ALM. BRAND A/S

INTERIM REPORT - FIRST HALF OF YEAR 2010



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COMPANY INFORMATION

BOARD OF DIRECTORS
Jørgen H. Mikkelsen, Chairman
Boris N. Kjeldsen, Deputy Chairman
Henrik Christensen
Tage Benjaminsen
Per V. H. Frandsen
Arne Nielsen
Jan S. Pedersen
Per Dahlbom
Helle L. Frederiksen
Henning Kaffka
Susanne Larsen

EXECUTIVE BOARD
Søren Boe Mortensen, Chief Executive

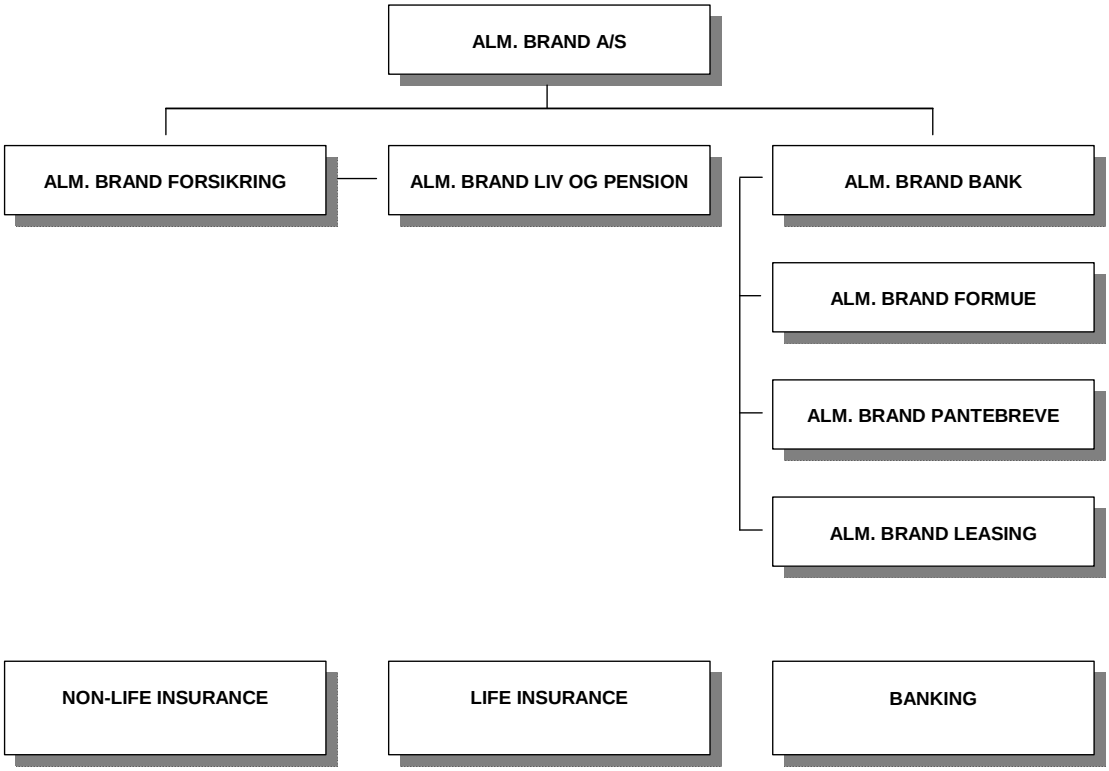
AUDITORS
Deloitte, Statsautoriseret Revisionsaktieselskab

INTERNAL AUDITOR
Poul-Erik Winther, Chief auditor

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GROUP STRUCTURE



Dormant or discontinuing activities are not included.

The Alm. Brand A/S Group 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 primary operations.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKKm	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Income					
Non-Life Insurance	1,186	1,169	2,358	2,334	4,714
Banking	276	322	557	691	1,254
Life Insurance	158	140	348	330	710
Copenhagen Re	0	2	0	7	10
Investments	188	239	360	466	883
Total income	**1,808**	**1,872**	**3,623**	**3,828**	**7,571**
Profit excluding minorities					
Non-Life Insurance	186	95	-64	189	287
Banking	-125	-948	-172	-997	-1,758
Life Insurance	60	10	129	37	139
Copenhagen Re	0	-4	0	3	-11
Other activities	-13	18	-27	21	7
Profit before tax	**108**	**-829**	**-134**	**-747**	**-1,336**
Tax	-5	204	56	194	336
Profit after tax	**103**	**-625**	**-78**	**-553**	**-1,000**
Profit Group					
Profit before tax, Group	**97**	**-821**	**-137**	**-747**	**-1,416**
Tax	-5	205	56	194	336
Profit after tax, Group	**92**	**-616**	**-81**	**-553**	**-1,080**
Provisions for insurance contracts	19,234	18,855	19,234	18,855	17,894
Shareholders´ equity	3,588	4,227	3,588	4,227	3,694
Of which minority interests	163	281	163	281	199
Total assets	49,203	49,294	49,203	49,294	47,498
Return on equity before tax excluding minorities p.a.	12%	-78%	-8%	-35%	-33%
Return on equity after tax excluding minorities p.a.	12%	-59%	-5%	-38%	-25%
Earnings per Share of DKK 80	6	-37	-5	-33	-59
Diluted Earnings per Share of DKK 80	6	-37	-5	-33	-59
Net assets value per Share of DKK 80	202	234	202	234	207
Share price end of period	63	97	63	97	91
Share price/Net asset value	0.31	0.41	0.31	0.41	0.44
Number of shares end of period ('000)	16,929	16,835	16,929	16,835	16,835
Average number of shares ('000)	16,882	16,835	16,882	16,729	16,828

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 leasing and markets and asset management operations, and generates annual revenue of DKK 7 billion.

Alm. Brand's vision "We take care of our customers" is the guiding principle for the experience customers should have when they interact with Alm. Brand.

The group's insurance, banking and pension products cover private lines, agriculture as well as small and medium-sized businesses. Alm. Brand is Denmark's fourth largest provider of non-life insurance products. Alm. Brand Bank also offers nationwide coverage and is one of Denmark's large banks. The group offers traditional pension schemes through the life insurance company, while market schemes are offered through the bank.

Financial results

Including losses and writedowns in Alm. Brand Bank, the Alm. Brand A/S Group posted a loss of DKK 134 million before tax and excluding minority interests in H1 2010. The corresponding figure for the same period of last year was a loss of DKK 747 million.

Excluding losses and writedowns in the bank, the group posted a profit of DKK 152 million in H1 2010.

The performance was better than expected, but is not yet satisfactory.

The group posted a Q2 profit of DKK 275 million excluding losses and writedowns. Including losses and writedowns, the Q2 profit amounted to DKK 108 million. The performance achieved in the second quarter was thus significantly better than the Q1 performance.

The H1 performance was lifted by the continuing decline in interest rates, which resulted in considerable capital gains on the interest-bearing investment portfolio. Moreover, the group's business activities recorded operating performance growth, particularly in the second quarter of the year.

The H1 performance was adversely affected by sustained significant losses and writedowns in the bank and by last winter's severe weather-related claims.
Excluding expenses relating to the First Bank Package and the Private Contingency Association, the group's acquisition and administrative expenses totalled DKK 701 million in H1 2010, equivalent to a 6% decline relative to the year-earlier period.

Expenses amounted to DKK 744 million when including expenses relating to the First Bank Package and the Private Contingency Association.

Non-life insurance
The performance of the group's non-life activities was marked by significant weather-related claims in the first three months of the year. However, the volume of major claims and other claims is declining – a trend continuing from Q1. Moreover, prior-year claims made a positive contribution during the reporting period.

Premium income increased by 1%.

Banking
The bank's operating activities are showing a favourable trend. Accordingly, net interest and fee income rose by 17% relative to H1 2009.

Although losses and writedowns on loans and advances fell significantly relative to 2009, the H1 level remained high at DKK 286 million.

Life insurance and pension
The group's life insurance and pension activities delivered a highly satisfactory performance, driven not least by a strong investment return. It is also positive to note that pension contributions are increasing.

Other business activities
These activities, which consist of corporate and other expenses and a number of dormant companies, posted a loss of DKK 27 million before tax, against a profit of DKK 21 million in the year-earlier period.

The H1 performance was adversely affected by interest expenses on subordinated capital injected by Alm. Brand af 1792 fmba.

Consolidated financial highlights
The Alm. Brand A/S Group generated total revenue of DKK 3.6 billion in H1 2010.

Earnings per share for the year to date were negative at DKK 5, and the net asset value per share was DKK 202 at 30 June 2010.

The group's equity stood at DKK 3.6 billion at 30 June 2010, which was DKK 0.1 billion lower than at 31 December 2009.

Major events

On 21 June 2010, the group released an announcement forecasting that writedowns in the bank would total DKK 1.3 billion during the period from 31 December 2009 to 31 December 2012.

