ALM. BRAND A/S

INTERIM REPORT - THE FIRST QUARTER OF 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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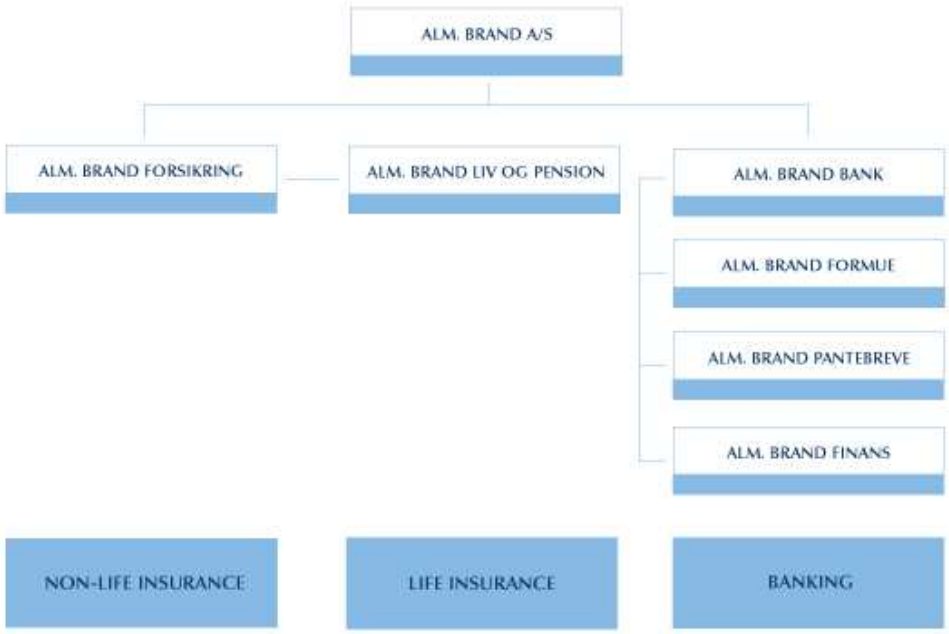
GROUP STRUCTURE



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	Q1 2010	Q1 2009	Year 2009
Income			
Non-Life Insurance	1,172	1,165	4,714
Banking	281	369	1,254
Life Insurance	190	190	710
Copenhagen Re	0	5	10
Investments	172	227	883
Total income	**1,815**	**1,956**	**7,571**
Profit excluding minorities			
Non-Life Insurance	-250	94	287
Banking	-47	-49	-1,758
Life Insurance	69	27	139
Copenhagen Re	0	7	-11
Other activities	-14	3	7
Profit before tax	**-242**	**82**	**-1,336**
Tax	61	-10	336
Profit after tax	**-181**	**72**	**-1,000**
Profit Group			
Profit before tax, Group	**-234**	**74**	**-1,416**
Tax	61	-11	336
Profit after tax, Group	**-173**	**63**	**-1,080**
Provisions for insurance contracts	19,431	19,038	17,894
Shareholders´ equity	3,503	4,843	3,694
Of which minority interests	181	272	199
Total assets	47,483	48,407	47,498
Return on equity before tax excluding minorities p.a.	-28%	7%	-33%
Return on equity after tax excluding minorities p.a.	-21%	5%	-25%
Earnings per Share of DKK 80	-11	4	-59
Diluted Earnings per Share of DKK 80	-11	4	-59
Net assets value per Share of DKK 80	196	271	207
Share price end of period	95	60	91
Share price/Net asset value	0.48	0.22	0.44
Number of shares end of period ('000)	16,929	16,835	16,835
Average number of shares ('000)	16,882	16,963	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

The Alm. Brand A/S Group posted a pre-tax loss excluding minorities of DKK 242 million in Q1 2010, compared with a loss of DKK 369 million in Q4 2009. Accordingly, the performance, which included losses and writedowns in the bank and substantial winter-related claims in Alm. Brand's insurance operations, improved – although it was still not satisfactory.

In the same period of last year, the Alm. Brand A/S Group recorded a profit of DKK 82 million.

The performance was lifted by the continuing decline in interest rates and by rising equity prices, which resulted in significant capital gains on the group's investment portfolios. Moreover, the group's banking and pension activities are showing a favourable EBITDA performance trend.

Excluding expenses relating to the First Bank Package and the Private Contingency Association, the group's acquisition and administrative expenses totalled DKK 352 million in Q1 2010, equivalent to a 5% decline relative to the year-earlier period.

Expenses declined to DKK 373 million when including expenses relating to the First Bank Package and the Private Contingency Association.

Non-life insurance
The financial results of the group's non-life operations were affected by weather-related claims due to this season's heavy snowfall. On the other hand, the volume of major claims and other claims declined slightly.

Premium income increased by 0.5%.

Banking
The bank's operating activities are showing a favourable trend. Accordingly, net interest and fee income rose by 24% relative to Q4 2009.

Although losses and writedowns on loans and advances declined significantly relative to FY 2009, the Q1 level remained high at DKK 119 million.

Life and pension
The group's life and pension activities delivered a highly satisfactory performance, driven not least by a strong investment return. Accordingly, interest-bearing assets and equity investments performed very favourably. It is also positive to note that the number of new customers and pension contributions are increasing.

In Q1 2010, the group had an average of 1,706 employees against 1,814 in the same period of 2009.

Consolidated revenue totalled DKK 1.8 billion in Q1 2010.

Earnings per share for the year to date were negative at DKK 11, and the net asset value per share was DKK 196 at 31 March 2010.

The group's equity stood at DKK 3.5 billion at 31 March 2010, which was DKK 0.2 billion lower than at 31 December 2009.

Major events

As a result of the severe winter with a high number of claims and the positive developments in the investment portfolios, Alm. Brand A/S released a company announcement in April revising the outlook for the group's full-year performance.

Consequently, the group lowered the guidance for its non-life operations by DKK 330 million and upgraded the guidance for its banking and life and pension activities by a total of DKK 50 million. Overall, the group lowered its outlook to a full-year profit of DKK 20 million before losses and writedowns in the bank.

