

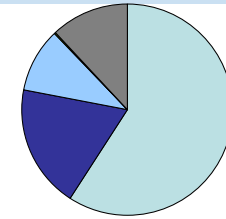
Alm. Brand A/S

Q3 2009 – LD Markets

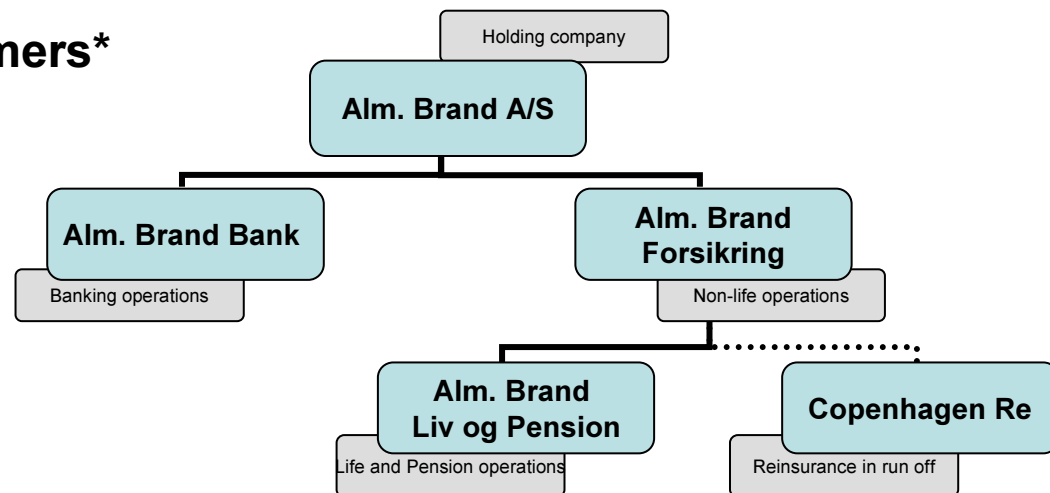


Alm. Brand

Three business areas



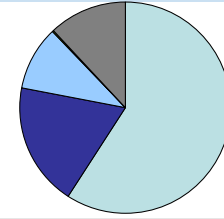
- **Non-life**
 - 4th largest in DK
 - 500,000 customers*
 - 200,000 Plus customers*
- **Banking**
 - 65,000 customers*
 - Supports non-life
- **Life and pension**
 - 80,000 customers*
 - Supports non-life
- **“Double-customers”**
 - 25,000*
 - Growth: 19%



“We take care of our customers”

* Number of households/units

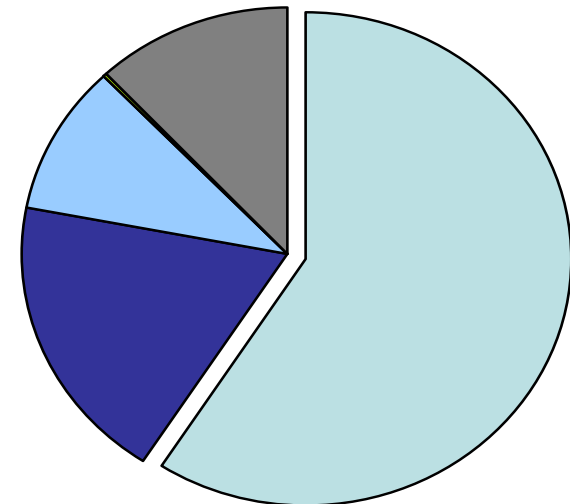
Alm. Brand Highlights Q3 2009



- Highly unsatisfactory loss of DKK 220m
- Writedowns of DKK 337m in bank
- Very satisfactory investment performance
- Increasing premium level initiated
- New strategy in bank