The announcement also contained an estimate that, including losses and writedowns, the group would record a significant loss in 2010, a slight profit in 2011 and a considerably improved performance in 2012.

Moreover, the group's principal shareholder declared that it would be prepared to inject additional capital into the group in the amount of up to DKK 900 million.

The company is still considering whether to contribute such capital as subordinated loan capital or as share capital in connection with a possible rights issue.

Finally, the bank has issued bonds secured against a government guarantee.

Significant events after the end of the reporting period

Extraordinary general meeting
The company held an extraordinary general meeting on 5 August. The only item on the agenda was a proposal to reduce the denomination of the company's shares from DKK 80 to DKK 10. The proposal was approved.

The resolution means that the company may issue new shares if, at a later stage, the Board of Directors considers such issuance appropriate for the company and the company's shareholders.

Outlook

We upgrade our guidance for the full-year consolidated profit before losses and writedowns by DKK 180 million to DKK 200 million.
This forecast marks an upgrade relative to the most recent guidance announced in May 2010.

The upgrade is motivated by improved performance by the group's business activities, including lower-than-expected expenses for winter-related claims, a positive run-off on claims incurred in previous years and the positive investment return.

The upgraded forecast includes expenses for the severe weather-related claims due to cloudbursts in weeks 32 and 33. These claims are expected to cost Alm. Brand DKK 85 million, as the company has reinsurance cover for claims of this nature from DKK 85 million up to DKK 185 million. The claims are not expected to exceed DKK 185 million.

The guidance has been calculated before tax and before losses and writedowns in the bank.

The guidance is based on the following forecasts for the individual business areas:

	May 2010 *)	**August 2010 *)**
Non-Life	-100	-20
Banking	60	140
Life	120	140
Other	-60	-60
Profit before tax and minorities	**20**	**200**

*) Before losses and writedowns in the bank

The guidance for the non-life combined ratio for 2010 is upgraded from 104 to around 103.

We expect full-year consolidated revenue for 2010 to be in the region of DKK 7 billion.

We will remain strongly focused on the measures already launched to enhance the group's performance, including to improve the correlation between price and risk in non-life operations and to increase the bank's core earnings. Moreover, the group is still working to reduce costs. This work is expected, among other things, to further reduce the expense ratio for non-life operations by 2 percentage points by end-2012.

Disclaimer
The forecast is based on the level of interest rates prevailing at mid-August 2010. All forward-looking statements are based exclusively on the information available when this 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 factors. Such impacts include changes in conditions in the financial markets, legislative changes, changes in the competitive environment, in the reinsurance market and in the property market, unforeseen events, such as extreme weather conditions or terrorist events, bad debts, major changes in the claims experience, unexpected outcomes of legal proceedings, 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.

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.

REPORT – NON-LIFE INSURANCE

DKKm	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Gross premiums	1,186	1,169	2,358	2,334	4,714
Investment income on insurance business	9	19	19	43	53
Claims incurred	-748	-915	-1,935	-1,772	-3,601
Underwriting management expenses	-215	-231	-445	-463	-872
Profit from business ceded	-40	3	-91	-52	-146
Underwriting profit	**192**	**45**	**-94**	**90**	**148**
Interest and dividends etc.	72	100	142	190	370
Capital gains/losses	-33	7	-19	31	1
Management expenses relating to investment business	-5	-5	-10	-9	-29
Interest on technical provisions	-41	-52	-84	-113	-205
Profit on investments business after allocation of technical interest	**-7**	**50**	**29**	**99**	**137**
Other ordinary items	1	0	1	0	2
Profit before tax	**186**	**95**	**-64**	**189**	**287**
Tax	-47	-23	16	-47	-79
Profit for the year	**139**	**72**	**-48**	**142**	**208**
Run-off gains/losses	108	-4	97	-8	80
Technical provisions	7,657	7,102	7,657	7,102	6,631
Insurance assets	106	102	106	102	103
Shareholders' equity	1,605	1,527	1,605	1,527	1,753
Total assets	9,708	9,261	9,708	9,261	8,933
Gross claims ratio	63.1%	78.3%	82.1%	75.9%	76.4%
Gross expense ratio	18.1%	19.8%	18.9%	19.8%	18.5%
Net reinsurance ratio	3.4%	-0.3%	3.9%	2.3%	3.1%
Combined ratio	84.6%	97.8%	104.9%	98.0%	98.0%
Operating ratio	83.9%	96.3%	104.0%	96.2%	96.9%
Return on equity before tax p.a.	45%	28%	-8%	26%	19%
Return on equity after tax p.a.	34%	21%	-6%	19%	14%

Financial results

The group's non-life operations generated a loss of DKK 64 million before tax in H1 2010, which was not satisfactory.

The performance was composed of a substantial loss of DKK 249 million in Q1 due to severe winter-related claims and a highly satisfactory profit of DKK 186 million in Q2 2010.

Compared with H1 2009, when non-life operations generated a profit of DKK 189 million, the performance was adversely affected by the severe winter weather, which resulted in many snow load and other winter-related claims. These claims reduced the profit extraordinarily by around DKK 300 million.

The technical result was a loss of DKK 94 million.

The investment return after transfer to insurance activities was positive at DKK 29 million, against DKK 99 million in H1 2009. The investment return was higher than expected.

The H1 performance equalled an annualised return on equity before tax of minus 8%, against a positive annualised return of 26% in the year-earlier period.

Second quarter of 2010
Profit before tax for the second quarter was DKK 186 million, compared with DKK 95 million in the year-earlier period. The technical result was DKK 192 million, against DKK 45 million in Q2 2009. The performance was lifted by run-off gains on motor insurance and other products, a reduction in estimated snow load claims, lower costs of sales and administration and fewer major claims.

The investment return after transfer to insurance operations was negative at DKK 7 million, against an income of DKK 50 million in Q2 2009.

Premiums
Gross premium income for the year to date amounted to DKK 2,358 million, an increase of 1% relative to H1 2009. Growth was in line with expectations.

The commercial customer segment remained characterised by a certain decline in terms of premiums, while the private customer segment grew by 3.2% relative to the same period of last year.

As regards building and household comprehensive products, the premium increase introduced in the second quarter of 2009 has now been implemented throughout almost the entire portfolio. As compared with June 2009, the average premium per insurance rose by slightly more than 9%.

In the commercial customer segment, the premium on new building and contents business had been raised with effect from 2 October 2009. For the existing portfolio, the premium increases will be implemented as and when the policies come up for renewal.

During the first six months of the year, around three quarters of the portfolio have been notified of premium increases of 12% on average.

The portfolio outflow has risen in connection with the premium increase and the portfolio is also being adversely affected by the general economic trends.

Premium income in Q2 2010 amounted to DKK 1,186 million, an increase of 1.5% on Q2 2009.

Claims experience
Total gross claims amounted to DKK 1,935 million, compared with DKK 1,772 million in H1 2009. The claims ratio was thus 82.1 in H1 2010, against 75.9 in the same period of last year.

In Q2 2010, the claims ratio was 63.1, against 78.3 in Q2 2009.
Snow load claims were estimated at DKK 250 million in Q1. Many of these claims have now been settled, reducing the estimate by DKK 50 million.

Weather-related claims including snow load claims and extraordinary winter-related claims totalled DKK 322 million in H1 2010, corresponding to a 13.7% increase in the claims ratio.

The number of reported claims rose by 3.8% in H1 2010 as compared with the year-earlier period. This increase was confined entirely to Q1, as the number of reported claims was 4% lower in Q2 2010 than it was in Q2 2009. Accordingly, the claims frequency was slightly lower in Q2 than it was in the same period of last year.

The number of reported burglary and theft claims dropped by 10% relative to H1 2009. During the first four months of the year, the number of burglary and theft claims was significantly lower than last year's level, while the number of claims reported in May and June was in line with last year. This means that the 20% increase each year over the past four years now seems to have stopped. However, it is necessary to track developments over an extended period to be certain that this is a lasting trend.

The trend of a rising claims frequency and higher average permanent injury payments in the personal accident area continues. As a result, provisions for this area were strengthened considerably in H1 2010. The strengthening of provisions applies to previous years as well as the current year.

As regards the current year, the strengthening of provisions affected the overall claims ratio adversely by 1.3 percentage point in terms of H1.

In order to ensure profitability going forward, Alm. Brand plans to introduce a new personal accident product in Q3 2010. The prices will generally be raised to a level offsetting the expected expenses. In addition, the product will have a broader cover and provide customers with a wider variety of options.

Major claims totalled DKK 181 million, a decline of DKK 86 million relative to H1 2009 and approximately DKK 20 million below expectations.

Major claims amounted to DKK 106 million in Q2 2010, against DKK 149 million in Q2 2009.

For the year as a whole, major claims are expected to total DKK 370 million.
Expenses for weather-related claims amounted to DKK 222 million in H1 2010, against DKK 30 million in H1 2009. This amount includes the reduction of estimated snow load claims in Q2 from DKK 250 million to DKK 200 million.

