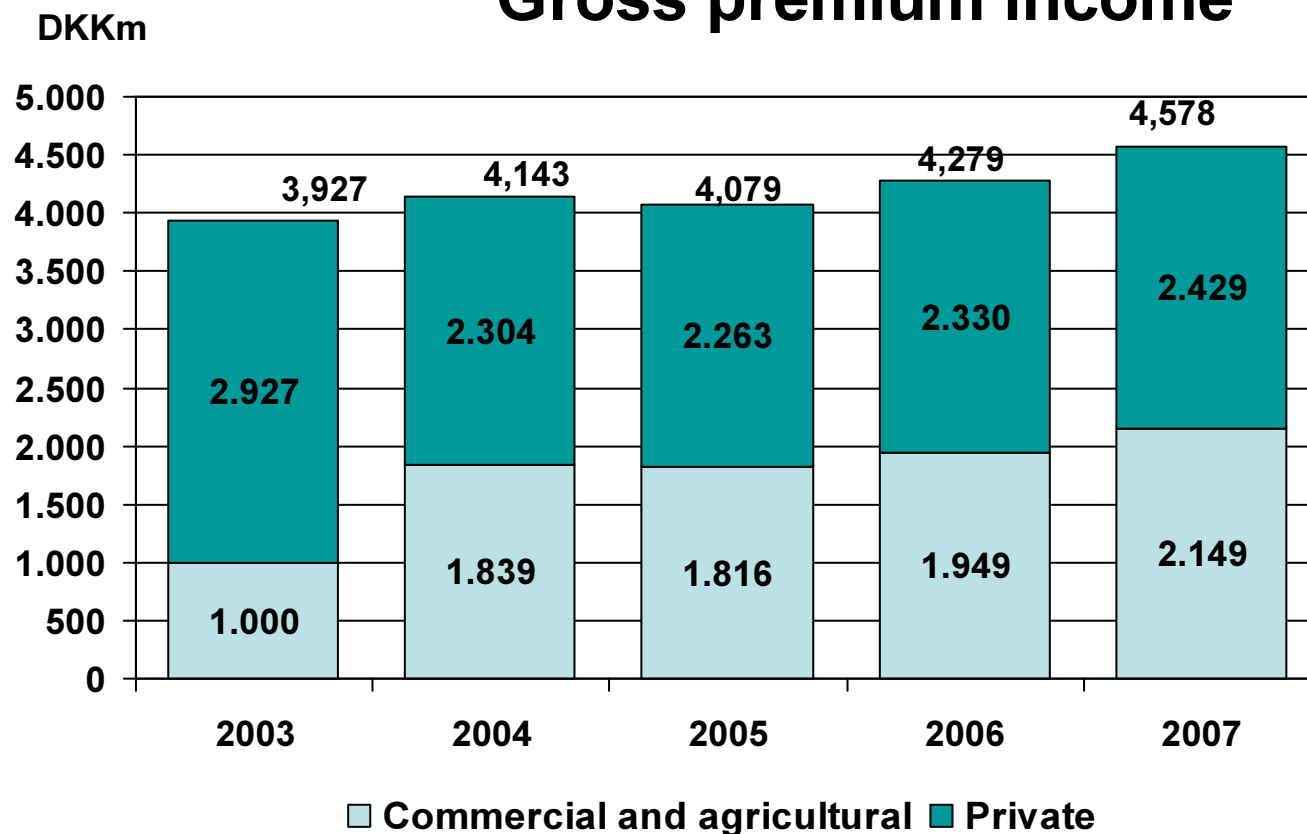


Alm. Brand, non-life operations

- Good performance: DKK 647m profit
Driven by:
 - + Good claims performance by underlying portfolio
 - + Good investment return
 - + Run-off gains
 - Substantial expenses related to weather claims
 - Substantial expenses related to major claims

Alm. Brand, non-life operations

Gross premium income



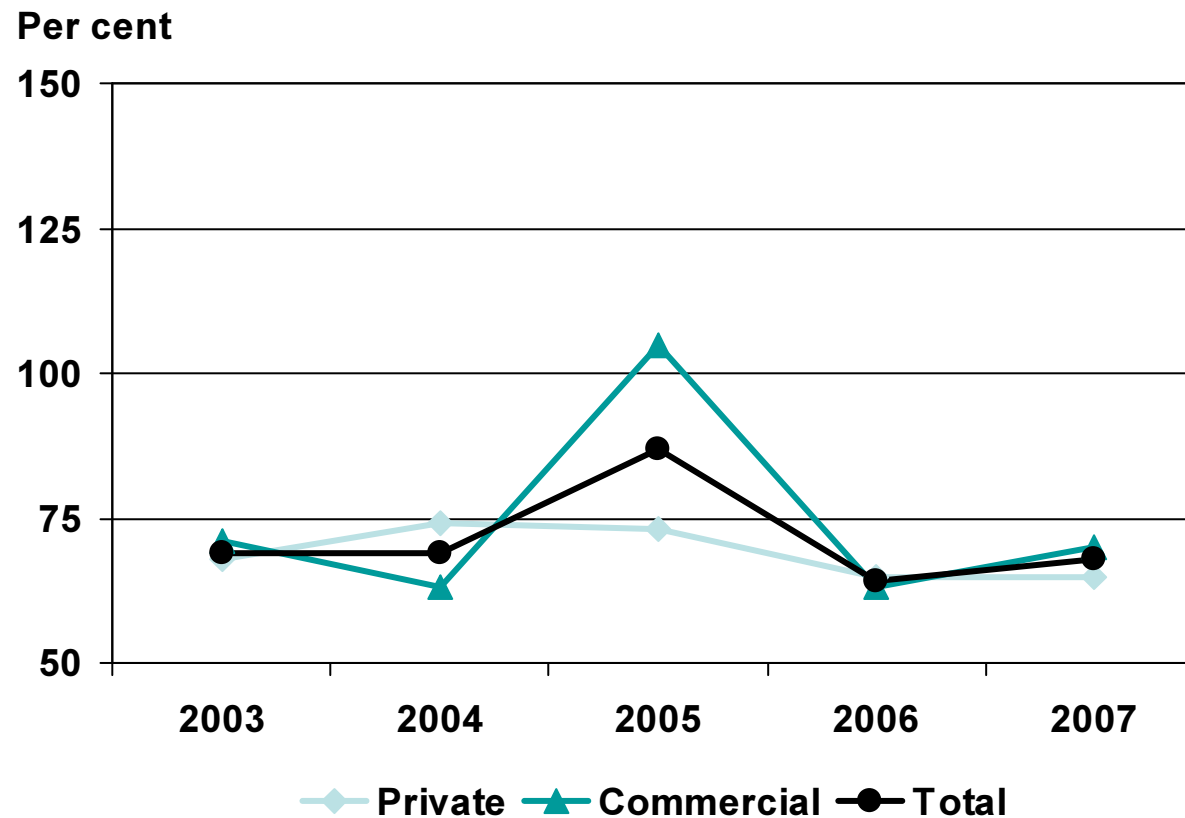
Alm. Brand, non-life operations

Premium performance

- Good premium performance
 - Growth of 7%
 - Achieved without impairing the underlying portfolio or major claims frequency
 - In line with targets
 - Satisfactory
- Focus on profitable growth
 - We continuously seek only profitable volume
 - Projected growth for 2008: 5%

