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Alm. Brand A/S - Interim report for the third quarter of 2006

The quarter at a glance

- **Best ever quarterly financial statements**
- **More than 5% growth in non-life insurance premiums**
- **DKK 130 million profit forecast upgrade for the full year 2006**
- **Increase of share buy-back programme by DKK 100 million**

Highlights of the Alm. Brand Group's interim report for the third quarter of 2006:

- The Alm. Brand A/S Group posted a pre-tax profit excluding minorities of DKK 293 million for Q3 2006, as compared with DKK 193 million in Q3 2005.

  For the year to date, the profit was DKK 766 million, against DKK 500 million a year earlier.

- The performance was highly satisfactory and attributable to an exceptionally positive performance in all of the Group's three business areas, especially in non-life insurance.

- The Alm. Brand Group's profit for Q3 2006 equalled an annualised pre-tax return on equity of 25% p.a., against an annualised return of 19% p.a. in the year-earlier period.

  The return on equity for the year to date was 22% p.a., as compared with 17% p.a. in the first nine months of 2005.

- As a result of the positive performance, the group upgrades the profit forecast for 2006 by DKK 130 million to DKK 950 million before tax. The profit forecasts for all the group's business areas are upgraded.

- In addition, the group's share buy-back programme is increased by DKK 100 million to DKK 500 million.

- Non-life operations reported a pre-tax profit of DKK 182 million. The profit for the year to date was DKK 538 million, which was highly satisfactory.

  Cloudbursts in August and a series of major claims have brought the number of these claims to the normal full-year level. Accordingly, the highly satisfactory results were attributable to the group's continuous efforts to ensure correct risk assessment in each individual customer segment.

The Q3 premium income rose by 5.5 % relative to the same period of last year. Premiums are expected to increase by almost 5% for the full year which is satisfactory and reflects the activities initiated by the group to enhance growth. The most important initiatives include allocation of more sales and service resources, a new sales tool within the private customer segment, new sales centres, the setting up of branch offices across Denmark and comprehensive training efforts for the group's entire sales and service staff.

The combined ratio was 85.9 for Q3 2006, which was also significantly ahead of expectations.

- The bank posted a pre-tax profit excluding minorities of DKK 56 million in Q3 2006. The year-to-date profit totalled DKK 137 million. The performance was satisfactory considering market conditions, significant retail banking investments and investments in the group's stockbroking activities.

  The bank's activities are continuously increased, which caused loans and advances to grow by 24% relative to 30 September 2005. At the same time, the bank's realised losses on loans and advances were very low. Accordingly, income of DKK 25 million was recognised in this area for 2006 to date.

- The group's non-life operations reported a Q3 pre-tax profit of DKK 39 million. The year-to-date profit totalled DKK 64 million.

  Premium income in the life company was in line with expectations. Consistent with the group's growth strategy, most of the growth in pension contributions was attributable to the bank. Accordingly, total pension contributions, including investment schemes in the bank and the full amount of premium income in the life company, rose by almost 15% relative to the same period of last year.

  The capital loss on the bond portfolio was largely offset by reduced provisioning needs. The collective bonus potential amounted to 3.8% of provisions, a 0.7 percentage point increase relative to 31 December 2005.

- Consolidated revenue for Q3 2006 was DKK 1.7 billion and the year-to-date revenue totalled DKK 5.0 billion.

- Shareholders' equity was DKK 5.3 billion at 30 September 2006, against DKK 4.9 billion at 31 December 2005.

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



ALM. BRAND A/S

INTERIM REPORT

THE THIRD QUARTER OF 2006

7 Midtermolen, DK-2100 Copenhagen Ø, Registration Number CVR-nr. 77333517

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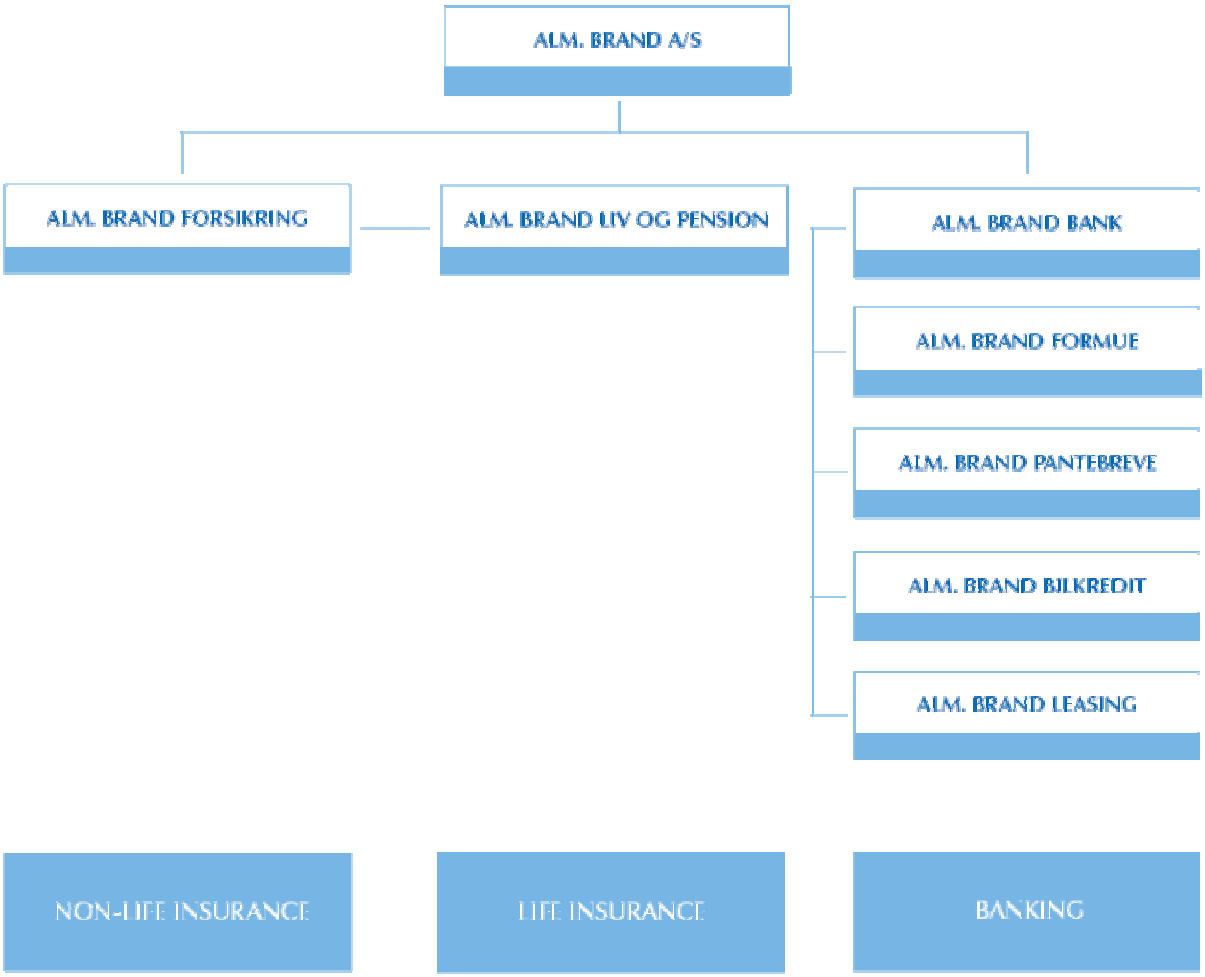
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Group structure

Alm. Brand Group main companies



Dormant or discontinuing activities are not included.