Despite this year's severe winter weather, claims expenses for motor claims were only slightly higher than in H1 2009. In the second quarter, the motor claims ratio was 5 percentage points lower than in the same period of last year.

The price increases implemented on building insurance are beginning to feed through in the form of higher average premiums. Moreover, average claims were in line with last year.

<u>Discounting effect of lower interest rate</u>
The interest rate used for discounting provisions has been declining in 2010 to date, as compared with the first half year of 2009. All other things be-

ing equal, this means that larger provisions need to be made to cover claims. The lower interest rate served to increase the claims ratio in H1 2010 by around 0.7 of a percentage point relative to the same period of 2009.

Run-off
The H1 2010 run-off result amounted to a gain of DKK 97 million, against a loss of DKK 8 million in H1 2009.

The company recorded a significant run-off gain on motor insurance etc., whereas, as mentioned above, there was a need to strengthen provisions on personal accident insurance.

Expenses
Costs totalled DKK 445 million, against DKK 463 million in H1 2009, equivalent to an expense ratio of 18.9 (19.8 in the year-earlier period).

The lower level of expenses was attributable to the group's efforts to reduce costs in Danish kroner year by year, and the work is expected to further reduce the expense ratio by 2 percentage points by end-2012.

Net reinsurance ratio
The net reinsurance ratio was 3.9 in H1 2009, as compared with 2.3 in the same period of last year. The low reinsurance ratio in 2009 was mainly attributable to reinsurance amounts received in relation to two major claims.

Combined ratio
The combined ratio was 104.9 in H1 2010, against 98.0 in H1 2009.

The table below shows a breakdown of the combined ratio on small claims, major claims, weather-related claims and the run-off result. Weather-related claims in H1 2010 comprised snow load and all extraordinary winter-related claims.

The combined ratio for Q2 2010 was 84.6, against 97.8 in Q2 2009.

	2008	H1 2009	H2 2009	H1 2010
Combined Ratio excl. weather-related claims and major claims	84.6	85.1	90.1	87.6
Major claims	9.3	11.3	6.8	7.7
Weather-related claims	1.9	1.3	4.8	13.7
Run-off result	0.7	0.3	-3.7	-4.1
Combined Ratio	**96.5**	**98.0**	**98.0**	**104.9**

Investment return
The non-life investment assets are predominantly placed in interest-bearing assets with an overweight of mortgage bonds. Throughout the first half of 2010, the interest-bearing assets had a weighted duration of two-to-three years.

The non-life equity exposure was less than 1% of the investment assets in H1 2010.

The investment return after value adjustment of provisions, but before transfer to insurance activities, amounted to DKK 113 million in H1 2010, against DKK 212 million in H1 2009.

The fall in interest rates during the first half of 2010 resulted in negative value adjustments of non-life provisions, which were to a large extent offset by positive value adjustments of assets. However, value adjustments of assets and provisions contributed a minor net loss in H1 2010. Accordingly, the investment return primarily reflects interest income.

Balance sheet

At 30 June 2010, the equity allocated to the non-life division was DKK 1.6 billion. Alm. Brand Forsikring A/S had a solvency ratio of 2.6 at 30 June 2010, compared with 2.7 at 31 December 2009.

Outlook

We have upgraded the guidance for our non-life operations from a loss of DKK 100 million to a loss of DKK 20 million before tax. The upgrade is based on lower-than-expected expenses for snow load claims, run-off gains and fewer major claims. In addition, the combined ratio is lowered from 104 to around 103.

The upgraded forecast includes expenses for the severe weather-related claims due to cloudbursts in weeks 32 and 33. These claims are expected to cost Alm. Brand Forsikring A/S DKK 85 million, as the company has reinsurance cover for claims of this nature from DKK 85 million up to DKK 185 million. The claims are not expected to exceed DKK 185 million.

We retain our growth forecast of an increase of around 1% for the year as a whole.

REPORT – BANKING

	PRO RATA					CONSOLIDATED FIGURES				
	Q2	Q2	H1	H1	Year	Q2	Q2	H1	H1	Year
DKKm	**2010**	**2009**	**2010**	**2009**	**2009**	**2010**	**2009**	**2010**	**2009**	**2009**
Interest receivable	228	275	453	596	1,082	233	284	466	613	1,114
Interest payable	-92	-161	-193	-377	-634	-93	-163	-196	-383	-643
Net interest income	**136**	**114**	**260**	**219**	**448**	**140**	**121**	**270**	**230**	**471**
Net fees and commissions receivable and dividends, etc.	44	39	90	80	143	43	38	91	78	140
Net interest and fee income	**180**	**153**	**350**	**299**	**591**	**183**	**159**	**361**	**308**	**611**
Value adjustments	-60	-19	-79	-2	-177	-71	-9	-84	-2	-257
Other operating income	4	7	9	10	17	5	8	10	11	17
Profit before expenses	**124**	**141**	**280**	**307**	**431**	**117**	**158**	**287**	**317**	**371**
Expenses and depreciation/amortisation	-135	-130	-257	-263	-658	-136	-134	-261	-269	-669
Other operation costs	-21	-21	-42	-38	-81	-23	-20	-44	-38	-81
Write-downs of loans, advances and receivables, etc.	-103	-938	-173	-1,003	-1,451	-103	-938	-173	-1,003	-1,451
Profit from equity investments	10	0	20	0	1	10	0	20	0	1
Profit/loss before tax	**-125**	**-948**	**-172**	**-997**	**-1,758**	**-135**	**-934**	**-171**	**-993**	**-1,829**
Tax	54	228	65	247	433	**54**	**228**	**65**	**247**	**433**
Profit after tax	**-71**	**-720**	**-107**	**-750**	**-1,325**	**-81**	**-706**	**-106**	**-746**	**-1,396**
Share attributable to minority interests	**-**	**-**	**-**	**-**	**-**	10	-14	-1	-4	71
Profit after tax excluding minority interests	-	-	-	-	-	**-71**	**-720**	**-107**	**-750**	**-1,325**
Profit before tax excluding minority interests	-	-	-	-	-	*-125*	*-948*	*-172*	*-997*	*-1,758*
Loans and advances	14,257	15,689	14,257	15,689	15,024	14,049	15,768	14,049	15,768	14,823
Deposits	10,166	12,392	10,166	12,392	11,102	10,163	12,391	10,163	12,391	11,096
Shareholders' equity	1,255	487	1,255	487	1,362	1,450	789	1,450	789	1,589
Share attributable to minority interests	-	-	-	-	-	195	303	195	303	227
Total assets	26,057	26,057	26,057	26,057	26,162	26,394	26,543	26,394	26,543	26,539
Average no. of employees (full-time equivalents)	347	361	355	365	365	348	362	356	366	366
Interest margin	-	-	-	-	-	2.5%	1.9%	2.4%	1.9%	1.9%
Income/cost ratio	0.52	0.13	0.64	0.24	0.20	0.49	0.14	0.64	0.24	0.17
Impairment ratio	0.6%	4.9%	1.0%	5.3%	7.8%	0.6%	4.9%	1.0%	5.2%	7.9%
Solvency ratio	-	-	-	-	-	14.9%	6.9%	14.9%	6.9%	16.0%

In order to increase the transparency of Alm. Brand Bank A/S's financial statements, the bank publishes pro rata consolidated figures. The numbers are set out in the financial highlights and key ratios and, unless otherwise indicated, the comments provided in the financial review below are for pro-rata numbers. Banking group figures are commented on only when found relevant. To the extent it is deemed relevant, the first half year of 2009 and the first quarter of 2010, respectively, are used as benchmarks for the first half year of 2010 and the second quarter of 2010, respectively.

Financial results

The bank posted a profit before writedowns and losses of DKK 114 million, thereby exceeding the forecast of an overall full-year profit for the bank of DKK 60 million before losses and writedowns.

The positive performance before losses and writedowns was largely driven by falling interest rates in H1 2010, which, among other things, resulted in substantial unrealised capital gains on mortgage deeds.

Including losses and writedowns, the bank incurred a loss of DKK 172 million. In the same period of last year, the bank recorded a loss of DKK 997 million including losses and writedowns.

The unsatisfactory performance including losses and writedowns was primarily attributable to substantial credit losses and writedowns on mortgage deeds. Total writedowns amounted to DKK 286 million in H1 2010, of which DKK 167 million was written down in the second quarter.

Accordingly, the overall performance was positively affected by higher net interest and fee income and adversely affected by losses and writedowns.

Net interest and fee income
Net interest and fee income for H1 2010 amounted to DKK 350 million, against DKK 299 million for the year-earlier period.

In Q2 2010, net interest and fee income totalled DKK 180 million, against DKK 170 million in Q1 2010. In Q2 2009, the net income amounted to DKK 153 million.

Interest income
The bank posted net interest income of DKK 260 million in H1 2010, compared with DKK 219 million in H1 2009.