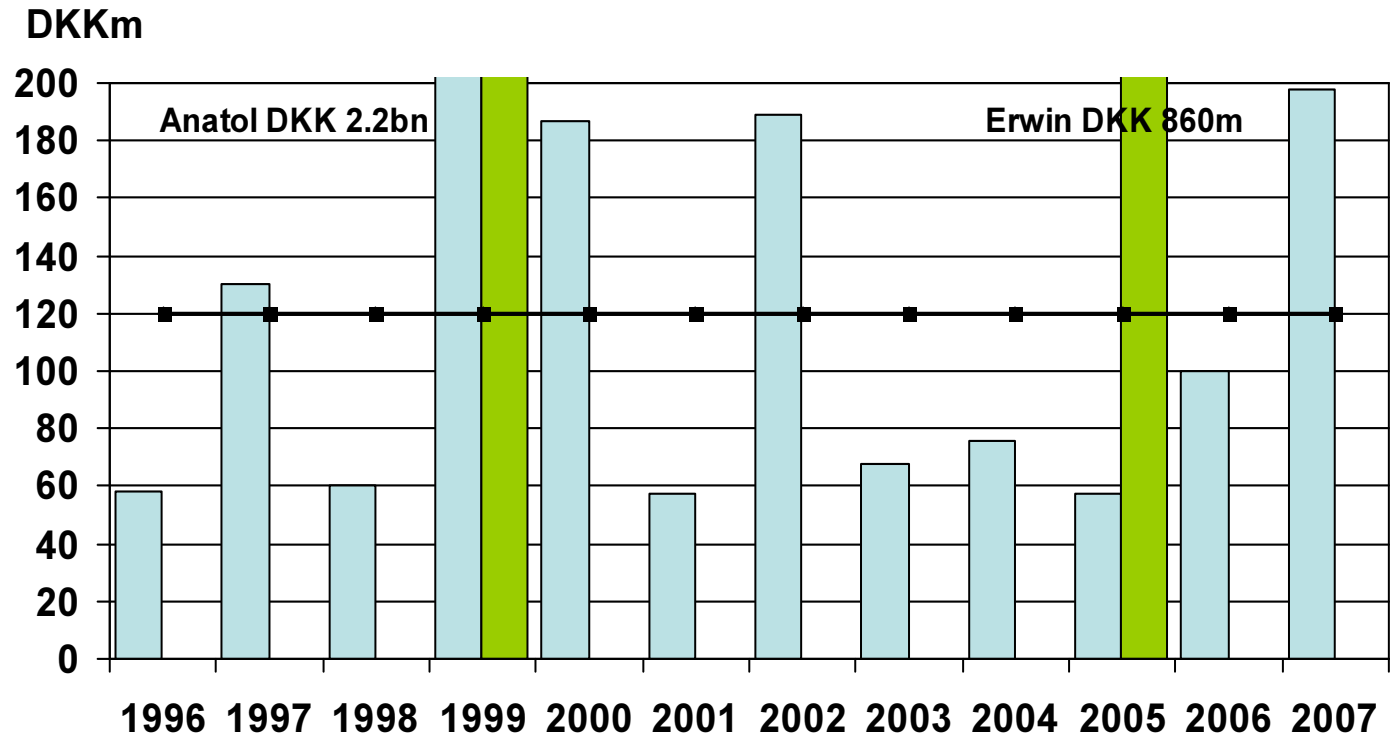
Alm. Brand, non-life operations

Trend in gross claims ratio



Alm. Brand, non-life operations

Expenses related to weather claims



Expenses (2007 prices) Expenses (Anatol and Erwin) Anticipated expenses



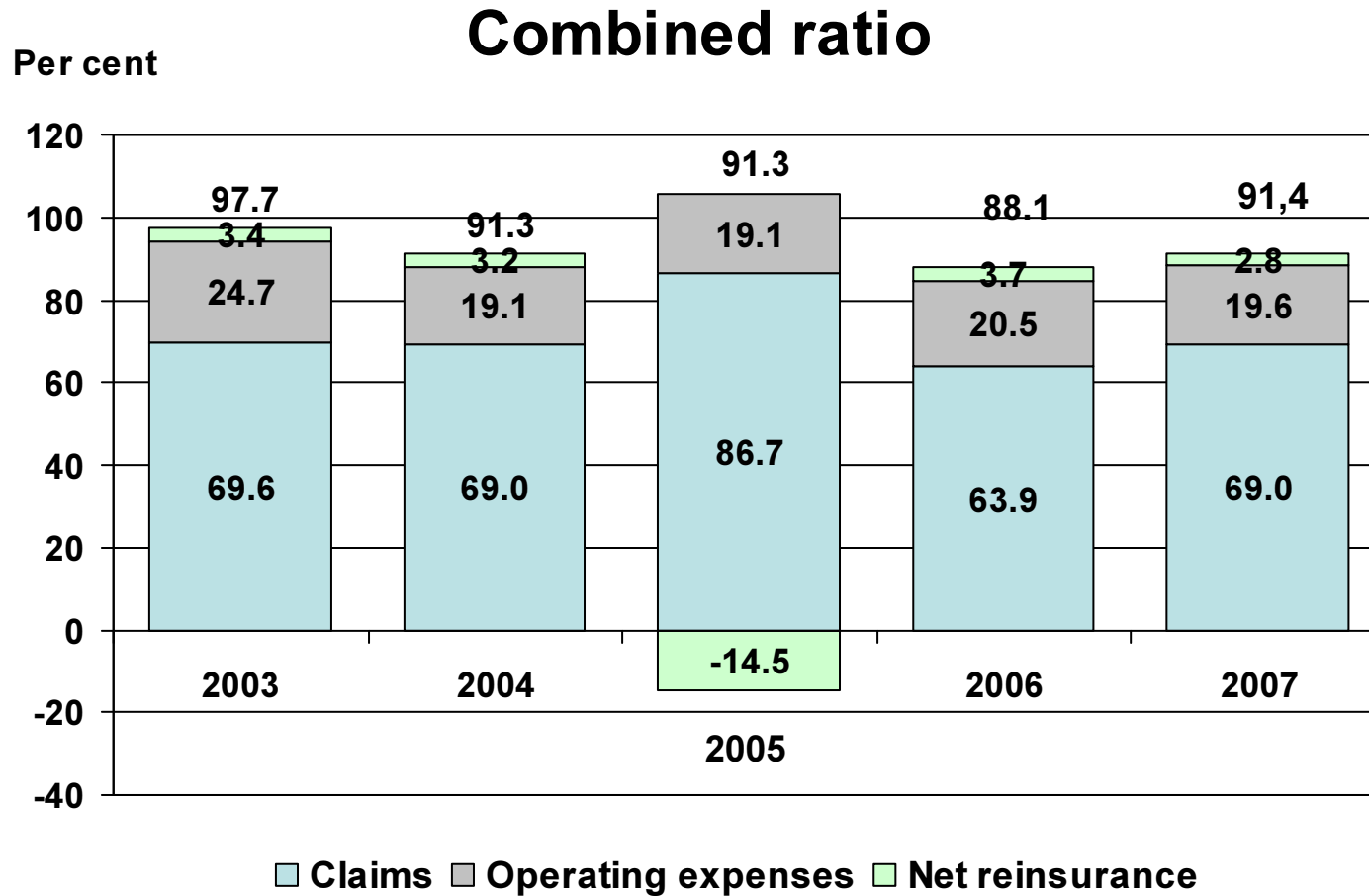
Alm. Brand, non-life operations

Combined ratio

	2004	2005	2006	2007
Combined ratio excl weather- related/major claims	83.5	80.3	81.4	81.6
Major claims	6.2	6.7	5.6	7.4
Weather-related claims	1.7	5.0	2.2	4.3
Run-off result*	-0.1	-0.7	-1.1	-1.9
Combined ratio	91.3	91.3	88.1	91.4

* A negative run-off result indicates a run-off gain

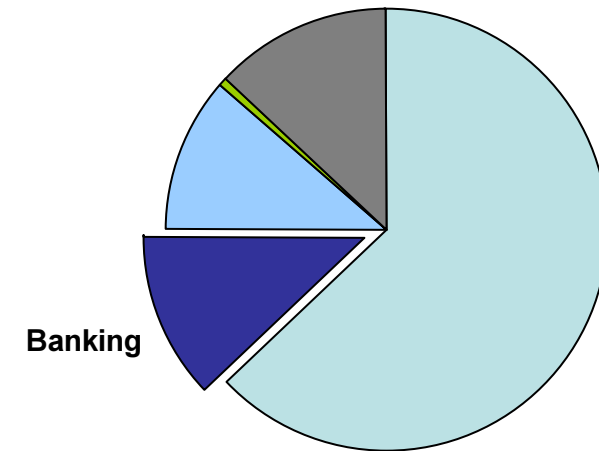
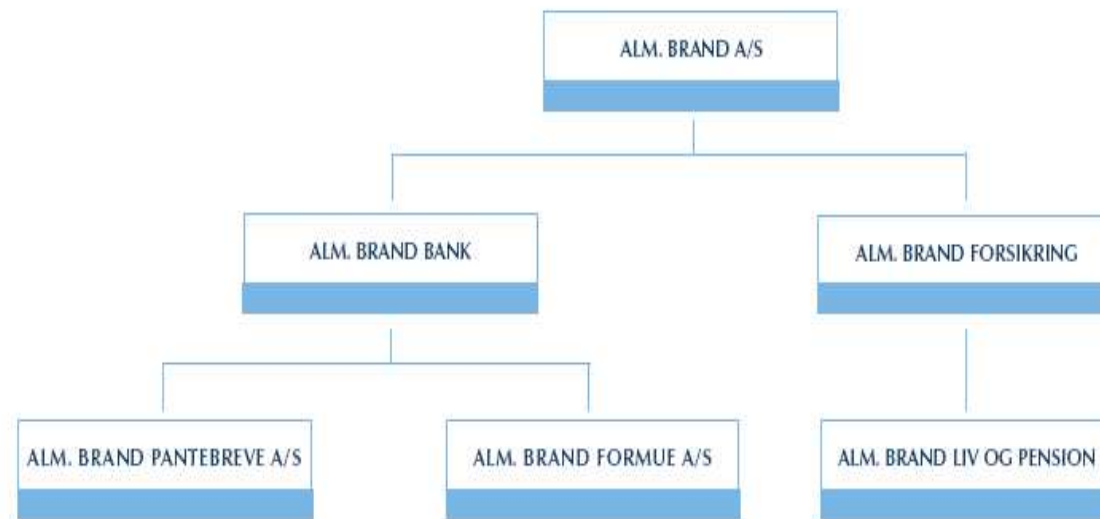
Alm. Brand, non-life operations