Alm. Brand A/S is a Danish financial services group consisting of a listed holding company and a number of subsidiaries operating within non-life insurance, banking and life and pension insurance. In addition, the group operates an investment business in the ordinary course of its operations.

Group structure

Board of directors

Christian N.B. Ulrich

Henrik Stenbjerre

Niels Kofoed

Henning Kaffka

Susanne Larsen

Jørgen H. Mikkelsen

Boris N. Kjeldsen

Jørgen S. Larsen

Lone Clausen

Management board

Søren Boe Mortensen
Chief Executive Officer

Henrik Nordam
Deputy Chief Executive Officer

Auditors

Deloitte, Statsautoriseret Revisionsaktieselskab

Internal auditor

Poul-Erik Winther Nielsen, Chief Internal Auditor

Company information

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Financial highlights and key ratios

DKK million	Q3 2006	Q3 2005	9 months 2006	9 months 2005	Year 2005
KEY FIGURES					
Income					
Non-life insurance	1,096	1,039	3,165	3,040	4,079
Banking	242	191	699	576	786
Life insurance	123	140	461	473	747
Copenhagen Re	4	12	19	33	37
Investments	207	200	626	613	840
Total income	**1,672**	**1,582**	**4,970**	**4,735**	**6,489**
Results					
Underwriting result from non-life insurance	176	126	426	303	399
Profit on banking operations	111	84	136	255	329
Underwriting result from life insurance	30	13	47	39	121
Underwriting result from Copenhagen Re	10	-18	24	-29	5
Profit/loss for insurance and banking operations	**327**	**205**	**633**	**568**	**854**
Profit/loss on investments after allocation of interest	17	17	120	24	10
Other ordinary items	-2	6	13	-7	-12
Profit/loss before tax	**342**	**228**	**766**	**585**	**852**
Tax	-63	-40	-160	-145	-56
Profit/loss after tax	**279**	**188**	**606**	**440**	**796**
Minority interests share of profit for the period	-44	-36	-3	-86	-108
Profit/loss after tax excluding minorities	**235**	**152**	**603**	**354**	**688**
Profit/loss before tax excluding minorities	**293**	**193**	**766**	**500**	**747**
Profit/loss on business in run-off, net of reinsurance	21	12	8	63	27
Provisions for insurance contracts	19,280	19,902	19,280	19,902	19,193
Shareholders' equity	5,276	4,595	5,276	4,595	4,935
Of which minority interests	431	499	431	499	474
Total assets	43,692	41,249	43,692	41,249	42,550
KEY RATIOS					
Return on equity before tax excluding minorities p.a.	25%	19%	22%	17%	18%
Return on equity after tax excluding minorities p.a.	20%	15%	17%	12%	17%
Earnings per Share, DKK 80	11	7	28	16	31
Diluted Earnings per Share, DKK 80	11	7	28	16	31
Net assets value per Share, DKK	227	183	227	183	199
Share price end of year	312	256	312	256	267
Share price/Net asset value	1.37	1.40	1.37	1.40	1.34
Number of shares end of period ('000)	21,326	22,029	21,326	22,029	22,030
Average number of shares ('000)	21,493	22,023	21,805	21,975	21,987

Number of own shares acquired until 29 October 2006 ('000)	941
Average share price acquired own shares, DKK	319
Pay-out ratio *	7%
Pay-out ratio remaining buy-back programme *	3%

*) On the basis of market value at 29 October 2006

Report - Group

The Alm. Brand A/S Group

Alm. Brand A/S is a listed Danish financial services group focusing on the Danish market. The group carries on non-life insurance, life insurance and pension activities as well as banking activities, including car finance, leasing and stockbroking operations, and generates revenue of almost DKK 7 billion.

Alm. Brand's vision that "We take care of our customers" is the guiding principle for the experience Alm. Brand seeks to give its customers when they interact with Alm. Brand.

Alm. Brand focuses on maintaining a strong local presence and more than half of the group's almost 1,700 employees work in close proximity to the customer at insurance offices and bank branches across Denmark.

The group's insurance and pension products cover private lines, agriculture as well as small and medium-sized businesses and Alm. Brand is Denmark's fourth largest provider of non-life insurance products. One of Denmark's large banks, Alm. Brand Bank also has nationwide coverage, offering individual solutions that cover the full spectrum of financial needs of both private and agricultural customers.

Financial results

The Alm. Brand A/S Group posted a pre-tax profit excluding minorities of DKK 293 million for Q3 2006, as compared with a profit of DKK 193 million in Q3 2005.

This brought the profit before tax to DKK 766 million for the first nine months of the year, against a profit before tax of DKK 500 million in the year-earlier period. After tax, the profit was DKK 603 million.

The performance was highly satisfactory and attributable to an exceptionally positive performance in all of the Group's three business areas, especially in non-life insurance.

The Q3 performance equalled an annualised return on equity of 25% before tax and minorities, against 19% in Q3 2005. Return on equity after tax was 20% p.a.

The year-to-date return on equity was 22% p.a. against 17% p.a. in the same period of last year.

As a result of the positive performance, the group upgrades the profit forecast for 2006 by DKK 130 million to DKK 950 million before tax. The profit forecasts for all of the group's business areas are upgraded.

In addition, the group's share buy-back programme is increased by DKK 100 million to DKK 500 million.

Consolidated revenue for Q3 2006 was DKK 1.7 billion and the year-to-date revenue totalled DKK 5.0 billion.

Earnings per share were DKK 28 for the first nine months of the year. At 30 September 2006, the net asset value per share was DKK 227.

Shareholders' equity was DKK 5.3 billion at 30 September 2006, against DKK 4.9 billion at 31 December 2005.

Business operations

Non-life operations generated a profit of DKK 538 million in the first nine months of 2006.

Gross premium income from the group's non-life operations amounted to DKK 1,096 million for Q3, a 5.5% increase over Q3 2005. The year-to-date increase in premiums was 4.1%.

This performance was highly satisfactory and reflected the activities initiated by the group during 2005 to enhance growth. The growth rate was in line with the group's growth strategy targets and is expected to continue the upward trend.

The combined ratio amounted to 85.9 in Q3 2006, against 89.6 in the same period of last year. The year-to-date combined ratio was 88.6. The claims experience was highly satisfactory and reflected the efforts made by the group to improve the portfolio and hence the correlation between price and risk. A significant number of major claims and a large number of precipitation claims in August brought the number of major claims and weather-related claims to the normal full-year level, thereby adversely impacting the quarterly results.

Banking operations reported a profit excluding minorities of DKK 137 million.

All lending segments performed satisfactorily in Q3 2006. As a result, lending increased by 24% relative to 30 September 2005.

In addition, the stockbroking arm has completed the necessary restaffing and is now focused on expanding its business operations.

The bank's financial results for 2006 will be affected by substantial investments in the stockbroking area, expansion of the retail bank in connection with the group's growth strategy and very low realised losses on loans and advances, resulting in DKK 25 million being recognised as income in this area.

Non-life operations generated a profit of DKK 64 million.

Premiums and business activities in the life company performed in line with expectations. In addition, sales of the group's non-guaranteed pension products offered through the bank performed well.