In Q2 2010, net interest income amounted to DKK 136 million, which was an increase of DKK 12 million relative to Q1 2010 and DKK 22 million relative to Q2 2009.

The positive trend in net interest income was partly due to the lower level of interest rates on fixed-rate deposits prevailing from the beginning of the year, and partly to investments in high-yielding bonds.

The banking group's interest margin rose from 1.9% in H1 2009 to 2.4% in the same period of 2010.

The bank remains focused on raising the interest margin on loans and advances, which, seen in isolation, will have a favourable effect on future net interest income.

Fee income
In H1 2010, net fee income amounted to DKK 90 million, which was an increase of DKK 10 million relative to H1 2009. The performance was satisfactory. Net fees for Q2 2010 were in line with Q1.

Value adjustments
Value adjustments in H1 2010 amounted to a loss of DKK 79 million, against a loss of DKK 2 million in H1 2009.

Overall value adjustments in H1 2010 were adversely affected by DKK 113 million in credit-related value adjustments of mortgage deeds. Excluding credit-related writedowns on mortgage deeds, the bank thus posted capital gains of DKK 34 million in H1 2010.

Interest-related value adjustments generated a gain of DKK 75 million in H1 2010, which was primarily attributable to the falling level of interest rates.

Equity-related value adjustments in H1 2010 amounted to a loss of DKK 40 million, against a gain of DKK 21 million in the year-earlier period.

The bank's equity portfolio is mainly composed of sector equities, while the trading portfolio of equities makes up only a limited amount. In connection with the winding up of distressed investment exposures, the bank acquired a number of non-marketable equities in Q1 2010 on which it recorded a large unrealised capital loss.

Foreign exchange adjustments amounted to a loss of DKK 1 million in H1 2010.

Expenses
Costs for H1 2010 amounted to DKK 257 million, against DKK 263 million for the same period of last year. The lower cost level was attributable to the bank's new strategy and extensive focus on cost savings.

Other operating expenses
Other operating expenses amounted to DKK 42 million in H1 2010, against DKK 38 million in H1 2009. This item primarily related to the bank's expenses for the First Bank Package.

The bank's overall costs relating to the First Bank Package and the Private Contingency Association were DKK 43 million in H1 2010. Total costs in the amount of DKK 40 million were recognised under other operating expenses and DKK 3 million under writedowns on loans, advances and receivables etc.

Impairment of loans, etc.
The bank's losses and writedowns amounted to DKK 173 million in H1 2010. Losses and writedowns amounted to DKK 103 million in Q2 2010, against DKK 70 million in Q1 2010.

In addition, the bank incurred credit losses and writedowns on its mortgage deed portfolio of DKK 113 million in H1 2010, of which DKK 64 million was attributable to Q2 2010. These losses and writedowns were recognised under value adjustments.

Total losses and writedowns on loans and advances, including credit-related losses and writedowns on mortgage deeds, thus amounted to DKK 286 million in H1 2010.

Realised losses accounted for DKK 60 million of the total losses and writedowns of DKK 286 million. In addition, losses in the amount of DKK 182 million were realised, but since provisions have previously been made to cover these losses, they will have no impact on operations in 2010.

The bank's accumulated writedowns were increased from 10.0% of the bank's loans, advances and guarantees at 31 December 2009 to 10.9% at 30 June 2010.

The bank's lending portfolio and losses and writedowns are described in detail under "Lending portfolio".

Balance sheet

Loans and advances

The bank's loans and advances amounted to DKK 14.3 billion at 30 June 2010, which was DKK 0.7 billion lower than at 31 December 2009.

The bank expects to continue to reduce its total loans and advances going forward. The strategy for the bank is to restrict the future risk exposure and to ensure maximum exploitation of synergies in relation to the Alm. Brand Group's other activities.

Debt to credit institutions

The bank's debt to credit institutions amounted to DKK 6.3 billion at 30 June 2010, which was DKK 4.8 billion lower than at 31 December 2009.

Issued bonds

At 30 June 2010, issued bonds totalled DKK 6.0 billion, against DKK 1.3 billion at 30 June 2009.

Deposits

The bank's deposits stood at DKK 10.2 billion at 30 June 2010, against DKK 11.1 billion at 31 December 2009. This fall was primarily attributable to a decline in fixed-rate deposits as a result of declining interest rates.

Capital

The banking group's equity stood at DKK 1.5 billion at 30 June 2010, whereas the capital base totalled DKK 2.4 billion.

Risk-weighted items in the banking group totalled DKK 16.2 billion at 30 June 2010. The solvency ratio was thus 14.9, and the tier 1 capital ratio was 12.3.

Major events

Government-guaranteed bonds

The bank completed a DKK 6 billion bond issue under the individual government guarantee at 30 June 2010. The bonds were issued as bullet loans with a maturity of three years.

The bond issue consists of two individual issues of DKK 4 billion and DKK 2 billion, respectively. The bank has the option of wholly or partly redeeming the DKK 2 billion issue prematurely in 2011 and 2012 at par.

In consideration of the guarantee provision, the bank is required to pay guarantee commission to the Danish State as from 1 October 2010.

Lending Focus

An important element of the Bank's strategy is to remain focused on lending. This means that the bank is focused on servicing its existing customers.

At the end of the first quarter of 2010, the bank launched the part of the *Lending Focus* concept which is aimed at proactively following up on the bank's mortgage deed debtors.

Mortgage deed debtors are offered advice on their financial situation and alternative sources of finance. Experience shows that such advice in many cases improves the debtors' ability to repay their debts and thus minimises the risk of future losses to the bank.

If the bank is able to offer a home loan based on the debtor's financial situation, the mortgage deeds will be redeemed with a view to converting all of the debtor's mortgage credit debt and home loan debt with the bank. Otherwise, the mortgage deed will continue unchanged.

Initially, the bank will focus on mortgage debtors in arrears, but, in the longer term, the plan is to offer advice to all mortgage deed debtors. The new concept is expected to become an important element in the phasing out of the bank's mortgage deed activities.

In addition to proactively following up on mortgage deed debtors, the bank's lending focus aims to reduce total loans and advances in selected segments in accordance with the bank's strategy. This will take place through dedicated efforts targeting delinquent and weak exposures.

Outlook
The bank upgrades its full-year guidance by DKK 80 million to a profit of around DKK 140 million before tax and before losses and writedowns.

The bank's operating activities outperformed expectations in H1 2010, primarily due to falling interest rates. However, the bond issue completed under the individual government guarantee will increase funding costs for the remainder of 2010.

Over the next two and a half years, until end-2012, the bank expects to post additional losses and writedowns of slightly more than DKK 1.0 billion.

The amount of losses and writedowns on loans and advances and credit-related losses on mortgage deeds is subject to considerable uncertainty and depends on general economic developments.

LENDING PORTFOLIO

The bank's total writedowns and losses on the lending and guarantee portfolio amounted to an expense of DKK 286 million in H1 2010. Realised losses accounted for DKK 60 million of the total losses and writedowns of DKK 286 million.

In addition, losses in the amount of DKK 182 million were realised, but since provisions have previously been made to cover these losses, they will have no impact on operations in 2010.

The total losses and writedowns of DKK 286 million in H1 2010 equalled 2.0% p.a. of the average lending portfolio.

							Prorata H1 2010
	Loans		Share of portefolio	Total loss and writedowns			
DKKm	31.12.2009	30.06.2010	(%)	H1 2009	Q1 2010	Q2 2010	H1 2010	Loss ratio *)
Segments								
Retail lending	3,356	3,298	23.1%	14	18	-18	0	0.0%
Car finance	994	798	5.6%	17	5	0	5	0.6%
Agriculture	1,125	1,202	8.4%	63	6	9	15	1.3%
Other commercial lending	1,023	1,102	7.7%	23	6	21	27	2.5%
Security financing	3,756	2,896	20.3%	204	73	120	193	5.8%
Lending to subsidiaries **)	1,345	770	5.4%	0	0	0	0	0.0%
Investment properties	1,791	1,685	11.8%	382	-42	-43	-85	-4.9%
Residential mortgage deeds	856	1,489	10.4%	24	32	35	67	5.7%
Commercial mortgage deeds	263	451	3.2%	36	17	29	46	12.9%
Property developments projects	515	565	4.0%	296	4	11	15	2.8%
The Private Contingency Committee	-	-	-	4	0	3	3	-
Total	15,024	14,256	100%	1,063	119	167	286	2.0%

*) Losses and writedowns as a percentage of the average portfolio in H1 2010. The percentage is not comparable with the impairment ratio in the bank's financial highlights and key ratios.

**) Alm. Brand Formue A/S and Alm. Brand Pantebreve A/S.

The table shows a pro rata consolidated segment-by-segment breakdown of the bank's lending portfolio. The loss and impairment ratio is calculated relative to average lending during the period. The performance of the individual lending segments in the first half of 2010 is discussed in the following sections.