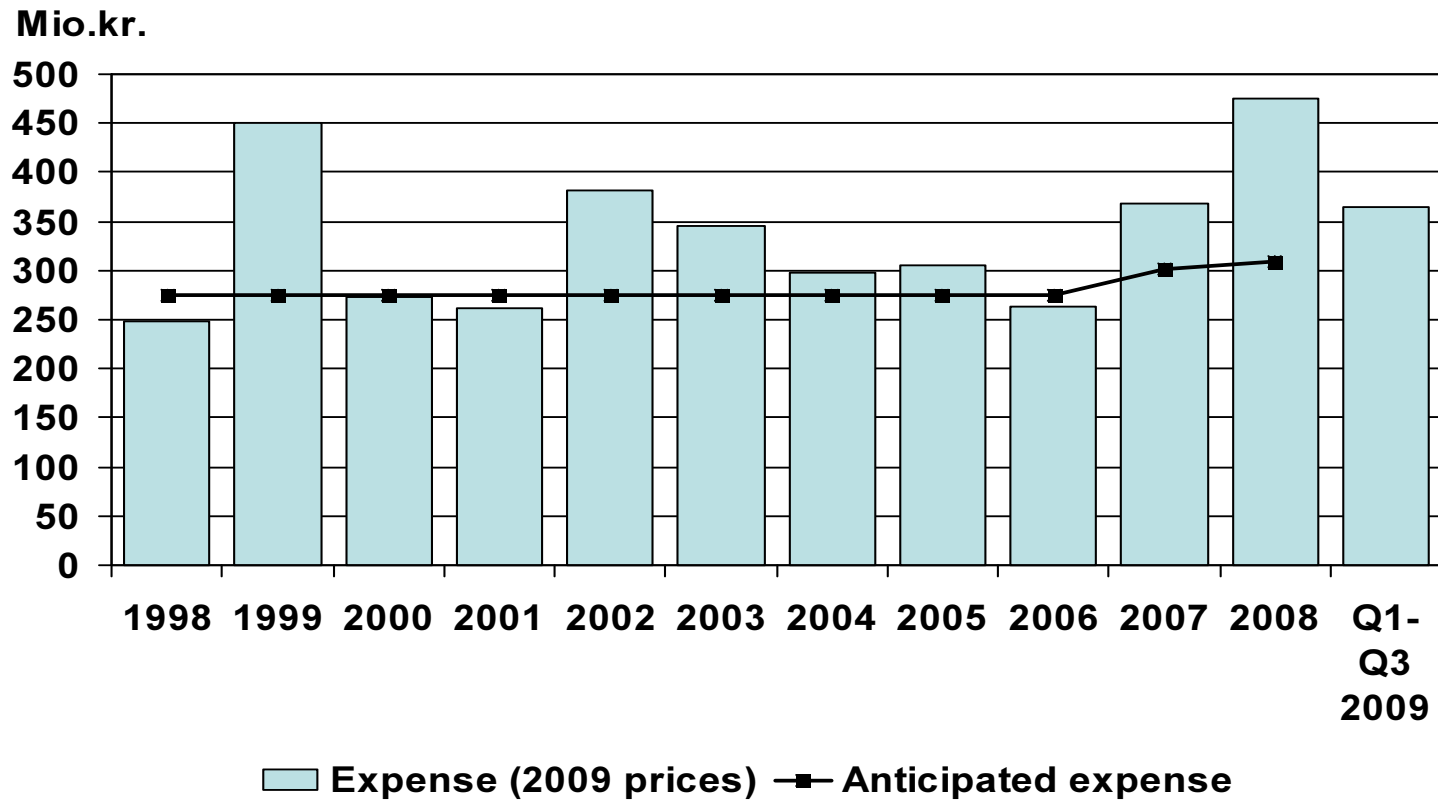
Alm. Brand – Non-life Highlights Q3 2009

- **Result: DKK 42m profit**
 - Q1-Q3: DKK 231m
- **Total premiums: DKK 1.2bn**
 - Q1-Q3: DKK 3.5bn
- **CR: 99.1 (goal 93)**
 - Q1-Q3: 98.4
- **Expense ratio: 17.8%**
 - Q1-Q3: 19.2%
- **500,000 customers**