Outlook

We expect the full-year consolidated profit to be DKK 20 million. The low expectations for the full-year performance are caused by the high number of winter-related insurance claims. 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:

	February 2010 *)	May 2010 *)
Non-Life	230	-100
Banking	40	60
Life	90	120
Other	-60	-60
Profit before tax and minorities	**300**	**20**

*) Before writedowns in the bank

The non-life combined ratio for 2010 is expected to be around 104.

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

We will continue to focus strongly on the measures already launched to improve 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.

Disclaimer
The forecast is based on the level of interest rates prevailing at May 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	Q1 2010	Q1 2009	Year 2009
Gross premiums	1,172	1,165	4,714
Investment income on insurance business	10	24	53
Claims incurred	-1,187	-857	-3,601
Underwriting management expenses	-230	-232	-872
Profit from business ceded	-51	-55	-146
Underwriting profit	**-286**	**45**	**148**
Interest and dividends etc.	70	90	370
Capital gains/losses	14	24	1
Management expenses relating to investment business	-5	-4	-29
Interest on technical provisions	-43	-61	-205
Profit on investments business after allocation of technical interest	**36**	**49**	**137**
Other ordinary items	0	0	2
Profit before tax	**-250**	**94**	**287**
Tax	63	-24	-79
Profit for the year	**-187**	**70**	**208**
Run-off gains/losses	-11	-4	80
Technical provisions	7,971	7,336	6,631
Insurance assets	142	99	103
Shareholders' equity	1,467	1,680	1,753
Total assets	9,865	9,178	8,933
Gross claims ratio	101.3%	73.5%	76.4%
Gross expense ratio	19.5%	19.9%	18.5%
Net reinsurance ratio	4.3%	4.8%	3.1%
Combined ratio	125.1%	98.2%	98.0%
Operating ratio	124.2%	96.2%	96.9%
Return on equity before tax p.a.	-63%	23%	19%
Return on equity after tax p.a.	-47%	17%	14%

Financial results

The non-life insurance operations posted a pre-tax loss of DKK 250 million in Q1 2010, as compared with a profit of DKK 94 million in Q1 2009.

The unsatisfactory performance was attributable to the most severe winter in 20 years, which resulted in a high number of claims due to snow load and other winter-related events. Overall, the severe winter is assessed to entail additional claims expenses in the amount of DKK 350 million.

The technical result was a loss of DKK 286 million. When adjusted for the additional winter-related claims, the technical result was a profit of DKK 64 million, against a profit of DKK 45 million in 2009. This improvement excluding extraordinary winter-related claims was mainly attributable to fewer major claims and the premium adjustments implemented.

The investment return after transfer to insurance activities was DKK 36 million, against DKK 49 million in Q1 2009.

The performance in Q1 2010 equalled an annualised negative return on equity before tax of 63%, compared with 23% annualised in the year-earlier period.

Premiums
Gross premium income amounted to DKK 1,172 million for Q1, which constituted a 0.5% increase over the year-earlier period.

Notices of premium increases on building and house contents insurance for the agricultural and commercial segments were announced with effect from 1 January 2010. During the first three months, notice was given to about half of the portfolio. The portfolio outflow has risen in connection with the premium increase and the portfolio is also being adversely affected by general economic trends.

The private customer segment grew by 2.5% due to premium increases on building and household comprehensive products implemented during 2009.

Claims experience
The claims ratio was 101.3 in Q1 2010, among other things due to winter-related claims.

The winter entailed extraordinary claims of DKK 350 million, equivalent to a 30 percentage point increase in the claims ratio in Q1.

Of the amount of DKK 350 million, DKK 250 million was attributable to snow load claims. The snow load claims were caused by a combination of heavy snowfall, thaw and rain. The load exerted by wet and heavy snow caused many roofs to collapse, resulting in extensive damage.

Alm. Brand has received almost 2,000 claims involving snow load damage. North Jutland accounted for most of the claims, as many stables and mink farms collapsed. Most claims occurred in weeks seven and eight.

Other extraordinary, winter-related claims are assessed to amount to DKK 100 million. These claims are mainly comprised of property, motor, personal injury and liability claims as a result of lacking snow clearing of roads and pavements and water claims as a result of frozen and burst pipes, etc.

The number of claims filed in Q1 2010 was 11% higher than the number of claims filed in Q1 2009. This increase was predominantly attributable to winter weather.

Personal injury claims rose by 16%, most of which involved slip and fall accidents resulting in people suffering a broken arm or a broken leg.

Major claims (excluding major snow load claims) totalled DKK 75 million in Q1 2010, compared with DKK 118 million in the same period of 2009. Expenses for major claims were DKK 25 million lower than expected.

The number of burglary claims filed on household comprehensive policies dropped by almost 12% in Q1 2010, as compared with the year-earlier period. Accumulated snow probably prevented burglars from accessing policyholders' houses.

The discounting effect, i.e. the falling interest rates, served to increase the claims ratio by 0.8 of a percentage point relative to Q1 2009.

Run-off
The Q1 2010 run-off result net of reinsurance amounted to a loss of DKK 11 million, against a DKK 4 million loss in Q1 2009.

Costs
The Q1 expense ratio was 19.5, against 19.9 in the year-earlier period. The expense ratio thus dropped, as expected, due to the group's efforts to reduce costs.

Net reinsurance ratio
The net reinsurance ratio was 4.3 in Q1 2010, against 4.8 in 2009.

Combined ratio
The combined ratio was 125.1 in Q1 2010, against 98.2 in Q1 2009.

The table below shows a breakdown of the combined ratio on the run-off result, weather-related claims and major claims.

Weather-related claims in Q1 2010 comprise snow load and all extraordinary winter-related claims. Accordingly, the combined ratio of the underlying business was 87.9, of which 0.8 of a percentage point was attributable to the discounting effect.

	2008	2009	Q1 2009	Q1 2010
Combined Ratio excl. weather-related claims and major claims	84.3	87.4	87.4	87.9
Major claims	9.6	9.2	10.1	6.4
Weather-related claims	1.9	3.1	0.4	29.9
Run-off result	0.7	-1.7	0.3	0.9
Combined Ratio	**96.5**	**98**	**98.2**	**125.1**

Investment return
The investment return after value adjustment of provisions, but before transfer to insurance activi-

ties, amounted to DKK 79 million in Q1 2010, against DKK 110 million in Q1 2009.