Alm. Brand, non-life operations

Highlights (DKKm)	2003	2004	2005	2006	2007
Gross premium income	3,927	4,143	4,079	4,279	4,578
Premium growth	7%	6%	-2%	4.9%	7.0%
Claims ratio	69.6%	69.0%	86.7%	63.9%	69.0%
Expense ratio	24.7%	19.1%	19.1%	20.5%	19.6%
Net reinsurance ratio	3.4%	3.2%	-14.5%	3.7%	2.8%
Combined ratio	97.7%	91.3%	91.3%	88.1%	91.4%
Profit before tax	219	354	375	724	647
Profit after tax	-36	334	223	538	462
Shareholders' equity at year-end	1,067	1,288	1,801	2,169	2,338
Return on equity before tax p.a.	20.6%	31.6%	22.2%	37.2%	30.3%
Return on equity after tax p.a.	-3.4%	29.8%	13.2%	27.6%	21.6%

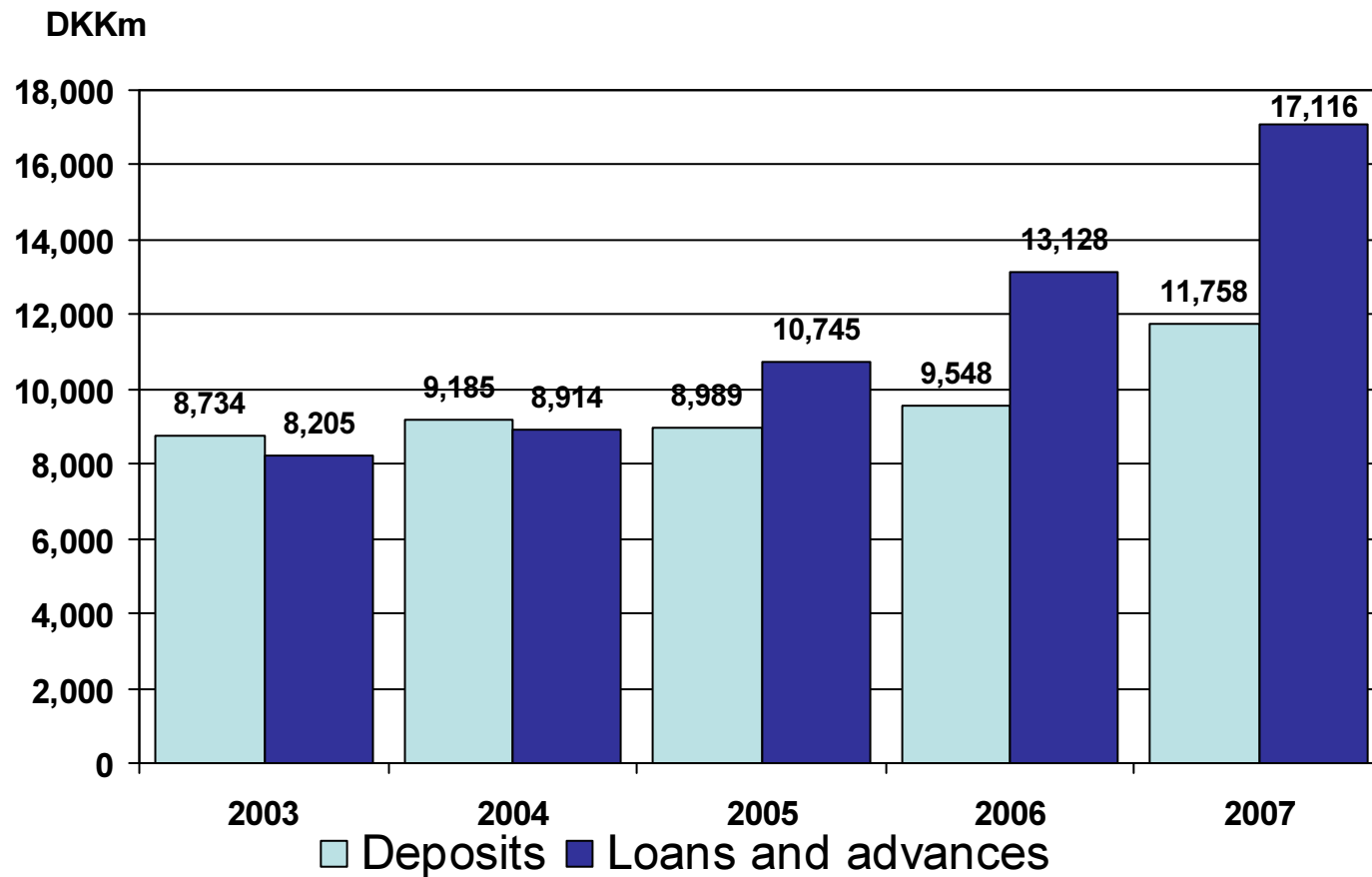
Alm. Brand, banking operations



Alm. Brand, banking operations

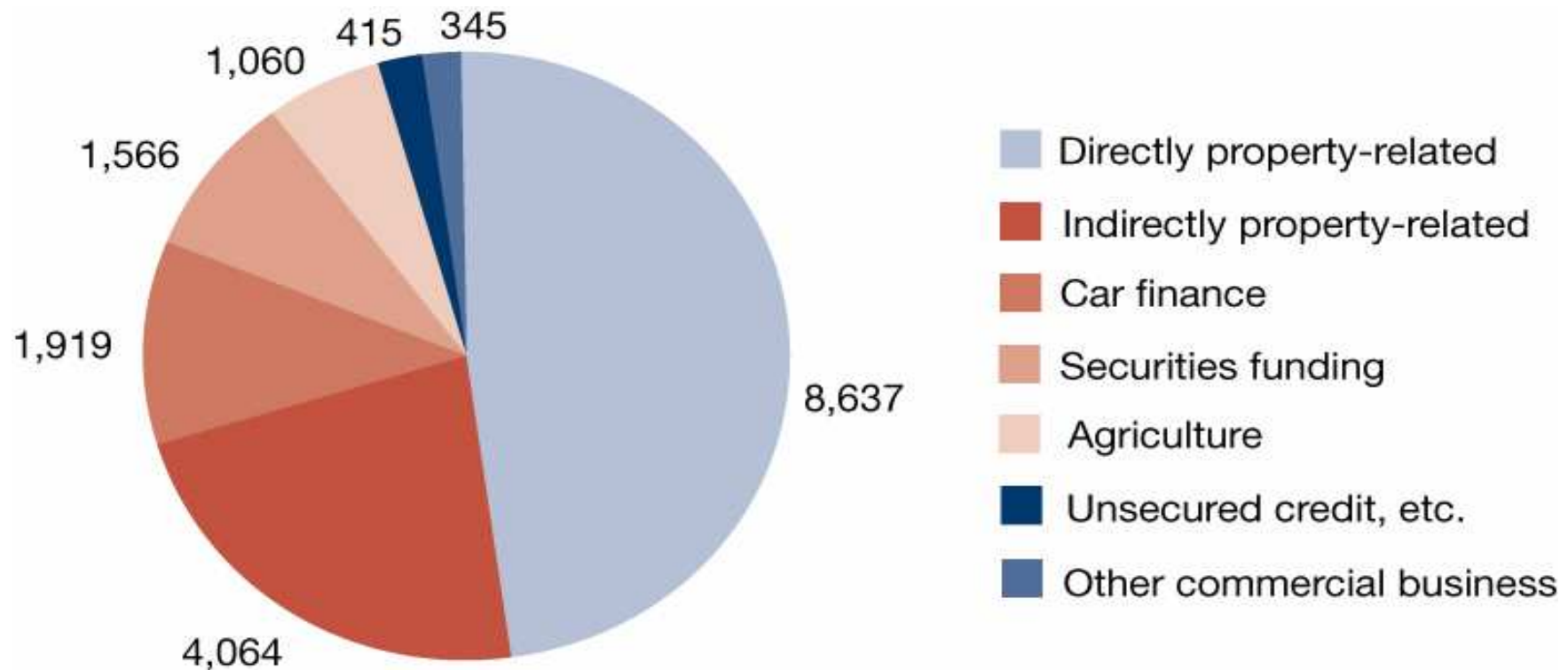
- Profit: DKK 196m
 - Satisfactory
 - Narrowed interest margin
 - Sustained investments in growth
 - + Capital gains on more thinly traded shares
 - + Low level of impairments
 - + Mounting activity
- Substantial growth in loans and advances
 - 28%
 - Credit policy maintained