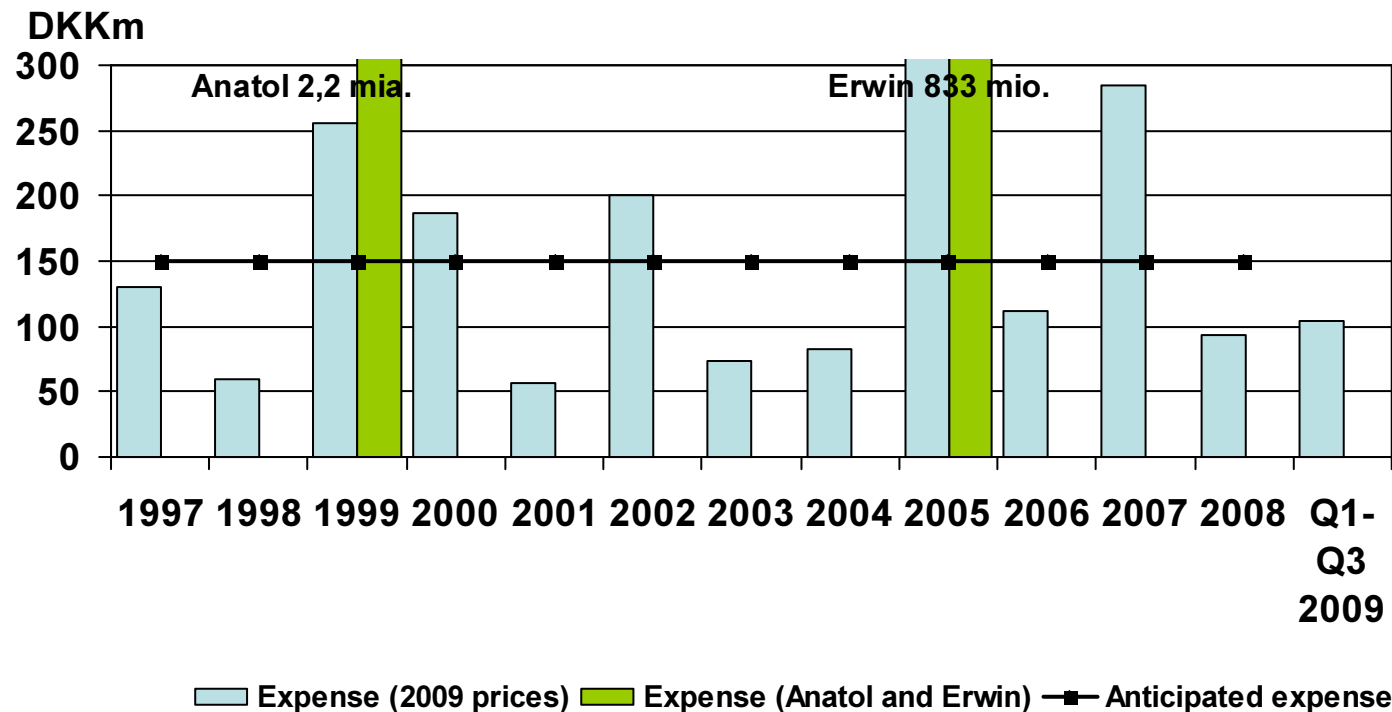
Non-life
insurance

Alm. Brand – Non-life Expenses for major claims



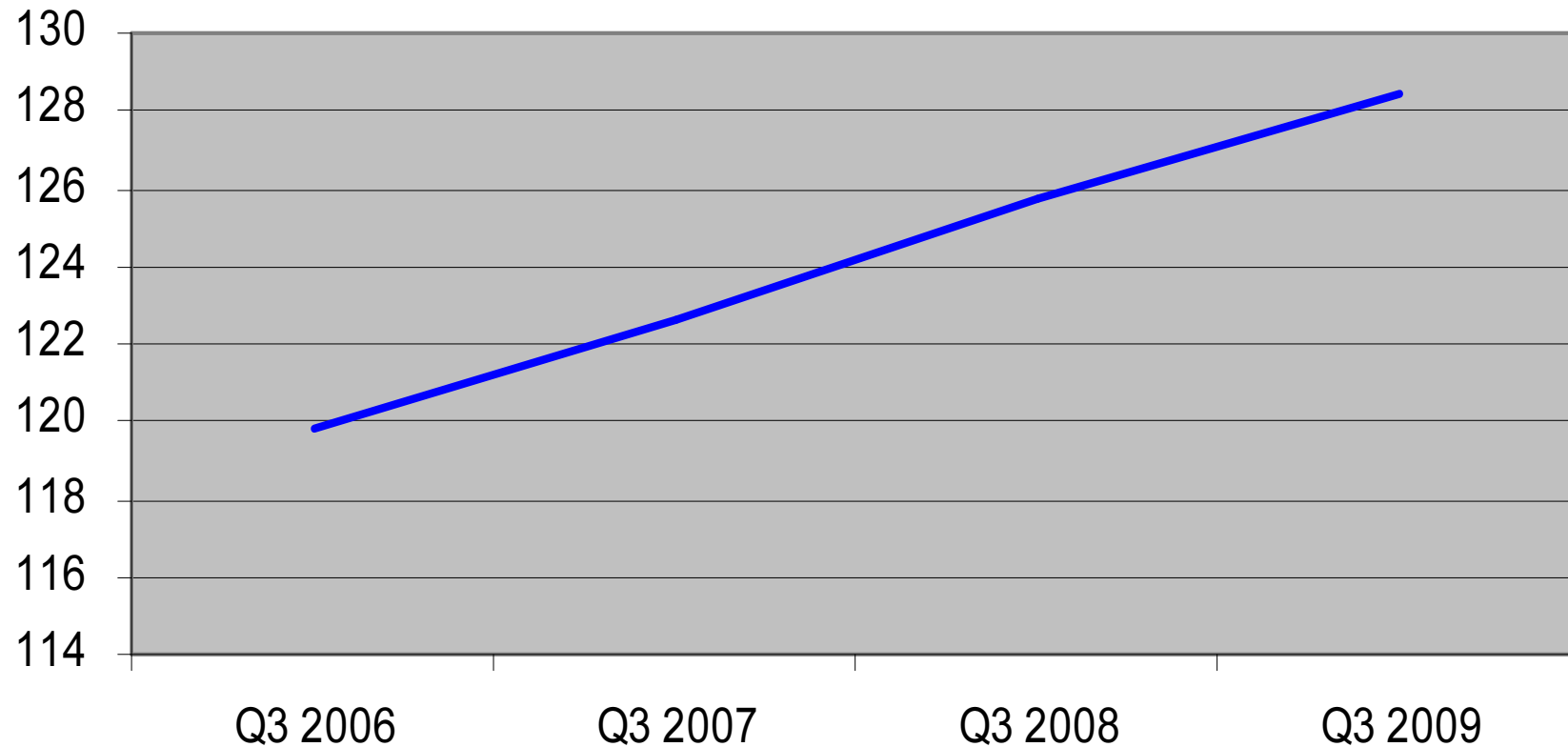
- New tariffs and terms
- Claims-limiting activities

