

ALM. BRAND PANTEBREVE A/S

INTERIM REPORT - FIRST HALF OF YEAR 2010



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COMPANY INFORMATION

MANAGEMENT BOARD

Bo Chr. Alberg, Chief Executive

INTERNAL AUDITOR

Poul-Erik Winther, Group Chief Auditor

BOARD OF DIRECTORS

Søren Boe Mortensen, Chairman

Mark Thorsen, Deputy Chairman

Bo Chr. Alberg

Peter Aggerholm

Peter Nielsen

REGISTRATION

Alm. Brand Pantebreve A/S

(Secondary name: Aktieselskabet Københavns
Hippodrom)

Company reg. (CVR) no. 16 26 60 19

AUDITORS

Deloitte

Statsautoriseret Revisionsaktieselskab

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FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKKm	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
INCOME STATEMENT					
Interest receivable	23.9	30.1	50.0	61.9	116.6
Interest payable	18.4	22.4	37.3	46.6	87.2
Net interest income	5.5	7.7	12.7	15.3	29.4
Fees and commissions receivable (net)	-1.4	-1.1	-2.4	-2.6	-5.0
Net interest and fee income	4.1	6.6	10.3	12.7	24.4
Value adjustments	-28.0	-26.9	-49.3	-29.3	-167.4
Other operating income	0.3	0.2	0.8	0.2	0.2
Profit before expenses	-23.6	-20.1	-38.2	-16.4	-142.8
Staff costs and administrative expenses	3.2	2.6	6.3	5.1	10.6
Other operating expenses	1.1	0.2	2.0	0.8	1.5
Profit/loss for the period	-27.9	-22.9	-46.5	-22.3	-154.9
BALANCE SHEET					
Loans, advances and other receivables at fair value	1,358	1,663	1,358	1,663	1,473
Share capital	165	165	165	165	165
Shareholders' equity	37	216	37	216	83
Total assets	1,399	1,725	1,399	1,725	1,534
KEY RATIOS					
Annualised return on equity before tax (%)	-220.1	-40.2	-155.1	-19.6	-96.5
Earnings per share (of DKK 100), DKK	-16.9	-13.9	-28.2	-13.5	-93.9
Shareholders' equity as a percentage of assets	2.6	12.5	2.6	12.5	5.4
Financial gearing	36.2	6.9	36.2	6.9	17.1
Market price at end of period (B shares), DKK	14.70	122.00	14.70	122.00	54.00
Book value per share, DKK	22.24	130.80	22.24	130.80	50.40
Return in excess of the money market rate	0.66	0.93	0.66	0.93	1.07
Average number of shares (of DKK 100)	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

MANAGEMENT'S REVIEW

PERFORMANCE

Alm. Brand Pantebreve A/S posted a loss of DKK 47 million in H1 2010, which was an unsatisfactory performance.

In the first six months of 2010, the company made significant credit writedowns in the amount of DKK 62 million, of which DKK 29 million was written down in the second quarter of 2010.

The high level of writedowns in the first half of 2010 was attributable to sustained negative developments in Danish mortgage deeds in arrears and to a more prudent assessment of Swedish mortgage deeds in arrears. The delinquency rate remained high in the first half of 2010.

In H1, the company recorded a large number of forced sales and property transactions that did not cover debts. Many such sales were caused by serious events in the families affected, such as death, unemployment or divorce. Combined with recent years' drop in house prices, this led to losses on mortgage deeds.

If the company does not obtain full coverage on a sale, the receivable will be converted to debt instruments under a private arrangement. The company only accepts a sale that does not cover debts subject to a private arrangement being made with respect to the remaining debt. The company's operations are adversely affected by such sales.

Prior to any forced sale, the company carefully considers, together with lawyers specialising in debt collection, whether to defend the mortgage or refrain from bidding. The company chooses the former solution if the nature and location of the property renders it probable that the property can be sold subsequently at a price providing full or partial coverage of the company's debt.