The investment return was close to zero in the first nine months of the year, reflecting the rise in interest rates and equity market developments. The capital loss on the bond portfolio was largely offset by a corresponding reduction in provisioning needs.

At 30 September 2006, the collective bonus potential in the life and pension insurance company equalled 3.8% of technical provisions, an increase of 0.7 percentage point relative to 31 December 2005.

Other activities posted a profit of DKK 27 million, distributed on a DKK 46 million profit in Copenhagen Re and holding expenses of DKK 19 million.

Total expenses
The group's acquisition and administrative expenses totalled DKK 332 million in Q3 2006, as compared with DKK 298 million in Q3 2005. The year-to-date expenses totalled DKK 1,018 million. The increase relative to 2005 reflected the planned investments in growth in all of the group's business areas.

Investment return
The group's interest and fee income and value adjustments totalled a gain of DKK 868 million in Q3 2006 against a DKK 509 million gain in the same period of last year. Income generated in the first nine months of the year amounted to DKK 1,028 million, against DKK 1,972 million in 2005. The return includes capital losses of DKK 237 million against capital gains of DKK 807 million in the year-earlier period. Accordingly, the return was impacted particularly by the rise in long-term interest rates.

The vast majority of the investment assets are fixed-income securities. Duration is about two years in non-life operations, while duration in life and pension operations is about nine years, which largely corresponds to the duration of the liabilities.

Number of employees
In Q3 2006, the number of employees averaged 1,695 against 1,618 in 2005.

Major events

Share buybacks
In connection with the release of Alm. Brand A/S' annual financial statements for 2005, the group announced a share buy-back programme totalling DKK 400 million. The group's principal shareholder, Alm. Brand af 1792 fmba, will sell off its shares in proportion to shares bought back from other shareholders.

As a result of the very strong performance, the group now increases its share buy-back programme by DKK 100 million to DKK 500 million.

At 29 October 2006, the group had bought back shares worth approximately DKK 300 million, equivalent to 60% of the expected amount of DKK 500 million.

Based on Alm. Brand's market capitalisation at 29 October 2006, the expected total buy-back of DKK 500 million corresponds to a pay-out ratio of 7%. The pay-out ratio for the remaining buy-back programme is 3%, equivalent to additional buy-backs of DKK 200 million until 31 January 2007.

The guidelines laid down for the group's share buy-back programme are posted on the group's website.

Outlook
Due to the positive performance of all of the group's business areas, including in particular non-life insurance, the Alm. Brand Group raises the forecast for the full-year 2006 profit to DKK 950 million before tax and minorities.

In addition, the group's share buy-back programme is increased by DKK 100 million to DKK 500 million.

The forecast is upgraded by DKK 90 million to DKK 680 million for the non-life insurance business, by DKK 10 million to DKK 160 million for the banking operations and by 10 million to DKK 80 million for the life and pension business. The forecast for other activities is raised by DKK 20 million to DKK 30 million on the back of a better-than-expected performance of the group's reinsurance activities in run-off.

The non-life combined ratio for 2006 is expected to be at the level of 89, against the previous forecast of 91.

The forecast is based on the level of interest rates prevailing at mid-November 2006. The actual performance of the group overall and of the individual business areas may be affected by major changes in economic conditions, interest rates and equity markets. Moreover, the performance may be impacted by bad and doubtful debts and by the claims experience.

The full-year consolidated revenue for 2006 is expected to be in the region of DKK 6.6 billion.

Forecast 2006		
	August 2006	November 2006
Non-life	590	680
Banking	150	160
Life	70	80
Other	10	30
Profit before tax and minorities	820	950

Disclaimer
The forecast is based on the level of interest rates prevailing at mid-November 2006. All forward-looking statements are based exclusively on the information available when the interim report was released.

The actual performance of the group overall and of the individual business areas may be affected by major changes in a number of areas. Such impacts include changes in economic conditions, changes in the financial markets, legislative changes, changes in the competitive environment and changes in the reinsurance market, unforeseen events, such as extreme weather conditions or terrorist events, bad debts, major changes in the claims experience, etc.

The above-mentioned risk factors are not exhaustive. Investors and others who base their decisions on the information contained in this report should independently consider any uncertainties of significance to their decision. A more detailed review of the group's risks is included in the annual report.

This interim report has been translated from Danish into English. In the event of any discrepancy between the Danish text and the English-language translation, the Danish text shall prevail.

Non-life insurance

Excl. Copenhagen Re

DKK million	Q3 2006	Q3 2005	9 months 2006	9 months 2005	Year 2005
Gross premiums	1,096	1,039	3,165	3,040	4,079
Technical interest	21	18	64	54	45
Gross claims expenses	-704	-801	-2,045	-2,838	-3,536
Underwriting management expenses	-202	-190	-645	-585	-779
Profit from reinsurance	-35	60	-113	632	590
Underwriting profit/loss	**176**	**126**	**426**	**303**	**399**
Interest, dividends etc.	80	66	197	208	269
Capital gains/losses	-15	-23	86	-113	-129
Management expenses relating to investment business	-3	-3	-10	-10	-16
Return on technical provisions	-54	-31	-154	-98	-136
Total profit/loss on investments after transfer of technical interest	**8**	**9**	**119**	**-13**	**-12**
Other ordinary items	-2	-2	-7	-7	-12
Profit/loss before tax	**182**	**133**	**538**	**283**	**375**
Tax	-50	-36	-137	-102	-152
Profit/loss after tax	**132**	**97**	**401**	**181**	**223**
Profit/loss on business in run-off, net of reinsurance	21	12	8	63	27
Technical provisions	6,105	5,961	6,105	5,961	5,612
Insurance assets	208	505	208	505	269
Shareholders' equity	2,032	1,740	2,032	1,740	1,801
Total assets	8,662	8,139	8,662	8,139	7,821
Claims Ratio	64.2%	77.1%	64.6%	93.4%	86.7%
Expense Ratio	18.4%	18.3%	20.4%	19.3%	19.1%
Net reinsurance Ratio	3.2%	-5.8%	3.6%	-20.8%	-14.5%
Combined Ratio	85.9%	89.6%	88.6%	91.9%	91.3%
Operating Ratio	84.2%	88.1%	86.8%	90.2%	90.3%
Return on equity before tax p.a.	37%	31%	38%	23%	22%
Return on equity after tax p.a.	27%	23%	29%	15%	13%

Non-life insurance

Financial results

The group's non-life operations generated a profit before tax of DKK 182 million in Q3 2006, which was very satisfactory, compared with a profit of DKK 133 million before tax in Q3 2005.

The profit was DKK 538 million for the year to date, against DKK 283 million in the year-earlier period. Last year, however, the results were affected by the windstorm on 8 January 2005 in the amount of DKK 160 million.

The Q3 2006 performance was equivalent to an annualised return on equity of 37% before tax, compared with 31% in Q3 2005. The year-to-date performance is equivalent to an annualised return on equity of 38% before tax, compared with 23% in the same period of last year.

Report – Non-life insurance

Premiums
Gross premiums totalled DKK 1,096 million, an increase of 5.5% on the year-earlier period. Gross premiums were DKK 3,165 million for the year to date, against DKK 3,040 million in the first nine months of 2005 – a 4.1% increase relative to the same period of 2005.