Alm. Brand – Non-life Weather claims



- Several lighting claims
- Tendency towards heavier weather – especially rain => Increase in premiums

Alm. Brand – Non-life Claims frequency *)

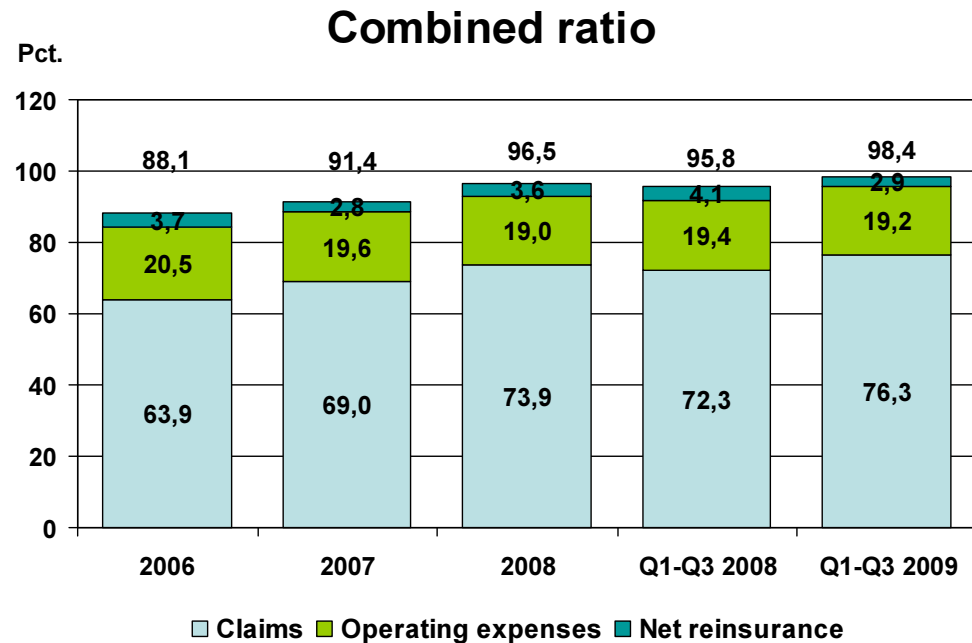


* Excluding major and weather claims

Alm. Brand – Non-life

Impact on performance

- Good investment return
- Lower costs
- Higher claims ratio
- Expensive major claims
- Burglaries are very expensive
- ⇒ Increase in premiums
- ⇒ New claims-limiting activities
- Discounting effect: 1.0% higher claims ratio
 - Q1-Q3: 1.5%
- Weaker growth because of economic recession

