

NASDAQ OMX Copenhagen A/S  
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**Announcement no. 2/2011**

## **Alm. Brand Bank A/S – Annual Report 2010**

### **Highlights**

- **Before losses and writedowns, Alm. Brand Bank posted a pre-tax profit of DKK 39 million, against an expected profit of DKK 90 million. The deviation is primarily explained by a negative trend in value adjustments in Q4.**
- **Total impairment writedowns on loans, including credit losses and writedowns on mortgage deeds, amounted to DKK 908 million.**
- **The full-year guidance is downgraded by DKK 25 million to a profit of around DKK 45 million before tax and before losses and writedowns. The downgrade is the result of an expected expense of DKK 25 million for the Danish Depositors' Guarantee Scheme due to Amagerbanken's bankruptcy.**

### **Other highlights**

- The bank's net interest income rose to DKK 538 million in 2010, against DKK 448 million in 2009. The net interest income was favourably affected by an increasing customer interest margin and by the fact that the bank had a large portfolio of high-yielding bonds in 2010.
- Impairment writedowns on loans amounted to DKK 668 million, while credit losses and writedowns on the bank's mortgage deed portfolio totalled DKK 240 million. Accordingly, total losses and writedowns amounted to DKK 908 million in 2010.
- The negative trend in value adjustments in Q4 was partly due to rising interest rates adversely affecting the market value of the bank's bond portfolio and partly due to a DKK 25 million capital loss on an unlisted share.
- The bank's staff costs and administrative expenses totalled DKK 506 million in 2010, against DKK 547 million in 2009. The decline was attributable to the revised strategy, resulting in a restructuring of the bank and nine branch closures.
- Alm. Brand A/S contributed DKK 850 million in equity to Alm. Brand Bank A/S in Q4 2010. At 31 December 2010, the bank's capital base totalled DKK 2.6 billion, and the solvency ratio was 17.9.

Please direct any questions regarding this announcement to Ole Joachim Jensen, Chief Executive, on tel. +45 35 47 70 14 or Susanne Bilstoft, Head of Information and Investor Relations, on tel. +45 35 47 76 61.

Alm. Brand Bank A/S

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