Alm. Brand, banking operations



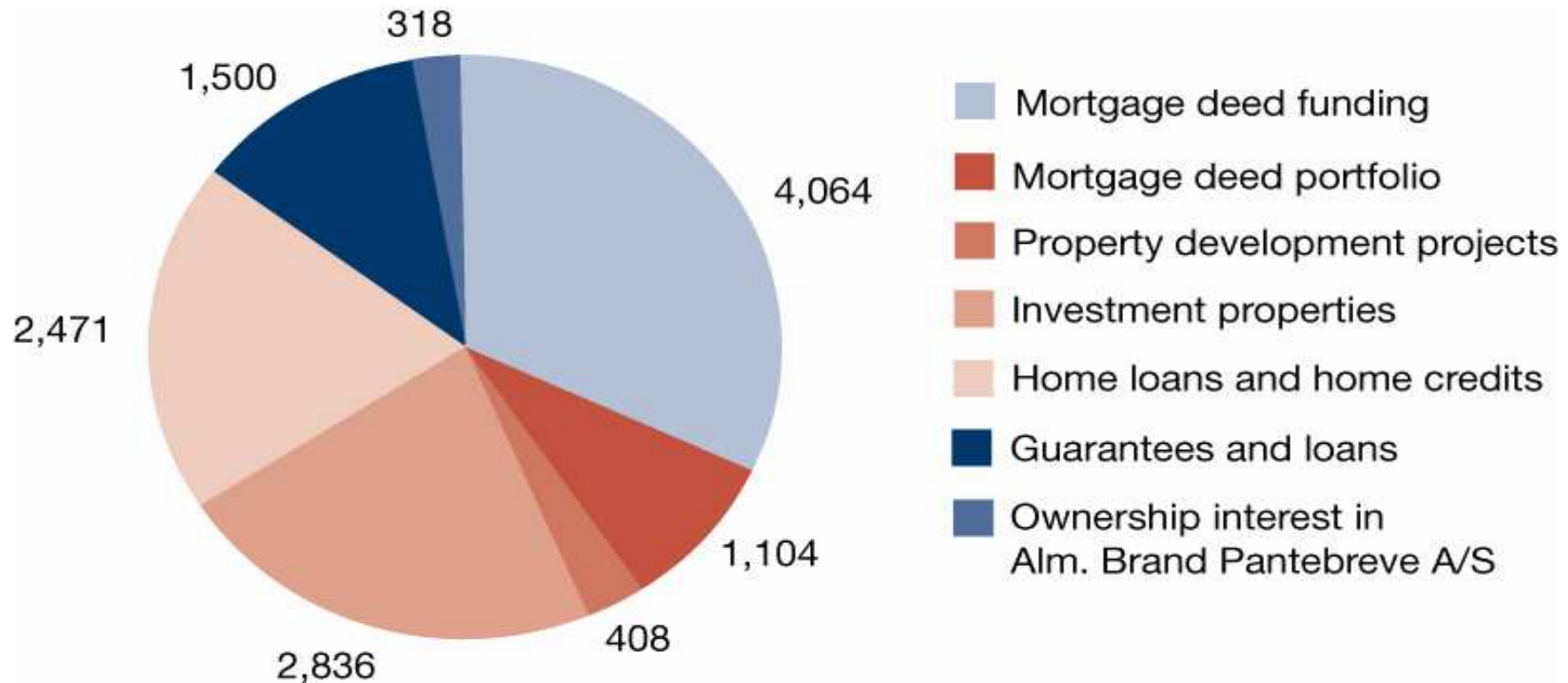
Alm. Brand, banking operations

Breakdown of the bank's loans and advances (DKK m)



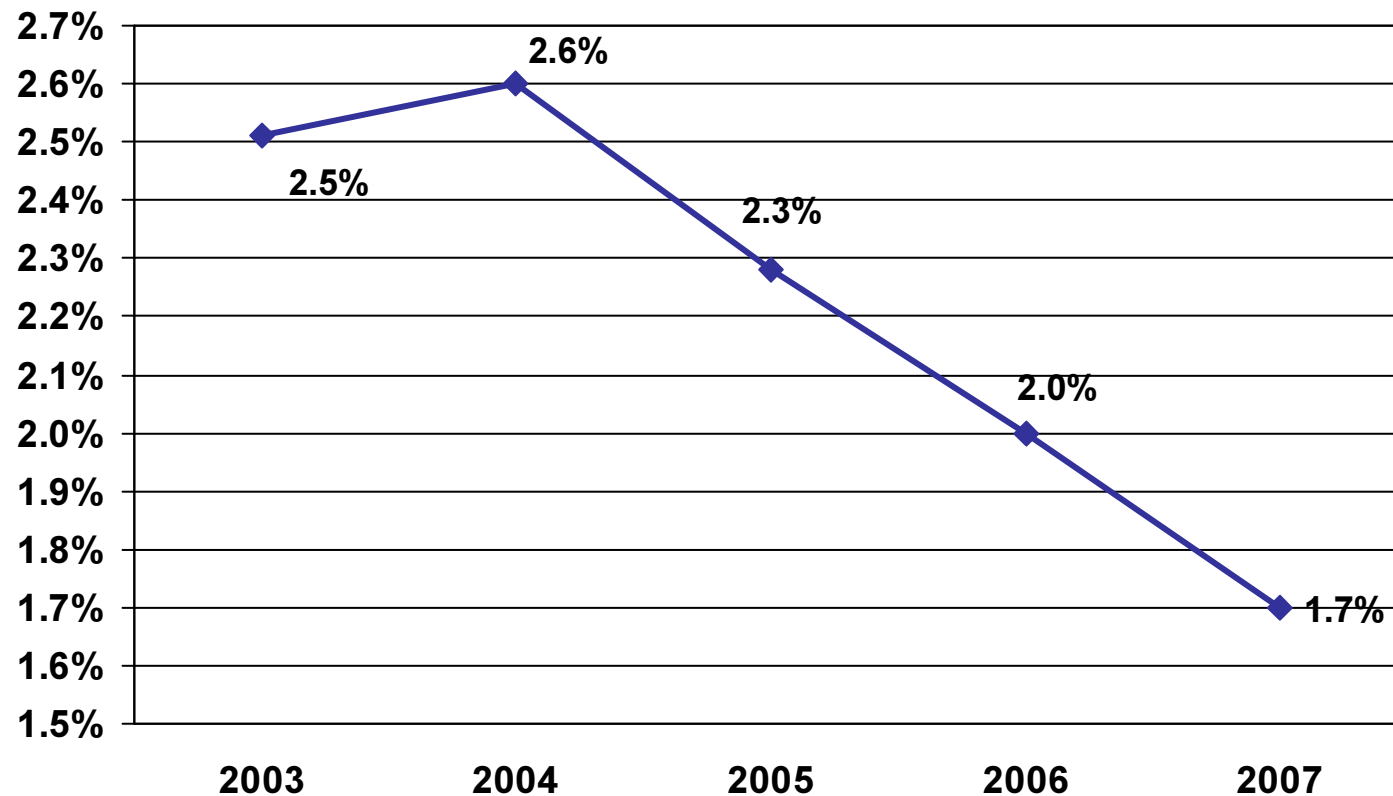
Alm. Brand, banking operations

Breakdown of property-related loans (DKKm)

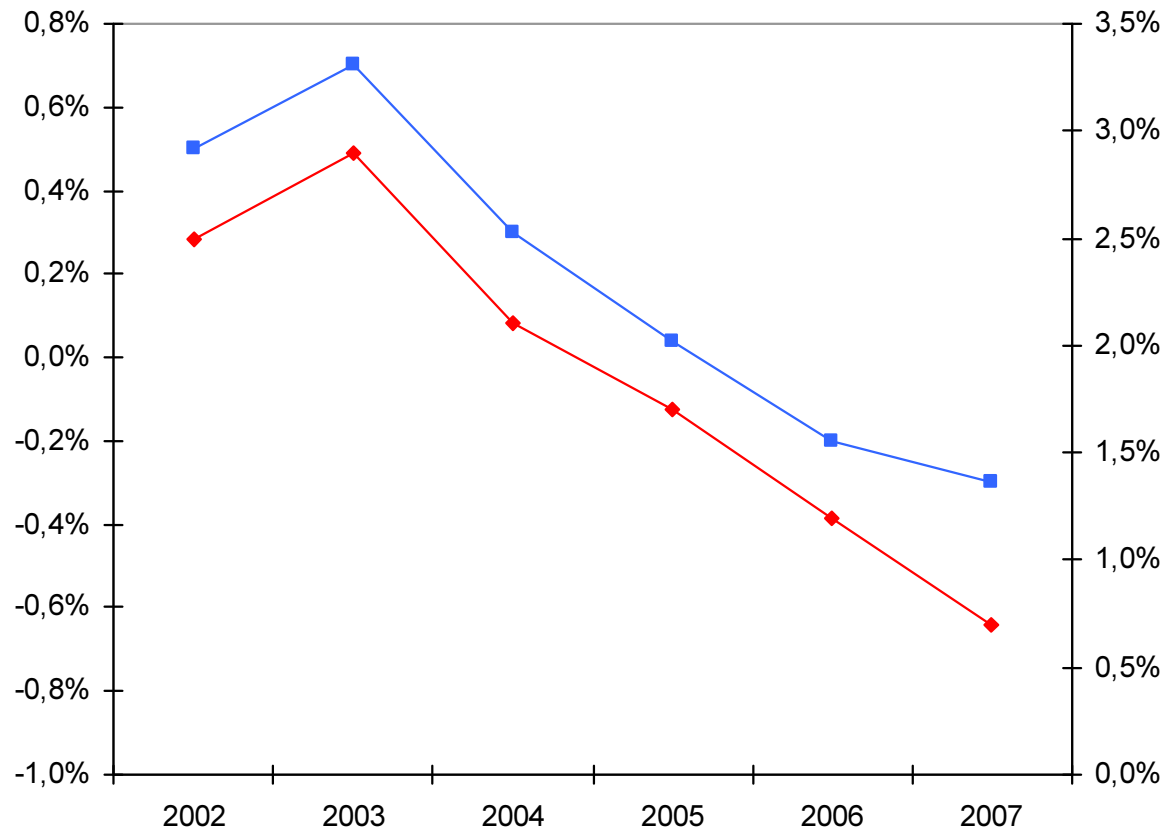


Alm. Brand, banking operations

Interest margin in per cent



Alm. Brand, banking operations



—■— Bad and doubtful debts as a percentage of lending —◆— Provisions as a percentage of lending