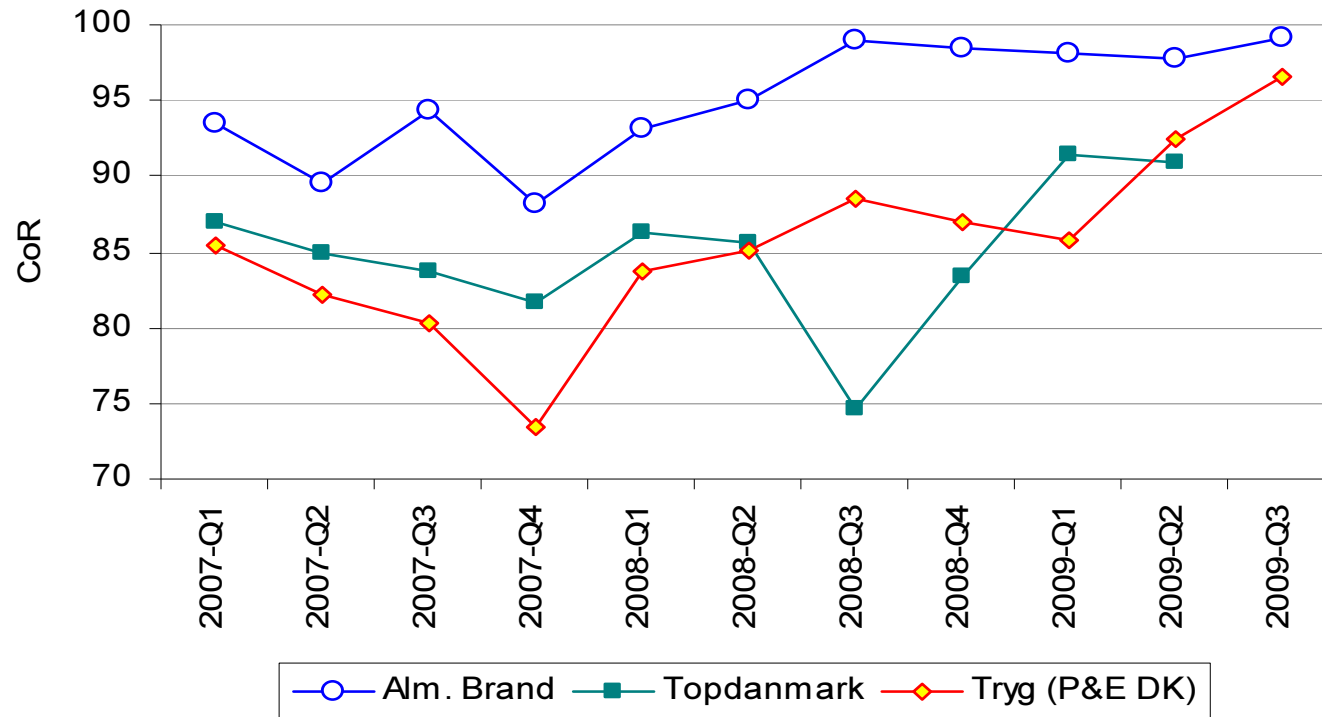


Alm. Brand – Non-life Combined ratio

	2006	2007	2008	Q1-Q3 2008	Q1-Q3 2009
Combined ratio ex. weather claims and major claims	81.4	81.6	84.3	84,0	86,5
Major claims	5.6	7.4	9.6	8,0	10,4
Weather claims	2.2	4.3	1.9	2,7	3,0
Run-off result*	-1.1	-1.9	0.7	1,1	-1,5
Combined ratio	88.1	91.4	96.5	95,8	98,4

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

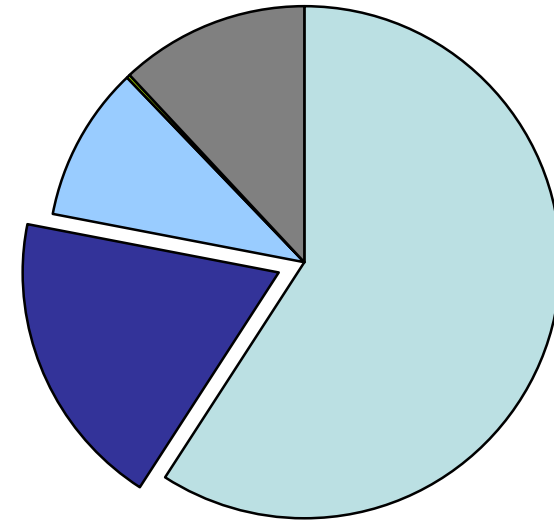
Alm. Brand – Non-life CR – to be improved



