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Alm. Brand A/S – Annual Report 2009

Highlights of 2009

- **Highly unsatisfactory loss of DKK 1.3 billion due to writedowns in the bank of DKK 1.7 billion**
- **Profit of DKK 331 million excluding impairment writedowns in the bank**
- **Significantly revised strategy and new management in the bank**
- **Continued high claims ratio – price increases and other measures initiated**
- **Highly satisfactory life insurance performance**
- **Sustained improvement of expense ratio**
- **Revenue impacted by lower level of economic activity**
- **Forecast of DKK 300 million profit in 2010 excluding impairment writedowns in the bank**

- *Our performance remained severely impacted by impairment writedowns in the bank, and this is in no way satisfactory. However, we are pleased to note that, as expected, the writedowns have been declining since 30 June 2009, and that the development in claims seems to have stabilised. Moreover, the measures we have implemented to lower costs are beginning to take effect, and our life insurance operations are performing very well, said Chief Executive Søren Boe Mortensen.*

Other highlights

- Non-life insurance operations generated a profit of DKK 287 million.

  The claims ratio remained high, but the underlying business showed a stabilising trend towards the end of the year. Moreover, costs showed a falling trend.

- Banking activities incurred an overall loss of DKK 1,758 million as a result of substantial impairment writedowns on loans and advances and expenses relating to the bank packages. Moreover, writedowns as a result of restructuring activities had an adverse

impact on the performance.

- The bank's new strategy implies that loss-making activities are being wound up, while costs are cut substantially. Going forward, the bank will focus on developing its activities in the private, small and medium-sized business and agricultural segments in line with the rest of the group as well as its asset management and markets activities.

- Life insurance operations generated a highly satisfactory profit of DKK 139 million. The collective bonus potential rose to DKK 225 million.

  The return on policyholders' investment assets was 8.5%, which is believed to range among the best returns in the industry.

- The consolidated revenue for 2009 amounted to DKK 7.6 billion.

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.

Alm. Brand A/S will host a webcast and teleconference on 25 February 2010 at 12:00 a.m. To see the webcast, go to:

http://webcast.zoomvision.se/denmark/clients/almbrand/100225/index.php?mode=_preview

Financial analysts may participate by phone: Danish analysts: +45 327 147 67, US analysts: +1 718 354 1226 and other international analysts: +44 (0) 207 509 5139.

Yours sincerely,

Alm. Brand A/S

Søren Boe Mortensen
Chief Executive

The annual report is attached in pdf-format.