At 31 December 2009, the company had taken over 24 single-family homes. In H1, the company found it appropriate to take over another six properties with a view to subsequent divestment. The company succeeded in selling nine properties, and thus owned a total of 21 properties at 30 June 2010. At the balance sheet date, the company had made agreements to sell another 10 properties. These sales had not yet been completed at the end of the reporting period.

The company has an agreement with Alm. Brand Bank to manage mortgage deeds in arrears as the company needs more resources to follow up on non-performing mortgage deeds and recover lost claims.

Mortgage deed debtors in arrears are offered advice on their financial situation and alternative sources of finance. Alm. Brand Bank's experience shows that such advice in many cases improves debtors' ability to repay their debts and thus minimises the risk of future losses to the company.

If Alm. Brand Bank is able to offer better funding based on the debtor's financial situation, the company will sell the mortgage deeds to Alm. Brand Bank with a view to converting all the debtor's debt to mortgage credit and home loans.

This concept was launched on 31 March 2010. A large number of meetings have been held with mortgage debtors in arrears. But no mortgage deeds have been redeemed under the concept to date.

MANAGEMENT'S REVIEW

FINANCIAL RESULTS

The company posted a loss of DKK 46.5 million before tax in H1 2010, which was an unsatisfactory performance. In the same period of last year, the company posted a loss of DKK 22.3 million.

The main items of the interim financial statements for the six months ended 30 June 2010 are reviewed below.

Net interest and fee income

Net interest income for H1 2010 amounted to DKK 12.6 million, against DKK 15.3 million for the year-earlier period. Net interest income was adversely affected by the smaller mortgage deed portfolio relative to the same period of last year but favourably affected by lower funding costs.

Fees and commissions receivable were DKK 0.2 million in H1 2010, which was on a par with H1 2009.

Fees and commissions payable were DKK 2.6 million in H1 2010, against DKK 2.8 million in the same period of last year. The performance of this item was attributable to the mortgage deed portfolio.

Value adjustments

Total value adjustments in H1 2010 amounted to a loss of DKK 49.3 million, against a loss of DKK 29.3 million in the year-earlier period.

Value adjustments in H1 2010 were comprised of a DKK 45.0 million loss on the mortgage deed portfolio, a DKK 5.6 million loss on equities and a DKK 1.3 million foreign exchange gain.

The mortgage deed portfolio is measured using a model that estimates the present value of expected future cash flows. Because of the highly illiquid state of the mortgage deed market in 2009 and 2010, it was not possible to test the valuation model relative to actual prices on an ongoing basis, as the company has done in previous years.

The valuation is based in part on market rate data and in part on expected future redemption and loss rates.

The table specifies the company's value adjustments on the mortgage deed portfolio.

Value adjustment of mortgage deeds DKKm	H1 2010	H1 2009
Unrealised value adjustments		
Changes in market rates	44.4	12.7
Changes in anticipated early redemptions	-2.7	15.9
Changes in loss rates (*)	-	-18.0
Other changes	4.0	-8.8
Total valuation model	45.7	1.8
Credit writedowns (*)	-79.1	-16.7
Reversed credit writedowns (*)	16.7	-
Total credit writedowns (*)	-62.4	-16.7
Total unrealised value adjustments	-16.7	-14.9
Realised value adjustments		
Losses recorded (*)	-26.6	-24.9
Early redemptions	-1.8	-2.0
Other adjustments	0.1	0.3
Total realised value adjustments	-28.3	-26.6
Total value adjustments	-45.0	-41.5

(*) Total credit-related value adjustments amounted to DKK 89.0 million in H1 2010, against DKK 59.6 million in the same period of last year.

Seen in isolation, the drop in interest rates in the first half year increased the value of the mortgage deed portfolio by DKK 44.4 million.

Early redemptions increased slightly in H1 2010 relative to 31 December 2009, causing the valuation of the mortgage deed portfolio to drop slightly by DKK 2.7 million.