Lending to private customers
The portfolio is well diversified geographically across Denmark. Total loans and advances to private customers declined by DKK 58 million in H1 2010.

The loss and impairment ratio was 0% for loans and advances to private customers in H1 2010 as a result of a slight increase in collective impairment charges, realised losses and a reversal of individual writedowns.

Car finance
The car finance portfolio is mainly anchored in the subsidiary Alm. Brand Leasing A/S. The bank offers car loans through the bank's own branches. As a result of the stop to financing through car dealers, the portfolio has declined.

The number of customers in arrears showed a falling trend throughout 2009. The delinquency rate, which was at the lowest seasonally-adjusted level in three years at 31 December 2009, continued to decline in the first six months of 2010.

Losses and writedowns totalled 0.6% in H1 2010. The losses and writedowns were primarily attributable to the winding up of defaulting agreements combined with a sustained low level of used car prices.

Agriculture
The bank has built up its agricultural portfolio since 2002.

Due to the difficult economic conditions for the agricultural industry, the bank currently does not extend loans to new customers and no new customer relationships have been established since end-2008.

In H1 2010, the bank has recognised losses and writedowns in the amount of DKK 15 million, equivalent to 1.3%.

Other commercial lending
The portfolio consists in part of loans to small businesses typically anchored in Alm. Brand Bank's branches and in part of syndicated loans to medium-sized Danish businesses. In addition, the portfolio consists of commercial car and equipment leases established with Alm. Brand Leasing.

The bank's losses and writedowns totalled DKK 27 million in H1 2010, equivalent to 2.5%. Small and medium-sized businesses are severely affected by the changed economic conditions. No new loans are extended to this segment.

Loans to subsidiaries
These loans have been granted to the bank's partly-owned listed subsidiaries and reflect the share of the bank's lending attributable to minority interests.

At 30 June 2010, minority interests had 57% ownership of Alm. Brand Formue A/S, which was unchanged compared with 31 December 2009. At 30 June 2010, minority interests had 41% ownership of Alm. Brand Pantebreve A/S, down from 78% at 31 December 2009. This change was the key explanation for the decline in loans to subsidiaries from DKK 1,345 million at 31 December 2009 to DKK 770 million at 30 June 2010.

Alm. Brand Pantebreve is marked by adverse property market developments and recorded substantial losses and credit-related value adjustments in H1 2010, while Alm. Brand Formue generated much more satisfactory results in H1 2010. The bank has secured the necessary operating credits for Alm. Brand Pantebreve until 28 February 2011.
No losses were incurred or impairment writedowns made in this segment. For further information, see the companies' financial statements, which are posted at www.pantebreve.almbrand.dk and www.formue.almbrand.dk.

Security financing
This portfolio consists of investment commitments secured against mortgage deeds as well as shares and bonds.

Mortgage deed exposures represent approximately 75% of this portfolio. Measured in terms of market value, commercial mortgage deeds represent slightly more than 25% of the mortgage deed portfolio. All mortgage deeds in arrears are measured individually, and mortgaged shares listed on recognised stock exchanges are measured at their fair value.

In H1 2010, the bank recognised losses and writedowns on exposures that were showing signs of weakness. This resulted in losses and writedowns of DKK 193 million, equivalent to an impairment ratio of 5.8. The losses and writedowns were attributable to mortgage deed debtors defaulting on their loans and to a declining excess cover on the exposures as a result of price falls on securities.

An amount of DKK 860 million was wound up on the portfolio in H1 2010. These commitments were mainly transferred to the residential and commercial mortgage deed segments. No new loans will be granted for mortgage deed investments.

Investment properties
The portfolio comprises lending to investment properties, primarily within retail trade and rentals. Danish properties make up some 75% of the portfolio, while the remaining 25% is made up of German properties with Danish debtors. The future strategy does not include investment property funding.

The bank reversed writedowns in the amount of DKK 85 million in H1 2010, most of which was attributable to reversed writedowns regarding a few large exposures.

Residential mortgage deeds
This segment represents the bank's portfolio of mortgage deeds secured primarily against single-family houses, commonhold flats and summer houses. The properties are located all over Denmark. The bank does not issue new mortgage deeds. Accordingly, this portfolio is being wound up, but new mortgage deeds may be added, if the bank increases its ownership interest in Alm. Brand Pantebreve, or if the bank winds up an investment facility whose collateral security consists wholly or partly of mortgage deeds.

The portfolio is marked to market on a current basis using a cash flow-based pricing model, which considers factors such as estimated early redemptions and credit losses. Individual writedowns are taken on all mortgages in arrears or showing characteristic signs of weakness.

Losses and writedowns amounted to DKK 67 million in H1 2010, corresponding to an impairment ratio of 5.7 of total loans and advances.

Commercial mortgage deeds
This segment comprises the bank's portfolio of commercial mortgage deeds. The portfolio has grown by around 70% since end-2009, partly due to the bank increasing its ownership interest in Alm. Brand Pantebreve and partly due to the bank winding up a number of investment exposures that were wholly or partly secured against mortgage deeds.

The portfolio consists of commercial mortgage deeds secured against three types of property: residential rental property, commercial property for office, trade and industrial use as well as land and mixed residential/commercial property. Each asset type accounts for approximately one third of the overall portfolio. With the takeover of commercial mortgage deeds from wound-up investment exposures, the composition of the portfolio has changed.

The bank no longer participates in the market for commercial mortgage deeds. Accordingly, this portfolio is being wound up, but new mortgage deeds may be added, if the bank increases its ownership interest in Alm. Brand Pantebreve, or if the bank winds up an investment facility whose collateral security consists wholly or partly of mortgage deeds.

In H1 2010, losses and writedowns amounted to DKK 46 million, equivalent to 12.9%.

Property development projects
The portfolio consists of a limited number of property development projects. Financing of property projects is not a part of the bank's strategy for the future and the bank therefore does not participate in the financing of new property projects. However, the bank will finance the completion of ongoing projects pursuant to agreements already made.

The increase in lending from 31 December 2009 to 30 June 2010 was due to existing exposures, which were largely in line with the previously accepted, agreed and expected budgets.

The bank's loans and advances to this segment are expected to increase in 2010. When the projects have been completed, the loans and advances are expected to decline significantly.

The Private Contingency Association / Finansiel Stabilitet A/S
In H1 2010, provisions in the amount of DKK 3 million were made for losses on the guarantee provided vis-à-vis Finansiel Stabilitet A/S.

REPORT – LIFE INSURANCE

DKKm	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Premiums	158	140	348	330	710
Claims incurred	-292	-223	-552	-442	-889
Investment return after allocation of interest	306	143	639	271	780
Total underwriting management expenses	-17	-18	-36	-33	-67
Profit on business ceded	0	2	8	4	5
Change in life insurance provisions	-72	-46	-184	-132	-233
Change in collective bonus potential	-34	0	-118	0	-225
Underwriting profit/loss	**49**	**-2**	**105**	**-2**	**81**
Return on investments allocated to equity	11	12	24	39	58
Profit before tax	**60**	**10**	**129**	**37**	**139**
Tax	-15	-2	-32	-9	-26
Profit after tax	**45**	**8**	**97**	**28**	**113**
Result in life insurance					
Administrative result	8	1	7	4	4
Investment result	247	64	507	127	486
Change in provision for guaranteed pension benefits	-176	-66	-291	-126	-176
Change in collective bonus potential	-34	0	-118	0	-225
Risk result	8	9	16	28	45
Profit on business ceded	7	2	8	4	5
Profit before tax	**60**	**10**	**129**	**37**	**139**
Tax	-15	-2	-32	-9	-26
Profit after tax	**45**	**8**	**97**	**28**	**113**
Total technical provisions	11,577	10,953	11,577	10,953	11,263
Shareholders' equity	1,089	1,107	1,089	1,107	1,192
Total assets	13,486	12,695	13,486	12,695	12,691
Return on equity before tax p.a.	23%	4%	24%	7%	12%
Return on equity after tax p.a.	17%	3%	18%	5%	10%
Bonus rate	3.4%	0.0%	3.4%	0.0%	2.1%

Investment return in life insurance in H1 2010	**Return ratio**
Interest-bearing assets	8.8%
Shares	-1.6%
Property	2.4%
Total	**6.5%**

Financial results
The pre-tax profit for H1 2010 was DKK 129 million, against DKK 37 million for the same period of last year. The performance was highly satisfactory.

The very strong performance was driven partly by non-recurring income and partly by a generally positive performance by the group's life insurance and pension activities.

The return on equity principle is to achieve a return on equity corresponding to the investment return on the assets included in the company's equity plus a risk premium of 0.5% of the average life insurance provisions net of reinsurance exclusive of the collective bonus potential and any use of the bonus potential on paid-up policies. Finally, the full expense result net of reinsurance and 25% of the risk result net of reinsurance before bonus are added.

Shareholders' equity received the full risk premium in H1 2010. In addition, DKK 56 million was reversed from the shadow account. This brought the shadow account to DKK 0 million.