- Premium increases of DKK 200m.
- Claims limiting activities

Alm. Brand – Banking Highlights Q3 2009

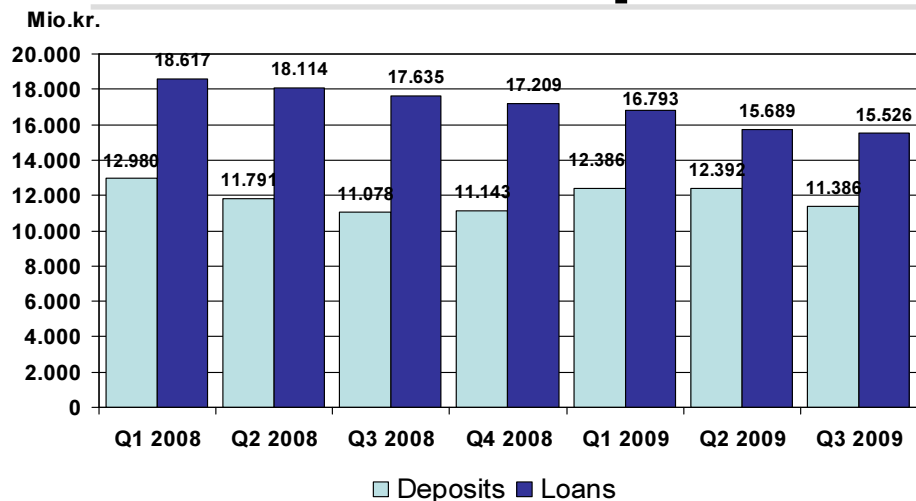
- **Result: DKK 312m loss**
 - Before writedowns: DKK 25m profit
- **Result Q1-Q3: DKK 1,309m loss**
 - Before writedowns DKK 91m profit
- **Interest margin: 2.1%**
- **Net interest up by 10%**
- **65,000 customers**
- **25,000 “Double-customers”**
- **Solvency: 16.5 %**
- **Core Capital: 11.0 %**



Banking

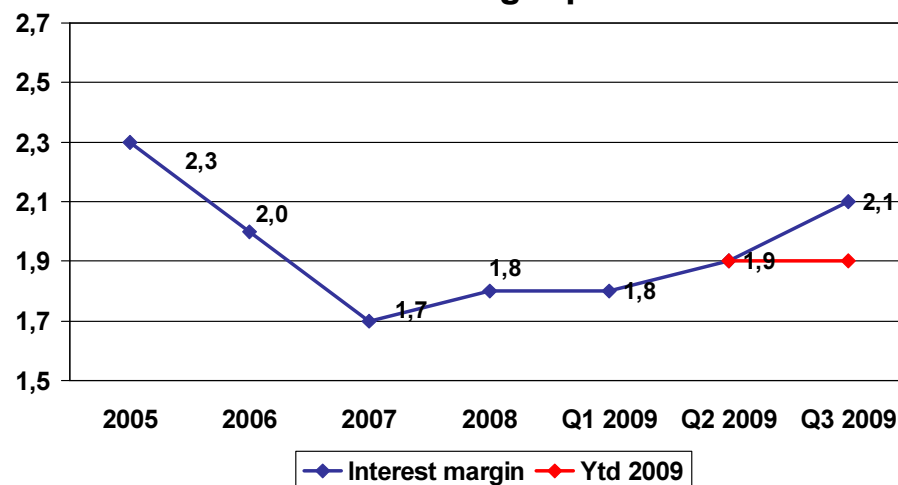
Alm. Brand – Banking

Deposits and loans



- Reduced loans and advances
- New strategy

Interest margin p.a.



- Fixed interest deposits
- Certain loans track Danmarks Nationalbank
- Deposits in Nationalbanken at low interest

Alm. Brand - Banking

Loan portfolio and credit losses

	Lending 30 September 2009 DKKm	Losses and writedowns DKKm Q3	Losses and writedowns DKKm YTD	Loss rate % Q3	Loss rate % YTD
Retail lending	3,310	0	14	0.0%	0.4%
Car finance	1,078	5	22	0.4%	1.9%
Agriculture	1,156	0	63	0.0%	5.6%
Other commercial lending	1,364	14	37	1.1%	2.8%
Security financing	4,033	110	314	2.7%	7.3%
Lending to subsidiaries	1,281	0	0	0.0%	0.0%
Investment properties	1,738	0	382	0.0%	19.0%
Residential mortgage deeds	920	30	54	3.2%	5.5%
Commercial mortgage deeds	293	74	110	22.1%	36.5%
Property development projects	353	71	367	19.1%	76.3%
Private Contingency Association	-	33	37	-	-
Total	15,526	337	1,400	2.2%	8.6%