Overall, the non-life investment assets are still primarily placed in interest-bearing assets with an overweight of mortgage bonds. In order to achieve a more precise match relative to provisions for workers' compensation, the group restructured its portfolio from long government bonds to mortgage bonds and swaps.

Throughout the first three months of 2010, the interest-bearing assets had a weighted duration of two to three years.

The non-life equity exposure was slightly less than 1% of the investment assets in Q1 2010.

Balance sheet

At 31 March 2010, the equity allocated to the non-life division was DKK 1.5 billion.

Alm. Brand Forsikring A/S had a solvency ratio of 2.4 at 31 March 2010, as compared with 2.7 at 31 December 2009.

Major events

Snow load claims
The severe winter triggered an above-normal number of claims, including a large number of unprecedented snow load claims. Substantial volumes of accumulated snow especially on large, low-slope roofs exerted an increasing load on structures, eventually causing roofs to collapse. In particular, the thaw and rain in weeks seven and eight contributed to a massive number of insurance-covered snow load claims.

Agricultural properties were particularly hard hit, as Alm. Brand recorded many and very expensive claims. Residential dwellings also saw a large number of claims, but the expenses relating to such claims are typically lower, as they mostly involve outhouses, conservatories and greenhouses.

The snowfall was unevenly distributed across Denmark, as North Jutland took the hardest blow.

Part of the claims involved relatively new stables and similar buildings with roofs that should be capable of withstanding the snow loads seen this past winter. If a construction defect is proven, the claim may be dismissed.

In a move to limit the number of snow load claims, Alm. Brand contacted customers in the most affected areas by phone or letter. In addition, advertisements were inserted in a number of trade journals. Alm. Brand will increase its preventive efforts if or when similar situations arise in future.

As a result of the substantial number of snow load claims throughout the insurance industry, the Danish Enterprise and Construction Authority has launched a large-scale survey to find out which types of buildings were prone to collapse, how old they were and the nature of their construction design.

Premium increases and new terms for commercial and agricultural customers
The volume of claims in the commercial and agricultural segment has risen significantly in recent years and average claims have increased. As a result, this segment has a high claims ratio, which made Alm. Brand raise the prices and change the terms of its building and contents policies with effect from 1 January 2010. The changes apply to the group's some 80,000 commercial and agricultural customers. The new terms will ensure better cover in a number of areas and a number of tightenings are in particular intended to promote fire-prevention initiatives on the part of the customers.

The premium increases and the new terms will be implemented during 2010. Around 50% of the portfolio came up for renewal in the first quarter. As expected, the notice of premium increases triggered increased customer outflow from the portfolio.

New terrorism risk pool
The Act on a Terrorism Insurance Scheme for the Non-Life Insurance Area of June 2008 was enacted on 31 March 2010. This act provides a DKK 15 billion government guarantee to the Danish insurance industry to cover market claims in excess of DKK 5 billion. The act and the government guarantee thus comprise so-called NBCR terrorism claims, i.e. claims arising in Denmark due to the use of chemical, biological or nuclear weapons. The insurance companies are responsible for hedging risk in connection with the part of NBCR terrorism claims that lie within the industry's retention of DKK 5 billion and in connection with claims caused by conventional terrorist attacks in Denmark.

Alm. Brand's expenses for the government guarantee will amount to DKK 2.5 million in 2010.

Outlook

We expect to incur a full-year loss on our non-life operations of DKK 100 million. The low expectations are based on the high number of snow load and winter-related claims. The combined ratio is expected to be 104.

The growth forecast is lowered to around 1% due to a slightly higher than expected customer outflow and the sustained economic downturn in the business sector.

REPORT – BANKING

	PRO RATA			CONSOLIDATED FIGURES		
	Q1	Q1	Year	Q1	Q1	Year
DKKm	**2010**	**2009**	**2009**	**2010**	**2009**	**2009**
Interest receivable	225	321	1,082	233	329	1,114
Interest payable	-101	-216	-634	-103	-220	-643
Net interest income	**124**	**105**	**448**	**130**	**109**	**471**
Net fees and commissions receivable and dividends, etc.	46	41	143	48	40	140
Net interest and fee income	**170**	**146**	**591**	**178**	**149**	**611**
Value adjustments	-19	17	-177	-13	7	-257
Other operating income	5	3	17	5	3	17
Profit before expenses	**156**	**166**	**431**	**170**	**159**	**371**
Expenses and depreciation/amortisation	-122	-133	-658	-125	-135	-669
Other operation costs	-21	-17	-81	-21	-18	-81
Write-downs of loans, advances and receivables, etc.	-70	-65	-1,451	-70	-65	-1,451
Profit from equity investments	10	0	1	10	0	1
Profit/loss before tax	**-47**	**-49**	**-1,758**	**-36**	**-59**	**-1,829**
Tax	11	19	433	**11**	**19**	**433**
Profit after tax	**-36**	**-30**	**-1,325**	**-25**	**-40**	**-1,396**
Share attributable to minority interests	-	-	-	-11	10	71
Profit after tax excluding minority interests	-	-	-	**-36**	**-30**	**-1,325**
Profit before tax excluding minority interests	-	-	-	*-47*	*-49*	*-1,758*
Loans and advances	14,471	16,793	15,024	14,271	16,917	14,823
Deposits	11,609	12,386	11,102	11,607	12,371	11,096
Shareholders' equity	1,327	907	1,362	1,539	1,195	1,589
Share attributable to minority interests	-	-	-	213	289	227
Total assets	24,787	24,666	26,162	25,143	25,117	26,539
Average no. of employees (full-time equivalents)	364	369	365	364	370	366
Interest margin	-	-	-	2.2%	1.8%	1.9%
Income/cost ratio	0.78	0.77	0.20	0.83	0.73	0.17
Impairment ratio	0.4%	0.3%	7.8%	0.4%	0.3%	7.9%
Solvency ratio	-	-	-	15.3%	13.1%	16.0%
Return on equity before tax	-14%	-21%	-322%	-14%	-21%	-322%
Return on equity after tax	-11%	-13%	-244%	-11%	-13%	-244%
Return in excess of the money market rate	-17.6%	-24.4%	-324.1%	-17.6%	-24.4%	-324.1%

In order to increase the transparency of Alm. Brand Bank's financial statements, the bank publishes pro rata consolidated figures. The numbers are set out in the financial highlights and key rations 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.