The performance equalled an annualised return on equity of 24% before tax, as compared with an annualised return of 7% in the year-earlier period. The return on equity was significantly higher than the full-year guidance, as the shadow account was booked in H1 2010.

Premiums
Gross premiums rose by 5.5% to DKK 348 million in H1 2010 from DKK 330 million in the year-earlier period. The increase was primarily attributable to non-recurring income.

The group aims for the life insurance company, Alm. Brand Liv og Pension, to generate growth, but an increasing proportion of overall pension savings should be placed in the Alm. Brand Investment Scheme, which is being set up with Alm. Brand Bank.

The total amount of pension contributions, including investment schemes with the bank and premium income in the life insurance company rose by 8.4% overall to DKK 441 million in H1 2010 from DKK 407 million in H1 2009.

Investment return
The return on investment assets belonging to policyholders was DKK 759 million for H1 2010, corresponding to a return of 6.5% (13.0% p.a.), against a return of DKK 321 million in H1 2009. The return was made up before tax on pension returns but after finance costs.

The return on the bond portfolio was favourably affected by falling interest rates and, consequently, rising yields on the bond portfolio. The return was satisfactory relative to the benchmark, which is composed of government bonds, mortgage bonds and minor positions in credit bonds and emerging market bonds.

The return on the equity portfolio was adversely affected by the general equity market trends in Q2 2009. The total return on equities for H1 2010 was negative at DKK 20 million, composed of a positive return on Danish equities of DKK 27 million and a negative return on international equities of DKK 47 million. The return was satisfactory relative to the benchmark, which is composed of Danish, Nordic and international equities (MSCI world index currency hedged).

The H1 return on investment assets attributable to shareholders' equity was DKK 24 million, equivalent to a return of 2.0% (3.9% p.a.), against a return of DKK 39 million in the same period of last year. The assets were placed in short-term bonds. This return was acceptable considering the low yield level for short-term bonds.

Benefits paid
Benefits paid amounted to DKK 552 million in H1 2010, compared with DKK 442 million in 2009. The amount of benefits paid increased as a result of a higher number of surrenders than in the year before. Part of the increase was due to a number of customers postponing surrender in 2009 due to the transfer and surrender charge then in force. Since the transfer and surrender charge was cancelled in the autumn of 2009, the volume of surrenders has therefore been above normal. The volume of surrenders was expected to drop to a lower level, but this did not happen in the second quarter.

Life insurance provisions
Life insurance provisions are calculated using a market value principle that applies an expected cash flow discounted by the adjusted yield curve published by the Danish FSA for discounting provisions.

Total provisions increased by DKK 184 million. The change comprised an increase due to the fall in interest rates and a decline of slightly more than DKK 90 million due to a change in the calculation of provisions. The calculation method is unchanged but the value of the future cost result is now reflected more precisely in the calculation of provisions.

Collective bonus potential
The collective bonus potential increased by DKK 118 million in H1 2010 to a total of DKK 343 million, corresponding to a bonus rate of 3.4%.

Expenses
Acquisition and administrative expenses totalled DKK 36 million in H1 2010, against DKK 33 million in the same period of 2009.

The increase was attributable to higher acquisition costs due to a greater volume of new business written. Total expenses for 2010 to date are in line with expectations.

Expense and risk results
The expense result, which expresses the difference between expense loading and expenses incurred, amounted to DKK 7 million in the first six months of 2010. The overall expense result was satisfactory.

The risk result, which expresses the difference between risk premiums and actual claims expenses, was an income of DKK 20 million in H1 2010. The overall risk result was highly satisfactory.

Balance sheet

The life group's shareholders' equity was DKK 1,089 million at 30 June 2010. The solvency ratio was 237 at 30 June 2010.

The Danish FSA's stress scenarios were computed on an ongoing basis. The life group was in the green scenario by a fair margin throughout the reporting period.

Major events

Equalisation tax for pension benefit disbursements
A political agreement was concluded on a so-called equalisation tax for large pension benefit disbursements. After a number of adjustments, the agreement has been put into statutory form. The agreement entails that pension benefits in excess of DKK 362,800 annually will be subject to a 6% equalisation tax in the period from 2011–2014. The tax will subsequently be scaled down over five years. Spouses may transfer unutilised "basic allowance" of up to DKK 121,000 annually. However, this amount is subject to the spouse's personal income.
The tax is only expected to have a limited negative impact on future pension contributions.

New executive order on the contribution principle from the Danish FSA
In April 2010, the Danish FSA issued a new executive order on the contribution principle, which will take effect already on 1 January 2011. The executive order provides guidelines for the distribution of profits between customers and equity and among customers. Alm. Brand Liv og Pension has consulted with the Danish FSA to clarify the scope of the new rules. However, there is no doubt that the new rules will have an adverse impact on the company's earnings potential, and the capital requirements will be tightened. Moreover, the new rules will result in far-reaching and expensive IT system changes.

Outlook

The forecast for the full-year profit before tax is upgraded by DKK 20 million to DKK 140 million. The upgrade is based on a high overall investment return and the enhancement resulting from an adjustment of the calculation of provisions.

Relative to the full-year guidance provided in February 2010, this represents an upgrade by DKK 50 million in aggregate.

However, the financial results still depend on developments in the financial markets. Another factor of importance is the potential negative impact of the new executive order on the contribution principle.

Moreover, the effect of a potential change in the adjusted yield curve fixed by the Danish FSA has not been included in the profit guidance.

STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

The Board of Directors and the Management Board have today considered and adopted the interim report of Alm. Brand A/S for the six months ended 30 June 2010.

The consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU, and the interim financial statements of the parent company have been prepared in accordance with the Danish Financial Business Act. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for listed financial enterprises.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the group's and the parent company's assets, liabilities and financial position at 30 June 2010 and of the results of the group's and the parent company's operations and the group's cash flows for the six months ended 30 June 2010.

The Management's review also gives a true and fair view of developments in the activities and financial position of the group and a true and fair description of significant risk and uncertainty factors that may affect the group.

MANAGEMENT BOARD

Copenhagen, 26 August 2010

Søren Boe Mortensen
Chief Executive

BOARD OF DIRECTORS

Copenhagen, 26 August 2010

Jørgen H. Mikkelsen Chairman	*Boris N. Kjeldsen* Deputy Chairman	*Henrik Christensen*
Tage Bejaminsen	*Per V. H. Frandsen*	*Arne Nielsen*
Jan S. Pedersen	*Per Dahlbom*	*Helle L. Frederiksen*
Henning Kaffka	*Susanne Larsen*	

BALANCE SHEET

	Group		
	30 June	30 June	31 December
DKKm	2010	2009	2009
Assets			
Intangible assets	100	231	118
Owner-occupied properties	1,033	1,035	1,035
Deferred tax assets	578	392	521
Participating interests in joint ventures	53	47	46
Reinsurers' share of insurance contracts	143	356	134
Current tax assets	14	24	14
Other assets	1,545	2,562	1,650
Loans	14,049	15,768	14,823
Investment properties	440	454	440
Investment assets	28,426	25,599	27,337
Amounts due from credit institutions and central banks	2,794	2,716	1,331
Cash in hand and demand deposits	28	110	49
Total assets	**49,203**	**49,294**	**47,498**
Liabilities and equity			
Share capital	1,388	1,388	1,388
Reserves, retained profit etc.	2,037	2,558	2,107
Minority interests	163	281	199
Consolidated shareholders' equity	**3,588**	**4,227**	**3,694**
Subordinated debt	1,837	830	1,834
Provisions for insurance contracts	19,234	18,855	17,894
Other provisions	134	323	90
Deferred tax liabilities	46	46	46
Issued bonds	6,032	1,260	26
Other liabilities	1,442	2,297	1,727
Deposits	9,998	11,646	10,874
Payables to credit institutions and central banks	6,892	9,810	11,313
Total liabilities and equity	**49,203**	**49,294**	**47,498**

Note 1 Own shares
Note 2 Contingent liabilities, guaranties and leasing
Note 3 Accounting policies
Note 4 Financial highlights and key ratios