Seen in isolation, there was no effect on operations, as loss rates in the model were unchanged in H1 2010.

Furthermore, other changes in the mortgage deed model triggered a positive value adjustment of the mortgage deed portfolio of DKK 4.0 million in H1 2010.

Changes in the market rate and the assumptions applied had an overall positive effect on the H1 2010 performance of DKK 45.7 million, against a positive impact of DKK 1.8 million in the year-earlier period.

MANAGEMENT'S REVIEW

Credit adjustments had a total impact of DKK 62.4 million on the financial results in H1 2010, comprising credit writedowns of DKK 79.1 million and reversed credit writedowns of DKK 16.7 million.

Total unrealised value adjustments for H1 2010 thus amounted to a loss of DKK 16.7 million. By comparison, total unrealised value adjustments for H1 2009 amounted to a loss of DKK 14.9 million.

The credit writedowns were made on the basis of specific individual assessments of debtor payment ability, the value of the mortgage and other factors.

The reversed credit writedowns comprise partly a positive revaluation of earlier writedowns (unrealised value adjustments) and partly realised gains triggered by redemption and sale of mortgage deeds and extraordinary payments on mortgage deeds.

Realised value adjustments on the mortgage deed portfolio reduced the H1 financial results by DKK 28.3 million, primarily due to losses on mortgage deeds in the amount of DKK 26.6 million, of which the loss on mortgage deeds already written down represented DKK 7.2 million. The company recognised losses in the amount of DKK 17.4 million in Q2 2010. By comparison, the company posted a loss of DKK 24.9 million in H1 2009, and total realised value adjustments in the year-earlier period were a loss of DKK 26.6 million.

Total value adjustments on the mortgage deed portfolio were thus a loss of DKK 45.0 million in H1 2010, while such losses totalled DKK 41.5 million in the year-earlier period.

The DKK 5.6 million loss on equities comprised an unrealised loss on an equity portfolio that was converted from bonds to equities in Q1 2010.

The company recorded a foreign exchange gain of DKK 1.3 million in H1 2010, which was entirely attributable to the company's exposure to SEK, partly in mortgage deeds and partly in SEK funding.

Other operating income

Other operating income amounted to DKK 0.8 million in H1 2010. The total amount was attributable to properties temporarily taken over.

Staff costs and administrative expenses

Payroll costs and administrative expenses totalled DKK 6.3 million in H1 2010, against DKK 5.1 million for the same period of 2009. The increase in administrative expenses was attributable to higher debt collection costs.

Other operating expenses

Other operating expenses were solely comprised of properties temporarily taken over by the company and amounted to DKK 2.0 million in H1 2010, against DKK 0.8 million in the year-earlier period.

BALANCE SHEET

At 30 June 2010, the fair value of the company's loans and advances totalled DKK 1,358 million, against DKK 1,663 million at the year-earlier date. At 31 December 2009, the fair value of the company's loans and advances was DKK 1,473 million.

The equity portfolio had a fair value of DKK 2.5 million at 30 June 2010. The company's holding of commercial bonds was converted into shares in Q1 2010. By comparison, the fair value of the company's bond portfolio stood at DKK 15 million at 30 June 2009.

The value of the company's properties temporarily taken over totalled DKK 23.8 million at the balance sheet date, against DKK 15.0 million at 30 June 2009.

The company's liabilities on properties temporarily taken over amounted to DKK 12.2 million at 30 June 2010, against DKK 8.8 million at the year-earlier date.

Loan financing totalled DKK 1,338 million at 30 June 2010, against DKK 1,498 million at the year-earlier date.

The performances recorded in recent reporting periods have reduced the company's equity. Consequently, the financial gearing exceeds the maximum debt/equity ratio of 7 defined by the Board of Directors.

MANAGEMENT'S REVIEW

OUTLOOK FOR THE FULL YEAR

The company lowers its guidance from a full-year loss of DKK 60–70 million including credit losses and writedowns to a loss of around DKK 80 million including credit losses and writedowns. The downgrade is attributable to expected higher writedowns and losses. If the performance materialises as expected, the company's equity will only be DKK 5 million.