Financial results

The bank generated a profit of DKK 72 million before tax and before losses and writedowns. This performance was not satisfactory, although considerably better than the forecast of an overall profit of DKK 40 million before losses and writedowns for the full year 2010.

Including losses and writedowns, the bank incurred a Q1 loss of DKK 47 million. In the same period of last year, the bank recorded a loss of DKK 49 million.

The 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 Q1 2010 amounted to DKK 170 million, against DKK 146 million for the year-earlier period. In Q4 2009, net interest and fee income totalled DKK 137 million. The increase relative to Q1 and Q4 2009, respectively, was attributable to a combination of higher net interest income and higher net fees.

Interest income
The bank posted net interest income of DKK 124 million in Q1 2010, compared with DKK 110 million in Q4 2009. In Q1 2009, net interest income amounted to DKK 105 million.

The positive trend in net interest income was mainly due to a lower level of interest rates on fixed-rate deposits, which took effect from Q1 2010. Moreover, net interest income was favourably affected by investments in high-yield bonds. On the other hand, higher funding costs as a result of the Second Bank Package served to reduce the net interest income.

The banking group's interest margin was 2.2% p.a. in Q1 2010, against 1.8% p.a. in Q1 2009 and 1.9% for FY 2009.

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
Net fee income totalled DKK 46 million in Q1 2010 – a satisfactory increase of DKK 19 million on Q4 2009. The positive performance was driven mainly by a combination of an increase in fees received and a decline in fees paid.

In Q1 2009, net fee income amounted to DKK 41 million. The DKK 5 million increase relative to the same period of last year was primarily attributable to an increase in fees received.

Value adjustments
Value adjustments in Q1 2010 amounted to a loss of DKK 19 million, against a gain of DKK 17 million in the year-earlier period.

Overall value adjustments in 2010 were adversely affected by DKK 49 million in credit-related value adjustments of mortgage deeds. Excluding credit-related writedowns on mortgage deeds, the bank thus posted capital gains of DKK 30 million in Q1 2010.

Interest-related value adjustments generated a gain of DKK 47 million in Q1 2010, which was primarily attributable to the falling interest rates.

Equity-related value adjustments totalled a loss of DKK 14 million in Q1 2010, while foreign exchange adjustments amounted to a loss of DKK 3 million.

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.

Costs
The bank's costs amounted to DKK 122 million in Q1 2010, against DKK 133 million in 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
The bank's overall costs relating to the First Bank Package and the Private Contingency Association were DKK 21 million in Q1 2010. The overall costs comprise the bank's share of the guarantee commission, while no additional provisions for losses on guarantees were made.

Impairment of loans, etc.
The bank's losses and writedowns amounted to DKK 70 million in Q1 2010, against DKK 215 million in Q4 2009.

In addition, the bank incurred credit losses and writedowns on its mortgage deed portfolio of DKK 49 million in Q1 2010, against DKK 52 million in Q4 2009. These losses and writedowns were recognised under value adjustments.

Total losses and writedowns on loans and advances, including credit-related losses and write-

downs on mortgage deeds, thus amounted to DKK 119 million in 2010.

Realised losses accounted for DKK 36 million of the total losses and writedowns of 119 million. In addition, losses in the amount of DKK 71 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 for the first quarter of 2010 are described in detail under "Lending portfolio".

Balance sheet

Loans and advances, etc.
The bank's loans and advances amounted to DKK 14.5 billion at 31 March 2010, which was DKK 0.5 billion lower than at 31 December 2009. Loans and advances were DKK 2.3 billion lower relative to 31 March 2009, of which DKK 1.3 billion was attributable to an increase in accumulated writedowns on loans and advances.

Based on its new strategy, the bank expects to continue to reduce its total loans and advances going forward. The strategy is intended to contribute to limiting the future risk exposure and to maximising synergies in relation to the Alm. Brand Group's other activities.

Deposits
Deposits totalled DKK 11.6 billion at 31 March 2010, an increase of DKK 0.5 billion relative to 31 December 2009.

Capital
The bank's equity stood at DKK 1.3 billion at 31 March 2010. The capital base totalled DKK 2.4 billion, and the bank had a solvency ratio of 14.6 and a tier 1 ratio of 11.0.

The banking group's overall equity amounted to DKK 1.5 billion at 31 March 2010, and the capital base was DKK 2.6 billion. The banking group had a solvency ratio of 15.3 and a tier 1 ratio of 12.1.

Major events

Lending Focus
At the beginning of the first quarter of 2010, the bank launched the concept Lending Focus with the aim of 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 as usual.

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 bank's planned discontinuation of its mortgage deed activities.

Outlook

The bank upgrades its full-year guidance by DKK 20 million to a profit of around DKK 60 million before tax and before losses and writedowns.

The upgrade should be seen in the light of two important factors: The bank's operating activities performed better than expected in Q1 2010 but, at the same time, a bond issue under the individual government guarantee is expected to increase the bank's funding costs for the remainder of 2010.

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. As a result, the bank provides no guidance for losses and impairment writedowns in 2010.

LENDING PORTFOLIO

The bank's total writedowns and losses on the lending and guarantee portfolio amounted to an expense of DKK 119 million in Q1 2010. Realised losses accounted for DKK 36 million of the total losses and writedowns of 119 million. In addition, losses in the amount of DKK 71 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 119 million in Q1 2010 equalled 0.8% of the average lending portfolio.