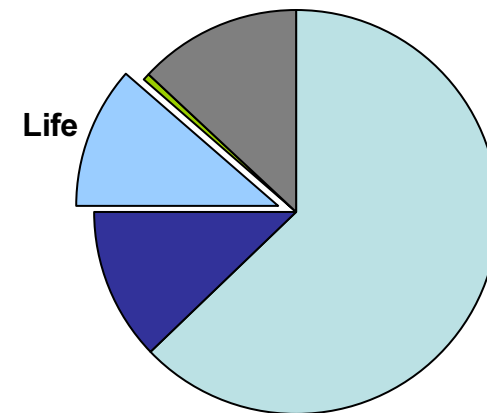
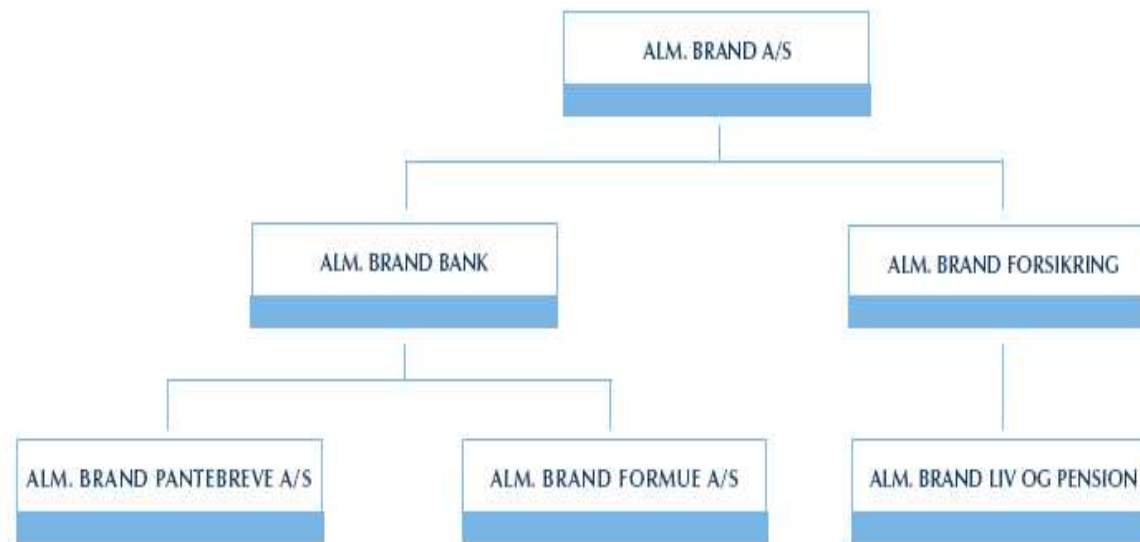
Alm. Brand, banking operations

Highlights (DKKm)	2003	2004	2005	2006	2007	2007 *)
Interest and fee income	719	689	786	980	1,444	1,416
Net interest and fee income	473	465	511	516	602	584
Capital gains and losses	22	85	183	75	52	70
Costs and depreciation/amortisation	356	362	369	439	521	515
Write-downs of loans, advances and receivables, etc. **)	64	30	5	-27	-50	-50
Profit before tax	112	174	329	200	190	196
Profit before tax excl minority interests	105	126	222	167	196	-
Shareholders' equity at year-end	735	1,166	1,609	1,785	1,917	1,365
Return on equity before tax excl minority interests p.a.	15%	16%	23%	15%	15%	15%