The company's projections are based on developments in a number of factors which, separately and combined, may affect its financial results. Factors of particular importance to the future earnings of the company include developments in market rates and the amount of bad debts. The interest margin and the volume of redemptions also have a significant impact on the company's financial results. Developments in these factors are subject to uncertainty and changes in one or more of these factors could cause the financial results to deviate from the forecasts made.

All other things being equal, an increase in interest rates of 100 basis points would entail negative value adjustments of around DKK 46 million for the company.

Alm. Brand Bank has secured the necessary operating credits until end-February 2011.

SHARE INFORMATION AND SHAREHOLDER INFORMATION

The net asset value of the company's shares has declined in 2010 from DKK 50.40 to DKK 22.24, equal to a fall of 55.9%. During the same period, the price of the company's B shares has fallen from DKK 54.00 to DKK 14.70. An aggregate of 761,964 B shares were traded in H1 2010 at an average price of DKK 30.99, corresponding to a total market value of DKK 23.6 million.

Alm. Brand Bank A/S's ownership interest amounted to 58.5% at 30 June 2010. Through the A shares and 80.2% of the voting rights, the bank has a controlling interest in the company.

The following company has notified Alm. Brand Pantebreve A/S on 16 August 2009 that it holds more than 5% of the share capital:

- Finansieringsselskabet af 11/2 2010 A/S

The interim financial statements of Alm. Brand Pantebreve A/S are a component of the consolidated financial statements of Alm. Brand Bank A/S, Alm. Brand A/S and Alm. Brand af 1792 fmba.

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 for the six months ended 30 June 2010 of Alm. Brand Pantebreve A/S.

The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for listed enterprises.

In our opinion, the interim financial statements give a true and fair view of the company's assets, liabilities and financial position at 30 June 2010 and of the company's results of operations and the cash flow for the financial period ended 30 June 2010.

Moreover, in our opinion, the management's review includes a fair review of developments in the activities and financial position of the company and fairly describes significant risk and uncertainty factors that may affect Alm. Brand Pantebreve A/S.

MANAGEMENT BOARD

Copenhagen, 16 August 2010

Bo Chr. Alberg

Chief Executive

BOARD OF DIRECTORS

Copenhagen, 16 August 2010

Søren Boe Mortensen

Chairman

Mark Thorsen

Deputy Chairman

Bo Chr. Alberg

Peter Aggerholm

Peter Nielsen

INCOME STATEMENT

DKK '000	Note	Q2 2010	Q2 2009	H1 2010	H1 2009	Year 2009
Interest receivable	1	23,915	30,091	49,952	61,929	116,580
Interest payable	2	18,456	22,417	37,325	46,584	87,203
Net interest income		5,459	7,674	12,627	15,345	29,377
Fees and commissions receivable		72	119	201	214	351
Fees and commissions payable		1,428	1,228	2,568	2,786	5,373
Net interest and fee income		4,103	6,565	10,260	12,773	24,355
Value adjustments	3	-27,969	-26,850	-49,256	-29,343	-167,407
Other operating income		294	203	778	219	242
Profit before expenses		-23,572	-20,082	-38,218	-16,351	-142,810
Staff costs and administrative expenses	4	3,150	2,581	6,278	5,097	10,645
Other operating expenses		1,134	187	1,978	826	1,479
Profit/loss for the period		-27,856	-22,850	-46,474	-22,274	-154,934
Comprehensive income		-	-	-	-	-
Total comprehensive income		-27,856	-22,850	-46,474	-22,274	-154,934
PROFIT/LOSS ALLOCATION						
Transferred to Retained earnings		-27,856	-22,850	-46,474	-22,274	-154,934
Total amount available for allocation		-27,856	-22,850	-46,474	-22,274	-154,934
Earnings per share (of DKK 100), DKK		-16.88	-13.85	-28.17	-13.50	-93.90
Diluted earnings per share (of DKK 100), DKK		-16.88	-13.85	-28.17	-13.50	-93.90