Premiums are expected to increase by almost 5% for the full year 2006. This performance is highly satisfactory and reflects the activities initiated by the group during 2005 and 2006 to enhance growth.

The group aims to increase premium income by 50% from 2005 to 2010, and the performance to date is fully in line with expectations.

Claims experience
The Q3 2006 claims ratio was 64.2, against 77.1 a year earlier. The year-to-date claims ratio was 64.6, as compared with 93.4 in 2005. Excluding the effects of the storm, the 2005 claims ratio was 67.1.

The Q3 2006 performance was adversely affected by cloudbursts in August and a number of major claims. As a result, major claims and weather-related claims have now reached the normal full-year level.

Nevertheless, the performance was highly satisfactory. The strong performance reflected the group's continuous efforts to ensure correct risk assessment in each individual customer segment to maintain a satisfactory portfolio quality and risk correlation.

The Q3 2006 claims experience was favourably impacted by run-off gains on two cases contributing a total amount of DKK 17 million. The run-off results for the year to date amounted to a gain of DKK 8 million, against DKK 63 million in the same period of last year.

Net reinsurance ratio
The net reinsurance ratio for the nine months ended 30 September 2006 was 3.6, as compared with a negative figure of 20.8 in the year-earlier period when the performance was affected by substantial reinsurance income as a result of the storm in January 2005. A negative reinsurance ratio is equivalent to income for Alm. Brand.

Costs
The expense ratio was 18.4 in Q3 2006, against 18.3 in the same period of 2005, whereas the year-to-date expense ratio was 20.4, against 19.3 last year, which was in line with expectations.

The expense ratio is expected to remain at the level of 20 for the full year 2006. The cost-savings achieved by the group through continuous efficiency improvements on processes and business procedures will be invested in allocating more resources to the group's sales and service staff.

Combined ratio
The combined ratio was 85.9 in Q3 2006, against 89.6 in 2005. The year-to-date combined ratio was 88.6, as compared with 91.9 in the first nine months of 2005 (including the storm).

Investment return
The non-life investment return was DKK 273 million in the first nine months of 2006, against DKK 111 million in the same period of 2005.

The investment return on assets, mainly placed in short-term bonds, performed in line with expectations. The rise in short term interest rates in the first three quarters of 2006 entailed capital losses on the group's bond portfolio, but on the other hand the investment return was positively impacted by the fact that the claims provisions at 30 September 2006 were discounted at a higher rate of interest than at 31 December 2005. Moreover, assets in the first half-year had a considerably shorter duration than the claims provisions.

During 2006, the duration of assets has been gradually adjusted to better match the duration of liabilities.

Major events

Insuring new larger municipalities and regions
The structural transition process municipalities and counties are currently undergoing to become larger units has caused a number of municipalities and regions to call for EU tenders for insurance. Providing insurance for the new larger municipalities and regions is a focal area for Alm. Brand, and the group therefore takes an active part in the tender rounds. Alm. Brand has already won a number of the tenders and expects to continue to share in this market in the future.

Report – Non-life insurance

Setting up new sales centres
As part of Alm. Brand's continuous efforts to improve sales channel efficiency, the group has decided to set up 12 insurance sales centres across Denmark. All sales centres will be located in provincial cities offering a substantial growth potential.

The sales centres will canvass new private customers and small business segments. In connection with the setting up of the new sales centres, the group's agency contracts have been terminated. The majority of the employees from these agencies continue in their jobs, but will be employed with Alm. Brand.

Improved training of sales and service staff
A key element of the group's growth strategy is to focus strongly on improving training and competence building for all senior employees and advisers through the new Alm. Brand Academy competence building concept.

The first roll-out has just been initiated for all senior sales staff and advisers, focusing on enhancing competencies within sales management and advice-based sales.

New sales tool for insurance agents
Over the past 18 months, intensive efforts have been made to develop a new sales tool to better support Alm. Brand's "We take care of our customers" vision. The tool is a mobile online application for our insurance system which enables our insurance agents to complete their work at customer locations, thereby enhancing the service we provide to our customers.

Initially, the system covers all private customer and pension products. As soon as the new insurance system for the commercial and agricultural segments has been developed, a new sales tool will be implemented for agricultural and commercial products in the system as well.

Outlook
Non-life operations continued to outperform expectations during Q3 2006. As a result of this favourable performance, the forecast for the full year 2006 has been raised to DKK 680 million, an increase of DKK 90 million relative to the most recent guidance.

The combined ratio forecast is adjusted accordingly to 89, against the previous forecast of 91.

Banking

DKK million	Q3 2006	Q3 2005	9 months 2006	9 months 2005	Year 2005
Interest income	196	147	551	428	585
Interest expenses	-118	-69	-303	-190	-264
Net interest income	**78**	**78**	**248**	**238**	**321**
Net fee and commission income, dividends etc.	36	46	119	138	189
Net interest and fee income	**114**	**124**	**367**	**376**	**510**
Value adjustments	43	14	40	59	72
Other operating income	1	3	8	7	9
Profit on financial operations	**158**	**141**	**415**	**442**	**591**
Total costs	-111	-87	-313	-268	-364
Write-downs on bad and doubtful debts etc.	6	2	25	-1	-5
Profit on participating interests	3	-2	10	-4	0
Profit before tax	**56**	**54**	**137**	**169**	**222**
Tax	-13	-10	-38	-53	-66
Profit after tax	**43**	**44**	**99**	**116**	**156**
Loans and advances	13,008	10,513	13,008	10,513	11,418
Guaranties etc.	1,922	1,733	1,922	1,733	2,012
Deposits	10,085	9,594	10,085	9,594	8,989
Shareholders' equity	1,188	1,051	1,188	1,051	1,089
Total assets	19,674	16,804	19,674	16,804	18,527
Net interest margin p.a. [1)]	2.0%	2.2%	2.0%	2.3%	2.3%
Operating income over operating expenses pro rata	1.53	1.63	1.47	1.63	1.60
Operating income over operating expenses parent company	1.59	1.69	1.53	1.69	1.65
Write-down ratio p.a.	0.0%	0.0%	-0.2%	0.0%	0.0%
Solvency ratio [1)]	10.6%	11.2%	10.6%	11.2%	11.5%
Return on equity before tax p.a. excluding minorities	19%	21%	16%	24%	23%
Return on equity after tax p.a. excluding minorities	15%	17%	12%	17%	16%

1) Net interest margin p.a. and solvency ratio are calculated on the basis of full consolidated Group figures.

The above figures are calculated on basis of proportionate consolidation of subsidiaries, if not quoted different.
The application of proportionate consolidation means that the bank includes its proportionate share of the subsidiaries' assets, liabilities, income and expenses.

Banking

Financial results

The bank's profit for Q3 2006 was DKK 56 million before tax and minorities, against DKK 54 million in the same quarter of last year. The year-to-date profit before tax and minorities was DKK 137 million, against DKK 169 million for the first nine months of 2005, which was satisfactory considering the market conditions with rising interest rates and investments in future growth within retail banking and the bank's stockbroking activities.

The Q3 2006 return on equity before tax was 19% p.a., compared with 21% p.a. in the third quarter of 2005. The year-to-date return on equity before tax was 16% p.a., against 24% p.a. in the year-earlier period.

Net interest and fee income

Net interest and fee income was DKK 114 million, against DKK 124 million in Q3 2005. The year-to-date net interest and fee income was DKK 367 million, as compared with DKK 376 million in 2005.