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

**) Negative figure indicates income

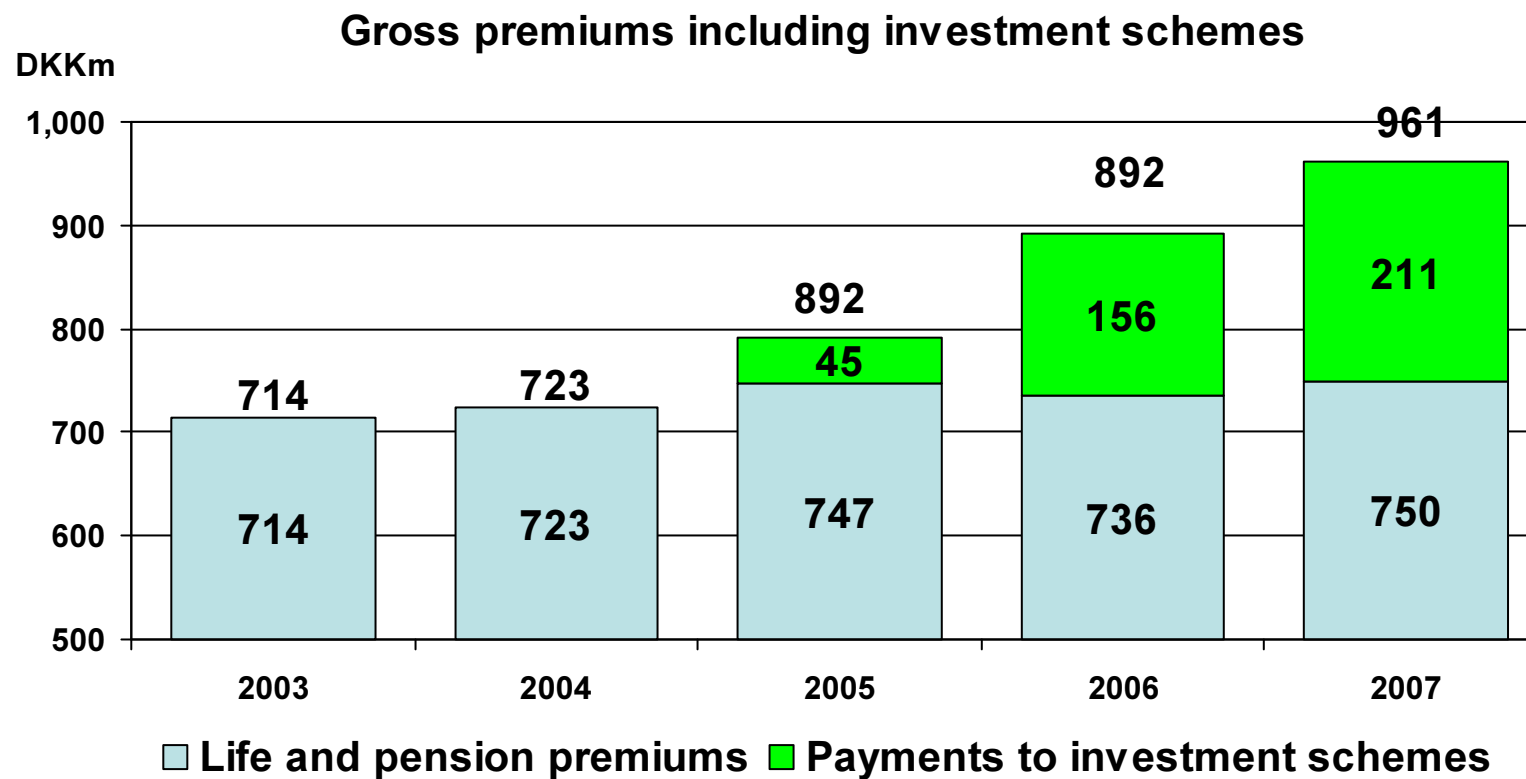
Alm. Brand, life and pension operations



Alm. Brand, life and pension operations

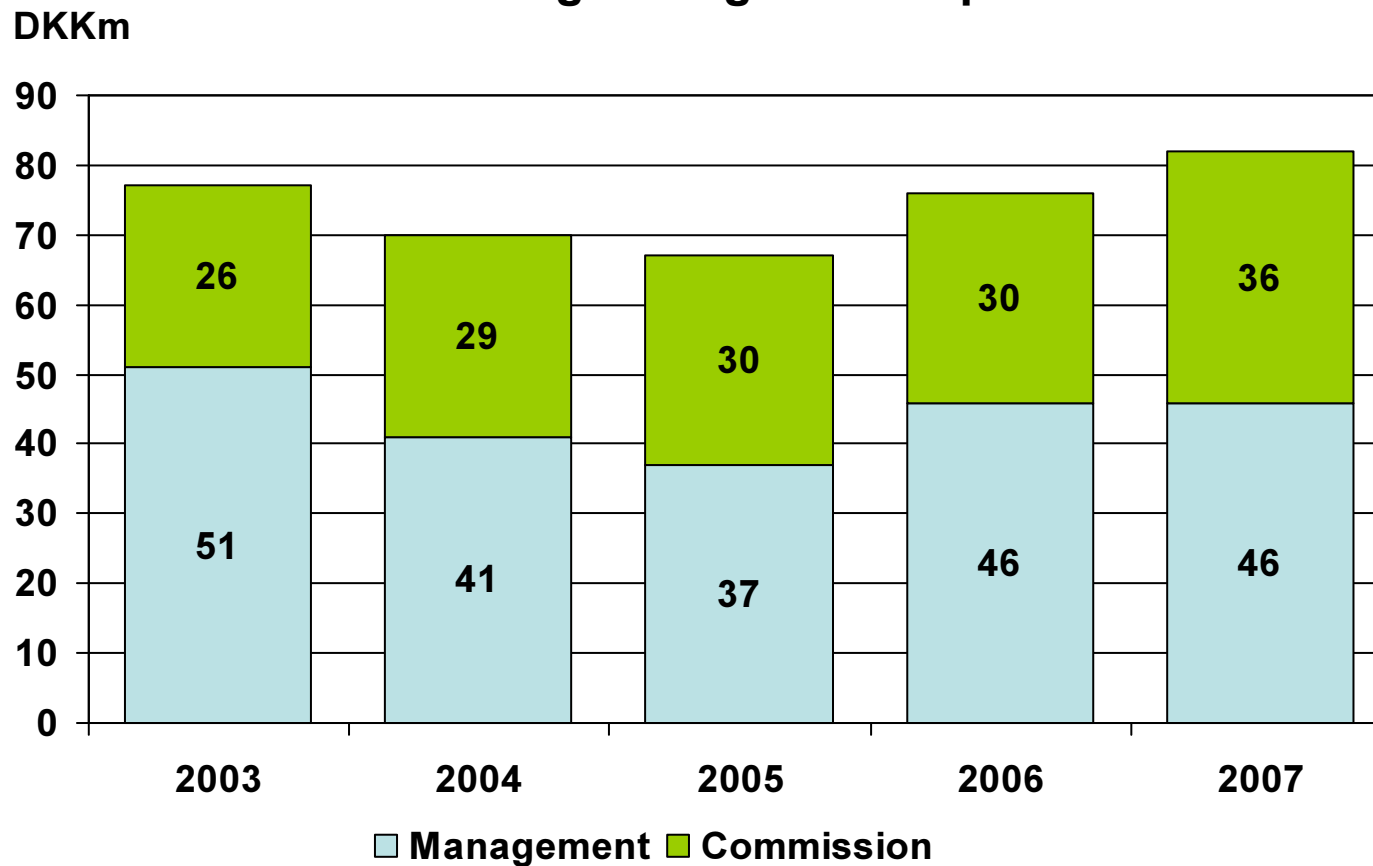
- Profit: DKK 104m
- Full risk premium recognised
- Capital loss largely offset by reduced provisioning need
- Fair growth
 - 8%

Alm. Brand, life and pension operations



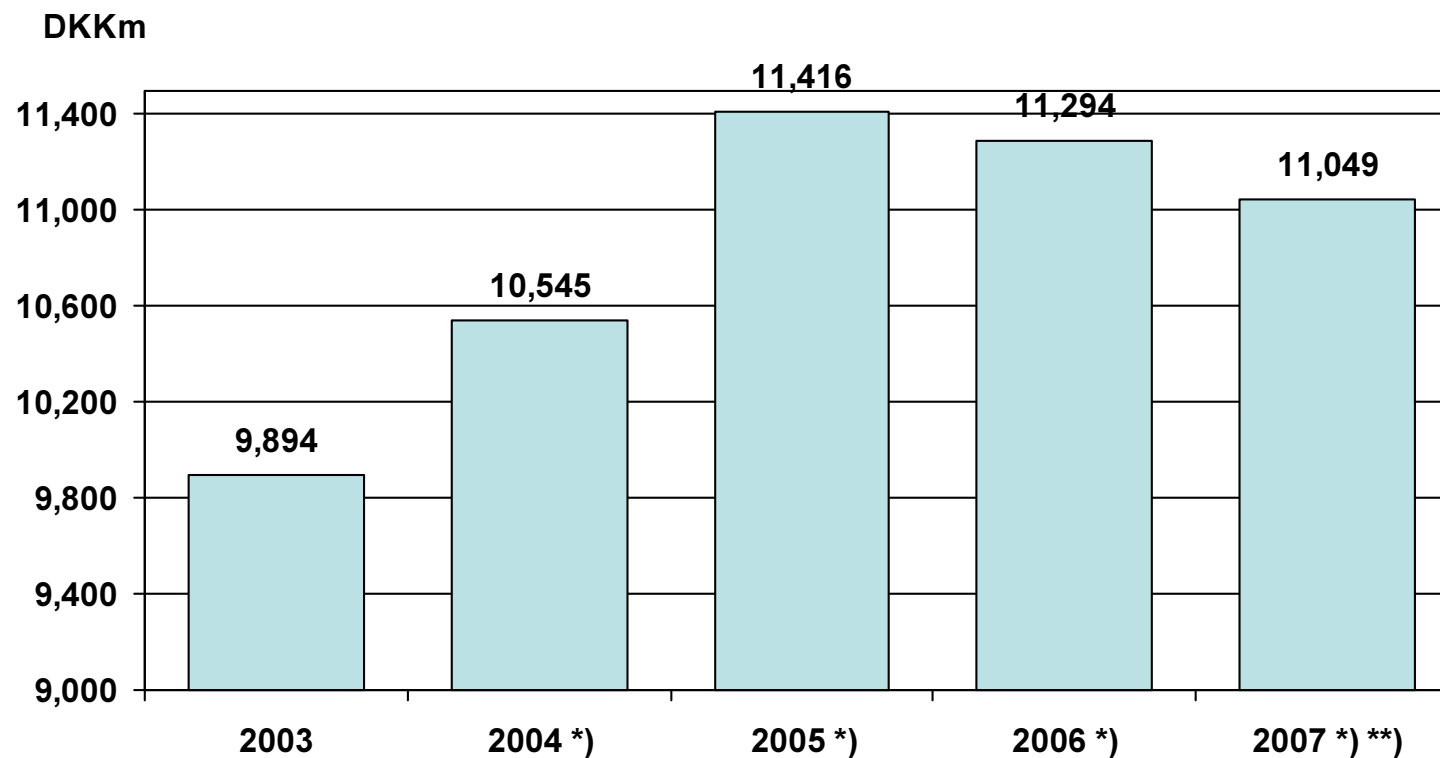
Alm. Brand, life and pension operations

Underwriting management expenses



Alm. Brand, life and pension operations

Technical provisions



**) New discounting rate applied as from 2004*

***) Market value based on an expected cash flow discounted by the yield curve published by the Danish FSA applied as from 2007*

Alm. Brand, life and pension operations

Investment return

- Rate of interest paid to customers 4.5%
- Return ratio on shareholders' equity 3.3%
- Customer returns:
 - Bonds, etc. -0.9%
 - Equities 2.8%
 - Properties 8.3%
- Total equity exposure about 15%

Alm. Brand, life and pension operations

Composition of profit

DKKm	2003	2004	2005	2006	2007
Expense result	15	19	23	11	-2
Investment result	20	481	654	-320	-366
Change in guaranteed benefits, etc.	88	-458	-353	497	347
Change in collective bonus potential	-79	-16	-220	-160	62
Risk result	67	36	44	36	46
Reinsurance result	-13	9	-4	17	17
Profit on ordinary activities	98	71	144	81	104
Tax	0	0	139	-15	-35
Profit for the year	98	71	283	66	69

Alm. Brand, life and pension operations

Return on equity before tax

DKKm	2004	2005	2006	2007
Return on investment allocated to equity	35	23	24	31
Result of portfolios without bonus entitlement	15	-13	2	1
Risk premium	39	40	44	55
Share of expense and risk results	10	14	11	17
Calculated return on equity	99	64	81	104
Reversal of/Transfer to shadow account	0	80	0	0
Forfeiture of return	28	0	0	0
Profit for the year before tax	71	144	81	104

Alm. Brand, life and pension operations

Highlights

DKKm	2003	2004	2005	2006	2007
Gross premiums	714	723	747	736	750
Profit before tax	98	71	144	81	104
Profit after tax	98	71	283	66	69
Provisions for insurance contracts	9,894	10,545	11,416	11,294	11,049
Shareholders' equity	924	995	1,278	1,114	903
Return on equity before tax p.a.	11%	7%	13%	7%	12%
Collective bonus potential	79	94	314	474	413
Bonus rate	0.8%	1.0%	3.1%	4.7%	4.0%

