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Alm. Brand A/S – Introduction of a share-based compensation programme

At the annual general meeting of Alm. Brand A/S held today, the shareholders approved the revised remuneration policy for the Alm. Brand Group as well as overall guidelines regarding share option compensation in Alm. Brand A/S. Against this background, the Board of Directors has resolved to introduce a share-based compensation programme as described in the approved documents as well as in a memorandum thereon presented before the general meeting.

At the present time, the following information on the share-based compensation programme is available:

- The compensation programme involves the granting of share options as a fixed-salary component, which cannot exceed 13% of the fixed salary.
- Individuals comprised by the compensation programme are the members of the group's management team (ABKO), except for members of the management team who are employed with Alm. Brand Bank A/S. A total of 16 individuals are currently eligible for the programme.
- The time horizon of the compensation programme is two years.
- The total number of shares in the compensation programme which the holders of share options can acquire depends on a valuation of the share options using the Black-Scholes formula. At 31 December 2011, the value would have been DKK 1.95 per option. Each option entitles the holder to acquire one share.
- Because this is a fixed-salary scheme, the granting of options is not subject to any targets or principles, but the value depends on the performance of Alm. Brand A/S' shares.
- The share options are granted on the eighth trading day after release of the interim report for the six months ending 30 June 2012, the 2012 annual report, the interim report for the six months ending 30 June 2013, the 2013 annual report and the interim report for the six months ending 30 June 2014, respectively, and the options may be exercised within a period beginning and ending 35 and 50 months after the date of grant, respectively.
- The exercise price is calculated as a simple average of the average price of a share in Alm. Brand A/S on the fifth, sixth and seventh trading day after release

of the above-mentioned annual and interim financial statements plus a 10% premium.
- Exercise of the options is not subject to any specific conditions being satisfied.
- Calculated as 13% of two years' salary of the individuals comprised, the market value of the share-based compensation represents DKK 8–9 million.

Please direct any questions regarding this announcement to Søren Boe Mortensen, Chief Executive, on tel. +45 35 47 79 07 or Susanne Biltoft, Head of Information and Investor Relations, on tel. +45 35 47 76 61.

Yours sincerely,

Alm. Brand A/S

Søren Boe Mortensen
Chief Executive