INCOME STATEMENT

					Group
	Q2	Q2	H1	H1	Year
DKKm	**2010**	**2009**	**2010**	**2009**	**2009**
Income					
Premium income	1,344	1,311	2,706	2,671	5,434
Interest income etc.	417	524	825	1,080	1,995
Fee income etc.	34	29	74	64	100
Other income from investment activities	2	1	2	3	23
Income associates	6	0	6	0	0
Other income	5	7	10	10	19
Total income	**1,808**	**1,872**	**3,623**	**3,828**	**7,571**
Costs					
Claims incurred	-1,040	-1,146	-2,487	-2,219	-4,499
Interest expenses	-132	-196	-277	-457	-803
Other cost from investment activities	-8	5	-19	-6	-27
Impairment of loans, advances and receivables, etc.	-103	-938	-173	-1,003	-1,451
Acquisition and administrative costs	-371	-390	-744	-780	-1,670
Total costs	**-1,653**	**-2,665**	**-3,699**	**-4,465**	**-8,450**
Profit from business ceded	-40	14	-83	-46	-136
Change in life insurance provisions	-72	-46	-184	-132	-233
Change in collective bonus potential	-34	0	-118	0	-225
Exchange rate adjustments	138	30	419	120	198
Tax on pension investment returns	-50	-26	-95	-52	-141
Profit before tax	**97**	**-821**	**-137**	**-747**	**-1,416**
Tax	-5	205	56	194	336
Profit after tax	**92**	**-616**	**-81**	**-553**	**-1,080**
The profit before tax is allocated as follows:					
Share attributable to Alm. Brand	108	-829	-134	-747	-1,336
Share attributable to minority shareholders	-11	8	-3	0	-80
Profit before tax	**97**	**-821**	**-137**	**-747**	**-1,416**
The profit after tax is allocated as follows:					
Share attributable to Alm. Brand	103	-625	-78	-553	-1,000
Share attributable to minority shareholders	-11	9	-3	0	-80
Profit after tax	**92**	**-616**	**-81**	**-553**	**-1,080**
Earnings per share, DKK	6	-37	-5	-33	-59
Diluted earnings per share, DKK	6	-37	-5	-33	-59

Comprehensive income

Profit for the year	92	-616	-81	-553	-1,080
Revaluation of owner-occupied properties	0	0	0	0	-4
Comprehensive income	**92**	**-616**	**-81**	**-553**	**-1,084**
Proposed allocation of profit/loss:					
Share attributable to Alm. Brand	103	-625	-78	-553	-1,004
Share attributable to minority shareholders	-11	9	-3	0	-80
Comprehensive income	**92**	**-616**	**-81**	**-553**	**-1,084**

STATEMENT OF CHANGES IN EQUITY

DKKm	Share capital	Contingency funds	Revaluation reserve	Retained profit	Shareholders' equity	Minority interests	Consolidated equity
Shareholders equity, 01.01.2009	**1,476**	**182**	**8**	**2,852**	**4,518**	**282**	**4,800**
Changes in equity H1 2009							
Profit/loss for the year				-553	-553	0	-553
Total income	0	0	0	-553	-553	0	-553
Cancellation of shares	-88			88	0		0
Sale of treasury shares				11	11		11
Repurchased shares				-30	-30		-30
Change in share attributable to minority interest						-1	-1
Changes in equity	**-88**	**0**	**0**	**-484**	**-572**	**-1**	**-573**
Shareholders equity, 30.06.2009	**1,388**	**182**	**8**	**2,368**	**3,946**	**281**	**4,227**
Shareholders equity, 01.01.2009	**1,476**	**182**	**8**	**2,852**	**4,518**	**282**	**4,800**
Changes in equity 2009							
Profit/loss for the year				-1,000	-1,000	-80	-1,080
Revaluation of owner-occupied properties			-6	2	-4		-4
Transferred to collective bonus potential			0		0		0
Total income	0	0	-6	-998	-1,004	-80	-1,084
Cancellation of shares	-88			88	0		0
Sale of treasury shares				11	11		11
Repurchased shares				-30	-30		-30
Change in share attributable to minority interest						-3	-3
Changes in equity	**-88**	**0**	**-6**	**-929**	**-1,023**	**-83**	**-1,106**
Shareholders equity, 31.12.2009	**1,388**	**182**	**2**	**1,923**	**3,495**	**199**	**3,694**
Shareholders equity, 01.01.2010	**1,388**	**182**	**2**	**1,923**	**3,495**	**199**	**3,694**
Changes in equity H1 2010							
Profit/loss for the year				-78	-78	-3	-81
Total income	0	0	0	-78	-78	-3	-81
Sale of treasury shares				8	8		8
Change in share attributable to minority interest						-33	-33
Changes in equity	**0**	**0**	**0**	**-70**	**-70**	**-36**	**-106**
Shareholders equity, 30.06.2010	**1,388**	**182**	**2**	**1,853**	**3,425**	**163**	**3,588**

	30 June 2010	31 December 2009
Shareholders' equity exclusive minority interests	3,425	3,495
Consolidation of Pensionskassen under Alm. Brand A/S	-10	-9
Shareholders' equity under the rules of the Danish Financial Supervisory Authority exclusive minority interests	**3,415**	**3,486**
Share of profit attributable to Alm. Brand A/S	-78	-1,000
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	**-79**	**-1,001**

CAPITAL CALCULATION MODEL

DKKm	Times the statutory solvency requirement	30 June 2010	31 December 2009
Non-life insurance	2.4	1,982	1,865
Banking excluding partly owned listed subsidiaries	1.5	1,667	1,765
Banking, investments in partly-owned listed subsidiaries		353	363
Life insurance	2.0	1,054	1,006
Capital target		**5,056**	**4,999**
Consolidated shareholders' equity		3,588	3,694
Net tax asset		-578	-521
Intangible assets		-100	-118
Adjusted consolidated shareholders' equity excluding subordinated debt		**2,910**	**3,055**
Dividend distribution excluding subordinated debt		**-2,146**	**-1,944**
Subordinated debt		1,837	1,834
Dividend distribution including subordinated debt		**-309**	**-110**

CASH FLOW STATEMENT

			Group
	H1	H1	Year
DKKm	**2010**	**2009**	**2009**
Cash flows from operating activities			
Premiums received	3,120	3,364	5,454
Claims paid	-1,902	-2,140	-4,320
Interest receivable, dividends, etc.	785	1,157	2,152
Interest payable	-193	-375	-628
Payments concerning reinsurance	-100	-20	-112
Fee income received	82	83	144
Fee income paid	-19	-19	-45
Expences paid	-822	-888	-1,562
Tax on pension investment returns paid	0	0	-171
Acquisition of intangible assets, furniture, equipments etc.	-4	-46	-6
Other ordinary income received	10	10	17
Taxes paid/received	0	-11	-4
Cash flows from operating activities	**957**	**1,115**	**919**
Change in investment placement (net)			
Properties acquired or converted	1	1	9
Sale/aquisition of equity investments	-111	14	42
Sale/repayment of mortgage deeds and loans	735	439	376
Divestment Kjøbenhavnske Reassurance	0	0	150
Sale/aquisition of bonds	-447	-4,290	-5,957
Change in receivables from credit institutions over 3 months	0	177	311
Change in investment placement (net)	**178**	**-3,659**	**-5,069**
Change in financing (net)			
Sale/purchase of treasury shares	8	-19	-19
Sale/acquisition of subsidiaries (change in minority interests)	-33	-1	-3
Subordinated debt	0	0	1,003
Issued bonds	6,000	0	-1,367
Change in deposits	-933	1,250	-45
Change in payables to credit institutions	-4,735	1,017	2,749
Change in other payables	0	0	300
Change in financing (net)	**307**	**2,247**	**2,618**
Gross change in cash and cash equivalents	**1,442**	**-297**	**-1,532**
Exchange rate adjustments of cash equivalents, beginning of period	0	6	4
Disposals relating to divestments	0	0	-209
Net change in cash and cash equivalents	**1,442**	**-291**	**-1,737**
Cash and cash equivalents, beginning of period	1,380	3,117	3,117
Cash and cash equivalents, end of period	**2,822**	**2,826**	**1,380**

SEGMENT REPORTING

						H1 2010
DKKm	**Non-life**	**Bank**	**Life**	**Other**	**Elimi-nation**	**Group**
Premium income	2,358	0	348	0		2,706
Interest income etc.	142	466	219	0	-2	825
Fee income etc.	0	91	0	0	-17	74
Other investment income	1	0	43	0	-42	2
Income associates	0	6	4	0	-4	6
Other income	0	10	0	0		10
Total income	**2,501**	**573**	**614**	**0**	**-65**	**3,623**
Claims incurred	-1,935	0	-552	0		-2,487
Interest expenses	-66	-196	-2	-15	2	-277
Other investment expenses	-10	0	-14	-12	17	-19
Provisions for bad and doubtful debts	0	-173	0	0		-173
Acquisition and administrative expenses	-445	-305	-36	0	42	-744
Total expenses	**-2,455**	**-674**	**-604**	**-27**	**61**	**-3,699**
Result of business ceded	-91	0	8	0		-83
Change in life insurance provisions	0	0	-184	0		-184
Change in collective bonus potential	0	0	-118	0		-118
Exchange rate adjustments	-19	-70	508	0		419
Tax on pension investment returns	0	0	-95	0		-95
Profit before tax	**-64**	**-171**	**129**	**-27**	**-4**	**-137**
Tax	16	65	-32	7		56
Profit after tax	**-48**	**-106**	**97**	**-20**	**-4**	**-81**

