
The Danish government and the Danish banking sector have signed an agreement to set up a guarantee scheme to safeguard all depositors and simple creditors against losses in Danish banks. The agreement runs for a period of two years from 6 October 2008.

Alm. Brand Bank A/S is covered by the scheme through its membership of the Private Contingency Association.

Alm. Brand Bank’s share of the total annual guarantee commission of DKK 7.5 billion is expected to amount a level of DKK 75 million in each of the two years. The bank’s share of the total guarantee limit and any additional guarantee commissions will be approximately 1%.

Seen in isolation, Alm. Brand Bank’s participation in the guarantee scheme is expected to have an adverse affect on the result before tax of Alm. Brand A/S of just under DKK 20 million in 2008.

The guarantee is expected to improve access to and conditions for funding, which, in turn, is expected to enhance the bank's interest margin.

Please direct any questions regarding this announcement to Søren Boe Mortensen, Chief Executive, on tel. +45 35 47 47 47.

Yours sincerely,

Alm. Brand A/S

Søren Boe Mortensen
Chief Executive