						Prorata 1Q 2010
	Loans		Share of portefolio	Total loss and writedowns		
DKKm	31.12.2009	31.03.2010	(%)	Year 2009	4Q 2009	1Q 2010	Loss ratio *)
Segments							
Retail lending	3.356	3.301	22.8%	57	43	18	0.5%
Car finance	994	890	6.2%	25	3	5	0.6%
Agriculture	1.125	1.133	7.8%	79	16	6	0.5%
Other commercial lending	1.023	923	6.4%	38	1	6	0.6%
Lending to subsidiaries **)	1.345	877	6.1%	0	0	0	0.0%
Security financing	3.756	3.280	22.7%	423	109	73	2.1%
Investment properties	1.791	1.812	12.5%	401	19	-42	-2.4%
Residential mortgage deeds	856	1.187	8.2%	77	23	32	3.1%
Commercial mortgage deeds	263	505	3.5%	139	29	17	4.5%
Property developments projects	515	565	3.9%	378	11	4	0.8%
The Private Contingency Committee	-	-	-	50	13	0	-
Total	15.024	14.473	100%	1.667	267	119	0.8%

*) Losses and writedowns as a percentage of the average portfolio in Q1 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 quarter 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 55 million in Q1 2010. During the same period, the bank arranged mortgage loans in the amount of approximately DKK 350 million.

In Q1 2010, losses and writedowns totalled DKK 18 million. However, DKK 13 million of this amount was attributable to an increase in the bank's collective impairment charges. As a result of the higher collective impairment charges, the impairment ratio was 0.5 in Q1 2010.

Car finance
The car finance portfolio is mainly anchored in the Alm. Brand Leasing subsidiary. Going forward, the bank will offer car loans through the bank's own branches. The stop to financing through car dealers resulted in a net outflow of DKK 104 million from the bank's portfolio.

The number of customers in arrears has shown 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 quarter of 2010.

Writedowns totalled 0.6% in Q1 2010. The 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, when the Alm. Brand Group used its substantial market position and industry know-how to set up a presence in the agricultural sector.

Loans and advances to agricultural customers remains a business area for the bank but due to the difficult economic conditions for the agricultural industry, the bank currently does not extend loans to new customers. No new customer rela-

tionships have been established since year-end 2008.

The bank made impairment writedowns in the amount of DKK 6 million in Q1 2010, corresponding to 0.5%. The writedowns were primarily due to deteriorated market conditions for the agricultural sector.

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. Syndicated loans do not form part of the bank's future strategy.

The bank's losses and writedowns totalled DKK 6 million in Q1 2010, corresponding to 0.6%. Small and medium-sized businesses are severely affected by the changed economic conditions. Against this backdrop, the bank has tightened its credit policy in this segment and does not expect to grow in this area in 2010.

Lending 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 31 March 2010, minority interests had 58% ownership of Alm. Brand Formue, which was unchanged compared with 31 December 2009. At 31 March 2010, minority interests had 48% ownership of Alm. Brand Pantebreve, 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 877 million at 31 March 2010.

Alm. Brand Pantebreve is marked by adverse property market developments and recorded substantial losses and credit-related value adjustments in Q1 2010, while Alm. Brand Formue generated much more satisfactory results in Q1 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 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 facilities account for almost 90% 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 Q1 2010, the bank recognised losses and writedowns on commitments that were showing signs of weakness. This led to writedowns of DKK 73 million, equivalent to an impairment ratio of 2.1. The 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 almost DKK 476 million was wound up on the portfolio in Q1 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 42 million in Q1 2010. The reversal was primarily attributable to a few large exposures, for which credit agreements, etc. were made in the first quarter of 2010.

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 re-

demptions and credit losses. Individual writedowns are taken on all mortgages in arrears or showing characteristic signs of weakness.

Writedowns amounted to DKK 32 million in Q1 2010. Accordingly, the overall impairment ratio equalled 3.1% of total loans and advances.

Commercial mortgage deeds
This segment comprises the bank's portfolio of commercial mortgage deeds. Just over 60% of the portfolio consists of mortgage deeds secured against residential rental property, while the remaining part is mainly comprised of genuine commercial properties for office, trade and industrial use.

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.

The bank made impairment writedowns in the amount of DKK 17 million in Q1 2010, corresponding to 4.5%. The writedowns were predominantly attributable to the significantly lower level of prices in the property market as compared with previously.

Property development projects
The portfolio consists of a limited number of property development projects. As a result of the economic downturn in the market for property projects, the bank will not participate in the financing of new property projects but will finance the completion of ongoing projects pursuant to agreements already made.

The increase in lending from 31 December 2009 to 31 March 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 Q1 2010, no provisions were made for losses on the guarantee provided vis-à-vis Finansiel Stabilitet A/S.

REPORT – LIFE INSURANCE

DKKm	Q1 2010	Q1 2009	Year 2009
Premiums	190	190	710
Claims incurred	-260	-219	-889
Investment return after allocation of interest	333	128	780
Total underwriting management expenses	-19	-15	-67
Profit on business ceded	8	2	5
Change in life insurance provisions	-112	-86	-233
Change in collective bonus potential	-84	0	-225
Underwriting profit/loss	**56**	**0**	**81**
Return on investments allocated to equity	13	27	58
Profit before tax	**69**	**27**	**139**
Tax	-17	-7	-26
Profit after tax	**52**	**20**	**113**
Result in life insurance			
Administrative result	-1	3	4
Investment result	260	63	486
Change in provision for guaranteed pension benefits	-115	-60	-176
Change in collective bonus potential	-84	0	-225
Risk result	8	19	45
Profit on business ceded	1	2	5
Profit before tax	**69**	**27**	**139**
Tax	-17	-7	-26
Profit after tax	**52**	**20**	**113**
Total technical provisions	11,460	10,894	11,263
Shareholders' equity	1,043	1,099	1,192
Total assets	12,957	12,668	12,691
Return on equity before tax p.a.	26%	10%	12%
Return on equity after tax p.a.	20%	7%	10%
Bonus rate	3.0%	0.0%	2.1%

Investment return in life insurance in Q1 2010	Return ratio
Interest-bearing assets	3.4%
Shares	6.0%
Property	1.5%
Total	**3.5%**

Financial results

The pre-tax profit for Q1 2010 was DKK 69 million, against DKK 27 million for the same period of last year.

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 Q1 2010. In addition, DKK 36 million was reversed from the shadow account. This brought the shadow account to DKK 20 million.

The performance equalled an annualised return on equity of 26% before tax, as compared with an annualised return of 10% in the year-earlier period. The return on equity was significantly higher than the full-year guidance, as most of the shadow account was booked in Q1 2010.

