

NASDAQ OMX Copenhagen A/S  
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Ref SLB/hdg

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## Alm. Brand A/S – Interim report for the first quarter of 2011

### Highlights

- **The group generated a profit of DKK 20 million before losses and writedowns. After impairment writedowns on bank loans, the performance was a loss of DKK 109 million.**
- **Operations developed in line with expectations. The performance was adversely affected by capital losses on investment assets due to rising interest rates.**
- **Non-life operations lifted the combined ratio to 97.4 as a result of a positive trend in the underlying business and declining costs. Weather-related expenses were higher than anticipated due to the severe winter weather.**
- **Losses and writedowns in the bank developed in line with expectations.**
- **The guidance for a full-year profit of around DKK 375 million before losses and writedowns is retained. After losses and writedowns in the bank, the group expects to generate a small profit.**

*“The positive trend in our non-life operation is very satisfactory,” emphasised Søren Boe Mortensen, Chief Executive. “With the exception of expenses for the many weather-related claims, our claims expenses have dropped and our costs are at a historically low level. Moreover, writedowns in the bank were in line with our expectations. Although the performance was still not satisfactory, developments in recent quarters have been very uplifting,” Søren Boe Mortensen concluded.*

### Other highlights

- Non-life insurance operations generated a profit of DKK 37 million. The underlying non-life business developed very positively. Costs declined sharply, equivalent to an expense ratio of 15.6.

The performance was adversely affected by many snow load, sudden thaw and windstorm claims. The performance was also adversely affected by capital losses on interest-bearing investment assets as a result of rising interest rates.

The combined ratio was 97.4 in Q1 2011, which was better than anticipated in spite of high expenses for weather-related claims.

- The bank posted a loss of DKK 20 million before losses and writedowns, which was in line with expectations. The performance was adversely affected by value adjustments and expenses for the Danish Depositors' Guarantee Scheme.

The performance after writedowns was a loss of DKK 149 million. Although declining, the level of writedowns is still too high. Writedowns are concentrated on the agricultural and mortgage deed segments.

- Life insurance operations performed in line with expectations. The performance was favourably affected by good expense and risk results and by low costs but adversely affected by capital losses on investment assets.

The collective bonus potential was DKK 414 million, corresponding to a bonus rate of 4.1%.

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

Alm. Brand A/S will host a webcast and conference call on Wednesday, 18 May 2011 at 10.00 a.m.

[http://webcast.zoomvision.se/denmark/clients/almbrand/11\\_844/](http://webcast.zoomvision.se/denmark/clients/almbrand/11_844/)

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*Yours sincerely,*

Alm. Brand A/S

*Søren Boe Mortensen*  
Chief Executive