BALANCE SHEET

DKK '000	Note	30.06.2010	30.06.2009	31.12.2009
ASSETS				
Balances due from credit institutions		8,176	1,012	7,278
Loans, advances and other receivables at fair value	5	1,357,849	1,663,291	1,472,502
Bonds at fair value		-	15,000	8,132
Shares, etc.		2,500	-	-
Current tax assets		-	9,490	-
Assets held temporarily		23,759	14,986	27,286
Other assets		6,691	21,521	18,734
Prepayments		-	18	15
Total assets		1,398,975	1,725,318	1,533,947
LIABILITIES AND EQUITY				
Payables				
Payables to credit institutions		1,337,636	1,497,685	1,425,611
Liabilities temporarily acquired		12,152	8,754	8,744
Other liabilities		12,498	3,056	16,429
Total payables		1,362,286	1,509,495	1,450,784
Shareholders' equity				
Share capital	6	165,000	165,000	165,000
Retained earnings		-128,311	50,823	-81,837
Total shareholders' equity		36,689	215,823	83,163
Total liabilities and equity		1,398,975	1,725,318	1,533,947

STATEMENT OF CHANGES IN EQUITY

DKK '000	Share capital	Retained earnings	Total
Shareholders' equity at 1 January 2009	165,000	73,097	238,097
Equity changes in first half of year 2009			
Profit/loss for the period		-22,274	-22,274
Comprehensive income in first half of year 2009	-	-22,274	-22,274
Total equity changes in first half of year 2009	-	-22,274	-22,274
Shareholders' equity at 30 June 2009	165,000	50,823	215,823
Shareholders' equity at 1 January 2009	165,000	73,097	238,097
Equity changes in 2009			
Profit/loss for the year		-154,934	-154,934
Comprehensive income in 2009	-	-154,934	-154,934
Total equity changes in 2009	-	-154,934	-154,934
Shareholder's equity at 31 December 2009	165,000	-81,837	83,163
Shareholders' equity at 1 January 2010	165,000	-81,837	83,163
Equity changes in first half of year 2010			
Profit/loss for the period		-46,474	-46,474
Comprehensive income in first half of year 2010	-	-46,474	-46,474
Total equity changes in first half of year 2010	-	-46,474	-46,474
Shareholders' equity at 30 June 2010	165,000	-128,311	36,689

CASH FLOW STATEMENT

DKK '000	H1 2010	H1 2009	Year 2009
Operating activities			
Profit/loss for the period	-46,474	-22,274	-154,934
Tax paid during the period	-	-	9,490
Adjustment for amounts with no cash flow impact:			
Other adjustments to cash flows from operating activities	-35,788	-8,648	94,325
Total, operating activities	-82,262	-30,922	-51,119
Investing activities			
Inflow of mortgage deeds	-	-233,461	-12,884
Outflow of mortgage deeds	171,664	317,051	200,202
Bonds	-	6,073	6,073
Assets held temporarily	-529	-617	-5,809
Total, investing activities	171,135	89,046	187,582
Financing activities			
Payables to credit institutions	-87,975	-58,324	-130,397
Total, financing activities	-87,975	-58,324	-130,397
Change in cash and cash equivalents	898	-200	6,066
Cash and cash equivalents, beginning of period	7,278	1,212	1,212
Cash and cash equivalents	898	-200	6,066
Cash and cash equivalents, end of period	8,176	1,012	7,278
Cash and cash equivalents, end of period			
Balances due from credit institutions less than 3 months	8,176	1,012	7,278
Cash and cash equivalents, end of period	8,176	1,012	7,278