Interest income was favourably impacted by stronger growth in the bank and adversely affected by the declining interest margin. The interest margin fall was partly attributable to mounting competition and partly to the move towards lending involving less risk. Fee income was lower than last year, primarily attributable to the restructuring of the group's stockbroking activities.

The restructuring has been completed and the bank's stockbroking arm is now focused on expanding its business operations.

Value adjustments
The bank's value adjustments totalled a gain of DKK 43 million in Q3 2006, against DKK 14 million in Q3 2005. Value adjustments for the year to date were DKK 40 million, as compared with DKK 59 million in the first nine months of 2005. Out of the total value adjustments, capital gains on shares amounted to approximately DKK 30 million of which almost DKK 10 million was attributable to the bank's portfolio of shares in the two listed subsidiaries.

Costs
Total costs for Q3 2006 amounted to DKK 111 million, against DKK 87 million for the same period of last year. The year-to-date costs were DKK 313 million, as compared with DKK 268 million in the first nine months of 2005.

The higher costs were attributable to investments in strengthening the stockbroking activities and to the appointment of more bank advisers as part of the strategy to enhance growth within retail banking.

The increase should also be seen in relation to the 24% rise in the level of business activity measured as growth in lending.

The income/cost ratio was 1.53 in Q3 2006, against 1.63 in the third quarter of 2005.

Impairment of loans etc.
For the year to date, impairment of loans and guarantees charged to the income statement amounted to income of DKK 25 million, against a DKK 1 million expense in the first nine months of 2005. Accordingly, the bank benefited from lower-than-expected losses on the back of the favourable economic conditions in Denmark and the group's wish to maintain low risk in the bank's exposures.

The bank's accumulated impairment charges/provisions on loans and guarantees totalled DKK 189 million at 30 September 2006, which corresponds to an accumulated impairment ratio of 1.3, against 1.7 at 30 September 2005 and 1.6 at 31 December 2005.

Balance sheet

Loans and advances, deposits and guarantees
The bank's balance sheet was positively impacted by continued growth in the loan portfolio, attributable, among other things, to continued success in providing home loans and project financing, including investment customers. In addition, the bank recorded a general increase in business resulting from the Alm. Brand Group's *dobbelt*KUNDE concept.

Loans and advances totalled DKK 13.0 billion at 30 September 2006, an increase of DKK 1.6 billion relative to 31 December 2005 and an increase of DKK 2.5 billion or 24% since 30 September 2005. Growth in loans and advances was satisfactory and should be seen in the light of the bank's strategy of focusing on selected segments while maintaining risk at a known and moderate level.

Deposits totalled DKK 10.1 billion at 30 September 2006, an increase of DKK 1.1 billion relative to 31 December 2005 and an increase of DKK 0.5 billion or 5% since 30 September 2005.

Guarantees and other commitments amounted to DKK 1.9 billion at 30 September 2006, an increase of DKK 0.2 billion relative to 30 September 2005.

Payables to credit institutions
Payables to credit institutions rose from DKK 4.0 billion at 30 September 2005 to DKK 6.4 billion at 30 September 2006.

Capital
The bank's equity excluding minorities stood at DKK 1.2 billion at 30 September 2006. The capital base totalled DKK 1.6 billion, whereas the bank had a solvency ratio of 10.6% and a tier 1 ratio of 8.7%.

Report - Banking

Major events

Greater distribution power
The Alm. Brand Group has strengthened its decentralised distribution power considerably in 2006 by comprehensively refurbishing a number of the group's branch offices and by increasing the number of customer advisers. Moreover, 12 branch managers have been appointed to strengthen sales of both banking and insurance products.

Liquidity to generate future growth in lending
At 30 September 2006, Alm. Brand Bank issued bonds worth DKK 1.0 billion. The bonds, which are listed on the Alternative Bond Market in Norway with a maturity of three years, have been purchased by Norwegian institutionals. This bond issue was effected to secure liquidity for future growth in the banking group's loans and advances.

Hybrid capital
In October 2006, the bank raised DKK 175 million in hybrid capital. The hybrid capital is listed on the Copenhagen Stock Exchange and forms part of the bank's capital base.

Merger of Henton Børsmæglerselskab and Alm. Brand Bank
The merger of Alm. Band Bank A/S and Henton Børsmæglerselskab A/S was approved at an extraordinary general meeting of Alm. Brand Bank A/S held at the end of October 2006. As a result, the business activities of the two units were amalgamated in Alm. Brand Bank A/S.

In future, the stockbroking activities will be carried on under the name of Alm. Brand Henton, but the merger entails no other changes.

Project funding
In 2006, Alm. Brand Bank has participated actively in several property bond issues based on foreign property portfolios, acting as bond bank, subscription agent and guarantor. The bank's project funding department has built an expertise in this new, strongly growing business area. In the future, the bank expects to be an active player in the property bond market.

Outlook
The bank expects to generate profit before tax and minorities in the region of DKK 160 million in 2006, an upgrade of DKK 10 million relative to the guidance provided in connection with the interim report for the first half-year of 2006.

The upgrade is a result of the slightly higher-than-expected profit for the nine months ended 30 September 2006.

Life insurance

DKK million	Q3 2006	Q3 2005	9 months 2006	9 months 2005	Year 2005
Premiums	123	140	461	473	747
Claims incurred	-156	-148	-538	-508	-752
Investment return after allocation of interest	396	184	-4	940	1,031
Total underwriting management expenses	-18	-16	-58	-50	-67
Reinsurance result	6	2	4	3	-4
Change in life insurance provisions	-252	-45	257	-665	-614
Change in collective bonus potential	-69	-104	-75	-154	-220
Underwriting profit/loss	**30**	**13**	**47**	**39**	**121**
Transferred investment return	9	2	17	23	23
Profit before tax	**39**	**15**	**64**	**62**	**144**
Tax	-11	0	-15	0	139
Profit/loss after tax	**28**	**15**	**49**	**62**	**283**
Result in life insurance					
Administrative result	2	7	4	17	23
Investment result	304	84	-310	668	654
Change in provision for guaranteed pension benefits	-214	9	390	-515	-353
Change in collective bonus potential	-69	-104	-75	-154	-220
Risk result	10	17	51	43	44
Reinsurance result	6	2	4	3	-4
Profit before tax	**39**	**15**	**64**	**62**	**144**
Tax	-11	0	-15	0	139
Profit/loss after tax	**28**	**15**	**49**	**62**	**283**
Provisions for insurance contracts	11,200	11,358	11,200	11,358	11,416
Shareholders' equity	1,097	1,057	1,097	1,057	1,278
Total assets	12,372	12,639	12,372	12,639	12,796
Return on equity before tax p.a.	14%	6%	7%	8%	13%
Return on equity after tax p.a.	10%	6%	6%	8%	25%
Bonus rate	3.8%	2.5%	3.8%	2.5%	3.1%

Investment return in life insurance 9 months 2006

DKK million	Return	Return ratio
Interest-bearing assets	-109	-1.1%
Shares	55	5.9%
Property	62	4.7%
Management expenses relating to investments activities	-12	
Total	**-4**	**0.0%**

Life insurance

Growth towards 2010

Consistent with the group's new growth strategy, an increasing share of pension savings will be channelled to Alm. Brand's investment schemes established under Alm. Brand Bank. These unit link-like schemes are expected to generate better returns and greater freedom of choice for the group's customers as compared with conventional, guaranteed savings schemes.