Alm. Brand - Banking

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Alm. Brand - Banking

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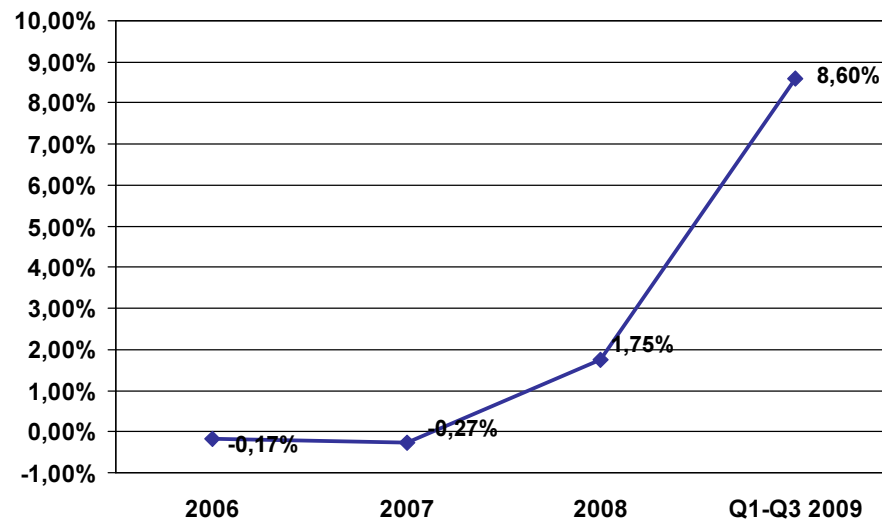
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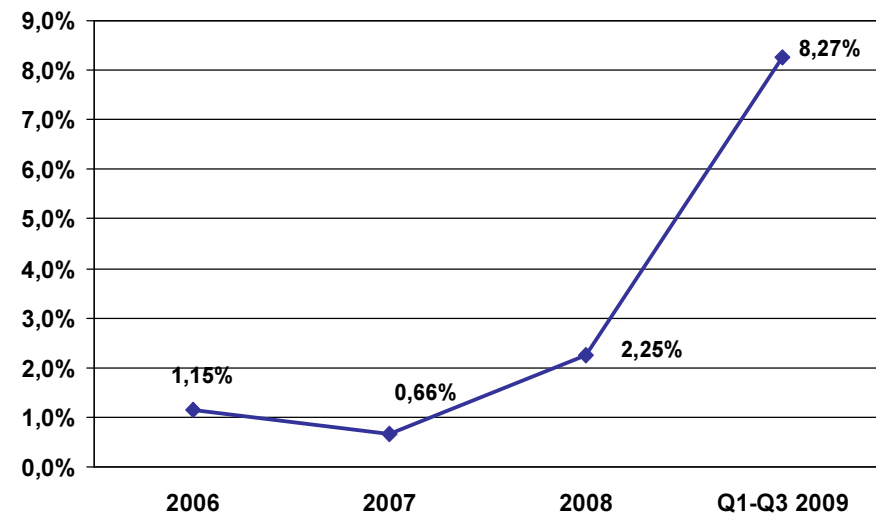
Alm. Brand – Banking Writedowns

- Especially on corporate mortgage deeds and a single property development project
- Increasing contributions to Private Contingency Association

Writedowns p.a.