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	H1 2010	H1 2009	Year 2009
NOTE 1 Interest receivable			
Balances due from credit institutions	12	5	14
Loans, advances and other receivables at fair value	49,940	58,678	113,654
Bonds at fair value	-	763	122
Total derivatives	-	2,483	2,619
Of which:			
Foreign exchange contracts	-	2,483	2,619
Other interest income	-	-	171
Total interest receivable	49,952	61,929	116,580
NOTE 2 Interest payable			
Credit institutions	37,113	46,584	86,665
Other interest expenses	212	-	538
Total interest payable	37,325	46,584	87,203
NOTE 3 Value adjustments			
Loans, advances and other receivables at fair value	-44,994	-41,521	-172,716
Bonds at fair value	-	4,573	-2,434
Shares, etc.	-5,631	-	-
Foreign currency	1,370	4,896	640
Total derivatives	-	2,709	7,103
Of which:			
Foreign exchange contracts	-	2,709	7,103
Total value adjustments	-49,256	-29,343	-167,407
NOTE 4 Staff costs and administrative expenses			
Remuneration to the Management Board and Board of Directors:			
Remuneration to the Management Board:			
Salaries and wages	250	291	524
Pensions	23	26	53
Total remuneration to the Management Board	273	317	577
Remuneration to the Board of Directors:			
Fees	105	53	255
Total remuneration to the Management Board and Board of Directors	378	370	832
Other administrative expenses	5,900	4,727	9,813
Total staff costs and administrative expenses	6,278	5,097	10,645

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	H1 2010	H1 2009	Year 2009
NOTE 5 Loans, advances and other receivables at fair value			
Danish mortgage deeds:			
Fair value, beginning of period	1,343,639	1,553,112	1,553,112
Additions during the period	-	6,107	6,107
Disposals during the period	-158,339	-51,249	-144,505
Value adjustment	40,392	-5,456	-71,075
Loans, advances and other receivables at fair value, end of period	1,225,692	1,502,514	1,343,639
Swedish mortgage deeds:			
Fair value, beginning of period	126,902	197,177	197,177
Additions during the period	-	6,777	6,777
Disposals during the period	-13,273	-41,555	-60,313
Value adjustment	16,888	-7,361	-16,739
Loans, advances and other receivables at fair value, end of period	130,517	155,038	126,902
Debt instruments:			
Fair value, beginning of period	1,961	3,953	3,953
Additions during the period	-	1,915	5,956
Disposals during the period	-52	-129	-1,340
Value adjustment	-269	-	-6,608
Loans, advances and other receivables at fair value, end of period	1,640	5,739	1,961
Total loans, advances and other receivables at fair value, end of period	1,357,849	1,663,291	1,472,502
Average nominal interest rate, Danish mortgage deeds (fixed-rate)	7.7%	7.6%	7.7%

Mortgage deeds are measured at fair value using a valuation model that estimates the present value of the expected future cash flows. The valuation is based partly on observable market data (interest rates), partly of expectations of future redemption and loss percentages.

The measurement of mortgage deeds at fair value is based on an estimate of the assumptions applied.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	H1 2010	H1 2009	Year 2009
NOTE 6 Share capital			
Unlisted share capital	20,000	20,000	20,000
Listed share capital	145,000	145,000	145,000
Total share capital, nominal value at end of period	165,000	165,000	165,000
Unlisted share capital:			
Nominal value at 1 January 2002	20,000	20,000	20,000
Capital increase February 2002	-	-	-
Capital increase August 2007	-	-	-
Total unlisted share capital, nominal value at end of period	20,000	20,000	20,000
Listed share capital:			
Nominal value at 1 January 2002	50,000	50,000	50,000
Capital increase February 2002	35,000	35,000	35,000
Capital increase August 2007	60,000	60,000	60,000
Total listed share capital, nominal value at end of period	145,000	145,000	145,000

The company's share capital consists of an A share of DKK 20,000,000 and 1,450,000 B shares of DKK 100 each, representing a total nominal value of DKK 1,650,000.