Accordingly, the total amount of pension contributions, including investment schemes with the bank and the full amount of premium income in the life insurance company, was DKK 567 million, against DKK 494 million in the same period of last year, an increase of almost 15%.

Financial results
The pre-tax profit for Q3 2006 was DKK 39 million, against DKK 15 million for the same period of last year. The year-to-date profit before tax was DKK 64 million, as compared with DKK 62 million in the first nine months of 2005.

The Q3 2006 performance is equivalent to a return on equity before tax of 14% p.a., compared with 6% p.a. in Q3 2005. The year-to-date return on equity before tax was 7% p.a., relative to 8% in the same period of last year.

Premiums
Gross premiums totalled DKK 123 million in the third quarter of 2006, against DKK 140 million in the same period of last year. Gross premiums for the year to date were DKK 461 million, as compared with DKK 473 million a year earlier. Premiums in the group's life company were in line with expectations and reflected the group's new growth strategy.

Benefits paid
Benefits paid in Q3 2006 amounted to DKK 156 million, against DKK 148 million in 2005. Benefits paid for the year to date were DKK 538 million, as compared with DKK 508 million in the first nine months of 2005.

Investment return
The return on investment assets before tax on pension investment returns to policyholders was negative at DKK 3 million in the first three quarters of 2006, as compared with a positive return of DKK 1,117 million in the year-earlier period, corresponding to a return of 0% for 2006 to date.

The negative return on investments in Q1-Q3 2006 was due to capital losses as a result of rising interest rates. The negative return was largely offset by a decline in provisioning needs, as the discounting rate on provisions also rose. The group's policy is to minimise risk to a significant extent by balancing assets and liabilities.

The return on investment assets attributable to shareholders' equity was DKK 17 million in the first nine months of 2006, equivalent to a return of 1.7% (2.2% annualised), against a return of DKK 23 million in the same period of last year.

Accordingly, the return on the overall investment assets before tax on pension investment returns was DKK 14 million, corresponding to a return of 0.1% (0.1% annualised).

Costs
Acquisition and administrative expenses totalled DKK 18 million in Q3 2006, against DKK 16 million for the same period of 2005. The year-to-date expenses were DKK 58 million, as compared with DKK 50 million in the first nine months of 2005.

Total expenses for 2006 to date were in line with expectations. The increase relative to 2005 was attributable to the company's investments in new IT tools to enhance its sales and service level.

Expense and risk results
The expense result, which expresses the difference between expense loading and expenses incurred, amounted to DKK 4 million in the first nine months of 2006. The overall expense result was satisfactory.

The risk result, which expresses the difference between risk premiums and actual claims expenses, was also an income in Q1-Q3 2006 at DKK 51 million and was likewise satisfactory.

Balance sheet
The life group's shareholders' equity amounted to DKK 1,097 million, equivalent to equity reserves of 5.9%, at 30 September 2006. The solvency ratio was 214%.

The collective bonus potential amounted to DKK 389 million at 30 September 2006, against DKK 314 million at 31 December 2005, corresponding to a bonus rate of 3.8%, a 0.7 percentage point increase relative to 31 December 2005.

Report – Life insurance

Major events

New sales tool
In September, the group launched its new sales tool. As far as the pension area is concerned, the tool provides simplified, customer-oriented processes, overview for the customers through layered information, support of the overall growth strategy for life insurance and pension savings and efficiency enhancements through direct access to Alm. Brand's network and integration with administrative systems. All in all, the new sales tool provides a significantly better overview for customers and sales staff and, accordingly, improved customer service.

Outlook
As a result of a better-than-expected risk result, the profit forecast for the full year 2006 is raised by DKK 10 million. The full-year profit is hence expected to total DKK 80 million.

The performance will rely strongly on how interest rates and the equity markets develop.

Other activities

Copenhagen Re
The profit generated by reinsurance operations, which are in run-off, was DKK 46 million in the first nine months of the year, against DKK 1 million in the same period of 2005, which was highly satisfactory.

Technical provisions net of reinsurance totalled DKK 1.3 billion at 30 September 2006.

There is still considerable uncertainty with respect to losses incurred, including for the World Trade Center event. These risks are further described in the group's Annual Report 2005.

Copenhagen Re's shareholders' equity stood at DKK 199 million at 30 September 2006.

The forecast for the full-year profit before tax is upgraded by DKK 20 million to DKK 60 million.

Other activities
'Other activities' – consisting of corporate expenses, value adjustment of own shares, etc. – contributed a loss before tax of DKK 19 million in the first three quarters of 2006, which was in line with expectations. A loss of DKK 30 million is expected for the full year.

Outlook
The forecast for other activities, including Copenhagen Re, is raised to a profit of DKK 30 million, corresponding to a profit upgrade of DKK 20 million.

Accounting policies

Group

Generel information
The consolidated financial statements have been prepared in compliance with IAS 34 “Interim Financial reporting” as approved by the EU. The parent company financial statements have been prepared in accordance with the provisions of the Danish Financial Business Act, including the executive order on financial reports presented by insurance companies and profession-specific pensions funds and Danish accounting standards. In addition, the interim report has been prepared in accordance with additional Danish disclosure requirements for the interim reports of listed financial companies.

Additional Danish disclosure requirements in the interim report are for the group set out in the Danish Statutory Order on Adoption of IFRS issued pursuant to the Danish Financial Business Act and by the Copenhagen Stock Exchange.

The Interim report is presented in Danish kroner (DKK), which is considered the primary currency of the group’s activities and the functional currency of the parent company.

The accounting policies are unchanged from those applied in the annual report for 2005. The accounting policies of the parent company are described in connection with the parent company’s financial statements, as detailed in a separate section of this report.

The interim report for the nine months ended 30 September 2006 is unaudited.

Balance sheet

Balance sheet - Group

DKK million	30 September 2006	30 September 2005	Year 2005
Assets			
Intangible assets	119	101	130
Owner-occupied properties	610	615	632
Deferred tax assets	394	458	553
Participating interests in joint ventures	23	21	21
Reinsurers' share of insurance contracts	926	1,249	859
Other assets	1,671	2,042	1,850
Loans	10,597	9,898	9,282
Investment properties	735	673	723
Investment assets	25,508	22,479	25,403
Amounts due from credit institutions and central banks	2,772	3,394	2,766
Cash in hand and demand deposits	337	319	331
Total assets	**43,692**	**41,249**	**42,550**
Liabilities			
Share capital	1,788	1,788	1,788
Reserves, retained profit etc.	3,057	2,308	2,673
Minority interests	431	499	474
Consolidated equity	5,276	4,595	4,935
Subordinated loan capital	300	300	300
Provisions for insurance contracts	19,280	19,902	19,193
Other provisions	289	274	333
Deferred tax liabilities	51	51	51
Other liabilities	1,235	2,665	1,691
Deposits	9,563	9,107	8,632
Issued bonds	1,040	0	0
Amounts owed to credit institutions and central banks	6,658	4,355	7,415
Total liabilities	**43,692**	**41,249**	**42,550**

Note 1 Own shares
Note 2 Changes in contingent liabilities, guarantees and leases