Premiums
Gross premiums amounted to DKK 190 million in Q1 2010, which was on a par with Q1 2009. The general economic downturn had an adverse impact on the premium income performance. On the other hand, a higher percentage of new business written served to increase premium income. Overall, these two factors add up to a flat premium income performance.

The group still aims for the life insurance company Alm. Brand Liv og Pension to generate growth, but an increasing proportion of overall pension savings will 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 2.4% to DKK 229 million in Q1 2010 from DKK 224 million in Q1 2009

Investment return
The return on investment assets belonging to policyholders was DKK 387 million for Q1 2010, corresponding to a return of 3.5% (13.8% p.a.), against a return of DKK 153 million in Q1 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 positively affected by the general equity market trends of the first three months of 2010. The return was satisfactory relative to the benchmark, which is composed of Danish, Nordic and international equities (MSCI world index currency hedged).

The Q1 return on investment assets attributable to shareholders' equity was DKK 13 million, equivalent to a return of 1.2% (4.8% p.a.), against a return of DKK 27 million in the same period of last year. The assets were placed in short-term bonds. This return was also satisfactory considering the low yield level for short-term bonds.

Benefits paid
Benefits paid amounted to DKK 260 million in Q1 2010, compared with DKK 219 million in 2009. The amount of benefits paid increased as a result of a higher number of surrenders than 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 been above normal. No further postponed surrenders are expected in this respect.

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 life insurance provisions rose by DKK 112 million to stand at DKK 11.1 billion at 31 March 2009.

Collective bonus potential
The collective bonus potential increased by DKK 84 million in Q1 2010 to a total of DKK 309 million, corresponding to a bonus rate of 3.0%.

Costs
Acquisition and administrative expenses totalled DKK 19 million in Q1 2010, against DKK 15 million for 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
Net of reinsurance, the expense result, which expresses the difference between expense loading and expenses incurred, was negative at DKK 1 million in Q1 2010. The aim is for the overall expense result to balance.

Net of reinsurance, the risk result, which expresses the difference between risk premiums and actual claims expenses, was an income of DKK 12 million in Q1 2010. The overall risk result was satisfactory.

Balance sheet

The life group's equity was DKK 1,043 million at 31 March 2010. The solvency ratio was 236 at 31 March 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

Political agreement on equalisation tax for pension benefits
A political agreement was concluded on a so-called equalisation tax for large pension benefit disbursements. The relevant act, which is expected to be implemented by the summer of 2010, 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.

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, the Danish FSA issued a new executive order on the contribution principle, which will enter into force already on 1 January 2011. The executive order provides guidelines for the distribution of profits between customers and equity and among customers. Although the precise scope of the executive order has yet to be clarified, it will have an adverse impact on the company's earnings potential, and the capital requirements will be tightened.

Outlook

The forecast for the full-year profit before tax is upgraded by DKK 30 million to DKK 120 million. The upgrade is based on the very positive investment return performance of the first quarter of 2010.

However, the financial results depend entirely 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.

Bonus potential on paid-up policies
The company's investments are marked to market on a current basis. If yields go up (or if share prices drop), the company incurs a capital loss. In return, the anticipated future return will increase. If the company does not have sufficient collective bonus provisions to cover the losses, the company may apply the bonus potential on paid-up policies. Applying the bonus potential on paid-up policies implies a temporary reduction of the life insurance provisions for accounting purposes. As and when permitted by future returns, the bonus potential on paid-up policies is reduced again. By applying the bonus potential on paid-up policies, the company is able to pursue a prudent long-term investment policy for the benefit of its customers.

OTHER BUSINESS ACTIVITIES

"Other activities" comprises corporate expenses and a number of dormant companies.

Other miscellaneous activities of the group contributed a pre-tax loss of DKK 14 million, against a DKK 3 million profit in Q1 2009.

The Q1 performance was adversely affected by interest expenses on subordinated capital injected by Alm. Brand af 1792 fmba.

Outlook

The overall forecast for other business activities is for a break-even result.

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 three months ended 31 March 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 31 March 2010 and of the results of the group's and the parent company's operations and the group's cash flows for the three months ended 31 March 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, 20 May 2010

Søren Boe Mortensen
Chief Executive

BOARD OF DIRECTORS

Copenhagen, 20 May 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		
	31 March	31 March	31 December
DKKm	2010	2009	2009
Assets			
Intangible assets	109	235	118
Owner-occupied properties	1,038	1,036	1,035
Deferred tax assets	584	182	521
Participating interests in joint ventures	46	46	46
Reinsurers' share of insurance contracts	179	354	134
Current tax assets	14	29	14
Other assets	2,436	2,072	1,650
Loans	14,271	16,917	14,823
Investment properties	441	451	440
Investment assets	26,731	23,092	27,337
Amounts due from credit institutions and central banks	1,576	3,775	1,331
Cash in hand and demand deposits	58	218	49
Total assets	**47,483**	**48,407**	**47,498**
Liabilities and equity			
Share capital	1,388	1,388	1,388
Reserves, retained profit etc.	1,934	3,183	2,107
Minority interests	181	272	199
Consolidated shareholders' equity	**3,503**	**4,843**	**3,694**
Subordinated debt	1,831	833	1,834
Provisions for insurance contracts	19,431	19,038	17,894
Other provisions	131	110	90
Deferred tax liabilities	46	46	46
Issued bonds	32	1,277	26
Other liabilities	1,878	1,899	1,727
Deposits	11,320	11,758	10,874
Payables to credit institutions and central banks	9,311	8,603	11,313
Total liabilities and equity	**47,483**	**48,407**	**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		
	Q1	Q1	Year
DKKm	**2010**	**2009**	**2009**
Income			
Premium income	1,362	1,360	5,434
Interest income etc.	408	556	1,995
Fee income etc.	40	35	100
Other income from investment activities	0	2	23
Income associates	0	0	0
Other income	5	3	19
Total income	**1,815**	**1,956**	**7,571**
Costs			
Claims incurred	-1,447	-1,073	-4,499
Interest expenses	-145	-261	-803
Other cost from investment activities	-11	-11	-27
Impairment of loans, advances and receivables, etc.	-70	-65	-1,451
Acquisition and administrative costs	-373	-390	-1,670
Total costs	**-2,046**	**-1,800**	**-8,450**
Profit from business ceded	-43	-60	-136
Change in life insurance provisions	-112	-86	-233
Change in collective bonus potential	-84	0	-225
Exchange rate adjustments	281	90	198
Tax on pension investment returns	-45	-26	-141
Profit before tax	**-234**	**74**	**-1,416**
Tax	61	-11	336
Profit after tax	**-173**	**63**	**-1,080**
The profit before tax is allocated as follows:			
Share attributable to Alm. Brand	-242	82	-1,336
Share attributable to minority shareholders	8	-8	-80
	-234	**74**	**-1,416**
The profit after tax is allocated as follows:			
Share attributable to Alm. Brand	-181	72	-1,000
Share attributable to minority shareholders	8	-9	-80
	-173	**63**	**-1,080**
Earnings per share, DKK	-11	4	-59
Diluted earnings per share, DKK	-11	4	-59

