ALM. BRAND

Company Secretariat
Midtermolen 7
DK-2100 Copenhagen Ø

Tel. +45 35 47 47 47
Fax +45 35 26 62 38
www.almbrand.dk

NASDAQ OMX Copenhagen A/S
Nikolaj Plads 6
DK-1007 Copenhagen K

Ref SLB/hdg

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Alm. Brand A/S – Revised outlook for 2008

The consolidated profit forecast is downgraded as a result of substantial negative value adjustments on the group's portfolio of securities, an increase in write-downs on Alm. Brand Bank's loan portfolio and a continued high number of major claims in our non-life business. The full-year profit guidance is lowered to DKK 50m from DKK 400m as provided in our most recent forecast announced in mid-August 2008 in connection with the release of the financial statements for the first half-year of 2008.

- The group's non-life operations are expected to record a full-year profit of DKK 200m against DKK 350m as announced in August.

  Apart from the volume of major claims particularly in the agricultural segment, which is continuing the negative trend seen in the first six months of the year, our insurance operations are performing in line with expectations. This trend is expected to continue throughout the fourth quarter, reducing the full-year forecast by DKK 50m as compared with the guidance provided in mid-August. As a result the full-year combined ratio forecast is revised to 96 from the previous forecast of 95.

  In addition, the profit on the group's non-life operations is adversely affected by value adjustments on the bond portfolio, resulting in a DKK 100m deterioration of the profit forecast.

  Premium growth is performing as expected, corresponding to a growth rate of 5% for the full year.

- The group's banking activities are expected to record a loss of DKK 250m against an expected loss of DKK 15m as announced in the first half-year report.

  The bank's operating activities are also performing in line with expectations.

  However, due to the very negative equity market sentiment and higher interest rates, the bank expects to record a significant loss on its portfolio of securities for the full year 2008.

  In addition, the deteriorating economic conditions in Denmark have caused an increase in the forecast for write-downs on the bank's loan portfolio and mortgage deeds. As a result, the full-year write-downs including credit losses on mortgage deeds are expected to increase from around DKK 70m as announced in mid-August

to DKK 200m, corresponding to additional write-downs in the amount of DKK 130m.

Finally, the profit guidance for the bank is reduced by a commission payment of approximately DKK 20m to the state-backed scheme to safeguard depositors and simple creditors.

- The forecast for the group's life and pension operations of a DKK 25m profit is retained. The full-year profit of the life and pension company is dependent on the currently very volatile capital markets.

  Alm. Brand Liv og Pension remains in the Danish FSA's green light stress scenario.

  In a move to ensure the continued strength and versatility of Alm. Brand Liv og Pension, the group has decided to complete a DKK 300m capital contribution from Alm. Brand Forsikring A/S to Alm. Brand Liv og Pension A/S.

- The profit on the group's reinsurance operations is upgraded by DKK 30m to a full-year profit of DKK 100m. The reason for this profit upgrade is a better-than-expected performance of the group's commutation activities.

- Other miscellaneous activities, mainly group costs, are expected to total a loss of DKK 25m against a loss of DKK 30m as previously announced.

- Consolidated full-year 2008 income is expected to be DKK 8bn.

- The group's DKK 400m share buyback programme is now almost complete with only DKK 56m remaining on the total programme. The remaining shares are expected to be bought back by the end of January 2009.

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

Yours sincerely,

Alm. Brand A/S

Søren Boe Mortensen
Chief Executive