Income statement

Income statement - Group

DKK million	Q3 2006	Q3 2005	9 months 2006	9 months 2005	Year 2005
Income					
Premium income	1,223	1,204	3,645	3,546	4,863
Interest income etc.	406	352	1,159	1,056	1,413
Fee income etc.	29	33	106	109	144
Other investment income	8	-1	12	4	41
Profit from investments in joint ventures	0	0	0	0	1
Other income	6	8	48	20	27
Total income	**1,672**	**1,596**	**4,970**	**4,735**	**6,489**
Expenses					
Claims incurred	-855	-981	-2,586	-3,424	-4,261
Interest expenses	-147	-74	-390	-190	-358
Other investment expenses	-4	-14	-55	-48	-54
Provisions for bad and doubtful debts	6	5	25	2	-2
Acquisition and administrative expenses	-332	-298	-1,018	-920	-1,289
Other expenses	-7	-8	-28	-20	-30
Total expenses	**-1,339**	**-1,370**	**-4,052**	**-4,600**	**-5,994**
Result of business ceded	-35	55	-96	626	591
Change in life insurance provisions	-252	-42	257	-670	-614
Change in collective bonus potential	-69	-104	-75	-154	-215
Exchange rate adjustments	433	124	-237	807	767
Tax on pension investment returns	-68	-31	-1	-159	-172
Profit before tax	**342**	**228**	**766**	**585**	**852**
Tax	-63	-40	-160	-145	-56
Profit after tax	**279**	**188**	**606**	**440**	**796**
Profit before tax is distributed as follows					
Alm. Brand's share of the profit for the period	293	193	766	500	747
Minority shareholders' share of the profit for the period	49	35	0	85	105
	342	**228**	**766**	**585**	**852**
Profit after tax is distributed as follows					
Alm. Brand's share of the profit for the period	235	152	603	354	688
Minority shareholders' share of the profit for the period	44	36	3	86	108
	279	**188**	**606**	**440**	**796**
Earnings per Share, DKK 80	11	7	28	16	31
Diluted Earnings per Share, DKK 80	11	7	28	16	31

Statement of changes in equity

DKK million	Share capital	Contingency funds	Retained profit	Revaluation reserve	Share-holders' equity	Minority interests	Consoli-dated equity
At 1 January 2006	**1,788**	**182**	**2,488**	**3**	**4,461**	**474**	**4,935**
Profit/loss for the period			603		603	3	606
Group 's share buy-back programme			-263		-263		-263
Sale of treasury shares			44		44		44
Change in share attributable to minority interest						-46	-46
At 30 September 2006	**1,788**	**182**	**2,872**	**3**	**4,845**	**431**	**5,276**

DKK million	Share capital	Contingency funds	Retained profit	Revaluation reserve	Share-holders' equity	Minority interests	Consoli-dated equity
At 1 January 2005	**1,788**	**182**	**1,778**	**3**	**3,751**	**323**	**4,074**
Profit/loss for the year			688		688	108	796
Revaluation of owner-occupied properties				5	5		5
Transferred to collective bonus potential				-5	-5		-5
Sale of treasury shares			22		22		22
Intra-group ownership						-44	-44
Change in share attributable to minority interest						87	87
At 31 December 2005	**1,788**	**182**	**2,488**	**3**	**4,461**	**474**	**4,935**

	30 September 2006	Year 2005
Shareholders' equity exclusive minority interests	4,845	4,461
Consolidation of Pensionskassen under Alm. Brand A/S	-8	-7
Shareholders' equity under the rules of the Danish Financial Supervisory Authority exclusive minority interests	**4,837**	**4,454**
Share of profit attributable to Alm. Brand A/S	603	688
Consolidation of Pensionskassen under Alm. Brand A/S	-1	1
Share of profit attributable to Alm. Brand A/S under the rules of the Danish Financial Supervisory Authority	**602**	**689**

Capital calculation model

DKK million	Times the statutory solvency margin	30 September 2006	Year 2005
Non-life insurance	2.4	1,546	1,565
Banking excluding partly owned listed subsidiaries	1.3	1,276	1,232
Banking, investments in partly-owned listed subsidiaries		653	636
Life insurance	2.0	1,036	1,068
Reinsurance		199	140
Capital target		**4,710**	**4,641**
Consolidated shareholders' equity		5,276	4,935
Net tax asset		-343	-502
Intangible assets		-119	-130
Adjusted consolidated shareholders' equity excluding capital base		**4,814**	**4,303**
Dividend distribution excluding capital base		**104**	**-338**
Capital base		300	300
Dividend distribution including capital base		**404**	**-38**

Cash flow statement

Cash flow statement

DKK million	30 September 2006	30 September 2005	Year 2005
Cash flows from operating activities			
Premiums received	3,995	3,916	4,892
Claims paid	-2,946	-3,046	-4,208
Interest receivable, dividends, etc.	1,138	1,026	1,536
Interest payable	-294	-186	-260
Payments concerning reinsurance	137	272	489
Fee income received	111	86	159
Fee income paid	-20	-33	-28
Expences paid	-1,101	-1,001	-1,356
Tax on pension investment returns paid	-24	0	-148
Acquisition of intangible assets, furniture, equipments, etc.	-29	-32	-53
Other ordinary income received	10	0	0
Taxes paid/received	-4	0	-8
Cash flows from operating activities	**973**	**1,002**	**1,015**
Change in investment placement (net)			
Properties acquired or converted	-3	-9	-33
Sale of property	18	0	0
Sale/acquisition of equity investments	208	-243	-241
Sale/repayment of mortgage deeds and loans	-1,695	-755	-1,455
Sale/acquisition of bonds	-615	-588	-2,938
Dividend received from joint ventures	1	0	1
Change in receivables from credit institutions over 3 months	41	50	9
Change in investment placement (net)	**-2,045**	**-1,545**	**-4,657**
Change in financing (net)			
Other provisions	-7	-33	-36
Sale/purchase of treasury shares	-209	-4	22
Sale/acquisition of subsidiaries (change in minority interests)	0	146	140
Change in issued bonds	1,040	0	0
Change in deposits	1,096	410	-195
Change in payables to credit institutions	-760	1,203	4,214
Change in financing (net)	**1,160**	**1,722**	**4,145**
Gross change in cash and cash equivalents	**88**	**1,179**	**503**
Exchange rate adjustments of cash equivalents, beginning of period	-35	39	58
Net change in cash and cash equivalents	**53**	**1,218**	**561**
Cash and cash equivalents, beginning of period	3,056	2,495	2,495
Cash and cash equivalents, end of period	**3,109**	**3,713**	**3,056**