Comprehensive income

Profit for the year	-173	63	-1,080
Revaluation of owner-occupied properties	0	0	-4
Comprehensive income	**-173**	**63**	**-1,084**
Proposed allocation of profit/loss:			
Share attributable to Alm. Brand	-181	72	-1,004
Share attributable to minority shareholders	8	-9	-80
	-173	**63**	**-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 Q1 2009							
Profit/loss for the year				72	72	-9	63
Total income	0	0	0	72	72	-9	63
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**	**141**	**53**	**-10**	**43**
Shareholders equity, 31.03.2009	**1,388**	**182**	**8**	**2,993**	**4,571**	**272**	**4,843**
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 Q1 2010							
Profit/loss for the year				-181	-181	8	-173
Total income	0	0	0	-181	-181	8	-173
Sale of treasury shares				8	8		8
Change in share attributable to minority interest						-26	-26
Changes in equity	**0**	**0**	**0**	**-173**	**-173**	**-18**	**-191**
Shareholders equity, 31.03.2010	**1,388**	**182**	**2**	**1,750**	**3,322**	**181**	**3,503**

	31 March 2010	31 December 2009
Shareholders' equity exclusive minority interests	3,322	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	**3,312**	**3,486**
Share of profit attributable to Alm. Brand A/S	-181	-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	**-182**	**-1,001**

CAPITAL CALCULATION MODEL

DKKm	Times the statutory solvency requirement	31 March 2010	31 December 2009
Non-life insurance	2.4	1,944	1,865
Banking excluding partly owned listed subsidiaries	1.5	1,726	1,765
Banking, investments in partly-owned listed subsidiaries		379	363
Life insurance	2.0	1,022	1,006
Capital target		**5,071**	**4,999**
Consolidated shareholders' equity		3,503	3,694
Net tax asset		-584	-521
Intangible assets		-109	-118
Adjusted consolidated shareholders' equity excluding subordinated debt		**2,810**	**3,055**
Dividend distribution excluding subordinated debt		**-2,261**	**-1,944**
Subordinated debt		1,831	1,834
Dividend distribution including subordinated debt		**-430**	**-110**

CASH FLOW STATEMENT

	Group		
	Q1	Q1	Year
DKKm	2010	2009	2009
Cash flows from operating activities			
Premiums received	2,265	2,285	5,454
Claims paid	-1,123	-1,086	-4,320
Interest receivable, dividends, etc.	503	706	2,152
Interest payable	-102	-214	-628
Payments concerning reinsurance	-97	-70	-112
Fee income received	47	43	144
Fee income paid	-10	-8	-45
Expences paid	-510	-411	-1,562
Tax on pension investment returns paid	0	0	-171
Acquisition of intangible assets, furniture, equipments etc.	-5	2	-6
Other ordinary income received	5	3	17
Taxes paid/received	0	-11	-4
Cash flows from operating activities	**973**	**1,239**	**919**
Change in investment placement (net)			
Properties acquired or converted	-4	0	9
Sale/aquisition of equity investments	-80	-79	42
Sale/repayment of mortgage deeds and loans	676	925	376
Divestment Kjøbenhavnske Reassurance	0	0	150
Sale/aquisition of bonds	206	-1,903	-5,957
Change in receivables from credit institutions over 3 months	0	90	311
Change in investment placement (net)	**798**	**-967**	**-5,069**
Change in financing (net)			
Sale/purchase of treasury shares	8	-19	-19
Sale/acquisition of subsidiaries (change in minority interests)	-26	-1	-3
Subordinated debt	0	0	1,003
Issued bonds	0	0	-1,367
Change in deposits	511	1,255	-45
Change in payables to credit institutions	-2,010	-637	2,749
Change in other payables	0	0	300
Change in financing (net)	**-1,517**	**598**	**2,618**
Gross change in cash and cash equivalents	**254**	**870**	**-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	**254**	**876**	**-1,737**
Cash and cash equivalents, beginning of period	0	3,117	3,117
Cash and cash equivalents, end of period	**254**	**3,993**	**1,380**

SEGMENT REPORTING

						Q1 2010
DKKm	**Non-life**	**Bank**	**Life**	**Other**	**Elimi-nation**	**Group**
Premium income	1,172	0	190	0		1,362
Interest income etc.	71	233	105	0	-1	408
Fee income etc.	0	48	0	0	-8	40
Other investment income	0	0	21	0	-21	0
Income associates	0	0	3	0	-3	0
Other income	0	5	0	0		5
Total income	**1,243**	**286**	**319**	**0**	**-33**	**1,815**
Claims incurred	-1,187	0	-260	0		-1,447
Interest expenses	-34	-103	-1	-8	1	-145
Other investment expenses	-5	0	-7	-7	8	-11
Provisions for bad and doubtful debts	0	-70	0	0		-70
Acquisition and administrative expenses	-230	-146	-19	1	21	-373
Total expenses	**-1,456**	**-319**	**-287**	**-14**	**30**	**-2,046**
Result of business ceded	-51	0	8	0		-43
Change in life insurance provisions	0	0	-112	0		-112
Change in collective bonus potential	0	0	-84	0		-84
Exchange rate adjustments	14	-3	270	0		281
Tax on pension investment returns	0	0	-45	0		-45
Profit before tax	**-250**	**-36**	**69**	**-14**	**-3**	**-234**
Tax	63	11	-17	4		61
Profit after tax	**-187**	**-25**	**52**	**-10**	**-3**	**-173**