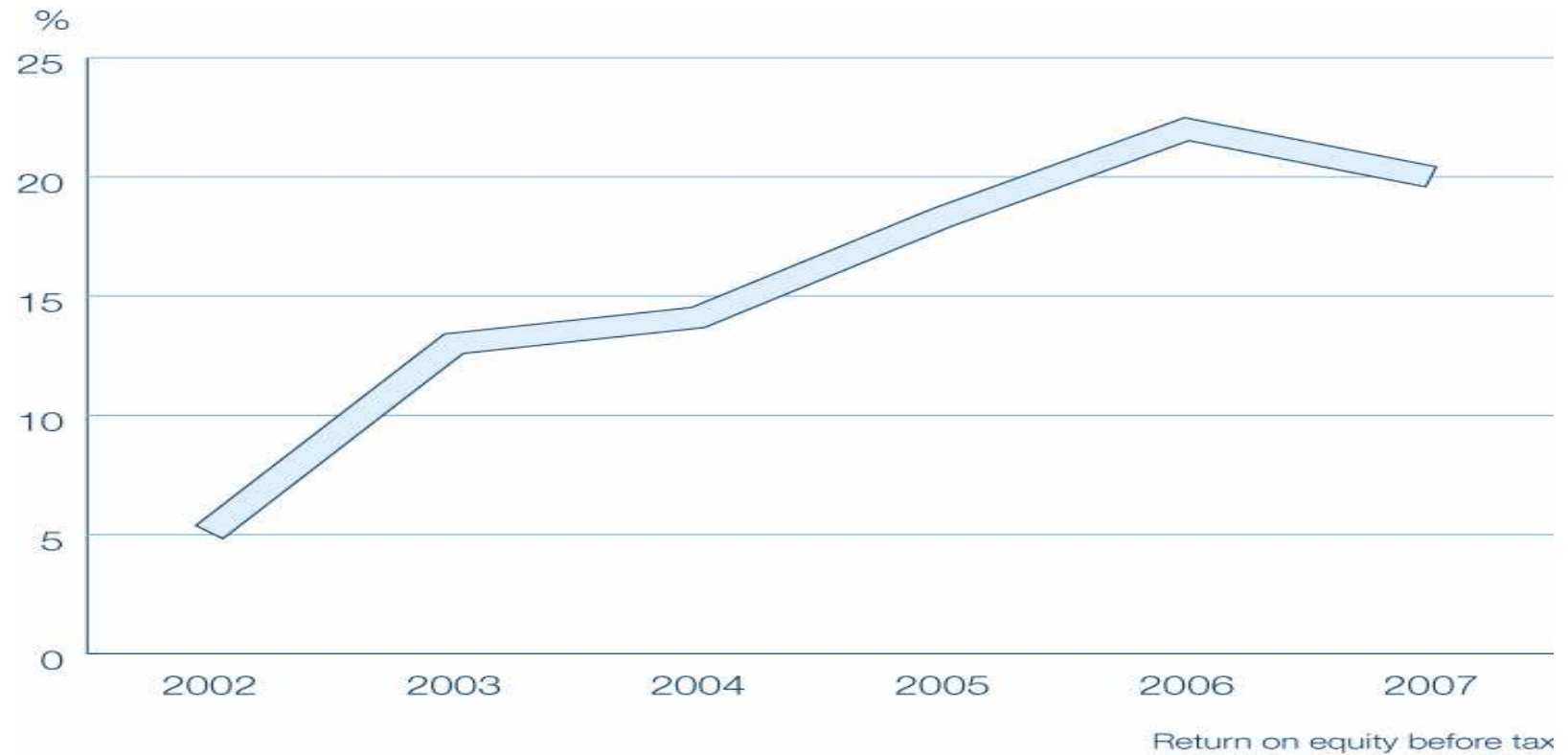
Other business areas

- Copenhagen Re, profit: DKK 71m
 - Good performance and result of commutations
 - Alm. Brand's risk limited to shareholders' equity (DKK 261m)
- Other, loss: DKK 32m
 - Shared group costs

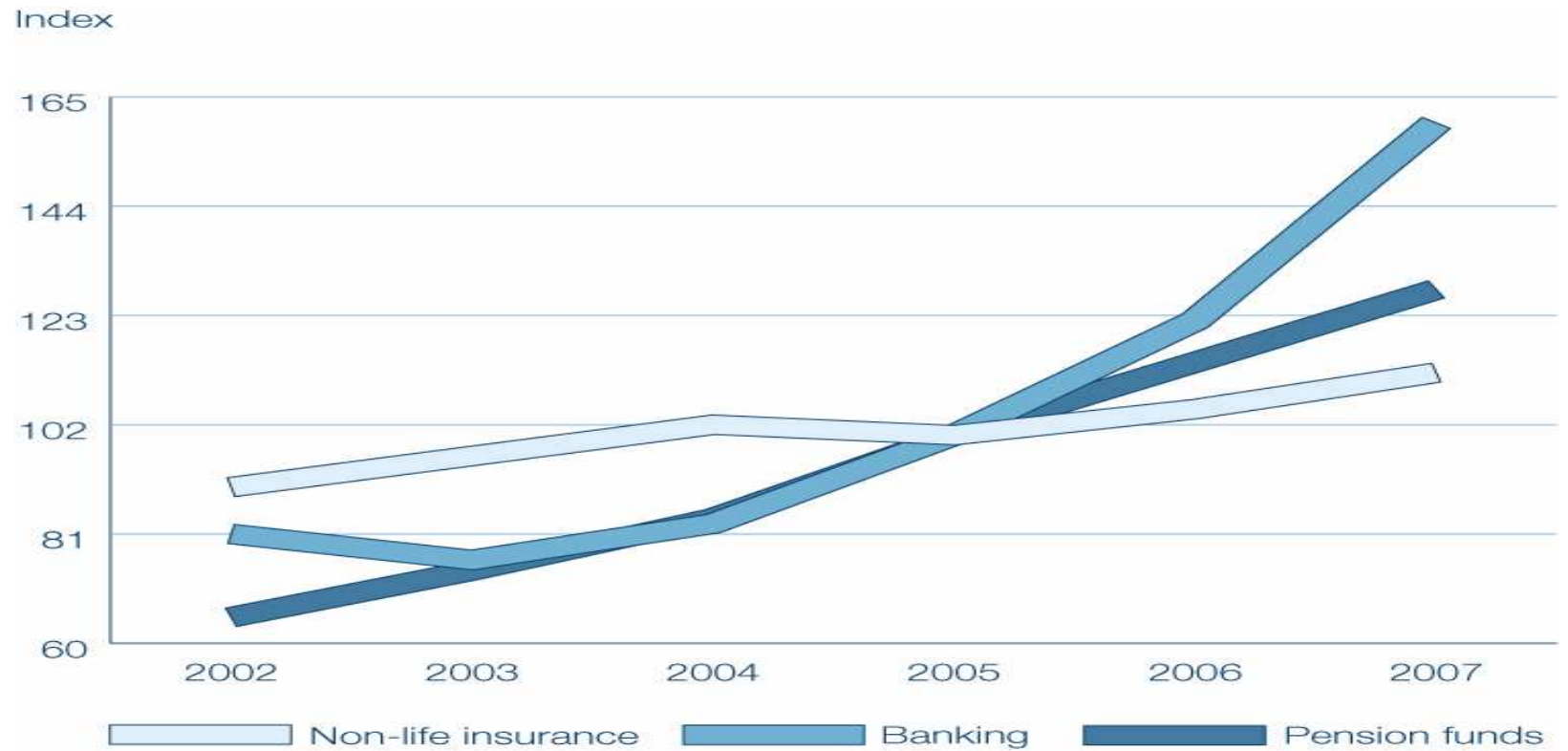
Strategy 2010

- Our five goals
 - Money market rate plus 10% return on equity
 - 50% portfolio growth
 - 100% for banking operations
 - Image ranking in industry top-two
 - 90% satisfied and 50% very satisfied customers
 - 90% satisfied and 50% very satisfied employees