Accumulated writedown ratio

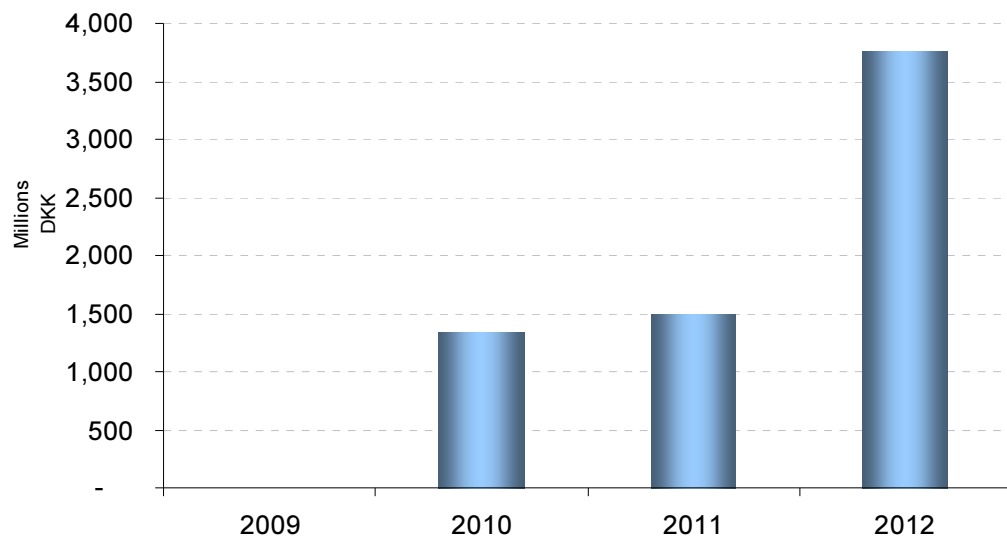


Excluding credit-related value adjustments on mortgage

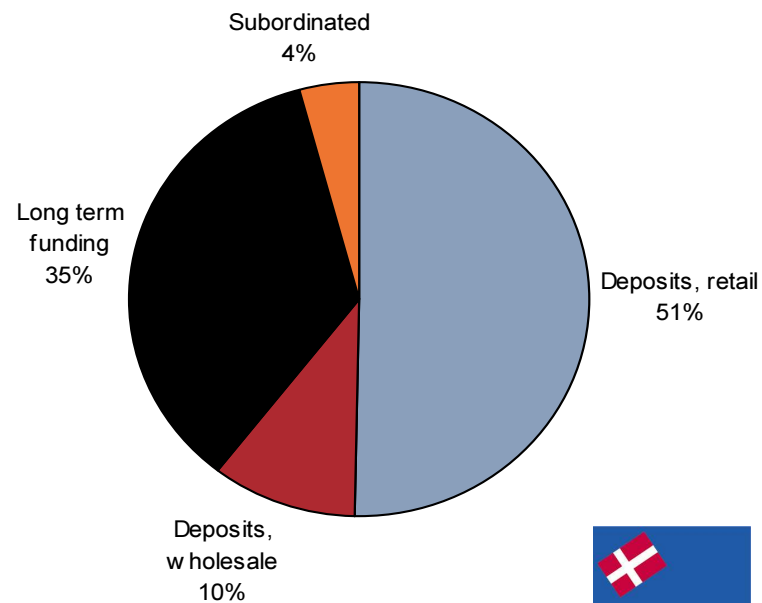
Alm. Brand – Banking Funding situation

- Long cheap funding
- DKK 1,3bn paid back in September
- Relative growth in deposits
- Capital from Alm. Brand A/S of DKK 300m
- Alm. Brand converts DKK 250m of liable capital into share capital
- Received DKK 856m through the Second Bank Package

Repayment structure for loans issued by Alm. Brand Bank



Procurement of capital



Alm. Brand – Banking

New strategy (1)

- **Discontinued activities**
 - **Investment properties**
 - **Mortgage deeds**
 - **Trading and investments**
 - **Loans to property development projects**
 - **Corporate finance**
 - **Leasing and loans through car dealers**

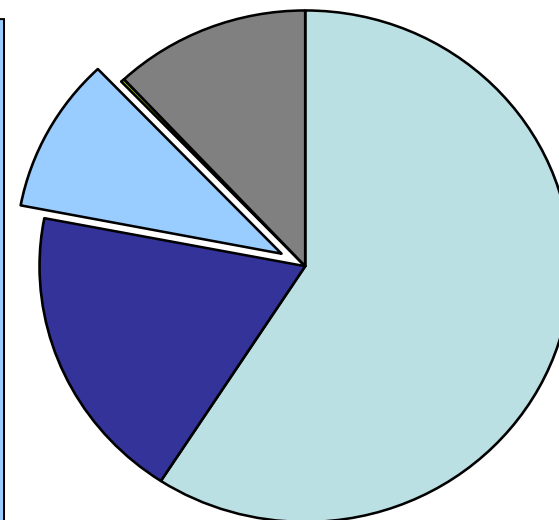
Alm. Brand – Banking

New strategy (2)

- **Continued activities**
 - **Private, SME and agriculture**
 - Deposits/loans
 - Investments
 - Leasing
 - Fleet
 - **Alm. Brand Markets**
 - Analysis
 - PM

Alm. Brand – Life and Pension Highlights Q3 2009

- **Result: DKK 70m profit**
 - Q1-Q3: DKK 107m
- **Collective bonus potential: DKK 120m**
- **Shadow account balance: DKK 80**
- **Gross premiums: DKK 136m**
 - Growth: -7%
 - Q1-Q3: DKK 466m
- **Provisions: DKK 11.2bn**
- **80,000 customers**



Life &
Pension

Alm. Brand – Life and Pension Investments Q1-Q3 2009

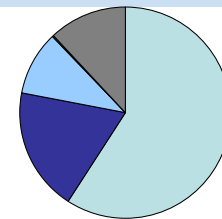
- **Very satisfactory performance**
- **Very strong investment return**
 - **7.2%**
- **Low costs**
- **=> Collective bonus potential: DKK 120m**

Return on investments (OE)	4.4%
Return on investments (customers)	<u>7.2%</u>
Bonds etc.	6.1%
Equities	26.4%
Properties	3.7%
Total equity exposure about 10%	
Rate of interest (customers) p.a.	3.0%

Copenhagen Re

- Sold on 29 May 2009
- Approved by financial supervisory authorities on 15 October 2009
- Actual sale completed
- Not affecting the expectations for the group as a whole

Alm. Brand Highlights



- Still unsatisfactory performance
- Writedowns has slowed down
- Many claims

- Premium increases
- New strategy for the bank will change scope and costs

Disclaimer

“The statements made in this presentation are based on current expectations, estimates and projections made by management. All statements about future financial performance are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by the statements. All statements about future financial performance made in this presentation are solely based on information known at the time of the preparation of the last published financial report, and the company assumes no obligation to update these statements, whether as a result of new information, future events, or otherwise.”

Alm. Brand A/S

Q3 2009 – LD Markets