						Q1 2009
Premium income	1,165	0	190	5		1,360
Interest income etc.	93	329	119	20	-5	556
Fee income etc.	0	40	0	0	-5	35
Other investment income	0	0	22	0	-20	2
Income associates	0	0	-2	0		0
Other income	0	3	0	0		3
Total income	**1,258**	**372**	**329**	**25**	**-30**	**1,956**
Claims incurred	-857	0	-219	3	0	-1,073
Interest expenses	-40	-220	-6	0	5	-261
Other investment expenses	-4	0	-5	-7	5	-11
Provisions for bad and doubtful debts	0	-65	0	0	0	-65
Acquisition and administrative expenses	-232	-153	-15	-10	20	-390
Total expenses	**-1,133**	**-438**	**-245**	**-14**	**30**	**-1,800**
Result of business ceded	-55	0	2	-7	0	-60
Change in life insurance provisions	0	0	-86	0	0	-86
Exchange rate adjustments	24	7	53	6	0	90
Tax on pension investment returns	0	0	-26	0	0	-26
Profit before tax	**94**	**-59**	**27**	**10**	**0**	**74**
Tax	-24	19	-7	1	0	-11
Profit after tax	**70**	**-40**	**20**	**11**	**0**	**63**

NOTES

DKKm	Group Q1 2010	Group Q1 2009	Group 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	**2,392**	**2,502**	**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 three months ended 31 March 2010 is unaudited.

Note 4 Financial highlights and key ratios

Referring to management's report.

BALANCE SHEET

DKKm	Note	Parent company 31 March 2010	31 March 2009	31 December 2009
Assets				
Investment in group enterprises	1	3,837	4,150	4,308
Loans to group enterprises		0	550	0
Investment in associates		17	19	17
Total investments in group enterprises and associates		**3,854**	**4,719**	**4,325**
Equity investments		1	1	1
Other loans and advances		2	2	2
Deposits with credit institutions		50	370	0
Cash in hand and balances at call		45	80	9
Total other financial investment assets		**98**	**453**	**12**
Total investment assets		**3,952**	**5,172**	**4,337**
Receiveables from group enterprises		33	0	7
Other receivables		32	29	31
Total receivables		**65**	**29**	**38**
Current tax assets		14	37	13
Deferred tax assets		16	16	13
Total other assets		**30**	**53**	**26**
Accrued interest		0	1	0
Accruals and deferred income		**0**	**1**	**0**
Total assets		**4,047**	**5,255**	**4,401**
Liabilities and equity				
Share capital		1,388	1,388	1,388
Retained earnings		1,924	3,177	2,098
Total shareholders' equity		**3,312**	**4,565**	**3,486**
Deferred tax liabilities		249	0	249
Total provisions		**249**	**0**	**249**
Deferred obligations		46	46	46
Total deferred obligations		**46**	**46**	**46**
Gæld til tilknyttede virksomheder		307	510	501
Issued bonds		32	20	26
Current tax liabilities		0	1	0
Other payables		101	113	93
Total Payables		**440**	**644**	**620**
Total liabilities and equity		**4,047**	**5,256**	**4,401**

INCOME STATEMENT

		Parent company		
		Q1	Q1	Year
DKKm	Note	2010	2009	2009
Income from group enterprises	2	-171	70	-1,006
Income from associated companies		0	0	-1
Interest income and dividends, etc.		0	11	27
Interest expenses		-8	0	-9
Administrative expenses related to investment activities		-7	-6	-11
Profit before tax		**-186**	**75**	**-1,000**
Tax		4	-1	-1
Profit for the Year		**-182**	**74**	**-1,001**

Comprehensive income

Profit for the year	-182	74	-1,001
Revaluation of owner-occupied properties	0	0	-4
Comprehensive income	**-182**	**74**	**-1,005**
Proposed allocation of profit/loss:			
Retained earnings	-182	74	-1,005

Note 3 Accounting policies parent company

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 Q1 2009			
Profit/loss for the year		74	74
Total income	0	74	74
Cancellation of shares	-88	88	0
Sale of treasury shares		11	11
Repurchased shares		-30	-30
Changes in equity	**-88**	**143**	**55**
Shareholders equity, 31.03.2009	**1,388**	**3,177**	**4,565**
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 Q1 2010			
Profit/loss for the year		-182	-182
Total income	0	-182	-182
Sale of treasury shares		8	8
Changes in equity	**0**	**-174**	**-174**
Shareholders equity, 31.03.2010	**1,388**	**1,924**	**3,312**

NOTES

Note 1 Investment in group enterprises

	Parent company		
DKKm	31 March 2010	31 March 2009	31 December 2009
Cost, beginning of year	5.991	4.242	4.242
Periodens tilgang	0	0	1.750
Disposals	0	0	-1
Cost, end of period	**5.991**	**4.242**	**5.991**
Revaluation and impairment, beginning of year	-1.683	-162	-162
Dividend received	-300	0	-511
Profit for the year	-171	70	-1.006
Revaluation of owner-occupied associates	0	0	-4
Revaluation and impairment, end of period	**-2.154**	**-92**	**-1.683**
Carrying amount, end of period	**3.837**	**4.150**	**4.308**
Specification of carrying amount:			
Alm. Brand Bank A/S	1.326	907	1.362
Alm. Brand Forsikring A/S	2.510	3.230	2.945
Finansieringsselskabet af 9/10 1992 A/S (liquidated in 2009)	0	12	0
Asgaard Finans A/S	1	1	1
	3.837	**4.150**	**4.308**

Note 2 Income from group enterprises

	Parent company		
DKKm	Q1 2010	Q1 2009	Year 2009
Alm. Brand Bank A/S	-36	-30	-1.325
Alm. Brand Forsikring A/S	-135	100	319
Asgaard Finans A/S	0	0	0
Finansieringsselskabet af 9/10 1992 A/S (liquidated in 2009)	0	0	0
	-171	**70**	**-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 three months ended 31 March 2010 is unaudited.