Segment reporting

Income statement by business segments – Group

	9 months 2006					
DKK million	Non-life Insurance	Banking	Life Insurance	Other	Consolidation adjustments	Group
Premium income	3,165	0	461	19	0	3,645
Interest income etc.	195	577	333	69	-15	1,159
Fee income etc.	0	122	0	0	-16	106
Other investment income	1	0	58	0	-47	12
Other income	21	7	0	20	0	48
Total income	**3,382**	**706**	**852**	**108**	**-78**	**4,970**
Claims incurred	-2,045	0	-538	-3	0	-2,586
Interest expenses	-89	-312	-1	-3	15	-390
Other investment expenses	-10	0	-13	-48	16	-55
Provisions for bad and doubtful debts	0	25	0	0	0	25
Acquisition and administrative expenses	-645	-316	-58	-46	47	-1,018
Other expenses	-28	0	0	0	0	-28
Total expenses	**-2,817**	**-603**	**-610**	**-100**	**78**	**-4,052**
Result of business ceded	-113	0	4	13	0	-96
Change in life insurance provisions	0	0	257	0	0	257
Change in collective bonus potential	0	0	-75	0	0	-75
Exchange rate adjustments	86	33	-363	6	1	-237
Tax on pension investment returns	0	0	-1	0	0	-1
Profit before tax	**538**	**136**	**64**	**27**	**1**	**766**
Tax	-137	-35	-15	27	0	-160
Profit after tax	**401**	**101**	**49**	**54**	**1**	**606**
Profit before tax is distributed as follows						
Alm. Brand's share of the profit for the period	538	137	64	27	0	766
Minority shareholders' share of the profit for the period	0	-1	0	0	1	0
	538	**136**	**64**	**27**	**1**	**766**
Profit after tax is distributed as follows						
Alm. Brand's share of the profit for the period	401	99	49	54	0	603
Minority shareholders' share of the profit for the period	0	2	0	0	1	3
	401	**101**	**49**	**54**	**1**	**606**

Notes

Note 1 Own shares

DKK million	9 months 2006	9 months 2005	Year 2005
Own shares held at beginning of year	0	0	0
Value adjustments	-219	23	22
Additions	415	73	102
Disposals	-196	-96	-124
Book value	**0**	**0**	**0**
Nominal value, beginning of year	26	35	35
Additions, nominal value	105	28	36
Disposals, nominal value	-49	-37	-45
Nominal value	**82**	**26**	**26**
Number of shares held at beginning of year	319,832	439,052	439,052
Additions, number of shares	1,311,651	344,482	453,524
Disposals, number of shares	-607,334	-462,693	-572,744
Number of shares held at period-end	**1,024,149**	**320,841**	**319,832**
Percentage of share capital at period-end	**4.6%**	**1.4%**	**1.4%**

Note 2 Changes in contingent liabilities, guarantees and leases

DKK million	9 months 2006	Year 2005
Guarantee commitments	**2,533**	**2,518**

The change is primarily attributable to Alm. Brand Bank A/S' unrecognised guarantee commitments.

Alm. Brand A/S

Parent company

Accounting policies

Parent company

Generel information
The interim report is presented in compliance with the Danish Financial Business Act, including the Executive Order on financial reports presented by insurance companies and profession-specific pensions funds and Danish accounting standards. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for the interim reports of listed financial companies.

The consolidated financial statements of Alm. Brand A/S are prepared in accordance with IAS 34 "Interim Financial reporting" as approved by the EU. With respect to recognition and measurement, the accounting policies of the parent company Alm. Brand A/S are identical to those described for the group, with the exeption that:

Investments in subsidiaries are recognised and measured at the parent company's share of the subsidiaries' net asset value on the balance sheet date.

The value of Pensionskassen under Alm. Brand A/S is not recognised in the balance sheet but is exclusively disclosed in the notes as a contingent liability.

The accounting policies are unchanged from those applied in the annual report for 2005.

The interim report for the nine months ended 30 September 2006 is unaudited

Balance sheet

Balance sheet - Parent company

DKK million	Note	30 September 2006	30 September 2005	31 December 2005
ASSETS				
Participating interests in subsidiaries	1	4,986	4,389	4,749
Participating interests in associated undertakings		20	21	21
Total investments in subsidiaries and associated undertakings		**5,006**	**4,410**	**4,770**
Other loans		2	2	2
Deposits with credit institutions		221	125	125
Cash in hand and demand deposits		63	47	26
Total other financial investment assets		**286**	**174**	**153**
Total investment assets		**5,292**	**4,584**	**4,923**
Amounts due from subsidiaries		1	0	5
Other debtors		21	20	21
Total debtors		**22**	**20**	**26**
Current tax assets		29	0	28
Deferred tax assets		36	35	24
Other assets		0	0	0
Total other assets		**65**	**35**	**52**
Accrued interest		0	1	0
Accruals and deferred income		29	0	0
Total accruals and deferred income		**29**	**1**	**0**
Total assets		**5,408**	**4,640**	**5,001**
LIABILITIES				
Share capital		1,788	1,788	1,788
Retained profit		3,049	2,308	2,666
Total shareholders' equity		**4,837**	**4,096**	**4,454**
Deferred tax liabilities		51	51	51
Total provisions for other risks and costs		**51**	**51**	**51**
Amounts owed to subsidiaries		436	427	428
Other creditors		84	66	68
Total creditors		**520**	**493**	**496**
Total liabilities		**5,408**	**4,640**	**5,001**

Income statement – Parent company

DKK million	Note	9 months 2006	9 months 2005	Year 2005
Income from subsidiaries	2	810	522	789
Income from associated undertakings		0	0	1
Interest, dividends, etc.		9	4	7
Gain and losses on investment assets		0	22	1
Interest expenses		-10	-10	-15
Administrative expenses related to investment activities		-44	-38	-34
Profit/loss before tax		**765**	**500**	**749**
Tax		-163	-146	-60
Profit/loss after tax		**602**	**354**	**689**

Statement of changes in equity

DKK million	Share capital	Retained profit	Shareholders' equity
At 1 January 2006	**1,788**	**2,666**	**4,454**
Profit/loss for the period		602	602
Group's share buy-back programme		-263	-263
Sale/buy of treasury shares		44	44
At 30 September 2006	**1,788**	**3,049**	**4,837**

DKK million	Share capital	Retained profit	Shareholders' equity
At 1 January 2005	**1,788**	**1,955**	**3,743**
Profit/loss for the period		689	689
Sale of treasury shares		22	22
At 31 December 2005	**1,788**	**2,666**	**4,454**

Notes

Note 1 Participating interests in subsidiaries

DKK million	30 September 2006	30 September 2005	31 December 2005
Cost at beginning of year	6,042	6,042	6,042
Cost at year-end	**6,042**	**6,042**	**6,042**
Revaluation and write-downs, beginning of year	-1,609	-2,941	-2,941
Dividends	-400	-104	-104
Revaluation during the period	0	538	562
Profit/loss for the period	634	363	700
Remission of loans, subsidiaries	0	173	173
Revaluation and write-downs on own shares in subsidiaries	3	1	1
Revaluation and write-downs, at year-end	**-1,372**	**-1,970**	**-1,609**
Set-off against debtors and capital base	316	317	316
Book value	**4,986**	**4,389**	**4,749**
The book value is composed as follows:			
Alm. Brand Bank A/S	1,188	1,048	1,087
Alm. Brand Forsikring A/S	3,327	2,898	3,219
Asgaard Finans A/S	0	0	0
Finansieringsselskabet Balder A/S	395	368	368
Finansieringsselskabet af 9/10 1992 A/S	76	75	75
	4,986	**4,389**	**4,749**

Note 2 Income from subsidiaries

DKK million	9 months 2006	9 months 2005	Year 2005
Alm. Brand Bank A/S	98	115	154
Alm. Brand Forsikring A/S	509	242	540
Asgaard Finans A/S	0	0	0
Finansieringsselskabet Balder A/S	27	11	11
Finansieringsselskabet af 9/10 1992 A/S	0	-5	-5
	634	**363**	**700**
The amount comprises the following:			
Ordinary income from subsidiaries	810	522	789
Tax	-176	-159	-89
	634	**363**	**700**