Return on equity

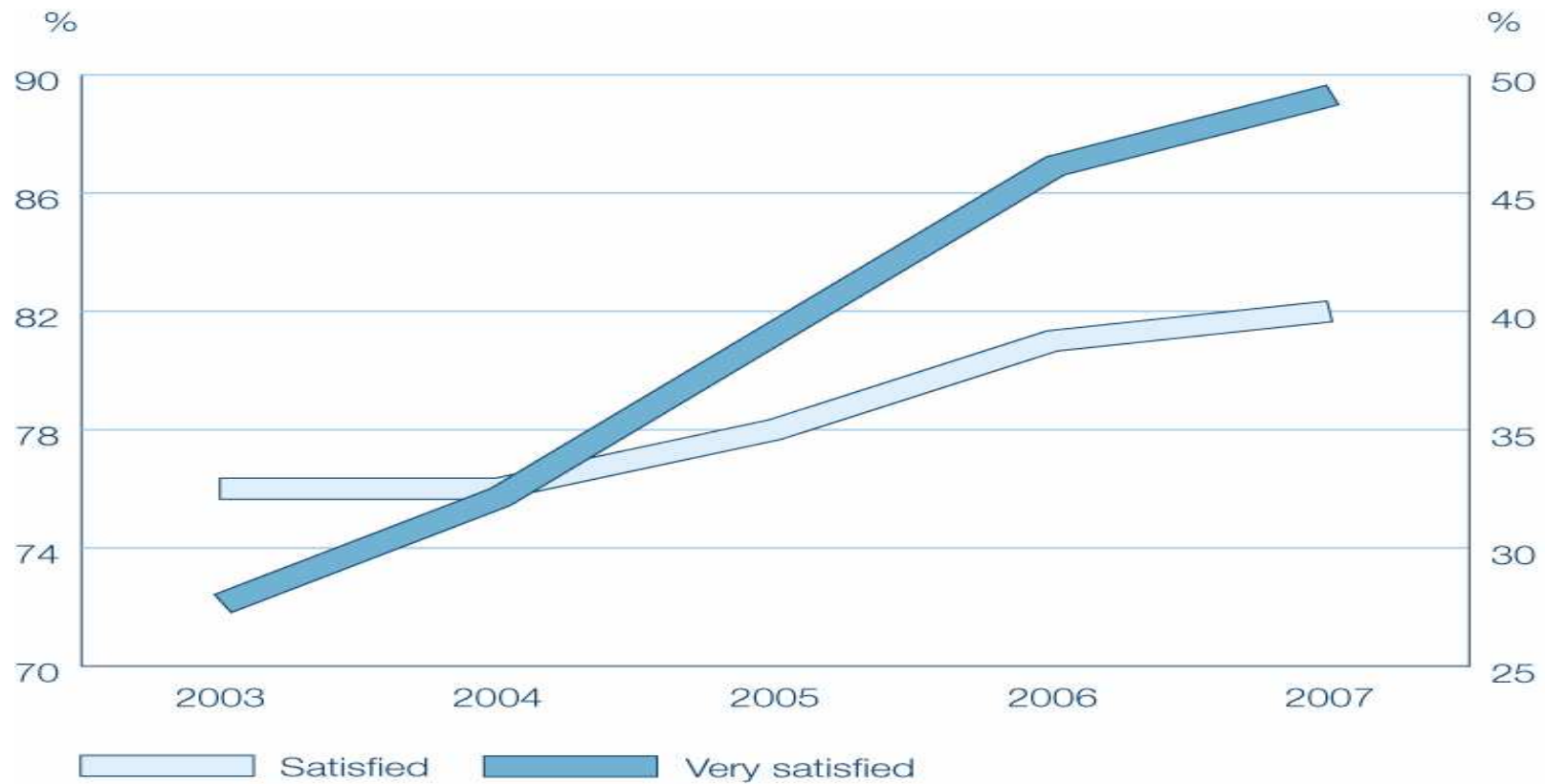


Growth



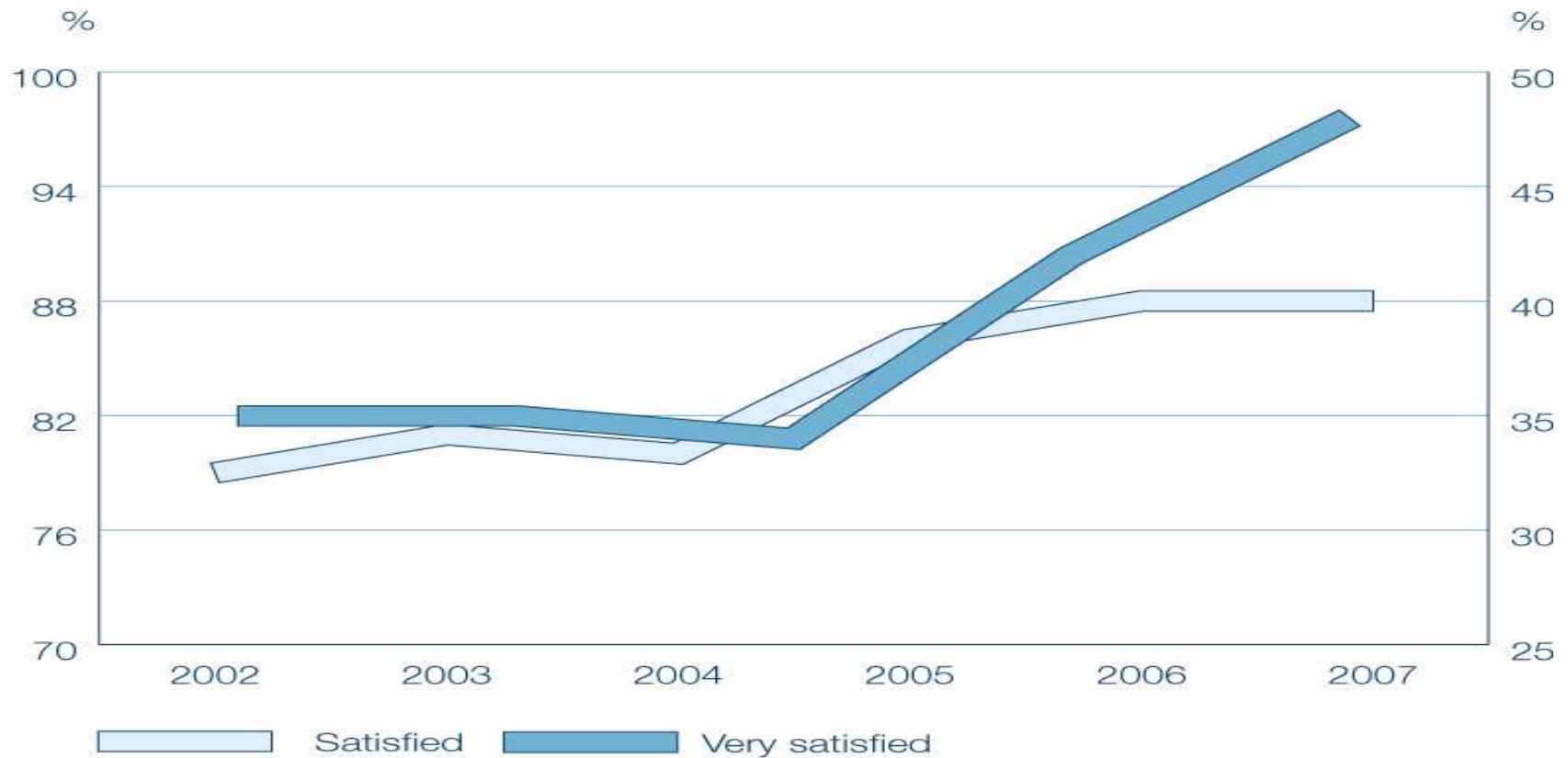
Growth in the group

Customer satisfaction



Customer satisfaction

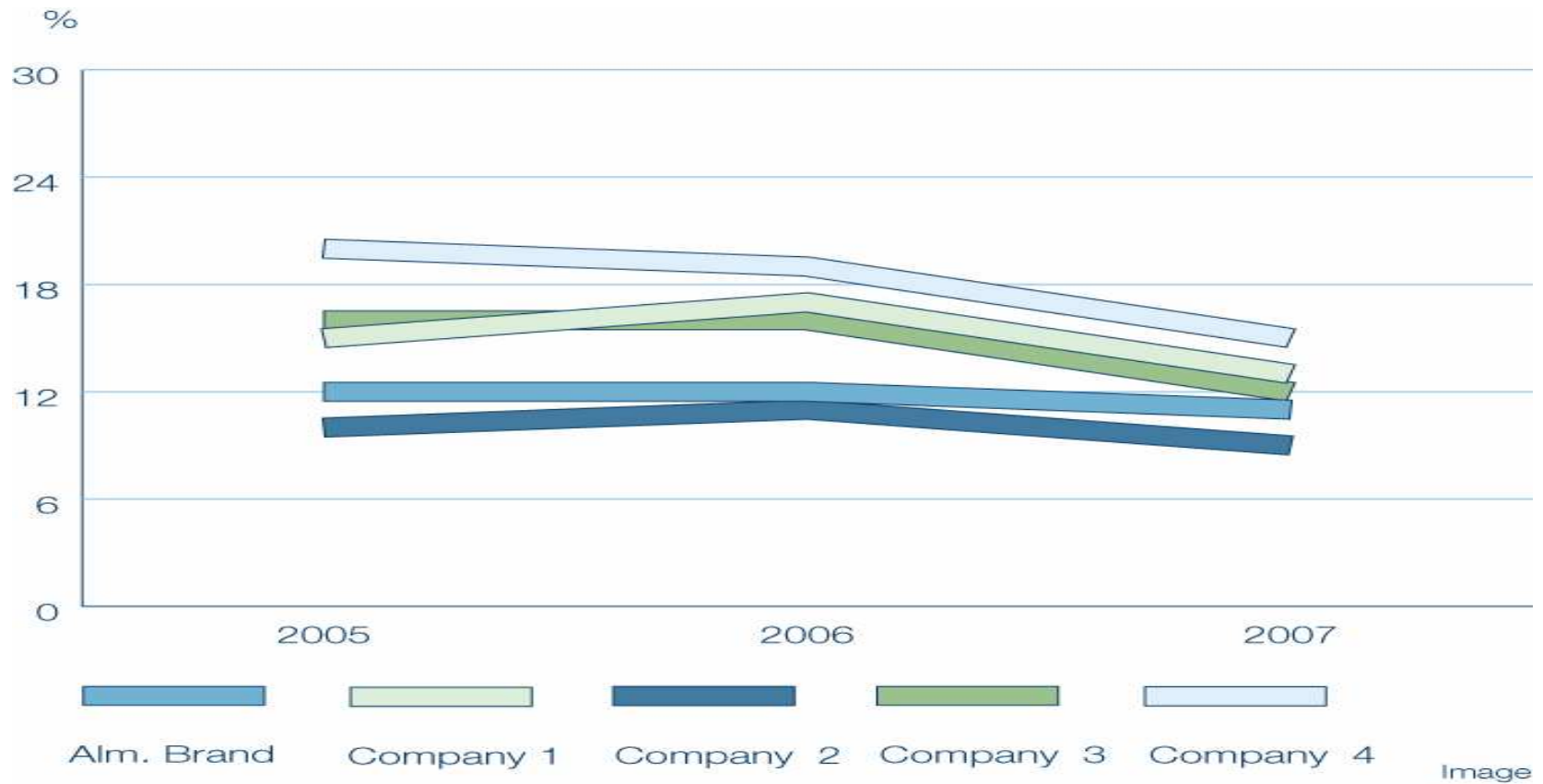
Employee satisfaction



Employee satisfaction



Image



Alm. Brand A/S

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