NOTE 7 Off-balance sheets items

Collateral security

The company's mortgage deeds representing a carrying amount of DKK 1,358 million (H1 2009: DKK 1,663 million) and shares representing a market value of DKK 3 million have been provided as security for amounts due to credit institutions.

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	H1 2010	H1 2009	Year 2009
NOTE 8 Loans, advances and other receivables at fair value			
Term to maturity, % of the portfolio:			
Less than 10 years	29%	28%	28%
10 - 15 years	19%	18%	18%
15 - 20 years	22%	22%	22%
20 - 25 years	21%	21%	21%
More than 25 years	9%	11%	11%
Total	100%	100%	100%
Floating-interest loans (cibor + interest margin, % of portfolio):			
Less than 5%	9%	0%	6%
5% - 5.99%	0%	0%	5%
6% - 6.99%	0%	6%	1%
7% - 7.99%	0%	5%	0%
8% - 8.99%	0%	1%	0%
9% or more	0%	0%	0%
Total	9%	12%	12%
Fixed-interest loans (nominal interest rate, % of portfolio):			
Less than 5%	1%	1%	1%
5% - 5.99%	1%	1%	1%
6% - 6.99%	18%	17%	17%
7% - 7.99%	36%	36%	35%
8% - 8.99%	27%	25%	26%
9% or more	8%	8%	8%
Total	91%	88%	88%
Total breakdown of lending	100%	100%	100%
Property types, % of portfolio:			
Single-family houses	47%	46%	46%
Owner-occupied flats	12%	11%	11%
Weekend cottages	14%	13%	14%
Rental properties	3%	6%	5%
Mixed residential/commercial	3%	3%	3%
Commercial properties	4%	5%	5%
Other	17%	16%	16%
Total	100%	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

DKK '000	H1 2010	H1 2009	H1 2008	H1 2007	H1 2006
NOTE 9 Financial highlights and key ratios					
Net interest and fee income	10,260	12,773	16,266	13,223	14,254
Value adjustments	-49,256	-29,343	-29,096	-3,774	-6,199
Staff costs and administrative expenses	6,278	5,097	3,572	2,356	1,757
Profit for the period	-46,474	-22,274	-12,037	5,336	4,534
Loans and advances	1,357,849	1,663,291	1,752,041	1,174,915	807,692
Share capital	165,000	165,000	165,000	105,000	105,000
Shareholder's equity	36,689	215,823	254,547	161,126	141,663
Total assets	1,398,975	1,725,318	1,801,853	1,195,785	838,928
Annualised return of equity before tax (%)	-155.1	-19.6	-12.5	9.1	9.5
Annualised return of equity after tax (%)	-155.1	-19.6	-9.2	6.7	6.7
Interest rate risk as a percentage of shareholders' equity	151.7	28.6	23.6	54.7	40.4
Exchange rate indicator 1 as a percentage of shareholders' equity	10.7	26.2	173.3	98.2	99.3
Exchange rate indicator 2 as a percentage of shareholders' equity	0.2	1.1	2.7	1.2	1.9
Earnings per share (of DKK 100), DKK	-28.2	-13.5	-7.3	5.1	4.3
Shareholder's equity as a percentage of assets	2.6	12.5	14.1	13.5	16.9
Financial gearing	36.2	6.9	6.0	6.4	4.9
Market price at end of period (B shares), DKK	14.70	122.00	158.00	158.00	139.00
Book value per share, DKK	22.24	130.80	154.27	153.45	142.37
Return in excess of the money market rate	0.66	0.93	1.02	1.03	0.98
Average number of shares (of DKK 100)	1,650,000	1,650,000	1,650,000	1,050,000	1,050,000

Financial highlights and key ratios have been prepared in accordance with IFRS and "Recommendations & Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

NOTE 10 Accounting policies

The interim report of Alm. Brand Pantebreve A/S is presented in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. In addition, the interim report is presented in accordance with additional Danish disclosure requirements for listed companies.

The accounting policies are unchanged from the policies applied in the annual report for 2009.

The interim report for the first half of 2010 is unaudited.