						H1 2009
Premium income	2,334	0	330	7		2,671
Interest income etc.	193	613	246	37	-9	1,080
Fee income etc.	0	78	0	0	-14	64
Other investment income	1	0	42	0	-40	3
Income associates	0	0	4	0		0
Other income	0	10	0	0		10
Total income	**2,528**	**701**	**622**	**44**	**-63**	**3,828**
Claims incurred	-1,772	0	-442	-5	0	-2,219
Interest expenses	-74	-383	-6	-3	9	-457
Other investment expenses	-9	0	-11	0	14	-6
Provisions for bad and doubtful debts	0	-1,003	0	0	0	-1,003
Acquisition and administrative expenses	-463	-306	-33	-18	40	-780
Total expenses	**-2,318**	**-1,692**	**-492**	**-26**	**63**	**-4,465**
Result of business ceded	-52	0	4	2	0	-46
Change in life insurance provisions	0	0	-132	0	0	-132
Exchange rate adjustments	31	-2	87	4	0	120
Tax on pension investment returns	0	0	-52	0	0	-52
Profit before tax	**189**	**-993**	**37**	**24**	**0**	**-747**
Tax	-47	247	-9	3	0	194
Profit after tax	**142**	**-746**	**28**	**27**	**0**	**-553**

NOTES

DKKm	H1 2010	Group H1 2009	Year 2009
Note 1 Own Shares - Group			
Carrying amount, beginning of year	0	0	0
Value adjustments	8	69	69
Buying during the period	0	30	30
Sold during the period	-8	-11	-11
Cancellation of shares	0	-88	-88
Carrying amount, end of period	**0**	**0**	**0**
Nominal value, beginning of year	41	110	110
Buying during the period	0	31	31
Sold during the period	-7	-12	-12
Cancellation of shares	0	-88	-88
Nominal value, end of period	**34**	**41**	**41**
Holding (number of shares), beginning of year	514	1,376	1,376
Additions, number of shares	0	392	391
Disposals, number of shares	-93	-153	-153
Cancellation of shares	0	-1,100	-1,100
Holding (number of shares), end of period	**421**	**515**	**514**
Percentage of share capital, end of period	**2.4%**	**3.0%**	**3.0%**
Note 2 Contingent liabilities, guaranties and leasing			
Guarantee commitments	**2,405**	**2,660**	**2,386**

Note 3 Accounting policies - Group

The consolidated interim report has been prepared in compliance with IAS 34 “Interim Financial Reporting” and the requirements of the Danish Financial Business Act and NASDAQ OMX Copenhagen A/S applying to interim financial reporting of Danish listed financial enterprises. The application of IAS 34 means that the report is limited relative to the presentation of a full annual report.

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 pension funds.

The accounting policies applied for the consolidated financial statements are unchanged from the policies applied for the Annual Report 2009.

The accounting policies of the parent company are described in connection with the parent company’s interim report, as detailed in a separate section of this report.

The interim report for the six months ended 30 June 2010 is unaudited.

Note 4 Financial highlights and key ratios

Referring to management's report.

BALANCE SHEET

		Parent company		
		30 June	30 June	31 December
DKKm	Note	2010	2009	2009
Assets				
Investment in group enterprises	1	3,950	3,300	4,308
Loans to group enterprises		0	250	0
Investment in associates		17	19	17
Total investments in group enterprises and associates		**3,967**	**3,569**	**4,325**
Equity investments		1	1	1
Other loans and advances		2	2	2
Deposits with credit institutions		50	300	0
Cash in hand and balances at call		55	151	9
Total other financial investment assets		**108**	**454**	**12**
Total investment assets		**4,075**	**4,023**	**4,337**
Receiveables from group enterprises		6	13	7
Other receivables		32	30	31
Total receivables		**38**	**43**	**38**
Current tax assets		13	37	13
Deferred tax assets		20	16	13
Total other assets		**33**	**53**	**26**
Accrued interest		0	2	0
Accruals and deferred income		**0**	**2**	**0**
Total assets		**4,146**	**4,121**	**4,401**
Liabilities and equity				
Share capital		1,388	1,388	1,388
Retained earnings		2,027	2,548	2,098
Total shareholders' equity		**3,415**	**3,936**	**3,486**
Deferred tax liabilities		250	0	249
Total provisions		**250**	**0**	**249**
Deferred obligations		46	46	46
Total deferred obligations		**46**	**46**	**46**
Gæld til tilknyttede virksomheder		303	2	501
Issued bonds		32	20	26
Current tax liabilities		0	5	0
Other payables		100	112	93
Total Payables		**435**	**139**	**620**
Total liabilities and equity		**4,146**	**4,126**	**4,401**

INCOME STATEMENT

		Parent company				
		Q2	Q2	H1	H1	Year
DKKm	**Note**	**2010**	**2009**	**2010**	**2009**	**2009**
Income from group enterprises	2	113	-639	-58	-569	-1,006
Income from associated companies		0	0	0	0	-1
Interest income and dividends, etc.		0	10	0	21	27
Interest expenses		-7	-3	-15	-3	-9
Administrative expenses related to investment activities		-6	7	-13	1	-11
Profit before tax		**100**	**-625**	**-86**	**-550**	**-1,000**
Tax		3	-4	7	-5	-1
Profit for the Year		**103**	**-629**	**-79**	**-555**	**-1,001**

Comprehensive income

Profit for the year	103	-629	-79	-555	-1,001
Revaluation of owner-occupied properties	0	0	0	0	-4
Comprehensive income	**103**	**-629**	**-79**	**-555**	**-1,005**
Proposed allocation of profit/loss:					
Retained earnings	103	-629	-79	-555	-1,005

STATEMENT OF CHANGES IN EQUITY

	Parent company		
DKKm	Share-Capital	Retained earnings	Shareholders' equity
Shareholders equity, 01.01.2009	**1,476**	**3,034**	**4,510**
Changes in equity H1 2009			
Profit/loss for the year		-555	-555
Total income	0	-555	-555
Cancellation of shares	-88	88	0
Sale of treasury shares		11	11
Repurchased shares		-30	-30
Changes in equity	**-88**	**-486**	**-574**
Shareholders equity, 30.06.2009	**1,388**	**2,548**	**3,936**
Shareholders equity, 01.01.2009	**1,476**	**3,034**	**4,510**
Changes in equity 2009			
Profit/loss for the year		-1,001	-1,001
Revaluation of owner-occupied properties		-4	-4
Total income	0	-1,005	-1,005
Cancellation of shares	-88	88	0
Sale of treasury shares		11	11
Repurchased shares		-30	-30
Changes in equity	**-88**	**-936**	**-1,024**
Shareholders equity, 31.12.2009	**1,388**	**2,098**	**3,486**
Shareholders equity, 01.01.2010	**1,388**	**2,098**	**3,486**
Changes in equity H1 2010			
Profit/loss for the year		-79	-79
Total income	0	-79	-79
Sale of treasury shares		8	8
Changes in equity	**0**	**-71**	**-71**
Shareholders equity, 30.06.2010	**1,388**	**2,027**	**3,415**

NOTES

Note 1 Investment in group enterprises

	Parent company		
DKKm	30 June 2010	30 June 2009	31 December 2009
Cost, beginning of year	5,991	4,242	4,242
Periodens tilgang	0	300	1,750
Disposals	0	0	-1
Cost, end of period	**5,991**	**4,542**	**5,991**
Revaluation and impairment, beginning of year	-1,683	-162	-162
Dividend received	-300	-511	-511
Profit for the year	-58	-569	-1,006
Revaluation of owner-occupied associates	0	0	-4
Revaluation and impairment, end of period	**-2,041**	**-1,242**	**-1,683**
Carrying amount, end of period	**3,950**	**3,300**	**4,308**
Specification of carrying amount:			
Alm. Brand Bank A/S	1,255	487	1,362
Alm. Brand Forsikring A/S	2,694	2,812	2,945
Finansieringsselskabet af 9/10 1992 A/S (liquidated in 2009)	0	1	0
Asgaard Finans A/S	1	0	1
Carrying amount, end of period	**3,950**	**3,300**	**4,308**

Note 2 Income from group enterprises

	Parent company		
DKKm	H1 2010	H1 2009	Year 2009
Alm. Brand Bank A/S	-107	-750	-1,325
Alm. Brand Forsikring A/S	49	181	319
Asgaard Finans A/S	0	0	0
Finansieringsselskabet af 9/10 1992 A/S (liquidated in 2009)	0	0	0
	-58	**-569**	**-1,006**

Note 3 Accounting policies parent company

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 pension funds. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for the interim reports of listed financial enterprises.

The accounting policies of the parent company on the recognition and measurement are in accordance with the accounting policies of the group, except for the following point:

Investments in subsidiaries are recognised and measured at the parent company's share of the subsidiaries' net asset value at the balance sheet date. The value of Pensionskassen under Alm. Brand A/S is not recognised in the balance sheet but is exclusively disclosed as a contingent liability.

The accounting policies are unchanged from the policies applied in the Annual Report 2009.

The interim report for the six months ended 30 June 2010 is unaudited.